

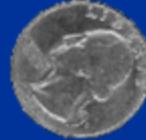


# *TOWN OF WALPOLE - FY'2010 BUDGET*

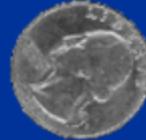
Information Regarding FY'10 Budget  
Process & Financial Status

# *Budget Presentation*

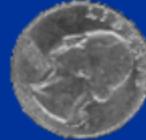
**This presentation provides an overview of our financial process.**



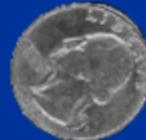
*EXPENSES*



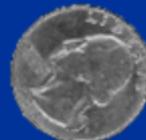
*REVENUES*



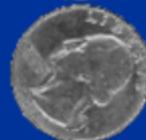
*The Balancing Act*



*SEWER & WATER*



*CAPITAL PROGRAM*



*LOOKING AHEAD*

# *EXPENSES SUMMARY*

<b>General O&amp;M Budgets</b>	<b>\$62,500,979.00</b>	
<b>Debt Budget Supplement (Cap. Reserve)</b>		
<b>Cherry Sheet Offsets</b> ( <i>School Lunch, Library, etc.</i> )	<b>\$42,861.00</b>	<b>HOUSE 1</b>
<b>Charter School Assessments To Be Raised</b>	<b>\$343,202.00</b>	<b>FY'09 LEVEL FUNDED</b>
<b>School Choice Sending Tuition</b>	<b>\$32,113.00</b>	<b>FY'09 LEVEL FUNDED</b>
<b>State &amp; County Assessments</b>	<b>\$771,418.00</b>	<b>HOUSE 1</b>
<b>Stabilization Appropriation Article</b>	<b>\$0.00</b>	
<b>Other Articles Requiring Funding - SATM</b>		
<b>Other Articles Requiring Funding - FATM</b>		
<b>School Medicaid Funding</b>		
<b>Other Local Expenses (Tax Title, etc.)</b>	<b>\$10,000.00</b>	
<b>Contractual Funding - FATM</b>		
<b>Contractual Offsets (Fire &amp; Library)</b>	<b>\$85,000.00</b>	
<b>Overlay Appropriation</b>	<b>\$400,000.00</b>	
<b>TOTAL EXPENDITURES</b>	<b>\$64,185,573.00</b>	

# GENERAL O&M BUDGET

BUDGET	LINE ITEM	FY' 2006	FY'2007	FY' 2008	FY' 2009	FY'2010	FY' 2010	PERCENTAGE
	DESCRIPTION	EXPENDED	EXPENDED	EXPENDED	BUDGET	Dept.Request	TA RECOMMEND	CHANGE
<b>TOTAL GENERAL GOVERNMENT:</b>		<u>\$3,492,284.16</u>	<u>\$3,603,276.55</u>	<u>\$3,793,879.58</u>	<u>\$4,418,354.00</u>	<u>\$4,367,080.00</u>	<u>\$4,071,169.00</u>	<u>-7.86%</u>
<b>TOTAL PUBLIC SAFETY</b>		<u>\$6,470,385.58</u>	<u>\$6,783,197.79</u>	<u>\$7,222,904.55</u>	<u>\$7,211,131.00</u>	<u>\$7,602,844.00</u>	<u>\$6,997,148.00</u>	<u>-2.97%</u>
<b>TOTAL PUBLIC EDUCATION:</b>		<u>\$28,431,474.33</u>	<u>\$29,766,791.94</u>	<u>\$31,330,141.94</u>	<u>\$31,819,630.00</u>	<u>\$33,877,609.00</u>	<u>\$30,630,431.00</u>	<u>-3.74%</u>
<b>TOTAL PUBLIC WORKS:</b>		<u>\$3,632,236.49</u>	<u>\$3,558,775.50</u>	<u>\$4,087,295.54</u>	<u>\$3,864,617.00</u>	<u>\$4,103,997.00</u>	<u>\$4,184,143.00</u>	<u>8.27%</u>
<b>TOTAL HEALTH &amp; HUMAN SERVICES</b>		<u>\$376,890.44</u>	<u>\$396,225.33</u>	<u>\$422,969.83</u>	<u>\$448,951.00</u>	<u>\$480,710.00</u>	<u>\$386,704.00</u>	<u>-13.86%</u>
<b>TOTAL CULTURE &amp; RECREATION:</b>		<u>\$1,162,980.94</u>	<u>\$1,196,982.26</u>	<u>\$1,276,042.29</u>	<u>\$1,305,402.00</u>	<u>\$1,362,395.00</u>	<u>\$969,453.00</u>	<u>-25.74%</u>
<b>TOTAL DEBT &amp; INTEREST</b>		<u>\$3,043,132.41</u>	<u>\$2,860,512.08</u>	<u>\$2,498,694.37</u>	<u>\$2,420,115.00</u>	<u>\$2,261,707.00</u>	<u>\$2,261,707.00</u>	<u>-6.55%</u>
<b>TOTAL ASSESSMENTS &amp; FRINGE BENEFITS</b>		<u>\$8,788,554.16</u>	<u>\$9,957,779.95</u>	<u>\$10,647,901.65</u>	<u>\$11,902,886.00</u>	<u>\$13,041,224.00</u>	<u>\$13,000,224.00</u>	<u>9.22%</u>
<b>TOTAL OVERALL BUDGET:</b>		<u>\$55,397,938.51</u>	<u>\$58,123,541.40</u>	<u>\$61,279,829.75</u>	<u>\$63,391,086.00</u>	<u>\$67,097,566.00</u>	<u>\$62,500,979.00</u>	<u>-1.40%</u>

# *PROPOSED TM ARTICLES*

<u>ARTICLE</u>	<u>Amount Required</u>	<u>Funding Source</u>
#13 - Road Rehab - Phase #2	\$200,000.00	Borrowing
#14 - Delaney Treatment Plant Rehab - Phase #1	\$760,000.00	Water Ent. Fund Borrowing
#20 - Assesment Certification Services	\$50,000.00	Overlay Surplus
#s 25 & 26 - Collective Bargaining Agreements	??	Taxation

*\*\*\* Snow & Ice Deficit Will Be Addressed At Article #3 SATM.....Funding To Be Determined*

# REVENUES SUMMARY

<b>Tax Levy</b> <i>(includes debt exclusions &amp; New Growth)</i>	<b>\$47,959,832.00</b>
<b>State (Cherry Sheet) Aid</b>	<b>\$10,437,196.00</b>
<b>Local Receipts</b>	<b>\$4,082,000.00</b>
<b>Sewer &amp; Water Indirects</b>	<b>\$905,331.00</b>
<b>Overlay Surplus</b>	<b>\$50,000.00</b>
<b>Free Cash - Spring ATM</b>	<b>\$0.00</b>
<b>Free Cash - Fall ATM</b>	
<b>Free Cash - School Medicaid</b> <i>(Fall)</i>	
<b>Stabilization Fund</b>	<b>\$0.00</b>
<i>(Current Balance \$1,333,007)</i>	
<b>Other Available Funds - Gen. Govt.</b>	<b>\$768,000.00</b>
<b>TOTAL FY'2009 PROJECTED REVENUES:</b>	<b>\$64,202,359.00</b>

# TAX LEVY

	<u>Estimate FY'2010</u>	<u>FY'2009 Recap</u>	<u>FY'2008 Recap</u>	<u>FY'2007 Recap</u>	<u>FY'2006 Recap</u>
(1) Property Tax Base Pre 2 1/2 Growth	\$44,944,459.00	\$43,148,511.00	\$41,565,429.00	\$39,532,076.00	\$37,700,614.00
(2) 2 1/2 % Growth	\$1,123,611.48	\$1,078,712.78	\$1,039,136.00	\$988,301.90	\$942,515.35
(3) TOTAL [#1 + #2]	\$46,068,070.48	\$44,227,223.78	\$42,604,565.00	\$40,520,377.90	\$38,643,129.35
(4) Debt Exclusion Figures:					
a) Boyden School	(\$113,182.00)	(\$8,932.00)	\$426.00	\$4,757.00	\$14,294.00
b) Old Post Road School	\$69,340.00	\$78,070.00	\$86,620.00	\$94,990.00	\$103,180.00
c) Adams Farm Purchase	\$564,194.00	\$581,931.00	\$601,211.00	\$616,411.00	\$633,611.00
d) High School Design BANS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
e) High School Project BANS	\$0.00	\$0.00	\$0.00	\$167,287.00	\$89,013.00
f) 2000 Elementary Schools Project	\$396,213.00	\$406,563.00	\$416,913.00	\$530,513.00	\$320,301.00
g) High School Supplemental Bonds	\$45,311.00	\$46,249.00	\$47,036.00	\$47,936.00	\$58,892.00
h) High School Bond	\$513,998.00	\$524,154.00	\$532,685.00	\$542,435.00	\$673,724.00
i) High School Design Bond	\$15,888.00	\$16,200.00	\$16,463.00	\$16,763.00	\$20,806.00
j) Elm/Boyden BANS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
k) TOTAL	\$1,491,762.00	\$1,644,235.00	\$1,701,354.00	\$2,021,092.00	\$1,913,821.00
(5) New Growth Estimate	\$400,000.00	\$717,235.00	\$543,946.00	\$1,045,048.00	\$888,947.00
(6) General Override	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
(7) Capital Exclusion	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
(8) TOTAL PROPERTY TAX: [#3 + #4g + #5 + #6 + #7]	\$47,959,832.48	\$46,588,693.78	\$44,849,865.00	\$43,586,517.90	\$41,445,897.35
(9) Unused Levy Amount	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
(10) TOTAL PROPERTY TAX LEVY: [#8 + #9]	\$47,959,832.48	\$46,588,693.78	\$44,849,865.00	\$43,586,517.90	\$41,445,897.35

**NOTE: ACTUAL LEVY VARIES BASED UPON FINAL ASSESSORS RECAP CALCULATIONS**

# STATE LOCAL AID

	<u>FY'2010 Gov. House 1 TA</u>	<u>FY'2010 Gov. House 1</u>	<u>Actual FY'2009</u>	<u>Actual FY'2008</u>	<u>Actual FY'2007</u>
<b>EDUCATION:</b>					
Chapter 70	\$7,504,424.00	\$7,504,424.00	\$7,504,424.00	\$6,479,354.00	\$5,514,992.00
School Transportation Programs	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
School Construction Debt Reimb.	\$254,752.00	\$254,752.00	\$245,820.00	\$254,752.00	\$254,752.00
Tuition Of State Wards	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Retired Teachers Pensions	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Charter Tuition Reimbursement	\$16,138.00	\$16,138.00	\$82,421.00	\$103,161.00	\$78,781.00
Charter School Capital Facilities	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Racial Equality	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
School Lunch	\$20,111.00	\$20,111.00	\$18,540.00	\$18,723.00	\$15,763.00
Education Sub-Total	\$7,795,425.00	\$7,795,425.00	\$7,851,205.00	\$6,855,990.00	\$5,864,288.00
<b>GENERAL GOVERNMENT:</b>					
Lottery Aid	\$0.00	\$0.00	\$2,288,218.00	\$2,288,218.00	\$2,251,545.00
Additional Assistance	\$0.00	\$0.00	\$883,775.00	\$883,775.00	\$883,775.00
<i>General Municipal Aid</i>	\$2,266,431.00	\$2,266,431.00	\$0.00	\$0.00	\$0.00
<i>Meals Tax Revenues (not enacted)</i>	\$0.00	\$301,854.00	\$0.00	\$0.00	\$0.00
<i>Rooms Tax Revenues (not enacted)</i>	\$0.00	\$58,554.00	\$0.00	\$0.00	\$0.00
Highway Fund	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Local Share of Racing Taxes	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Police Career Incentive	\$132,645.00	\$132,645.00	\$177,420.00	\$175,211.00	\$167,762.00
Veterans Benefits	\$13,446.00	\$13,446.00	\$5,265.00	\$3,228.00	\$0.00
Veterans, Blind, Surv. Spouse Exemptions	\$0.00	\$0.00	\$89,024.00	\$91,056.00	\$52,388.00
Elderly Exemptions	\$0.00	\$0.00	\$32,630.00	\$31,124.00	\$34,638.00
<i>Exemptions Reimbursement Total</i>	\$119,776.00	\$119,776.00	\$0.00	\$0.00	\$0.00
State Owned Land	\$86,723.00	\$86,723.00	\$86,784.00	\$80,939.00	\$72,444.00
Public Libraries	\$22,750.00	\$22,750.00	\$28,094.00	\$26,948.00	\$25,367.00
Gen. Gov. Sub-Total	\$2,641,771.00	\$3,002,179.00	\$3,591,210.00	\$3,580,499.00	\$3,487,919.00
<b>TOTAL STATE AID PROJECTION:</b>	<b>\$10,437,196.00</b>	<b>\$10,797,604.00</b>	<b>\$11,442,415.00</b>	<b>\$10,436,489.00</b>	<b>\$9,352,207.00</b>

# LOCAL RECEIPTS

	<u>FY'2010 Estimated</u>	<u>FY'2009 POST PM</u>	<u>FY'2008 Actual</u>	<u>FY'2007 Actual</u>	<u>FY'2006 Actual</u>
<b>GENERAL GOVERNMENT:</b>					
Motor Vehicle Excise	\$2,640,000.00	\$3,300,000.00	\$3,316,716.49	\$3,252,093.00	\$3,441,207.00
Penalties & Interest	\$145,000.00	\$145,000.00	\$183,048.31	\$179,377.00	\$142,504.00
Payment In Lieu of Tax (Housing Auth, etc)	\$4,000.00	\$4,000.00	\$4,005.96	\$4,004.00	\$4,007.00
Town Fees	\$150,000.00	\$160,000.00	\$150,438.09	\$164,072.00	\$217,633.00
Rental Income	\$40,000.00	\$40,000.00	\$42,885.50	\$41,182.00	\$40,631.00
Department Revenue - Schools	\$12,000.00	\$12,000.00	\$12,000.00	\$10,000.00	\$0.00
Department Revenue - Library	\$15,000.00	\$15,000.00	\$14,856.33	\$15,572.00	\$15,104.00
Department Revenue - Cemeteries	\$11,000.00	\$10,000.00	\$18,087.50	\$12,625.00	\$8,311.00
Department Revenue - Recreation	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Department Revenue - All Others	\$90,000.00	\$90,000.00	\$109,449.98	\$99,552.00	\$102,856.00
Licenses & Permits	\$600,000.00	\$675,000.00	\$743,964.87	\$1,479,359.00	\$728,433.00
Fines & Forfeits	\$60,000.00	\$65,000.00	\$62,805.42	\$71,037.00	\$89,689.00
Investment Income	\$250,000.00	\$425,000.00	\$578,000.00	\$706,033.00	\$571,690.00
Miscellaneous State & Federal Revenue	\$0.00	\$0.00	\$62,743.33	\$74,472.00	\$87,651.00
Special Assessments	\$0.00	\$0.00	\$0.00	\$0.00	\$1,847.00
Student Parking Fees	\$40,000.00	\$39,000.00	\$40,540.49	\$35,800.00	\$39,570.00
Supplemental Assessments	\$25,000.00	\$25,000.00	\$35,240.03	\$35,800.00	\$87,677.00
State Prison Mitigation Funds - Additional	\$0.00	\$0.00	\$750,000.00	\$750,000.00	\$500,000.00
<b>TOTAL LOCAL RECEIPTS PROJECTION:</b>	<b>\$4,082,000.00</b>	<b>\$5,005,000.00</b>	<b>\$6,124,782.30</b>	<b>\$6,930,978.00</b>	<b>\$6,078,810.00</b>

# *OTHER AVAILABLE FUNDS*

	<u>FY'2010 Projected</u>	<u>Recap FY'2009</u>	<u>Recap FY'2008</u>	<u>Recap FY'2007</u>	<u>Recap FY'2006</u>
<b>GENERAL GOVERNMENT:</b>					
Ambulance Fund Receipts	\$650,000.00	\$600,000.00	\$600,000.00	\$550,000.00	\$450,000.00
Prison Host Community Grant	\$0.00	\$65,000.00	\$54,000.00	\$61,233.00	\$61,233.00
Tax Title Account Transfer	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
RMV Marking Fees/Lodging Taxes	\$15,000.00	\$15,000.00	\$0.00	\$0.00	\$0.00
Capital Reserve Stabilization Interest	\$0.00	\$15,000.00	\$0.00	\$0.00	\$0.00
Cemetery Fund Sale of Plots	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00
Charter School State Assistance	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Balance of Bond Premiums - General	\$0.00	\$0.00	\$0.00	\$51,174.00	\$282,342.00
Septic Loan Program Assistance	\$0.00	\$2,624.00	\$2,994.00	\$2,994.00	\$1,500.00
Sale Of Real Estate	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Health Insurance Trust Reserve	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00	\$0.00
<b>TOTAL AVAIL. FUNDS PROJECTION:</b>	<b>\$768,000.00</b>	<b>\$800,624.00</b>	<b>\$759,994.00</b>	<b>\$768,401.00</b>	<b>\$798,075.00</b>

# FUNDING ALLOCATION

<b>FY'2009 Budget</b>			<b>\$ 63,391,086.00</b>
<b>FY'2010 Proposed</b>			<b>\$ 62,500,979.00</b>
<b>Difference</b>			<b>\$ (890,107.00)</b>
<b>Increased Non Discretionary Costs</b>			
<i>Assessments &amp; Benefits</i>	<b>\$ 11,902,886.00</b>	<b>\$ 13,000,224.00</b>	<b>\$ 1,097,338.00</b>
<i>Debt</i>	<b>\$ 2,420,115.00</b>	<b>\$ 2,261,707.00</b>	<b>\$ (158,408.00)</b>
<i>Tri-County</i>	<b>\$ 686,731.00</b>	<b>\$ 817,822.00</b>	<b>\$ 131,091.00</b>
<i>Solid Waste</i>	<b>\$ 1,510,537.00</b>	<b>\$ 1,550,839.00</b>	<b>\$ 40,302.00</b>
<b>TOTAL</b>			<b>\$ 1,110,323.00</b>
<b>Amount Available For Disc. Spending</b>			<b>\$ (2,000,430.00)</b>
<b>School Budget Change</b>	<b>\$ 31,132,899.00</b>	<b>\$ 29,812,609.00</b>	<b>\$ (1,320,290.00)</b>
		<b>\$ 29,812,615.20</b>	
<b>Percentage Of Total Available</b>			<b>66%</b>
<b>66% Target</b>			<b>\$ (1,320,283.80)</b>

# *The Balancing Act*

February 2, 2009

<b>TOTAL PROJECTED REVENUES</b>	<b>\$64,202,359.00</b>
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*less*

<b>TOTAL PROJECTED EXPENDITURES</b>	<b>\$64,185,573.00</b>
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<b>NET SURPLUS (DEFICIT)</b>	<b>\$16,786.00</b>
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# *WHAT'S MISSING?*

<b>MUNICIPAL REDUCTIONS BY TOWN ADMINISTRATOR</b>	<b>\$1,289,847.00</b>
<b>MUNICIPAL RECOVERY FROM FATM REDUCTIONS</b>	<b>\$117,000.00</b>
<b>SCHOOL BUDGET GAP FROM REQUEST VS TA RECOMMEND</b>	<b>\$3,247,178.00</b>
<b>TOTAL "SHORTFALL"</b>	<b>\$4,654,025.00</b>

# *SEWER & WATER BUDGETS*

February 2, 2009

<b>Water Department Enterprise Fund</b>	<b>\$4,941,828.00</b>
<i>(includes \$545,000 Retained Earnings expenditure)</i>	

<b>Sewer Department Enterprise Fund</b>	<b>\$4,150,237.00</b>
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<b>TOTAL SEWER &amp; WATER BUDGETS:</b>	<b>\$9,092,065.00</b>
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# FREE CASH STATUS

DESCRIPTION	AMOUNT
Fall 2008 (FY'2009) DOR Certified Amount	\$2,680,000
<i>FATM 2008 Town Meeting Capital &amp; Unpaid Bills Articles</i>	<i>(\$67,642)</i>
<i>Medicaid Receipts Transfer To Schools</i>	<i>(\$524,025)</i>
<i>FATM 2008 Prison Mitigation Cut Offset</i>	<i>(\$250,000)</i>
<i>FATM 2008 Reserve Fund Addition</i>	<i>(\$120,000)</i>
Litigation Reserve	(\$250,000)
Prison Mitigation Hold Back <i>(was \$350,000 FATM)</i>	\$0
Operational Holdback/State Aid Reserves <i>(\$290,000 FATM)</i>	(\$250,000)
<b>FATM 2008 ENDING BALANCE</b>	<b>\$1,218,333</b>
<b>Proposed FY'2010 Capital Improvements - Cap. Budg. Cmt.</b>	<b>(\$600,000)</b>
<b>FY'2009 Snow &amp; Ice Deficit Allocation</b>	<b>(\$500,000)</b>
<b>FY'2010 Operating Budget Addition <i>(Unemployment)</i></b>	
<b>MAY 2009 SATM ARTICLES RESERVES</b>	
<b>PROJECTED SATM ENDING BALANCE</b>	<b>\$118,333</b>

# *CAPITAL PROJECT FUNDING*

## **CAPITAL BUDGET RECOMMENDED FUNDING SOURCES**

<b>Free Cash</b>		<b>\$600,000</b>
<b>Stabilization</b>		<b>\$0</b>
<b>Water Borrowing</b>		<b>\$758,000</b>
<b>Ambulance Fund</b>		<b>\$200,000</b>
<b>Water Retained Earnings Funds</b>		<b>\$545,000</b>
<b>Sewer I&amp;I Funds</b>		<b>\$465,500</b>
<b>Prior &amp; Completed Capital Funds</b>		<b>\$107,000</b>
<b>Borrowing (General Fund)</b>		<b>\$200,000</b>

# WHAT'S NEXT?

## POTENTIAL POSITIVES:

- 1) Health Insurance Rates – Lower Than Expected?
- 2) Governor's New Tax Revenues – Enactment??  
*(\$360,000 to Walpole)*
- 3) Employee Health Plan Changes – Savings Could Top \$1M
- 4) Local Revenue Possibilities?

# WHAT'S NEXT?

## POTENTIAL NEGATIVES:

- 1) Overall State Budget – Revenues Too Aggressive
  - Mid-Year Cuts??
- 2) Snow & Ice - \$275,000 Increase Insufficient
- 3) Budget Cuts Could Effect Local Revenue
  - Ambulance, Library, Assessors, etc.
  - Must Monitor Revenues



# *BEST PRACTICES*

- 1) Avoid Using Too Large Portion of Reserves**
- 2) Management & Union Work Toward Savings**
- 3) Investigate Regional Approaches For Service Delivery**
- 4) Increase Lobbying Efforts For Municipal Reform**
- 5) Pursue Business & Economic Development Opportunities**



# A LOOK AHEAD

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**“In The Middle Of Difficulty Lies Opportunity”**

*Albert Einstein*