

Budget and Bond Hearing

Town of Waterville valley

Fiscal Year 2017

TOWN BUDGET HEARING

Wednesday, February 8, 2017

6:00 pm

Recreation Department Multi-Purpose Room

Definitions

- **Operating Budget**– Expenditures for Department Operations which does not include Bonding, Special Warrant Articles, or Capital Reserves
- **Revenues** – Fees and income other than Taxes (only an estimate at Town Meeting time)
- **Appropriation** – An amount of money which Town Meeting authorizes to be spent during the fiscal year

Tax Impact of Proposed Budget Increase

- **Increase** in The Total Taxes to Raise as proposed is:
\$12,328
- **Increase** in Taxes on a \$250,000 property is:
\$9.25*
- **Increase** in Taxes on a \$500,000 property is:
\$18.50*
- **Increase** in Taxes on a \$750,000 property is:
\$27.75*

*These amounts will vary based on the results of the revaluation project.

Budget Overview

	Fiscal Year 2016	Fiscal Year 2017	Change + / (-)
Operating Budget	\$3,773,432	\$3,918,671	\$145,239
New Bonds	\$0	\$0	\$0
Other Warrant Articles	\$210,217	\$235,000	\$24,783
Total Appropriations	\$3,983,649	\$4,153,671	\$170,022
Estimated Revenues (including FB Use)	(\$1,164,212)	(\$1,321,906)	\$157,694
Estimated Taxes to be Raised	\$2,819,437	\$2,831,765	\$12,328

Major Impacts

- Personnel – Personnel costs are the largest area of expenditure in the Town Budget. We are not proposing any changes to the number of Full-time Personnel. The budget proposal includes a 1.5% Cost of Living Increase for all personnel. Retirement and Health Insurance costs continue to rise.
- Insurance – Substantial increases in the costs of Workers' Comp and Property Liability Insurance are a result of loss experience and lack of premium holiday.
- Capital Improvements – We continue to recommend projects for capital improvements primarily in the water and sewer departments and the regular replacement of town vehicles.
- Revaluation Project – The proposed budget includes \$31,000 for the complete revaluation of town properties.

Use of Fund Balance

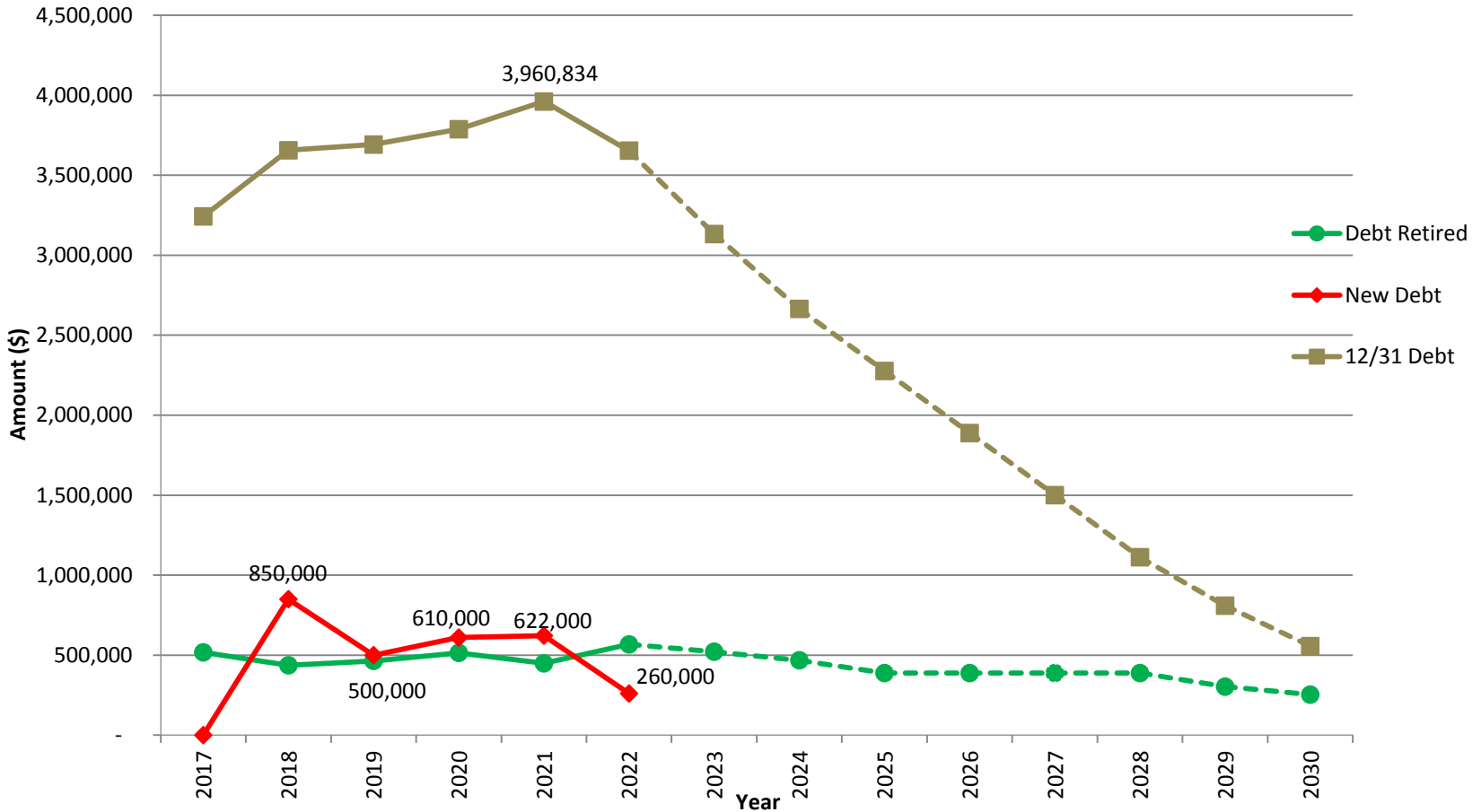
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Fund Balance Used	375,000	0	155,000	316,300	195,000	41,914	110,000
Taxes Raised	2,598,291	2,621,625	2,454,094	2,759,511	2,871,536	2,819,437	2,831,765

- Using Fund Balance (Surplus) reduces the amount of taxes to be raised that year
- Fund Balance has been used (and is recommended this year) to pay for one time, capital items

NOTE: All numbers are actual except for 2017 which are proposed

Debt Service – FY17 CIP & Current Debt

As of 01/20/17



Special Warrant Articles

- Our Town Grant Project - \$120,000
 - 50/50 Grant Match with Federal Government
 - Same Proposal As Last Year

- 50th Anniversary Celebration - \$10,000
 - Town Name Changed in 1967
 - Summer “Old Home Days” Type of Event

Operating Budget – Capital Projects

- Well #3 Evaluation - \$25,000
 - Well Currently Isolated From Water System
 - Need to Maintain Well for the Future
 - Hydro-geologist to Investigate Possible Contamination Source(s) and Make Recommendations for Repair Options
- Sewer Treatment Plant Generator - \$80,000
 - Original to Plant (1974)
 - No Parts Available to Repair
 - Required by Federal and State Permits

Operating Budget – Vehicles

- Water/Wastewater Pick-up - \$34,000
 - ½ Ton Service Vehicle for Both Operations
 - 4WD so we can access remote sights like Well #3 and Well #4
 - 10-year Useful Life in Our Vehicle Replacement Plan
- Police Cruiser Lease - \$14,162
 - Second Year of a Three Year Lease
- Grounds Tractor Lease - \$9,914
 - Second Year of a Three Year Lease

Capital Reserve Accounts

- Corcoran Pond Capital Reserve - \$20,000
 - Add to Existing Funds
 - Brings Total Available to \$157,052
- Ladder Truck Capital Reserve - \$20,000
 - Add to Existing Funds
 - Brings Total Available to \$50,018
- Fire Vehicle Capital Reserve - \$10,000
 - Add to Existing Funds
 - Brings Total Available to \$20,006

Capital Reserve Accounts (con't)

- Road Repair Capital Reserve - \$20,000
 - 2017 Reconstruction of Greeley Hill and Emergency Repairs
 - Brings Balance to \$49,975
- Water/Sewer Repair Account - \$25,000
 - Maintenance of Mains and Structures
 - Brings Balance to \$36,924
- DPW Backhoe Capital Reserve - \$10,000
 - Add to Existing Account
 - Brings Balance to \$20,006

Town Operating Budget

- Personnel
 - Health Insurance Changes
 - Cost of Living Adjustment
- Other
 - Workers' Comp Insurance Premium Increase
 - Property & Liability Insurance Premium Increase
 - Property Valuation Update

Personnel

- Retirement/Insurance Premium Changes
 - Retirement Increases Vary 1.9% to 11.6% (New Increases in Premiums Effective 7/1/17)
 - Health Insurance Premiums Increasing 8.1%
 - Dental Insurance Premiums No Change
- Employees Co-Pay Health Insurance Premium
 - Employees to Pay 1.0% of Increase Premium Costs
 - Opt-Out Program Frozen at 2015 Premium Costs

Personnel (con't)

- Cost of Living Adjustment
 - Compared to Boston Area Consumer Price Index
 - 1.5% Adjustment
- Position Changes
 - Recreation Director to Salaried Position
 - Continuing Temporary Full-time Staff in Public Works Through 12/31/17

Other Budget Items

- Property Revaluation Project
 - Required Every 5 Years
 - Project Includes Property Visits and Informal Hearings
 - Old Values for 1st Half Bills, New Values for 2nd Half Bills
- Workers' Compensation Premium Increases
 - No Premium Return in 2017
 - Increased Loss Experience
- Property & Liability Insurance Premium Increases
 - Increased Loss Experience