

Shutesbury Finance Committee Fiscal Year 2017 Budget Report

We have prepared a balanced budget for FY17

1. *Some of the larger operating increases compared to the FY16 budget:*

- * Regional School: \$45k
- * Local school: \$25k
- * Non-school Employees Salary \$22k (approx. 3%)
- * Health Insurance: \$27k
- * OPEB (Other Post Employment Benefits): \$10k
- * Total actual increase \$146k, 2.4%

2. *Some of the Projected Revenue Increases (Decreases):*

- * 2.5% levy increment: \$118k increase
- * New growth: \$20k increase
- * Receipts over forecasted amounts for FY16 Budget (State and Local): \$40k increase
- * Charter Tuition: (\$14k) decrease
- * Local Sources: (\$13k) decrease
- * Debt Exclusions: (\$8k) decrease
- * Total projected increase \$146k

3. *Cash Reserves Summary*

- * Free Cash \$1.3M
Used for non-operating expenses - requires simple majority vote by town voters
- * Capital Stabilization: \$672k
Used for anticipated re-occurring capital expense which in the next 2 years include specifically a playground, classroom floors, sidewalk, paving parking areas, HVAC upgrades, roof repair, air quality improvements, windows and doors. Requires 2/3 majority vote
- * Stabilization: \$255k
Our town's savings account, requires 2/3 majority vote.

4. *Finance Committee FY17 warrant article capital expenses recommended:*

- * Highway Dump Truck: \$192.5k
- * Building Renovations: \$25k

5. *OPEB (Other Post Employment Benefits) Trust Fund*

- * Annual funding is \$50k, all from the FY17 operating budget
- * Saved so far: \$218k
- * An actuarial review is scheduled in FY17
- * State gives towns 30 years to fund their liability

6. *Thoughts on the future*

- * Continued maintenance to 40+ year old school building (capital requests expected in FY17)

- * Anticipated items from capital replacement
- * Installation of Broadband in town

- * Regional school costs:
 - Shutesbury's school age population is increasing in proportion to the total regional school population
 - Shutesbury has initiated a town committee to study regional assessment methods
 - The region's OPEB commitment
- * Decreasing population at the Elementary School
- * Regionalizing Pre-k through 12 grades
- * Invest cash reserves in projects that reduce operating expenses (i.e. a solar photovoltaic system to reduce town electricity costs)
- * Costs to update the current Master Plan

Average Single Family Property Tax Bill by Local Town - 2003 to 2016

