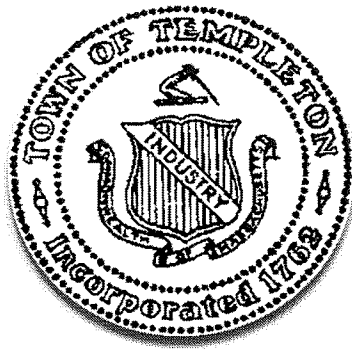
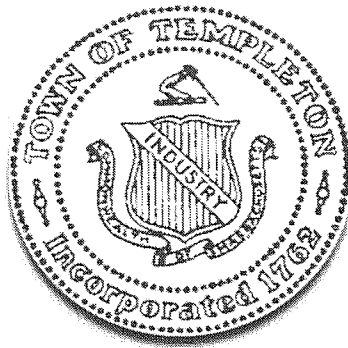


**TOWN OF
TEMPLETON
MASSACHUSETTS**



**PROPOSED BUDGET
&
LEGISLATIVE PACKAGE
FOR
FISCAL YEAR 2018**



**TOWN OF TEMPLETON, MASSACHUSETTS
PROPOSED BUDGET FOR FY 2018**

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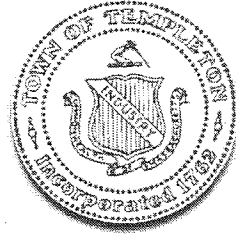
ADMINISTRATOR'S TRANSMITTAL MEMORANDUM

1. BUDGET AT A GLANCE & ACCOUNT CODES
2. NARRATIVE: REVENUE PROJECTIONS
3. NARRATIVE: MAJOR INITIATIVES
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MEMORANDUM – OFFICE OF THE TOWN ADMINISTRATOR

TO: Board of Selectmen
FROM: Carter Terenzini, Interim Town Administrator
RE: FY 2018 Budget Transmittal
DATE: March 13, 2017
CC: Advisory Committee

Carter



Enclosed is my recommended budget, legislative and administrative program for FY 2018.

First - The Numbers:

These are going to be extremely difficult to compare to those of FY '17 due to several accounting changes. Those are:

- Reduction of General Fund Accounts from 51 to 19;
- Inclusion of certain grant funds (e.g. MART) to show a gross – as opposed to net – budget; and
- Inclusion of employee share of benefits as we await finalization of accounting on so-called withholding accounts.

Total appropriations are roughly \$15,348,500. \$7,081,000 is for education while \$8,267,500 is for the general fund and the benefits and debt we are reimbursed for by the several utility funds.

The primary sources of new revenue yielded us roughly \$330,000+/- . Those sources were

2 ½% Levy Increase	\$218,862
New Growth	\$60,000
State UGGA	<u>\$52,300</u>
Total	\$331,162

Next – The Number Drivers:

We had several major cost increases within the operating budget this year. Those are:

- | | |
|--------------------|-------------|
| - NRSD | \$380,000 |
| - Health Insurance | \$75,000+/- |

- Union & Non-Union COLAs \$50,000+/-
- Debt on 252 Baldwinville \$90,000+/- (net)
- TA Equity Adjustment \$30,000
- Legal & Consulting (MS-4) \$17,500

Offsetting those increases were drops in:

- MontyTech \$70,000+/-
- Retiree Health Insurance \$50,000+/-
- Reorganizatins of DPW
& Community Services \$75,000+/-
- Electrical/Gas/Wiring Inspectors \$7,500+/-

In viewing those reductions please keep several things in mind:

- In losing expense of the Inspectors you also lose the revenue as it will now flow from and to the revolving fund.
- Monty Tech can swing higher in FY '19 just as easily as it swung lower in FY '18.

Re-organization savings have been reinvested in areas of need.

Safety Valves & Needs:

On the operating side, we have no major safety valves for added savings in FY 2018, excepting a modest savings in health insurance still under review by the Insurance Advisory Committee (IAC) beyond those proposed herein unless you make a reduction in services or restructure how those services are delivered.

On the capital side, savings would require cuts in our very modest investments proposed in FY '18. Further, any cuts to the building program do not yield true savings as the funding source can only be used for improvements to buildings.

Should any additional savings or revenues be identified I would recommend that you put them into one time capital expenditures or contributions to reserves.

Finally:

I want to acknowledge the efforts of the TWLP to provide us with an approved PILOT plan (\$80k+/-) for inclusion in our budget planning. With that as background, the staff and I look forward to answering your questions and preparing for Town Meeting.

