



# **Financial Update**

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**Board of Selectmen Meeting  
September 26, 2011**

**Pam Dukeman  
Finance Director**



# Items to Review

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- **Westwood Station tax payment.**
- **Final FY12 State aid.**
- **FY11 results.**
- **FY13 preliminary look.**



# Westwood Station Tax Payment

## Westwood Station Taxes

- Taxes payment - \$3.5M received August 11, 2011.

	FY12	FY11	FY10	Total
Principal	\$537,985	\$2,021,598	\$635,641	\$3,195,224
Interest	\$2,888	\$272,408	\$71,789	\$347,085
<b>Total</b>	<b>\$540,873</b>	<b>\$2,294,006</b>	<b>\$707,430</b>	<b>\$3,542,309</b>

Total past due:

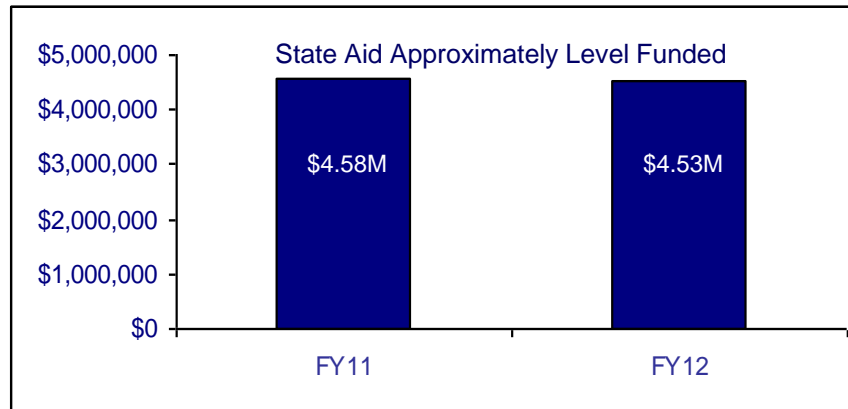
Principal - \$2,657,239  
 Interest - \$ 344,197  
**\$3,001,436**

- Taxes are paid in full and up to date on all Westwood Station parcels.
- Payments flow into the general fund.
- Principal payments are expected tax payments per budget – not additional revenue.

# Final FY12 State Aid

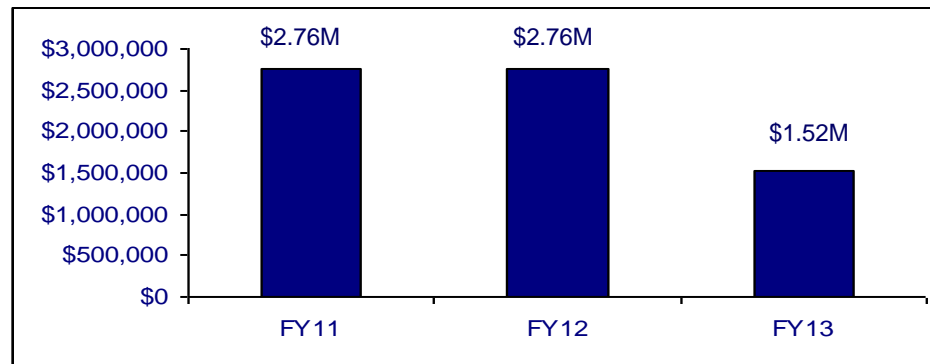
FY12 State Aid	FY11	FY12 Town Meeting Budget	Final State Aid	FY11 - FY12 \$ Difference	FY11 - FY12 % Difference	Town Meeting to Final - \$ Difference
Chapter 70	\$3,756,916	\$3,777,085	\$3,777,085	\$20,169	0.5%	\$0
Municipal Aid (Old Lottery and Additional Assistance)	\$617,080	\$572,463	\$572,463	-\$44,617	-7.2%	\$0
Police Career Incentive - "Quinn Bill" (Approx.)	\$14,213	\$13,665	\$0	-\$14,213	-100.0%	-\$13,665
Other - reimbursement programs - i.e., veterans	\$167,725	\$162,381	\$159,326	-\$8,399	-5.0%	-\$3,055
Offset/Restrictions	\$25,628	\$26,493	\$26,493	\$865	3.4%	\$0
<b>Total</b>	<b>\$4,581,562</b>	<b>\$4,552,087</b>	<b>\$4,535,367</b>	<b>-\$46,195</b>	<b>-1.0%</b>	<b>-\$16,720</b>

- Final FY12 state charges - \$560,444 are \$9,928 less than Town Meeting budget of \$570,372. Therefore, net final state aid change since Town Meeting is a reduction of \$6,792.
- Final state budget seeks to restore the municipal aid once the state year end surplus is determined – approximately \$44K for Westwood.



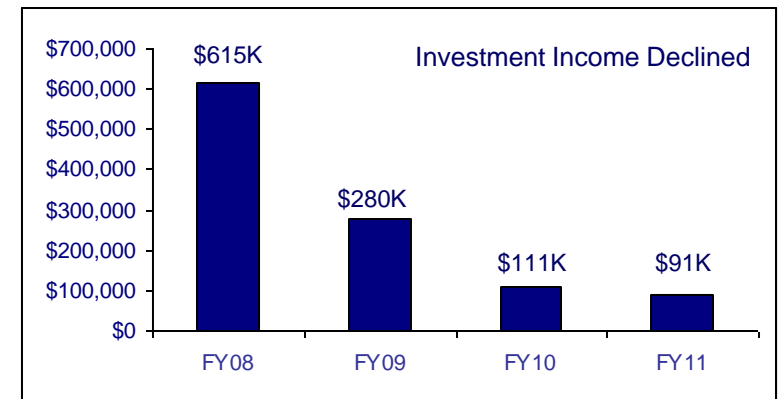
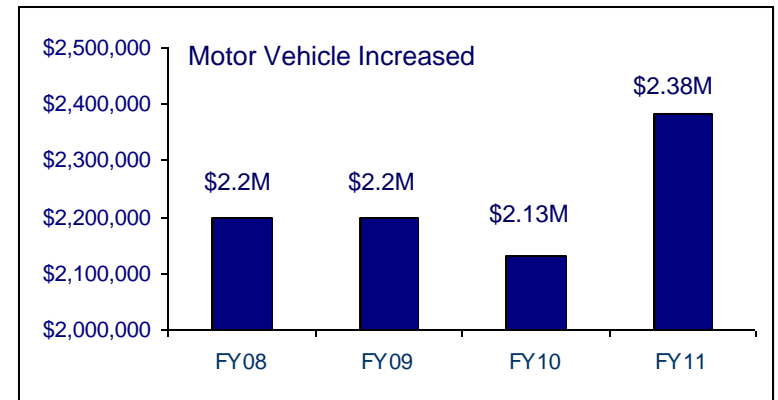
# FY11 Improved Revenue Results

- **Taxes** - \$50M or 94% collected by June 30.
  - Collection rates with Westwood Station payment remained strong at 98%.
  - Westwood Station taxes fully paid.
- **State aid** - \$4.48M.
  - Stabilized in FY11.
  - No mid year cuts.
- **School Building Assistance payments** - \$2.7M.
  - All payments on schedule.
  - FY12 will be final year for MJ and Downey as bonds end in FY12.



# FY11 Improved Revenue Results

- **Local Receipts** – Collections of \$3.6M, 11% higher than FY10.
  - Actual exceeded budget \$629K or 20%.
    - Strong collections.
    - Conservative budgets.
  - Motor Vehicle - \$2.3M collections
    - Revenue increased for first time in years.
    - Actual exceeded budget by 19%.
  - Investment Income – Continues to decline.
    - FY11 \$91K vs. \$111K in FY10.
  - Building Permits
    - FY11 \$359K vs. \$303K in FY10.
    - Still below FY08 \$381K.

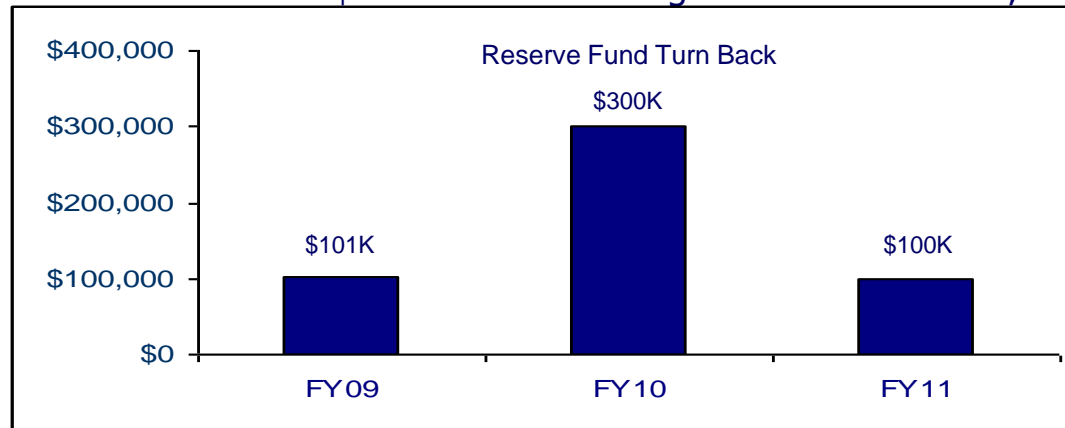


# FY11 Results

## Positive But Tight Year End Results

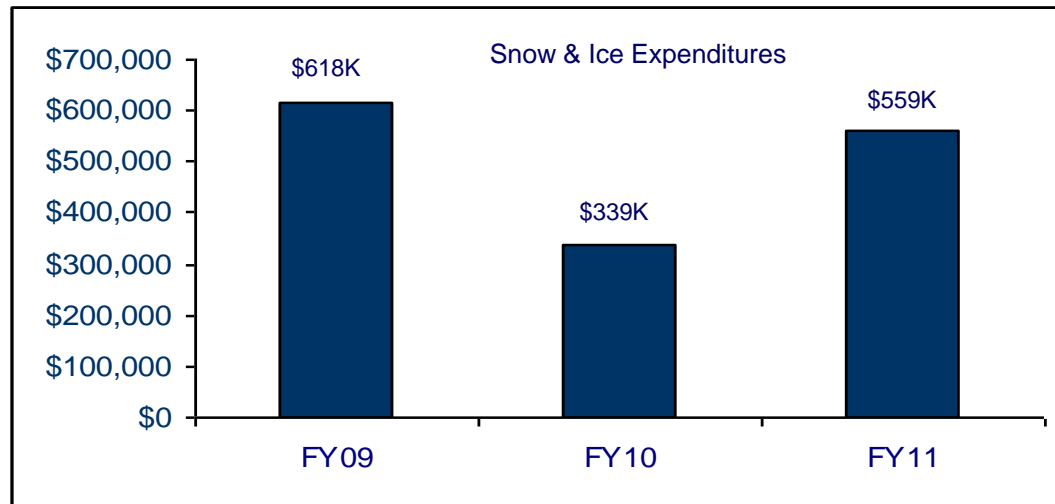
### ■ Expenditures

- Overall 1.5% turn back – tight budgets.
  - Municipal - \$254K – 1.6%.
  - School - \$33K - .1%.
  - Reserve/Fixed Costs - \$700K – 7%.
- Reserve fund turn back - \$100K.
- Benefits turn back - \$543K or 6% of budget – similar to FY10, 5%.



# FY11 Results.....

- Snow and Ice – FY11 snow and ice expenditures significantly high at \$559K compared to FY10 expenditures of \$339K, and FY09 of \$618K.
  - Year end deficit of \$96K – FEMA reimbursement of \$94K received 9/23/11.
  - Snow activity fluctuates significantly.







# FY13 Preliminary Look

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## Revenue

- Westwood Station taxes stabilized.
- State aid – was level funded in FY12.....FY13?
- Local receipts – budget reductions FY10, FY11 are sufficient. Level fund FY13, as did during FY12.
- Free cash balance will be positive, should use carefully.

## Expenditures

- FY12 funded 2% increases to school and municipal budgets.
- Changes to benefit costs.
- Need to fund capital and reserves, including OPEB.
- Completion of debt payments in FY12.

**FY13 – range of available budget increases will be similar to FY12.**



# Potential Progress on Financial Targets in FY13

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- Reserve Account
  - Appropriate Westwood Station tax interest of \$340K to Stabilization Account.
  
- OPEB
  - Utilize health budget savings and transfer to OPEB Trust.
  
- Capital Budget
  - Utilize drop off in debt payments to fund capital bond.