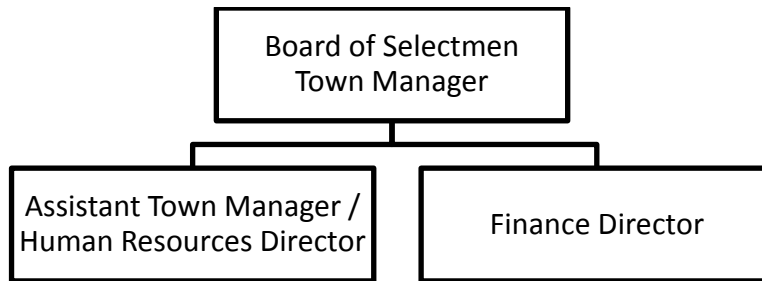


**TOWN OF WESTON
FY16 TOWN MANAGER'S PROPOSED BUDGET AND FINANCING PLAN
UNCLASSIFIED**



	Actual FY13	Actual FY14	Budget FY15	Town Manager Recommended FY16 Budget	\$ Change	% Change
UNCLASSIFIED						
Revenues						
Tax Levy and General Fund Revenues	13,571,613	14,012,831	15,166,550	15,836,182	669,632	4.4%
Brook School Apartments Enterprise Fund	68,641	87,125	96,913	97,882	969	1.0%
Water Enterprise Fund	128,771	154,987	171,509	173,224	1,715	1.0%
Total	13,769,025	14,254,943	15,434,972	16,107,288	672,316	4.4%
Expenditures						
Insurance						
Insurance, Workers' Compensation	218,749	164,933	210,000	210,000	-	0.0%
Public Safety - Injured on Duty+	13,163	14,990	20,000	20,000	-	0.0%
Unemployment Compensation	61,971	66,087	100,000	100,000	-	0.0%
Insurance, Property & Liability	286,541	281,093	370,000	400,000	30,000	8.1%
Uninsured Losses+	10,873	16,033	-	15,000	15,000	
subtotal	591,297	543,136	700,000	745,000	45,000	6.4%
Fringe Benefits						
Insurance, Group Life, Accid, Health, Medicare	9,424,177	9,696,651	9,872,696	10,352,866	480,170	4.9%
Contributory Retirement-Middlesex	3,648,094	3,876,083	4,139,155	4,270,242	131,087	3.2%
Compensated Absence Fund+	49,107	99,671	120,000	130,000	10,000	8.3%
subtotal	13,121,378	13,672,405	14,131,851	14,753,108	621,257	4.4%
Reserve Fund	-	-	565,000	574,000	9,000	1.6%
Debt Service (non-excluded)	56,350	39,401	38,121	35,180	(2,941)	-7.7%
Total	13,769,025	14,254,943	15,434,972	16,107,288	672,316	4.4%
CAPITAL & SEPARATE ARTICLES						
Stabilization Fund	250,000	250,000	250,000	250,000	-	0.0%
Post Employment Benefits Reserve	1,606,000	1,631,367	1,648,512	1,606,925	(41,587)	-2.5%
Total	1,856,000	1,881,367	1,898,512	1,856,925	(41,587)	-2.2%
DEBT SERVICE (excluded)						
Debt Service (excluded)	6,747,256	7,524,089	7,220,241	8,389,806	1,169,565	16.2%
New Debt Service (proposed to be excluded)	-	-	-	28,075	28,075	
Total	6,747,256	7,524,089	7,220,241	8,417,881	1,197,640	16.6%

Town of Weston
FY16 Town Manager's Proposed Budget

UNCLASSIFIED: Employee Benefits and Town Wide Expenses

Description of Services

The Unclassified portion of the Town budget represents those fixed costs which are not generally attributed to any one department or service.

Budget Recommendations

Workers' Compensation: The Town's insurance premium is based on: 1) the Town's payroll for each insured class of employee; 2) the workers' compensation rates set by the State; and 3) the Town's claims experience.

Public Safety, Injured on Duty: This continuing balance account, which covers medical expenses for police officers and firefighters who are injured in the line of duty, is managed by the Human Resources Department. Given the number of police officers and firefighters, the Town has a modest number of claims. This budget is level funded, consistent with the Town's Reserve Policy.

Unemployment Compensation: The Town self-insures for this benefit. The budget is directly related to the number of former employees qualifying for benefits. Because we are a reimbursement employer, we must pay claims from former employees who lose their jobs with other employers, so the need for these funds is somewhat unpredictable.

Insurance, Property, General Liability, Motor Vehicle: This budget is increasing by \$30,000 to cover anticipated premium rate increases and the addition of the new Police Station. The Town continues to benefit from participation in a loss control program to obtain premium credit for the following year based on certain activities being completed during the current year.

Uninsured Losses: The balance in this account has dipped below the target of \$150,000 for this reserve account, so an additional \$15,000 is requested.

Group Health Insurance: The Town's employees and retirees are enrolled in the health insurance plans of the Commonwealth of Massachusetts, Group Insurance Commission. At this time, we are projecting a 5% increase in premiums for FY16 and a 2% reduction in the Town's share of the premium, which will take effect as of July 1, 2015. In addition, \$42,000 is included for those currently "opting out" of the Town's plans, saving the Town approximately \$124,036. Finally, \$52,500 is added to account for potential health insurance costs for three new positions proposed in the FY16 budget.

Medicare Tax: The Medicare tax is 1.45 percent of payroll. The Town must pay this tax for all employees hired after April 1986. As pre-1986 employees retire, the Town is responsible for the Medicare Tax for the newly hired replacements. This budget is level funded.

Contributory Retirement-Middlesex: The Town participates in the Middlesex Retirement System (MRS). An actuarial analysis, which is conducted every two years, determines the Town's pension liability and funding schedule. The amount to be assessed to the Town in FY16 is a 3.2% increase over the FY15 assessment.

Compensated Absence Fund: This reserve account is intended to fund the sick leave buy-back payment for which many employees are eligible at retirement, the liability for which exceeds \$2 million. The budget request is increased by \$10,000 to \$130,000. The balance in this account as of 12/31/14 is approximately \$276,000. Modest changes were made in all municipal union contracts in the most recent negotiations to reduce this benefit.

Reserve Fund: The Reserve Fund is for unforeseen and extraordinary expenses, subject to Finance Committee review and approval. The Reserve Fund is increased to \$574,000, in accordance with the Reserve Policy, which is approximately .85 percent of the adjusted general fund budget for FY15.

Debt Service (non-excluded): This item is for previously authorized non-excluded debt service, debt issuance costs and interest on tax abatements. The Town's policy is to request that the debt service for capital requests be placed on the ballot for exclusion from the limits of Proposition 2½, so in general this amount is declining.

Debt Service (excluded): This item is for previously authorized excluded debt service on projects approved by Town Meeting. In order for a project to be excluded from the property tax limits of Proposition 2½, it must be so voted on the ballot at Town Election. As mentioned above, the Town's policy is to request that the debt service for capital requests be placed on the ballot for exclusion from the limits of Proposition 2½.

As expected excluded debt service in FY16 will be significantly higher due to permanent bonding for the Field School and the inclusion of debt service for the Police Station, although it will not peak until FY17. The amount projected at this time will likely be reduced by the following, which will be known in February: 1) refunding of older bond issues at lower interest rates, and 2) expected lower actual interest rates than projected for the February bond/BAN issue.

New Debt Service (proposed to be excluded): This item is for projected debt service for capital projects proposed in the FY16 budget. These projects will be placed on the May 2015 ballot for exclusion from the limits of Proposition 2½.

Separate Articles to be Presented:

Stabilization Fund: The current balance in the Stabilization Fund is approximately \$2.8 million. The Reserve Policy called for a \$2 million balance to be achieved by FY13. The Finance Committee will be considering whether to establish a higher dollar amount for this reserve or to instead maintain a certain percentage of annual revenues in order to account for increasing costs.

Post Employment Benefits: Under State law, all Town and School employees eligible for retirement benefits are also eligible for post-employment health insurance benefits (OPEB). The most recent actuarial study as of 7/1/12, conducted in accordance with the requirements of GASB45, has determined the amount of the unfunded liability to be \$76 million if the Town continues to fund on a pay-as-you-go basis. Pre-funding this liability at the rate of an additional \$1.6 million or more per year will reduce the long-term liability to \$46 million.

A trust fund established for this purpose has a current balance of just under \$9 million. Funding for FY16 is proposed at \$1,591,925, which is the amount required in the actuarial funding schedule. An additional \$15,000 is included to account for three new positions proposed in the FY16 budget.

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**Town of Weston
FY16 Town Manager's Proposed Budget**

UNCLASSIFIED	ACTUAL FY13	BUDGET FY14	ACTUAL FY14	BUDGET FY15	DEPT REQ FY16	TOWN MGR'S RECOMMENDATION			\$ Change	% Change
						LEVEL SERVICE	NEW REQ	TOTAL		
INSURANCE										
Insurance, Workers' Compensation	218,749	220,000	164,933	210,000	210,000	210,000	-	210,000	-	0.0%
Police-Injured on Duty+	3,072	5,000	11,071	5,000	5,000	5,000	-	5,000	-	0.0%
Firefighters - Injured on Duty+	10,092	15,000	3,920	15,000	15,000	15,000	-	15,000	-	0.0%
Unemployment Compensation	61,971	100,000	66,087	100,000	100,000	100,000	-	100,000	-	0.0%
Property & Liability Insurance/Boiler/MV	286,541	350,000	281,093	370,000	400,000	400,000	-	400,000	30,000	8.1%
Uninsured Losses+	10,873	-	16,033	-	15,000	15,000	-	15,000	15,000	
subtotal	591,297	690,000	543,136	700,000	745,000	745,000	-	745,000	45,000	6.4%
FRINGE BENEFITS										
Group Life Insurance	3,180	5,340	3,139	5,340	5,340	5,340	-	5,340	-	0.0%
Group Health & Accident Insurance	8,831,772	9,223,493	9,078,222	9,228,256	9,655,926	9,655,926	52,500	9,708,426	480,170	5.2%
Medicare Tax	576,280	625,000	601,730	625,000	625,000	625,000	-	625,000	-	0.0%
Flexible Benefits Admin	12,945	14,760	13,560	14,100	14,100	14,100	-	14,100	-	0.0%
Contributory Retirement-Middlesex	3,648,094	3,876,306	3,876,083	4,139,155	4,270,242	4,270,242	-	4,270,242	131,087	3.2%
Compensated Absence Fund+	49,107	110,000	99,671	120,000	130,000	130,000	-	130,000	10,000	8.3%
subtotal	13,121,378	13,854,899	13,672,405	14,131,851	14,700,608	14,700,608	52,500	14,753,108	621,257	4.4%
RESERVE FUND										
	-	540,000	-	565,000	574,000	574,000	-	574,000	9,000	1.6%
DEBT SERVICE (non-excluded)										
Interest Payments - Misc./Abatements	12,191	6,000	2,133	6,000	6,000	6,000	-	6,000	-	0.0%
Maturing Debt - Non-Excluded	39,722	33,707	33,707	23,000	23,000	23,000	-	23,000	-	0.0%
Interest - Non-Excluded	4,437	3,561	3,561	5,421	2,480	2,480	-	2,480	(2,941)	-54.3%
Debt Service Costs	-	3,700	-	3,700	3,700	3,700	-	3,700	-	0.0%
subtotal	56,350	46,968	39,401	38,121	35,180	35,180	-	35,180	(2,941)	-7.7%
Total	13,769,025	15,131,867	14,254,943	15,434,972	16,054,788	16,054,788	52,500	16,107,288	672,316	4.4%
DEBT SERVICE (excluded)										
New Debt Service (proposed to be excluded)	-	-	-	-	28,075	28,075	-	28,075	28,075	
Debt Service (excluded)	6,747,256	7,671,685	7,524,089	7,220,241	8,389,806	8,389,806	-	8,389,806	1,169,565	16.2%
Total	6,747,256	7,671,685	7,524,089	7,220,241	8,417,881	8,417,881	-	8,417,881	1,197,640	16.6%
CAPITAL & SEPARATE ARTICLES										
Stabilization Fund	250,000	250,000	250,000	250,000	250,000	250,000	-	250,000	-	0.0%
Post Employment Benefits (OPEB) Trust	1,606,000	1,631,367	1,631,367	1,648,512	1,591,925	1,591,925	15,000	1,606,925	(41,587)	-2.5%
Total	1,856,000	1,881,367	1,881,367	1,898,512	1,841,925	1,841,925	15,000	1,856,925	(41,587)	-2.2%