



Town of Oak Bluffs

Town Meeting Financial Update
November 8, 2011

Fiscal Year 2012 Budget Status

- Since September 6 considerable effort has been spent analyzing our current Budget and Financial Position
- Working with Accounting Firm of Sullivan, Rogers, Town Selectmen, Finance Committee and Department Heads
- Key Issues are Results of Operations for Fiscal Year 2011 and Budget Status for Fiscal Year 2012

Direction of the Selectmen

- Pinpoint All Revenues to determine financial position
- Prepare Budget Adjustments to Set Tax Rate on Time
- Initiate a detailed five-year historical analysis of Revenues and Expenditures to serve as the basis for financial planning in FY 2012 and beyond to help stabilize Town finances
- Making Progress – We still have much more to do

Fiscal Year 2012 Budget Findings

- Structural Deficits over last several years have built a significant general fund deficit
- Town needs to eliminate all structural deficits in the current year to generate a positive balance and move forward with fiscal discipline over multiple years to build out of negative position.
- Deficits carried over from last year and underfunding in required line items pose a significant problem for the Town, requiring a Fiscal Year 2012 Budget Reduction of \$303,861
- Article 2 Addresses these problems by both reducing appropriations and funding deficits and underfunded line items.

Article 2

- Fiscal Year 2012 Budget Adjustments

Amounts to be Added:

Set Payroll to 52.2 Weeks	\$ 15,872
Increase Cherry Sheet Charges	\$163,688
Underfunded Line Items	\$146,300

Total Added: \$325,860

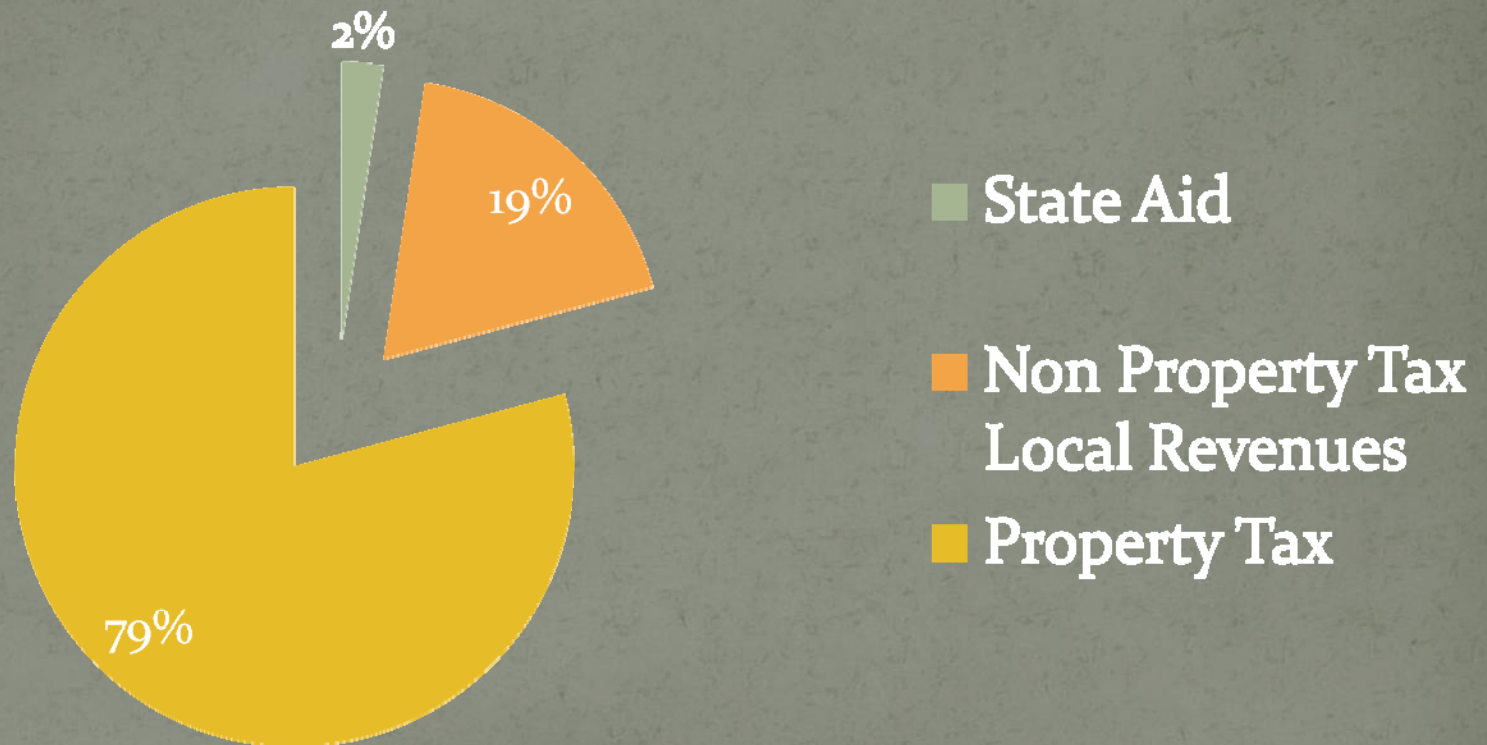
- Amount to be Reduced \$303,861 =
Balanced Budget

After Article 2

- Budget is Balanced for Fiscal Year 2012 with no known deficits and realistic revenues
- Town May Move Forward to Set Tax Rate and Send Bills on Time, January 1
- Focus on Revenue collection and building a positive balance at the end of FY 2012
- Budget Process for Fiscal Year 2013 and Financial Planning Process Moves Forward this Month
- Sets path for a sustainable 2013 Budget

Composition of Revenues

Fiscal Year 2012

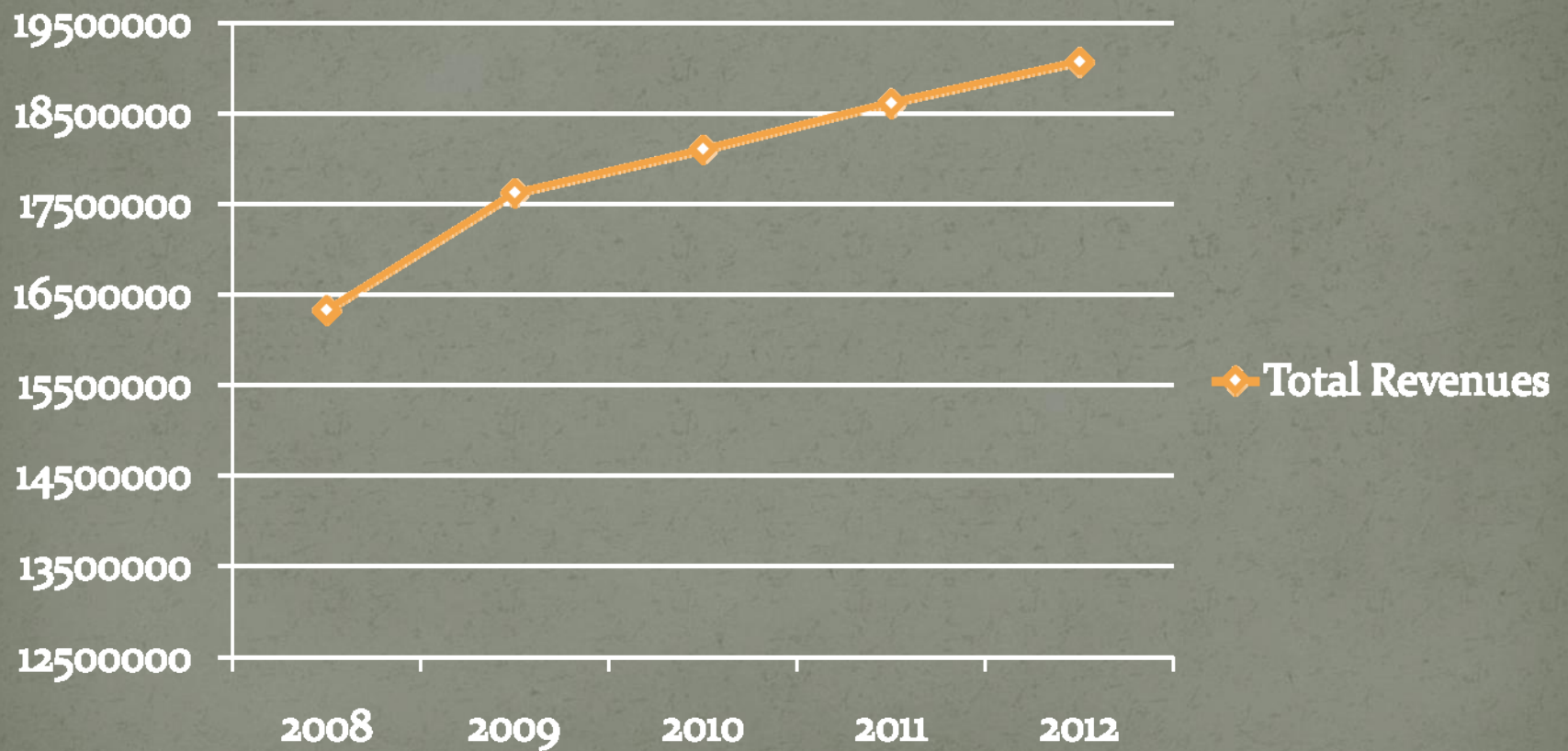


Property Taxes

Fiscal Year 2011 Levy Limit	\$16,517,253
Add: 2.5%	\$412,931
FY 2012 New Growth	\$125,000
FY 2012 Debt Exclusions	\$2,016,888
Total Property Taxes	\$19,072,072

Property Tax

Total Revenues

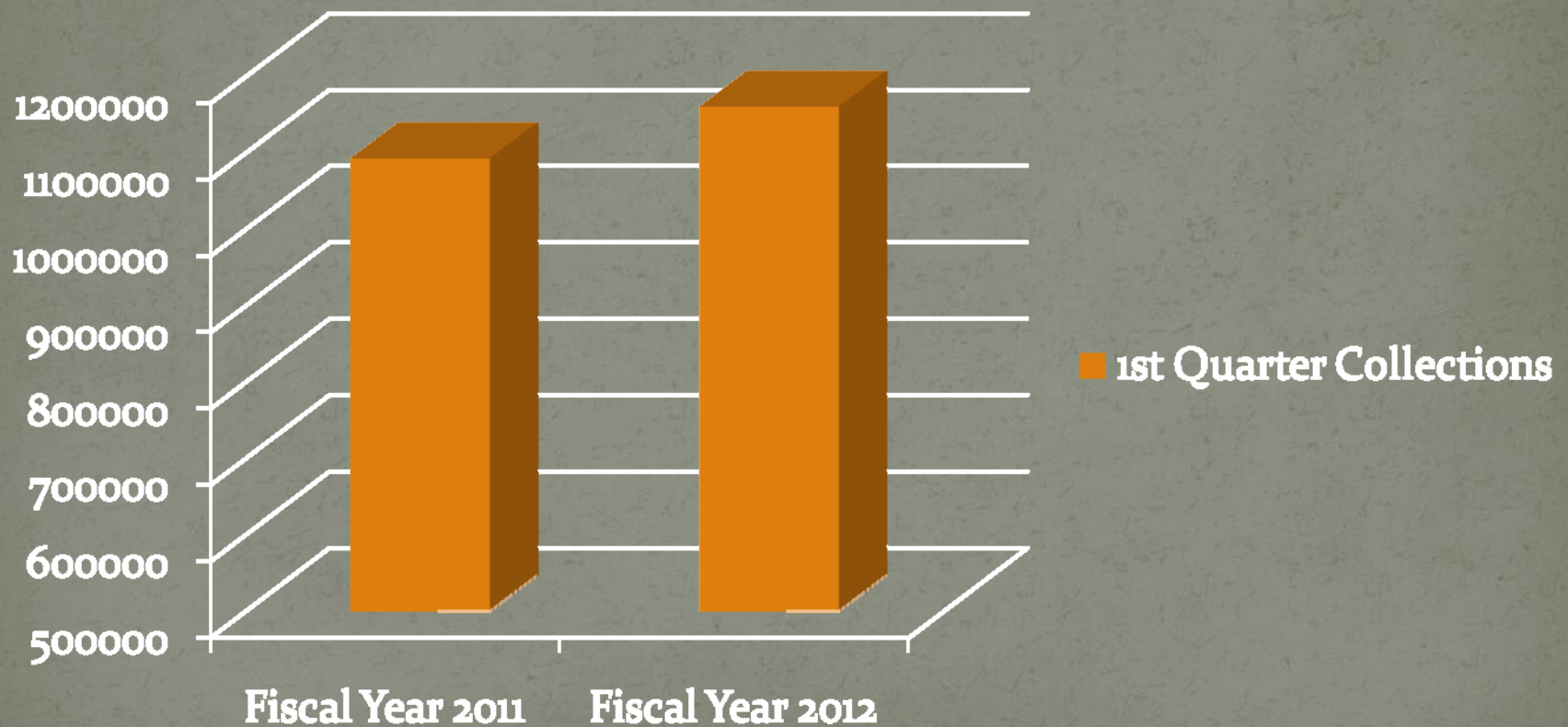


Local Estimated Receipts

Estimated Receipts	
Motor Vehicle Excise	\$538,553
Rooms, Meals and Boat Excise	\$388,000
Penalties and Int. on Taxes	\$198,000
Trash Fees	\$211,000
Licenses and Permits	\$290,000
Harbor Receipts	\$865,000
Other Local Receipts	\$324,500
Total Local Est. Receipts	\$2,815,053

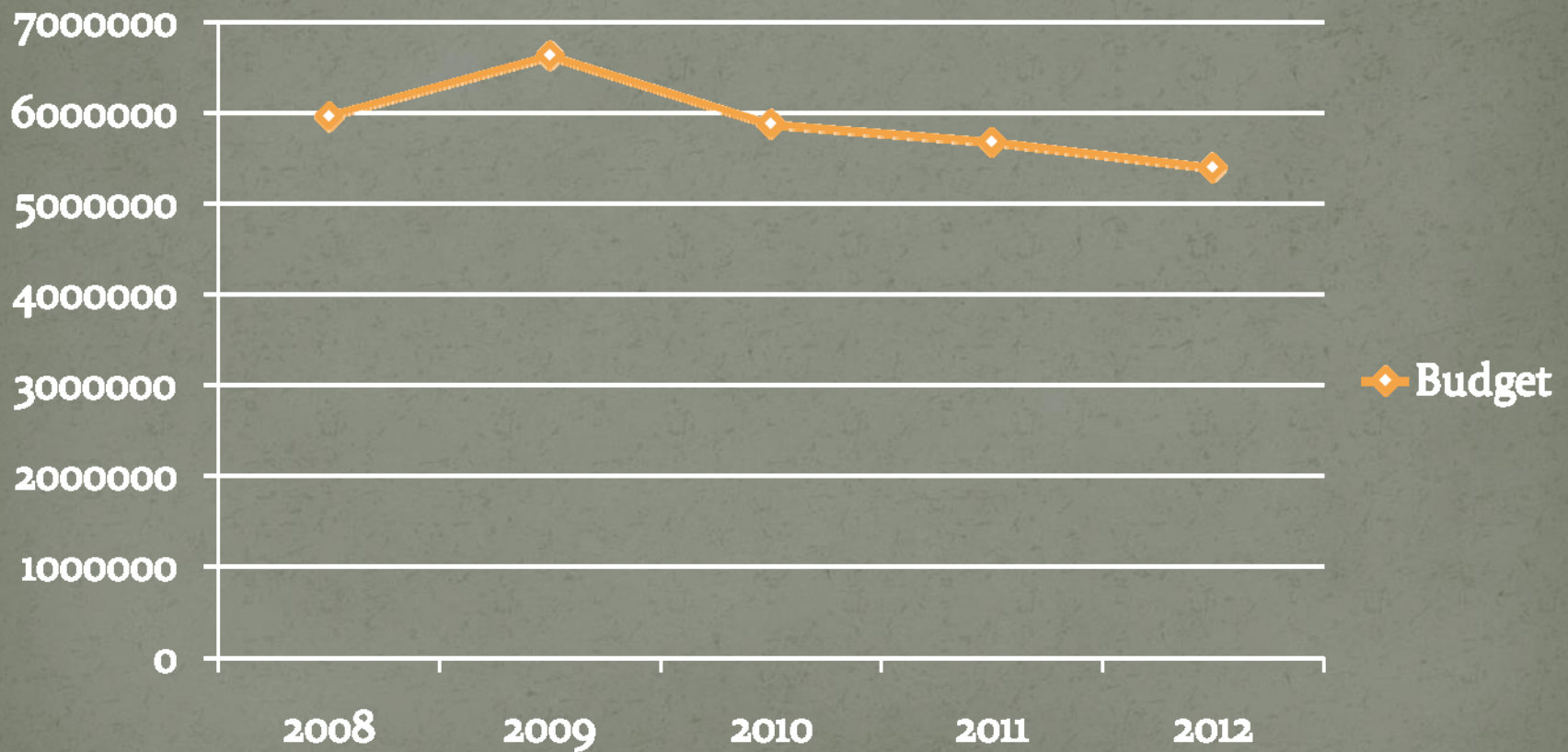
Local Estimated Receipts

1st Quarter Collections



Non-Property Tax Local Revenues

Budget



2012 State Aid

Estimated State Aid:		
	Total Per Cherry Sheet	\$1,295,353
	Less Offsets	(\$303,859)
	Total Cherry Sheet	\$991,494
	Less Cherry Sheet Charges	(\$985,261)
	Net State Aid	\$6,233
	MSBA Reimbursement	\$567,924
	Total Estimated State Aid	\$574,157

State Revenues

Net of Charges



Total FY 2012 Budget

Total Budget and Articles	\$24,829,465
ADD Adjustments to Budget	
Payroll to 52.2 wks	\$15,872
Increase in S&C Charges	\$163,688
Underfunded Items	\$146,300
Total to Add:	\$325, 860

Other Deficits to Be Raised

ADD Other amounts to be raised:

FY11 Payroll Deficit	\$145,000
FY11 Snow & Ice Deficit	\$1,635
FY 10 Overlay Deficit	\$7,746
FY11 Revenue Deficit	\$30,000
Total Other to be Raised	\$184,381

Shortfall Amount

Total All Estimated Revenues	\$25,042,157
Total Amounts to be Raised	\$25,346,018
Surplus (Shortage)	(\$303,861)

Proposed Budget Reductions

Town Clerk Longevity		\$500
Health Longevity		\$500
Self Insurance - Workers' Comp		\$20,000
Selectmen Engineering		\$20,000
Highway - Fuel (For Amb. Transport)		\$25,000
Travel and Training Budgets		\$40,861
Treasurer Fixed Payroll-Health Ins.		\$50,000
Library Salaries		\$45,000
Police Salaries		\$15,000
Highway Laborers Salaries		\$35,000
Building Inspector Salaries		\$25,000
Highway Solid Waste Disposal Fees		\$25,000
Town Clerk Other Chgs and Expenses		\$2,000
Total Budget Reduction		\$303,861

Underfunded Line Items

Town Administrator Salary	\$38,500
Reserve Fund	\$30,000
Town Accountant Salary	\$37,500
Longevity	\$300
Emergency Management – Tropical Storm Irene	\$10,000
Annual Audit Expense	\$5,000
Bond Issuance Expense	\$25,000
Charter School Sending Tuition	\$155,658
School Choice Sending Tuition	\$8,030
Payroll adjusted to 52.2 weeks	\$15,872
Total to be Raised	\$325,860

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