



Agenda

1. FY2013 Revenue Projections

- **Overview (Carl Valente)**
- **Presentation by Revenue Source (Rob Addelson)**
- **Policy Issues (Carl Valente)**
 - Use of Reserves to Offset FY2013 State Aid Reductions**
 - Impact of Federal Budget Reductions**
 - Use of Reserves (Free Cash) to Fund FY2013 Operating Budget, Capital/Debt Service, OPEB Reserves**

2. Establish Date: Budget Collaboration-Summit 3



FY2013 REVENUE PROJECTIONS SUMMIT II

November 17, 2011



Town of Lexington

Financial Summit 2

General Fund Revenue Summary	FY12 Estimated (as revised Nov. 2011)	FY13 Projected	FY 12-13 Change	
			\$	%
Gross General Fund Revenues	\$ 153,839,803	\$ 160,960,840	\$ 7,121,037	4.63%
Less - Revenues Set-Aside for Designated	\$ 3,554,059	\$ 5,218,547	\$ 1,664,488	46.83%
Net General Fund Revenues	\$ 150,285,744	\$ 155,742,293	\$ 5,456,549	3.63%
Unappropriated FY12 Revenue (unused spending capacity)			\$ 1,702,980	
Increase in Spending Capacity: FY12 to FY13			\$ 7,159,529	4.82%



FY2012(revised) to FY2013: Revenue Changes

Gross Revenues - FY12 (Revised)	\$ 153,839,803
Gross Revenues - FY13	\$ 160,960,840
\$ Change	\$ 7,121,037
% Change	4.63%



Projected FY2013 Revenues

General Fund Revenue Summary	FY12 Estimated (as revised Nov. 2011)	FY13 Projected	FY 12-13 Change	
			\$	%
Property Tax Levy (Table 1)	\$ 128,581,128	\$ 133,795,657	\$ 5,214,528	4.06%
State Aid (Table 2)	\$ 8,441,625	\$ 8,441,625	\$ -	0.00%
Local Receipts (Table 3)	\$ 9,766,494	\$ 10,164,720	\$ 398,226	4.08%
Available Funds (Table 4)	\$ 7,975,216	\$ 8,907,660	\$ 936,374	11.74%
Revenue Offsets (Table 5)	\$ (2,489,101)	\$ (1,861,713)	\$ 627,388	-25.21%
Enterprise Receipts (Table 6)	\$ 1,564,441	\$ 1,512,892	\$ (51,549)	-3.30%
Gross General Fund Revenues	\$ 153,839,803	\$ 160,960,840	\$ 7,121,037	4.63%
Less - Revenues Set-Aside for Designated Expenses	\$ 3,554,059	\$ 5,218,547	\$ 1,664,488	46.83%
Net General Fund Revenues	\$ 150,285,744	\$ 155,742,293	\$ 5,456,549	3.63%



Property Tax Levy

- Projected to grow \$5.2 million or 4.06%
- New Growth projected at \$2.0 million



FY2012 State Aid

- Projected at the FY12 level of \$8,441,625
- Proposal: Potential Reduction in State Aid to be offset with set-aside of a portion of 7/1/11 certified free cash



Projected FY2013 Local Receipts

- Local Receipts growing by 4.1% or approx. \$400,000
- Generally, local receipts projected based on an inspection of 3 yr. and 5 yr. averages and FY11 actuals
- Major contributor to growth is increase in estimate of MVE



Available Funds

- \$8.9 million identified as available to fund FY13 Budget
- Major Component is undesignated fund balance or free cash at \$8.13 million
- Amount of free cash proposed to support the FY13 operating budget is \$4.0 million
- Free Cash used to support FY12, FY11, FY10 and FY09 budgets was \$4.1 million, \$3.9 million, \$3.7 million and \$2.8 million respectively



Proposed Designations of Revenue

	FY11	FY12 Summit II - (Nov. 2010)	FY12 (revised Nov. 2011)	FY13 Projected	FY13 Funding Source
Stabilization Fund	\$ 710,000	\$ -	\$ -	\$ -	\$ -
Set-Aside for as yet identified needs	\$ -	\$ 958,115	\$ -	\$1,654,004	Free cash
Set-Aside for Unanticipated Current Fiscal Year Needs	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	Free cash
Set-Aside for Potential Reductions in State Aid	\$ -	\$ -	\$ -	\$ 419,096	Free cash
Library Settlement	\$ -	\$ 100,000	\$ -	\$ -	\$ -
Return Premium to CPA Fund	\$ -	\$ 216,885	\$ 216,885	\$ -	\$ -
Cash Capital	\$1,270,000	\$1,270,000	\$1,615,000	\$1,370,000	Free cash
Other Post-Employment Benefit Liability (OPEB)	\$ 479,399	\$ 500,000	\$ 500,000	\$ 500,000	Free cash
Special Education Reserve	\$ 350,000	\$ -	\$ -	\$ -	\$ -



Town of Lexington

Financial Summit 2

Policy Issues for Consideration

- 1. \$500,000** of Free Cash for OPEB
 - 2. \$100,000** Reduction in Free Cash to Support Operating Budget
 - 3. \$1,370,000** of Free Cash for Cash Capital
 - 4. \$419,096** of Free Cash Set-aside for Potential State Aid Reductions (Any Additional Cuts from Stabilization Fund)
 - 5. \$1,654,004** of Free Cash Set-aside for as yet identified capital or one-time needs
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