

# **PROPOSED HEBRON BUDGET FISCAL YEAR 2017-2018**



**Board of Finance  
Recommended Budget**

**Public Hearing**

**April 11, 2017**

**Adjourned to April 18, 2017**

# PROPOSED BUDGET \$36,740,238

Spending increase of \$562,289 or 1.55 % more than the current year's budget.

	<u>Budget</u>	<u>Change</u>
General Government	\$ 9,312,714	1.79 %
Hebron Board of Education	\$11,588,546	-1.45 %
Hebron Levy - RHAM BOE Budget	\$14,446,575	4.08 %
Hebron's Share RHAM Debt	\$ 1,392,403	0.19 %

# BUDGET REDUCTIONS

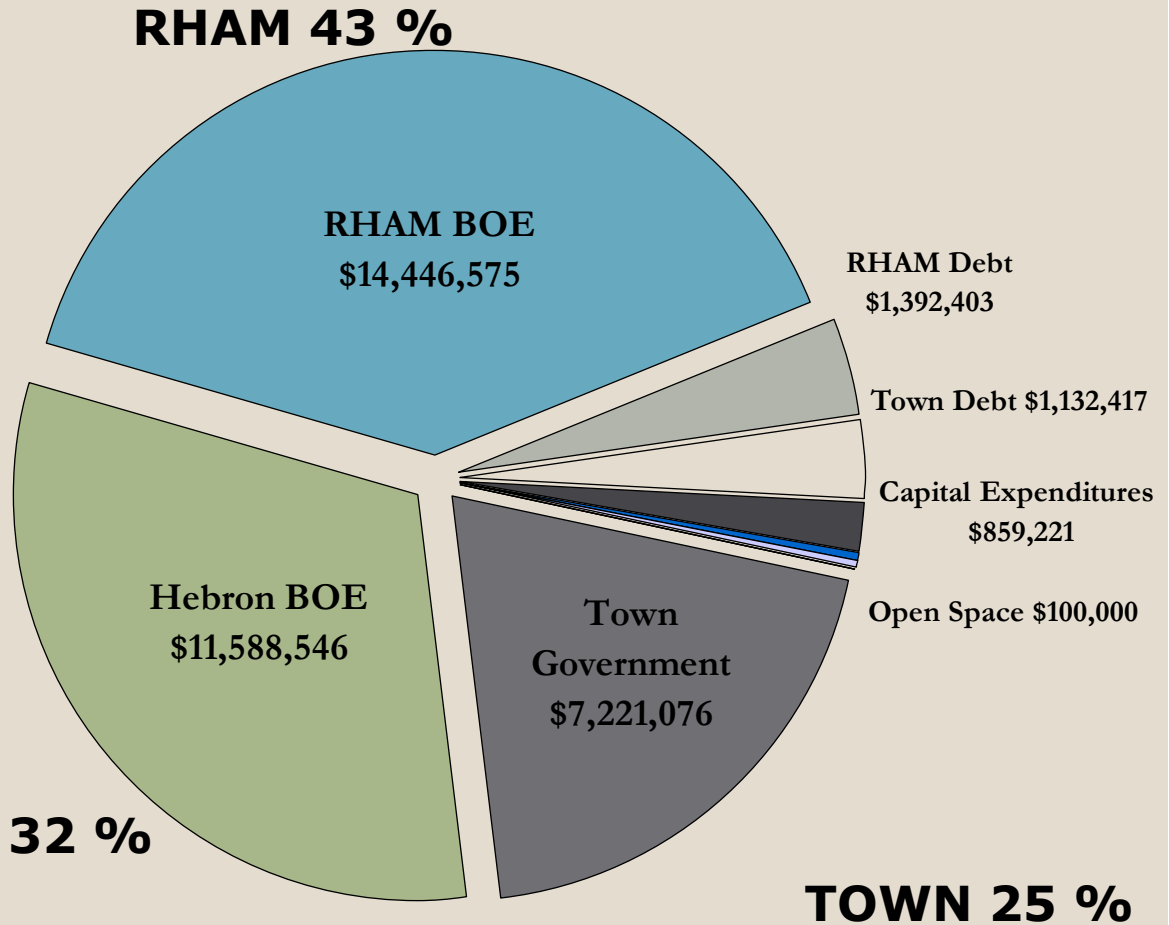
	March 1, 2017 Town Manager's Proposed Budget	April 4, 2017 Board of Finance Recommended Budget
Town	\$ 9,333,802	\$ 9,312,714
Teacher Retirement	\$ 1,362,129	---
Hebron BOE	\$11,743,132	\$11,588,546
RHAM BOE Levy	<u>\$16,176,907</u>	<u>\$15,838,978</u>
<b>Total Budget</b>	<b>\$38,615,970</b>	<b>\$36,740,238</b>

# FY 2017-2018 BUDGET OVERVIEW

**Population**  
 Town of Hebron  
 2010 Census – 9,686

**2017-2018**  
**Enrollment Projection**  
 Hebron Elementary  
 Schools  
 670

**10/1/2016 Enrollment**  
 RHAM Total 1,532  
 Hebron 832  
 Andover 222  
 Marlborough 478



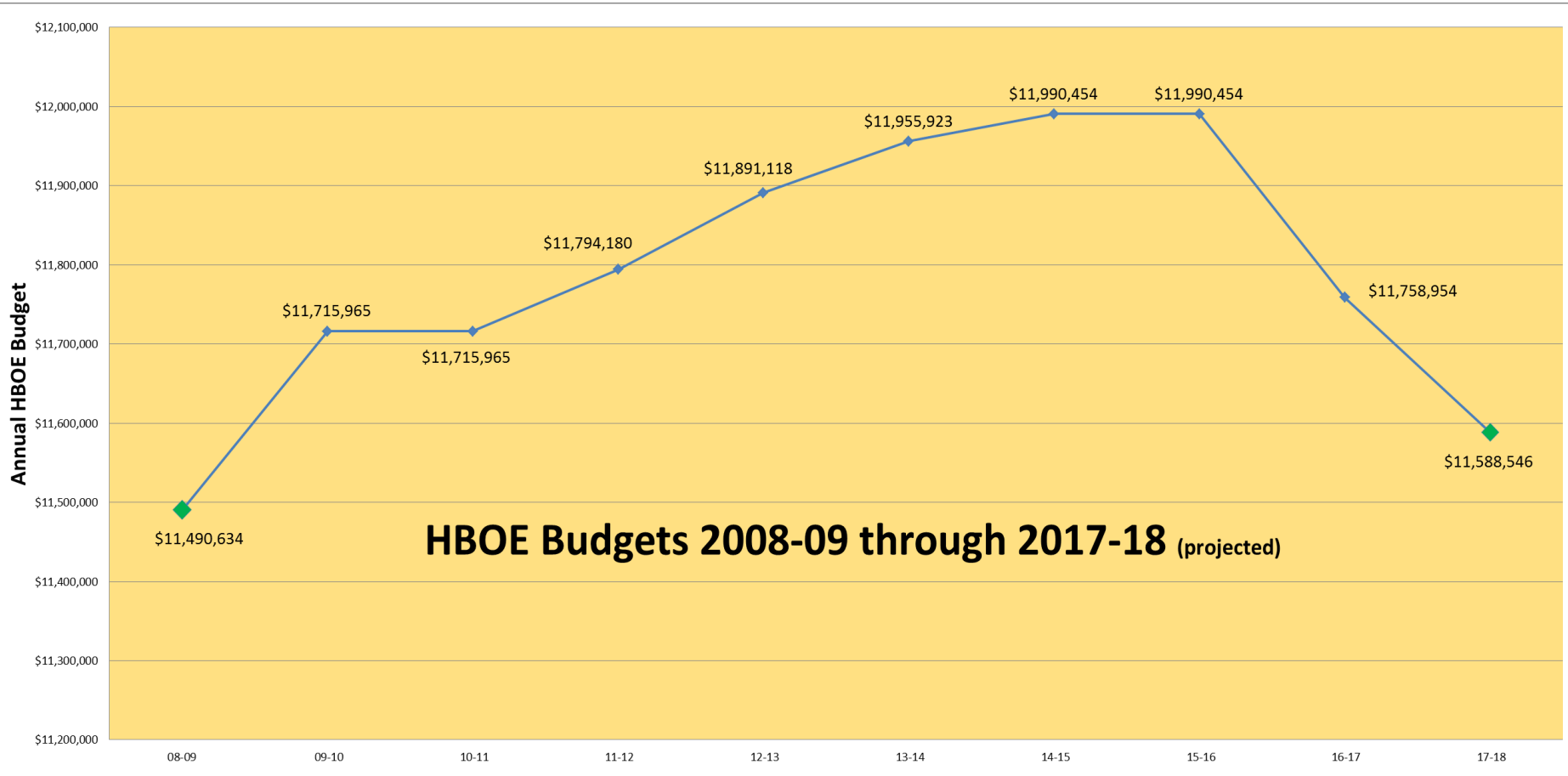
# GENERAL GOVERNMENT EXPENDITURE HISTORY

	<b>ADOPTED FY 15-16</b>	<b>ADOPTED FY 16-17</b>	<b>PROPOSED FY 17-18</b>
Town Government	\$7,145,748	\$7,191,425	\$7,221,076
Contr. – CIP	599,804	770,911	770,911
Contr. – Capital Projects	13,397	39,100	44,260
Contr. – Revaluation	50,000	50,000	41,000
Capital Non Recurring	5,000	8,800	3,050
Open Space	117,000	140,000	100,000
Debt Management	--	20,000	---
Debt Service	<u>955,974</u>	<u>928,988</u>	<u>1,132,417</u>
<b>Total</b>	<b>\$8,886,923</b>	<b>\$9,149,224</b>	<b>\$9,312,714</b>

# HEBRON BOARD OF EDUCATION BUDGET HISTORY

<b>ADOPTED FY 13-14</b>	<b>ADOPTED FY 14-15</b>	<b>ADOPTED FY 15-16</b>	<b>ADOPTED FY 16-17</b>	<b>PROPOSED FY 17-18</b>
<b>\$11,955,923</b>	<b>\$11,990,454</b>	<b>\$11,990,454</b>	<b>\$11,758,954</b>	<b>\$11,588,546</b>
<b>.54 %</b>	<b>.29 %</b>	<b>.00%</b>	<b>-1.93 %</b>	<b>-1.45 %</b>

# HEBRON BOARD OF EDUCATION BUDGET HISTORY



# RHAM BUDGET LEVY

**Proposed RHAM Operating Budget  
\$28,863,321**

**Plus**

**Capital Improvement Program Budget  
\$289,960**

**\$1,119,922 or 3.99 % increase**

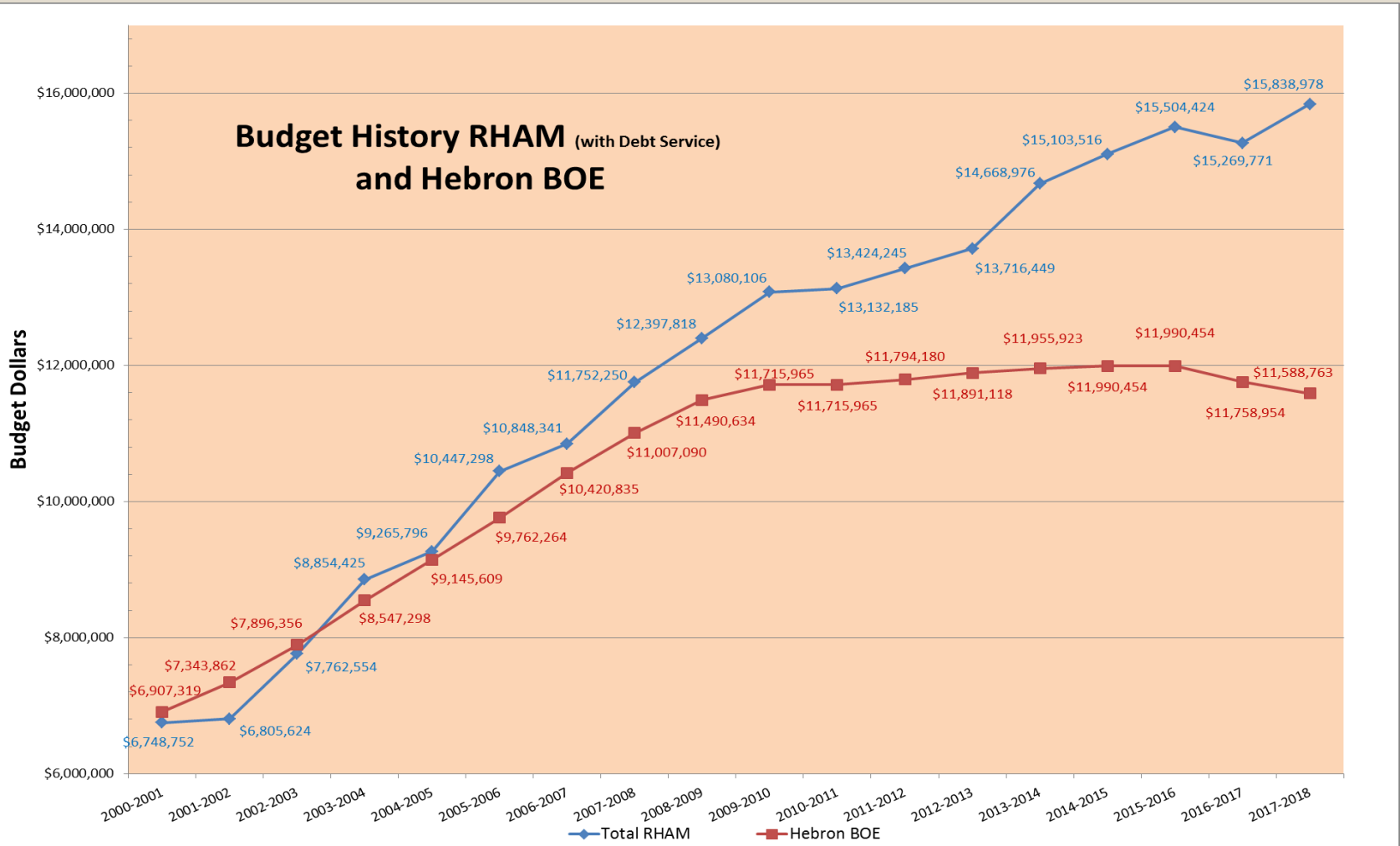
**Proposed RHAM Budget Levy to Hebron:**

		<b>Increase</b>
<b>RHAM Operating Levy</b>	<b>\$14,446,575</b>	<b>\$566,552</b>
<b>RHAM Debt Levy</b>	<b>\$ 1,392,403</b>	<b>\$ 2,655</b>

**Based on RHAM budget as adjusted on April 3, 2017 after RHAM's Public Hearing.**



# RHAM BUDGET LEVY

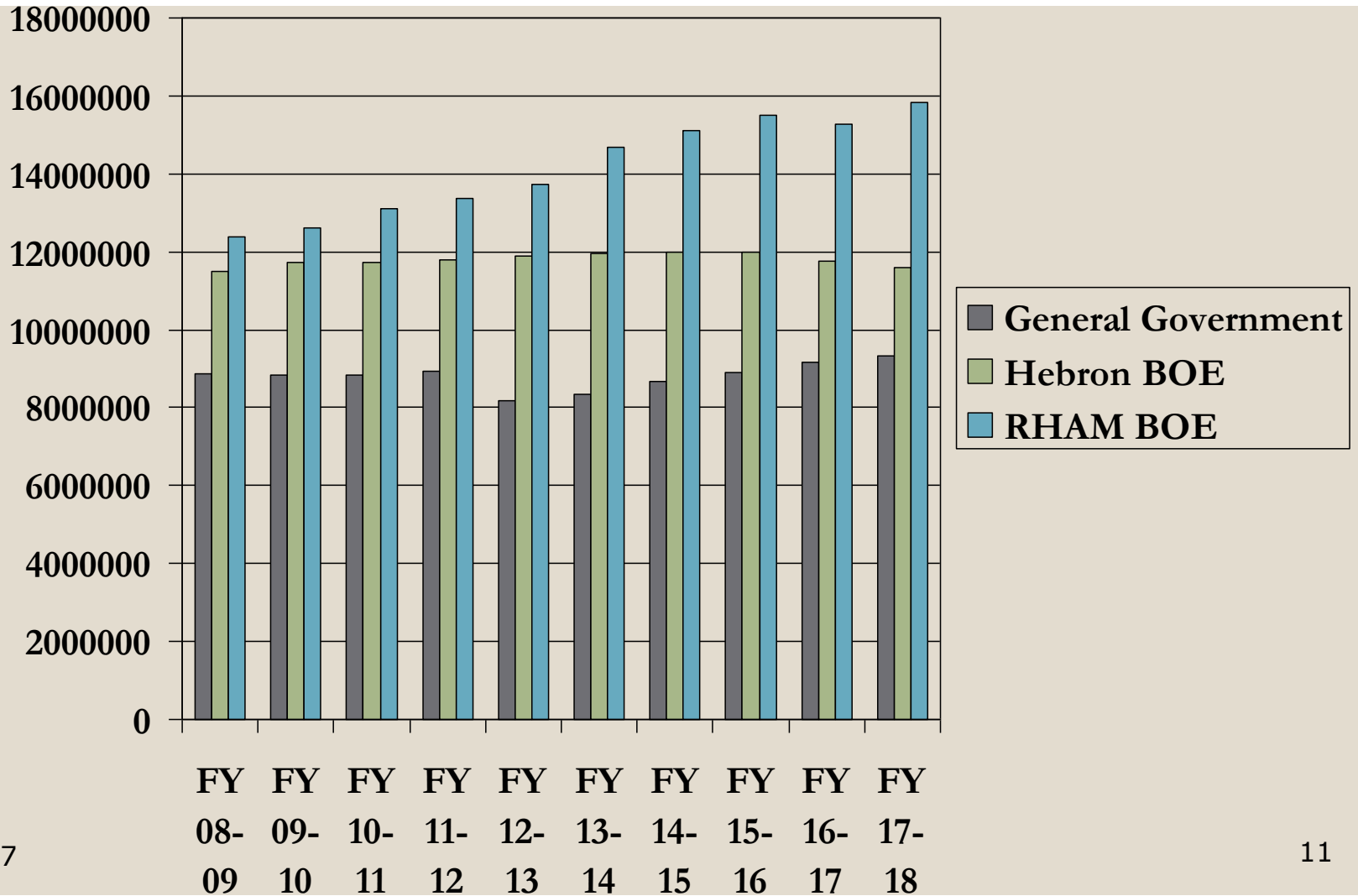


# RHAM LEVY

## Future Levy Calculation Projections

	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>Andover</b>	<b>14.52%</b>	<b>14.84%</b>	<b>14.51%</b>	<b>15.20%</b>	<b>15.69%</b>
<b>Hebron</b>	<b>55.83%</b>	<b>54.47%</b>	<b>54.33%</b>	<b>52.06%</b>	<b>50.20%</b>
<b>Marlborough</b>	<b>29.65%</b>	<b>30.50%</b>	<b>31.16%</b>	<b>32.74%</b>	<b>34.11%</b>

# EXPENDITURE BUDGET HISTORY



# CAPITAL IMPROVEMENT PLAN RECOMMENDATIONS FY 2017-2018

## Public Works Department

Road Resurfacing and Road Improvements	\$	268,775
Replace 1978 CAT Loader # 2 Priority	\$	104,985
Roadside Mower (replace Truck 38)	\$	105,000
20 Ton Trailer (replace Truck 25)	\$	26,000

## Fire Department/EMS

Ambulance 510	\$	95,000
SCBA Replacement - 42 Units	\$	234,000

## Recreation Department

Snow Removal Machinery - Town Sidewalks	\$	50,000
---	----	--------

## Miscellaneous

Douglas Library Roof Replacement	\$	98,500
Douglas Library HVAC Systems Replacement	\$	90,000
Senior Center Flooring Replacement	\$	7,000
Peters House Restoration	\$	50,000
Hebron Center Sidewalk Plan - Senior Center, HES, NC LOTCIP	\$	59,000
Horton House Central Air Conditioning	\$	27,000
TOB Town Clerk's Upper Level Vault - Asbestos Abatement/New Floor/New Shelving	\$	19,000

# RECOMMENDED CIP REVENUE FY 2017-2018

	<u>Approved 2016-2017</u>	<u>Proposed 2017-2018</u>
Balance from Previous Appropriations	33,574	59,216
LOCIP Funding	70,831	0
Anticipated State Reimbursement - HES Roof Project	124,500	0
Anticipated Contribution from Fund Balance	0	404,133
CIP Designated Fund Balance	0	0
General Fund Contribution	<u>770,911</u>	<u>770,911</u>
<b>Total Revenues</b>	<b><u>\$ 999,816</u></b>	<b><u>\$1,234,260</u></b>

## Completed Project Balances

FY 15-16 Fire Company # 1 Parking Lot	12,004.49
FY 15-16 Dump Truck w/ Plow	4,602.36
FY 16-17 Douglas Library Generator	2,954.00
FY 16-17 Parks & Recreation Tractor	11,131.15
FY 16-17 Town Office HVAC Project	17,000.00
FY 16-17 GMC Flatbed	1,524.27
FY 16-17 Fire Department Sale of Squad	10,000.00

# CAPITAL EXPENDITURES

## \$5,000 - \$25,000

### Public Works Department

Fuel Management System	15,460
Linelazer Paint Machine	6,100

### Fire Department

Replacement Fire Hose	6,000
-----------------------	-------

### Parks & Recreation Department

Generator Installation - Burnt Hill Park Operations Building	9,000
--	-------

### Miscellaneous

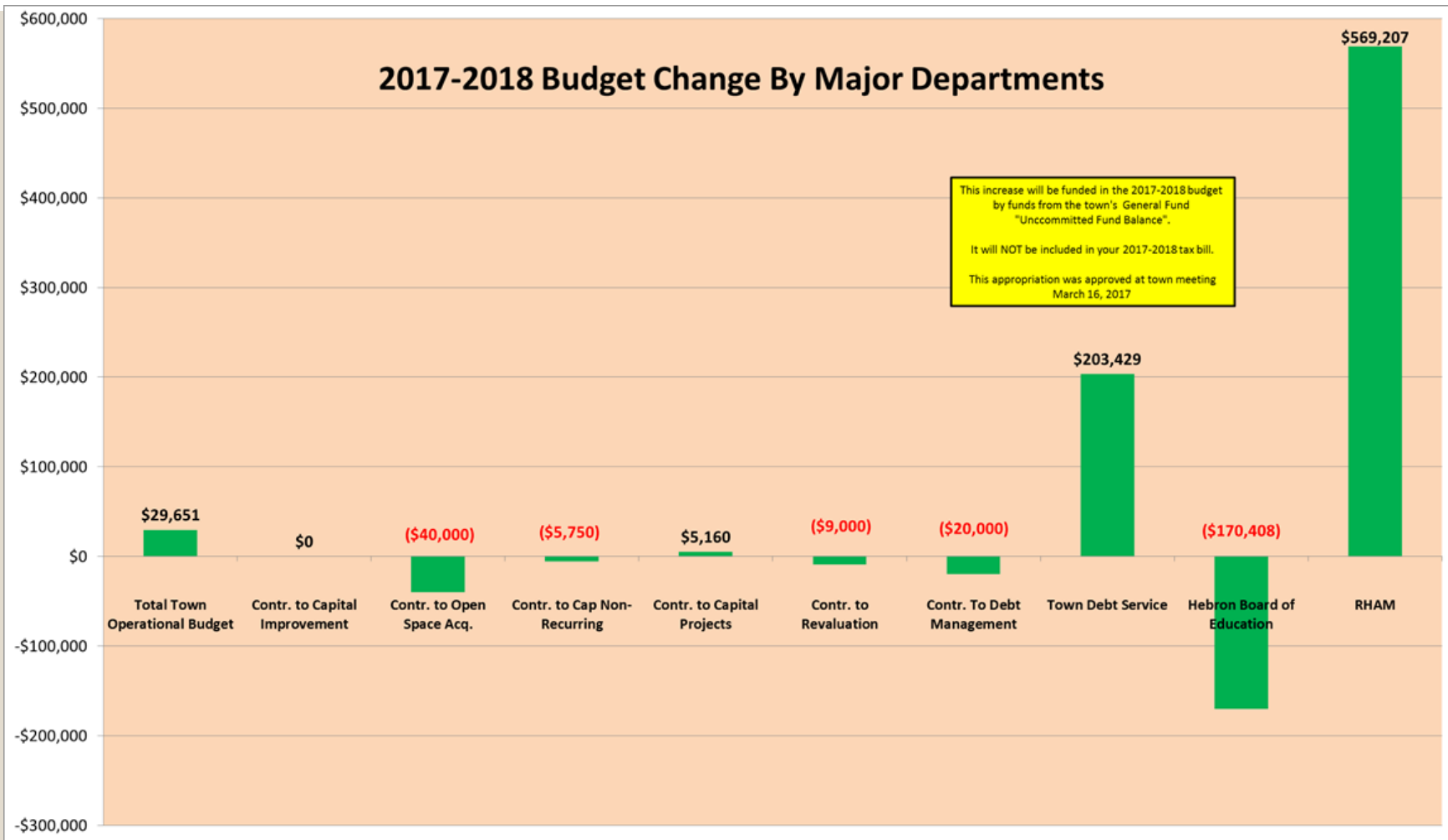
Demolition of 501 Church Street Building	7,700
--	-------

<b>Total Capital Expenditures</b>	<b>44,260</b>
-----------------------------------	---------------

# PROPOSED EXPENDITURES

	<u>ADOPTED Expenditures 2016-2017</u>	<u>PROPOSED Expenditures 2017-2018</u>	<u>Difference</u>	<u>Percent Change</u>
Total Town Budget				
Town Government	\$ 7,191,425	\$ 7,221,076	\$ 29,651	0.41%
Contr. to Capital Improvement	770,911	770,911	-	0.00%
Contr. to Open Space Acq.	140,000	100,000	(40,000)	-28.57%
Contr. to Cap Non-Recurring	8,800	3,050	(5,750)	-65.34%
Contr. to Capital Projects	39,100	44,260	5,160	13.20%
Contr. to Revaluation	50,000	41,000	(9,000)	-18.00%
Contr. To Debt Management	20,000	-	(20,000)	-100.00%
Debt Service	928,988	1,132,417	203,429	21.90%
<b><i>TOWN GOV'T SUB TOTAL</i></b>	<b><i>9,149,224</i></b>	<b><i>9,312,714</i></b>	<b><i>163,490</i></b>	<b><i>1.79%</i></b>
Hebron Board of Education	11,758,954	11,588,546	(170,408)	-1.45%
RHAM Assess(w/o debt)	13,880,023	14,446,575	566,552	4.08%
RHAM Debt Service	1,389,748	1,392,403	2,655	0.19%
Total General Government	\$ 36,177,949	\$ 36,740,238	\$ 562,289	1.55%

# BUDGET CHANGE BY MAJOR DEPARTMENTS





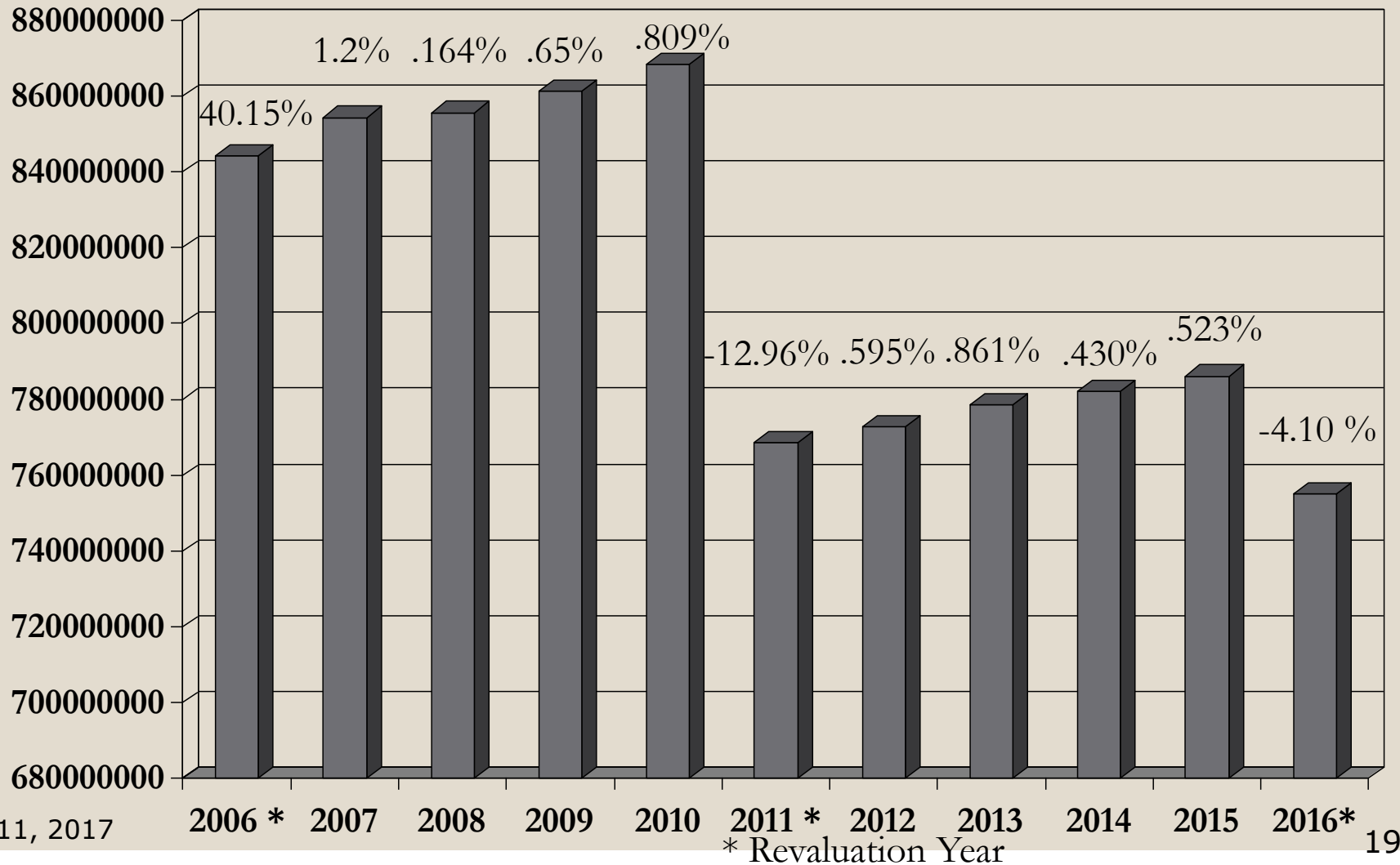
# PROPOSED REVENUE

	<u>ADOPTED 2016-2017</u>	<u>PROPOSED 2017-2018</u>	<u>Difference</u>	<u>Percent Change</u>
General Government	\$ 750,154	\$ 895,745	\$ 145,591	19.41%
Other State Revenues (MRSA INC.)	578,099	1,938,164	1,360,065	235.27%
ECS & Special Ed Grant Funding	6,928,703	5,366,355	(1,562,348)	-22.55%
Other Revenue Sources	-	100,000	100,000	0.00%
Debt Mgmt. Fund Contr.	\$ -	\$ 203,429	203,429	-
Back Taxes / Lien Fees	325,000	315,000	(10,000)	-3.08%
Tax	<u>27,595,993</u>	<u>27,921,545</u>	<u>325,552</u>	<u>1.18%</u>
	<u>\$ 36,177,949</u>	<u>\$ 36,740,238</u>	<u>\$ 562,289</u>	<u>1.55%</u>

# REVENUE CONSIDERATIONS

- **Uncertain State Revenues**
- **Revaluation – Grand List Decrease**
- **Tax Collection Rate**
- **Possible Impact on Fund Balance**

# GRAND LIST PROFILE



# PROPOSED TAX CALCULATION

## PERSONAL PROPERTY/REAL ESTATE

98.50 % COLLECTION RATE - 38.16 MILL RATE

REVAL YEAR	MARKET VALUE	ASSESSED VALUE	16-17 TAXES 35.64 MILLS	17-18 TAXES 38.16 MILLS	17-18 DECREASE/ INCREASE
2011	\$242,058	\$169,440	\$6,039		
2016	\$215,420	\$150,790		\$5,754	-\$285
2011	\$331,000	\$231,700	\$8,258		
2016	\$300,725	\$210,510		\$8,033	-\$225
2011	\$509,500	\$356,650	\$12,711		
2016	\$528,724	\$370,110		\$14,123	\$1,412

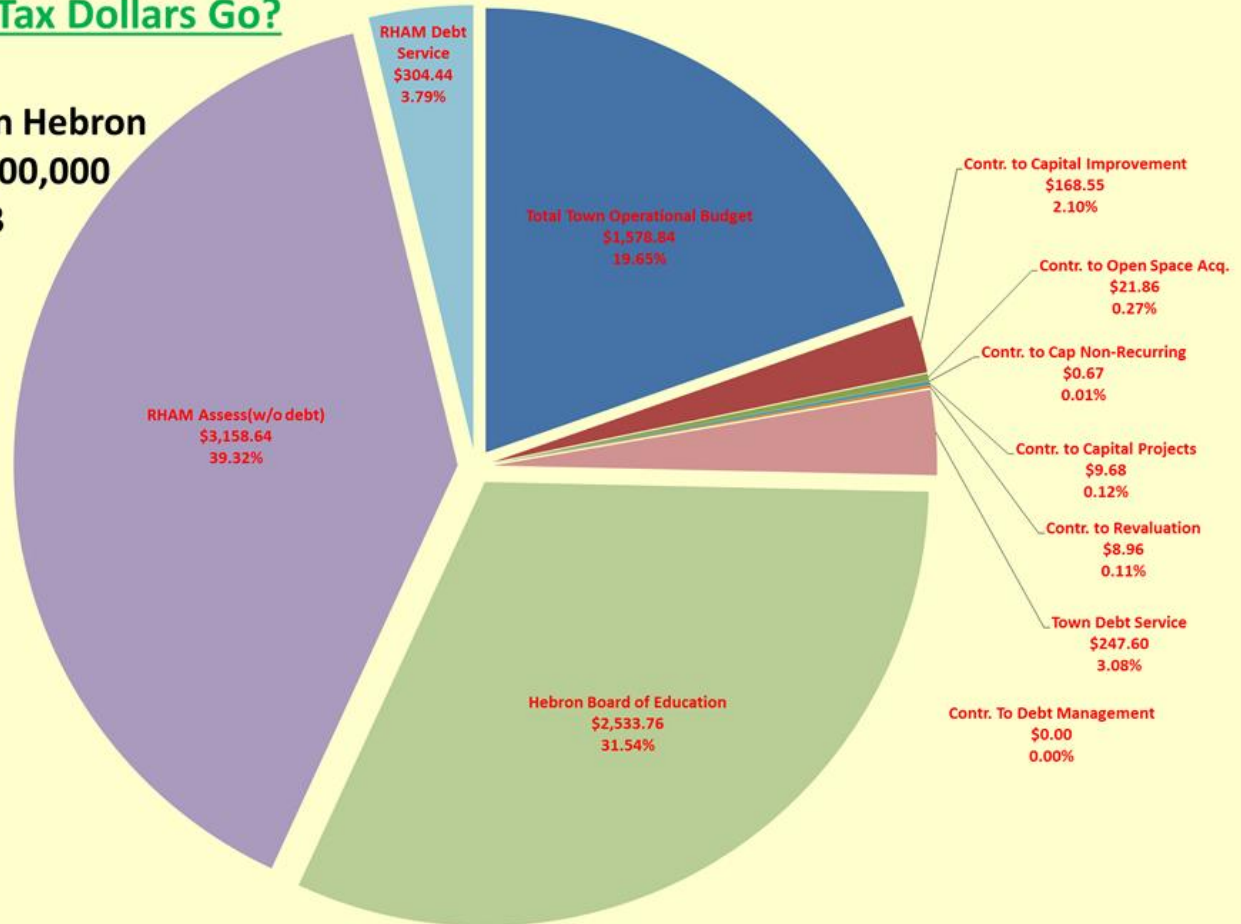
Based on October 2016 Revaluation

<http://hebronct.com/uploads/2014/03/2015-VS-2016-PROPOSED-TAXES.pdf>

# TAX BILL BREAKDOWN

## Where Do My Tax Dollars Go?

Average House In Hebron  
Market Value \$300,000  
Tax Bill of \$8,033



# PROPOSED MILL RATE CALCULATION

## MOTOR VEHICLE

### MOTOR VEHICLE TAXATION

- Public Act 15-244 establishes new requirements for taxing motor vehicle that each municipality must follow, commencing with the October 1, 2016 assessment year.
- Section 206 of Public Act 15-244 prohibits municipalities from using a mill rate greater than 32 mills to tax motor vehicles for the 2016 assessment year.
- OPM must distribute motor vehicle property tax grants to municipalities, to mitigate their revenue loss due to the cap provisions of Public Act 15-244. The Fiscal Year 2017-2018 grant is equal to the difference between the amount of property taxes a municipality levied on motor vehicle for the 2013 assessment year and the amount of the levy for that year at 32 mills.

# PROPOSED MILL RATE CALCULATION REAL ESTATE & PERSONAL PROPERTY

	TOTAL GL	PP/RE	MV
Grand List - October 1, 2016	\$ 755,158,200	\$ 680,377,210	\$ 74,780,990
Less Potential BAA adjustments	\$ (230,000)	\$ (230,000)	
Adjusted Grand List - October 1, 2016	\$ 754,928,200	\$ 680,147,210	\$ 74,780,990
Mill Value	\$ 754,928	\$ 680,147	\$ 74,781
<i><u>Mill Value (based upon 98.50% collection rate)</u></i>	<u>\$ 743,604</u>	<u>\$ 669,945</u>	<u>\$ 73,659</u>
Mill Rate (per proposed budget)	37.55	38.16	32.00
Estimated Dollar Increase		\$ 25,564,457	\$ 2,357,088

# PROPOSED TAX CALCULATION MOTOR VEHICLE COMPARISON 32.00 MILL RATE

	Market Value	Assessed Value*	Taxes
			<u>35.64 (2016 taxes)</u>
Real Estate	\$331,000	\$231,700	\$ 8,258
Motor Vehicle (4 vehicles)		\$ 24,570	<u>\$ 876</u>
			\$ 9,134

### 37.55 (2017 taxes - mill rate without MV adjustment)

Real Estate	\$300,725	\$210,510	\$ 7,905
Motor Vehicle (5 vehicles)		\$ 24,440	<u>\$ 916</u>
			\$ 8,821

### 38.16/32.00 (2017 taxes - mill rate with MV adjustment)

Real Estate	\$300,725	\$210,510	\$ 8,033
Motor Vehicle (5 vehicles)		\$ 24,440	<u>\$ 782</u>
			\$ 8,815

\*Based on October 2016 Revaluation



# BUDGET PROCESS

## **In accordance with Hebron Town Charter Chapter IX, Finance and Taxation - Section 902:**

- **No later than October 15, the Board of Finance shall confer with the Board of Selectmen and the Board of Education to discuss goals and objectives for the upcoming budget.**
- **Board of Selectmen and Board of Finance shall review the budget during the month of March and the Board of Selectmen shall make a recommendation to the Board of Finance by March 31<sup>st</sup>.**
- **The Board of Finance reviews the budget requests during the month of April. They hold a Public Hearing on their recommended budget no later than the third Tuesday in April. Within a week of the Hearing the Board of Finance shall present a budget for vote at the Budget Referendum.**

# BUDGET PROCESS

Pursuant to Hebron Town Charter Section 903 Referendum Vote on the Town Budget and the Capital Improvement Budget will be on:

**Tuesday, May 2, 2017**

**6:00 a.m. – 8:00 p.m.**

**Hebron Elementary School**

The Board of Finance will set the rate by

**June 15<sup>th</sup>**

# MANDATORY ADVISORY QUESTIONS

A Charter provision requires two Advisory Questions on the Budget Referendum Ballot:

Is the Town Budget  
(Excluding Hebron and RHAM Board of Education Budgets)

Too High            or            Too Low            ?

Is the Hebron Board of Education Budget

Too High            or            Too Low            ?

# ADVISORY QUESTION AND EXIT POLL

Additional Advisory Question:

Is the RHAM Board of Education Budget  
Too High or Too Low ?

# COMMENTS / QUESTIONS

- Please step to a microphone and state your name and address
- Please keep your comments to three minutes or less to allow all to participate
- Comments from Hebron taxpayers and voting residents
- Please do not speak out of turn or comment from the floor
- Be respectful of other opinions
- No reading correspondence from others not present
- Questions may be addressed by liaisons to respective boards
- Please hold applause to the end of comments

THANK YOU FOR YOUR COMMENTS

# INFORMATION AND COMMENTS

**The Selectmen have established an email address for budget comments:**

**[hebronbudget@hebronct.com](mailto:hebronbudget@hebronct.com)**

Comments will be forwarded to the  
Boards of Selectmen, Finance and Education

**Budget Information is available in the Town Clerk's Office,  
Douglas Library and at [www.hebronct.com](http://www.hebronct.com)**

**IT IS IMPORTANT TO COME OUT AND VOTE**

**Tuesday, May 2, 2017  
6:00 a.m. – 8:00 p.m.  
Hebron Elementary School**