

Town of Wales

Finance Committee Report for FY 2014

OVERVIEW

For the first time in a few years the budget has had a minimal increase. Our debt obligations are minimal, the Tantasqua bond is decreasing until it is paid off in 2016, and we are able to set aside funds in the General stabilization and Capital stabilization funds. Our General stabilization fund is now over \$160,000.

We are aware that we may have significant infrastructure and capital costs in the future and are trying to be pro-active by adding to our stabilization accounts. We also know the Department of Revenue is going to be looking to municipalities to begin setting aside funds for future post-employment benefits, and we will work toward this in the next fiscal year.

Our goal is to take care of the financial needs of the town, to be fiscally responsible and plan for the future, while trying to keep the burden on the taxpayers as low as possible. Despite the sustained and generally slow economy, we have several big-picture highlights in the FY14 Budget that we'd like to share:

- The proposed budget represents an increase over FY13 of only one quarter of one percent, which is a significantly smaller increase than we've seen in many years. For a budget of over \$3.8 Million, the FY14 budget is only \$9,000 higher than FY13.
- Once again, the Finance Committee was able to work with the Capital Improvement Planning Committee to set aside funds for the Capital Stabilization account. Having cash in the bank will help decrease the likelihood of taking out expensive debt exclusions in the near future.
- The Wales Elementary School & Tantasqua Regional budgets for FY14 are very lean and conservative and we owe them much gratitude in helping to keep our taxes low.

FY14 DETAILED BUDGET REMARKS

- Every 3 years, the Board of Assessors is required by state law to perform a full revaluation of properties in town. Currently this requirement cost the town approximately \$7,000. The following two years will return to the normally budgeted amount of approximately \$500.
- The Planning Board Expense line item is up slightly this year for the purchase of a printer. The FY15 budget will return this line item to its pre-FY14 value.
- Over the last two years, the Town Office Expense line item has consistently been under budgeted and the Finance Committee has had to supplement this line item with funds from the Reserve Account. This trend is continuing again in FY13. For FY14, this line item has been increased by \$2,470 to avoid future Reserve requests.
- We have created a new line item for Building Inspector Clerk funded at \$1,560. This is not a new expense. Prior to FY14, this expense was paid out of the Building Inspector Revolving Account. This change should represent a near zero increase to the FY14 bottom line.

- This past year, the Finance Committee has completed a full review of the Town's Revolving Accounts and made recommendations to increase or decrease the Revolving Account cap to match actual account activity.
- The Finance Committee is recommending a restoration of some amounts to the Highway Department in an effort to help bring roads back up to appropriate standards. Most notably is the additional funding for a seasonal non-union employee throughout the summer. At this time, we are only recommending this item for FY14. In the upcoming year, we will work together with Highway and the BOS to determine if it should be continued in FY15. The sum of these increases amount to about \$20,000.
- We have increased the Cemetery Caretaker expense by \$1,000 to accommodate higher expenses. Prior to this year, this line has been level funded for multiple years.

The Finance Committee would like to thank each of the Departments, Boards and Committees who helped shape the FY14 Budget over the last few months. We would also like thank the residents of Wales for your continued support.

Very truly yours,

The Wales Finance Committee

Roy Lainson, Chairman

Valerie Bernier

Howard Whyte