

Understanding Georgetown's Finances

Board of Selectmen
April 25, 2011

Agenda

- ▶ Proposition 2 ½
- ▶ Revenues
- ▶ Expenses
- ▶ Debt
- ▶ Reserve Funds
- ▶ Q&A

Proposition 2 1 / 2

- ▶ What is Proposition 2 1/2?
- ▶ What Restrictions does it place on the annual property tax levy?
 1. Levy Ceiling – a community cannot levy in excess of 2.5 percent of the total full and fair cash value of all taxable real and personal property in the community.

Proposition 2 1 / 2

2. Levy Limit – The maximum amount a community can levy in any given year.

Restrictions on the Levy Limit

- An automatic increase of 2.5 percent over the prior fiscal year
- Any increase in valuation that is not the result of property revaluation (New Growth).

Increases to the Levy Limit

- Overrides
- Exclusions

Proposition 2 1 / 2

Override – increases the community's levy limit for the fiscal year and becomes part of the base for calculating future years' levy limits.

Proposition 2 1 / 2

Exclusion – to raise additional taxes to fund capital projects (goods and/or services for which a town may borrow).

- ▶ Debt Exclusion – used to raise additional taxes for the annual debt service costs of capital projects funded by borrowing
- ▶ Capital Outlay Expenditure Exclusion – used when the capital project is funded not by borrowing but by an appropriation
- ▶ Special Exclusions
 - Shift Water or Sewer Capital Debt
 - Public Health Code Requirements

Proposition 2 1 / 2

Underride – a permanent decrease in the amount of property taxes the community may levy.

Fiscal Year 2002 - 2011 Revenue Components

	Tax Levy	State Aid	Local Receipts	All Other	Total Receipts
2002	8,769,136	5,514,611	2,549,805	1,453,182	18,286,734
2003	9,122,728	5,399,787	3,348,771	1,073,080	18,944,366
2004	9,609,452	5,571,061	3,001,741	792,477	18,974,731
2005	10,064,127	5,616,247	3,181,522	389,486	19,251,382
2006	11,130,179	5,835,879	3,960,465	1,614,421	22,540,944
2007	11,643,851	6,725,658	3,880,247	668,402	22,918,158
2008	12,168,087	7,042,736	4,447,229	1,095,017	24,753,069
2009	12,521,427	6,793,837	4,627,062	850,363	24,792,689
2010	13,011,332	5,545,150	4,623,570	942,173	24,122,225
2011	13,320,544	6,146,685	4,320,452	592,473	24,380,154

% Dif.

'02-

'11

4/25/2011

52%

11%

69%

-59%

33%

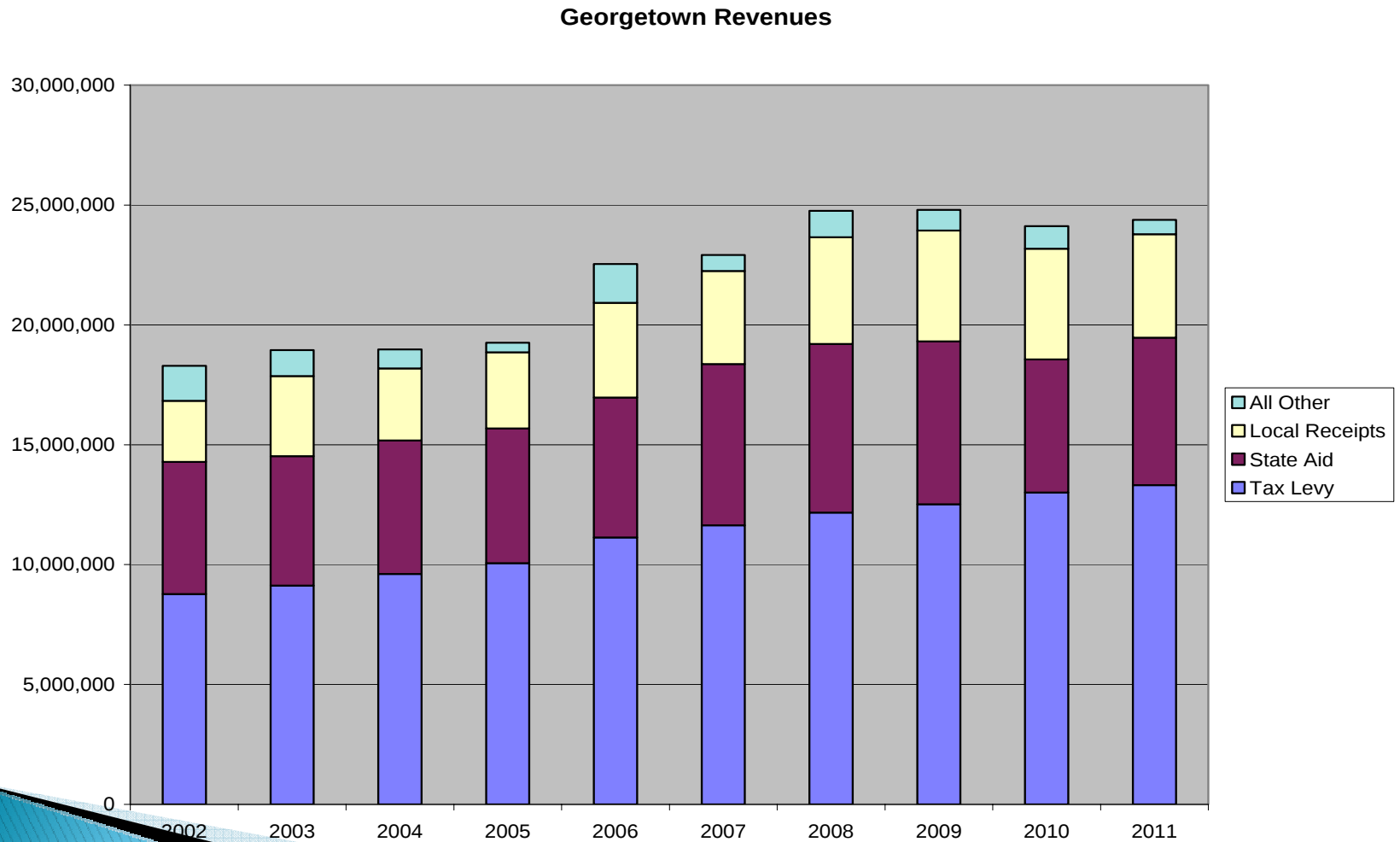
Board of Selectmen Meeting

Georgetown Revenues

Fiscal Year 2002 - 2011 Revenue Components as a % of Total Revenue

	Tax Levy	State Aid	Local	All Other
2002	47.95	30.16	13.94	7.95
2003	48.16	28.50	17.68	5.66
2004	50.64	29.36	15.82	4.18
2005	52.28	29.17	16.53	2.02
2006	49.38	25.89	17.57	7.16
2007	50.81	29.35	16.93	2.92
2008	49.16	28.45	17.97	4.42
2009	50.50	27.40	18.66	3.43
2010	53.94	22.99	19.17	3.91
2011	54.64	25.21	17.72	2.43

Revenue Trends



Georgetown Expenses

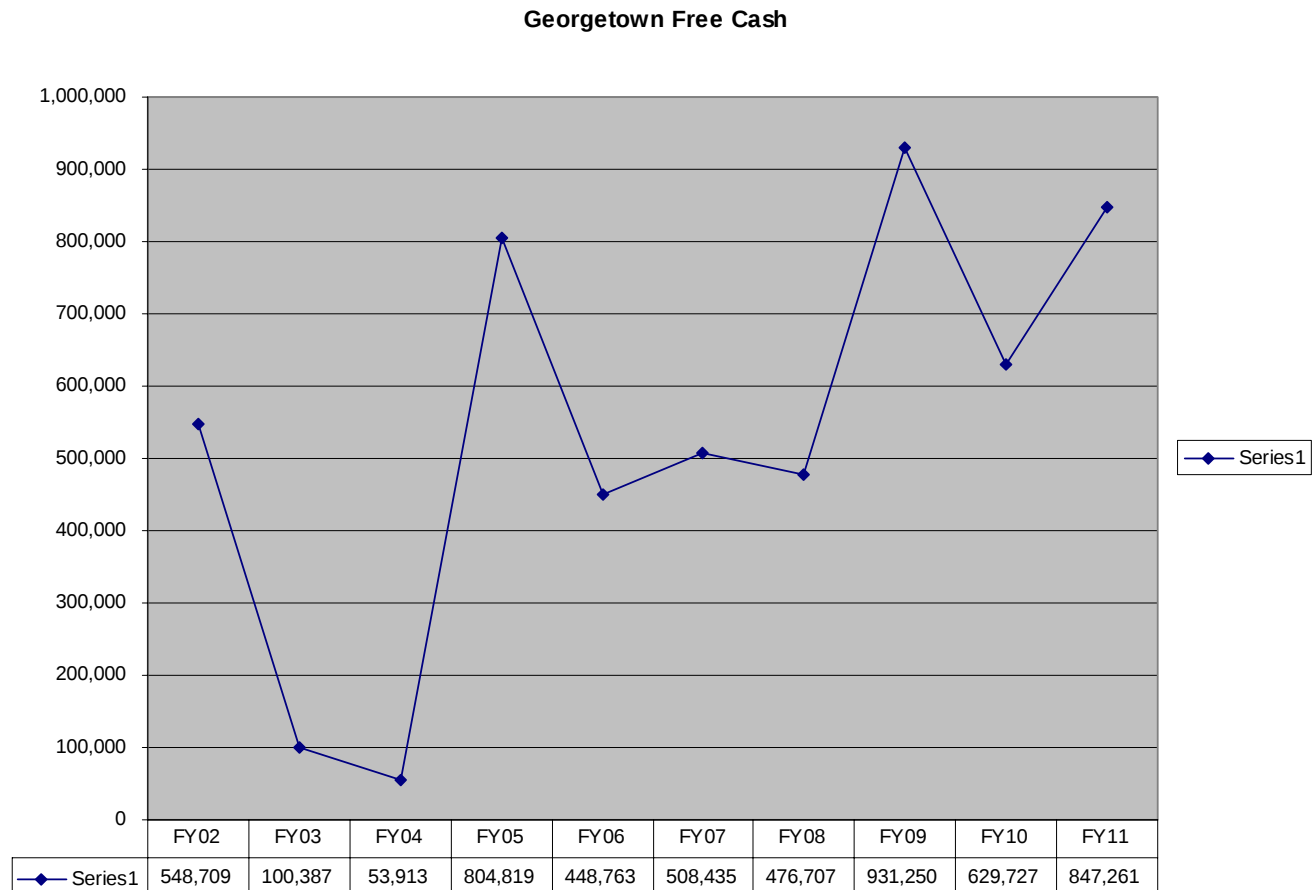
	General Government	Police	Fire	Other Public Safety	Education	Public Works	Human Services	Culture & Recreation	Debt Service	Fixed Costs	Intergov ern- mental	Other Expendi tures	Total Expenditures
2000	752,827	888,134	149,653	112,543	7,630,026	578,211	171,720	208,784	2,448,951	1,332,862	38,851	2,037	14,314,599
2001	768,550	982,287	198,959	123,445	8,371,203	641,306	155,140	207,303	2,450,588	1,363,178	42,314	2,189	15,306,462
2002	740,667	1,004,013	172,327	130,415	9,041,103	627,950	178,785	192,407	2,360,754	1,644,640	52,097	0	16,145,158
2003	820,781	963,142	165,794	133,446	9,374,558	769,213	200,639	199,780	2,413,994	2,044,997	0	0	17,086,344
2004	722,657	986,704	194,561	144,878	8,840,656	597,094	150,249	376,605	2,306,859	2,251,434	166,133	27,522	16,765,352
2005	766,624	1,025,013	191,465	155,462	8,982,856	838,038	194,529	223,319	2,289,177	2,394,714	285,209	25,647	17,372,053
2006	790,611	1,140,619	269,999	167,519	9,469,901	695,513	195,265	238,107	2,427,277	2,734,246	342,492	0	18,471,549
2007	966,333	1,266,347	270,460	188,217	10,368,456	830,120	217,120	255,183	2,694,240	3,094,808	0	2,375	20,153,659
2008	959,649	1,338,641	286,176	190,244	10,990,029	966,520	228,013	320,591	5,184,027	3,366,030	0	8,000	23,837,920
2009	947,752	1,369,451	392,257	159,495	11,072,643	969,564	234,746	324,247	1,960,985	3,296,260	0	292,146	21,019,546
2010	942,326	1,384,668	403,126	139,012	11,212,140	880,956	230,196	322,521	1,247,299	3,415,168	231,082	6,550	20,415,044
% Chg.	25.2%	55.9%	169.4%	23.5%	46.9%	52.4%	34.1%	54.5%	-49.1%	156.2%	494.8%	221.6%	42.6%
\$ Chg.	189,499	496,534	253,473	26,469	3,582,114	302,745	58,476	113,737	(1,201,652)	2,082,306	192,231	4,513	6,100,445

Georgetown Long Term Debt

Fiscal Yr.	Principal	Interest	Total
2011	630,850	134,822	765,672
2012	611,061	119,404	730,465
2013	581,060	103,296	684,356
2014	461,061	87,283	548,344
2015	436,061	76,125	512,186
2016	376,061	66,007	442,068
2017	416,061	56,664	472,725
2018	386,061	45,559	431,620
2019	141,061	33,404	174,465
2020	141,061	27,835	168,896
2021	141,081	22,262	163,343
2022	120,000	16,800	136,800
2023	120,000	12,000	132,000
2024	120,000	7,200	127,200
2025	120,000	2,400	122,400
	\$ 4,801,479	\$ 811,061	\$ 5,612,540

Project	Interest Rate	Outstanding at June 30, 2009	<u>Redeemed</u>	Outstanding at June 30, 2010
MWPAT - Title V Loans	4.20%	124,602	10,400	114,202
Landfill Closure Bonds	4.25%	560,000	75,000	485,000
MWPAT - Title V Loans	4.25%	127,961	10,684	117,277
Town Hall Remodeling	4.25%	320,000	80,000	240,000
Addition to DPW Garage (2003)	4.25%	100,000	25,000	75,000
Library Addition (2005)	4.25%	1,920,000	120,000	1,800,000
Highway Sander (2005)	4.25%	5,000	5,000	
Public Safety Building Improvements (2005)	4.25%	4,000	4,000	
School Security System (2005)	4.25%	5,000	5,000	
School Computers	4.25%	30,000	30,000	
School Textbooks	4.25%	15,000	15,000	
School Renovations (2005)	2.0%	6,000	6,000	
Fire Engine (2005)	2.0%	210,000	35,000	175,000
School (2009)	2.0-2.7%	1,983,000	263,000	1,720,000
Land Acquisition (2009)	2.0-2.5%	87,000	12,000	75,000
Total		\$ 5,497,563	\$ 696,084	\$ 4,801,479

Georgetown Free Cash



Questions & Answers