

April 2, 2012

Citizens of Topsfield
Topsfield, Massachusetts 01983

**RE: Town of Topsfield Fiscal Year 2013 Revenue and Expense Plan
Finance Committee Overview and Recommendations**

Dear Fellow Citizens:

In accordance with the bylaws of the Town of Topsfield, we the members of the Finance Committee reviewed and prepared recommendations regarding the Town's Operating Budget for fiscal year 2013 (FY 013) and for other Warrant Articles to be voted upon at the Annual Town Meeting scheduled to be held at 7 P.M. on May 1, 2012. The proposed budgets were prepared by departments with reference to guidelines established by the Finance Committee. Given the current economic environment, these guidelines requested the submission of department budgets with a 2.0% increase to the salary and wage grid for non-represented personnel, and a 2.0% in "other," which is non-salary and wage accounts. Once again, the guidelines stated no new government or new programs. Departments were asked to focus on services that are essential to the Town. Articles were placed on the Warrant by the Board of Selectmen on their own behalf, on behalf of other Town Boards or by Citizen Petition. This letter outlines some of the significant issues and facts that our Committee has considered. You may find these helpful to your decision-making process.

The Finance Committee has recommended a FY 2013 budget of a nearly level-funded General Operating Budget (Article Third) and a Masconomet Regional School assessment of **\$6,173,071** as certified by the Masconomet Regional School Committee. The FY013 budget recommended by the Finance Committee includes an estimated total amount to be raised of **\$24,116,274** representing an increase of **2.81%** over the FY012 actual. After making adjustments for state aid and other revenues such as local receipts and assessments, the resulting total expected to be raised through real estate taxes will be **\$18,424,229**, an increase of **3.49%** over the current year actual. Additionally, the Warrant offers for your consideration the lease of a truck/sander and wing plow for the Highway; purchase of a 4x4 police vehicle, a police cruiser, a fire department rapid-response vehicle and voting booths; rebanding of the public safety communication system; maintenance work on the exterior of the library and a comprehensive assessment of Town facilities.

The budget reflects signed employee contracts, an agreement reached under collective bargaining negotiations with union employees by the Selectmen, and two percent salary wage increases for non-represented personnel. Funds are also reserved for general collective bargaining settlement purposes.

Included among the contributing factors requiring the recommended funding levels for the proposed budget(s) are the following:

- Public Safety –The Public Safety Base Budget has increased by **\$23,947** or **1.16%** relative to FY012. This change is consistent with the recommended Finance Committee guidelines.

- Elementary Schools – The Elementary School Budget for FY012 has increased by **\$119,490** or **2.00%** over the previous year, consistent with the recommended Finance Committee guidelines. Passage of Article Twenty-Ninth will also provide **\$95,903** for a technology infrastructure upgrade.
- Public Works and Facilities – This budget has increased by **\$9,756** or **1.34%** over FY012.
- Masconomet Regional School – The certified Topsfield assessment for the Masconomet Regional School budget for FY013 has increased by **\$51,663** or **0.84%** over FY012. The Topsfield assessment is based on the total assessed cost of **\$21,613,540** for the entire district of Topsfield, Boxford and Middleton.

The FY013 recommended budget includes a limited amount of capital expenditures. While our recommendation represents a relatively small number of the numerous justifiable requests, in concert with the Selectmen, we believe the proposed expenditures to be financially prudent. We encourage you to review the Warrant for our specific recommendations. The Finance Committee supports these capital expenditures and believes them to be important to the operation of our Town.

The Topsfield Town Finance Committee believes its recommendations are consistent with the ideals of our community while staying responsive to the needs of the taxpayers. We have taken advantage of available cost savings and revenue sources in order to propose a base Budget that remains within Proposition 2 1/2 guidelines. While we believe that the quality and level of Town services and education consistent with the values historically embraced in Topsfield have been maintained, ***no Articles requiring either a Proposition 2 1/2 override or exclusion*** will be offered for your consideration. We encourage you to participate in the Annual Town Meeting and to give careful consideration to both the immediate and long-term implications of all the important decisions before you.

Additional detail for each budget addressed in this Warrant, is available on the Topsfield website: <http://www.topsfield-ma.gov/>.

Respectfully submitted by the Topsfield Finance Committee,

Mark B. Lyons, Chairman

Heidi L. Bond

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Daniel Shugrue