

*Budget Analysis and Mil Rate Projection for  
Proposed FY2003-2004 Budget  
Prepared for June 2, 2003 Town Meeting*

The Board of Selectmen, Budget Committee, Town Manager and Department Heads have all contributed to the construction of the proposed FY2003-04 Municipal Budget. In addition, the Greenville School Committee, Budget Committee, Superintendent of Schools and staff have prepared the recommended FY03-04 budget for the Greenville Schools. The County Commissioners completed their budget process in December 2002. The resulting budgets prepared all have direct and indirect effects on the tax rate for the Town of Greenville for the tax bills which will be sent to property owners in October 2003.

In terms of property valuation, the Town of Greenville completed a study of actual sales of all properties in Greenville for a three year period, and used this information to adjust land values in 2002. No such adjustments are planned for 2003. A full property revaluation is scheduled for 2006. Due to the high number of communities seeking property revaluations, it is difficult to find a firm to complete a full revaluation. The Board of Selectmen plans to utilize the same firm for the 2006 revaluation which does annual assessing duties for the Town. The Board feels this will result in a better product for less money due to the familiarity the firm has with property in Greenville. The estimated total cost for the revaluation is \$115,000. Other, less familiar firms could charge as much as 50-75% more.

The current assessed value for the Town of Greenville is \$148 million. Our projections for the FY2003-2004 tax rate use this figure. It is likely that new construction values will, as usual, outweigh depreciation of properties and a net increase of \$1 to \$2 million in total assessed value.

The Board of Selectmen received in April a petition asking for a series of cuts to the municipal budget. After a Public Hearing on these proposed cuts, the Board of Selectmen voted to reduce the equipment use lines within the Public Works, Airport and Landfill accounts by a total of \$34,400. This was accomplished by reducing the rates used to charge off for each piece of equipment. The total value of the equipment reserve accounts should be watched closely over the next few years to ensure that eventual equipment replacement can be achieved when necessary.

The current mil rate for the Town of Greenville is \$17.80 per \$1,000 valuation. The total increase in the proposed budget, including municipal, school, county and overlay obligations is expected to increase the mil rate by a total of \$2.67, making the new projected tax rate \$20.47 per \$1,000 valuation. A breakdown of this mil rate projection is listed below:

Proposed

	<b>FY2002-2003</b>	<b>FY2003-2004</b>	<b>Change</b>	<b>%</b>	<b>Tax Impact</b>
Mun. Expenditures	\$1,365,812	\$1,389,679	\$23,867	1.75%	Municipal: \$54,947
Mun. Revenue	\$707,481	\$676,401	(\$31,080)	(4.39%)	.37 mils
Edu. Expenditures	\$2,927,196	\$3,062,662	\$135,466	4.62%	Education: \$290,173
Edu. Revenue	\$1,140,037	\$985,330	\$154,707	(13.57%)	1.949 mils
County Tax	\$194,413	\$235,780	\$41,367	21.28%	County: .27 mils
Overlay	\$53,844	\$13,000 (est.)	\$40,844	(75.86%)	Overlay: .08 mils

