Town Administration Fiscal Year 2021 General Fund Budget Recommendations

For December 11, 2019

Select Board Meeting

As of 01/15/2020

Administration & Select Board Goals and Priorities for FY 2021

- Balanced budget – within projected revenue
- Strategic Plan
  - Transportation
  - Housing
  - Environmental Leadership
  - Efficient Town Operations
  - Quality of Life
- Staffing Study
- Capital and operational investment in infrastructure/facilities
- Project management
- Housing (community and employee)

Initiatives/Needs/Goals Addressed with Budget Recommendations

- Strategic Plan
  - Environmental Leadership
    - Coastal Resiliency/Hazard Mitigation
    - Water Quality
    - Sustainability
- Housing
- Transportation
  - Parking Demand Management
- Staffing Study
  - Continue to work towards filling vacant positions

Efforts to Reduce Expenses and Increase Efficiency, Transparency

- Personnel
  - Review staffing when key positions become vacant
  - Combine/consolidate duties where appropriate
  - Cross-train staff where appropriate
  - Increase training and educational opportunities so as to reduce reliance on consultants, reduce legal fees and increase professional qualifications and expertise (i.e. technical skills such as project management)
- Review and refine internal controls/processes, procedures and policies
- Grants Awarded during FY2020
  - ReMain Grant ($25,000) – Creation of a Sustainability Office

FY 2021 General Fund Budget Overview

- Revenue – Total Projected Revenue of $106,596,195
  - Net of Property Tax Abatements

- Expenses – Total Projected Expenses of $~~106,242,704~~
  - As approved on January 8, 2020 $106,442,704

- Projected FY 2021 Unused Levy Capacity ~~$ 353,491~~
  - After change approved on January 8, 2020 $153,491

FY 2021 General Fund Budget Summary Comparison

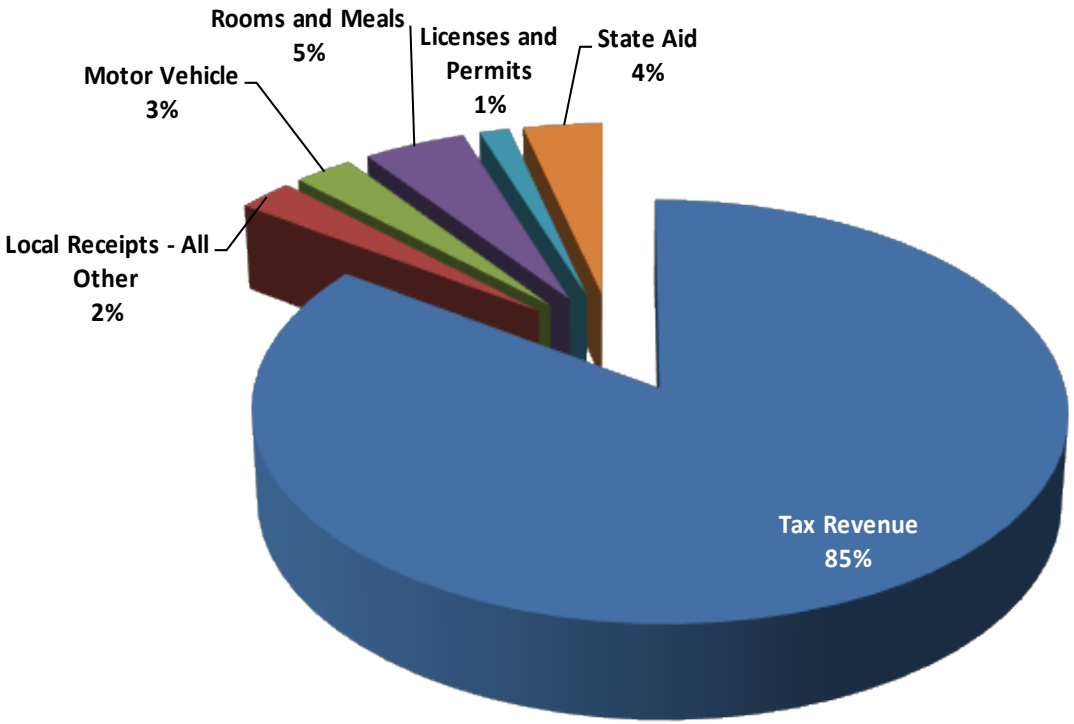
THE FY2021 BUDGET

REVENUES	FY20	FY2021	$ Change	% Change
Property Tax	85,639,814	89,472,054	3,832,240	4.5%
Local Receipts (All other)	2,605,300	2,719,148	113,848	4.4%
Motor Vehicle Excise	2,690,000	2,900,000	210,000	7.8%
Rooms and Meals Tax	4,394,800	5,001,800	607,000	13.8%
Licenses and Permits	1,450,000	1,467,500	17,500	1.2%
State Aid (1)	3,809,322	3,880,203	70,881	1.9%
Free Cash	885,000	1,002,000	117,000	13.2%
Other Available Funds	-	-	-	na
TOTAL REVENUES	**101,474,236**	**106,442,705**	**4,968,469**	**4.9%**
EXPENDITURES				
Municipal Departments	29,198,463	29,535,598	337,135	1.2%
School Department	30,636,642	32,346,642	1,710,000	5.6%
Non-Departmental	29,602,663	31,239,645	1,636,982	5.5%
Special Appropriations	12,036,468	13,320,820	1,284,352	10.7%
TOTAL EXPENDITURES	**101,474,236**	**106,442,705**	**4,968,469**	**4.9%**

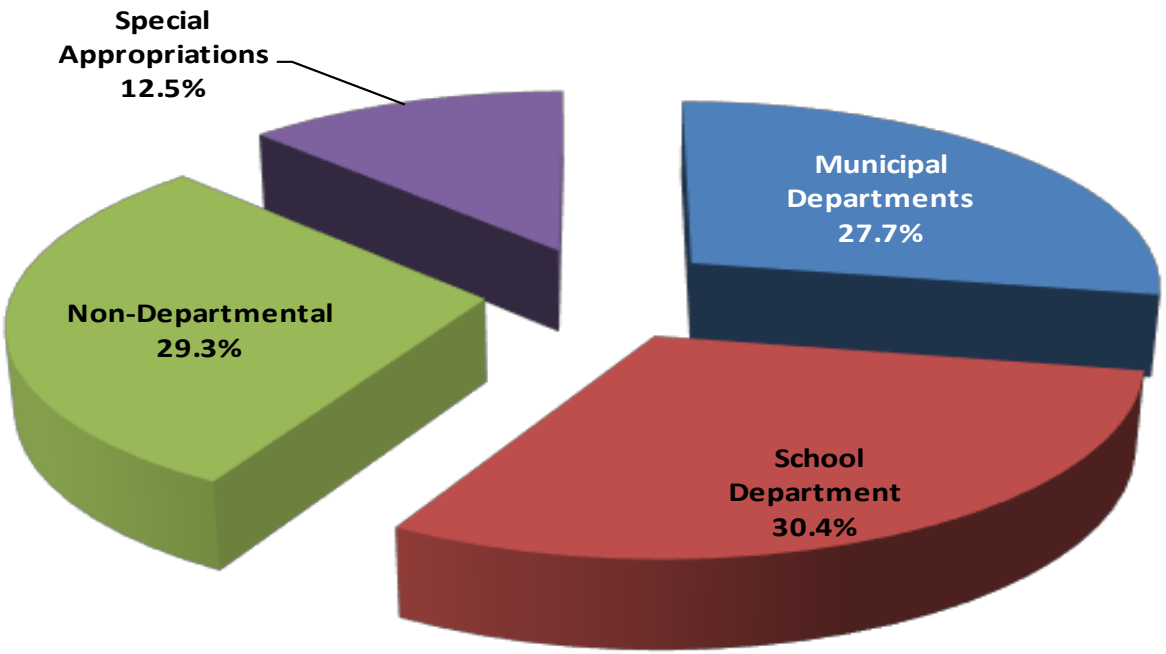
- See Appendix A for detailed breakdown.

(1) FY 2020 state aid represents level funding from FY 2019 approved figure.

FY 2021 General Fund Budget
Projected Revenue



FY 2021 General Fund Budget
Projected Expenditures



FY 2021 General Fund Budget
Expense Categories

Category	FY 2021 Current Projection	Notes
Town Operational Expenses	*$7,750,794*	
Town Operational EIR's (1)	*$842,000*	*Included in Town expenses*
Town Salaries	*$21,616,303*	*Contracts in negotiations; c/b allowance*
Town Personnel EIR's	*$164,387*	*Included in Town salaries*
School Operational Expenses	*$5,577,620*	
School Operational EIR's	*$360,000*	*Included in School expenses*
School Salaries	*$26,219,022*	*Contracts in negotiations; c/b allowance*
School Personnel EIR's	*Included in School salaries*	

(1) EIR = Expense Increase Request, excludes AHTF.

FY 2021 General Fund Budget
Fixed Costs

Category	FY 2021 Current Projection	% Change over FY 2020 Budget
Health Insurance		
Active	*$10,281,9028*	*8.75% increase*
Retiree	*$3,333,975*	*8.75% increase*
General Insurance	*$2,619,007*	*10.0% increase*
Debt Service	*$9,800,792*	*per established schedule*
Retirement	*$5,203,970*	*8.5% increase*
Enterprise Fund Subsidies*	*$9,444,405*	*11.55% Increase*

* See Appendix A for detailed breakdown.

FY 2021 General Fund – Special Appropriations

Category	FY 2021 Current Projection	% Change over FY 2020 Budget
Health & Human Services	~~*$450,000*~~ *$650,000*	*No change*
County Assessment	*$170,201*	*No change*
Reserve Fund	*$500,000*	*No change*
Unpaid Bills	*$20,000*	*No change*
Other Post Employment Benefits (OPEB)	*$500,000*	*No change*
Overlay & Other Deficits	*$0*	*$0*
Cherry Sheet Charges	*$1,002,462*	*80% increase*
Community School	*$550,000*	*11.0% Increase*
Min Cap Funding Req.	*$1,033,750*	*n/a - 1% of prior year revenue*
TOTAL EXPENSES	~~***$106,242,704***~~ ***$106,442,704***	

FY 2021 Town Expense Increase Requests

(included in recommended budget, excluding school)

- $3,732,594 Submitted Requests
- $1,072,387 Recommended
  - One-time $842,000
  - On-going $230,387
- To be funded through available tax levy, budget adjustments, alternate funding sources, free cash, potential revenue increases

FY 2021 Recommended Town Expense Increase Requests

Department	Description of Expense Request	One-Time or Ongoing	Approved EIRs (1)
Personnel Expense Increase Requests (EIRs)			
DPW	Construction Inspector	Ongoing	107,387
Police	Parking Enforcement Officer	Ongoing	83,000
Police	(3) Addntl CSO's for Expanded Parking Hours	Ongoing	40,000
Total Personnel Expense Increase Requests			**$ 230,387**
Operating Expense Increase Requests (EIRs)			
Town Clerk	Elections Expenses- Voting Tabulators	One-Time	10,000
IT	Upgrade the Town Exchange Mail Server to most current version	One-Time	10,000
IT	Phase III Energov	One-Time	80,000
Fire	Equipment and Trailer for Mass Casualty Preparedness	One-Time	15,000
Fire	Active Shooter Hostile Event Response (ASHER) Equipment	One-Time	30,000
HR	Compensation & Classification Study	One-Time	50,000
PLUS	Professional Services Related to Update of 2009 Master Plan	One-Time	100,000
PLUS	Replacement Vehicle for PLUS Fleet	One-Time	27,000
PLUS	Prof. Svcs Related to update of Historic Architectural surveys from HDC	One-Time	100,000
Town Admin	Potential Data Collection Initiative	One-Time	60,000
Town Admin	Sustainability Office	One-Time	100,000
Town Admin	Strategic Plan Initiatives	One-Time	100,000
Town Admin	*Rental Regulations Assistance*	*One-Time*	*60,000*
Town Admin	Governance Workshops	One-Time	50,000
Town Admin	Professional Administrative Support Services	*One-Time*	*50,000*
Total Operating Expense Increase Requests			**$ 842,000**
Total Town Personnel & Operational Expense Increase Requests			**$ 1,072,387**

FY 2021 Town Expense Increase Requests
Funding Source Detail

Funding Source	Amount
Tax Levy & Other General Revenues	$230,387
Free Cash	$842,000
Total - All Funding Sources	$1,172,387

Preliminary Free Cash Recommendation (Subject to Change)

General Fund Certified Free Cash	**$10,334,761**
Fund Town Expense Increase Requests (one-time)	$842,000
Fund School Expense Increase Requests (one-time)	$160,000
Fund Town and School Capital Requests	$6,000,000
Fund Town Stabilization Account	$500,000
Fund Capital Stabilization Fund	$750,000
Fund Town Accrued Leave Reserve	$750,000
Unallocated Free Cash	$1,332,761*

*Reserved for potential FY20 additional subsidies to the Enterprise Funds. (Our Island Home and Solid Waste)

FY21 Outstanding Items and Current Unknowns

- Potential Tax Override to Fund:
  - Our Island Home Operations
- State Aid Impact
- Harbor Place Project
- Citizen Warrant Articles Potential Cost Impact
- Health and Human Services Funding Allocations
- Fee Increases

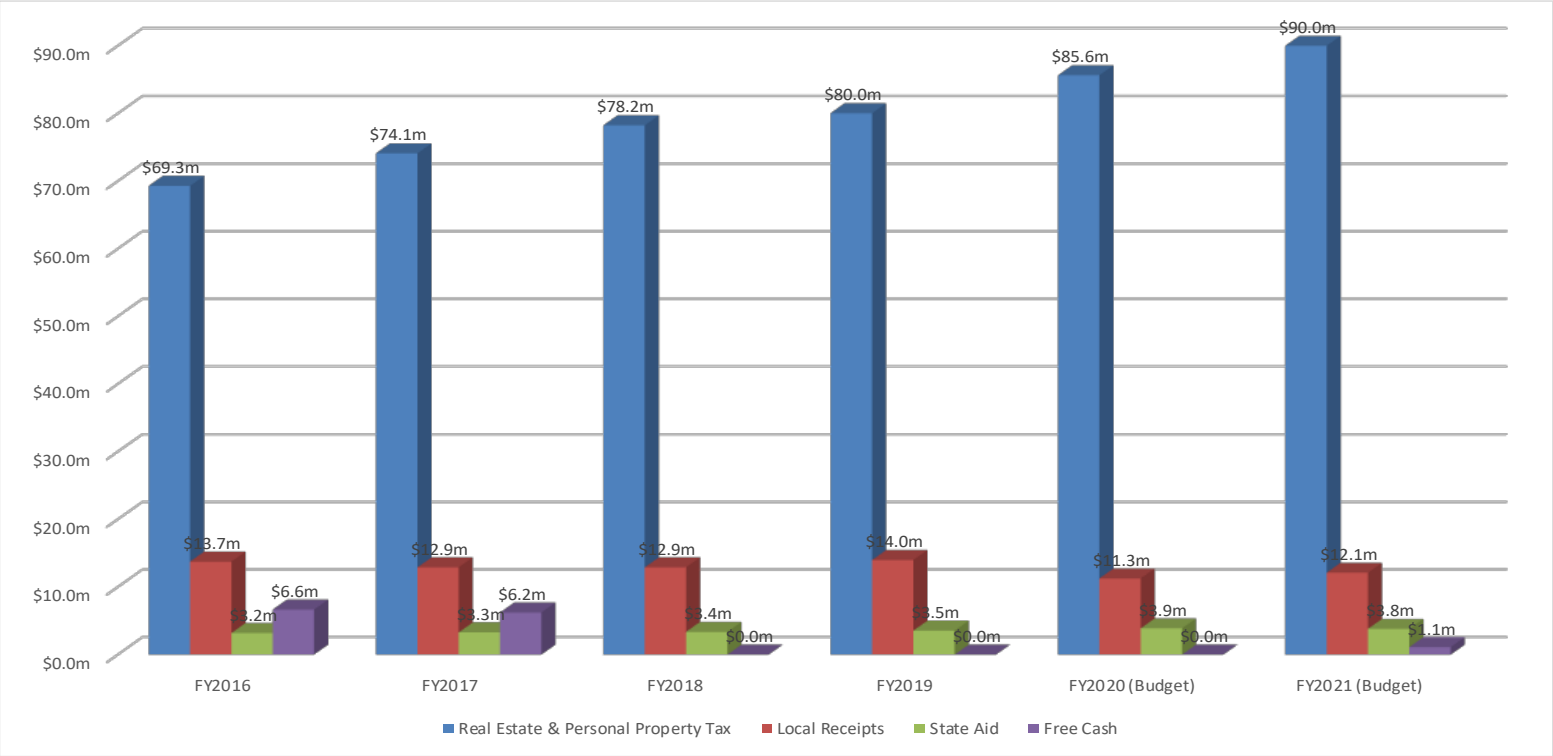
Future Potential Costs

- Strategic Plan
- Staffing Study
- Commuter Shuttle System
- Update of 5 Year Forecast
- Open Space and Recreation Plan
- Parks and Recreation Master Plan
- Solid Waste
  - New Contract in 2025
- NRTA
  - Year Round Service Modifications
- Sustainability Office

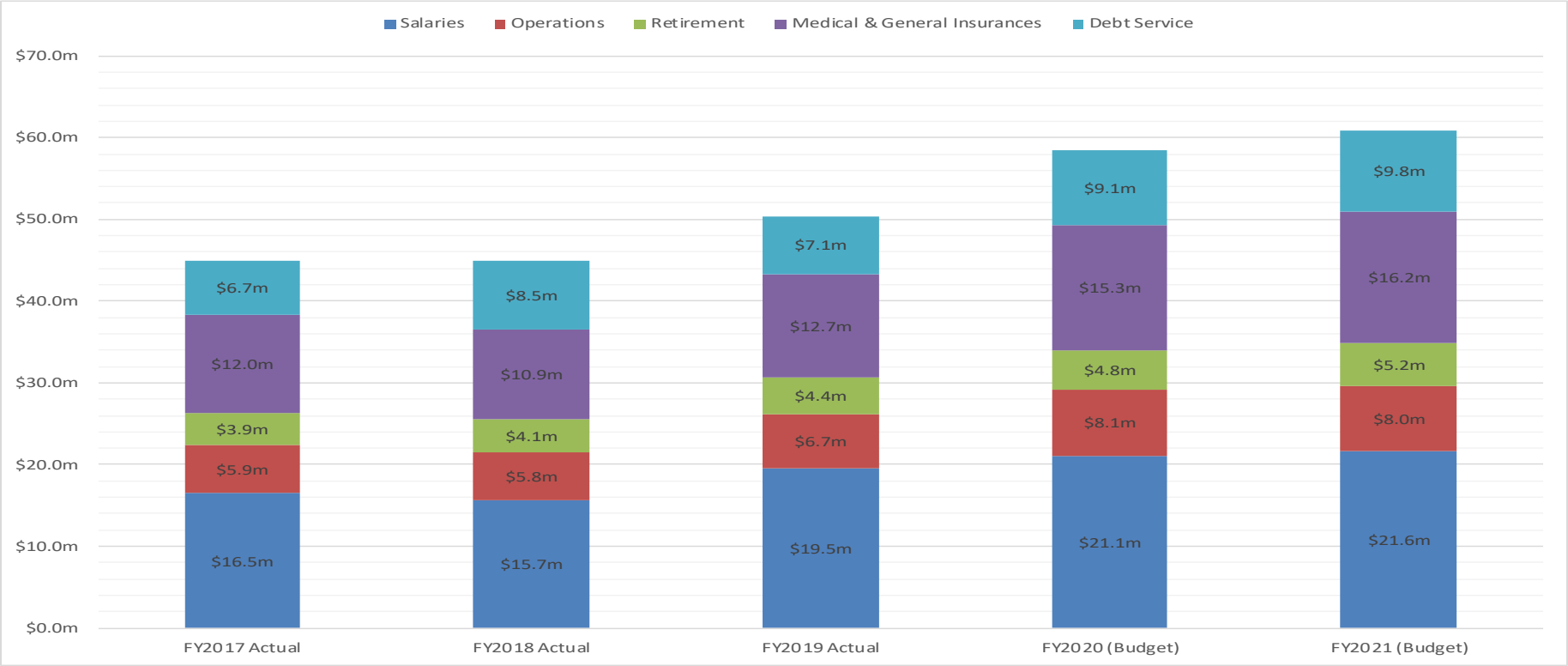
Next Steps

- December 11: Town Administration FY 2021 Budget presentation to Select Board
- December 17: Town Administration FY 2021 Budget presentation to School Committee
- January 8: Select Board public hearing; endorsement of recommended FY 2021 General Fund Budget
- Mid-January – mid-March: Finance Committee review of General Fund & Enterprise Fund budgets; other financial appropriations
- Saturday, April 4: Annual Town Meeting (2020)

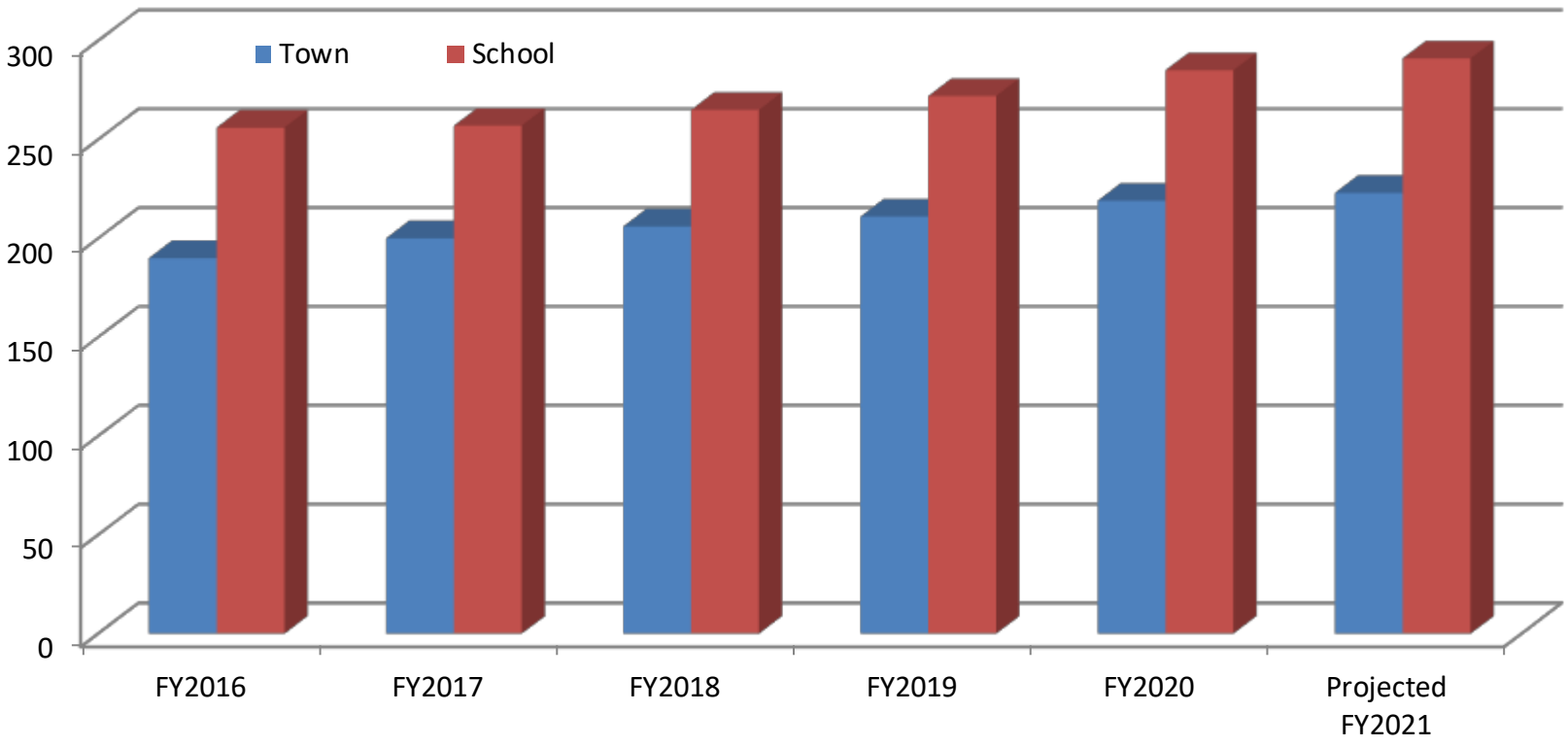
General Fund Revenue Breakdown
FY 2016-FY 2021



Town Expense Breakdown
FY 2017-FY 2021



General Fund Personnel History



* Full Time Equivalent Calculation = 33-40 Hrs 1.0; 20-32 Hrs 0.50; Seasonal = 0.25

**For comparative purposes, Town Personnel History does not include Our Island Home

*** Education Personnel History includes Community School Employees

FY 2021 Status of Capital Projects Requests General Fund

Department	Projects Submitted	Amount

IS/GIS

Project #	Project Name	FY21
ADMIN-17-001	Network Infastructure	$100,000
ADMIN-18-001	Replace Town Computers	$62,800
ADMIN-17-002	Server Virtualization	$75,000
IS/GIS Total		**$237,800**

Marine Department

Project #	Project Name	FY21
PUBL-21-001	Patrol Boat Replacement	$150,000
Marine Department Total		**$150,000**

Our Island Home (G)

Project #	Project Name	FY21
OIH-17-001	Our Island Home Facility	$5,000,000
Our Island Home (G) Total		**$5,000,000**

School Department

Project #	Project Name	FY21
NPS-21-001	Bobcat Replacement	$65,000
NPS-20-001	Campus Wide Improvement Plan	$750,000
NPS-21-002	IT Infrastructure	$150,000
NPS-21-003	NHS Boiler Replacement	$300,000
NPS-17-001	NPS Building Improvements	$300,000
School Department Total		**$1,565,000**

FY 2021 Status of Capital Projects Requests General Fund cont'd

Department	Projects Submitted	Amount

Town Administration

Project #	Project Name	FY21
HMP-21-006	Childrens Beach Storm Water Pump (HMP ID #F9)	$3,300,000
HMP-21-004	Fulling Mill Brook Road (HMP ID #F10)	$700,000
ADMIN-20-003	Town-Wide Document Management System (Phase II)	$250,000
ADMIN-21-001	Town-Wide Security Measures	$100,000
ADMIN-21-002	Island Wide Underground Wiring Feasibility Study	$500,000
Town Administration Total		**$4,850,000**

Police Department

Project #	Project Name	FY21
PUBL-21-002	Loran Housing (SEWER)	$500,000
PUBL-20-001	Public Safety Auxiliary Building	$3,000,000
Police Department Total		**$3,500,000**

Fire Department

Project #	Project Name	FY21
FIRE-20-001	ALS Equipment	$100,000
FIRE-19-002	Replace SCBAs	$101,160
FIRE-21-002	Trench Rescue Equipment	$220,848
Fire Department Total		**$422,008**

FY 2021 Status of Capital Projects Requests General Fund cont'd

Department	Projects Submitted	Amount

DPW - Facilities

Project #	Project Name	FY21
FAC-20-002	ADA Facility Upgrades	$600,000
FAC-20-008	Annual Facilities Site Paving Updates	$530,450
FAC-20-001	General Building Envelope Roof/Siding/Windows (Repairs/Replaceme	$600,000
FAC-20-005	MUNICIPAL BUILDING GENERAL RENOVATIONS	$600,000
FAC-20-007	MUNICIPAL FACILITY EQUIPMENT REPLACEMENT	$150,000
FAC-20-004	REPAIR MUNICIPAL FACILITY BATHROOM	$600,000
FAC-20-006	REPAIR MUNICIPAL FACILITY LIGHTING	$200,000
FAC-20-003	REPAIR MUNICIPAL FACILITY UTILITY SYSTEMS	$600,000
FAC-21-002	Town Wide Facilities Master Plan	$346,000
DPW - Facilities Total		**$4,226,450**

Public Works

Project #	Project Name	FY21
DPW-18-001	CCTV Phased Work	$266,552
DPW-21-005	Fleet - 6-wheel Dump Truck	$180,000
DPW-21-002	Fleet - Electric Admin Vehicle	$50,000
DPW-21-006	Fleet - Fleet Service Vehicle - Utility Body	$180,000
DPW-21-004	Fleet - Ford F-350	$60,000
DPW-21-001	Fleet - Sweeper	$250,000
DPW-21-003	Fleet - Two Ford Ranger(s)	$90,000
Public Works Total		**$1,076,552**

FY 2021 Status of Capital Projects Requests General Fund cont'd

Department	Projects Submitted	Amount
DPW - Transportation		
Project #	**Project Name**	**FY21**
TRAN-20-002	Cobblestone Improvements	$515,000
TRAN-19-008	Massasoit Bridge Redesign w/Construction	$1,000,000
TRAN-19-009	Millie's Bridge Redesign w/Construction	$1,000,000
TRAN-20-001	Multi- Use Path Maintenance (SBSP)	$218,545
TRAN-17-005	Newtown Road Improvements (SB SP)	$1,154,105
TRAN-19-010	Permanent Traffic Data Collection Stations (SB SP)	$150,000
TRAN-17-002	Road improvements/Maintenance Island Wide (SBSP)	$3,650,000
TRAN-21-001	'Sconset Footbridge Construction	$100,000
TRAN-17-001	Sidewalk Improvement Plan (SB Strategic Plan)	$1,030,000
TRAN-17-004	Lovers Lane Road Improvements	$3,272,892
TRAN-19-002	Waitt Drive/Amelia Drive	$3,721,200
DPW - Transportation Total		**$15,811,742**

TOTAL GF ITEMS	***$36,839,552***
Proceeds from Real Estate Sales	*TBD*
Prior Year Capital Article Reappropriations	*TBD*
Free Cash*	*$6,000,000*
CPC Funds	*TBD*
Capital from Operating Budget	*$1,033,750*
Tax Levy - Capital Exclusion	*$1,250,000*
Ambulance Reserve	*TBD*
Total other funding sources	*$8,283,750*
Items left to fund	***$28,555,802***

****Total Free Cash certified = $10,334,791***

FY 2021 General Fund Budget Breakdown – Revenues

FY2021 General Fund Revenue Breakdown

		Budget FY2020		Budget FY2021		$ Change	% Change
Tax Revenue Limitations							
Levy Limit from Prior Year	$	74,761,587	$	77,688,261	$	2,926,674	3.9%
Add: 2 1/2 % increase		1,869,040		1,942,210		73,170	3.9%
Add: Prop 2.5% operating override		-		-		-	na
Add: new growth *estimate*		800,000		925,000		125,000	15.6%
Add: operating override		-		-		-	na
Levy Limit for Current Year		77,430,627		80,555,471	$	3,124,844	4.0%
Add: Debt Exclusion		8,661,509		9,295,073		633,564	
Maximum Allowable Levy for Current Year	**$**	**86,092,136**	**$**	**89,850,544**	**$**	**3,758,408**	**4.4%**
OVERLAY		(450,000)		(225,000)		225,000	(50.0%)
Net available:	**$**	**85,642,136**	**$**	**89,625,544**	**$**	**3,983,408**	**4.7%**
State Aid	**$**	**3,809,322**	**$**	**3,880,200**	**$**	**70,878**	**1.9%**
Local Receipts:							
Motor Vehicle Excise		2,690,000		2,900,000		210,000	7.8%
Rooms and Meals Tax		4,394,800		5,006,671		611,871	13.9%
Licenses and Permits		1,450,000		1,450,100		100	0.0%
Local Receipts - All Other		2,605,300		2,731,680		126,380	4.9%
Total Local Receipts		**11,140,100**		**12,088,451**		**948,351**	**8.5%**
Total Revenue	**$**	**100,591,558**	**$**	**105,594,195**	**$**	**5,002,637**	**5.0%**
Other Sources							
Other Sources		-		-		-	na
Free Cash Used		885,000		1,102,000		217,000	24.5%
Excess Overlay		-					
Total Revenue and Other Sources	**$**	**101,476,558**	**$**	**106,696,195**	**$**	**5,219,637**	**5.1%**
Total Expenses and Other Uses	**$**	**101,024,235**	**$**	**106,342,704**	**$**	**5,318,469**	**5.3%**
				353,491			

FY 2021 General Fund Budget Breakdown – Expenses

FY2021 General Fund Expenditure Breakdown

	Budget FY2020	Budget FY2021	$ Change	% Change
General Fund Operating Budget Items:				
Salaries - Town (includes allowance for collective bargaining)	$ 20,439,402	$ 21,451,916	$ 1,012,514	5.0%
Town Expense increase Requests- Salaries	673,807	164,387	(509,420)	(75.6%)
Salaries - School (includes allowance for collective bargaining)	24,379,022	24,919,022	540,000	2.2%
School Expense increase Requests- Salaries	540,000	1,300,000	760,000	140.7%
Transfers to community school	500,000	550,000		
Subtotal Salaries	**$ 46,532,231**	**$ 48,385,325**	**$ 1,853,094**	**4.0%**
Operating Expenses, Town:	6,772,836	6,908,794	135,958	2.0%
+Town Expense Increase Requests-Operating	1,148,026	942,000	(206,026)	(17.9%)
Operating Override - 2011 Mosquito Control	164,391	168,501	4,110	2.5%
Operating Expenses, School	5,057,620	5,417,620	360,000	7.1%
+School Expense Increase Requests-Operating	160,000	160,000	-	-
Transfers to community school			-	na
Subtotal Expense	**$ 13,302,873**	**$ 13,596,915**	**$ 294,042**	**2.2%**
Group Medical Insurance- Active Employees	9,958,788	10,281,902	323,114	3.2%
Group Medical Insurance- Retired Employees	3,319,596	3,333,975	14,379	0.4%
General Insurance (all other insurance)	2,456,150	2,619,007	162,857	6.6%
Subtotal Insurance	**$ 15,734,534**	**$ 16,234,884**	**$ 500,350**	**3.2%**
Debt Service	$ 9,071,843	$ 9,800,792	$ 728,949	8.0%
Retirement	$ 4,796,286	$ 5,203,970	$ 407,684	8.5%
Total General Fund Operating Budget Items	**$ 89,437,767**	**$ 93,221,886**	**$ 3,784,119**	**4.2%**
Other Articles				
Unpaid Bills	20,000	20,000	-	-
Reserve Fund	500,000	500,000	-	-
Health and Human Services	450,000	450,000	-	-
County Assessment	170,201	170,201	-	-
Other Post Employment Benefits (OPEB / GASB45)	500,000	500,000	-	-
Affordable Housing Trust Fund		-	-	na
Capital			-	na
General Fund budgeted from revenue (Town Bylaw 11-12.1)			-	na
Town Capital (Non-Recurring)	487,128	516,875	29,747	6.1%
School Capital (Non-Recurring)	487,128	516,875	29,747	6.1%
Enterprise Fund Transfers			-	na
Transfer to Enterprise Fund (Our Island Home - Beginning FY2011)	2,276,181	3,100,000	823,819	36.2%
Add: Additional Subsidy from Free Cash (Our Island Home)			-	na
Transfer to Enterprise Fund (SWEF Operating Overrides 1999/2006)	3,565,008	3,654,133	89,125	2.5%
Add: Additional General Fund Subsidy to SWEF 2012-Forward	2,624,656	2,690,272	65,616	2.5%
Total Other Article Appropriations	**$ 11,080,302**	**$ 12,118,356**	**$ 1,038,054**	**9.4%**
Other Statutory Expenditures				
Overlay and other deficits	-	-	-	na
Cherry Sheet Offsets and Charges	506,166	1,002,462	496,296	98.1%
Total Appropriations and Other Statutory Expenditures	**$ 101,024,235**	**$ 106,342,704**	**$ 5,318,469**	**5.3%**

Historical Information

Our Island Home

	FY2015	FY2016 (1)	FY2017	FY2018	FY2019	FY2020
General Fund Subsidy	$ 2,267,598	$ 2,295,000	$ 2,762,535	$ 1,511,446	$ 1,511,446	2,276,181.00
Certified Retained Earnings	$ 1,649,432	$ 5,962,402	$ 5,321,795	$ 2,687,275	$ 1,619,047	$ -
CPE Payment	$ 1,690,143	$ 5,204,549	$ 1,324,207	$ 1,515,353	$ 1,448,300	$ -

Stabilization and Trust Funds

`	2015	2016	2017	2018	2019
General Stabilization	$4,834,733	$5,044,535	$5,053,411	$ 5,059,485.00	$ 5,411,964.00
Capital Stabilization	$1,000,000	$1,250,000	$1,250,000	$ 1,250,000.00	$ 1,250,000.00
OPEB Trust Fund	$765,994	$1,341,213	$1,903,825	$ 2,390,558.00	$ 3,130,312.00

Certified Free Cash

	2015	2016	2017	2018	2019
Certified Free Cash	$5,405,506	$6,642,219	$6,215,883	$9,593,671	$10,334,761

(1) CPE payment received in FY2016 represented two years of payments.