



FY21 Budget Update
Select Board Meeting
January 21, 2020

Pam Dukeman
Assistant Town Administrator/Finance Director

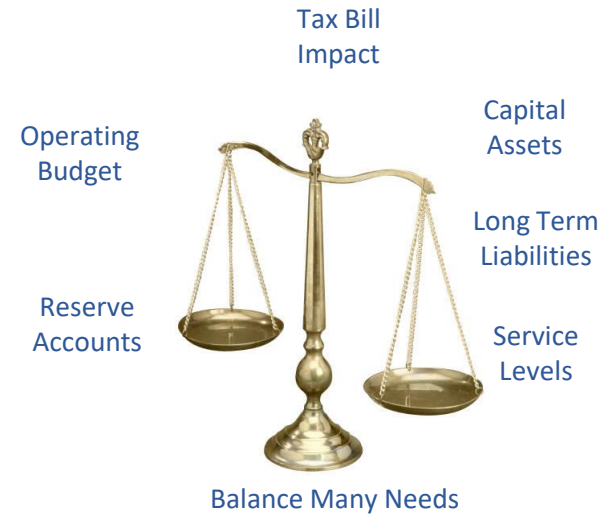
Financial Review And FY21 Budget

- ✓ October 28 Meeting
 - Review FY19 Year End
 - Review of Key Financial Items
 - Preview of FY21 Budget

- ✓ November 18 Meeting
 - Tax Classification Hearing
 - Approve tax shift commercial/residential
 - Review residential bill
 - Capital Budget Review
 - FY21 Capital Overview
 - Departments to present specific capital items

- ✓ December Meetings
 - Continue update to revenue and expense projections
 - Continue review of Capital Budget requests
 - FY21 items
 - Overview of larger future projects
 - Review of municipal operating budget

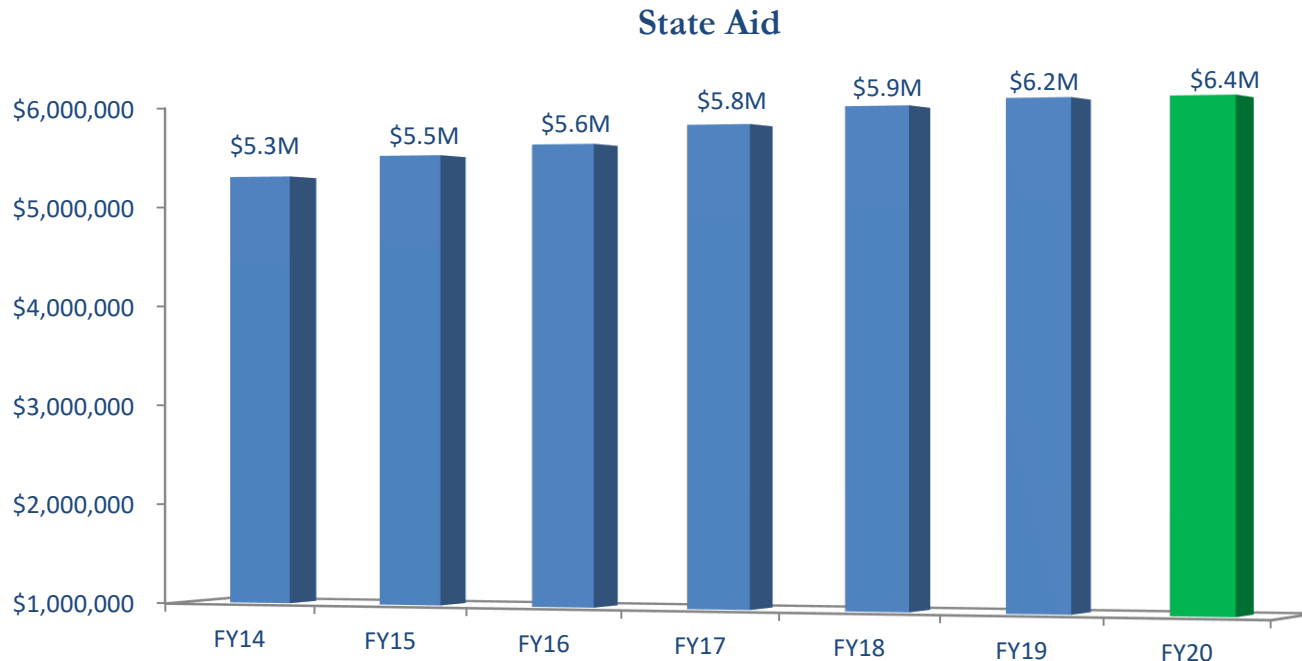
- January Meetings
 - Continued Overall Budget Updates
 - Operating and Capital Budgets
 - Updates to revenue projections
 - Preparation of FY21 proposed budget (Feb 1)



Final FY20 Revenue – Steady State Aid

State Aid - \$6.4M FY20

- State now pays monthly.
 - Increased slightly in FY20 (\$6.2M in FY19).
 - State aid steady– no mid year cuts or disruptions for several years.



FY21

- FY21 Final State Budget: Will be announced January 22

Current Year Budget Supplements - Articles 1 and 2

The first two articles at Town Meeting clean up current year FY20 Budget.

Article 1: \$xxx Transfers from one budget to another

Article 2: \$xxx Supplement budget with additional funds (free cash)

Select Board will finalize mid March in advance of Finance Commission final public hearings at the end of March.

- Major item is typically Snow and Ice Account
- This year will include:
 - \$350K transfer to Schools Special Education Reserve Fund

Article 3: FY21 Proposed Operating Budget, \$98.4M, 3.95% increase

FY21 Proposed Operating Budget Provides For:

- ✓ Maintain high quality of services provided by Town and School departments
 - FY21 Town Operating Budgets \$98.4M

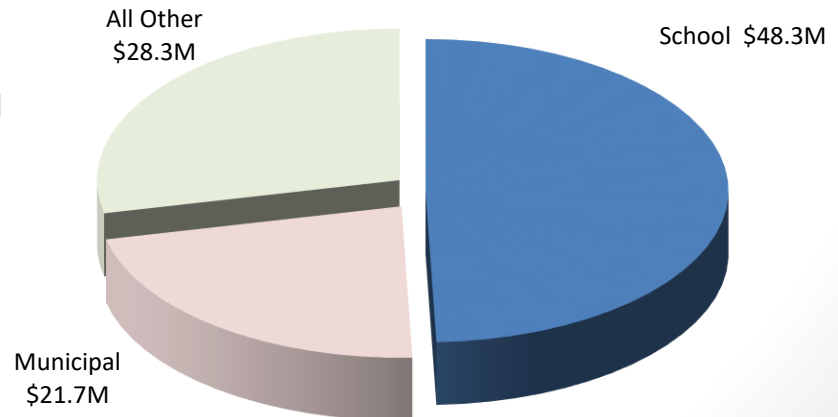
FY20 Budget	Category	FY21 Proposed	\$ Change FY21 v FY20	% Change FY21 v FY20
\$46,513,031	School Operating	\$48,345,700	\$ 1,832,669	3.94%
\$20,908,040	Municipal Operating	\$21,713,795	\$ 805,755	3.85%
\$ 149,576	Blue Hills (Estimate)	\$ 159,576	\$ 10,000	6.69%
\$ 110,676	Traffic Supervisors	\$ 116,077	\$ 5,401	4.88%
\$16,554,870	Fixed Costs (Includes Trash)	\$17,613,181	\$ 1,058,311	6.39%
\$ 6,056,779	Debt Service	\$ 5,949,779	\$ (107,000)	-1.77%
\$ 4,334,975	Sewer	\$ 4,471,151	\$ 136,176	3.14%
\$94,627,947	Total	\$98,369,259	\$ 3,741,312	3.95%

Operating Budgets

- Provide for core services to community
- Strive for operating budget stability for school and municipal budgets.
- Strive for sustainable budgets

School and Municipal Operating Budgets

- \$70M
- 71% of total operating budget

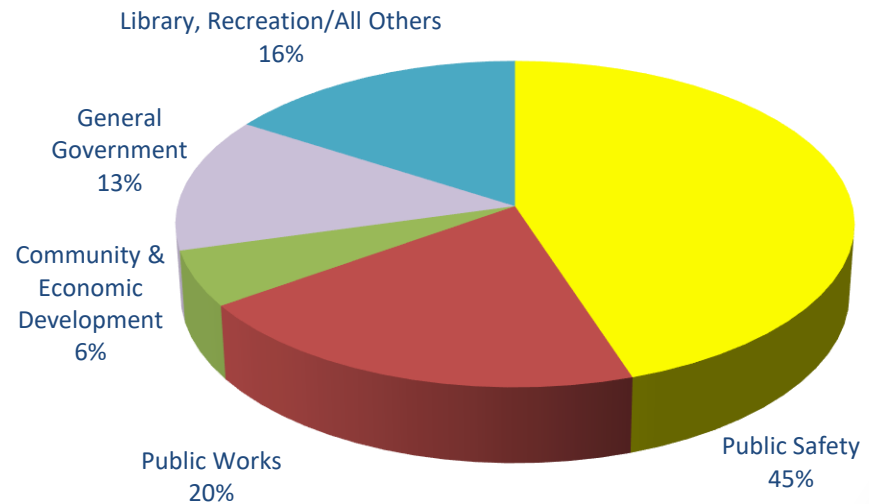


Preliminary FY21 Municipal Budget

Category	Current	Proposed	Difference	
	FY20 Budget	FY21 Budget	\$	%
Salaries	\$ 16,427,118	\$ 16,950,190	\$ 523,072	3.2%
Expenses	4,480,922	4,763,605	\$ 282,683	6.3%
Total	\$ 20,908,040	\$ 21,713,795	\$ 805,755	3.85%

- Total Salary increase 3.2%
 - Contractual Salary Obligations
- Total Expense increase 6.3%:
 - Includes:
 - Building Maintenance \$90K
 - Software Licensing \$65K
 - Legal – labor counsel \$30K
 - Election cycle \$10K

FY21 Proposed Municipal Budget by Category



FY21 Capital Requests – Municipal Article

DRAFT

Municipal Capital - Draft Article Funding Recommendation

Item	Amount	Funding Source
COA - Wheelchair Accessible Van	\$90,000	
DPW -One Ton Dump Truck With Plow (Truck 35)	\$70,000	
DPW -Tractor machine for cemetery	\$35,000	
Fire - Replace Engines (2) (Lease Payments Year 4 of 5)	\$226,400	
Fire -Turnout Gear Purchase and Replacement	\$44,000	
Fire -Radio Upgrade and Replacement	\$26,000	
Fire -Shift Command Vehicle	\$63,000	
Fire - Swap Body Truck Town Match	\$20,000	
IT - End User Technology	\$75,000	
Library - Patron/Staff End User Technology	\$10,000	
Library - Self Check Circulation Terminals	\$28,000	
Police - Replacement of Police Vehicles	\$190,000	
Police -Police Equipment	\$52,000	
Police -Police, Fire & EMS Radio Infrastructure	\$75,000	
Building Maintenance - Facility Maintenance	\$100,000	
Building Maintenance - Energy Efficiency	\$50,000	
WAHA - Building Maintenance and Improvement	\$150,000	
	<u>Total</u>	
	<u>\$1,304,400</u>	Free Cash
	2020 Budget	\$1,322,000

Article to be funded with Free Cash

FY21 Capital Requests

DRAFT

School Capital Article – Draft Funding Recommendation

Item	Amount	Funding Source
Technology	\$130,000	
Furniture, Fixtures, and Equipment	\$111,797	
HVAC and Controls	\$192,400	
Roofing	\$100,000	
Repairs & Maintenance	\$402,803	
Copiers / Duplicators	\$20,000	
Vehicles	\$60,000	
	<u>Total</u>	
	<u>\$1,017,000</u>	Free Cash
	2020 Budget	\$1,017,000

Article to be funded with Free Cash

FY21 Capital Requests

DRAFT

Sewer Capital Request

Item	Amount	Funding Source
Inflow & Infiltration Assessment	\$125,000	Sewer Retained Earnings
Pump Station Facility Program	\$500,000	Sewer Retained Earnings
Sewer Vehicle	\$70,000	Sewer Retained Earnings
Stormwater MS-4 Requirement	\$70,000	Sewer Retained Earnings
Total	<u>\$765,000</u>	

Capital To Be Funded Through Other Funds

Item	Amount	Funding Source
Fire - Self Contained Breathing Apparatus Upgrade and Replacement	\$46,000	Ambulance Receipts
Fire - Rescue Equipment	\$18,720	Ambulance Receipts
Total	<u>\$64,720</u>	

FY21 Capital Requests – Capital Project Borrowing

DRAFT

Road Project Borrowing Article

Item	Amount	Funding Source
Route 109 Improvements	\$2,550,000	Bond
Crosswalk/Safety Improvements	\$500,000	Bond
Paving/Sidewalk Enhancements/Winter/Clapboardtree Intersection/ Pavement Preservation	\$1,600,000	Bond
Total	<u>\$4,650,000</u>	

Funded by a Bond Authorization

- This would need to be funded by a 10 year bond under Proposition 2 1/2
- This bond would replace a retiring DPW bond issued in 2012.

Equipment Borrowing Article

Item	Amount	Funding Source
DPW - 1 Heavy Duty Dump Truck with Plow (Truck 19)	\$325,000	Bond
Total	<u>\$325,000</u>	

- This would be a short term borrowing, less than a 5 year period.

FY21 Capital Requests

DRAFT

Other Capital Articles – Funded With Free Cash

Item	Amount	Funding Source
Building Maintenance - Town Hall Improvements	\$300,000	Free Cash
Building Maintenance - Fire Station 1 Renovation - 2nd Phase	\$150,000	Free Cash
Schools - Thurston Middle School HVAC Project - Phase 2	\$150,000	Free Cash
Schools - Security Projects	\$150,000	Free Cash
Municipal - Security Projects	\$75,000	Free Cash
IT - Town/School Financial Enterprise Software (2nd of 2)	\$237,500	Free Cash
Total	<u>\$1,062,500</u>	

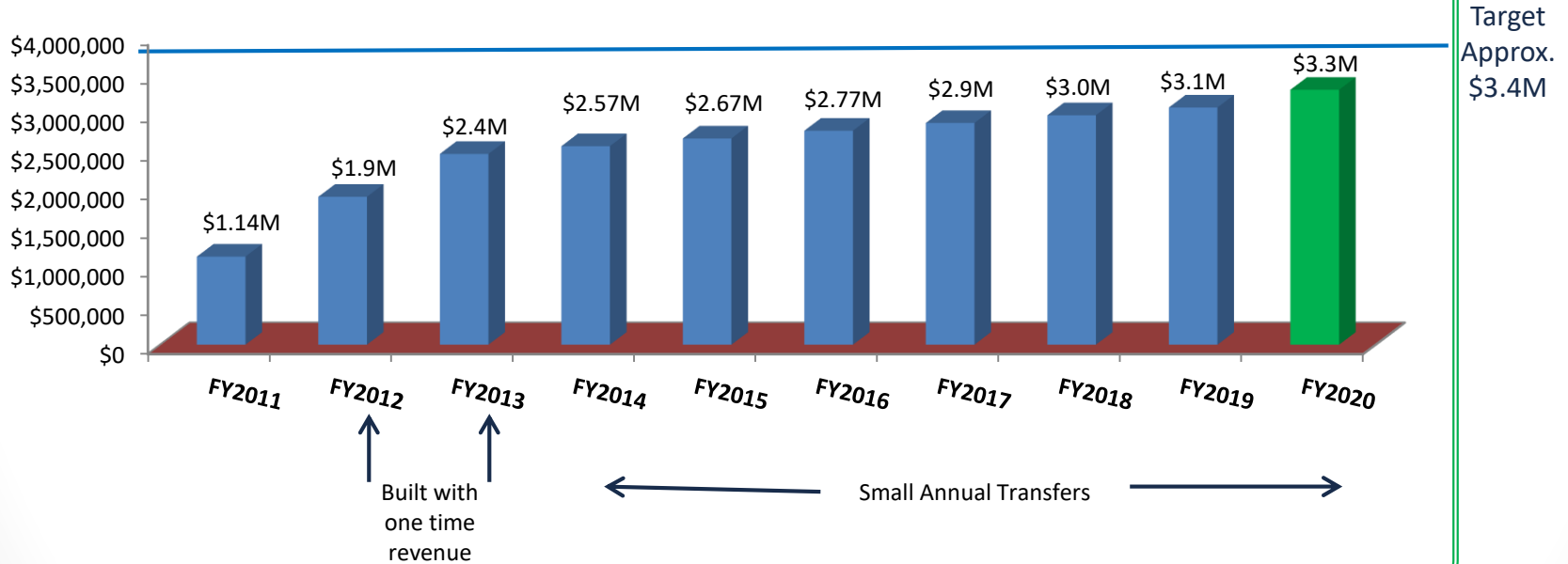
Other Capital Articles – Funded With Meals/Hotels Revenue

Item	Amount	Funding Source
Field Lighting /Turf Field Project	\$760,000	Meals/Hotels Tax
Pool Deck Surfacing Replacement	\$200,000	Meals/Hotels Tax
Pool Drainage and Resurfacing	\$75,000	Meals/Hotels Tax
Total	<u>\$1,035,000</u>	

Article - Stabilization Fund

Purpose	Amount	Funding Source
Stabilization Fund	\$125,000	Free Cash

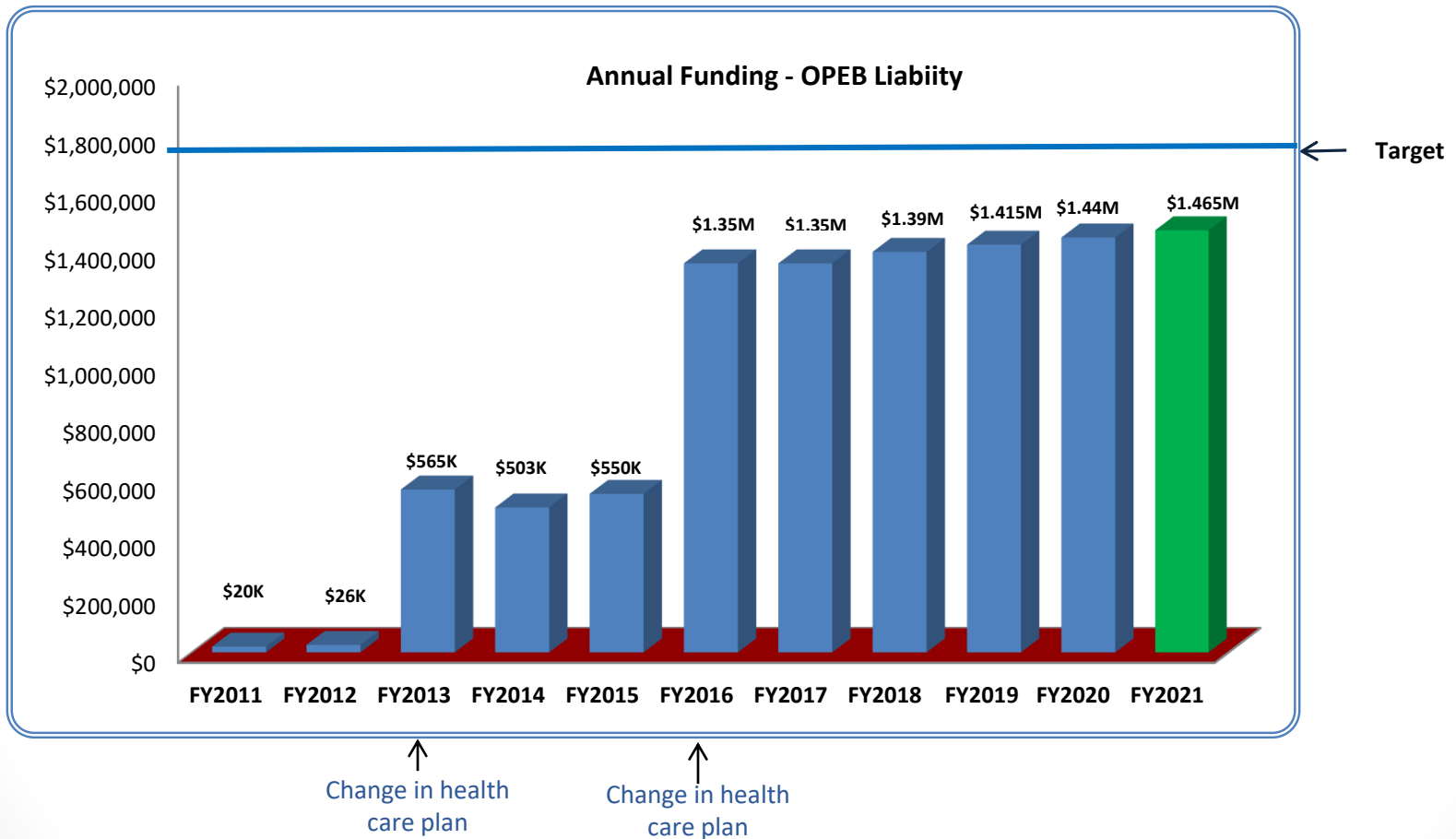
Stabilization Fund Balance Over Time



- Town Meeting Article will appropriate \$125K from Free Cash

Article - OPEB Liability Trust Fund

Purpose	Amount	Funding Source
OPEB Liability Trust Fund	\$1,465,000	Taxation



- On target with funding plan, \$25K additional per year
- Balance in trust fund account as of 12/19 is approximately \$10.7M.

Next Steps in Budget Cycle

- Update revenue projections
 - FY21 State aid
 - Governor's budget January 22.
- Select Board Proposed FY21 Budget Document produced February 1
 - Municipal Budget Document
 - Overall Budget Summary
 - Capital Budget Articles
- Present proposed FY21 budget to Finance and Warrant Commission February 11.
- Prepare FY20 Budget Supplements, Articles 1 & 2
- Continue ongoing budget reviews – revenue and expenditures



