

**TOWN MANAGER  
RECOMMENDED FY'16 BUDGET  
PRESENTATION TO BOARD OF SELECTMEN**

January 29, 2015

# FY'16 Budget Binders

- FY'16 Budget Binders

- Tab 1: Summary Information – Subject to Regular Changes
  - Includes Back-up from November 10, 2014 Selectmen Public Safety Planning Workshop
- Tab 2: CD of Entire Budget Binder – Also on Town Website ([www.sandwichmass.org](http://www.sandwichmass.org)) with Direct Link on Homepage
- Tab 3: Financial History, Projections, & Analysis = “Town of Sandwich Financial Bible”
- Tab 4: FY'16 Capital Budget (Current Draft #3)
- Tab 5: FY'16 General Government Budget
- Tab 6: FY'16 School Department Budget
- Tab 7: FY'16 UCCRVTs Budget
- Tab 8: Miscellaneous Budget Information

# FY'16 Budget Binders

## Financial History, Projections & Analysis – Tab 3

- Key Summary Information – Tab 3 of Budget Binders
  - Executive Summary in Words – Updated for FY'16
  - Full Explanation of Revenues & Expenses
  - 20+ Years of Financial, Demographic, & Historic Data
  - Future Budget Projections
  - Explanation of Important Issues That Impact Budget the Most – Ex. Tuition Assessments
  - How Tightly Sandwich Budgets Compared to Neighboring Communities
  - How Lean Sandwich Operations are Compared to Similar Communities
  - Where Each Dollar Comes From & Where Each Dollar Goes
  - Updated Annually with New Issues Highlighted Each Year
  - Best Resource to Increase Knowledge of Sandwich's Finances & Demographics

# FY'16 General Government Budget Overview

## Capital Budget – Tab 4

- FY'16 Capital Budget – Still in Process
  - Current Balance = Very Close to Goal of Funding Net \$850,000 in Capital Improvements
  - Continued Commitment to Annually Fund \$125,000 in Building Maintenance Efforts
  - Following Vehicle Replacement Policy & Process
  - Following CIPC Capital Planning / Smoothing Guidelines
  - Will be Presenting Final Capital Budget to CIPC in February
  - School Department Capital Funding at February 9, 2015 Special Town Meeting (Separate from \$850,000 Above)
  - Very Apparent Emergency Management Needs that Will be Added to Funding List over Next Two Weeks

# FY'16 General Government Operating Budget Overview – Tab 5

- FY'16 Budget Totals by Departmental Account
- FY'16 Budget Reflects:
  - 4.25% Increase Over FY'15
  - Primary Reason for Increase = Public Safety Initiatives
  - Constantly Considering New Ways of Providing Services & Addressing Problems
  - Takes Advantage of Departmental Reorganizations Where Possible
  - Addresses a Few Other Shortfalls in Key Personnel Areas in Addition to Public Safety
  - Takes Advantage of Successful Implementation of DPW – Sanitation Division Enterprise Fund - \$0 Tax Funding for Sanitation in FY'16
- Summary of Significant Budget Changes
- Needs Budget Summary

# FY'16 General Government Budget Overview

## Summary of Significant Budget Changes

<u>Acct.</u>	<u>Budget - Description</u>	<u>Change</u>
<b>ALL</b>	52.4 Weeks in Fiscal Year vs. Usual 52.2 Weeks	39,660
123	Manager - Net Personnel / Wage Adjustment; Meeting Expenses	7,621
147	Tax Title - Increase Due to Activity (Generates Revenue)	10,000
151	Legal - Contracted Professional Services	25,000
162	Elections & Registrations - Down Year in Normal Cycle	-16,500
190	Facilities Department - Town Hall Monitor Expenses	5,000
197	IT - Contracted Support Services	25,000
210	Police - More Realistically Fund Expenses	23,000
210	Police - (1) Detective	65,500
220	Fire - (4) EMS / Firefighters & OT (\$11,326 Above Original Est.)	279,326
210 & 220	Joint, Public Safety Civilian Dispatch (Net, Both Budgets)	99,714
435	Sanitation - Reduce Town Appropriation to Enterprise Fund	-250,058
522	PH Nurse - Increase Innoculation Purchases (Generates Revenue)	10,000
540	Social Services - Increase Grants; Add Local Funding Source	13,800
541	Council on Aging - Part-time Van Driver	12,500
610	Library - Reinstate Weston Memorial Fund Transfer; Actual vs. Est.	-12,500
630	Recreation - New Program Coordinator Position	41,600
650	DPW - Parks - Net Increase Tree Warden Expenses	7,000
671	Hoxie House / Grist Mill - Offset Decrease in Carryover Funds	20,000

# FY'16 General Government Budget Overview

## Needs Budget List – No Override

### PRIORITIZED LIST OF NEW POSITIONS & SERVICES

(Does Not Include Benefit Costs)

<u>Rank:</u>	<u>Budget - Description</u>	<u>Fiscal Year</u>	<u>Amount:</u>
1.	175 - Assistant Town Planner	FY'15	45,000
2.	420 - (2) DPW Laborers & Reorganize Positions	FY'15	108,150
3.	410 - GIS Analyst / Engineering Assistant (Net of Existing P-T Clerk Position)	FY'15	31,150
4.	197 - Add'l. Funds to Cover IT Software Maintenance & Equipment Costs	FY'15	50,000
5.	610 - Reduce Library Dependence on Donation Funds & Weston Fund Uncertainties	FY'15	29,500
6.	210 - Police Detective	<b><u>FY'16</u></b>	65,500
7.	630 - Recreation Department Program Coordinator	<b><u>FY'16</u></b>	41,600
8.	541 - Increase Funded Hours of Council on Aging Drivers	<b><u>FY'16</u></b>	12,500
9.	171 - DNR Assistance & Conversion to F-T Animal Control Officer (\$50,000 Needed)	FY'15 - Partial	10,000
10.	420 - DPW Additional Operating Budget Funds for Road Infrastructure Improvements	No	300,000
11.	Various - Streamline Town Organizational Structure	No	200,000
12.	630 - Reduce Recreation Department Dependence on Beach Parking Account	No	103,000
13.	171 - Reduce DNR Dependence on Beach Parking Account	No	44,500
14.	123 - Special Projects / Procurement / Grants / CPA Position in Manager's Office	No	60,000

# FY'16 General Government Budget Overview

## Needs Budget List – Override Required...We Thought

### OVERRIDE PARTIALLY REQUIRED - PRIORITIZED LIST OF NEW POSITIONS & SERVICES

(Includes Benefit Costs)

<u>Rank:</u>	<u>Budget - Description</u>	<u>Fiscal Year</u>	<u>Amount:</u>
1.	220 - 3rd Ambulance Crew - (12) Fire / EMS Staff (\$1,100,000 Needed Total)	<u>FY'16</u> (4 of 12)	326,000
2.	210 - 1 Additional Officer per Shift - (6) Police Officers - Amount = Net Cost	<u>FY'16</u>	172,214
3.	210 & 220 - Joint Civilian Dispatch - (5) Dispatchers	<u>FY'16</u>	(see #2)



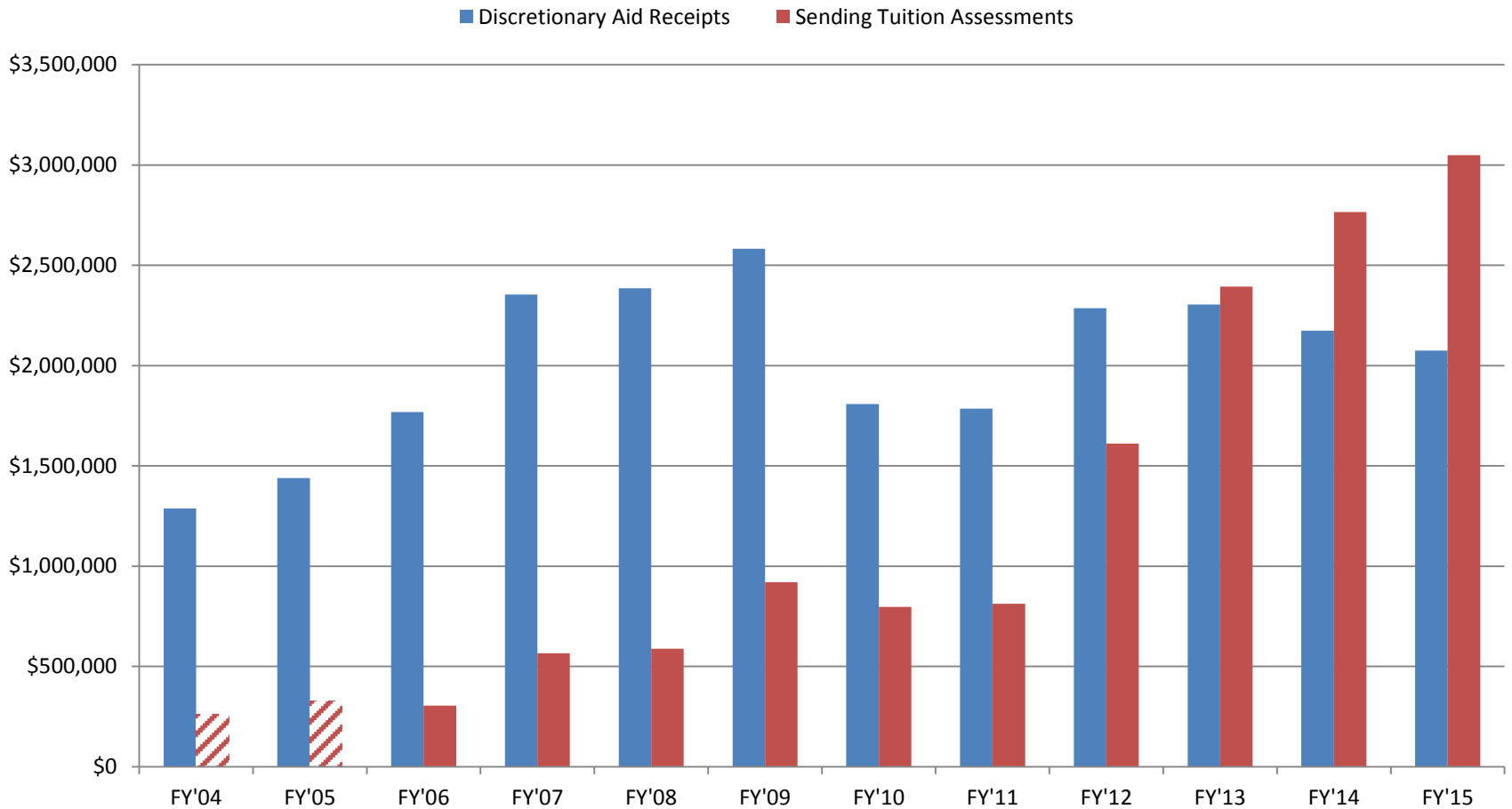
# Tuition Assessments Budget History

## THE Largest Budget Impact over Last Decade

- Tuition Assessments – Sandwich History (p. 39)
- Debtor Community: Tuition Assessments vs. Discretionary Aid
  - 1st Time in FY'13, Now \$1.0 Million Difference
  - \$2.0 Million Net Swing Since FY'12 = Staggering
- Today's Tuition Assessments of \$3.1 Million vs. Last Override in FY'06 of \$2.62 Million
- State Budget Process History – Won't Know Final Assessment Estimate Until After July 1

# Tuition Assessments Budget History

## THE Largest Budget Impact over Last Decade



# FY'16 Budget Overview

## FY'16 Projected Revenues & Expenses

- Changes Since Initial December 2014 FY'16 Projection
  - Final County Retirement Assessment = Lower (Good)
  - Group Health Insurance Projection = Higher (Bad)
  - Property & Liability Insurance = Lower (Good)
  - Transfer to Stabilization Fund Retained (Good)
  - Transfer to GASB 45 Fund Retained (Good)
- Outside of Our Control & Awaiting Greater Clarification
  - State Cherry Sheets: Discretionary Aid, Ch. 70 Aid, Tuition Assessments, Other Assessments
  - FY'15 Snow & Ice Deficit
  - UCCRCTS Budget Assessment

# FY'16 Projected Revenues & Expenses

## Current Projection

### REVENUES

<u>FY'16 Tax Levy:</u>		
FY'15 Levy Limit	52,158,738	
2.5% Increase	1,303,968	
Est. New Growth	500,000	
Excess Levy Reserve Est.	0	
Overrides / Exclusions	0	
County Assess. Outside 2.5: CCC	162,847	
Debt Outside 2.5 (- Non-Levy & SBA)	1,022,574	55,148,128
<u>Other Revenue:</u>		
Land Bank / CPA Debt	1,252,561	
School Building Authority Funding	1,279,534	
State Aid: Discretionary (0.00%)	2,074,733	
State Ch. 70 Aid: School (0.00%)	6,665,593	
Est. Local Receipts ( <u>Includes</u> Meals Tax)	4,400,000	
Surplus Revenue / Free Cash	2,016,440	
Overlay Release	100,000	
Transfer from Stabilization Fund	0	<u>17,788,861</u>
<b>Total Estimated Revenues</b>		<b>72,936,989</b>

<b><u>Stabilization Fund Balance:</u></b>	
Actual Balance on 1/1/15:	1,022,450
Transfer To/From Stabilization Fund:	250,000
Projected Post ATM Balance:	<u>1,272,450</u>

### EXPENSES

<u>ReCap Sheet Items:</u>		
State Assess: Tuition Assess (10.00%)	3,353,850	
State Assess: All Other (4.00%)	546,382	
Abatements / Overlay	400,000	4,300,232
<u>Town Meeting Items:</u>		
Group Health Insur.+ Mitig. Plan (7.69%)	9,450,000	
County Retirement Assess. (5.38%)	3,147,347	
Property & Liability Insurance (3.03%)	850,000	
Medicare (6.00%)	623,778	
Unemployment Account	100,000	
Debt: Long Term	4,011,147	
Debt: Short Term	50,000	
Reserve Fund	500,000	
STM School Capital (from Free Cash)	275,000	
Capital Budget - Net	850,000	
Transfer to Stabilization Fund	250,000	
GASB 45 Appropriation	150,000	
FY'15 Snow & Ice Deficit	150,000	20,407,272
<u>Operating Budgets:</u>		
School Budget: Local (-1.56%)	24,250,000	
Ch. 70 (0.00%)	6,665,593	30,915,593
UCCRVTS Budget (7.50%)		1,965,568
General Gov't. Budget (4.25%)		<u>15,345,157</u>
<b>Total Estimated Expenses</b>		<b>72,933,822</b>
<b>ESTIMATED FY'16 BUDGET BALANCE</b>		<b>3,166</b>

# FY'16 Budget Overview

## Items of Concern

- Local Receipts – Estimate Includes Full Meals Tax
  - Concern about Attempt to Divert Meals Tax Receipts Unbalancing Future Budgets
- Dependency on Departmental Offsets
  - Several Smaller General Government Departments Over Reliant on Outside Funds
- Estimated FY'16 Local Aid Receipts...Several Months To Go
- Estimated FY'16 Local Aid Assessments...Several Months To Go
- UCCRVTS Budget Estimate = “Safe”; Awaiting Final Budget Assessment Figure

# FY'16 Budget Overview

- Reminder: FY'16 Budget Process has Several Months To Go Before Being Finalized for Town Meeting
- Estimated Revenue & Expenses will Change Regularly
- Eleventh Fiscal Year Without an Override
- Any Questions About the General Government Budget Recommendation or FY'16 Budget as a Whole?

**THANK YOU!**