

Town Administration
Fiscal Year 2017
General Fund Budget
Recommendations

December 9, 2015

Board of Selectmen's Meeting

FY 2017 General Fund Budget Overview

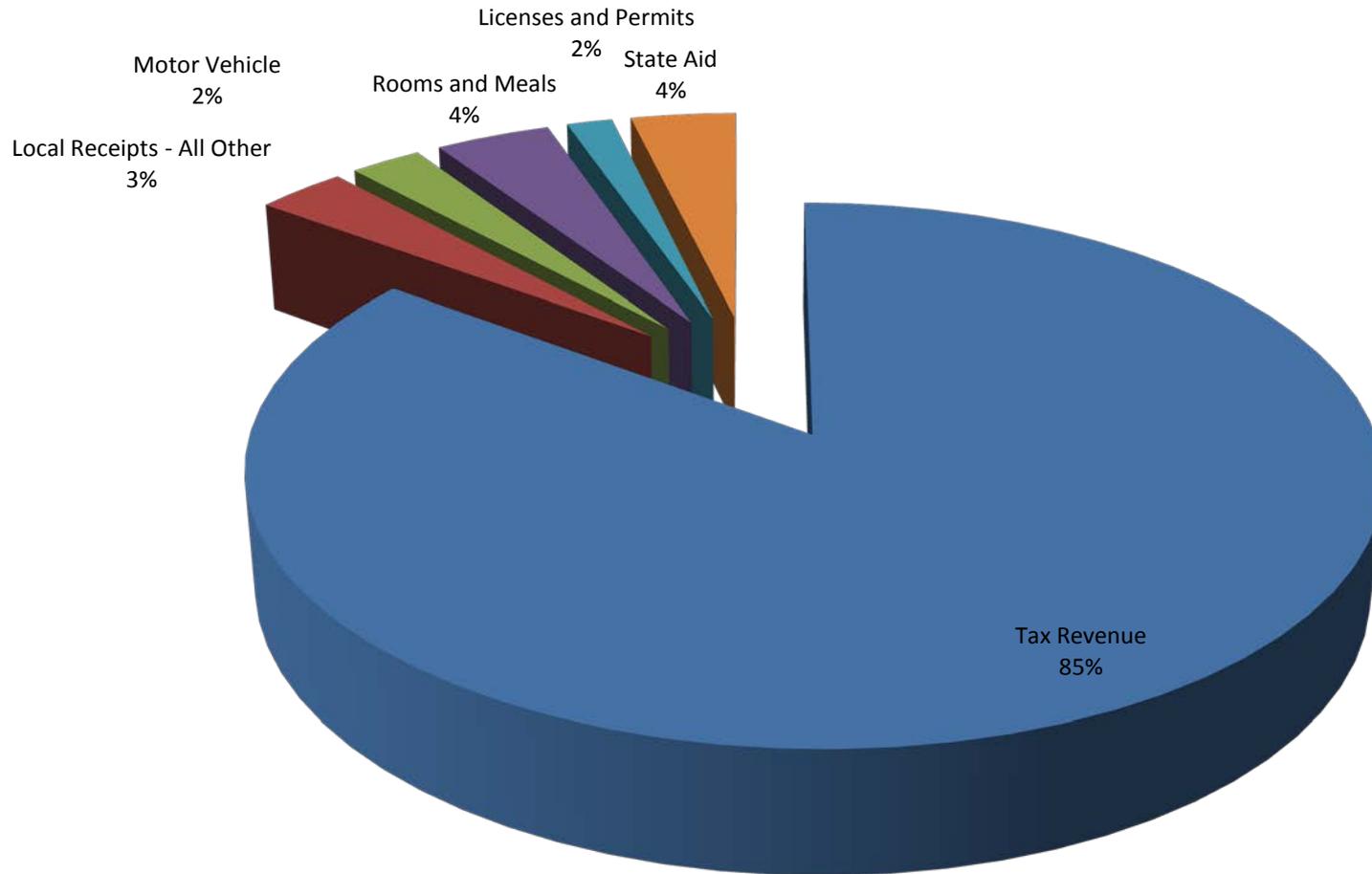
- Revenues
 - Total Projected Revenue: \$87,134,684
- Expenses
 - Total Projected Expenses: \$86,843,248

General Fund Major Revenue Categories

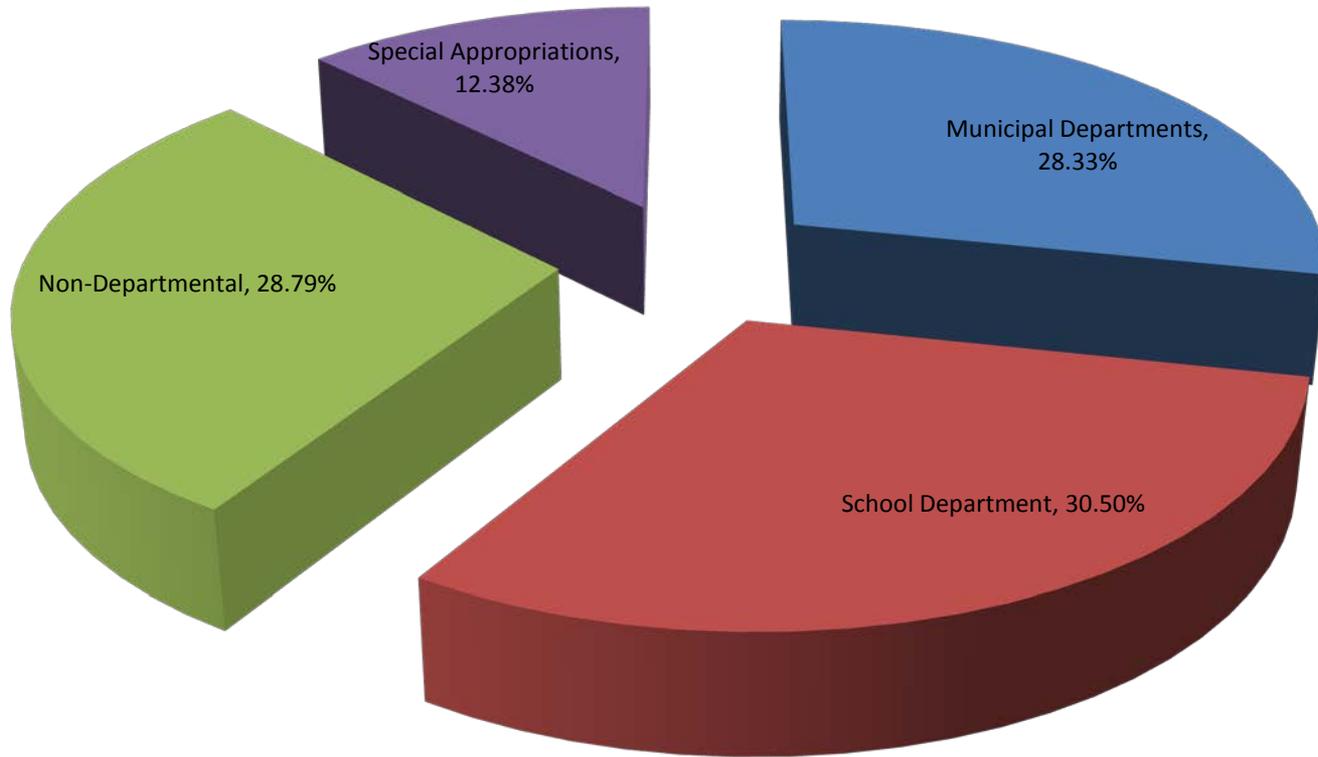
FY 2017 Budget Comparison

REVENUES	FY2016	FY2017	\$ Change	% Change
Property Tax	70,008,552.00	73,981,628.00	3,973,076.00	5.68%
Local Receipts - All other	2,717,920.00	2,689,915.00	(28,005.00)	-1.03%
Motor Vehicle Excise	1,850,000.00	2,150,000.00	300,000.00	16.22%
Rooms and Meals Tax	3,360,000.00	3,466,000.00	106,000.00	3.15%
Licenses and Permits	1,237,465.00	1,375,000.00	137,535.00	11.11%
State Aid	2,342,711.00	3,180,705.00	837,994.00	35.77%
Free Cash	-	-	-	
Other Available Funds	505,000.00	-	(505,000.00)	-100.00%
TOTAL REVENUES	82,021,648.00	86,843,248.00	4,821,600.00	5.88%
EXPENDITURES				
Municipal Departments	22,322,869.00	24,598,592.00	2,275,723.00	10.19%
School Department	25,436,642.00	26,486,642.00	1,050,000.00	4.13%
Non-Departmental	23,645,222.00	25,002,972.00	1,357,750.00	5.74%
Special Appropriations	10,616,915.00	10,755,042.00	138,127.00	1.30%
TOTAL EXPENDITURES	82,021,648.00	86,843,248.00	4,821,600.00	5.88%

FY 2017 Projected Revenues



FY 2017 Projected Expenses



General Fund Expense Categories

Category	Current Projection	% Increase/Decrease over FY 2016 Budget
Town Expenses	\$6,911,798	15.72% increase
Town Expense EIR's	\$855,700	<i>Included in Town expenses</i>
Town Salaries	\$17,684,794	<i>current contracts; c/b allowance</i>
Town Personnel EIR's	\$497,245	<i>Included in Town salaries</i>
School Expenses	\$5,217,329	3.98% increase
School Expense EIR's		<i>Included in School expenses</i>
School Salaries	\$21,269,313	<i>current contracts; c/b allowance</i>
School Personnel EIR's		<i>Included in School salaries</i>

General Fund Expense Categories

continued

Category	Current Projection	% Increase/Decrease over FY 2016 Budget
Health Insurance		
Active	\$9,255,215	9.50% increase
Retiree	2,578,585	9.50% increase
General Insurance	\$2,264,360	10.00% increase
Debt Service	\$7,177,125	<i>per established schedule</i>
Retirement	\$3,727,687	4.50% increase
Enterprise Fund Subsidies	\$7,982,625	2.28% increase

Other Expenses

Expense	Current Projection	% Increase/Decrease over FY 2016 Budget
Health & Human Services	\$400,000	14.28% increase
County Assessment	\$170,201	No change
Reserve Fund	\$500,000	No change
Unpaid Bills		
Other Post Employment Benefits (OPEB)	\$500,000	No change
Overlay & Other Deficits		
Cherry Sheet Charges	\$427,300	3.31% increase
Community School	\$400,000	14.28% increase
Min Cap Funding Req.	\$774,916	n/a- 1% of prior year revenue
TOTAL	\$86,843,248	5.88% increase

Health Insurance

Health Insurance Expenditures

	2011	2012	2013	2014	2015	Budget 2016	Proposed 2017
Active	\$ 4,373,411.68	\$ 4,506,853.13	\$ 5,375,693.20	\$ 6,193,357.48	\$ 6,948,600.00	\$ 8,413,832.00	\$ 9,255,215.00
Retirees	\$ 1,536,604.11	\$ 1,583,488.94	\$ 1,888,757.07	\$ 2,176,044.52	\$ 2,441,400.00	\$ 2,344,168.00	\$ 2,578,585.00

Town Expense Requests (Included in Budget)

- \$ 2,436,826 Submitted Requests
- \$ 1,655,580 Recommended
 - One-time \$312,100
 - On-going \$1,343,480
- To be funded through available tax levy, budget adjustments, alternate funding sources, free cash, potential revenue increases

Funding Sources for Town Expense Increases

Funding Source	
Tax Levy & Other General Revenues	\$1,280,845
Free Cash	\$72,100
Other Funds (refer to slide 12)	\$302,635
Total all Funding Sources	\$1,655,580

Other Funding Sources for Town Expense Increases

Funding Source	
C & I License Plate Fund	\$25,000
Beach Improvement Revolver	\$27,635
Waterways Improvement Fund	\$75,000
Ambulance Reserve Fund	\$50,000
Sewer Enterprise Fund	\$125,000
Total	\$302,635

Administration/**Board of Selectmen**

Goals and Priorities for FY 2017

- Balanced budget – within projected revenue
- Capital and operational investment in infrastructure/facilities
- Staffing for increased service and seasonal demands; and to meet priorities
- Water quality
- Energy cost management and mitigation
- Health insurance cost mitigation
- Strategic Plan
- Housing
- Increased use of technology for transparency

Initiatives/Needs/Goals Being Met/Addressed with Budget Recommendations

- Improve facilities/infrastructure/equipment maintenance - additional funding proposed in DPW, Town Admin, Public Safety, Natural Resources, IT
- Staffing to address areas of high activity and/or improved service – Public Safety, DPW, Visitor Services, IT, PLUS/HDC
- Water quality/ponds –comprehensive pond management plan (in partnership with other groups); additional funding for water quality initiatives, including fertilizer reduction education/efforts – Natural Resources
- Substance abuse prevention – increase in Health and Human Services allocation
- Housing – PLUS
- Energy management/efficiency initiatives including renewables – PLUS/Town Admin

Actions/Efforts to Reduce Expenses and/or Increase Efficiency/Transparency

- Personnel
 - Review staffing when key positions become vacant
 - Combine/consolidate duties where appropriate
 - Cross-train staff where appropriate
 - Increase training opportunities so as to reduce reliance on consultants, reduce legal fees and other expense impacts (ie, effort to get several employees certified as Mass Public Purchasing Officials)
- Continual Review of Internal Controls/Processes and Procedures
- Implementation of software to better inform the public and town boards, departments (capital planning, complaint tracking, budget, project management)

Other Recommendations

- Strategic Plan
 - Unified Board-supported vision necessary for long term financial and programmatic planning (FY18)
- Staffing and Resource Assessment
 - Comprehensive review of staffing and resources to address community growth and service needs
- Our Island Home
 - Operational override to address the funding of Our Island Home

Our Island Home Retained Earnings

Certified Retained Earnings

2011	2012	2013	2014	2015
253,610	3,411,372	2,054,350	1,747,556	1,649,432

Projected Retained Earnings

2016	2017	2018	2019	2020
1,566,960	1,488,612	1,414,182	1,343,472	1,276,299

Outstanding items/Current unknowns

- Citizen warrant article appropriation(s)
(\$300,000 unfunded in Town Admin FY 17 Budget Plan)
- Chapter 90
- General Fund subsidy to Our Island Home
(Override)
- State Aid impact
- Expiring contracts

Preliminary Free Cash Recommendations – Not Final

General Fund Free Cash	\$5,405,506
less November 9, 2015 STM Appropriations	\$2,300,000
<i>Remaining</i>	<i>\$3,105,506</i>
Fund Town Expense Increase Requests (one-time)	\$72,100
Fund Capital Projects Stabilization Fund	\$250,000
Fund Town & School Capital Projects	\$2,783,406
<i>Remaining</i>	<i>\$0</i>

FY 2017 Status of Capital Project Requests

<i>Dept</i>	<i>Item Submitted</i>	<i>Amount</i>
GENERAL FUND		
DPW/PLUS	In-Town Bike Path Design	\$ 200,000
DPW/PLUS	In Town Bikepath Phase 2	\$ 75,000
DPW/PLUS	In Town Bikepath Phase 3	\$ 75,000
Fire Department	Replace Engine 7 with a Brushbreaker	\$ 165,000
Fire Department	Replace Ambulance #1	\$ 270,000
Fire Department	Replace Ambulance #2	\$ 270,000
Public Safety	F-Street Bulkhead	\$ 425,000
Public Safety	Children's Beach Boat Ramp - Supplemental Funding	\$ 150,000
Public Safety	Dredge Plan	\$ 150,000
Public Works	Sidewalk Improvement Plan - Phase 1	\$ 1,500,000
Public Works	Nobadeer Farm Field House Construction	\$ 700,000
Public Works	Bartlett/Surfside Roundabout Design TIP 2017/2018	\$ 150,000
Public Works	Surfside Area Road Reconstruction - Phase 2	\$ 1,000,000
Public Works	Road Improvements/Maintenance - Island Wide	\$ 900,000
Public Works	First Way Construction (Paving)	\$ 750,000
Public Works	Winn Street Improvements	\$ 250,000

FY 2017 Status of Capital Project Requests

- Capital Continued

<i>Dept</i>	<i>Item Submitted</i>	<i>Amount</i>
Public Works	6 Wheel Dump Truck - Replacement	\$ 190,000
Public Works	10 Wheeler - Replacement	\$ 200,000
Public Works	Pick-up Truck w/ Plow - Replacement	\$ 60,000
Public Works	Asphalt Recycler and Hot Box - New	\$ 110,000
Public Works	Van for Facilities - Replacement	\$ 42,000
School Department	Autoshop - Repairs/Upgrades	\$ 125,000
School Department	HVAC Upgrades	\$ 300,000
School Department	4wd Truck w/Plow - Replacement	\$ 50,000
School Department	Window Replacements	\$ 150,000
School Department	NHS Building Improvements	\$ 250,000
School Department	NHS/CPS Exterior Painting and Trim	\$ 250,000
Town Administration	Network Infrastructure	\$ 100,000
	Server Replacements	\$ 75,000
	E-Permitting	\$ 150,000
	Town Fueling Station	\$ 100,000
TOTAL GF ITEMS		\$ 9,182,000
Other Funding Sources:		
	Proceeds from Real Estate Sales	\$ 2,000,000
	Prior Year Capital Article Reappropriations	\$ 115,745
	Total Free Cash Available for Appropriations	\$ 2,783,406
	Capital from Operating Budget	\$ 774,916
	Waterways	\$ 150,000
	Ambulance Reserve	\$ 540,000
	Total other funding sources	\$ 6,364,067
	Items left to fund	\$ 2,817,933
Sewer Costs not Included Above:		
	Madaket/Warren's Lndng/Somerset	\$ 24,800,000
	Monomoy/Mid Island	\$ 13,440,000
	Total of General Fund Portion of Sewer	\$ 38,240,000

Sale of Fire Station Property IS NOT included in here -- but could be factored in to offset cost of new station
 NOTES:

FY 2017 Status of Capital Project Requests

- Capital Continued

<i>ENTERPRISE FUNDS</i>	<i>Item Submitted</i>		<i>Amount</i>
<i>Dept</i>			
Airport	Airport Equipment	\$	66,100
Airport	FIDS/PA Replacement	\$	375,000
Airport	Employee Housing Concept	\$	100,000
Airport	Interactive Employee Training	\$	175,000
Airport	Vault Room Replacement	\$	1,000,000
Airport	Terminal Exterior Painting	\$	75,000
Airport	Parking Lot Upgrades	\$	125,000
Airport	Poles and Lights	\$	40,000
Airport	Enclose Restaurant Entrance	\$	65,000
	Subtotal Airport	\$	2,021,100
Our Island Home	Bathroom Upgrades	\$	325,000
Our Island Home	Window Repairs	\$	90,000
Our Island Home	A/C Units	\$	100,000
Our Island Home	Resident Room Upgrades	\$	200,000
	Subtotal OIH	\$	715,000
Sewer	Sewer Extension - Madaket/Warren's Lndg/Somerset Design	\$	12,000,000
Sewer	Sewer Extension - Madaket/Warren's Lndg/Somerset Constr	\$	50,000,000
Sewer	Sewer Extension - Monomoy/Mid-Island Design	\$	6,000,000
Sewer	Sewer Extension - Monomoy/Mid-Island Constr	\$	27,600,000
Sewer	Sconset WWTF - Evaluation/Repairs	\$	1,000,000
Sewer	Membrane Filtration System Replacement	\$	1,300,000
Sewer	Sea St Pump Station Repairs - Construction	\$	3,000,000
Sewer	First Way Construction (Sewer Work)	\$	750,000
Sewer	Pine Valley Pump Station Generator Replacement	\$	80,000
Sewer	Replacement of 2008 Sludge Truck	\$	300,000
Sewer	Replacement of 2005 F-350 Pick-Up truck	\$	60,000
	Subtotal Sewer	\$	102,090,000

FY 2017 Status of Capital Project Requests

- Capital Continued

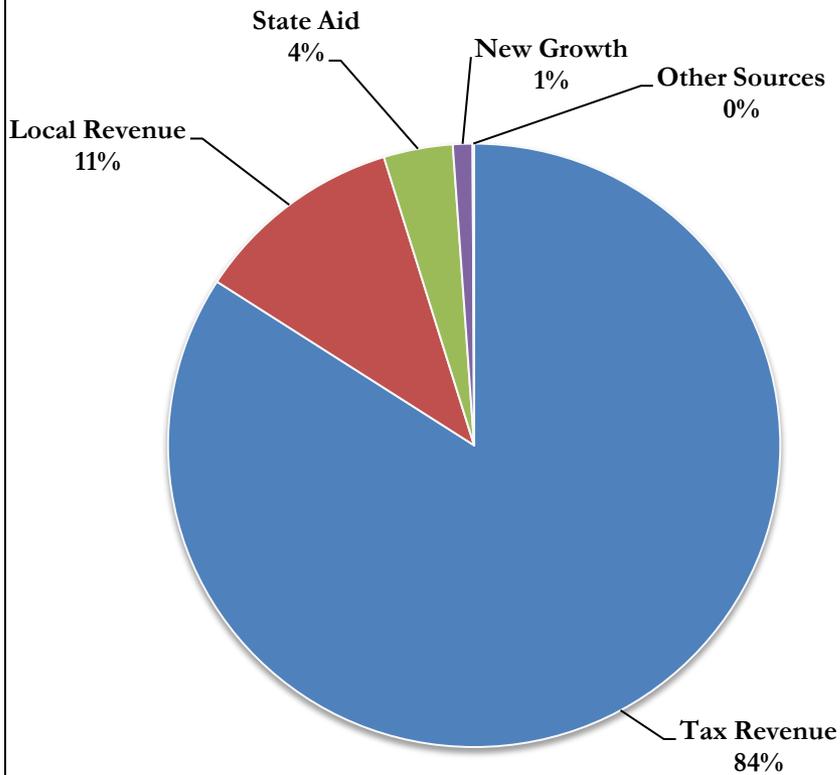
ENTERPRISE FUNDS	Item Submitted		
Solid Waste	Repairs and Maintenance to MRF	\$	115,000
Solid Waste	Landfill Mining Continuation	\$	700,000
Solid Waste	Supplement Funding to Lined Landfill (Cell 3C)	\$	500,000
	Subtotal Solid Waste	\$	1,315,000
Siasconset Water	Water Meter Replacement	\$	280,000
Siasconset Water	Repairs / Maintenance to Pump Station and Storage Tank Facility	\$	100,000
	Subtotal Siasconset Water	\$	380,000
Wannacomet	Water Main Replacement	\$	1,546,060
Wannacomet	Water Distribution Expansion	\$	825,000
Wannacomet	Pumping Equipment and Controls	\$	120,000
Wannacomet	Hydrant Replacement	\$	180,000
	Subtotal Wannacomet Water	\$	2,671,060
	SUBTOTAL ALL EF	\$	109,192,160
	Less other funding sources*		
	Airport AIP Grants	\$	1,550,000
	Sewer Project - General Fund Portion Madaket/Warren's Lndng/Somerset	\$	24,800,000
	Sewer Project - General Fund Portion Monomoy/Mid Island	\$	13,440,000
	Sewer Project Betterments	\$	57,360,000
	TOTAL EF	\$	12,042,160

Next Steps

- December 15: Capital Program Committee review of recommendations with Finance Committee
- December 15: Town Administration FY17 Budget presentation to School Committee
- January 6: Board of Selectmen public hearing; adoption of recommended FY 2017 General Fund Budget
- January 7: Review of Recommended Budget with Finance Committee
- January 20: review of Enterprise Fund Budgets with Board of Selectmen
- Mid-January – mid-March: Finance Committee review of General Fund & Enterprise Fund budgets; other financial appropriations
- 2016 Annual Town Meeting – Saturday, April 2

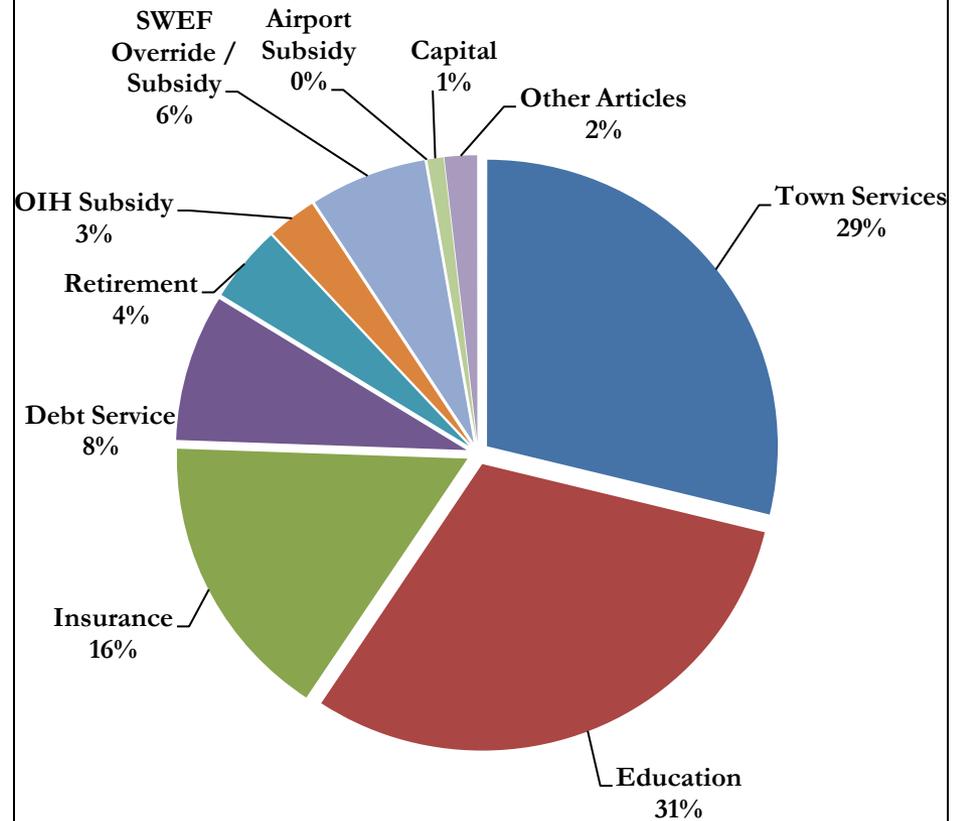
FY 2017 General Fund Budget Revenue and Expenses

Projected Sources As of 12/09/2015



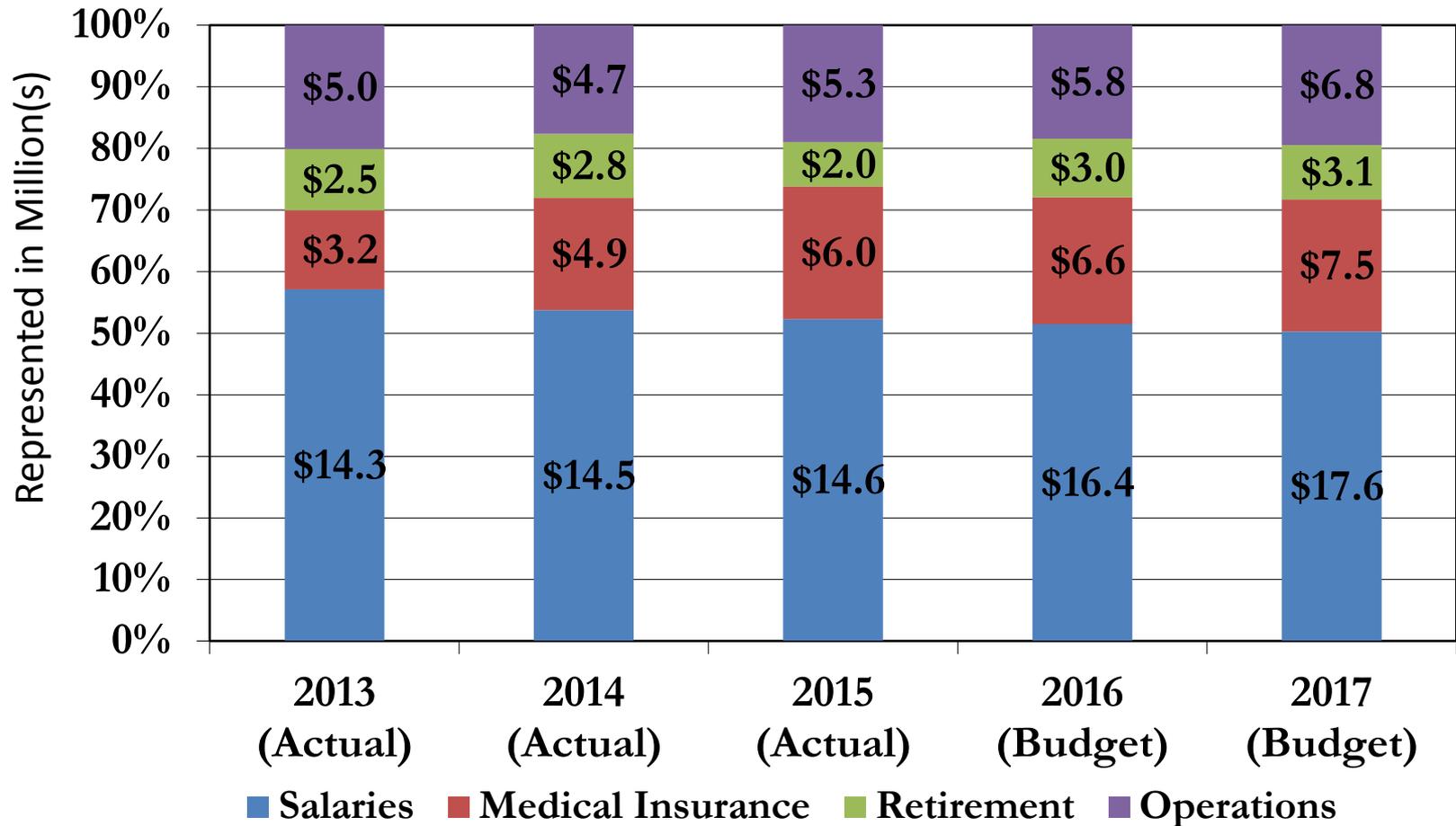
\$87,134,684

Projected Expenses As of 12/09/2015

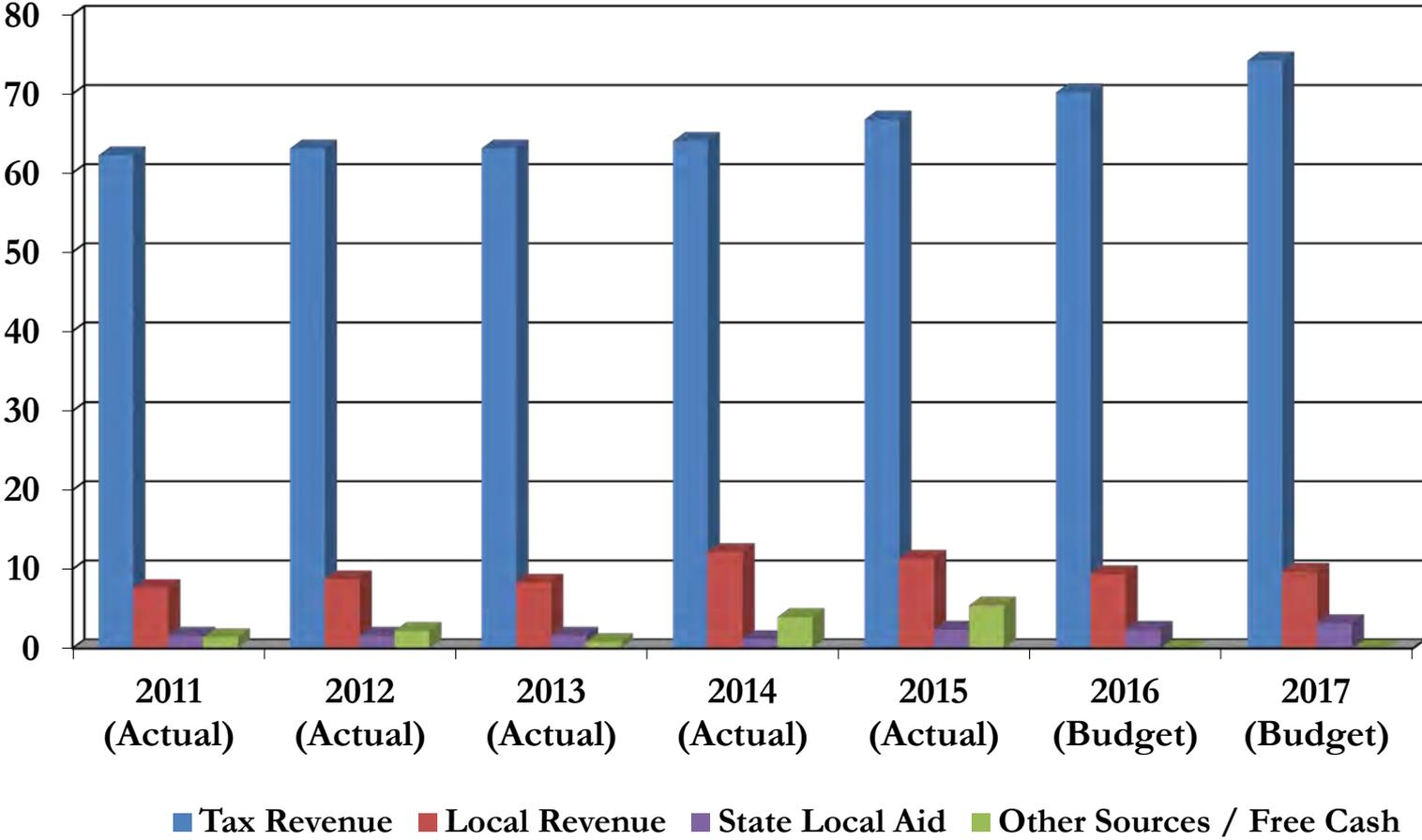


\$86,843,248

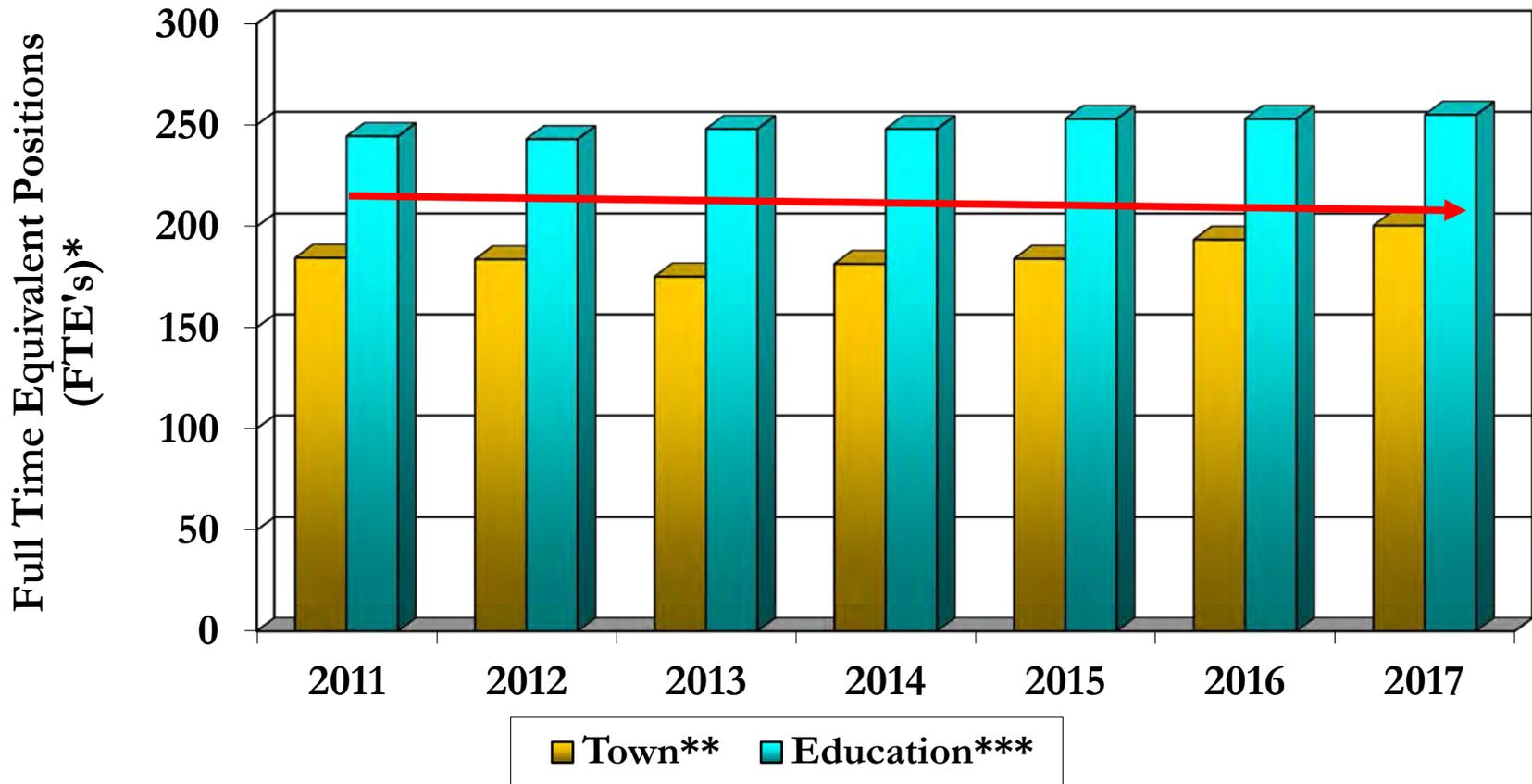
Town Expenses, Salaries FY 2013-2017



General Fund Revenue FY 2011-2017



General Fund Personnel History FY 2011-2017



*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