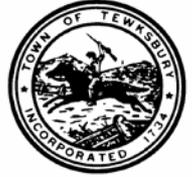


FY2021
BUDGET PRESENTATION
January 7, 2020



FY2021 BUDGET PRESENTATION



Presentation Contents

- Budget Process
- Review Revenues and Expenditures
 - Expenditures:
 - Overall FY21 Appropriations (Includes Town and School FY21 Budgets)
 - Other Local Expenditures
 - State and County Charges
 - Revenues:
 - Tax Levy
 - State Aid
 - Local Receipts
 - Other Available Funds
- FY21 Town and School Budgets
- 5 Year Budget Projection
- Future Financial Items to Monitor
- Board of Selectmen Financial Policy



FY2021 BUDGET PRESENTATION

Budget Process

- Budget Message
 - Sent to Departments November 1
 - Budgets Due November 15
 - Budget Guidelines:
 - Adjust salaries for contractual obligations
 - Level Service Operating Budgets
 - Each Department provide top three priorities
- Budget Review
 - November 21 - December 6
- Budget Development
 - December 10 – December 20
- Future Budget Schedule
 - Finance Committee starts Budget Review January 15



FY2021 BUDGET PRESENTATION

FY2021 SUMMARY REVENUES AND EXPENDITURES

FY2021 BUDGET PRESENTATION



Review Revenues and Expenditures

- Expenditures:
 - Overall FY21 Town and School Budget
 - Other Local Expenditures
 - State and County Charges

- Revenues:
 - Tax Levy
 - State Aid
 - Local Receipts
 - Other Available Funds

FY2021 BUDGET PRESENTATION



Expenditures

FY2021 BUDGET PRESENTATION



Expenditures

	Actual Budget FY15	Actual Budget FY16	Actual Budget FY17	Actual Budget FY18	Actual Budget FY19	Projected Budget FY20	Projected Budget FY21	FY21 Projected Inc/(Dec) Over FY20
Appropriations								
General Fund Budget (Includes all TM R&A and Transfers)	93,371,740	97,348,178	102,695,928	104,978,321	110,946,874	117,800,809	121,560,466	3,759,657
Transfer to Enterprise Funds	263,794	253,724	248,775	48,429	36,208	14,749	-	(14,749)
Reserve for Appropriation	-	-	-	-	-	-	-	-
Sewer Enterprise Fund Budget (R&A and Transfers)	5,541,478	5,937,648	5,806,008	5,663,059	5,905,338	6,703,563	-	(6,703,563)
Water Enterprise Fund Budget (R&A and Transfers)	6,272,029	6,110,505	6,890,460	7,565,043	6,887,912	7,162,649	-	(7,162,649)
Cable TV Enterprise Fund Budget (R&A and Transfers)	-	-	-	600,000	600,000	361,319	-	(361,319)
Spring ATM Articles, Non-Budget R&A	-	74,825	43,926	46,250	47,254	51,308	-	(51,308)
Spring ATM Articles, Transfers	3,079,163	2,250,275	72,000	4,440,459	5,345,580	4,130,497	-	(4,130,497)
Spring STM Articles, Non-Budget R&A	-	-	-	-	-	-	-	-
Spring STM Articles, Transfers	870,292	700,000	9,395,614	600,000	600,000	600,000	-	(600,000)
Fall ATM Articles, Non-Budget R&A	271,521	30,215	1,300	18,946	191,671	1,150,972	-	(1,150,972)
Fall STM Articles, Transfers	4,039,396	2,956,782	5,892,661	-	4,242,434	4,197,154	-	(4,197,154)
Total Appropriations	113,709,413	115,662,150	131,046,672	123,960,508	134,803,271	142,173,020	121,560,466	7,369,749

FY2021 BUDGET PRESENTATION



Expenditures (Cont.)

	Actual Budget FY15	Actual Budget FY16	Actual Budget FY17	Actual Budget FY18	Actual Budget FY19	Projected Budget FY20	Projected Budget FY21	FY21 Projected Inc/(Dec) Over FY20
Cherry Sheet Offsets	54,616	36,780	36,135	36,597	38,995	40,340	40,340	-
Other Local Expenditures								
Overlay Reserve	865,819	1,139,073	664,160	769,477	655,644	718,390	650,000	(68,390)
Overlay Deficit	-	3,552	-	-	-	-	-	-
Tax Title	25,000	-	-	-	-	-	-	-
Other Local Expenditures/Deficits	-	-	-	-	-	-	-	-
Debt not Appropriated	-	-	-	-	-	-	-	-
Final Judgements	-	-	43,947	-	-	-	-	-
Revenue Deficit	-	-	-	-	-	-	-	-
Snow/Ice Deficit	-	359,459	-	-	-	-	-	-
Projected Snow/Ice Reimbursement	-	-	-	-	-	-	-	-
Teacher Salary Deferral	779,994	693,323	606,651	519,979	433,297	346,630	259,955	(86,675)
Other - Unforeseen Charges/ Assessments	-	-	-	-	-	-	-	-
Total Other Local Expenditures	1,670,813	2,195,408	1,314,758	1,289,456	1,088,941	1,065,020	909,955	(23,920)

Notes: Cherry Sheet Offsets are earmarked for the Library. The Teacher Salary Deferral will be completed in 2023.

FY2021 BUDGET PRESENTATION

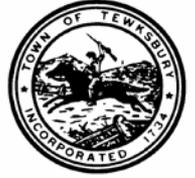


Expenditures (Cont.)

	Actual Budget FY15	Actual Budget FY16	Actual Budget FY17	Actual Budget FY18	Actual Budget FY19	Projected Budget FY20	Projected Budget FY21	FY21 Projected Inc/(Dec) Over FY20
State and County Charges								
Retired Employees Health Insurance	-	-	-	-	-	-	-	-
Retired Teachers Health Insurance	-	-	-	-	-	-	-	-
Mosquito Control Projects	64,207	61,240	71,074	74,448	73,566	79,582	87,540	7,958
Air Pollution Districts	9,005	9,145	9,374	9,450	9,762	9,953	10,948	995
RMV Non-Renewal Surcharge	27,760	27,760	27,760	25,300	25,300	24,760	27,236	2,476
Regional Transit	245,821	251,967	258,266	264,723	271,341	278,125	305,938	27,813
Special Education	-	1,145	-	4,594	707	15,003	16,503	1,500
School Choice Sending Tuition	15,000	32,671	33,800	82,567	108,727	88,013	96,814	8,801
Charter School Assessment	1,286,521	1,170,098	1,081,690	1,164,867	1,261,699	1,117,347	1,229,082	111,735
Essex County Technical Institute Sending Tuition	-	-	-	-	-	-	-	-
Additional County Assessment	-	-	-	-	-	-	-	-
Total State and County Charges	1,648,314	1,554,026	1,481,964	1,625,949	1,751,102	1,612,783	1,774,061	161,278

Notes: The Projection for all State and County Charges is based upon a 10% increase over FY20.

FY2021 BUDGET PRESENTATION



Revenues

FY2021 BUDGET PRESENTATION



Revenues

Revenue Assumptions - Property Taxes:

- Property Tax Levy is the revenue a community can raise through real and personal property taxes. We will refer to the property tax levy simply as the levy. In Massachusetts, municipal revenues to support local spending for schools, public safety and other public services are raised through the property tax levy, state aid, local receipts and other sources. The property tax levy is the largest source of revenue for most cities and towns.

Proposition 2 1/2 places constraints on the amount of the levy raised by a city or town and on how much the levy can be increased from year to year. A levy limit is a restriction on the amount of property taxes a community can levy. The maximum the levy can be in a given year is 2.5% on the previous year's limit plus certain allowable increases such as new growth, overrides and debt and capital exclusions.

The Levy is projected to increase 2.5% above the previous Fiscal Year's Property Tax Levy Limit as allowed under Proposition 2 1/2 and in addition New Growth is added to the levy limit and the Town excluded debt which causes the levy limit to increase more than 2.5% each year as well as property taxes.

- New Growth is additional tax revenue generated by new construction, renovations and other increases in the property tax base during a calendar year. It does not include value increases caused by normal market forces or by revaluations. New growth is calculated by multiplying the assessed value associated with new construction, renovations and other increases by the prior year tax rate. The additional tax revenue is then incorporated into the calculation of the next year's levy limit. For example, new growth for FY21 is based on new construction, etc. that occurred between January and December 2019. In the Fall of 2020, when new growth is being determined to set the FY21 levy limit, the FY20 tax rate is used in the calculation and will be added to the Property Tax Levy. The New Growth projection is based upon a recommendation and review by the Town's Chief Assessor, Finance Director and Town Manager.

FY2021 BUDGET PRESENTATION



Determining Proposition 2 1/2 Levy Limit

Example

Step 1	Previous Year's Levy Limit	10,000,000
Step 2	Add 2.5 %	250,000
Step 3	New Growth	<u>200,000</u>
Step 4	New Levy Limit	10,450,000
If Applicable Step 5	Add Debt Exclusions	<u>1,000,000</u>
Step 6	Total Property Taxes - Levy Limit	11,450,000

Note: The figures above are for illustrative purposes only and are not part of the FY21 Budget. Also the cap of 2.5% only pertains to the percentage increase of previous years Levy Limit. The actual Levy Limit can increase more than 2.5% after New Growth and any overrides or Debt Exclusions are added.

FY2021 BUDGET PRESENTATION



Revenues - Property Taxes: New Growth

New Growth	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	Avg. FY11-FY20	Avg. % of NG
Residential	564,320	472,196	239,290	249,398	397,923	748,927	565,482	886,595	1,064,050	498,078	568,626	41%
Commercial	6,744	21,354	81,587	17,644	16,527	12,272	122,304	142,653	32,877	68,638	52,260	4%
Industrial	1,813	4,489	1,345	26,834	9,526	0	30,349	48,743	21,623	29,238	17,396	1%
Personal Property	397,215	405,237	545,578	533,421	674,273	938,911	956,042	1,354,241	1,062,638	573,119	744,067	54%
Total	970,092	903,276	867,800	827,297	1,098,249	1,700,110	1,674,177	2,432,232	2,181,188	1,169,073	1,382,349	100%
Utilities as Portion Of Above	61,090	42,146	72,333	120,059	331,207	423,556	559,129	1,075,319	716,589	291,362	471,170	34%
Personal Property New Growth	15%	10%	13%	23%	49%	45%	58%	79%	67%	51%	63%	

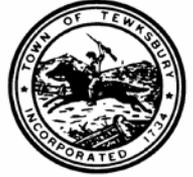
FY2021 BUDGET PRESENTATION



Revenues - Property Taxes

	Actual Budget FY15	Actual Budget FY16	Actual Budget FY17	Actual Budget FY18	Actual Budget FY19	Projected Budget FY20	Projected Budget FY21	FY21 Projected Inc/(Dec) Over FY20
Property Tax Levy								
Property Taxes	60,933,540	63,555,127	66,844,115	70,189,395	74,376,362	78,416,959	81,546,456	3,129,497
Add 2.5%	1,523,338	1,588,878	1,671,103	1,754,735	1,859,409	1,960,424	2,038,661	78,237
New Growth	1,098,249	1,700,110	1,674,177	2,432,232	2,181,188	1,169,073	850,000	(319,073)
Total Property Taxes	63,555,127	66,844,115	70,189,395	74,376,362	78,416,959	81,546,456	84,435,118	2,888,661
Add Debt Exclusions	7,891,380	8,245,844	8,496,963	8,100,749	9,125,434	13,013,933	12,599,161	(414,772)
Amortization of Bond Premium	-	-	(75,653)	(71,545)	(66,068)	(60,591)	(55,114)	5,477
Total Property Taxes - Levy Limit	71,446,507	75,089,959	78,610,705	82,405,566	87,476,325	94,499,798	96,979,165	2,479,366
								-
Total Property Taxes - Levied	71,444,252	75,017,836	78,550,516	82,392,297	87,419,780	94,484,460	96,979,165	2,494,705
Excess Levy Capacity	2,255	72,124	60,189	13,268	56,545	15,339	-	(15,339)

FY2021 BUDGET PRESENTATION



Revenues Property Taxes (Cont.)

Residential and CIP Property Tax Historic Information							
	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Estimated FY2021
Total Levy Amount	71,437,248	75,017,835	78,550,516	82,392,297	87,419,780	94,484,460	96,979,165
Increase(Decrease)	2,906,601	3,580,587	3,532,681	3,841,781	5,027,483	7,064,680	2,494,705
Percentage Increase(Decrease)	4.2%	5.0%	4.7%	4.9%	6.1%	8.1%	2.6%
Taxrate							
Residential	16.37	16.35	16.31	16.13	15.84	15.97	16.39
Res. Increase(Decrease)	0.26	(0.02)	(0.04)	(0.18)	(0.29)	0.13	0.42
CIP	27.62	27.46	27.82	27.74	27.63	28.00	28.74
CIP Increase(Decrease)	0.98	(0.16)	0.36	(0.08)	(0.11)	0.37	0.74
Values							
AVERAGE SINGLE FAMILY HOME	327,145	343,424	358,079	375,355	404,963	433,362	433,362
Increase(Decrease)	12,709	16,279	14,655	17,276	29,608	28,399	-
Percentage Increase(Decrease)	4.0%	5.0%	4.3%	4.8%	7.9%	7.0%	0.0%
AVERAGE RESIDENTIAL CONDO	224,859	244,435	260,175	284,755	307,125	339,399	339,399
Increase(Decrease)	1,605	19,576	15,740	24,580	22,370	32,274	-
Percentage Increase(Decrease)	0.7%	8.7%	6.4%	9.4%	7.9%	10.5%	0.0%
AVERAGE COMMERCIAL	740,100	745,568	747,964	758,533	773,191	838,694	838,694
Increase(Decrease)	(27,616)	5,468	2,396	10,569	14,658	65,503	-
Percentage Increase(Decrease)	-3.6%	0.7%	0.3%	1.4%	1.9%	8.5%	0.0%
Average Tax Bill							
AVERAGE SINGLE FAMILY HOME	5,355	5,615	5,840	6,055	6,415	6,921	7,104
Increase(Decrease)	289	260	225	214	360	506	183
Percentage Increase(Decrease)	5.7%	4.9%	4.0%	3.7%	5.9%	7.9%	2.6%
AVERAGE RESIDENTIAL CONDO	3,680	3,996	4,243	4,593	4,865	5,420	5,563
Increase(Decrease)	84	316	247	350	272	555	143
Percentage Increase(Decrease)	2.3%	8.6%	6.2%	8.2%	5.9%	11.4%	2.6%
AVERAGE COMMERCIAL	20,442	20,475	20,808	21,040	21,363	23,482	24,102
Increase(Decrease)	(10)	33	334	232	323	2,119	620
Percentage Increase(Decrease)	-0.05%	0.16%	1.6%	1.1%	1.5%	9.9%	2.6%

FY2021 BUDGET PRESENTATION

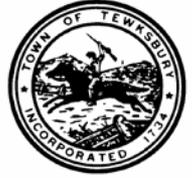


Revenues Property Taxes (Cont.)

Projected FY21 Tax Impact: Estimate is based upon tax levy increasing 2,494,705; all property values remaining the same; the Commercial, Industrial and Personal Property split remaining at 1.56.

Residential and CIP Property Tax Historic Information	
	Estimated FY2021
Total Levy Amount	96,979,165
Increase(Decrease)	2,494,705
Percentage Increase(Decrease)	2.6%
Taxrate	
Residential	16.39
Res. Increase(Decrease)	0.42
CIP	28.74
CIP Increase(Decrease)	0.74
Values	
AVERAGE SINGLE FAMILY HOME	433,362
Increase(Decrease)	-
Percentage Increase(Decrease)	0.0%
AVERAGE RESIDENTIAL CONDO	339,399
Increase(Decrease)	-
Percentage Increase(Decrease)	0.0%
AVERAGE COMMERCIAL	838,694
Increase(Decrease)	-
Percentage Increase(Decrease)	0.0%
Average Tax Bill	
AVERAGE SINGLE FAMILY HOME	7,104
Increase(Decrease)	183
Percentage Increase(Decrease)	2.6%
AVERAGE RESIDENTIAL CONDO	5,563
Increase(Decrease)	143
Percentage Increase(Decrease)	2.6%
AVERAGE COMMERCIAL	24,102
Increase(Decrease)	620
Percentage Increase(Decrease)	2.6%

FY2021 BUDGET PRESENTATION



Revenues Property Taxes (Cont.)

Projected FY21 Tax Impact - No tax Increase:

- In order to achieve no property tax increase the levy limit must remain the same and not increase 2,494,705.
- If the Tax Levy is not increased 2,494,705 then the FY21 Recommended Town and School Budgets must be reduced.
- The total FY21 recommended budget is 121,560,466.
 - Town and School Salaries make-up 54,182,562 of the recommended budget, cutting 2,494,705 from salaries would mean reduced services and layoffs.
 - Town and School Operating, Shawsheen Regional Vocational School, Essex North Shore Agricultural and Tech. School District, Capital Outlay and Unclassified Budgets makeup 67,377,904 of the recommended budget. Of that amount 61,627,475 should not be cut leaving 5,750,429 throughout all Town and School Department budget line-items to potentially reduce 2,494,705 to avoid a tax increase. This reduction would impact Education, Public Safety and the overall delivery of services to the residents.

FY2021 BUDGET PRESENTATION



Revenues Property Taxes (Cont.)

Projected FY21 Tax Impact - No tax Increase: Line-items that should not be reduced totaling 61,627,475

Snow and Ice Budget - cannot be cut since we need to sand and plow roads during the winter for public safety	256,000
Solid Waste budget - cannot be cut unless service is reduced, a fee is charged or residents contract privately	2,539,013
Street Lights – cannot be cut we are committed to a LED retrofit program	180,000
Town Financial Software – cannot be cut since it is a integrated software for all Town and School accounting, billing and collection	164,332
Veteran Benefits – cannot be cut since the Town is obligated to provide these benefits	382,000
Elections - cannot be cut since we are required to hold elections within the Town	79,350
Town Building Repairs Maintenance - should not be cut or reduced since annual repair and maintenance to Town buildings is important.	398,679
Town Capital Outlay – this line-item should not be cut since it is for Police cruisers and will impact public safety	263,252
Town Workers Compensation Insurance - funding cannot be cut since we the Town are obligated to pay these costs	125,000
Town Non-Exempt and Exempt Debt - cannot be cut since the Town is obligated to repay its debt service	5,431,335
School Non Exempt and Exempt Debt - cannot be cut since the Town is obligated to repay its debt service	7,484,957
Town and School Utilities – regardless of staffing, buildings would still need to operate in order to provide services so this cannot be reduced	1,894,830
Town and School Legal costs – this cannot be cut since the Town and School has legal obligations to address annually	288,000
Town and School Middlesex Retirement Assessment - the Town is obligated to pay current retirements and unfunded liability	8,263,815
Town and School Group Health Insurance -State Statute obligates the Town to pay these benefits. Budget can be cut if staff is reduced	12,684,043
Town and School Medicare Tax - Federal requirements obligate the Town to pay this payroll tax. This budget can be cut if staff is reduced	773,728
Town and School Property and Liability Insurance - funding cannot be cut unless we reduce coverage and increase exposure and liability to the Town	670,187
Town and School Unemployment Compensation - funding cannot be cut since we the Town and School are obligated to pay these costs	80,000
Shawsheen Tech Assessment - regional agreement and State requirements obligate the Town to fund this Budget	6,989,572
Essex Aggie Assessment - State requirements obligate the Town to fund this Budget	128,982
School Building Maintenance - based upon the current condition of the Elementary Schools and the need to maintain the other buildings, this should not be cut	1,063,446
School Special Ed Services - the Town is obligated to fund these services	2,185,000
School Technology Contracts - based upon the technology needs this should not be cut	1,158,951
School Transportation - the Town is obligated to fund these services	3,434,729
School Out of District Tuition - the Town is obligated to fund and pay for these services	4,029,579
School Textbooks and related software, instructional materials teaching and administrative Supplies - cutting or reducing this are would impact the delivery of education services	678,695
Total	61,627,475

FY2021 BUDGET PRESENTATION



Revenues Property Taxes (Cont.)

FY2020 Average Residential Single Family Tax Comparison

Municipality	Average Single Family Value	Single Family Tax Bill
Acton	612,787	11,790
Andover	681,100	10,223
North Reading	601,334	9,381
Westford	565,694	9,238
Reading	627,100	8,748
Littleton	465,384	8,270
North Andover	553,731	7,608
Chelmsford	447,553	7,362
Wakefield	555,928	7,099
Tewksbury	433,362	6,921
Tyngsborough	400,516	6,508
Stoneham	565,130	6,098
Billerica	425,081	5,522
Burlington	566,991	5,466
Dracut	365,522	4,880

FY2021 BUDGET PRESENTATION



Revenues

Revenue Assumptions State Aid:

- State Aid is Revenue allocated by the Commonwealth to cities, towns, and regional school districts. Estimates of local aid are transmitted to cities, towns, and districts annually by the "Cherry Sheets." Most Cherry Sheet aid programs are considered general fund revenues and may be spent for any purpose, subject to appropriation. The Projection for FY21 is level funded to the amount received for FY20. This is a revenue area that will be watched closely since State Revenues since next Fiscal Year's Local Aid allocations could be impacted positively or negatively with the passage of the new Student Opportunity Act and since the Department of Revenue is projecting slower revenue growth in FY21.

	Actual Budget FY15	Actual Budget FY16	Actual Budget FY17	Actual Budget FY18	Actual Budget FY19	Projected Budget FY20	Projected Budget FY21	FY21 Projected Inc/(Dec) Over FY20
State Aid								
Chapter 70 - School Aid	12,727,415	12,818,290	13,012,055	13,119,905	13,224,155	13,326,215	13,326,215	-
Charter School Tuition Assessment Reimbursement	70,522	212,059	74,119	71,440	114,930	62,826	62,826	-
Chapter 71 - School Transportation	-	-	-	-	-	-	-	-
School Lunch - Offset	18,421	-	-	-	-	-	-	-
Unrestricted General Fund Aid	2,476,625	2,565,783	2,676,112	2,780,480	2,877,797	2,955,498	2,955,498	-
Veteran's Benefits	246,846	294,278	324,441	288,324	241,762	230,636	230,636	-
Exemptions, Veterans, Blind and Surviving Spouses	99,570	99,570	105,144	106,423	185,821	176,491	176,491	-
State owned Land	184,578	184,578	182,381	182,208	190,628	217,738	217,738	-
Public Libraries - Offset	36,195	36,780	36,135	36,597	38,995	40,340	40,340	-
Total Estimated State Revenues	15,860,172	16,211,338	16,410,387	16,585,377	16,874,088	17,009,744	17,009,744	-

FY2021 BUDGET PRESENTATION



Revenues – Local Receipts

	Actual Budget FY15	Actual Budget FY16	Actual Budget FY17	Actual Budget FY18	Actual Budget FY19	Projected Budget FY20	Projected Budget FY21	FY21 Projected Inc/(Dec) Over FY20
Motor Vehicle Excise Tax	4,310,321	4,633,789	5,024,172	5,097,049	5,313,845	4,719,642	4,875,835	156,193
Meals Tax	526,124	581,319	633,000	637,882	677,732	590,265	611,211	20,946
Hotel/Motel Tax	1,014,019	1,099,717	1,072,823	1,145,575	1,479,458	1,034,786	1,083,033	48,247
Other Excise Tax	2,535	2,868	3,359	3,711	2,581	2,580	3,011	431
Penalties and Interest on Taxes and Excises	329,840	301,620	334,917	302,728	218,157	218,090	196,341	(21,749)
Payment In-Lieu of Taxes (PILOT)	8,035	16,011	8,003	7,997	210,378	15,997	15,997	-
Charges for Services - Ambulance	1,273,075	1,202,681	1,384,138	1,455,737	1,559,006	1,247,647	1,374,928	127,281
Fees	906,562	1,088,973	419,595	365,783	541,647	329,202	377,636	48,434
Rentals	387,195	420,383	532,172	402,301	429,443	402,301	429,443	27,142
Other Departmental Revenue	-	-	-	-	-	-	-	-
Licenses and Permits	791,228	1,178,083	1,313,949	862,667	1,134,581	776,400	810,335	33,935
Fines and Forfeits	80,646	123,454	102,776	97,428	84,003	83,995	82,324	(1,671)
Interest Earnings	36,505	105,476	128,032	279,050	217,270	76,510	90,004	13,494
Misc. State and Other Revenue	-	-	-	-	-	-	-	-
SPED Medicaid Reimbursement	69,243	227,490	307,135	368,803	191,709	83,100	172,538	89,438
Recurring Revenue	569,991	371,559	455,812	364,881	152,531	-	-	-
Non-Recurring Revenue	842,543	1,070,280	995,752	79,321	27,695	-	-	-
Total Local Receipts	11,147,863	12,423,702	12,715,636	11,470,913	12,240,038	9,580,515	10,122,636	542,121

FY2021 BUDGET PRESENTATION



Revenues

Revenue Assumptions Local Receipts:

- Motor Vehicle Excise Tax – A locally imposed annual tax assessed to owners of motor vehicles registered to an address within the community, in accordance with MGL Chapter 60A. The Excise Tax rate is set by statute at \$25.00 per \$1000 of vehicle value. The FY21 projection for Motor Vehicle Excise Tax is based upon a 5 year average of actual collected FY15-FY19.

MOTOR VEHICLE EXCISE								
<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>PROJECTED</u>	<u>PROJECTED</u>	<u>PROJECTED</u>	<u>PROJECTED</u>
<u>Budget FY15</u>	<u>Budget FY16</u>	<u>Budget FY17</u>	<u>Budget FY18</u>	<u>Budget FY19</u>	<u>Budget FY20</u>	<u>Budget FY21</u>	<u>Inc/(Dec) Over FY20</u>	<u>Inc/(Dec) Over FY19</u>
4,310,321	4,633,789	5,024,172	5,097,049	5,313,845	4,719,642	4,875,835	156,193	(438,010)

- Meals Tax - A local option tax upon the sale of restaurant meals originating within the city or town by a vendor at a rate of .75 per cent of the gross receipts of the vendor from the sale of restaurant meals, in accordance with MGL 64L section 2(a). Tewksbury accepted this statute in May 2011 and assesses .75% bringing the Meals Tax from 6.25% to 7%. The FY21 projection for Meals Tax revenue was based upon a 5 year average actual collected FY15-FY19.

MEALS TAX								
<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>PROJECTED</u>	<u>PROJECTED</u>	<u>PROJECTED</u>	<u>PROJECTED</u>
<u>Budget FY15</u>	<u>Budget FY16</u>	<u>Budget FY17</u>	<u>Budget FY18</u>	<u>Budget FY19</u>	<u>Budget FY20</u>	<u>Budget FY21</u>	<u>Inc/(Dec) Over FY20</u>	<u>Inc/(Dec) Over FY19</u>
526,124	581,319	633,000	637,882	677,732	590,265	611,211	20,946	(66,521)

- Hotel/Motel Tax - A local option since 1985 that allows a community to assess a tax on short-term room occupancy. The community may levy up to 4%-6% percent of the charge for stays of less than 90 days at hotels, motels and lodging houses, in accordance with MGL 64L section 2(a). Tewksbury accepted this statute in May 2011 and assesses 6%. The FY21 projection was based upon a 4 year average of actual collected FY15-FY18, FY19 actual was unique with occupancy uncharacteristically high.

HOTEL/MOTEL								
<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>PROJECTED</u>	<u>PROJECTED</u>	<u>PROJECTED</u>	<u>PROJECTED</u>
<u>Budget FY15</u>	<u>Budget FY16</u>	<u>Budget FY17</u>	<u>Budget FY18</u>	<u>Budget FY19</u>	<u>Budget FY20</u>	<u>Budget FY21</u>	<u>Inc/(Dec) Over FY20</u>	<u>Inc/(Dec) Over FY19</u>
1,014,019	1,099,717	1,072,823	1,145,575	1,479,458	1,034,786	1,083,033	48,247	(396,425)

FY2021 BUDGET PRESENTATION



Revenues

Revenue Assumptions Local Receipts:

- Other Excise Tax (Boat)** – In accordance with MGL Chapter 60B, this is an amount levied on boats and ships in lieu of a personal property tax for the privilege of using the Commonwealth’s waterways. Assessed annually as of July 1, the excise is paid to the community where the boat or ship is usually moored or docked. The FY21 projection was based upon a 5 year average actual collected FY15-FY19.

<u>OTHER EXCISES (BOAT EXCISE)</u>								
ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	PROJECTED	PROJECTED	PROJECTED	PROJECTED
<u>Budget FY15</u>	<u>Budget FY16</u>	<u>Budget FY17</u>	<u>Budget FY18</u>	<u>Budget FY19</u>	<u>Budget FY20</u>	<u>Budget FY21</u>	<u>Inc/(Dec) Over FY20</u>	<u>Inc/(Dec) Over FY19</u>
2,535	2,868	3,359	3,711	2,581	2,580	3,011	431	430

- Penalties and Interest On Taxes and Excises** - A charge assessed for late payment of taxes and fees in accordance with MGL Ch. 59 section 57. The FY21 projection was based upon 90% of actual FY19 collected since previous years greatly fluctuated.

<u>PENALTIES & INTEREST</u>								
ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	PROJECTED	PROJECTED	PROJECTED	PROJECTED
<u>Budget FY15</u>	<u>Budget FY16</u>	<u>Budget FY17</u>	<u>Budget FY18</u>	<u>Budget FY19</u>	<u>Budget FY20</u>	<u>Budget FY21</u>	<u>Inc/(Dec) Over FY20</u>	<u>Inc/(Dec) Over FY19</u>
329,840	301,620	334,917	302,728	218,157	218,090	196,341	(21,749)	(21,816)

FY2021 BUDGET PRESENTATION



Revenues

Revenue Assumptions Local Receipts:

- P.I.L.O.T.** – Payment In-Lieu of Taxes is an agreement between a municipality and an entity not subject to taxation, such as charitable or educational organizations, in which the payer agrees to make a voluntary payment to the municipality. The FY21 projection is based upon P.I.L.O.T agreements. The amounts owed are generated from agreements the Town has with the Housing Authority. In FY19 the revenue was high since the Housing Authority owed tax payments for the Delaney Drive Housing Complex from previous years

<u>P.I.L.O.T.</u>								
<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>PROJECTED</u>	<u>PROJECTED</u>	<u>PROJECTED</u>	<u>PROJECTED</u>
<u>Budget FY15</u>	<u>Budget FY16</u>	<u>Budget FY17</u>	<u>Budget FY18</u>	<u>Budget FY19</u>	<u>Budget FY20</u>	<u>Budget FY21</u>	<u>Inc/(Dec) Over FY20</u>	<u>Inc/(Dec) Over FY19</u>
8,035	16,011	8,003	7,997	210,378	15,997	15,997	-	(194,381)

- Charges for Services** – Fees charged for use of the Ambulance Service. Fees are set using Medicare allowable rates as a base. Tewksbury’s rates are 250% over 2019 Medicare allowable rates. The FY21 projection is based upon a 5 year average FY15-FY19.

<u>CHARGES FOR SERVICES - AMBULANCE</u>								
<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>PROJECTED</u>	<u>PROJECTED</u>	<u>PROJECTED</u>	<u>PROJECTED</u>
<u>Budget FY15</u>	<u>Budget FY16</u>	<u>Budget FY17</u>	<u>Budget FY18</u>	<u>Budget FY19</u>	<u>Budget FY20</u>	<u>Budget FY21</u>	<u>Inc/(Dec) Over FY20</u>	<u>Inc/(Dec) Over FY19</u>
1,273,075	1,202,681	1,384,138	1,455,737	1,559,006	1,247,647	1,374,928	127,281	(184,078)

- Fees** – These are Fees charged by Departments for a service such as Police Detail Administration fees, Sealer of Weights and Measures, Fire Inspections, and Record/Report request fees, to name a few. The FY21 projection is based upon a 90% of FY17 actual collected since an average was not a realistic projection since FY15-FY16 included revenue that has been reclassified and FY19 was unique due to high Police Detail Administration fees for National Grid Strike details.

<u>FEES</u>								
<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>PROJECTED</u>	<u>PROJECTED</u>	<u>PROJECTED</u>	<u>PROJECTED</u>
<u>Budget FY15</u>	<u>Budget FY16</u>	<u>Budget FY17</u>	<u>Budget FY18</u>	<u>Budget FY19</u>	<u>Budget FY20</u>	<u>Budget FY21</u>	<u>Inc/(Dec) Over FY20</u>	<u>Inc/(Dec) Over FY19</u>
906,562	1,088,973	419,595	365,783	541,647	329,202	377,636	48,434	(164,011)

FY2021 BUDGET PRESENTATION



Revenues

Revenue Assumptions Local Receipts:

- Rentals - Fees collected from Wireless Carriers for Cell Towers on Town property and for any other Town property that charges a fee for its use. FY21 Fees are projected based upon FY19 actual. The actual amounts collected are determined from agreements with Wireless Communication Carriers.

<u>RENTALS</u>								
<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>PROJECTED</u>	<u>PROJECTED</u>	<u>PROJECTED</u>	<u>PROJECTED</u>
<u>Budget FY15</u>	<u>Budget FY16</u>	<u>Budget FY17</u>	<u>Budget FY18</u>	<u>Budget FY19</u>	<u>Budget FY20</u>	<u>Budget FY21</u>	<u>Inc/(Dec) Over FY20</u>	<u>Inc/(Dec) Over FY19</u>
387,195	420,383	532,172	402,301	429,443	402,301	429,443	27,142	-

- Other Departmental Revenue - No projection for FY21 since amounts previously collected and allocated to this classification will be properly classified to the correct revenue in the future.
- License and Permits - Fees charged by Departments for licenses and permits such as liquor and other establishment licenses, building, electrical, plumbing and gas permits, DPW permits, Board of Health food establishment permits and Public Safety permits. The FY21 projection is based upon removing unique fees and using 3,4 or 5 year average depending upon the fee. Since revenue collected in previous years fluctuated an overall 3, 4 or 5 year average would not be realistic

<u>LICENSES & PERMITS</u>								
<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>PROJECTED</u>	<u>PROJECTED</u>	<u>PROJECTED</u>	<u>PROJECTED</u>
<u>Budget FY15</u>	<u>Budget FY16</u>	<u>Budget FY17</u>	<u>Budget FY18</u>	<u>Budget FY19</u>	<u>Budget FY20</u>	<u>Budget FY21</u>	<u>Inc/(Dec) Over FY20</u>	<u>Inc/(Dec) Over FY19</u>
791,228	1,178,083	1,313,949	862,667	1,134,581	776,400	810,335	33,935	(324,246)

FY2021 BUDGET PRESENTATION



Revenues

Revenue Assumptions Local Receipts:

- Fines and Forfeits – Court Fines, Parking Fines, Library Fines and Zoning Fines. The FY21 projection based upon a 2 year average using FY15 and FY19 actual since there has been fluctuation in previous years. There is also an expectation that this revenue will decrease since specifically in the area of Library Fines because of automatic book renewals.

FINES & FORFEITS								
<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>PROJECTED</u>	<u>PROJECTED</u>	<u>PROJECTED</u>	<u>PROJECTED</u>
<u>Budget FY15</u>	<u>Budget FY16</u>	<u>Budget FY17</u>	<u>Budget FY18</u>	<u>Budget FY19</u>	<u>Budget FY20</u>	<u>Budget FY21</u>	<u>Inc/(Dec) Over FY20</u>	<u>Inc/(Dec) Over FY19</u>
80,646	123,454	102,776	97,428	84,003	83,995	82,324	(1,671)	(1,679)

- Interest Earnings – Interest earned on cash that the Town Treasurer has in the General Fund. The projection for FY21 is an average of the 3 year average FY15-FY17 since interest rates are lower and fluctuate greatly.

INTEREST EARNINGS								
<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>PROJECTED</u>	<u>PROJECTED</u>	<u>PROJECTED</u>	<u>PROJECTED</u>
<u>Budget FY15</u>	<u>Budget FY16</u>	<u>Budget FY17</u>	<u>Budget FY18</u>	<u>Budget FY19</u>	<u>Budget FY20</u>	<u>Budget FY21</u>	<u>Inc/(Dec) Over FY20</u>	<u>Inc/(Dec) Over FY19</u>
36,505	105,476	128,032	279,050	217,270	76,510	90,004	13,494	(127,266)

- Miscellaneous State and Other Revenue - No projection for FY21 since no revenue has ever been collected and none expected.
- Medicaid Reimbursement – Revenue from the Federal Government for providing medically necessary Medicaid services (direct services) to eligible Mass Health-enrolled children. This would include outreach, and those activities that aid the delivery of direct services to Medicaid-enrolled children with individualized education plans (IEPs). Since the Federal Reimbursement is unpredictable and fluctuates greatly the projection is based upon a 90% of FY19 Actual.

MEDICAID REIMBURSEMENT								
<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>PROJECTED</u>	<u>PROJECTED</u>	<u>PROJECTED</u>	<u>PROJECTED</u>
<u>Budget FY15</u>	<u>Budget FY16</u>	<u>Budget FY17</u>	<u>Budget FY18</u>	<u>Budget FY19</u>	<u>Budget FY20</u>	<u>Budget FY21</u>	<u>Inc/(Dec) Over FY20</u>	<u>Inc/(Dec) Over FY19</u>
69,243	227,490	307,135	368,803	191,709	83,100	172,538	89,438	(19,171)

FY2021 BUDGET PRESENTATION



Revenues

Revenue Assumptions Local Receipts:

- Recurring Revenue** – No Revenue projection for FY21 because this source of revenue is unpredictable. Revenue from certain Medicaid Reimbursements were moved to the “Medicaid Reimbursement” classification. Revenue for this category included a Medicare Drug Subsidy the Town no longer receives and in addition Municipal Liens previously classified to this revenue have been moved to “Fees” in FY18. This category of revenue includes the collection of taxes on properties held in Tax Titles as well as Deferred Real Estate Taxes which are real estate taxes that eligible Seniors are allowed to postpone payment until they sell their house.

<u>RECURRING REVENUE</u>								
ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	PROJECTED	PROJECTED	PROJECTED	PROJECTED
<u>Budget FY15</u>	<u>Budget FY16</u>	<u>Budget FY17</u>	<u>Budget FY18</u>	<u>Budget FY19</u>	<u>Budget FY20</u>	<u>Budget FY21</u>	<u>Inc/(Dec) Over FY20</u>	<u>Inc/(Dec) Over FY19</u>
569,991	371,559	455,812	364,881	152,531	-	-	-	(152,531)

- Non-Recurring Revenue** - No projection for FY21 since it is revenue that is not reliable each year. FEMA and MEMA reimbursements and Special Medicaid reimbursements are examples of revenue allocated to this account in the past. Also Supplemental Tax Revenue was included in this category which should be allocated to Property Taxes.

<u>NON RECURRING REVENUE</u>								
ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	PROJECTED	PROJECTED	PROJECTED	PROJECTED
<u>Budget FY15</u>	<u>Budget FY16</u>	<u>Budget FY17</u>	<u>Budget FY18</u>	<u>Budget FY19</u>	<u>Budget FY20</u>	<u>Budget FY21</u>	<u>Inc/(Dec) Over FY20</u>	<u>Inc/(Dec) Over FY19</u>
842,543	1,070,280	995,752	79,321	27,695	-	-	-	(27,695)



FY2021 BUDGET PRESENTATION

Revenue Analysis Local Receipts

		Average	Inc(Dec) Over	FY21 Inc(Dec) As
		Total	FY21 Proejction	Percentage of Total
Current Fiscal Year 2021 Local Receipts Projection	10,122,636			
5 Year Average of all Actual Revenue		11,999,630	1,876,995	16%
4 Year Average of all Actual Revenue		12,212,572	2,089,937	17%
3 Year Average of all Actual Revenue		12,142,195	2,019,560	17%
5 Year Average of all Actual Revenue Minus One -Time Revenue and Cable Fees FY15 and FY16		10,799,487	676,851	6%
4 Year Average of all Actual Revenue Minus One -Time Revenue and Cable Fees FY15 and FY16		11,180,390	1,057,755	9%
3 Year Average of all Actual Revenue Minus One -Time Revenue and Cable Fees FY15 and FY16		11,450,198	1,327,563	12%

FY2021 BUDGET PRESENTATION



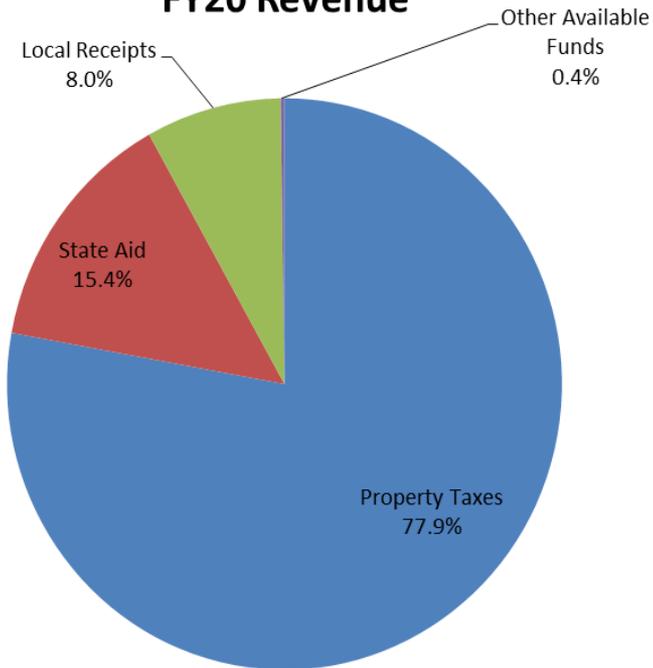
Revenues

	Actual Budget FY15	Actual Budget FY16	Actual Budget FY17	Actual Budget FY18	Actual Budget FY19	Projected Budget FY20	Projected Budget FY21	FY21 Projected Inc/(Dec) Over FY20
Other Available Funds								
Licensing and Keeping of Dogs	-	-	-	-	-	-	-	-
Wetland Protection Fund	-	-	-	-	-	-	-	-
Free Cash Spring Town Meetings	600,000	600,000	599,999	600,000	600,000	600,000	-	(600,000)
Free Cash Fall Town Meetings	4,039,396	2,424,657	4,316,361	-	3,260,434	3,497,154	-	(3,497,154)
Free Cash to reduce the Tax Levy	-	-	-	-	-	-	-	-
Teacher Salary Deferral	693,323	606,646	519,979	433,305	346,622	259,955	173,278	(86,677)
Overlay Surplus	25,000	25,000	25,000	25,000	125,000	52,500	-	(52,500)
Stabilization Fund	1,775,455	1,728,775	2,075,000	1,987,834	1,411,699	1,264,416	-	(1,264,416)
Sewer Enterprise Fund Revenue	6,923,364	7,427,619	5,828,734	5,663,059	7,049,859	6,714,265	-	(6,714,265)
Water Enterprise Fund Revenue	7,310,956	8,162,431	7,009,030	7,565,043	7,930,095	7,341,522	-	(7,341,522)
Cable TV Enterprise Fund Revenue	-	-	-	600,000	669,511	600,000	-	(600,000)
Sewer Enterprise Fund Revenue Retained Earnings	329,000	185,000	4,328,000	1,817,500	642,500	370,000	-	(370,000)
Water Enterprise Fund Revenue Retained Earnings	875,000	465,000	3,064,615	-	2,238,500	2,470,000	-	(2,470,000)
Cable TV Enterprise Fund Revenue Retained Earnings						-	-	-
Community Preservation Fund	985,305	525,667	270,226	584,830	1,333,634	1,014,298	-	(1,014,298)
Other Available Funds	-	-	725,000	71,545	623,501	60,591	-	(60,591)
Misc. Revenue Funds	-	-	-	-	-	-	-	-
Budget/Article Transfers	-	-	-	-	-	-	-	-
Total Other Available Funds	23,556,798	22,150,794	28,761,943	19,348,116	26,231,355	24,244,701	173,278	(24,071,423)

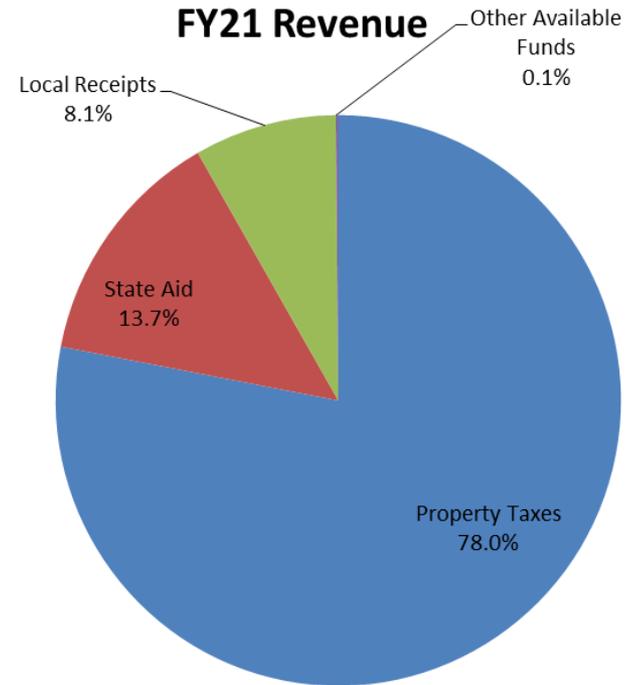
FY2021 BUDGET PRESENTATION



FY20 Revenue



FY21 Revenue





FY2021 BUDGET PRESENTATION

Summary

<i>Summary Expenditures and Revenues</i>	Actual	Actual	Actual	Actual	Approved	Projected	Projected	FY21 Projected
	<u>Budget FY15</u>	<u>Budget FY16</u>	<u>Budget FY17</u>	<u>Budget FY18</u>	<u>Budget FY19</u>	<u>Budget FY20</u>	<u>Budget FY21</u>	<u>Inc/(Dec) Over FY20</u>
<i>Uses of Funding (Amounts to be Raised)</i>								
Appropriations	93,635,534	97,601,902	102,944,703	105,026,751	110,983,082	117,815,558	121,560,466	3,744,908
Water, Sewer and Cable TV Enterprise Fund Budgets	11,813,507	12,048,152	12,696,468	13,828,102	13,393,250	14,227,531	-	(14,227,531)
Special Articles and Transfers	8,260,372	6,012,097	15,405,501	5,105,655	10,426,940	10,129,931	-	(10,129,931)
Cherry Sheet Offsets	54,616	36,780	36,135	36,597	38,995	40,340	40,340	-
Other Local Expenditures	1,670,813	2,195,408	1,314,758	1,289,456	1,088,941	1,065,020	909,955	(155,065)
State and County Charges	1,648,314	1,554,026	1,481,964	1,625,949	1,751,102	1,612,783	1,774,061	161,278
Total Use of Funding	117,083,156	119,448,364	133,879,529	126,912,510	137,682,309	144,891,163	124,284,822	(20,606,341)
<i>Sources of Funding</i>								
Property Taxes	63,552,872	66,771,992	70,129,206	74,363,094	78,360,415	81,531,117	84,435,118	2,904,000
Debt Exclusions	7,891,380	8,245,844	8,421,310	8,029,204	9,059,365	12,953,342	12,544,047	(409,295)
State Estimated Revenues	15,860,172	16,211,338	16,410,387	16,585,377	16,874,088	17,009,744	17,009,744	-
Local Estimated Revenues	11,147,863	12,423,702	12,715,636	11,470,913	12,240,038	9,580,515	10,122,636	542,121
Other Available Funds	23,556,798	22,150,794	28,761,943	19,348,116	26,231,355	24,244,701	173,278	(24,071,423)
Total Sources of Funding	122,009,085	125,803,670	136,438,482	129,796,704	142,765,260	145,319,420	124,284,822	(21,034,597)
<i>Surplus/(Deficit)</i>	4,925,929	6,355,306	2,558,953	2,884,194	5,082,951	428,256	-	-

FY2021 BUDGET PRESENTATION



FY2021 BUDGET



FY2021 BUDGET PRESENTATION

Revenue Split for Town and School

<i>Projected General Fund Surplus/Additional Revenue</i>	4,159,680	
Minus Debt Service For DPW/School Facility	(1,300,000)	
Minus Shawsheen	(395,636)	Projected 6% Increase
Essex Aggie	143	
Sub-Total	2,464,187	
School Additional Revenue 60% Sub-Total	1,478,512	
School Health Insurance Decrease	45,740	0% Premium Increase, 0% Medex and 0% Dental Increase. Increase for Retirement Replacement
Minus School Retirement Increase	(53,241)	3.6% Increase
Minus School Medicare Increase	(11,385)	Increase Based Upon Payroll
Minus School Debt		Actual
Minus School Prop. and Liab. Ins Increase	(14,387)	6% Premium Increase and added Coverage
Net School Appropriation For Salary and Operating needs	1,445,239	
Town Additional Revenue 40% of Sub-Total	985,675	
Minus Town Health Insurance Increase	(113,834)	0% Premium Increase, 0% Medex and 0% Dental Increase. Increase for Retirement Replacement
Minus Town Retirement Increase	(199,491)	2.8% Increase
Minus Town Medicare Increase	(8,340)	Increase Based Upon Payroll
Minus Town Debt		Actual
Minus Town Prop. and Liab. Ins Increase	(31,110)	6% Premium Increase, includes insurance for Drones, Ella Flemings School and additional coverage
Net Town Appropriation For Salary and Operating needs	632,900	



FY2021 BUDGET PRESENTATION

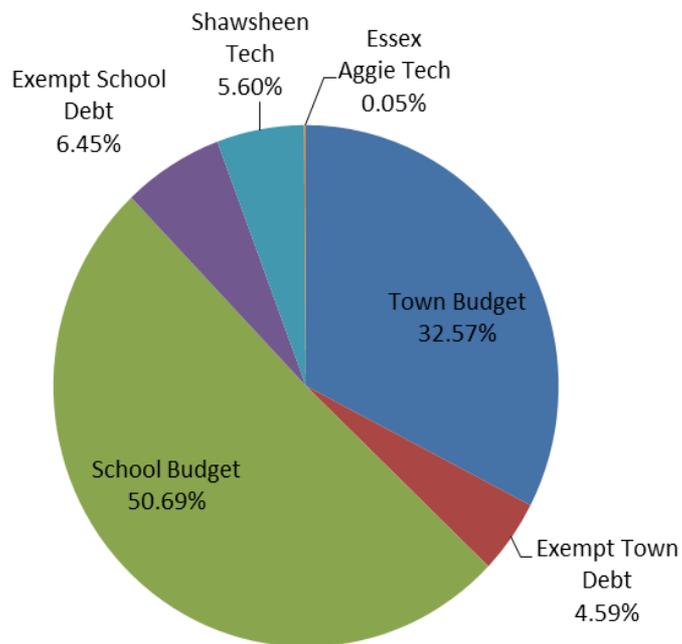
FY21 General Fund Budget Summary

General Fund Budget Summary	FY2017	FY2018	FY2019	FY2020	FY2021	BUDGET
	<u>EXPENDED</u>	<u>EXPENDED</u>	<u>EXPENDED</u>	<u>BUDGETED</u>	<u>TM REC</u>	<u>INC/DEC</u>
Total Town Budget Net Allocations and w/o Exempt Debt	34,521,053	36,615,502	38,046,502	38,370,009	40,655,685	2,285,676
Total Exempt Town Debt	5,104,242	4,981,075	6,106,524	5,402,142	5,114,204	(287,938)
Total School Budget Net Allocations	52,758,955	56,142,624	58,221,421	59,708,554	61,187,066	1,478,512
Total Exempt School Debt	3,144,086	3,071,245	2,982,702	7,597,042	7,484,957	(112,085)
Shawsheen Tech	5,646,988	5,566,567	6,201,732	6,593,936	6,989,572	395,636
Essex North Shore Agricultural and Tech. School District	77,149	54,777	124,159	129,125	128,982	(143)
Total Budget Net Allocations/Offsets	101,252,472	106,431,790	111,683,039	117,800,809	121,560,466	3,759,657

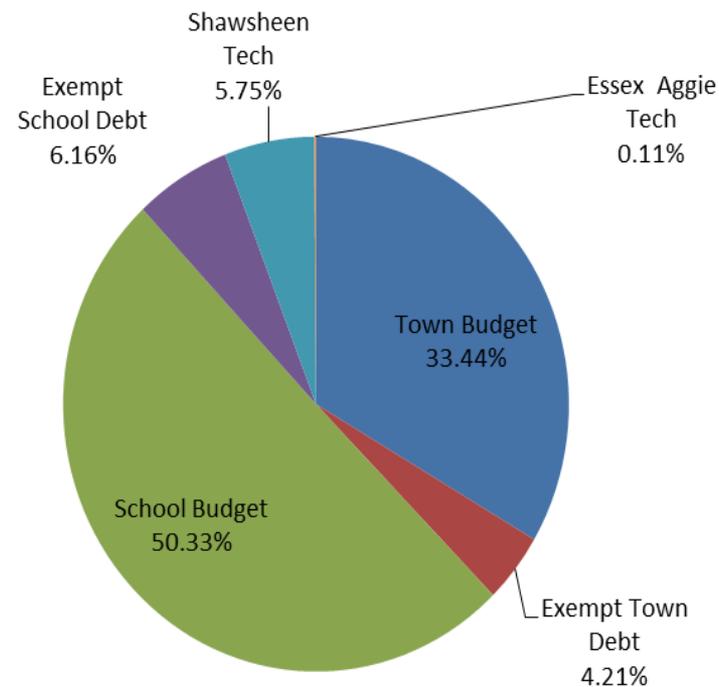


FY2021 BUDGET PRESENTATION

FY20 Town and School General Fund Budget



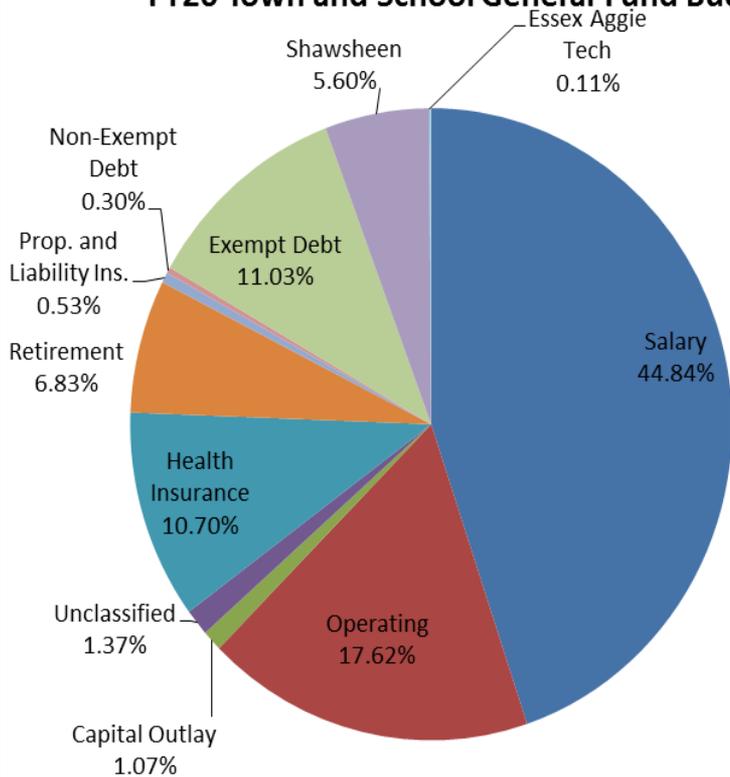
FY21 Town and School General Fund Budget



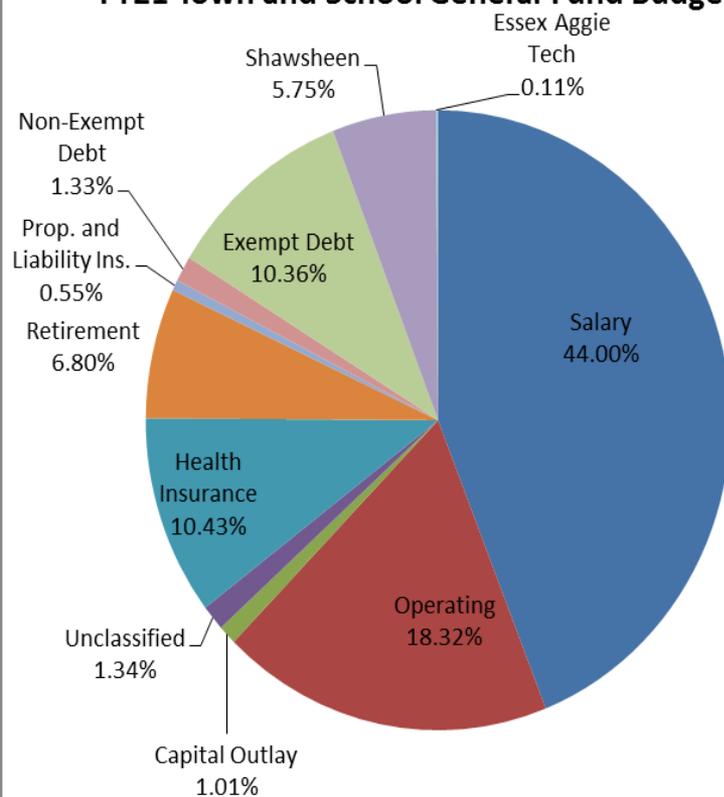


FY2021 BUDGET PRESENTATION

FY20 Town and School General Fund Budget



FY21 Town and School General Fund Budget



FY2021 BUDGET PRESENTATION



Town Budget Increase with Exempt Debt: 1,997,738

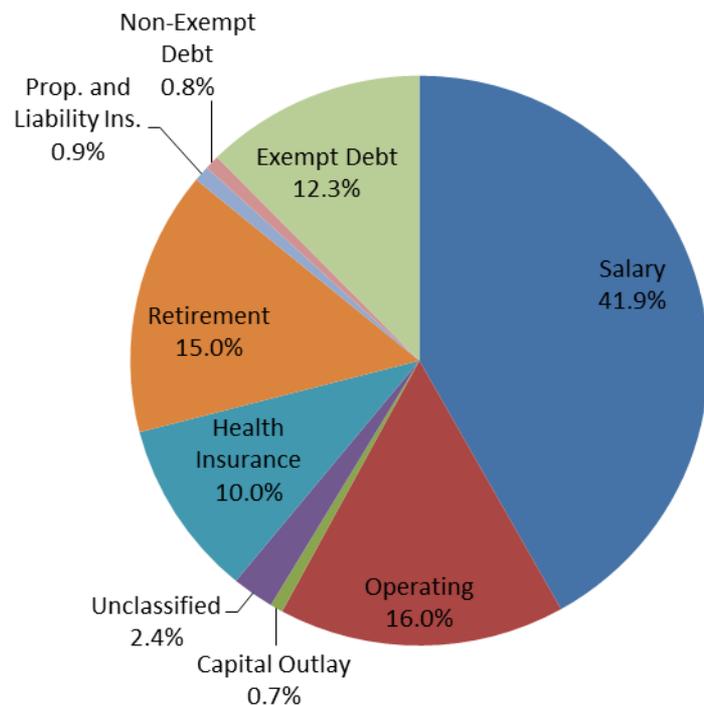
(Includes 1,300,000 in non exempt debt for the DPW/School Maintenance Facility)

Budget Summary	FY2017	FY2018	FY2019	FY2020	FY2021	BUDGET
	EXPENDED	EXPENDED	EXPENDED	BUDGETED	TM REC	INC/DEC
Total General Government	1,392,855	1,363,320	1,413,367	1,552,543	1,663,374	110,832
Total General Government Net Allocations	1,371,521	1,341,476	1,390,633	1,526,993	1,636,616	109,624
Total Finance Department	1,111,435	1,125,365	1,171,934	1,180,836	1,203,191	22,356
Total Finance Department Net Allocations	1,025,997	1,037,151	1,083,994	1,090,766	1,116,495	25,730
Total Community Services	451,764	419,348	403,587	523,085	529,505	6,421
Total Council on Aging Budget	329,075	381,586	398,615	416,674	444,036	27,362
Total Facilities	436,284	689,679	807,021	701,306	720,795	19,489
Total Library Budget	1,137,549	1,292,233	1,300,139	1,386,533	1,425,071	38,538
Total Planning and Development	948,208	871,995	908,834	866,459	897,277	30,817
Total Public Safety Budget	12,628,092	12,956,599	13,494,699	13,818,727	14,094,847	276,120
Total DPW Budget	6,194,014	6,520,044	6,854,554	6,078,267	6,250,891	172,624
Total DPW Budget Net Allocations	5,538,517	5,877,345	6,176,414	5,316,118	5,480,478	164,360
Town Unclassified Budget Minus Exempt Debt	11,500,819	12,648,705	13,021,881	13,830,054	15,442,183	1,612,129
Town Unclassified Budget Net Allocations Minus Exempt Debt	10,654,046	11,748,091	12,082,568	12,723,349	14,310,563	1,587,214
Town Exempt Principal Debt	3,540,343	2,531,338	3,572,370	3,760,630	3,635,280	(125,350)
Town Exempt Interest Debt	1,563,899	2,449,737	2,534,154	1,641,512	1,478,924	(162,588)
Total Town Budget	41,234,337	43,249,947	45,881,153	45,756,625	47,785,376	2,028,751
Total Town Budget Net Allocations	39,625,295	41,596,576	44,153,026	43,772,151	45,769,889	1,997,738

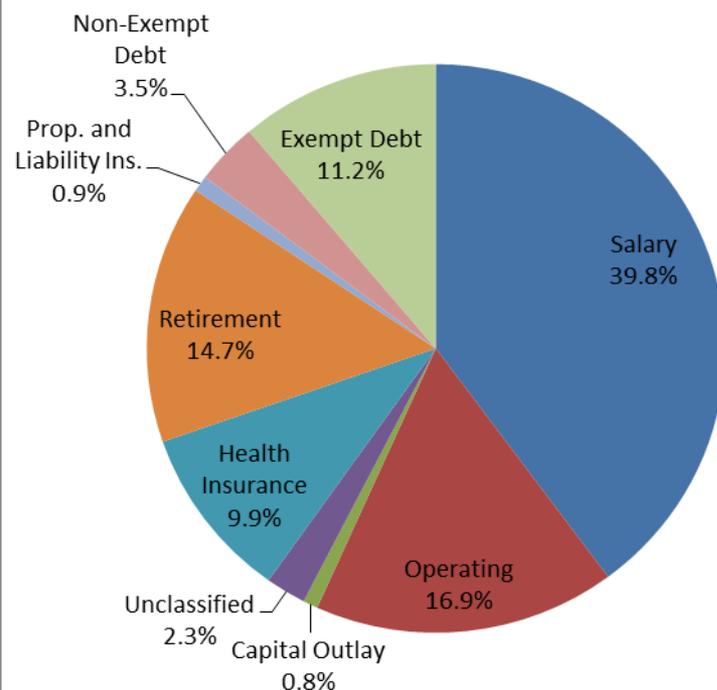


FY2021 BUDGET PRESENTATION

Cost as a Percentage of FY20 Town General Fund Budget



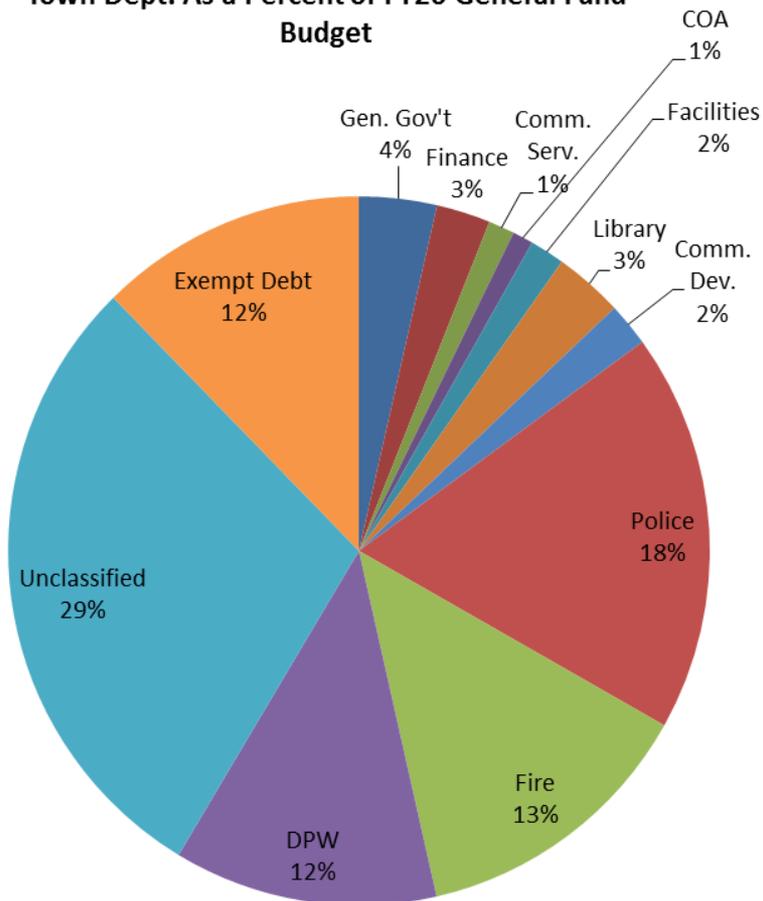
Cost as a Percentage of FY21 Town General Fund Budget



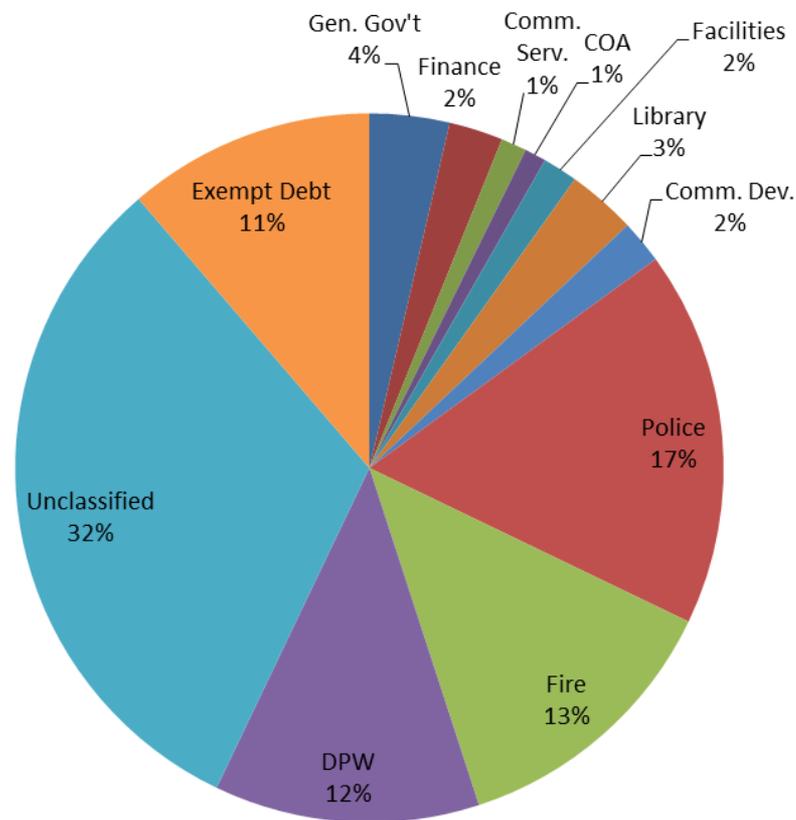


FY2021 BUDGET PRESENTATION

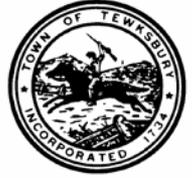
Town Dept. As a Percent of FY20 General Fund Budget



Town Dept. As a Percent of FY21 General Fund Budget



FY2021 BUDGET PRESENTATION



Town Budget Increase Net Allocations and Without Exempt Debt: 2,285,676

Summary General Government Major Changes/Increases:

- **Salary Increase: (84,368)**
 - Cost of COLA Increase, Longevity, Step Increases, Other Contractual Obligations and adjustments for new hires filling vacancy or retirees - 365,614
 - Removed Dispatchers Salary from Police Budget - (608,386)
 - Added Desk Clerks to the Police Department - 122,931
 - Elections - 44,650

There were reductions in other areas of departments' salaries that offset these costs as well as adjustments to water and sewer allocations.



FY2021 BUDGET PRESENTATION

Town Budget Increase Net Allocations and Without Exempt Debt: 2,285,676

Summary General Government Major Changes/Increases:

Operating Increase: 718,594

- General Government Departments: 40,073 (*Includes 34,266 for Computer Services for Microwave network, anti-virus software and 6,350 for Elections*)
- Finance Department: 8,887 (*Includes an increase of 2,630 for Assessor's Professional Service mainly for Vision Property Software and RRC Personal Property review; an increase of 4,612 for Munis Financial Software*)
- Community Services: 770
- COA: 9,233 (*Includes an increase of 10,450 for Repairs and Maintenance*)
- Facilities Department: No increase
- Library: (499)
- Planning and Development Department:(1,077)
- Police: 115,730 (*Includes increase of 81,856 for Computer and Network Administration and Maintenance and 27,166 for the second year of a contract for new Tasers that are out of warranty*)
- North Middlesex Regional Emergency Communications Center: 490,809
- Fire: (9,515) (*Includes a decrease of (7,075) for new recruit uniforms, a decrease of (5,497) for communications for Broadview phone lines, and increase of 1,957 for Professional Services for Ambulance Billing Software*)
- Emergency Management (26,715) (*Cut various operating line-items and transferred Microwave network to Computer Services*)
- DPW: 7,081 (*Includes 2,030 in Road Resurfacing and 5,300 in Leases and Contracts for various line painting and markings*)
- Solid Waste Collection and Disposal: 83,817 (*Includes the following increases: 39,760 for solid waste and recycling service, and 44,147 for solid waste disposal costs*)

FY2021 BUDGET PRESENTATION



Town Budget Increase Net Allocations and Without Exempt Debt: 2,285,676

Summary General Government Major Changes/Increases:

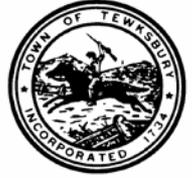
Unclassified Budgets Increase: 1,587,214

- Health Insurance: 128,059 (*0% Premium Increase, 0% Medex and 0% Dental Increase. The budget increase is for new enrollment*)
- Unemployment Compensation: Level Funded
- Non-Exempt Debt Service: 1,261,196 increase for debt service for the new DPW/School Maintenance Facility
- Retirement: 165,044 (*2.5% Increase*)
- Property/Liability Insurance: 26,326 (*6% Premium Increase*)
- Medicare Tax: 6,589 (*2.6% Increase*)

Capital Outlay Increase: 64,235 (Increase includes 5,051 for chairs at the Senior Center media room, 55,184 for Police Department equipment and building improvements, 15,000 for DPW Fleet Maintenance upgrades to trucks for snow and ice operations)

Allocations Increase: 31,013 Water Enterprise Decrease: 938; Sewer Enterprise Increase: 19,698 and Cable Enterprise Increase: 12,253

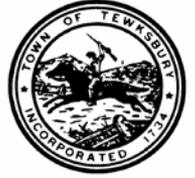
FY2021 BUDGET PRESENTATION



FY21 Budget Non-Exempt Debt Service: 1,300,000 DPW/School Maintenance Facility

Estimated Project Costs	
Estimated Project Cost	27,300,000
Design and OPM Through Bidding (Funded at STM October 2019)	<u>(2,200,000)</u>
Remaining Estimated Construction and Design Administration and OPM	25,100,000
Projected Funding Sources	
Current and Future Reserves: Free Cash, Stabilization Fund, Retained Earning and Overlay Reserve	5,100,000
Borrow Remaining Funding	<u>20,000,000</u>
Total Funding	25,100,000
Estimated First Year Debt Service on \$20 million	
FY21 General Fund Debt Service	(1,300,000)
FY21 Sewer Enterprise Fund Debt Service	(225,000)
FY21 Water Enterprise Fund Debt Service	<u>(225,000)</u>
	-

FY2021 BUDGET PRESENTATION



FY21 Budget Highlights Priorities Not Funded

- Additional staffing and operating funds for DPW to maintain roads, sidewalks, trees and drainage
- One School Resources Officer for the Police Department
- Additional overtime funding for the Police Department
- Additional overtime for the Fire Department to operate a third ambulance more often
- Additional funding for the Council on Aging to fund Van Drivers within the Budget and not impact Grants
- Additional funding for the Council on Aging to fund a part-time Transportation Coordinator
- Additional staffing and operating funding School Department
- Funding in Town and Schools Capital Budgets to purchase vehicles and equipment and undertake projects



FY2021 BUDGET PRESENTATION

School Budget Increase Without Exempt Debt : 1,478,512

Summary Changes/Increases:

Salary: 744,768 (*Includes Cost of Living Increase, Longevity, Step Increases and Other Contractual Obligations.*
No new positions added to the salary budget)

Operating Increase: 799,348

Capital Outlay: (98,877)

Fixed Costs: 33,273

- Health Insurance: (45,740) (*0% Premium Increase, 0% Medex and 0% Dental Increase*)
- Retirement: 53,241 (*3.6% Increase*)
- Property/Liability Insurance: 14,387 (*6% Premium Increase*)
- Medicare Tax: 11,385 (*2.3% Increase*)

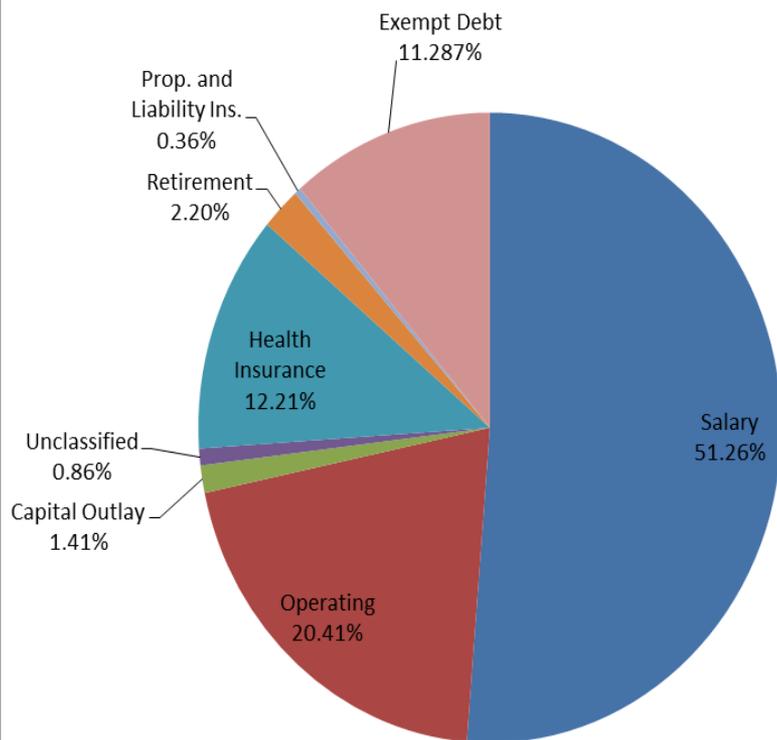
Shawsheen Regional Vocational School Increase Projected: 395,636 (*6% Projected Increase*)

Essex North Shore Agricultural and Tech. School District: (143) (*budget based upon current enrollment*)

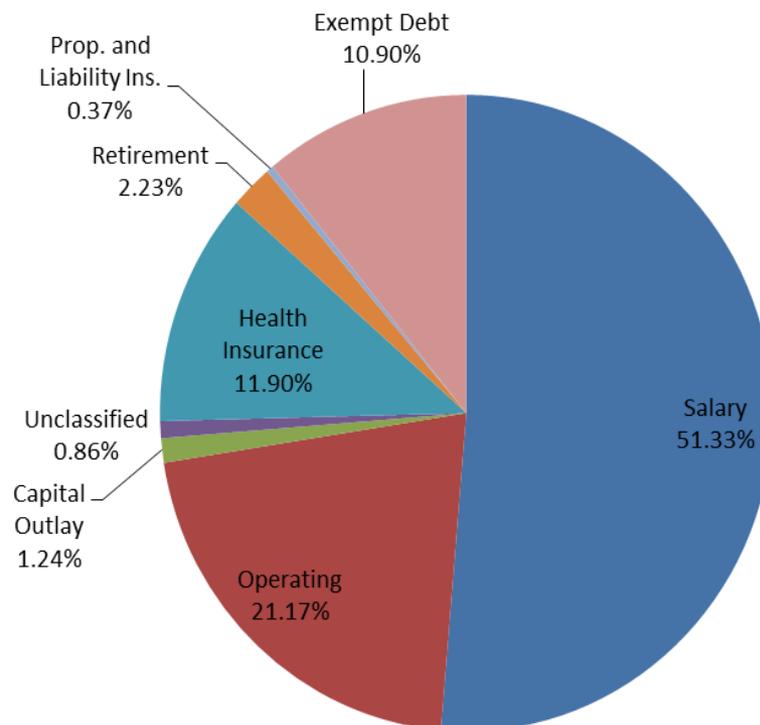


FY2021 BUDGET PRESENTATION

Costs As Percentage of FY20 School Budget



Costs As Percentage of FY21 School Budget



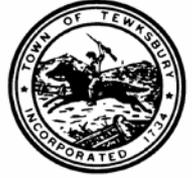
FY2021 BUDGET PRESENTATION



5 Year Budget Projection

TOWN OF TEWKSBURY FINANCIAL RECAP FISCAL YEAR 2020-2026 PROJECTIONS

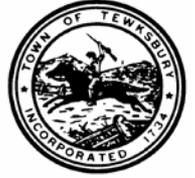
Appropriations	Approved Budget FY20	Projected Budget FY21	Projected Budget FY22	Projected Budget FY23	Projected Budget FY24	Projected Budget FY25	Projected Budget FY26
General Fund Budget							
School Budget							
Salaries	34,501,227	35,245,995	36,127,145	37,030,323	37,956,082	38,904,984	39,877,608
Operating	13,738,382	14,537,730	14,755,796	14,977,133	15,201,790	15,429,817	15,661,264
Capital Outlay	948,877	850,000	850,000	850,000	850,000	850,000	850,000
Health Insurance	8,219,178	8,173,438	8,459,508	8,755,591	9,062,037	9,379,208	9,707,480
Retirement	1,480,098	1,533,339	1,625,339	1,722,860	1,826,231	1,935,805	2,051,953
Debt	-	-	-	-	-	-	-
Other Fixed Costs	820,792	846,564	880,427	915,644	952,270	990,360	1,029,975
Total School Budget	59,708,554	61,187,066	62,698,215	64,251,551	65,848,409	67,490,174	69,178,281
Exempt Debt School	7,597,042	7,484,957	7,265,938	6,825,250	6,634,100	6,440,975	6,249,813
Shawsheen Tech	6,593,936	6,989,572	7,269,155	7,559,921	7,862,318	8,176,811	8,503,883
Essex Aggie	129,125	128,982	134,141	139,507	145,087	150,891	156,926
Town Budget							
Salaries	18,965,327	18,886,389	19,358,549	19,842,513	20,338,576	20,847,040	21,368,216
Operating	4,791,207	5,019,660	5,094,954	5,171,379	5,248,949	5,327,684	5,407,599
Solid Waste	2,455,195	2,455,195	2,528,851	2,604,717	2,682,858	2,763,344	2,846,244
Health Insurance	4,881,551	4,995,385	5,170,223	5,351,181	5,538,473	5,732,319	5,932,950
Retirement	7,065,138	7,264,629	7,700,507	8,162,537	8,652,289	9,171,427	9,721,712
Debt	355,935	1,617,131	1,608,731	1,588,281	1,578,031	1,567,781	1,559,581
North Middlesex RECC	-	490,809	510,441	530,859	552,093	574,177	597,144
Other Fixed Costs	1,512,681	1,565,038	1,627,640	1,692,745	1,760,455	1,830,873	1,904,108
Capital Outlay	312,700	376,935	376,935	376,935	376,935	376,935	376,935
Enterprise Fund Allocations	(1,984,474)	(2,015,487)	(2,096,107)	(2,179,951)	(2,267,149)	(2,357,835)	(2,452,149)
Total Town Budget	38,355,260	40,655,684	41,880,725	43,141,196	44,461,511	45,833,745	47,262,342
Exempt Debt Town	5,416,891	5,114,204	5,003,084	4,923,719	4,897,669	4,820,981	4,452,638
Transfer to Enterprise Funds	14,749	-	-	-	-	-	-
Town Meeting Raise and Appropriation	800,972	-	-	-	-	-	-
Total Budget Appropriations	118,616,530	121,560,466	124,251,258	126,841,144	129,849,094	132,913,577	135,803,882
Cherry Sheet Offsets	40,340	40,340	40,340	40,340	40,340	40,340	40,340
Other Local Expenditures	1,065,020	909,955	836,278	762,860	689,785	703,581	717,653
State and County Charges	1,612,783	1,774,061	1,951,467	2,146,614	2,361,276	2,597,403	2,857,143
Total Uses of Funding	121,334,674	124,284,822	127,079,344	129,790,958	132,940,495	136,254,901	139,419,018
Sources of Funding:							
Total Property Taxes Levied:	94,484,460	96,979,165	99,625,676	102,189,563	105,155,589	108,171,331	110,997,360
State Estimated Revenues:	17,009,744	17,009,744	17,179,841	17,351,640	17,525,156	17,700,408	17,877,412
Local Estimated Revenues:	9,580,515	10,122,636	10,223,862	10,326,101	10,429,362	10,533,655	10,638,992
Other Available Funds:							
Teacher Salary Deferral	259,955	173,278	86,600	-	-	-	-
Other Available Funds:	259,955	173,278	86,600	-	-	-	-
Total Sources of Funding	121,334,674	124,284,822	127,115,980	129,867,303	133,110,107	136,405,394	139,513,764
Surplus/(Deficit)	-	-	36,636	76,345	169,613	150,494	94,746



FY2021 BUDGET PRESENTATION

FINANCIAL ITEMS TO MONITOR IN THE FUTURE:

- State Aid & State and County charges
- Federal Budget and Federal requirement changes
- Solid Waste and Recycling costs
- Shawsheen Tech Assessment
- Unfunded Liabilities: Retirement and OPEB
- Stabilization Fund Use and Replenishing: Current Balance is \$5,851,708 which is 4.9% of the total FY20 Budget. The goal is to have a fund balance 5% of the total Town Budget which would require approximately \$5.90 million. Based upon the FY21 projected Budget the fund balance should be \$6.07 million.
- Capital Improvements, roads, sidewalks, drainage and buildings
- Bond Rating: Current Bond Rating is AA+ and the goal is to become AAA



FY2021 BUDGET PRESENTATION

Board of Selectmen Financial Policy:

- The Town Manager shall annually prepare a balanced budget and comprehensive Budget Message as required by state law, Town Charter, and/or By-laws.
- Budgets will be established, and funds managed, using “generally accepted” accounting principles.
- Finances will be managed to maintain financial stability over the long term.
- Maintain facilities and provide services at a level that will ensure the public well-being and the safety of residents.
- The Town will avoid budgetary procedures that balance current expenditures at the expense of meeting future years’ expenses, such as postponing expenditures, accruing future years’ revenues, or rolling over short-term debt.
- Ongoing operating costs will be funded by ongoing operating revenue sources. This protects the Town from fluctuating service levels and avoids concern when one-time revenues are reduced or removed.
- Fund Balances such as Certified Free Cash, Stabilization Fund, Overlay Surplus and Water and Sewer Net Assets Unrestricted (formerly Retained Earnings) should be used only for one-time expenditures such as capital improvements, capital equipment and unexpected or extraordinary expenses. In all cases, use of Fund Balances should be avoided for routine and recurring operational expenses.

FY2021 BUDGET PRESENTATION



Questions and Comments