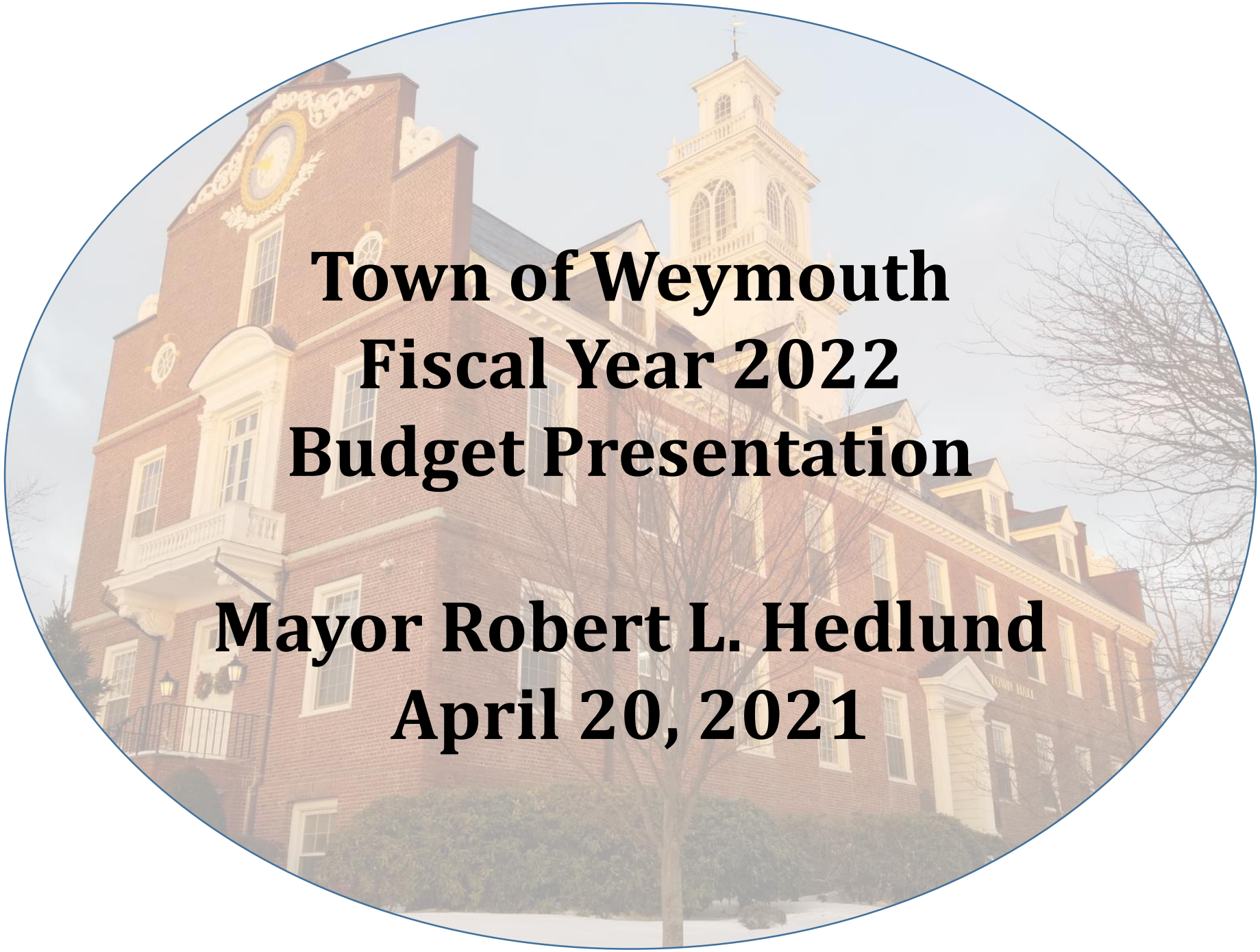

Town of Weymouth
Fiscal Year 2022
Budget Presentation

Mayor Robert L. Hedlund
April 20, 2021

THE FISCAL IMPACT OF COVID-19

YEAR END	FY17	FY18	FY19	3 Year Avg	FY20
Actual Revenue vs. Budgeted	$4,968,814	$3,855,004	$4,101,003	$4,308,274	-$1,230,828
Actual Expense Savings	$1,915,961	$1,582,141	$1,977,886	$1,825,329	$4,314,401
TOTAL "SURPLUS"	**$6,884,775**	**$5,437,145**	**$6,078,889**	**$6,133,603**	**$3,083,573**
Certified Free Cash	$7,437,969	$5,124,534	$7,133,015	$6,565,173	$3,368,530

FY20 Revenues $1.23M below estimates (99.3% collection rate)

Offset by Expense Management - higher than typical savings

MITIGATING THE COVID-19 IMPACT

Managing the Impacts of COVID-19

Prioritize Revenue Collection

Created a safe work schedule for our Collectors office that included a combination of in-office and remote work that allowed for continued collection and processing of revenue.

Incentivize and simplify the paying of certain bills

Temporarily eliminated the fee the vendor charged for online CC payments.

Extended due dates for property and water/sewer bills.

Waived late fees and interest on certain tax and other bills.

Encouraged online payments as well as the use of a drop box outside Town Hall.

Resulted in a 99.3% collection rate for FY20

MITIGATING THE COVID-19 IMPACT

Managing the Impacts of COVID-19

Expense Management

Hiring Freeze … including vacant positions (since lifted)

Furloughed 59 employees, for an average of 10 weeks each last Spring and Summer.

Freeze on Discretionary Spending – Started in FY20 and Continues
- All Expenditures over $1,000 need Mayoral Approval

Froze salary increases for ALL non-union employees for Fiscal Year 2021.

History of Conservatively Realistic Budgets
- **Have Not "Maxed Out" Resources nor Relied on One-Time Sources of Revenue**

FY22 Budget – Cautiously Optimistic

BUDGETED REVENUE	FY 2020	$ Change	% Change	FY 2021	$ Change	% Change	**FY 2022**	**$ Change**	**% Change**
Tax Levy	$111,469,613	$4,823,630	4.5%	$115,222,950	$3,753,337	3.4%	**$120,902,348**	**$5,679,398**	**4.9%**
Local Receipts/Transfers	$23,666,741	-$1,240	0.0%	$23,041,002	-$625,739	-2.6%	**$22,924,681**	**-$116,321**	**-0.5%**
Cherry Sheet (State Aid)	$39,309,178	$974,846	2.5%	$39,309,178	$0	0.0%	**$39,749,841**	**$440,663**	**1.1%**
OPERATING REVENUE	$174,445,532	$5,797,235	**3.4%**	$177,573,130	$3,127,598	**1.8%**	**$183,576,870**	**$6,003,740**	**3.4%**

Tax Levy Factors to Keep in Mind

FY21 Levy Limit was $797,315 more than budgeted (available for FY22)

FY20 New Growth was Adjusted $179,010 (available for FY22)

FY22 New Growth Estimated at $1.8 million (based on 2020 construction)

FY22 BUDGET

	FY21	FY22
Previous Year Budget	**$ 174,445,532**	**$ 177,573,130**
Fixed Expenses		
Health Insurance	$1,404,934	$472,862
State Assessments	$1,042,260	($373,673)
Debt Service	$586,387	($1,059,386)
Property/Liability Insurance	$400,000	($125,000)
Pension/Retirement	$367,574	$625,485
Other Employee Benefits	$0	$129,000
Change in Fixed Expenses	$3,801,155	($330,712)
Departments		
Schools	$772,978	$3,742,249
Fire	$131,376	$504,053
Police	$145,027	$456,514
All Other Department Increases	$51,476	$1,661,203
Department Decreases	($1,774,414)	($29,567)
Change in Department Expenses	($673,557)	$6,334,452
NET BUDGET CHANGE	**$3,127,598**	**$6,003,740**
FINAL BUDGET	$177,573,130	$183,576,870

FY22 Budget – Progress Returns

New FY22 Operating Revenue =	**$6,003,740**
FY22 Budget Reductions =	**$1,577,571**
Available FY22 Funding =	**$7,581,311**

Notable Increased Budgets

Schools:	**$3,742,249 – 5.0% Increase**
Retirement:	**$625,485 – 5.3% Increase**
Fire:	**$504,053 – 5.3% Increase**
Health Insurance:	**$472,862 – 2.0% Increase**
Police:	**$456,514 – 3.4% Increase**
Reserve Fund:	**$545,000 – Was $0 in FY21**
DPW:	**$255,345 – 2.5% Increase**
Asset Management:	**$196,593 – 15.8% Increase (Utilities / Park Maintenance / Street Lights)**

FY22 BUDGET – DEBT SERVICE

TAX LEVY	FY2021	FY2022	FY2023
LONG TERM DEBT	$8,022,217	$7,890,363	$6,898,704
LONG TERM INTEREST	$2,152,081	$2,056,512	$2,396,006
SHORT TERM DEBT	$399,570	$198,554	$465,555
Debt Admin Costs	$50,000	$50,000	$5,000
TOTAL OPERATING DEBT BUDGET	$10,623,868	$10,195,429	$9,765,264
EXEMPT			
LONG TERM DEBT	$0	$1,700,000	$1,785,000
LONG TERM INTEREST	$563,756	$3,777,900	$3,691,775
SHORT TERM DEBT	$261,771	$0	$78,779
TOTAL EXEMPT DEBT BUDGET	$825,527	$5,477,900	$5,555,554
TOTAL DEBT BUDGET	$11,449,395	$15,673,329	$15,320,818

FY22 BUDGET – SCHOOLS

FY21 SCHOOL BUDGET	$74,392,872		
FY22 REQUESTS			
Level Service Personnel	$3,313,468		
Compliance Needs	$205,496		
IT Leases	$686,000		
Curriculum Cycle	$123,000		
Non-Union Above COLA	$100,285		
Free FDK	$1,121,666		
	$79,942,787	$5,549,915	7.5%
FUNDING PLAN			
Title 1	-$120,571		
Mayor's Budget	-$3,742,249		
Reclass/Free Cash (21-075)	-$686,000	**$1,001,095**	
Two Options for Remaining			
Breakage Estimate	**-$909,285**	**$91,810**	
Esser II	**-$1,001,095**	**$0**	

FY22 Budget – Expense Factors

Personnel

- 3% non-Union COLA and Step Increases (No Raises in FY21)
- Two years (FY21 and FY22) of Collective Bargaining Agreement Obligations for Police and Fire
  - Fire: Both fiscal years include a 2% across the board salary increase plus step increases
  - Police: Both fiscal years include a 2% across the board salary increase plus step increases

$1.3M additional needed for Town Personnel (4.5% increase)

$3.3M additional needed for School Personnel (4.5% increase)

Expenses

Utilities (gas, oil, electricity) are Increasing by 18.4% in the FY22

- 84% of the increase is in Street Lights and the New Tufts Library

FY22 BUDGET – "Safety Nets"

$6,032,309 in Town Stabilization Fund

-Additional $2,718,906 to be reimbursed from FY21 Free Cash (Nov., 2021)

<u>Relief from American Rescue Plan Act</u>

Estimated Direct Municipal Aid: $17,769,379

The law identifies four eligible use categories:

- Response to the public health emergency or its negative economic consequences
- Provision of premium pay to eligible workers
- Revenue replacement (relative to fiscal 2019 local revenue figures)
- Investments in water, sewer and broadband infrastructure

Estimated County Allocation (Goes to County): $11,199,481

Estimated WPS funding (Esser III): $6,528,000

FY22 WATER/SEWER BUDGET

	2020 ACTUAL	2021 BUDGET	2021 YTD ACTUAL	2022 PROPOSED	PCT CHANGE
Sewer Enterprise Fund	**$17,646,263**	**$17,698,305**	**$14,203,633**	**$17,698,098**	**0.0%**
Water Enterprise Fund	**$9,626,658**	**$9,897,182**	**$5,913,192**	**$9,898,655**	**0.0%**

FY22 CPC BUDGET

COMMUNITY PRESERVATION COMMITTEE			
Estimated Revenue	FY 21	FY 22	Change
1% Surcharge	$800,000	$860,000	$60,000
State Match	$114,000	$195,000	$81,000
Investment Income	$2,000	$2,000	$0
Interest & Penalties	$2,000	$2,000	$0
Total Estimated Revenue	**$918,000**	**$1,059,000**	**$141,000**
Budgeted Expenditures			
Administrative Costs			
Recording Secretary	$2,500	$2,500	$0
Miscellaneous Expenses	$23,400	$30,450	$7,050
Salary Allocation	$20,000	$20,000	$0
Open Space & Recreation			
Mandatory Set Aside Reserve	$91,800	$105,900	$14,100
Historic Resources			
Mandatory Set Aside Reserve	$91,800	$105,900	$14,100
Community Housing			
Mandatory Set Aside Reserve	$91,800	$105,900	$14,100
Debt Service			
Principal & Interest	$111,499	$88,850	($22,649)
General Reserve			
Total General Reserve	$485,200	$599,500	$114,300
Total Appropriation Request	**$918,000**	**$1,059,000**	**$141,000**

Facilities and Fields Enterprise Fund

Facilities & Fields Enterprise Fund

REVENUE

Legion	$ 45,000.00
Lovell 1	$ 90,000.00
Lovell 2	$ 90,000.00
Lovell 3	$ 84,800.00
Libby	$ 31,000.00
WHS	$ 28,000.00
Sponsorships	$ 5,500.00
Stella Tirrell	$ 4,000.00
Total anticipated revenue	**$ 378,300**

Facilities & Fields Enterprise Fund

EXPENSES (Cost Centers)

Building/office supplies	$ 1,000.00
Turf Maintenance (Supplies)	$ 10,000.00
Irrigation Maintenance (Contract)	$ 32,000.00
Field Equipment and Materials	$ 10,000.00
Employee Laborer (attendant - full time)	$ 38,000.00
Attendant (part time labor)	$ 20,000.00
Electric	$ 36,000.00
Retained earnings / Capital Fund	$ 231,300.00
Total anticipated expenses	**$ 378,300**