

Town of Weston

Fiscal Year 2020 Budget Hearing

April 29, 2019

Board of Selectmen

Harvey R. Boshart, Chair

Douglas P. Gillespie

Christopher E. Houston

Fiscal Year 2020 Budget Goals

- Deliver current levels of service efficiently and cost effectively
- Address increased demand for service in some departments with additional staffing and roadway maintenance
- Minimize increases in debt, where possible, by funding smaller capital items with cash
- Plan for the Town's future financial stability by adding to reserves

Fiscal Year 2020 Budget Summary

- Increase funding for roadway maintenance by \$500,000
- Addresses personnel capacity shortfalls in DPW, IT and Police coverage
- Continue to fund long-term liability for pension and post retirement benefits
- Proposition 2½ Debt Exclusion (temporary tax increase) requested for capital projects

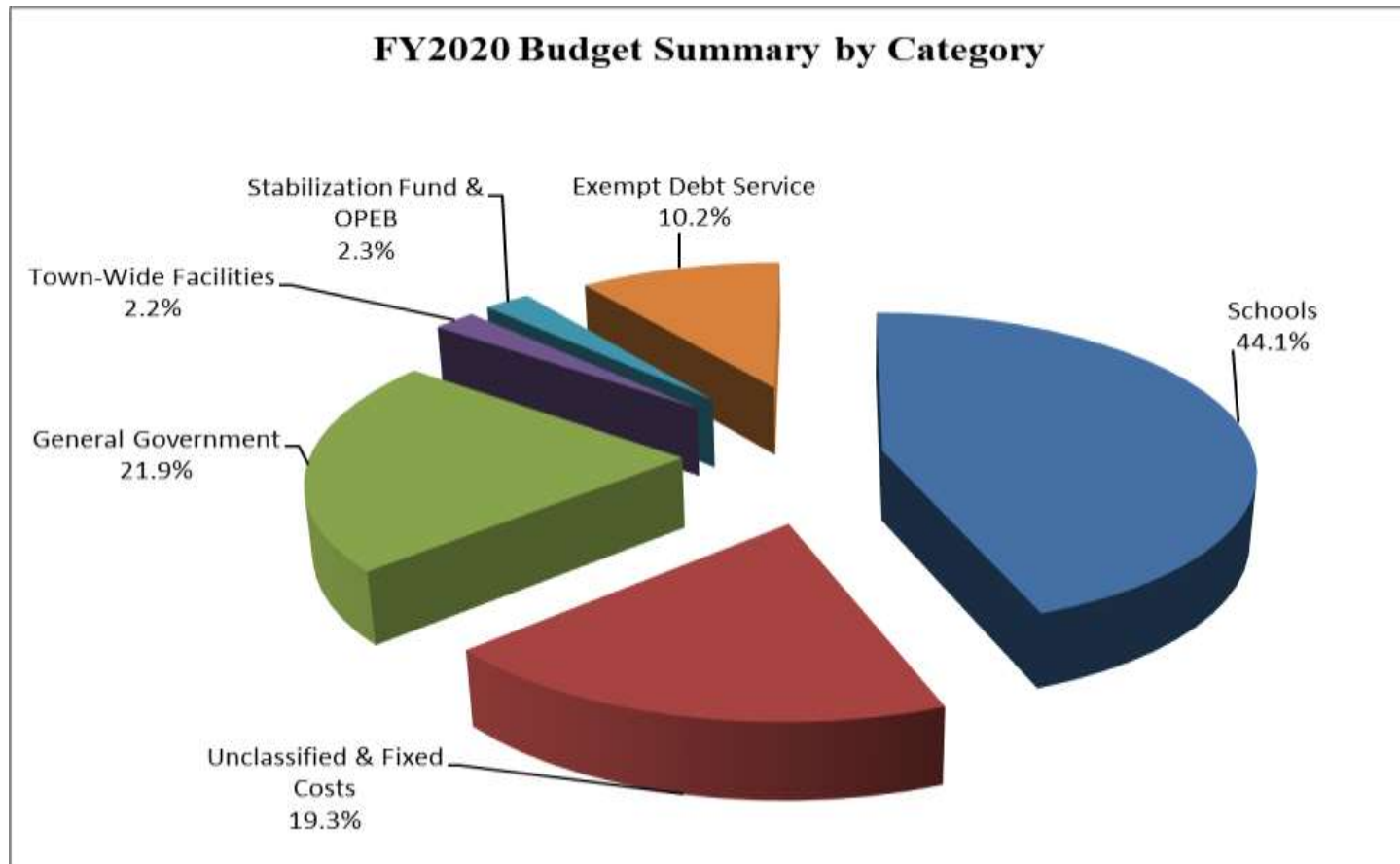
Fiscal Year 2020 Estimated Revenues

	FY19	FY20	\$ Change	% Change
Tax Levy	68,960,194	71,839,831	2,879,637	4.2%
State Aid	4,137,332	4,249,040	111,708	2.7%
Local Receipts	5,440,899	5,709,922	269,023	4.9%
Prior Year Balances / Other	4,392,447	3,989,518	(402,929)	-9.2%
Revenue Offsets	(1,342,903)	(1,399,573)	(56,670)	4.2%
	81,587,969	84,388,739	2,800,770	3.4%

Budget Comparison by Function

	Recommended		\$ Change	% Change
	FY19 Budget	FY20 Budget		
Schools	\$40,099,468	\$41,441,391	\$1,341,923	3.3%
Unclassified & Fixed Costs	17,662,275	18,123,585	461,310	2.6%
General Government	18,969,868	20,565,419	1,595,551	8.4%
Town-Wide Facilities	1,974,724	2,043,688	68,964	3.5%
Separate Articles	<u>2,881,634</u>	<u>2,214,656</u>	<u>(666,978)</u>	<u>-23.1%</u>
Total Budget	\$81,587,969	\$84,388,739	\$2,800,770	3.4%
Projected Revenue	\$81,587,969	\$84,388,739	\$2,800,770	3.4%
(Shortfall) Surplus	\$0	\$0	\$0	
Gross Debt Service Exempt from Proposition 2 1/2	\$8,741,482	\$9,624,481	\$882,999	10.1%
Grand Total Budget	\$90,329,451	\$94,013,220	\$3,683,769	4.1%

Fiscal Year 2020 Budget by Category



Budget Increases

Historical data by percentages

	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	
OPERATING BUDGET & SEPARATE ARTICLES	62,014,569	65,053,678	67,924,467	70,590,482	72,101,231	74,959,859	76,323,735	78,211,651	81,587,969	84,388,739	
DEBT	<u>8,295,940</u>	<u>8,143,080</u>	<u>7,968,942</u>	<u>8,546,473</u>	<u>8,018,843</u>	<u>9,044,202</u>	<u>9,068,321</u>	<u>8,976,159</u>	<u>8,741,482</u>	<u>9,624,481</u>	
TOTAL	70,310,509	73,196,758	75,893,409	79,136,955	80,120,074	84,004,061	85,392,056	87,187,810	90,329,451	94,013,220	
OPERATING BUDGET & SEPARATE ARTICLES		4.9%	4.4%	3.9%	2.1%	4.0%	1.8%	2.5%	4.3%	3.4%	
DEBT		-1.8%	-2.1%	7.2%	-6.2%	12.8%	0.3%	-1.0%	-2.6%	10.1%	
TOTAL		4.1%	3.7%	4.3%	1.2%	4.8%	1.7%	2.1%	3.6%	4.1%	
		Average increase over last ten years for Operating budget + articles = 3.5%									
		Average increase over last ten years for Total Budget = 3.3%									

Increases above Level Service to Respond to Greater Demands on Municipal Departments

<i>Item</i>	<i>Amount</i>
DPW-Construction of Public Ways/Roadway Maintenance	\$ 500,000
DPW Deputy Director of Project Management (with benefits)	145,014
Police- 1 School Resource Officer (w/benefits)	16,209
Info. Systems- Network Manager (w/benefits)	37,090
DPW- Engineering Stormwater Permitting Compliance	47,500
Board of Health – Additional Nurse hours	4,550
COA- Part Time Office Assistant	5,000
Total New General Fund Budget Requests	\$ 755,363

Continued Commitment to Meeting Unfunded Liabilities (Article 5)

Appropriate to OPEB Trust
Fund (Article 5)

\$2,214,656

Road Improvement Appropriations

	<u>Local Funding</u>	<u>State Aid Chapter 90</u>	<u>Total</u>
Fiscal Year 2015	\$300,000	\$478,573	\$778,573
Fiscal Year 2016	\$400,000	\$479,968	\$879,968
Fiscal Year 2017	\$650,000	\$486,850	\$1,136,850
Fiscal Year 2018	\$750,000	\$480,882	\$1,230,882
Fiscal Year 2019	\$1,250,000	\$476,298	\$1,726,298
Proposed FY20	\$1,750,000	\$480,000	\$2,230,000

Fiscal Year 2020 Capital Projects – To be Bonded (Articles 14 - 17)

Art. 14: Drainage Improvements	\$ 300,000
Art. 15: South Side Drainage	334,740
Art. 16: Cherry Brook Culvert Improvements	465,900
Art. 17: Radio System Upgrades	<u>760,000</u>
Total	\$1,860,640

Debt Service

Annual Debt Service	FY15	FY16	FY17	FY18	FY19	FY20**
General Fund	35,640	35,180	33,720	32,280	30,860	29,460
Proposition 2 1/2 Excluded*	7,055,822	7,957,743	8,084,603	8,094,771	7,916,465	8,812,528
Water	444,649	526,613	540,082	537,947	531,098	552,409
Community Preservation Fund	691,739	667,692	603,740	379,751	466,448	744,344
Brook School Apartments	<u>334,473</u>	<u>307,917</u>	<u>282,283</u>	<u>273,773</u>	<u>265,133</u>	<u>256,569</u>
Total	8,562,323	9,495,145	9,544,428	9,318,522	9,210,004	10,395,310

* *Note: Net of MSBA revenue and premium applied to debt service*

** *Note: The FY20 amount assumes approval of question 1 on the ballot at the Town election.*

Tax Bill Components:

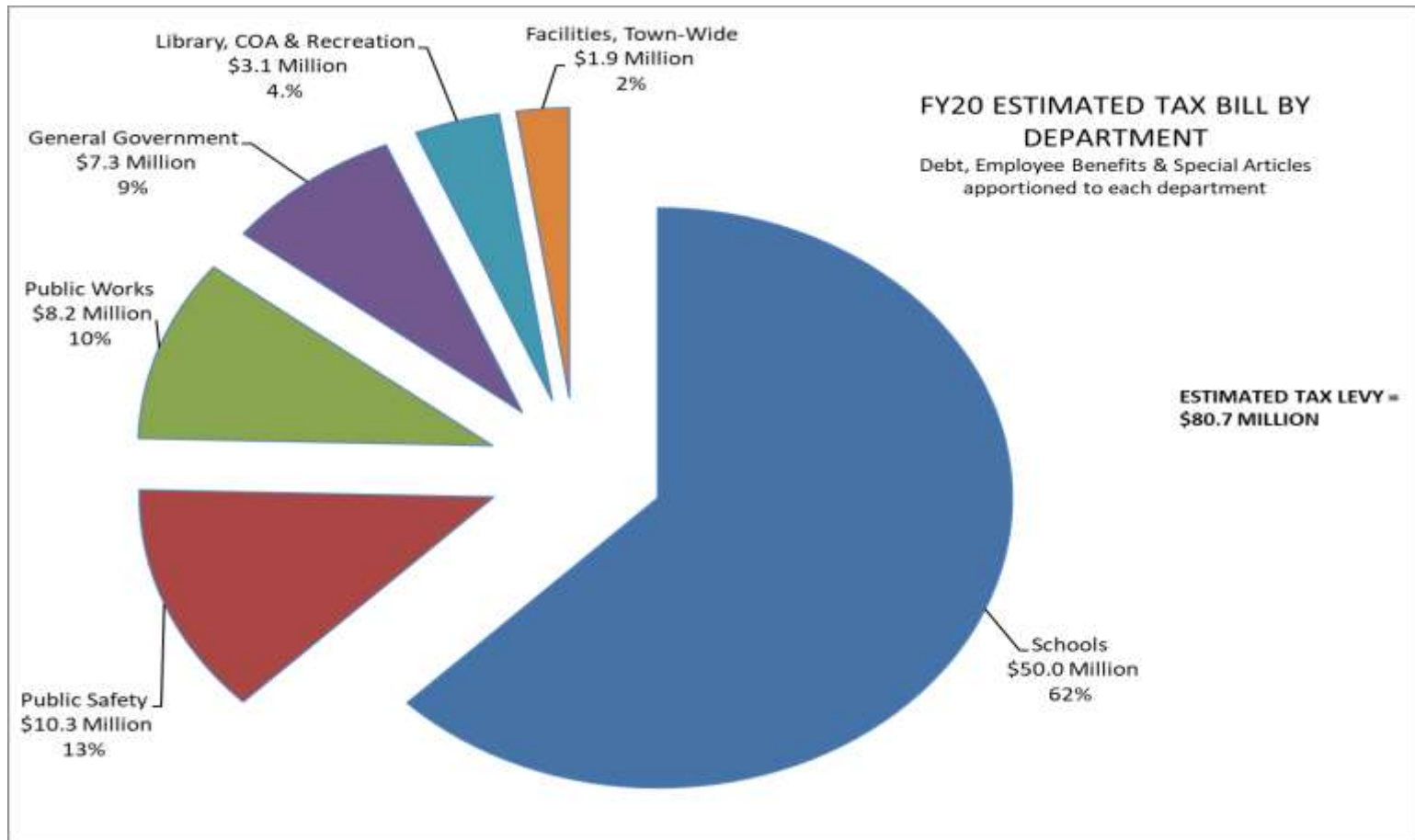
Median Property Value \$1,187,400

	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u> <i>(estimated)</i>
Base Property Tax	\$11,573	\$11,844	\$12,161	\$12,393	\$12,770	\$13,480
Allowable 2.5% increase/new growth	545	475	519	537	636	495
Excluded debt (prior and new)	1,376	1,689	1,734	1,748	1,544	1,710
Proposition 2 1/2 override	-	-	-	-	-	-
Community Preservation Act surcharge	368	384	395	403	411	431
Total Tax Bill	\$13,861	\$14,392	\$14,809	\$15,081	\$15,360	\$16,116

How Your Tax Dollars Are Spent

Schools & Minuteman Tech	\$9,805	60.8%
Public Safety	2,021	12.5%
Public Works	1,595	9.9%
General Government	870	5.4%
Library & Recreation	610	3.7%
Facilities, Town-Wide	376	2.3%
Finance	331	2.1%
Health & Human Services	71	0.4%
Planning & Land Use	6	0.0%
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	\$15,685	97.3%
CPA Surcharge	\$431	2.7%
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Total - Median Property Tax Bill	\$16,116	100.0%

How Your Tax Dollars Are Spent



Enterprise Fund Budgets

Water Enterprise (funded from water fees):

	Appropriated FY19	Recommended FY20
Salaries	\$297,358	\$302,692
Expenses	229,280	231,155
MWRA Assessment/Water Purchases	2,47,457	2,687,000
Debt Service (Non-Exempt)	531,097	552,409
Capital Outlay	124,850	67,500
Total	\$3,730,042	3,840,756

Debt service includes amounts for previously approved projects and the water main rehabilitation projected to be considered under Article 10.

Enterprise Fund Budgets

Recreation Enterprise (funded 70% from fees; 30% from taxes):

	Appropriated FY19	Recommended FY20
Salaries	\$1,204,153	\$1,264,221
Expenses	487,850	555,355
Community Center	<u>78,850</u>	<u>78,550</u>
Total	\$1,770,853	\$1,898,126

There will be a contribution of \$30,000 from the Council on Aging budget to the Recreation Enterprise fund to support the cost of operating the Community Center, in which the Council on Aging is housed.

Enterprise Fund Budgets

Brook School Apartments Enterprise (funded from rents):

	Appropriated FY19	Recommended FY20
Salaries	\$201,116	\$189,437
Expenses	419,250	385,250
Repairs and Replacements+	155,574	164,908
Payment in Lieu of Taxes	23,949	23,949
Capital Improvements+	140,000	100,000
Debt Service	265,133	256,569
Total	\$1,205,022	\$1,120,712

Collective Bargaining

- ❑ 76% employees are unionized – wages, benefits, working conditions must be bargained
- ❑ Town Manager bargains on behalf of Selectmen with municipal unions
- ❑ School Committee bargains with School unions
- ❑ Rate of growth in salaries has slowed but inflation is now increasing and will affect future negotiations
- ❑ Regular survey of salaries in comparable communities

Collective Bargaining – Negotiated Range of Increases

FY20	Currently in negotiations
FY19	1 – 2%
FY18	1.25 – 2%
FY17	1.5 – 2%
FY16	1.55 – 2%
FY15	1.5 – 2%
FY14	1.25 – 2.45%
FY13	1.25 – 2.5%
FY12	1.25 – 2.5%
FY11	0%

Employee Benefits

Health Insurance

- Governed by MA General Laws Ch. 32B
- 6 year agreement with the Group Insurance Commission expires 6/30/2021
- Health costs stabilized
- 635 benefit eligible employees – 76% have Town health insurance (69% family/31% individual)
- 24 family plans & 483 individual plans for retirees and surviving spouses
- Opt out program

Employee Benefits

Pension

- Governed by MA General Laws Chapter 32
- Town & School employees not covered by Social Security
- Most employees contribute 9-11% of salary toward their pension
- 236 retirees/surviving spouses collect a pension
- Of 236 superannuation retirees:
 - 52% = less than \$20,000
 - 37% = \$20,000-\$49,999
 - 11% = \$50,000 - \$125,000

Energy Savings

- ❑ Weston achieved “Green Community” status in 2011
- ❑ Solar PV Panels at landfill produce savings in electricity costs of approximately 25% or more than \$400,000 annually. In addition, solar panels on DPW roof are expected to produce annual savings of \$15,000
- ❑ Facilities projects undertaken to save energy - goal of 20% reduction in 5 years
- ❑ Commitment to purchase more fuel efficient vehicles

Working Efficiently: School & Municipal Collaboration

- Town-wide Facilities Director, Deputy Director and Permanent Building Committee
- School Director of Technology & Libraries and Municipal IT Director leverage expertise and resources between departments
- Town-wide Fields & Grounds Coordinator oversees and coordinates grounds maintenance
- Joint purchase of utilities
- Sharing of expertise from DPW for School paving projects
- Mechanics in the DPW maintain most school and municipal vehicles, including school buses
- School Bus Drivers transport seniors for COA

Working Efficiently: Regional Collaboration

- ❑ Weston is one of 8 towns providing paramedic service on a regional basis through Emerson Hospital – level and quality of service improved
- ❑ Weston, Wellesley, Needham and Wayland formed Veterans' Services District to share full-time, professional Veterans' Services staff
- ❑ Weston, Acton, Bedford, Burlington, Concord, Lexington and Sudbury served by Regional Housing Office staffed by affordable housing professionals (Article 25)

Elderly & Low Income Programs: Tax and Fee Relief

- Transfer Station Sticker Waiver
- Water Discount Program
- Weston Service Program
- Community Preservation Surcharge Exemption
- Property Tax Exemption Limits set at Maximum
- Property Tax Deferral Program



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

Town of Weston

Massachusetts

For the Fiscal Year Beginning

July 1, 2018

Christopher P. Morill

Executive Director