



Proposed FY24 Town Budget

As Referred by Select Board

Angus Jennings, Town Manager

February 15, 2023




Overview

- Presented proposed budget to Select Board on Feb. 6th, incl. placeholder numbers for Education budget. Board voted to refer budget that night.
- Received Pentucket budget on Feb. 8th with updated numbers. On Feb. 13th, Select Board approved referral of updated budget with new Pentucket numbers. Tonight's presentation includes updated Pentucket numbers.
- Select Board did not make changes to TM-proposed budget, but Board referral does not equal endorsement.
- Under Town Manager Act:
 - Sec. 4(j) The [select board] shall review the annual proposed budget prepared by the town manager and make changes as the [select board] deems advisable. The town manager shall present the budget which incorporates the changes of the [select board] to the finance committee and the town meeting.
- Proposed budget includes some proposed wage- and staffing-changes other than (assumed) 2% COLA



Select Board FY24 Budget Policy Direction

- Proposed operating budget to limit average single-family tax increase to no more than 2.5% (not including education, incl. Middle/High School project)
- Clear, transparent budget process
- Continue draw-down of School Stabilization Fund based on multi-year strategy



Town of West Newbury
Select Board FY '24 Budget Policy Direction
Approved December 5, 2022

To insure the growing and continued financial health of the Town of West Newbury, provide the public with confidence that Town officials respect their responsibility for fiscal stewardship and demonstrate to taxpayers and bond rating agencies that the Town has thoughtfully prepared for its future, the Select Board present to our employees, Boards, Commissions and Committees the following guidance in preparing the FY24 budget.

1. We propose a FY24 operating budget that will limit the overall increase in the expense budget to no more than 2.5%, not including any school budget increases including related to the Pentucket Middle/High School override. If, in order to meet this budgetary goal, the proposed budget includes any changes in organizational structure, employee head count, hours of operation and/or budgeted level of service, these changes should be specified.
2. We will carry out a clear, transparent public process for finance committee and public review of the proposed FY24 budget, taking into account information from taxpayers, town officials, department heads, Boards/ Commissions/ Committees, and residents.
3. We propose to recommend that Town Meeting continue to draw-down the balance in the School Stabilization fund in FY24 based on a multi-year plan to mitigate the taxpayer impact of the Middle/High School project.
4. We propose that updates and revisions to the Capital Improvement Program be presented by the Town Manager in accordance with the timeline requirements in the Capital Improvements Committee Bylaw. We propose that the Capital Improvements Committee and the Town Manager evaluate whether an appropriation of \$500,000 from the operating budget into the Capital Stabilization Fund is an appropriate amount when taking into account FY24 and future years' anticipated capital funding needs.
5. We propose that the FY24 budget process identify which Town and/or Water capital project costs or other eligible expenses will be paid in full or in part through the Town's allocation of Federal American Rescue Plan Act (ARPA) funds, with a priority on one-time capital projects and related expenses.
6. We propose that the Town Manager and Department Heads both continue to consider, and expand consideration of, potential opportunities to regionalize some town services, if this can be achieved at cost savings while maintaining or enhancing current levels of service, including exploring potential opportunities that may not be ready for implementation in time for FY24.
7. We propose that Department Heads and Boards/Commissions/Committees review, for programs and services that generate fees, the existing fee structures, their comparability to other municipalities in the region, and the sufficiency of projected fee revenues to cover or suitably offset the underlying town operating costs for such fee-supported programs and services.
8. We propose that the FY24 budget should take into account the estimated impacts, if any, of any newly effective requirements imposed by statute, bylaw, regulation or policy, and should specify the estimated impact of any such newly effective requirements. These estimates should take into account the anticipated impacts of any new statute, bylaw, regulation or policy that is known to affect FY24 or is proposed to take effect during FY24.
9. We propose that, for each section of the proposed budget, the proposed budget specify the individual(s) or the Board/Commission/Committee that will have authority to expend the budgeted funds.

Approved by the Select Board
December 5, 2022



Select Board FY24 Budget Policy Direction

- Budget process concurrent with Capital Improvement Program updates and FY24 proposals
- In parallel, continue review of capital and expense eligibility for ARPA (American Rescue Plan Act) funding
- Continue to consider, and expand consideration of, opportunities to regionalize some services (while maintaining or enhancing levels of service)
- For programs and services that generate fees, evaluate existing fee structures for comparability and sufficiency to fund or offset operating costs
- Estimated impacts of new regulatory mandates
- Specify Authorization to Expend Funds



Revenues



Town-wide Assessed Value and Tax Rate, Town of West Newbury, FY10-FY23

Valuation							Tax Rate		
<u>Fiscal Year</u>	<u>Real Estate</u>	<u>Personal Property</u>	<u>Total</u>	<u>Change from Prior Year (\$)</u>	<u>Percent change (values)</u>	<u>Tax Rate</u>	<u>Change from Prior Year (\$)</u>	<u>Percent change</u>	
FY23	\$ 1,367,780,641	\$ 22,662,650	\$ 1,390,443,291	\$ 241,020,440	21.0%	11.03	(1.98)	-15.2%	
FY22	\$ 1,127,859,771	\$ 21,563,080	\$ 1,149,422,851	\$ 147,698,800	14.7%	13.01	(1.87)	-12.6%	
FY21	\$ 982,672,801	\$ 19,051,250	\$ 1,001,724,051	\$ 23,978,730	2.5%	14.88	0.46	3.2%	
FY20	\$ 961,841,231	\$ 15,904,090	\$ 977,745,321	\$ 31,326,023	3.3%	14.42	(0.15)	-1.0%	
FY19	\$ 930,604,678	\$ 15,814,620	\$ 946,419,298	\$ 51,921,537	5.8%	14.57	0.01	0.1%	
FY18	\$ 879,689,741	\$ 14,808,020	\$ 894,497,761	\$ 18,301,099	2.1%	14.56	0.01	0.1%	
FY17	\$ 860,056,662	\$ 16,140,000	\$ 876,196,662	\$ 25,148,058	3.0%	14.55	(0.08)	-0.5%	
FY16	\$ 835,613,644	\$ 15,434,960	\$ 851,048,604	\$ 77,094,539	10.0%	14.63	(1.06)	-6.8%	
FY15	\$ 759,339,475	\$ 14,614,590	\$ 773,954,065	\$ 28,528,882	3.8%	15.69	(0.11)	-0.7%	
FY14	\$ 727,095,893	\$ 18,329,290	\$ 745,425,183	\$ 13,323,443	1.8%	15.80	0.05	0.3%	
FY13	\$ 714,051,310	\$ 18,050,430	\$ 732,101,740	\$ 9,983,438	1.4%	15.75	0.92	6.2%	
FY12	\$ 709,535,482	\$ 12,582,820	\$ 722,118,302	\$ (26,816,219)	-3.6%	14.83	1.15	8.4%	
FY11	\$ 736,222,201	\$ 12,712,320	\$ 748,934,521	\$ (15,020,181)	-2.0%	13.68	0.76	5.9%	
FY10	\$ 752,225,582	\$ 11,729,120	\$ 763,954,702	n/a	n/a	12.92			
Avg (FY19-FY23)				\$ 99,189,106	9.5%				

Source: Angus Jennings, Town Manager, 1/6/23



Est. Property Tax Impact (Current FY23)

SINGLE-FAMILY PROPERTY TAX BILL COMPARISON TOOL								
	2022 PROPERTY VALUE	FY 2022 TAX RATE	FY 2022 TAX BILL	2023 PROPERTY VALUE	FY 2023 CERTIFIED TAX RATE	EST FY 2023 TAX BILL	EST \$ INCREASE IN BILL	EST % INCREASE IN BILL
10TH PERCENTILE	450,090	13.01	5,855.67	543,200	11.03	5,991.50	135.83	2.32%
20TH PERCENTILE	496,940	13.01	6,465.19	597,100	11.03	6,586.01	120.82	1.87%
30TH PERCENTILE	539,360	13.01	7,017.07	646,300	11.03	7,128.69	111.62	1.59%
40TH PERCENTILE	581,580	13.01	7,566.36	698,400	11.03	7,703.35	137.00	1.81%
50TH PERCENTILE	628,400	13.01	8,175.48	753,400	11.03	8,310.00	134.52	1.65%
60TH PERCENTILE	676,800	13.01	8,805.17	810,000	11.03	8,934.30	129.13	1.47%
70TH PERCENTILE	738,470	13.01	9,607.49	888,900	11.03	9,804.57	197.07	2.05%
80TH PERCENTILE	815,480	13.01	10,609.39	984,400	11.03	10,857.93	248.54	2.34%
90TH PERCENTILE	927,570	13.01	12,067.69	1,144,900	11.03	12,628.25	560.56	4.65%
						EST. TYPICAL INCREASE:	1.87%	

Source: Angus Jennings, Town Manager, 12/17/22

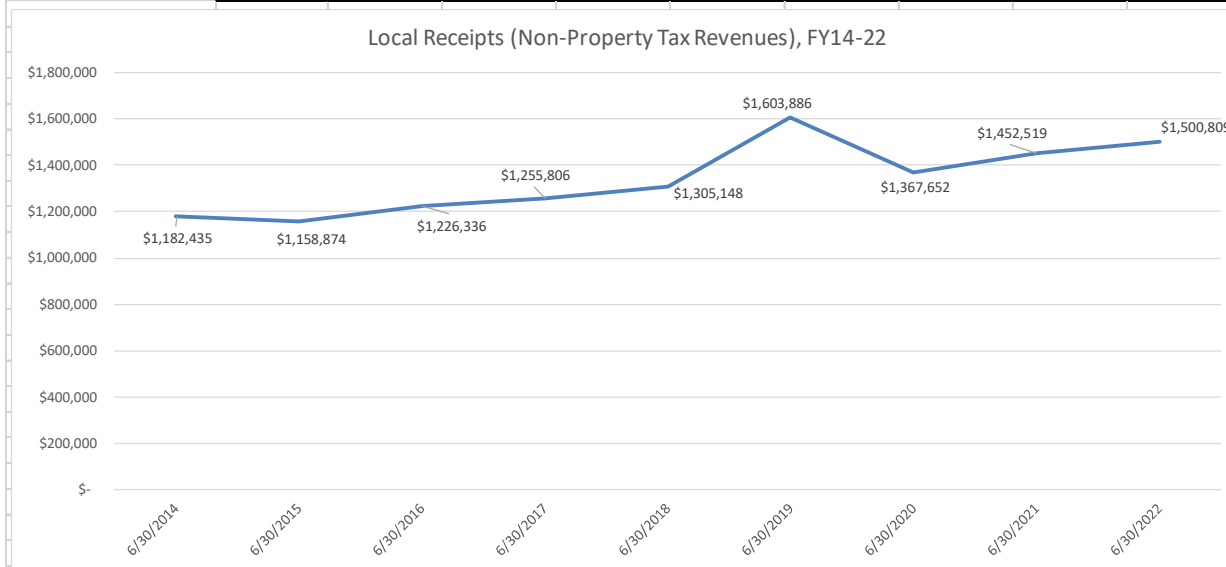
- Table (above) provided solely for context.
- Est. **FY24** tax impact not knowable at this time, as it relies on information not available until Fall 2023.
- As budget process moves forward, will prepare draft FY24 tax recap model, with assumed numbers (re assessed values, new growth, revenues etc.) to provide estimated FY24 tax impact.



Non-Property Tax Revenues

Local Receipts: FY14-FY22, Projected FY23

	6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022	Average	Five Year Rolling Average	90% of Five year Rolling	2023 Recap Projected Revenues
Motor Vehicle	\$ 640,052	\$ 665,622	\$ 691,907	\$ 734,824	\$ 774,583	\$ 806,885	\$ 784,124	\$ 814,348	\$ 858,791	\$ 752,348	\$ 807,746	\$ 726,972	\$ 870,000
Other Excise	\$ 2,083	\$ 2,027	\$ 1,829	\$ 1,909	\$ 2,311	\$ 1,140	\$ 1,750	\$ 1,617	\$ 2,076	\$ 1,860	\$ 1,779	\$ 1,601	\$ 1,800
Pen & Int Taxes & Excise	\$ 61,117	\$ 42,727	\$ 42,297	\$ 39,633	\$ 46,203	\$ 40,657	\$ 55,885	\$ 59,004	\$ 70,988	\$ 50,946	\$ 54,547	\$ 49,093	\$ 55,000
PILOT	\$ 10,292	\$ 10,020	\$ 13,209	\$ 12,218	\$ 5,778	\$ 13,203	\$ 19,494	\$ 53,368	\$ 89,829	\$ 25,268	\$ 36,334	\$ 32,701	\$ 20,000
Rentals	\$ 145,976	\$ 151,762	\$ 138,666	\$ 148,620	\$ 161,255	\$ 143,168	\$ 122,144	\$ 138,273	\$ 161,014	\$ 145,653	\$ 145,171	\$ 110,344	\$ 161,014
Other Dept Rev	\$ 19,368	\$ 31,739	\$ 18,946	\$ 59,118	\$ 65,009	\$ 17,004	\$ 17,585	\$ 24,977	\$ 25,231	\$ 30,997	\$ 29,961	\$ 26,965	\$ 27,000
Lic & Permits	\$ 197,550	\$ 199,487	\$ 244,413	\$ 175,404	\$ 156,494	\$ 253,113	\$ 267,024	\$ 227,541	\$ 192,043	\$ 212,563	\$ 219,243	\$ 197,319	\$ 197,162
Fines & Forfeits	\$ 25,859	\$ 22,075	\$ 23,908	\$ 16,473	\$ 17,278	\$ 12,631	\$ 12,096	\$ 9,070	\$ 13,604	\$ 16,999	\$ 12,936	\$ 11,642	\$ 12,000
Invest Income	\$ 15,227	\$ 26,844	\$ 35,191	\$ 40,881	\$ 43,846	\$ 90,414	\$ 60,478	\$ 21,373	\$ 7,765	\$ 38,002	\$ 44,775	\$ 40,298	\$ 14,000
Misc Recurring	\$ 1,394	\$ 4,348	\$ 3,168	\$ 13,931	\$ 29,304	\$ 89,655	\$ 26,000	\$ 30,000	\$ 30,750	\$ 25,394	\$ 41,142	\$ 37,028	\$ 31,518
Misc Non-recurring	\$ 63,517	\$ 2,223	\$ 12,802	\$ 12,795	\$ 3,089	\$ 136,016	\$ 1,072	\$ 72,948	\$ 48,717	\$ 39,242	\$ 52,369	\$ 47,132	\$ -
Total	\$ 1,182,435	\$ 1,158,874	\$ 1,226,336	\$ 1,255,806	\$ 1,305,148	\$ 1,603,886	\$ 1,367,652	\$ 1,452,519	\$ 1,500,809	\$ 1,339,274	\$ 1,446,003	\$ 1,281,093	\$ 1,389,494



Source: Angus Jennings, Town Manager



Other Non-Tax Revenues/Accounts

- Types of Accounts/Funds
 - Free Cash
 - Stabilization funds
 - Revolving funds
 - Grant funds (State and Federal)
 - Gift Accounts
 - Trust Funds
 - Receipts reserved
- Non-property tax revenues (excise tax, fees, fines etc.) are receipted per Mass. Gen. Laws
- Some accounts subject to Town Meeting authorization (such as Stabilization and Revolving Funds); others subject to other oversight (such as grants, gift accounts, trust funds)



Expense Budget



Proposed Budget

Please note: Budget carries placeholder numbers only for non-Pentucket Education

- Also does not assume transfer from School Stabilization Fund
- Based on these placeholder numbers, (Town + Schools) budget would increase expenses by \$833k (4.8%)
- Of this, Town budget would decrease by \$98k (-1.2%)
- Finance Committee process includes review of each budget section



TOWN OF WEST NEWBURY
 PROPOSED FY24 OPERATING BUDGET
 TOWN MANAGER-PROPOSED, FEB. 6, 2023
 REFERRED BY SELECT BOARD: FEB. 13, 2023

UPDATED to reflect new Pentucket amounts as of Feb. 9, 2023

Name	FY22 Actual	FY23 Approved	FY24 Proposed			% of Total
			TM/SB	\$	%	
General Government			Feb 6, 2023			7.2%
MODERATOR	230	260	260	0	0.0%	0.0%
SELECT BOARD	40,609	54,116	13,940	(40,176)	-74.2%	0.1%
TOWN MANAGER	321,610	325,707	327,539	1,832	0.6%	1.8%
FINANCE DEPARTMENT	254,515	337,604	325,775	(11,829)	-3.5%	1.8%
FINANCE COMMITTEE	1,312	82,000	62,000	(20,000)	-24.4%	0.3%
BOARD OF ASSESSORS	173,887	183,780	164,125	(19,655)	-10.7%	0.9%
LEGAL COUNSEL	53,677	65,124	82,349	17,225	26.4%	0.5%
TOWN CLERK	125,300	149,014	155,339	6,325	4.2%	0.9%
BOARD OF REGISTRARS/ELECTIONS	10,965	18,100	15,050	(3,050)	-16.9%	0.1%
CONSERVATION COMMISSION	31,894	66,632	75,826	9,194	13.8%	0.4%
PLANNING BOARD	67,175	77,123	79,701	2,578	3.3%	0.4%
BOARD OF APPEALS	700	700	700	0	0.0%	0.0%
OPEN SPACE COMMITTEE	69	750	750	0	0.0%	0.0%
Public Safety						11.4%
POLICE DEPARTMENT	1,195,914	1,234,090	1,233,632	(458)	0.0%	6.8%
FIRE DEPARTMENT	282,867	313,383	319,186	5,803	1.9%	1.8%
PUBLIC SAFETY DISPATCH	266,322	338,389	327,500	(10,889)	-3.2%	1.8%
INSPECTION DEPARTMENT	138,480	144,842	150,622	5,780	4.0%	0.8%
EMERGENCY MANAGEMENT	10,769	12,138	12,321	183	1.5%	0.1%
ANIMAL CONTROL OFFICER	25,898	26,858	27,503	645	2.4%	0.2%
HARBORMASTER	2,500	4,000	4,000	0	0.0%	0.0%
Education			Feb 9, 2023			54.8%
EDUCATION	9,151,440	9,043,356	9,974,715	931,359	10.3%	54.8%
Department of Public Works						8.5%
DPW	1,368,664	1,374,192	1,548,653	174,461	12.7%	8.5%
Human Services						7.1%
BOARD OF HEALTH	548,546	592,291	653,173	60,882	10.3%	3.6%
COUNCIL ON AGING	93,331	119,808	129,408	9,600	8.0%	0.7%
VETERANS	32,804	31,288	35,444	4,156	13.3%	0.2%
LIBRARY	369,714	393,899	418,410	24,511	6.2%	2.3%
RECREATION	25,349	32,885	53,444	20,559	62.5%	0.3%
HISTORICAL COMMISSION	0	600	600	0	0.0%	0.0%
CULTURAL COUNCIL	0	100	100	0	0.0%	0.0%
Debt Service						0.0%
DEBT SERVICE	313,950	300,900	0	(300,900)	-100.0%	0.0%
Benefits						11.0%
ESSEX COUNTY RETIREMENT FUND	731,432	805,420	675,135	(130,285)	-16.2%	3.7%
UNEMPLOYMENT COMPENSATION	439	1,500	1,200	(300)	-20.0%	0.0%
EMPLOYEES' HEALTH INSURANCE	406,997	481,857	554,551	72,694	15.1%	3.0%
MEDICARE INSURANCE (FICA)	52,412	51,485	56,406	4,921	9.6%	0.3%
INSURANCE AND BONDS	187,002	199,865	217,349	17,484	8.7%	1.2%
TRANSFERS - STABILIZATION	500,000	500,000	500,000	0	0.0%	2.7%
EXPENSE BUDGET TOTAL						4.8%
	16,786,774	17,364,056	18,196,705	832,649		



Select Board Budget Bottom-Line Target

Summary

	FY22 Actual	FY23 Approved	FY24 Proposed	Change from FY23	
				\$	%
Total Operating Budget:	16,786,774	17,364,056	18,196,705	832,649	4.8%
Non-Education budget:	7,635,334	8,320,700	8,221,990	(98,710)	-1.2%

2.5% of FY23 Non-Education Operating Budget: 208,018



Pentucket Budgeting

<https://pentucketbudget.com>

VISIT THE PENTUCKET REGIONAL SCHOOL DISTRICT WEBSITE



PENTUCKET REGIONAL SCHOOL DISTRICT
Official Budget Website

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BUDGET QUESTIONS?

Welcome to the Pentucket Regional School District budget site. We encourage you to use this site to learn more about the District's finances and challenges, and to stay up to date with District budget meetings.

[Visit the FAQs](#)

IMPORTANT DATES

FEB	6:00 pm – 8:00 pm
14	School Committee Public Hearing on Budget
MAR	All day
1	Release of Governor's Budget, Including Ch. 70 Aid to the District
MAR	All day
7	School Committee Deadline to Approve Budget
MAR	6:30 pm – 8:30 pm
13	Merrimac: Pentucket Budget Discussion with Dr. B
MAR	6:00 pm – 8:00 pm
15	Bagnall: Pentucket Budget Discussion with Dr. B

[View Calendar](#)

www.pentucketbudget.com



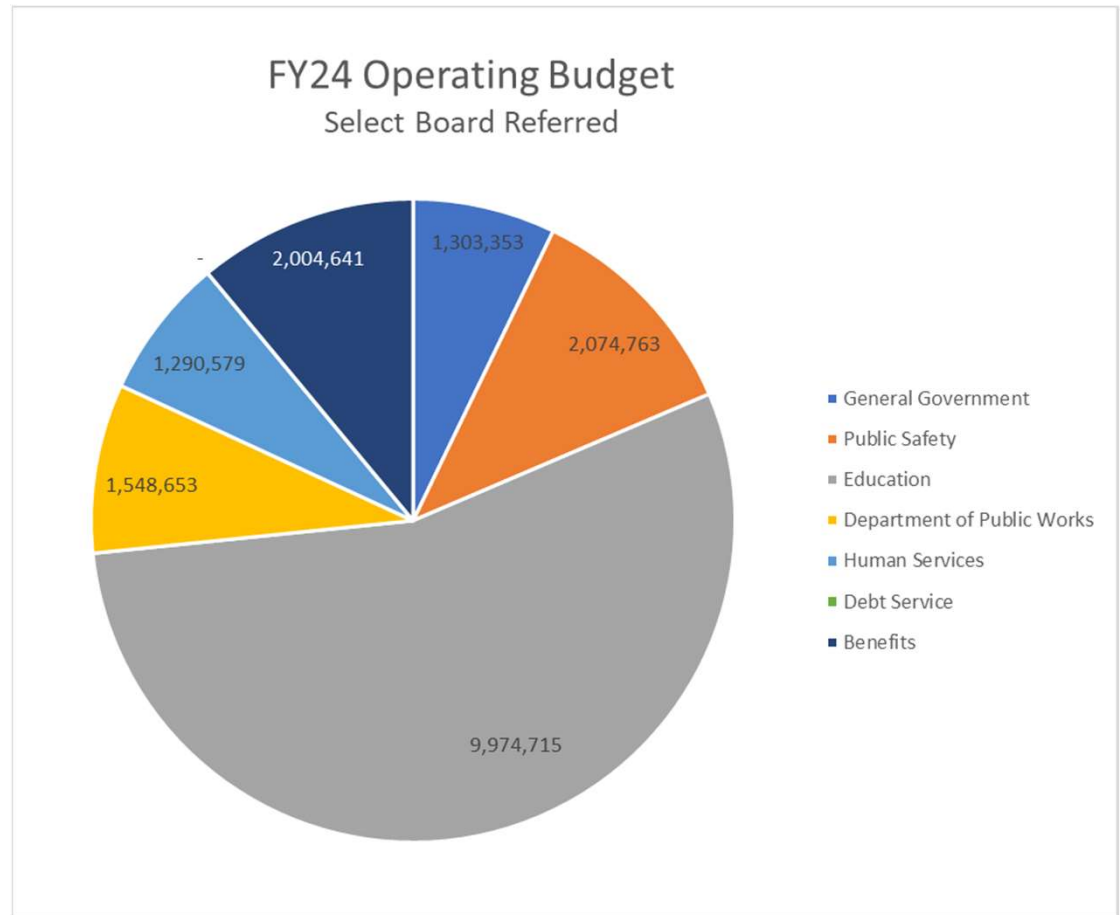
Driving Dynamics: Reduced Costs (summary)

Name	FY22 Actual	FY23 Approved	FY24 Proposed		
			Town Mgr Feb 6, 2023	\$	%
General Government					
SELECT BOARD	40,609	54,116	13,940	(40,176)	-74.2%
FINANCE DEPARTMENT	254,515	337,604	325,775	(11,829)	-3.5%
FINANCE COMMITTEE	1,312	82,000	62,000	(20,000)	-24.4%
BOARD OF ASSESSORS	173,887	183,780	164,125	(19,655)	-10.7%
BOARD OF REGISTRARS/ELECTIONS	10,965	18,100	15,050	(3,050)	-16.9%
Public Safety					
POLICE DEPARTMENT	1,195,914	1,234,090	1,233,632	(458)	0.0%
PUBLIC SAFETY DISPATCH	266,322	338,389	327,500	(10,889)	-3.2%
Debt Service					
DEBT SERVICE	313,950	300,900	0	(300,900)	-100.0%
Benefits					
ESSEX COUNTY RETIREMENT FUND	731,432	805,420	675,135	(130,285)	-16.2%
UNEMPLOYMENT COMPENSATION	439	1,500	1,200	(300)	-20.0%



How are costs distributed across functions?

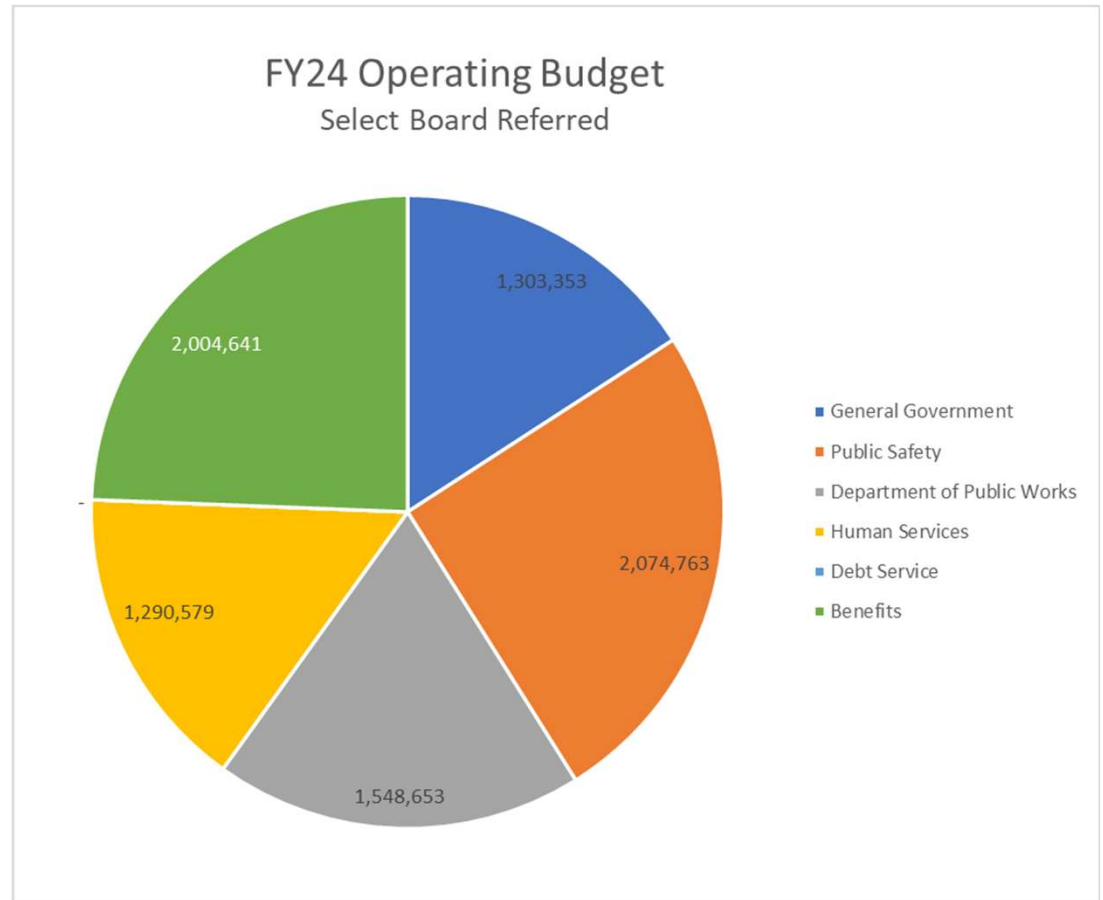
Section	% (Proposed)
General Govt	7.2%
Public Safety	11.4%
Education	54.8%
DPW	8.5%
Human Services	7.1%
Debt Service	0%
Benefits	11.0%





How are non-Ed costs distributed?

Section	% (Proposed)
General Govt	15.9%
Public Safety	25.2%
DPW	18.8%
Human Services	15.7%
Debt Service	0%
Benefits	24.4%





Wage Budgeting

- Total non-education salary/ wages expenses: \$3.78M (compared to \$3.72M in FY23), about 46% of non-Ed op. budget
- Following staffing structure changes in recent years, overall proposed staffing stable
- 1 proposed new half-time Dispatch position; but even with proposed change, overall proposed reduction in proposed Dispatch budget. No other new positions.

CLASSIFICATION & COMPENSATION STUDY

TOWN OF WEST NEWBURY, MA

EDWARD J. COLLINS, JR. CENTER FOR PUBLIC MANAGEMENT

DECEMBER 2022

Edward J. Collins, Jr. Center for Public Management

McCORMACK GRADUATE SCHOOL OF POLICY AND GLOBAL STUDIES





Wage Budgeting (cont'd)

- Adjustments to some departments' budgets following FY23 Collins Center wage study
- Some specific personnel budgeting questions remain for Select Board approval, but only account for about \$25k +/-
- Also, Select Board will set FY24 COLA later in the budget process (currently budgeted at 2%)

FY23 Wage Study: Increases by Department

<u>Dept</u>	<u>Amt</u>
Finance	2,672.64
Assessing	2,148.55
Clerk	5,783.76
Conservation	7,558.56
Police	434.30
Building	895.75
DPW	8,152.88
Health	3,182.63
COA	7,278.77
Library	15,165.56
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General Fund	<u>53,273.41</u>
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Water	2,209.10
CPC	87.70
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Non-General Fund	<u>2,296.80</u>



Proposed Budget: General Government

Name	FY22 Actual	FY23 Approved	FY24 Proposed			% of Total
			Town Mgr Feb 6, 2023	\$	%	
General Government						7.2%
MODERATOR	230	260	260	0	0.0%	0.0%
SELECT BOARD	40,609	54,116	13,940	(40,176)	-74.2%	0.1%
TOWN MANAGER	321,610	325,707	327,539	1,832	0.6%	1.8%
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BOARD OF ASSESSORS	173,887	183,780	164,125	(19,655)	-10.7%	0.9%
LEGAL COUNSEL	53,677	65,124	82,349	17,225	26.4%	0.5%
TOWN CLERK	125,300	149,014	155,339	6,325	4.2%	0.9%
BOARD OF REGISTRARS/ELECTIONS	10,965	18,100	15,050	(3,050)	-16.9%	0.1%
CONSERVATION COMMISSION	31,894	66,632	75,826	9,194	13.8%	0.4%
PLANNING BOARD	67,175	77,123	79,701	2,578	3.3%	0.4%
BOARD OF APPEALS	700	700	700	0	0.0%	0.0%
OPEN SPACE COMMITTEE	69	750	750	0	0.0%	0.0%



Proposed Budget: Public Safety

Name	FY22 Actual	FY23 Approved	FY24 Proposed			% of Total
			Town Mgr			
Public Safety						11.5%
POLICE DEPARTMENT	1,195,914	1,234,090	1,233,632	(458)	0.0%	6.9%
FIRE DEPARTMENT	282,867	313,383	319,186	5,803	1.9%	1.8%
PUBLIC SAFETY DISPATCH	266,322	338,389	327,500	(10,889)	-3.2%	1.8%
INSPECTION DEPARTMENT	138,480	144,842	150,622	5,780	4.0%	0.8%
EMERGENCY MANAGEMENT	10,769	12,138	12,321	183	1.5%	0.1%
ANIMAL CONTROL OFFICER	25,898	26,858	27,503	645	2.4%	0.2%
HARBORMASTER	2,500	4,000	4,000	0	0.0%	0.0%



Proposed Budget: Education

Name	FY22 Actual	FY23 Approved	FY24 Proposed			% of Total
			Town Mgr			
Education			Feb 9, 2023			54.8%
EDUCATION	9,151,440	9,043,356	9,974,715	931,359	10.3%	54.8%



Proposed Budget: Public Works

Name	FY22 Actual	FY23 Approved	FY24 Proposed			% of Total
			Town Mgr			
Department of Public Works						8.6%
DPW	1,368,664	1,374,192	1,548,653	174,461	12.7%	8.6%



Proposed Budget: Human Services

Name	FY22 Actual	FY23 Approved	FY24 Proposed			% of Total
			Town Mgr			
Human Services						7.2%
BOARD OF HEALTH	548,546	592,291	653,173	60,882	10.3%	3.6%
COUNCIL ON AGING	93,331	119,808	129,408	9,600	8.0%	0.7%
VETERANS	32,804	31,288	35,444	4,156	13.3%	0.2%
LIBRARY	369,714	393,899	418,410	24,511	6.2%	2.3%
RECREATION	25,349	32,885	53,444	20,559	62.5%	0.3%
HISTORICAL COMMISSION	0	600	600	0	0.0%	0.0%
CULTURAL COUNCIL	0	100	100	0	0.0%	0.0%



Proposed Budget: Debt Service

Name	FY22 Actual	FY23 Approved	FY24 Proposed		% of Total
			Town Mgr		
Debt Service					0.0%
DEBT SERVICE	313,950	300,900	0	(300,900) -100.0%	0.0%



Proposed Budget: Benefits and Transfers

Name	FY22 Actual	FY23 Approved	FY24 Proposed			% of Total
			Town Mgr			
Benefits						11.1%
ESSEX COUNTY RETIREMENT FUND	731,432	805,420	675,135	(130,285)	-16.2%	3.8%
UNEMPLOYMENT COMPENSATION	439	1,500	1,200	(300)	-20.0%	0.0%
EMPLOYEES' HEALTH INSURANCE	406,997	481,857	554,551	72,694	15.1%	3.1%
MEDICARE INSURANCE (FICA)	52,412	51,485	56,464	4,979	9.7%	0.3%
OPEB	0	0	0	0		0.0%
INSURANCE AND BONDS	187,002	199,865	217,349	17,484	8.7%	1.2%
TRANSFERS - STABILIZATION	500,000	500,000	500,000	0	0.0%	2.8%



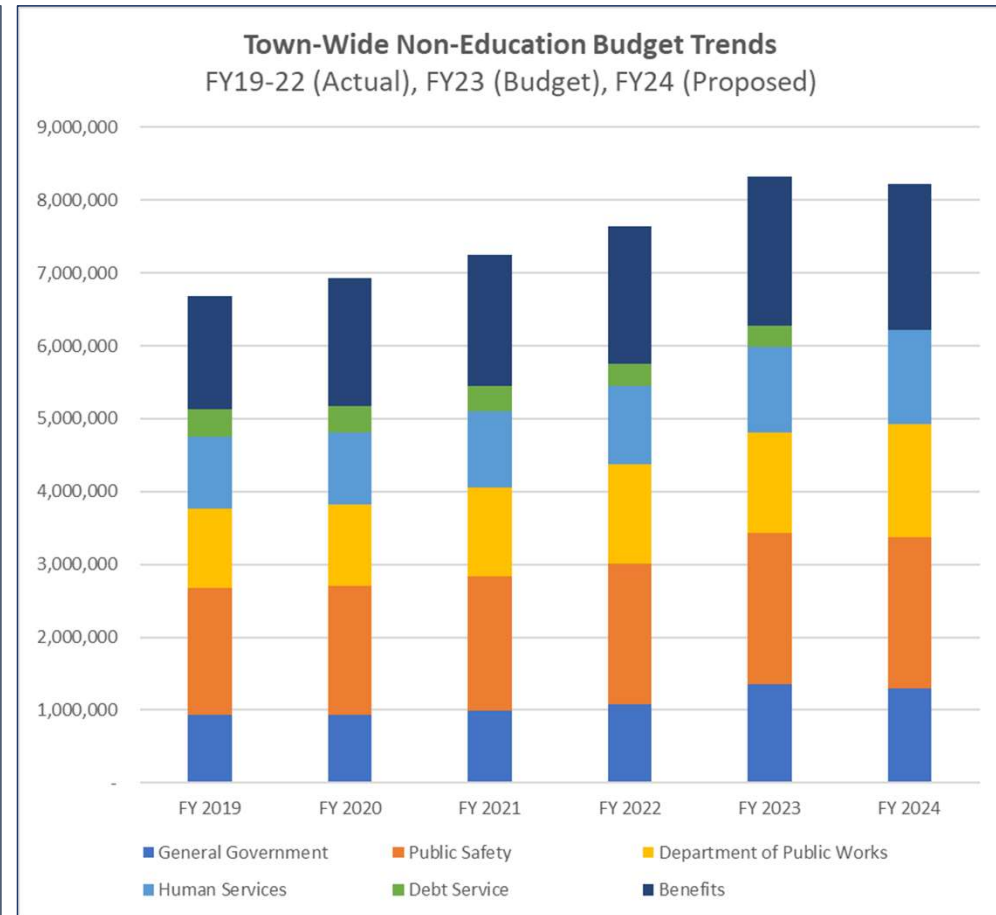
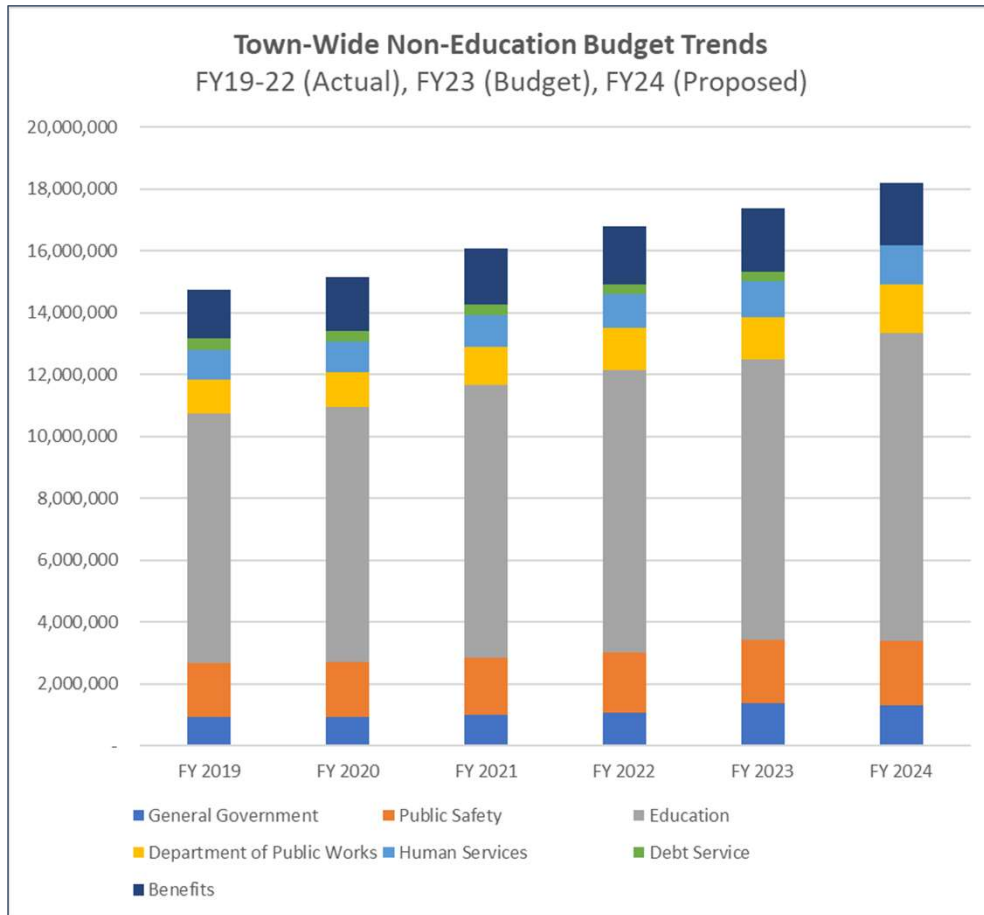
Multi-Year Budget Trends

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	
	Expended	Expended	Expended	Expended	Approved	SB Referred	% of total
<u>General Government</u>	934,589	939,157	993,861	1,081,944	1,360,910	1,303,353	7.2%
<u>Public Safety</u>	1,747,363	1,758,678	1,845,760	1,922,751	2,073,700	2,074,763	11.4%
<u>Education</u>	8,054,847	8,245,811	8,828,300	9,151,440	9,043,356	9,974,715	54.8%
<u>Department of Public Works</u>	1,087,210	1,122,286	1,216,265	1,368,664	1,374,192	1,548,653	8.5%
<u>Human Services</u>	984,821	988,223	1,038,121	1,069,744	1,170,871	1,290,579	7.1%
<u>Debt Service</u>	371,900	371,439	355,900	313,950	300,900	-	0.0%
<u>Benefits</u>	1,561,801	1,742,254	1,802,767	1,878,282	2,040,127	2,004,641	11.0%
<u>TOTAL</u>	14,742,532	15,167,848	16,080,976	16,786,774	17,364,056	18,196,705	

Note: FY19-22 shows actual not budgeted amounts.



Multi-Year Budget Trends





Related matters



Impact of School Stabilization transfers to est. FY24 Taxpayer Impact

- School funding model developed in prior years called for transfer of \$397,325 from School Stabilization Fund to offset taxpayer impact of new M/H School. Included as starting point in proposed Town Meeting article.
- At their meeting on Feb. 13th, Select Board decided to reduce this proposed amount to \$200,000 for FY24 to extend these funds over a longer period of time.
- At this rate of drawdown, and assuming no new additions of funds into the School Stabilization Fund, the same amount could be appropriated for FY25, FY26 and FY27, with roughly \$115k remaining for FY28 (incl. assumed investment income during that period).



Free Cash Transfers to Reduce Tax Rate

Free Cash Trends, FY15-FY23

- Central issue in estimating the “bottom line” taxpayer impact
- Recent years’ trend toward increasing Free Cash transfers
- MDOR recommends maintaining 5% of operating budget (~\$900k)
- Some amount of budget “turnbacks” are recurring and typical (whether due to conservative budgeting, or periods of short-staffing)
- Fall often the time to consider Free Cash transfer, after FY23 is closed out

<u>Fiscal</u> <u>Year</u>	<u>Year-End</u>	
	<u>Certified Free</u> <u>Cash</u> ¹	<u>Free Cash transfer to</u> <u>reduce Tax Rate</u> ²
FY23	TBD	\$ 250,000
FY22	\$ 2,128,806	\$ 200,000
FY21	\$ 1,749,980	\$ -
FY20	\$ 1,954,878	\$ 400,000
FY19	\$ 2,102,586	\$ 220,000
FY18	\$ 1,718,985	\$ 114,000
FY17	\$ 1,824,005	\$ 144,300
FY16	\$ 1,892,315	\$ -
FY15	\$ 1,960,718	\$ -
Avg (FY17-22)		\$ 189,757

¹ Source: MA DOR Form B-1, FY15-FY22

² Source: MA DOR Tax Rate Recaps, Item III d, FY15-FY22

* Note: In FY21 the Town did allocate \$220,000 of Overlay Surplus in order to reduce the FY21 Tax Rate. If that amount were to be included in the table above, the FY17-22 average would be \$221,186.

Source: Angus Jennings, Town Manager



Capital Planning / Transfers to Stabilization

- CIC (Capital Improvements Committee) has met several times, dating back to late fall; met on Feb. 9th; meets again Thurs. March 9th
- Select Board referred Capital articles for CIC review
- Capital planning process will go forward in parallel with FinCom reviews, including review of FY24 capital expenditures, and overall Capital Improvements Program
- Town Manager proposed budget carries transfer of \$500k
- Stabilization balance (FY22 year-end): \$1.8M
- Community Compact recommends 15% of operating budget, or approx. \$2.7M
- CIC report due on/by March 13
- FinCom review of proposed Capital articles on March 15 and/or 22

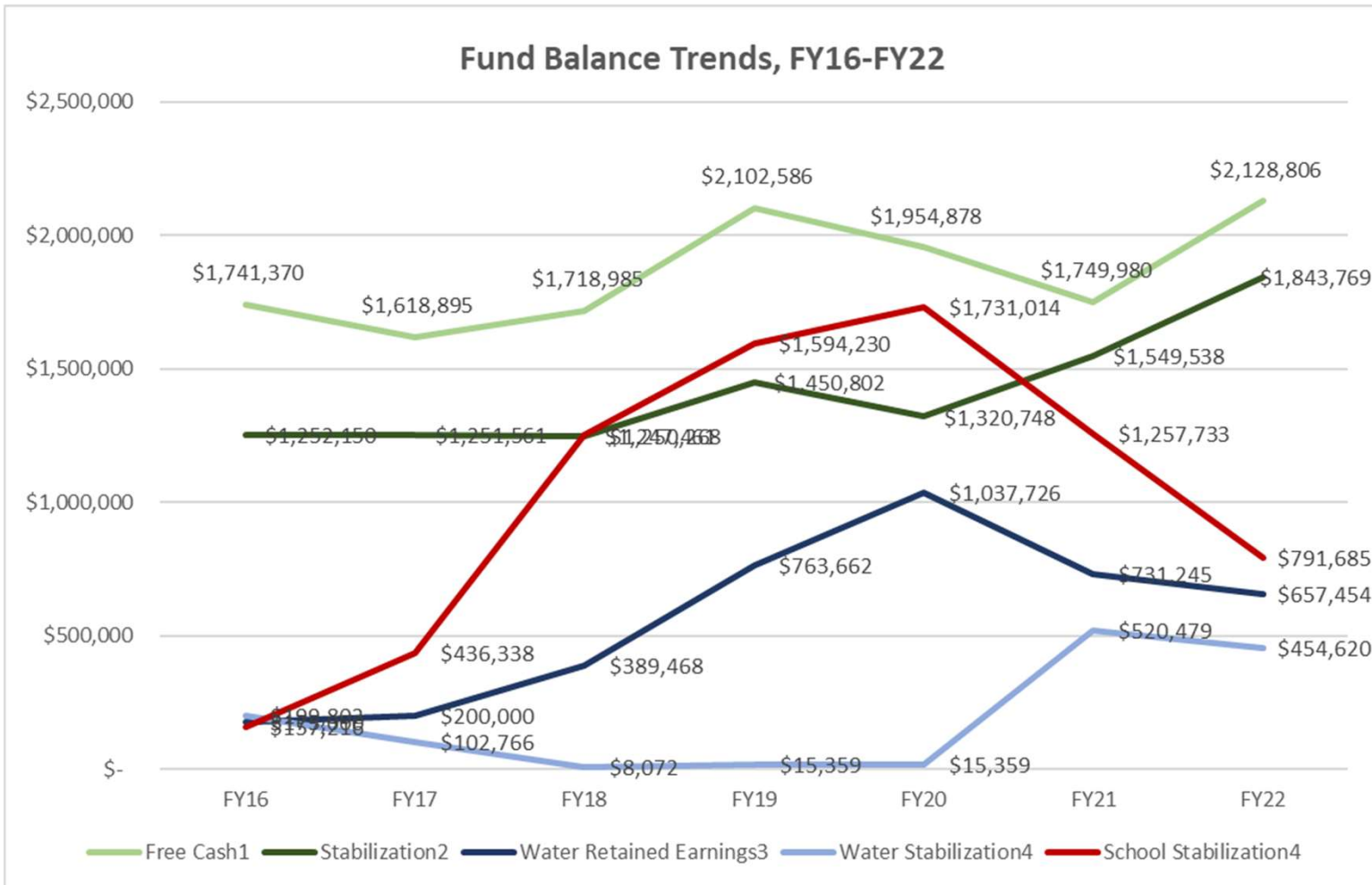


Stabilization Balances (Trends)

Fund Balance Trends, FY16-FY22						
Fiscal Year	Free Cash¹	Stabilization	Water Retained Earnings³	Water Stabilization⁴	School Stabilization⁴	
FY16	\$ 1,741,370	\$1,252,150	\$ 175,000	\$ 199,802	\$ 157,216	
FY17	\$ 1,618,895	\$1,251,561	\$ 200,000	\$ 102,766	\$ 436,338	
FY18	\$ 1,718,985	\$1,247,461	\$ 389,468	\$ 8,072	\$ 1,250,268	
FY19	\$ 2,102,586	\$1,450,802	\$ 763,662	\$ 15,359	\$ 1,594,230	
FY20	\$ 1,954,878	\$1,320,748	\$ 1,037,726	\$ 15,359	\$ 1,731,014	
FY21	\$ 1,749,980	\$1,549,538	\$ 731,245	\$ 520,479	\$ 1,257,733	
FY22	\$ 2,128,806	\$1,843,769	\$ 657,454	\$ 454,620	\$ 791,685	
Avg (FY16-FY22)	\$1,859,357	\$1,416,576	\$564,936	\$188,065	\$1,031,212	
¹ Source: MA DOR Form B-1, FY16-FY22.						
² Source: Year-End Fund Balance Reports/Town Accountant.						
³ Source: MA DOR Retained Earnings Calculations, FY18-FY22; Finance Committee Town Meeting booklets, FY16-18.						
⁴ Source: Finance Committee Town Meeting booklets, FY16-22.						



Stabilization Balances (Trends)





Process




Upon Board Referral: Finance Committee

- Select Board referral: Feb. 6 and 13
- Finance Committee meetings:
 - Wednesdays in Feb-March: Feb 15, 22, March 1, 8, 15, 22
 - Review of each section of budget. Schedule will be posted and circulated.
- Review proposed warrant articles
- Town Manager works with FinCom Chair to schedule reviews based in part on “readiness”
- Town Manager proposed budget; initial budgets proposed by Department Heads/Chairs of Boards / Commissions / Committees also reported.
- Joint meeting with the Board of Selectmen, Moderator, Town Counsel (date TBD).
- Deadline to post Town Meeting warrants: Monday, April 10th



FinCom Review – Proposed FY24 Budget

<u>Date/Time</u>	<u>Departments/Topics To Be Reviewed</u>	
Wednesday, Feb. 15 th 6pm	Moderator Select Board Finance Department Board of Assessors Legal Counsel	Council on Aging Debt Service Essex County Retirement Unemployment Compensation OPEB



**Town of West Newbury Finance Committee
FY24 Budget Meeting Schedule
2/15/23**

REC'D NEWBURY CLERK
23 FEB 15 10:27

*All meetings **except for March 8th** will be in the 1910 Building
381 Main Street, West Newbury, MA
Hearing Room 1*

<u>Date/Time</u>	<u>Departments/Topics To Be Reviewed</u>	
Wednesday, Feb. 15 th 6pm	Moderator Select Board Finance Department Board of Assessors Legal Counsel	Council on Aging Debt Service Essex County Retirement Unemployment Compensation OPEB
Wednesday, Feb. 22 nd 6pm	Board of Health Conservation Commission Planning Board Open Space Committee Bandstand	Cultural Council Historical Commission Town Clerk Board of Registrars/Elections Veterans' Services
Wednesday, March 1 st 6pm	DPW Inspectional Services Board of Appeals Parks & Rec Commission	Community Preservation Comm Mill Pond Committee Health Insurance
Wednesday, March 8 th Location: Middle/High School ¹	Education	
Wednesday, March 15 th 6pm	Water Police Department Library Fire Department	Dispatch Emergency Management Agency Transfers to Stabilization
Wednesday, March 22 nd 6pm	Town Manager Finance Committee Animal Control Harbormaster	Insurance and Bonds COLA Medicare (FICA) Revenue Projections

Please note: The order that topics are listed are not necessarily the order they will be reviewed. The Finance Committee Chairperson reserves the right to take up items out of order. The Committee will consider proposed Town Meeting warrant articles at the time that the article sponsor(s) appear before the Committee for review of proposed operating budgets.

¹ March 8th meeting expected to be at Pentucket Middle/High School, immediately following the Pentucket School Committee meeting (starting at 6pm). The meeting will take place in the Middle/High School main office, Room #1012.

Posted Schedule on 2/15/2023 at the Town Offices and the Town's Official Website www.wnewbury.org



FinCom Reviews – Proposed Articles *(please refer to pg. 8 of tonight’s packet)*

Annual OR Special Warrant Articles - Spring 2023 Town Meeting						Recommendations	
# (DRAFT)	Article	Amt (if \$)	Sponsor	Form Received?	Date of FinCom review	Select Board	FinCom
5	Instructions, Rules and Regulations for Board of Water Commissioners	n/a	Select Board	N	???		
21	Fix FY24 max amounts that may be spent from revolving funds	\$ -	Select Board	N/A	???		
39	Adoption of MGL Ch. 166, Sec. 32A (Wiring Inspectors)	n/a	Select Board	Y	???	3-0 on 2/13	
40	Solar Bylaw amendments	n/a	Planning Board	Y	???		
41	Stormwater Bylaw amendments (POTENTIAL)	n/a	Select Board(?)	N	???		
42	Zoning Bylaw Recodification	n/a	Planning Board	Y	???		
43	Wetlands Bylaw	n/a	ConCom	Y	???		
1	To give votes to the election of the public offices	n/a	Select Board	N/A	n/a		
2	Reports of Town Officers and Committees	n/a	Select Board	N/A	n/a		
4	FY24 Town Operating Budget	TBD	Select Board	N/A	n/a (ongoing)		
3	School Stabilization Fund transfer	\$ 200,000	Select Board	Y	2/15/2023	3-0 on 2/13	
17	Transfer funds for Pension Liability Stabilization Fund	\$ 67,514	Select Board	Y	2/15/2023	3-0 on 2/13	
18	Transfer funds to Other Post-Employment Benefits (OPEB) Stabilization Fund	\$ 6,868	Select Board	Y	2/15/2023	3-0 on 2/13	
37	MBTA Communities grant matching funds	\$ 7,500	Select Board	Y	2/15/2023	3-0 on 2/13	
16	Appropriation from Septic Loan Revolving Fund	\$ 10,364	Board of Health	Y	2/22/2023		
35	Funding for cemetery cleanup	\$ 4,150	Hist. Comm.	Y	2/22/2023		
38	Invasive Species management	\$ 20,000	Open Space Comm.	Y	2/22/2023		
26	Fire Pickup Truck replacement - CAPITAL ARTICLE	\$ 117,000	DPW Director	Y	3/1/2023		
28	Police Cruiser purchase, supplemental funding (FY23 vehicle)	\$ 25,000	Police Chief	Y	3/1/2023		
29	Ash Tree Treatments (Multi-Year Funding Program)	\$ 60,180	DPW Director	Y	3/1/2023	3-0 on 2/13	
30	Page School security cameras	\$ 8,300	DPW Director	Y	3/1/2023		
34	Pipestave fencing	\$ 9,960	DPW Director	Y	3/1/2023		
25	DPW Sidewalk Plow replacement - CAPITAL ARTICLE	\$ 172,000	DPW Director	Y	3/1/23 OR 3/22/23		
27	Page School HVAC - CAPITAL ARTICLE	\$ 40,000	DPW Director	Y	3/1/23 OR 3/22/23		
6	FY24 Water Operating Budget	TBD	BOWC	Y	3/15/2023		
7	Church/Prospect Water Main Replacements	TBD	BOWC	Y	3/15/2023		
8	Appropriation of Water Retained Earnings for FY23 purchase of water	TBD	BOWC	Y	3/15/2023		
9	Water - purchase new Master Meter at Pipestave Booster Station	TBD	BOWC	Y	3/15/2023		
10	Water - purchase Continuous Chlorine Monitoring System	TBD	BOWC	Y	3/15/2023		
11	Water - purchase SCADA Remote Terminal Units	TBD	BOWC	Y	3/15/2023		
12	Water - Exterior Repairs to Wellfield #1 Building	TBD	BOWC	Y	3/15/2023		
13	Water - Clean Wellheads at Wellfield #1	TBD	BOWC	Y	3/15/2023		
14	Water - Valves hydrants water mains meter pits	\$ 30,000	BOWC	Y	3/15/2023		
22	Allocate and/or reserve Community Preservation Fund annual revenues	\$ -	CPC	Y	3/15/2023		
23	Sawmill Brook (Poorhouse Lane) land acquisition	\$ 350,000	CPC/SB	CPA funding app	3/15/2023		
24	Transfer CPC funds to Affordable Housing Trust	\$ 172,174	CPC/SB	CPA funding app	3/15/2023		
32	Purchase infield grader	\$ 4,425	P&R Comm	Y	3/15/2023		
33	Pipestave Field 6 Restoration	\$ 15,000	P&R Comm	Y	3/15/2023		
15	Funds for study of 31 Dole Place	TBD	Select Board	Y	3/22/2023		
19	Snow & Ice deficit	TBD	DPW Director	Y	3/22/2023		
20	Appropriation of PEG Reserved Revenues under MGL c.44 s. 53F3/4	TBD	Select Board	Y	3/22/2023		
31	Funds for Pipestave/Page crosswalk	TBD	Select Board	Y	3/22/2023		
36	Supplemental funding for solar feasibility study	TBD	Select Board	Y	3/22/2023		

Notes:

Numbering does not correspond to order or numbering that will appear on Town Meeting warrants.
Articles will be assigned to Annual or Special Town Meeting warrants at a later date.
Amounts shaded in yellow are revised from initial draft proposed Articles.



Questions and Discussion