Essex Finance Committee February 17, 2015 7:30pm Essex Senior Center

Members Present: Richard Ross, Ken Riehl, Mark McKenna, Justin Bourgette and Jeff Soulard

1. Transfers

Approved four transfers by unanimous vote (attached).

2. FY15 Budget Update

The Committee approved an additional \$50,000 to be spent on Snow & Ice Removal for FY15 under Massachusetts General Law Chapter 44 Section 31D.

3. FY16 Budget Discussion for Upcoming Year

The FY16 Budget Summary and Tax Summary have been updated to reflect the recently approved MERSD budget and most up to date assumptions.

Currently, the budget looks to be roughly \$700,000 over the Proposition 2 ½ Levy Limit. However, this includes over \$1,250,000 of Capital and Special Articles. Many of these Articles will be removed or deferred to reduce the FY16 expenditures below the levy limit. We will discuss plans to reduce the budget with the Board of Selectmen next week.

There are also some expenses that are still estimated amounts, most notably the FY16 Health Insurance expense. We are currently carrying an increase of roughly 18%, which would be the maximum increase possible in the coming year. Based on past experience, this increase should be closer to 5% and could reduce the budget significantly.

One item that may not have an impact on the current levy limit is the proposed Town Hall repairs and improvements. The \$3 million estimated cost for this project is based on estimates from several years ago, but we are using this number until more detailed figures are available. An architect is working on a more detailed cost analysis, which should be available in the coming weeks. There are many options to fund this project, from issuing debt to using proceeds from the sale of Southern Conomo Point properties. Given the recent issues at Town Hall, the Committee is focused on getting this project approved and started.

4. Public Comment

None

Requests are to be made and transfer voted BEFORE any expenditure is incurred. <u>Please submit only one copy.</u>

10:	Finance Committee – Town of Ess	sex
1.	Amount Requested: \$944.95	1100.2.295.5255.00
		Title: Pier & Float Maintenance
2.	To be transferred to Account:	1100.2.295.5700.00
		Title: Incidental Expenses
3.	The specific purpose the amount re <i>Pay invoice</i>	equested will be used for:
4.	•	and/or unforeseen for the following reasons: at the time of budget preparation.
Date:	2/5/2015 Signed:	**********
Date o	of meeting 2 個 /15	Vote: Yes N
Transf	Fer voted in the sum of \$944,95	Transfer disapproved
	FINANCE	E COMMITTEE
1.	101.1	leffield Souland
7		
	1442 N/1/	
1/		
	7 # 5	Autoria Control Contro

894 ph

Requests are to be made and transfer voted BEFORE any expenditure is incurred. Please submit only one copy.

Finance Committee - Town of Essex

To:

1.	Amount Requested: \$40, 00.00	100.1.210.5111.00
	Title: I	Police Officers' Salaries
2.	To be transferred to Account: 1	100.1.210.5113.00
	Title: 1	Part Time Police Salaries
3.	The specific purpose the amount reque	sted will be used for:
	Payroll	
4.	This expenditure is extraordinary and/o	or unforeseen for the following reasons:
	Part time officers were used to cover shademy.	hifts while Dan Bruce attended the Police
		•
Date:	2/3/2015 Signed:	720
****	**********	**************
	i ma	
Date o	of meeting Z/B//5	Vote:Yes No
Duit 0	I mooning of the t	100.
Trancf	Fer voted in the sum of \$ 40,600	Transfer disapproved
1101121	or voice in the sum of \$ 90,000	Transfer disapproved
	FINANCE COM	MMITTEE
	Musta Bu	1 From Son Do d
(1817 ay 300 con a
£	My Kill	7
7		

or it

Requests are to be made and transfer voted BEFORE any expenditure is incurred. Please submit only one copy.

Finance Committee – Town of Essex

To:

Reque	est for a Line Item Transfer from Account: Title:	#1100.2.193.5740.00 Blanket Insurance
1.	Amount Requested: \$1,500.00	
2.		0.2.193.5240.00 e Machines
3.	The specific purpose the amount requested	will be used for:
	The money will be used to purchase addition Hall basement.	onal shelving for the Town
4.	This expenditure is extraordinary and/or un	nforeseen for the following reasons:
	When the initial shelving was purchased, v Would fit in the area available. It is now a and there is space available to accommode	pparent that we need more shelves
Date:	February 9, 2015 Signed:	
****	************	***********
Date o	of meeting 2 /17 /15	Vote:YesNo
Trans	fer voted in the sum of \$1,500.00	Transfer disapproved
	FINANCE COMM	ITTEE
Ju	Jan Song	Jeffrey Souland
	W MM	
		082 V

Requests are to be made and transfer voted BEFORE any expenditure is incurred. Please submit only one copy.

To: Finance Committee – Town of Essex

Reque	est for a Line Item Tra		Account:	#1100.2.193.5740.00 Blanket Insurance
1.	Amount Requested:	\$1,500.00		
2.	To be transferred to	Account: Title:		0.2.122.5312.00 rement/Advertising
3.	The specific purpose	e the amoun	t requested	will be used for:
	Legal notices for ve property.	arious proci	ırement effo	orts and sale of Conomo Point
4.	This expenditure is	extraordinar	y and/or un	foreseen for the following reasons:
	early spring. Also, t	he Historica	l Society ha	ipated and will be advertised again in us approached the Town for help with and repairs to the Town's building at
Date:	January 29, 2015	Signed:	Brendhan Z	ubricki, Town Administrator
****	*******	*****	*******	**********
Date o	of meeting 2/17/	15		Vote:YesNo
Transi	fer voted in the sum o	f \$1,500.00		Transfer disapproved
A		FINA	NCE COMMI	TTEE
J.	yto By	***************************************		Jeffrey Souland
	outhow			<u> </u>
4		> }		

BY N

TAX RATE ESTIMATE FOR FISCAL YEAR ENDING JUNE 30, 2016

		FINAL	As Requested by	Increase/	
	FY 2015		Departments FY16	(Decrease)	
Town Meeting Articles:			·	,	
Article 17 Operating		6,102,512.00	6,397,115.00	294,603.00	
Article 18 Sewer Enterprise		1,960,987.00	2,005,611.00	44,624.00	
Article 19 Water Enterprise		704,202.00	732,600.00	28,398.00	
Article 23 MERSD Assessment		6,665,060.00	7,228,425.00	563,365.00	
Article 24 ENSA&TSD Assessment		119,433.00	200,000.00	80,567.00	
Capital Articles "Attachment A"		183,139.00	1,009,704.00	826,565.00	
All Other Articles - ATM		167,496.00	251,194.00	83,698.00	
All Other Articles FTM		367,540.59	,	(367,540.59)	
FY16 Non Union COLA			25,000.00		
		264.054.00	25,000.00 TBD	·	
Community Preservation		264,054.00		(- ,,	
TOTAL ARTICLES		16,534,423.59	17,849,649.00	1,315,225.41	
Other Amounts to be Raised:					
Snow and Ice Deficit		_	100,000.00	100,000.00	
Overlay Deficit			100,000.00	100,000.00	
Community Preservation		_		_	
State Assessments & Offsets		92,698.00	92,698.00		
Assessors' Overlay		155,425.97	150,000.00		
TOTAL OTHER TO BE RAISED		248,123.97	342.698.00		
TOTAL OTTILK TO BE KAISED		240,125.97	342,030.00	94,574.03	
LESS:					
State Aid		250,703.00	250,703.00) -	
Estimated Local Receipts		1,549,600.00	1,549,600.00	<u>-</u>	
Enterprise Revenue		2,196,278.00	2,309,300.00	113,022.00	
Free Cash		597,375.59	540,487.00	·	
Free Cash - Enterprise		244,141.00	240,573.00	, ,	
Community Preservation		264,054.00	TBD		
Other Available Funds		152,491.00	261,144.00		
TOTAL NON-TAX REVENUE		5,254,642.59	5,151,807.00		
				, ,	
NET AMOUNT - TAXATION		11,527,904.97	13,040,540.00	1,512,635.03	
LEVY ALLOWED BY PROPOSTITION 2 1/2		10,624,384.00	11,022,184.00	·	
Certified New Growth		128,966.00	100,000.00	* * *	
Debt Exclusions		1,238,117.00	1,217,351.00	, ,	
ALLOWED AMOUNT - TAXATION		11,991,467.00	12,339,535.00	348,068.00	
(OVER) / UNDER PROPOSITION 2 1/2		463,562.03	(701,005.00) (1,164,567.03)	
LIMIT		403,302.03	(701,005.00)	(1,104,307.03)	
FIIMIT					
FY 2015 Value of Property		747,594,356	747,594,356	3	
FY 2015 Tax Rate per \$1,000 of Value		, ,	, ,		
Estimated FY16 Tax Rate	\$	15.42	\$ 17.44		
		•		•	
		GENERAL	WATER	SEWER, unreserved	
FREE CASH CERTIFIED 7/1/14	\$	1,001,971	\$ 347,772	\$ 213,930	
Voted at 11-17-14 FTM		(222,376)	(18,000)	(22,000)	
Proposed above for May 2015 ATM oper		(400,000)			
Proposed above for May 2015 ATM capital		(140,487)	(47,219)		
Net available for future town meetings	\$	239,108	\$ 282,553	\$ 98,576	

ASSUMPTIONS

- General
 - 1. Vo Tech Budget not yet received using \$200,000.
 - 2. Non-union COLA estimate using \$25,000.
 - 3. Snow and Ice deficit added \$100,000.
 - 4. Assessor's Overlay conservative estimate at \$150,000.
 - 5. State Aid & Assessments level funded as FY15
 - 6. Local Receipts level funded as FY15
 - 7. Apx \$240,000 of available free cash unused until TM Warrant closes
 - 8. 'New Growth' reasonable estimate at \$100,000.
- Community Preservation no articles have been submitted yet, but since CP fund offsets dollar for dollar no change will be made to the bottom line of TRA
- General Free Cash used

Operating Budget \$400,000. Capital Budget – Attachment A 140,487.

Total <u>\$540,487</u>. of \$779,595. Available

"Other Available Funds used

Ambulance Fund \$230,000.
Waterways Fund 4,950.
Septic Betterment Fund 26,194.
Total \$261,144.

NOTES - Capital "Attachment A"

- C1-16 Town Hall Renovations \$3,000,000. Is the only Capital item not on the TRA. Funding, if by 'borrowing authorization', does not add to budget until permanent debt is issued. Note: if a portion or this entire article is funded from the Sale of Real Estate Fund then that portion will show on TRA but be offset dollar for dollar by SRE. Bottom line of TRA will not change.
- C5-16 (Story Ext \$75,000), C6-16 (Western Ext \$75,000), DPW Roadwork (\$112,000), DPW Dump Truck #302 (\$51,694) are included on TRA. However, if any are funded by Chapter 90 they will come off TRA. Use of Chapter 90 funds do not require town meeting vote. Bottom line of TRA would show deficit reduced.
- C7-16 (Client Computers \$10,000) is included on TRA. However, if funding is from Technology Fund it will come off. Use of Technology Fund does not require town meeting vote. Bottom line of TRA would show deficit reduced.
- Council on Aging (shower \$10,000) is included on TRA. However, if all or part is funded by by a grant then that portion will come off TRA. Bottom line of TRA would show deficit reduced.

		F		Б.	-		adget outlinary		,
ابا	A	В	C	D	E	F	G	Н	I
1		Department	FY14 Budget	FY14 Actual	FY15 Budget	FY15 Exp thru 1/22/15	FY16 Requested	% change	FY16 Fin Comm
2	114	Moderator	120	100	120	-	120	0.0%	
3	122	Selectmen	71,843	63,322	97,902	37,284	114,142	16.6%	
4	129	Town Administrator	125,880	124,547	129,520	69,812	129,520	0.0%	
5	131	Finance Committee	410	155	410	155	410	0.0%	
6	131	Reserve Fund	85,000		115,000		85,000	-26.1%	
7		transfers granted	(54,583)		(57,123)			4 404	
8	135	Town Accountant	94,271	92,446	89,353	49,047	93,303	4.4%	
9	141	Assessors	132,283	109,748	137,215	58,940	132,653	-3.3%	
10	145	Treasurer/Collector	153,291	139,077	155,741	84,427	157,424	1.1%	
11	151	Legal - Town Counsel	476,500	358,052	260,000	112,499	260,000	0.0%	
12	152	Personnel Board	13,644	13,438	14,038	7,969	14,038	0.0%	
13	153	Internet/Network	22,800	18,434	22,800	12,433	22,800	0.0%	
14	161	Town Clerk	60,714	59,854	74,155	34,799	67,481	-9.0%	
15	162	Elections	9,715	2,423	10,574	4,958	10,574	0.0%	
16	163	Registrations	3,650	2,898	3,650	864	3,650	0.0%	
17	165	Licensing Board	2,692	2,692	2,742	1,591	2,742	0.0%	
18	171	Conservation Comm.	25,916	14,390	26,025	6,656	26,857	3.2%	
19	175	Planning Board	14,994	12,899	15,188	9,597	15,372	1.2%	
20	176	Zoning Board	2,298	1,980	2,324	848	2,324	0.0%	
21	179	Conomo Point	2,667	2,667	2,717	1,416	2,717	0.0%	
22	181	Open Space Committee	400			-	-	0.0%	
23	193	Town Property	84,206	74,578	78,914	36,460	75,584	-4.2%	
24	193	Blanket Insurance	85,508	78,639	99,868	79,416	104,861	5.0%	
25	195	Town Report	4,000	3,422	4,000	-	4,000	0.0%	
26		General Government	1,418,219	1,175,761	1,285,133	609,171	1,325,572	3.1%	-
27	210	Police	1,067,680	1,027,545	1,099,428	568,902	1,119,150	1.8%	
28	211	ECO	33,787	29,859	3,800	1,773	3,500	-7.9%	
29	220	Fire	286,852	252,308	291,942	150,121	296,796	1.7%	
30	231	Ambulance	77,093	54,492	78,057	26,258	78,157	0.1%	
31	241	Building Inspector	21,551	20,324	21,948	11,665	23,948	9.1%	
32	243	Plumbing Inspector	5,763	5,763	5,874	3,310	5,874	0.0%	
33	245	Electrical Inspector	5,713	5,713	5,824	3,310	5,824	0.0%	
34	291	Emergency Management	1,750	1,492	1,750	-	1,750	0.0%	
35	292	Animal Inspector	3,660	3,660	5,500	5,500	5,500	0.0%	
36	293	Animal Control Officer	5,960	4,603	10,300	5,292	14,300	38.8%	
37	295	Harbormaster	36,754	34,898	37,788	9,578	44,138	16.8%	
38	299	Shellfish	54,014	49,100	54,961	27,098	54,961	0.0%	
39		Public Safety	1,600,577	1,489,757	1,617,172	812,807	1,653,898	2.3%	-
40	300	MERSD Assessment	6,481,083	6,481,083	6,665,060	3,887,952	7,228,425	8.5%	
41	310	E.N.S.A.&T.S.D. Assessment	106,275	103,985	119,433	52,974	200,000	67.5%	
42	CSI	Essex Agricultural	Cherry Sheet		Cherry Sheet		Cherry Sheet		
43		Education	6,587,358	6,585,068	6,784,493	3,940,926	7,428,425	9.5%	-
44	420	Highway	567,683	549,818	537,814	276,481	581,899	8.2%	
45	423	Snow Removal	128,061	128,061	79,578	14,129	81,028	1.8%	
46	424	Street Lighting	13,727	13,727	13,000	6,831	18,070	39.0%	·
47	430	Transfer Station & Recycling	205,331	193,180	207,647	82,849	213,440	2.8%	
48	449	WW - Sampling, Legal	-	-	16,500		16,500	0.0%	·
49	491	Cemetery	54,108	50,785	56,647	20,902	58,057	2.5%	
50		Dept. of Public Works	968,910	935,571	911,186	401,192	968,994	6.3%	-
				•					

Transfers included in totals Town of Essex 2/9/2015/Page 2 FY 2016 Budget Summary

	Α	В	С	D	E	F	G	Н	I
1		Department	FY14 Budget	FY14 Actual	FY15 Budget	FY15 Exp thru 1/22/15	FY16 Requested	% change	FY16 Fin Comm
51	512	Board of Health	138,653	133,336	141,352	73,582	143,904	1.8%	
52	520	Social Service Agencies	2,502	1,768	2,500	-	2,500	0.0%	
53	541	Council on Aging	23,410	15,694	36,808	7,675	52,520	42.7%	
54	543	Veterans Benefits	34,500	24,192	49,500	27,123	55,000	11.1%	
55	546	Centennial Grove Sanitation	4,500	3,238	5,700	1,574	5,700	0.0%	
56		Health & Human Services	203,565	178,228	235,860	109,954	259,624	10.1%	-
57	610	Library	110,413	108,025	117,651	65,668	129,267	9.9%	
58	691	Historical Commission	1,500	-	1,500	-	1,500	0.0%	
59	692	Memorial Day	900	900	900	-	900	0.0%	
60		Culture & Recreation	112,813	108,925	120,051	65,668	131,667	9.7%	-
61	710	Maturing Debt Principal	105,000	105,000	100,000	100,000	95,000	-5.0%	
62	750	Maturing Debt Interest	7,562	7,562	3,864	3,864	15,221	293.9%	
63		MERSD - Debt Assessment	811,358	811,358	895,384	684,751	779,106	-13.0%	
64		E.N.S.A&T.S. Debt Assmnt	6,185	6,185	incl in #310	-	incl in #310	0.0%	
65	750	Short Term Interest			38,600	-	15,000	-61.1%	
66		Debt & Interest	930,105	930,105	1,037,848	788,615	904,327	-12.9%	-
67	911	Retirement Assessment	320,767	314,473	371,507	364,427	402,786	8.4%	
68	912	Workers' Comp Insurance	19,337	4,992	23,204	7,070	26,685	15.0%	
69	912	Unemployment Insurance	20,000	3	1,000		1,000	0.0%	
70	914	Group Insurance	534,890	426,865	555,124	244,287	657,400	18.4%	
71	945	FICA/Medicare	62,371	62,371	63,760	34,471	65,162	2.2%	
72		Other	957,365	808,704	1,014,595	650,255	1,153,033	13.6%	-
73	Total Ge	neral Government	12,778,912	12,212,119	13,006,338	7,378,588	13,825,540	6.3%	-
74			, ,	, ,	· · ·	, ,	, ,		
75	Total Sele	ectmen's submitted budgets \$1,618,446.							
76		Enterprise Funds							
77	6150	Water Enterprise	530,084	493,902	564,686	296,632	564,180	-0.1%	
78		Water - Allocated Costs	102,268	97,910	104,705	88,570	118,300	13.0%	
79		Water - Debt Principal	30,000	30,000	30,000	30,000	33,000	10.0%	
80		Water - Debt Interest	11,175	11,175	10,013	6,306	4,500	-55.1%	
81		Short Term Princ. Paydown	12,000	12,000	12,000	12,000	12,000	0.0%	
82		Short Term Interest BAN	752	751	798	798	620	-22.3%	
83		sub total Water	686,279	645,738	722,202	434,306	732,600	1.4%	-
84				,	, -	,,,,,,,	,,,,,,,		
85	6250	Sewer Enterprise	576,087	567,663	646,066	348,560	671,932	4.0%	
86	0200	Sewer - Allocated Costs	55,296	52,848	58,287	42,026	64,403	10.5%	
87		Sewer - Debt Principal	1,126,399	1,126,398	1,139,720	1,139,720	1,161,162	1.9%	
88		Sewer - Debt Admin fees	22,242	22,239	20,464	20,464	18.654	-8.8%	
89		Sewer - Debt Interest	132,110	132,108	118,450	101,746	89,460	-24.5%	
90		sub total Sewer	1,912,134	1,901,256	1,982,987	1,652,516	2,005,611	1.1%	-
91		ous total collect	-,0.2,.0.	.,001,200	,002,001	1,002,010	2,000,011	,	
92									
	Total En	terprise Funds	2,598,413	2,546,994	2,705,189	2,086,822	2,738,211	1.2%	
94	. Jiai Ell	terprise i unus	2,030,413	2,370,334	2,103,103	2,000,022	2,730,211	1.4/0	-
95		Grand Total Gon'l 9 Enteres	15 277 225	14 750 442	15 744 507	0.465.440	16 EC2 7F4	5.4%	
		Grand Total Gen'l & Entprse	15,377,325	14,759,113	15,711,527	9,465,410	16,563,751	5.4%	
96									