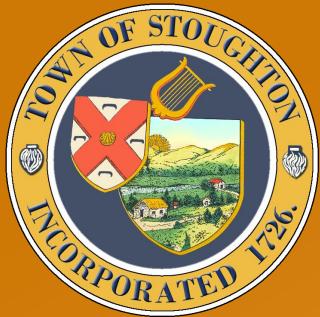


TOWN OF STOUGHTON FY 2024 MUNICIPAL BUDGET

Thomas Calter, Town Manager



**PRESENTATION TO THE TOWN
APRIL 24, 2023**



FY24 BUDGET PRESENTATION

TOWN MANAGER BUDGET TEAM

Marc Tisdelle, Chairman

William Rowe, Town Accountant

Fran Bruttaniti, Director of Procurement

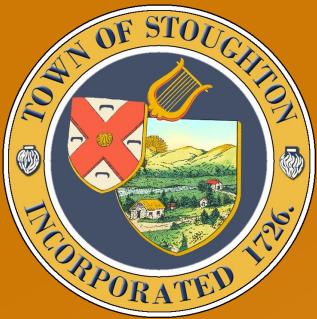
Deanna Chatsko, Director of Human Resources

Trish Shropshire, Director of Information Technology

Paul Giffune, Director of Public Works

Mary Jane Martin, Assistant Town Accountant

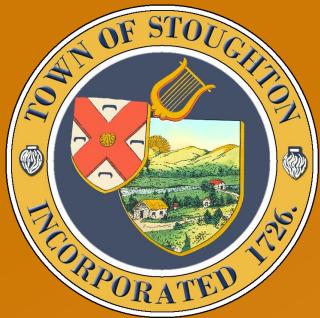
Thank You Budget Team!!!!



FY24 BUDGET PRESENTATION

BUDGET PRIORITIES

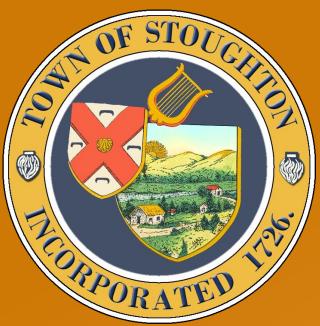
- Level Service
- Balanced FY24 Budget
- Cross functional staff assignments. Succession planning... Further staff consolidation
- Health Insurance. 25.9% increase, including a premium increase of 23.51% to the Town and employees (70/30) and retirees (50/50). Plan design changes and opt out will be implemented on July 1.
- Enterprise fund rate Increases are subject to Select Board approval: Water 27.4% increase and Sewer 17.2% would be needed to break even.
- Moderate growth in local receipts.
- Projections for labor negotiations and non-union employees (2% average).
- Increased efforts on Permitting, Licensure and Public Record Requests.
- Increased emphasis on Diversity, Equity and Inclusion.
- Investment in the restructuring of pay scales and job descriptions.
- Strategic 4-year Capital Plan implementation.
- Renewed emphasis on the auditing of internal operations and management controls.



FY24 BUDGET PRESENTATION

PROJECTED REVENUE SUMMARY

Property Taxes =	\$83,505,808 (2.5 % plus new growth and debt exclusions)
State Aid =	\$25,770,655
Free Cash =	\$ 2,300,000
Local Receipts =	\$11,414,543
Enterprise reimbursements=	\$ 1,717,894
Other Available Funds =	\$ 71,594
 Total Estimated Revenue=	 \$124,780,494



FY24 BUDGET PRESENTATION

OVERALL FY24 BUDGET EXPENSE SUMMARY

Municipal Departments

Total Municipal Departments = +4.3% (\$1.3M)

Education Costs

Total Educational Costs = +6.6% (\$3.7M)

Joint Expenses = +15.7% (\$4.5M)

Total General Fund = +8.3% (\$9.5M)



FY24 BUDGET PRESENTATION

JOINT COSTS

Joint Costs

Debt Service (Excluded) = +0%

Debt Service = +9.0%

*Health Insurance = +23.3% ←

Town-wide Expenses & Insurance = 1.3%

**Retirement = 10.6% ←

Sewer Fund Subsidy = \$858,577

Total Joint Costs = 15.7% Increase ←

Key Budget Drivers

Notes:

*1. The Health Insurance Trust fund would not support future expenses without a substantial increase in premiums. Plan re-structuring (co-pays, deductibles, employee/employer contribution, etc.) is needed. Plan design options have been implemented including an incentive to opt out of health insurance. **The overall increase to the Town expense from FY23 equates to \$2,517,867.**

2. Retirement system contribution has increased by 10.6%. **This equates to an increase from FY23 of \$765,051.



FY24 BUDGET PRESENTATION

ENTERPRISE ACCOUNTS

Enterprise Accounts Summary

Water Enterprise = +3.0%

*Subsidy from MWRA Fund = \$1,289,836

Sewer Enterprise = +8.5%

Subsidy from General Fund = \$858,577

Cedar Hill = +10.3%

No subsidy. \$106,000 in retained earnings

Public Health = +1.5%

Subsidy from ARPA = \$328,512

Total Subsidy from non-Enterprise sources = \$2,476,925

Future Budget Drivers

Notes:

*1. Select Board can vote from the MWRA Infrastructure Fund to balance the Water Enterprise account. There is \$3,370,405 in the MWRA account with another \$651,546 anticipated before the end of FY2023. Contributions to this account will expire over the next few years.



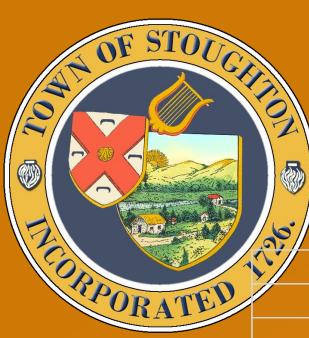
FY24 BUDGET PRESENTATION

DEPARTMENT STRUCTURAL CHANGES

New Positions:

Police Department:	Deputy Police Chief (0.5 FTE)
Building Department:	Building Inspector (0.50 FTE)
Public Works:	Laborer/Truck Driver (1 FTE)
Town Clerk	Clerk, public records (1 FTE)
Fire Department	Three firefighters (3 FTE)
Cedar Hill	Asst. Superintendent (.54 FTE)

Total New Position General Government FTE's = 6.04



FY24 BUDGET PRESENTATION

VARIANCES BETWEEN SELECT BOARD AND FINCOM

	Select Board		FinCom		Net Change		<u>Comment</u>
	Amount	FTE	Amount	FTE	Amount	FTE	
Town Manager	\$ 445,178	3.00	\$ 415,178	3.00	\$ (30,000)	-	FinCom did not endorse the funding of Assistant Town Manager pay. An amended motion is expected.
Finance Committee	\$ 422,250	-	\$ 407,802	-	\$ (14,448)	-	FinCom increased expenses and reduced the Reserve Fund to balance the budget
Information Systems	\$ 592,198	2.40	\$ 572,198	2.40	\$ (20,000)	-	FinCom did not endorse the funding of additional duties for the Department Head to manage Assessing. Management concurs. The current intent is to fund this change through the Assessing Department until a full-time Director of Assessing can be hired.
Town Clerk	\$ 334,184	3.54	\$ 354,184	4.00	\$ 20,000	0.46	FinCom funded a full-time Clerk instead of part-time. Management concurs.
Planning Board	\$ 174,619	1.17	\$ 172,419	1.17	\$ (2,200)	-	FinCom did not endorse a 2% increase for the new Town Planner on July 1. Management concurs.
Civilian Dispatchers	\$ 675,002	7.00	\$ 853,772	10.00	\$ 178,770	3.00	FinCom did not endorse the Select Board reduction of four dispatchers for nine months. Management concurs.
Fire	\$ 7,562,683	68.00	\$ 7,478,170	67.00	\$ (84,513)	(1.00)	FinCom did not endorse the addition of three firefighters, only two. An amended motion is expected for the addition of the third firefighter.
Regional Schools	\$ 1,563,480	-	\$ 1,563,831	-	\$ 351	-	adjustment to actual
Debt Service	\$ 8,947,760	-	\$ 8,945,228	-	\$ (2,532)	-	adjustment to actual
Other Financing Uses	\$ 983,751	-	\$ 938,551		\$ (45,200)	-	FinCom reduced the subsidy as a result of the reduction to the Public Health/VNA budget. Management concurs.
Public Health/VNA	\$ 1,209,530	9.70	\$ 1,164,330	9.70	\$ (45,200)	-	FinCom reduced the contracted services line. Management concurs.
Cedar Hill	\$ 450,494	3.17	\$ 440,939	3.17	\$ (9,555)	-	FinCom reduced the salary of the Department Head based upon its analysis of comparable municipal golf courses. Management does not concur.



FY24 BUDGET PRESENTATION

FUTURE BUDGET GOALS TO WORK ON

1. Consistent with Charter, establish 4-year Capital Plan to better understand long term debt.
2. Advanced understanding and analysis of the Enterprise Accounts. Implement a long-term funding plan for all accounts which emphasizes independence and sustainability.
3. Establish a sustainable financial plan for health care.
4. Focus our Economic Development initiatives to increase commercial tax revenue growth.
5. Increase efficiencies through consolidation, automation, and centralized purchasing.
6. Eliminate budgetary dependence on Free Cash in accordance with the FinCom policy.
7. Staff professional development.
8. Improve communication and transparency with the Community.
9. Achieve labor harmony with all employees.
10. Significantly improve infrastructure, i.e., roads and water/sewer distribution.
11. Conduct a financial summit among senior staff, Select Board, School Committee and FinCom for FY2025.