

Town of Templeton



TA's Recommended FY 2019
Budget & Legislative Package
February 26, 2018

My Premises

- Zero Based Budget: From the Ground Up;
- Reflected on our review of work-flow & structure to date;
- Focus is continued improvement on those to date (ODS & DPW)
- Suggest those believe still needed (Community Services)

The FY '19 Number Becomes...

***\$15,961,671 Total**

*\$7,228,579 Education – CRITICAL ASSUMPTION
(NRSD & MontyTech)

*\$8,315,481 Town General Fund
(Utility Debt & Beni's)

[+ Cherry Sheet Offsets & Abatements]

The Major Revenues⁺:

Up

2.5% Increase	\$226,701
New Growth of	\$65,000
UGGA	\$48,758

Down

Reduced MA Pilot	\$30,000
Eliminate Surplus/Timber	\$10,000
Ambulance at time of ATM	\$75,000

Now – The Cost Drivers:

- Contractual COLAs \$15,000+/-
- CBAs & COLAs & CBA \$40,000+/-
- Catch Basin Cleaning \$13,000+/-
- Insurance & Benefits \$100,000+/-
- Electricity \$7,500+/-
- Build to 53 Week Payroll \$10,000+/-

Now – The Cost Drivers Continued:

Note: Must absorb \$75K over next four years for electricity and 53 week payroll.

Debt excluded but... \$500k payment on the school BAN

Safety Valves & Needs:

One potential safety valve - Retiree Dental \$13,000 +/-

No other substantive safety valves for added savings w/out reduction in services or further restructuring of how services are delivered

If savings identified I recommend you:

Concentrate on Capital and one-off expenditures

The Budget As Policy

More than \$s and ¢

It's the single biggest policy decision of the year setting

- 1.) The services you will deliver;
- 2.) How you will do so; and
- 3.) The resources you will allocated for it.

FY '19 Focus

- FY 2019 budget is often referred to as a zero-based budget
- Built from clean sheet of paper based upon our service priorities and resources needed by the Departments
- I reflected upon the time I have spent reviewing the work flow and organizational structure

The Major \$ Initiatives

- Executive Officers:

Merit & Equity Adjustments \$40,000

[non-union personnel and Police CBA]

- Administration & Finance:

Town Clerk: Elections \$6,750

[State Primary and General]

The Major \$ Initiatives (cont.)

Administration & Finance:

IT

[Microsoft Office 365 & Install]	\$15,000 +/-
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[Master Copier Lease]	\$17,400 +/-
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Assessing

[Upgrade Vison assessing software; ours is shortly to be discontinued]	\$20,000
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The Major \$ Initiatives (cont.)

Public Works:

Highway OPEX:

- Catch basin cleaning \$13,000
 - Saves \$8k Capital and 960^{+/-} man-hours per year



The Major \$ Initiatives (cont.)

Highway CAPEX:

- F550 Dump Truck & Wing Plow **\$85,000**

- Relies on Meals Tax to Finance 3 Year lease (\$30K)



The Major \$ Initiatives (cont.)

Public Works:

Buildings & Grounds:

- Electrical Panels \$18,750
[Highway, Baldwinville Fire, T.C. Fire]
- Town Hall \$2,500
[ADA Compliant Doors & Hardware (Phase 1)]
- Security Alarm \$5,400
[Town Hall]

The Major \$ Initiatives (cont.)

Public Works:

Buildings & Grounds Capital:

- | | |
|------------------------------------|-----------------|
| • Roof Replacement – Greenlawn | \$10,000 |
| • Infield Groomer | \$15,000* |
| • Gillman Waite Irrigation (Ph. 1) | \$30,000 |
| • John Deere Tractor GX 545 | <u>\$8,500*</u> |

Total \$65,500

The infield groomer allows us to double our service of the fields. It puts **750^{+/-}** man hours onto our staffing schedule annually.

* As presented, all or portions of this item are dependent upon the approval of the TMLWP of our pending request.

The Major \$ Initiatives (cont.)

Public Safety:

Fire/EMS:

- Over-Ride to Support the ALS ambulance.

60¢ on the Tax Rate; \$120 for average \$200k house

- The bottom line is this:
 - The service has cost far more to deploy than was presented to you; and
 - Even after the rate increases, you simply do not have enough calls
- On the plus side I need people to remember that:
 - You will still incur substantial expense to provide first responder services; and
 - W/out Career FF/EMTS, reliant upon Call Fire Fighters to roll fire equipment

The Major \$ Initiatives (cont.)

Public Safety:

Fire/EMS Capital:

- TMLWP approval, to continue replacing SCBA bottles (\$10K)
- Replace 2007 Chief's Command Car w/Ford F150 Interceptor
[In Year 5 this will become the needed utility vehicle]

The Major \$ Initiatives (cont.)

- Swing freed up \$92.5k from debt payment on 252 Baldwinville to Replace 1987 Engine 3
[six-year replacement cycle for the major apparatus]



The Major \$ Initiatives (cont.)

Public Safety:

Police Opex:

- **Connect TY - Reverse 911** **\$8,000**

– unlimited messaging; may be used by

Emergency Management Director as well

The Major \$ Initiatives (cont.)

Police Capital:

- **Cruiser** - replace 2011 **\$42,225**
 - Like DPW One-Ton; relies upon 3 year lease financed by Local Option Meals Tax



\$12K(3yr)

The Major \$ Initiatives (cont.)

- **Office of Community Services**

&

Community Services Director

[Library, VSO, Recreation & Culture, Cable, and CoA]

Moves current 30 hour position to 40 in compliance
with Control & Reduction of Cost of Benefits Policy

- **Revolving Fund**

The Major \$ Initiatives (cont.)

Library Capital:

- Foundation & Mechanical Maintenance – \$18,500
 - Interior Renovation - wall & ceiling work, front door, flooring \$37,500
 - Exterior Renovation - crack sealing stairs, exterior trim \$23,700
 - Roof - shingle replacement \$12,750
- Total: \$92,000 +/-**
- The funding sources for these renovations would come from the Ann & Ed Nordfors Gift account and the Community Preservation Act.

The Major \$ Initiatives (cont.)

Senior Services:

- Meals on Wheels cut by half to buy time until alternative delivery systems developed (\$6k)

[17+/- persons and \$12.5k/year in staff costs alone.]

Sewer Department

Operating Budget:

- Administrative Assistant at 40 hrs/wk in compliance with Reduction of Cost of Benefits Policy
- Matches approach in general fund budgets re: 52.2 wks and reserve for non-contractual wages
- \$25k emergency reserve/contingency fund
- Some retained earnings required

Sewer Department

- **Reserve Contributions:**

 - \$100k for CAPEX

 - \$25k for OPEB

- **Deferred Maintenance:**

 - \$70k as requested

Cable Department

Eliminate \$3k/member stipend

Fold into Community Services Team for synergy

Other Administrative Matters (cont)

- Local Option Meals Tax:

\$42k/year per Department of Revenue (DOR)

- Finances three-year lease on:
 - **Police cruiser (\$42,225)**
 - **One-ton dump truck (\$85,000)**
- Supports regular replacement schedule

ATM Warrant Articles

- There are several by-law amendments proposed
- If passed would allow BoS membership on ad-hoc committees in accord with MGL Ch. 268A
- Modify by-law in accordance with current number of precincts
- Address changes in state law or prior comments of the Attorney General

ATM Warrant Articles

Modify By-Law on the A.C. as follows:

- Allow the Moderator to fill vacancies
- Clarify their role in commenting on the warrant
- Float when materials are due to it in relation to the TMs
- Provide earlier issuance of their report(s) to the public

Recommendations

- 1. Re-Examine Health Insurance Options**
- 2. Approach Phillipston for a Contribution to the Senior Center**
- 3. Move to Bi-Weekly Pay**
- 4. Position Vacancy Analysis Policy**

Requests Not Recommended

Administration and Finance:

- **Advisory Committee:** We could not accommodate their request to increase their reserve fund from \$35k to \$80k.

Public Safety:

- **Emergency Management:** The Department requested a used one-ton crew cab to be utilized during emergency situations

Challenges for FY 2019 & Beyond

- Develop Plan B for the Police Station
- Continuing Improvement of the Financial Process
- Continuing Improvement of the Budget Process
- Review and Update All Job Descriptions
- Explore A Formal Agreement with NRSD on the Sharing of Increased Revenues

Challenges Addressed

Looking Backwards – In Progress or Completed:

- **Completed: Make the Capital Planning Process Operational**

The current process for the Capital Planning Committee functioned with consistent attendance, after its restructuring. The majority of our units did submit their projects for review in accordance with the By-Law and FY19 budget process.

- **Completed: Establish a Formal Road Improvement Program:**

We have contracted for the development of a formal Road Surface Management System (RSMS) or Pavement Management System (PMS) to guide your decision-making process.

And Now...

Thanks for your Attention and Patience

The Staff and I look forward to working with you

Starts:

March 5 at 6:30 p.m. here in Town Hall w/Advisory Committee