




2018 Budget Hearing Presentation



Barrington High School Auditorium
May 9, 2018



Committee on Appropriations Members

Richard Staples, Chair

Josh Berlinsky, Vice Chair

Dr. Frank “Scott” Douglas

Tricia Marlar

Dr. Cynthia Rosengard

Committee on Appropriations in the Town Charter

7-2-1 Membership and Duties [Amended 11-2-2004; 11-4-2014]

Before adjournment of the Annual Financial Town Meeting [AFTM], the meeting shall elect a committee of five (5) persons to hold a public meeting on the Wednesday two (2) weeks prior to the AFTM at 7:00 pm for the purpose of hearing all registered voters of the Town interested in preparing a budget to be presented to the AFTM and to submit a printed report of their recommendations for expenditures by the AFTM, and the amount of tax which will be necessary to levy to pay such expenses.

7-2-3 Election [Amended 11-4-2014]

Any number of nominations to the Committee can be made at the AFTM, and voted on by the registered voters present at the time for the election. In the event of the nomination of more than five (5) persons, the five (5) nominees receiving the greater number of votes shall be elected to the Committee. Members shall be elected to two-year staggered terms, beginning in May 2015, when three (3) members shall be elected for a two-year term and two (2) members shall be elected to a one year-term. In subsequent elections, members shall be elected to two-year terms.

Committee on Appropriations Process

Prior Fiscal Years

- Meetings from January to May

This Fiscal Year

- Meetings all year - 18 meetings to date
- Meeting schedule and topics provided to officials and media in advance
- First six months focused on educating and orientation in preparation for budget review process
- Four meetings held in neighborhood settings
- Detailed minutes available for each meeting – some audio recorded and archived

Budget Forecasting Committee

Composition

- Committee on Appropriations (2)
- Town Council (2)
- School Committee (2)
- Municipal & School Administrators

Prior Fiscal Years

- Quarterly meetings (or less) & no report since 2012

This Fiscal Year

- Monthly meetings from June to January (total of 8 meetings)
- Pensions presentation in July
- 31-page report presented in January

Budget Forecasting Committee

The Budget Forecast January 30 Report

- Required by state law; consistent with best practice
- Five year forecast based on current information, hypotheses, assumptions

Highlights

- Town's financial strengths, challenges and opportunities
- Comparative data to other jurisdictions and indexes
- Upcoming fiscal variables; mandates
- Capital improvement needs and projects; impacts on borrowing
- Debt service forecast
- Pension funds status

Budget Forecast Report January 30, 2018

Committee on Appropriations Guiding Principles

Five Guiding Principles

1. Recognize need for austere budgets
2. Recognize need for responsible investment plan
3. Encourage actions with high return on investment
4. Identify sources of collaboration and cost-sharing
5. Reference budget and planning best practices

Other Commitments

- All meetings open and including public comment
- Improved, accessible communication
- Full meeting schedule published in advance with dates, locations, agenda focus
- Pensions presentation in April
- Ongoing collection of information to be shared with FY 2019-20 Budget Forecasting Committee

Significant COA Findings

Observations of Process

- Value of Budget Forecasting Committee process and report
- Value of experienced, professional Municipal and School administrators and staff
- Alternating agenda focus on Municipal or Schools – respectful of time commitments
- Operate on consensus model – frequent reviews of earlier consensus to encourage further input
- Collaborative discussions with officials over last 10 months – questions, answers, documentation
- Openness to iterative process and adaptation – guiding principles, year-round meeting schedule
- Discussion of and documentation of questions and answers from COA and submitted by public

Significant COA Findings

Observations of Budgets

- Budget processes include robust annual review of needs – zero-based and/or past utilization rates
- Operating budgets over past several years show only modest incremental increases
- Labor costs are majority percentage driver of budget cost trends – labor contracts and parity
- “Non-operating” budget expenses can impact increases – debt service, capital expenses
- Pension status demonstrates responsible stewardship – awareness, impacts on local taxpayers
- Actual school year enrollments can impact financial reallocations within schools budget
- Importance of municipal and schools fiscal stewardship and practices on bond rating agency ratings
- Significant positive impacts from grant dollar revenues and volunteer hours
- No change anticipated in car tax revenue projections from FY 2017-18
- Modest tax levy impact anticipated from expansion of senior and veteran exemption programs

Four Town Budgets

Reviews & Recommendations

Town Capital Improvement Plan Budget

Presented on February 6, 27; Discussed on March 27

Planning Board Committee Recommendations: \$1,123,500 (+2.14%)

Modification Requests:

- Town Manager - Fire Department increase from \$85K to \$90K
- Town Manager - Public Works increase from \$0 to \$75K
- Town Council - Conservation Land Acquisition increase from \$0 to \$10K
- School Department - Technology increase from \$175K to \$260K

Total adjustment: \$175,000

COA Recommendation: \$1,298,500 (+18.05%)

School Department Operating Budget

Presented on March 6; Discussed on March 20 & 27, April 3, 9, 11, & 24

Original Budget Request: \$50,839,201 (+3.34%)

Notable Increases:

- Contractual increases \$734,461 (+2.47%)
- Personnel benefits (health insurance, pensions) \$565,941 (+7.73%)
- Professional services \$325,327 (+6.71%)

Notable Modification/Decrease:

- Personnel benefits (health insurance) - \$207,987

COA Recommendation: \$50,628,214 (+2.97%)

Municipal Operating Budget

Presented on March 27; Discussed on April 3, 9, 11, & 24

Original Budget Request: \$16,623,690 (+2.55%)

Notable Variances:

- Board of Canvassers: \$15,125 (+87.94%)
- Police Dept: \$107,786 (+4.54%)
- Most other variances offset by inter-department reallocations

Notable Modification/Decrease:

- Personnel benefits (health insurance) -\$168,000

COA Recommendation: \$16,452,690 (+1.49%)

Municipal Finance Projects

Presented on February 27; Discussed on March 27 and April 9

Peck Center Facility Walkthrough & Overview on April 9

Financing Request: \$6,000,000

Projects Financed:

- Roadways, drainage, sidewalks: \$3,500,000
- Peck Center roof, interior renovations; \$2,500,000

Anticipated Annual Debt Service Increase: \$472,644 (+8.75%)

COA Debt Service Recommendation: \$5,874,527 (+8.75%)

Total Impact: All Four Fiscal Year 2018-2019 Recommended Budgets

Budget Category	Recommended Total	Amount Change (%)
Municipal Operating	\$16,452,690	\$241,976 (+1.49%)
Schools Operating	\$50,628,214	\$1,459,368 (+2.97%)
<i>Total Town Operating</i>	<i>\$67,080,904</i>	<i>\$1,701,344 (+2.60%)</i>
Municipal Capital	\$1,298,500	\$198,500 (+18.05)
Principal & Interest on Debt	\$5,874,527	\$472,644 (+8.75%)
<i>Total Capital & Debt</i>	<i>\$7,173,027</i>	<i>\$671,144 (+10.32%)</i>
TOTAL TOWN (All)	\$74,253.931	\$2,372,488 (+3.30%)

Impact on Tax Levy

Total Recommended Town Budget Expenses	\$74,253.931
Less: Budgeted Town Revenues (except tax receipts)	<u>-\$9,782,983</u>
Net Expenses to be Funded by Receipts via Tax Levy	\$64,470,948

Anticipated Tax Levy Increase **+2.28%**

Town of Barrington



Barrington Committee on Appropriations Meeting Minutes

Barrington Budget Forecast Committee Meeting Minutes