

Fiscal Year 2021 - Quad Board Budget Kickoff

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General Discussions

1. Fiscal Year 2021 Budget Timeline
2. Future Planning
 1. Building Projects
 2. Stabilization Accounts
 3. Debt Funding Strategy
3. Tax Levy and Local Receipts
4. Department Priorities

Budget Timeline

- ✓ Nov 15th - Department Heads submit budgets & fee recommendations
- ✓ Jan 2nd – TA to submit draft budget to BOS & FinCom
- ✓ Jan 15th – CIC to submit recommendations to BOS & TA
- ✓ Jan 20th – Governor releases budget
- ✓ Mar 4th – Budget Hearings
- ✓ Mar 18th – Public Hearing on Departmental Fees

Building/Infrastructure Projects

1. \$20m plus for anticipated building projects
 - DPW Facility - \$6m
 - South End Fire Station - \$4.2m with apparatus
 - 540 Arcade Ave - \$1.4m
 - Library - \$15.8m (potential grant of \$7m)
 - High School Turf Field - \$2m
 - School Recreational Facilities – Cost TBD
 - School Building Projects – Cost TBD

Stabilization Accounts

1. Stabilization Fund

- Balance of \$4,590,309
- Need to begin discussion on funding policy with FinCom and BOS

2. Municipal Capital Stab Fund

- Balance of \$608,775.42
- Need to begin discussion on balance/funding policy with FinCom, BOS, & CIC
 - Typically fund \$200k from operating budget and \$500,000 from Free Cash
- Discussion about Debt Funding Strategy

3. Public Building and Infrastructure Stab Account

- Not yet established (Funding of \$200k at Fall Town Meeting)
- Need to begin discussion on balance/funding policy with FinCom and BOS
- Discussion about Debt Funding Strategy

Debt Strategy

1. Debt Exclusion

- A temporary tax increase for the length of the bond issue for a specific project

2. Debt payments built into the General Fund

- Debt service as a percent of General Fund expenditures should generally be less than 10%
 - ✓ General Fund \$57.6m – 10% rule would be not to exceed \$5.7m in principal and interest in a given year
- Total debt should generally be less than 100% of annual general fund revenues

Revenue & Department Priorities

1. Revenue

- 2.5% Tax Increase – Generates on average \$1m plus of new revenue yearly
- New Growth – Average estimate of \$400k in new revenue yearly
- Debt Exclusion – generates yearly interest payments on debt excluded projects
- Local Receipts – generates roughly 2% increase year-over-year (\$150k)

2. Department Priorities

- Town side of budget : DPW Staffing 2 FTEs

Questions

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