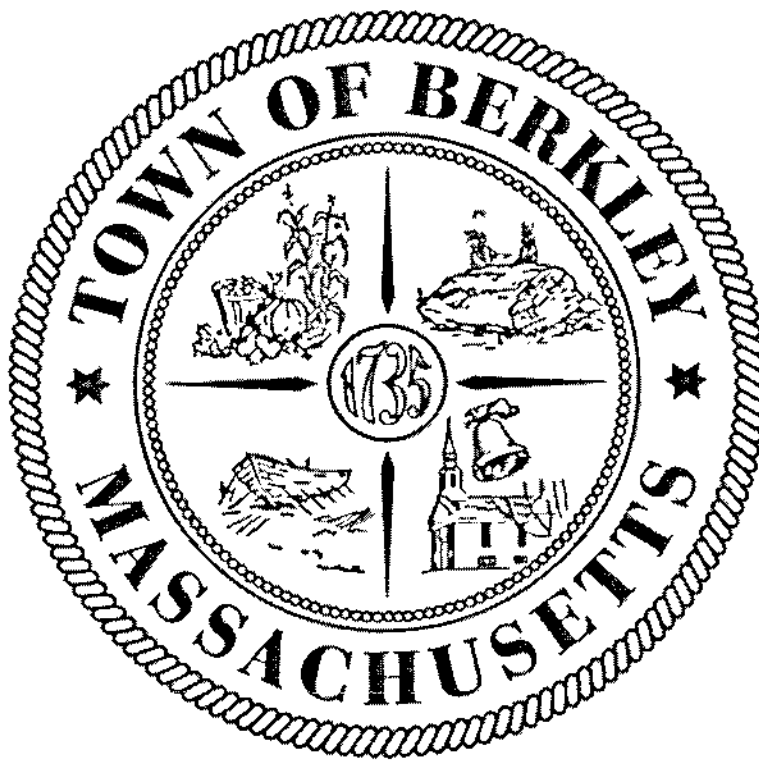


Town of Berkley

Annual Town Meeting

June 3, 2019



FY2020 Budget

FY 2020 Budget Presentation to the Town of Berkley

June 3, 2019

This Fiscal Year 2020 Budget season was a routine budget season with the proposition 2 ½ override in support of the Somerset Berkley High School in FY19 this allowed this budget season to address some needed concerns that the town was facing. The SBHS stabilization fund if kept to it's 3% annual increase should be enough for its proposed period of time. This year's Somerset Berkley total assessment was levied at 4.01 percent. This was anticipated this year to the increased enrollment by Berkley students.

A more detailed look at the FY 20 Budget will be presented in the upcoming presentation. The Gross Domestic Product (GDP) grew at an annual rate of 2.8 percent. Employment rate just released in April 2019 at level of 3.6%, it was the lowest jobless rate since December 1969. The economy continues to grow, and inflation continues to be at 2% through April 2019. The Federal Reserve's benchmark interest rates have increased to 2.44% the highest it's been since the central bank began raising rates in December 2015. The Federal Reserve will continue to monitor inflation and that will dictate the Federal Reserve's actions on maintaining interest rates or increasing them if inflation continues to rise.

The Massachusetts economy faces challenges despite continuing prosperity per Mass Benchmarks estimates that in the third quarter of 2018, the state's gross domestic product growth kept pace with the nation's own strong GDP expansion. Massachusetts' unemployment rate in September was half a percentage point lower than in September of 2017. In the first quarter of 2019, Massachusetts real gross domestic product grew at a 4.6 percent annual rate according to Mass Benchmarks, while U.S. real gross domestic product grew 3.2 percent according to the U.S. Bureau of Economic Analysis. Based on the latest information available, we now estimate that in the fourth quarter of 2018, the state's economy grew at a 2.3 percent annual rate of growth while the U.S. economy grew at a 2.2 percent rate according to the U.S. Bureau of Economic Analysis. State policymakers, however, must come to terms with labor market threats posed by daunting house prices and commutes.

The total proposed budget for FY20 is **20,315,493.00**. Revenue growth which excludes stabilization accounts was 2.6%, of that local aid grew a tepid 1.03%. Chapter 70 Funds (Education Monies) increased by 14,840 from the previous year. The state legislature continues to debate the inadequate funding mechanism. The priority is gateway cities and Berkley isn't one of them.

A summary of the Finance Committee's budget recommendation for Fiscal Year 2020 include:

1. Overall the Budget Increased \$814,933 from FY19 or at a 4.02 percent.
2. Total Revenue was \$21,163, 204.25
3. The recommended Budget that the Finance Committee is proposing is \$20,310, 493.00
4. Fully fund the Somerset Berkley Regional School Districts budget request of \$2,581,970 a 4% increase
5. K-8 Budget increased by \$256,000 a 3.04% increase.
6. EMS coverage for Sundays is in this budget.
7. Library fully funded, 2nd year in a row.
8. Getting our municipal and other employees in town to a living wage some to minimum wages by reducing the 20-year grid to a 10-year grid. (One-time increase).
9. The Funding of positions that we partially filled in FY 19 and now budgeted for a complete year such as, Assistant Accountant Clerk (identified by a previous audit as a need), Human Resources Assistant Treasurer Position, and the Council on Aging Director that was established in December/January of 2019.
10. Police Cruiser is in this budget to continue updating our fleet and to reduce maintenance costs in the future.
11. New Contractual Obligations
12. The increased cost of the Recycling (Transfer Point) the volatility of costs to recycle products such as plastic, cardboard, glass. The commodities market has been very unsettled, and it costs the town to get rid of these products to which we used to get paid for such products just a few years ago.
13. Insurance Costs for Employees continue to impact the budget. (even though we have changed carriers and saw some savings, (New Hires impact the total cost)
14. Special Education Costs continue to escalate and has been identified by the State Legislature with very little agreement on how to fund education from its antiquated funding mechanism.
15. I would recommend to the Board of Selectmen if additional growth comes in stronger than expected to make a contribution to the OPEB account.

The Finance Committee feels we have addressed the needs that this community deserves from the Municipality, Police, Fire, Highway our Veterans and our seniors. We have invested in our K-8 education, Bristol Plymouth and Bristol Aggie options. The Somerset Berkley Regional High School is funded. This is a fiscally responsible budget that will allow the Town of Berkley to continue down its pathway to stability. The Town is in great position with new growth possibilities in the upcoming year and years to maintain its excellent bond rating.

The Finance Committee unanimously supports this budget and urges your approval of all capital improvements at a total cost of \$454,125 with 642,612 to stabilization.

The Finance Committee is honored to have served the Town of Berkley.

Fiscal Year 2020 Budget
(All Figures Are Estimates)

REVENUE

FY 2019 Levy	\$9,457,290
2 1/2 Tax Increase	\$236,432
New Growth	\$160,000
Debt Exclusion	\$1,169,587
State Aid Chap. 70 (HWM's estimate)	\$3,996,028
State Aid Local (HWM's estimate)	\$646,096
Veterans Benefits	\$35,860
Exempt Elderly	\$32,194
State Owned Land	\$29,674
Public Library	\$8,566
School Choice	\$508,202
MSBA Reimbursement Middle School	\$891,336
Motor Vehicle Excise	\$747,000
Rentals Solar	\$141,978
Meals Tax	\$20,000
Pen. & Int.	\$45,000
Other Charges	\$80,000
Fees	\$30,000
License & Permits	\$95,000
Fines	\$10,605
Invest Income	\$20,386
E.M.S. Receipts Reserved Account	\$225,000
Revolving Funds	\$0
Overlay Surplus - ATM	\$0
Free Cash - ATM	\$0
Stabilization	\$0
High School Stabilization	\$2,581,970
	<u>\$21,168,204</u>

BACKCHARGES

State and County Charges & Deficits	\$182,371
Abatements and Exemptions	\$110,000
Library	\$8,566
School Choice	\$508,202
School Choice Sending	<u>\$43,572</u>
	\$852,711

EXPENSES

Local Government General Cost
Reserved for Debt Exclusion
Local Schools-Net School Spending
Local Schools-Non Net School Spending
Regional Vocational H.S.
S/B/HighSchool Assessment
Regional Aggy.

REQUESTS

FINCOM

\$	5,467,417.00	\$	5,430,121.00
\$	2,060,923.00	\$	2,060,923.00
\$	8,969,739.00	\$	8,821,469.00
\$	544,288.00	\$	544,288.00
\$	848,918.00	\$	848,918.00
\$	2,581,970.00	\$	2,581,970.00
\$	<u>27,804.00</u>	\$	<u>27,804.00</u>
\$	<u>20,501,059.00</u>	\$	<u>20,315,493.00</u>

REVENUE	\$	21,168,204.25	\$	21,168,204.25
EXPENSES	\$	20,501,059.00	\$	20,315,493.00
BACKCHARGES	\$	852,711.00	\$	852,711.00
Surplus/(Deficit)		(\$185,566)		\$0

FY 2020 OPERATING BUDGET (BY DEPARTMENT)

FY 2019
ACTUAL RLQUEST HINCOM
APPROP FY 2020 RECOMM

DEPARTMENT NAME

RESERVE FUND

ACCOUNT NAME

Expense	50,000	50,000	50,000
Total	50,000	50,000	50,000

DEPARTMENT NAME

MODERATOR

ACCOUNT NAME

Stipends	74	74	100
Expense	1,100	1,100	1,100
Total	1,174	1,174	1,200

DEPARTMENT NAME

SELECTMEN

ACCOUNT NAME

Salaries Elected	9,460	9,650	9,650
Salaries	80,080	85,484	84,984
Expense	4,519	4,675	4,586
Total	94,059	99,809	99,220

DEPARTMENT NAME

FINANCE COMMITTEE

ACCOUNT NAME

Expense	990	1,200	1,190
Total	990	1,200	1,190

DEPARTMENT NAME

TOWN ACCOUNTANT

ACCOUNT NAME

Salaries	65,380	79,250	79,250
Expense	31,075	30,075	29,850
Capital Outlay	0	0	0
Total	96,455	109,325	109,100

DEPARTMENT NAME

ASSESSORS

ACCOUNT NAME

Salaries Elected	10,933	11,261	11,151
Salaries	28,126	26,035	25,535
Expense	16,040	25,980	25,980
Capital Outlay	4,000	0	0
Total	59,099	63,276	62,666

DEPARTMENT NAME

TOWN TREASURER

ACCOUNT NAME

Salaries Elected	79,427	30,016	30,016
Salaries	15,876	40,584	40,084
Expense	19,465	19,465	18,465
Capital Outlay	0	0	0
Total	64,768	90,065	88,565

FY 2020 OPERATING BUDGET (BY DEPARTMENT)

FY 2019
ACTUAL REQUEST FINCOM
APPROP FY 2020 RECOMM

DEPARTMENT NAME

TOWN COLLECTOR

ACCOUNT NAME

Salaries	29,427	30,016	30,016
Salaries	26,475	22,053	21,553
Expense	12,215	12,215	11,465
Capital Outlay	0	0	0
Total	68,117	64,284	63,034

DEPARTMENT NAME

TOWN COUNSEL

ACCOUNT NAME

Expense	32,500	35,000	35,000
Total	32,500	35,000	35,000

DEPARTMENT NAME

DATA PROCESSING

ACCOUNT NAME

Salaries	0	0	0
Expense	72,320	77,000	77,000
Capital Outlay	0	0	0
Total	72,320	77,000	77,000

DEPARTMENT NAME

TOWN CLERK

ACCOUNT NAME

Salaries Elected	29,427	30,015	30,015
Salaries	18,610	19,835	19,335
Expense	6,100	6,100	5,700
Capital Outlay	1,000	1,000	1,000
Total	55,137	56,950	56,050

DEPARTMENT NAME

ELECTIONS & REGISTRATIONS

ACCOUNT NAME

Salaries	7,500	7,500	7,500
Expense	9,600	9,600	9,600
Capital Outlay	0	0	0
Total	17,100	17,100	17,100

DEPARTMENT NAME

PLANNING BOARD

ACCOUNT NAME

Salaries Elected	924	924	924
Total	924	924	924

DEPARTMENT NAME

TOWN BUILDINGS

ACCOUNT NAME

Salaries	17,050	17,050	12,000
Expense	35,747	35,747	34,747
Total	52,797	52,797	46,747

FY 2020 OPERATING BUDGET (BY DEPARTMENT)

FY 2019
ACTUAL REQUEST FINCOM
APPROP FY 2020 RECOMM

DEPARTMENT NAME

PUBLIC SAFETY BUILDING

ACCOUNT NAME

Expense	42,174	44,847	44,347
Capital Outlay	12,805	6,379	6,000
Total	54,979	51,226	50,347

DEPARTMENT NAME

POLICE DEPT.

ACCOUNT NAME

Salaries	985,708	1,069,334	1,069,334
Expense	88,305	79,400	75,500
Capital Outlay	0	56,560	56,560
Total	1,074,013	1,205,294	1,201,394

DEPARTMENT NAME

FIRE DEPARTMENT

ACCOUNT NAME

Salaries	114,750	95,866	95,866
Expense	38,981	51,549	49,235
Capital Outlay	4,000	8,000	6,000
Total	157,731	155,415	151,101

DEPARTMENT NAME

EMERGENCY MEDICAL SERVICES

ACCOUNT NAME

Salaries	363,110	430,110	430,110
Expense	61,421	61,200	60,700
Capital Outlay	4,000	4,000	3,500
Total	428,531	495,310	494,310

DEPARTMENT NAME

BUILDING DEPARTMENT

ACCOUNT NAME

Salaries	36,172	38,016	37,516
Expense	1,750	1,750	1,750
Capital Outlay	0	0	0
Total	37,922	39,766	39,266

DEPARTMENT NAME

COMMUNICATIONS DEPT.

ACCOUNT NAME

Salaries	288,297	293,316	293,316
Expense	13,415	13,415	12,915
Capital Outlay	0	0	0
Total	301,712	306,731	306,231

DEPARTMENT NAME

ANIMAL CONTROL/DOG OFFICER

ACCOUNT NAME

Salaries	10,000	10,500	10,500
Expense	2,870	2,570	2,570
Total	12,870	13,070	13,070

FY 2020 OPERATING BUDGET (BY DEPARTMENT)

FY 2019
ACTUAL REQUEST FINCOM
APPROP FY 2020 RECOMM

DEPARTMENT NAME

FORESTRY

ACCOUNT NAME

Salary Elected	3,300	3,300	3,300
Expense	8,000	8,000	8,000
Total	11,300	11,300	11,300

DEPARTMENT NAME

HIGHWAY DEPARTMENT

ACCOUNT NAME

Salaries Elected	64,603	64,603	64,603
Salaries	411,188	458,188	458,188
Expense	317,800	339,555	332,600
Capital Outlay	5,000	5,000	5,000
Total	798,591	867,346	860,391

DEPARTMENT NAME

VETERANS GRAVES

ACCOUNT NAME

Expense	1,250	1,250	1,250
Total	1,250	1,250	1,250

DEPARTMENT NAME

STREET LIGHTS

ACCOUNT NAME

Expense	3,000	3,000	3,000
Total	3,000	3,000	3,000

DEPARTMENT NAME

CEMETERY

ACCOUNT NAME

Salaries	366	366	366
Expense	8,200	8,200	7,500
Total	8,566	8,566	7,866

DEPARTMENT NAME

HEALTH DEPARTMENT

ACCOUNT NAME

Salaries Elected	2,258	2,258	2,758
Capital Outlay	0	0	0
Total	2,258	2,258	2,758

DEPARTMENT NAME

COUNCIL ON AGING

ACCOUNT NAME

Salaries	20,000	26,000	26,000
Expense	8,442	8,692	8,392
Capital Outlay	250	0	0
Total	28,692	34,692	34,392

FY 2020 OPERATING BUDGET (BY DEPARTMENT)

FY 2019
ACTUAL REQUEST FINCOM
APPROP FY 2020 RECOMM

DEPARTMENT NAME

VETERANS DEPARTMENT

ACCOUNT NAME

Salaries	8,197	8,361	8,361
Expense	4,500	4,500	4,500
Veterans Benefits	40,000	40,000	40,000
Total	52,697	52,861	52,861

DEPARTMENT NAME

LIBRARY DEPARTMENT

ACCOUNT NAME

Salaries	101,372	107,237	107,237
Expense	33,379	41,983	35,543
Capital Outlay	0	700	0
Total	134,751	149,920	142,780

DEPARTMENT NAME

CELEBRATIONS 6692

ACCOUNT NAME	ACTUAL EXPEND	ACTUAL EXPEND	ACTUAL APPROP
Expense	750	750	750
Total	750	750	750

DEPARTMENT NAME

HISTORICAL COMMISSION

ACCOUNT NAME

Expense	100	100	100
Total	100	100	100

DEPARTMENT NAME

MISCELLANEOUS

ACCOUNT NAME

Town Fuel	120,000	120,000	120,000
SRPEDD	1,172	1,200	1,200
MUNIC. LEASES	75,000	0	0
Total	196,172	121,200	121,200

DEPARTMENT NAME

PENSIONS

ACCOUNT NAME

BRISTOL COUNTY RETIREMENT	556,333	581,710	581,710
MEDICARE	150,000	150,000	150,000
Total	706,333	731,710	731,710

DEPARTMENT NAME

HEALTH INSURANCE

ACCOUNT NAME

BLUE CROSS/ BLUE SHIELD HEALTH	331,225	354,548	354,548
FLEXIBLE BENEFIT PLAN	0	0	0
Total	331,225	354,548	354,548

FY 2020 OPERATING BUDGET (BY DEPARTMENT)

FY 2019
ACTUAL REQUEST FINCOM
APPROP FY 2020 RECOMM

DEPARTMENT NAME

LIABILITY INSURANCE

ACCOUNT NAME

INS. PR. DIS.-FIRE-POL. ACC. H	48,000	49,000	49,000
LIABILITY INSURANCE	70,000	73,500	73,500
Total	118,000	122,500	122,500

DEPARTMENT NAME

WORKERS COMPENSATION

ACCOUNT NAME

FRINGE BENEFIT/CHARGES	14,000	14,700	14,700
Total	14,000	14,700	14,700

DEPARTMENT NAME

UNEMPLOYMENT COMPENSATION

ACCOUNT NAME

UNEMPLOYMENT INSURANCE	0	5,000	5,000
Total	0	5,000	5,000

DEPARTMENT NAME

RETIREMENT OF DEBT

ACCOUNT NAME

MIDDLE SCHOOL	1,025,000	1,080,000	1,080,000
SCHOOL RENO DEBT 2	10,000	10,000	10,000
TOWN WLL	20,000	20,000	20,000
MULTI USE LAND	75,000	75,000	75,000
TOWN OFFICE BLDG	145,000	150,000	150,000
SBRSD HIGH SCHOOL	325,372	337,500	337,500
FIRE TRUCK	0	0	0
Total	1,600,372	1,672,500	1,672,500

DEPARTMENT NAME

INTEREST

ACCOUNT NAME

MIDDLE SCHOOL	84,200	43,200	43,200
SCHOOL RENO INT. 2	1,100	900	900
TOWN WELL	2,200	1,800	1,800
MULTI-USE LAND	8,100	6,600	6,600
TOWN OFFICE BUILDING	96,200	93,300	93,300
SBRSD HIGH SCHOOL	252,350	242,623	242,623
FIRE TRUCK	0	0	0
Total	444,150	388,423	388,423

DEPARTMENT NAME

SCHOOL DEPARTMENTS 3325

ACCOUNT NAME

Berkley School	7,578,360	7,982,630	7,834,360
Salaries Elected	924	924	924
K-8 Transportation and Insurances	1,392,148	1,530,473	1,530,473
S/B/ High School Assessment	2,481,326	2,581,970	2,581,970
B.P. Regional High School	829,593	848,918	848,918
Bristol Aggy. Assessment	27,804	27,804	27,804
SBRSD	0	0	0
Total	12,310,155	12,972,719	12,874,449

GRAND TOTAL	19,495,560	20,501,059	20,315,493
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