



Swampscott Board of Selectmen

# FY17 EOY Report

## Town of Swampscott

### September 27, 2017

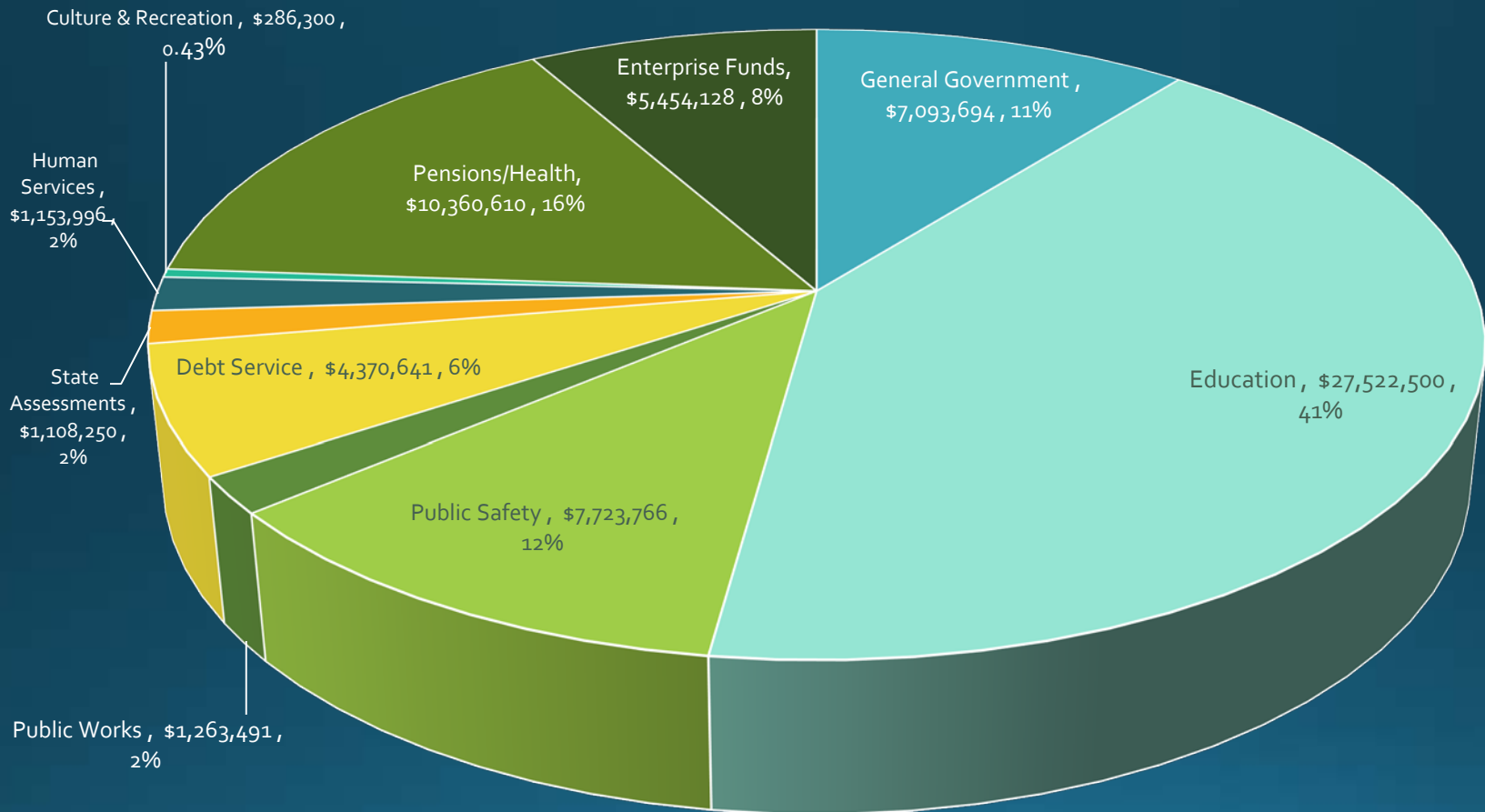
# Overview

- Summary of FY17 End of Year Expenses & Revenue
- YTD FY18 YTD Expenses & Revenue
- FY 19 Budget Process
- FY19 Capital planning process

# FY 17 EOY & FY18 Summary

Description	FINAL FY17 BUDGET	FY17 EOY (unaudited)	Variance	2018 Budget	2018 YTD (July & August)
General Government	7,076,963	7,041,544	35,419	7,322,841	894,831
Education	27,522,500	27,522,500	0	28,197,500	2,379,038
Public Safety	7,726,752	7,723,766	2,986	7,418,335	1,019,421
Public Works	1,264,480	1,263,491	989	1,237,131	158,632
Debt Service	4,370,676	4,370,641	35	3,532,662	778,838
State Assessments	1,108,373	1,108,250	123	1,000,390	54,381
Human Services	1,159,591	1,153,996	5,595	1,282,483	165,481
Culture & Recreation	41,450	41,449	1	62,500	34,120
Pensions/Health	10,360,649	10,360,610	39	11,238,174	6,234,583
<b>Total General Fund</b>	<b>60,631,434</b>	<b>60,586,246</b>	<b>45,188</b>	<b>61,292,016</b>	<b>11,719,325</b>
Enterprise Funds	5,952,318	5,454,128	498,190	6,021,632	1,245,057
Transfers from Reserve Fund	(560,000)	(560,000)	0	(225,000)	0
<b>Total Expenses from Revenue Sources</b>	<b>66,023,752</b>	<b>65,480,373</b>	<b>543,379</b>	<b>67,088,648</b>	<b>12,964,382</b>
<b>Total Revenues</b>		<b>65,819,931</b>			
<b>Total Expenses vs. Total Revenue</b>		<b>\$339,558</b>			
Revolving Funds	288,500	297,001	(8,500)	288,500	69,050
<b>TOTAL Expenditures:</b>	<b>66,872,252</b>	<b>66,337,375</b>	<b>534,877</b>	<b>67,602,148</b>	<b>13,033,432</b>

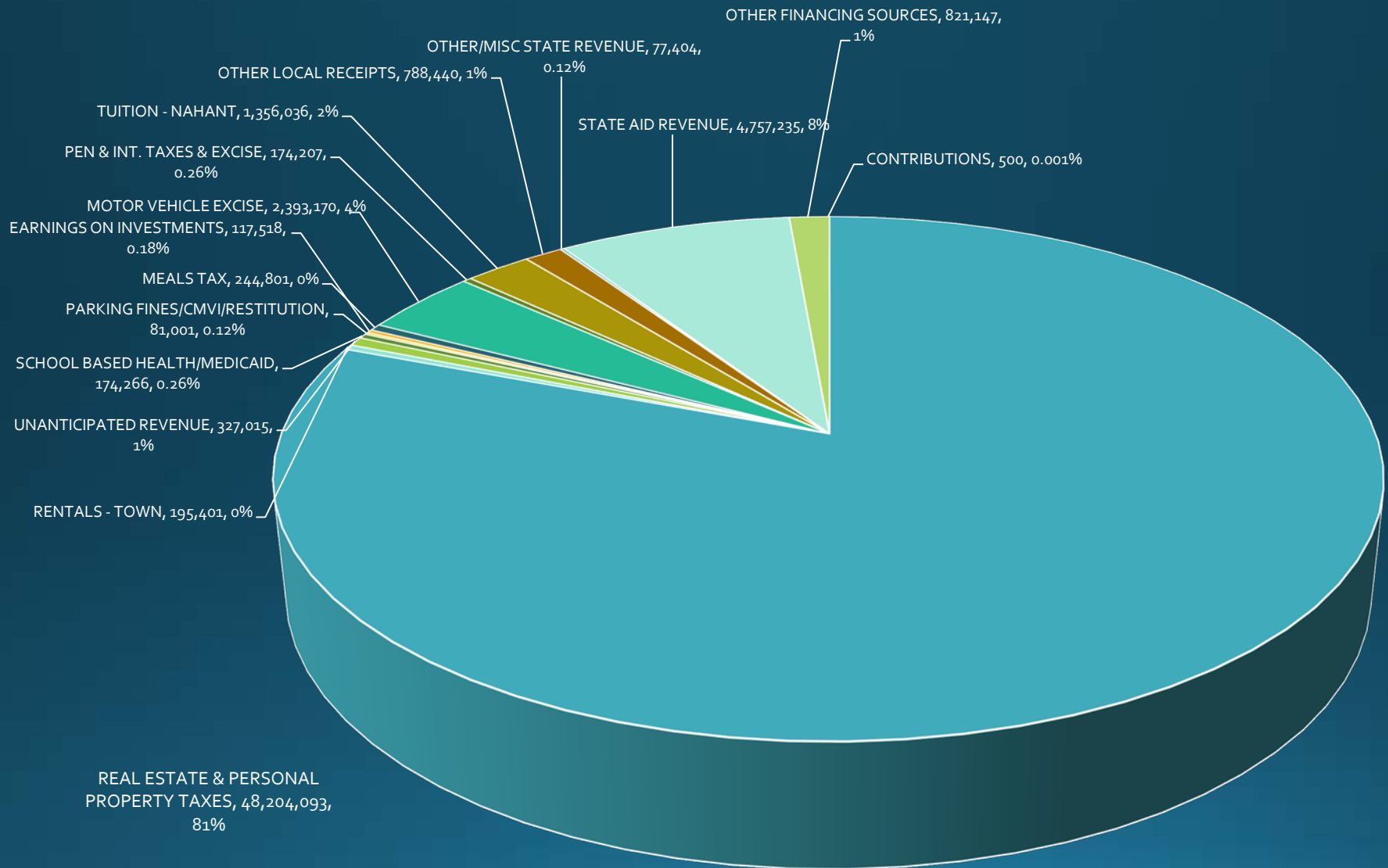
# FY 17 Expenses EOY \$66,337,375 Unaudited



# FY 17 Revenue Update

<b>FY2017 REVENUE:</b>	<b>FINAL FY17 ESTIMATE</b>	<b>FINAL FY17 EOY (unaudited)</b>	<b>Variance</b>	<b>2018 Budget</b>	<b>2018 YTD (July &amp; August)</b>
REAL ESTATE & PERSONAL PROPERTY TAXES	47,864,130	48,204,093	339,963	48,615,561	11,444,438
RENTALS - TOWN	160,000	195,401	35,401	100,000	58,028
UNANTICIPATED REVENUE	31,500	327,515	296,015	-	-
SCHOOL BASED HEALTH/MEDICAID	130,000	174,266	44,266	75,000	-
PARKING FINES/CMVI/RESTITUTION	65,000	81,001	16,001	40,000	16,860
EARNINGS ON INVESTMENTS	38,000	117,518	79,518	30,000	195
MEALS TAX	215,000	244,801	29,801	150,000	
MOTOR VEHICLE EXCISE	2,200,000	2,393,170	193,170	1,500,000	80,449
PEN & INT. TAXES & EXCISE	125,000	174,207	49,207	105,000	11,625
TUITION - NAHANT	1,380,965	1,356,036	(24,929)	1,250,000	-
OTHER LOCAL RECEIPTS	700,000	788,440	88,440	553,749	126,895
OTHER/MISC STATE REVENUE	-	77,404		22,304	1,627
STATE AID REVENUE	4,619,955	4,757,235	137,280	4,862,287	405,860
OTHER FINANCING SOURCES	820,000	821,147	1,147	813,115	-
<b>TOTAL General Fund Revenue:</b>	<b>58,349,550</b>	<b>59,712,234</b>	<b>1,362,684</b>	<b>58,117,016</b>	<b>12,145,977</b>
<b>Total Enterprise Funds</b>	<b>5,950,698</b>	<b>6,107,696</b>	<b>156,998</b>	<b>6,035,800</b>	<b>114,779</b>
<b>Total General Fund &amp; Enterprise Revenue</b>	<b>64,300,248</b>	<b>65,819,931</b>	<b>1,519,683</b>	<b>64,152,816</b>	
<b>Revolving Fund Revenue</b>	<b>288,500</b>	<b>318,372</b>	<b>29,872</b>	<b>288,500</b>	<b>22,795</b>
<b>Unassigned Fund Balance (Free Cash)</b>		<b>1,000,000</b>			

# FY 17 Revenue- EOY \$65,819,931 Unaudited



# Revolving Funds

## Expenses

Description	FY15 EOY	FY16 EOY	FINAL FY17 BUDGET	FY17 EOY (unaudited)	2018 Budget	2018 YTD (July & August)
Recreation	\$227,367	\$202,710	\$250,000	\$244,851	\$250,000	\$68,528
COA	\$1,219	\$2,077	\$30,000	\$1,219	\$30,000	\$0
Blue Bins	\$1,370	\$0	\$5,000	\$2,396	\$5,000	\$0
Library	\$2,684	\$2,900	\$3,500	\$2,917	\$3,500	\$135
July 4th	\$22,731	\$54,697	\$0	\$45,617		\$387
Cemetery Lots	\$0	\$21,828	\$0	\$0	\$0	\$0
<b>Total Revolving Funds</b>	<b>\$255,371</b>	<b>\$284,212</b>	<b>\$288,500</b>	<b>\$297,000</b>	<b>\$288,500</b>	<b>\$69,050</b>

## Revenue

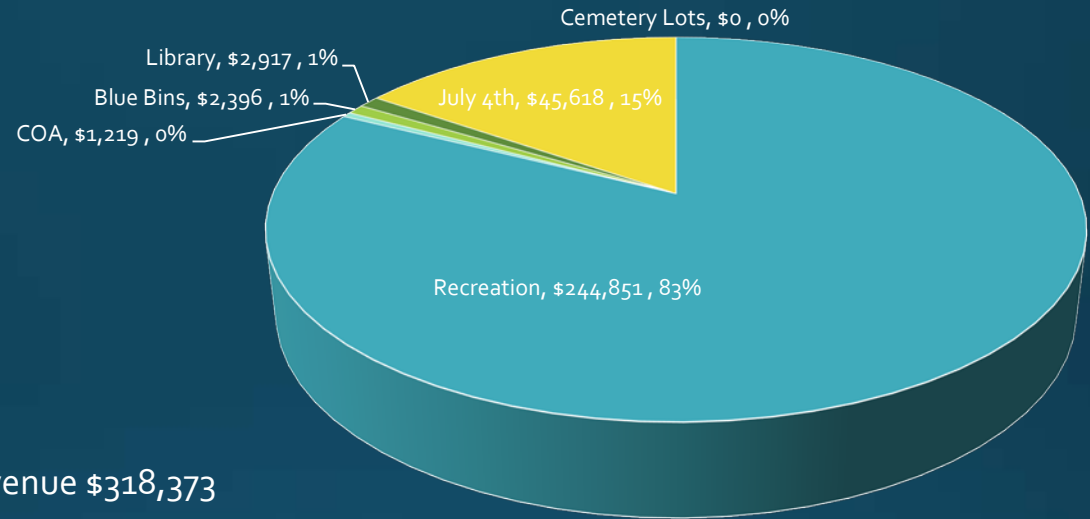
Description	FY15 EOY	FY16 EOY	FINAL FY17 ESTIMATE	FY17 EOY (unaudited)	2018 Estimate	2018 YTD (July & August)
Recreation	\$ 255,357.00	\$ 242,117.50	250,000	\$ 242,534.00	250,000	\$ 7,026.00
COA	\$ 32,888.55	\$ 27,802.21	30,000	\$ 23,413.27	30,000	\$ 4,367.48
Blue Bins	\$ 1,302.00	\$ 2,692.18	5,000	\$ 1,755.25	5,000	\$ 302.00
Library	\$ 2,788.50	\$ 3,300.00	3500	\$ 2,513.50	3,500	\$ 189.00
July 4th	\$ 6,199.00	\$ 14,016.42	0	\$ 11,806.72	0	\$ 450.00
Cemetery Lots	\$ 30,670.00	\$ 22,820.00	0	\$ 36,350.00	0	\$ 10,460.00
<b>Total Revolving Funds</b>	<b>\$ 329,205.05</b>	<b>\$ 312,748.31</b>	<b>288,500</b>	<b>318,372.74</b>	<b>288,500</b>	<b>\$ 22,794.48</b>

## REVOLVING FUNDS EOY BALANCE

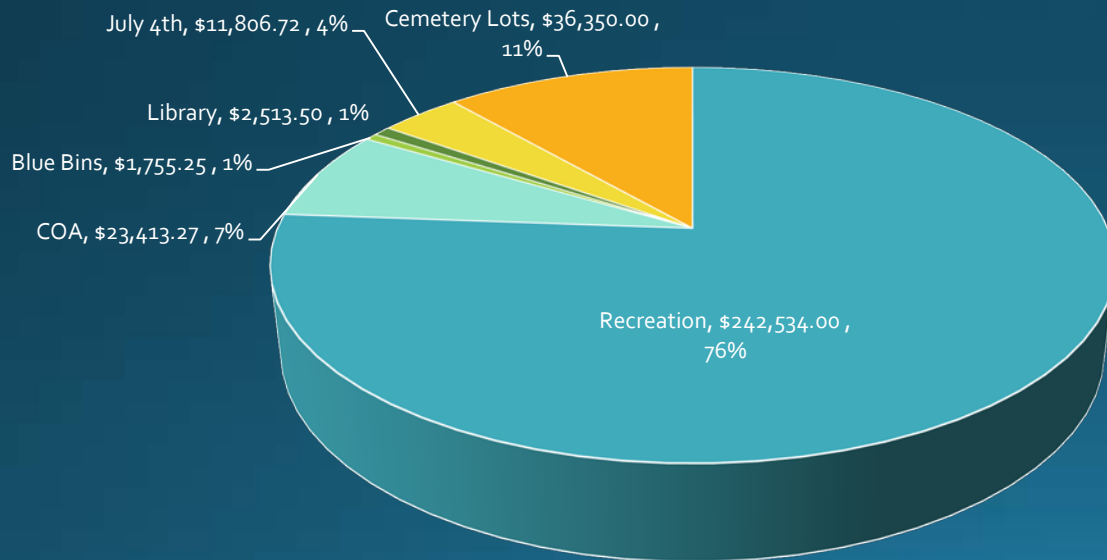
Description	FY15 Ending Cash Balance	FY16 Ending Cash Balance	FY17 Ending Cash Balance	FY18 Current Cash Balance
Recreation	196,996	236,403	234,087	172,584
COA	24,270	30,374	34,557	37,379
Blue Bins	338	3,030	2,389	2,691
Library	297	697	294	347
July 4th	28,354	12,154	(1,528)	(1,415)
Cemetery Lots	210,825	211,817	142,042	152,502
<b>Total Revolving Funds</b>	<b>\$ 329,205.05</b>	<b>\$ 312,748.31</b>	<b>\$ 318,372.74</b>	<b>\$ 364,088</b>

# FY 17 Revolving Funds

FY17 EOY Expenses \$297,001



Fy17 EOY Revenue \$318,373





# FY19 Budget Process

- Employing a *"Zero Based Budgeting"* for FY19
  - Zero-based budgeting is an approach to planning and decision-making that reverses the working process of traditional **budgeting**. (In traditional incremental **budgeting** departmental managers justify only variances versus past years **based** on the assumption that the "baseline" is automatically approved.)
- In the process of redesigning the budget workbook
  - *Working to design quarterly expense & revenue analysis*
  - *Adding in analysis and prior year expenditures to provide basis for budgets*
  - *Working with departments heads to identify new lines for better and more accurate budget analysis*
  - *Identifying current line items that should be moved to different departments to provide better analysis*
- Charging expenses in FY18 to appropriate line items
- Will give better transparency to create more accurate FY19 budgets

# FY18 Budget Template

- Showed prior year appropriation, not what was expended
- No details or descriptions of appropriations.
- Lack of transparency

DEPARTMENTAL BUDGET					
July 1, 2016 through June 30, 2017					
			Department	Administrator	Finance Committee
Approp.	Approp.	It.	Requested	Recommended	Recommended
FY'15	FY'16	No.	FY'17	FY'17	FY'17
<b>GENERAL GOVERNMENT</b>					
<b>MODERATOR</b>					
\$ 200	\$ 200		\$ 200	\$ 200	\$ 200
\$ 200	\$ 200		\$ 200	\$ 200	\$ 200
<b>FINANCE COMMITTEE</b>					
2,421	2,493	1	2,518	2,518	2,518
650	650	2	650	650	650
\$ 3,071	\$ 3,143		\$ 3,168	\$ 3,168	\$ 3,168
<b>SELECTMEN'S OFFICE</b>					
-	-		-	-	-
8,000	8,500		9,000	9,000	9,000
4,750	5,000		5,000	5,000	5,000
-	-		-	-	-
-	-		-	-	-
12,750	13,500	3	14,000	14,000	14,000
\$ 12,750	\$ 13,500		\$ 14,000	\$ 14,000	\$ 14,000
<b>TOWN ADMINISTRATOR</b>					
135,252	137,957		143,423	143,423	143,423
50,689	59,000		60,736	60,736	60,736
5,000	5,000		7,500	7,500	7,500
\$ 190,941	\$ 201,957	4	\$ 211,659	\$ 211,659	\$ 211,659
4,500	4,500		6,500	6,500	6,500
\$ 195,441	\$ 206,457		\$ 218,159	\$ 218,159	\$ 218,159
<b>LAW DEPARTMENT</b>					
-	-	6	-	-	-
115,000	125,000	7	125,000	125,000	125,000
\$ 115,000	\$ 125,000		\$ 125,000	\$ 125,000	\$ 125,000

# FY19 Budget Redesign Template

- Shows prior YTD expenses
- Additional lines
- Descriptions tied to actual invoices

TOWN ADMINISTRATOR		Line Item	Description	2015 Actual	2016 Actual	2017 Budget	2017 Transfer	2017 Revised Budget	2017 EOY (unaudited)	2018 Budgeted
0112301	51020	ADMINISTRATIVE ASSISTANT	Full time Administrative Assistant provides support for the TA and BOS. 34 hours @ \$60,186.25	51,349.08	56,897.76	60,736.00		60,736.00	62,315.10	59,591.00
0112301	51058	TOWN ADMINISTRATOR	Town Administrator Salary @ 129K	137,758.16	137,962.04	143,423.00	-19,150.00	124,273.00	125,695.68	129,800.00
		LONGEVITY								
		SICK INCENTIVE								
0112301	51100	OTHER COMPENSATION	Town Administrator Contract Provision (Expenses, reimbursements) Longevity, Sick incentive, vacation buyback	0.00	5,752.55	7,500.00		7,500.00	4,499.61	10,300.00
		PERFORMANCE COMPENSATION								
TA Personnel Subtotal				189,107.24	216,516.58	211,659.00	-19,150.00	192,509.00	192,510.39	199,691.00
0112302	52009	TOWN ADMINISTRATOR'S EXPENSES	General Office Supplies (Paper, Pens, Toner, Ink) to cover the centralized ordering of general supplies. i.e. copy paper, file folders, pencils, pens, paperclips, etc.	4,500.00	6,127.59	6,500.00	-1,000.00	5,500.00	5,471.90	6,500.00
		EDUCATION								
		EMPLOYEE RECOGNITION								
		MEMBERSHIP/PROF. DEVELOPMENT								
	53021	TOWN REPORTS								
TA Expense Subtotal				4,500.00	6,127.59	6,500.00	-1,000.00	5,500.00	5,471.90	6,500.00
TOWN ADMINISTRATOR TOTAL				193,607.24	222,644.17	218,159.00	-20,150.00	198,009.00	197,982.29	206,191.00


# Capital Planning Process

Departments, Boards and Committees were sent a memo from the Town Administrator in August, 2017 requesting a list of Capital Assets, as well as requests for Capital Projects/Purchases for FY2019 as the beginning stage of developing a multi-year Capital Improvement Plan.



## Town of Swampscott, Massachusetts OFFICE OF THE TOWN ADMINISTRATOR

### MEMORANDUM

**TO:** DEPARTMENT HEADS, BOARD/COMMITTEE CHAIRS  
**FROM:** SEAN FITZGERALD, TOWN ADMINISTRATOR   
**SUBJECT:** CIP/PROJECTS AND EXPENDITURES UPDATE FOR 2019-2024  
**DATE:** 8/18/2017  
**CC:** BOARD OF SELECTMEN; CIC COMMITTEE MEMBERS

One of our primary responsibilities as local government officials is to preserve, maintain, and improve Swampscott's buildings, roads, parks, water resources, and capital equipment. To this end, we are starting to develop the 2019 CIC plan for the Town of Swampscott.

Planning for capital improvements is a matter of prudent financial management as well as sound development practice. The Town's Capital Improvement Program (CIP) is a community plan for short—and—long range capital needs. This effort is intended to link Swampscott's comprehensive capital plan and fiscal plan and provide a mechanism for:

- Estimating capital funding requirements, including the capital needs of Emergency Service providers (Fire, Police, Emergency Management & EMS)
- Planning, prioritizing, scheduling, and implementing projects during the next 6 years
- Developing revenue estimates for proposed improvements
- Budgeting high priority projects
- Inter-fund & Inter-Department coordination of projects within the Town
- Informing the public of planned capital improvements

In order to assist the Town with preparing a proper Capital Improvement Plan, please list ALL Capital Assets that are under the jurisdiction of your Department/Board/Committee/Commission, and also list any NEW Capital Purchases and/or Capital Projects you wish to propose. Please use the following as the criteria for determining whether a proposal is appropriate as a capital item or an operating budget item.

The following are the criteria for capital purchases:

- Purchased or undertaken at intervals of not less than 3 years;
- Have a useful life of at least 3 years; and
- Cost over \$20,000.00

Please submit your responses to Ron Mendes, Assistant Town Administrator for Administration NO LATER THAN Friday September 15, 2017. Thank you for your cooperation. If you should have any questions or comments please feel free to contact Ron at (781) 596-9553 or me at (781) 596-8850.

Enclosure(s)

# Capital Planning Process

TOWN OF SWAMPSCOTT  
CAPITAL IMPROVEMENT PLAN BY PRIORITY

FY2019 - 2023

[illegible]

**\*\*PLEASE LIST ALL CAPITAL ASSETS UNDER YOUR JURISDICTION PLUS NEW PURCHASES/PROJECTS YOU ARE PROPOSING OVER THE NEXT 5 YEARS\*\***

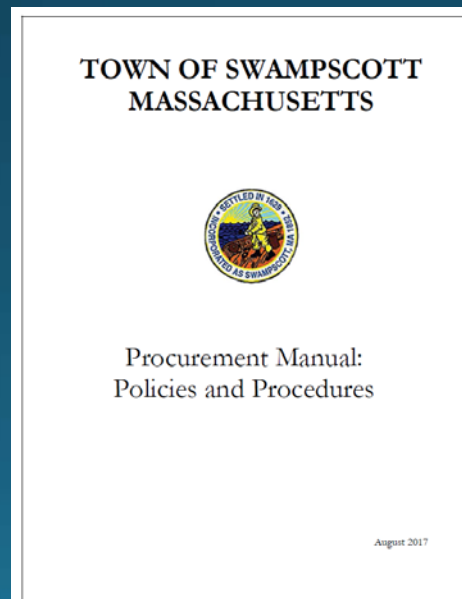
1. Identify the Priority of replacing/repairing/purchasing the asset for your Department
2. Enter Name of Department of Committee/Board/Commission
3. Short Name for the Asset or project
4. Briefly describe the Asset and/or proposed purchase/project and describe the level of priority for when this needs to be replaced and/or the purchase/project needs to be funded.
5. List current estimated cost of replacing/repairing or the cost of the purchase/project at this time (include quotes from reputable sources if you are proposing an investment in FY2019).
6. Please list any alternative funding sources (i.e. grants/donations/etc.) besides town taxpayer funded sources that fund the purchase/project

Leave remaining columns blank at this time.

# UPDATE:

## Policies & Procedures

- New Procurement Policy adopted
  - Working with Munis to implement a PO system, kick off meeting 9/18
- Financial Policies in draft form
- Accounting policies and year-end process-work in progress



# Preliminary Budget Process

- |  |           |
|--|-----------|
| • CAPITAL IMPROVEMENT REQUESTS DUE           | SEPTEMBER |
| • REVENUES & EXPENSES FORECASTED             | OCTOBER   |
| • BUDGET GUIDE DISTRIBUTED WITH INSTRUCTIONS | OCTOBER   |
| • DEPARTMENT HEAD MEETINGS WITH TA & TA      | OCT./NOV. |
| • DEPARTMENTS SUBMIT BUDGET REQUESTS         | NOVEMBER  |
| • CAPITAL IMPROVEMENT RECOMMENDATIONS DUE    | OCT./FEB  |
| • SCHOOL BUDGET SUBMITTED                    | DECEMBER  |
| • FINAL BUDGET REVIEW WITH DEPT. HEADS & TA  | DECEMBER  |
| • DEPT. HEADS MEET WITH BOS & FINCOM         | JANUARY   |
| • SELECTMEN BUDGET REVIEW & APPROVAL         | FEBRUARY  |
| • FINANCE COMMITTEE RECOMMENDATIONS DUE      | FEBRUARY  |
| • WARRANT TO PRINTER                         | APRIL     |
| • WARRANT MAILED TO TOWN MEETING MEMBERS     | APRIL     |
| • TOWN MEETING                               | MAY       |

# NEXT STEPS

- COMPLETE FY<sub>17</sub> AUDIT
  - PRE-WORK IN SEPTEMBER, AUDIT SCHEDULED FOR OCTOBER
  - GOAL TO COMPLETE AUDIT BY DEC. 31<sup>ST</sup>
- DOR REQUIREMENTS FOR FREE CASH
  - WORKING ON THE REPORTING REQUIREMENTS NEEDED
  - GOAL TO HAVE FREE CASH CERTIFIED FOR STM
- WORK WITH DEPARTMENT HEADS AND PRESENT FY<sub>19</sub> BUDGET
- ROLL OUT PO AND TIME AND ATTENDANCE MODULE IN MUNIS
  - ALREADY PROCURED MODULES IN MUNIS. WILL BE IMPLEMENTED IN FY 18.