

# FY 2017 BUDGET PRESENTATION

Harwich, MA

Town Administrator: Christopher Clark

Finance Director: Andrew Gould

Assistant Town Administrator:  
Charleen Greenhalgh

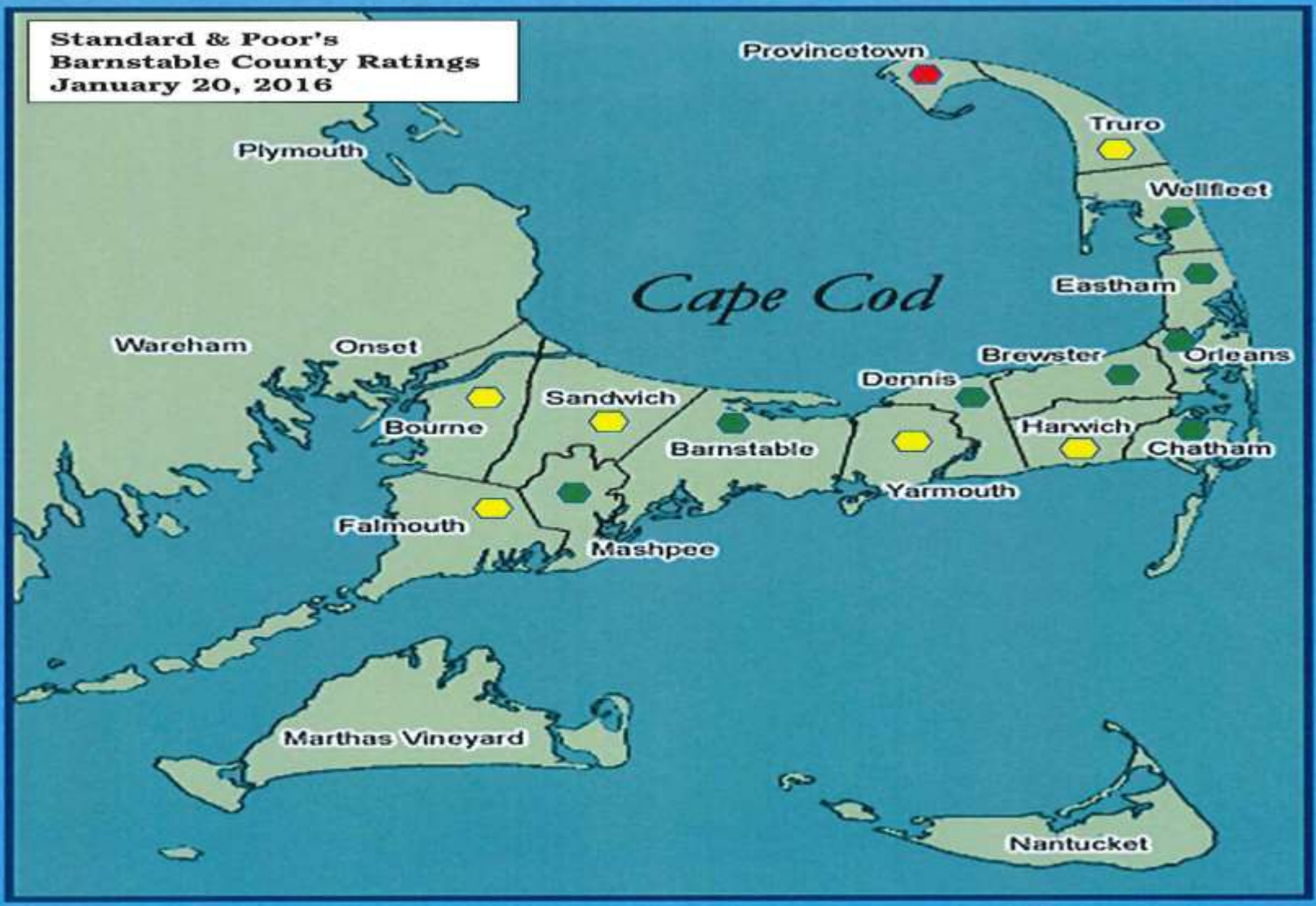
# S&P: THE TOP TEN MANAGEMENT CHARACTERISTICS OF HIGHLY RATED U.S. PUBLIC FINANCE ISSUERS

1. Focus on Structural Balance
2. Strong Liquidity Management
3. Regular Economic and Revenue Updates to Identify Shortfalls Early
4. An Established Rainy Day/Budget Stabilization Reserve
5. Prioritized Spending Plans and Established Contingency Plans for Operating Budgets
6. Strong Long-Term and Contingent Liability Management (OPEB)
7. A Multi-Year Financial Plan in Place that Considers the Affordability of Actions or Plans before they become part of the Annual Budget.
8. A Formal Debt Management Policy in Place to Evaluate Future Debt Profile
9. A Pay-As-You-Go Financing Strategy as Part of the Operating and Capital Budget
10. A Well-Defined and Coordinated Economic Development Strategy

# PREVIOUS STANDARD & POORS OBSERVATIONS OF HARWICH

- Extremely strong property wealth due to its oceanfront location
- Good financial position and financial management policies
- Still maintains a good financial reserve position despite recent declines
- Moderate to low debt burden, coupled with rapid principal amortization; and
- Sizable long-term pension and other Post employment benefit (OPEB) liabilities, though recent changes could reduce these liabilities a bit over the next few years.

**Standard & Poor's  
Barnstable County Ratings  
January 20, 2016**



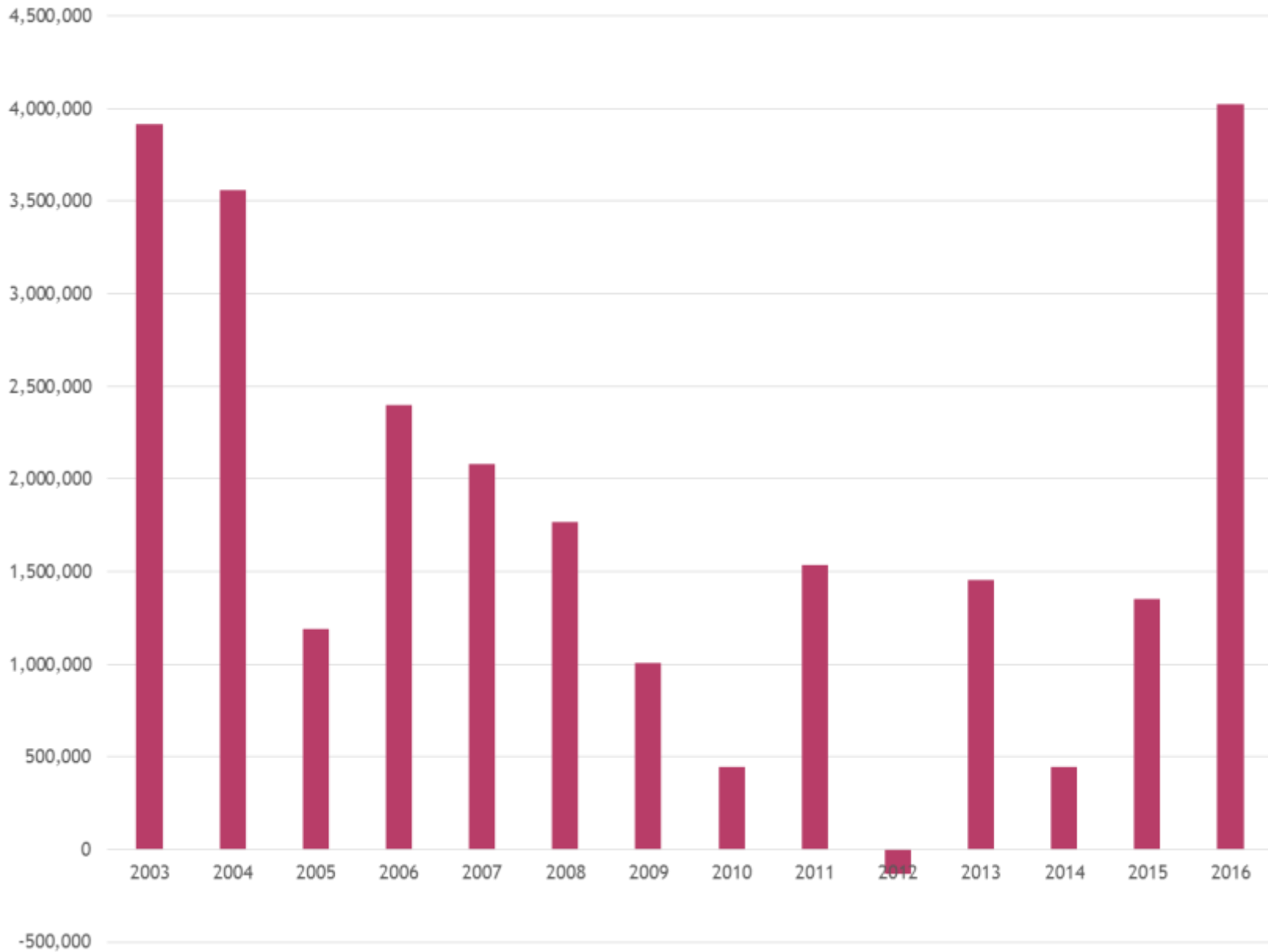
- AA
- AA+
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# BUDGET REVENUE AND EXPENSE SUMMARY

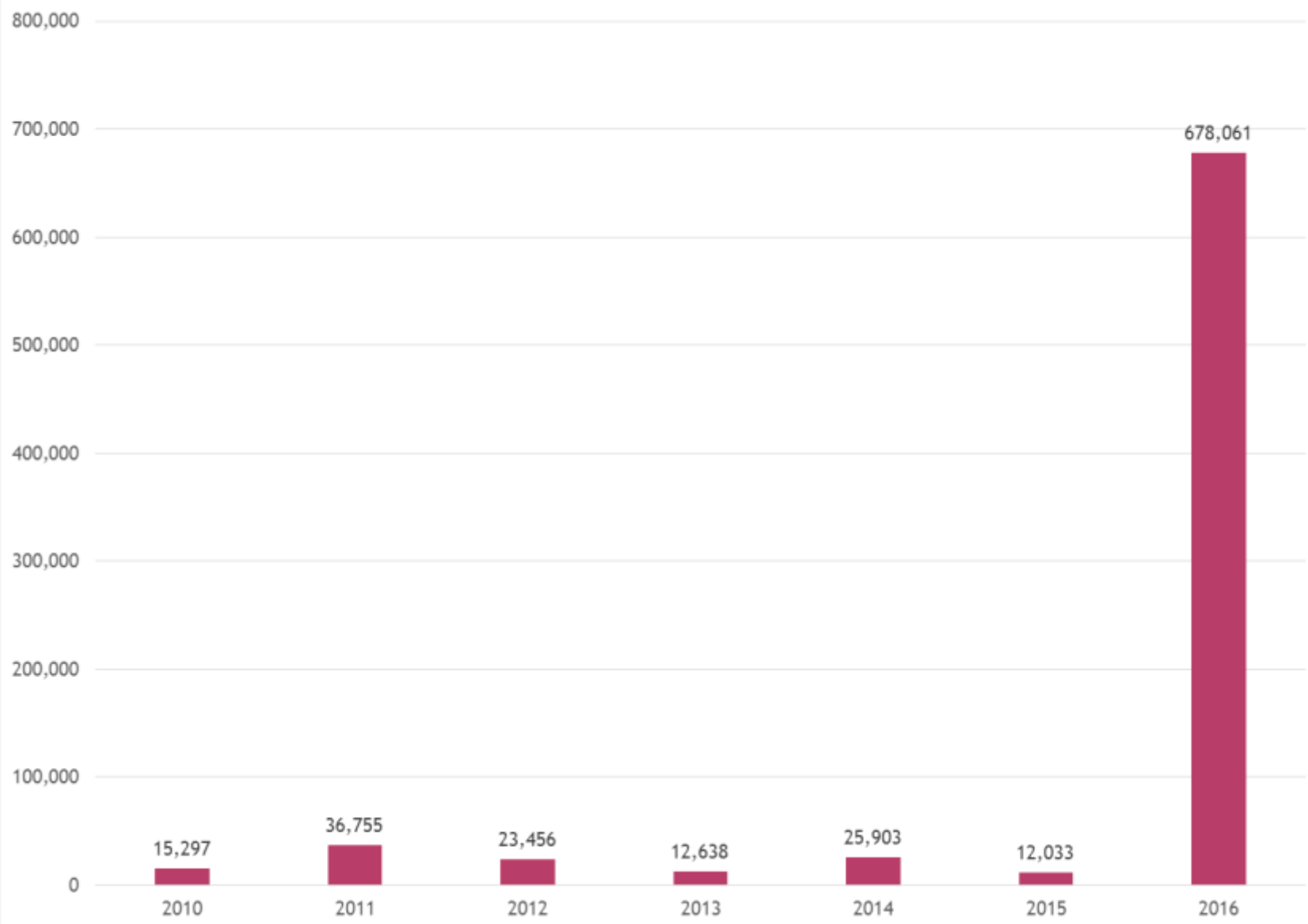
Displaying the Projected Budget  
for FY 2017

- The Total Revenue for FY2016 is **\$59,501,293** and the Total anticipated expenditures are **\$59,500,355** creating a balanced budget. Minor surplus **\$938**
- Budget Highlights
- Major Initiatives

## Harwich Free Cash Certified - General Fund



### Excess Levy Capacity





<u>Collective Bargaining Unit STATUS AS OF FEBRUARY 3, 2016</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>
Harwich Permanent Fire Fighters Association Local 2124	•	X	X	X	
Harwich Employees Association (HEA)	X	X	X		
Highways & Maintenance Employees Association (HMEA)	X	X	X		
Harwich Management Employees Association SEIU 888 (Highway & Maintenance)	•	X	X	X	
International Association of Machinists & Aerospace Workers (Water)	•	X	X	X	
N.E. Police Benevolent Association (NEPBA) Local 103 Emergency Telecommunication Dispatchers	•	X	X	X	X
Harwich Police Federation (Officers)	•	X	X	X	
N.E. Police Benevolent Association (NEPBA) Local 69 (Superiors)	•		Pending		
Personnel Bylaw	•	X			
• Previous Contract/MOU					
X Existing/Current Contract					

# Enhanced Levels of Service (EoS)

Concept	Amount
Consultant for Waste Water	\$ 20,000
Assessors – Senior Exemption Program	40,000
Police Officer	51,620
Plumber – Central Maintenance	60,782
Library Open on Mondays July & August	14,043
Alzheimers Adult Day Care	7,500

Fringe Benefits Analysis - Average Per Full-Time Employee

<u>Position</u>	<u>Total</u>	<u>Fringe Benefits</u>					<u>Fringe Benefits</u>	<u>Percentage</u>
	<u>Avg Wages</u>	<u>Health</u>	<u>Retirement</u>	<u>WC</u>	<u>IOD</u>	<u>UnEmp Comp</u>	<u>TOTAL</u>	
Public Safety	\$ 60,000	\$ 15,408	\$ 8,400	\$ -	\$ 1,200	\$ 180	\$ 25,188	42%
Public Works (13)	\$ 55,500	\$ 15,408	\$ 7,770	\$ 2,836	\$ -	\$ 167	\$ 26,181	47%
Admin/Clerical (55)	\$ 65,000	\$ 15,408	\$ 9,100	\$ 85	\$ -	\$ 195	\$ 24,788	38%
Water <sup>1</sup> (14)	\$ 59,700	\$ 15,255	\$ 8,358	\$ 2,800	\$ -	\$ 179	\$ 26,592	45%
Harbor/Maint/Parks&Rec/Nurse <sup>1</sup> (16)	\$ 58,000	\$ 15,408	\$ 8,120	\$ 2,100	\$ -	\$ 174	\$ 25,802	44%

<sup>1</sup> For Avg Wage it does not include Clerical. Clerical is included under Admin/Clerical

Total Average Wages: The total of the wages divided by the number of positions.

Health: Is a blended rate of the Towns various plans and the Town's 75% contribution

Retirement: is the set against all employees although newer employees self fund their retirement

Workmen Compensation: Is the State set rate plus the Experience Modifier and the Premium Discount.

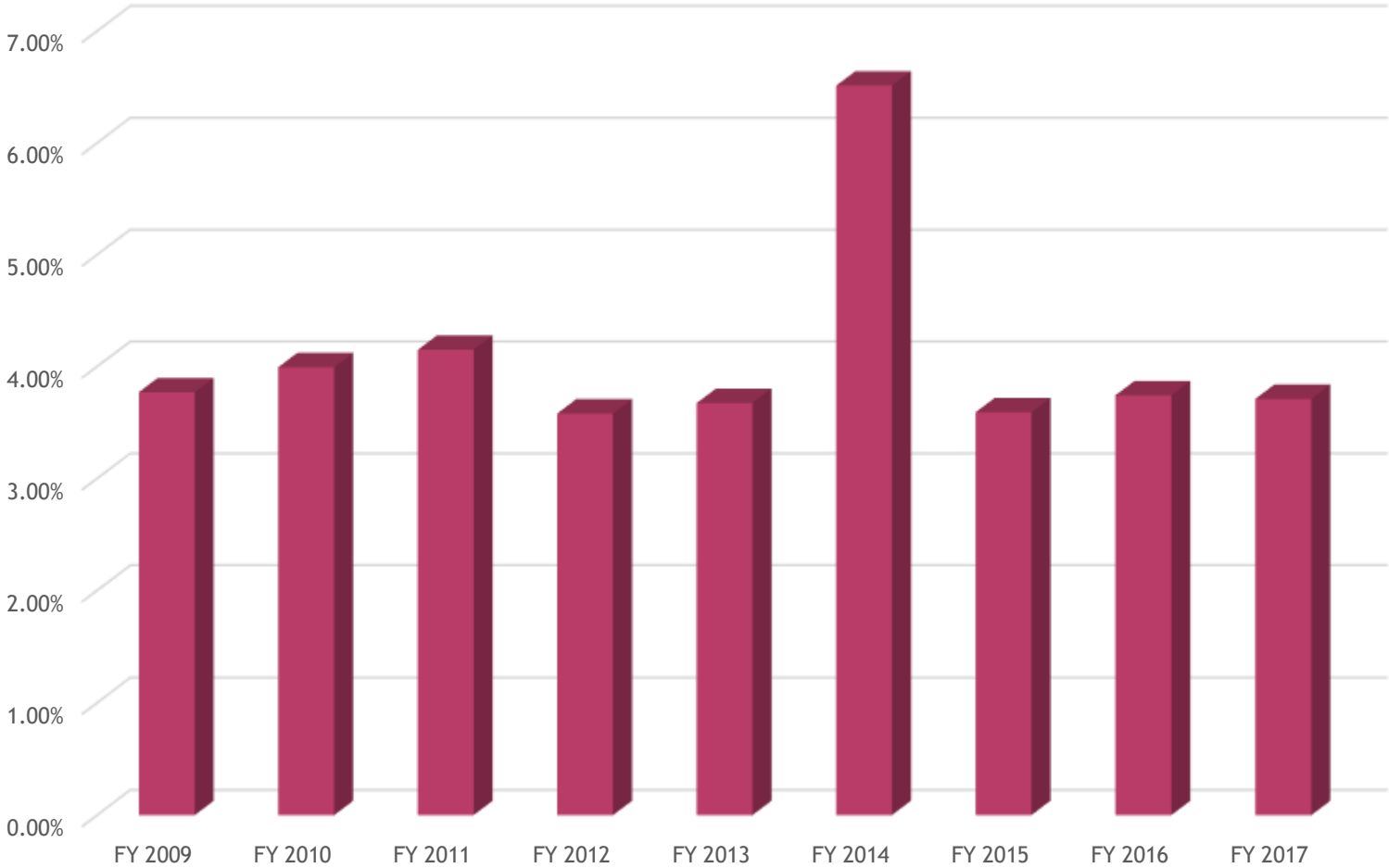
IOD: Is based upon the premium for coverage and some costs for deductibles

Unemployment Compensation: Is allocated based upon previous history

# HISTORICAL TAX REVENUE DATA

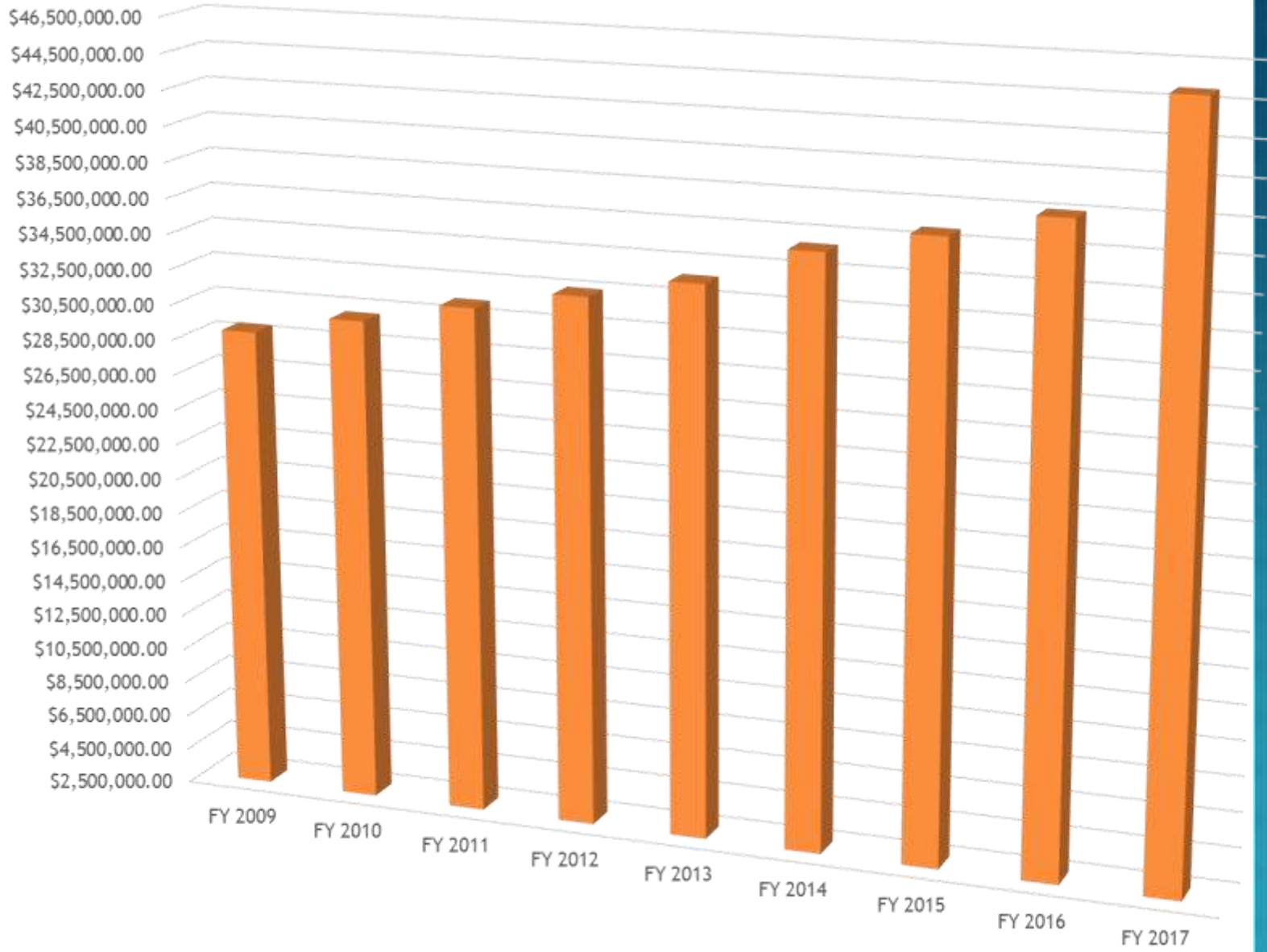
For Fiscal Years 2010-2017

### Base Levy Limit Percent Inc

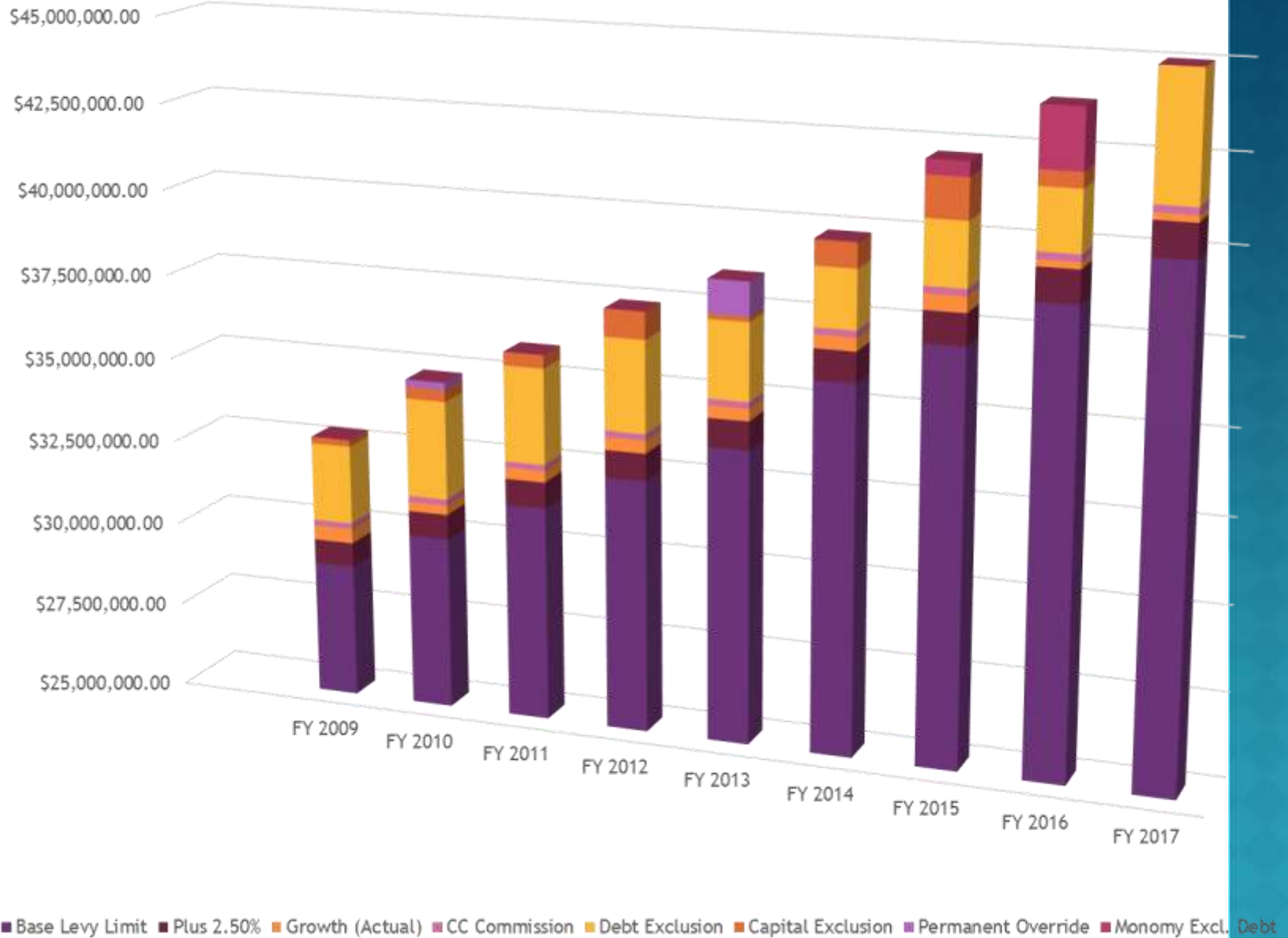


FY 2014 Override Levy \$ 990,193 = 2.9%

# Base Levy Limit in Dollars



## Levy Limit Calculation



# SELECT BUDGET DATA

Charts for Past, Present and Future

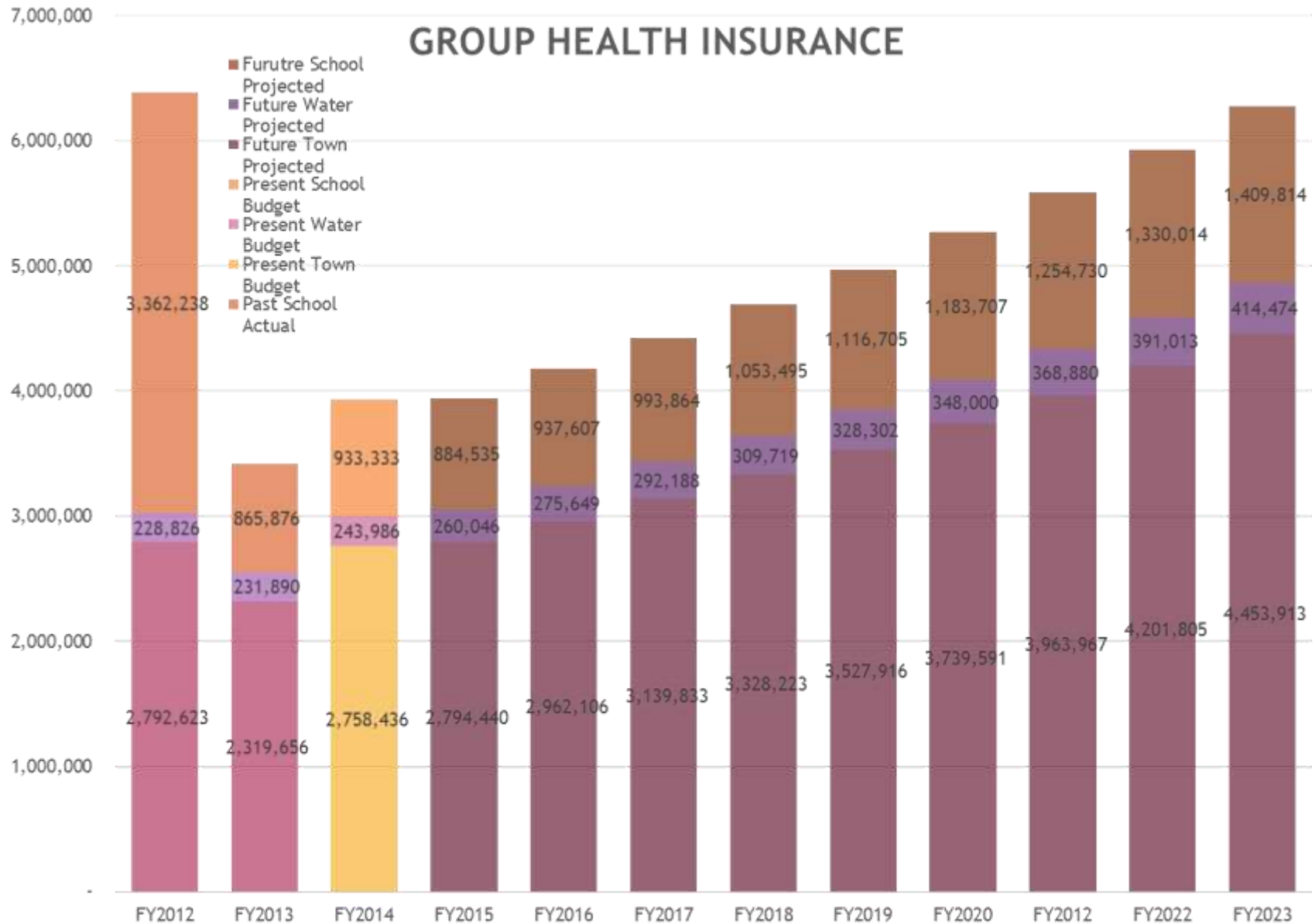


# Meals & Rooms Tax

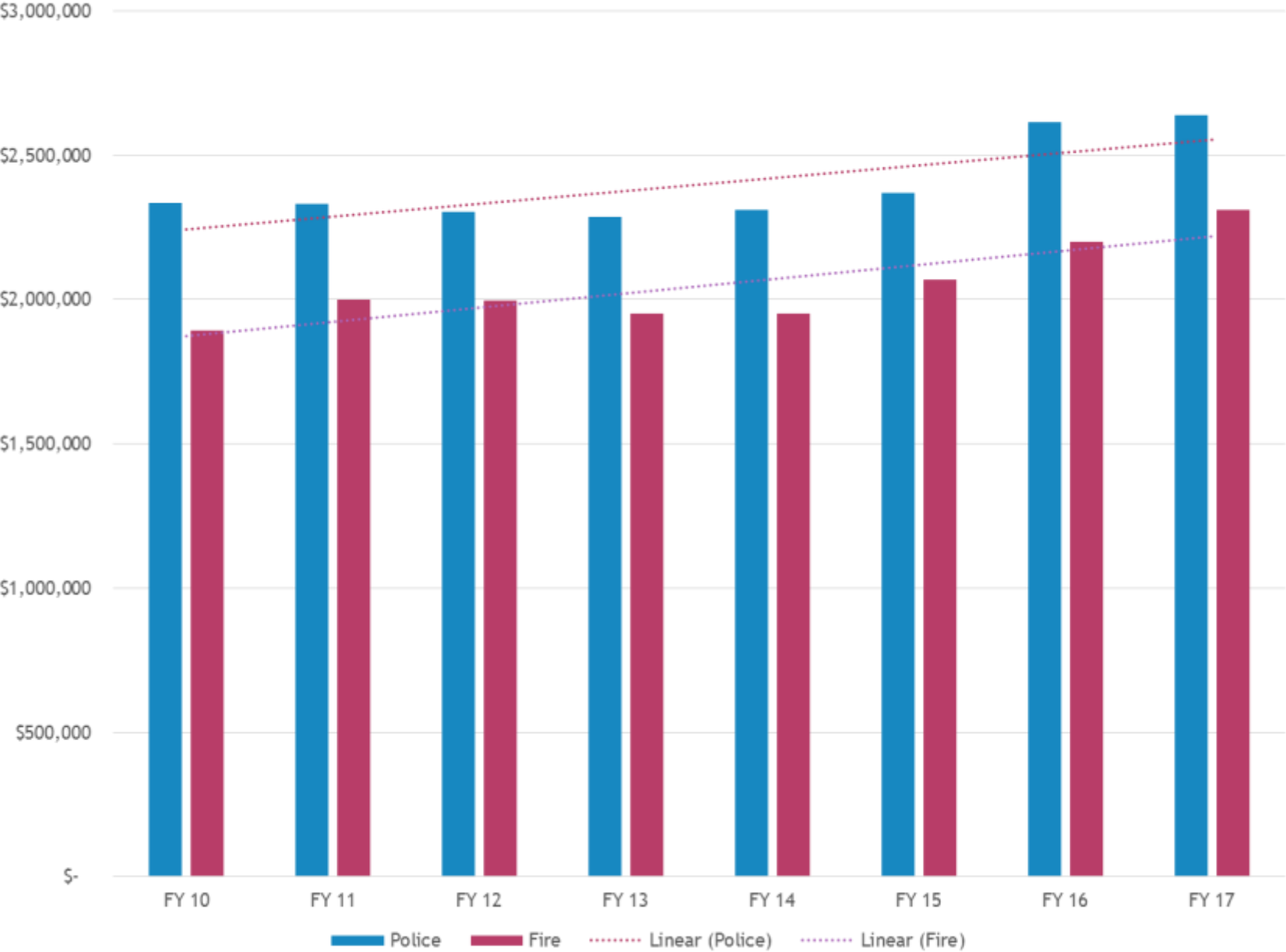


# GROUP HEALTH INSURANCE

- Future School Projected
- Future Water Projected
- Future Town Projected
- Present School Budget
- Present Water Budget
- Present Town Budget
- Past School Actual



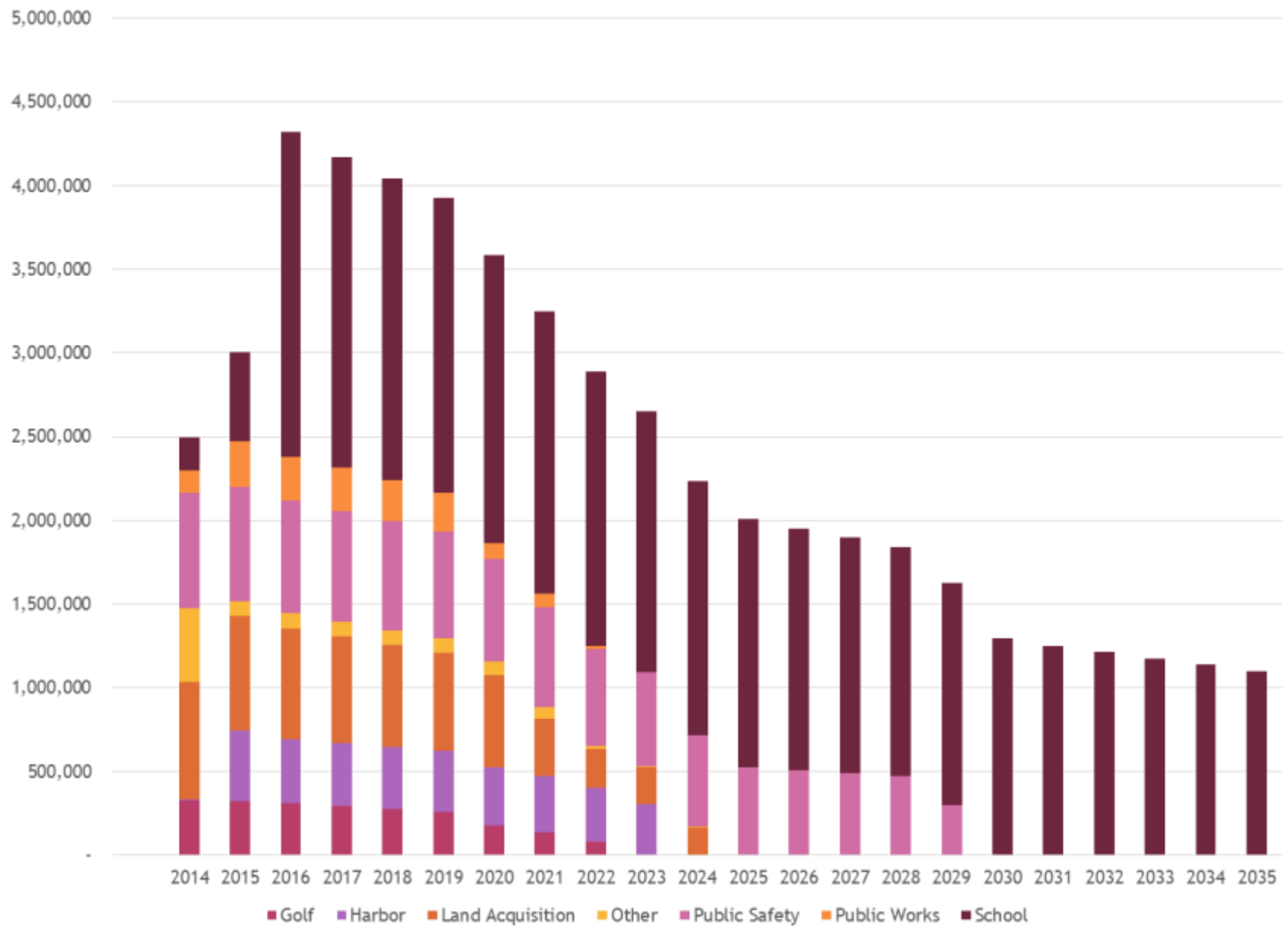
# Police and Fire Salary Budget (Excluding OT)



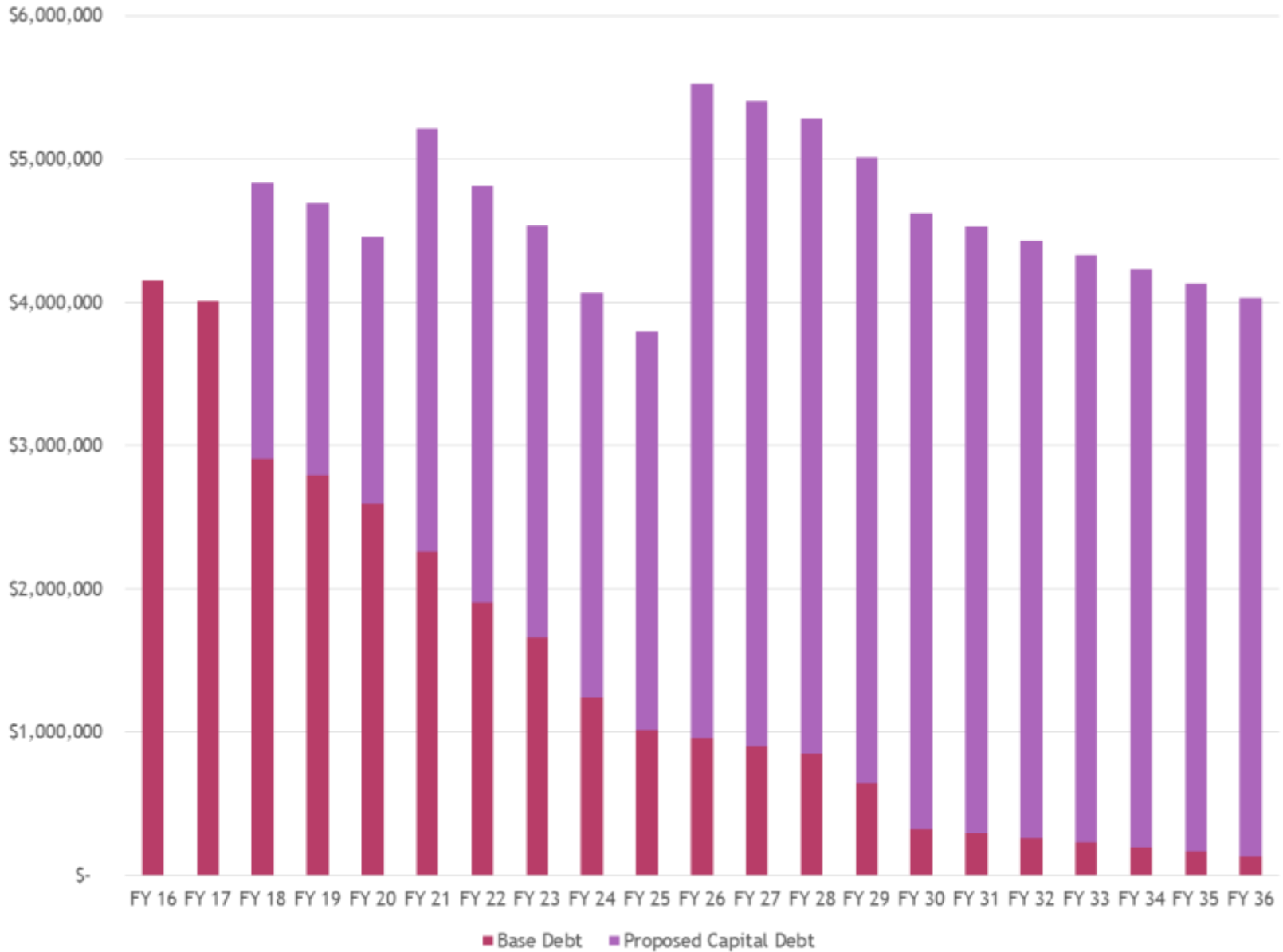
# DEBT STRUCTURE

Future Planning

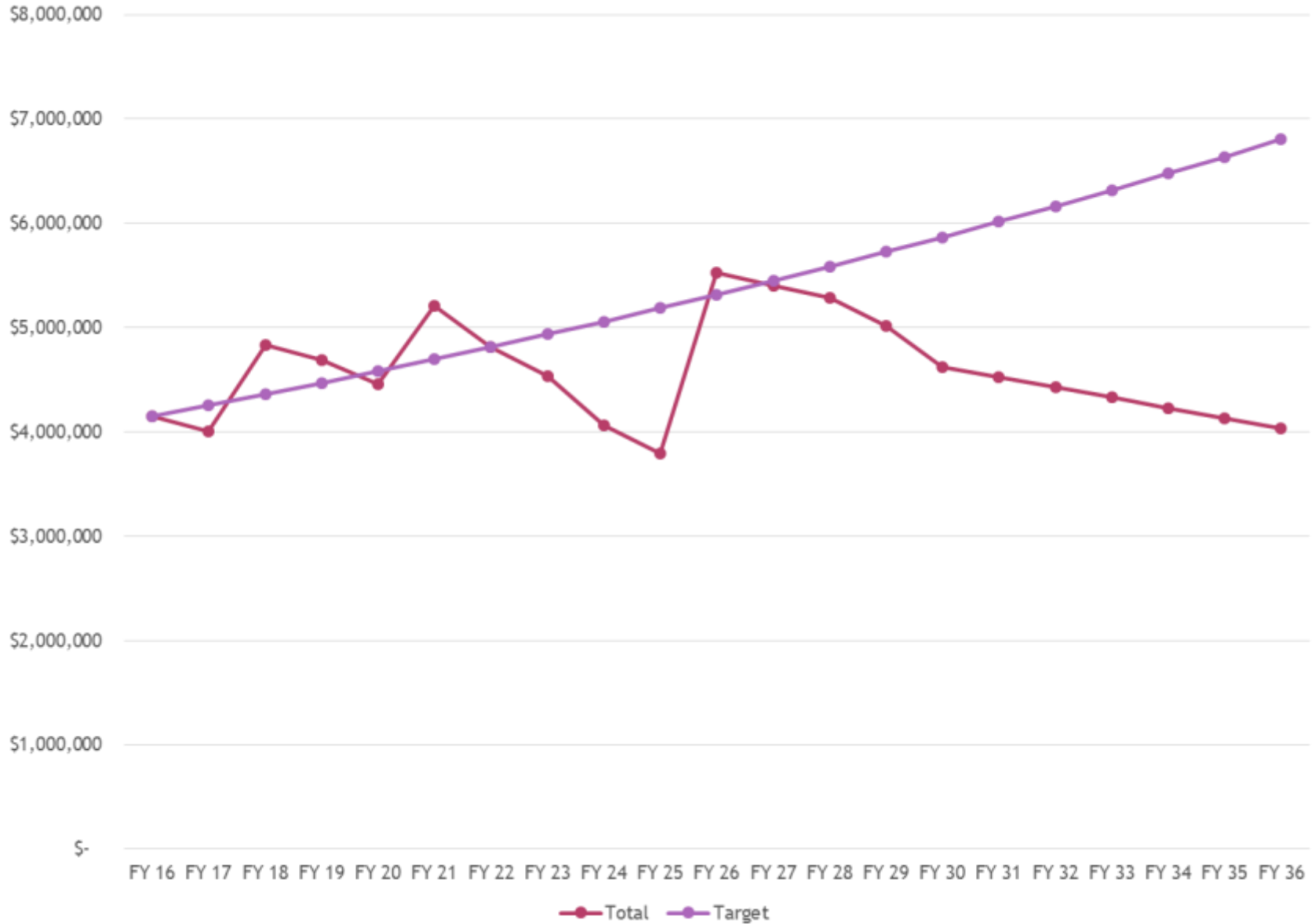
## Town Debt Service



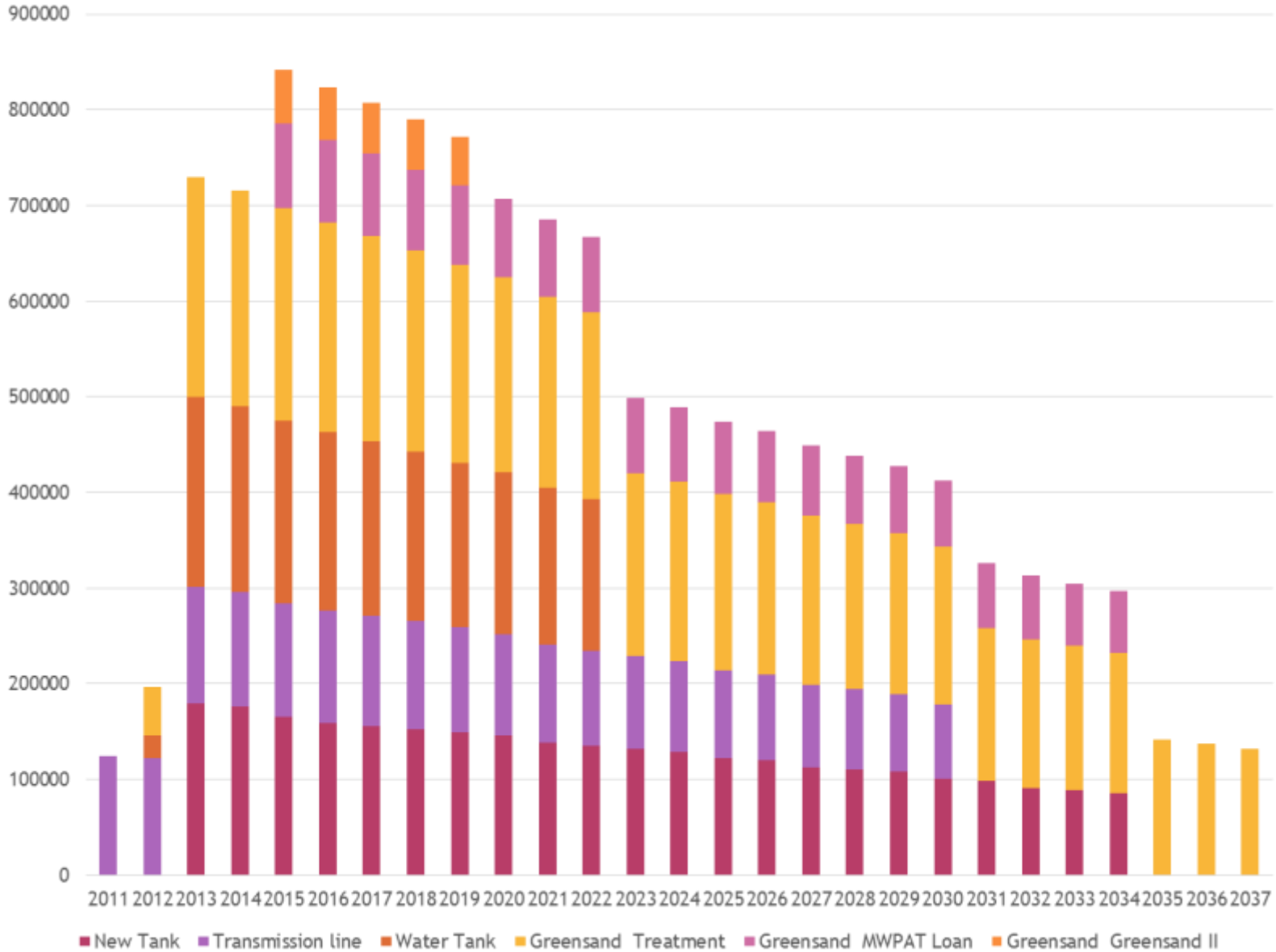
## Debt Chart



# Actual and Project vs Target Debt



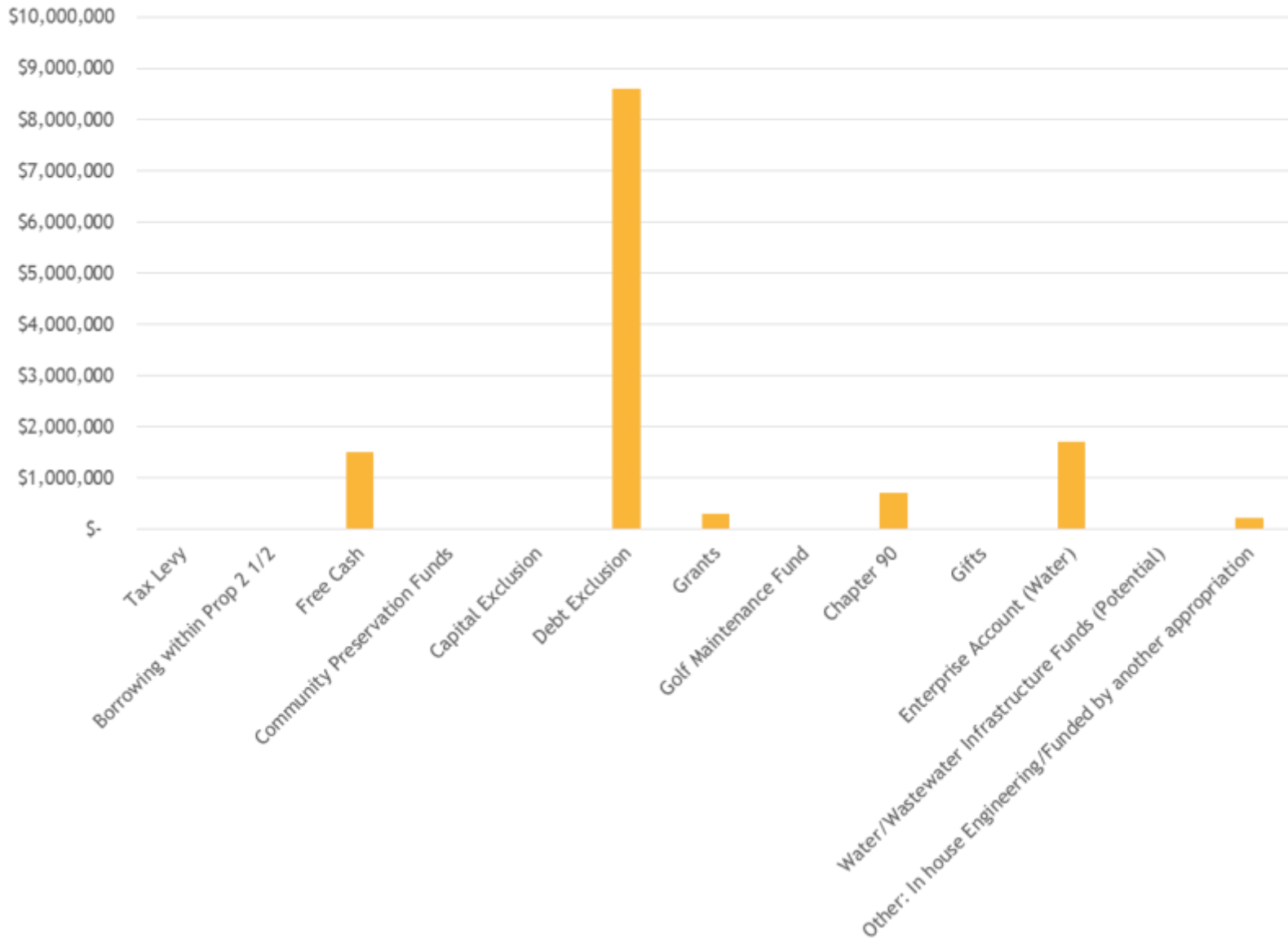
# Water Debt Service



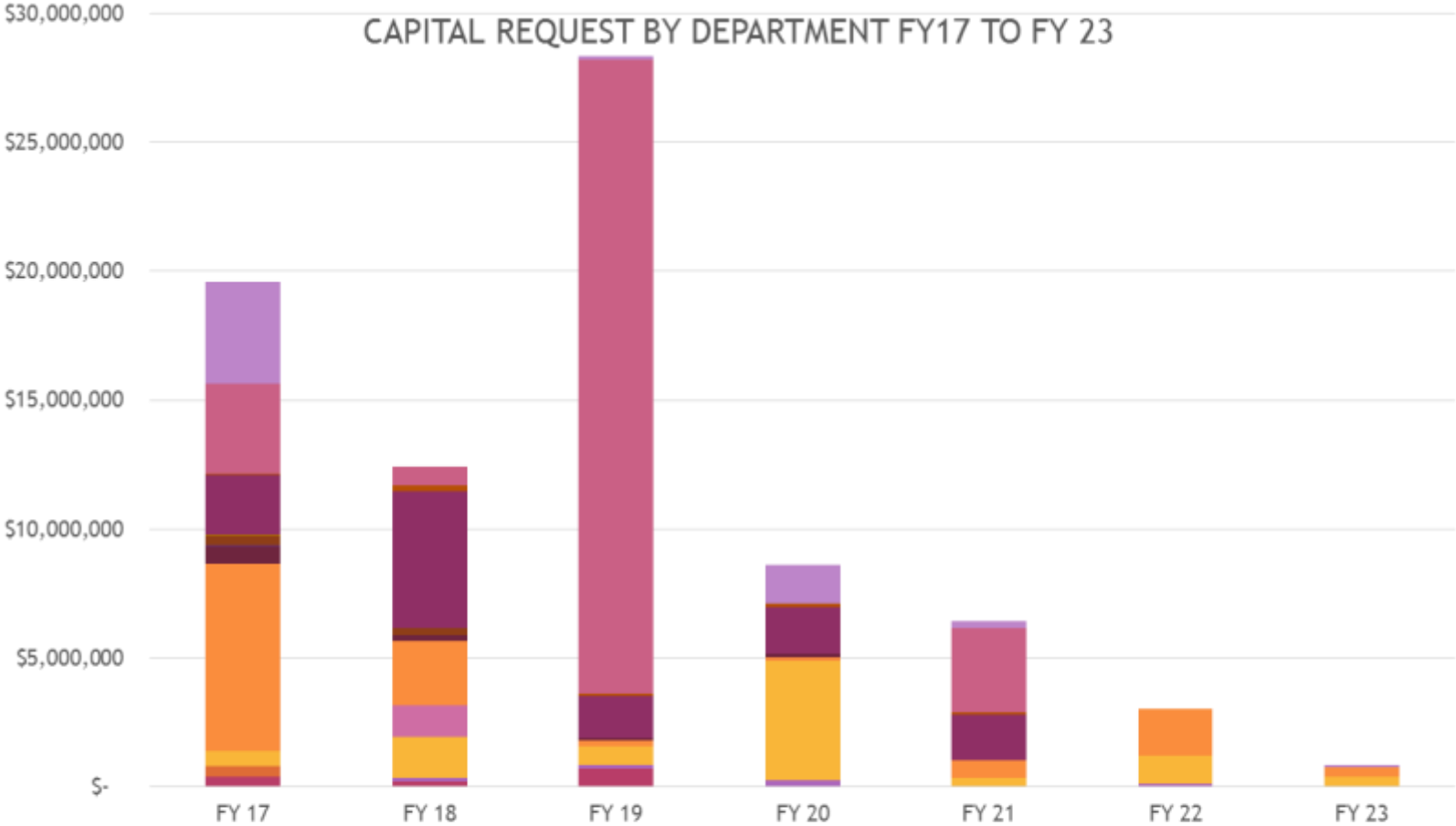


# CAPITAL BUDGET

## CAPITAL FUNDING FOR FY17 BY SOURCE

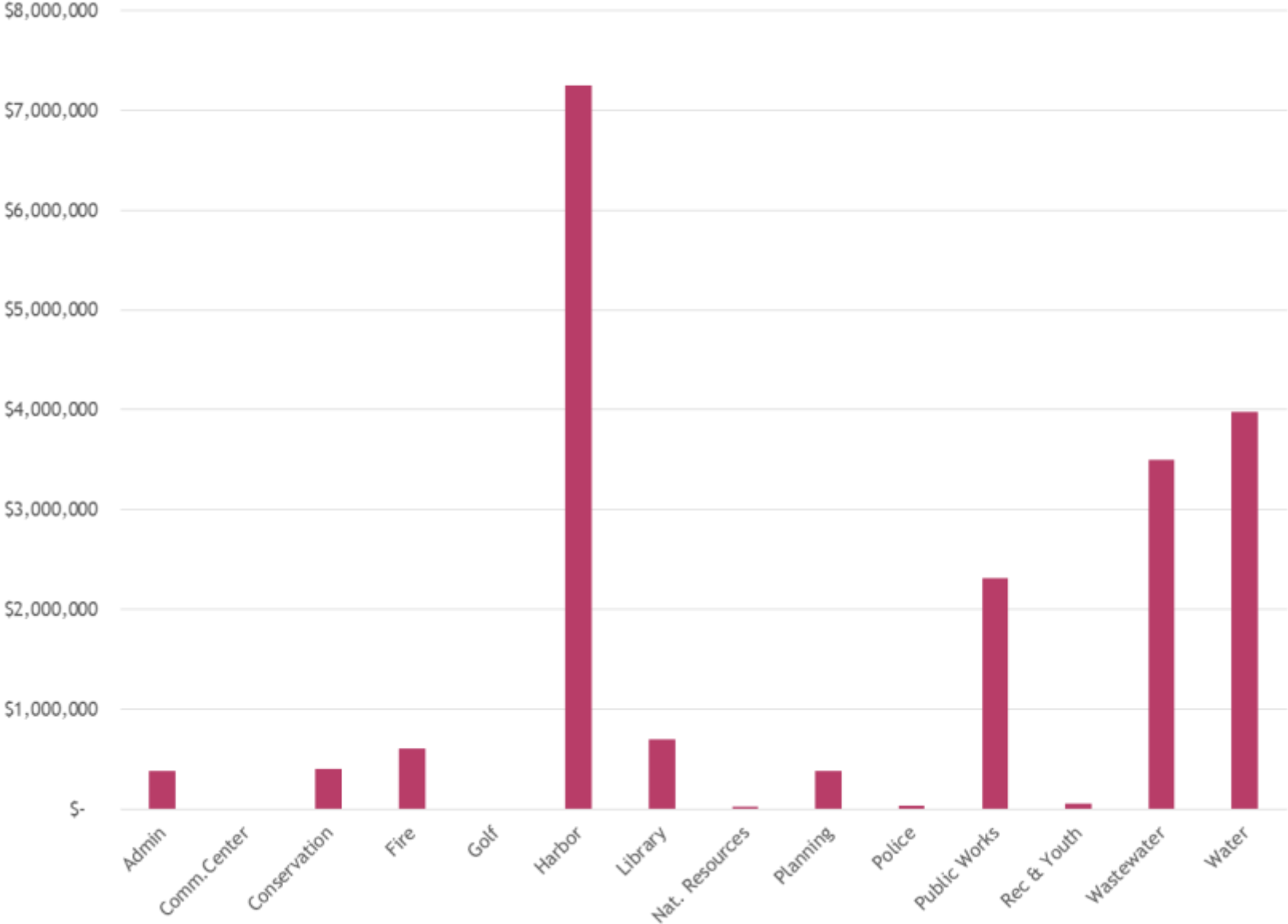


### CAPITAL REQUEST BY DEPARTMENT FY17 TO FY 23



- Admin
- Comm.Center
- Conservation
- Fire
- Golf
- Harbor
- Library
- Nat. Resources
- Planning
- Police
- Public Works
- Rec & Youth
- Wastewater
- Water

# FY 17 CAPITAL BUDGET REQUEST BY DEPARTMENT



## ***Free cash funding source:***

	Free Cash
Ambulance	290,000.00
Fire Chief's Vehicle	42,000.00
Chest Compression System	5,900.00
Fire Station Flooring	50,000.00
Fire Boiler	130,000.00
Fire Air Compressor	12,000.00
Saquatucket Harbor Design & const	250,000.00
Library Smoke/Heat Detectors	29,000.00
Connection Parking Lot Harwichport	30,000.00
Police Carpeting	29,000.00
Transfer Station Roof	122,000.00
DPW Lift	80,000.00
DPW Loader	65,000.00
MSW Trash Trailer	70,000.00
Mack Tractor	150,000.00
DPW Surf Rake	45,000.00
1 Ton Dump Truck	65,000.00
DPW Gator	20,234.00
DPW Walker Mower	22,974.00
Total Capital Budget	1,508,108.00

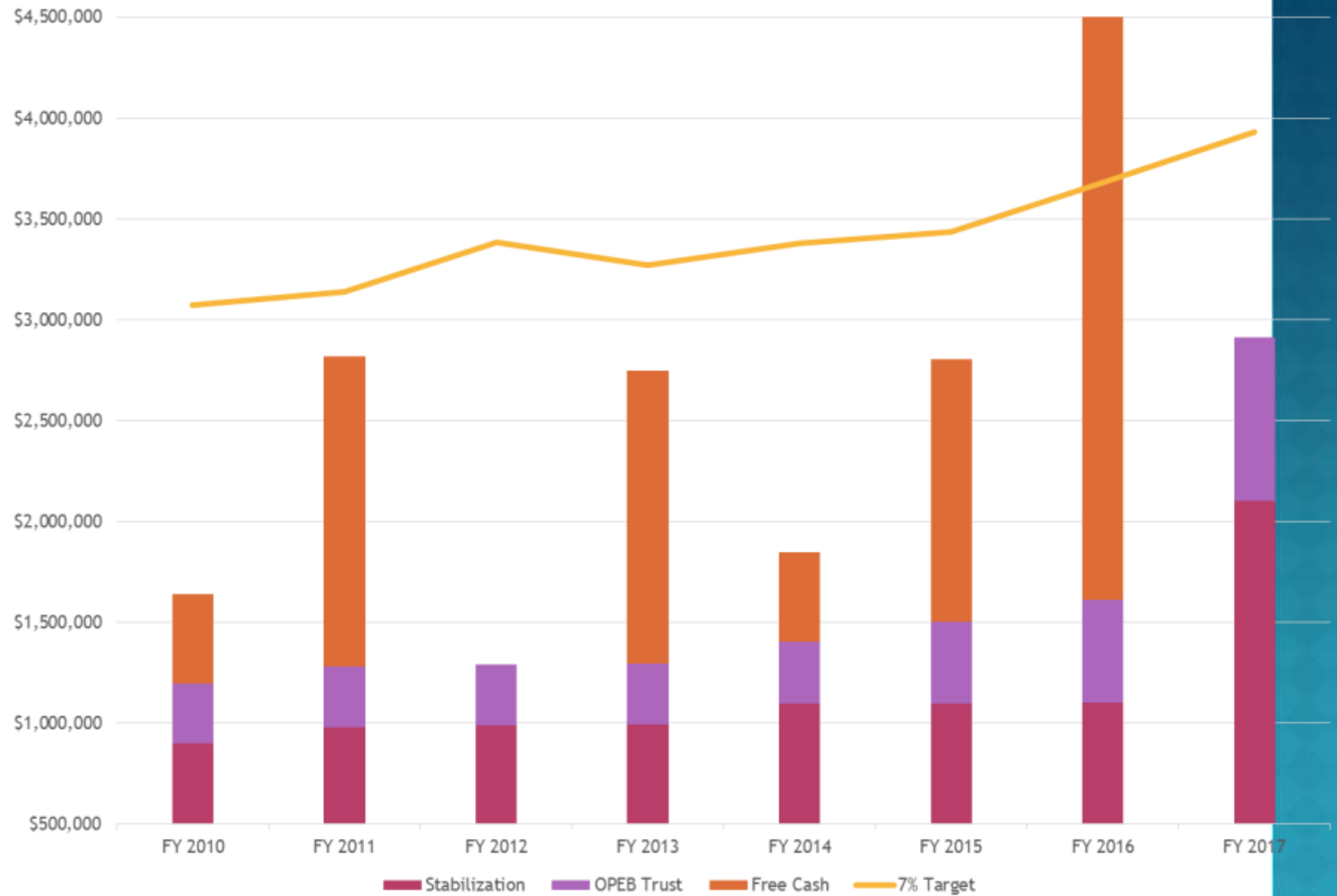
***Debt exclusions***

- Harbormaster Saquatucket harbor waterside construction \$7,000,000
- Public Works Five-Year Road Maintenance Program \$700,000
- Wastewater Purchase capacity Chatham Wastewater Plant IMA (Up to) \$9,000,000

# RESERVE FUND BALANCES

Historical and Projected

## Reserves with Modest Target of 7%





THANK YOU FOR YOUR  
ATTENTION

ANY QUESTIONS

