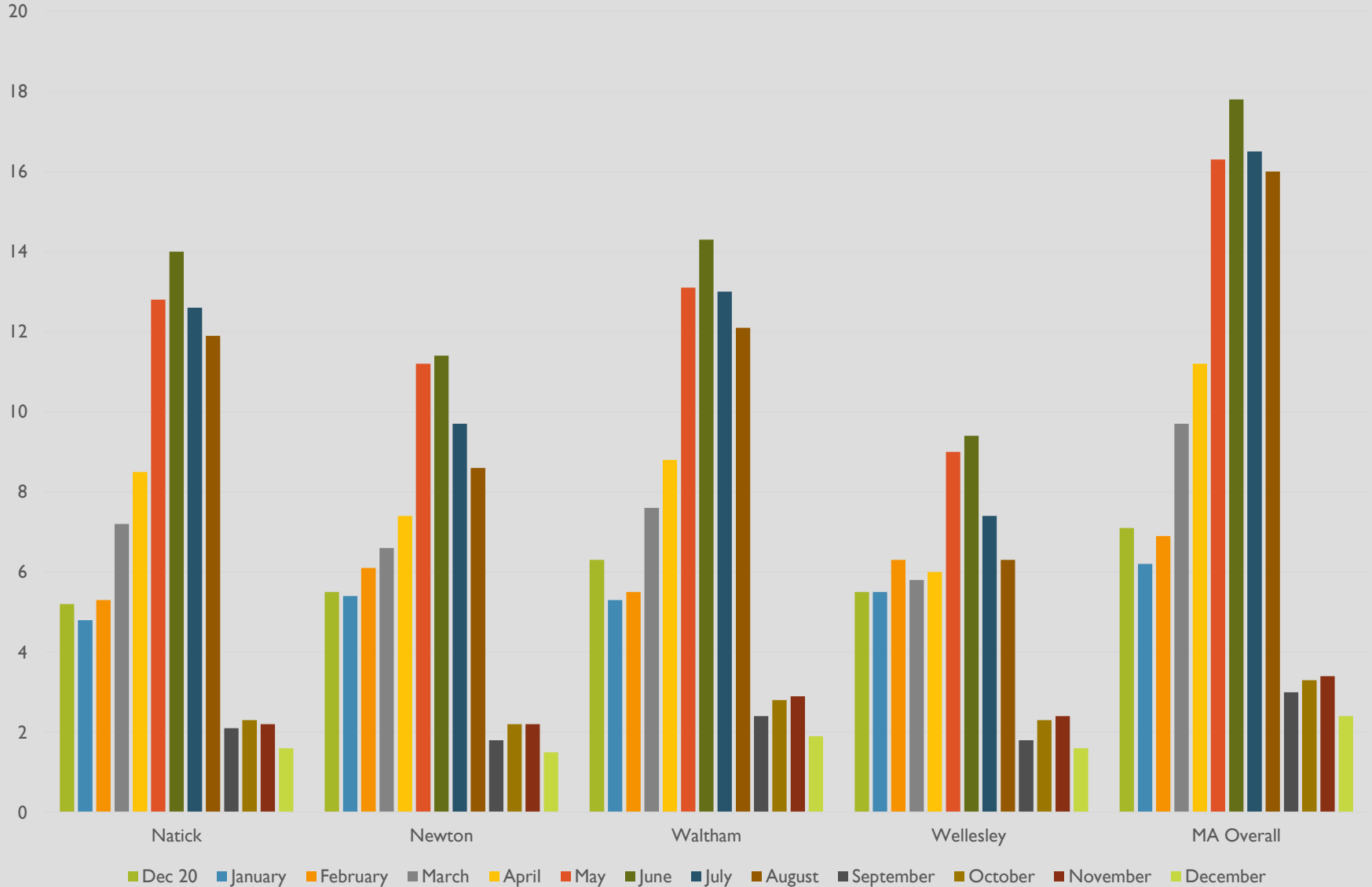


FY 2022 BUDGET UPDATE

March 2, 2021

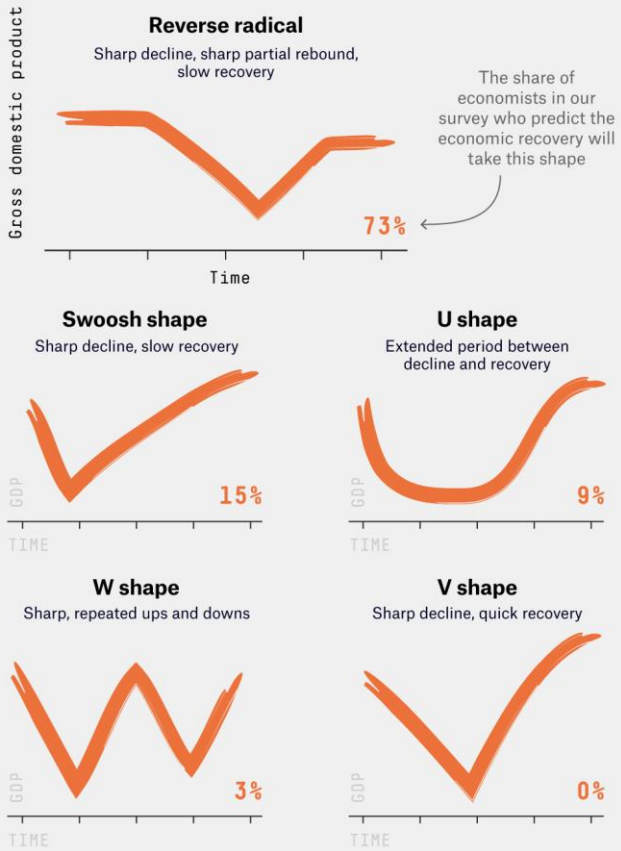
WHAT ABOUT THE ECONOMY?

UE Over 12 Months



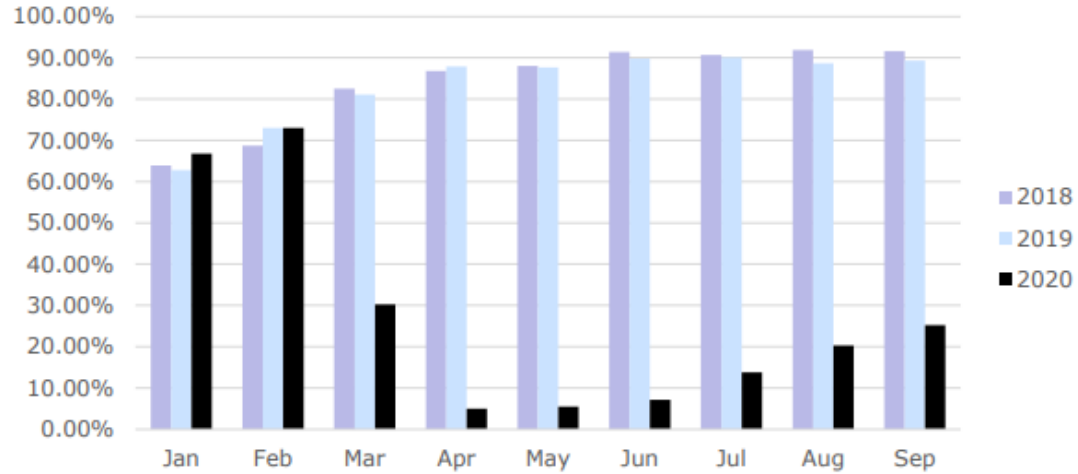
Economists in our survey expect an uneven recovery

Expert predictions for the shape of the U.S. economic recovery

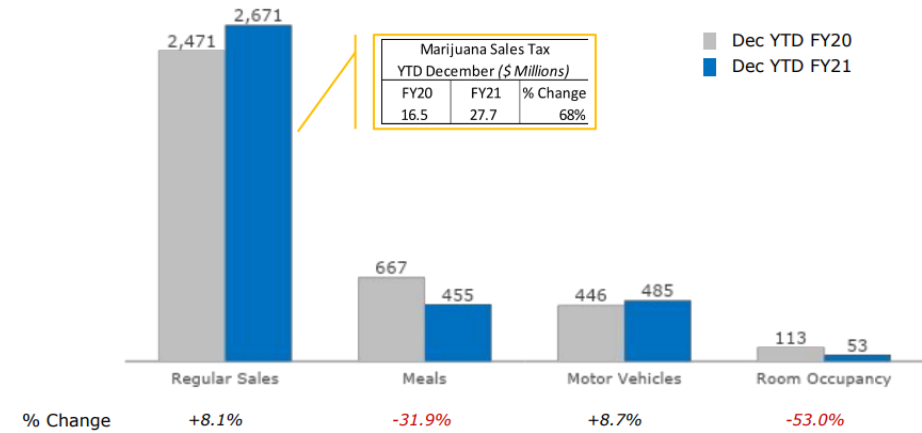


WHAT ABOUT THE (LOCAL)ECONOMY?

Hotel Occupancy - Boston Market



FY21 December YTD Regular Sales, Meals, Motor Vehicles, and Room Occupancy Tax State Tax Revenue \$ Millions

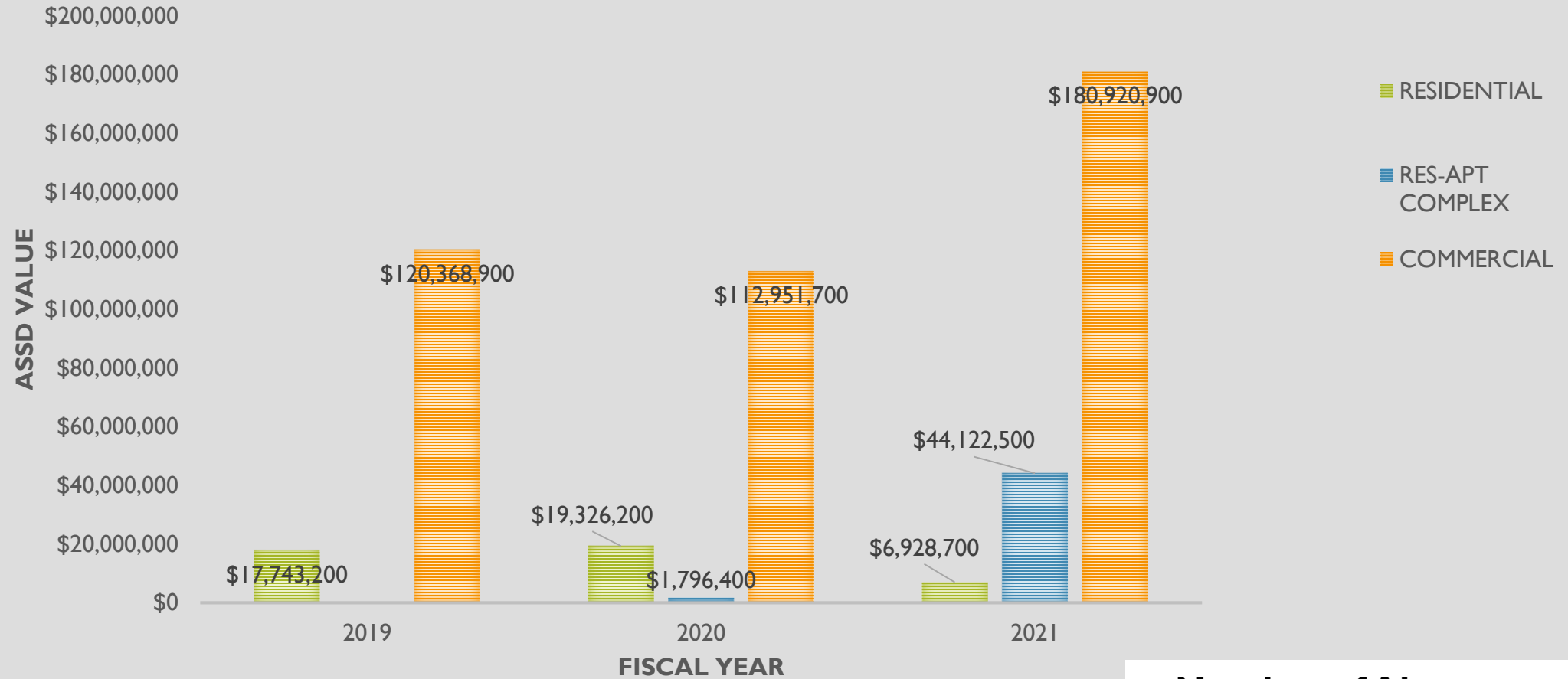


Assessors should look at assessed value allocation by property type;
Where is your community vulnerable with values dropping?

Category	Sub Category	Percent	At Risk
Hotels/Nursing hms/Transient	\$ 41,639,500	4%	\$ 41,639,500
Storage/Distribution	\$ 62,389,700	6%	
Retail	\$ 255,586,200	27%	\$ 162,683,400
Auto	\$ 99,543,800	10%	\$ 40,785,900
Office	\$ 127,330,000	13%	\$ 127,330,000
Public Service	\$ 21,443,700	2%	
Culture	\$ 1,162,900	0%	\$ 1,162,900
Indoor Rec	\$ 3,980,700	0%	\$ 3,980,700
Outdoor	\$ 603,400	0%	\$ 603,400
Vacant	\$ 14,741,100	2%	
MFG	\$ 305,696,300	32%	
Mining	\$ 1,120,700	0%	
Utility	\$ 8,004,000	1%	
Communication	\$ 5,453,200	1%	
Vac Land	\$ 13,385,800	1%	
Grand Total	\$ 962,081,000	100%	\$ 378,185,800

REVENUE UPDATES

ASSESSED VALUE UNDER APPEAL

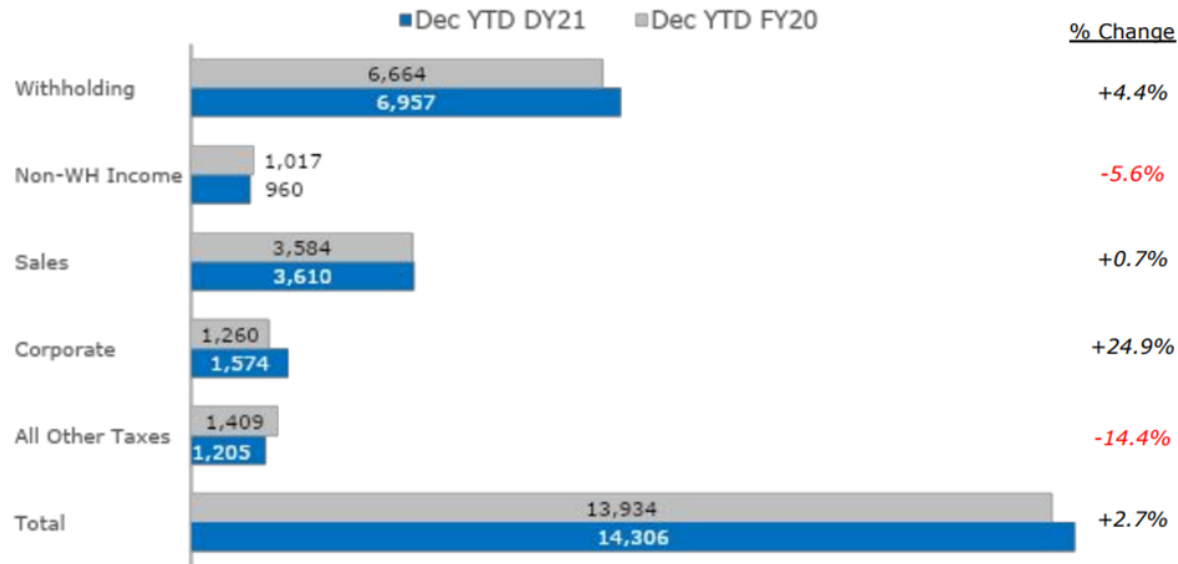


Number of Abatements

FISCAL YEAR	RESIDENTIAL	COMMERCIAL	PERSONAL PROPERTY	TOTAL
2021	13	22	3	38
2020	28	12	17	57
2019	29	18	4	51

STATE AID

FY21 December Year-To-Date Revenue Collections by Tax Type Adjusted for Income Tax Deferrals (\$Millions)



INCREASED STATE AID OVER FORECAST –
\$1,757,750

	FY 22 Forecast Original	FY2022 Governor's Budget Proposal
Education Receipts:		
Chapter 70	9,184,214	10,362,782
School Transportation	-	0
Charter Tuition Reimbursement	14,270	18,539
Smart Growth School Reimbursement	-	0
	-	-
Offset Receipts:	-	-
School Choice Receiving Tuition	184,021	204,468
Sub-Total, All Education Items:	9,382,505	10,585,789
	-	-
General Government:	-	-
Unrestricted Gen Gov't Aid	3,641,785	4,188,053
Local Share of Racing Taxes	-	0
Regional Public Libraries	-	0
Veterans Benefits	123,680	118,154
Exemp: VBS and Elderly	80,786	76,432
State Owned Land	106,368	118,501
	-	-
Offset Receipts:		
Public Libraries	53,506	59,451
Sub-Total, All General Government:	4,006,125	4,560,591
Total Estimated Receipts:	13,388,630	15,146,380

EXPENSE UPDATES

- **Keefe Tech** - Down 8.13% from budgeted number due to updated Keefe Tech Assessment
- **NPS** - Increased by \$3,637,032 from TA Prelim Budget – as part of GAP reduction proposed plan
- **Health Insurance**- Plan rates increased by 3.4% substantially below the 6.3% forecast
- **Merit Increases**- Merit Increases moved from \$65,000 to \$150,000
- **State Aid Assessment**- Reduced from \$1,440,074 to \$1,402,459 for a \$37,615 reduction
- **Water & Sewer** –MWRA Preliminary Sewer Assessment lower than 4% projected increase – budget revised to level fund from FY 21
- **Water & Sewer** - PFAS Testing Increase- From \$65,000 to \$105,000 due to increasing requirements for testing
- **Information Technology** - FTM Money Included- Originally not included, has been moved into the salaries operational and equipment repairs
- **Debt Service** - Reduced by \$1 million through Capital Stabilization Payment – as part of GAP reduction proposed plan
- **Board of Registrars** - Management Salary Line- Level Fund for FY22
- FY21 Revised Budget to be included in the Amended TA Preliminary Budget Book

Original School Appropriation TA Prelim Budget	\$ 71,340,279
School Committee Budget Request	\$ 77,418,227
Difference Between TA Prelim Budget and School Request - GAP	\$ (6,077,948)
School Reductions	
School Savings	\$ 400,000
Additional Utilities KMS	\$ 500,000
Upcoming School Contracts	\$ 500,000
Laptop Purchases	\$ 300,000
Subtotal GAP	\$ (4,377,948)
Additional Funding Identified for NPS	
Additional State Aid -Governor's number	\$ 1,795,366
Keefe Tech Reduction	\$ 103,271
Various Line Item Cuts and Budget Adjustments	\$ 179,360
Debt Service Payment from Capital Stabilization	\$ 1,000,000
Health Insurance Reduction (estimate)	\$ 559,036
Total Additional Funding	\$ 3,637,032
GAP + Additional Funding = Remaining GAP	\$ (740,916)
Revised Budget for NPS - TA 's Amended Preliminary Budget	\$ 74,977,311

**GAP
REDUCTION
PLAN
PROPOSAL**

WHAT'S NEXT?

- Revised FY 22 Budget Book - March 5th – will include FY 21 Revised budget
- Public Budget Forum March 3rd 7:00PM
- CARES ACT/FEMA Update
- Select Board – March 10th – Revised Forecasts & Future Financial Considerations