



Ware

MASSACHUSETTS

Finance Committee
126 Main Street
Ware, MA 01082

Finance Committee Meeting

Meeting Location: Selectmen's Conference Room
Ware Town Hall – 126 Main Street

Meeting Dates: Friday, February 18, 2022

Meeting Time: 9:00 am

Meeting Agenda items to be discussed:

1. Update on Capital Planning Report and Multi-Year Revenue and Expense Projections
2. Review of FY 2023 Budget Calendar
3. Discussion of format of departmental budget meetings
4. Approval of prior meeting's minutes
5. Review of any emails or correspondence since last meeting

At the time of posting of this meeting notice and agenda the above items were the only items known. Should an additional item be brought forward, unless it is of an emergency nature, it will be placed on a future agenda. The general public is invited to this and all meetings of the Ware Finance Committee. ***THERE'S AN OPENING FOR ONE (1) NEW MEMBER; APPLY ON TOWN WEBSITE (WWW.TOWNOFWARE.COM) OR WITH TOWN MANAGER.***

Submitted by

Lynn Nenni
Chairman Finance Committee

Meeting Minutes: February 18, 2022

Members Present: Lynn Nenni, Devin Peterson, Ken Willette, Terry Smith

Special Guests: Stuart Beckley, Town Manager; Tracy Meehan, Town Accountant

Item 1) Update on Capital Planning Report and Multi-Year Revenue and Expense Projections

The Town Accountant discussed the draft revenue and expense projection she had prepared for the periods FY 2022 to FY 2027 with the committee. The report included projections for the general fund as well as the water and sewer funds. She stated the assumptions for general fund revenue included the statutory 2.5% tax levy increase with an estimated \$80,000 annual increase in growth and expenditure assumptions included a 1% increase in salaries, 2% increase in operating costs such as utilities and purchase of services, a 5% increase in employee benefit costs and a 2% increase in the education budget. Debt service calculations included currently approved debt service requirements only.

The committee, Town Manager and Town Accountant discussed other expenses that should be incorporated into the report in order to enhance their understanding of the town's financial condition which included adding the cost of the regional dispatch system in FY 2026 and the cost of capital projects recommended by the capital planning committee for the general fund and the town's consulting engineers for the water and sewer funds. The committee also planned to use this schedule to estimate the impact of lowering the tax levy as well as the impact of using bonding to pay for capital projects versus free cash.

Tracy planned to have a revised report the committee could tinker with ready the following week.

The Town Manager stated the UMASS intern had started working on the detailed capital planning document the committee had requested and that it would be available in approximately one month. In the meantime, he stated, we could use the capital projects schedule he had given us at the last meeting for the expense projections for capital projects.

Item 2) Review of FY 2023 Budget Calendar

The Town Manager stated he would have a draft of the 2023 budget ready for the next meeting. The committee discussed the departments they would like to meet with and tentatively agreed to meet with public safety, public works, the board of education, parks and library, as they were typically the departments with the largest budgets. The meetings were scheduled for 5:00 pm on Thursday's during the month of March.

In April, the committee planned to invite the board of selectman to a finance committee meeting in order to provide the board of selectman with an overview of the town's budget and their preliminary recommendations.

Item 3) Discussion of format of departmental budget meetings

The committee noted that as part of their 2023 budget review they were interested in knowing the year over year percentage increase for each department, current staffing levels for each department as well as any proposed staffing changes. Stuart stated he could provide this information with his budget package.

The committee also asked Stuart to advise the departments to prepare for their meetings with the finance committee by being ready to discuss the services they provide and related responsibilities, any new proposed budget initiatives and any challenges or opportunities they believe the department will encounter in the next five years.

Motion to approve the minutes of the February 11, 2022 meeting- Ken Willette

Second: Devin Peterson

Unanimously approved

Item 5) Review of emails or correspondence since last meeting

The Town Manager asked the committee what to fund the Finance Committee reserve budget account at for FY 2023. The committee agreed they would like to increase the reserve from the present level of \$55,000 to \$100,000 in order to cover emergency or unforeseen expenditures and to avoid having to call a special town meeting.

The meeting was adjourned at 11:10 am.

Respectfully submitted,

Lynn Nenni

Finance Committee Chair

Town of Ware

DRAFT

Summary of Projected Revenues and Expenditures

	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Revenues	Actual	Actual	Actual	Budget	Projected	Projected	Projected	Projected	Projected
Property Tax Levy	15,175,923	15,501,517	15,913,609	16,458,984	17,192,084	17,700,845	18,222,286	18,756,676	19,304,440
State Aid Cherry Sheet	11,888,091	12,938,236	13,007,717	13,651,174	14,830,257	14,903,887	15,175,830	15,478,356	15,787,212
MSBA Reimbursement	776,456	0	0	-	-	-	-	-	-
Estimated Local Receipts	2,500,237	2,600,702	2,461,992	2,858,900	2,840,900	2,850,000	2,859,200	2,668,600	2,678,100
Free Cash	1,047,201	873,700	1,721,147	955,405	484,245	484,245	484,245	484,245	484,245
Available Funds/Other Financing	49,117	115,054	156,129	45,500	-	-	-	-	-
Total Revenues	31,437,026	32,029,210	33,260,594	33,969,983	35,347,466	35,938,977	36,741,561	37,387,877	38,253,997

	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Expenditures	Actual	Actual	Actual	Budget	Projected	Projected	Projected	Projected	Projected
General Government	1,156,798	1,320,378	1,370,735	1,652,059	1,674,392	1,697,065	1,720,082	1,743,451	1,767,177
Public Safety	3,434,109	3,463,374	3,567,208	3,928,543	3,973,655	4,019,336	4,065,591	4,112,431	4,159,863
Education	15,010,999	15,301,101	15,475,006	16,193,965	16,616,592	17,053,068	17,503,965	17,969,853	18,451,394
Public Works/Cemetery	1,126,317	1,106,511	1,076,850	1,285,660	1,302,623	1,319,860	1,337,376	1,355,177	1,373,267
Health and Human Services	508,374	489,129	425,657	529,040	538,124	547,375	556,795	566,389	576,159
Culture & Recreation	347,287	344,075	344,058	413,976	418,116	422,297	426,520	430,785	435,093
Debt Service/Capital Plan	1,658,484	747,545	960,804	939,880	688,199	764,527	711,579	883,676	601,322
State Assessments	1,117,221	1,258,188	1,305,015	1,286,963	1,336,370	1,387,727	1,441,113	1,496,609	1,554,299
Fixed Costs/Benefits	5,752,066	5,639,952	5,880,882	6,352,039	6,750,211	7,092,846	7,454,502	7,836,319	8,239,504
Risk Management	284,207	351,631	362,467	428,000	447,260	467,387	488,419	510,398	533,366
Other Amounts Raised	696,408	647,633	697,412	637,034	637,183	640,561	644,190	647,798	651,480
Misc/Other Uses	701,861	873,700	653,500	660,405	484,245	484,245	484,245	484,245	484,245
Transfers (Enterprise Indirect Costs)	(328,038)	(398,233)	(454,466)	(502,083)	(524,163)	(488,944)	(485,305)	(497,195)	(455,987)
Total Expenditures	31,466,092	31,144,964	31,665,127	33,805,471	34,322,806	35,407,437	36,349,062	37,339,937	38,371,182
General Fund Surplus (Shortfall)	(29,067)	884,246	1,595,466	164,492	1,024,661	531,540	392,499	47,940	(117,185)

	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Enterprise Funds	Actual	Actual	Actual	Budget	Projected	Projected	Projected	Projected	Projected
Enterprise Funds: Revenues	2,403,000	2,484,553	2,145,900	2,096,405	2,217,500	2,440,000	2,577,000	2,577,000	2,577,000
Enterprise Funds: Expenditures	1,417,007	2,076,204	1,567,322	1,727,871	1,539,960	1,564,983	1,590,448	1,616,385	1,642,741
Transfers (Enterprise Indirect Costs)	328,038	398,233	454,466	502,083	524,163	488,944	485,305	497,195	455,987
Enterprise Surplus (Shortfall)	657,955	10,116	124,111	(133,569)	153,377	386,073	501,246	463,440	478,273
Grand Total Revenues	33,840,026	34,513,762	35,406,494	36,066,388	37,564,966	38,378,977	39,318,561	39,964,877	40,830,997
Grand Total Expenditures	33,211,137	33,619,401	33,686,916	36,035,435	36,386,929	37,461,365	38,424,816	39,453,486	40,469,910
Total Surplus (Shortfall)	628,889	894,362	1,719,578	30,933	1,178,038	917,612	893,745	511,380	361,087