



City of
GREENFIELD, MASSACHUSETTS



OFFICE OF THE MAYOR

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Memorandum

To: Ways and Means Subcommittee

CC: Greenfield City Council

From: William Martin, Mayor

Date: May 15, 2019

Re: FY2020 Budget Final Thoughts and School Budget Suggestions

As you approach deliberation on the FY 2020 city budget, I want to provide you with updated information. As you know, we have created this budget during the first quarter of the year, after the Governor's budget and before the House and Senate versions. Now, with only one more step in the process, a House-Senate Conference Committee compromise budget, we know of highly probable changes for Greenfield. I offer some suggestions for your discussions.

First, Chapter 70 has increased \$257,517, and in the Town Operating Budget Contributory Retirement is reduced by \$32,000 and Health Insurance by \$56,000. So a total of \$345,517 may be appropriated for the school department. The school department's current budgeted amount of \$18,625,000 would be increased to \$18,970,517.

Second, a reduction in the Stipend for Councilor training, travel, mileage, registration fees and travel expenses from \$500 per Councilor to \$250 per Councilor would provide \$3,250 that may be shifted to the school department. Article VII, Stipend for School Board Members and City Councilors of the City Code may require a modification for this temporary reduction. The \$3,250 added to the school department will now equal \$18,973,767.

The options at this point include reducing city department budgets at a risk of service & program loss and lay-offs or request the school committee and superintendent use \$400,000 of existing revolving funds from their various accounts (for FY2020 the school committee reduced their contribution by \$800,000 that they committed last year) such as Choice \$100,000; Sped Tuition \$200,000; Preschool Tutor \$50,000; and Sped Idea \$150,000. Also, verify actual FY19 & FY18 costs paid to Out of District Costs (OOD) from OOD Tuition,

Circuit Breaker and prepayments to verify the \$2.9 M projected for FY 2020 is a value that represents a historical trend. The number of students has decreased and reductions are expected. However, there may need to be a review of the actual per student cost.

With \$400,000 of revolving funds added the school budget is now at \$19,373,767.

Providing additional funding to the school budget beyond the Mayor's submission from the excess Levy will cause an increase in the tax bill to property owners. A $\frac{2}{3}$ vote is required for passage and the Director of Municipal Finance has provided tax rate impacts at various amounts used of the excess Levy that totals \$2.7 M.



*The City of Greenfield is an Affirmative Action/Equal Opportunity Employer,
a designated Green Community and a recipient of the "Leading by Example" Award*

OVERVIEW - PROVIDING ADDITIONAL SCHOOL FUNDING

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I. - Options to Provide Funding / Reductions

II - Amounts to Consider Funding

A	Full School Committee Request	Amount Above Mayor's
B	School Committee Request Less \$400,000 use of Revolving Funds	\$1,345,347
C	School Committee Request Less \$800,000 Reduction of New Hires	\$945,347
D	School Committee Request Less \$400,000 use of Revolving Funds and Less \$800,000 Reduction of New Hires	\$545,347
		<u>\$145,347</u>

CHOOSE THE AMOUNT YOU ARE LOOKING TO FUND - A, B, C or D or something in-between.

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USE SCHOOL REVOLVING FUNDS

PAGE 3

TOWN OPERATING REDUCTION

PAGE 4

TAX LEVY

I - The Governor's Budget

II - Senate Ways and Means - this shows a reduction to the Tax Levy under the Governor's Budget by the net increase in the Ways and Means Budget

Ater deciding the amount to fund, look at the Tax Levy Sheet Senate Ways and Means to see the impact of the amount.

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UP TO DATE CHERRY SHEET - because of the increase under the Senate Ways and Means budget, the tax rate under the Mayor's recommended budget is lower and the excess capacity is higher.

I. OPTIONS ON SCHOOL FUNDING

1. Reduce the Town Operating Budget
2. Reassess \$800,000 new positions in school budget
3. Use \$400,000 of school revolving funds
4. Increase the tax levy
5. Combination of any of the above

II. AMOUNTS TO CONSIDER

A		B		C		D	
School Request	19,970,347	School Request	19,970,347	School Request	19,970,347	School Request	19,970,347
Mayor's Recommended	18,625,000	Mayor's Recommended	18,625,000	Mayor's Recommended	18,625,000	Mayor's Recommended	18,625,000
Difference	1,345,347	Difference	1,345,347	Difference	1,345,347	Difference	1,345,347
a) Entire Request		b) Use Revolving (400,000)		c) No New Hires (800,000)		d) No new hires (800,000) Use Revolving (400,000)	
Raise / Cut	1,345,347	Raise / Cut	945,347	Raise / Cut	545,347	Raise / Cut	145,347

Raise / Cut is the amount to fund above the Mayor's recommended budget.

SCHOOL REVOLVING

Possible Revolving and Grant Sources:

Increase an Additional
 1521 School Choice \$100,000
 1504 Sped Tuition In \$200,000 * Ending FY19 balance much higher
 1509 Preschool Tuition \$50,000

1410 Sped IDEA \$140,000 to \$200,000 Special Education Transportation
 1200 School Lunch Look at allowability of administrative indirect costs; charge health benefits to reduce town insurance costs.

	ENDING BALANCES		FY19 Revenue	FY19 YTD + Ent Balance ending 06/30/19	Plus FY20 Revenue	ANNUAL REVENUE	
	6/30/16	06/01/17				6/30/2018	6/30/2018
1521 School Choice	\$1,310,864	\$1,178,453	\$537,139	\$877,386	\$537,139	\$707,691	\$536,588

	ENDING BALANCES		FY19 Revenue	FY19 YTD + Ent Balance ending 06/30/19	Plus FY20 Revenue	ANNUAL REVENUE	
	6/30/16	06/01/17				6/30/2018	6/30/2018
1504 SPED Tuition In	\$485,876	\$530,987	\$190,000	\$100,490	\$186,000.00	\$155,107	\$186,820

	ENDING BALANCES		FY19 Revenue	FY19 YTD + Ent Balance ending 06/30/19	Plus FY20 Revenue	ANNUAL REVENUE	
	6/30/16	06/01/17				6/30/2018	6/30/2018
1509 Preschool	\$289,892	\$330,682	\$212,000	\$224,800	\$200,000	\$196,745	\$224,821

	ENDING BALANCES		FY19 Revenue	FY19 YTD + Ent Balance ending 06/30/19	Plus FY20 Revenue	ANNUAL REVENUE	
	6/30/16	06/01/17				6/30/2018	6/30/2018
1200 School Lunch	199,909	278,771	1,182,000	1,058,560	\$1,182,000	\$1,144,364	\$1,164,304

1515 Circuit Breaker Review FY19 amounts paid in OOD Tuition, Circuit Breaker. Include Prepaid tuition amounts in FY18 for FY19. Compare to FY20 budgeted OOD Tuition

Town Operating Reductions

Health Insurance	\$56,000
Contributory Retirement	\$32,000
City Council Training	\$3,250
	\$91,250

Debt Due to the audit, we will not be bonding until August. This will result in a shift from bonded debt principal and interest to short term principal payoff and interest. This is prudent debt management.

IMPACT ON TAX RATE AND EXCESS CAPACITY

III. UNDER THE GOVERNOR'S BUDGET

Increase By	Mayor's Budget	Tax Levy	Tax Rate	Increase over		Increase Over		Excess Capacity
				Mayor's Rate	FY19 rate	FY19 rate	FY19 rate	
		34,425,718	22.92			0.56		2,414,280
Additional	\$100,000	34,525,718	22.99	0.07		0.63		2,314,280
Additional	\$200,000	34,625,718	23.05	0.13		0.69		2,214,280
Additional	\$300,000	34,725,718	23.12	0.20		0.76		2,114,280
Additional	\$400,000	34,825,718	23.19	0.27		0.83		2,014,280
Additional	\$500,000	34,925,718	23.25	0.33		0.89		1,914,280
Additional	\$600,000	35,025,718	23.32	0.40		0.96		1,814,280
Additional	\$700,000	35,125,718	23.39	0.47		1.03		1,714,280
Additional	\$800,000	35,225,718	23.45	0.53		1.09		1,614,280
Additional	\$900,000	35,325,718	23.52	0.60		1.16		1,514,280
Additional	\$1,000,000	35,425,718	23.59	0.67		1.23		1,414,280
Additional	\$1,100,000.00	35,525,718	\$23.65	\$0.73		1.29		1,314,280
Additional	\$1,200,000.00	35,625,718	\$23.72	\$0.80		1.36		1,214,280
Additional	\$1,300,000.00	35,725,718	\$23.79	\$0.87		1.43		1,114,280
Additional	\$1,345,347.00	35,771,065	\$23.82	\$0.90		1.46		1,068,933

IV. UNDER THE SENATE WAYS AND MEANS BUDGET

Increase By	Mayor's Budget	Tax Levy	Revised Tax Rate	Increase over		Increase Over		Excess Capacity
				Mayor's Revised	FY19 rate	FY19 rate	FY19 rate	
		34,122,712	22.72			0.36		2,717,286
Additional	\$100,000	34,222,712	22.79	0.07		0.43		2,617,286
Additional	\$200,000	34,322,712	22.85	0.13		0.49		2,517,286
Additional	\$300,000	34,422,712	22.92	0.20		0.56		2,417,286
Additional	\$400,000	34,522,712	22.99	0.27		0.63		2,317,286
Additional	\$500,000	34,622,712	23.05	0.33		0.69		2,217,286
Additional	\$600,000	34,722,712	23.12	0.40		0.76		2,117,286
Additional	\$700,000	34,822,712	23.19	0.47		0.83		2,017,286
Additional	\$800,000	34,922,712	23.25	0.53		0.89		1,917,286
Additional	\$900,000	35,022,712	23.32	0.60		0.96		1,817,286
Additional	\$1,000,000	35,122,712	23.39	0.67		1.03		1,717,286
Additional	\$1,100,000.00	35,222,712	23.45	0.73		1.09		1,617,286
Additional	\$1,200,000.00	35,322,712	23.52	0.80		1.16		1,517,286
Additional	\$1,300,000.00	35,422,712	23.59	0.87		1.23		1,417,286
Additional	\$1,345,347.00	35,468,059	23.62	0.90		1.26		1,371,939

Updates on Central Maintenance from George VanDelinder:

Traffic Lights

The traffic lights at Federal and Main Streets were evaluated at the end of March for proper operation. Some minor software program changes were made as well as physical adjustment to the east-looking camera to minimize sun glare. The total cost for this was just over \$1,300 and to date I have received no complaints. Since this particular intersection seems to be a sore spot in the City I will check it every few weeks for proper operation. However, if sun glare continues to be a problem, infrared camera are the only solution.

GMS Auditorium Lighting

A contract was awarded to Paciorek Electrical on 3/19/19 to retrofit the auditorium with additional lighting. The lighting selected has a 5-6 week lead time and therefore should be arriving soon. Once on site CM will coordinate with the school to install. The auditorium is rarely used during the day so I do not anticipate any issues installing this lighting while school is in session.

Updates on Council on Aging from Hope Macary:

Senior Tax Workoff

In FY19, there were 19 Senior Tax Workoff placements. The Department placements were: Assessors-1, Library-4, Four Corners School-1, Planning-1, DPW-2, COA-10. These placements are based upon department requests, matched with the skills, abilities, and availability of the seniors. Some jobs are project-based, such as DPW and Assessors where there's a specific task which needs to be done and once the task gets completed, there is no more work. Some are posts, such as COA Front Desk, which is shift work.

The COA fulfilled all department requests and found work at the COA for those who could not be placed elsewhere, in order to maximize seniors' potential "earnings."

In addition, the COA found work in FY19 as requested by the Veterans Office for two Veterans tax workoff folks for whom their program could not find placements.

The COA has sent out a call for participation for the FY20 year and welcomes all departments to submit their needs. Placements will be made in June.

Partnerships with Community Organizations

Many outside agencies and organizations partner with the Council on Aging. Please note that it does NOT include individual providers:

1. Arbors at Greenfield
 2. BayPath University OT Program students
 3. Baystate Franklin Medical
 4. Big Brothers/ Big Sisters of FC
 5. Big Y Pharmacy
 6. Buckley Health Care Center
 7. Care One Northampton
 8. Commonwealth Care Alliance
 9. Floral Affairs
 10. Food Bank of Western MA
 11. Franklin County Technical School: Health Tech Program
 12. Franklin First Credit Union
 13. Guardianship Academy
 14. Genoa Health Care
 15. Greenfield Community College Dance Department
 16. Greenfield High School
 17. Greening Greenfield
 18. Just Roots
 19. Leader Home Center
 20. Liberty Tax Service
 21. LifePath
 22. Poet Seat Health Care Center
 23. Rite-Aid
 24. Rockridge Retirement Community
 25. UMass Nutrition Extension Program
 26. UMass Audiology
 27. Senior Living Residences- Armbrook Village Westfield
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Update from Assessor's Office by Kimberly Mew:

The Assessors office has worked with a consultant for over a decade. In the past the consultant that has worked for the City has been limited by funds as well as their specialties. However, the City has recently signed a contract with a company that has many specialties and extra resources. Almost every City or Town in Massachusetts uses a consultant for inspections; valuation purposes, Appellate Tax Board cases etc. These services complement Cities and Towns by allowing for more accurate and up to date information. By having accurate and updated information it helps to create less abatements and higher revenue.

The City has hired Regional Recourse Group (RRG) a company that is able to perform inspections, assist with preparing data for the State to set the tax rate, having people who specialize in personal property, Chapter Land, different types of inspections such as commercial and industrial or large residential units. Regional Recourse Group also has people who specialize in TIF's and special assessments as well as Appellate Tax Board cases to name a few things. Most of these are in addition to what we have had in the past which is an extra bonus.

By hiring a consultant with the skill level and professional knowledge that RRG is providing our City we are helping to keep our budget costs down and provide the most accurate assessments as possible. If the City hires one person to replace RRG we might be paying them less but the extra knowledge and specialties that RRG has to offer will not be available to us any longer. If the City hires two people to replace RRG again, the expert knowledge and specialties that they have to offer us would no longer be available. As well the budget of the Assessors office would increase. This could snowball into other departments effected by the added retirement and benefits the City would need to pay.

Currently Cities and Towns are struggling to fill positions for Assessors and Inspectors. If the Assessor's office is not properly staffed and the budget is cut by \$100,000 it will be a struggle to meet deadlines and process paperwork, let alone actually doing inspections. The office will be closed to the public most days. Tax bills will not go out on time and, if there are no inspections we will not have any new growth. This will affect our accuracy and will result in a smaller source of revenue. It is not possible for the City Assessor's office to run properly with one full time employee and one part time employee regardless of the skill level of the employees.

If you look at the amount of thirty one million twenty three thousand eight hundred forty eight dollars and sixty nine cents (\$31,023,848.69) which is the amount of taxes committed by the Assessor's office in fiscal year 2019 in comparison to the \$104,00 the Assessor's office is requesting for RRG's services, it's a very small request.

Chapter 56 Officers and Employees

Article VII Stipend for School Board Members and Town Councilors

[Adopted as amended 9-17-2014 by Order No. FY 15-036 (Ch. 158 of the 2002 Bylaws)]

§ 56-18 Annual stipend.

The Town of Greenfield shall appropriate funds to compensate members of the Greenfield School Committee and the Town Council with an annual stipend in the amount of \$2,000, to be paid annually at the completion of each year of service. This section shall become effective three years from the date of final passage.

§ 56-19 Training, continuing education and professional development.

The Town of Greenfield shall appropriate funds each fiscal year beginning in Fiscal Year 2015 for trainings, continuing education and/or professional development, including registration fees, mileage and travel expenses not to exceed \$500 per person per fiscal year. This shall not entitle recipients to any other benefits from the Town.

§ 56-20 Reduction in stipend for absences.

Any board member or Councilor missing more than three regular meetings in a fiscal year will have his/her stipend reduced at a percentage commensurate with his/her number of absences.

