

TOWN OF SAUGUS
MASSACHUSETTS



**Report of the
Finance Committee**

**Relative to the
Warrant Articles
to be presented to the**

ANNUAL TOWN MEETING

June 29, 2020

FINANCE COMMITTEE REPORT

Article 2. To see what sum of money the Town will vote to raise and appropriate for Town charges for the ensuing Fiscal Year 2021. (Town Manager)

Recommendation: Voted to recommend the sum of \$93,448,989.00 for Town charges for the ensuing Fiscal Year 2021 as follows:

Municipal Department Operating Budgets	\$63,873,739.00
School Department Operating Budget	\$29,575,250.00
Total	\$93,448,989.00

Source of funding to be provided from the tax levy, local aid, estimated receipts and an amount not to exceed \$2,436,951.00 from the Stabilization Fund of the General Fund.

Article 3. To see if the Town will vote to make supplementary appropriations to be used in conjunction with money appropriated under Article 2 of the 2019 Annual Town Meeting during the current fiscal year, and determine whether the money shall be provided by transfer from available funds; or to see what other action the Town wishes to take in the matter. (Town Manager)

Recommendation: Voted to recommend the Town make supplementary appropriations in the amount of \$779,040.00 to be used in conjunction with the money appropriated under Article 2 of the 2019 Annual Town Meeting during the current fiscal year. The source of funding is \$470,500.00 from interdepartmental transfers and \$308,540.00 from free cash.

Article 4. To see if the Town will vote to make supplementary appropriations to be used in conjunction with money appropriated under Article 6 of the 2019 Annual Town Meeting during the current fiscal year, and determine whether the money shall be provided by transfer from available funds; or to see what other action the Town wishes to take in the matter. (Town Manager)

Recommendation: Voted to recommend Indefinite Postponement.

Article 5. To see if the Town will vote to make supplementary appropriations to be used in conjunction with money appropriated under Article 7 of the 2019 Annual Town Meeting during the current fiscal year, and determine whether the money shall be provided by transfer from available funds; or to see what other action the Town wishes to take in the matter. (Town Manager)

Recommendation: Voted to recommend Indefinite Postponement.

Article 6. To see what sums of money the Town will vote to raise and appropriate for the Water Enterprise Fund for the ensuing Fiscal Year 2021. (Town Manager)

Recommendation: Voted to recommend that the following sums be appropriated to operate the Water Enterprise Fund.

\$ 360,947.00	Salaries
\$6,308,235.00	Expenses
\$ 90,000.00	Capital Outlay
\$ 654,440.00	Indirect Cost
<u>\$ 40,770.00</u>	Transfer Out to OPEB
\$7,454,392.00	Total FY21 Water Enterprise Fund Appropriation

\$7,454,392.00 funded from Water Enterprise Fund Revenue, \$0.00 to come from Retained Earnings. \$654,440.00 is to be appropriated in the General Fund funded by Water Enterprise Fund Revenue for Indirect Costs.

Article 7. To see what sums of money the Town will vote to raise and appropriate for the Sewer Enterprise Fund for the ensuing Fiscal Year 2021. (Town Manager)

Recommendation: Voted to recommend that the following sums be appropriated to operate the Sewer Enterprise Fund.

\$ 361,526.00	Salaries
\$5,092,292.00	Expenses
\$ 62,000.00	Capital Outlay
\$ 653,033.00	Indirect Cost / Transfer Out
<u>\$ 27,180.00</u>	Transfer Out to OPEB
\$6,196,031.00	Total FY21 Sewer Enterprise Fund Appropriation

\$6,196,031.00 funded from Sewer Enterprise Fund Revenue and \$0.00 to come from Retained Earnings. \$653,033.00 is to be appropriated in the General Fund funded by Sewer Enterprise Fund Revenue for Indirect Costs.

Article 8. To see if the Town will vote to raise and appropriate or transfer from available funds a sum of money for the purpose of funding unpaid bills of a prior fiscal year. (Town Manager)

Recommendation: Voted to recommend the Town appropriate the sum of \$160,332.20 for the payment of unpaid bills of the prior fiscal year. The source of funding is \$150,113.59 from Fiscal Year 2019 Carryover in the General Fund; \$9,558.61 from Fiscal Year 2019 Carryover in the Water Enterprise Fund; and \$660.00 from Fiscal Year 2019 Carryover in the Sewer Enterprise Fund.

Article 9. To see if the Town will vote to raise and appropriate or transfer from available funds a sum of money for the purpose of maintaining positive cash flow (fund balance) in the Compost Facility Revolving Fund. (Town Manager)

Recommendation: Voted to recommend the Town appropriate the sum of \$35,000.00 to for the purpose of maintaining positive cash flow (fund balance) in the Compost Facility Revolving Fund. The source of funding is free cash.

Article 10. To see if the Town will vote to authorize an amount to be expended from each of the revolving funds listed below and authorized under the Town of Saugus Bylaws as amended April 9, 2018 as Section 405.00 Departmental Revolving Funds for the ensuing Fiscal Year 2021 (Town Manager):

Saugus Senior Center Programs and Activities (3705)
Saugus Senior Center Lunch Program (3704)
Water System Cross-Connection Program (3703)
Town of Saugus Compost Program (3702)
Youth & Recreation Programs and Activities (3700)

Recommendation: Voted to recommend the Town authorize the following amounts to be expended from each of the following revolving funds authorized under the Town of Saugus Bylaws Section 405.00 Departmental Revolving Funds for the ensuing Fiscal Year 2021.

Saugus Senior Center Programs and Activities (3705)	\$ 35,000.00
Saugus Senior Center Lunch Program (3704)	\$ 10,000.00
Water System Cross-Connection Program (3703)	\$ 25,000.00
Town of Saugus Compost Program (3702)	\$ 42,000.00
Youth & Recreation Programs and Activities (3700)	\$165,000.00

Article 11. To see if the Town will vote to increase water rates with all receipts to be held within the Water Enterprise Fund to be used exclusively for water expenses, water maintenance, water debt and interest and water improvement programs, or take any other action relating thereto. (Town Manager)

Recommendation: Voted to refer Article 11 to the next Special Town Meeting.

Article 12. To see if the Town will vote to appropriate a sum of money from available funds in the Transportation Infrastructure Fund for the purpose of conducting line painting on various streets in town. This appropriation is in accordance with Act St. 2016, ch 187 s8(c)(i) and MGL c44 s53. (Town Manager)

Recommendation: Voted to recommend the Town appropriate the sum of \$31,905.95 for purpose of conducting line painting on various streets in town. The source of funding is the Transportation Infrastructure Fund in accordance with Act St. 2016, ch 187 s8c(i) and MGL c44 s53.

Article 13. To see if the Town will vote to appropriate the sum of \$382,950.41 from the PEG Access Enterprise Fund for the purpose of construction of a PEG Access studio/facility in Saugus and costs related thereto. Said funds to be distributed under the authority and direction of the Board of Selectmen as they see fit pursuant to the current Cable Television Renewal License Agreement and the current agreement between the Town and its designee a PEG access corporation. The source of funds will be the funds received under the current Cable Television Renewal License Agreement and held in the PEG Access Enterprise Fund. (Saugus Community Television Inc.)

Recommendation: Voted to refer Article 13 back to the Board of Selectmen.

Article 14. To see if the Town will vote to appropriate the sum of \$497,602.60 from the PEG Access Enterprise Fund for the purpose of funding operating budget of the PEG Access studio/facility in Saugus for the period of July 1, 2020 through June 30, 2021. Said funds to be distributed under the authority and direction of the Board of Selectmen as they see fit pursuant to the current Cable Television Renewal Agreement and the current agreement between the Town and its designee a PEG access corporation. The source of funding will be the funds received under the current Cable Television Renewal Agreement and held in the PEG Access Enterprise Fund. (Saugus Community Television Inc.)

Recommendation: Voted to recommend the Town appropriate the sum of \$452,602.60 for the purpose of funding the operating budget of the PEG Access studio/facility in Saugus for the period of July 1, 2020 through June 30, 2021. The source of funding is the PEG Access Enterprise Fund Revenue received under the current Cable Television Renewal Agreement held in the PEG Access Enterprise Fund.