



Topsfield Finance Committee
Minutes to the Meetings
Meeting was held remotely via a posted Zoom link
January 3, 2022

Pursuant to Chapter 20 of the Acts of 2021, this meeting will be conducted via remote means. This means that members of the public body as well as members of the public may access this meeting via virtual means. The meeting may also be accessed remotely via contact provided below. When required by law or allowed by the Chair, persons wishing to provide public comment or otherwise participate in the meeting, may do so by accessing the meeting remotely, as noted above. Additionally, the meeting may be broadcast at a later date via the town YouTube channel and Boxford Cable Television.

I. Call to Order: Chair Che Elwell called the meeting to order at 7:03 PM with Karen Dow, Jon Guido, Mike Hartmann, Tim O'Malley and David Larson present; Karen Duval joined at 7:05. Also present: Catherine Gabriel, Town Accountant; Beth Willis, Town Clerk; Jen Collins-Brown, Fire Chief; and Bill Hodges, Melissa Ogden, Zillie Bhujju; Masconomet School Committee. Members of the public present: one. All votes at the meeting were taken by roll call due to the remote nature of the meeting.

II. Review budget analysis:

- K. Duval is examining trends for Masco back to about 2006, including funding, # of students, # of teachers, and also looking at the overall Topsfield budget and taxes. Using local and state (Dept of Elementary and Secondary Education, DESE) information. Both the towns' contribution and the total cost of education are important. M. Ogden points out that Student Opportunity Act (~2018) changed the funding scenario.
- K. Dow shows Town Meeting-approved budget history for various town departments and budget areas back to FY99, normalized by population (most by town population; schools by relevant enrollment) and by US Bureau of Labor Statistics Consumer Price Index. Many are roughly flat, aside from service changes. Insurance, Pensions, elementary schools and Masconomet show increases beyond CPI and "inflation". Discussion of how is success measured compared to the cost. An objective quantifiable metric is difficult for a number of areas, including the schools.

III. Update from Masconomet School Committee:

- Teacher contract negotiations now in mediation, making progress. Any agreement would fit within the FY22 budget.

- FY23 budget: first budget subcommittee meeting was in November. Full committee sees Superintendent's budget 1/19. Tentative budget to towns 2/16, final 3/9. Topsfield share of enrollment is up slightly, just less than 0.5%. Overall enrollment down about 2%.
- There will be additional edits to the district agreement to be voted by Town Meeting, as per DESE.
- Thoughtful Topsfield guidance letter is appreciated.

IV. Discuss capital plans: at a future meeting

V. Model Update: Model v1.0 conservatively shows about \$700k over levy limit, typical for this time of year. Expect free cash to be high, due to the high balance after the 2021 Town Meeting, collection of back taxes, and FY21 turnbacks (freezes due to COVID-related uncertainties, use of ARPA funds).

VI. Liaison updates and schedule department meetings:

- C. Elwell will be meeting with Kevin this week.
- D. Larson will share thoughts of the ARPA advisory group next week.
- T. O'Malley has had one meeting with Jen, looking forward to another.
- K. Dow met with COA director, within guidelines. Library meeting later this week.
- J. Guido reported the Elementary Schools have one-time ESSER funds to spend; difficult to not spend on recurring costs.
- M. Hartmann reported his departments have no pressing need to visit with FinCom.
- D. Larson reported the Water Department budget is about done, perhaps would visit our 1/24 meeting. Talking with Highway/P&C and Police this week.
- K. Duval is focused on Masco, question of how they would spend their one-time ARPA funds.
- C. Gabriel expects to release the first draft of the Town Omnibus budget late this week.

VII. Review meeting minutes: 11/8/21 minutes: motion to approve by J. Guido, seconded by D. Larson. Voted in favor by roll call 7-0.

VIII. Next meetings: 1/10/22 at 7 pm, then 1/24 and 1/31, with Monday night meetings continuing in February.

IX. Adjourn: A motion was made by Karen Dow to adjourn at 8:40 PM, seconded by Karen Duval and voted in favor 7-0.

Respectfully submitted,

Karen Dow

Attachments:

- Draft v1.0 of recap sheet for FY23 FinCom model
- Updated graph of normalized historical budgets for some departments

| DISCLAIMER: THIS DOCUMENT IS A "WORK-IN-PROGRESS". IT IS NOT TO BE CONSIDERED AS A RECOMMENDATION OF THE FINANCE COMMITTEE. | | | | | | | |
|--|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|--|---------|-------------------|
| | FIN COM EST. TAX RECAP 2020 | FIN COM EST. TAX RECAP 2021 | FIN COM EST. TAX RECAP 2022 | FIN COM EST. TAX RECAP 2023 | DIFFERENCE PRJ 2023+/- 2022 \$ % | | Comments Notes |
| II. AMOUNT TO BE RAISED: | | | | | | | |
| A. APPROPRIATIONS: | | | | | | | |
| GENERAL GOVERNMENT | 1,648,459 | 1,664,254 | 1,705,960 | 1,739,386 | 33,426 | 1.96% | |
| PUBLIC SAFETY | 2,696,952 | 2,871,188 | 2,926,406 | 2,981,739 | 55,333 | 1.89% | |
| EDUCATION: ELEMENTARY SCHOOLS | 8,913,230 | 9,117,902 | 9,368,643 | 9,626,281 | 257,637 | 2.75% | 1 |
| PUBLIC WORKS & FACILITIES | 1,726,163 | 1,724,420 | 1,659,650 | 1,673,466 | 13,816 | 0.83% | |
| HUMAN SERVICES | 280,180 | 278,498 | 293,530 | 299,278 | 5,748 | 1.96% | |
| CULTURE AND RECREATION | 638,658 | 665,336 | 687,835 | 700,808 | 12,973 | 1.89% | |
| DEBT SERVICE | 1,349,146 | 1,370,828 | 1,312,064 | 1,096,864 | (215,200) | -16.40% | |
| OTHER EXPENDITURES (PENSIONS/INSURANCE) | 4,156,770 | 4,249,683 | 4,273,832 | 4,822,423 | 348,591 | 8.2% | |
| TOTAL ARTICLE 3RD | 21,409,558 | 21,942,109 | 22,227,920 | 22,740,245 | 512,325 | 2% | |
| MASCONOMET REGIONAL SCHOOL | 7,693,568 | 7,825,842 | 8,476,833 | 8,868,167 | 391,334 | 5% | |
| OTHER ATM WARRANT ARTICLES | 3,646,596 | 3,333,633 | 4,059,661 | 3,513,661 | (546,000) | -13% | |
| STM WARRANT ARTICLES | 395,400 | 19,410 | | | - | | |
| TOTAL: APPROPRIATIONS | 33,145,122 | 33,120,994 | 34,764,414 | 35,122,073 | 357,659 | 1.0% | |
| B. OTHER AMOUNTS TO BE RAISED: | | | | | | | |
| 1. AMOUNTS CERTIFIED FOR TAX TITLE PURPOSES | | | | | - | | |
| 2. DEBT & INTEREST CHARGES NOT IN SCH. B | | | | | - | | |
| 3. FINAL COURT JUDGMENTS | | | | | - | | |
| 4. TOTAL OVERLAY DEFICITS OF PRIOR YEARS | | | | | - | | |
| 5. TOTAL CHERRY SHEET OFFSETS (CS1-ER) | 10,985 | 11,043 | 13,487 | 13,314 | (173) | (0) | |
| 6. REVENUE DEFICITS | | | | | - | | |
| 7. OFFSET RECEIPTS DEFICITS (CH.44, S53E) | | | | | - | | |
| 8. AUTHORIZED DEFERRAL OF TEACHERS' PAY | | | | | - | | |
| 9. SNOW AND ICE DEFICIT (CH.44, S31D) | | | | 100,000 | - | | |
| 10. OTHER | | | | | - | | |
| TOTAL: LINES 1 - 10 | 10,985 | 11,043 | 13,487 | 113,314 | 99,827 | 9 | |
| C. STATE AND COUNTY ASSESSMENTS | 209,214 | 201,552 | 209,306 | 212,302 | 2,996 | 0 | |
| D. ALLOWANCE FOR ABATEM'TS & EXEMP'S (OVERLAY) | 140,000 | 140,000 | 140,000 | 160,000 | - | - | |
| E. TOTAL AMOUNT TO BE RAISED: | 33,505,321 | 33,473,589 | 35,127,207 | 35,607,689 | 480,482 | 1.44% | |
| III. ESTIMATED RECEIPTS & OTHER REVENUE SOURCES: | | | | | | | |
| A. ESTIMATED STATE RECEIPTS | 1,971,166 | 2,019,051 | 2,069,473 | 2,114,884 | 45,411 | 0 | |
| A1. OVERLAY SURPLUS for ALLOWANCE FOR ABATEMENT | | 100,000 | 75,000 | | (75,000) | | |
| B1. ESTIMATED LOCAL RECEIPTS (SCHEDULE A) | 1,600,000 | 1,650,000 | 1,670,000 | 1,760,000 | 90,000 | 0 | 2 |
| B3. ENTERPRISE FUNDS (SCHEDULE A-2) | 2,091,364 | 2,372,426 | 2,562,872 | 2,285,337 | (277,535) | (0) | |
| B4. REVOLVING FUNDS (SCHEDULE A-3) | | | | | - | | |
| C1. FREE CASH FOR PARTICULAR PURPOSE | 1,167,500 | 758,000 | 1,023,500 | 987,000 | (36,500) | (0) | |
| C2. OTHER AVAILABLE FUNDS FOR PART. PURPOSE | 685,626 | 79,484 | 297,138 | 65,000 | (232,138) | (0) | |
| D1. FREE CASH TO REDUCE TAX LEVY | \$500,000 | \$260,000 | \$400,000 | -\$100,000 | (500,000) | | |
| E. TOTAL ESTIMATED RECEIPTS & OTHER REV. SOURCE | 8,015,656 | 7,238,961 | 8,097,983 | 7,112,221 | 859,022 | 11.87% | |
| SUMMARY OF AMTS TO BE RAISED & ESTIMATED RECEIPTS | | | | | | | |
| TOTAL AMOUNT TO BE RAISED | 33,505,321 | 33,473,589 | 35,127,207 | 35,607,689 | 1,653,618 | 4.94% | |
| TOTAL ESTIMATED RECEIPTS AND REVENUE: | 8,015,656 | 7,238,961 | 8,097,983 | 7,112,221 | 859,022 | 11.87% | |
| TOTAL TAX LEVY: | 25,489,665 | 26,234,629 | 27,029,225 | 28,495,468 | 794,596 | 3.03% | |
| MAXIMUM ALLOWABLE LEVY: | 25,785,184 | 26,387,921 | 27,114,430 | 27,784,108 | 726,509 | 2.75% | |
| EXCESS LEVY CAPACITY: (UNDER) OR OVER MAX. ALL. LEVY | (295,518) | (153,293) | (85,206) | 711,360 | | | OVER/(UNDER) |
| TOTAL VALUATION: | 1,443,019,087 | 1,463,800,844 | 1,493,076,861 | | | | |
| TAX RATE: | 17.66 | 17.92 | 18.10 | | | | |
| Memorandum: Current certified Free Cash: | \$2,564,754 | \$2,046,950 | \$2,618,095 | \$2,600,000 | | | |
| Minimum Free Cash Position: | \$897,254 | \$1,028,950 | \$1,194,595 | \$1,713,000 | | | |
| Free Cash expended above | \$1,667,500 | \$1,018,000 | \$1,423,500 | \$887,000 | | | |
| Net available Free Cash : | \$0 | \$0 | \$0 | | | | |
| NOTES: Budget comparisons adjusted to compensate for excluded or new line items FY vs FY budget categories. | | | | | | | |
| 1 Elementary school budget | \$ | 10,030,529 | | | | | |
| 2 Possibly underestimates ambulance revenue by: | \$ | 210,000 | | | | | |

Selected Topsfield Department Budgets

*** "Population" is Town Population (MA DOR)**

except schools are Topsfield enrollment

*** Consumer Price Index is US BLS Urban**



