

Budget Forum January 24, 2018  
Questions – Submitted in Advance

Question #1. Over 20 positions in town have proposed salary increases for FY19 of 4.6% or greater. Salaries for the police chief and reference librarian are each proposed to rise 10% or more.

What is the basis for these increases, and what data/ analysis was used in support of these recommendations?

Question #2. Six of these same 20 positions show a combined four year wage increase of 29%-48% since the budget year FY15. Kindly explain the basis for those increases.

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1. This question relates to the FY2018 appropriation: How much, and in what budget line, are the closing costs for the purchase of Doniebristle.

2. It is also my understanding that Topsfield's share of the purchase price has been reduced to \$490,000, due to better than expected private donations. Thirty-seven cents/\$1,000 was appropriated in the FY2018 budget for the purchase price, and since this was funded by a capital exclusion, will not be part of the FY2019 levy capacity.

1. While negligible, how will the \$10,000 of unexpended appropriation be treated in the 2019 budget?

2. Are Chapter 90 funds expended in addition to budget appropriations, or are they a source of funds that reduce the need to levy taxes?

It is my understanding that Chapter 90 is a reimbursement program. Are the funds allotted to Topsfield lost if they are not used in the fiscal year allotted?

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1. Please tell us the status of our approved capital spending:

a. how much is currently bonded, and for what periods and at what interest rates;

b. how much is currently in BANS - when are these amounts expected to go out to bond, and what is the range of interest rates that this could cost;

c. how much will still be waiting to be used for FY19 and beyond?

2. The MA Department of Elementary and Secondary Education ( DESE) provides annual numbers of school spending taken directly from the various schedules filed with DESE each fall as part of the required annual spending report. (schedules

These numbers align with the information shown on [www.clearqov.com](http://www.clearqov.com), which pulls statistics directly from DESE.

In 2016, which is the most recent year available on these sites, both of these sources show total elementary school costs of \$ 10.1 million.

<http://www.clearqov.com/massachusetts/school/topsfie/d/2076>, and attached pdf

The Topsfield Elementary 2016 Proposed Budget Public Hearing Document presented at the public hearing that year showed a total cost of \$7,040,000.

[http://www.tritownschoolunion.com/sites/tritownsu/files/file!file!fv76\\_topsfieldpublichearing\\_april\\_2\\_2015.pdf](http://www.tritownschoolunion.com/sites/tritownsu/files/file!file!fv76_topsfieldpublichearing_april_2_2015.pdf)

Please explain the reason for this discrepancy in the data above and the number of years that the numbers provided locally at the school hearing, the town meeting, and at the state level have not aligned, and explain if there were aligned in FY17 and in projections for FY18 and Y19.

Side note: Masco's numbers are always identical to those presented to the school committee and later appropriated to the three towns.

3. Please explain total benefits package offered to our employees, both current and retired, and please let us know how many (percent) are employed by the elementary schools, and how many are employed by the town.

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1. I understand that salary and wages are the largest item in the town operating budget.

a. What % of the total operating budget (article 3) do salary/wages including benefits represent?

b. What has been the average % increase in salary/wages in the last 5 years?

2. Does Topsfield have a long term budget plan in place we are working with? Does It Include capital items?

3. The Habeeb engineering report, issued a year ago, listed MASCO capital needs over the next 10 years at about \$30M. Topsfield's share would be about \$8M, or \$800,000 per year depending on how it is funded.

I could not find this cost in the Collins reports. Is this incorporated in our long term planning anywhere? On the "whale" chart?

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Town salaries have increased substantially in the past 5 years. An annual COLA of 2% is offered to town employees. With this record of expenditures on personnel, do the Board of Selectmen and Finance Committee have a plan to fund necessary repairs for town buildings such as the Police and Fire Stations? How is the decision made to fund salaries or fund building maintenance?

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Statement:

This budget process seems to favor Town of Topsfield's Boards, Committees and Departments.

The Finance Committee communicates and exchanges ideas with them through meetings and liaisons.

On the other hand, the Finance Committee does not involve the Town of Topsfield taxpayer, in any meaningful way.

Question:

Does the Finance Committee primarily represent and advocate for the Boards, Committees and Departments?

OR

Does the Finance Committee represent and advocate for the Topsfield Taxpayer?

Closing:

I believe that an example of bias against Topsfield Taxpayers is being displayed this evening.

Police, fire, school and departments were invited to make presentations tonight.

Taxpayers were instructed to submit questions in writing 3 days in advance.

I don't believe that the formal invitees were required to submit their remarks, in writing 3 days in advance.

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Statement:

In a letter to the Tri-Town Transcript, dated November 14, 2017, Selectman John Spencer said " ... every single person I've engaged within the past six months wants (1) to save money, (2) for the Town to spend less (3) for Citizen's tax burden to be lessened."

Question:

With such an overwhelming mandate from the taxpayers to reduce their tax burden, what have you done and what are you planning to do to fulfill their wishes?

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John Spencer statement of clarification

Just as a note regarding a statement I made that has been taken out of context. The attributed to me what I wrote and the TTT published:

"... every single person I've engaged with the past six months wants to save money, for the town to spend less, for citizens' tax burden to be lessened."

The context is lacking, as that statement was immediately followed by:

"Those who have committed themselves to becoming part of the process understand how difficult this is. The sum of nickel-and-dime cuts would be quite insignificant; noticeable cuts in costs would mean noticeable cuts in services many have become used to, and in some instances, depend upon."

For what it may be worth. I may not be the person who responds directly to that question, so this background may help.

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## Questions

a) In October of 2017, the town issued a number of bonds.

What are the principal and interest payments (separated by General and Enterprise) due on each of these bonds in both FY2018 and FY2019?

Please also define what is considered General and Enterprise.

b) Does the town plan to issue new debt in the current fiscal year FY18? If yes, for which purposes in what amounts? What would be the estimated principal and interest payments for these bonds in FY2019?

c) If the town plans to issue new bonds in FY2019, what are the amount(s) and purpose(s) anticipated? What would be the estimated principal and interest payments for these bonds in FY2019?

d) The Finance Committee has stated that most of the annual budget expenses are fixed, not discretionary. Everything is discretionary in the longer term. Will the Topsfield taxpayers be given a 3 to 5 year forecast for expenses and a 3 to 5 year forecast for capital expenditures in the May 2018 Town Warrant and Town Meeting? If not, when can we expect to receive the 3 to 5 year forecasts for expenses and capital?

e) I understand the town employees receive a 2.5% annual longevity payment as well as a 2.0% annual COLA (cost of living adjustment.) A total of 4.5% increase sounds high compared to private industry and Social Security annual increases. Can you explain the 2.5% longevity payment?

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There are fewer and fewer businesses operating in the Topsfield Crossing shopping area due to it's dilapidated state. Can the town influence or exercise any levers to that the property is developed or significantly renovated so businesses and customers want to go there and thus is able to contribute more tax revenue to the town? The short version of the question is how can the town help with that eye-sore and also helps the town's finances.

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