

**Town of Bourne**

**Finance Committee Report**

for the

**Annual Town Meeting**

**May 7, 2018**

7:00 P.M. at the Bourne High School

Finance Committee Members

Mary Jane Mastrangelo, Chair  
Michele W. Ford, Co-Vice Chair  
Renee Gratis, Co-Vice Chair

Amanda Bongiovanni  
Rich Lavoie  
Kathleen Legacy  
Brian Lemée

Karen Meehan  
George Smith  
James Sullivan  
William Towne  
Robert Wheeler

*Based on Information Available to the Finance Committee as of  
April 10, 2018*

## **Introduction**

It is the Finance Committee's primary responsibility to advise Town Meeting on warrant articles and to give a report stating an opinion of agreement or concern regarding the proposed budgets, which include operating budgets and capital outlay. In addition, the Finance Committee often comments on general issues surrounding the budget, and this year is no exception.

This year the Board of Selectmen and Finance Committee met jointly with department heads to review department budgets. The Town Administrator, Finance Director and department heads appeared before the Finance Committee to discuss their budgets. The Finance Committee independently determined its support or opposition to any or all parts of the Selectmen's budget and will communicate the Committee's recommendations at the Town Meeting. The Finance Committee met with groups, individuals, and committees that are either sponsors of articles or whose activities have a financial impact on the Town.

This report is intended to give voters a summary of the overall financial condition of the Town with comments on what we see as the fiscal issues facing us today as well as in the future. It includes a discussion of following financial data: Sources and Uses, Free Cash Analysis, FY19 Capital Plan, and a Long Term Financial Plan. This report is based on information available as of April 10, 2018.

## **Overview of FY19 Budget**

In a continued effort to keep the Town on a solid financial footing the Finance Committee has examined the budgeting trends and has compared the increase in revenue to the increase in expenses with the goal of keeping the increases in revenues and expenditures in line, looked at the use of free cash for the budget this year compared to last year, and reviewed whether the proposed budget is within financial policy guidelines.

**Revenues:** FY19 Projected General Fund Revenue is \$70,717,425.

**Expenditures:** The Proposed Total General Fund Expenditures is \$72,116,768.

**Free Cash:** The proposed FY19 General Fund Expenses exceed Revenues by \$1,399,343 and the Town will use \$1,399,343 of Free Cash as a Revenue to balance the budget. There is a 9.25% increase in the use of Free Cash for the Operating Budget.

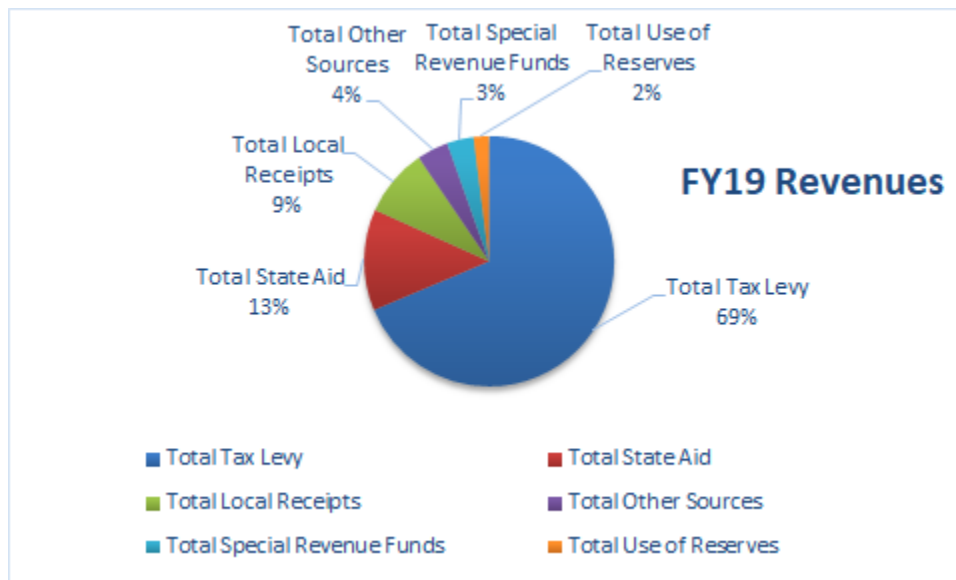
## **FY19 General Fund Revenues**

The major categories of Revenue to the Town are the Property Tax Levy, State Aid, Local Receipts, Other Sources (ISWM and Sewer administrative fees and the ISWM Host Community Fee), and Special Revenue Funds (Ambulance, CPA Fund, PL874).

For FY19 Total General Fund Revenues increased 5.35% and Use of Reserves for the operating budget and other articles decreased. Overall Revenues including the use of Free Cash increased \$2,693,953 or 3.88%.

	Budget	Proposed Budget	\$ Increase / Decrease over	% Increase / Decrease over
	2018	2019	2018	2018
Total Tax Levy	\$47,111,305	\$50,124,357	\$3,013,052	6.40%
Total State Aid	\$8,553,408	\$8,553,408	0	0.00%
Total Local Receipts	\$6,443,181	\$6,739,318	296,137	4.60%
Total Other Sources	\$2,741,182	\$2,839,980	\$98,798	3.60%
Total Special Revenue Funds	\$2,274,804	\$2,460,362	\$185,558	8.16%
<b>Total General Fund Revenues</b>	<b>\$67,123,880</b>	<b>\$70,717,425</b>	<b>\$3,593,545</b>	<b>5.35%</b>
Total Use of Reserves	\$2,298,935	\$1,399,343	(\$899,592)	-39.13%
<b>Grand Total Revenues</b>	<b>\$69,422,815.01</b>	<b>\$72,116,767.82</b>	<b>\$2,693,952.81</b>	<b>3.88%</b>

The Property Tax Levy continues to be the largest source of Revenue followed by State Aid and Local Receipts.



The FY19 Property Tax Levy will increase \$3,013,052 or 6.4%:

- The Proposition 2 ½ allowance increase is \$1,125,292
- The Increase from New Growth (investments in property that increase the property valuation of the Town) is estimated at \$600,000
- The Debt Exclusions Levy will increase \$1,246,692

Most other Revenue sources are level funded or have small increases. Some notable increases in revenue are:

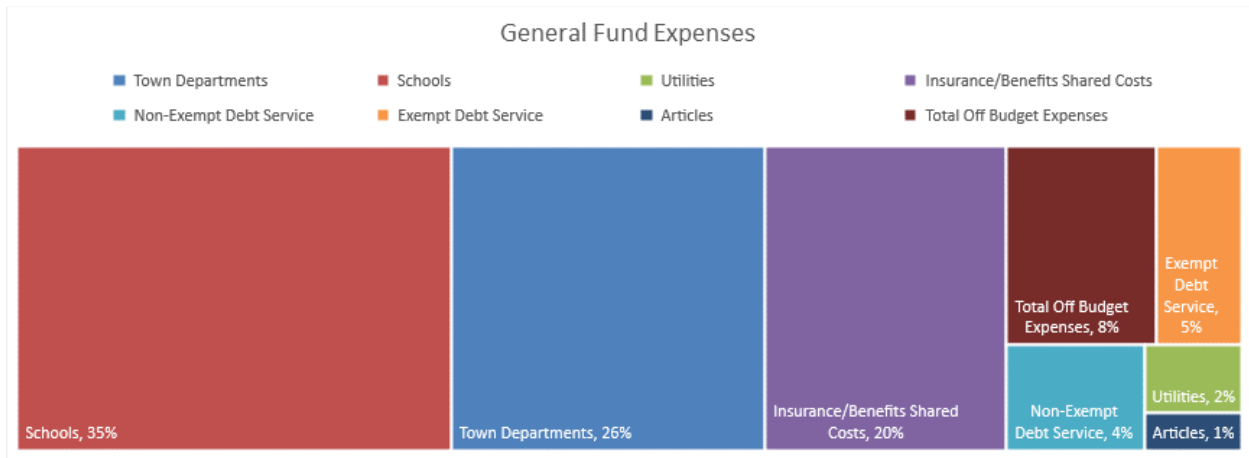
- Motor Vehicle Excise is estimated to increase \$200,000

- Ambulance Fees used to support the budget will increase \$250,000 to help support the additional costs for Fire Department staff.

More details on General Fund Revenues are shown in Sources and Uses of Funds at the end of this report.

## FY19 General Fund Expenses

The largest General Fund Expenses of the Town are Schools at 35%, Town Departments at 26% and Insurance/Benefits at 20%. Other General Fund Expenses include Off Budget Expenses (Cherry Sheet Assessments and Offsets and the Overlay Reserve), Exempt Debt Service, Non-Exempt Debt Service, Utilities, and Town Meeting Articles.



### Town Departments

Salaries in Town Departments increased \$1,016,771 or 7.6%. This increase includes the following:

- There were several positions that were partially funded in FY18 including four Firefighter/Paramedics, the Assistant Town Administrator and the Assistant Fire Chief. These positions are fully funded in the FY19 budget.
- New personnel added to the budget include: two DPW maintenance workers to assist with the maintenance of parks, fields and beaches, a Shellfish Propagation Technician in the Department of Natural Resources, and a Custodian in the Facilities Department.
- The Council on Aging has made some personnel adjustments that will allow them to hire a receptionist without increasing the total salaries.
- The Library has increased one staff member from 30 to 35 hours which will allow the Library to be open on Mondays.

Expenses in Town Departments decreased by \$4,369.

- The one-time cost for repair of Crab Rock stairs that was included in the FY18 DPW expenses is the main reason that expenses decreased.
- The cost of dispatch by the County Sheriff's department has increased \$37,000 or 29% over the FY18 budgeted amount. For many years the Sheriff's department provided dispatch at no cost to the Town of Bourne based on an agreement when the jail was built in town. In recent years the Sheriff's Department has charged the Town of Bourne for this service. The Town continues to monitor the cost/benefit of using the Sheriff's Department for Fire Dispatch.

Of Note:

- The increase of the Snow and Ice budget to \$338,000 a few years ago has helped to reduce deficit spending in that line item. The Snow and Ice budget is level funded in FY19.
- Group health insurance costs are stable with a 4.2% increase in FY19. The Town self-insures for health insurance and our increases in group insurance have been lower than the increases faced by many surrounding towns.

## **Education**

The Bourne School Department budget for FY19 is \$22,567,543 which is a \$849,309 increase or 3.91% over FY178. The Bourne School budget meets the minimum requirements for Foundation Budget and Net School Spending set by the State. The student enrollment in Bourne is steady and it is important to fund education to be competitive with other public education alternatives available to students including Charter Schools and School Choice.

Bourne currently maintains a positive balance on School Choice receiving more students into the district than it sends out. However, there are a number of students choosing to attend Charter or School Choice Schools which takes funding away from the Town. State aide and assessments have not been finalized and for budgeting are estimated to remain level. In FY19 the Town of Bourne it is estimated that the Town pay an assessment of \$2,080,107 for Charter School sending tuitions and an additional \$734,351 for School Choice sending tuitions. On a positive note it is estimated that the Bourne School Department will receive \$852,567 in School Choice receiving tuitions for students choosing to attend Bourne Schools. These estimates are subject to change and could have an impact on the final budget.

The Upper Cape Cod Regional Technical School's budget of \$14,471,189 is \$485,085 higher than last year which is a 3.46% budget increase. The assessment to Bourne is \$2,983,269 which is \$266,849 lower than the FY18 assessment and represents an 8.21% decrease over last year. Of the 764 students attending UCT there are 175 students from Bourne which is a decrease of 19 students over last year. The assessment formula includes several factors including the number of Bourne students at Upper Cape Tech, the total

number of students in the Town of Bourne, property values, per capita income and state aid.

Increases in education expenses continue to be low compared to other expenses. Our educational system is by many standards underfunded. We are challenged by our moral responsibility to provide a standard of education that provides our students the opportunity to compete in an ever more complex world market. Overall our school-age population is declining, while the unfunded state and federal mandates continue. The challenges posed by the demands to provide a high-quality education, meet performance expectations as measured by mandated test scores, keep pace with the changing demographics of our school age population, and do it all cost-effectively, are complex.

## **Shared Costs**

### ***Public Utilities - Electricity***

The Sources and Uses Public Utilities Shared Costs category is for the solar energy contract that was implemented in FY16. The estimated total cost of electricity has increased to \$1,300,000 which is an increase of \$50,000. These costs are offset by \$625,000 Energy Credit Revenue for an estimated net Electricity cost to the Town of about \$675,000. Given the rising cost of electricity this arrangement has been beneficial to the Town.

### ***Group Health Insurance***

The cost of Group Health Insurance is up \$334,000 or 4.2% over FY18. The Town Administrator and Treasurer monitor the monthly expenditures, trust fund balances, and compare costs of our insurance plan with other available plans. This budgetary item represents about 12.6% of the Town's budget. Long term trending projections show that group health insurance will take up an increasing percentage of the budget unless some reforms to the state requirements are made.

The Group Health insurance line item includes the cost of group health insurance for active teachers and town employees as well as retired town employees. The cost of health insurance for retired teachers is an assessment on the Cherry Sheet that reduces state aid received by the Town. The cost of insurance for retired teachers is estimated at \$1,085,039.

Other (than Pension) Post-Employment Benefits (OPEB) is a liability that the Town needs to fund on an annual basis in order to provide for the future health insurance costs for retired employees. At the end of FY17 the Town had set aside \$1,064,336 in a Trust Fund for this purpose. The Town added \$250,000 to the fund at the Special Town Meeting in the fall. In FY18 a new budget line item started funding of this obligation in the budget. The FY19 budget also includes \$50,000 to fund the liability. In addition, there is a warrant article proposed to add \$425,418 to the fund for the ISWM OPEB liability and \$39,937 for the Sewer Enterprise liability. This is an area that the Town needs to continue to address in the future.

## Debt Service

The Town has two types of debt Service obligations: Non-excluded Debt and Excluded Debt.

Non-Excluded Debt is the debt service on ongoing Capital Outlay borrowing. The non-excluded debt service of \$2,823,589 is less than a 1% increase over FY18. The Town strives to maintain this at a consistent amount.

Excluded Debt Service is the debt service that has been excluded from Proposition 2 ½ for major projects including: the Bournedale School, the DPW Facility, the Peebles School and the new Police Facility. The \$1,242,067 increase in Excluded Debt Service expense is a 61% increase over last year. It is offset by the increase in the debt exclusion tax levy. Over the next few years this line item will continue to increase until the Police and Peebles School Projects are complete.

<b>Excluded Debt Service FY19</b>		Estimated
<b>Permanent Bonding Principal and Interest</b>		Final Payment
Bournedale Elementary School	\$690,891	FY32
Community Building	\$272,760	FY23
Community Building Land	\$18,900	FY21
DPW Public Works Bldg	\$557,688	FY37
New Peebles Elementary School	\$1,110,281	FY40
New Police Station	\$217,706	FY40
	<b>\$2,868,226</b>	
<b>Temporary Bonding - Interest Only</b>	\$409,500	
<b>Premiums Allocated</b>	(\$75,622)	
<b>Total Excluded Debt Service FY18</b>	<b>\$3,202,104</b>	

## General Articles

This section of the budget covers the recurring articles for Elected Officials salaries, the Finance Committee Reserve Fund and articles needed for specific funding.

Overall there is a 55% decrease in expenses for these categories. Last year there were some specific items that needed one-time funding.

## **Off Budget Expenditures**

These items consist of the Cherry Sheet Assessments that reduce the amount of State Aid received by the Town, Cherry Sheet Offsets that to go directly to Schools or the Library and the Overlay Reserve for tax abatements.

Cherry Sheet Assessments include: County Tax, Retired Teacher's Health Insurance, Mosquito Control Projects, Air Pollution Districts, RMV Non-Renewals, MBTA, Regional Transportation, Charter School Tuitions, School Choice Sending Tuitions,

For budgeting purposes these are level funded but based on the Governor's budget could increase.

**The 3.8% increase in total General Fund Expenditures is equal to the 3.8% increase in total General Fund Revenues.**

## **Reserves and Fiscal Policy**

Our fiscal policy is well documented and has guided the Town for several years. While we have reserves at the Town's policy level, and the numbers seem quite large, it bears reminding that we could spend down all our reserves in 2-3 years' time if we used them to cover the cost of a full complement of services. The Town's reserves help sustain us, as they have in this budget, but use of reserves should be monitored. If there is a trend of increasing use of Free Cash for the budget it should be noted as a danger signal of possible future instability.

A summary of the Town's reserve accounts and their associated policy guidelines follows:

**Free Cash Financial Policy:** Free Cash is the unrestricted general fund balance of the Town. Free Cash is certified at the beginning of each fiscal year by the Department of Revenue. The Town implemented a new Free Cash Policy in 2015. The new policy has two parts:

1. Under the new policy the Town is to maintain a Free Cash Balance at 5% the General Fund Operating Budget. The General Fund Operating Budget (GFOB) is defined as the operating budgets of the Town, Schools, Shared Costs and Debt Service. It does not include General Articles, Off – Budget Expenditures, Capital or Enterprise Funds. The proposed General Fund Operating Budget for FY19 is \$65,701,239. This year, in order to be within financial policy guidelines, the Free Cash Balance should be certified at \$3,105,793 as of July 1, 2018. The proposed FY19 budget maintains Free Cash at this policy.



- To appropriate no more than 50% of the Free Cash balance that is in excess of the 5% policy as operating revenue to balance the budget. The proposed FY19 budget maintains Free Cash at this policy.

### Free Cash Analysis

At the end of the last fiscal year on June 30, 2017 actual revenues for the fiscal year were about \$1,855,000 higher than estimated and actual expenditures for the fiscal year were about \$764,400 lower than estimated resulting in of unspent budgets being turn-backed to Free Cash. These actual revenues and expenditures added \$2,619,400 to Free Cash.

In September the Mass. Dept. of Revenue Certified Free Cash which is the unrestricted cash available to the Town as of July 1<sup>st</sup> at \$7,847,739. Certified Free Cash was within policy and had an excess over policy of \$4,562,677.

At the May Town Meeting the proposed uses of Free Cash are: \$1,014.07 for Unpaid Bills, \$1,092,000 for the budget, \$511,370 for Capital, \$156,000 to be transferred to the Stabilization fund, and \$150,000 to be set aside for accrued compensated absences. The Free Cash Balance after these expenditures and transfers is estimated at \$5,371,505 which is \$2,086,443. This leaves the Town in a good position going into FY 20.

**FREE CASH ANALYSIS FY2019 Budget		Free Cash Expensed & Proposed FY2018- FY2019	Free Cash Balance	FY19 GFOB	Excess over 5% of GFOB	Policy Allowance FC for Budget
GFOB = Sources and Uses FPWG Operating Budgets plus Debt Service				\$65,701,239.00		
5% of GFOB				\$3,285,061.95		
<b>CERTIFIED FREE CASH BALANCE 7/1/2017</b>			\$7,847,739	11.9%	\$4,562,677	\$2,281,339
10/30/2017	Unpaid Bills	(\$2,450)	\$7,845,289	11.9%	\$4,560,227	\$2,280,114
10/30/2017	Reserve Fund Reimbursement	(\$108,900)	\$7,736,389	11.8%	\$4,451,327	\$2,225,664
10/30/2017	FY2018 Budget Amendment	(\$204,500)	\$7,531,889	11.5%	\$4,246,827	\$2,123,414
10/30/2017	OPEB Article	(\$250,000)	\$7,281,889	11.1%	\$3,996,827	\$1,998,414
5/7/2018	Unpaid Bills	(\$1,014)	\$7,280,875	11.1%	\$3,995,813	\$1,997,906
5/7/2018	Proposed Free Cash for FY19 Capital*	(\$511,370)	\$6,769,505	10.3%	\$3,484,443	\$1,742,222
5/7/2018	Proposed Free Cash for FY19 Budget*	(\$1,092,000)	\$5,677,505	8.6%	\$2,392,443	\$1,196,222
5/7/2018	Proposed Free Cash for Stabilization Fund*	(\$156,000)	\$5,521,505	8.4%	\$2,236,443	\$1,118,222
\$43,227.00	Proposed Accrued Compensated Absences*	(\$150,000)	\$5,371,505	8.2%	\$2,086,443	\$1,043,222
Total Used		(\$2,476,233.72)				
* Proposed for ATM May 2018						
** This is a simple calculation of the possible increases and decreases to free cash but does not include any year end adjustments done to certify free cash.						

***Based on the proposed expenditures of Free Cash at this Town Meeting the remaining Free Cash balance will be in excess of Policy.***

At the end of each fiscal year any appropriated funds that have not been spent are turned back to the general fund and certified as free cash and projected revenues are reconciled with actual revenues. This year those revenues and unspent expenditures will strengthen the Town's financial position rather than just bringing it back up to policy.

**Stabilization Fund** – policy calls for 6% of the General Fund operating budget (GFOB). This is a “rainy-day” fund which requires a vote of 2/3 of Town Meeting to spend money from this fund. The current balance in Stabilization Fund is \$3,784,968. A transfer of \$156,000 should be made to bring Stabilization to policy. This transfer is proposed in Article 25. *When the transfer is made the Stabilization Fund will be within policy.*

**Capital Stabilization Fund** – a fund established to reserve cash for future capital expenditures. Its primary funding source has been ISWM Host Community Fees. As of June 30, 2017 the balance in the Capital Stabilization account was \$920,319. There was \$590,699 deposited last year from the sale of the Coady School and ISWM excess host community fees. It is anticipated that about \$200,000 will be deposited from ISWM Excess Host Community Fees at the end of FY18.

**Employer Health Insurance Trust Fund** – policy is to have either four (4) months of average costs or no less than \$1.6 million. The current balance in the Employer Health Insurance Trust fund is \$3,134,600. The average monthly claim charges for the Employer share has been \$600,000 a month so 4 months of average costs would require \$2,400,000. *The Insurance Trust Fund is within policy.*

**Overlay Reserve** – a reserve fund for tax abatements and exemptions which is established and controlled by the Assessors. It is based on an analysis of historic data and specific circumstances such as a recent property revaluation and pending refunds/abatements. Under the new municipal modernization act the reserve does not need to be specific to a tax year. The current balance in the Overlay Reserve Fund is \$1,389,737. The recommended funding for FY19 is \$150,000. *The Overlay Reserve Fund is within policy.*

**Reserve Fund** – an annual Reserve Fund to be spent under the authority of the Finance Committee for unexpected and unforeseen budget needs. For FY19 this is \$325,000, which increases the Reserve Fund by \$25,000. *This meets the Financial Policy to budget the Reserve Fund at 0.05% of the General Fund Operating Budget.*

## **Capital Expenditures**

According to our Fiscal Policy, the Town is required to establish and maintain a five-year capital improvements plan and to develop capital financing strategies consistent with our fiscal policies. The Capital Outlay Committee has continued its hard work over the last year, working to deliver on the Municipal Facilities Plan for the Town. The plan is the basis for the capital recommendations in the FY19 budget is a model for this type of planning in the town, resulting in well-thought out recommendations. The current year’s plan and the long-term capital plan can be found in the Town Meeting handbook.

Capital Requests this year totaled \$2,682,653. Recommended capital improvements totaled \$2,473,653 of which \$2,378,653 is for the Town and Schools and \$95,000 is for the ISWM and Sewer Enterprise Funds.

This year's recommendations for capital spending come after exhaustive study by the Capital Outlay Committee. Maintaining the Town's infrastructure is important to the Capital Outlay Committee and \$1,608,000 of the Capital Outlay spending is for infrastructure. The committee has worked with the Finance Director to identify funding sources other than new borrowing in order to make the best use of all available dollars.

The FY19 Capital Outlay Plan and the Five-Year Capital Plan are included in the Voter Handbook.

## **ISWM**

The Integrated Solid Waste Management (ISWM) operation is a regional landfill and transfer center. It benefits the Town by paying for the pickup and disposal of our household trash, curbside recycling collection, the cost of the recycling center at the landfill, and disposal of hazardous materials and waste generated by our DPW. Additionally, ISWM pays the Town a Host Community Fee based on the tonnage flowing through the gate.

With the Covanta contract the ISWM business continues to be stable. The Host Community Fee remains the same at \$600,000. Excess Host Community Fees are deposited into the Capital Stabilization Fund to be used for future capital projects.

## **Community Preservation Act**

The Town adopted the CPA at its April 2005 election, replacing the Open Space Act and allowing the Town to receive matching state funds based on a 3% tax levy surcharge. The provisions of the CPA allow money to be allocated to open space, historic preservation, affordable housing and recreation. The CPA estimated revenue for FY19 is \$1,646,780.

Under the CPA a Community Preservation Committee has been formed and has made the recommendations found in the chart in the Voter's Handbook.

The Finance Committee met with the Community Preservation Committee and reviewed projects for Community Housing, Historic Preservation and Open Space.

## **Long Term Plan**

The Finance Director and Town Administrator have been working with the Finance Committee since FY06 to establish and refine a long term financial plan. The Long-Term Projection in the Voter's Handbook is one piece of the long-term planning puzzle. The Capital Outlay Committee's work to establish our needs, priorities, and funding sources is

another piece of the puzzle. However, financial planning cannot be done in a vacuum and must include additional needs in the community, including personnel. A comprehensive plan will allow voters to see the effect of our debt service, structural deficits, changes in reserves, adjustments to the tax rate and state aid impacts.

The Town Charter changes that were voted at the annual meeting May in 2016 and were recently approved by the State Legislature and the Governor require that the Long-Term Plan be included with the Town Administrator's budget message. This is an important change as it means that the budget is viewed not only in terms of the current year financial picture, but with a long-term view as well. The Finance Committee looks forward to continuing the work with the Board of Selectmen, the Finance Director and the Town Administrator on the refinement of the long-term plan.

The Long Term Plan with 5 years of history and 5 years of projections is included in the Voter Handbook.

## **Summary**

The Town of Bourne has benefited from the prior years of fiscal prudence and financial management. The proposed budget has added personnel that are needed to provide services expected by the citizens, but these increases must be prioritized and justified to make sure the budget increases are sustainable in the long run. In the coming years many long-term personnel will retire and the Town must plan for an orderly transition before they leave, taking their institutional knowledge with them. Mandated government operations and public safety need to be considered in order to serve the residents of the Town.

This budget is the result of a thoughtful examination of our town's priorities, as evidenced by where we spend our money. It is our town's values translated into dollars and cents. The Town has undertaken Priority Based budgeting and we will see in the next few years the results of this endeavor as we try to manage the Town's Revenue and prioritize the expenditures in order to provide the services the Town needs most.

The Finance Committee has voted unanimously 9 – 0 to recommend the approval of the Selectmen's General Fund Operating Budget of \$65,701,239 as presented to the Finance Committee on April 9, 2018.

Respectfully submitted,  
The Finance Committee, Town of Bourne

<b>FISCAL 2018 &amp; 2019 SOURCES &amp; USES OF FUNDS</b>				
<b>GENERAL FUND REVENUES</b>				
	<b>Budget</b>	<b>Proposed Budget</b>	<b>\$ Increase /</b>	<b>% Increase /</b>
	<b>2018</b>	<b>2019</b>	<b>Decrease over</b>	<b>Decrease over</b>
			<b>2018</b>	<b>2018</b>
<b><u>Property Taxes</u></b>				
Prior Year Tax Levy Limit	43,356,667	45,011,686	1,655,019	3.82%
Amend New Growth	0	0	0	
<b>Adjusted Tax Levy Limit</b>	<b>43,356,667</b>	<b>45,011,686</b>	<b>1,655,019</b>	<b>3.82%</b>
2.5% Allowance	1,083,917	1,125,292	41,375	3.82%
New Growth	571,102	600,000	28,898	5.06%
Override			0	
<b>Sub-total</b>	<b>45,011,686</b>	<b>46,736,978</b>	<b>1,725,292</b>	<b>3.83%</b>
Debt Exclusion	1,955,412	3,202,104	1,246,692	63.76%
Cape Cod Commission Tax	185,275	185,275	0	0.00%
Unused Levy Capacity	(41,068)		41,068	-100.00%
<b>Total Tax Levy</b>	<b>\$47,111,305</b>	<b>\$50,124,357</b>	<b>\$3,013,052</b>	<b>6.40%</b>
<b><u>State Aid</u></b>				
Cherry Sheet Net Revenue	382,821	382,821	0	0.00%
Cherry Sheet Assessments	4,711,222	4,711,222	0	0.00%
Chapter 70 Total	5,094,043	5,094,043	0	0.00%
Charter School Reimbursement	353,644	353,644	0	0.00%
School Choice Receiving Tuition*	831,190	831,190	0	0.00%
Unrestricted General Govt Aid	1,464,445	1,464,445	0	0.00%
Veterans Benefits	109,148	109,148	0	0.00%
Exemptions: Vets, Blind, Surv Sp & Elderly	106,093	106,093	0	0.00%
State Owned Land	573,392	573,392	0	0.00%
Public Libraries*	21,453	21,453	0	0.00%
<b>Total State Aid</b>	<b>\$8,553,408</b>	<b>\$8,553,408</b>	<b>0</b>	<b>0.00%</b>
<b><u>Local Receipts</u></b>				
Motor Vehicle Excise	2,649,967	2,850,000	200,033	7.55%
Other Excise	125,000	125,000	0	0.00%
Meals Tax	375,000	400,000	25,000	6.67%
Penalties & Interest	225,000	225,000	0	0.00%
Payments in Lieu	20,000	20,000	0	0.00%
Marinas	1,160,000	1,160,000	0	0.00%
Other Dept Revenue	325,000	300,000	(25,000)	-7.69%
Licenses & Permits	625,000	690,444	65,444	10.47%
Fines & Forfeits	125,000	125,000	0	0.00%
Investment Income	39,709	45,000	5,291	13.32%
Miscellaneous-Recurring	20,000	25,000	5,000	25.00%
Miscellaneous-Recurring Energy Credits	650,000	625,000	(25,000)	-3.85%
Miscellaneous-Non Recurring	103,505	148,874	45,369	43.83%
<b>Total Local Receipts</b>	<b>\$6,443,181</b>	<b>\$6,739,318</b>	<b>296,137</b>	<b>4.60%</b>
<b><u>Other Sources</u></b>				
ISWM General Fund Support	2,016,778	2,111,373	94,595	4.69%
Sewer General Fund Support	124,404	128,607	4,203	3.38%
Host Community Fee	\$600,000	\$600,000	0	0.00%
<b>Total Other Sources</b>	<b>\$2,741,182</b>	<b>\$2,839,980</b>	<b>\$98,798</b>	<b>3.60%</b>
<b><u>Special Revenues</u></b>				
Conservation Comm.	30,000	30,000	0	0.00%
PL 874	153,000	103,000	(50,000)	-32.68%
Ambulance Fees	1,250,000	1,500,000	250,000	20.00%
CPA Fund Debt Service	679,954	681,654	1,700	0.25%
Title 5 Loan Repayments	30,572	30,444	(128)	-0.42%
Waterways Fund for Operating Budget	131,278	115,264	(16,014)	-12.20%
<b>Total Special Revenue Funds</b>	<b>\$2,274,804</b>	<b>\$2,460,362</b>	<b>\$185,558</b>	<b>8.16%</b>
<b>Total General Fund Revenues</b>	<b>\$67,123,880</b>	<b>\$70,717,425</b>	<b>\$3,593,545</b>	<b>5.35%</b>
<b><u>Use of Reserves</u></b>				
Free Cash for Budget	999,800	1,092,329	92,529	9.25%
Free Cash for Articles	1,299,135	307,014	(992,121)	-76.37%
<b>Total Use of Reserves</b>	<b>\$2,298,935</b>	<b>\$1,399,343</b>	<b>(\$899,592)</b>	<b>-39.13%</b>
<b>Grand Total Revenues</b>	<b>\$69,422,815.01</b>	<b>\$72,116,767.82</b>	<b>\$2,693,952.81</b>	<b>3.88%</b>

**FISCAL 2018 & 2019 SOURCES & USES OF FUNDS**

4/12/2018

<b>GENERAL FUND EXPENSES</b>				
	<b>Budget</b>	<b>Proposed Budget</b>	<b>\$ Increase / Decrease over</b>	<b>% Increase / Decrease over</b>
	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2018</b>
<b><u>Town Budget</u></b>				
Administrative Services-Salaries	2,005,672	2,151,175	145,503	7.25%
-Expenses	1,263,340	1,269,560	6,220	0.49%
Public Safety Services-Salaries	8,510,372	9,104,534	594,162	6.98%
-Expenses	1,290,640	1,367,069	76,429	5.92%
Public Works Services-Salaries	1,605,249	1,819,192	213,943	13.33%
-Expenses	985,594	852,376	(133,218)	-13.52%
Health & Human Services-Salaries	570,421	597,745	27,324	4.79%
-Expenses	378,781	421,831	43,050	11.37%
Culture & Recreation Services-Salaries	696,439	732,278	35,839	5.15%
-Expenses	177,300	180,450	3,150	1.78%
<b>Total Town</b>	<b>17,483,808</b>	<b>18,496,210</b>	<b>1,012,402</b>	<b>5.79%</b>
<b><u>Schools</u></b>				
Bourne School Department	21,718,234	22,567,543	849,309	3.91%
Upper Cape Technical School	3,250,118	2,983,269	(266,849)	-8.21%
<b>Total Schools</b>	<b>24,968,352</b>	<b>25,550,812</b>	<b>582,460</b>	<b>2.33%</b>
<b><u>Shared Costs</u></b>				
Shared Costs-Public Utilities	1,250,000	1,300,000	50,000	4.00%
Shared Costs	13,769,623	14,252,596	482,973	3.51%
<b>Total Shared Costs</b>	<b>15,019,623</b>	<b>15,552,596</b>	<b>532,973</b>	<b>3.55%</b>
<b>Total Operating Budget</b>	<b>\$57,471,783</b>	<b>\$59,599,618</b>	<b>\$2,127,835</b>	<b>3.70%</b>
<b><u>Capital Budgets</u></b>				
Debt Service Budget Non Exempt	2,801,509	2,823,589	22,080	0.79%
Debt Service Budget Exempt	2,035,965	3,278,032	1,242,067	61.01%
<b>Total Debt Service</b>	<b>4,837,474</b>	<b>6,101,621</b>	<b>1,264,147</b>	<b>26.13%</b>
<b>Total General Fund Budget</b>	<b>\$62,309,257</b>	<b>\$65,701,239</b>	<b>\$3,391,982</b>	<b>5.44%</b>
<b><u>General Articles</u></b>				
ATM Articles	930,000	307,014	(622,986)	-66.99%
STM Articles	260,235		(260,235)	-100.00%
Elected Officials	59,458	60,270	812	1.37%
Reserve Fund	300,000	325,000	25,000	8.33%
<b>Total General Articles</b>	<b>\$1,549,693</b>	<b>\$692,284</b>	<b>(\$857,409)</b>	<b>-55.33%</b>
<b><u>Off-Budget Expenditures</u></b>				
Cherry Sheet Assessments	4,711,222	4,720,602	9,380	0.20%
Cherry Sheet Offsets*	852,643	852,643	0	0.00%
Overlay Reserve	0	150,000	150,000	100.00%
<b>Total Off Budget Expenses</b>	<b>\$5,563,865</b>	<b>\$5,723,245</b>	<b>\$159,380</b>	<b>2.86%</b>
<b>Grand Total Expenses</b>	<b>\$69,422,815</b>	<b>\$72,116,768</b>	<b>\$2,693,953</b>	<b>3.88%</b>
	\$0	(\$0)	(\$0)	(\$0)

<b>GENERAL CAPITAL</b>				
<b><u>Capital Financing Sources</u></b>				
Article Closeouts	145,914	153,392	7,478	5.13%
Capital Premium Reserve	0	129,838	129,838	100.00%
Transfer from Enterprise	0	19,500	19,500	100.00%
CPA Fund for Capital Projects	0	205,000	205,000	100.00%
Waterways Fund for Capital Projects	205,000	250,000	45,000	21.95%
Free Cash for Capital Projects	349,836	511,370	161,534	46.17%
ATM Borrowing	1,987,053	1,109,553	(877,500)	-44.16%
<b>Total Capital Financing Sources</b>	<b>\$2,687,803</b>	<b>\$2,378,653</b>	<b>(\$309,150)</b>	<b>-11.50%</b>
<b><u>Capital Expenditures</u></b>				
STM Articles Capital				
ATM Articles Capital	2,687,803	2,378,653	(309,150)	-11.50%
<b>Total Capital Expenses</b>	<b>\$2,687,803</b>	<b>\$2,378,653</b>	<b>(\$309,150)</b>	<b>-2.81%</b>

**FISCAL 2018 & 2019 SOURCES & USES OF FUNDS**

4/12/2018

<b>ISWM REVENUES</b>				
	Budget	Proposed Budget	\$ Increase / Decrease over	% Increase / Decrease over
	2018	2019	2018	2018
<b>Operating Revenues</b>				
Retained Earnings	0	900,000	900,000	100.00%
Facility Receipts	10,939,421	10,485,365	(454,056)	-4.15%
<b>Total Revenues</b>	<b>10,939,421</b>	<b>11,385,365</b>	<b>445,944</b>	<b>4.08%</b>
<b>Use of Reserves</b>				
Retained Earnings for Articles	0	425,418	425,418	100.00%
<b>Total Use of Reserves</b>	<b>0</b>	<b>425,418</b>	<b>425,418</b>	<b>#DIV/0!</b>
<b>Grand Total Revenues</b>	<b>10,939,421</b>	<b>11,810,783</b>	<b>871,362</b>	<b>7.97%</b>
<b>ISWM EXPENSES</b>				
<b>Operating Expenditures</b>				
Salaries & Wages	2,040,534	2,093,227	52,693	2.58%
Expenses	5,882,109	6,180,765	298,656	5.08%
Reserve Fund	200,000	200,000	0	0.00%
General Fund Admin. Fees	2,016,778	2,111,373	94,595	4.69%
Host Community Fee	800,000	800,000	0	0.00%
<b>Total Expenditures</b>	<b>\$10,939,421</b>	<b>\$11,385,365</b>	<b>\$445,944</b>	<b>4.08%</b>
<b>General Articles</b>				
ATM Articles	0	425,418	425,418	100.00%
STM Articles	0	0	0	
<b>Total General Articles</b>	<b>\$0</b>	<b>\$425,418</b>	<b>\$425,418</b>	<b>100.00%</b>
<b>Grand Total Expenses</b>	<b>10,939,421</b>	<b>11,810,783</b>	<b>871,362</b>	<b>7.97%</b>
<b>ISWM CAPITAL</b>				
<b>Capital Financing Sources</b>				
Retained Earnings	142,000	0	(142,000)	-100.00%
Available funds	0	55,000	55,000	100.00%
Bond Financing	3,860,000	0	(3,860,000)	-100.00%
<b>Total Capital Financing Sources</b>	<b>\$4,002,000</b>	<b>\$55,000</b>	<b>(\$3,947,000)</b>	<b>-98.63%</b>
<b>Capital Expenditures</b>				
Project Costs	4,002,000	55,000	(3,947,000)	-98.63%
<b>Total Capital Expenses</b>	<b>\$4,002,000</b>	<b>\$55,000</b>	<b>(\$3,947,000)</b>	<b>-98.63%</b>

<b>SEWER REVENUES</b>				
	Budget	Proposed Budget	\$ Increase / Decrease over	% Increase / Decrease over
	2018	2019	2018	2018
<b>Revenues</b>				
Retained Earnings	120,000	100,000	(20,000)	-16.67%
Retained Earnings for Articles	0	39,937	39,937	100.00%
Sewer Enterprise Revenues	1,031,279	1,047,255	15,976	1.55%
<b>Total Revenues</b>	<b>\$1,151,279</b>	<b>\$1,187,192</b>	<b>\$35,913</b>	<b>3.12%</b>
<b>SEWER EXPENSES</b>				
<b>Expenditures</b>				
Salaries & Wages	192,037	192,985	948	0.49%
Expenses	754,838	790,663	35,825	4.75%
Reserve Fund	35,000	35,000	0	0.00%
General Fund Admin. Fees	124,404	128,607	4,203	3.38%
<b>Total Expenditures</b>	<b>\$1,106,279</b>	<b>\$1,147,255</b>	<b>\$40,976</b>	<b>3.70%</b>
<b>General Articles</b>				
ATM Articles	0	39,937	39,937	100.00%
STM Articles	45,000	0	(45,000)	-100.00%
<b>Total General Articles</b>	<b>\$45,000</b>	<b>\$39,937</b>	<b>(\$5,063)</b>	<b>-11.25%</b>
<b>Grand Total Expenses</b>	<b>1,151,279</b>	<b>1,187,192</b>	<b>35,913</b>	<b>3.12%</b>
<b>SEWER CAPITAL</b>				
<b>Capital Financing Sources</b>				
Retained Earnings	68,000	19,508	(48,492)	-71.31%
Available funds	0	5,742	5,742	100.00%
Bond Financing	0	34,250	34,250	100.00%
<b>Total Capital Financing Sources</b>	<b>\$68,000</b>	<b>\$59,500</b>	<b>(\$8,500)</b>	<b>-12.50%</b>
<b>Capital Expenditures</b>				
Project Costs	68,000	59,500	(8,500)	-12.50%
<b>Total Capital Expenses</b>	<b>\$68,000</b>	<b>\$59,500</b>	<b>(\$8,500)</b>	<b>-12.50%</b>