

Part II: Budget Summaries

BALANCED BUDGET

Revenue	FY20	FY21	% of Total	% Change
Local Aid	12,344,944	12,230,005		
Offsets	(785,571)	(830,550)		
Assessments	(2,672,983)	(2,792,439)		
Net Cherry Sheet	8,886,390	8,607,016	18.16%	-3.14%
Local Receipts	3,622,174	3,652,974	7.71%	0.85%
Tax	23,306,382	24,164,725		
2.5% Tax	582,660	604,118		
New Growth	150,000	100,000		
Overlay	(200,000)	(300,000)		
Amortization	(3,310)	(6,294)		
Debt Exclusion	5,839,453	5,635,650		
Excess Levy Capacity		(100,000)		
Tax Levy (Property Tax)	29,675,185	30,098,199	63.50%	1.43%
Enterprise Revenue	4,209,209	4,394,703	9.27%	4.41%
CPA Revenue	473,000	534,750	1.13%	13.05%
Other Financing Sources	18,310	111,294	0.23%	507.83%
Total Revenue	46,884,268	47,398,936		1.10%
1- General Government	1,870,309	1,922,836	4.06%	2.81%
2-Public Safety	5,540,711	5,535,174	11.68%	-0.10%
3-Education	17,536,095	17,536,095	37.00%	0.00%
4-Public Works	1,773,561	1,771,530	3.74%	-0.11%
5-Human Services	644,815	655,665	1.38%	1.68%
6-Culture and Recreation	577,311	560,320	1.18%	-2.94%
7-Debt	6,725,512	6,865,571	14.48%	2.08%
8-Unclassified	9,220,031	9,395,671	19.82%	1.90%
9-Community Preservation Act	473,000	534,750	1.13%	13.05%
10-Enterprise	2,522,922	2,621,325	5.53%	3.90%
Total Expense	46,884,268	47,398,936		1.098%

Property Taxes

Tax Rate Recapitulation Sheet (RECAP)

LEVY LIMIT CALCULATION	Estimates FY2020	FY2020 Recap	FY2021
Prior Year Levy Limit	23,306,382	23,306,382	24,164,725
Add 2.5%	582,660	582,660	604,118
Add New Growth	150,000	275,683	100,000
Add Overrides	0	0	0
True Levy Limit	24,039,041	24,164,725	24,868,843
Add Debt Exclusions	5,839,453	5,829,478	5,635,650
Amortization	(3,310)	(3,310)	(6,294)
Adjusted Levy Limit	29,875,184	29,990,893	30,498,199
Overlay	(200,000)	(300,207)	(300,000)
Excess Levy Capacity		(46,162)	(100,000)
Revenue	29,675,184	29,644,524	30,098,199

State Aid (Cherry Sheet)

State aid is Easthampton's second largest revenue source and represents approximately 18% of the General Fund budget. Together, state aid and local property taxes account for approximately 82% of the General Fund budget. The current budget model assumes State Aid (less offsets) will decrease 1.38% to \$11,399,455 million. The estimate is based upon the Governor's FY2021 Budget Recommendation which was released on January 20, 2020.

Cherry Sheet	FY2020 Estimates	FY2021 Estimates
Chapter 70	8,012,362	7,991,018
Charter Reimbursement	179,553	113,031
School Choice Tuition	761,069	805,069
Unrestricted Government Aid	2,984,699	2,945,465
Veterans Benefits	279,492	236,060
State Owned Land	3,255	3,390
Exempt: Elderly Blind	100,012	110,491
Public Libraries	24,502	25,481
Receipts	12,344,944	12,230,005
Offset Receipts	(785,571)	(830,550)
Air Pollution District	(4,244)	(4,298)
RMV non- Renewal Surcharge	(15,480)	(15,680)
Regional Transit	(93,830)	(119,540)
Special Education	(13,450)	0
School Choice Sending Tuition	(1,111,023)	(1,083,338)
Charter School Sending Tuition	(1,434,956)	(1,569,583)
Assessments	(2,672,983)	(2,792,439)
Sub Total	8,886,390	8,607,016

Departmental Receipts

The third largest source of revenue for the General Fund in the budget is Departmental Receipts, which includes a variety of fees, permits, fines and licensing-related monies that the city receives, as well as interest that is earned on investments or on overdue tax bills. The total budgeted Departmental Receipts for FY2021 are estimated at \$3.6 million.

The single largest source of revenue within the Departmental Receipts category is the approximately \$1.72 million received for motor vehicle excise taxes, which is a State tax collected by the municipality for its own use.

Estimated Local Receipts	FY2020 Estimates	FY2021 Estimates
Motor Vehicle Excise Tax	1,779,438	1,721,559
Other Local Excise Tax	255,000	520,000
Penalties & Int excise Tax	110,000	50,500
Payment in Lieu of Taxes	33,000	30,000
Fees	875,000	816,910
Rental	100	10,000
Dept - School	-	-
Dept - Cemeteries	15,000	14,000
Dept - Recreation	70,000	48,000
Licenses & Permits	320,000	226,300
Fine & Forfeitures	25,000	15,000
Investment	15,000	110,705
Medicaid Reimbursements	125,000	90,000
Misc. - non-recurring	-	-
Sub Total	3,622,538	3,652,974

Other Available Funds

The last category of city revenue are monies in various Special Revenue funds available for appropriation from prior years. Other sources of Available Funds to be used in FY2021 are projected to include special revenue offsets in departmental budgets, such as \$2,500 in Cemetery Sale of Lots income, \$2,500 in the Parking Fund, and \$100,000 from the Tax Rate Stabilization Fund.

In addition, there will be a transfer of \$6,294 from amortizable bond premiums. Amortizable bond premiums are funds that were received when bonds or notes were issued for debt excluded projects. The total net premiums are allocated over the term of the obligation, held in reserve and then transferred to offset the amount of the debt exclusion added to the tax rate.

EXPENDITURE SUMMARY

Full Report

The following is a summary of the city's budget, which details the 1.098% increase allowable under the current revenue projections.

DEPARTMENT	ORIGINAL BUDGET 2020	REQUESTED STAGE 2021	RECOMMEND STAGE 2021
City Council	41,390.00	43,765.00	41,740.00
Mayor	126,450.00	146,492.00	138,245.97
License Board	-	300.00	300.00
Auditor	137,179.00	147,291.00	145,108.63
Central Purchasing	36,161.00	36,161.00	36,161.00
Assessor	113,237.00	134,378.00	108,453.60
Treasurer	364,687.25	210,333.66	245,685.63
Technology	212,928.00	237,030.00	237,030.00
Collector	-	133,710.00	130,375.95
City Attorney	65,000.00	65,000.00	65,000.00
Human Resources	152,312.00	135,720.61	122,513.71
Education & Training	20,796.90	-	-
City Clerk	114,654.00	120,810.00	120,409.60
Elections	34,475.00	33,225.00	33,225.00
Planning	162,339.05	168,796.27	223,423.72
Building Operations	288,700.00	299,000.00	275,163.16
General Government	1,870,309.20	1,912,012.54	1,922,835.96
Police	2,643,131.12	2,801,470.17	2,667,552.41
Crossing Guards	40,959.00	43,629.50	43,629.50
Detention	15,350.00	15,350.00	15,350.00
Dispatch	280,400.00	322,168.84	321,097.78
Fire	2,107,249.14	2,169,969.28	1,998,139.33
Ambulance	336,148.40	360,354.95	358,354.95
Inspection Services	99,973.00	114,952.00	116,049.88
Animal Control	17,500.00	17,500.00	15,000.00
Public Safety	5,540,710.66	5,845,394.74	5,535,173.85
Education	16,550,414.30		16,467,571.00
Education	985,680.94		1,068,524.00
Education	17,536,095.24		17,536,095.00
Public Works Administration	169,400.00	182,870.00	181,818.06
Fuel	137,000.00	143,000.00	137,500
Engineering	152,560.00	163,570.00	161,788.29
Highway	642,045.00	703,745.00	670,745.00
Snow Emergency	200,000.00	200,000.00	200,000.00
Street Lights	106,850.00	107,000.00	94,000.00
Motor Repair	110,795.00	103,515.00	66,815.00
Traffic	101,750.00	101,750.00	101,750.00
Recycling & Hazardous Waste	10,600.00	12,600.00	12,600.00
Trash	27,000.00	29,000.00	29,000.00
Landfill	33,000.00	33,000.00	33,000.00
Brookside Cemetery	55,861.32	58,614.04	58,314.04
Main Street Cemetery	-	-	-
Tree Warden	26,700.00	26,700.00	24,200.00
Public Works	1,773,561.32	1,865,364.04	1,771,530.39

Full Report (continued)

DEPARTMENT	ORIGINAL BUDGET 2020	REQUESTED STAGE 2021	RECOMMEND STAGE 2021
Board of Health	81,850.56	107,179.50	107,179.50
Council on Aging	167,500.08	167,608.10	167,608.10
Veterans Services	39,339.80	40,877.00	40,877.00
Veterans Benefits	356,125.00	340,000.00	340,000
Human Services	644,815.44	655,664.60	655,664.60
Library	213,466.00	213,466.00	213,466.00
Recreation	124,662.77	134,429.78	106,922.78
Park	239,182.48	253,824.52	239,931.36
Culture and Recreation	577,311.25	601,720.30	560,320.14
Principal	4,067,970.76	4,728,821.84	4,697,799.73
Interest	2,657,541.23	2,178,292.47	2,167,771.27
Debt and Interest	6,725,511.99	6,907,114.31	6,865,571.00
Contributory Retirement	3,124,992.00	3,280,732.00	3,280,732.00
Workers Compensation	197,058.75	197,058.75	197,058.75
Medicare	300,000.00	307,800.00	307,800.00
Employee Benefits	4,914,775.65	4,964,420.27	4,914,775.65
Liability Insurance	287,204.32	287,204.32	287,204.32
Employee Benefits	121,000.00	133,100.00	133,100.00
Reserve Fund	200,000.00	200,000.00	200,000.00
Unemployment	75,000.00	75,000.00	75,000.00
Unclassified	9,220,030.72	9,445,315.34	9,395,670.72
CPA- Open Space	75,000.00	75,000.00	75,000.00
CPA - Historic	75,000.00	75,000.00	75,000.00
CPA - Housing	75,000.00	75,000.00	75,000.00
CPA - Administration	19,500.00	270,000.00	270,000.00
CPA- Reserve	228,500.00	39,750.00	39,750.00
Community Preservation Act	473,000.00	534,750.00	534,750.00
Sewer	484,562.00	490,685.00	490,685.00
Waste Water	1,195,570.00	1,244,620.00	1,244,620.00
Enterprise Reserve	15,000.00	15,000.00	15,000.00
Water	796,590.00	856,020.00	856,020.00
Enterprise Reserve	15,000.00	15,000.00	15,000.00
Ent. Education & Training	18,200.00	-	-
Enterprise	2,522,922.00	2,621,325.00	2,621,325.00
Total Budget	46,884,267.83	48,142,126.87	47,398,936.66

General Government

The first budget category is General Government. This category includes the offices and departments that support the direct service departments of the city through overall management, legal services, financial management (including collecting of revenues and the maintenance of financial records), and the administration of elections, management information systems, personnel administration and related ancillary services. General Government also includes planning and conservation services.

DEPT	DEPARTMENT	ORIGINAL BUDGET 2020	REQUESTED STAGE 2021	RECOMMEND STAGE 2021
1110	City Council	41,390.00	43,765.00	41,740.00
1210	Mayor	126,450.00	146,492.00	138,245.97
1220	License Board	-	300.00	300.00
1350	Auditor	137,179.00	147,291.00	145,108.63
1380	Central Purchasing	36,161.00	36,161.00	36,161.00
1410	Assessor	113,237.00	134,378.00	108,453.60
1450	Treasurer	364,687.25	210,333.66	245,685.63
1451	Technology	212,928.00	237,030.00	237,030.00
1460	Collector	-	133,710.00	130,375.95
1510	City Attorney	65,000.00	65,000.00	65,000.00
1520	Human Resources	152,312.00	135,720.61	122,513.71
1590	Education & Training	20,796.90	-	-
1610	City Clerk	114,654.00	120,810.00	120,409.60
1620	Elections	34,475.00	33,225.00	33,225.00
1720	Planning	162,339.05	168,796.27	223,423.72
1920	Building Operations	288,700.00	299,000.00	275,163.16
	General Government	1,870,309.20	1,912,012.54	1,922,835.96

In FY2021 General Government is budgeted at \$1.922 million, which is an overall increase of 2.808%. In late FY2018, the Mayor's Office implemented a revision to many city departments as part of a good government initiative to streamline government operations in the interest of simplicity for city residents, clarity for city employees, and a long-term reduction in cost through the elimination of redundancy. These consolidations will be continued into FY2021. As a result, some costs that formerly resided under different sections of the budget are now centralized in General Government, including personnel, legal services, and information technology.

Public Safety

Public Safety consists of Police, Fire, Dispatch, Inspections & Enforcement, Public Health, and Animal Control Services.

DEPT	DEPARTMENT	ORIGINAL BUDGET 2020	REQUESTED STAGE 2021	RECOMMEND STAGE 2021
2100	Police	2,643,131.12	2,801,470.17	2,667,552.41
2103	Crossing Guards	40,959.00	43,629.50	43,629.50
2150	Detention	15,350.00	15,350.00	15,350.00
2170	Dispatch	280,400.00	322,168.84	321,097.78
2200	Fire	2,107,249.14	2,169,969.28	1,998,139.33
2310	Ambulance	336,148.40	360,354.95	358,354.95
2410	Inspection Services	99,973.00	114,952.00	116,049.88
2920	Animal Control	17,500.00	17,500.00	15,000.00
	Public Safety	5,540,710.66	5,845,394.74	5,535,173.85

Education

Easthampton Public School department consists of five schools, Maple, Center, Pepin, White Brook Middle School, and Easthampton High School serving 1,545 students from pre-kindergarten to twelfth. The school department and its budget are operated under the authority of the School Committee.

DEPT	DEPARTMENT	ORIGINAL BUDGET 2020	REQUESTED STAGE 2021	RECOMMEND STAGE 2021
3000	Education	16,550,414.30		16,467,571.00
3001	Education	985,680.94		1,068,524.00
	Education	17,536,095.24		17,536,095.00

Public Works

The Department of Public Works (DPW) consists of multiple Divisions collectively responsible for maintaining and improving the city's public spaces and infrastructure. This includes the maintenance and development of city roads, sidewalks, public trees, cemeteries, public grounds & buildings, as well as the city water supply system and wastewater/sewerage system.

DEPT	DEPARTMENT	ORIGINAL BUDGET 2020	REQUESTED STAGE 2021	RECOMMEND STAGE 2021
4010	Public Works Administration	169,400.00	182,870.00	181,818.06
4100	Fuel	137,000.00	143,000.00	137,500.00
4110	Engineering	152,560.00	163,570.00	161,788.29
4210	Highway	642,045.00	703,745.00	670,745.00
4230	Snow Emergency	200,000.00	200,000.00	200,000.00
4240	Street Lights	106,850.00	107,000.00	94,000.00
4250	Motor Repair	110,795.00	103,515.00	66,815.00
4260	Traffic	101,750.00	101,750.00	101,750.00
4300	Recycling & Hazardous Waste	10,600.00	12,600.00	12,600.00
4330	Trash	27,000.00	29,000.00	29,000.00
4380	Landfill	33,000.00	33,000.00	33,000.00
4910	Brookside Cemetery	55,861.32	58,614.04	58,314.04
4920	Main Street Cemetery	-	-	-
4951	Tree Warden	26,700.00	26,700.00	24,200.00
	Public Works	1,773,561.32	1,865,364.04	1,771,530.39

Human Services

The Human Services section of the budget includes the Board of Health, the Senior Center/Council on Aging, as well as Veterans' Services & Benefits.

DEPT	DEPARTMENT	ORIGINAL BUDGET 2020	REQUESTED STAGE 2021	RECOMMEND STAGE 2021
5120	Board of Health	81,850.56	107,179.50	107,179.50
5410	Council on Aging	167,500.08	167,608.10	167,608.10
5430	Veterans Services	39,339.80	40,877.00	40,877.00
5440	Veterans Benefits	356,125.00	340,000.00	340,000.00
	Human Services	644,815.44	655,664.60	655,664.60

Culture and Recreation

The Culture and Recreation section of the budget includes Library, Parks, and Recreation.

DEPT	DEPARTMENT	ORIGINAL BUDGET 2020	REQUESTED STAGE 2021	RECOMMEND STAGE 2021
6100	Library	213,466.00	213,466.00	213,466.00
6310	Recreation	124,662.77	134,429.78	106,922.78
6500	Park	239,182.48	253,824.52	239,931.36
	Culture and Recreation	577,311.25	601,720.30	560,320.14

Library: The city's Library budget has remained the same as compared to FY2020. This amount follows the guidance of the Municipal Appropriation Requirement (MAR) for each award year and is computed using figures for the three prior fiscal years. For each of those three years that a municipality received State Aid to Public Libraries award, the value used will be either the MAR or Total Appropriated Municipal Income (TAMI), whichever is higher.

Parks and Recreation Department: The Parks and Recreation Department has decreased by 2.94%. It is important to note that many programs within the parks and recreation department are self-supporting. Payroll for part-time and seasonal staff and all programmatic expenses are funded directly from recreation revolving funds.

Debt and Interest

DEPT	DEPARTMENT	ORIGINAL BUDGET 2020	REQUESTED STAGE 2021	RECOMMEND STAGE 2021
7100	Principal	4,067,970.76	4,728,821.84	4,697,799.73
7500	Interest	2,657,541.23	2,178,292.47	2,167,771.27
	Debt and Interest	6,725,511.99	6,907,114.31	6,865,571.00

Debt Service: The proposed FY2021 debt service budget provides for the payment of principal and interest costs for long and short-term bonds issued by the city for General Fund purposes. For FY2021, the total Debt Service budget for the General Fund is \$6.8 million, an increase of 2.083%. The increase represents the second Bond payment for the Pre-K-8 School Building.

While we move forward with large capital projects, the city will rely more on the Free Cash policy, whereby smaller capital items are now being purchased using available funds, such as Free Cash, instead of financing with debt.

Unclassified

The city's practice is to budget certain overhead costs in the aggregate rather than distributing costs by department or program. These overhead costs include employee benefits of health insurance, life insurance, Easthampton contributor retirement contributions, unemployment compensation, and workers' compensation insurance; comprehensive building and liability insurance, and a reserve fund for extraordinary and unforeseen expenses.

DEPT	DEPARTMENT	ORIGINAL BUDGET 2020	REQUESTED STAGE 2021	RECOMMEND STAGE 2021
9111	Contributory Retirement	3,124,992.00	3,280,732.00	3,280,732.00
9120	Workers Compensation	197,058.75	197,058.75	197,058.75
9121	Medicare	300,000.00	307,800.00	307,800.00
9140	Employee Benefits	4,914,775.65	4,964,420.27	4,914,775.65
9450	Liability Insurance	287,204.32	287,204.32	287,204.32
9500	Employee Benefits	121,000.00	133,100.00	133,100.00
9510	Reserve Fund	200,000.00	200,000.00	200,000.00
9511	Unemployment	75,000.00	75,000.00	75,000.00
	Unclassified	9,220,030.72	9,445,315.34	9,395,670.72

Community Preservation Act

Easthampton adopted the Community Preservation Act in 2001. The Act creates a 3% tax surcharge which generates revenue for projects addressing open space, affordable housing, historic preservation, and recreation. The Committee makes recommendations to the City Council on the expenditure of the funds.

DEPT	DEPARTMENT	ORIGINAL BUDGET 2020	REQUESTED STAGE 2021	RECOMMEND STAGE 2021
2980	CPA- Open Space	75,000.00	75,000.00	75,000.00
2981	CPA - Historic	75,000.00	75,000.00	75,000.00
2982	CPA - Housing	75,000.00	75,000.00	75,000.00
2983	CPA - Administration	19,500.00	270,000.00	270,000.00
2999	CPA- Reserve	228,500.00	39,750.00	39,750.00
	Community Preservation Act	473,000.00	534,750.00	534,750.00

Enterprise

The Water and Sewer Enterprise Funds have been established as Enterprise Funds separate from the General Fund. The expenditures for both the Water and Sewer Funds are financed by water and sewer rate revenues.

DEPT	DEPARTMENT	ORIGINAL BUDGET 2020	REQUESTED STAGE 2021	RECOMMEND STAGE 2021
4410	Sewer	484,562.00	490,685.00	490,685.00
4460	Waste Water	1,195,570.00	1,244,620.00	1,244,620.00
4462	Enterprise Reserve	15,000.00	15,000.00	15,000.00
4500	Water	796,590.00	856,020.00	856,020.00
4506	Enterprise Reserve	15,000.00	15,000.00	15,000.00
4590	Ent. Education & Training	18,200.00	-	-
	Enterprise	2,522,922.00	2,621,325.00	2,621,325.00

Enterprise: The FY2020 Enterprise Divisions of Water, Sewer and Waste Water is budgeted just over 2.5 million dollars an increase of 3.84%. These increases are due to mostly planned increases in employee salaries.

Indirect Cost: The Indirect cost associated with the Enterprise Fund is not included in the Enterprise section of the budget included but rather included in the general fund section of the budgets for General Government, Public Works, Unclassified, and Debt and Interest. Indirect charges represent \$1,686,286.50 or 40% of the Enterprise Total budget. Indirect charges decreased by 3.0%. The area within the Indirect costs showed the most significant decreases were Debt and Interest, and Employee benefit charges.