

Town of East Greenwich 2020-2021 Budget

**Budget Work Session
June 15, 2020**

Andrew E. Nota, Town Manager

Proposed Budget Summary

June 15, 2020 - Public Hearing

	Proposed	Original
All Budgeted Funds	\$ 72,266,573	\$ 73,323,633
• (Reduced by \$802,411 School and \$254,649 Debt)		
General Fund	\$ 21,194,412	\$ 21,194,412
School Department	\$ 41,728,000	\$ 42,530,411
Transfer: (\$ 37,009,455)		Transfer: (\$37,811,866)
Debt Service Fund	\$ 4,736,572	\$ 4,991,221
Library	\$ 536,232	\$ 536,232
Wastewater Fund		
<i>Proprietary Fund</i>	\$ 4,071,357	\$ 4,071,357

Proposed Budget Summary

June 15, 2020 - Public Hearing

Proposed Net Levy: Increase of .96% or \$55,514,111
(Increase from \$54,987,280 – Inc. of 1.84% in FY2020)

\$526,831 Increase in overall Net Levy

Proposed Tax Rates: Residential (\$23.25 (Inc. from \$23.21))
Commercial/PPT (\$23.85 (Inc. from \$23.44))

School Transfer:	Increase	\$651,892	1.79%
General Fund:	Decrease	(\$557,693)	-3.48%
Debt Service Fund:	Increase	\$416,526	17.53%
Library:	no change		

4% cap \$2,199,407 maximum increase with balance of \$1,672,576.

Municipal General Fund

FY21 \$21,194,412 (Inc. of \$212,614) or 1% Inc.

Department Requests: \$23,137,553

FY20 \$20,981,798 without debt (adopted)

(9.2% - reduction) or (\$1,943,141)

Capital Program: \$822,705 reduced to \$100,000

Departmental Proposed Budgets

Function	Description Area of Service	Actual FY 2018-2019	Adopted FY 2019-2020	Projected FY 2019-2020	Department Dept Request FY 2020-2021	Proposed FY 2020-2021
14020	Town Manager	\$252,474	\$195,800	\$287,001	\$312,022	\$310,022
14030	Town Clerk	245,103	306,187	348,267	375,201	\$320,628
14040	Legal Services	360,076	300,000	285,200	285,000	\$275,000
14045	Municipal Court	5,075	5,100	5,100	15,000	\$15,000
14050	Probate Court	5,500	5,500	5,500	5,500	\$5,500
14110	Board of Canvassers	23,599	21,600	7,510	30,450	\$30,000
Subtotal	GENERAL GOVERNMENT	\$891,826	\$834,187	\$938,578	\$1,023,173	\$956,150
14210	Finance Department	\$575,603	\$666,978	\$933,946	\$904,240	\$869,271
14215	Information Technology	671,972	656,564	940,062	784,613	\$719,183
14420	Town Hall Operations	0	0	16,572	68,070	\$65,570
14610	Planning Department	211,228	258,965	346,099	348,775	\$328,775
14810	Senior & Human Services	0	0	0	377,524	\$379,524
Subtotal	GENERAL SERVICES	\$1,458,803	\$1,582,507	\$2,236,679	\$2,483,222	\$2,362,323
14320	Police Department	\$3,463,447	\$3,392,029	\$5,329,206	\$5,952,343	\$5,732,461
Subtotal	PUBLIC SAFETY	\$3,463,447	\$3,392,029	\$5,329,206	\$5,952,343	\$5,732,461
14451	Public Works	\$3,597,031	\$3,807,740	\$4,368,822	\$3,889,503	\$3,579,180
Subtotal	PUBLIC WORKS	\$3,597,031	\$3,807,740	\$4,368,822	\$3,889,503	\$3,579,180
14225	Community Resources and Parks	\$891,814	\$961,050	\$1,175,445	\$1,002,410	\$1,015,042
Subtotal	COMMUNITY RESOURCES & PAR	\$891,814	\$961,050	\$1,175,445	\$1,002,410	\$1,015,042
14910	Fire Department	\$4,769,011	\$4,180,204	\$6,751,898	\$7,451,697	\$6,993,756
Subtotal	FIRE DEPARTMENT	\$4,769,011	\$4,180,204	\$6,751,898	\$7,451,697	\$6,993,756
14060	Employee Benefits	\$5,347,260	\$5,545,631	\$1,427	\$0	\$0
14070	Insurance & Claims	429,338	476,450	449,000	395,000	395,000
14080	Contingency Fund	200,628	75,000	0	75,000	40,000
15010	Contributions to Outside Agencies	27,000	27,000	31,500	42,500	20,500
Subtotal	NON-DEPARTMENTALS	\$6,004,226	\$6,124,081	\$481,927	\$512,500	\$455,500
17010	Capital Outlay	\$648,080	\$100,000	\$6,200	\$822,705	\$100,000
Subtotal	CAPITAL OUTLAY	\$648,080	\$100,000	\$6,200	\$822,705	\$100,000
16010	Debt Service	\$5,769,720	\$4,777,925	\$4,724,275	\$0	\$0
Subtotal	DEBT SERVICE	\$5,769,720	\$4,777,925	\$4,724,275	\$0	\$0
Total	GENERAL FUND OPERATIONS	\$27,493,958	\$25,759,723	\$26,013,030	\$23,137,553	\$21,194,412

State Aid Categories

State Aid to Education: \$3,417,301 (Inc. of \$758,326 from \$2,658,975)

Municipal Aid Pass Through:

Public Services Corp. Tax:	\$165,037
Hotel Tax:	\$ 2,114
Meal & Beverage:	<u>\$758,434</u>
Total	\$925,586 (rounding impacts total)

Appropriated State Aid:

PILOT (NEIT):	\$ 719,030
Library:	\$ 132,534 (direct to Library)
MV Reimb. Base amount:	\$ 84,112
MV Reimb. Phase-out:	<u>\$ 483,763</u>
Total	\$1,419,439

Total Municipal Aid: \$2,345,025

Debt Service Fund

- Proposed Expenditures
 - Debt Service associated with Education - \$4,127,509;
 - New School Debt - **\$7,850** in interest reduced from \$195,000, based on \$785,000 in CIP investment not eligible for school construction reimbursement;
 - Debt Service associated with Town - \$574,212
 - New Town Debt - **\$27,000** in interest reduced from \$94,500 - based on \$2.7 million issuance for capital investment;

Debt Service Fund

DEBT SERVICE TAX NEED					
	2019 Actual	2020 Budget	2020 Actual	2021 Proposed	2022 2nd Year EST
School - P	2,120,833	2,165,833	2,165,833	2,205,833	2,240,833
School - I	2,038,889	1,981,989	1,981,989	1,921,676	1,871,101
Town - P	1,476,000	442,000	442,000	448,000	456,000
Town - I	133,874	132,953	132,953	126,212	118,910
School New Debt - I				7,850	719,857
Town New Debt - I	0	0	0	27,000	561,214
Total Expenditures	5,769,596	4,722,775	4,722,775	4,736,572	5,967,916
School Housing Aid	(1,604,104)	(1,850,023)	(1,575,624)	(1,392,144)	(1,392,144)
Bond Subsidy	(553,462)	(552,500)	(554,646)	(552,500)	(552,500)
Total Other Revenues	(2,157,566)	(2,402,523)	(2,130,270)	(1,944,644)	(1,944,644)
Total Tax Need	3,612,030	2,320,252	2,592,505	2,791,928	4,023,272

Property Tax Impact

	TM Proposed			Levy Impacts	
	FY2019	FY2020	FY2021	2021 vs 2020	2020 % inc
School Department	35,077,942	36,357,563	37,009,455	651,892	1.79%
General Fund	15,563,154	16,131,013	15,573,320	(557,693)	-3.46%
Debt Svc	3,998,286	2,375,402	2,791,928	416,526	17.53%
Library	525,000	536,232	536,232	-	0.00%
	55,164,382	55,400,210	55,910,935		
Overlay-98.00% (2021) (2019-99.5%, 2020-97.33%)	817,525	1,479,974	1,118,219		
Levy Required	55,981,907	56,880,184	57,029,154		
		898,277	148,970		
LEVY INCREASE		1.60%	0.26%		
Motor Vehicle Phase Out (est-2021)		-\$1,892,904	-\$1,515,043		
Net Levy		\$54,987,280	\$55,514,111		
Assessed Valuation-est 0.50%		\$2,364,917,647	\$2,376,742,235		
			526,831	Increase in overall Net Levy	
LEVY INCREASE		1.84%	0.96%	Levy Increase	
Average Home Value		\$452,715	\$454,979		
Tax Rate	\$23.00	\$23.21	\$23.25		
Cost To Avg Home Owner		\$10,508	\$10,578		
			\$71		

SPECIFIC DOCUMENTATION REQUIRED TO REQUEST TO EXCEED THE PROPERTY TAX CAP:

_____ **Total Non-Property Tax Revenue Loss:**

_____ **Debt Service Increase:** \$416,526 17.53%

_____ **Substantial Tax Base Growth:**

Evidence of growth related needs for expanded municipal services.

Identification of increased costs associated with new construction as well as the value of the construction and the effect on the tax base.

****School received a supplemental appropriation in 2019 of \$262,870**

Property Tax Impact

NOTICE OF PROPERTY TAX RATE CHANGE SUPPORT SHEET

Municipality: **East Greenwich**

FY 2021

Calculation of Proposed Rates

	Actual Net Assessment 12/31/2018	Estimated Increases (Decreases)	Estimated Net Assessment 12/31/2019	Actual Levy FY 2020	Proposed Levy FY 2021	% Incr (% Decr)	Actual Rates FY 2020	Proposed Rates FY 2021	% Incr (% Decr)
Variable									
Residential real estate	1,939,090,214	9,695,451	1,948,785,665	45,006,284	45,309,267	0.67%	23.21	23.25	0.17%
Commercial real estate	345,355,248	1,726,776	347,082,024	8,095,127	8,276,518	2.24%	23.44	23.85	1.73%
Personal property	80,472,185	402,361	80,874,546	1,886,268	1,928,534	2.24%	23.44	23.85	1.73%
Variable Total	2,364,917,647	11,824,588	2,376,742,235	54,987,679	55,514,319	0.96%			
Fixed									
Frozen property	0	0	0	0	0	0			
Other	0	0	0	0	0	0			
Property Tax Cap Total	2,364,917,647	11,824,588	2,376,742,235	54,987,679	55,514,319	0.96%	Tax Cap %		
Motor vehicles	82,771,126	(16,554,225)	66,216,901	1,892,518	1,515,043	-19.95%	22.88	22.88	0.00%
Breakage/Circuit Breaker				-1,219					
Grand Total	2,447,688,773	(4,729,637)	2,442,959,136	56,878,978	57,029,362	0.26%			
Assessed Value Increase						-0.19%			
FY 2020 Levy @ 4.00% (Not Including Motor Vehicle Levy)				54,987,679	57,187,186	4.00%			
Amount Over Cap					(1,672,867)				

Amounts highlighted in **bold blue** are for placement in appropriate "Notice of Proposed Property Tax Rate Change"