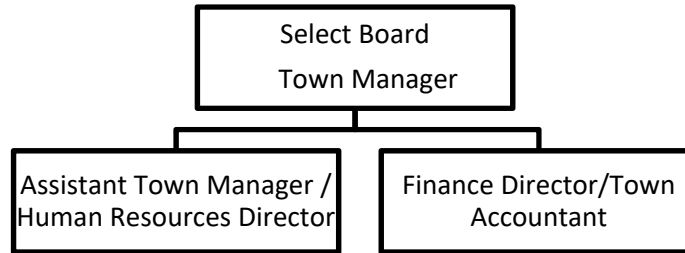


**TOWN OF WESTON
FY22 TOWN MANAGER'S PROPOSED BUDGET AND FINANCING PLAN
UNCLASSIFIED**



	Actual FY19	Budget FY20	Actual FY20	Budget FY21	Town Manager Recommended FY22 Budget	FY21 to FY22 \$ Change	% Change
UNCLASSIFIED							
Revenues							
Tax Levy and General Fund Revenues	16,164,071	17,581,972	16,872,685	18,929,745	19,729,585	799,840	4.2%
Brook School Apartments Enterprise Fund	125,167	127,044	128,950	130,884	133,502	2,618	2.0%
Water Enterprise Fund	144,403	146,569	148,768	150,999	154,019	3,020	2.0%
Total	16,433,640	17,855,585	17,150,402	19,211,628	20,017,106	805,478	4.2%
Expenditures							
Insurance							
Insurance, Workers' Compensation	307,409	327,950	279,267	327,950	327,950	-	0.0%
Public Safety - Injured on Duty+	24,455	20,000	19,834	25,000	40,000	15,000	60.0%
Unemployment Compensation	22,885	71,384	8,339	120,000	200,000	80,000	66.7%
Insurance, Property & Liability	321,802	405,244	362,161	405,244	417,401	12,157	3.0%
Uninsured Losses+	-	-	49,195	-	57,445	57,445	-
subtotal	676,551	824,578	718,796	878,194	1,042,796	164,602	18.7%
Fringe Benefits							
Insurance, Group Life, Accid, Health, Medicare	10,465,393	11,129,750	11,089,796	11,788,064	12,147,348	359,284	3.0%
Contributory Retirement-Middlesex	5,114,586	5,287,887	5,287,887	5,668,652	5,898,122	229,470	4.0%
Compensated Absence Fund+	153,326	240,000	53,924	260,000	280,000	20,000	7.7%
subtotal	15,733,305	16,657,637	16,431,607	17,716,716	18,325,470	608,754	3.4%
Reserve Fund	-	343,910	-	616,718	639,140	22,422	3.6%
Debt Service (non-excluded)	23,784	29,460	-	-	9,700	9,700	-
Total	16,433,640	17,855,585	17,150,402	19,211,628	20,017,106	805,478	4.2%
CAPITAL & SEPARATE ARTICLES							
Revenues							
Tax Levy and General Fund Revenues	2,121,634	2,214,656	2,214,656	1,023,254	2,859,491	1,836,237	179.5%
Total	2,121,634	2,214,656	2,214,656	1,023,254	2,859,491	1,836,237	179.5%
Expenditures							
Cash Capital	-	-	-	-	634,000	634,000	-
Post Employment Benefits Reserve	2,121,634	2,214,656	2,214,656	1,023,254	2,225,491	1,202,237	117.5%
Total	2,121,634	2,214,656	2,214,656	1,023,254	2,859,491	1,836,237	179.5%
DEBT SERVICE (excluded)							
Revenues							
Tax Levy and General Fund Revenues	7,760,966	8,657,029	8,538,718	9,315,754	9,830,640	514,886	5.5%
Mass. School Building Authority	665,538	665,538	665,538	665,535	-	(665,535)	-100.0%
Premium Offset	159,479	301,914	301,914	252,053	120,977	(131,076)	-52.0%
Total	8,585,983	9,624,481	9,506,170	10,233,342	9,951,617	(281,725)	-2.8%
Debt Service (excluded)*	8,585,983	9,624,481	9,506,170	10,233,342	9,951,617	(281,725)	-2.8%
New Debt Service (proposed to be excluded)	-	-	-	-	-	-	-
Total	8,585,983	9,624,481	9,506,170	10,233,342	9,951,617	(281,725)	-2.8%

Town of Weston
FY22 Town Manager's Proposed Budget

UNCLASSIFIED: Employee Benefits and Town Wide Expenses

Description of Services

The Unclassified portion of the Town budget represents those fixed costs which are not generally attributed to any one department or service.

Budget Recommendations

Workers' Compensation: The Town's insurance premium is based on: 1) the Town's payroll for each insured class of employee; 2) the workers' compensation rates set by the State; and 3) the Town's claims experience.

Public Safety, Injured on Duty: This continuing balance account, which covers medical expenses for police officers and firefighters who are injured in the line of duty, is managed by the Human Resources Department. Given the number of police officers and firefighters, the Town typically has a modest number of claims. The Town's Reserve Policy requires the Town to maintain a balance of \$50,000 in total for police and fire. The fund experienced some unanticipated claims and may experience additional claims due to changes in MGL. As such, increases are being allocated to the fund in keeping with the Town's Reserve Policy and further unanticipated claims.

Unemployment Compensation: The Town self-insures for this benefit. The budget is directly related to the number of former employees qualifying for benefits. Because we are a "reimbursable employer", we must pay claims from former employees who lose their jobs with other employers, so the need for these funds is somewhat unpredictable. Claims were relatively low in the previous fiscal years until COVID. It will be very difficult to predict the amount for FY22. At least through December 2020, the federal government was paying 50% of each unemployment claim. The Town is looking into whether or not this will continue.

Insurance, Property, General Liability, Motor Vehicle: This budget is increasing to cover anticipated premium rate increases. The Town continues to benefit from participation in a loss control program to obtain premium credit for the following year based on certain activities being completed during the current year.

Uninsured Losses: The \$92,555 balance is below the policy target of \$150,000 for this reserve account. Therefore, there will be a request for \$57,445. This account typically covers \$500 deductibles for vehicle repairs. However, in FY20 and FY21, a total of five separate fiber optic lines not covered by insurance were downed and needed immediate repair. The Town looked into covering the external fiber network with its property insurer. The premium was quoted as \$3,953 with a \$10,000 deductible for each occurrence. Four of the five repairs were under \$10,000 and one was \$13,588. So, the Town opted not to insure at this time as there would be no cost savings if similar damage occurs. In addition to the fiber repairs, the Town voting booths molded and were in disrepair. The booths needed to be replaced and were not insured.

Group Health Insurance: The Town's employees and retirees are enrolled in the health insurance plans of the Commonwealth of Massachusetts, Group Insurance Commission through a Public Employee Committee (PEC) Agreement. The Town negotiated a successor PEC Agreement that is effective FY22 through FY24. The successor Agreement is decreasing the Town contribution share of the premium for non-medicare plans. Taking into consideration the decrease in Town share of premium and a projected increase of 5% for active plans, we are projecting a 3.2% increase in premiums for FY22. The GIC sets the FY22 rates in March 2021.

Medicare Tax: The Medicare tax is 1.45 percent of payroll.

Contributory Retirement-Middlesex: The Town participates in the Middlesex Retirement System (MRS). An actuarial analysis, which is conducted every two years, determines the Town's pension liability and funding schedule. Full funding is statutorily required by 2040. Previously MRS had completed the analysis through 2035,

however it has been extended two years through 2037 in this current analysis. The most recent actuarial study as of 1/1/2020 has determined the Town's level of funding to be 47%. The amount to be assessed to the Town in FY22 is a 4.0% increase over the FY21 assessment. Going forward there is an expected increase of 6.50% through FY28 and a 4.0% increase from FY29-FY37.

Compensated Absence Fund: This reserve account is intended to fund the sick leave buy-back payment for which many employees are eligible at retirement, the liability is projected to exceed \$1.9 million over the course of time. The budget request is increased by \$20,000 to \$280,000, in accordance with the Town's Reserve Policy. The balance in this account as of 12/31/20 is approximately \$855,025.

Reserve Fund: The Reserve Fund is for unforeseen and extraordinary expenses, subject to Finance Committee review and approval. The Reserve Fund is increased to \$639,140 in accordance with recently revised Reserve Policy, which is approximately .75 percent of the adjusted general fund budget for FY21.

Debt Service (non-excluded): This item is for previously authorized non-excluded debt service, debt issuance costs and interest on tax abatements. The Town's policy is to request that the debt service for capital requests be placed on the ballot for exclusion from the limits of Proposition 2½. All non-excluded debt was retired in FY21.

Debt Service (excluded): This item is for previously authorized excluded debt service on projects approved by Town Meeting. For a project to be excluded from the property tax limits of Proposition 2½, it must be so voted on the ballot at Town Election. As mentioned above, the Town's policy is to request that the debt service for capital requests be placed on the ballot for exclusion from the limits of Proposition 2 ½.

The gross amount included in the FY22 budget is \$9,951,617. This is a decrease of 2.8% over FY21. This is due to debt maturing at a greater amount than debt added in the prior fiscal year. A premium revenue offset of \$120,977 is available and this will reduce the amount of debt service to be raised on the FY22 tax levy to \$ 9,830,640.

New Debt Service (proposed to be excluded): FY22 recommended capital projects will be placed on the May 2021 ballot for exclusion from the limits of Proposition 2 ½. If all projects proposed at the May 2021 Annual Town Meeting were to pass, there will be no new debt service in FY22 for these projects due to the timing of borrowing. There will be a discussion at Town Meeting on the debt impact of the new proposed capital projects from FY23 onward.

Stabilization Fund: The current balance in the Stabilization Fund is approximately \$3.2 million. The Towns' Reserve Policy calls for a reserve target of 3.5% of the prior fiscal year's general fund operating budget amount, excluding exempt debt service, which would be \$3,035,637. Since the balance exceeds 3.5%, no amount for FY22 is included.

Separate Articles to be Presented:

Cash Capital: These are one- time capital items requested in the Capital Improvement Plan to be funded by certified free cash. Included in this \$634,000 line item request is: Cherry Brook Culvert repair of \$124,000, Sherburn Circle Culvert Design of \$80,000, a Fire Department Shift Commander vehicle for \$80,000 and the Middle School Roof replacement of \$350,000.

Post-Employment Benefits: Under State law, all Town and School employees eligible for retirement benefits are also eligible for post-employment health insurance benefits (OPEB). The most recent actuarial study as of 7/1/18, conducted in accordance with the requirements of GASB45, has determined the amount of the unfunded liability to be \$50 million.

A trust fund established for this purpose has a current balance of \$22.2 million as of 6/30/2020. Funding for FY22 is proposed at \$2,225,491, which is the amount required in the actuarial funding schedule.

**Town of Weston
FY22 Town Manager's Proposed Budget**

UNCLASSIFIED	ACTUAL FY19	BUDGET FY20	ACTUAL FY20	BUDGET FY21	DEPT REQ FY22	TOWN MGR'S RECOMMENDATION			FY21 to FY22	
						LEVEL SERVICE	NEW REQ	TOTAL	\$ Change	% Change
INSURANCE										
Insurance, Workers' Compensation	307,409	327,950	279,267	327,950	327,950	327,950	-	327,950	-	0.0%
Police-Injured on Duty+	(3,204)	10,000	14,443	12,500	15,000	15,000	-	15,000	2,500	20.0%
Firefighters - Injured on Duty+	27,659	10,000	5,391	12,500	25,000	25,000	-	25,000	12,500	100.0%
Unemployment Compensation	22,885	71,384	8,339	120,000	200,000	200,000	-	200,000	80,000	66.7%
Property & Liability Insurance/Boiler/MV	321,802	405,244	362,161	405,244	417,401	417,401	-	417,401	12,157	3.0%
Uninsured Losses+	-	-	49,195	-	57,445	57,445	-	57,445	57,445	-
subtotal	676,551	824,578	718,796	878,194	1,042,796	1,042,796	-	1,042,796	164,602	18.7%
FRINGE BENEFITS										
Group Life Insurance	3,030	3,000	2,994	3,250	3,250	3,250	-	3,250	-	0.0%
Group Health	9,746,676	10,376,174	10,341,174	11,019,505	11,370,598	11,370,598	-	11,370,598	351,093	3.2%
Medicare Tax	702,522	736,656	732,112	751,389	758,895	758,895	-	758,895	7,506	1.0%
Flexible Benefits Admin	13,165	13,920	13,515	13,920	14,605	14,605	-	14,605	685	4.9%
Contributory Retirement-Middlesex	5,114,586	5,287,887	5,287,887	5,668,652	5,898,122	5,898,122	-	5,898,122	229,470	4.0%
Compensated Absence Fund+	153,326	240,000	53,924	260,000	280,000	280,000	-	280,000	20,000	7.7%
subtotal	15,733,305	16,657,637	16,431,607	17,716,716	18,325,470	18,325,470	-	18,325,470	608,754	3.4%
RESERVE FUND	-	343,910	-	616,718	639,140	639,140	-	639,140	22,422	3.6%
DEBT SERVICE (non-excluded)										
Interest Payments - Misc./Abatements	7	6,000	620	6,000	6,000	6,000	-	6,000	-	0.0%
Maturing Debt - Non-Excluded	20,000	19,000	19,000	19,000	-	-	-	-	(19,000)	-100.0%
Interest - Non-Excluded	1,160	760	760	380	-	-	-	-	(380)	-100.0%
Debt Service Costs	2,618	3,700	2,500	3,700	3,700	3,700	-	3,700	-	0.0%
subtotal	23,784	29,460	22,880	29,080	9,700	9,700	-	9,700	(19,380)	-66.6%
Total	16,433,640	17,855,585	17,173,283	19,240,708	20,017,106	20,017,106	-	20,017,106	776,398	4.0%
DEBT SERVICE (excluded)										
New Debt Service (proposed to be excluded)	-	-	-	-	-	-	-	-	-	-
Debt Service (excluded)*	8,585,983	9,624,481	9,506,170	10,233,342	9,951,617	9,951,617	-	9,951,617	(281,725)	-2.8%
Total	8,585,983	9,624,481	9,506,170	10,233,342	9,951,617	9,951,617	-	9,951,617	(281,725)	-2.8%
CAPITAL & SEPARATE ARTICLES										
Cash Capital	-	-	-	-	634,000	634,000	-	634,000	634,000	-
Post Employment Benefits (OPEB) Trust	2,121,634	2,214,656	2,214,656	1,023,254	2,225,491	2,225,491	-	2,225,491	1,202,237	117.5%
Total	2,121,634	2,214,656	2,214,656	1,023,254	2,859,491	2,859,491	-	2,859,491	1,836,237	179.5%

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