

Town of Franklin

355 East Central Street
Franklin, Massachusetts 02038-1352



Phone: (508) 520-4949
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OFFICE OF THE TOWN ADMINISTRATOR

Memorandum

October 16, 2019

To: Town Council

From: Jamie Hellen, Town Administrator

Re: Closing out the FY20 Budget

The following are my recommendations to amend the FY20 budget with final adjustments for the fiscal year, prior to setting the tax rate on December 4th.

At its October 9, 2019 meeting, the Finance Committee has reviewed these requests and voted unanimously to recommend all of the following expenditures.

At its October 15, 2019 meeting, the Budget Subcommittee reviewed these requests and voted to recommend all of the following expenditures to the full Town Council for debate.

Revenues

In short, the additional FY20 revenues are from three sources:

1. Final state aid numbers from the state budget netted the Town an additional \$568,222 in state aid (See attached Cherry Sheet). Gracious thanks to our legislative delegation for these very hard fought victories, particularly with the charter school reimbursement schedule;
2. We are adjusting and increasing the local receipts revenue in the budget \$33,078 from unanticipated licensing and permits; and
3. The Town assumes an additional \$870,000 in "New Growth" above what we assumed in the approved budget in May. The New Growth number is higher than normal this year

because of the favorable real estate and home improvement markets. It is important to note that the New Growth revenue line is at a 20-year high (see attached history). Hence, my recommendation above to take that excess amount and put it toward the Open Space Stabilization account for future open space investments.

In total, the Town has an additional \$1,471,300 in additional revenue for the FY20 budget.

Please note, I would caution reading too deep into the high New Growth number. A ten-year average is used as an assumption in our annual operating budget model each year. Even when including this record-breaking year, **the ten year-average is \$1.07 million**, significantly lower than this year's figure. I view a difference of this magnitude as one-time revenues that show a snapshot in time, rather than a consistent, stable source of revenue. This number is likely not to be sustainable for the long-term. I will be proposing this current ten-year average in our FY21 budget proposal in the Spring, which is currently \$900,000.

Recommendations

My proposed FY20 Budget supplemental amendments, which mainly represent unforeseen circumstances earlier in the year for both the Town and the School District, are as follows:

- \$231,500 for the School Department
 - This increase includes the \$102,500 authorized by the Town Council in August. See the attached memo from the Superintendent from the August meeting for the details.
 - In addition, I am proposing \$129,000 for the School Department, including funds for a district-wide enrollment projection and facility adequacy analysis related to the Davis Thayer Closing Study. Attached is a memo from the Superintendent for details of their requests.
- \$50,000 for School/Town Marketing and Communications Specialist
 - This is to fund a joint position between the Schools and the Town. The Schools are requesting \$27,000 and the Town \$23,000, respectively. The joint venture will enhance communication with residents about Town and School information, as well as assist our Planning Department and community stakeholders on marketing the Town for business and arts development.
- \$110,000 for the Facilities Department
 - I am proposing the addition of a Deputy Director for School & Municipal Facilities. The bottom line is that the demand for Facilities projects are at an

all-time high and cannot be completed with current staffing levels. Both the Superintendent and I support this request and believe the additional bandwidth is needed to accomplish the tremendous amount of projects under the Facilities Department.

- \$11,500 for the Senior Center
 - For personnel adjustments after a retirement that was not anticipated. We hired a Respite Nurse after a reevaluation of services to meet current and future customer demand.
 - Additionally, I am proposing a \$1/hour increase for the Senior Tax Workoff program. It's currently at \$11.00/hour and propose \$12.00/hour. We have also increased slots from 95 to 100 to one of the Town's most popular programs. See attached sheet of totals this year and the disbursement of jobs. The proposed impact on the budget is \$15,500, which is paid out of the Overlay account and is not included in the overall calculations here.

- \$13,000 for the Veteran's Services Department
 - For updated contractual obligations relative to a Veteran's Services Department agreement the Town has with Norfolk County for our operating budget. At the end of the current fiscal year, the agreement with Norfolk County will expire and will need to be renewed. The increase in funds also accounts for shifting the VSO's assistant, Debra Martin, into a permanent, part-time 19-hour a week employee. She has been paid from a grant for the last two years, which will be expiring soon. Debra has added a new dimension and level of support to the Veteran's Department and is a great asset to the community.
 - In addition to the funds, I will also be requesting approval of an amended agreement with the County from the Town Council (see attached Draft agreement).

- \$20,300 for the Fire Department
 - For an affiliation agreement of \$12,500 the Town has with Milford Regional Hospital, which requires each Paramedic and EMT to attend 4 M&M (emergency room training and education) rounds per calendar year. With a new Fire Chief and Milford Regional Hospital now headquartered in Town, we are hoping to work closely together. These funds are for a 6-month schedule.
 - The remaining funds will cover costs for an unanticipated staff reform and promotion in the Fire Department. The Town promoted FF William Blanchard to EMS Lieutenant with a charge coordinating the Town's medical billing, ambulance billing, grants, and more. We believe we are leaving unclaimed revenue on the

table due to the intensive medical billing system. As a former accountant, Mr. Blanchard was the perfect fit to lead this finance related position.

- \$60,000 for the Assessor's Department
 - To hire a third appraiser to comply with the new evaluation cycle and capture more property improvements. The position will easily pay for itself.

- \$75,000 for the Town's legal expense budget for outside Counsel relative to collective bargaining, solar agreements and unanticipated personnel costs; and

- \$900,000 for a one-time Open Space Stabilization Fund transfer of funds.
 - Currently, the Town's Open Space Stabilization Fund is at \$1.12 million. This fund is dedicated to open space protection.
 - Without a dedicated revenue source, the Town will continue to lag behind in finding the funding to purchase open space if its comes available in the future. With the money from new growth in town this year, I think it makes sense to use those additional resources to help bolster this fund in the event land becomes available. If multiple pieces of land become available, it may not be feasible to buy more than one parcel without strong cash reserves. I see our Open Space Fund as a significant liability in our financial portfolio given current land values.



TOWN OF FRANKLIN

RESOLUTION NO.: 19 - 68

APPROPRIATION: Open Space Acquisition Stabilization Fund

AMOUNT REQUESTED: \$ 900,000

PURPOSE: To raise and appropriate and transfer the sum of \$ 900,000 to the Open Space Acquisition Stabilization Fund.

MOTION

Be It Moved and Voted by the Town Council to raise and appropriate and transfer the sum of Nine Hundred Thousand Dollars (\$ 900,000) to the Open Space Acquisition Stabilization Fund.

This Resolution shall become effective according to the provisions of the Town of Franklin Home Rule Charter.

DATED: _____, 2019

VOTED:

UNANIMOUS: _____

YES: _____ **NO:** _____

ABSTAIN: _____

ABSENT: _____

A True Record Attest:

Teresa M. Burr
Town Clerk, CMC

Glenn Jones, Clerk
Franklin Town Council



TOWN OF FRANKLIN

RESOLUTION NO.: 19 - 69

APPROPRIATION: Request for FY 20 Supplemental Appropriations

WHEREAS, The Town of Franklin adopted the FY 2020 Amended Budget on May 23, 2019 and further amended said budget on August 21, 2019;

PURPOSE: to amend said FY20 Budget from \$ 129,763,831 to \$ 130,232,631; to raise and appropriate funds as outlined below:

Sources:

Raise and Appropriate \$ 468,800

Uses:

01541100 Council on Aging Personal Services	\$ 11,500
01543100 Veterans' Services Personal Services	9,880
01543200 Veterans' Services Expenses	3,120
01220100 Fire Personal Services	20,300
01300000 Franklin Public Schools	156,000
01141100 Board of Assessors Personal Services	60,000
01123100 Town Administrator Personal Services	23,000
01192100 Facilities Personal Services	110,000
01151200 Legal Services	<u>75,000</u>
	\$ 468,800

	Original	Change	Amended
Total Appropriation	\$ 129,763,831	\$ 468,800	\$ 130,232,631
Raise and Appropriate	\$ 116,411,211	\$ 468,800	\$ 116,880,011

MOTION

Be It Moved and Voted by the Town Council to amend said FY20 Budget from \$ 129,763,831 to \$ 130,232,631; that the sum of Four Hundred Sixty-Eight Thousand Eight Hundred (\$ 468,800) be raised and appropriated; and that the total be transferred to the above named accounts.

This Resolution shall become effective according to the rules and regulations of the Town of Franklin Home Charter.

DATED: _____, 2019

VOTED:

UNANIMOUS: _____

YES: _____ NO: _____

ABSTAIN: _____

ABSENT: _____

A True Record Attest:

Teresa M. Burr
Town Clerk, CMC

Glenn Jones, Clerk
Franklin Town Council



Franklin Public Schools

*Office of the Superintendent
355 East Central Street, Suite 3
Franklin, Massachusetts 02038
Phone: 508-553-4819*

To: Franklin School Committee Members, Franklin Finance Committee, Franklin Town Council
From: Sara E. Ahern, Ed.D. Superintendent of Schools
Re: Additional FY 20 Appropriation
Date: October 7, 2019

The Franklin Public Schools Department respectfully requests an additional appropriation of \$129,000 to support the FY 20 budget. An additional appropriation would support the following items:

- \$50,000 for district-wide enrollment projection and facility adequacy analysis, related to the Davis Thayer Closing Study
- \$54,000 to restore site-based supplies, which were reduced across all district schools during FY 20 budget development
- \$25,000 to restore funds to support professional development, which was reduced across the district during FY 20 budget development

Additionally, the School Department, in its collaboration with the town, seeks \$27,000 to support its share of the salary of the School/Town Marketing and Communications Specialist (this is not included above). In a short time, this position has assisted in the development of a communications strategy, expanded our audience and channels of communication, and is promoting the strengths and excellent educational outcomes of Franklin Public Schools and its students.

We are appreciative of the \$102,500, which the Town Council approved in August, allowing us to support all 6 elementary schools with a Kindergarten Educational Support Professional and in eliminating the proposed parking fee at Franklin High School.

Lastly, I would like to convey our support of the Town's request for an Assistant Director of Facilities. The facilities in town are top-notch; the schools, in particular, are foundational support where teaching and learning occurs each and every day. As critical investments, the buildings require intensive and ongoing support and maintenance. Additional personnel will help to protect these assets.

"Destiny is not a matter of chance, it is a matter of choice"
Equal Opportunity Employer



Franklin Public Schools

*Office of the Superintendent
355 East Central Street; Suite 3
Franklin, Massachusetts 02038
Phone: 508-553-4819*

To: Franklin School Committee
From: Sara Ahern, Superintendent of Schools
Date: August 8, 2019
Re: Additional Allocation Request for FY 20

As you are aware, the final FY 20 State Budget is more favorable towards Franklin than the House Budget upon which the approved FY 20 Franklin Public Schools Budget was based. On August 6, 2019, the Franklin School Committee's Budget Subcommittee met to discuss the final FY 20 State Budget that was signed by Governor Baker last week. Although additional allocations, when available due to revised state budgets, are considered by Town Council in the fall, I submitted a respectful request on behalf of the School Committee's Budget Subcommittee that the Town Council approve an additional allocation to the Franklin Public Schools for FY 20 in the amount of \$102,500.

This allocation would go towards two items, which were listed as a means of reducing the \$2.2 million budget gap. Time is important as these items are time sensitive due to school starting on Tuesday, August 27, 2019.

Eliminate the High School Parking Fee *\$52,500*

The School Committee instituted a new parking fee at Franklin High School as part of its revised budget in the amount of \$150 per student vehicle. This fee would have been applied to the ongoing maintenance of the lots through the DPW and it would require an agreement between the schools and the town.

While this was certainly a consideration when proposed, we are concerned about the management and enforcement of this fee by our administrators in an already complex situation to administer.

Include 2 Kindergarten Educational Support Professionals (ESP) *\$50,000*

The School Committee's original budget included 6 K ESPs, one for each elementary school. Over the course of budget discussions, it was determined that we could only support 4 through the budget and 2 were part of the reduction list when the gap was closed. These positions are critical for instructing students in small groups according to their academic and social-emotional needs in the earliest years when students' school experiences vary widely and intervention can be most successful for the long-term success.

"Destiny is not a matter of chance, it is a matter of choice"
Equal Opportunity Employer

This is creating an inequitable situation and we see a need within all of our elementary schools for additional classroom support.

In advance of Town Council's review of a resolution to this effect at their Wednesday, August 14, 2019 meeting, I recommend that the School Committee adopt a revised FY 20 budget of \$64,702,500, which includes an increase of \$102,500 for the items described above.

**Town of Franklin
New Growth History
Fiscal Years 2000 Through 2020**

<u>Year</u>	<u>Amount</u>
2000	1,284,820
2001	921,208
2002	1,142,829
2003	693,183
2004	1,115,054
2005	893,209
2006	764,906
2007	1,176,527
2008	713,346
2009	806,561
2010	687,763
2011	513,322
2012	854,509
2013	844,102
2014	1,047,493
2015	716,096
2016	820,004
2017	1,185,535
2018	1,479,902
2019	1,515,478
2020	1,770,000



MA Department of Revenue

Division of Local Services
Final Municipal Cherry Sheet Estimates
Data current as of 07/26/2018

C.S. 1-ER Commonwealth of Massachusetts Department of Revenue FY2020
NOTICE TO ASSESSORS OF ESTIMATED RECEIPTS
General Laws, Chapter 58, Section 25A

Franklin

A. EDUCATION

Distributions and Reimbursements

Chapter 70	28,416,161
School Transportation	0
Charter Tuition Reimbursement	936,532
Smart Growth School Reimbursement	0
Offset Items - Reserve for Direct Expenditure:	
School Choice Receiving Tuition	10,000
Sub-Total, All Education Items:	29,362,693

B. GENERAL GOVERNMENT:

Distributions and Reimbursements

Unrestricted General Government Aid	2,623,839
Local Share of Racing Taxes	0
Regional Public Libraries	0
Urban Revitalization	0
Veterans Benefits	133,194
Exemp: VBS and Elderly	112,822
State Owned Land	136,032
Offset Items - Reserve for Direct Expenditure:	
Public Libraries	40,481
Sub-Total, All General Government:	3,046,368

C. TOTAL ESTIMATED RECEIPTS:

32,409,061

C.S. 1-ER Commonwealth of Massachusetts Department of Revenue FY2020
NOTICE TO ASSESSORS OF ESTIMATED CHARGES
General Laws, Chapter 59, Section 21

Franklin

A. COUNTY ASSESSMENTS:

County Tax	229,340
Suffolk County Retirement	0
Essex County Reg Comm Center	0
Sub-Total, County Assessments:	229,340

B. STATE ASSESSMENTS AND CHARGES:

Retired Employees Health Insurance	0
Retired Teachers Health Insurance	0
Mosquito Control Projects	127,274
Air Pollution Districts	10,837
Metropolitan Area Planning Council	17,750
Old Colony Planning Council	0
RMV Non-Renewal Surcharge	25,680
Sub-Total, State Assessments:	181,541

C. TRANSPORTATION AUTHORITIES:

MBTA	0
Boston Metro. Transit District	0
Regional Transit	250,363
Sub-Total, Transportation Assessments:	250,363

D. ANNUAL CHARGES AGAINST RECEIPTS:

Multi-Year Repayment Program	0
Special Education	14,508
STRAP Repayments	0
Sub-Total, Annual Charges Against Receipts:	14,508

E. TUITION ASSESSMENTS:

School Choice Sending Tuition	348,048
Charter School Sending Tuition	5,043,650
Sub-Total, Tuition Assessments:	5,391,698

F. TOTAL ESTIMATED CHARGES: **6,067,450**

**TOWN OF FRANKLIN
FY 2020 REVENUE AND CONTROL SHEET**

	FINAL FY 2017	FINAL FY 2018	FINAL FY 2019	FINAL FY 2020
TAX LEVY				
Prior Year Levy Limit plus 2 1/2%	\$ 65,827,571	\$ 68,688,434	\$ 71,922,237	\$ 75,273,658
New Growth	1,185,535	1,479,602	1,515,478	1,770,000
	67,013,106	70,168,036	73,437,715	77,043,658
DEBT EXCLUSIONS				
Horace Mann Issue #1	123,680	115,680	112,830	109,980
Lincoln Street	483,710	470,410	457,110	438,885
Horace Mann Issue #2	355,990	343,650	335,850	323,050
High School Issue #1	2,877,713	2,877,888	2,876,588	2,878,388
High School Issue #2	(54,868)	80,946	122,357	152,438
	3,786,225	3,888,574	3,904,735	3,902,741
TOTAL POTENTIAL TAX LEVY	70,799,331	74,056,610	77,342,450	80,946,399
STATE REVENUE				
Chapter 70 School Aid	27,903,911	28,078,451	28,248,881	28,416,161
Charter School Reimbursements	342,912	406,677	372,947	936,532
Unrestricted Aid	2,375,806	2,468,462	2,554,858	2,623,839
All Other Net of Offsets	344,816	356,421	359,562	382,048
	30,967,445	31,310,011	31,536,248	32,358,580
OTHER REVENUES				
Local Receipts - General Fund	8,387,500	8,500,000	9,800,000	10,092,000
	8,387,500	8,500,000	9,800,000	10,092,000
OTHER AVAILABLE FUNDS				
Net Budget Stabilization / Other Transfers	40,000	-	612,000	390,000
Enterprise Fund (Indirects)	1,076,000	1,098,000	1,103,000	1,122,000
	1,116,000	1,098,000	1,715,000	1,512,000
TOTAL REVENUES & OTHER FUNDS	111,270,276	114,964,621	120,393,698	124,908,979
ASSESSMENTS & OTHER VOTES				
School Choice	200,450	238,272	306,964	348,048
State Assessments	414,633	423,073	440,717	446,412
County Assessment	228,867	226,552	232,215	229,340
Charter School Assessment	4,165,155	4,115,429	3,971,960	5,043,650
Provision for Abatements & Exemptions	676,683	673,811	652,525	650,000
Subsequent Votes	736,000	604,664	600,000	918,000
	6,421,788	6,281,801	6,204,381	7,635,450
TOTAL NET REVENUE	104,848,488	108,682,820	114,189,317	117,273,529
LESS: TOTAL GENERAL FUND BUDGET	(104,806,717)	(108,675,315)	(114,160,493)	(117,270,011)
UNUSED LEVY	\$ 41,771	\$ 7,505	\$ 28,824	\$ 3,518