



Warrant Committee Warrant Hearing March 28, 2023

**Town Meeting – May 1, 2023,
Fiscal Update and Articles**

March 28, 2023

The Financial Articles Address All Areas of Town Finance

Tax Bill Impact

**Operating
Budget**

**Reserve and
Stabilization
Accounts**



Capital Assets

**Long Term
Liabilities**

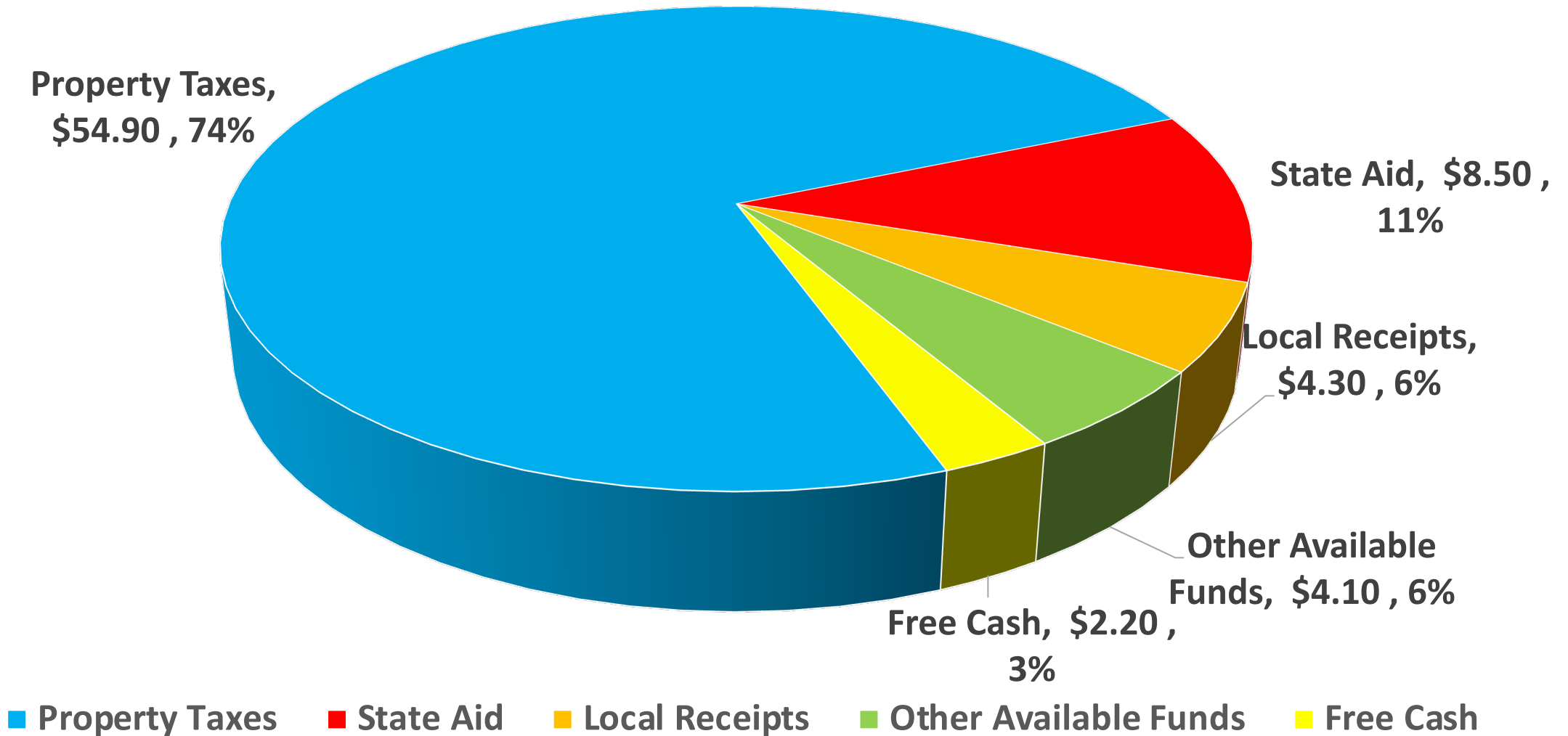
Service Levels

**Balance
Many Needs**

Town's Finances – Complying With Financial Policies

FY 24 Projected Budget Revenue, \$74.0 million

\$ in millions



Property Tax Levy Calculation Per Prop 2 1/2

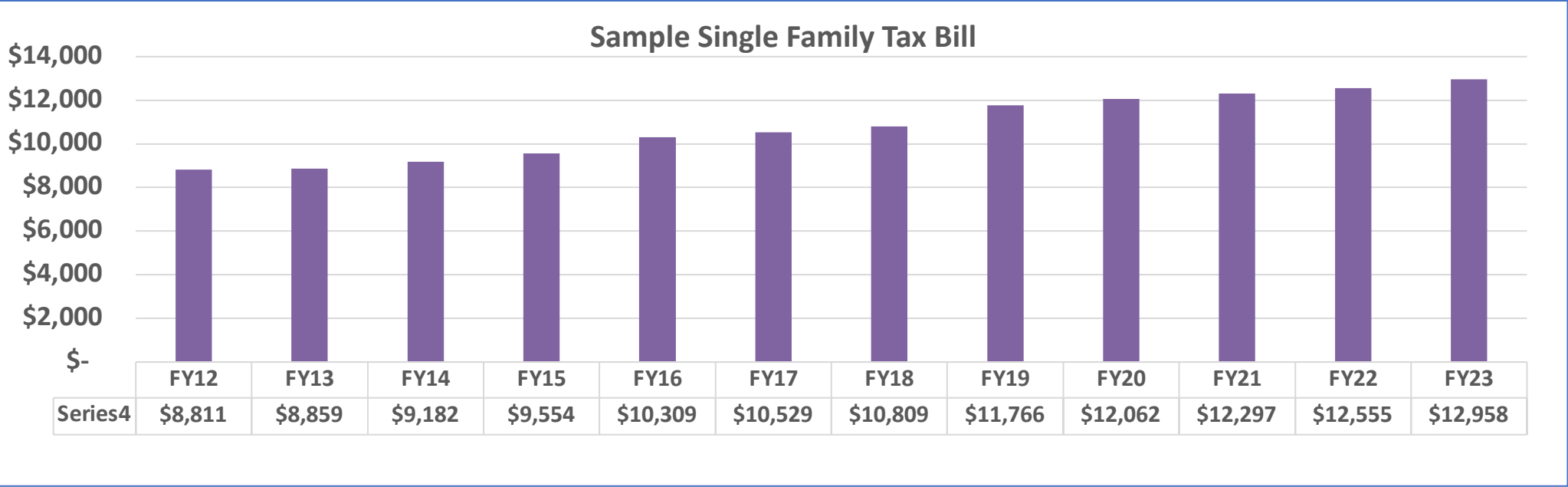
	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024 (Estimate)	
Property Tax Levy Subject to Prop 2 1/2						
Prior Year Prop 2 1/2 Levy	\$ 42,835,123	\$ 44,458,802	\$ 46,047,741	\$ 47,717,256	\$ 49,521,862	
2 1/2 Increase	\$ 1,070,878	\$ 1,111,470	\$ 1,151,194	\$ 1,192,931	\$ 1,238,047	Plus 2.5%
New Growth	\$ 552,801	\$ 477,469	\$ 518,321	\$ 611,675	\$ 400,000	Estimated New Growth
	\$ 44,458,802	\$ 46,047,741	\$ 47,717,256	\$ 49,521,862	\$ 51,159,909	
Municipal Buildings Stabilization Fund Override	\$ 1,025,000	\$ 1,050,625	\$ 1,076,890	\$ 1,103,812	\$ 1,131,407	Municipal Building Fund Override
Levy Limit (within Prop 2 1/2)	\$ 45,483,802	\$ 47,098,366	\$ 48,794,146	\$ 50,625,674	\$ 52,291,316	
Outside Prop 2 1/2						
Debt Exclusions (Exempt Borrowing)	\$ 4,140,274	\$ 3,674,665	\$ 3,305,035	\$ 3,129,882	\$ 2,590,854	
Maximum Levy Limit	\$ 49,624,076	\$ 50,773,031	\$ 52,099,181	\$ 53,755,556	\$ 54,882,170	What we could tax
Excess Levy Capacity	\$ (25,486)	\$ (16,601)	\$ (28,580)	\$ (274,077)	\$ -	Taxes Not Raised
Total Tax Receipts	\$ 49,598,590	\$ 50,756,430	\$ 52,070,601	\$ 53,481,479	\$ 54,882,170	What we do tax

A Look At Medfield's Single Family Tax Bill

	FY 19		FY 20		FY 21		FY 22		FY 23		Estimated FY24
Average Tax Bill Increase	8.9%		2.5%		1.9%		2.1%		3.2%		1.9%
Single Family Average Assessed Value	\$	658,424	\$	676,528	\$	692,421	\$	720,752	\$	839,765	\$839,765
Average Tax Bill	\$	11,766	\$	12,062	\$	12,297	\$	12,555	\$	12,958	\$ 13,204

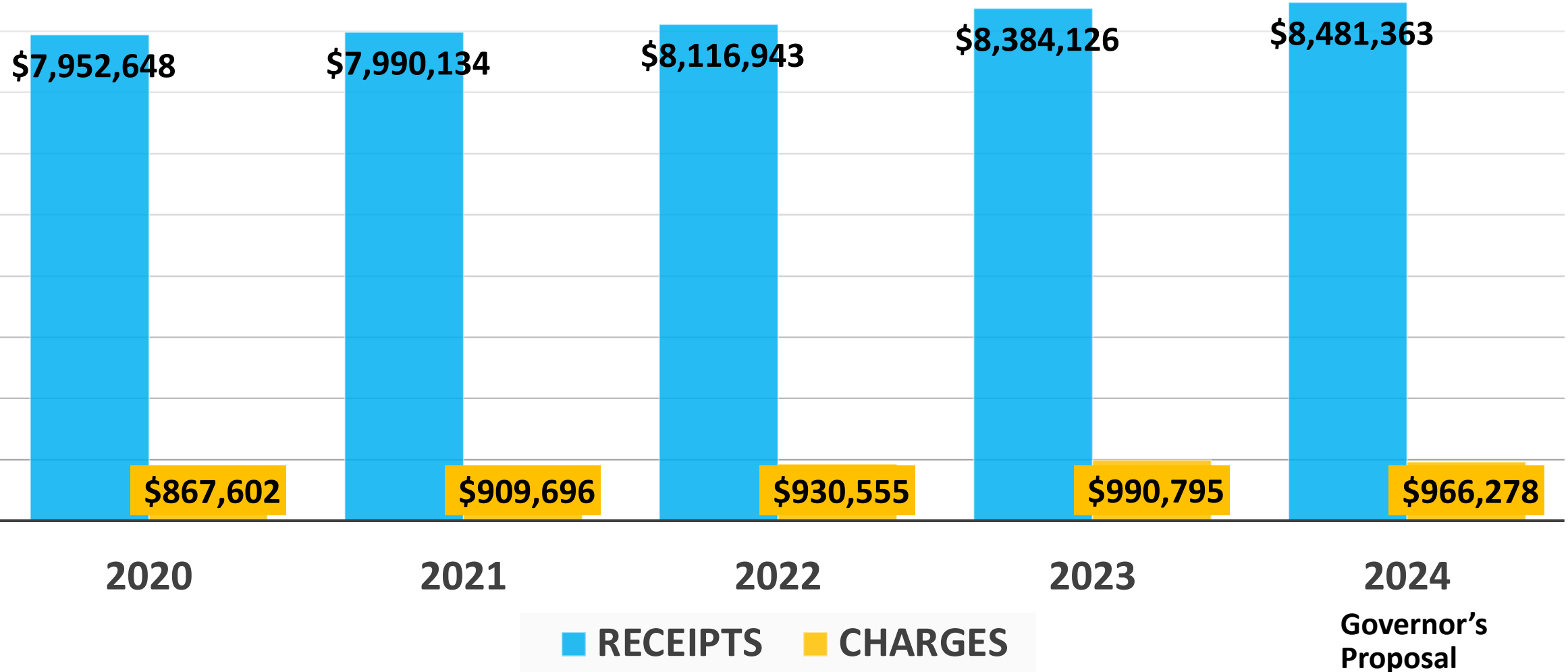
Medfield's Ranking in the State Average Tax Bill

FY12	22
FY13	22
FY14	21
FY15	21
FY16	18
FY17	19
FY18	19
FY19	15
FY20	16
FY21	18
FY22	20



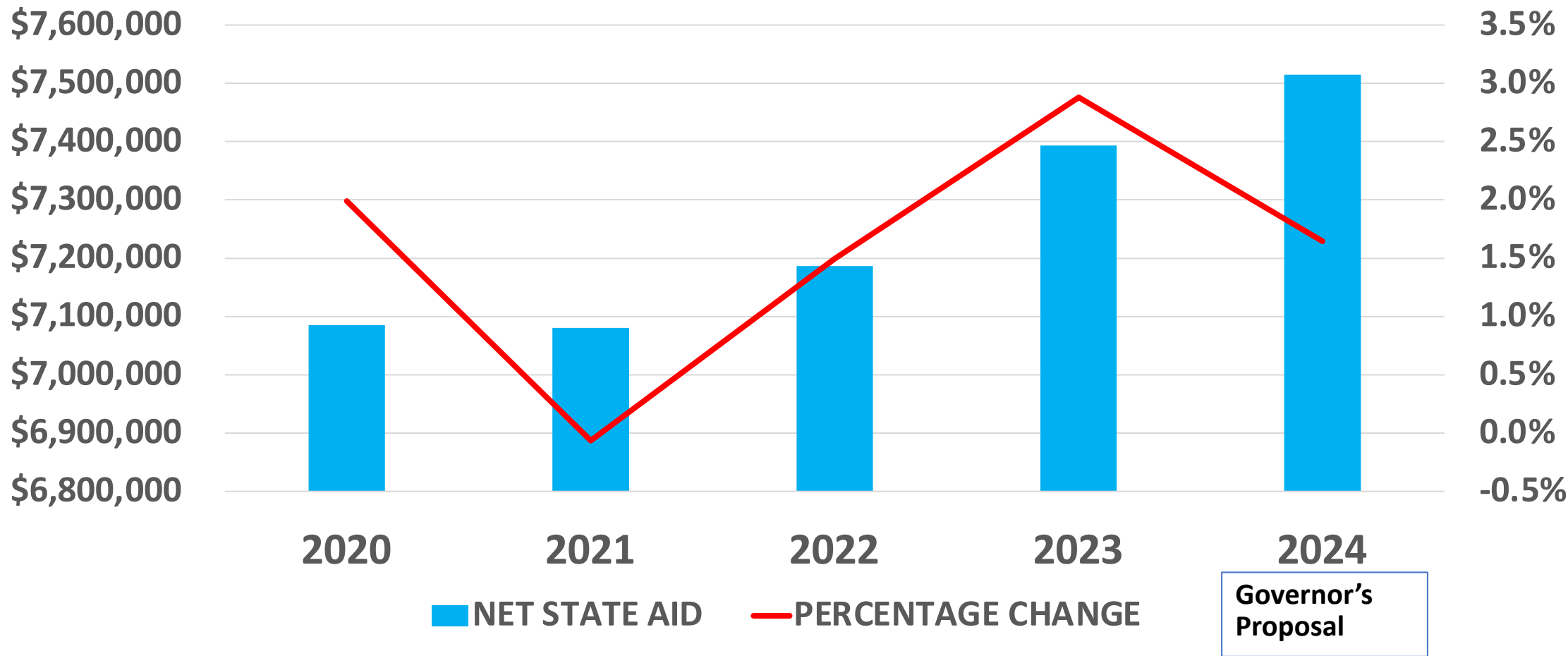
Medfield State Aid – Cherry Sheet

Receipts and Charges



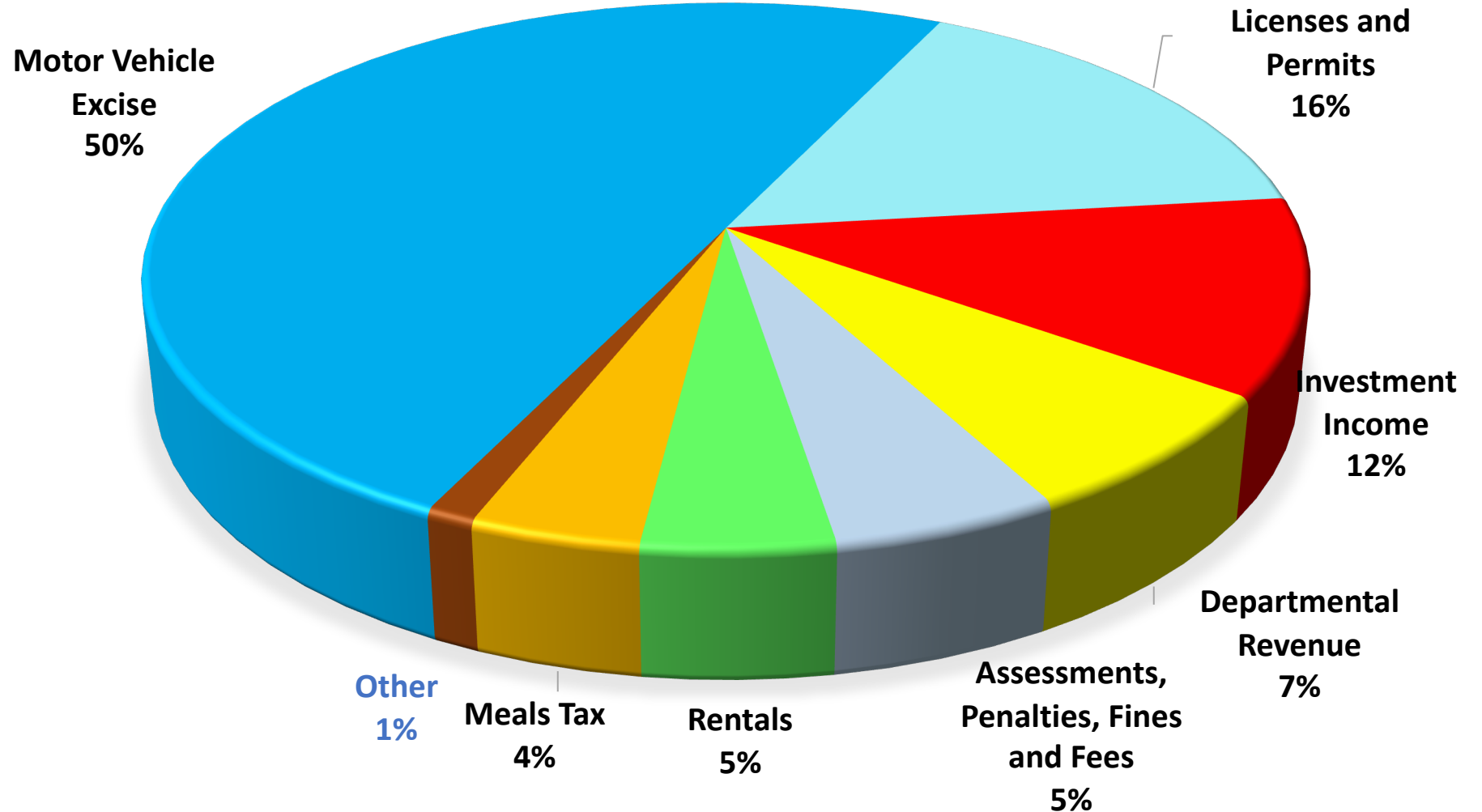
Medfield State Aid – Cherry Sheet

Net State Aid



Revenue From Local Receipts

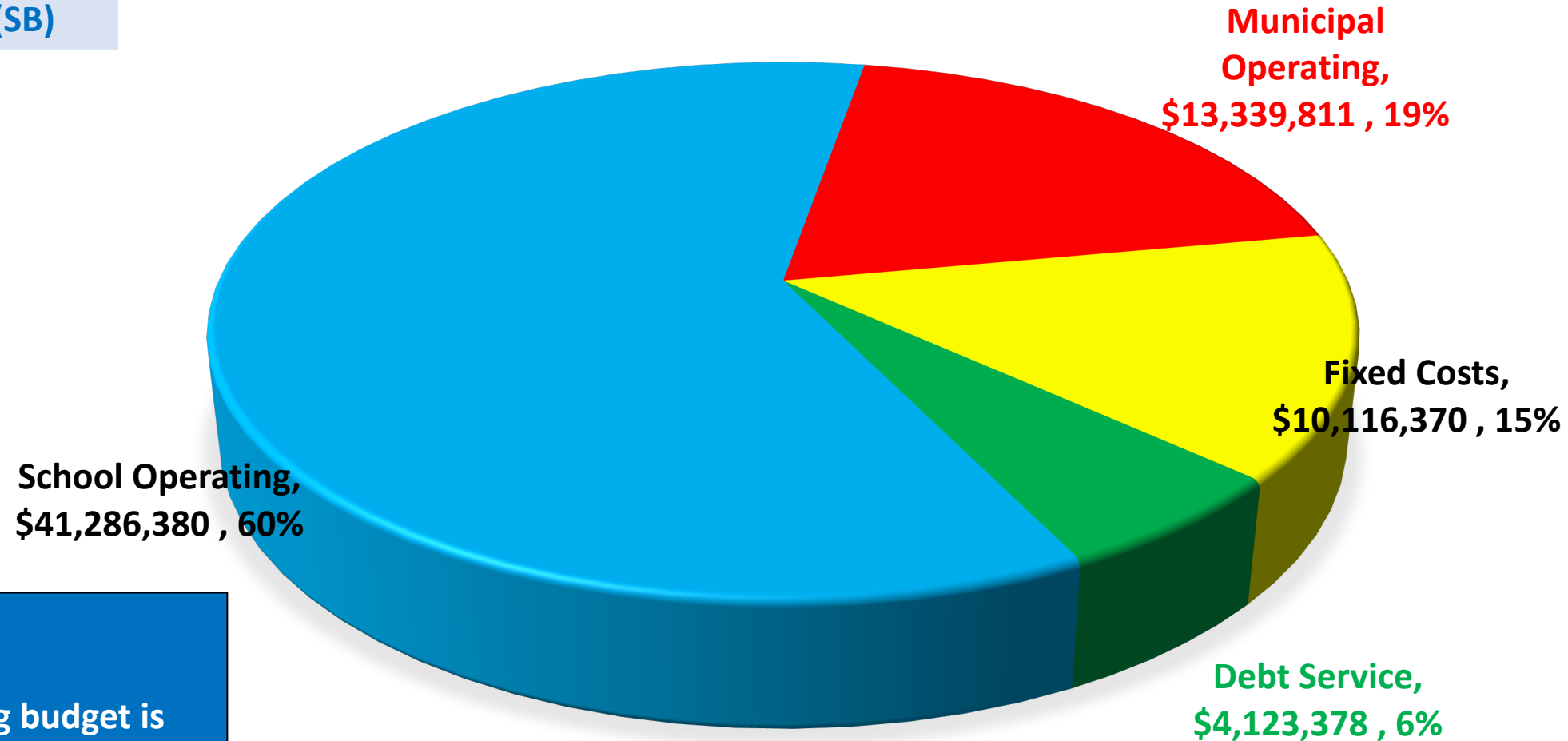
**FY 24 Budget - \$4,307,737,
2.94% increase**



What Are The Operating Budget Expenditures?

Town Meeting Action: Article 22,
FY 24 Operating Budget \$ 70.6 M.
Details in the warrant book. [\(SB\)](#)

FY 24 OPERATING BUDGET



OPERATING BUDGETS

- Core Services
- Approx. 80% of operating budget is staffing (salary and benefits)
- Strive for stable and sustainable school and municipal budgets

FY 24 Proposed Operating Budget, \$ 70.6M, 1.5% increase

	<u>FY 23</u>	FY 24 Proposed	\$\$ Change FY 24 vs FY 23	% Change FY 24 vs FY23
School Operating	\$39,649,971	\$41,286,380	\$1,636,409	4.13%
Municipal Operating	\$12,717,037	\$13,339,811	\$622,774	4.90%
Town and School Employee Benefits	\$9,210,367	\$9,460,985	\$250,618	2.72%
General Stabilization Fund	\$700,000	\$500,000	-\$200,000	-28.57%
Other	\$1,867,903	\$1,846,663	-\$21,240	-1.14%
SUBTOTAL	\$64,145,278	\$66,433,839	\$2,288,561	3.57%
Debt Service	\$5,370,956	\$4,123,378	-\$1,247,578	-23.23%
TOTAL	\$69,516,234	\$70,557,217	\$1,040,983	1.50%

GOAL: CONTINUED STABLE AND SUSTAINABLE OPERATING BUDGET GROWTH

Free Cash Use

Certified Free Cash – June 30, 2022: \$4,010,325

Less FY 24 Articles Proposed Uses of Free Cash:

Opioid Stabilization Fund (Article 7)	(\$92,139)	
Vaccine Revolving Fund (Article 9)	(\$5,000)	
Affordable Housing Trust (Article 14)	(\$ 15,000)	
Capital Stabilization Fund (Article 15)	(\$850,000)	
Elementary School Feasibility Study (Article 20)	(\$250,000)	
OPEB Trust Fund (Article 22)	(\$525,000)	
General Stabilization Fund (Article 22)	(\$500,000)	
		(\$2,237,139)
Estimated Unused Free Cash		\$1,773,186

Credit Review



**September 2021
Updated Credit
Review with Moody's**



**Rigorous review of
finances and financial
practices**



**Moody's reaffirms
Town's Aa1 rating**



**This is a good rating
for a small
community**



**Helps the Town issue
debt at a lower
interest rate**

**Recent Bond Sale (FY 22): September 2021,
Water Department, \$10.6 M for 10-20 years at
1.46%**

Aa1

**Medfield's Municipal
Bond Rating**

Year	Moody's
2021	Aa1
2020	Aa1
2019	Aa1
2018	
2017	Aa1
2016	

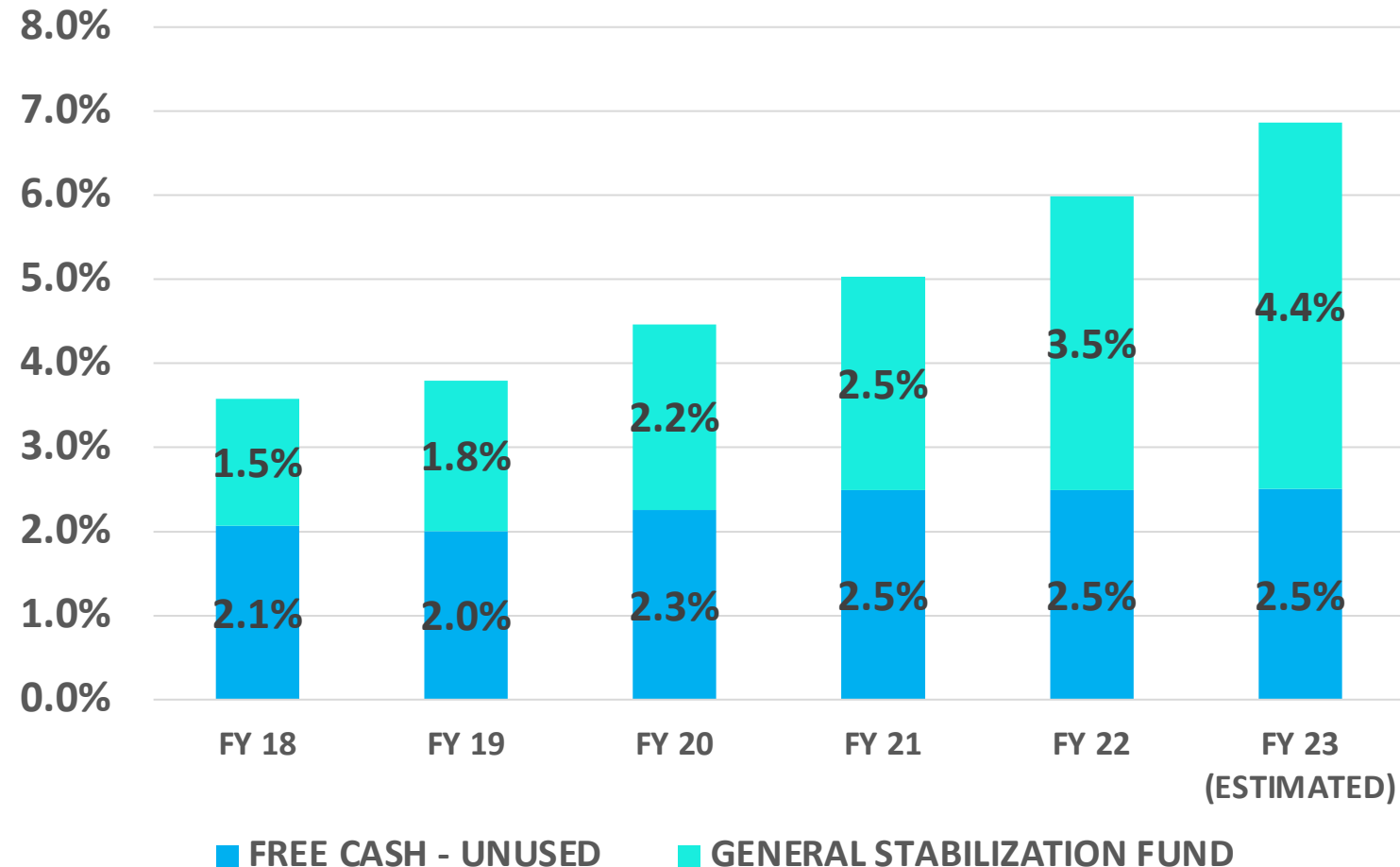
Building Up Our Reserves

Town Meeting Action: Article 22, transfer \$500,000 from Free Cash to General Stabilization Fund – (SB)

General Stabilization Fund
FY 23 (Estimated) - \$3.1 M

- Main Reserve Account
- Important component of Credit Rating

Reserves as a % of Operating Revenue
(after subsequent spending)



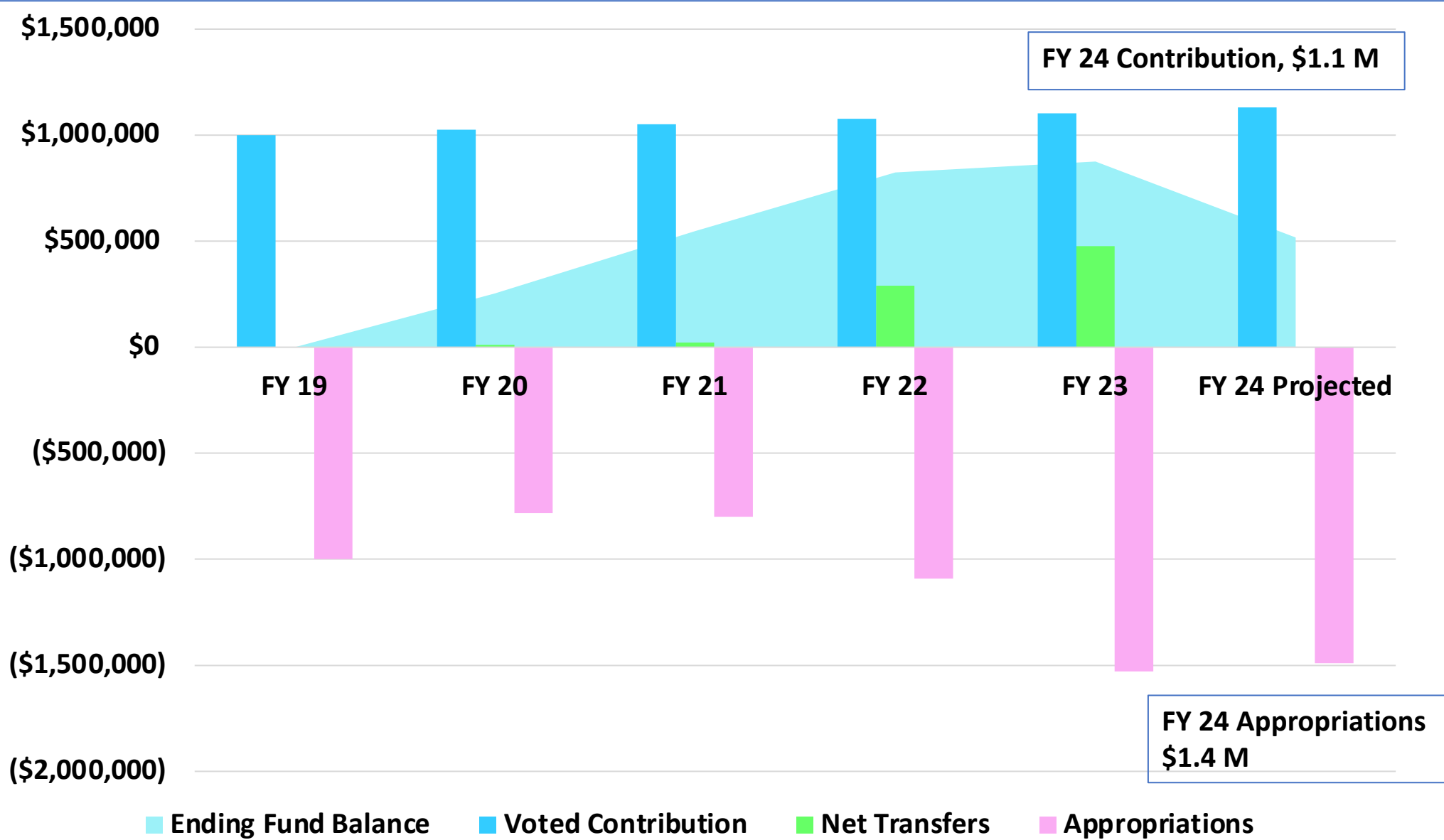
Municipal Buildings Stabilization Fund

Town Meeting Action: Articles 15 and 16, transfer \$1,131,408 to Municipal Building Stabilization Fund and appropriate \$1,405,500 for Capital Projects from Municipal Building Stabilization Fund. Details of appropriations are provided in Warrant.

(SB)

Important to Maintain Town and School Buildings

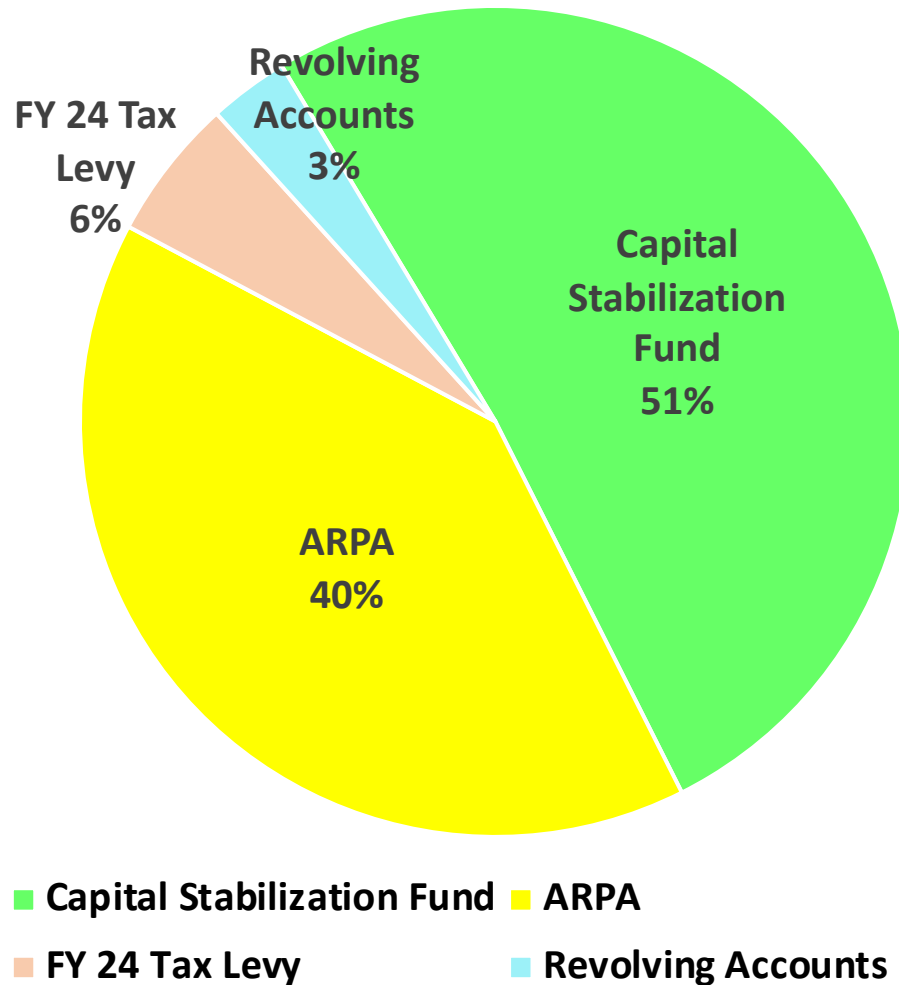
A Proposition 2 ½ Override of dedicated revenue for reinvestment in existing municipal buildings



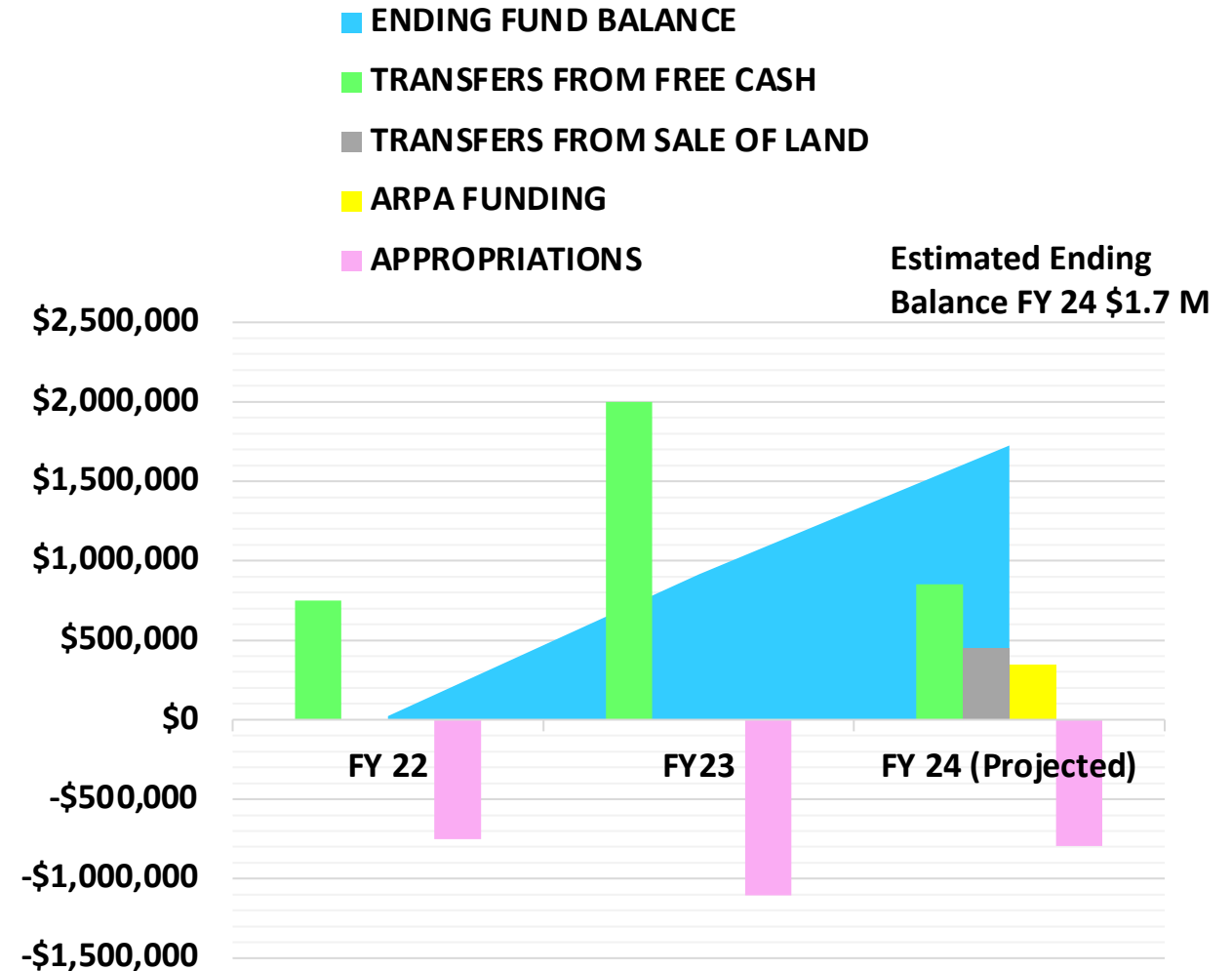
How Do We Fund Capital Appropriations ?

Town Meeting Action: Articles 17 and 18, transfer \$850,000 to Capital Stabilization Fund and appropriate \$796,000 from Capital Stabilization Fund. Details of appropriations for capital equipment and assets provided in Warrant. [\(SB\)](#)

Source of FY 24 Capital Funding



Capital Stabilization Fund



Human Resources

Town Meeting Action: Articles 2 to 5 (SB)

Article 2 - Elected Official Compensation

Article 3 - Personnel Administration Plan

Article 4 - Collective Bargaining Agreement - Police

Article 5 - Revocation of Civil Service

Opioid Stabilization Fund

- Settlement Details of Opioid Litigation has resulted in the State receiving settlement proceeds over an extended period.
- Funds to be received by municipalities have strict use requirements and will occur over several years.

Town Meeting Action: Articles 6 to 8 (SB)

Article 6 - Creation of Opioid Stabilization Fund

Article 7 - Transfer into Opioid Stabilization Fund

Article 8 - Transfer out of Opioid Stabilization Fund

Revolving, Trusts and Other Funds

Town Meeting Action: Articles 9 to 14

Article 9 - Authorization for New Vaccine Revolving Fund (SB)

Article 10 - Annual Revolving Fund Expenditure Limit Authorization (SB)

Article 11 - Cemetery Perpetual Care Trust Funds (Cemetery Commissioners)

Article 12 - Vine Lake Cemetery Expansion Study (DPW Director/Cemetery Commissioners)

Article 13 - Local PEG Access Appropriation (SB)

Article 14 - Affordable Housing Trust Request for Funding (Affordable Housing Trust)

Water and Sewer

Enterprise Fund

Town Meeting Action: Article 23 - FY 2024 Water and Sewer Enterprise Fund Budget ([Water & Sewer Board/DPW Director](#))

Water Treatment Plant Project

Town Meeting Action: Articles 24 and 25 - Appropriate Surplus Bond Proceeds for Water Treatment Plant and Rescind Bond Authorization. ([Water & Sewer Board/DPW Director](#))

Other Financial Articles

Town Meeting Action: Articles 19 to 21

Article 19 - Construction of a Garage at the Center at Medfield **(SB/COA)**

Article 20 - Elementary School Feasibility Study Funding **(SB)**

Article 21 - Prior Year Bills **(SB)**

Town Meeting Action: Article 33 - Free Cash (SB)

GENERAL ARTICLES 26 to 29

Town Meeting Action: Article 26 to 29

Article 26 - School Committee PPA and Lease Authorization for Solar Photovoltaic **(MEC/SC)**

Article 27 - Change in Hours for Noise Bylaw **(SB)**

Article 28 - Water Conservation: Private Well Restrictions **(SB)**

Article 29 - Amend School Building Committee Bylaw **(SB)**

CITIZENS PETITION

Town Meeting Action: Articles 30 to 32

Article 30 - Citizens Petition: School Committee Public Hearings **(Potts)**

Article 31 - Citizens Petition: Compensation Transparency **(Green)**

Article 32 - Citizens Petition: Creation of Groundwater Protection Committee **(Hyman)**

Thank You For Your Interest in the Town's Finances and Articles before Town Meeting

**MORE IMPORTANTLY THANK YOU FOR BEING AN INVOLVED,
PARTICIPATORY MEMBER OF OUR LEGISLATURE AT
TOWN MEETING – MONDAY, MAY 1, 2023**

Additional financial information is available:

Town Meeting Book

Town Website: www.town.medfield.net

- FY 24 Municipal and School Budget Summary
- FY 23 Municipal and School Departments Annual Budget Detail Book.
- Annual financial statements
- Financial Policies
- Warrant Committee web site



Comments or Questions for Warrant Committee?
email: warrantcommittee@medfield.net