

Town of Wales

Finance Committee Report

Fiscal Year 2021 (July 1, 2020 – June 30, 2021)

Overview

Developing a reasonable town budget for fiscal year 2021 has been very challenging given some unexpectedly large increases to mandatory items, such as our schools, town employee retirement and other benefits. Our **Certified Free Cash** available for use this year is good, coming in at \$243,765. Please refer to the Summary of Proposed Free Cash Usage chart on the Budget Outline to see how this and other reserve funds are expected to be allocated.

The payment portion of the **Tantasqua School Bond** schedule was completed in FY16; in FY21, the Town of Wales is set to receive a refund of \$70,658. ***FY21 will be the final year of bond refunds.***

At the time when this report is being written, the COVID 19 virus is having a large effect on state revenue collections which may continue into FY21. Potential impacts to the Wales town budget are unknown at present but may require us to revisit the budget.

FY21 Detailed Budget Highlights

- **Wales Elementary School | + \$122,770**
 - The school faces greatly increased Special Education costs and decreased incoming school choice funds. Details can be seen in the school budget. It should be noted that the School Committee has contributed \$25,000 from their available School Choice funds reserve and has decreased non-teaching staff to mitigate any greater increase to the overall school budget.
- **State Assessments | Schools net: \$162,084**
 - Charter School and School Choice (outgoing) charges have increased significantly. Total net state revenue has increased by only \$10,000 from last year.
- **Tantasqua Assessment | + \$22,333**
- **Retirements Assessment | + \$41,253**
- **Highway Department truck loan | + \$60,000, Capital Fund**
- **Police cruiser: replacement | +\$19,300, Capital Fund**
- **Police Department | + \$31,734**
 - Increased officer patrol hours
- **Fire Department | + \$17,653**
 - Replacement of expired air bottles
- **Treasurer: Tax Title expense: | + \$11,600**

We recognize that all of our town employees put in a tremendous amount of work throughout the year and we would like residents to know that our town is well-served by the many that work and volunteer for the town. For FY21, the Finance Committee recommends a two percent increase, with a few exceptions, for all **salary and wage employees**. The Finance Committee would like to also thank each of the Departments, Boards, Committees and School officials who helped shape the FY21 Budget over the last few months. We would like to thank the residents of Wales for your continued support.

This year, due to increased work responsibilities, Roy Lainson has stepped down as Chairman and Keith Davis has been elected to take on that role. Roy has served, in a voluntary capacity, on the Finance Committee for over 10 years and will leave the committee after FY20; his experience and knowledge of the town budget process have been invaluable.

Finally, we are very pleased to have **Shanon Grasso** join our committee this past year. She has been a great help to the committee. The Finance Committee will have 2 open positions in July. If you have an interest in helping the Finance Committee build the next budget, please send a letter of interest to the Board of Selectmen or send an email to finance@townofwales.net.

Very truly yours,

Wales Finance Committee

Keith Davis, Chairman

Roy Lainson, Member

Jillian Giannandrea Mustion, Member & Secretary

Shanon Grasso, Member