

# FY 2023 Edgartown Budget Introduction

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Board of Selectmen  
Finance Advisory Committee  
Edgartown School Committee

November 17, 2021

# Agenda



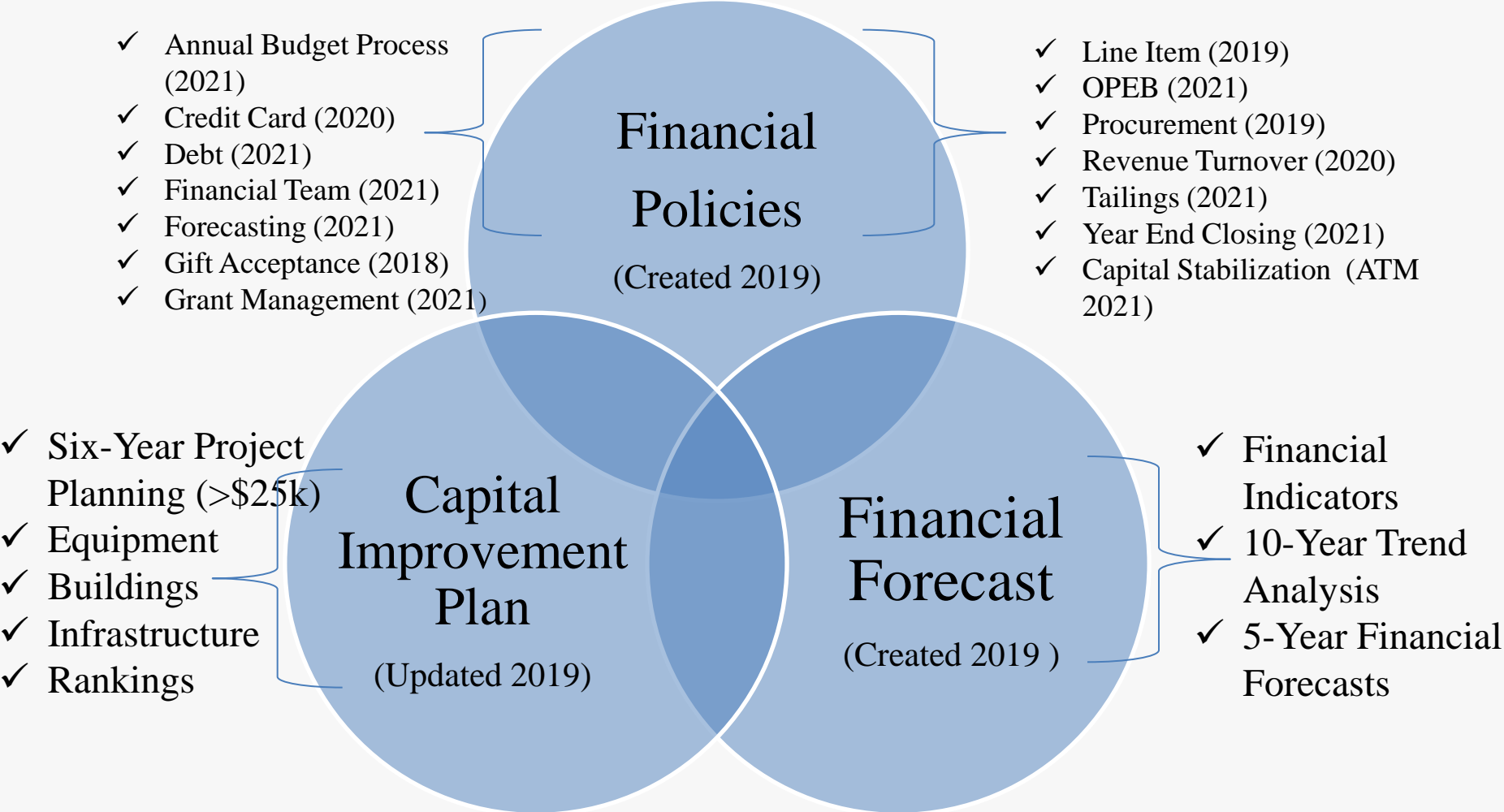
*Where have we been...*

*Where we are...*

*Where we are going...*

1. Revenues
2. Expenditures
3. Personnel
4. Debt
5. Reserves
6. OPEB
7. Capital Improvements
8. 5 Year Forecast

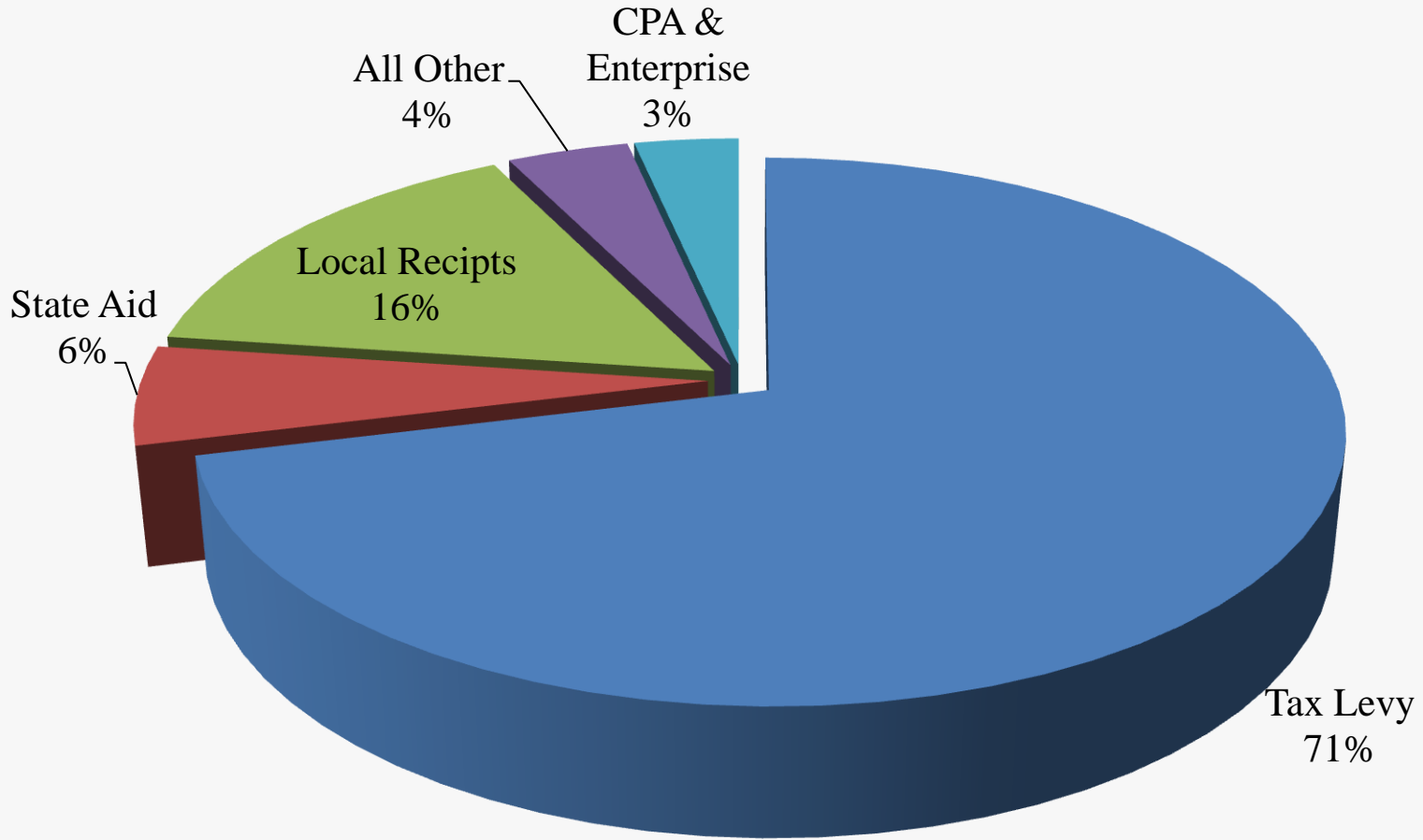
# Blue Print For Success / Best Practices



# Revenue

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# FY21 Revenue By Source



**\$45,377,487**

# Tax Levy By Class



Fiscal Year	Residential Levy	Open Space Levy	Commercial Levy	Industrial Levy	Personal Property Levy	Total Levy
2018	29,905,828	0	1,428,155	25,318	576,927	31,936,229
2019	32,226,399	0	1,475,247	25,318	661,118	34,388,082
2020	29,548,031	0	1,318,821	22,958	600,122	31,489,932
2021	30,359,098	0	1,305,420	22,082	635,063	32,321,664

## Tax Levy by Class

The amount a community raises through the property tax. The levy can be any amount up to the levy limit, which is re-established every year in accordance with Proposition 2½ provisions. Levy Limit – A levy limit is one of two types of levy (tax) restrictions imposed by MGL Ch. 59 §21C (Proposition 2½). It states that the real and personal property taxes imposed by a city or town may only grow each year by 2½ percent of the prior year's levy limit, plus new growth and any overrides or exclusions. The levy limit can exceed the levy ceiling only if the community passes a capital expenditure exclusion, debt exclusion, or special exclusion.

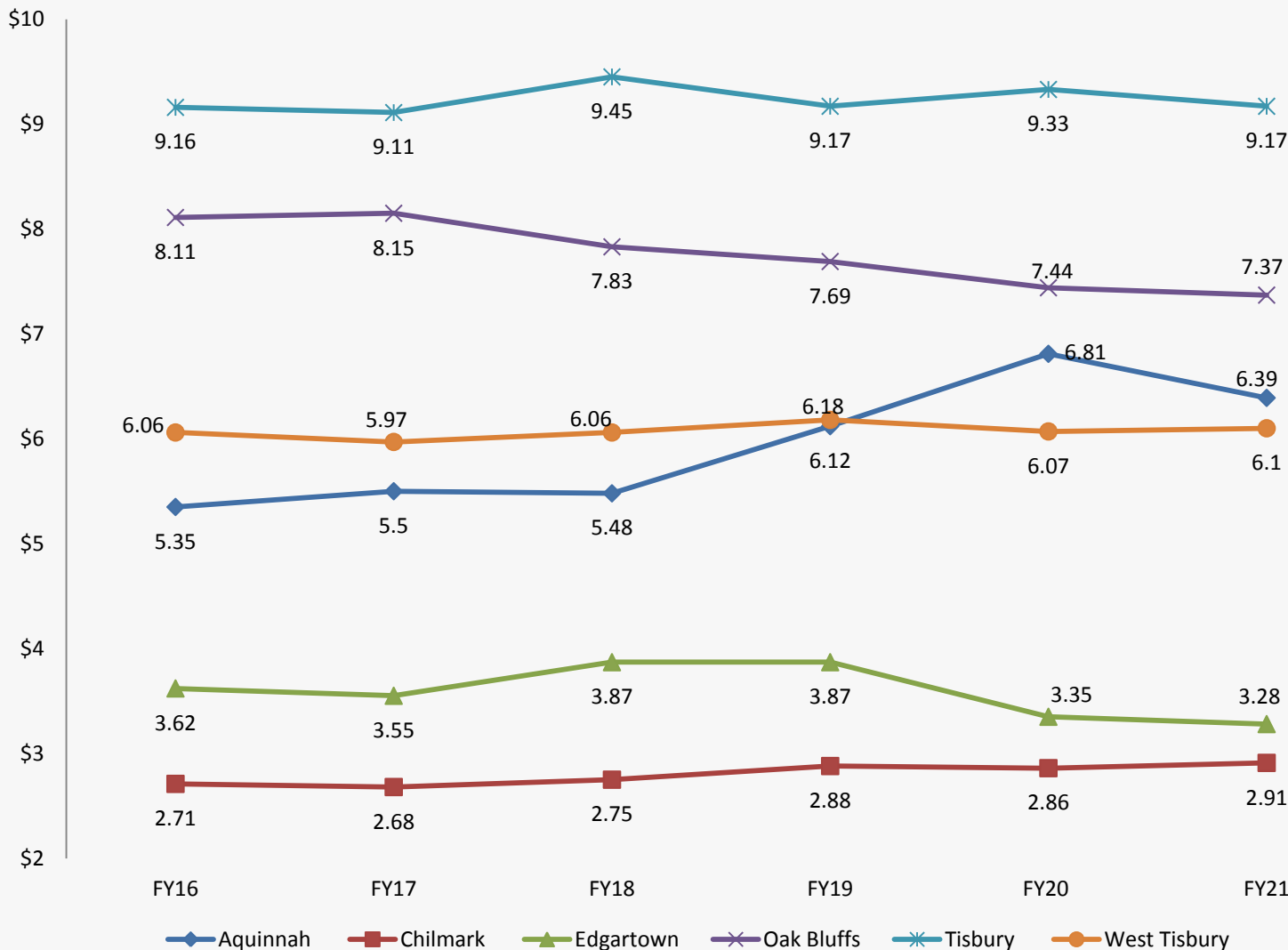
# Island Tax Rates FY16-FY21



High/ Low in MA

\$24.74 Longmeadow

\$2.72 Gosnold



## Tax Rate Rank

- 2 Chilmark
- 4 Edgartown
- 11 West Tisbury
- 12 Aquinnah
- 17 Oak Bluffs
- 30 Tisbury

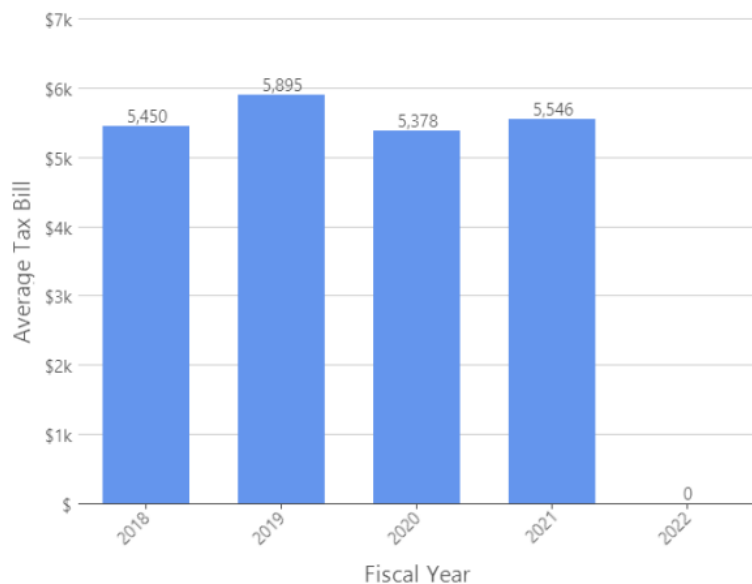
Favorable Marginal Unfavorable

# Average Single Family Tax Bill



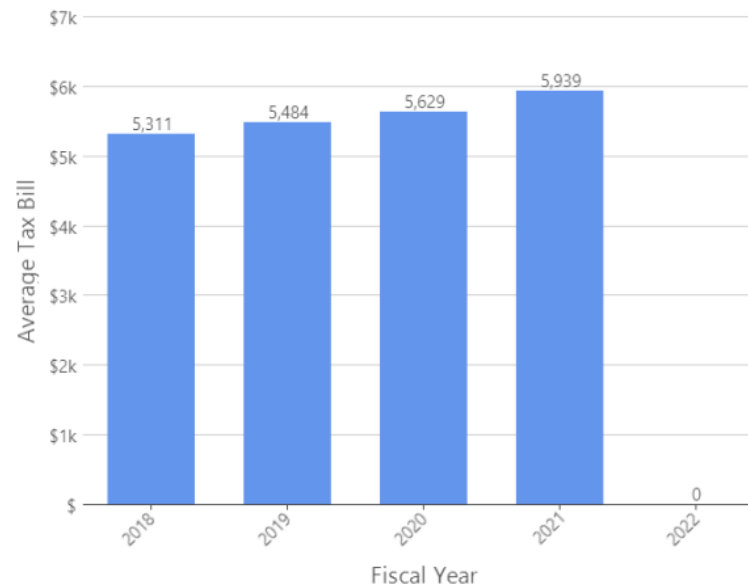
Data Analytics and Resources Bureau  
Average Single Family Tax Bill  
Data current as of 11/08/2021

### Town of Edgartown



Data Analytics and Resources Bureau  
Average Single Family Tax Bill  
Data current as of 11/08/2021

### Town of Oak Bluffs



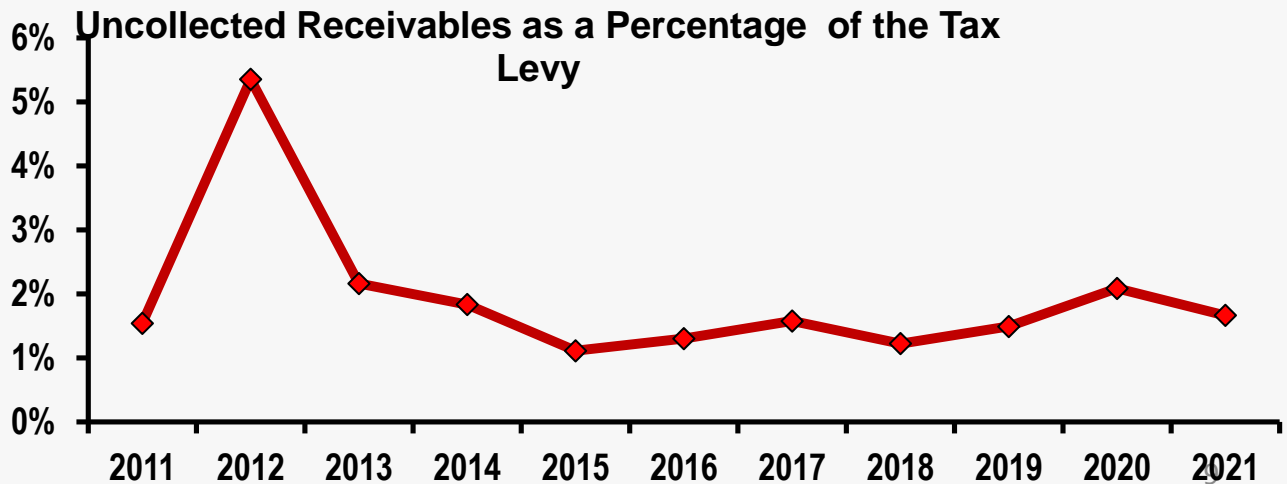


# Uncollected Property Tax (30 June)



Fiscal Year	Property Tax Levy	Less Overlay	Property Tax Levy (Net of Overlay)	Cumulative Uncollected Receivables as of June 30th	Cumulative Uncollected Receivables as % Tax Levy
2011	\$ 22,317,463	\$ 157,701	\$ 22,475,164	\$ 346,114	1.5%
2012	\$ 22,866,225	\$ 248,325	\$ 23,114,551	\$ 1,237,159	5.4%
2013	\$ 23,422,865	\$ 258,365	\$ 23,681,230	\$ 511,884	2.2%
2014	\$ 24,471,195	\$ 226,722	\$ 24,697,916	\$ 453,082	1.8%
2015	\$ 24,387,828	\$ 290,491	\$ 24,678,319	\$ 274,090	1.1%
2016	\$ 26,341,658	\$ 233,348	\$ 26,575,006	\$ 345,774	1.3%
2017	\$ 27,706,749	\$ 242,234	\$ 27,948,983	\$ 440,534	1.6%
2018	\$ 31,936,229	\$ 286,928	\$ 32,223,156	\$ 394,501	1.2%
2019	\$ 34,388,082	\$ 198,925	\$ 34,587,007	\$ 515,437	1.5%
2020	\$ 31,489,932	\$ 246,985	\$ 31,736,917	\$ 661,761	2.1%
2021	\$ 32,321,663	\$ 128,566	\$ 32,450,229	\$ 540,306	1.7%

- More than 5% is red flag for rating agencies
- Increase will lead to decrease in liquidity
- Edgartown consistently collects 98% each FY
- FY12 was due to MUNIS transition



Favorable Marginal Unfavorable

# Cherry Sheets Receipts

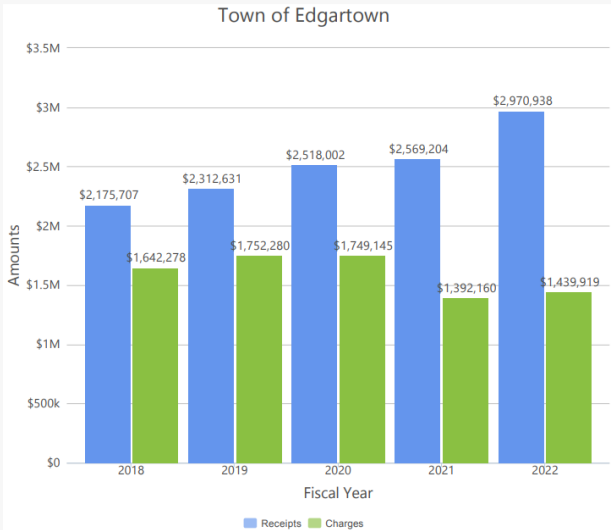


<b>Education</b>											
<b>Education</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Chapter 70	422,688	438,768	448,818	535,881	601,368	684,494	703,049	820,119	854,820	904,320	917,680
School Transportation	0	0	0	0	0	0	0	0	0	0	0
Charter Tuition Reimbursement	83,723	102,812	54,802	29,192	38,189	61,065	35,398	71,262	42,832	25,326	123,931
Smart Growth	0	0	0	0	0	0	0	0	0	0	0
<b>Education Offset Items</b>	-	-	-	-	-	-	-	-	-	-	-
School Lunch	2,096	2,213	2,318	2,363	0	0	0	0	0	0	0
School Choice Receiving Tuition	151,046	82,215	113,637	99,056	74,997	63,812	76,774	39,630	46,167	34,423	25,802
<b>Total Education</b>	-	-	-	-	-	-	-	-	-	-	-
Sub-Total, All Education Programs	659,553	626,008	619,575	666,492	714,554	809,371	815,221	931,011	943,819	964,069	1,067,413
<b>General Government</b>											
<b>General Government</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Unrestricted General Government Aid	52,267	56,341	57,673	59,272	61,406	64,046	66,544	68,873	70,733	70,733	73,209
Local Share of Racing Taxes	0	0	0	0	0	0	0	0	0	0	0
Regional Public Libraries	0	0	0	0	0	0	0	0	0	0	0
Police Career Incentive	0	0	0	0	0	0	0	0	0	0	0
Urban Revitalization	0	0	0	0	0	0	0	0	0	0	0
Veterans Benefits	3,699	14,990	17,775	14,879	22,386	14,916	16,986	8,154	17,114	9,095	31,907
Exemp: VBS and Elderly	11,972	10,681	12,014	12,060	14,016	14,016	14,968	14,656	15,302	14,806	0
State Owned Land	1,132,014	1,132,378	1,154,771	1,273,939	1,273,939	1,258,780	1,257,583	1,284,762	1,465,372	1,503,497	1,791,528
<b>General Government Offset Item</b>	-	-	-	-	-	-	-	-	-	-	-
Public Libraries	3,807	3,683	3,791	4,874	4,777	4,630	4,405	5,175	5,662	7,004	6,881
<b>Total General Government</b>	-	-	-	-	-	-	-	-	-	-	-
Sub-Total, All General Government	1,203,759	1,218,073	1,246,024	1,365,024	1,376,524	1,356,388	1,360,486	1,381,620	1,574,183	1,605,135	1,903,525
<b>Total</b>	-	-	-	-	-	-	-	-	-	-	-
Total Estimated Receipts	1,863,312	1,844,081	1,865,599	2,031,516	2,091,078	2,165,759	2,175,707	2,312,631	2,518,002	2,569,204	2,970,938

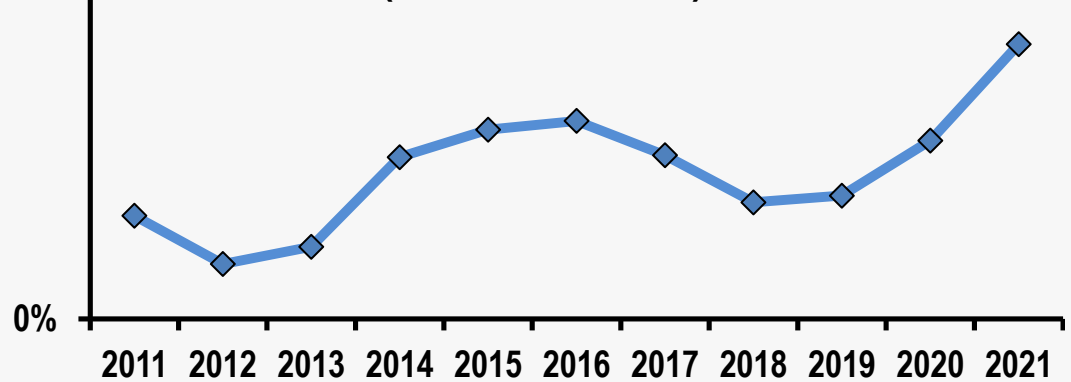
# Cherry Sheets



Fiscal Year	Cherry Sheet Revenue Less Offsets	Less State Assessments	Net State Aid	CPI-U adjustment	Net State Aid (Constant Dollars)
2011	\$ 1,751,023	\$ (1,466,337)	\$ 284,686	100%	\$ 284,686
2012	\$ 1,706,363	\$ (1,551,937)	\$ 154,426	98.5%	\$ 152,040
2013	\$ 1,755,970	\$ (1,543,085)	\$ 212,885	95.9%	\$ 204,066
2014	\$ 1,745,853	\$ (1,245,193)	\$ 500,660	94.4%	\$ 472,457
2015	\$ 1,925,223	\$ (1,314,808)	\$ 610,415	93.1%	\$ 568,218
2016	\$ 2,011,304	\$ (1,329,105)	\$ 682,199	91.6%	\$ 624,973
2017	\$ 2,097,317	\$ (1,522,555)	\$ 574,762	91.1%	\$ 523,408
2018	\$ 2,094,528	\$ (1,642,278)	\$ 452,250	89.7%	\$ 405,865
2019	\$ 2,267,826	\$ (1,752,280)	\$ 515,546	87.5%	\$ 451,342
2020	\$ 2,466,173	\$ (1,749,145)	\$ 717,028	84.8%	\$ 607,746
2021	\$ 2,527,777	\$ (1,392,160)	\$ 1,135,617	83.2%	\$ 944,501



4% State Aid as a Percentage of Net Operating Revenues (Constant Dollars)

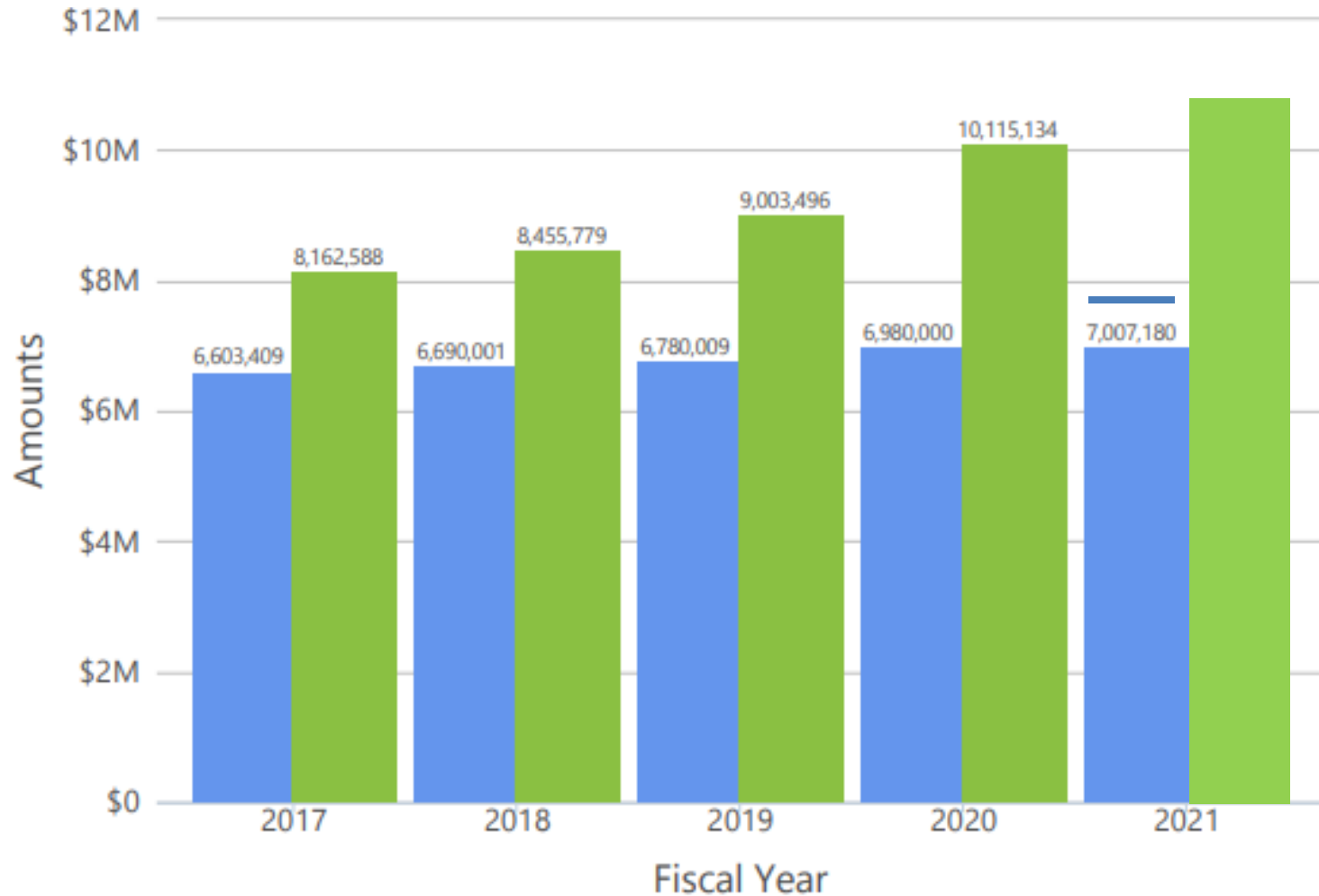


# Local Receipt Actual v. Estimated



Data Analytics and Resources Bureau  
Local Receipts Estimates vs. Actuals  
Data current as of 11/08/2021

## Town of Edgartown



# Local Receipt Actual v. Estimated



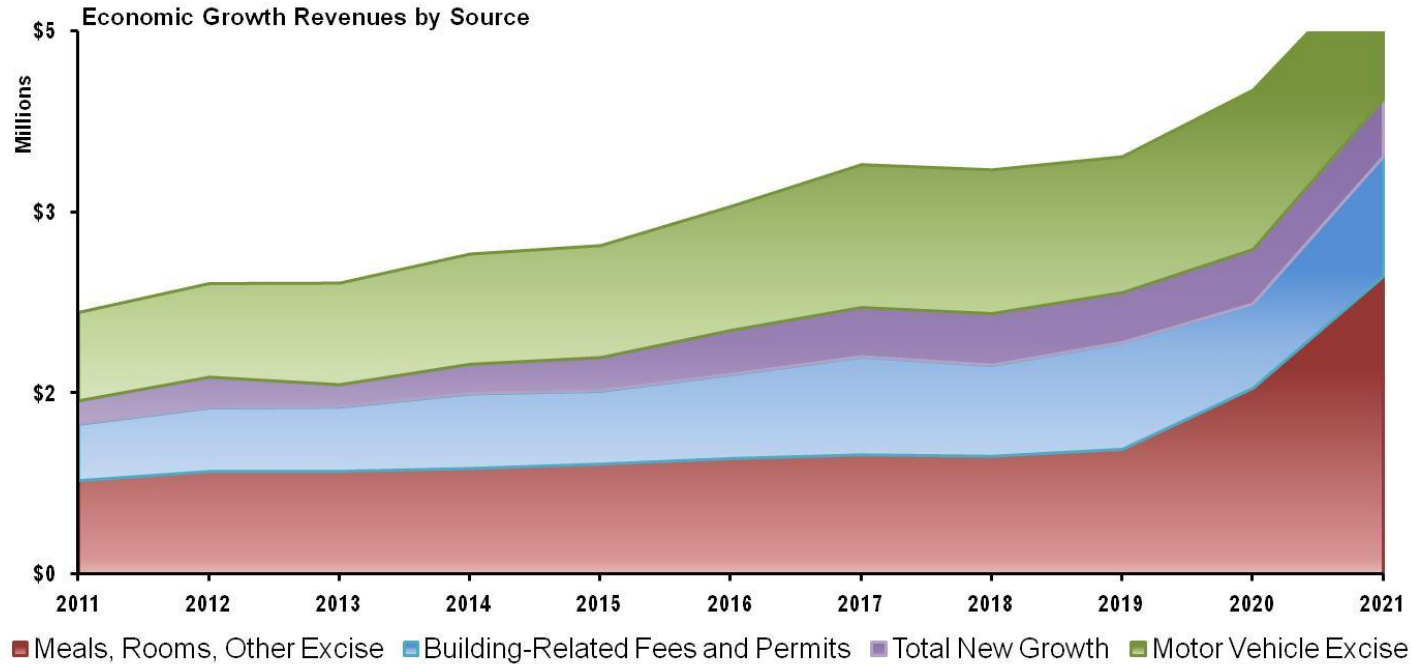
<b>ACTUAL</b>	FY2012 Actual	FY2013 Actual	FY2014 Actual	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Actual
1. Motor Vehicle Excise	775,939	842,525	913,959	928,134	1,028,103	1,184,358	1,192,472	1,126,898	1,321,783	1,211,614
2a. Meals Excise		-	-	-	-	-	-	-	-	-
2b. Room Excise	854,798	855,844	879,189	915,917	962,115	992,619	980,507	1,038,410	1,543,427	2,468,570
2c. Other Excise-Boat	-	12,928	13,237	14,980	12,821	13,489	13,779	13,503	13,202	18,959
2d. Cannabis	-	-	-	-	-	-	-	-	-	-
3. Penalties/Interest on Taxes and Excises	216,773	143,102	128,614	117,530	101,242	109,278	126,990	141,057	159,165	149,641
4. Payment In Lieu of Taxes	159,832	31,028	28,444	29,024	30,885	28,443	29,048	28,446	31,519	238,812
5. Charges for Services-Water	1,279,307	1,676,509	1,519,238	1,595,951	1,659,718	1,729,733	1,617,445	1,680,303	1,754,787	2,011,256
6. Charges for Services-Sewer	1,417,853	1,273,369	1,648,934	1,517,860	1,654,344	1,682,061	1,963,111	1,959,514	1,947,468	1,799,714
7. Charges for Services-Hospital		-	-	-	-	-	-	-	-	-
8. Charges for Services-Solid Waste Fees		-	-	-	-	-	-	-	-	-
9. Other Charges for Services	200,589	195,314	200,220	240,000	174,064	200,969	209,411	231,009	256,677	209,482
10. Fees	624,738	689,526	703,080	702,546	753,754	792,538	898,205	933,412	920,361	1,017,338
10a. Cannabis Impact Fee		-	-	-	-	-	-	-	-	-
10b. Community Impact Fee Short Term Rentals		-	-	-	-	-	-	-	-	-
11. Rentals	21,673	54,300	35,435	88,133	105,263	91,403	67,250	112,368	134,314	139,280
12. Dept. Revenue-Schools		-	-	-	-	-	3,885	2,728	3,830	-
13. Dept. Revenue-Libraries		-	-	-	-	-	-	-	-	-
14. Dept. Revenue-Cemeteries		-	-	-	-	-	-	-	-	-
15. Dept. Revenue-Recreation		-	-	-	-	-	-	-	-	-
16. Other Departmental Revenue	34,396	28,968	122,306	36,783	152,349	219,284	239,179	224,045	694,307	203,248
17. Licenses/Permits	526,219	531,832	618,316	603,632	693,682	810,263	752,035	881,783	697,439	955,458
18. Special Assessments	38,537	321,207	102,046	94,011	46,215	71,588	63,936	55,469	53,793	73,777
19. Fines and Forfeits	83,754	55,154	64,935	47,346	80,892	46,276	71,825	66,651	99,601	41,316
20. Investment Income	24,253	28,036	49,843	58,541	53,731	54,340	77,791	213,788	331,949	64,088
21. Medicaid Reimbursement	-	-	-	-	-	-	-	-	-	-
22. Misc. Recurring	-	-	-	107,956	-	3,814	4,453	153,599	6,469	150,208
23. Misc. Non-Recurring	68,345	91,832	99,903	-	83,517	132,132	144,457	140,544	145,044	259,058
<b>TOTAL Local Receipts-Actual</b>	<b>6,327,005</b>	<b>6,831,474</b>	<b>7,127,699</b>	<b>7,098,343</b>	<b>7,592,697</b>	<b>8,162,588</b>	<b>8,455,779</b>	<b>9,003,526</b>	<b>10,115,134</b>	<b>11,011,820</b>
<b>TOTAL Local Receipts-Estimated</b>	<b>5,429,000</b>	<b>5,743,539</b>	<b>5,884,912</b>	<b>6,632,508</b>	<b>6,493,955</b>	<b>6,603,409</b>	<b>6,690,001</b>	<b>6,780,009</b>	<b>6,980,000</b>	<b>7,007,180</b>
<b>Difference: Actual over Budget</b>	<b>898,005</b>	<b>1,087,935</b>	<b>1,242,787</b>	<b>465,835</b>	<b>1,098,742</b>	<b>1,559,179</b>	<b>1,765,778</b>	<b>2,223,517</b>	<b>3,135,134</b>	<b>4,004,640</b>
<b>Percent of Over Actual</b>	<b>16.5%</b>	<b>18.9%</b>	<b>21.1%</b>	<b>7.0%</b>	<b>16.9%</b>	<b>23.6%</b>	<b>26.4%</b>	<b>32.8%</b>	<b>44.9%</b>	<b>57.2%</b>

# Projected Local Receipt



<b>ACTUAL</b>	FY2021 Actual	FY2022 Projected	FY2023 Projected	FY2024 Projected	FY2025 Projected	Average % Change
1. Motor Vehicle Excise	1,211,614	1,277,211	1,346,358	1,419,249	1,496,086	5%
2b. Room Excise	2,468,570	2,821,032	3,223,818	3,684,114	4,210,131	14%
2c. Other Excise-Boat	18,959	18,959	18,959	18,959	18,959	
3. Penalties/Interest on Taxes and Excises	149,641	145,566	141,602	137,745	133,994	-3%
4. Payment In Lieu of Taxes	238,812	392,759	645,945	1,062,343	1,747,165	64%
			-	-	-	
5. Charges for Services-Water	2,011,256	2,126,062	2,247,421	2,375,708	2,511,318	6%
6. Charges for Services-Sewer	1,799,714	1,860,395	1,923,122	1,987,964	2,054,993	3%
9. Other Charges for Services	209,482	212,967	216,510	220,111	223,773	2%
10. Fees	1,017,338	1,075,084	1,136,108	1,200,596	1,268,744	6%
11. Rentals	139,280	191,073	262,125	359,599	493,320	37%
12. Dept. Revenue-Schools	-	-	-	-	-	
16. Other Departmental Revenue	203,248	369,581	672,038	1,222,017	2,222,086	82%
17. Licenses/Permits	955,458	1,032,779	1,116,358	1,206,701	1,304,354	8%
18. Special Assessments	73,777	128,837	224,987	392,893	686,106	75%
19. Fines and Forfeits	41,316	42,395	43,501	44,636	45,801	3%
20. Investment Income	64,088	85,188	113,234	150,514	200,067	33%
22. Misc. Recurring	150,208	150,208	150,208	150,208	150,208	
23. Misc. Non-Recurring	259,058	259,058	259,058	259,058	259,058	
<b>TOTAL Local Receipts-Actual</b>	<b>11,011,820</b>	<b>12,189,152</b>	<b>13,741,350</b>	<b>15,892,414</b>	<b>19,026,162</b>	<b>6%</b>
	8.86%					
<b>TOTAL Local Receipts-Estimated</b>	<b>7,007,180</b>					
<b>Difference: Actual over Budget</b>	<b>4,004,640</b>					
<b>Percent of Over Actual</b>	<b>57.2%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	

# Economic Growth Revenues



- Revenues related to economic growth (elastic revenue sources) include tax levy growth from new development, motor vehicle excise taxes, as well as building permits and construction related permit fees.
- These revenues are sensitive to changes in the level of economic activity.
- Unprecedented level of growth post COVID ?
- Sustainability of this growth makes the category marginal

Total Economic Growth Revenues (Adjusted for Inflation)				
Nominal Dollars	CPI-U, prior calendar year	CPI-U adjustment	Constant Dollars	As a % of Net Operating Revenues
\$ 1,978,639	0.0	100.0%	\$ 1,978,639	7.58%
\$ 2,156,956	0.0	97.3%	\$ 2,099,636	8.02%
\$ 2,230,201	0.0	95.8%	\$ 2,137,179	7.98%
\$ 2,411,464	0.0	94.5%	\$ 2,279,540	8.24%
\$ 2,447,683	0.0	93.0%	\$ 2,277,102	8.01%
\$ 2,683,900	0.0	92.5%	\$ 2,481,966	8.31%
\$ 2,987,240	0.0	91.1%	\$ 2,722,387	9.00%
\$ 2,925,015	0.0	88.9%	\$ 2,600,422	7.89%
\$ 3,047,060	0.0	86.1%	\$ 2,622,672	7.57%
\$ 3,562,649	0.0	84.5%	\$ 3,008,990	9.33%
\$ 4,675,642	0.0	83.5%	\$ 3,904,784	12.00%

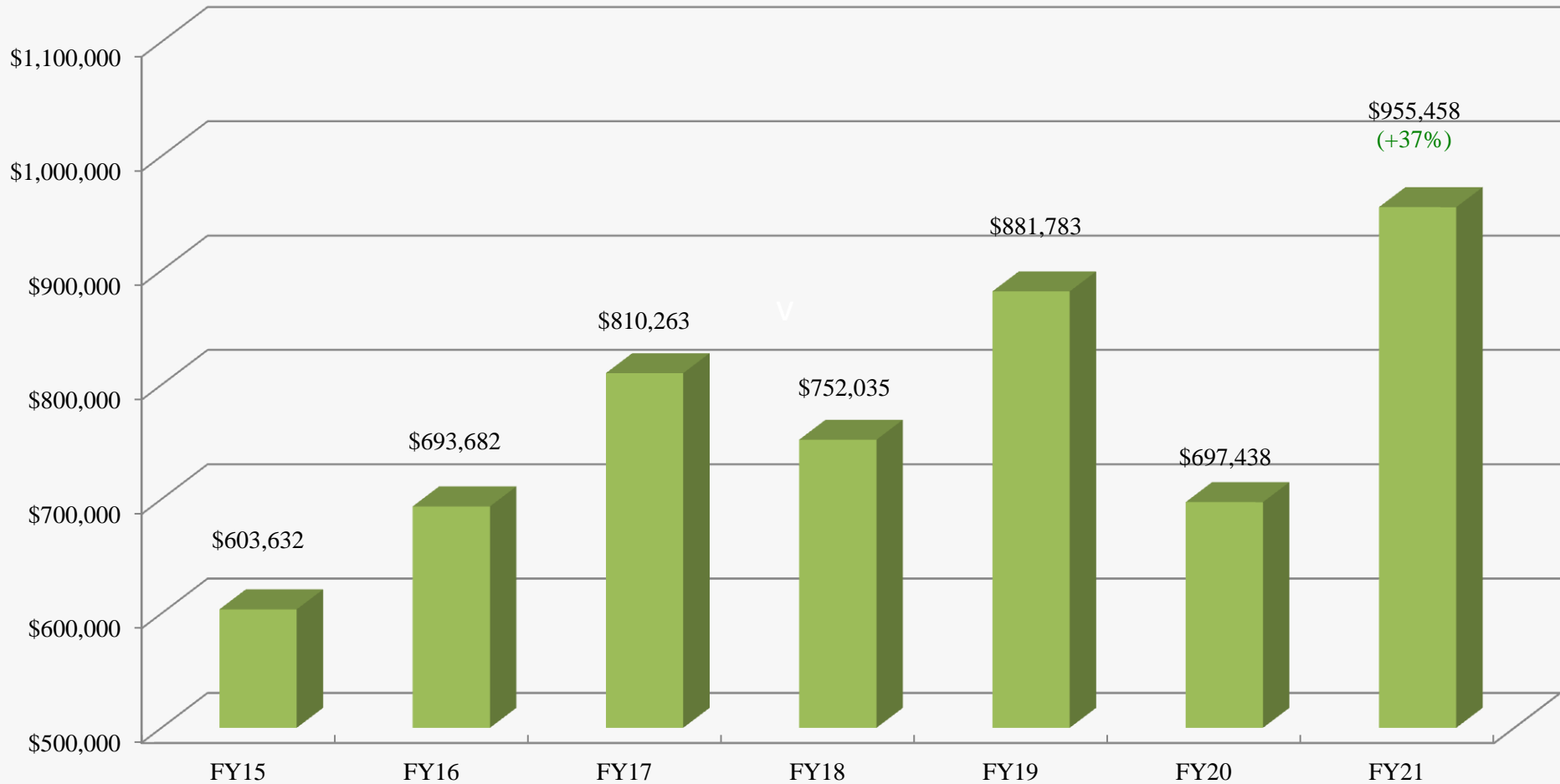
Favorable Marginal Unfavorable

# Motor Vehicle





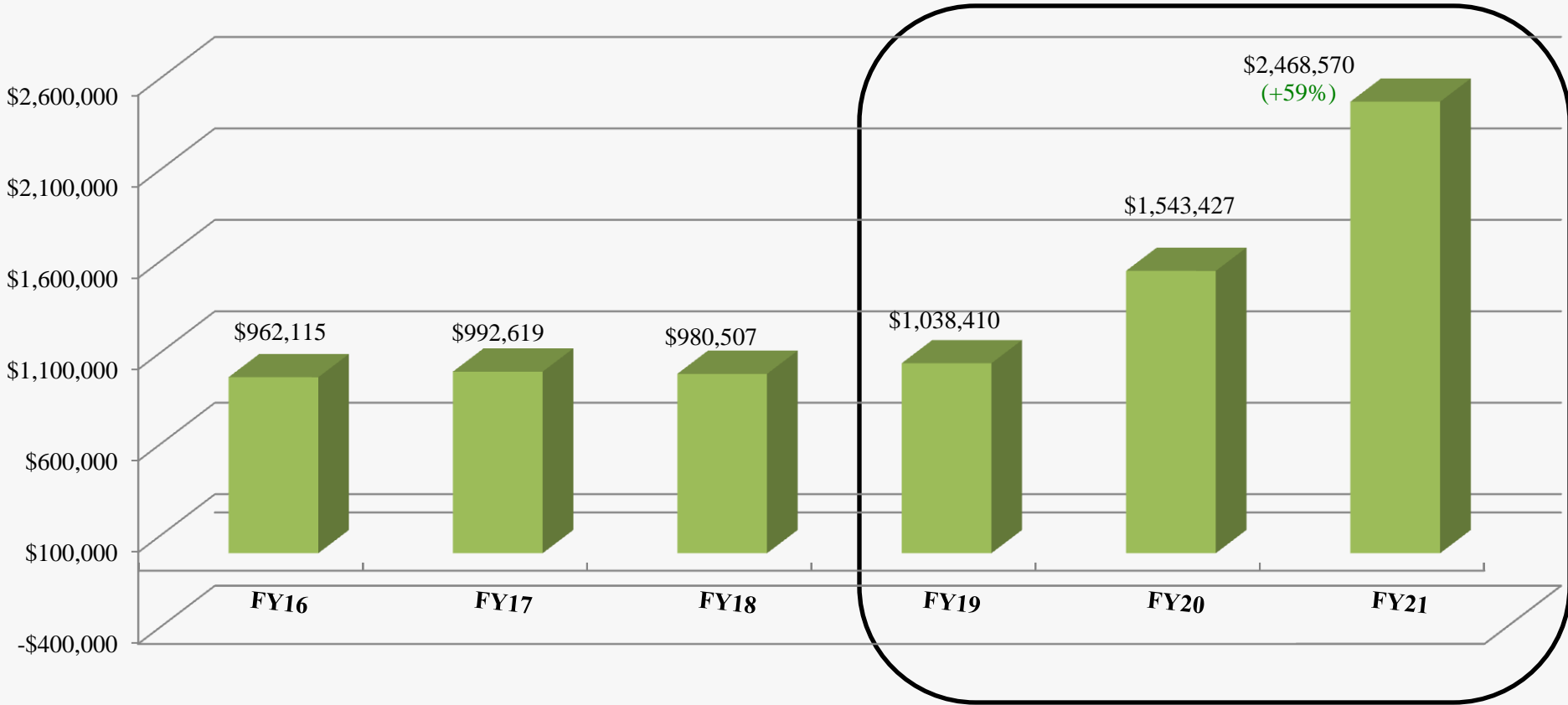
# License and Permits



# Hotel Excise



FY 21 1QTR Breakdown	Short-Term Rental	1,211,890.13
	Traditional Lodging	492,804.31



Short Term Rental (STR)  
1 July 2019

# Hotel Excise Island Wide



**Table 1: Local Option Room Occupancy and Short Term Rental Tax Revenue by Town, FY 2013 - FY 2022**

	Tax	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020*	FY 2021*	FY 2022* **
Aquinnah	4%	\$7,117	\$8,775	\$9,736	\$9,554	\$9,535	\$10,658	\$10,466	\$30,568	\$355,080	\$46,423
Chilmark	4%	\$57,911	\$57,965	\$53,347	\$56,740	\$53,067	\$53,716	\$55,286	\$144,044	\$338,073	\$221,413
Edgartown	4%	\$855,844	\$879,188	\$915,917	\$962,114	\$992,619	\$980,507	\$1,038,410	\$1,543,428	\$2,468,569	\$1,528,269
Gosnold	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Oak Bluffs	6%	\$439,670	\$405,152	\$420,142	\$479,220	\$525,639	\$577,436	\$642,162	\$1,000,869	\$1,420,537	\$841,569
Tisbury	6%	\$164,786	\$264,242	\$280,900	\$320,388	\$347,011	\$346,687	\$350,156	\$559,197	\$883,159	\$443,707
West Tisbury	6%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$165,874	\$316,046	\$171,405
<b>Total</b>		<b>\$1,525,328</b>	<b>\$1,615,322</b>	<b>\$1,680,042</b>	<b>\$1,828,016</b>	<b>\$1,927,871</b>	<b>\$1,969,004</b>	<b>\$2,096,480</b>	<b>\$3,443,980</b>	<b>\$5,781,464</b>	<b>\$3,252,786</b>

Note: \*FY 2020 Local option for Room Occupancy and Short Term Rental Tax

\*\*FY 2022 First Quarter Revenue Only

Source: Massachusetts Department of Revenue

**Table 2: FY 2019 - FY 2021 Quarterly Local Option Room Occupancy and Short Term Rental Tax Revenue, Martha's Vineyard**

	Sep-17	Sep-18	Sep-19	Sep-20	Sep-21	Dec-17	Dec-18	Dec-19	Dec-20
	Q1 FY 2018	Q1 FY 2019	Q1 FY 2020	Q1 FY 2021	Q1 FY 2022	Q2 FY 2018	Q2 FY 2019	Q2 FY 2020	Q2 FY 2021
Aquinnah	\$3,912	\$4,303	\$8,678	\$61,076	\$46,423	\$6,612	\$6,163	\$19,603	\$19,385
Chilmark	\$22,550	\$39,176	\$56,648	\$210,286	\$221,413	\$22,701	\$4,692	\$69,030	\$87,468
Edgartown	\$438,630	\$455,475	\$592,428	\$1,704,694	\$1,528,269	\$470,620	\$525,039	\$832,479	\$489,872
Oak Bluffs	\$262,460	\$280,524	\$372,871	\$853,330	\$841,569	\$254,006	\$295,193	\$512,302	\$294,281
Tisbury	\$147,261	\$141,928	\$157,345	\$474,770	\$443,707	\$145,165	\$145,716	\$302,636	\$156,996
West Tisbury	N/A	N/A	\$33,573	\$208,942	\$171,405	N/A	N/A	\$102,369	\$43,535
Martha's Viney	\$874,813	\$921,406	\$1,221,543	<b>\$3,513,098</b>	<b>\$3,252,786</b>	\$899,104	\$976,803	\$1,838,419	<b>\$1,091,537</b>

Notes:

January 2020 Covid-19 Global Pandemic

\*Short Term Rental Tax begins July 1, 2019

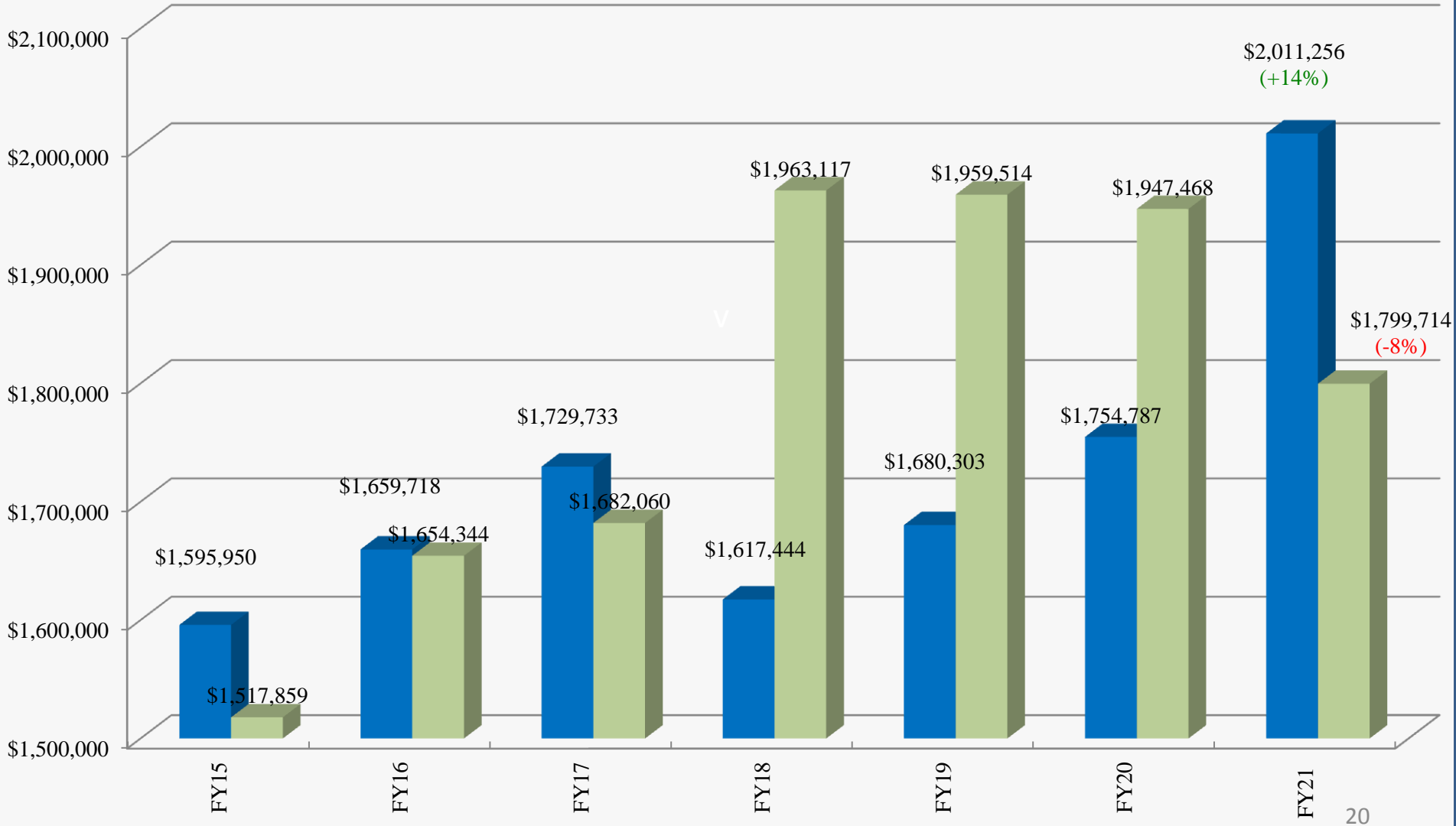
Source: Massachusetts Department of Revenue

Q1 FY21 vs Q1FY = -10%

Assumption = New buyers have not yet rented their homes

Validates = Unpredictability of STR in future strategy

# Sewer and Water



# Expenditures

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# GF Budget Expenditure Trends



	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	Avg % Increase
General Government	2,252,927.75	2,286,861.87	2,288,914.78	2,330,501.32	2,416,942.33	2,679,651.72	2,788,877.62	2,804,440.43	2,986,911.15	3.6%
Protection of P&P	4,375,600.80	4,529,607.52	4,807,193.82	5,086,033.62	5,310,042.46	5,586,340.89	5,876,223.95	5,808,700.80	6,032,104.65	4.1%
Harbormaster	422,336.12	427,468.23	435,724.50	439,976.90	442,582.16	500,406.10	522,793.11	530,474.59	539,448.47	3.2%
Dredge	236,000.00	244,000.00	244,000.00	260,161.00	259,766.20	265,984.60	269,593.92	271,397.00	340,042.48	4.9%
Highway	815,414.03	796,691.01	825,630.19	830,180.88	977,127.87	1,099,931.94	1,107,211.33	1,151,642.03	1,182,223.69	4.9%
Health and Sanitation	1,681,966.21	1,711,403.62	1,732,803.24	1,794,574.93	1,824,454.24	1,966,153.07	2,045,788.88	2,090,676.20	2,055,179.30	2.6%
Veteran's Services	20,000.00	20,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	6.3%
Education	10,704,330.62	11,134,353.95	11,763,131.74	12,116,767.96	12,265,052.21	13,063,996.15	13,779,920.86	14,410,326.93	14,962,577.96	4.3%
Library	526,712.74	544,331.31	620,178.14	772,651.20	820,201.44	914,766.59	926,098.09	948,605.36	972,216.39	8.2%
Parks and Beaches	338,675.90	350,079.86	362,401.91	383,360.64	371,372.26	430,487.08	393,198.95	428,486.91	431,498.10	3.3%
Katama Airport						114,900.00	114,900.00	114,900.00	123,196.00	2.4%
Cemetery	79,479.30	81,729.02	94,651.62	98,624.84	30,701.00	38,379.60	40,069.00	40,984.00	42,554.79	-1.3%
Unclassified	4,862,034.00	5,240,593.77	5,345,768.18	5,670,012.68	6,318,196.12	6,677,892.94	6,887,160.57	7,135,073.00	7,444,348.00	5.5%
Interest and Debt	2,150,987.29	1,822,446.43	1,972,978.69	2,116,592.42	2,050,477.29	1,971,391.08	1,902,219.86	1,826,793.64	1,801,666.92	0.0%
Water Department	1,459,472.18	1,527,084.20	1,551,531.81	1,607,408.16	1,584,500.02	1,654,508.83	1,705,919.43	1,732,684.31	1,800,592.16	2.7%
<b>Total</b>	<b>29,925,937</b>	<b>30,716,651</b>	<b>32,074,909</b>	<b>33,536,847</b>	<b>34,701,416</b>	<b>36,994,791</b>	<b>38,389,976</b>	<b>39,325,185</b>	<b>40,744,560</b>	<b>3.9%</b>

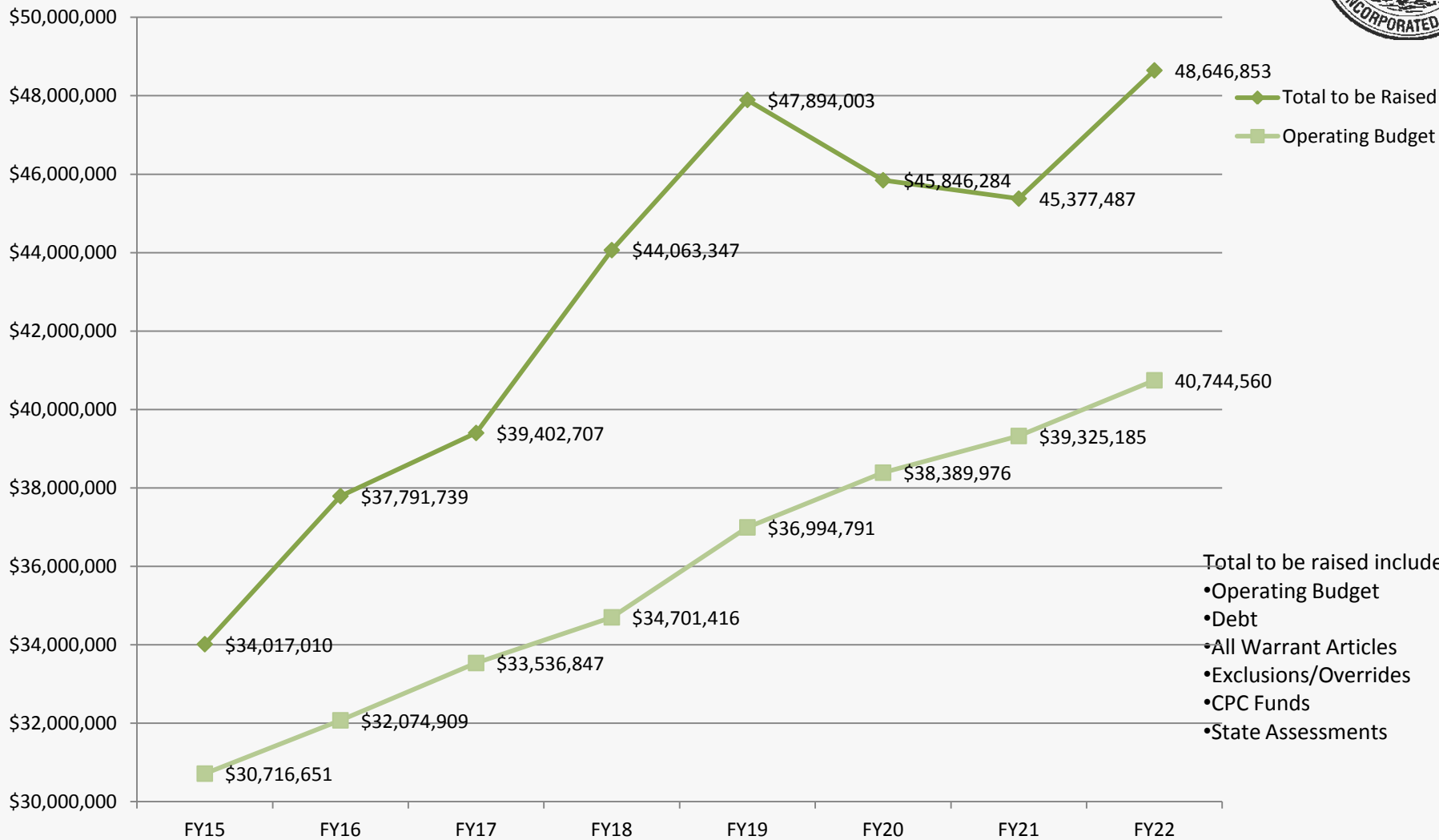
➤ Average 3.9% increase in operating budget (including debt service) over the last eight years (Range: 2.7% to 8.2%)

➤ Library, Cemetery and Highway are a result of operational changes

➤ 4.3% for Education (30-35% of overall budget)

➤ Unclassified – primarily employee benefits

# Operating & Total Raised



- Total to be raised includes:
- Operating Budget
  - Debt
  - All Warrant Articles
  - Exclusions/Overrides
  - CPC Funds
  - State Assessments

# GF Budget Expenditure Forecast



	FY 2022 Actual	Avg % Increase	FY 2023 Projected	FY 2024 Projected	FY 2025 Projected	FY 2026 Projected	FY 2027 Projected
General Government	2,986,911	3.6%	3,095,680	3,208,410	3,325,244	3,446,334	3,571,832
Protection of P&P	6,032,105	4.1%	6,280,493	6,539,109	6,808,375	7,088,729	7,380,626
Harbormaster	539,448	3.2%	556,586	574,268	592,511	611,334	630,755
Dredge	340,042	4.9%	356,864	374,517	393,044	412,487	432,892
Highway	1,182,224	4.9%	1,240,575	1,301,807	1,366,061	1,433,487	1,504,240
Health and Sanitation	2,055,179	2.6%	2,107,955	2,162,087	2,217,608	2,274,556	2,332,965
Veteran's Services	30,000	6.3%	31,875	33,867	35,984	38,233	40,622
Education	14,962,578	4.3%	15,604,021	16,272,962	16,970,581	17,698,106	18,456,820
Library	972,216	8.2%	1,052,067	1,138,476	1,231,982	1,333,168	1,442,664
Parks and Beaches	431,498	3.3%	445,779	460,532	475,774	491,520	507,787
Katama Airport	123,196	2.4%	126,161	129,197	132,307	135,491	138,752
Cemetery	42,555	0.0%	42,555	42,555	42,555	42,555	42,555
Unclassified	7,444,348	5.5%	7,854,263	8,286,750	8,743,051	9,224,478	9,732,414
Interest and Debt	1,801,667		1,801,667	1,801,667	1,801,667	1,801,667	1,801,667
Water Department	1,800,592	2.7%	1,848,811	1,898,321	1,949,157	2,001,355	2,054,950
<b>Total</b>	<b>40,744,560</b>	<b>3.9%</b>	<b>42,445,352</b>	<b>44,224,525</b>	<b>46,085,901</b>	<b>48,033,497</b>	<b>50,071,543</b>

- Historical growth rates allows for prediction of future FYs in comparison to projected revenues. Projected growth rate of Local Receipts is 6% / Operating Budget is 3.9%
- Unknowns of State Assessments, Capital Expenditures, Inflation, Debt Service holistic staffing costs add to uncertainty.
- Operating budget will likely hit the \$50M in FY2027



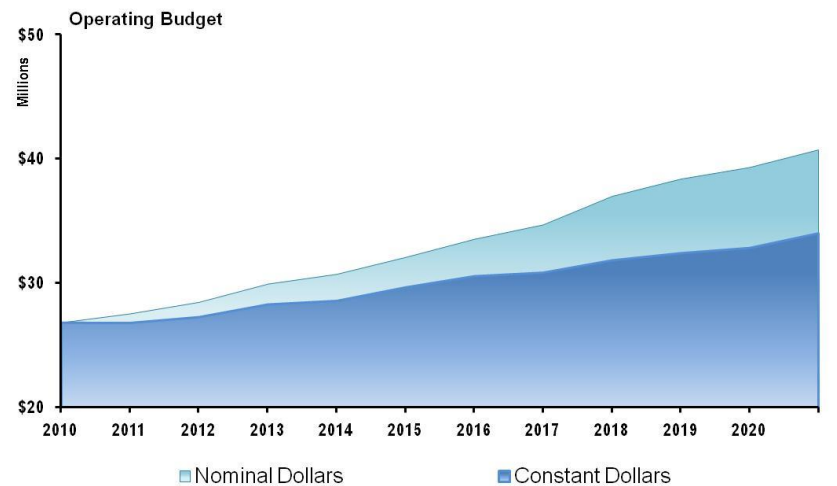
# Operating Budget vs. Inflation



## Total Operating Expenditures

Fiscal Year	Nominal Dollars	CPI-U adjustment	Constant Dollars	% Change
2011	\$ 26,810,328	100.0%	\$ 26,810,328	
2012	\$ 27,528,381	97.3%	\$ 26,796,830	-0.05%
2013	\$ 28,454,427	95.8%	\$ 27,267,586	1.76%
2014	\$ 29,925,937	94.5%	\$ 28,288,786	3.75%
2015	\$ 30,716,651	93.0%	\$ 28,575,980	1.02%
2016	\$ 32,074,909	92.5%	\$ 29,661,622	3.80%
2017	\$ 33,536,847	91.1%	\$ 30,563,415	3.04%
2018	\$ 34,701,416	88.9%	\$ 30,850,554	0.94%
2019	\$ 36,994,791	86.1%	\$ 31,842,225	3.21%
2020	\$ 38,389,976	84.5%	\$ 32,423,920	5.10%
2021	\$ 39,325,185	83.5%	\$ 32,841,771	6.45%
2022	\$ 40,744,560	83.5%	\$ 34,021,708	6.84%

- Natural for spending to increase over time.
- A steep increase in annual operating costs, after accounting for inflation, may indicate that expenses are unsustainable without accompanying revenue increases or budget adjustments
- Slide 15 – Economic Growth Revenues

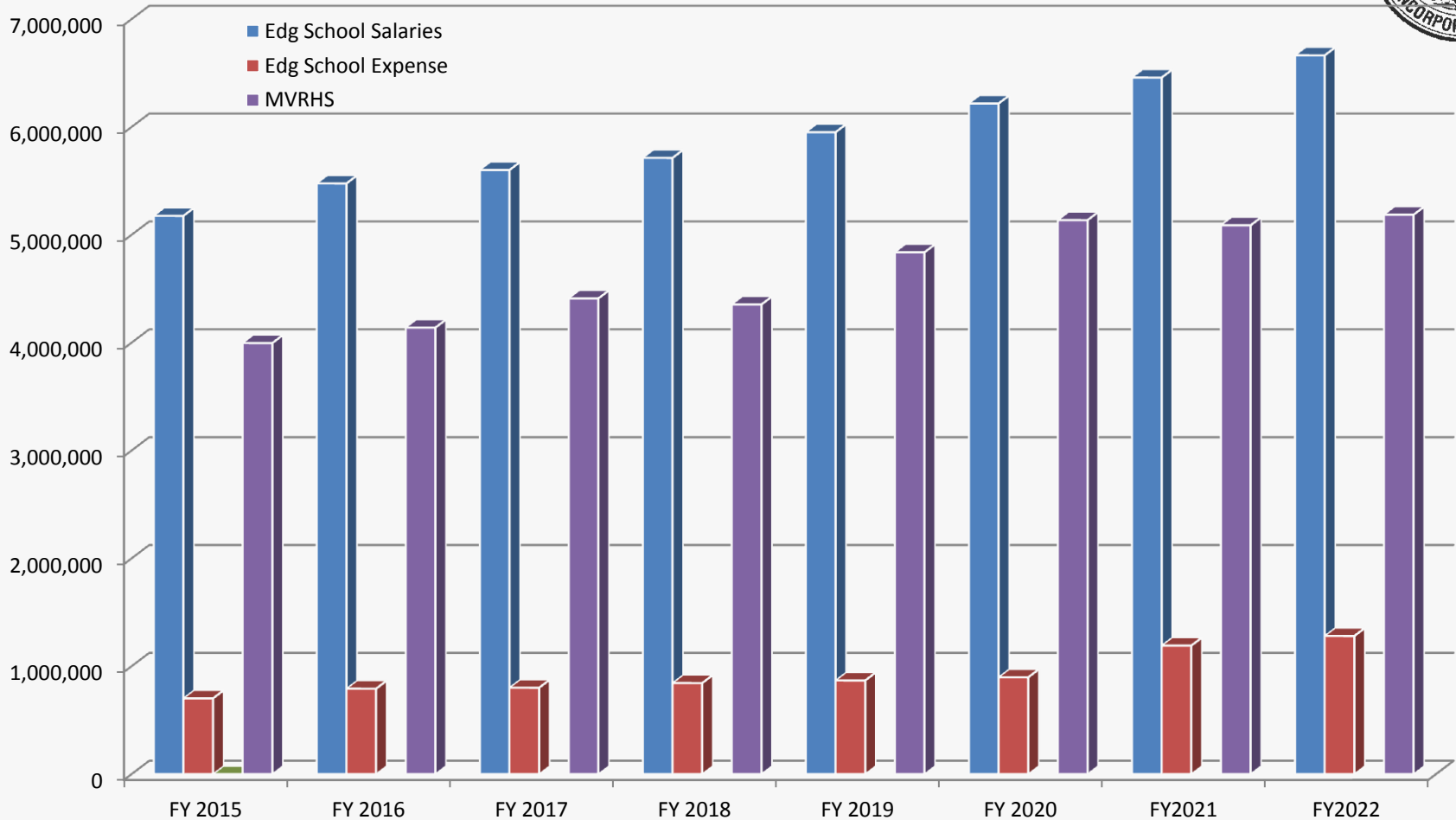


# Cherry Sheets Assessment



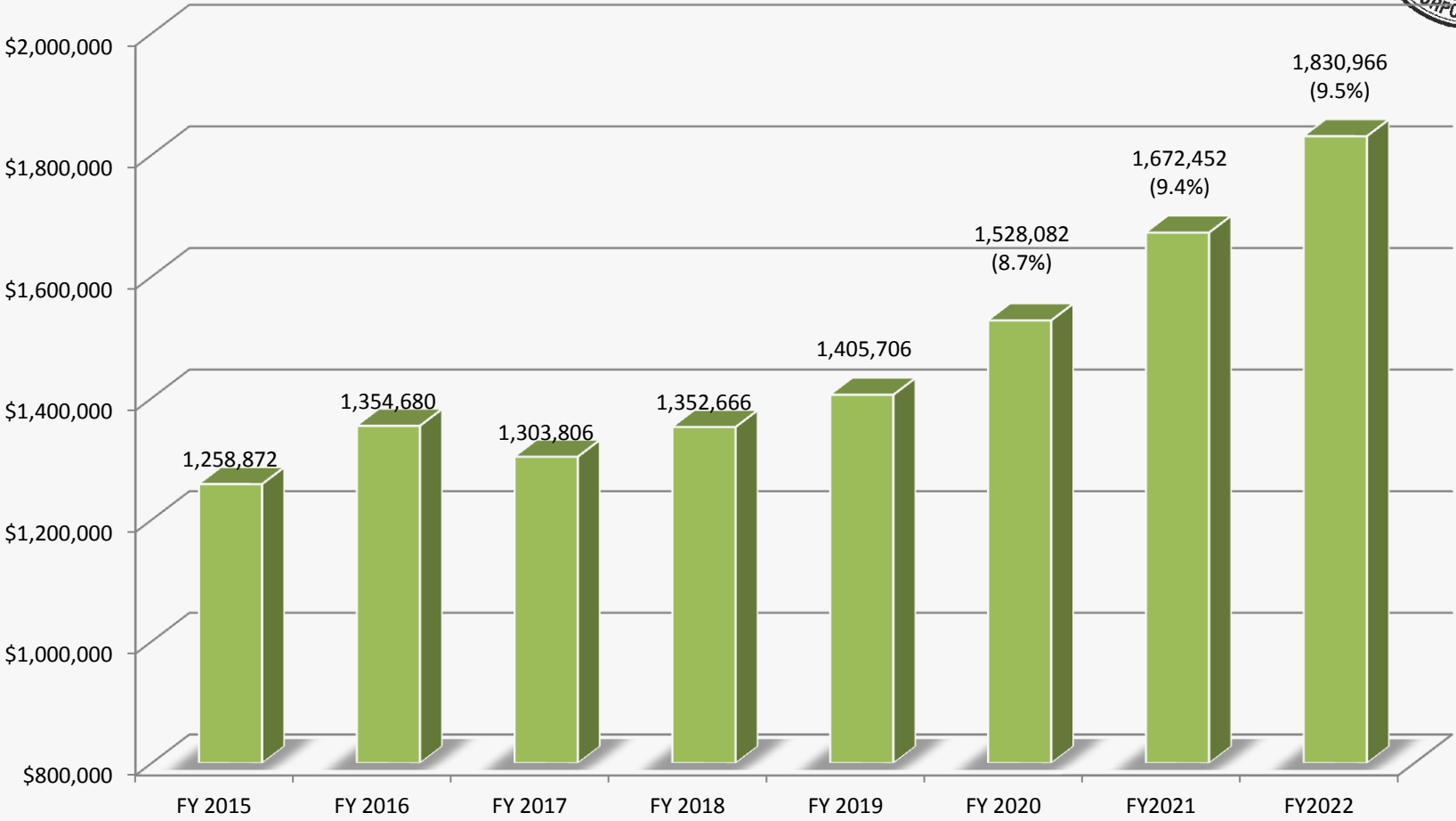
County Assessments											
Programs:	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
County Tax	310,365	244,997	179,375	183,859	184,985	184,986	194,607	194,607	200,160	205,168	217,243
Suffolk County Retirement	0	0	0	0	0	0	0	0	0	0	0
Essex County Reg Comm Center	0	0	0	0	0	0	0	0	0	0	0
Sub-Total, County Assessments:	310,365	244,997	179,375	183,859	184,985	184,986	194,607	194,607	200,160	205,168	217,243
State Assessments and Charges											
Programs:	-	-	-	-	-	-	-	-	-	-	-
Retired Employees Health Insurance	0	0	0	0	0	0	0	0	0	0	0
Retired Teachers Health Insurance	0	0	0	0	0	0	0	0	0	0	0
Mosquito Control Projects	0	0	0	0	0	0	0	0	0	0	0
Air Pollution	7,949	8,154	8,214	8,227	8,276	8,483	8,560	8,772	8,885	9,102	9,605
Metropolitan Area Planning Council	0	0	0	0	0	0	0	0	0	0	0
Old Colony Planning Council	0	0	0	0	0	0	0	0	0	0	0
RMV Non-Renewal Surcharge	10,440	14,620	13,880	12,920	12,920	12,920	13,740	13,740	13,440	14,640	14,640
Sub-Total, State Assessments:	18,389	22,774	22,094	21,147	21,196	21,403	22,300	22,512	22,325	23,742	24,245
Transportation Authorities											
Programs:	-	-	-	-	-	-	-	-	-	-	-
MBTA	0	0	0	0	0	0	0	0	0	0	0
Boston Metro. Transit District	0	0	0	0	0	0	0	0	0	0	0
Regional Transit	201,811	203,829	208,925	214,148	219,502	224,990	230,615	236,380	242,290	248,347	254,556
Sub-Total, Transportation Assessments:	201,811	203,829	208,925	214,148	219,502	224,990	230,615	236,380	242,290	248,347	254,556
Annual Charges Against Receipts											
Programs:	-	-	-	-	-	-	-	-	-	-	-
Special Education	0	0	0	0	0	0	0	0	0	0	0
STRAP Repayments	0	0	0	0	0	0	0	0	0	0	0
Multi-Year Repayment	0	0	0	0	0	0	0	0	0	0	0
Sub-Total, Charges Against Receipts:	0	0	0	0	0	0	0	0	0	0	0
Tuition Assessments											
Programs:	-	-	-	-	-	-	-	-	-	-	-
School Choice Sending Tuition	294,160	287,789	189,596	201,034	180,161	189,264	256,991	237,143	207,128	133,199	140,919
Charter School Sending Tuition	727,212	783,696	645,203	694,620	723,261	901,912	937,765	1,061,638	1,077,242	781,704	802,956
Essex County Tech Sending Tuition	0	0	0	0	0	0	0	0	0	0	0
Sub-Total, Tuition Assessments:	1,021,372	1,071,485	834,799	895,654	903,422	1,091,176	1,194,756	1,298,781	1,284,370	914,903	943,875
Total	-	-	-	-	-	-	-	-	-	-	-
Total Estimated Charges	1,551,937	1,543,085	1,245,193	1,314,808	1,329,105	1,522,555	1,642,278	1,752,280	1,749,145	1,392,160	1,439,919

# Edgartown School & MVRHS



	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Edg School Salaries	5,176,130	5,476,607	5,601,051	5,713,645	5,951,875	6,217,923	6,457,892	6,663,990
Edg School Expense	702,459	792,059	801,053	844,153	868,297	897,495	1,191,615	1,280,733
MVRHS	3,996,893	4,139,786	4,410,858	4,354,589	4,838,117	5,136,422	5,088,368	5,186,887

# Superintendent's Office



	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Superintendent's Office	1,258,872	1,354,680	1,303,806	1,352,666	1,405,706	1,528,082	1,672,452	1,830,966

# EQV/Per Pupil Scenario for New HS



	EQV %	Enroll	Ratio	Current Per Pupil (\$19.9M Total)	Future Per Pupil w/ \$7.3M Annual Debt Service	Future Per Pupil w/ EQV Assement (\$27.3M Total)	Future Per Pupil w/ 50% EQV/50% Enrollment (\$27.3M Total)	Future Per Pupil w/ (EQV Capital = \$7.3M) (\$27M Total)	FY22 Assement (Jan 21)	FYXX Assement (EQV Capital = \$7.3M) (\$27.3M Total)	FYXX Assement Variance w/ EQV Capital
Aquinnah	3.28%	15	2.1%	\$28,450	\$42,578	\$59,700	\$49,324	\$44,916	\$426,758	\$673,743.67	57.87%
Chilmark	14.82%	38	5.4%	\$28,450	\$42,578	\$134,871	\$72,712	\$58,371	\$1,081,122	\$2,218,091.82	105.17%
Edgartown	41.03%	176	25.1%	\$28,450	\$42,578	\$64,379	\$51,297	\$46,052	\$5,007,302	\$8,105,088.58	61.87%
Oak Bluffs	14.71%	196	28.0%	\$28,450	\$42,578	\$22,562	\$29,719	\$33,638	\$5,576,314	\$6,593,104.38	18.23%
Tisbury	13.06%	193	27.5%	\$28,450	\$42,578	\$19,700	\$28,711	\$33,059	\$5,490,962	\$6,380,298.07	16.20%
West Tisbury	12.16%	83	11.8%	\$28,450	\$42,578	\$39,523	\$39,473	\$39,250	\$2,361,398	\$3,257,713.46	37.96%
	99.06%	701	100%						\$19,943,856	\$27,228,039.98	

- FY22 MVRHS Operational Budget = \$19.4M (January 2021 Version)
- FY22 MVRHS Capital Budget = \$494,875
- Total = \$19.9M

## Assumptions

- Future Debt Service of \$100M new School = \$7.3M (Level Debt 20yr @ 4%)
- Current MVRHS debt service (\$494k) will stay consistent based on layering
- Year 1 New School will bring assessment to **\$27.2M** (\$19.9M+\$7.3)
- Edgartown will be highly leverages of any type of EQV is used to calculate assessment

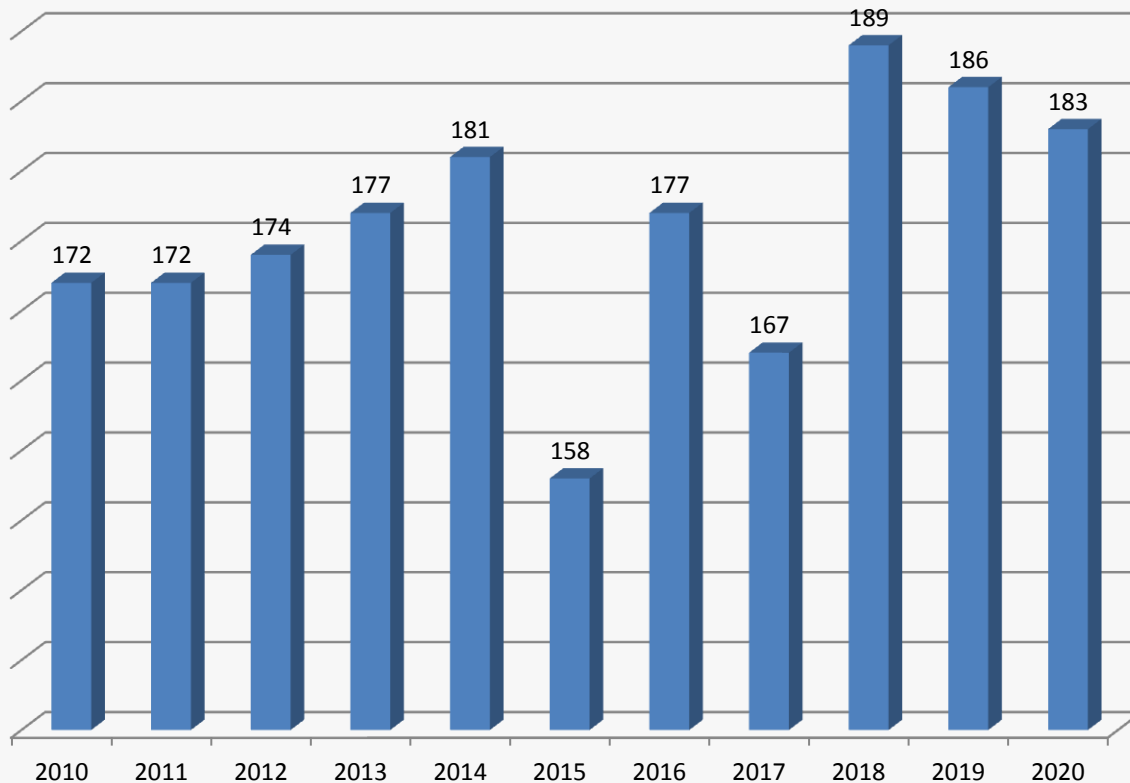
# Personnel

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# FTE Indirect Costing



**Total Number of Employees (FTE) for  
Calendar Year Ending December 31**



Cost	Amount	Assumption
Salary	\$84,919	Town Gross/FTE
Health Insurance	\$20,049	Schedule A Health Insurance Payment / FTE
Retirement	\$8,699	DC Retirement Assessment / FTEs
OPEB	\$1,900	OPEB Policy Appropriation / FTEs (OPEB not funded)
Compensated Absence	\$4,499	Audited Financials : Non Current Liabilities / FTEs
<b>TOTAL</b>	<b>\$120,066</b> <b>(35k indirect)</b>	

# Percentage of Budget to Wages/Benefits

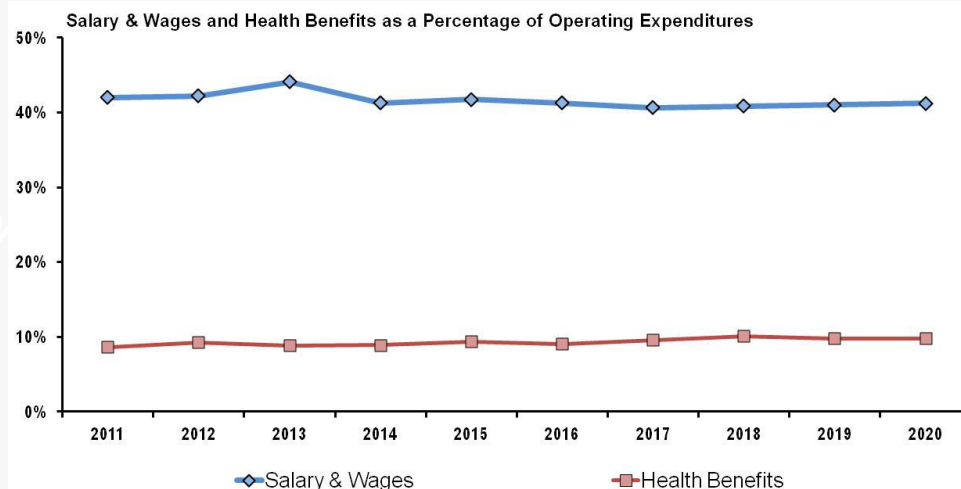


## Salary + Health Benefits / FTE

Salary & Wages	Health Benefits	Total Compensation
\$ 68,120	\$ 13,923	\$ 82,043
\$ 68,850	\$ 15,086	\$ 83,936
\$ 70,763	\$ 14,214	\$ 84,977
\$ 69,114	\$ 14,858	\$ 83,972
\$ 82,695	\$ 18,467	\$ 101,161
\$ 76,044	\$ 16,614	\$ 92,659
\$ 83,443	\$ 19,540	\$ 102,983
\$ 77,908	\$ 19,188	\$ 97,096
\$ 83,216	\$ 19,766	\$ 102,982
\$ 84,919	\$ 20,050	\$ 104,969

- Stable growth w/ operating expenditures
- Rate of growth is contingent upon negotiating future collective bargaining agreements (PD & Teachers) that are sustainable, as well as balancing the addition of any new staff with new, recurring revenue sources
- PD CBA FY22-FY24 (Same as previous contract)
- **Teacher CBA FY21-FY23 – in negotiation**

A trend of increasing salaries, wages, and employee health benefits as a percentage of a community's annual operating expenditures may indicate that those costs are rising at an unsustainable rate. As these costs grow relative to the total budget they may crowd out departmental spending on other areas.





# FY21 Gender Equity & Comp Study

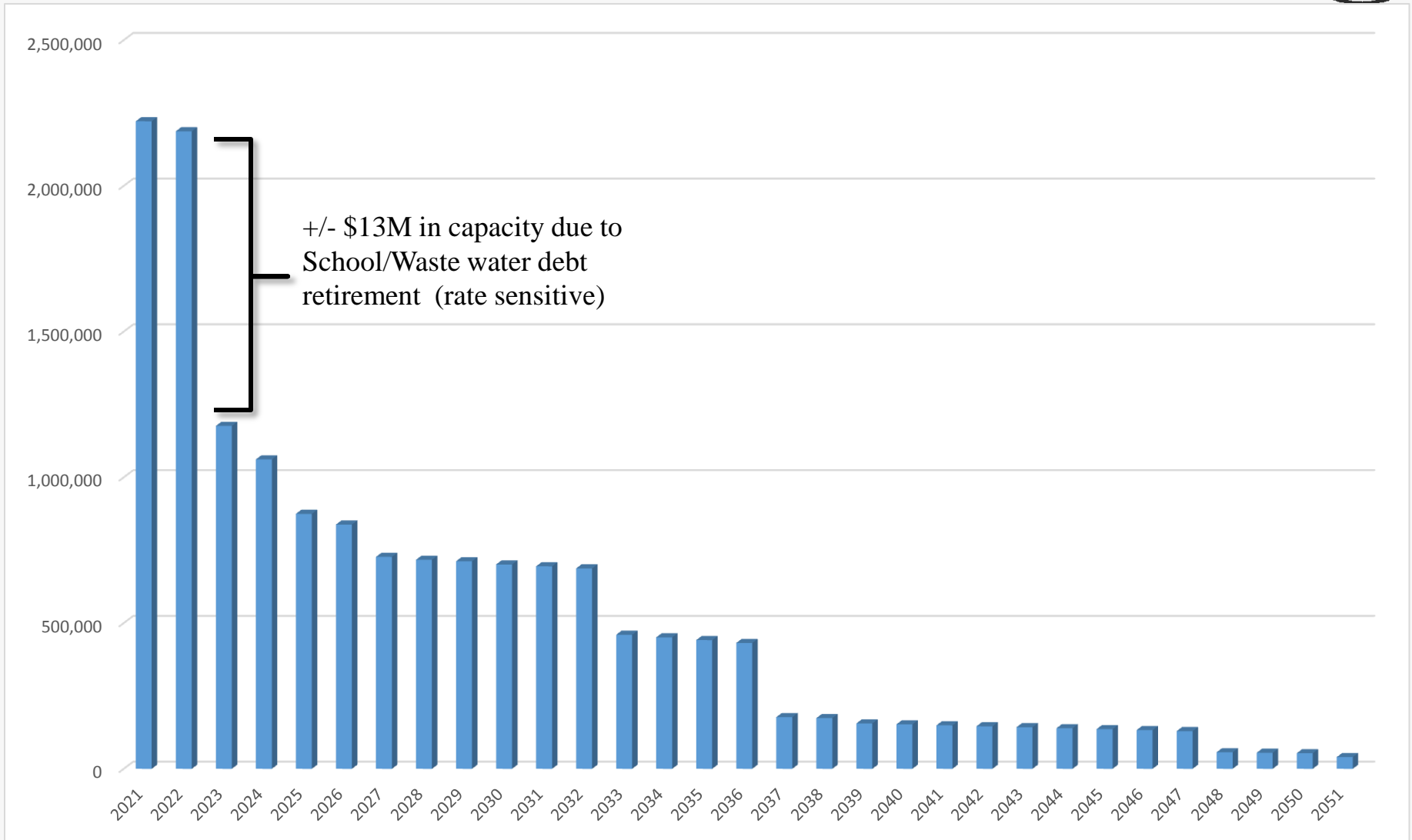


Dept	Position	Original FY23 Grade	Original FY23 Step	Original FY23 Hourly Rate	Proposed FY23 Grade	Proposed FY23 Step	Hours/Wk	Hours/Daily	Proposed FY23 Hourly Rate	Original Base Without Change	Proposed Base With Change	Difference with Change	Proposed Hourly Rate Change
Accounting	Asst Acct	D	8	\$34.19	E	7	35	7	\$35.33	\$62,465.13	\$64,547.91	\$2,082.78	\$1.14
Accounting	Accountant	I	8	\$49.11	J	7	40	8	\$50.74	\$102,541.68	\$105,945.12	\$3,403.44	\$1.63
Assessor	Prin. Assr.	I	6	\$45.41	J	5	40	8	\$46.92	\$94,816.08	\$97,968.96	\$3,152.88	\$1.51
Building	Insp. of Bld	I	4	\$41.97	J	3	40	8	\$43.38	\$87,633.36	\$90,577.44	\$2,944.08	\$1.41
Conservation	Cons. Agt.	H	8	\$45.65	I	7	40	8	\$47.22	\$95,317.20	\$98,595.36	\$3,278.16	\$1.57
Council on Aging	COA Admn.	I	4	\$41.97	J	3	40	8	\$43.38	\$87,633.36	\$90,577.44	\$2,944.08	\$1.41
Harbor	Harbrmster	J	8	\$52.78	K	7	40	8	\$54.55	\$110,204.64	\$113,900.40	\$3,695.76	\$1.77
Health	Health Agt.	I	8	\$49.11	J	7	40	8	\$50.74	\$102,541.68	\$105,945.12	\$3,403.44	\$1.63
Human Resources	H.R. Dir.	I	8	\$49.11	K	5	40	8	\$50.44	\$102,541.68	\$105,318.72	\$2,777.04	\$1.33
Library	Dept. Asst.	C	8	\$31.81	D	7	36	7	\$32.87	\$59,777.35	\$61,769.30	\$1,991.95	\$1.06
Library	Director	I	8	\$49.11	J	7	40	8	\$50.74	\$102,541.68	\$105,945.12	\$3,403.44	\$1.63
MIS	IT Mngr.	J	8	\$52.78	K	7	40	8	\$54.55	\$110,204.64	\$113,900.40	\$3,695.76	\$1.77
Shellfish	Constable	J	8	\$52.78	K	7	40	8	\$54.55	\$110,204.64	\$113,900.40	\$3,695.76	\$1.77
Town Clerk	Town Clrk.	I	7	\$47.22	J	6	40	8	\$48.79	\$98,595.36	\$101,873.52	\$3,278.16	\$1.57
Town Clerk	Ast. T. Clrk.	D	4	\$29.22	E	1	30	6	\$27.93	\$45,758.52	\$43,738.38	(\$2,020.14)	(\$1.29)
Treasurer	Treasurer	I	8	\$49.11	J	7	40	8	\$50.74	\$102,541.68	\$105,945.12	\$3,403.44	\$1.63
Treasurer	Ast. Treas.	D	6	\$31.61	E	5	30	6	\$32.67	\$49,501.26	\$51,161.22	\$1,659.96	\$1.06
Wastewater	Fac. Mngr.	J	8	\$52.78	K	7	40	8	\$54.55	\$110,204.64	\$113,900.40	\$3,695.76	\$1.77
Water	Asst. Super	I	8	\$49.11	J	7	40	8	\$50.74	\$102,541.68	\$105,945.12	\$3,403.44	\$1.63
Water	Superint.	J	8	\$52.78	K	7	40	8	\$54.55	\$110,204.64	\$113,900.40	\$3,695.76	\$1.77
										<b>\$1,847,770.90</b>	<b>\$1,905,355.85</b>	<b>\$57,584.95</b>	

# Debt

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# Excluded Debt



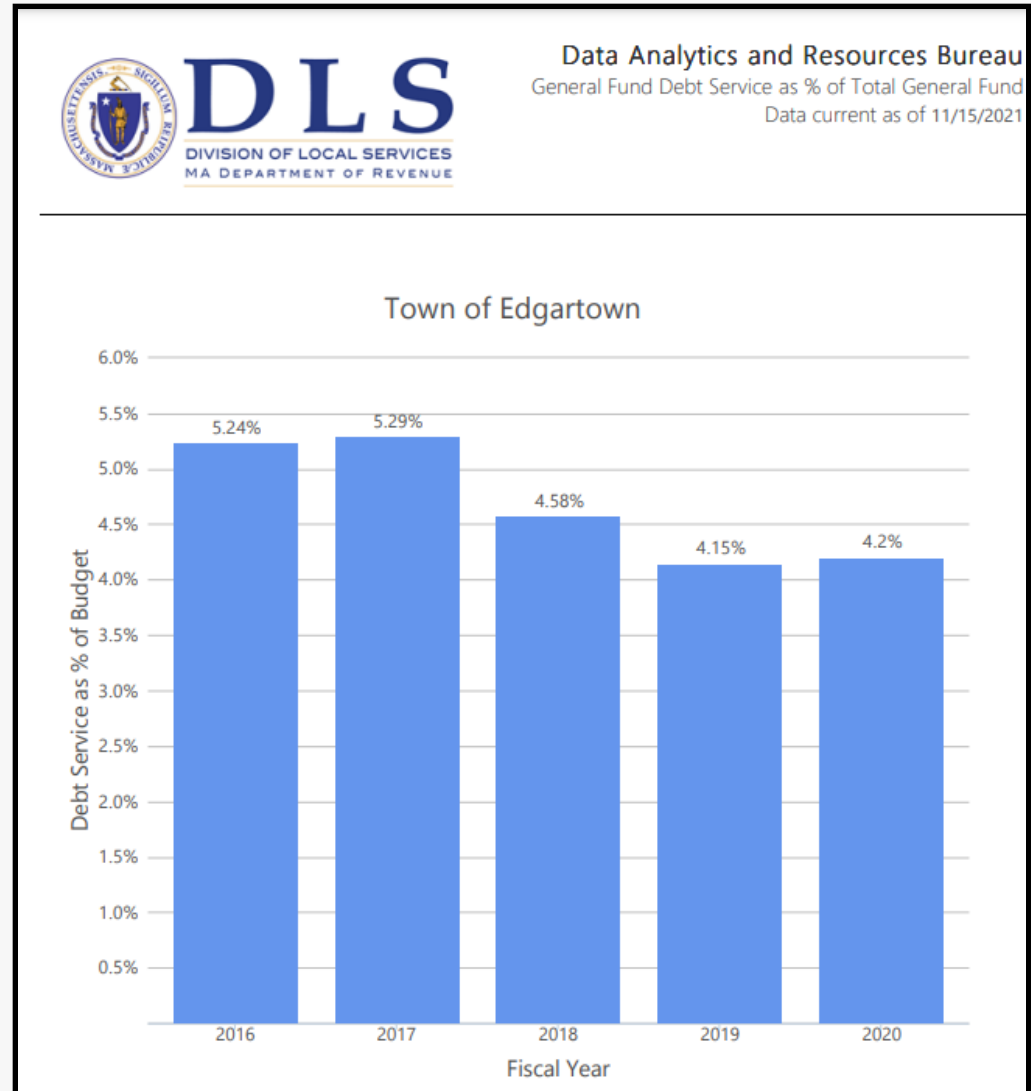
\*Memorial Wharf (\$2.5M), Katama Hangar (\$950K) and N. Wharf Bulkhead (\$900K) not accounted for in Debt Schedule = (\$4.3)

# Debt Service as % of GF Expenditures



Debt Policy – April 2021 :

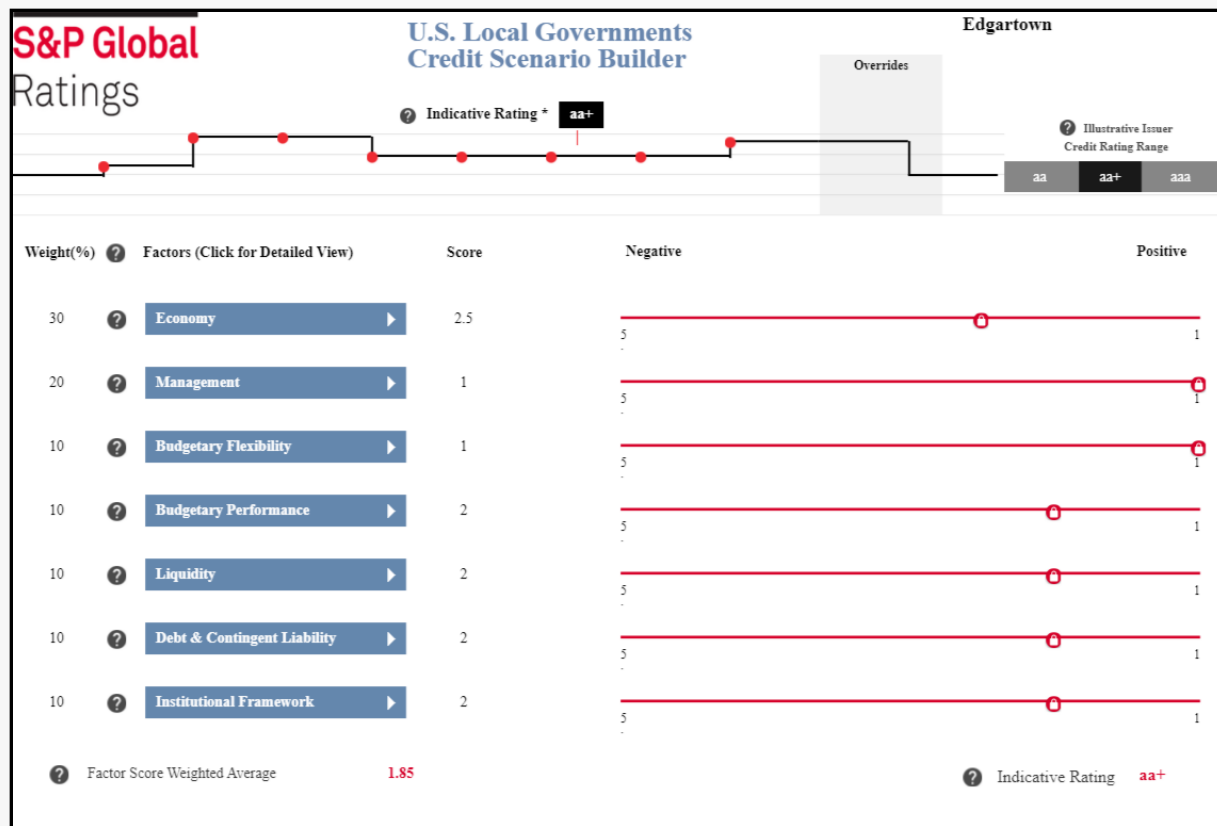
1. Replace maturing debt obligations with new issuances so that year-to-year debt service is maintained at a target level representing four to six percent of general fund revenues.
  2. The Town will also seek to fund a greater proportion of its debt obligations from within the base annual tax levy, as opposed to using debt exclusions, with the goal of eventually achieving a consistent level of annual, non-excluded debt service equivalent to three percent of general fund revenues.
  3. Total debt service, including debt exclusions and any self-supporting debt, shall be limited to 10 percent of general fund revenues.
- Credit Agencies consider anything over 20% as a warning indicator
- Too low could be a warning sign of lack of capital investment



# Bond Rating



Moody's	Standard & Poor's	Description
Aaa	AAA	Best Quality
Aa1	AA+	High Quality
<b>Aa2</b>	AA	
Aa3	AA-	
A1	A+	Upper Medium Grade
A2	A	
A3	A-	
Baa1	BBB+	Investment Grade
Baa2	BBB	
Baa3	BBB-	
Ba	BB	Speculative
B	B	
Caa	CCC	
Ca	CC	
C	C	



Indicative Rating Call 5/4/21

1. Continue building reserves
2. Reinforcement of Fiscal Polices
3. Concentration on areas ranked lower.

# Reserves

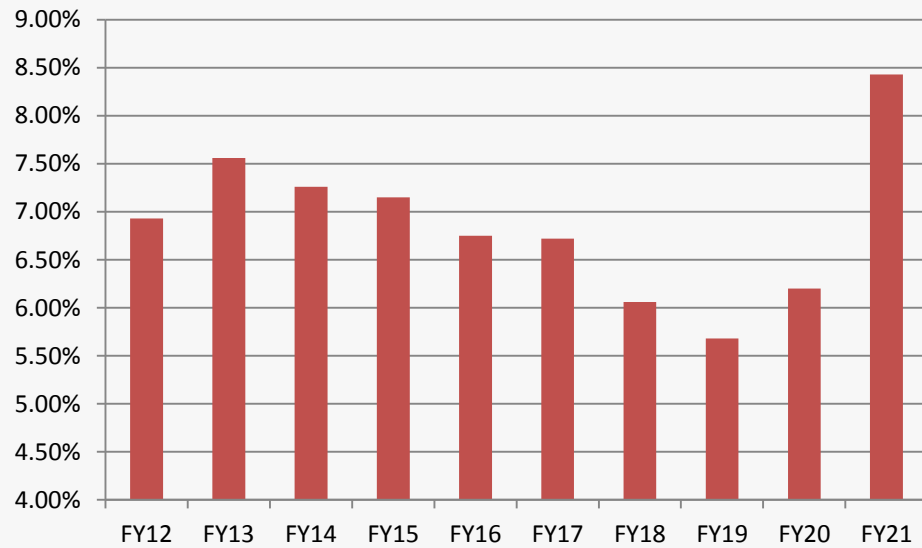
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# Reserves



Municipality	FY	Budget (-CPC)	Free Cash	Free Cash %	Gen SF Balance	SF % of Budget	Combined Reserves	Combined %
Edgartown	2012	31,717,437	1,260,870	3.98%	2,198,787	6.93%	3,459,657	10.91%
Edgartown	2013	32,301,068	1,762,318	5.46%	2,443,004	7.56%	4,205,322	13.02%
Edgartown	2014	34,049,057	1,885,982	5.54%	2,470,327	7.26%	4,356,309	12.79%
Edgartown	2015	34,752,818	2,349,385	6.76%	2,484,017	7.15%	4,833,402	13.91%
Edgartown	2016	37,553,456	1,845,830	4.92%	2,535,453	6.75%	4,381,283	11.67%
Edgartown	2017	38,803,164	1,683,969	4.34%	2,606,464	6.72%	4,290,433	11.06%
Edgartown	2018	43,181,882	2,277,345	5.27%	2,618,921	6.06%	4,896,266	11.34%
Edgartown	2019	45,801,809	2,748,072	6.00%	2,603,180	5.68%	5,351,252	11.68%
Edgartown	2020	43,590,938	3,572,967	8.20%	2,857,168	6.20%	6,275,110	14.40%
Edgartown	2021	43,850,087	7,468,995	17.03%	3,694,402	8.43%	11,163,397	25.46%

- Annual free cash certifications of 3-5% of GF budget
- Free Cash not yet certified
- General stabilization at 7-10%
- Combined FC & SF reserves at 10-15%
- Added \$350k in FY21 to Gen SF
- Capital Stabilization in ATM 2021 – suggest >2% GF budget = \$1M+/-



Favorable    Marginal    Unfavorable

# OPEB

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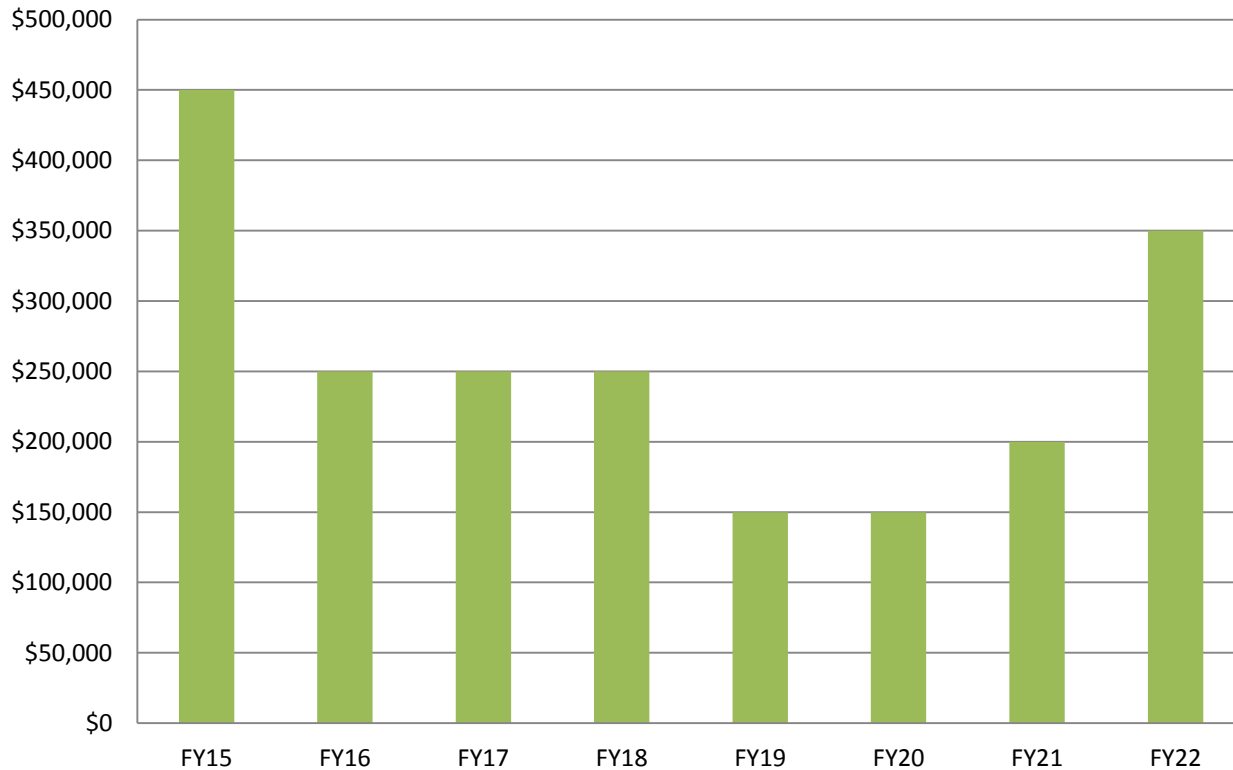


# OPEB

Funding To Date	Value as of 6/30/2020		Investment Balance 5/31/2021	Market Value Change from 5/31/2021	Market Value 6/30/2021	Total Change from Funding	Total OPEB Liability as of 6/30/2020	% Funded	Allocation Basis
1,118,662.34	1,222,654.59	County of Dukes County	1,600,249.55	17,258.32	1,681,323.58	562,661.24	12,187,809	13.80%	0.06116
256,750.00	243,072.86	MV Commission	371,984.19	3,869.37	376,957.92	120,207.92	1,297,023	29.06%	0.01371
601,391.41	768,577.99	MV Transit Authority	984,931.27	10,227.63	996,385.97	394,994.56	504,165	197.63%	0.03624
4,350,338.02	3,859,500.66	MV Regional High School	5,476,275.65	61,948.24	6,035,061.58	1,684,723.56	55,577,028	10.86%	0.21952
44,535.67	56,654.16	MV Refuse District	72,761.10	756.85	73,733.97	29,198.30	2,493,971	2.96%	0.00268
262,422.46	-	MV Land Bank	273,881.72	2,848.91	277,543.74	15,121.28	2,068,395	13.42%	0.01010
450,471.78	566,358.06	Town of Aquinnah	727,375.33	7,566.13	737,100.92	286,629.14	4,190,132	17.59%	0.02681
1,695,870.89	1,795,949.72	Town of Chilmark	2,668,670.59	27,759.42	2,704,352.86	1,008,481.97	4,960,887	54.51%	0.09837
2,250,000.00	2,571,030.34	Town of Edgartown	3,549,155.02	36,918.22	3,596,610.08	1,346,610.08	65,225,189	5.51%	0.13082
434,523.00	327,097.54	Town of Oak Bluffs	602,120.59	6,263.24	610,171.43	175,648.43	54,977,775	1.11%	0.02219
1,845,847.24	1,877,681.26	Town of Tisbury	2,580,051.68	26,837.62	2,614,549.05	768,701.81	41,322,939	6.33%	0.09510
2,131,377.04	2,639,843.23	Town of West Tisbury	3,498,779.62	36,394.20	3,545,561.12	1,414,184.08	5,296,699	66.94%	0.12897
3,047,695.07	2,783,120.13	Up Island Regional School Dist.	3,892,794.71	43,547.75	4,242,464.43	1,194,769.36	11,425,803	37.13%	0.15432
18,491,540.92	18,711,540.54	Total	26,299,031.02	282,195.90	27,491,816.65	9,000,275.73			1.00000

Town compensates employees with benefits earned during years of service to be received upon retirement. One such benefit is a pension, and another is a set of retirement insurance plans for health, dental, and life, which are collectively referred to as other postemployment benefits, or OPEBs. OPEBs represent a significant liability for the Town that must be properly measured, reported, and planned for financially.<sup>41</sup>

# OPEB – Funding History



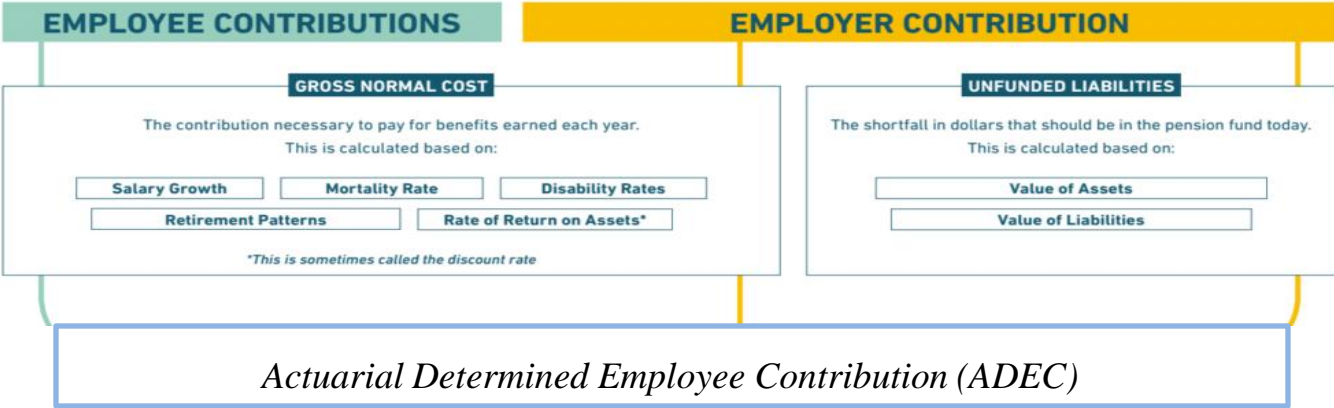
## OPEB Policy – Adopted October 2021

- Appropriate no less than 2% of the current year's salary & wages within the Financial Advisory Committee's recommended operating budget.
- Once the pension system's accrued liability has been fully funded, on a subsequent annual basis, appropriate to the OPEB Trust Fund an amount equivalent to the former unfunded liability expense (i.e., separate from the normal cost).

# OPEB ADEC



**(ADEC) :** The amount actuarially calculated each year that is required to be contributed by an employer to a pension plan's pool of assets in order to ensure there will be enough funds to pay promised pension benefits. The contribution rate can be reported either in dollars or a percent of salary, Actuaries annually determine how much should be paid by employers in a given year in order to properly fund a pension plan. This amount is a combination of the employer's share of normal cost plus the unfunded liability amortization payment. The actuarially determined amount is the "required" contribution, but employers are not necessarily legally bound to actually contribute this amount. The ability for employers to not pay 100% of their pension bill is one of the reasons unfunded liabilities can increase



ADEC	FY19	FY20	FY21
Edgartown	\$2,413,395	\$3,836,400	\$4,791,598
MVRHS	\$3,074,461	\$3,684,726	\$4,698,806
West Tis	\$254,485	\$327,373	\$336,102

Favorable    Marginal    Unfavorable

# **5 Year Forecast**

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# 5 Year Revenue / Expenditure



5 YEAR FINANCIAL MODEL		FY2020	FY2021	FY2022	%	FY2023	FY2024	FY2025	FY2026	FY2027
1	General Government	\$2,788,878	\$2,804,440	\$2,986,911	3.6%	\$3,094,440	\$3,205,840	\$3,321,250	\$3,440,815	\$3,564,684
2	Protection of Persons and Property	\$5,876,224	\$5,808,701	\$6,032,105	4.4%	\$6,297,517	\$6,574,608	\$6,863,891	\$7,165,902	\$7,481,202
3	Harbormaster	\$522,793	\$530,475	\$539,448	3.2%	\$556,711	\$574,526	\$592,910	\$611,884	\$631,464
4	Dredge	\$269,594	\$271,397	\$340,042	4.9%	\$356,705	\$374,183	\$392,518	\$411,751	\$431,927
5	Highway	\$1,107,211	\$1,151,642	\$1,182,224	4.9%	\$1,240,153	\$1,300,920	\$1,364,665	\$1,431,534	\$1,501,679
6	Health and Sanitation	\$2,045,789	\$2,090,676	\$2,055,179	2.6%	\$2,108,614	\$2,163,438	\$2,219,687	\$2,277,399	\$2,336,612
7	Veteran's Services	\$30,000	\$30,000	\$30,000	6.3%	\$31,890	\$33,899	\$36,035	\$38,305	\$40,718
8	Education	\$13,779,921	\$14,410,327	\$14,962,578	4.3%	\$15,605,969	\$16,277,025	\$16,976,938	\$17,706,946	\$18,468,345
9	Library	\$926,098	\$948,605	\$972,216	8.2%	\$1,051,938	\$1,138,197	\$1,231,529	\$1,332,515	\$1,441,781
10	Parks and Beaches	\$393,199	\$428,487	\$431,498	3.3%	\$445,738	\$460,447	\$475,642	\$491,338	\$507,552
11	Airport	\$114,900	\$114,900	\$123,196	2.4%	\$126,153	\$129,180	\$132,281	\$135,455	\$138,706
12	Cemetery	\$40,069	\$40,984	\$42,555	0.0%	\$42,555	\$42,555	\$42,555	\$42,555	\$42,555
13	Unclassified	\$6,887,161	\$7,135,073	\$7,444,348	5.5%	\$7,853,787	\$8,285,745	\$8,741,461	\$9,222,242	\$9,729,465
14	Interest and Debt	\$1,902,220	\$1,826,794	\$1,801,667		\$1,801,667	\$1,801,667	\$1,801,667	\$1,801,667	\$1,801,667
15	Water Department	\$1,233,802	\$1,270,917	\$1,355,035	2.7%	\$1,391,621	\$1,429,194	\$1,467,783	\$1,507,413	\$1,548,113
16	Water Debt	\$472,118	\$461,767	\$445,558		\$445,558	\$445,558	\$445,558	\$445,558	\$445,558
17	Raise and Appropriate (Levy Limit)			\$400,000						
	ATM Budget Request Total	\$38,389,976	\$39,602,577	\$41,144,560		\$42,451,013	\$44,236,982	\$46,106,369	\$48,063,277	\$50,112,027
17	Raise and Appropriate Exclusions	\$750,000	\$650,000	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
18	Cherry Sheet Offsets (Estimated)	\$51,829	\$72,981	\$32,683		\$32,683	\$32,683	\$32,683	\$32,683	\$32,683
19	State/County Charges (Estimated)	\$1,749,145	\$1,557,751	\$1,439,919		\$1,439,919	\$1,439,919	\$1,439,919	\$1,439,919	\$1,439,919
20	Overlay	\$246,985	\$128,566	\$115,720		\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
21	Total	\$41,187,935	\$42,011,875	\$42,732,882		\$44,073,615	\$45,859,584	\$47,728,971	\$49,685,879	\$51,734,629
22	State Aid (Estimated)	\$2,518,002	\$2,683,032	\$2,970,938		\$2,970,938	\$2,970,938	\$2,970,938	\$2,970,938	\$2,970,938
23	Local Receipts (Estimated)	\$6,980,000	\$7,007,180	\$7,626,092	6%	\$8,083,658	\$8,568,677	\$9,082,798	\$9,627,765	\$10,205,431
24	Free Cash to Reduce Tax Rate	\$200,000	\$0	\$0		\$0	\$0	\$0	\$0	\$0
25	Total	\$9,698,002	\$9,690,212	\$10,597,030		\$11,054,596	\$11,539,615	\$12,053,736	\$12,598,703	\$13,176,369
26	NET AMOUNT TO BE RAISED ON LEVY	\$31,489,933	\$32,321,663	\$32,135,852		\$33,019,020	\$34,319,969	\$35,675,235	\$37,087,176	\$38,558,259
27	Prior Year Levy Limit	\$27,655,464	\$29,200,902	\$30,302,454		\$31,536,770	\$32,625,190	\$33,740,819	\$34,884,340	\$36,056,448
28	Proposition 2.5% Increase	\$691,387	\$730,023	\$757,561		\$788,419	\$815,630	\$843,520	\$872,108	\$901,411
29	Override / Exclusion	\$400,000	\$850,000	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
30	New Growth ( Estimate )	\$454,051	\$371,530	\$476,755		\$300,000	\$300,000	\$300,000	\$300,000	\$300,000
	Total	\$29,200,902	\$31,152,454	\$31,536,770		\$32,625,190	\$33,740,819	\$34,884,340	\$36,056,448	\$37,257,860
31	Capital Exclusion	\$350,000	\$0	\$0		\$0	\$0	\$0	\$0	\$0
32	Exempted Debt	\$2,360,601	\$2,275,167	\$2,239,843		\$2,239,843	\$2,239,843	\$2,239,843	\$2,239,843	\$2,239,843
33	MVRDD Debt	\$189,556	\$189,556	\$176,672		\$176,672	\$176,672	\$176,672	\$176,672	\$176,672
34	TOTAL MAXIMUM LEVY	\$32,101,059	\$33,617,178	\$33,953,285		\$35,041,705	\$36,157,334	\$37,300,855	\$38,472,963	\$39,674,375
35	(Over) Under Maximum Levy	\$611,126	\$1,295,515	\$1,817,433		\$2,022,685	\$1,837,365	\$1,625,620	\$1,385,788	\$1,116,116

Assumption - Debt will be layered to stay level

\* Rate not Set

Dynamic Document

Based on Assumptions

What if Analysis

Gap Analysis

Cumulative Effect

Conservative Estimates

Prior Year Levy Limit (27)  
+ 2.5% (28) + New Growth  
(30) + Exempted Debt  
(32 & 33)



Budget (1-16) + Overlay (20)  
+ State Charges (19)  
-  
State Aid (22) + Est. Local  
Receipts (23)

# Capital Programs Committee

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# CIP



<b>GENERAL FUND TOTAL</b>	<b>\$5,502,555</b>	<b>\$3,518,980</b>	<b>\$16,183,510</b>	<b>\$3,891,268</b>	<b>\$2,346,862</b>	<b>\$30,312,653</b>
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## WATER FUNDS

Water								
1	Water	Water Improvements	\$60,000	\$60,000	\$60,000	\$60,000	\$0	\$240,000
2	Water	Pump Station Maint.	\$0	\$20,000	\$20,000	\$20,000	\$0	\$20,000
3	Water	Well Test Drilling	\$100,000	\$0	\$0	\$0	\$0	\$0
4	Water	Truck Replacement	\$0	\$40,000	\$0	\$0	\$0	\$0
5	Water	Wintucket Well Upgrades	\$0	\$0	\$350,000	\$0	\$0	\$0
6	Water	New Storage Tank	\$0	\$0	\$0	\$0	\$2,000,000	\$2,000,000
7	Water	New Well and Pump Station	\$0	\$0	\$0	\$0	\$2,000,000	\$2,000,000
<b>Total Water</b>			<b>\$160,000</b>	<b>\$120,000</b>	<b>\$430,000</b>	<b>\$2,080,000</b>	<b>\$2,000,000</b>	<b>\$4,260,000</b>

<b>WATER FUNDS TOTAL</b>	<b>\$160,000</b>	<b>\$120,000</b>	<b>\$430,000</b>	<b>\$2,080,000</b>	<b>\$2,000,000</b>	<b>\$4,790,000</b>
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<b>GRAND TOTAL: 5-YEAR CAPITAL PLAN</b>	<b>\$5,662,555</b>	<b>\$3,638,980</b>	<b>\$16,613,510</b>	<b>\$5,971,268</b>	<b>\$4,346,862</b>	<b>\$35,102,653</b>
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Free Cash	
Debt	
Exclusion	
W Ret Ear	
Levy	

# CIP - WWTF



## Current Permit

MADEP Groundwater Discharge Permit: **750,000 Gallon Per Day (GDP).**

When the average annual **flow exceeds 80% (600,000 GDP) or a single day over 750,000 GDP** of the permitted flow limitations the WWTF is required to submit a report to **MADEP** describing what steps will be taken to remain in **compliance with the permit.**

High Day: July 5, 2019 – 684,729 GDP.

High Monthly Average: July 2019 – 500,000 GDP.

Low Monthly Average: January 2019 – 95,000 GDP

*Nitrogen Levels follow similar paradigm*



## Septage

**Only treatment facility that accepts significant amounts of septage** and other hauled waste streams on Martha's Vineyard.

The Town of Edgartown's WWTF has received and treated 2.37 and 2.45 million gallons of septage and other hauled wastes in 2018 and 2019, respectively. **On an average basis, this volume equates to 6,600 gallons of septage per day.**



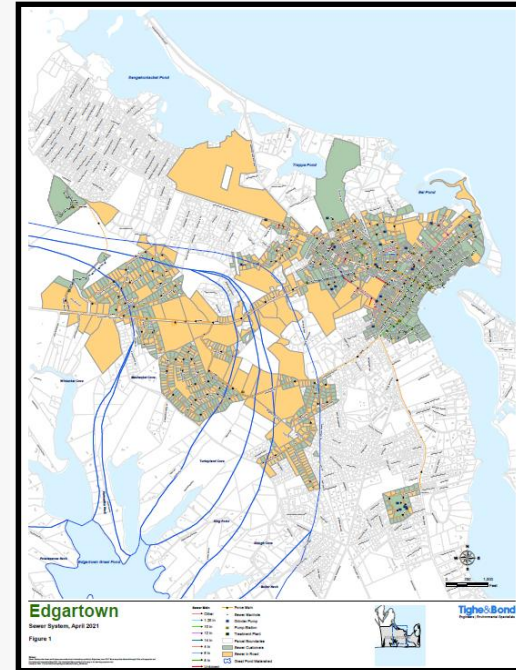
# CIP - Buildout Analysis



The build out analysis determined that during a peak day, the Town currently has the **potential to produce** approximately **643,580 GPD** of wastewater; however, this only accounts for existing sewer customers.

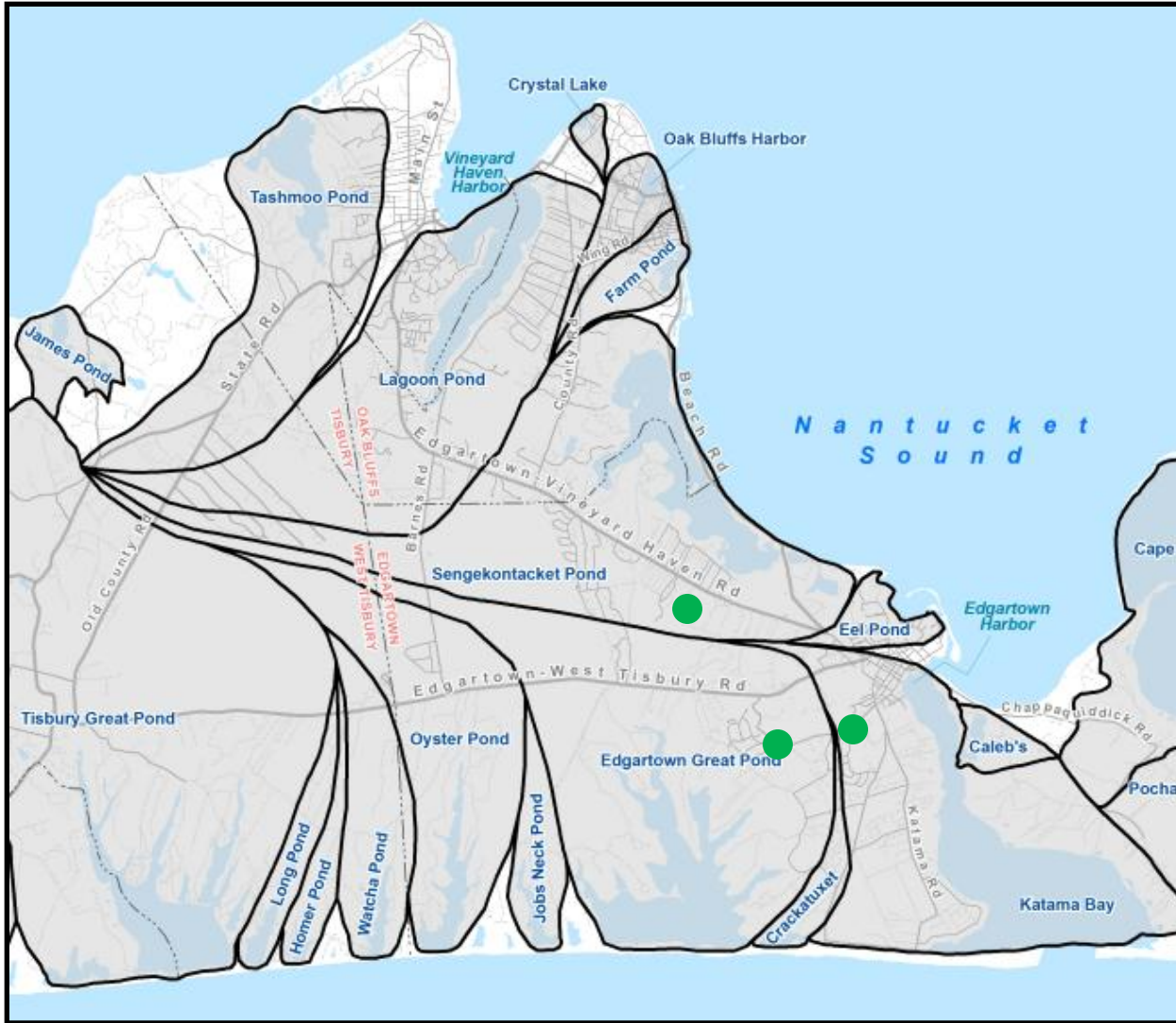
Once **all developed lots abutting a sewer are connected** to the sewer system the flow estimate climbs to **782,100 GPD**, exceeding the permitted plant.

In an alternate future buildout scenario where all residential undeveloped land was subdivided **and built-out to the extent allowable by the Town's Zoning and Wetland Bylaws**, future flows within the sewershed could reach a maximum day flow of **1,967,600 GPD**



Condition	Future Flow Estimate (GPD)
Existing Service Area (current bedroom count)	643,580
Existing Service Area Built Out (max bedroom count)	896,580
All Existing Lots with Promised Connection (current bedroom count)	782,120
All Lots with Promised Connection Built Out (max bedroom count)	1,235,200
All Lots with Promised Connection and Fully Built Out (max bedroom count and subdivision per zoning)	1,967,590

# CIP -Future Regional Projects



MARTHA'S VINEYARD  
HOSPITAL



TOWN OF EDGARTOWN  
AFFORDABLE HOUSING COMMITTEE

70 MAIN STREET P.O. BOX 1065  
EDGARTOWN, MASSACHUSETTS 02539-1065

- Estimated **30,000** +/- additional GPD of required flows
- 100+** bedrooms
- Across **regional** watersheds

# CIP-CWMP – "Rational Basis for Allocation"



## Purpose

Development of the plan outlined above is intended to create a **framework for improved water quality in Edgartown Harbor, Edgartown Great Pond and Sengekontacket**. The plan may also address treatment capacity shortfalls in several areas of the Town, such as the Sengekontacket watershed where the Martha's Vineyard Hospital has proposed a **Green House nursing home facility but existing infrastructure constraints and the transfer of nitrogen between watersheds is holding up approval of a new connection**.

Without these planning efforts the Town will continue to be idle with respect to water quality improvements and **important development projects for the community may continue to be delayed**.

*ARPA Intended Use #4: To make necessary investments in water, sewer, or broadband infrastructure.*

**Expected Cost = \$491,000**

## Scope of Work

Evaluate Existing Conditions – This evaluation will **catalog the capacity and condition of existing infrastructure**, review recent water quality studies/data, and document existing connections to the WWTF.

Evaluate Future Conditions – This evaluation will conduct a **build-out analysis across the study area to examine how growth might impact water quality and sewer system capacity**. Community planning documents will be consulted to determine the amount and types of development anticipated in the Town over the next 20 to 30 years.

Develop & Evaluate Alternatives – Wastewater management **alternatives will be developed to address issues** identified by the existing and future conditions evaluations and may include collection system/WWTF expansion, decentralized treatment and discharge, or other mitigation measures. Alternatives will be evaluated on a qualitative cost/benefit basis as well as in terms of their life cycle cost.

Develop A Recommended Plan – A recommended plan will be created using the previously developed alternatives through consultation with the public and other stakeholder groups. **This plan is ultimately reviewed and approved by MADEP to serve as a guidance document for the next 20 to 30 years.**

# CIP – New Fire Station



<b>Construction Costs (based on 2021 costs)</b>		
New Building Construction Costs	\$ 500.00	\$ 4,262,500
Storage building		
Renovation of existing building	\$ 350.00	\$ 1,785,000
Partial Demolition of existing structure		\$ 175,000
<b>Sub-Total</b>		\$ 6,222,500
Premium For Island Work	40%	\$ 2,489,000
Station Relocation Costs, temporary facility costs		\$ 50,000
<b>Sub-Total</b>		\$ 8,761,500
<b>Sub-Total</b>		\$ 8,761,500
<b>Contingency</b>	15%	\$ 1,314,225
		\$ 10,075,725
<b>Design Engineering Fees</b>	8%	\$ 824,194
<b>Owners Project Manager</b>	5%	\$ 503,786
<b>Furniture And Equipment Allowance</b>		\$ 125,000
<b>Communication Technologies Allowance</b>		\$ 75,000
<b>Additional Costs Allowance (testing, survey, geotech, etc.)</b>	2.0%	\$ 201,515
<b>Bond Costs</b>	1.0%	\$ 100,757
<b>Site Environmental Issues</b>		
<b>Sub-Total</b>		\$ 1,830,252
<b>Costs based on 2021 prices</b>		
<b>SUB TOTAL</b>		\$ 11,905,977
<b>GRAND TOTAL</b>		
Escalation 3% / year assume 2021 construction start	9%	

## Feasibility Study 2019

1. Lack of appropriate size and amount of apparatus bays to meet the needs of the current and future equipment
2. Lack of compliance to local, state and federal standards
3. Lack of appropriate offices for the chief and the command staff
4. Lack of proper facilities for coed work and sleeping arrangements
5. Accessible storage is non-existent
6. Mechanical systems are outdated; both electrical and heating
7. Exterior windows need replacement
8. No reasonable public lobby entrance
9. Lack of training space, both active and passive
10. No workout areas
11. Lack of storage for turn out gear with proper ventilation
12. Lack of proper space for fire prevention and plan review



# **Strengths / Weakness / Opportunities / Threats**

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# SWOT



## Strengths

- **Employees**
- Low tax rate + seasonality
- Property Tax collection rates
- Economic Growth Revenues and inflation
- Levy Ceiling
- Debt Service Percentage

## Weaknesses

- **Wastewater Capacity**
- Institutional Knowledge – 50% of Department Heads
- Recruitment and retention
- OPEB –Funding entities with higher percentages?
- Unpredictable State Aid
- Rising employee costs

## Opportunities

- **Online permitting and interactive website**
- Treasurer/Collector
- Debt retirement and tax rate
- Adding garbage disposals to WWD revenue
- Fuel at N. Wharf
- Meals Tax and Hotel Motel rate increase
- Elasticity of current fees
- Dredging revenues
- Bond Rating

## Threats

- **Continued EQV attacks**
- Climate change
- Rational allocation of assets in the face of unprecedented growth
  - Sustainment of services in post pandemic Town and consequential budget
- Overpopulation
- Chappy Ferry paradigm
- Major weather event

# **Policy Decisions**

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# Policy Decisions FY23

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- **Funding for Department Budgets:**

Recommendation: MAINTENANCE BUDGET : A no-growth budget that continues appropriations for programs and services at their current year levels. The actual appropriation to maintain programs and services may still increase due to inflation or other factors.

- **Operating Budget:**

Recommendation: Include several warrant articles into operating budget (Shellfish, Harbor, Highway, etc)

- **Overrides / Exclusions for FY23:**

Recommendation: Capital Exclusion for sidewalks and bike paths. Raise and appropriate through excess levy capacity for streets based on DLS TAB suggested policy recommendation.

- **Capital Improvement Priorities:**

Recommendation: Form a Fire Station Building Committee . WWTF CWWMP - if not funded by the County

- **Stabilization Fund:**

Recommendation: Add to current stabilization fund and capital stabilization fund.

- **COLA:**

Recommendation: CPI – Boston



# FY23 Schedule



**TOWN OF EDGARTOWN**  
**OFFICE OF SELECTBOARD**  
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To: All Departments/Boards/Commissions/Committees/External Agencies  
From: James Hagerly, Town Administrator  
Date: September 28, 2021  
Subject: 2023 Budget / 2022 ATM & STM Calendar

Below is a list of dates and milestones for the upcoming budget, Special Town Meeting, and Annual Town Meeting Season.

<u>October 1</u>	Community Preservation Request due to Community Preservation Comm (CPC)
<u>November</u>	Cost-of-living Adjustment (COLA) set by Personnel Board (PB)
<u>November 17</u>	Select Board (BOS) / Financial Advisory Committee (FAC) / Edgartown School Committee (ESC) initial budget brief
<u>November 19</u>	Capital Programs requests due to Capital Programs Committee (CIP)
<u>November 22</u>	Distribute budget instructions / personnel spreadsheets to departments
<u>December 1-15</u>	Capital Programs review workshop
<u>December 10</u>	All money articles due / hard copy to Town Clerk / electronic to Town Administrator (TA)
<u>December 23</u>	Departments enter budgets via MUNIS / personnel spreadsheets returned to Human Resources (HR)
<u>December 23-31</u>	TA Department Budget Review
<u>January 04</u>	Annual Town Meeting (ATM) warrant closed
<u>January 07</u>	Department annual reports due
<u>January 11</u>	TA forwards budgets workbooks to FAC
<u>January 18-31</u>	BOS / FAC budget review workshop
<u>February</u>	FAC budget recommendations due
<u>February 03</u>	Distribute personnel spreadsheets with FY23 COLA to departments
<u>February 14</u>	Personnel spreadsheets with FY23 COLA returned to HR
<u>February 22</u>	Last day to obtain nomination papers
<u>February 24</u>	Nomination papers due to Board of Registrars
<u>February 25</u>	Special Town Meeting (STM) warrant closed
<u>March 10</u>	Last day for ballot questions (Ch. 454 of the Acts of 1996 / 35 Days before ATE)
<u>March 14</u>	BOS sign ATM & STM warrants / last day to withdraw or object
<u>March 17</u>	ATM & STM warrants to the printer
<u>March 23</u>	Last day to register to vote ATM & ATE (8:00PM) (20 days before ATM)
<u>March 29</u>	Last day to post STM warrant (14 days before)
<u>April 02</u>	Last day to register to vote STM (8:00PM) (10 days before)
<u>April 05</u>	Last day to post ATM warrant (7 days before)
<u>April 04</u>	Warrant booklets and Town Report available
<u>April 12</u>	Annual & Special Town Meetings
<u>April 14</u>	Annual Town Elections
<u>May 13</u>	Town Clerk to certify Town Meeting & bylaw votes to AG and DOR

November 17: Board of Selectmen (BOS) / Financial Advisory Committee (FAC) /Edgartown School Committee (ESC) initial budget brief

November 22: Distribute budget instructions to departments

November 22: Distribute personnel spreadsheets to departments

December 10: All money articles due / hard copy to Town Clerk / electronic to Town Administrator (TA)

December 23: Departments enter budgets via MUNIS / personnel spreadsheets returned to TA

January 11: TA forwards budgets workbooks to FAC

January 18-31: BOS / FAC budget review workshop

January 04: Annual Town Meeting (ATM) warrant closed

April 12: Annual & Special Town Meetings

# Questions?

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Board of Selectmen  
Finance Advisory Committee  
Edgartown School Committee



November 17, 2021