



# City of Newburyport FY2021 Budget Proposal

Donna D. Holaday, Mayor

August 20, 2020

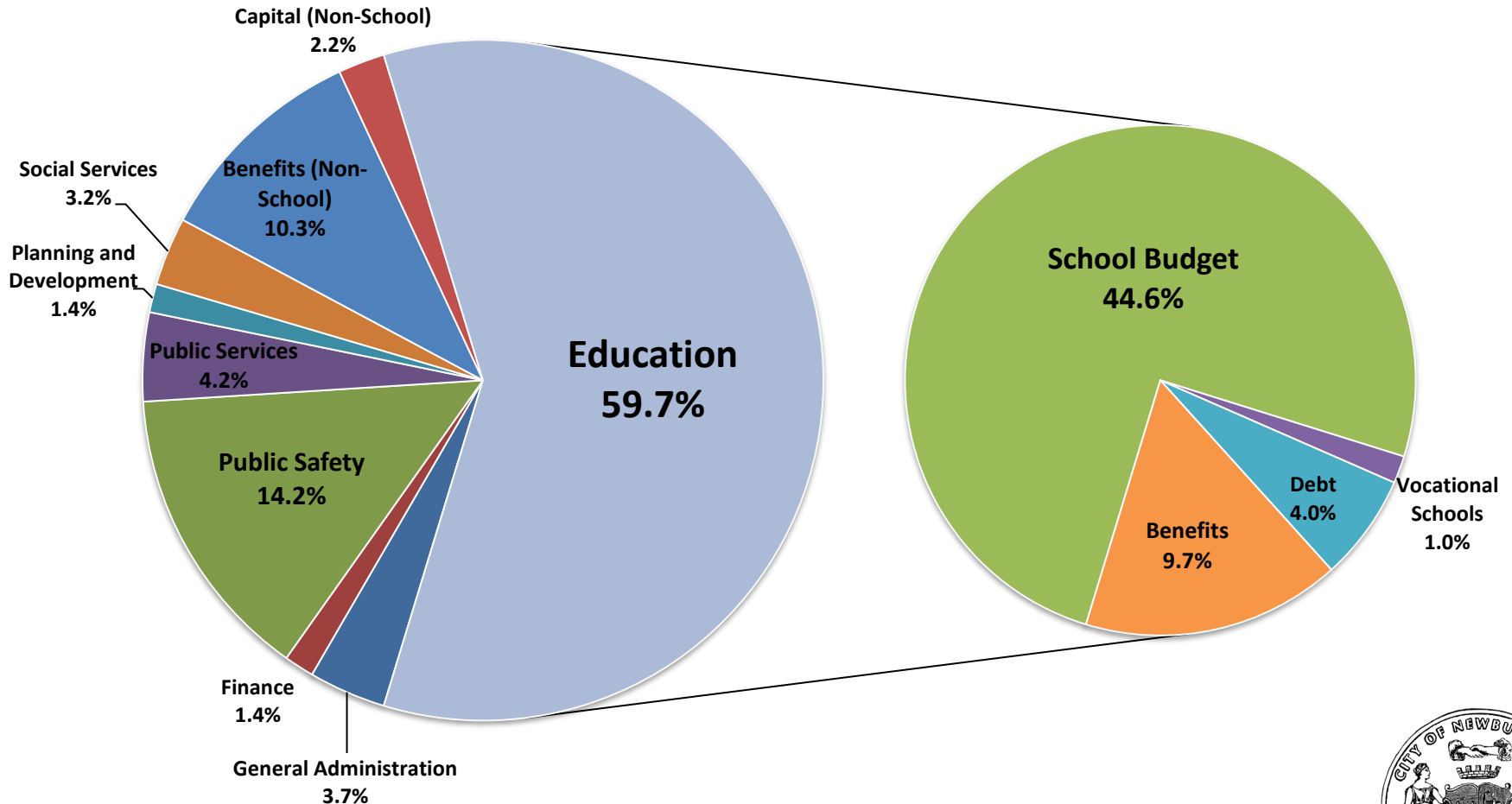
# Budget Overview

Fund	FY20 Original	FY21 Proposed	\$ Change	% Change
General Fund	\$70,259,128	\$71,859,519	\$1,600,391	2.3%
Water Enterprise Fund	\$5,371,089	\$5,421,087	\$49,998	0.9%
Sewer Enterprise Fund	\$7,586,606	\$7,515,295	(\$71,311)	-0.9%
Harbormaster Enterprise Fund	\$514,868	\$465,250	(\$49,618)	-9.6%
<b>Total</b>	<b>\$83,731,691</b>	<b>\$85,261,150</b>	<b>\$1,529,459</b>	<b>1.8%</b>



# FY2021 Proposed Spending

## General Fund

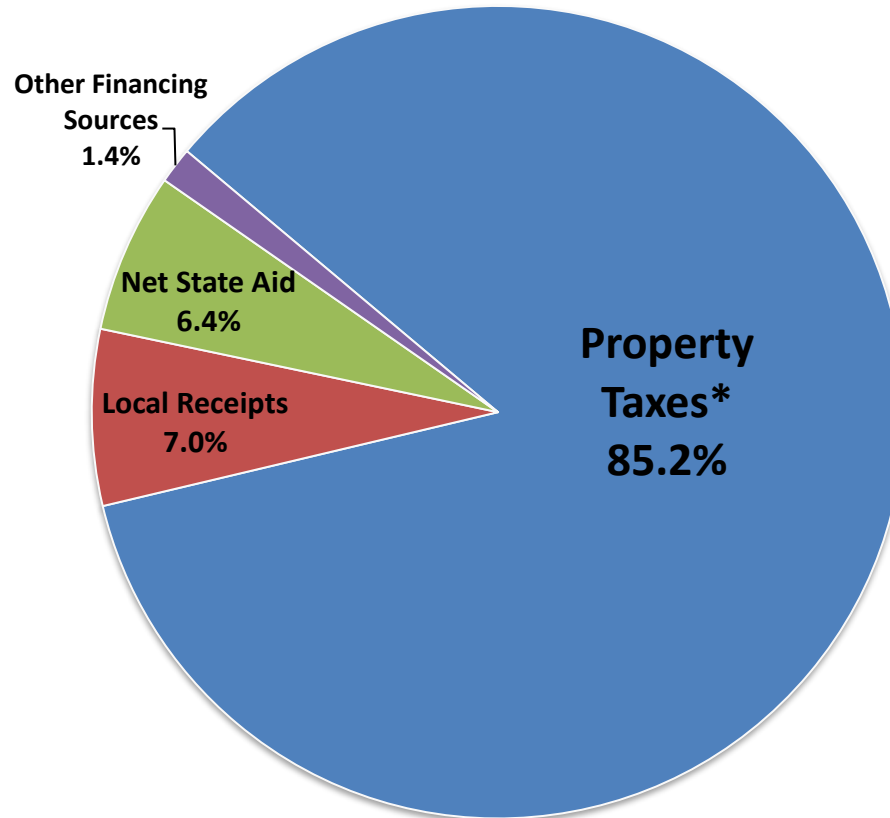


59.7 Cents of Every Dollar Spent Goes to Education



# FY2021 Estimated Revenue

## General Fund



\*Assumes Taxing Up to Full Levy Limit for FY2021



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# FY2021 Budget Process

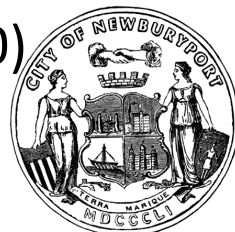
- Joint Budget Meeting Held (November 19, 2019)
  - Projected General Fund Spending: \$72.7M, +3.5%
    - School Budget +3.1%
    - Employee Benefits +4.3%
    - City Services +2.5%
- FY2021 Budget Guidelines to Department Heads (January 8, 2020)
- Governor Releases FY2021 State Budget Proposal (January 22, 2020)
- Meeting with Departments to Review Budget Requests (February 24 – March 11, 2020)
- City & Schools Release First Set of COVID-19 Protocols (March 12, 2020)
  - Schools close on March 13<sup>th</sup>
  - Municipal buildings closed to public on March 17<sup>th</sup>



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# FY2021 Budget Process

- COVID-19 Initial Impacts on Economy & City's Budget (March-May 2020)
  - Rapid and widespread impacts on economy; over 1,040,000 unemployment claims filed in Massachusetts
- FY2021 Revenue Projection Scenarios (April-June 2020)
  - Developed a range of estimates; projected loss ranged \$285K to \$2.3M based on decreases in state aid and local receipts
- Three-Month Continuing Appropriation Budget Submitted (May 11, 2020)
- FY2021 Revenue Estimate Finalized (July 30, 2020)
  - Governor/Legislature Released Baseline FY2021 Aid; Level funded with FY2020 amounts for UGGA/Ch. 70; higher than anticipated
  - Final City revenue estimate of \$71.9M; \$979K loss in revenue
- FY2021 Balanced Budget Proposal Submitted (August 18, 2020)



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# Budget Highlights

- Budget Shortfall = \$979K (from Original FY21 Estimate)
  - State aid level funded
  - Local receipts reduced by \$770K
  - Assumes property taxes assessed at full levy limit
- Departmental Operations
  - School Department +\$1.2M or 3.9%
  - City Services +\$451K or 1.2%
- Funding for Diversity/Social Justice Initiatives
- COVID-19 Direct Impacts- Relying on Federal Funding (FEMA, CARES)



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# Municipal Department Reductions

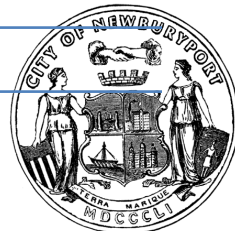
- Goals
  - Minimize reductions in staff and impacts on services
  - Minimize layoffs on existing full-time personnel
  - Maintain/increase funding for schools
- Budget Reduction Strategies
  - Make adjustments based on activities impacted by COVID-19 (Library, COA, Youth Services, Travel/Training)
  - Eliminate funding for vacant positions where possible
  - Eliminate new investments in staffing/services
  - Reduce funding for accounts with low impact on overall service-delivery (office supplies, equipment, vehicles)





# Reductions to Balance Budget

Department	Reduction	Notes
Council On Aging	\$7,500	Fuel, utilities, supplies
DPS-Highway	\$234,221	2 vacancies, summer help, supplies, consulting, equipment
General Administration	\$13,250	Travel/training, PT furlough
Health Insurance	\$402,400	COVID-19 premium credit
Legal	\$5,000	General consultation
Library	\$62,347	1 vacancy, p/t positions, Sunday hours, utilities, programming, supplies, custodian shifted from DPS to meet state MAR
Mayor	\$3,000	Supplies
Parking Clerk	\$20,463	1 p/t admin vacancy
Planning & Development	\$3,000	Supplies, equipment
Police	\$121,633	1 vacancy, reserve officers, 1 vehicle lease, fuel, supplies
Treasurer/Collector	\$1,300	Supplies
Youth Services	\$15,500	Programming
<b>Total</b>	<b>\$889,613</b>	



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# Timing and Next Steps

- Special City Council Meeting to refer Budget to Committee(s) on Thursday, Aug. 20
- Budget Workshops →
- Budget Voted on by Sept. 30, 2020

## Budget Workshops

- 1) Tuesday, Aug. 25
- 2) Wednesday, Aug. 26
- 3) Thursday, Aug. 27
- 4) Tuesday, Sept. 1
- 5) Wednesday, Sept. 2
- 6) Thursday, Sept. 3

