

FY2025 Recommended Municipal Budget Presentation

Town of Acton, Massachusetts



Town Manager's Recommended

**Fiscal Year 2025
Municipal Operating Budget
And Capital Plan**

Submitted December 18, 2023
Town Manager John S. Mangiaratti



December 18, 2023 – Town Manager John S. Mangiaratti

Fiscal Year 2024 Update

Health Insurance Changes

- HIT Assessment and 22.8% increase as of Jan. 1, 2024
 - \$1M mid-year Increase In FY24
 - Implementing cost control measures to ensure funding availability
 - Potential transfer from reserves at Town Meeting

Capital Needs

- Infrastructure maintenance and projects are more costly
- Aging infrastructure creating many high-priority projects
- Requests for additional sidewalks and improvements



FY2025 Budget Schedule

8/16/2023	Department Review of Select Board Goals and FY2025 Budget Process
11/6/2023	Presentation of Preliminary Level Services Budget Estimate and Preliminary Capital Needs
November 2023	Department Budget reviews with Town Manager
11/20/2023	Presentation of Facility Study and Preliminary Capital Plans
12/4/2023	Presentation FY2025-2034 Capital Improvement Plan
12/18/2023	Presentation of Town Manager FY2025 Recommended Budget
1/11/2024	Budget Workshop with Finance Committee and Select Board
5/6/2024	Annual Town Meeting



Select Board Goals

Short Term Goals

1. Make progress with Great Road safety and complete street improvements
2. Advance efforts to study and implement services and programs that address housing insecurity
3. Explore ways to diversify and expand on public transportation program
4. Remove the River Street Dam
5. Complete design of the Asa Parlin House and Town Hall/Library parking lot area
6. Implement a traffic calming policy
7. Disposition of 19-21 Maple Street
8. Secure funding to create an economic development plan



Select Board Goals

Short Term Goals

9. Investigate options for wastewater management in targeted economic zones
10. Bring land tree clearing limits to Town Meeting
11. Allocate resources for a Project Manager for the Department of Public Works
12. Zoning Solution to address odd-shaped lots
13. Secure funding to advance the Main Street campus planning and design
14. Secure funding for sidewalks for several neighborhoods
15. Conduct a Sewer Commission analysis as outlined in 2023 Annual Town Meeting article
16. Implement zoning changes to meet MBTA zoning standards and Acton goals



Select Board Goals

Long Term Goals

1. Construction of the Department of Public Works building
2. Decide on the lease and explore expanded use for the 30 Sudbury facility
3. Secure funding and establish programs for the 250th celebration event
4. Complete an economic development plan to be incorporated into the next comprehensive community plan
5. Advance the River Street park project
6. Continue progress on the climate action plan implementation
7. Explore ban on gas powered lawn maintenance equipment



Investing in Community Priorities

1. Infrastructure and Resiliency Initiatives to Address Impacts of Climate Change

- We are investing in bridges and culverts in accordance with the recommendations in recent studies.

2. Replacing Critical Fueling Infrastructure Needed by Town Departments and AB Regional Schools

- The fuel pumps have reached the end of useful life and need to be replaced. Relocating the current fuel pumps to a better location on the site.

3. Implementing Roadway Safety Measures

- The operating and capital budgets include funding to continue the Town's safety improvements of roadways and intersections.
- Increased traffic enforcement



Investing in Community Priorities

4. Rebuilding Staffing to Support Infrastructure Maintenance Operations and Projects

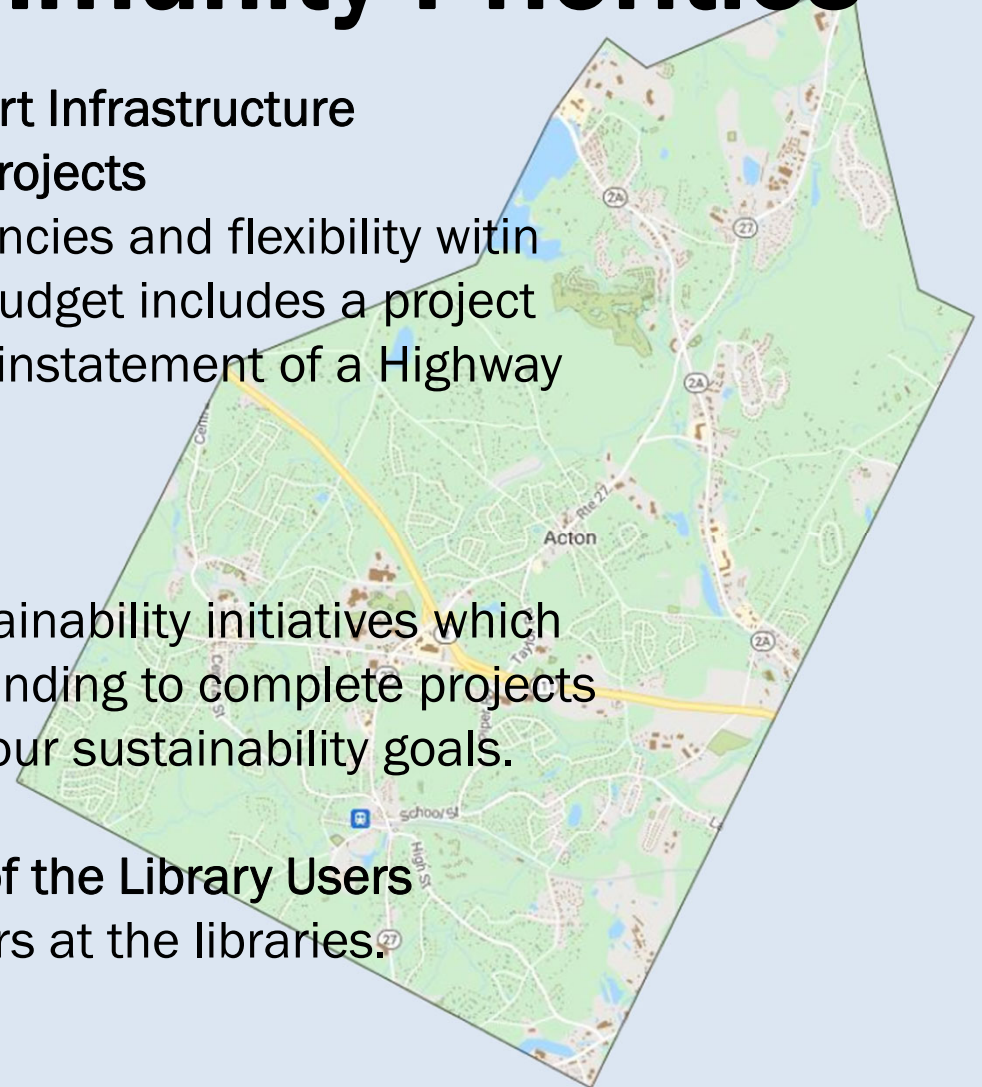
- Continuing to develop efficiencies and flexibility within Town operations, the FY25 budget includes a project manager position and the reinstatement of a Highway crew member within DPW.

5. Sustainability Initiatives

- The FY25 budget funds sustainability initiatives which leverage state and federal funding to complete projects and initiatives in support of our sustainability goals.

6. Meeting the Service Needs of the Library Users

- Preserving services and hours at the libraries.



Investing in Community Priorities

7. Enhancing Public Spaces to Improve Community Connection

- 53 River Street park
- Gardner Field Playground, NARA Park Boardwalk replacement
- New parks on Main Street, including a dog park
- Revitalization of the Asa Parlin House which will serve as a community gathering space.

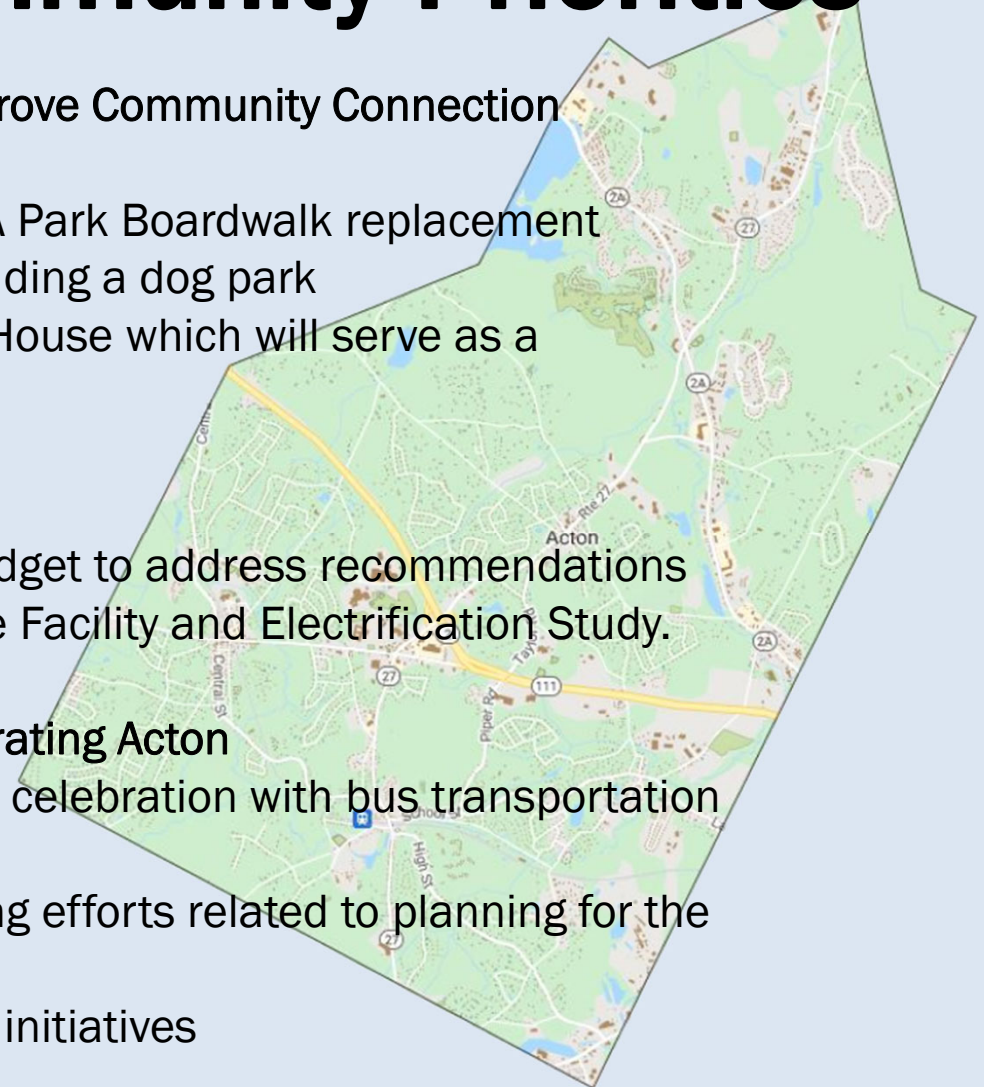
8. Improving Public Facilities

- There is funding in the FY25 budget to address recommendations from the 2023 Acton Town Wide Facility and Electrification Study.

9. Boosting Businesses and Celebrating Acton

- Fireworks event for a 4th of July celebration with bus transportation for remote parking.
- Funding to support the upcoming efforts related to planning for the 250th

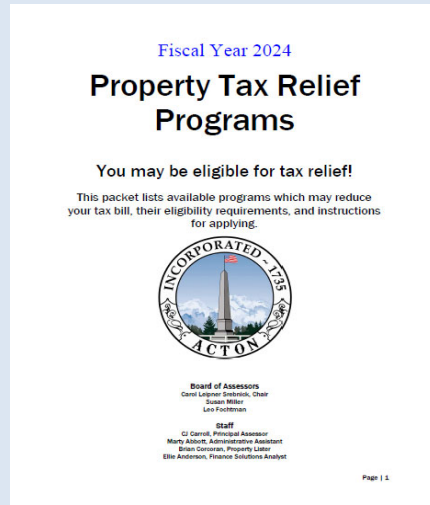
Various economic development initiatives



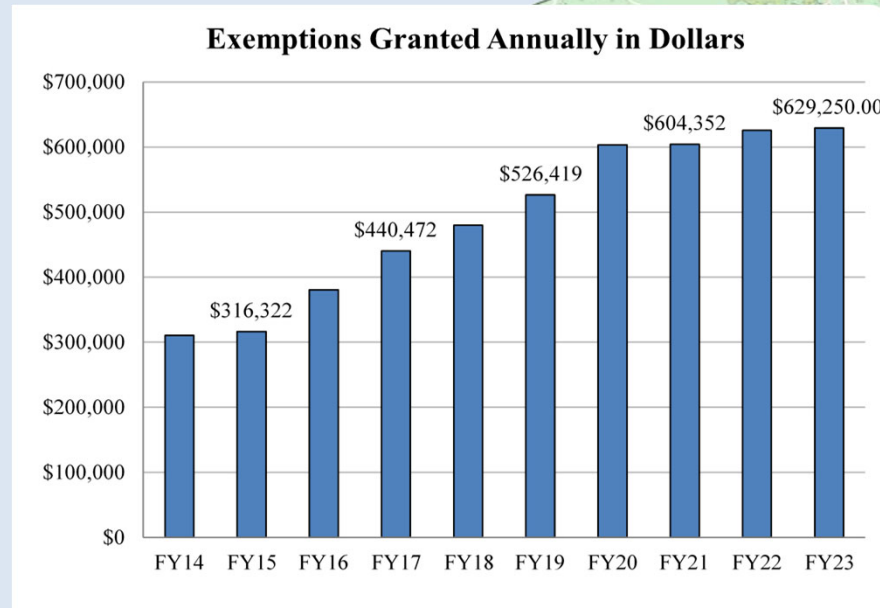
Investing in Community Priorities

10. Providing Tax Relief Programs for Residents

- Continued investment in and support of important tax relief programs.



actonma.gov/Tax-Relief



FY2025 Capital Needs

- The FY2025-FY2034 Capital Improvement Plan was presented on Monday December 4, 2023, to the Select Board and Finance Committee.
- The comprehensive 10-Year Capital Improvement Plan is available online
- There are more than \$17M in necessary investments for FY25



[View the FY2025-FY2034 Capital Improvement Plan](#)



FY2025 General Fund Debt Projects in CIP

	Project Title	FY2025 Request	Town Manager FY2025 Recommend	Est. Annual payment	Town Manager Comment
DPW-12	DPW Facility Improvements - Fueling Station Relocation	2,600,000	2,600,000	\$209,525	30 years, 7%
FD 5	Replacement 2009 Aerial Ladder Truck	2,100,000	2,100,000	\$298,993	10 years, 7%
DPW-15	Complete Streets - Hayward/Main Intersection	1,825,000	1,825,000	\$172,267	20 years, 7%
DPW-24	19-21 Maple Street Parking and Circulation Improvements	600,000			Defer to FY26
DPW-11	Electrification, HVAC, and Standby Power - Town Hall	2,000,000			Defer to FY26
DPW-15	Complete Streets- Great Rd (Davis to Harris)	800,000			Fund a portion from Free Cash
DPW-23	Bridge/Culvert Design and Construction	800,000			Fund a portion from Free Cash
DPW-16	Sidewalk Program - New Construction & Maintenance	2,300,000			Fund a portion from Free Cash
DPW-11	Town Hall/Library Parking Lot	650,000			Defer to FY26
Total GF Debt		13,675,000	6,525,000	540,499*	

*Fueling station only including Acton's share of the \$260,525 debt service



Free Cash Projects in CIP

		FY2025 Request	Town Manager FY2025 Recommendation	Town Manager Comment
DPW-15	Traffic Calming and Intersection Improvements	50,000	300,000	Increase for Great Road and Sidewalks
DPW-18	Prospect at Main Reconstruction	400,000		Defer or seek alternative funding
PD-8	Public Safety Radio System Replacement	600,000		Funded from special revenue
FD-3	Self Contained Breathing Apparatus Replacement	720,000	200,000	Also funded from special revenue
DPW-23	Bridge/Culvert Design and Construction	800,000	400,000	
DPW-15	Rail Road Crossing Improvements for Quiet Zone	185,000	180,000	
CEM	Cemetery Improvements – Driveways, Gates	407,000		Defer or seek alternative funding
DPW-21	Dam Management Program	75,000		Defer or seek alternative funding
PI 09	Master Plan Update	75,000		Defer or seek alternative funding
HHS-1	Childcare Subsidy Program	40,000		Defer or seek alternative funding
Fin 1	Cyclical Data Collection - Real Property	160,000	80,000	Phase in over 2 years
Fac new	Facility Study Priorities	100,000	50,000	Design to prepare projects
FAC 35	NARA Park Roof Replacements	600,000		Defer or seek alternative funding
Total Free Cash		4,207,000	1,210,000	



FY2025 Capital Recommendations

- In the Town Manager's Recommended Budget: total investments were reduced to a recommended \$7.7M
 - Reductions based on prioritization feedback and project scheduling considerations.
 - Remaining projects deferred and added to the 10-year plan.



FY2025 Capital Recommendations

- The FY25 Town Manager's Recommended capital investments from General Fund Borrowing are:

Proposed General Fund Borrowing Projects	
DPW Facility Improvements – Fueling Station*	\$2,600,000
Replacement of 2009 Aerial Ladder Truck	\$2,100,000
Complete Streets – Hayward/Main Intersection	\$1,825,000
Total General Fund Borrowing Projects	\$6,525,000
Estimated Debt Service Cost	\$540,499

*Fueling station only including Acton's share of the \$260,525 debt service



FY2025 Capital Recommendations

- The FY25 Town Manager's Recommended capital investments in Free Cash are:

Proposed Free Cash Projects	
Traffic calming and intersection improvements (Great Road and other sidewalks)	\$300,000
Bridge/Culvert Design and Construction	\$400,000
Self-Contained Breathing Apparatus Replacement	\$200,000
Railroad Crossing Improvements for Quiet Zone	\$180,000
Cyclical Data Collection- Real Property	\$80,000
Facility Study Priorities – Design	\$50,000
Total Free Cash Projects	1,210,000



Town Manager's Recommended Level Services Budget

	FY24 Approved Budget	FY25 Level Services Budget	\$ Change	% Change
Municipal Operations:	\$37,382,147	\$40,511,977	3,129,830	8.37%
Offsets*:		-300,000	-300,000	
Subsidies:	477,928	540,000	62,072	12.99%
Total Operations:	37,860,075	40,751,997	2,891,902	7.64%
Capital (Borrowing):	303,176	540,499	237,323	78.27%
Capital (Free Cash):	375,000	1,210,000	835,000	222.67%
Total Capital:	678,176	1,750,499	1,072,323	158.12%
Total Spending:	38,538,251	42,502,476	3,964,225	10.29%



Alternative Funding Sources in Level Services Budget

- A new offset from Other Post-Employment Benefits (OPEB) Trust to pay for a portion of the \$1.1M in retiree health insurance benefits
- \$839k in critical public safety needs funded from Avalon Acton development mitigation funds.
- Proposed cost sharing of fuel depot project with Acton Boxborough Regional School District and CASE Collaborative Transportation who also use that facility
- Using energy efficiency revenue from solar projects to offset the incremental cost of purchasing energy efficient equipment and other measures related to climate action goals
- Recommend a review of the ambulance fees to better capture the funding needs of the enterprise fund and potentially reduce the need for a general fund subsidy



Cost Reduction Measures in the Level Services Budget

- Modified FY25 Capital Improvement Plan and multi-year phased approach to reduce investment needed in Fiscal Year 2025
- Several staffing requests have been deferred and we will seek reorganizations or other funding strategies to bring these necessary positions into the organization. Staffing requests not included in the FY25 budget include:
 - Fire Prevention Officer and ambulance staffing for the Fire Department
 - Administrative Lieutenant for the Police Department
 - Assistant Recreation Director for Recreation
 - Office Manager for the Operations Department
- A process is underway to work with the Health Insurance Working Group to implement cost reduction strategies to reduce the cost of our health insurance program.



Sample of Efficiency Measures in the Level Services Budget

- Continued cost sharing through Intermunicipal Agreements:
 - with Littleton to share an Electrical Inspector.
 - with Boxborough to share a Veterans Services District.
- Departmental reorganizations to establish a Health and Human Services Department and a Health and Family Services Division without increasing personnel
- Reorganized the Finance and Human Resources Departments to improve operational oversight and support succession planning efforts
- Reorganized Information Technology/GIS and Public Facilities Departments into an Operations Department to better coordinate internal support throughout Town.
- Town Services Hotline by staffed by administrative personnel to improve our customer service without adding staffing.



Sample of Grant Funding in the Level Services Budget

- MassDOT is planning to invest \$2M in improvements to Great Road
- Grant funding to build out customer service infrastructure
- Millions in grants awarded over the last 18 months to support local needs
 - \$1.4M Dam and Seawall Grant
 - \$250k from Stanton foundation for Dog Park
 - \$135k for Body Camera Implementation
 - \$126K state funds for Stormwater Asset Management
 - \$95K MAPC MVP 2.0 Funding Award
 - \$36K EOPSS JAG Grant for Portable Radios
 - \$40K from Community Planning Early Action Grant for Consultant Services
 - \$25K from MA Downtown Initiative for Town-wide wayfinding design
 - \$90K from state for Economic Development plan



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Alternative Budget Based on a 3% Increase

Select Board direction:

1. Proposal of FY2025 Level Services Budget
2. Prepare a list of cuts that would be required for an FY25 budget limited to a 3% increase in total spending over FY24.

The 3% budget would require a reduction of \$2.8M from the level services budget.



Impacts of \$2.8M Cut from FY2025 Level Services Budget

- Our health insurance and pension increases alone are a 3.1% increase over FY24.
- A budget with only a 3% increase would result in a significant underfunding of capital needs and several reductions in municipal services.



How to Cut \$2.8M from FY2025 Level Services Budget?

Proposals to meet 3% budget target are preliminary and will be adjusted based on feedback and prioritization from the Select Board:

- Reduce Capital Investments (~ \$1.2M)
- Reduce Operating Budget (~ \$1.2M)
 - Reduce 10-15 positions (priority on vacant positions)
 - Eliminate events (July 4th, Haz. Waste Day, Flu clinics, etc.)
 - Reduce equipment replacements (police cruisers, etc.)
 - Reduce maintenance (Parks, Rail Trails, Arboretum, NARA)
 - Reduce hours at libraries (Sunday hours, etc.)
- Reduce Ambulance & Transportation Subsidies (~ \$0.4M)
 - Reductions in Fire/EMS staffing, and transportation programs



Questions?

