



## Support fiscal prudence in the town’s operating and capital budgets

- PPRTA advocates for the delivery of services in the most cost-effective manner possible, including the collaboration/regionalization with nearby towns on certain functional areas.

PPRTA promotes full disclosure of the town’s financial plans and execution of those plans:

- [FY2022 Budget Book](#)
- [OpenGov Financial Transparency Tool](#)
- [Audited Financial Statements](#)
- [Debt Reports](#)
- Town owned properties (TBA)
- [Personnel costs/headcount](#)

Monitor/report on town operating budgets

- **FY22 Operating budget:** The Select Board recommended approval of the town’s draft FY22 Operating budget at their April 12 meeting. FY22 begins on July 1. FinCom recommended approval and attendees at the May 1, 2021, Town Meeting approved the budget. The **\$30.7 million budget** is \$2.3 million or 8.2% higher than FY21 budget. Key increase areas:
  - Education: up \$795k or 18.4% and represents 34% of that total budget increase versus prior year budget.
  - Finance: up \$779k or 6.9%
    - health/OPEB/pensions rose \$563k or 7.4% (with \$400k of this linked to higher health insurance expense).
    - Debt service rose \$143k or 6.8% due to HH and other items
  - Public Safety: up \$626k or 9.2%
    - Police up \$237k or 8.0% as staffing returns to normal vs covid-19 staffing in FY21
    - Parking up \$159k or 52.0% as staffing returns to normal vs covid-19 staffing in FY21

Departments	FY 22 Budget	FY21 Budget	vs FY21 Budget	vs FY 21 %
Div 1: General	\$916,847	\$959,767	(\$42,920)	-4.5%
Div 2: Finance	12,271,738	11,482,864	778,874	6.9%
Div 3: Public Safety	7,443,505	6,817,281	626,224	9.2%
Div 4: Public Works	3,928,562	3,793,968	134,594	3.5%
Div 5: Public Service	1,035,033	1,007,317	27,716	2.8%
Div 6: Education	5,126,441	4,331,244	795,197	18.4%
<b>Total</b>	<b>\$30,722,126</b>	<b>\$28,392,441</b>	<b>\$2,329,685</b>	<b>8.2%</b>

- **Possible long term budget strategies to consider:**
  - regionalize amongst 2-3 outer cape towns, sharing back-office expense,
  - address benefits/OPEB/retirement costs via a cape-wide strategy as expense is straining all 15 cape towns and the county itself,
  - create an enterprise fund for trash (recycling expense is a major item),
  - tweak budget documents so all materials are in a standardized format (particularly a problem for the Education department), allocate overhead costs to departments to show the true cost of operation and include year-end forecasts for all accounts,
  - improve transparency of the Education budget by comparing per-pupil costs to similar sized towns, consider options for childcare (e.g., sliding scale payments from parents, vouchers, etc.) and consider consolidation with Truro of various grades, eliminating duplicate overhead positions in the process.
- FY22 Operating budget for Enterprise Funds: Expected 11.0% Water Enterprise increase linked to higher expected usage after a lower covid-19 usage rate in the prior year.

Departments	FY 22 Budget	FY21 Budget	vs FY21 Budget	vs FY 21 %
Water Enterprise	\$2,662,704	\$2,397,405	\$265,299	11.0%
Wastewater Enterprise	4,263,227	4,120,570	142,657	3.5%

- FY22 Capital budget: higher than FY21 as items were deferred due to the Covid-19 budget crisis last year and Court Street project is a significant one-time project within Public Works.

Departments	FY22 Budget
Airport	\$55,000
Comm Development	30,000
Council on Aging	0
Fire/EMS	200,000
Marine	50,000
Pier	530,000
Parking	30,000
Police	99,459
Public Works	6,005,000
Recreation	0
Water	710,000
<b>Total</b>	<b>\$7,709,459</b>

- Not discussed or included in the 5-year capital budget documents:
  - completing the sewer system
  - bringing gigabit internet access to all homes and businesses
  - Fire/EMS facility
  - Harbor Hill's capital needs (allegedly in the millions)
  - additional housing projects (e.g., VFW and current Police Station sites)

- Stellwagen National Marine Sanctuary Visitor Center (there are strong hints/suggestions that town funds might be needed to build/operate such a facility)
- Removal/replacement of asbestos/cement pipes is only marginally funded yet they exist in a good portion of the town and DPW says they are deteriorating. This could be a sleeper issue that creates a funding challenge down the road.
- **Possible long term capital budget strategies:**
  - Asset rationalization: the town apparently owns more than 40 properties. Consideration should be given to selling some with proceeds used to fund capital projects.
  - Explore opportunities to share capital equipment/facilities with Truro.
  - Climate change: identify and fund priorities (e.g., sewer expansion) and flag each capital item that prepares/defends the town for/from climate change challenges.
  - Sewer expansion:
    - Pursue additional funding from the Cape Cod and Islands Water Protection Fund. Its source of revenue is a 2.75% excise tax on traditional lodging and short-term rentals.
    - A large part of the sewer infrastructure could be self-funded via “betterments”