

# TOWN OF EASTHAM, MASSACHUSETTS

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FISCAL YEAR 2022 YEAR-  
END FINANCIAL REVIEW

# FY 2022 BUDGET PLAN

	GENERAL FUND			
	Operating Budget	Capital Budget	Other Items	Total Budget
<b>APPROPRIATIONS</b>				
Departmental Budgets	\$ 32,807,105	\$ -		\$ 32,807,105
Funding of Reserve accounts			1,050,000	1,050,000
Housing funding				
Capital Plan/Town projects		1,809,686	250,000	2,059,686
Subtotal Local Appropriations	32,807,105	1,809,686	1,300,000	35,916,791
State & County Assessments	688,509			688,509
Total Appropriations	33,495,614	1,809,686	1,300,000	36,605,300
<b>FUNDING</b>				
Property Taxes	28,697,089	477,500		29,174,589
Less: Provision for Abatements/Exemptions	(238,504)			(238,504)
Local Receipts	3,721,558			3,721,558
State Aid	625,071			625,071
Other Available Funds	690,400	468,186		1,158,586
Free Cash		864,000	1,300,000	2,164,000
Total Funding	33,495,614	1,809,686	1,300,000	36,605,300
Budget Variance	\$ -	\$ -	\$ -	\$ -

# Fiscal Year 2022 END OF YEAR RESULTS

(Subject to Final Close & Audit)

	2020 Amount	2020 % Budget	2021 Amount	2021 % Budget	2022 Amount	2022 % Budget	Minimum Target %	Min. Target Amount
GF Undesignated Fund Bal.	3,961,581	12.89%	4,354,784	13.87%	4,504,812	13.45%	16.67%	5,583,719
Stabilization Fund	<u>689,416</u>	<u>2.24%</u>	<u>1,470,726</u>	<u>4.68%</u>	<u>2,221,690</u>	<u>6.63%</u>		
	4,650,997	15.13%	5,825,510	18.55%	6,726,502	20.08%		
Free Cash Certification	2,837,320	9.23%	3,995,769	12.73%	<b>3,800,000</b>	11.35%	5.00%	1,674,781
Free Cash generated	1,857,048	6.04%	3,322,449	10.58%	<b>3,139,855</b>	9.38%		

Operating Budget Amt.	30,739,302		31,393,943		33,495,614	
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**Estimated**

# FY 2022 Free Cash History

Estimated

Year	Amount Generated	% of Budget	Amount Certified	% of Budget
2022	3,139,855	9.38%	3,800,000	11.35%
2021	3,322,449	10.58%	3,995,765	12.73%
2020	1,857,048	6.04%	2,837,320	9.23%
2019	1,518,723	5.35%	1,798,078	5.84%
2018	987,810	3.65%	1,319,660	4.29%
2017	1,211,530	4.72%	1,519,715	5.10%
2016	1,043,930	4.36%	1,185,138	4.21%
2015	937,331	4.11%	1,206,746	4.70%
2014	948,333	4.19%	1,148,613	4.69%
2013	728,711	3.28%	1,292,603	5.31%
2012	1,122,286	5.46%	1,744,166	7.83%
2011	657,042	3.30%	1,205,248	5.60%
2010	712,299	3.69%	1,198,493	5.68%

# FY 2022 (& Recent) Free Cash Generation

Estimated

Element of Change	2018	2019	2020	2021	2022 Estimate
*Excess (shortfall) to budget:					
Local receipts	91,069	335,537	643,723	2,211,023	2,432,600
State receipts	4,212	(2,885)	4,776	(1,979)	37,597
Appropriations	1,069,318	866,990	1,167,985	908,210	1,030,135
Property Tax Receivable	(138,877)	88,191	(125,688)	182,667	(250,581)
*Free Cash Adjustments	<u>(37,912)</u>	<u>230,890</u>	<u>166,252</u>	<u>22,524</u>	<u>(109,896)</u>
Subtotal – Amt. generated this FY	987,810	1,518,723	1,857,048	3,322,445	<b>3,139,855</b>
*Prior Free Cash unused	<u>331,850</u>	<u>279,355</u>	<u>980,272</u>	<u>673,320</u>	<u>660,145</u>
Total Free Cash Certified	1,319,660	1,798,078	2,837,320	3,995,765	<b>3,800,000</b>

# FY 2022 Receipts (Property Taxes & State Aid)

Category	Budget	Actual	Excess (Deficiency)
Personal Prop. Taxes	274,106	255,225	
Real Estate Taxes	28,900,484	28,441,922	
Prior Levy Year collections, less Deferred Prop. Tax, and change in Tax Receivable		92,571	
Allowance for A&E	(238,504)	(79,882)	
Tax Leins	<u>-</u>	<u>214,173</u>	
Total Property Taxes	<u>29,174,590</u>	<u>28,924,009</u>	<u>(250,581)</u>
State Aid	<u>625,071</u>	<u>662,668</u>	<u>37,597</u>

# FY 2022 Local Receipts

(Subject to Final Close & Audit)

Category	Budget	Actual	Excess (Deficiency)	% of Line	% of Total
Hotel/Motel Excise	140,000	399,152	259,152	185%	10.65%
Short-Term Rental	48,800	1,101,617	1,052,817	2157%	43.28%
Motor Vehicle Excise	810,000	978,663	168,663	20.82	6.93%
Meals Excise	100,000	142,430	42,430	42.43%	1.74%
Solid Waste Fees	780,000	981,589	201,589	25.85%	8.29%
Penalties/Int. on taxes	96,000	136,077	40,077	41.75	1.65%
Cannabis Host Fee		275,981	275,981		11.35%
Cannabis Excise		223,598	223,598		9.19%
Fees	470,000	471,013	1,013	.22%	.05%
Licenses, permits, fees	520,000	637,418	117,418	22.58%	4.83%
Beach Stickers/Fees	475,000	616,661	141,661	29.82%	5.82%
Fines & Forfeitures	25,000	36,376	11,376	45.50%	.47%
Investment income	20,000	6,598	(13,402)	(67%)	(.55%)
All other local receipts	<u>236,758</u>	<u>146,985</u>	<u>(89,773)</u>	<u>(37.92)%</u>	<u>(3.69)%</u>
<b>Total Local Receipts</b>	<b>3,721,558</b>	<b>6,154,158</b>	<b>2,432,600</b>	<b>65.37%</b>	<b>100.00%</b>
Local Receipts – Excluding STR	3,672,758	5,052,541	1,379,783	37.56%	
Local Receipts – Excluding STR, Cannabis	3,672,758	4,552,962	880,204	23.96%	
Local Receipts – Excluding STR, Cannabis & Solid Waste	2,892,758	3,571,373	678,615	23.46%	

# FY 2022 Appropriations

% of Total 3.09%

Excluding debt % of Total 3.57%

% savings excluding debt and school's  
budget (9,816,965) 5.36%

Category	Budget	Actual	Excess (Deficiency)	% of Line	% of Total
Police Salaries	1,871,835	1,820,239	51,596	2.76%	5.01%
Debt Service	4,978,764	4,716,247	262,517/ 18,775	5.27% / .38%	1.82%
Employee Health Ins.	2,608,345	2,327,886	280,459	10.75%	27.23%
DPW Expense	166,200	119,176	47,024	28.29%	4.56%
County Assessment	1,966,226	1,916,102	50,124	2.55%	4.86%
General Insurance	460,932	414,528	46,404	10.06%	4.51%
IT Salaries	235,641	189,243	46,398	19.69	4.50%
Admin/Finance Salary	799,530	767,488	32,042	4.01%	3.11%
Transfer Station Expense	545,470	506,992	38,478	7.05%	3.74%
Energy/Fuel	370,782	336,642	34,140	9.21%	3.31%
All other appropriations	<u>19,290,818</u>	<u>18,906,123</u>	<u>384,695</u>	<u>1.99%</u>	<u>37.34%</u>
Total Appropriations	33,294,543	32,020,666	1,273,877 / 1,030,135	3.09%	100%

# FY 2022 Appropriations (Salaries vs. Expense) Town Only, excluding Schools

Category	Budget	Actual	Excess (Deficiency)	% of Line	% of Total
DPW Salaries	633,472	603,451	30,021	4.74%	3.01%
Police Salaries	1,871,835	1,820,239	51,596	2.76%	5.17%
Admin/Finance Salaries	799,530	767,488	32,042	4.01%	3.21%
IT Salaries	235,641	189,243	46,398	19.69%	19.69%
All Other Salaries	<u>6,105,806</u>	<u>5,950,314</u>	<u>155,492</u>	<u>2.55%</u>	<u>15.57%</u>
<b>Total Salaries</b>	<b>9,646,284</b>	<b>9,330,735</b>	<b>315,549</b>	3.27%	31.60%
Health Insurance	2,608,345	2,327,886	280,459	10.75%	28.08%
Debt Service	4,978,764	4,716,247	262,517/ 18,775	5.27% / .38%	1.88%
County Assessment	1,966,226	1,916,102	50,124	2.55%	5.02%
DPW Expense	166,200	119,176	47,024	28.29%	4.71%
General Insurance	460,932	414,528	46,404	10.06%	4.70%
Energy/Fuel	370,782	336,642	34,140	9.21%	3.30%
All other expenses	<u>3,280,045</u>	<u>3,055,097</u>	<u>224,948</u>		<u>22.53%</u>
<b>Total Expenses</b>	<b><u>13,831,294</u></b>	<b><u>12,885,678</u></b>	<b><u>945,616 / 683,099</u></b>	<u>6.86%</u>	<u>68.40%</u>
<b>GRAND TOTAL</b>	<b>23,477,578</b>	<b>22,216,413</b>	<b>1,261,165 / 998,648</b>	4.25%	100%

# OUTSTANDING DEBT

	6/30/18	6/30/19	6/30/20	6/30/21	6/30/22
Buildings	6,860,000	7,269,887	6,620,000	5,975,000	5,330,000
Equipment					
Sewer	111,000	1,220,600	1,095,200	2,036,500	1,665,000
Water	42,159,274	46,382,246	68,965,434	77,665,076	74,527,440
Other	<u>750,000</u>	<u>1,508,113</u>	<u>1,265,000</u>	<u>2,418,500</u>	<u>2,195,000</u>
Total Long-Term	49,880,274	56,380,846	77,945,634	88,095,076	83,717,440
Short-Term Notes	<u>14,264,870</u>	<u>190,000</u>	<u>2,740,000</u>	<u>2,699,000</u>	<u>5,771,000</u>
Total Outstanding Debt	<u>64,145,144</u>	<u>56,570,846</u>	<u>80,685,634</u>	<u>90,794,076</u>	<u>89,488,440</u>
Authorized & Unissued	<u>76,241,148</u>	<u>70,447,018</u>	<u>46,218,980</u>	<u>31,454,636</u>	<u>31,397,000</u>
Annual Debt Service	3,486,325 / 11.09%	3,626,535 / 10.94%	4,201,216 / 12.09%	4,592,065 / 13.77%	4,873,299 / 14.55%

# PENSION OBLIGATION Through Participation in Barnstable County Retirement Assoc. (BCRA)

Teachers are covered under the Massachusetts Teachers Retirement System which is funded by the Commonwealth

	1/1/2016	1/1/2018	1/1/2020	1/1/2022
BCRA Covered Payroll	<u>\$ 271,510,348</u>	<u>\$ 283,145,854</u>	<u>\$ 293,746,441</u>	<u>\$ 307,779,848</u>
BCRA Obligations	\$1,783,937,286	\$1,865,385,410	\$1,994,947,882	2,205,861,358
BCRA Assets	<u>1,103,493.815</u>	<u>1,075,010,769</u>	<u>1,243,664,647</u>	<u>1,656,015,916</u>
BCRA Net Pension Liability	<u>\$ 680,443,471</u>	<u>\$ 790,374,641</u>	<u>\$ 751,283,235</u>	<u>\$ 549,845,442</u>
Funded %	61.86%	57.63%	62.34%	75.07%
Eastham Participation %	2.539%	2.481596%	2.628842%	2.70%
Eastham Net Pension Liability	\$ 16,956,243	\$ 19,613,903	\$ 19,750,050	\$ 14,845,827
Assessment - Total / "Catch-up"	1,475,637 / 1,014,057	1,588,826 / 1,091,841	1,769,231 / 1,215,815	2,135,273 / 1,459,098
Assumed IR/ Actual IR	7.375% / 17.06%	7.375% / (2.37%)	7.15% / 16.04%	6.90% / 19.71%
Long-term wage inflation	3.25%	3.25%	3.25%	3.25%

# OTHER POST-EMPLOYMENT BENEFITS LIABILITY (OPEB)

	6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022
OPEB Liability	29,877,447	31,114,184	39,538,702	37,275,441	31,250,002
OPEB Assets (PCOT)	<u>147,158</u>	<u>209,709</u>	<u>316,913</u>	<u>611,108</u>	<u>576,288</u>
Net OPEB Liability	29,730,289	30,904,475	39,221,789	36,664,333	30,673,714
	.49%	.67%	.80%		
Actuarially Required Contribution	1,537,886	1,724,502	1,780,548	1,570,813	1,622,596
Actual Contributions	<u>889,818</u>	<u>1,115,218</u>	<u>996,441</u>	<u>1,207,969</u>	<u>1,102,867</u>
Contribution shortfall	648,068	609,284	784,107	362,844	519,729
Assumed IRR, Discount Rate & Wage Inflation	7.0% / 3.87% / 3.25%	7.0% / 3.50% / 3.25 %	7.0% / 2.21% / 3.25%	7.0% / 2.16% / 3.25%	7.0% / 3.54% / 3.25%
<b><u>Actual Investment Performance</u></b>	<b><u>1-Year</u></b>	<b><u>3-Years</u></b>	<b><u>5-Years</u></b>	<b><u>10-Years</u></b>	
FY 2022 Rate of Return	-12.96%	5.09%	6.47%	-	
FY 2021 Rate of Return	30.09%	12.07%	12.99%	-	
FY 2020 Rate of Return	2.51%	6.51%			

# STANDARD & POOR'S RATING CRITERIA

NOTES:

Criteria	% of Score	Controllable?	Score
Institutional Framework	10%	Uncontrollable	Strong
Economy	30%	Uncontrollable	Very Strong
Management	20%	Controllable	Strong
Budget Flexibility	10%	Controllable	Very Strong
Liquidity	10%	Controllable	Very Strong
Budgetary Performance	10%	Controllable	Adequate
Debt & Contingent Liabilities	10%	Controllable	Very Weak

# CAPE-WIDE FUND BALANCE & RESERVES COMPARISON (FY 2021 Data)

Community	General Fd. Budget	7/1/21 Free Cash	FC %	6/30/21 UFB GF.	6/30/21 Stabi. Fd.	Combined Total	Combined %	S&P Rating
Bourne	78,827,786	8,739,080	11.09%	10,095,802	8,504,805	18,600,607	23.60%	AA+
Falmouth	174,217,684	16,437,698	9.44%	18,473,518	16,460,321	34,933,839	20.01%	AAA
Mashpee	73,372,582	13,164,744	17.94%	13,839,649	10,273,647	24,113,296	32.86%	AAA
Sandwich	91,946,254	3,350,218	3.64%	3,807,017	1,891,882	5,698,899	6.20%	AA+
Barnstable	189,730,442	24,427,135	12.87%	28,278,730	18,322,396	46,601,126	24.56%	AAA
Yarmouth	99,621,696	9,612,939	9.65%	10,801,989	5,743,879	16,545,868	16.61%	AA+
Dennis	68,810,743	7,687,751	11.17%	8,487,657	9,393,428	17,881,085	25.99%	AAA
Harwich	77,241,303	6,302,898	8.16%	7,475,517	4,321,597	11,797,114	15.27%	AAA
Brewster	54,224,855	4,501,333	8.30%	5,428,898	3,490,980	8,919,878	16.45%	AAA
Chatham	53,475,839	8,661,710	16.20%	9,447,554	2,118,882	11,566,436	21.63%	AAA
Orleans	43,392,514	2,994,113	6.90%	3,548,258	6,237,339	9,785,597	22.55%	AAA
Eastham	36,852,530	3,995,769	10.84%	4,459,124	1,470,726	5,929,850	16.09%	AA+
Wellfleet	26,116,657	*1,000,000		*1,000,000	1,043,732	2,043,732	7.83%	AAA
Truro	23,977,696	4,154,573	17.33%	4,554,928	1,551,056	6,105,984	25.47%	AA+
Provincetown	34,930,515	4,259,332	12.19%	4,542,645	3,160,730	7,703,375	22.05%	AA+

# CAPE-WIDE PROPERTY TAX & LEVY COMPARISON (FY 2022 Data)

Community	Levy Ceiling	Tax Levy	Levy % of Ceiling	Excess Levy Capacity	Excess Levy %	New Growth	New Growth %	Overlay Reserve	Overlay %
Bourne	139,901,141	56,464,100	40.36%	38,555	.07%	659,406	1.17%	50,000	.09%
Falmouth	359,348,621	115,710,256	32.20	1,334,748	1.15%	1,664,391	1.44%	281,273	.24%
Mashpee	165,044,406	53,012,263	32.12	2,606,958	4.92%	816,928	1.54%	475,406	.90%
Sandwich	132,149,357	69,563,422	52.64	4,258,650	6.12%	650,773	.94%	538,206	.77%
Barnstable	434,112,432	136,243,968	31.38	109,446	.08%	1,089,115	.80%	1,140,553	.84%
Yarmouth	188,688,594	69,286,452	36.72	59,328	.07%	405,335	.59%	652,563	.94%
Dennis	214,651,106	48,081,848	22.40	1,227,287	2.55%	376,781	.78%	433,969	.90%
Harwich	168,412,769	54,633,102	32.44	44,304	.08%	472,395	.87%	454,663	.83%
Brewster	120,993,874	37,992,076	31.40	19,622	.05%	481,379	1.27%	385,089	1.01%
Chatham	205,875,098	38,045,718	18.48	2,670,171	7.02%	447,454	1.18%	334,282	.88%
Orleans	117,057,626	33,712,596	28.80	183,374	.54%	326,166	.97%	187,948	.56%
Eastham	85,007,544	29,174,589	34.32	27,065	.08%	139,274	.48%	238,504	.82%
Wellfleet	69,881,684	20,782,263	29.74	24,814	.12%	161,618	.78%	26,563	.13%
Truro	61,811,104	18,231,305	29.50	107,574	.59%	145,011	.80%	108,450	.59%
Provincetown	95,844,353	24,410,222	25.47	421,164	1.73%	247,307	1.01%	286,145	1.17%

# CAPE-WIDE PROPERTY TAX BURDEN COMPARISON (FY 2022 Data)

Community	Total SF Value	# of Parcels	Average SF Value	DOR 2022 Income Per Capita (2018)	Average SF Tax Bill	Tax as % of Value	Tax as % of Income	Rank (Highest to Lowest - out of 351)
Bourne	4,103,840,280	7,820	524,788	39,386	5,295	1.01%	13.44%	199
Falmouth	11,688,834,400	18,521	631,112	47,421	5,080	.81%	10.71%	216
Mashpee	4,571,724,600	7,127	641,465	42,586	5,151	.80%	12.10%	210
Sandwich	4,254,860,100	8,553	497,470	44,941	6,547	1.32%	14.57%	127
Barnstable	11,808,462,000	21,068	560,493	42,926	4,843	.86%	11.28%	237
Yarmouth	5,838,417,170	12,884	453,153	35,635	4,160	.92%	11.67%	287
Dennis	6,783,722,160	11,718	578,915	38,727	3,242	.56%	8.37%	336
Harwich	5,481,957,000	8,612	636,549	41,451	5,162	.81%	12.45%	208
Brewster	3,650,943,540	5,629	648,595	39,211	5,091	.78%	12.98%	215
Chatham	6,584,677,500	5,891	1,117,752	79,459	5,164	.46%	6.50%	207
Orleans	3,565,764,500	3,830	931,009	56,545	6,703	.72%	11.85%	120
Eastham	2,957,949,600	5,158	573,468	38,633	4,920	.86%	12.74%	229
Wellfleet	2,154,234,367	3,110	692,680	49,928	5,389	.78%	10.79%	194
Truro	1,758,097,274	2,123	828,119	49,681	6,401	.77%	12.88%	137
Provincetown	1,052,543,205	867	1,214,006	61,308	8,085	.67%	13.19%	70
State Average			525,484	46,766	6719	1.28%	14.37%	

# CAPE-WIDE DEBT & DEBT SERVICE COMPARISON

Community	2021 EQV	2021 O/S LT Debt All Funds	Debt % EQV	2021 GF Debt Service	GF Debt Service % GF Budget	2021 Debt Per Capita	2021 EQV Per Capita
Bourne *	5,178,654,100	57,187,868	1.10%	7,324,070	9.29%	2,894	262,051
Falmouth	13,186,717,700	146,490,324	1.11%	15,656,286	8.99%	4,727	425,474
Mashpee *	5,990,551,100	16,007,803	.27%	2,606,096	3.55%	1,125	421,010
Sandwich *	4,979,931,300	17,666,050	3.68%	3,844,439	4.18%	876	246,910
Barnstable *	16,031,008,100	97,790,709	.61%	6,494,851	3.42%	2,199	360,434
Yarmouth	6,880,187,700	4,480,000	.08%	837,221	.84%	193	296,521
Dennis *	7,955,584,100	23,025,000	.29%	3,240,050	4.71%	1,660	573,541
Harwich	6,396,397,000	30,957,366	.48%	5,871,698	7.60%	2,550	526,799
Brewster	4,380,442,300	23,280,200	.53%	1,844,935	3.40%	2,382	448,127
Chatham	7,904,158,600	90,307,734	1.14%	6,490,198	12.14%	15,097	1,321,324
Orleans	4,515,570,600	42,560,000	.94%	7,040,694	16.23%	7,353	780,161
Eastham	3,250,149,400	81,375,633	2.50%	4,592,065	12.46%	16,587	662,485
Wellfleet	2,661,294,900	Data pending	-	1,599,780	6.13%	-	976,981
Truro	2,485,412,200	1,535,202	.07%	592,193	2.47%	763	1,237,755
Provincetown	3,620,873,900	46,370,750	1.28%	2,097,825	6.01%	15,661	1,222,855

Excludes overlapping debt included in School, water, fire and other special purpose districts. Debt service requirements are listed for General Fund debt only, excludes enterprise type and other funds.