

FY 2022 Joint Budget Review

FinCom Perspectives
February 13, 2021

Context for Maynard's Budget

- Maynard is a micro-urban community.
 - Infrastructures and service demands of a larger urban community.
 - Resource constraints greater than a larger urban community.
 - State Aid is less than what larger urban communities receive.
- Many long-term decisions/issues from past:
 - Little or no opportunity for regionalization
 - Charter school tuition: Direct reduction of State Aid
- Various Town stakeholders have worked to ensure healthy communications across the Maynard community about budget status and priorities.
- The greatest challenge to Town's budget development is uncertainty of short-term and long-term impacts of COVID.



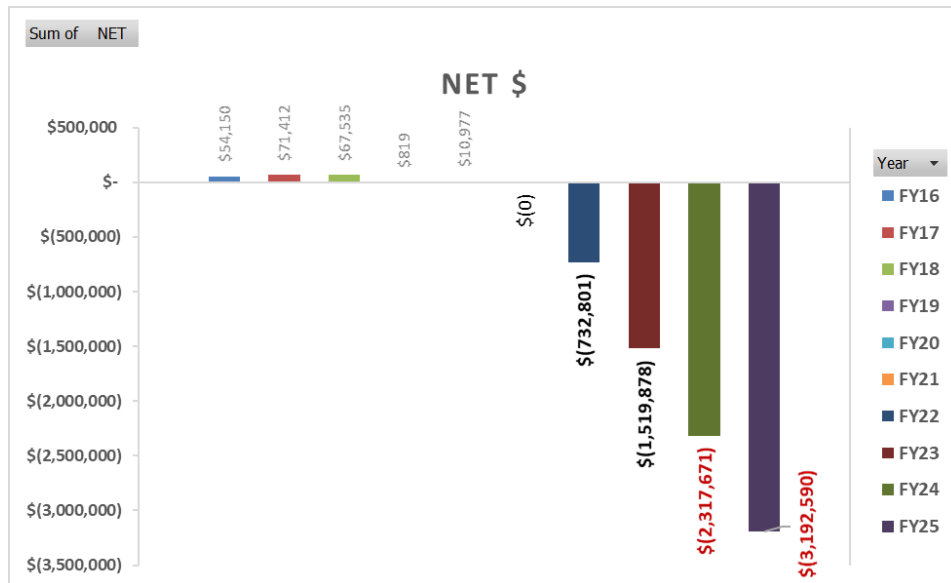
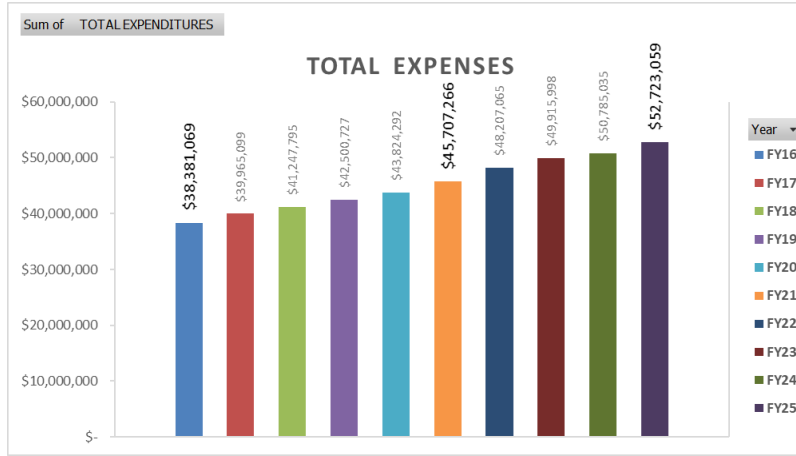
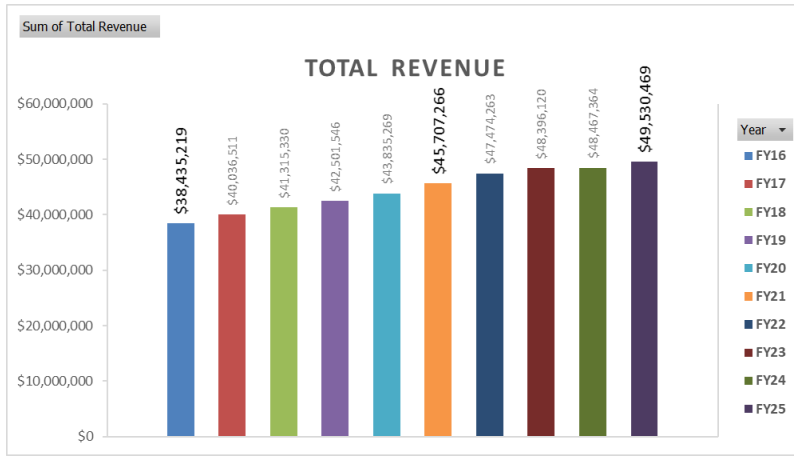
FY22 Budget and Needs Highlights

- Projected balanced FY22 budget cannot account for continued impacts of COVID-19.
 - Includes conservative changes in revenue projections and department budgets relative to prior years.
 - Budget shortfalls may need to be addressed in a future Special Town Meeting.
- FinCom urges continued forward-thinking, reality-based multi-year planning.
 - Economic uncertainty due to COVID-19 makes this difficult.
 - Conservative financial practices regarding stabilization fund withdrawals as COVID pandemic may continue to impact economy for years to come.
- Critical need to focus on generating more revenue sources to meet future town needs. We cannot sustain continued cost reductions; we need to grow revenue to offset costs.
- Capital projects, education, and enterprise fund needs are underfunded.
 - GMES school renovation or replacement (to be funded by debt exclusion some years from now).
 - Water capacity and infrastructure improvements needed to help generate and sustain town development will likely result in increased water/sewer bill costs.



Scenario *D2* - Same assumptions as *D1*

But WITHOUT an operating Override of \$2M in FY 2022 yields:



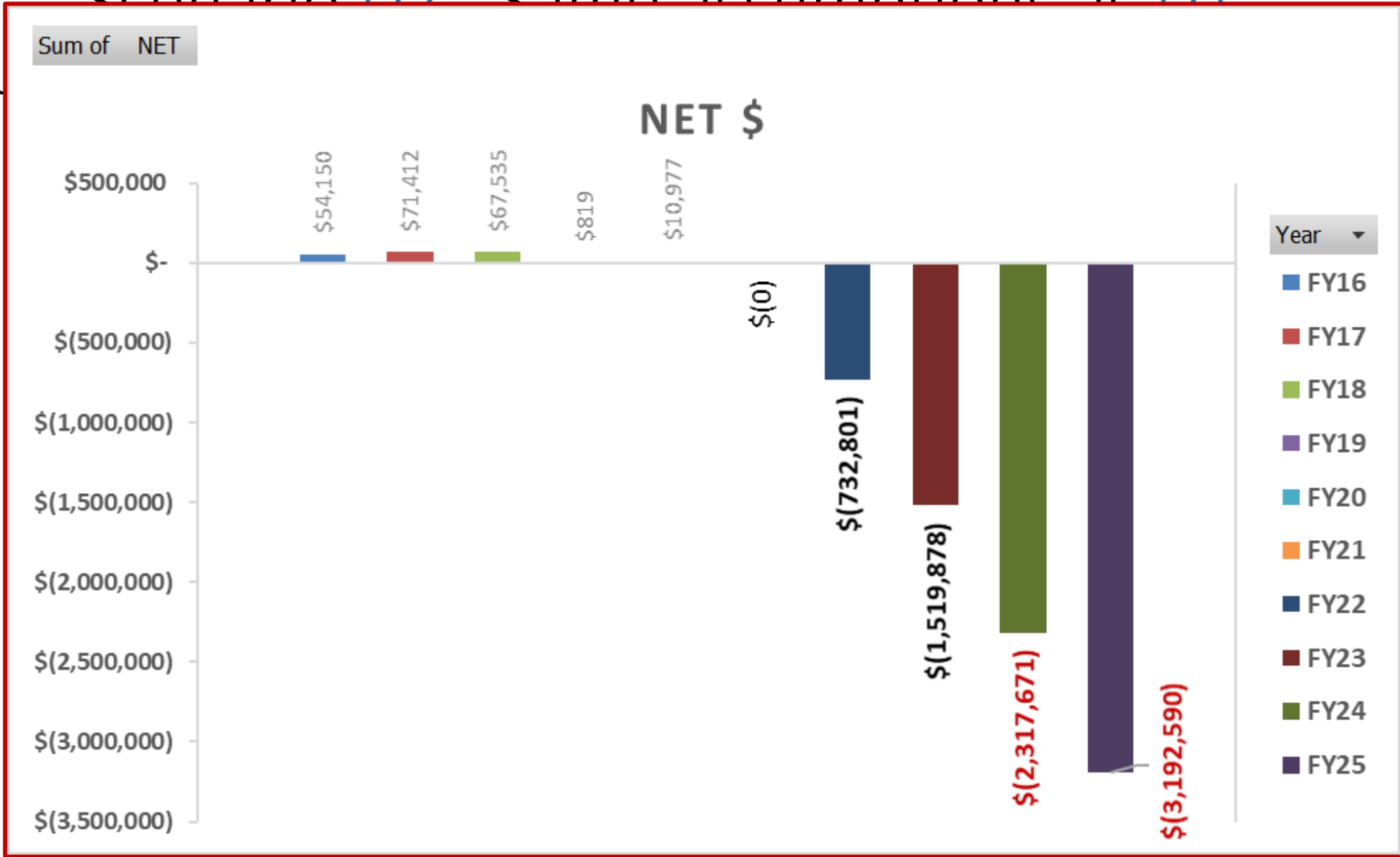
Difficult challenge to solve in next few years:

- Gauge tax impacts for added debt exclusions (Fire Station, GMS roof, and New GMS study).
- Not enough confidence in new growth (above “baked-in” \$300k already assumed) to generate new revenue for this.
- Reminder: These deficits assume modest expense growth.

Scenario *D2* Same assumptions as *D1*

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Path Forward

- Short-Term Revenue Opportunities
 - Maynard Crossing Development and other current projects
 - Recreational marijuana shops opening
 - Credits from solar-panel installations
 - FY22 COVID aid/relief bills
- Long-Term Revenue Opportunities: Make development a priority.
 - Powder Mill Corridor development
 - Projects like the Beijing Royal School may help offset infrastructure needs such as water/sewer improvements to support building
 - Mill and Main: “Fill the Mill”
- Planned staging of capital projects

