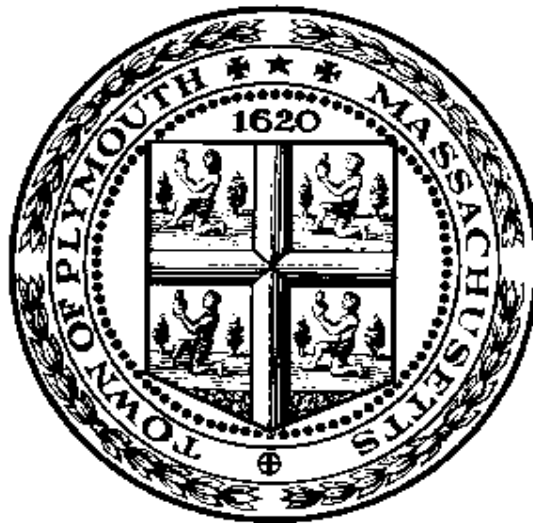


TOWN OF PLYMOUTH

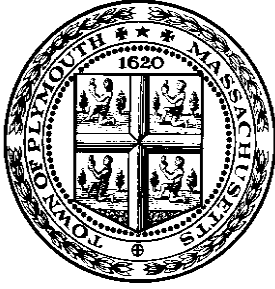
SUPPLEMENT I

TO THE REPORT & RECOMMENDATIONS OF THE ADVISORY AND FINANCE COMMITTEE



Presented at the
October 16, 2021

FALL VIRTUAL TOWN MEETING



TOWN OF PLYMOUTH

FINANCE DEPARTMENT

26 COURT STREET, PLYMOUTH, MA 02360

PHONE (508) 747-1620 EXTENSION 10177

TO: SELECT BOARD
ADVISORY & FINANCE
TOWN MEETING MEMBERS

FROM: LYNNE A. BARRETT
DIRECTOR OF FINANCE
MELISSA ARRIGHI
TOWN MANAGER

SUBJECT: NUCLEAR MITIGATION FUND – FUNDING SOURCE FOR ARTICLE 2A

DATE: SEPTEMBER 29, 2021

In early summer, the Town Assessor's Office sent out a request for information to Holtec that would provide us with information to help properly determine fair cash value of the property. This is allowed for commercial properties under MGL Chapter 59, section 38D.

Due to the specificity and uniqueness of this particular commercial property, some of the Town's request for financial information ((e.g. costs of the fuel canister system, construction costs for the new ISFSI, etc.), was considered highly confidential by Holtec and required the Town to sign a non-disclosure agreement in order to obtain the information.

Upon conferring with Town Counsel, the Town Manager executed such an agreement under the provisions of G.L. c. 59, sec. 52B, which limit the disclosure of information obtained pursuant to G.L. c. 59, sec. 38D, and governs the confidentiality of this information

The DOR guidance document found at <https://www.mass.gov/doc/88-211pdf/download> at p.2 specifies in part as follows:

In addition to other assessment records that may be specifically exempted (for example, abatement applications under G.L.- Ch. 59, §60), the following is no longer public information:

- a. written returns provided under Ch. 59, §38D, which authorizes the assessors to request from the owner or lessee of real property information reasonably required to determine the fair cash valuation of the property.

We received those records recently and have been reviewing them to help determine the current value of the decommissioned Pilgrim Nuclear Power Plant. After examining them closely, including a review of the activity and changes that have happened at that site over the past year, and discussion with our appraiser on this recent confidential data provided, it has been determined that the value of the Plant is falling quicker than anticipated. For that reason, we are recommending a supplemental request of \$2M from the Nuclear Mitigation Stabilization Fund (NMSF) for the General Fund Operating Budget.

As you may recall, the NMSF was established many years ago with the express intent of softening the impact on Plymouth's tax rate when the value of the plant declined. By transferring this amount from the NMSF, based on the 2021 total value of real property, we can help mitigate and reduce what could otherwise be a higher tax-rate that would be felt by all our residents.

The current balance in the NMSF is \$8.6 million and the intent would be using \$2M from this fund in this fiscal year. We will revisit this annually and consider using a portion of it in future years as well to mitigate increases in the tax rate as the value diminishes further.

Below is an updated chart on the sources of funding for Article 2A and an updated Sources & Uses chart for the General Fund.

Thank you for your consideration.

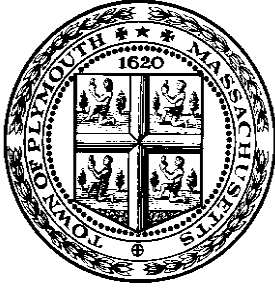
Motions 7A as originally moved by Mr. Canty - 2A Supplemental Motions	FY2022 Original Budget Article 7A	FY2022 Proposed Changes Fall Town Meeting Article 2A	FY2022 Proposed Revised Budget
Sub - Committee A - #1 thru #13	14,158,554.00	\$ 5,030.00	\$ 14,163,584.00
Sub - Committee B - #14 thru #28	77,597,583.00	\$ 288,837.00	\$ 77,886,420.00
Sub - Committee C - #29 thru #39	28,991,613.00	\$ 19,830.00	\$ 29,011,443.00
Sub - Committee D - #40 thru #45	11,022,353.00	\$ 90,003.00	\$ 11,112,356.00
Sub - Committee E - #46 thru #62	4,601,382.00	\$ -	\$ 4,601,382.00
Sub - Committee F - #63 thru #66	104,233,676.00	\$ 1,605,585.00	\$ 105,839,261.00
Total General Fund Operating Budget (Item #1-66)	\$ 240,605,161.00	2,009,285.00	242,614,446.00
ARTICLE 2A (2021 ATM-ARTICLE 7A) - FUNDING TABLE			
Title V Loan Program - Debt Service	\$ 163,567.00		\$ 163,567.00
Title V Loan Program - Administration	\$ 31,052.00		\$ 31,052.00
State Boat Ramp Revolving Fund	\$ 3,174.00		\$ 3,174.00
Recreation Revolving Fund	\$ 33,313.00		\$ 33,313.00
Memorial Hall Revolving Fund	\$ 13,024.00		\$ 13,024.00
Plymouth Beach Revolving Fund	\$ 10,816.00		\$ 10,816.00
Fire Safety & Prevention Revolving Fund	\$ 8,835.00		\$ 8,835.00
Fire Alarm Maintenance Revolving Fund	\$ 10,773.00		\$ 10,773.00
Cemetery Perpetual Care	\$ 35,000.00		\$ 35,000.00
Municipal Waterways	\$ 130,000.00		\$ 130,000.00
Municipal Waterways - Debt	\$ 85,763.00		\$ 85,763.00
1820 Court House Meals Tax Fund	1,191,426.00		\$ 1,191,426.00
Premium for Debt Exclusion	\$ 148,484.00	\$ (148,484.00)	\$ -
Remaining Bond Proceeds to Pay Debt Service:			
Art 9B1, 2014 ATM - Police Methane Mitigation		\$ 16,237.19	\$ 16,237.19
Art 9B1 2015 ATM - School Street Retaining Wall		\$ 25,284.07	\$ 25,284.07
Art 9BC 2017 ATM - Library Roof / Chillers		\$ 17,773.63	\$ 17,773.63
Art 9B2 2016 ATM - Newfield St Bridge Construction		\$ 15,022.32	\$ 15,022.32
Art 10 2018 ATM - Hedge Road Fire Station		\$ 18,518.88	\$ 18,518.88
Free Cash for OPEB Fund/Salary Reserve	\$ 500,000.00		\$ 500,000.00
2/3rds Vote Required:			
Pavement Management Debt Fund	\$ 1,034,000.00	\$ (185,203.00)	\$ 848,797.00
Stabilization Fund		\$ 600,667.00	\$ 600,667.00
Nuclear Mitigation Stabilization Fund		\$ 2,000,000.00	\$ 2,000,000.00
Less Total Transfers	\$ 3,399,227.00	2,359,816.09	5,759,043.09
To be raised by the 2022 Tax Levy	\$ 237,205,934.00	\$ (350,531.09)	\$ 236,855,402.91
(Property Taxes & Other General Fund Revenues)			

**Town of Plymouth
General Fund Budget
Sources Uses - Budget 2022 update FATM 2021**

GENERAL FUND REVENUES							
	Final Budget 2020	Final Budget 2021	Budget Projection 2022	Changes	FATM Final Budget	Dollar Change over Prior Year	% Change over Prior Year
Property Taxes							
Prior Year Tax Levy Limit	170,642,498	179,332,150	188,298,109		188,298,109		
Amended Prior Year New Growth							
2.5% Allowance	4,266,062	4,483,304	4,707,453		4,707,453		
New Growth	4,423,590	4,482,655	3,000,000		3,000,000		
Operational Override							
Levy Limit	179,332,150	188,298,109	196,005,562	0	196,005,562		
Debt Exclusion	8,066,208	7,841,843	7,646,476	(365,031)	7,281,445		
Other							
Maximum Allowable Levy Limit	187,398,358	196,139,952	203,652,037	(365,031)	203,287,006		
Unused Levy Capacity	(3,935,060)	(5,744,209)	(6,436,454)	(2,782,222)	(9,218,676)		
Total Property Taxes Raised	183,463,299	190,395,743	197,215,583	(3,147,253)	194,068,330	3,672,587	1.93%
Tax Rate	\$16.35	\$16.16	\$16.74	(\$0.27)	\$16.47	0.31	1.93%
Values	11,220,996,817	11,781,914,884	11,781,914,884	11,781,914,884	11,781,914,884	NO Change in Value	
State Aid - Cherry Sheet							
Chapter 70	26,369,547	26,369,547	26,369,547	231,240	26,600,787		
Charter School Reimbursement	1,251,323	1,358,466	1,358,466	(644,383)	714,083		
School Lunch		0	0		0		
Lottery		0	0		0		
Hold Harmless Lottery		0	0		0		
General Municipal Aid	4,160,905	4,160,905	4,160,905	145,632	4,306,537		
Police Career Incentive		0	0		0		
Veterans Benefits	439,380	482,239	482,239	(15,114)	467,125		
Exemptions - Vets, Blind		0	0		0		
Exemptions - Elderly		0	0		0		
Exemption Reimbursement Total	373,700	428,239	428,239	3,746	431,985		
State Owned Land	698,033	716,193	716,193	104,987	821,180		
Public Libraries	68,994	87,622	87,622	10,810	98,432		
Total	33,361,882	33,603,211	33,603,211	(163,082)	33,440,129	(163,082)	-0.49%
State Aid - MSBA							
School Construction Reimbursement	1,636,804	657,278	0		0		
Total	1,636,804	657,278	0	0	0	(657,278)	-100.00%
Local Receipts							
Motor Vehicle Excise	8,652,538	8,334,522	8,459,540	684,460	9,144,000		
Other Excise	920,000	740,000	751,100	728,900	1,480,000		
Penalties & Interest	910,000	852,000	864,780	38,220	903,000		
Payments in Lieu	75,000	72,000	73,080		73,080		
Fees	690,000	621,000	630,315	21,685	652,000		
Rentals	865,000	870,000	883,050	(33,050)	850,000		
Departmental Revenue - Recreation	175,000	159,300	161,690	41,310	203,000		
Departmental Revenue - School Medicaid	435,000	435,000	441,525	(221,525)	220,000		
Departmental Revenue - Cemetery	80,000	77,000	78,155	845	79,000		
Departmental Revenue - Crematory	245,000	250,000	253,750	70,250	324,000		
Other Dept Revenue	450,000	420,000	426,300	48,700	475,000		
Licenses & Permits	3,000,000	2,560,000	2,598,400	201,600	2,800,000		
Fines & Forfeits	350,000	285,000	289,275	(15,275)	274,000		
Miscellaneous - Medicare D / Fringe / MOA's	1,275,000	1,157,000	1,174,355	31,145	1,205,500		
PGDC Parking Deck Reimbursement for Debt	158,208	158,800	161,182		161,182		
Investment Income	745,000	227,448	230,860	(40,860)	190,000		
Total	19,025,747	17,219,070	17,477,356	1,556,405	19,033,761	1,814,691	10.54%
Other Sources							
Sewer Fund Indirect Costs	402,599	444,606	366,739		366,739		
Water Fund Indirect Costs	1,283,026	1,352,886	1,276,599		1,276,599		
Airport Indirect Costs	217,196	207,251	212,432		212,432		
Solid Waste Fund Indirect Costs	243,697	265,131	295,376		295,376		
Total	2,146,517	2,269,874	2,151,146	0	2,151,146	(118,728)	-5.23%

**Town of Plymouth
General Fund Budget
Sources Uses - Budget 2022 update FATM 2021**

	Final Budget 2020	Final Budget 2021	Budget Projection 2022	Changes	FATM Final Budget	Dollar Change over Prior Year	% Change over Prior Year
Available Funds							
Title V Loan Program - Debt Service - Art 7	160,170	163,033	163,567		163,567		
Title V Loan Program - Administration - Art 7	31,491	29,492	31,052		31,052		
State Boat Ramp Revolving - Art 7	11,177	12,932	3,174		3,174		
Recreation Revolving - Art 7	32,496	31,866	33,313		33,313		
Memorial Hall Revolving - Art 7	11,462	27,761	13,024		13,024		
Plymouth Beach Revolving - Art 7	10,154	11,592	10,816		10,816		
Fire Safety & Prevention Revolving - Art 7	5,947	6,287	8,835		8,835		
Fire Alarm Maint Revolving - Art 7	10,151	10,731	10,773		10,773		
Cemetery Perpetual Care Art 7	22,511	35,000	35,000		35,000		
Municipal Waterways - Article 7	130,000	142,000	130,000		130,000		
Municipal Waterways - Article 7 - Debt	84,763	82,763	85,763		85,763		
Cemetery Perpetual Care - Dept Equip	0	0			0		
Municipal Waterways - Dept Equip	0	0			0		
Fire Prevention Revolving - Dept Equip	0	0			0		
Projects Funds less than \$50,000 for Debt Service	0	5,308		92,836	92,836		
Pavement Management Debt Fund	576,199	614,731	1,034,000	(185,203)	848,797		
Meals Tax for Town Hall Project	1,792,844	1,798,344	1,191,426		1,191,426		
Premium for Debt Exclusion	168,550	158,517	148,484	(148,484)	0		
Nuclear Mitigation Stabilization Fund				2,000,000	2,000,000		
Free Cash OPEB & Stabilization for TH Debt	1,028,000	515,000	500,000		600,667		
Total	\$4,075,915	3,645,356	3,399,227	2,359,816	5,759,043	2,113,687	57.98%
Grand Total	\$243,710,163	247,790,533	253,846,523	605,886	254,452,410	6,661,877	2.69%
GENERAL FUND BUDGETS							
Administrative Services	2,786,409	2,961,063	2,952,895	56,355	3,009,250	(8,168)	-0.28%
Department of Finance	3,412,949	1,937,538	2,030,408	77,492	2,107,900	92,870	4.79%
Department of Information Technology		1,691,190	1,809,446		1,809,446	118,256	6.99%
Department of Community Resources	3,665,866	3,736,038	3,753,983		3,753,983	17,945	0.48%
Department of Inspectional Services	1,100,456	1,132,204	1,189,784		1,189,784	57,580	5.09%
Department of Planning & Development	984,612	911,817	847,399		847,399	(64,418)	-7.06%
Department of Public Safety	25,705,776	27,500,463	27,712,663	19,830	27,732,493	212,200	0.77%
Department of Marine & Environmental Affairs	1,202,127	1,287,299	1,278,950	0	1,278,950	(8,349)	-0.65%
Department of Public Works	8,131,979	10,203,076	10,393,103	90,003	10,483,106	190,027	1.86%
Fixed Costs	65,121,430	64,154,688	67,784,479	897,107	68,681,586	3,629,791	5.66%
Debt Service	18,097,215	16,427,166	16,962,273	(737,087)	16,225,186	535,107	3.26%
School	100,220,185	104,082,663	103,889,778	1,605,585	105,495,363	(192,885)	-0.19%
Total	230,429,004	236,025,205	240,605,161	2,009,285	242,614,446	6,589,241	2.79%
General Articles							
Article 8 Dept Equip & Art 9					0		
Public & Private Gravel Roads	1,000,000				0		
Other Articles					0		
Unpaid Bills					0		
Total	\$1,000,000	0	0	0	0	0	#DIV/0!
Off-Budget Expenditures							
Cherry Sheet Assessments	10,704,238	10,556,780	11,295,754	(1,287,448)	10,008,306		
Cherry Sheet Offsets	68,994	87,622	87,622	10,810	98,432		
Court Judgments	45,175	3,000	0		0		
Appropriation Deficits - Snow & Ice	304,873	0	657,986	(134,261)	523,725		
Appropriation Deficits - Other (Ch44,S31)	21,500	0	0		0		
Charter Commission Exps				7,500	7,500		
Overlay Reserve	1,136,379	1,117,926	1,200,000		1,200,000		
Total	\$12,281,160	11,765,328	13,241,362	(1,403,399)	11,837,964	72,636	0.62%
Total	\$243,710,164	\$247,790,533	\$253,846,523	\$605,886	\$254,452,410	6,661,877	2.69%
Revenues Over (Under) Expenditures	(0)	(0)	0	(0)	(0)	(0)	
Debt Service as % Budget	7.85%	6.96%	7.05%	-36.68%	6.69%		



TOWN OF PLYMOUTH

FINANCE DEPARTMENT

26 COURT STREET, PLYMOUTH, MA 02360

PHONE (508) 747-1620 EXTENSION 10177

TO: SELECT BOARD
ADVISORY & FINANCE
TOWN MEETING MEMBERS

FROM: LYNNE A. BARRETT
DIRECTOR OF FINANCE

SUBJECT: ARTICLE 2A – GENERAL FUND – AMENDMENT TO OTHER FUNDING
SOURCES AND RAISE FROM THE TAX LEVY

DATE: SEPTEMBER 7, 2021 REVISED 9-15-21

Article 2A is amending the original budget Article 7A from the Spring Annual Town Meeting; I am recommending the following changes in funding sources for the Fiscal 2022 Revised General Fund Operating Budget. The net total of the General Fund Supplemental appropriations is \$2,009,285 for a total budget of \$242,614,446. The changes are bolded on the table below in the middle column and described herein:

1. **Premium for Debt Exclusion Reduced** – this amount (\$148,484) in addition to the remaining balance of premium (\$1,029,106) on the 2011 Plymouth North High School and Senior Center Debt was used to reduce the debt in the Refunding that we did in June.
2. **Remaining Bond Proceeds** – a review of closed bonded projects resulted in several projects that had balances remaining less than \$50,000 that can be used to pay for debt service, a total of \$92,836.09.
3. **Pavement Management Fund Reduced** – The Town borrowed \$5 million for the Pavement Management Plan Phase II and was able to use \$2.1 million in premium received on the bond issue to reduce the amount to be borrowed, resulting in a decrease of \$185,203 needed for principal & interest.
4. **Stabilization Fund** – recommendation to fund remaining meals tax needed to fund Fiscal 2022 Town Hall project debt service, \$600,667, from Stabilization Fund. We need to allow some time for the Meals Tax Fund to regain some balance. Please see Meals Tax Fund Estimates in separate handout. This will require a 2/3rds vote from Town Meeting for this funding.
5. **To be raised from the 2022 Tax Levy Increase** – The increase of \$1,649,468.91 is coming from other revenues besides the Tax Rate, please see Sources & Uses spreadsheet for more detail.

MEALS TAX Information Page

Meals Tax Information can be found on the Finance Department Web Site at this link:

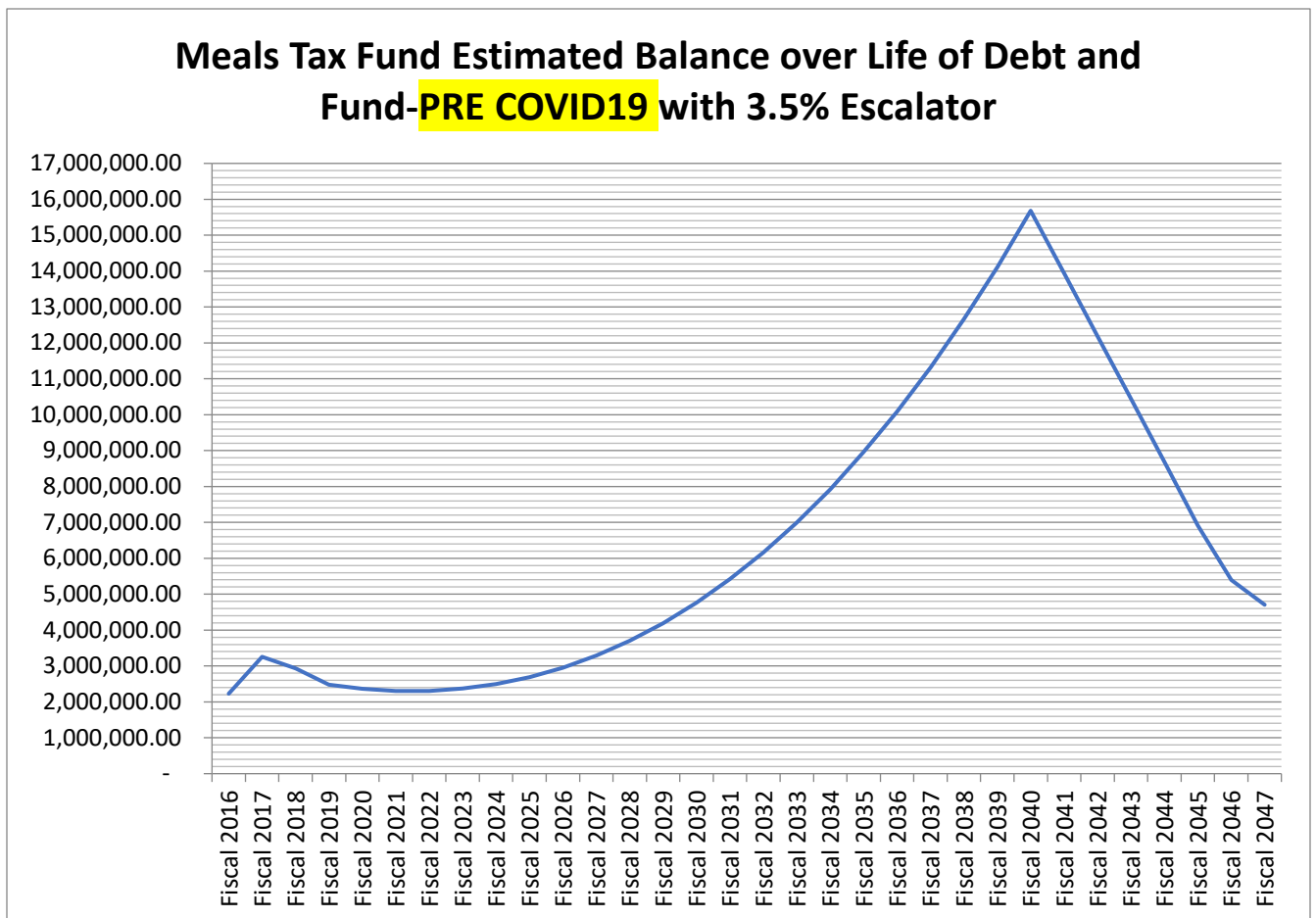
<https://www.plymouth-ma.gov/finance-department/pages/meals-tax>

This site gives information on actual receipts and fund balance activity since inception.

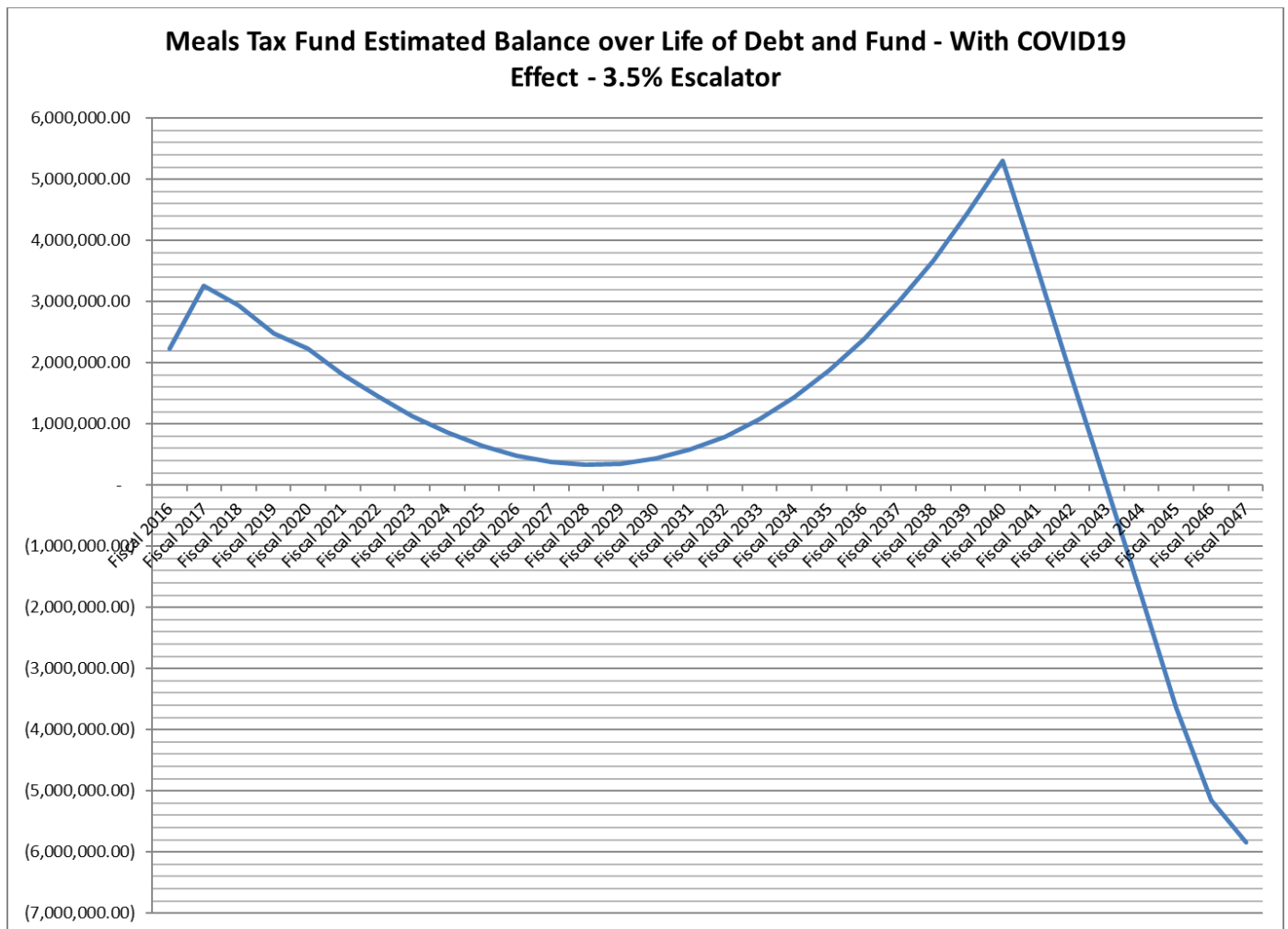
Reasoning for using Stabilization Fund to support the Town Hall debt for Fiscal 2022 and FY2023 is to allow the Meals Tax fund to gain some balance for the future payment of the Town Hall debt without having to be supported by the Tax Levy.

Meals Tax Information below is an ESTIMATE

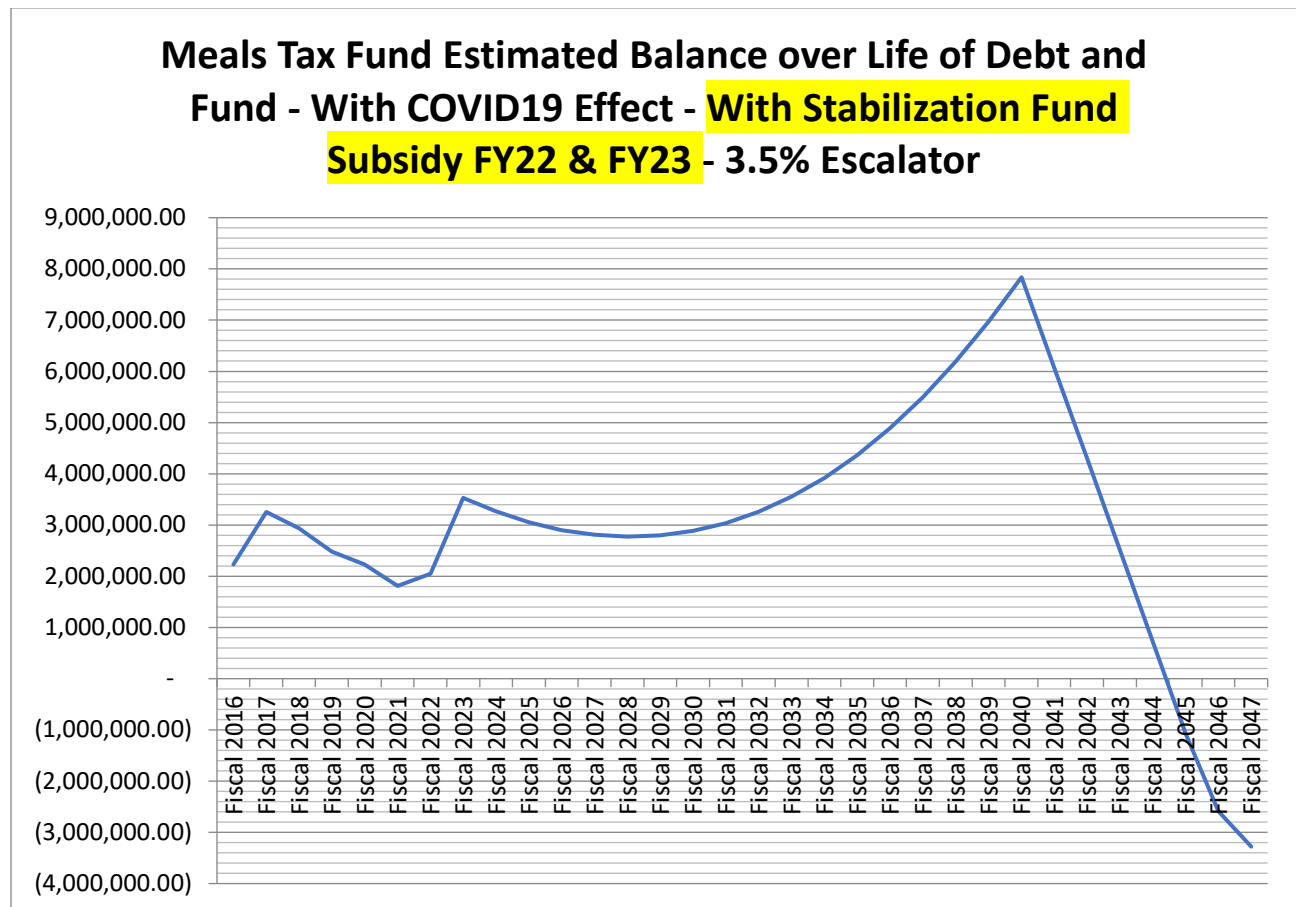
Below is a chart of the Meals Tax Fund with an annual 3.5% escalator and what the fund balance was estimated to look like with the activity prior to COVID hitting. This scenario was able to support the annual debt service of the Town Hall even when the expiration of the fund takes place on June 30, 2040.



This graph below reflects the COVID Effect of decreased revenue in Fiscal 2020 and Fiscal 2021, this is an estimate of what the fund will look like if we continue to use it for the Town Hall Debt without any subsidy. This scenario does not support the Town Hall Debt to be paid from the fund and relies heavily on the 3.5% escalator.



This graph depicts again the decrease in revenue for FY2020 and FY2021, the only difference here is using a Stabilization Fund subsidy for FY2022 and FY2023 for the Town Hall debt, this allows the fund to gain some balance and start to grow and support the debt in the out years. This does reflect a reliance again on the 3.5% escalator and a subsidy in the out years, but it is an estimate that looks better.



We can update this on an annual basis as the pandemic subsidies and actuals are known.

The Stabilization Fund is a “Rainy Day” fund that can be used for any allowable purpose, and I feel strongly that this is a good reason for its use. It does require a 2/3rds vote at town meeting.