



# TOWN OF REHOBOTH

**JULY STM WARRANT/FINANCIAL REVIEW  
JULY 10<sup>TH</sup>, 2019  
7PM – COUNCIL ON AGING BUILDING**

**<https://bit.ly/FinSum0719>**

# DISCUSSION POINTS

- **WHERE ARE WE AND HOW DID WE GET HERE?**
- **BRIEF DISCUSSION OF FY20 TOWN FUNDING SOURCES**
- **FINCOM FY20 BUDGET SUMMARY & RECOMMENDATIONS**
- **WHAT HAPPENS NEXT?**
- **CONCLUSIONS/WRAPUP**



# TOWN OF REHOBOTH

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JULY 10<sup>TH</sup>, 2019  
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**PART 1: WHERE ARE WE? HOW DID WE GET HERE?**

# WHERE ARE WE?

- THE TOWN OF REHOBOTH DOES NOT HAVE ITS OWN SCHOOL DEPARTMENT
- REHOBOTH IS A MEMBER OF THE DIGHTON REHOBOTH REGIONAL SCHOOL DISTRICT
- FORMED FROM AN AGREEMENT BETWEEN THE TOWNS OF REHOBOTH AND DIGHTON
- CURRENT AGREEMENT IN EFFECT SIGNED IN 1987 (“REGIONAL AGREEMENT”)
- PRIOR TO 1987, WE HAD A “SCHOOL UNION”, WHERE WE SHARED A HIGH SCHOOL AND HAD OUR OWN K-8 SCHOOLS
- **MASSACHUSETTS GENERAL LAW CHAPTER 71 SECTION 16:**  
*“A REGIONAL SCHOOL DISTRICT ... SHALL BE A BODY POLITIC AND CORPORATE WITH ALL THE POWERS AND DUTIES CONFERRED BY LAW UPON SCHOOL COMMITTEES ...”*

# HOW DID WE GET HERE?

- **MASSACHUSETTS GENERAL LAW CHAPTER 71 SECTION 16:**

*“A REGIONAL SCHOOL DISTRICT ... SHALL BE A BODY POLITIC AND CORPORATE WITH ALL THE POWERS AND DUTIES CONFERRED BY LAW UPON SCHOOL COMMITTEES ...”*

- **THE REGIONAL SCHOOL SYSTEM IS A SEPARATE CORPORATE ENTITY APART FROM THE TOWN OF REHOBOTH**
- **IT IS NOT A “TOWN DEPARTMENT”**
- **IT IS A VENDOR WHICH PROVIDES EDUCATIONAL SERVICES TO THE TOWN’S CHILDREN**
- **EACH YEAR, THE REGIONAL SCHOOL SYSTEM INDEPENDENTLY PREPARES ITS OWN BUDGET AND CHARGES THE MEMBER COMMUNITIES THEIR PORTION OF THE BUDGET (THE ASSESSMENT) IN ACCORDANCE WITH MGL AND TERMS OF THE REGIONAL AGREEMENT**

# WHERE ARE WE?

- **FACTORS WHICH DETERMINE HOW REGIONAL SCHOOL SYSTEM BUDGETS ARE CREATED AND APPORTIONED (BILLED) TO MEMBER COMMUNITIES INCLUDE:**
  - **DESE REGULATIONS / MASSACHUSETTS GENERAL LAWS** ( $\leq$  FOUNDATION BUDGET)
  - **THE REGIONAL SCHOOL SYSTEM AGREEMENT** ( $>$  FOUNDATION BUDGET)
- **THE PROCESS BY WHICH REGIONAL SCHOOL SYSTEM BUDGETS ARE ADOPTED BY THE MEMBER COMMUNITIES IS DEFINED IN MASSACHUSETTS GENERAL LAW CHAPTER 71 SECTION 16B**
  - **PARAGRAPHS 1 THRU 5 BRING US UP TO MAY 28<sup>TH</sup>**
  - **DISTRICT SETS A BUDGET, ALLOCATES IT TO MEMBER COMMUNITIES (ASSESSMENT)**
  - **MEMBER COMMUNITIES VOTE AN APPROPRIATION FOR THE ASSESSMENT**

# HOW DID WE GET HERE?

- **MEMBER COMMUNITIES HAVE TO APPROVE THE BUDGET OF THE REGIONAL SCHOOL SYSTEM EACH FISCAL YEAR**
- **VOTING AN APPROPRIATION WHICH EQUALS THE MEMBER COMMUNITY'S ASSESSMENT IS TACIT APPROVAL OF THE BUDGET (MGL CHAPTER 71 SECTION 16B PARAGRAPH 10)**
- **VOTING AN APPROPRIATION WHICH DOES NOT EQUAL THE MEMBER COMMUNITY'S ASSESSMENT IS CONSIDERED REJECTION OF THE BUDGET AS A WHOLE**
- **WHEN THE BUDGET IS REJECTED, PARAGRAPHS 6 THRU 8 APPLY**
- **AT MAY 28<sup>TH</sup> TOWN MEETING, REHOBOTH RESIDENTS VOTED AN APPROPRIATION LESS THAN THE ASSESSMENT APPROVED BY THE REGIONAL SCHOOL COMMITTEE. THIS ACTION CONSTITUTES REJECTION OF THE REGIONAL DISTRICT'S BUDGET**

# WHERE ARE WE?

- **MGL CHAPTER 71 SECTION 16B PARAGRAPH 6**
  - “THE REGIONAL SCHOOL DISTRICT COMMITTEE SHALL HAVE THIRTY DAYS TO RECONSIDER, AMEND AND RESUBMIT A BUDGET ON THE BASIS OF THE ISSUES RAISED”
  - “A COPY OF THE AMENDED BUDGET SHALL BE PROVIDED, NOT LATER THAN SEVEN DAYS FROM THE DATE THE AMENDED REGIONAL SCHOOL DISTRICT BUDGET WAS ADOPTED BY THE REGIONAL SCHOOL DISTRICT COMMITTEE, TO THE CHAIRMEN OF THE BOARDS OF SELECTMEN, CHAIRMEN OF THE FINANCE COMMITTEES”
  - “PRIOR TO THE EXPIRATION OF FORTY-FIVE DAYS FROM THE DATE ON WHICH SUCH BUDGET WAS ADOPTED BY THE REGIONAL SCHOOL DISTRICT COMMITTEE, EACH MEMBER MUNICIPALITY SHALL HOLD A MEETING OF THE LOCAL APPROPRIATING AUTHORITY TO ACT UPON THE APPROPRIATION OF THE BUDGET SO REAPPORTIONED AND RECERTIFIED TO IT.”



# HOW DID WE GET HERE?

- ON MAY 28<sup>TH</sup>, 471 OF 699 (67.4%) REHOBOTH RESIDENTS IN ATTENDANCE AT TOWN MEETING REJECTED THE BUDGET OF THE REGIONAL SCHOOL SYSTEM BY APPROVING AN APPROPRIATION LESS THAN THE ASSESSMENT APPROVED BY THE REGIONAL DISTRICT SCHOOL COMMITTEE
- ON JUNE 4<sup>TH</sup>, THE REGIONAL SCHOOL COMMITTEE SKIPPED OVER THE 30 DAY “RECONSIDER” AND “AMEND [...] ON THE BASIS OF THE ISSUES RAISED” LANGUAGE IN MGL C71 S16B PARAGRAPH 6 AND WENT DIRECTLY TO THE “RESUBMIT” STAGE
- THE REGIONAL SCHOOL COMMITTEE COULD HAVE VOTED TO REDUCE THEIR ASSESSMENT TO MATCH THE APPROPRIATION MADE BY TOWN MEETING. THIS WOULD HAVE ENDED THE PROCESS IMMEDIATELY AS TOWN MEETING WOULD HAVE ADOPTED THE BUDGET
- INSTEAD, THE REGIONAL SCHOOL COMMITTEE, INCLUDING 3 REHOBOTH-ELECTED MEMBERS, VOTED TO IGNORE THE DECISION OF TOWN MEETING AND SEND THE SAME EXACT ASSESSMENT BACK TO THE TOWN
- THUS BRINGING US TO WHERE WE ARE TODAY...

**WHERE WE ARE...**



# HOW WE GOT HERE...

- THE SELECTMEN HAVE 45 DAYS FROM JUNE 4<sup>TH</sup> TO CONVENE A SPECIAL TOWN MEETING TO VOTE ON THE SAME EXACT ASSESSMENT WE VOTED ON MAY 28<sup>TH</sup>
- TOWN BYLAWS REQUIRE A SPECIAL TOWN MEETING WARRANT BE IN THE HANDS OF THE RESIDENTS NO LATER THAN 14 DAYS PRIOR TO THE DATE OF TOWN MEETING
- IT TAKES THE SELECTMEN'S OFFICE, WORKING WITH OTHER DEPARTMENTS, APPROXIMATELY 2 WEEKS TO PREPARE THE WARRANT, HAVE IT PRINTED AT A LOCAL PRINT SHOP, AND THEN ARRANGE WITH THE USPS TO HAVE IT DELIVERED TO ALL TOWN RESIDENTS, IN ACCORDANCE WITH THE TOWN BYLAWS

**ARTICLE 1: FISCAL YEAR 2020 DIGHTON REHOBOTH REGIONAL SCHOOL DISTRICT BUDGET AND ASSESSMENT**

**SUBMITTED BY: FINANCE COMMITTEE**

To see if the Town will vote to raise and appropriate or transfer from available funds, no more than the sum of \$18,970,859 as recommended by the Finance Committee, to defray the costs and expenses of the Dighton Rehoboth Regional School District for the ensuing fiscal year, with said limitation imposed due to the fact that any increase of such sum would result in appropriations beyond the levy limit, resulting in the requirement to make drastic cuts in services to other municipal departments, including but not limited to public safety, public works, library services and general government, unless any increase in such sum is contingent on an override under the provisions of Proposition 2 1/2, so called; or to take any other action relative thereto.

\_\_\_ Approved \_\_\_ Disapproved

**Finance Committee Recommends: Approval**  
**Board of Selectmen Recommends: Approval**  
**Source of Funds: Raise & Appropriate**



# TOWN OF REHOBOTH

**JULY STM WARRANT/FINANCIAL REVIEW  
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**PART 2: FISCAL YEAR 20 FUNDING SOURCES**

# FUNDING SOURCES

- A DETAILED DISCUSSION OF THE FUNDING SOURCES THE TOWN HAS AT ITS DISPOSAL IS QUITE INVOLVED AND BEYOND THE SCOPE OF THIS PRESENTATION
- INTERESTED PARTIES CAN WATCH A COMPREHENSIVE “TOWN FINANCES 101” VIDEO WE HAVE PREPARED
- [HTTPS://WWW.REHOBOTHTV.ORG/ONDEMANDPLAYER?SHOWID=3337](https://www.rehobothtv.org/ondemandplayer?showid=3337)
- [HTTPS://WWW.YOUTUBE.COM/WATCH?V=9KcuOtGMRis](https://www.youtube.com/watch?v=9KcuOtGMRis) (HD)

# FUNDING SOURCES

## REVENUE ESTIMATES FOR FY 2020 vs 2019

	FY2020	FY2019	+/-	%
Local Taxes Levy Limit (Per Recap)	\$24,305,568	\$21,311,598	\$2,993,970	14.05%
Solar PILOTS	\$116,342	\$116,342	\$0	0.00%
New Growth	\$190,000	\$190,000	\$0	0.00%
2 1/2 Tax Increase	\$610,548	\$535,699	\$74,849	13.97%
Debt Exclusions	\$783,671	\$386,684	\$396,987	102.66%
Proposition 2 1/2 Override		\$2,115,992	<b>-\$2,115,992</b>	-100.00%
Motor Vehicle Excise	\$2,000,000	\$1,850,000	\$150,000	8.11%
Local Receipts	\$1,123,200	\$1,175,000	<b>-\$51,800</b>	-4.41%
State Aid Local	\$1,339,398	\$1,282,368	\$57,030	4.45%
Meal Tax	\$89,800	\$85,000	\$4,800	5.65%
Free Cash		\$9,978	<b>-\$9,978</b>	-100.00%
Fall STM Suppl. Approp.		\$74,094	<b>-\$74,094</b>	-100.00%
Subtotal	\$30,558,527	\$29,132,755	\$1,425,772	4.89%
Less: State/County Charges, etc.	<b>-\$774,001</b>	<b>-\$825,977</b>	\$51,976	-6.29%
Subtotal for May ATM	\$29,784,526	\$28,306,778	<b>\$1,477,748</b>	5.22%
Less: Annual Town Meeting budget appropriations made at May ATM	<b>-\$10,813,667</b>	These funds were expended at the ATM in May to fund the Town, BP and BA articles		
Available For Appropriation @ July STM	<b>\$18,970,859</b>	This is how much we have remaining within our existing levy limit to appropriate on July 16 <sup>th</sup>		

# FUNDING SOURCES

## REVENUE ESTIMATES FOR FY 2020 vs 2019

	FY2020	FY2019	+/-	%
Local Taxes Levy Limit (Per Recap) <sup>1</sup>	\$24,305,568	\$21,311,598	\$2,993,970	14.05%
2 1/2 Tax Increase <sup>1</sup>	\$610,548	\$535,699	\$74,849	13.97%
State Aid Local <sup>2</sup>	\$1,339,398	\$1,282,368	\$57,030	4.45%

<sup>1</sup> Provided by Mass DOR to Assessors' office for annual budgeting purposes

<sup>2</sup> <https://dls.gateway.dor.state.ma.us/reports/rdPage.aspx?rdReport=CherrySheets.CSbyProgMunis.MuniBudgEst>

# FUNDING SOURCES

## REVENUE ESTIMATES FOR FY 2020 vs 2019

	FY2020	FY2019	+/-	%
Solar PILOTS	\$116,342	\$116,342	\$0	0.00%
New Growth	\$190,000	\$190,000	\$0	0.00%

These figures are provided by the Rehoboth Board of Assessors

They are the “Subject Matter Experts” on New Growth and the amount of Solar PILOTS currently in place within the Town



# FUNDING SOURCES

## REVENUE ESTIMATES FOR FY 2020 vs 2019

	FY2020	FY2019	+/-	%
Debt Exclusions	\$783,671	\$386,684	\$396,987	102.66%

This amount is calculated by the Town Treasurer who maintains the debt service schedules for the town

# FUNDING SOURCES

## REVENUE ESTIMATES FOR FY 2020 vs 2019

	FY2020	FY2019	+/-	%
<b>Motor Vehicle Excise</b>	<b>\$2,000,000</b>	<b>\$1,850,000</b>	<b>\$150,000</b>	<b>8.11%</b>
<b>Local Receipts</b>	<b>\$1,123,200</b>	<b>\$1,175,000</b>	<b>-\$51,800</b>	<b>-4.41%</b>
<b>Meal Tax</b>	<b>\$89,800</b>	<b>\$85,000</b>	<b>\$4,800</b>	<b>5.65%</b>

These figures are provided by the Town Accountant, who provides an estimate based upon historical data and recent trends.

## Meals Tax Historical Actual vs. Budgeted

◆ Budgeted    ■ Actual    ▲ Free Cash



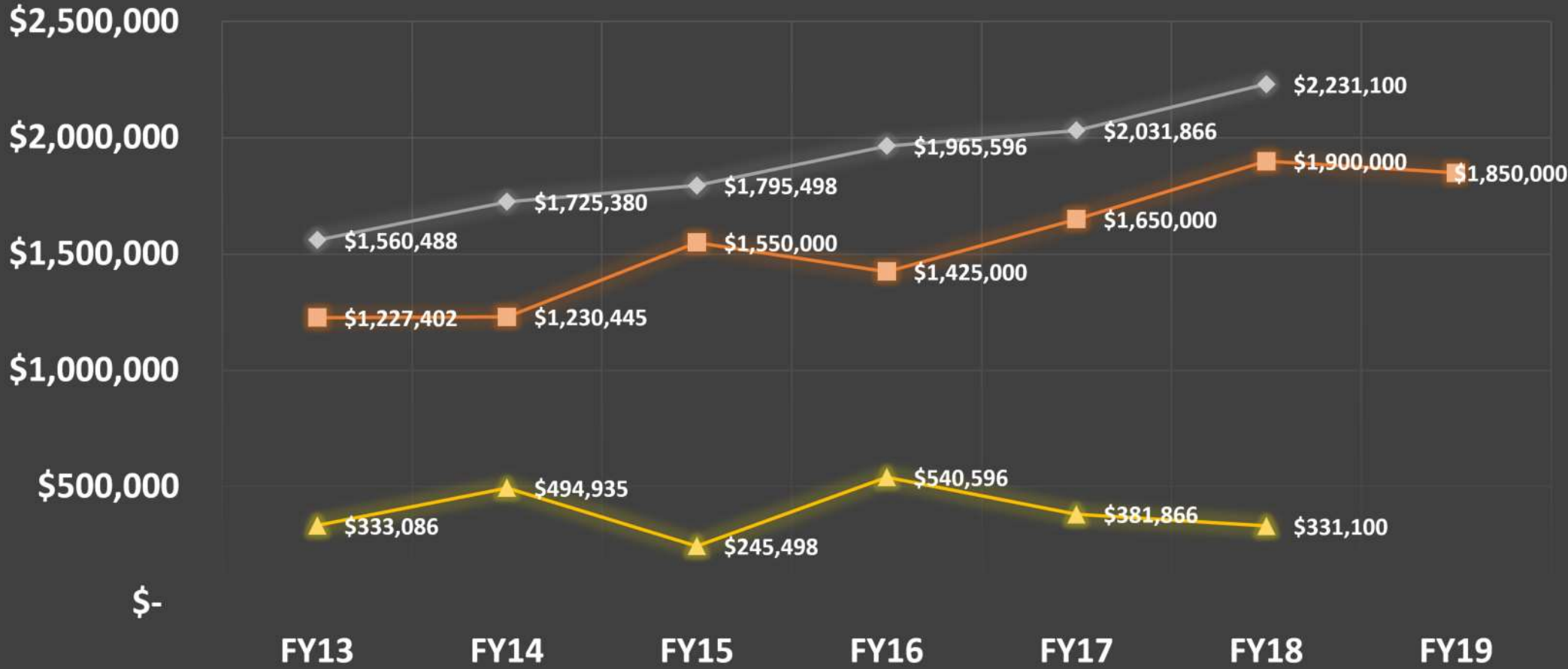
# Local Receipts Historical Actuals vs. Budgeted

▲ Budgeted    ◆ Actual    ■ Free Cash



# MVE Historical Actuals vs. Budgeted

■ Budgeted    ◆ Actual    ▲ Free Cash





# TOWN OF REHOBOTH

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**PART 3: FISCAL YEAR 20 BUDGET SUMMARY**

# FY20 FUNDING SOURCES

## REVENUE ESTIMATES FOR FY 2020 vs 2019

	FY2020	FY2019	+/-	%
Local Taxes Levy Limit (Per Recap)	\$24,305,568	\$21,311,598	\$2,993,970	14.05%
Solar PILOTS	\$116,342	\$116,342	\$0	0.00%
New Growth	\$190,000	\$190,000	\$0	0.00%
2 1/2 Tax Increase	\$610,548	\$535,699	\$74,849	13.97%
Debt Exclusions	\$783,671	\$386,684	\$396,987	102.66%
Proposition 2 1/2 Override		\$2,115,992	<b>-\$2,115,992</b>	-100.00%
Motor Vehicle Excise	\$2,000,000	\$1,850,000	\$150,000	8.11%
Local Receipts	\$1,123,200	\$1,175,000	-\$51,800	-4.41%
State Aid Local	\$1,339,398	\$1,282,368	\$57,030	4.45%
Meal Tax	\$89,800	\$85,000	\$4,800	5.65%
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Subtotal	\$30,558,527	\$29,132,755	\$1,425,772	4.89%
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Less: Annual Town Meeting budget appropriations made at May ATM	<b>-\$10,813,667</b>	These funds were expended at the ATM in May to fund the Town, BP and BA articles		
Available For Appropriation @ July STM	<b>\$18,970,859</b>	This is how much we have remaining within our existing levy limit to appropriate on July 16 <sup>th</sup>		

# FY 20 BUDGET SUMMARY

## FROM MAY ANNUAL TOWN MEETING WARRANT

Article # & Description	FY 19 ATM APPROP	% TOTAL FY19 BUDGET	TARGET ADDL REV.	FY 20 REQUESTED	\$ CHANGE FROM FY19	% CHANGE FROM FY19	% OF ADDL REV.
ATM #2: TOWN GOVERNMENT	\$9,786,737	34.57%	\$510,914	\$10,220,050	\$433,313	4.43%	29.32%
ATM #3: DR REGIONAL	\$17,958,791	63.44%	\$937,534	\$19,529,657	\$1,570,866	8.75%	106.30%
ATM #4: B.P. VOCTECH	\$487,155	1.72%	\$25,432	\$512,522	\$25,367	5.21%	1.72%
ATM #5: BRISTOL AGGIE	\$74,095	0.26%	\$3,868	\$81,095	\$7,000	9.45%	0.47%
GRAND TOTAL	\$28,306,778	100.00%	\$1,477,748	\$30,343,324	\$2,036,546	7.19%	137.81%



# FY 20 BUDGET SUMMARY

## FROM MAY ANNUAL TOWN MEETING WARRANT

Article # & Description	FY 20 FINCOM	\$ CHANGE FROM FY 19	% CHANGE FROM FY 19	% ADDL REV	AMT ADDL +/- TARGET	+/- OF REQUESTED
ATM #2: TOWN GOVERNMENT	\$10,220,050	\$433,313	4.43%	29.32%	-\$77,601	\$0
ATM #3: DR REGIONAL	\$18,970,859	\$1,012,068	5.64%	68.49%	\$74,534	-\$558,798
ATM #4: B.P. VOCTECH	\$512,522	\$25,367	5.21%	1.72%	-\$65	\$0
ATM #5: BRISTOL AGGIE	\$81,095	\$7,000	9.45%	0.47%	\$3,132	\$0
GRAND TOTAL	\$29,784,526	\$1,477,748	5.22%	100.00%	\$0	-\$558,798

# FY 20 BUDGET SUMMARY

- THE TOWN EXPECTS TO GENERATE \$29,784,526 IN REVENUE IN FY20, AN INCREASE OF \$1,477,748 OVER FY19
- MAY ATM HAS ALREADY APPROPRIATED \$10,814,667 TO FUND THE TOWN'S OPERATING BUDGET, THE BRISTOL PLYMOUTH VOCTECH ASSESSMENT, AND THE BRISTOL AGGIE TUITION CHARGES FOR FY20
- THIS LEAVES US \$18,970,859 WITHIN THE TOWN'S REGULAR LEVY LIMIT TO FUND THE DR ASSESSMENT
- THE FINANCE COMMITTEE RECOMMENDS USING THE FULL AMOUNT, \$18,970,859 TO FUND THE DR ASSESSMENT. THIS IS A \$1 MILLION INCREASE OVER WHAT WE APPROPRIATED IN FY 19

# FY 20 BUDGET SUMMARY

- **THE TOWN OF REHOBOTH WILL NOT GENERATE ENOUGH REVENUE IN FY 20 TO MEET THE REQUESTED INCREASES FROM ALL STAKEHOLDERS**
- **THE FINANCE COMMITTEE TOOK A FAIR AND BALANCED APPROACH TO APPORTIONING THE TOWN'S EXPECTED REVENUE INCREASES NEXT YEAR FAIRLY AND EQUITABLY BETWEEN ALL PARTIES**
- **DESPITE OUR BEST ATTEMPTS, THE REGIONAL SCHOOL SYSTEM STILL WANTS MORE**
- **WE DO NOT HAVE IT TO GIVE, WITHIN THE TOWN'S CURRENT LEVY LIMIT**
- **AN OVERRIDE IS REQUIRED TO RAISE THE LEVY LIMIT TO FUND THE FULL ASSESSMENT**



# TOWN OF REHOBOTH

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**PART 4: WHAT HAPPENS NEXT?**

# WHAT HAPPENS NEXT?

THE PATH DEPENDS ON THE DECISIONS MADE BY THOSE WHO  
ATTEND TOWN MEETING ON JULY 16<sup>TH</sup>

# WHAT HAPPENS NEXT?

- OVERRIDE ELECTION

- IF YOU CHOOSE TO FUND THE ADDITIONAL AMOUNT REQUESTED BY THE REGIONAL SCHOOL COMMITTEE VIA A PROPOSITION 2 1/2 OVERRIDE VOTE, THE SELECTMEN WILL SCHEDULE A BALLOT VOTE WHERE VOTERS WILL HAVE AN OPPORTUNITY TO VOTE ON RAISING THEIR TAXES
- IF THE VOTE IS “YES”, WE’RE DONE (INCREASE REPRESENTS APPX. AN ADDITIONAL 2.3% ON YOUR TAX BILL PERMANENTLY)
- IF THE VOTE IS “NO”, THE VOTE CONSTITUTES A SECOND REJECTION OF THE REGIONAL SCHOOL SYSTEM BUDGET, AND WE GO TO THE NEXT STEP IN MGL 71 16B (“TENT MEETING” - MORE ON THIS IN A MOMENT)

# WHAT HAPPENS NEXT?

- APPROVE THE FINCOM RECOMMENDED APPROPRIATION
  - IF YOU CHOOSE TO ONLY APPROVE FUNDING UP TO THE FINANCE COMMITTEE'S RECOMMENDED AMOUNT, THE TOWN HAS ONCE AGAIN REJECTED THE REGIONAL SCHOOL SYSTEM BUDGET
  - THE REGIONAL SCHOOL COMMITTEE HAS A CHOICE AT THIS POINT. THEY CAN EITHER
    - ACCEPT THE WILL OF TOWN MEETING AND VOTE TO REDUCE THEIR BUDGET (ASSESSMENTS) TO MATCH WHAT THE TOWN HAS VOTED
    - VOTE TO USE AN ALTERNATIVE ASSESSMENT METHODOLOGY FOR THIS FISCAL YEAR'S BUDGET
    - OPT TO CALL A "DISTRICT WIDE" MEETING OF BOTH DIGHTON AND REHOBOTH RESIDENTS WHERE COLLECTIVELY ALL THOSE IN ATTENDANCE VOTE TO ACCEPT OR REJECT THE BUDGET

# WHAT HAPPENS NEXT?

- DISTRICT-WIDE MEETING – AKA THE “TENT MEETING”
  - PROCESS IS DEFINED IN MGL CHAPTER 71 SECTION 16B PARAGRAPH 7
  - “GROUP” MEETING OF RESIDENTS FROM ALL MUNICIPALITIES IN THE DISTRICT
  - DISTRICT PRODUCES WARRANT - TOWN BYLAW PROVISIONS DO NOT APPLY
    - DOES NOT REQUIRE A WARRANT BE MAILED TO EVERY RESIDENT TO ALERT THEM OF THE MEETING
  - “THE WARRANT SHALL STATE THE TIME, PLACE AND PURPOSE OF THE MEETING [...] SHALL GIVE NOTICE BY POSTING A COPY IN THE CITY OR TOWN CLERK’S OFFICE AND AT LEAST TWO OTHER PUBLIC PLACES [...] AND FURTHER PROVIDE NOTICE BY PUBLISHING A COPY OF SAID WARRANT IN AT LEAST ONE NEWSPAPER IN GENERAL CIRCULATION WITHIN THE MEMBER MUNICIPALITIES”



# WHAT HAPPENS NEXT?

- DISTRICT-WIDE MEETING – AKA THE “TENT MEETING”
  - CAN BE CALLED IMMEDIATELY AFTER THE 2ND REJECTION OF THE BUDGET
  - REQUIRES A MINIMUM OF 14 DAYS NOTICE TO RESIDENTS
  - VOTES TO APPROVE OR REJECT THE *BUDGET* OF THE REGIONAL SCHOOL SYSTEM AND (ASSUMING VOTES TO APPROVE THE BUDGET) SETS THE ASSESSMENTS TO EACH MEMBER COMMUNITY
  - IT DOES NOT VOTE AN APPROPRIATION TO FUND THE ASSESSMENT. ONLY TOWN MEETING WITHIN THE MUNICIPALITY CAN VOTE AN *APPROPRIATION*
  - SOME SCHOOL COMMITTEE MEMBERS FROM DIGHTON (WHO ARE PUSHING FOR A TENT MEETING – WATCH THE VIDEOS!) SEEM TO BE UNDER THE MISCONCEPTION THEIR TENT MEETING WILL TAKE MONEY FROM THE TOWN

# WHAT HAPPENS NEXT?

- DISTRICT-WIDE MEETING – AKA THE “TENT MEETING”
  - IF THE “TENT MEETING” APPROVES THE BUDGET, WE WOULD NEED TO HAVE ANOTHER TOWN MEETING TO DECIDE HOW TO FUND THE ASSESSMENT
    - WOULD REQUIRE EITHER
      - AN OVERRIDE VOTE TO INCREASE THE TOWN’S LEVY LIMIT, OR
      - REDUCTION OF THE TOWN BUDGET TO MAKE UP THE DIFFERENCE, OR
      - USE ANOTHER FUNDING SOURCE, SUCH AS STABILIZATION
      - WHAT IF TOWN MEETING REFUSES TO PAY?
  - IF THE “TENT MEETING” REJECTS THE BUDGET
    - ANOTHER TENT MEETING WITH AMENDED BUDGET
    - STATE INTERVENTION

# WHAT HAPPENS NEXT?

- STATE INTERVENTION

- JULY 1<sup>ST</sup>:

“IF [...] NO AGREEMENT IS REACHED AS TO A BUDGET FOR THE REGIONAL SCHOOL DISTRICT, [...] THE COMMISSIONER [...] SHALL CERTIFY AN AMOUNT SUFFICIENT FOR THE OPERATION OF THE DISTRICT AND ORDER THE APPROPRIATION THEREOF IN AN AMOUNT NOT LESS THAN 1/12 OF THE TOTAL BUDGET APPROVED BY THE REGION IN THE MOST RECENT FISCAL YEAR.”

- DECEMBER 1<sup>ST</sup>:

“IN THE EVENT A BUDGET IS NOT ADOPTED BY DECEMBER FIRST IN ANY YEAR, THE DEPARTMENT SHALL ASSUME OPERATION OF THE DISTRICT AND FUNDS FOR SAME SHALL BE DEDUCTED FROM LOCAL AID DISTRIBUTED TO MEMBER TOWNS.”

# WHAT HAPPENS NEXT?

- **STATE INTERVENTION IMPACT (JULY 1<sup>ST</sup>):**
  - **THE DISTRICT GOES ON 1/12<sup>TH</sup> BUDGETING (EFFECTIVE JULY 1<sup>ST</sup>)**
  - **THE BUDGET IS SET TO THE FY19 AMOUNT (\$43.8M)**
  - **THE DISTRICT CAN SPEND 1/12<sup>TH</sup> EACH MONTH (\$3.65M)**
  - **REHOBOTH'S CONTRIBUTION WILL BE 1/12<sup>TH</sup> OF OUR FISCAL YEAR 19'S ASSESSMENT PER MO. (\$1.5M/MO. - \$17.9M)**
  - **WE HAVE ALREADY FUNDED AN APPROPRIATION OF \$18.9M WHICH WILL COVER THIS MONTHLY CONTRIBUTION**

# WHAT HAPPENS NEXT?

- **STATE INTERVENTION IMPACT (DEC 1<sup>ST</sup>):**
  - **DESE STEPS IN AND ASSUME FINANCIAL CONTROL OF THE DISTRICT**
  - **THE STATE WILL SET THE BUDGET AND SET AN ASSESSMENT**
  - **OUR CONTRIBUTION WOULD LIKELY BE \$18.9M**
  - **HIGHLY UNLIKELY IT WOULD BE MORE**
  - **ALREADY \$3.4M ABOVE STATE MANDATED MINIMUM**
  - **WOULD REQUIRE YET ANOTHER TOWN MEETING TO FUND AN APPROPRIATION IN EXCESS OF \$18.9M**



# TOWN OF REHOBOTH

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**PART 5: SUMMARY / CONCLUSIONS / Q & A**

# SUMMARY/CONCLUSION

- ONCE AGAIN THE REGIONAL SCHOOL SYSTEM ASSESSMENT HAS INCREASED AT A RATE HIGHER THAN THE TOWN'S ANNUAL REVENUE INCREASE
- THE TOWN CANNOT FUND THE REGIONAL SCHOOL SYSTEM'S REQUEST AND CONTINUE TO PROVIDE LEVEL-FUNDED TOWN SERVICES TO THE RESIDENTS
- OUT OF \$100 IN PROPERTY TAX (FY19) YOU PAY
  - \$34.57 GOES TO TOWN SERVICES (POLICE/FIRE/HIGHWAY/ETC)
  - \$65.43 PAYS FOR EDUCATION
    - \$63.44 PAYS FOR THE DR REGIONAL SCHOOL SYSTEM
- RAISES THE QUESTION: HOW MUCH IS ENOUGH? 75%? 80%? 90%? 100%?

# SUMMARY/CONCLUSION

- THE TOWN DOES NOT HAVE A SECRET REVENUE SOURCE IT IS HIDING
- EITHER TAXES MUST GO UP, TOWN SERVICES MUST BE CUT (TO FUND THE REGIONAL SCHOOL SYSTEM INCREASES), OR THE ANNUAL RATE OF INCREASE IN SPENDING (IN THE REGIONAL SCHOOL SYSTEM) MUST DECREASE TO A LEVEL WHERE IT STAYS WITHIN THE TOWN'S ABILITY TO RAISE ADDITIONAL REVENUE
- THE CHOICE IS UP TO THOSE WHO ATTEND TOWN MEETING
  - DO YOU WANT A TOWN?
  - DO YOU WANT A SCHOOL SYSTEM?
  - OR DO YOU WANT A BALANCE OF BOTH?
- WE GET THE GOVERNMENT WE DESERVE – ATTEND TOWN MEETING!



# QUESTIONS

- **QUESTIONS ON THIS PRESENTATION OR FOR FINCOM?**

**[MICHAEL.P.DEIGNAN@GMAIL.COM](mailto:MICHAEL.P.DEIGNAN@GMAIL.COM)**

**401-556-5062**

- **QUESTIONS FOR THE SELECTMEN?**

**508-252-3758 EXT. 1**

**<https://www.town.rehoboth.ma.us/town-administrator-board-selectmen>**

# ADDITIONAL VIEWING

- **TOWN FINANCES 101 VIDEO**

<https://www.youtube.com/watch?v=9KcuOtgmRis>

- **PROPERTY TAXES 101 VIDEO**

<https://www.rehobothtv.org/ondemandPlayer?ShowID=3190>

- **JUNE 4<sup>TH</sup> SCHOOL COMMITTEE MEETING**

<https://www.rehobothtv.org/ondemandPlayer?ShowID=3359>

- **JUNE 25<sup>TH</sup> SCHOOL COMMITTEE MEETING**

<https://www.rehobothtv.org/d-r-school-committee-vod>



# TOWN OF REHOBOTH

JULY STM WARRANT/FINANCIAL REVIEW  
JULY 10<sup>TH</sup>, 2019  
7PM – COUNCIL ON AGING BUILDING

<https://bit.ly/FinSum0719>