



ARTICLE 9: FY21 Budget Line Item Adjustment

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Ms. Escobedo moves: that the Town transfer the sum of \$40,000 from Line 1, General Government and \$150,000 from Line 3, Finance, for a total of \$190,000, appropriated under Article 10 of the 2020 Annual Town Meeting, to Line 2, Legal Services.



Manner of Appropriation

- The Town's budget is appropriated by Town Meeting in 16 distinct line items
- The Town Manager must then manage to the "bottom line" of each line item appropriation
- Adjustments are then only allowed:
 - By further Town Meeting action; or
 - Year-end transfer process provided under MGL Ch. 44, §33B

Note: It is generally accepted that remedies to cure budget issues should be taken up by Town Meeting when practicable



FY21 Line Item Adjustment

- Budgets are prepared well in advance of the fiscal year and while we do our best to project expenses, often circumstances change
- Proposed adjustment
 - \$40,000 from Line 1, General Government
 - \$150,000 from Line 3, Finance
 - \$190,000 to Line 2, Legal Services
- Amounts in General Government and Finance are available due to position vacancies
- Amount needed in Legal Services to cover additional and unanticipated expenses
- Note: approval of this transfer **does not** increase the total appropriation approved under 10-ATM-2020



FY21 Legal Services

	General	Litigation	Labor	Total
FY2017	\$ 234,829.18	\$ 24,732.50	\$ 133,790.03	\$ 393,351.71
FY2018	\$ 130,088.64	\$ 257,724.36	\$ 29,792.28	\$ 417,605.28
FY2019	\$ 190,380.53	\$ 352,387.26	\$ 75,753.52	\$ 618,521.31
FY2020	\$ 169,099.93	\$ 390,475.29	\$ 53,602.90	\$ 613,178.12
FY2021**	\$ 118,558.90	\$ 217,953.53	\$ 84,522.28	\$ 421,034.71
** through March 31, 2021				



What happens if adjustment isn't approved?

- If the transfer is not approved, the Town's only other remedy is to seek a year-end adjustment under MGL Ch. 44, §33B
 - May 1 – July 15 with approval of both FinCom & Select Board
- If year end transfer is not approved, the Town would have an "illegal" deficit and would be required to raise a like amount on the FY22 recap (tax rate) within the levy



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