



**Town Manager
FY 2014**

Preliminary Budget

December 10, 2012

Selectmen's Meeting



\$540 Million Reduction in State Revenue Projections



Due to “The uncertainty of the fiscal cliff and the resulting slowdown in growth...” by Governor Deval Patrick

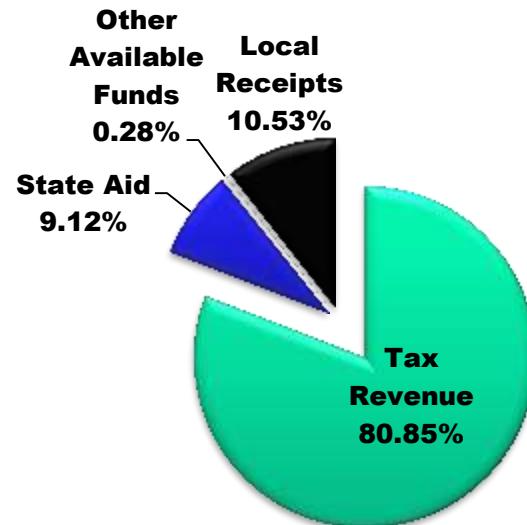
According to John Robertson of the Massachusetts Municipal Association, tax collections through the month of October were \$256 million below the forecasted amount for that period. There was no one area of weakness; these weak collections were across the board including state income tax, sales taxes, and corporate taxes.

Regarding the fiscal cliff, according to Jay Gonzalez, secretary of the Executive Office for Administration & Finance, “If the standoff is not resolved, Massachusetts is estimated to lose another \$300 million in tax revenue this year and \$1 billion next year...”

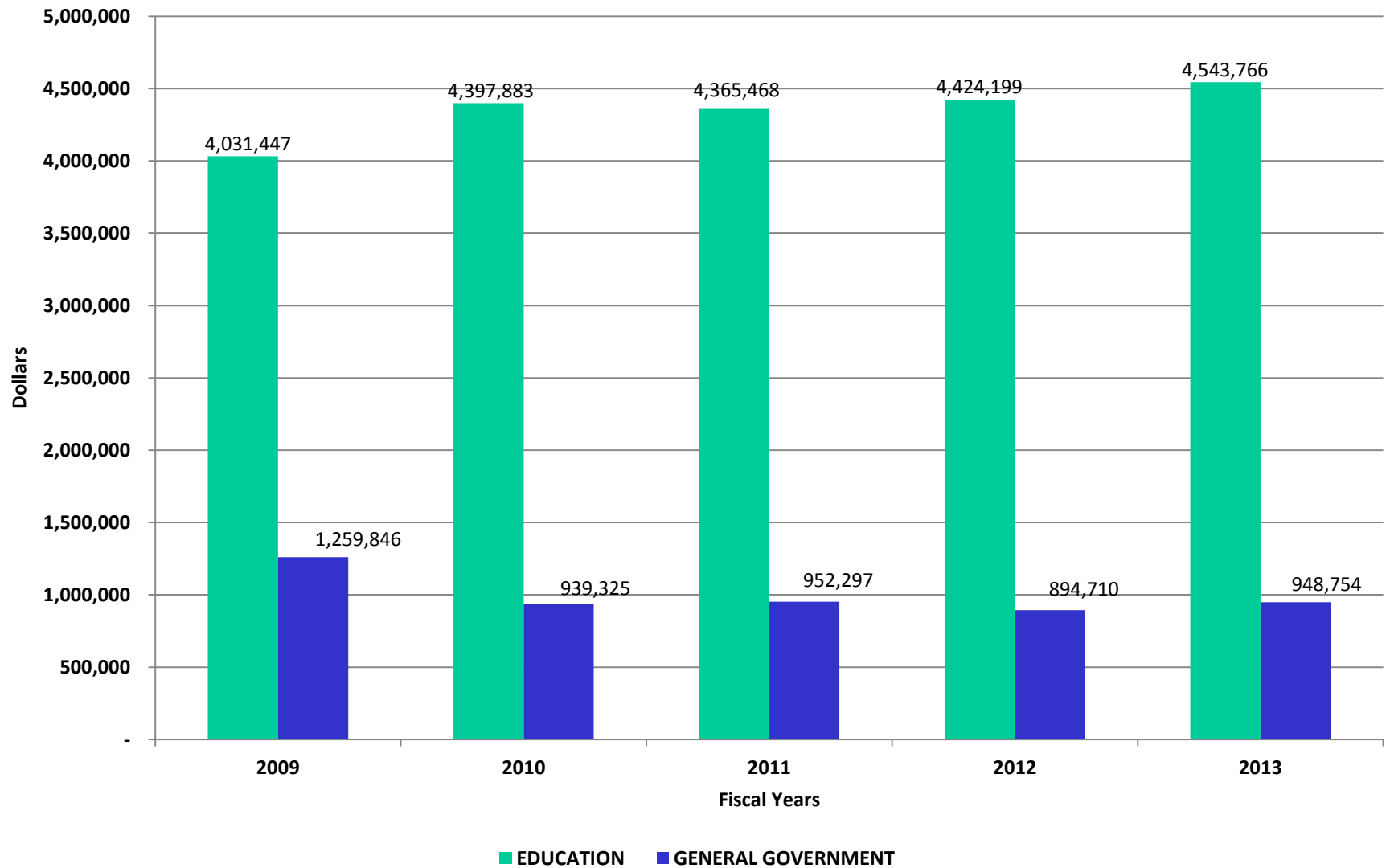
Revenue

Fund Operating Budget Entirely with Renewable Revenue from:

- State Aid
- Local Receipts
- Taxation
- Other Available Funds



5 Year State Aid History



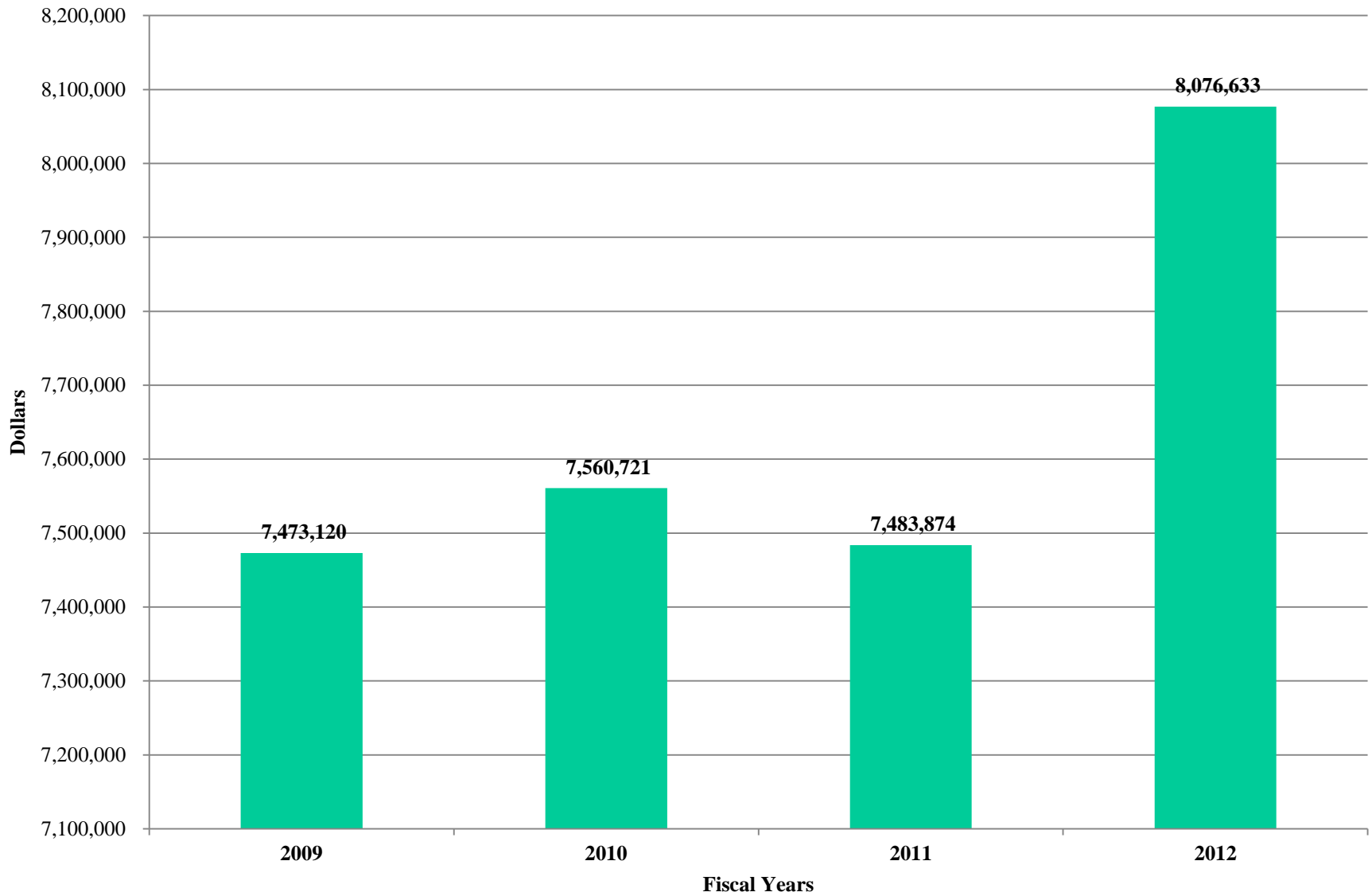
Local Receipts

- Slightly Less than 11% of Revenues Used to Balance Budget

Local Receipts Include:

- Fees, Licenses & Permits, Rentals, Transfer Station Revenue, Beach Revenue, Ambulance Revenue, Crematory Revenue, Motor Vehicle Excise, etc.

Local Receipts History



Taxation

- Over 80% of Revenues Used to Balance Budget



Prior Year's Tax Levy
+ 2.5%
\$1,103,743



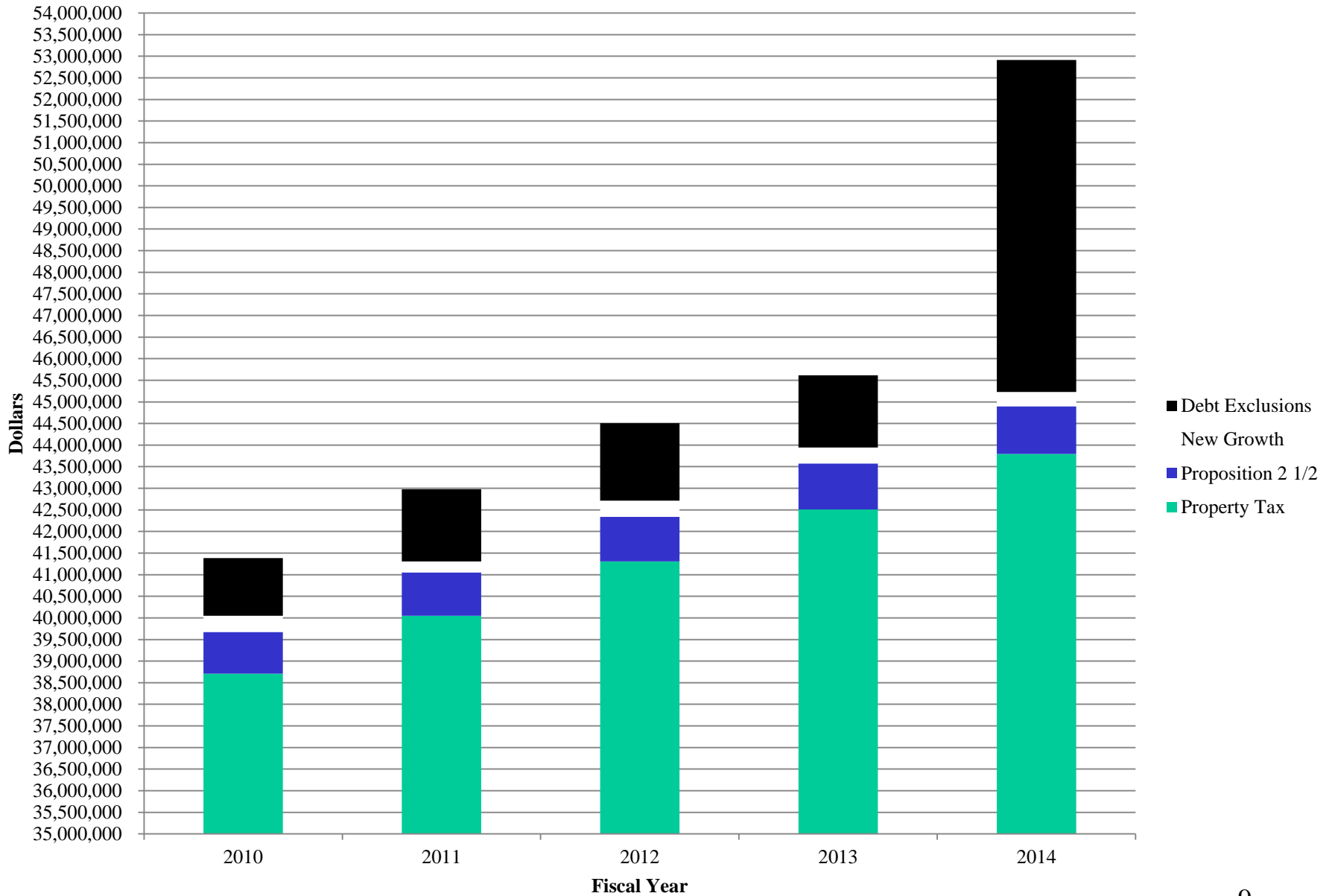
New Tax Revenues
from Construction &
Improvements to
Buildings
\$365,000



Voter Authorized Debt
Excluded from Prop 2 ½
\$6,951,949

Sources of Taxation Revenues

Property Tax History



Other Available Funds

Water Enterprise Fund

\$108,476



Percy Walker Pool Enterprise Fund

\$17,807



Pension Reserve Fund – Offset Increases in Contributory Pension

\$80,000

	FY 13 BUDGET	FY 14 DEPT REQ	FY 14 FIN DIRECTOR	FY 14 TN MANAGER	% Change	Dollar Change
EXPENSES						
OPERATING PROGRAMS						
General Government	2,232,928	2,009,005	2,258,039	2,258,039	1.12%	25,111
Public Safety	6,412,076	6,963,298	6,593,799	6,593,799	2.83%	181,723
Education	29,796,458	0	30,596,458	30,596,458	2.68%	800,000
Public Works	3,896,362	4,046,342	4,062,389	4,062,389	4.26%	85,027
Library & Recreation	1,366,825	1,419,198	1,413,098	1,413,098	3.39%	46,273
Human Services	577,227	602,425	601,182	601,182	4.15%	23,955
Member Benefits & Insurance	10,198,087	10,441,701	10,475,701	10,475,701	2.72%	277,614
Debt Service	<u>2,543,672</u>	<u>9,148,280</u>	<u>9,148,280</u>	<u>9,148,280</u>	<u>259.65%</u>	<u>6,604,608</u>
SUB-TOTAL OPERATING	57,023,635	34,630,249	65,148,946	65,148,946	14.25%	8,044,312
Water						
Operating	1,642,574	1,689,193	1,673,500	1,673,500	1.88%	30,926
Debt	<u>802,543</u>	<u>699,578</u>	<u>699,578</u>	<u>699,578</u>	<u>-12.83%</u>	<u>(102,965)</u>
Sub Total Water	2,445,117	2,388,771	2,373,078	2,373,078	-2.95%	(72,039)
P.W.Pool						
Salaries	184,767	194,592	194,592	194,592	5.32%	9,825
Expenses	<u>179,080</u>	<u>178,087</u>	<u>176,873</u>	<u>176,873</u>	<u>-1.23%</u>	<u>(2,207)</u>
Sub-Total P.W.Pool	363,847	372,679	371,465	371,465	2.09%	11 7,618

Preliminary Budget

• **\$65,148,946**

Operating Budget Net of Fixed Costs

• **Up \$1,243,089 or 2.81%**

General Fund

• **Up \$8,044,312 or 14.25%**

Debt Service

• **Up \$6,604,608 or 260.00%**

Debt Budget

**Increase
Activity**

Add \$6,604,608

Stormwater

FEPA Mandate

**2nd Year of 6
Years Process**

Cost of \$50,000

Plymouth Co. Retirement

**Increase of
4.28%**

**Mitigate
Increase by
2% – Pay by
7/1**

**Transfer \$80K
to Pension
Reserve Fund**

Health Insurance

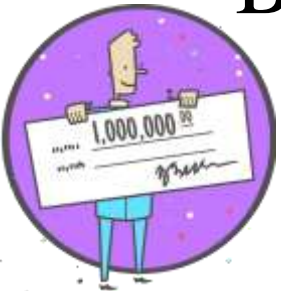
**1.10%
Increase**

**10.5% of Total
Budget (1.35
Less than
FY13)**

**% Is Less than
State Average
of 15%**

Capital Improvement

- Capital Improvement Program Aimed at Maintaining, Replacing and Improving Buildings & Equipment



- Departments Submitted \$2,300,000 Capital Requests
 - \$1,466,388 or over 65% of Capital Projects Requested Were Funded in FY13
- Provide Minimum \$1,000,000 from Free Cash



Enterprise Funds

Water

- Decrease Nearly \$72,039 or 2.95%
- Operating Fund Increase of \$30,926
- Debt Decrease by \$102,965
- Anticipated Borrowing of \$925,000
- Retained Earnings \$500,000

Pool

- Increase of \$7,618 or 2.09%
- General Fund Subsidize Pool Enterprise for 5% of Operating Costs



**Renewable Revenues
for Ongoing Expenses**

**One-time Revenues to
Fund One-time
Expenditures**

A large, vibrant red ribbon bow is centered on a white background. A horizontal red ribbon band passes through the center of the bow. Attached to the left side of the bow is a red rectangular tag with rounded corners and a small hole at the top. The text "Thank You!" is written in a white, serif font across the middle of the bow.

Thank You!

<http://www.town.duxbury.ma.us>