

Town Manager  
FY 08 Budget  
Presentation  
March 10, 2007  
Annual Town Meeting





# Overview

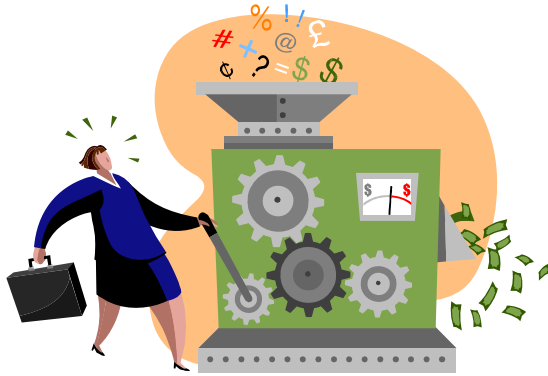
## Town Continues to Face Fiscal Challenges

- State Aid continues to be a smaller portion of the budget:
  - Since 2002, decline from 12% to 8% of town's revenue
- Continued heavy reliance on property taxes & local receipts
- Spiraling increase in fixed costs:
  - Health Care, Energy, Retirement
- Local taxes up to maximum allowed under Prop 2½

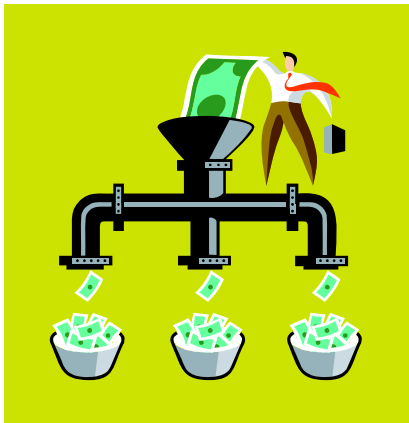


# Budget Highlights

- No major cutbacks or layoffs
- All Certified Free Cash was used to balance the budget.
- Managing increase in Health Insurance in alliance with unions & retirees.
- Pension Reserve used to mitigate 20% increase in pension assessment.
- Salaries represent 55% of budget  
3.3% increase over FY 07.
- Budget reflects no override. Future budgets may have to include possibility of a Proposition 2 ½ override.

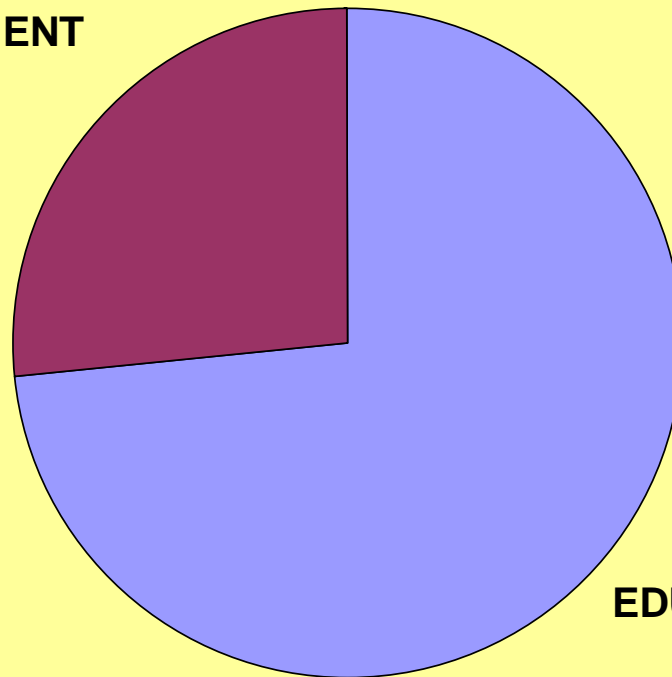


# FY08 Revenues



# Town of Duxbury FY08 State Aid Cherry Sheet (Est.)

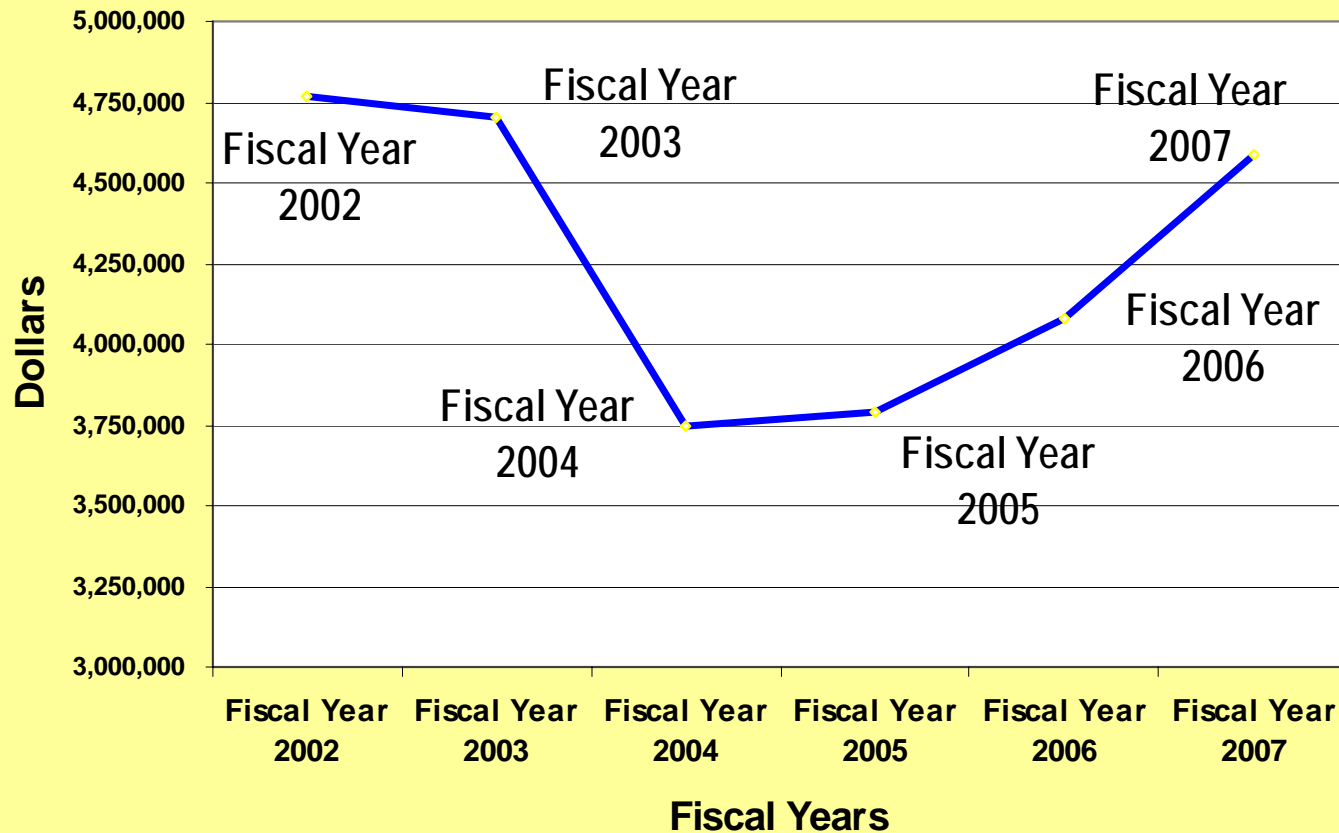
**GENERAL  
GOVERNMENT**  
27%



**EDUCATION**  
73%

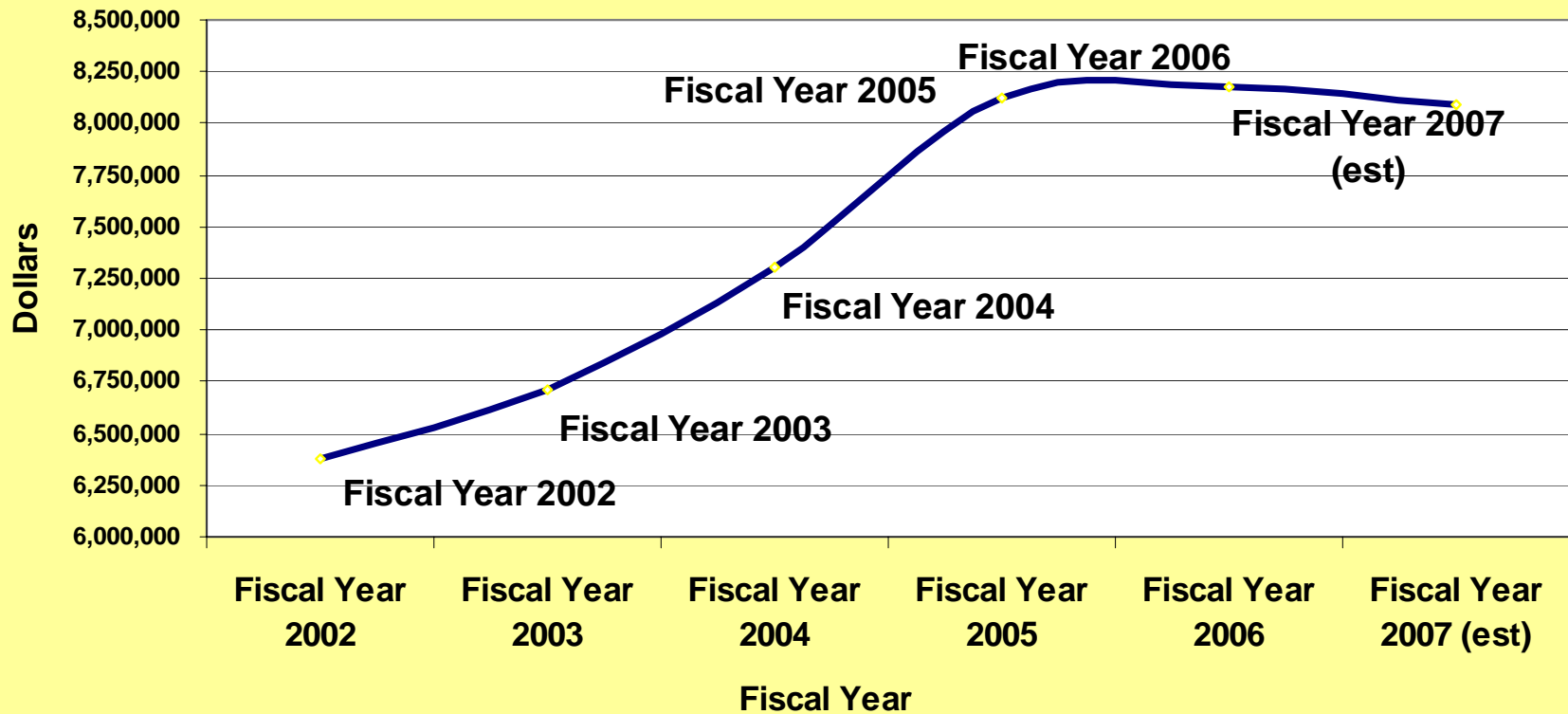
# Town of Duxbury FY08

## State Aid Revenue Fiscal 2002 Through Fiscal 2007

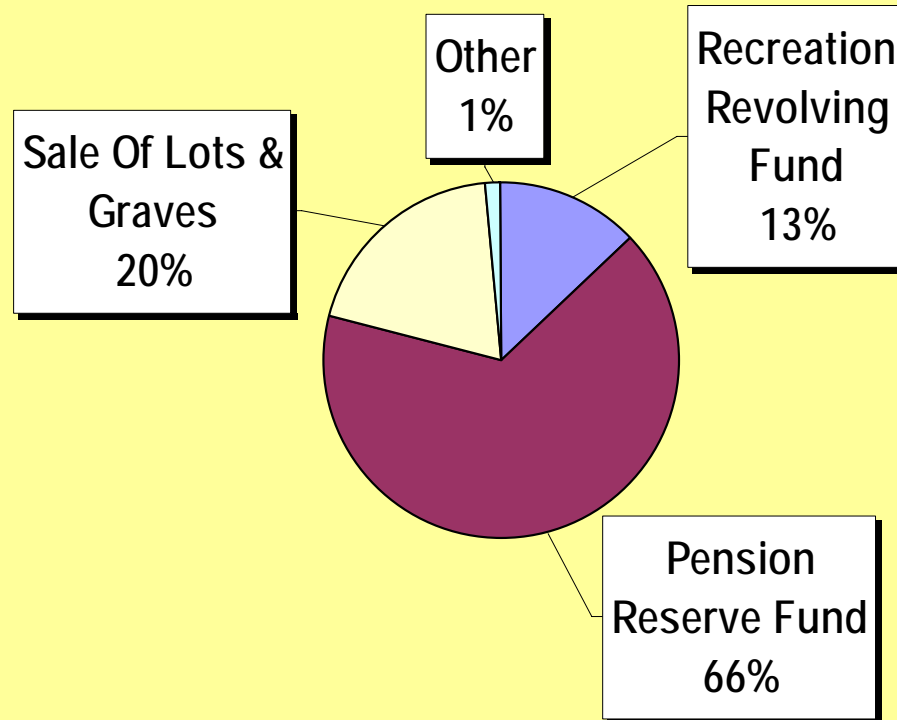


# Town of Duxbury FY08

## Local Receipts Fiscal 2002 Through Fiscal 2007



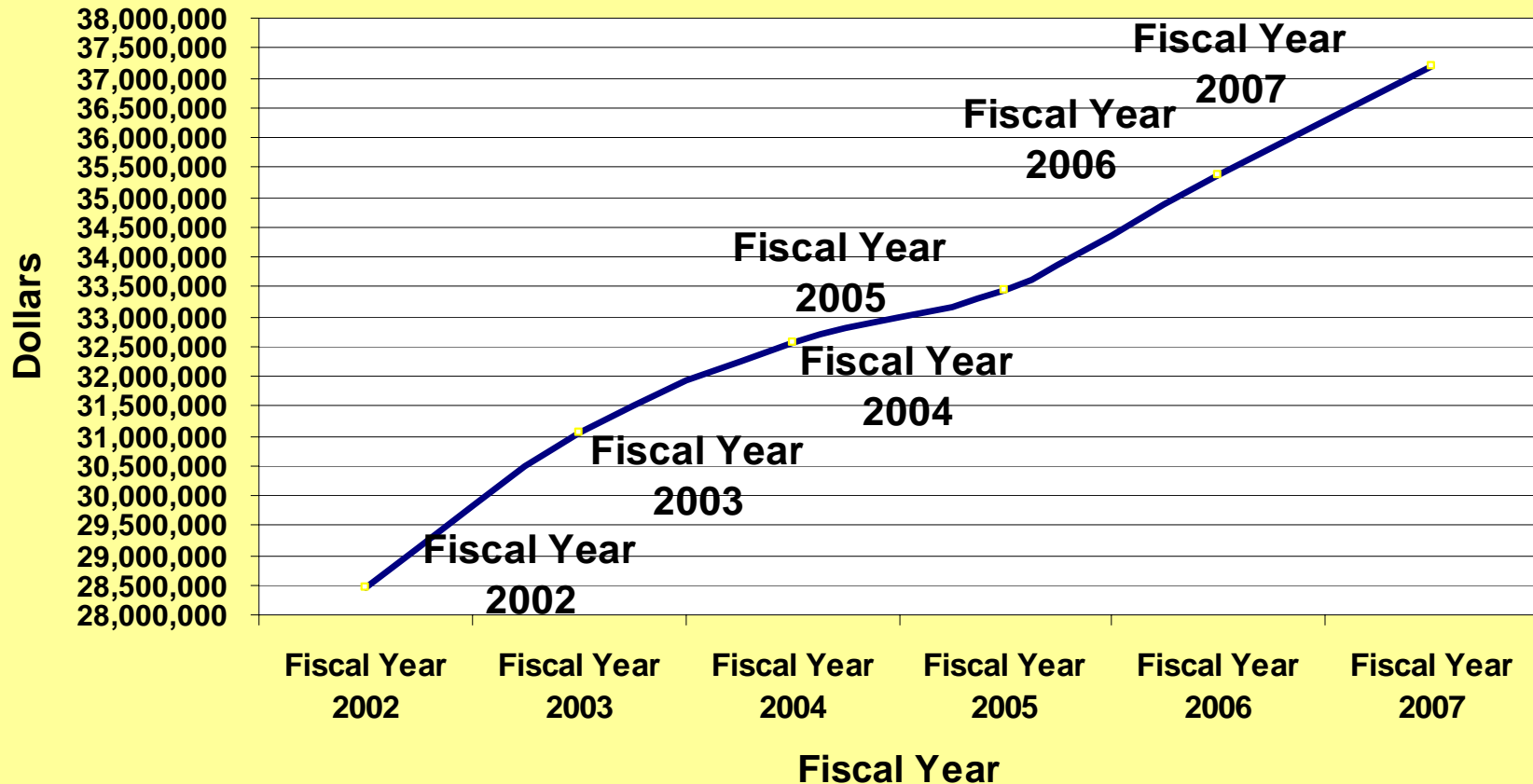
# Town of Duxbury FY08 Available Funding Sources





# Town of Duxbury FY08

## Tax Levy Fiscal 2002 Through Fiscal 2007





# Town of Duxbury FY08 Tax Levy Revenue

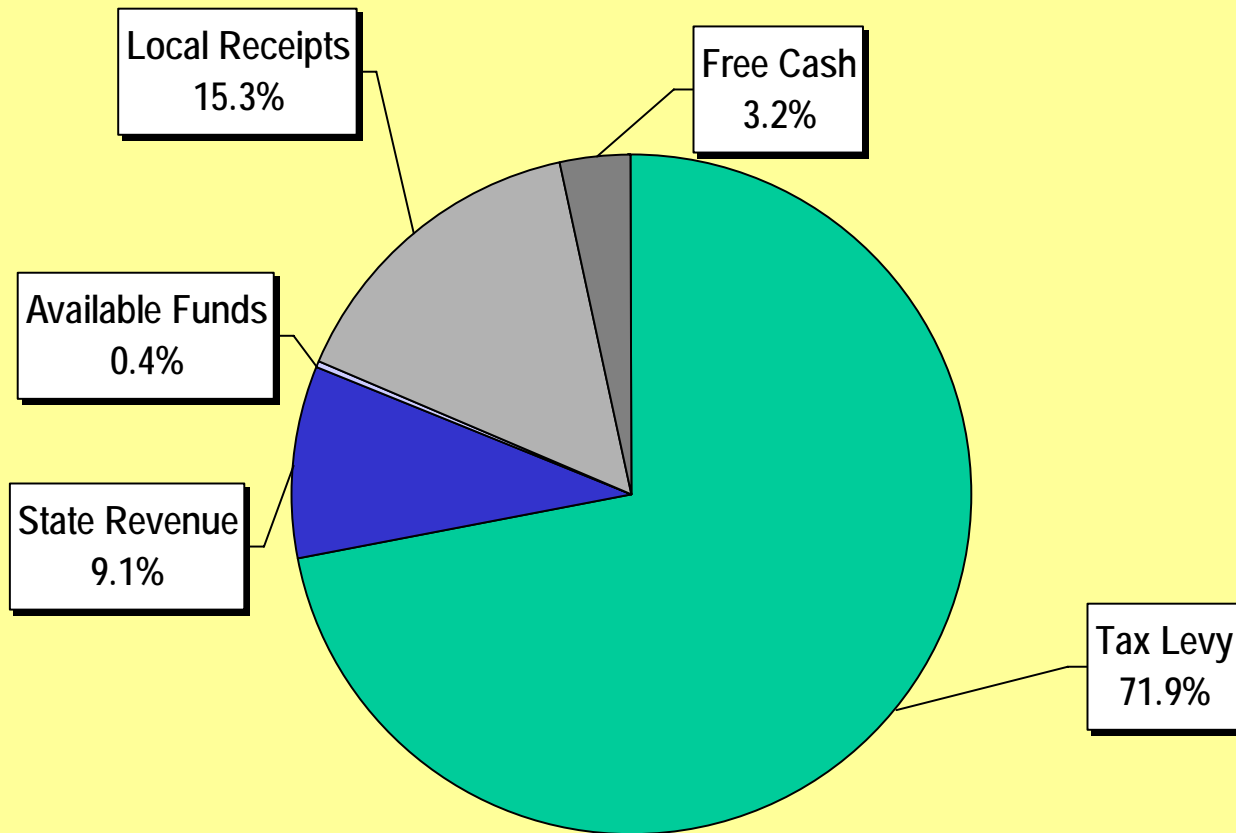
Property Tax Levy	FY 07 Budget	FY 08 T.Mgr.	%
Base	\$34,225,705	\$35,694,957	4.29%
2.5% Increase	\$859,588	\$893,252	3.92%
New Growth	\$489,966	\$400,000	-17.86%
Exempt Debt	\$1,623,704	\$1,574,813	-3.01%
Sub-Total Tax Levy	\$37,195,963	\$38,563,022	3.68%



## Town of Duxbury FY08 Revenue Summary

Revenue Sources	FY 07 Budget	FY 08 T.Mgr.	%
Tax Levy	\$37,195,963	\$38,563,022	3.68
State Revenue	\$4,590,261	\$4,895,101	6.64
Local Receipts	\$8,090,727	\$8,188,215	1.20
Available Funds	\$33,000	\$228,767	
Free Cash	\$1,789,683	\$1,726,443	-3.53
<u><i>Total</i></u>	<u><i>\$51,669,634</i></u>	<u><i>\$53,601,548</i></u>	<u><i>3.73</i></u>

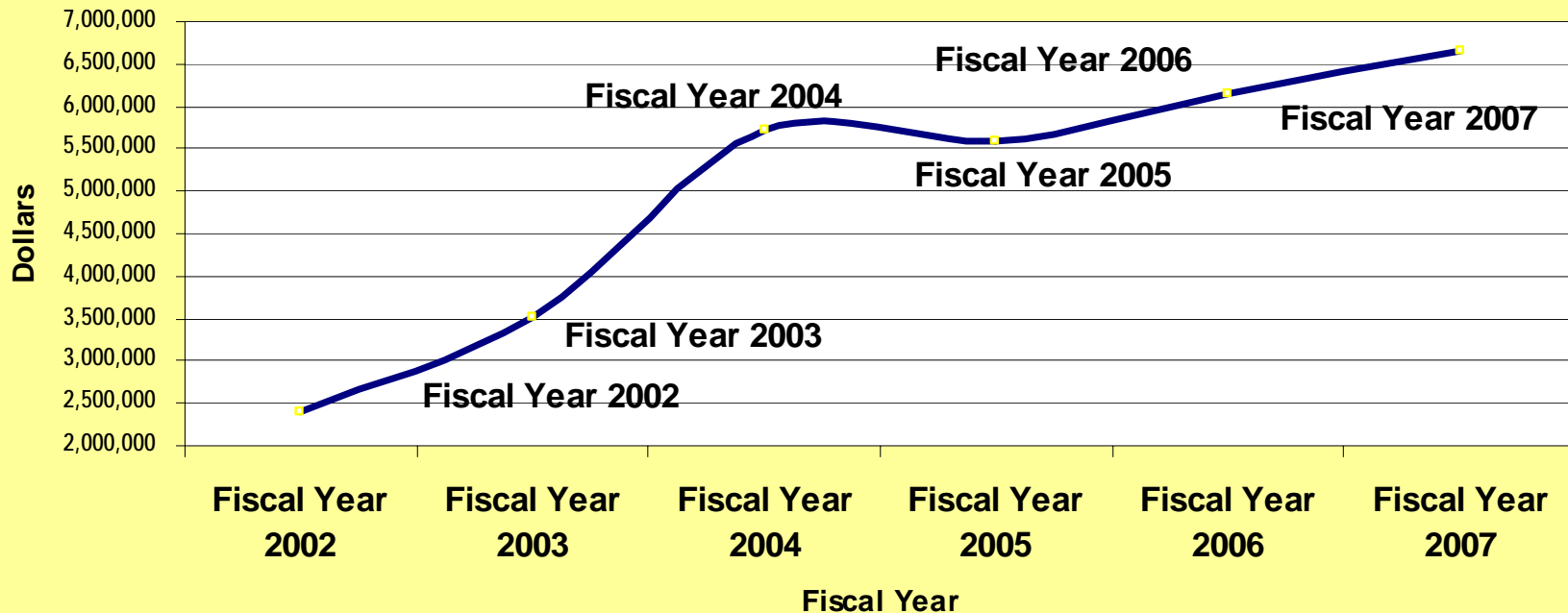
# Town of Duxbury FY08 Revenue Sources





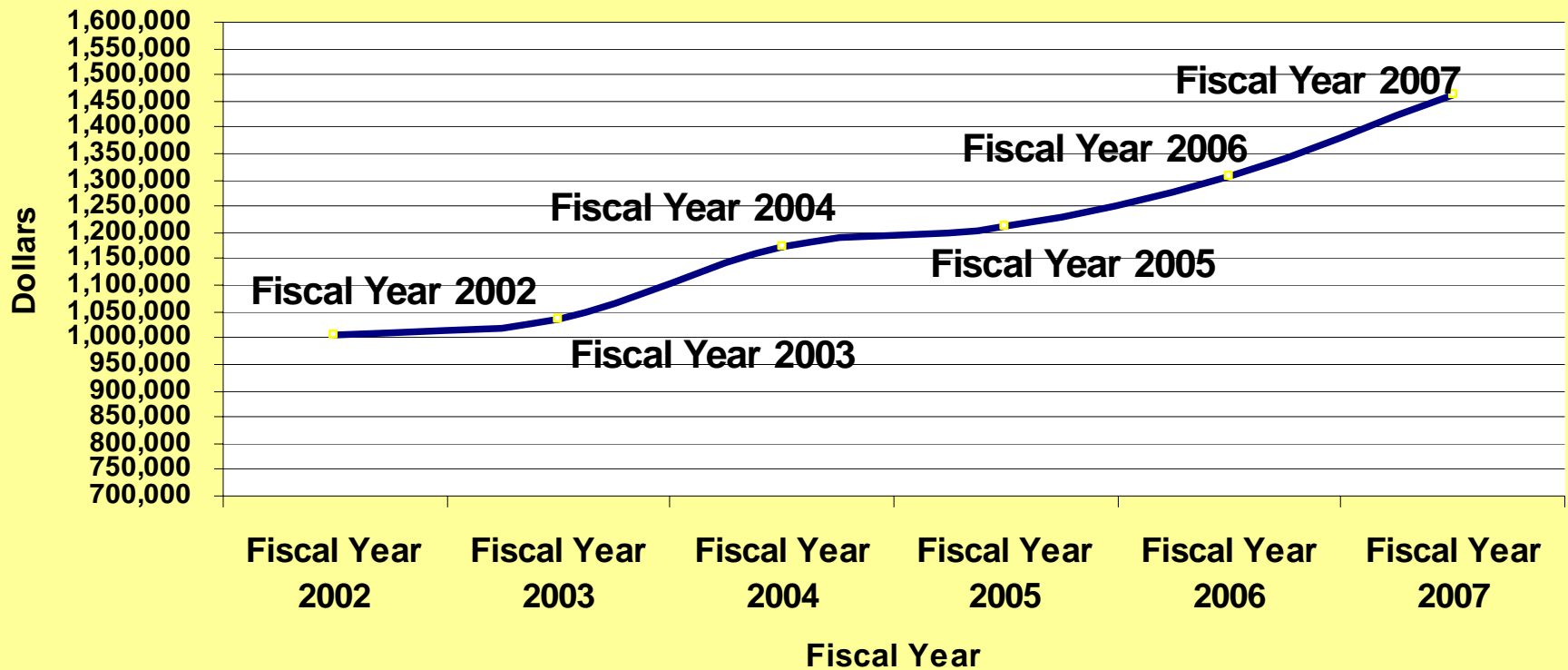
# Town of Duxbury FY08

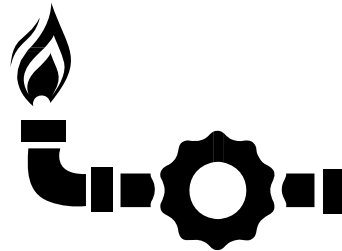
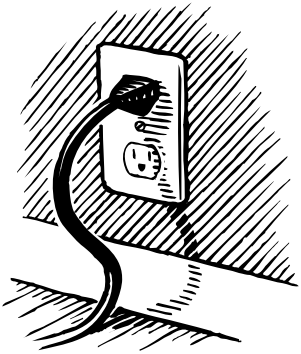
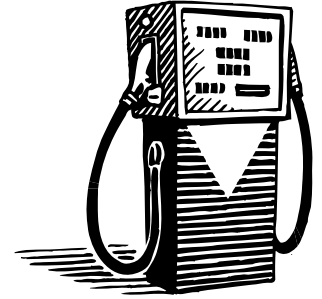
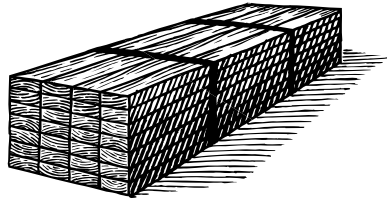
## Health Insurance Expense Fiscal 2002 Through Fiscal 2007



# Town of Duxbury FY08

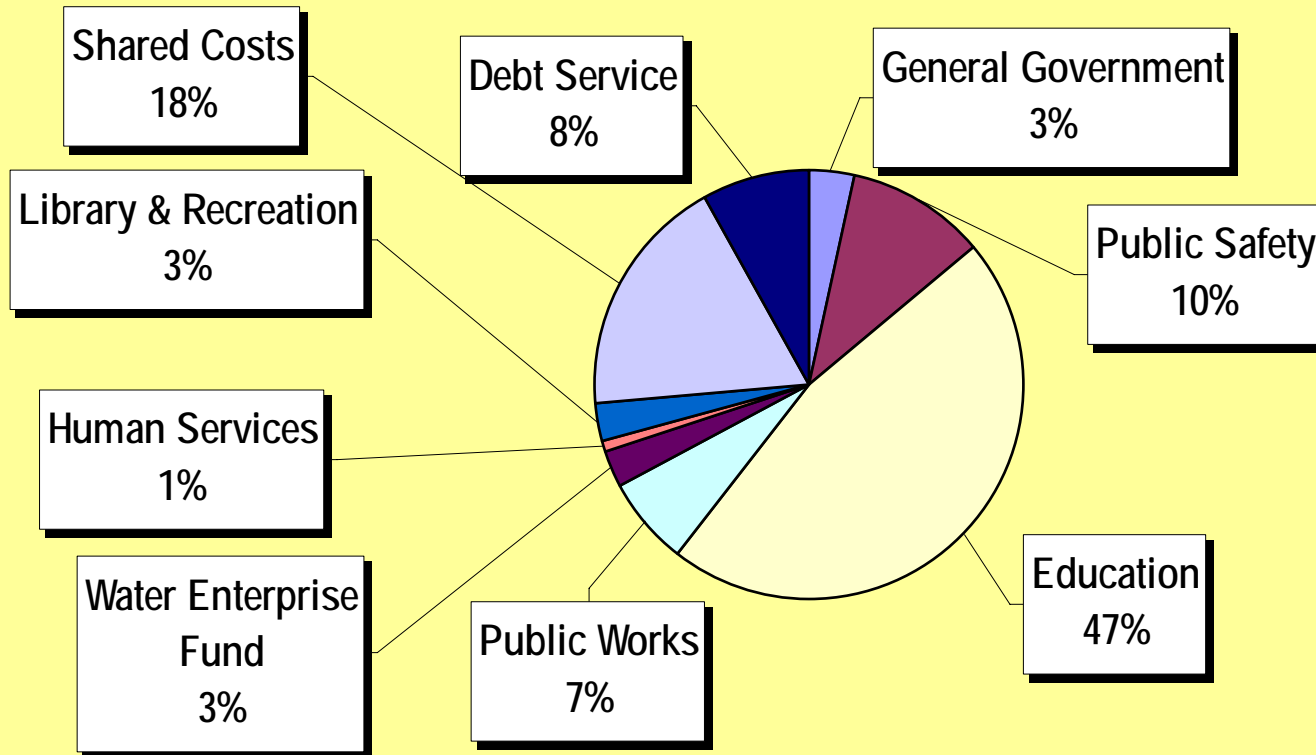
## Pension Assessment Expense Fiscal 2002 Through Fiscal 2007



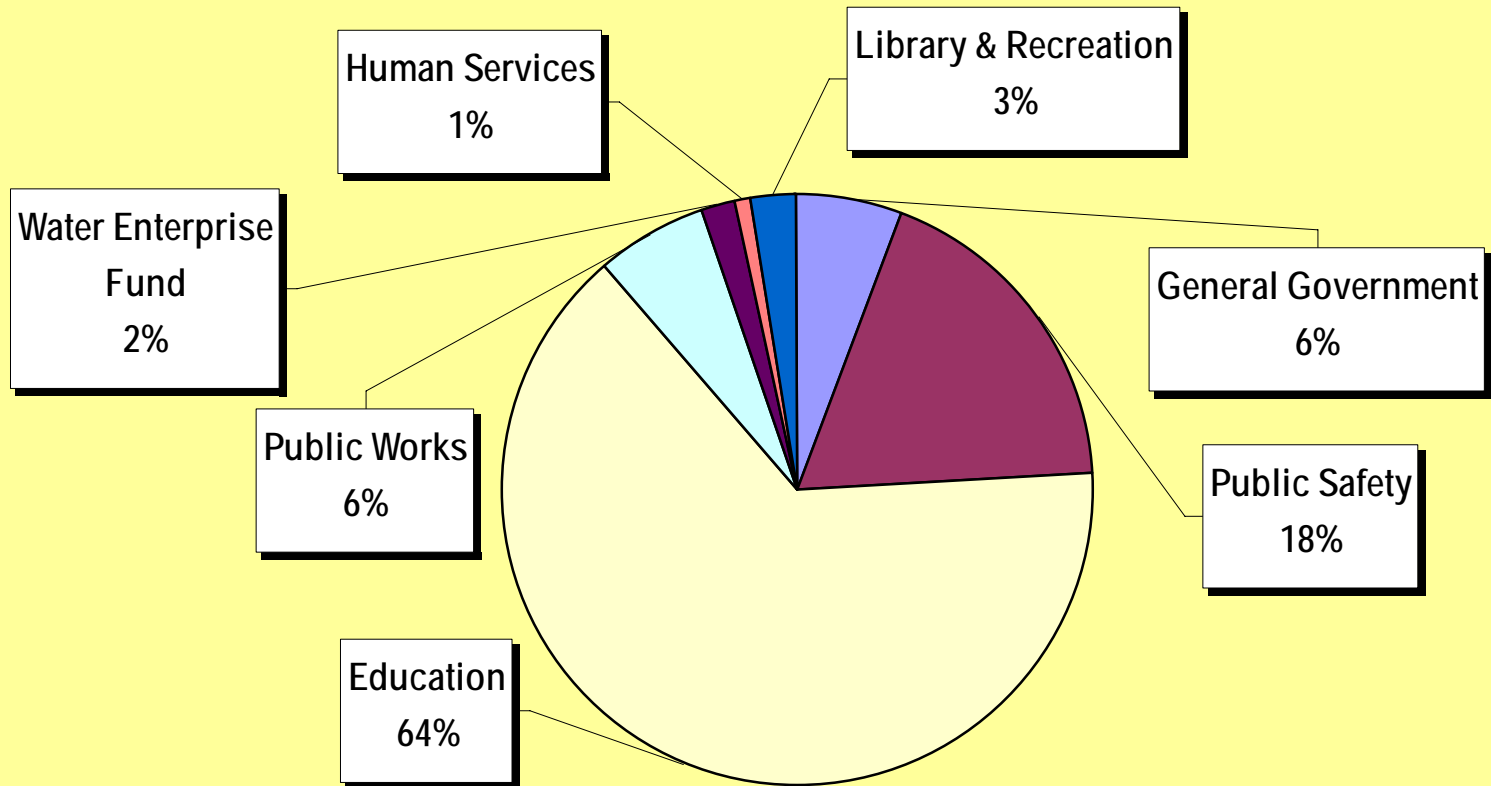




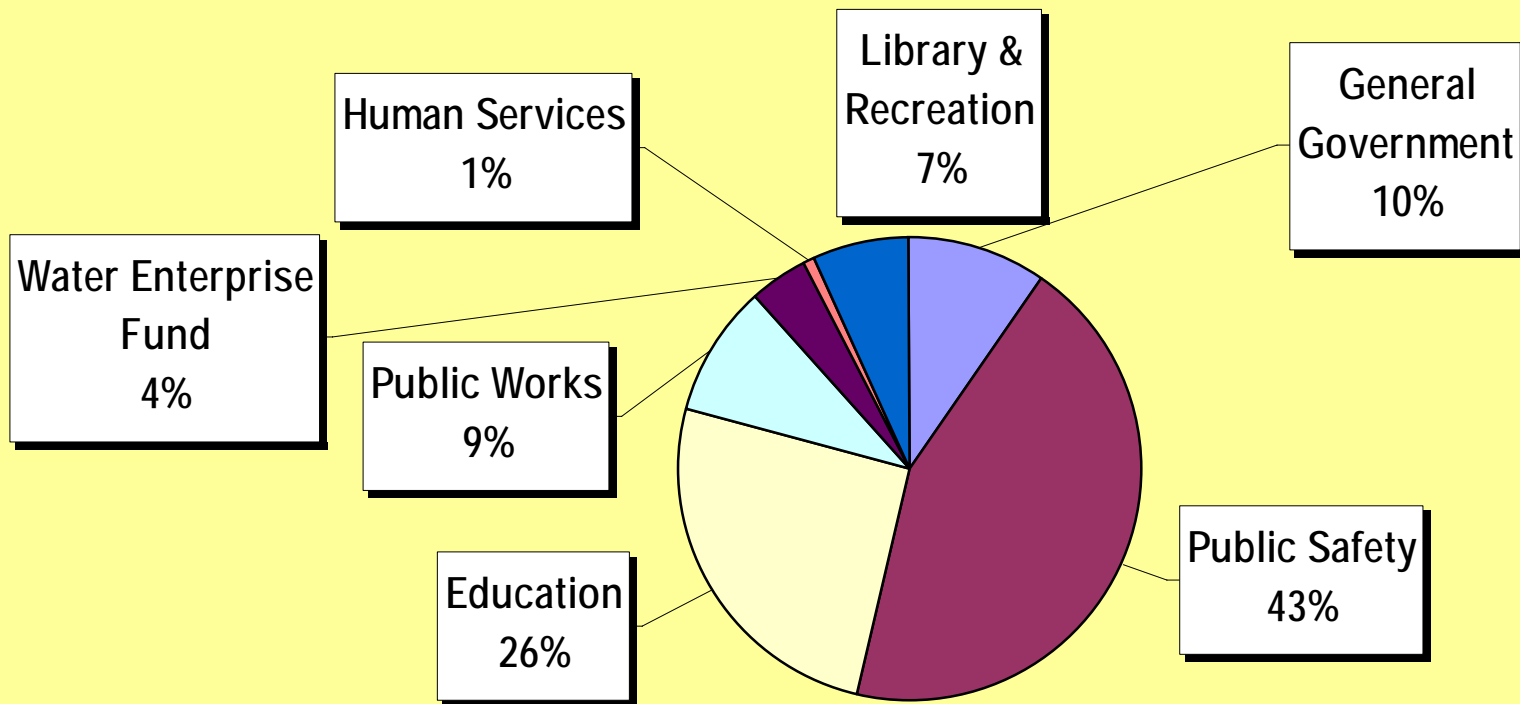
# Town of Duxbury FY08 Direct Costs



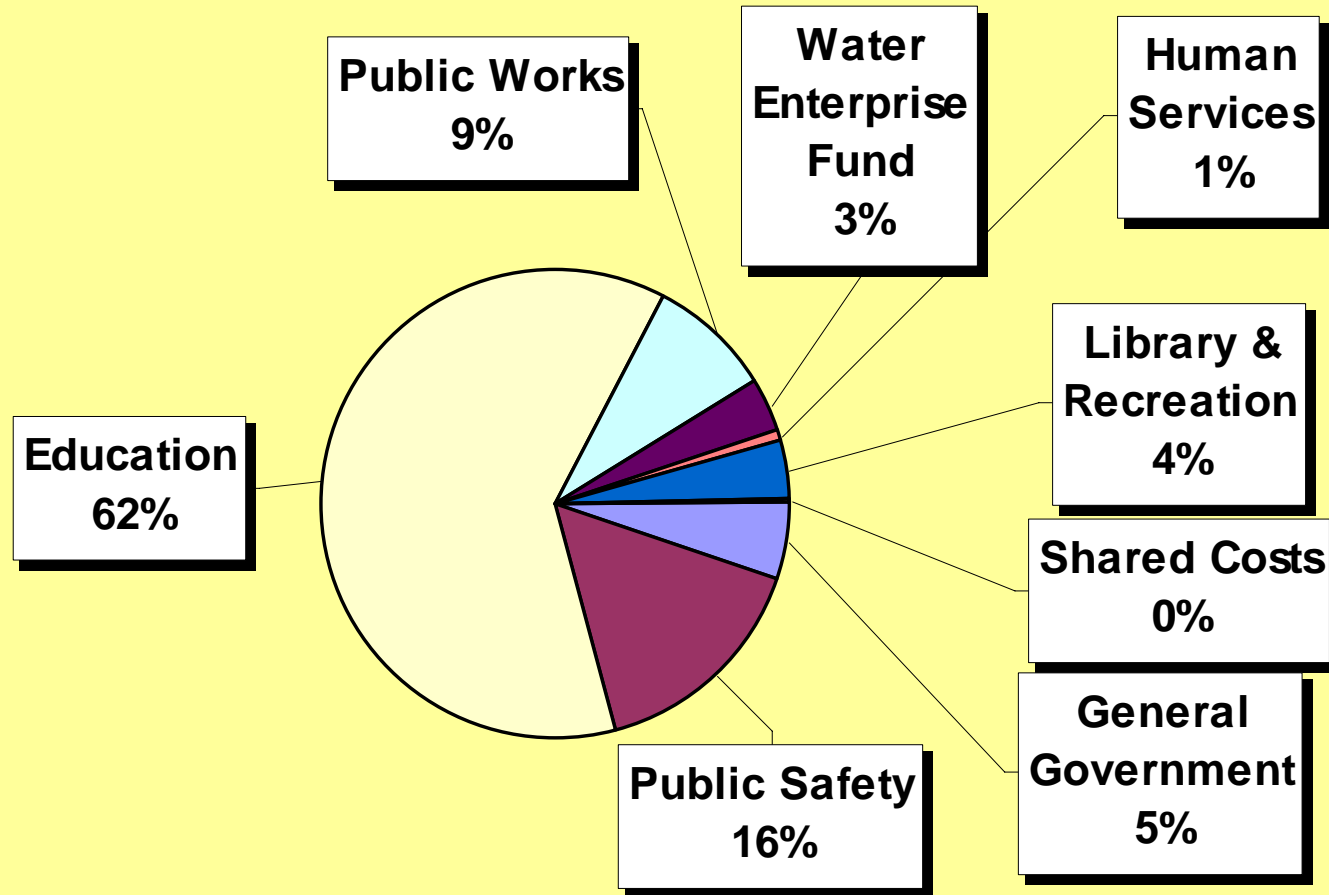
# Town of Duxbury FY08 Health Insurance



# Town of Duxbury FY08 Shared Pension Expense

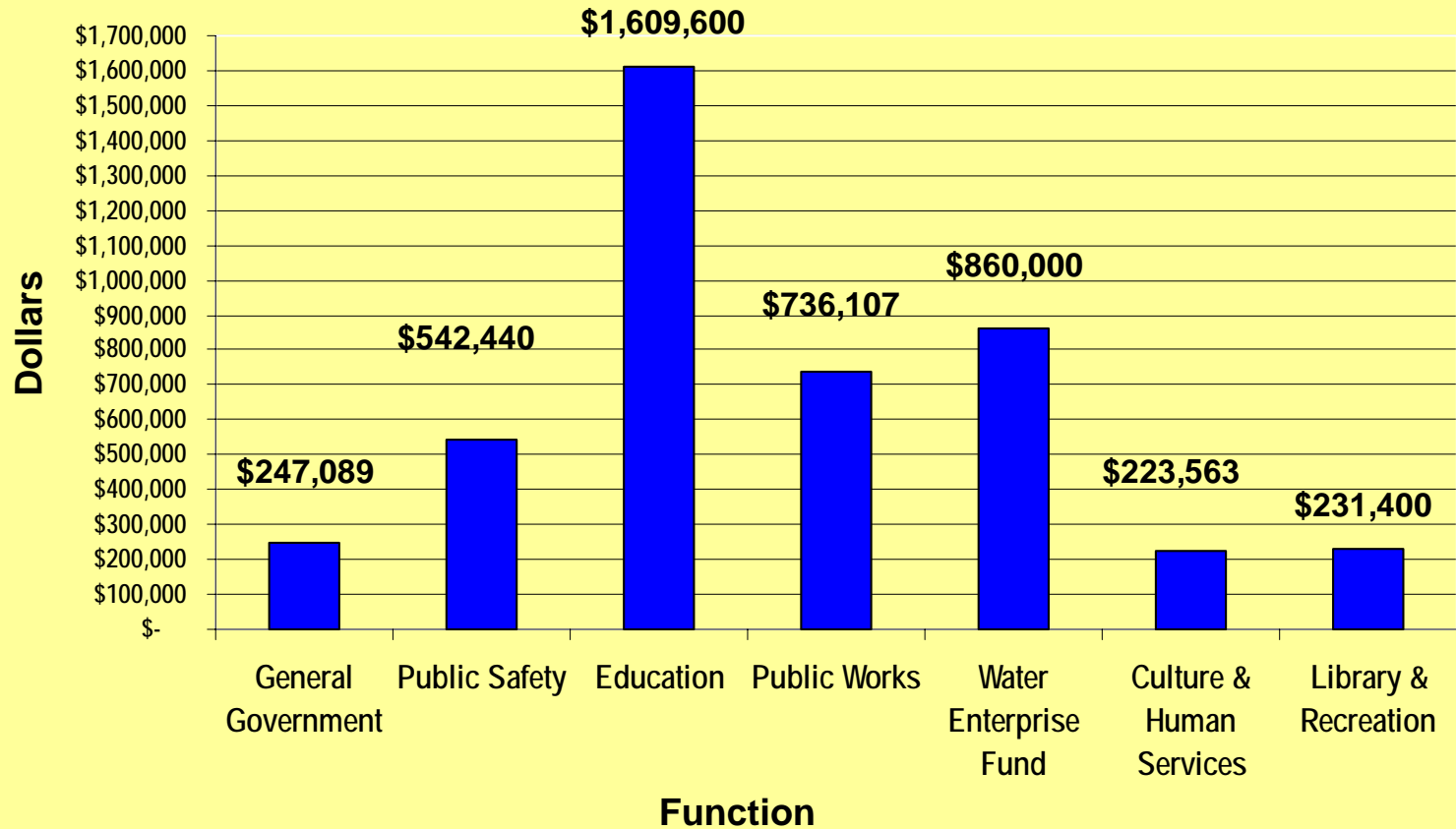


# Town of Duxbury FY08 Direct and Shared Costs



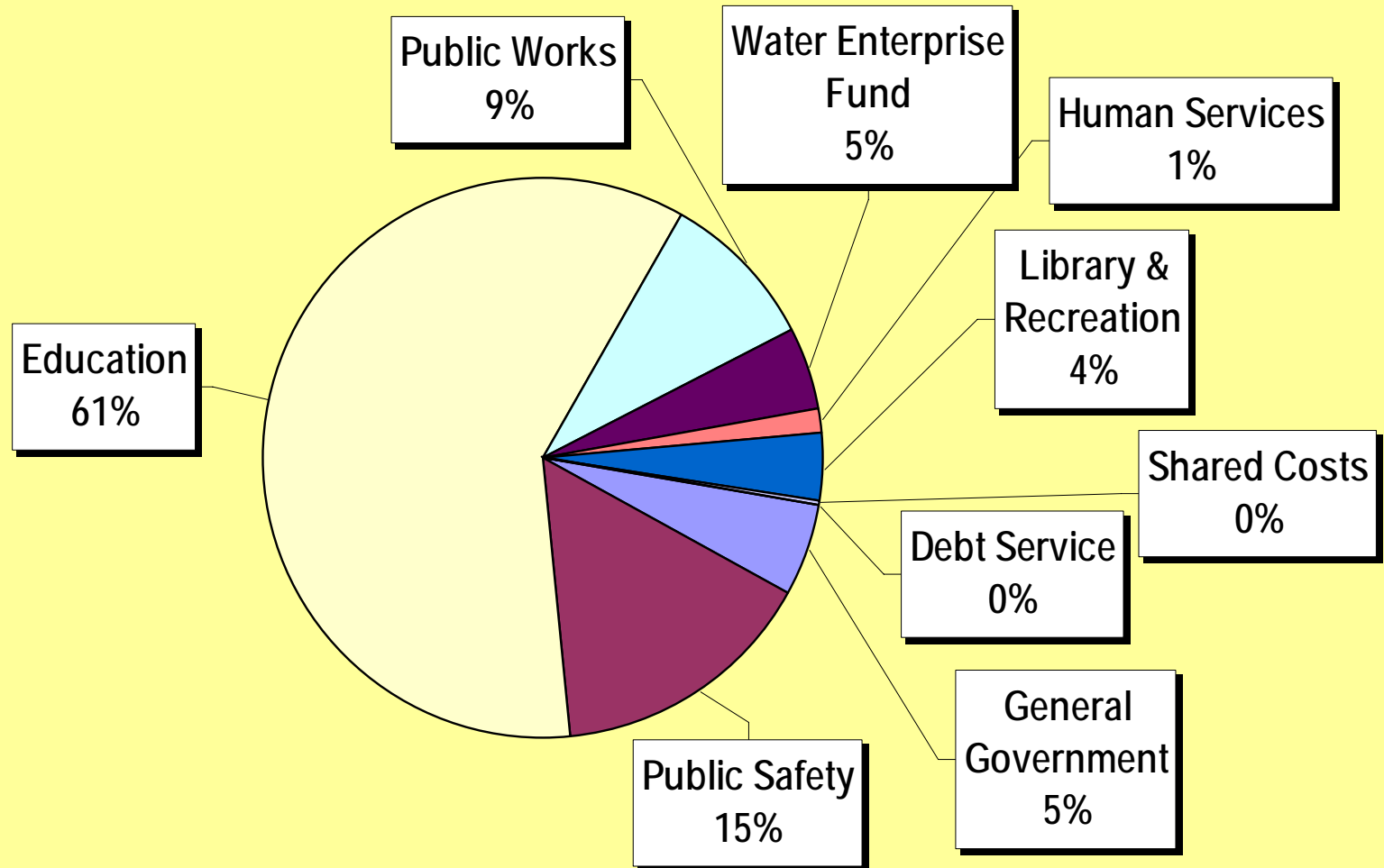
# Town of Duxbury FY08

## Debt Allocation By Function



# Town of Duxbury FY08

## Direct and Shared Costs Including Debt Service



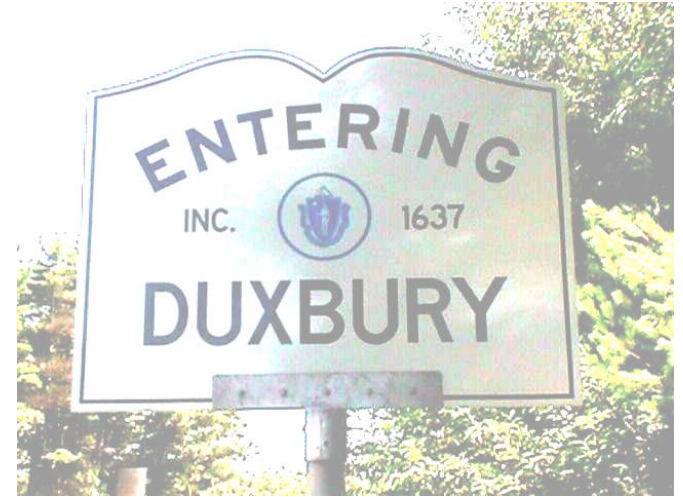


PLEASE REFER  
TO  
TOWN MEETING WARRANT FOR:

ARTICLE 5 - Operating Budget

ARTICLE 6 - Capital Budget

# General Government



- **Salaries**

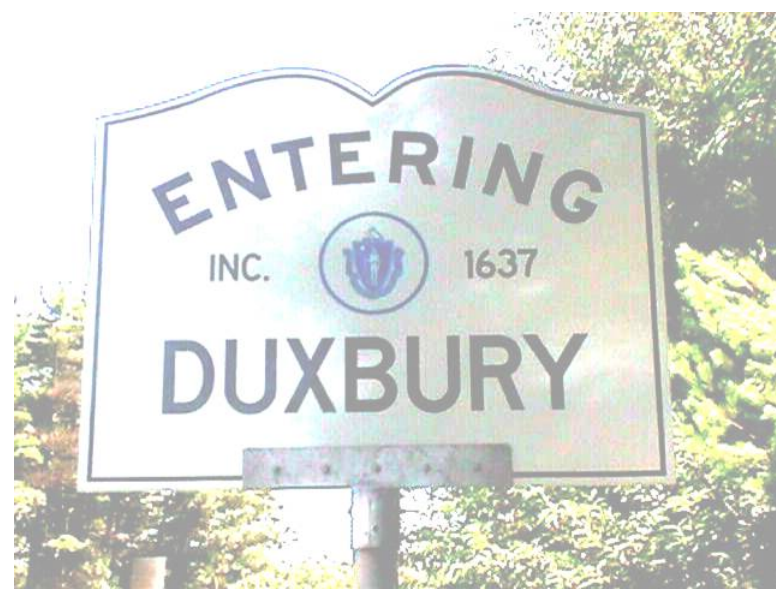
**Less Than 1% increase from FY 07**

- **Total increase is \$8,679.**
  - **No new employees proposed in General Government.**





# **General Government**



- **Expenses**

## **3.8% increase from FY 07**

- **Total increase is \$20,043.**
- **Legal costs reduced by \$20,000 due to successful union negotiations during FY 2007.**
- **\$5,000 added to Conservation Commission for pond maintenance program.**
- **\$24,000 added to Computer Department for comprehensive replacement program.**

# Public Safety



- **Salaries**

**2.7% increase from FY 07**

- Total increase is \$134,913.
- No new employees proposed in Public Safety.



# Public Safety



- **Salaries Continued...**
- **Police**
  - **Total increase is \$72,697.**
  - **Includes steps and contractual agreements.**
- **Fire**
  - **Total increase is \$60,930.**
  - **Includes steps and contractual agreements.**
  - **Includes full complement of paramedics.**



# Public Safety



- **Expenses**

- **7.7% increase from FY 07**

- **Police**

- Provides level service funding.

- **Fire**



- Ambulance billing costs increase directly related to increased revenue.
    - Ambulance billing increase mitigated by favorable negotiations with billing and collections vendor.



# Public Safety



- Expenses continued...
- Animal Control
  - Total increase is \$4,897.
- Inspectional Services
  - Total decrease is \$7,011.
  - Level service budget.
- Harbormaster
  - Total increase is \$1,400.
  - Level service budget.



# Public Works

- **Salaries**

**2.6% increase from FY 07**

- Total increase is \$55,677.
- Majority of increase is contractual.
- No new employees proposed in Public Works.



# Public Works

- **Expenses**

**4.7% increase from FY 07**

- **Total increase is \$131,310.**



- **Central Fuel Depot up 14.2%, or \$28,400.**

- **Increase mitigated by better controls .**

- **Crematory utility expenses up 22.5%, or \$30,300.**

- **Transfer Station down 2.1% or \$18,046 because of a reduction in construction and demolition materials.**





# Library and Recreation

- **Salaries**

## **1.4% increase from FY 07**

- Total increase is \$15,811.
- No new employees proposed in Library & Recreation.
- Includes contractual increases.





# Library and Recreation

- **Expenses**

**1.3% Increase from FY 07**

- **Total increase is \$4,951.**
  - **Assumes continuing support from Library “Friends”.**
- **Recreation (63.5% decrease)**
  - **Expenditures more accurately apportioned to revolving funds.**



# Human Service

- **Salaries**

**2.3% increase from FY 07**

- Total increase is \$7,082.
- Council On Aging
  - No new employees proposed in Human Services.
  - Assumes continuing support from “Friends”.
- Veterans’ Agent level funded.



# Human Services

- Expenses

4.7% increase from FY 07

- Total increase is \$5,975.



# Duxbury Schools

- 2.8% increase from FY07
- Total increase is \$700,000
- \$25,571,458







# Town and School Shared Costs/Employee Benefits

## Health Insurance

- **Total increase is \$415,000 (6.2%).**
- **Industry-wide estimates 10% - 12%.**
- **Increases mitigated through negotiation with Town's retirees and employee unions (savings of ~\$250,000).**

## Retirement

- **Total increase is \$300,767 (20.6% Increase)**
- **\$150,767 of Pension Reserve used to mitigate increase.**
- **Payment in July to save \$36,000 in interest cost.**



# Debt Service

**New bond issued \$1,150,000 in February 2007**

- **Favorable interest rate 3.696%**

Water (\$476k)

Departmental Equipment (\$369k)

School Sewer (\$65k)

Cemetery Expansion (\$80k)

Fire Alarms (\$100k)

Senior Center Parking Lot (\$65k)

**Currently \$1,130,000 authorized and unissued**

**Rapid repayment strategy**

- **Currently \$23,400,000 in outstanding debt.**
- **54% to be paid off within 5 years.**





# Capital Budget





# FY08 Capital Budget General Fund

- Departmental requests reduced from \$2.1M to \$178,000.
- Borrowing is not used as a funding source for Capital Projects.
  - Funding Sources
    - **\$130,000 Free Cash**
    - **\$45,000 Sale of Lots and Graves**
    - **\$3,000 Shellfish Management fees**



# FY08 Capital Budget

## General Fund

<b>1</b>	<b>Replace Old Town Hall H.V.A.C.</b>	<b>\$ 20,000</b>
<b>2</b>	<b>Fire Portable Radios</b>	<b>\$ 25,000</b>
<b>3</b>	<b>Harbormaster Outboard Engine</b>	<b>\$ 10,500</b>
<b>4</b>	<b>DPW Truck Replacement</b>	<b>\$ 47,500</b>
<b>5</b>	<b>Re-line Crematory Retorts</b>	<b>\$ 30,000</b>
<b>6</b>	<b>Cemetery Columbarium</b>	<b><u>\$ 45,000</u></b>
	<b>Total</b>	<b><u>\$178,000</u></b>



# FY08 Capital Budget Water Enterprise Fund

- Water capital \$282,000 funded through Water Enterprise Fund retained earnings.
- Birch St. water tank construction
  - \$3,150,000
  - Funded through bonding.



# FY08 Capital Budget

## Water Enterprise Fund

<b>1</b>	<b>System Rehabilitation</b>	<b>\$ 150,000</b>
<b>2</b>	<b>PCE Main Pipe Replacement</b>	<b>\$ 100,000</b>
<b>3</b>	<b>Replace 1999 <math>\frac{3}{4}</math> Ton 4x4 Pickup Truck</b>	<b>\$ 32,000</b>
	<b>Total</b>	<b><u>\$282,000</u></b>





# ANNUAL TOWN MEETING

## DUXBURY PUBLIC SCHOOLS OPERATING BUDGET

FY08



# FY08

## Student Population Changes FY07-FY08

• Chandler	762	753
• Alden	801	846
• DMS	769	777
• DHS	1009	974
• System	3402	3415



# Building the Budget

- FY 2007 \$24,871,458
  - Personnel 19,749,588
  - Expenses 5,121,870
- Increases FY 2008
  - Existing Staff 876,386 4.4%
  - Expenses 318,520 6.2%
    - Includes \$188,367 out of district SPED
  - New Staff 191,156 1.0%
    - 4.368 add'l teachers due to enrollment shifts in changes



- 48





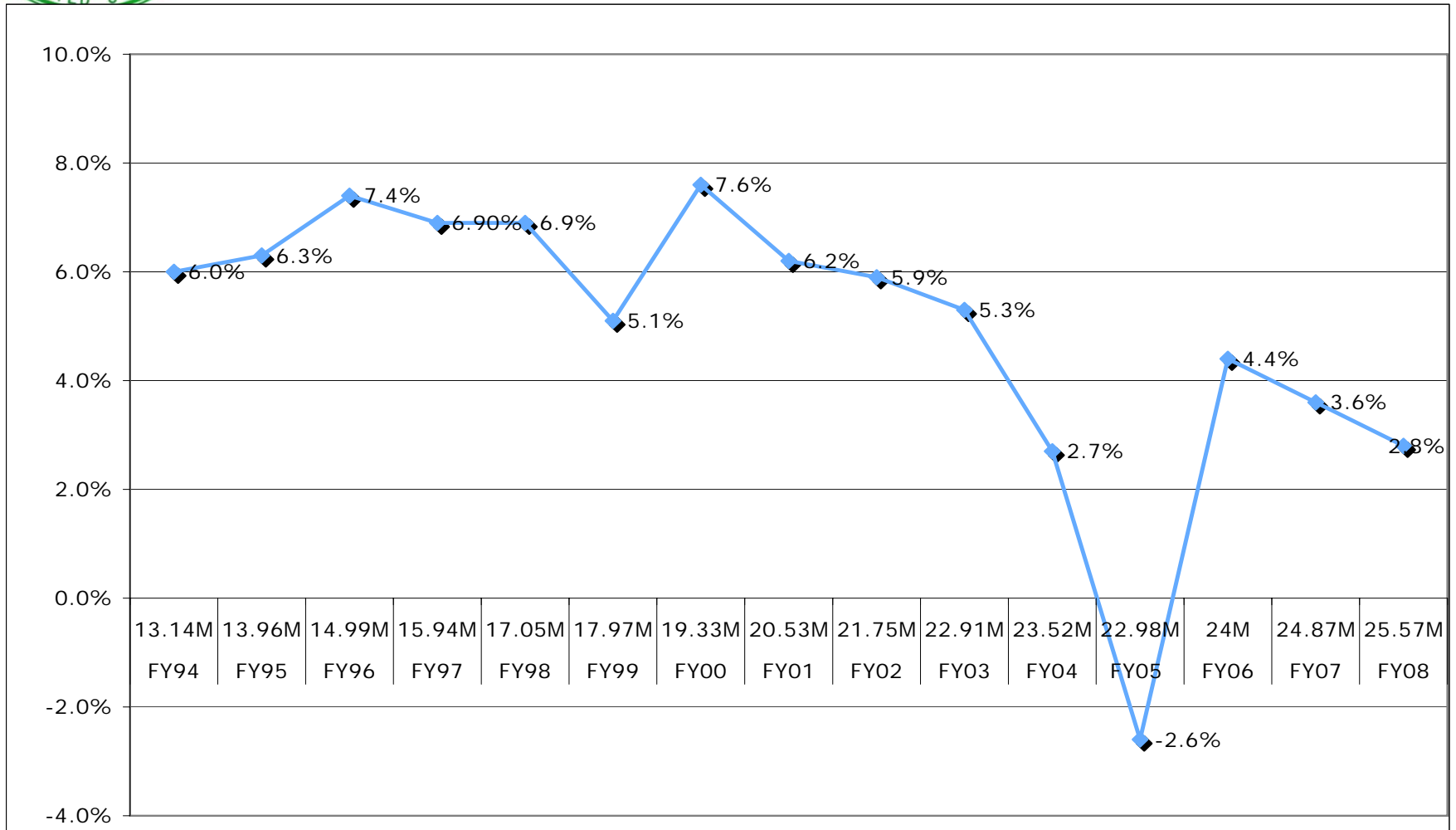
# Building the Budget

- Adjusted Need \$25,722,019
- Net Increase 850,561 3.4%
  - Increase fees 150,561
  - Increase budget 700,000 2.8%
- Town Meeting Budget:

**\$25,571,458**



# Trends - Operating Budget





# Trends – Capital Budget

