



TOWN OF PLYMOUTH
 ACCOUNTING & FINANCE DEPARTMENT
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TO: ADVISORY & FINANCE COMMITTEE
 BOARD OF SELECTMEN

FROM: LYNNE A. BARRETT
 DEPARTMENT OF FINANCE

SUBJECT: FATM ARTICLE 2A – GENERAL FUND BUDGET AMENDMENT

DATE: AUGUST 24, 2016

Below are the following areas of the Fiscal 2017 General Fund budget that need to be amended from what was previously voted at the annual town meeting in April:

Article 2A - General Fund Budget Amendment:	Town Meeting Budget Line	FATM Adjustments Needed
Medicare Part B Penalty	Member Benefits	(7,000)
Medicare Part B Premium	Member Benefits	82,000
Workers Comp	Member Benefits	242,000
Deferred Comp	Member Benefits	15,000
Employer Medicare	Member Benefits	(55,000)
Life Insurance	Member Benefits	(35,000)
Managed Blue	Member Benefits	437,500
	Member Benefits - Line 46	679,500
Veterans Benefits	Veterans Expenses - Line 14	(150,000)
All Town Insurance	All Town Insurance - Line 52	(167,000)
Moderator's Expense	Finance Exps - Line 10	4,500
Fuel & Utilities	Fuel & Utilities - Line 39	(75,000)
Legal Expense	Town Manager Exps - Line 2	150,000
Short-Term Interest	Non-Enterprise Debt - Line 53	(194,800)
	General Fund Total	247,200

Explanations for increases and (decreases) are as follows:

Member Benefits:

Medicare Part B Penalty – Enrollment numbers are down even though penalty amounts have increased due to increased federal Medicare premium amounts.

Medicare Part B Premium – Even though the town's Medicare Reimbursement rate has decreased over the previous year the amount of eligible retirees increased over the amount that we had budgeted for. There were 20 more on the town side and 98 more on the school side.

Workers Comp – the increase in premium is due to updated audited payrolls being used for the Fiscal 2017 year and an estimated increase that will be due when they complete the audit for Fiscal 2016.

Deferred Comp – increase is based on current participants estimated out for the year. The new FIRE contract included a match that they did not have before.

Employer Medicare – anticipating not needing as much as we had budgeted based on estimated payrolls and settled contracts.

Life Insurance – budget was based on an increased life insurance benefit that has not gone into effect yet because all groups are not settled yet.

Managed Blue – Increase due to the rise in number of retirees turning age 65; same as the reason above for the Medicare Part B premium.

Veterans Benefits - The number of veteran's claims has decreased over the last two years; currently they are trending at spending approximately \$630,000 in FY17 based on current claims. This decrease will leave them with \$650,000 which the Veterans Agent is comfortable with.

All Town Insurance – we insure our property / casualty and workers comp with MIIA. Due to the large increase in our Workers Comp premium they “smoothed” out the overall increase in our total insurance products by not increasing the property / casualty by as much as we had anticipated.

Moderators Expense – the cost of the services we require at Plymouth's town meetings merited an increase with the vendor.

Fuel & Utilities – the trend in this line item has decreased over the last two years in addition to our 3rd contract for Solar coming online at the end of fiscal 2016.

Legal Expenses – the cost of pursuing the sewer litigation is reflected in this number.

Short-Term Interest – decrease is due to a combination of interest rates and a decrease in the overall amount that we ended up borrowing.

Also, as part of Article 2A, General Fund Budget amendment, the motion for funding the overall total needs to be modified to include the funding sources for the T-Wharf and Town Hall short term debt service; see below:

SUMMARY OF VOTE FOR 7A		April ATM Totals	FATM 10/15/2016 Art 2A	FATM Grand Totals
Total General Fund Operating Budget	(Item #1-54)	\$ 197,522,205	247,200.00	197,769,405.00
Title V - Betterment Program		\$ 173,458		173,458.00
State Boat Ramp Revolving Fund		\$ 10,360		10,360.00
Recreation Revolving Fund		\$ 45,953		45,953.00
Memorial Hall Revolving Fund		\$ 10,083		10,083.00
Plymouth Beach Revolving Fund		\$ 9,866		9,866.00
Fire Safety & Prevention Revolving Fund		\$ 7,731		7,731.00
Fire Alarm Master Box Services Revolving Fund		\$ 9,856		9,856.00
Cemetery Perpetual Care		\$ 23,863		23,863.00
Municipal Waterways		\$ 130,000	23,464.00	153,464.00
Meals Tax Fund		\$ 270,000	105,411.00	375,411.00
Premium for Debt Exclusion		\$ 198,648		198,648.00
General Fund Free Cash for OPEB Fund		\$ 500,000		500,000.00
Less Total Transfers		\$ 1,389,818	128,875.00	1,518,693.00
To be raised by the 2017 Tax Levy (General Fund revenues & other sources)		\$ 196,132,387	118,325.00	196,250,712.00

If there are any questions regarding this please let me know and I recommend your support.