

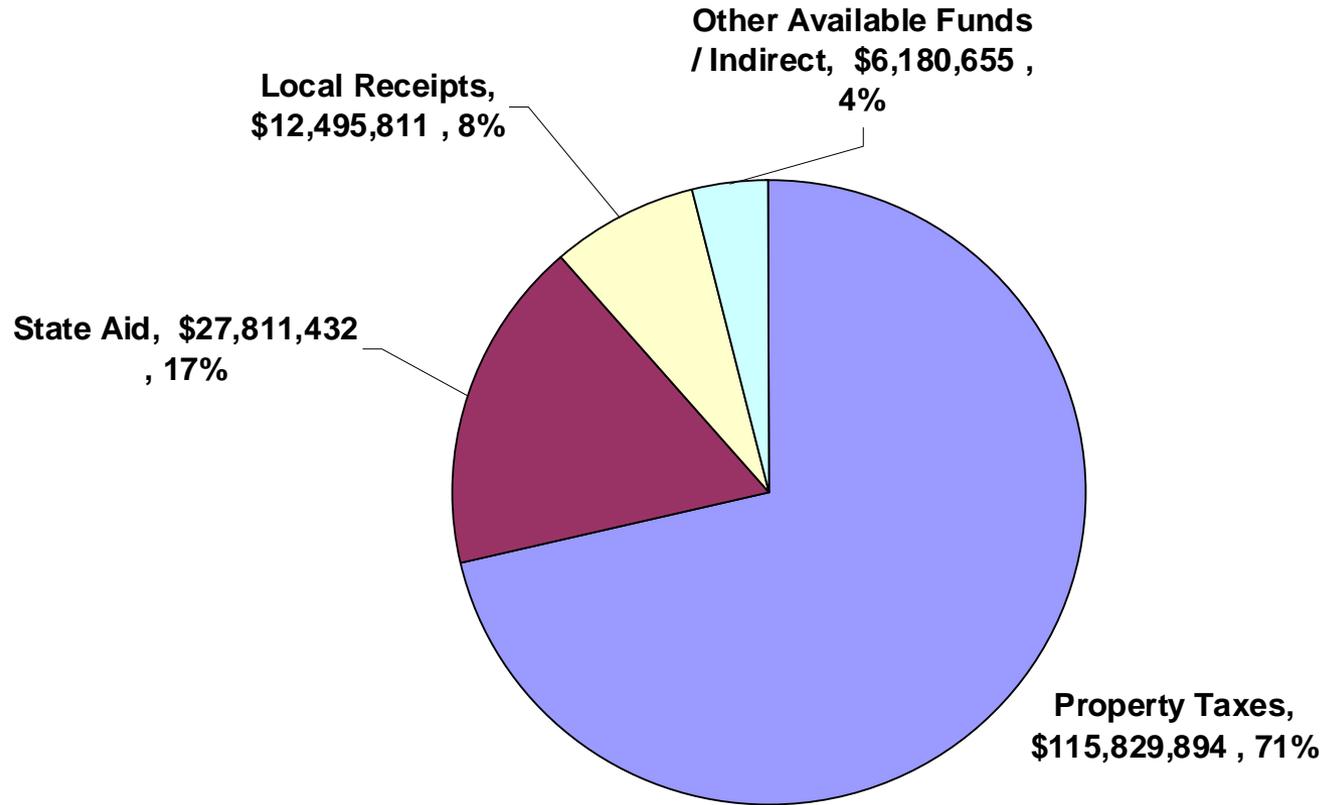
Town of Plymouth

**2011 Budget Presentation
January 19, 2010**

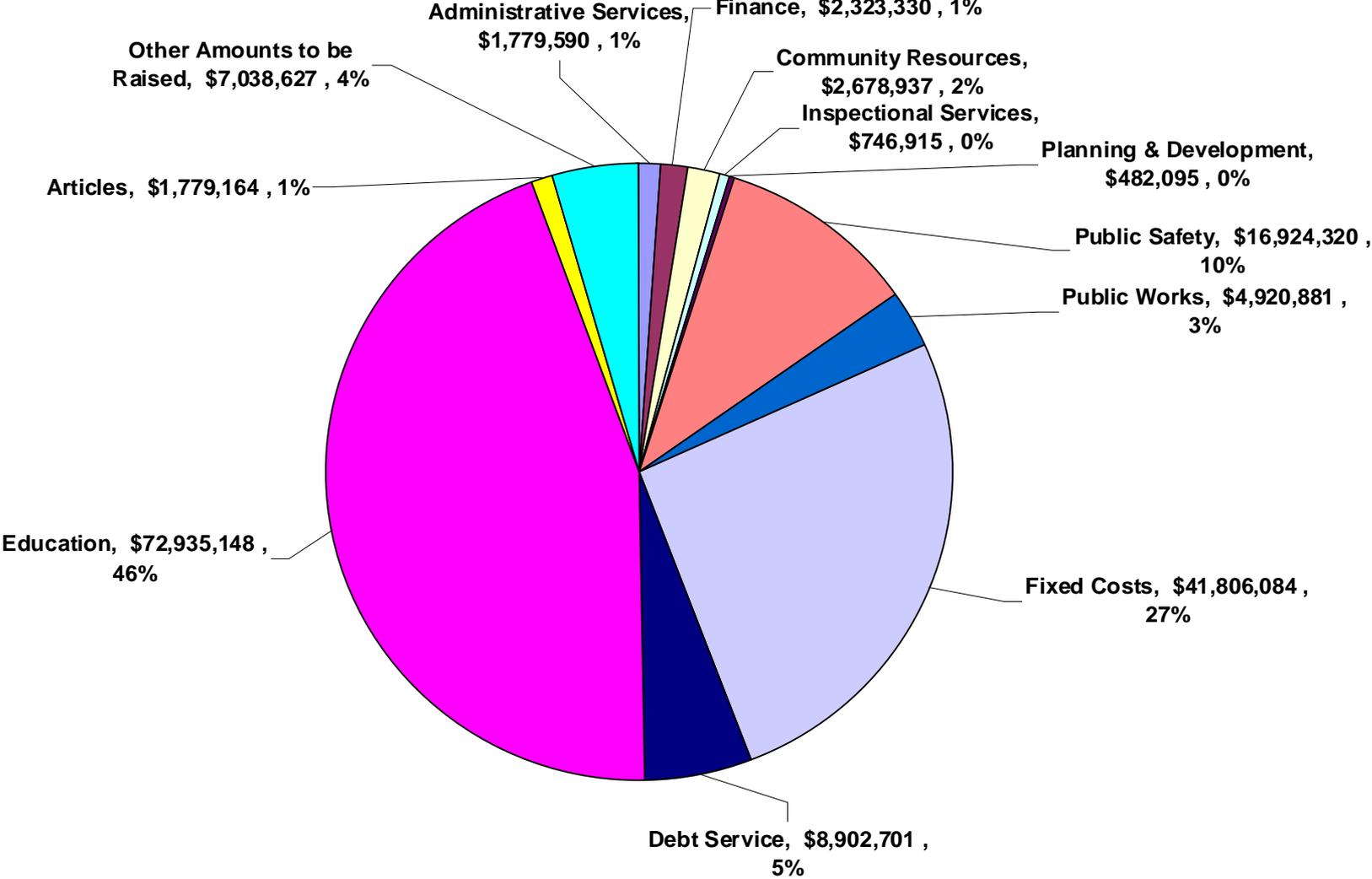
Joint Meeting with BOS, A & F and School Committee

Mark Stankiewicz, Town Manager
Lynne A. Barrett, Director of Finance

General Fund Revenues



General Fund Expenditures



2011 Budget Challenges – Revenue Side

- **State Aid**

- Since 2008 the Town's actual state aid has been cut over \$2 million
- 2011 Budget estimate is \$800K less than the 2010 state aid – Decrease of over 3%
- State Aid is unknown at this time
 - Governor's House 1 Budget expected the end of January
 - House & Senate Budgets
 - May not know until June or July what the Cherry Sheet will be

2011 Budget Challenges – Revenue Side

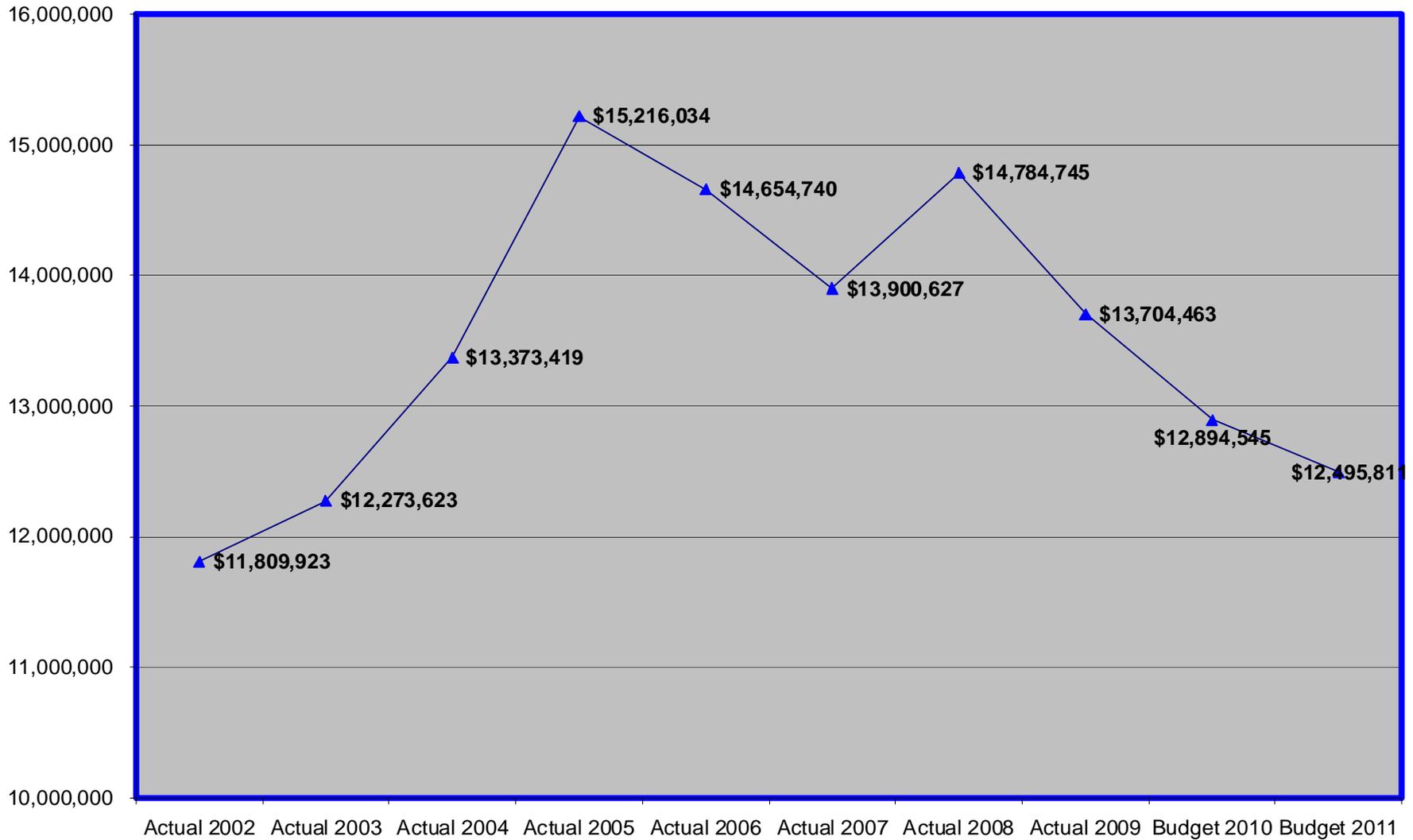
- **Local Receipts:**

- Budgeting \$12,495,811 for 2011

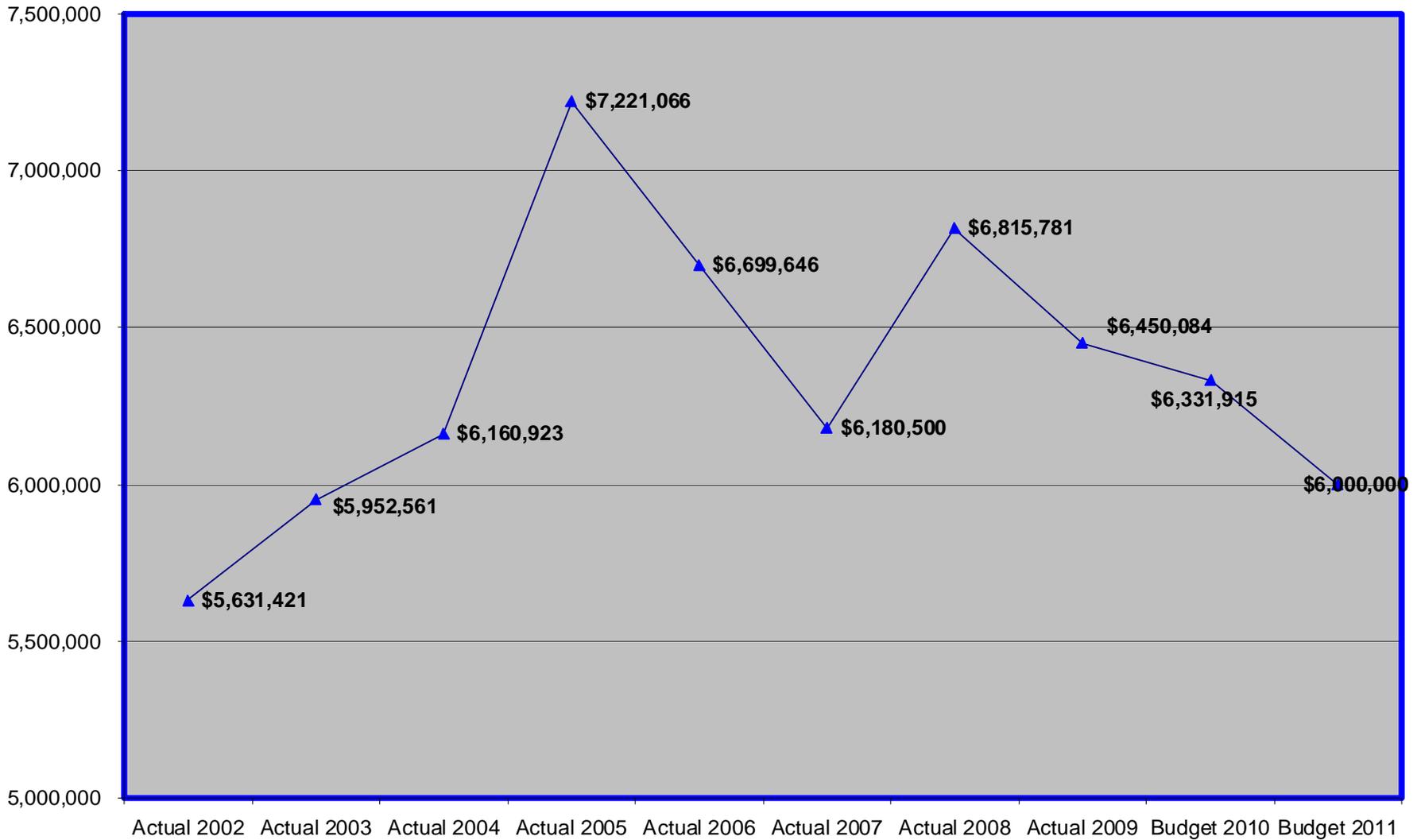
- Represents 91.18% of 2009 Actual

- Motor Vehicle Commitments are down because people are not replacing their cars with new cars
 - » First 6 months of 2010 is showing a \$392K decrease versus the same period of 2009
 - L & P are down due to lack of activity in the housing market
 - » First 6 months revenue same as previous year same period
 - Investment Income is down due to dramatic drops in interest rates
 - » First 6 months of 2010 is showing a \$211K decrease versus same period for 2009
 - » 2011 estimate is slightly higher than 2010 due to anticipating rates creeping up
 - School Medicaid reimbursement estimate lowered due to change in formula
 - » First 6 months of 2010 is showing a \$164K decrease versus same period for 2009

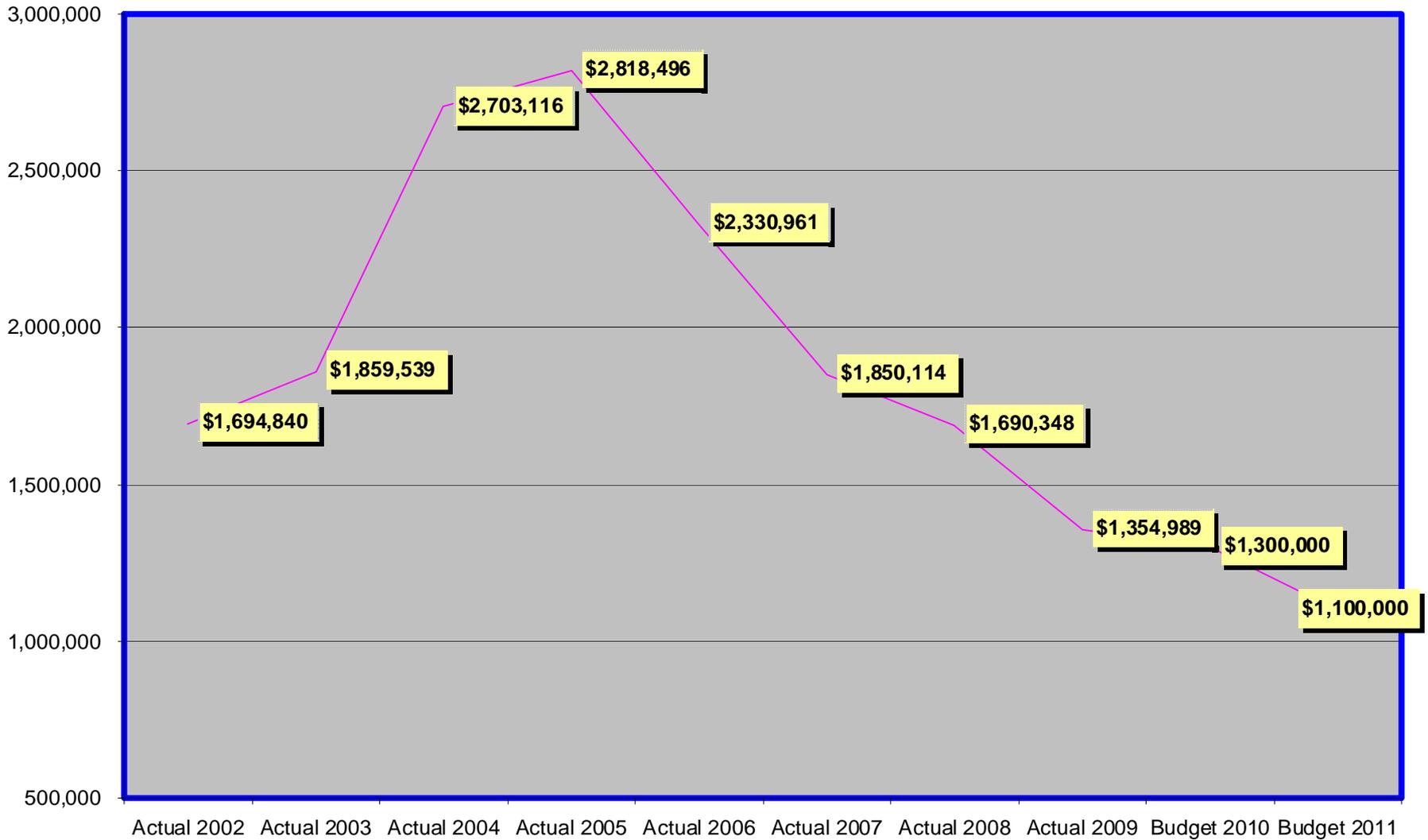
LOCAL RECEIPT TRENDS



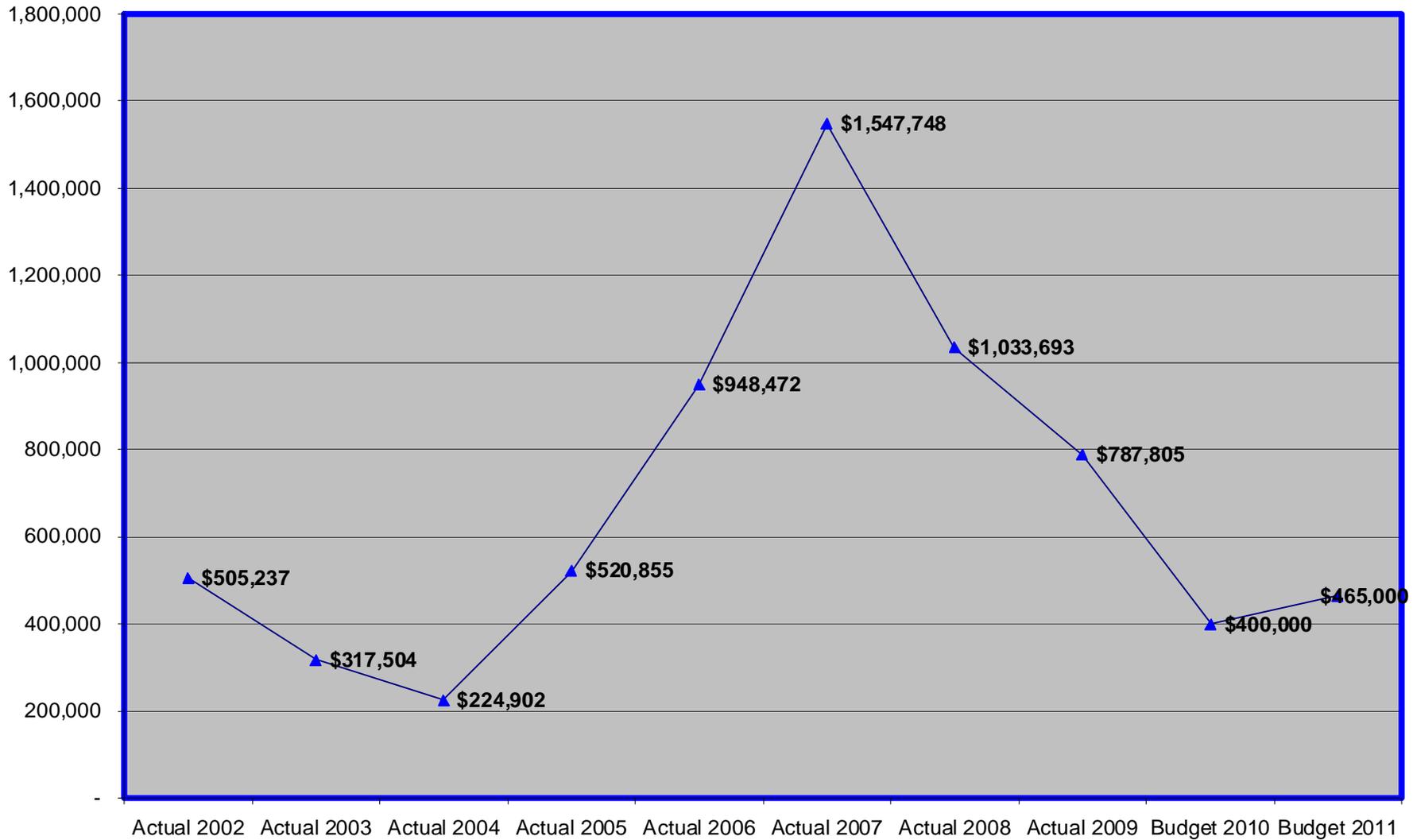
MOTOR VEHICLE EXCISE TRENDS



LICENSES & PERMITS TREND



INVESTMENT INCOME TRENDS



2011 Budget Challenges – Revenue Side

- Other Sources & Available Funds:
 - BECO Stabilization – 2010 was the last year of a 3 year plan to use this to offset decrease in revenue from BECO; 2011 we are using the residual of \$10K+.
 - Free Cash and Stabilization being used to offset Debt Service Budget
 - Not as much Stabilization being used as in years past; current balance \$7.9 million

2011 Budget Challenges – Revenue Side

- Property Taxes

- Estimate for new growth is down dramatically:

- 2008 \$1,777,968
 - 2009 \$1,603,439
 - 2010 \$1,068,931
 - **2011 Estimate \$534,465**

- *Cut the 2010 in 1/2*

- 2 ½ % Growth equals \$2,935,491

- Debt Exclusion for PNHS & Senior Center project \$630,000

- Short Term interest estimate based on current cash flows of project. This may change due to bid results and schedule changes prior to town meeting

- Excess Levy Capacity use of \$127,473

- 2009 total excess levy capacity \$5,817,173
 - *2011 Estimate \$5,689,700*

- *Trying to stay within 2 ½ & Growth Increase – Keep Excess Levy Capacity Stable*

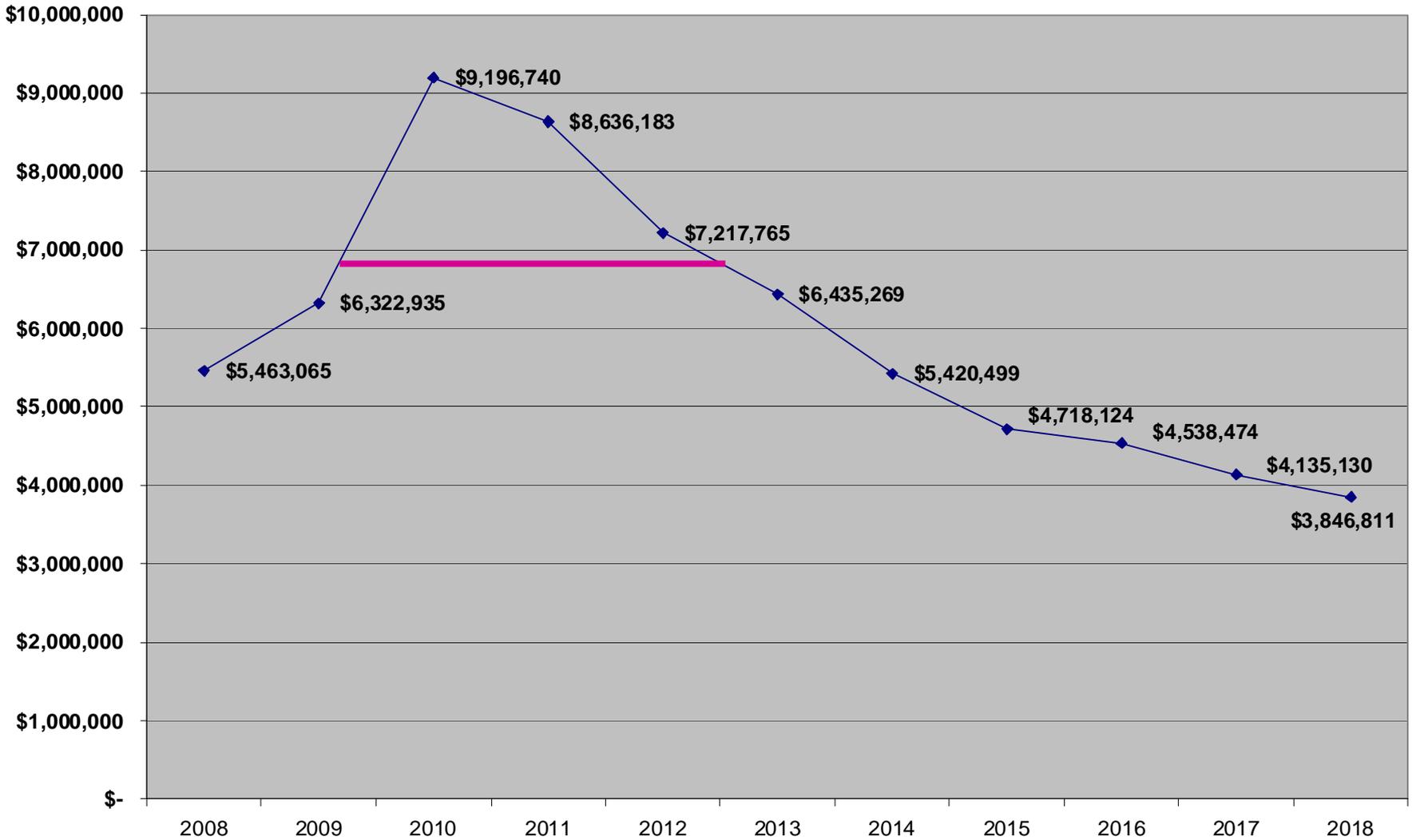
2011 Budget Challenges – Expense Side

- Message from the Board of Selectmen:
 - Keep Core Services - Challenging
 - Keep Jobs - Layoffs, Retirements, Reductions
 - Fixed Costs Increasing
 - Cut Town & School Operating Budgets by 2%
 - Reduce Costs
 - Town Liability Insurance (Increase Deductibles & Increase Discounts)
 - Utilities (Energy Saving Measures & Projects to help reduce increases)
 - Health Insurance

2010 Budget Challenges – Expense Side

- Overall Budget Increase 1.15%
 - Fixed Cost Increases overall 7.66%:
 - Health Insurance, Pensions & Tax Title Increase
 - Utilities Decreased
 - Community Debt Service increase of 5.32%
- Other Expenditures:
 - Snow & Ice Deficit – 6 year average \$762,860
 - Unemployment – Set aside at least \$1 million to cover rest of 2010 and 2011
 - Sewer Subsidy only
 - Article 8 & 9 Town Departmental Equipment & Capital
 - Emergency Requests only

Debt Service - General Fund



2011 Budget Challenges

- Debt Service needs to be stabilized at a lower level than this most recent bond issue left us
- We won't see this happen until at least 2013 and beyond
- Capital until then is limited

2011 Budget Challenges & Beyond

- State Aid Unknowns
- Keep the Tax Increases to a Minimum
- Commitment to a Healthy Stabilization Fund
- Debt Service Stabilization
- Fixed Costs Managed