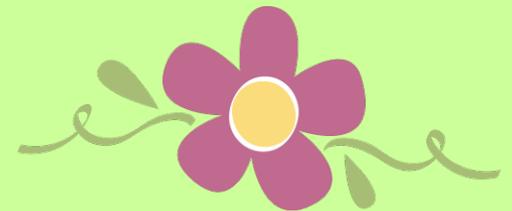


# Town of Plymouth

**2011 Budget Presentation  
April 3, 2010**

**Annual Town Meeting**

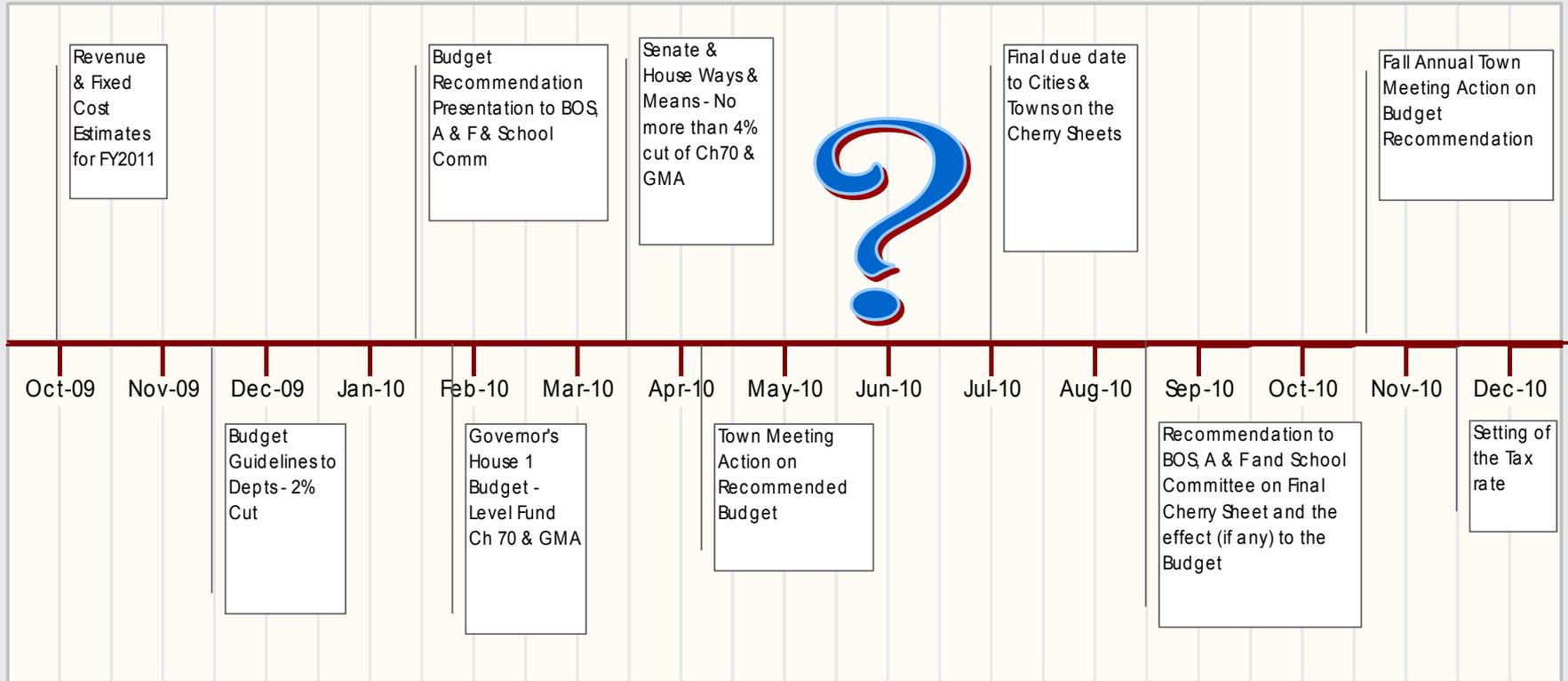
Lynne A. Barrett, Director of Finance



# 2011 Budget Challenges

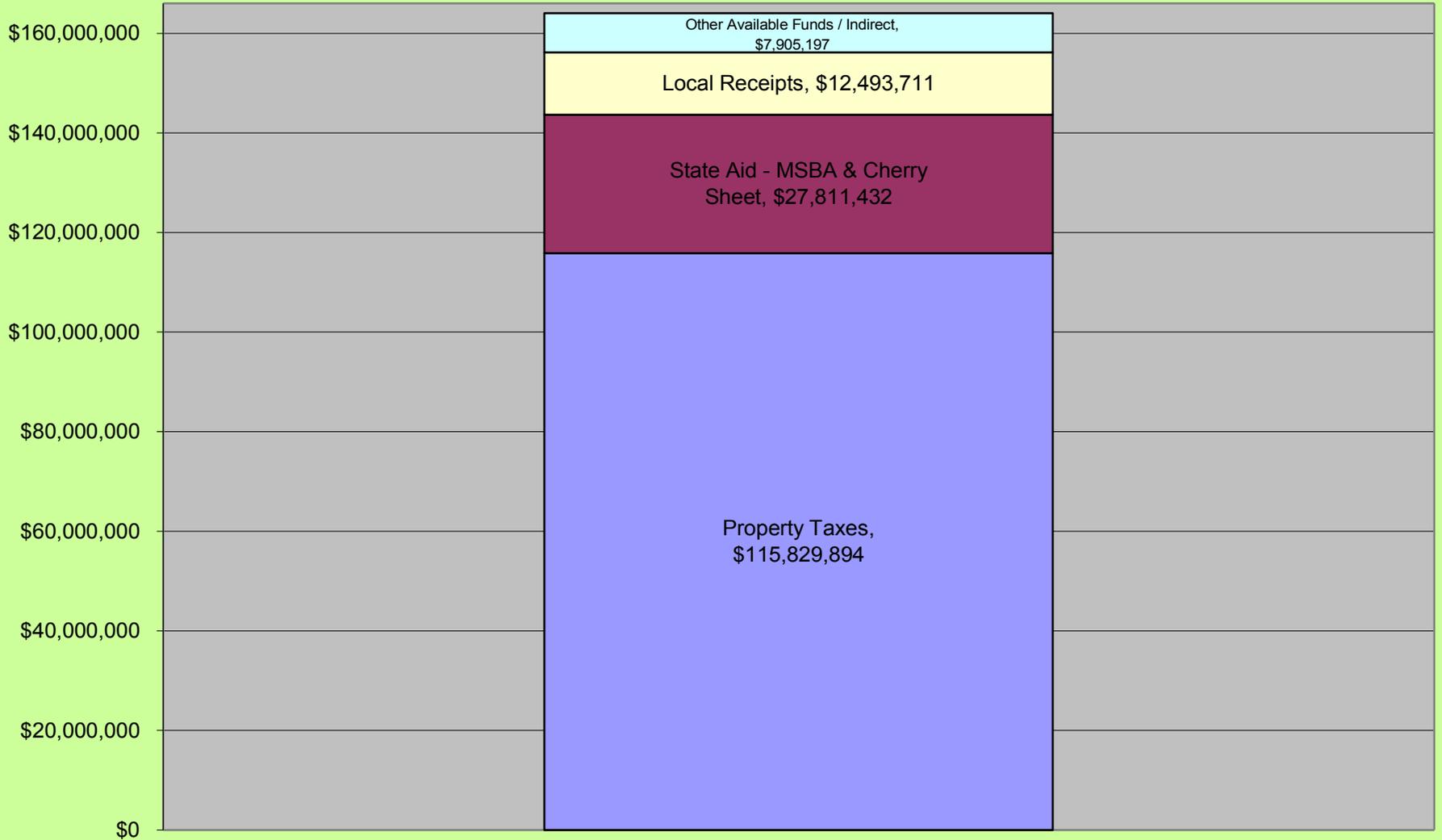
- **Time Line**
  - **October of 2009**
    - Estimating Revenues and Other Sources based on prior years trends and quarter to date actual to determine what we will have available to us for the fiscal year beginning July 1, 2010 through June 30, 2011.
  - **November of 2010**
    - Over a year later is when pencil meets the paper on setting of the tax rate with the Department of Revenue
      - DOR will not allow you to estimate higher on your local receipts than you had actually taken in for the prior year (i.e.. Fiscal 2010)
      - Pressure & Backup Documentation - DOR reviews everything for accuracy & reasonableness
- **Predicting the Economy ??**
  - Nationally & Locally
- **What is the State going to do??**
  - Cherry Sheet State Aid and other State Revenues
    - There is a 4% difference between the Governor's Budget and Senate & House Ways & Means "consensus?"
    - In addition to the Cherry Sheet there are other state grants we get to provided critical services, for example; Elder Services, Community Policing and Circuit Breaker. These programs quite often get cut or reduced when the state is looking to make cuts to fund the local aid.
- **Reduce Reliance on Reserves and Fund Balance**
  - Moody's rating Nov – 2009:
    - *"Going Forward, the town's ability to maintain and augment reserve levels, consistent with budgetary expansion, through structurally balanced operations, will be a critical component in maintaining long-term credit strength"*

# 2011 Budget Time Line

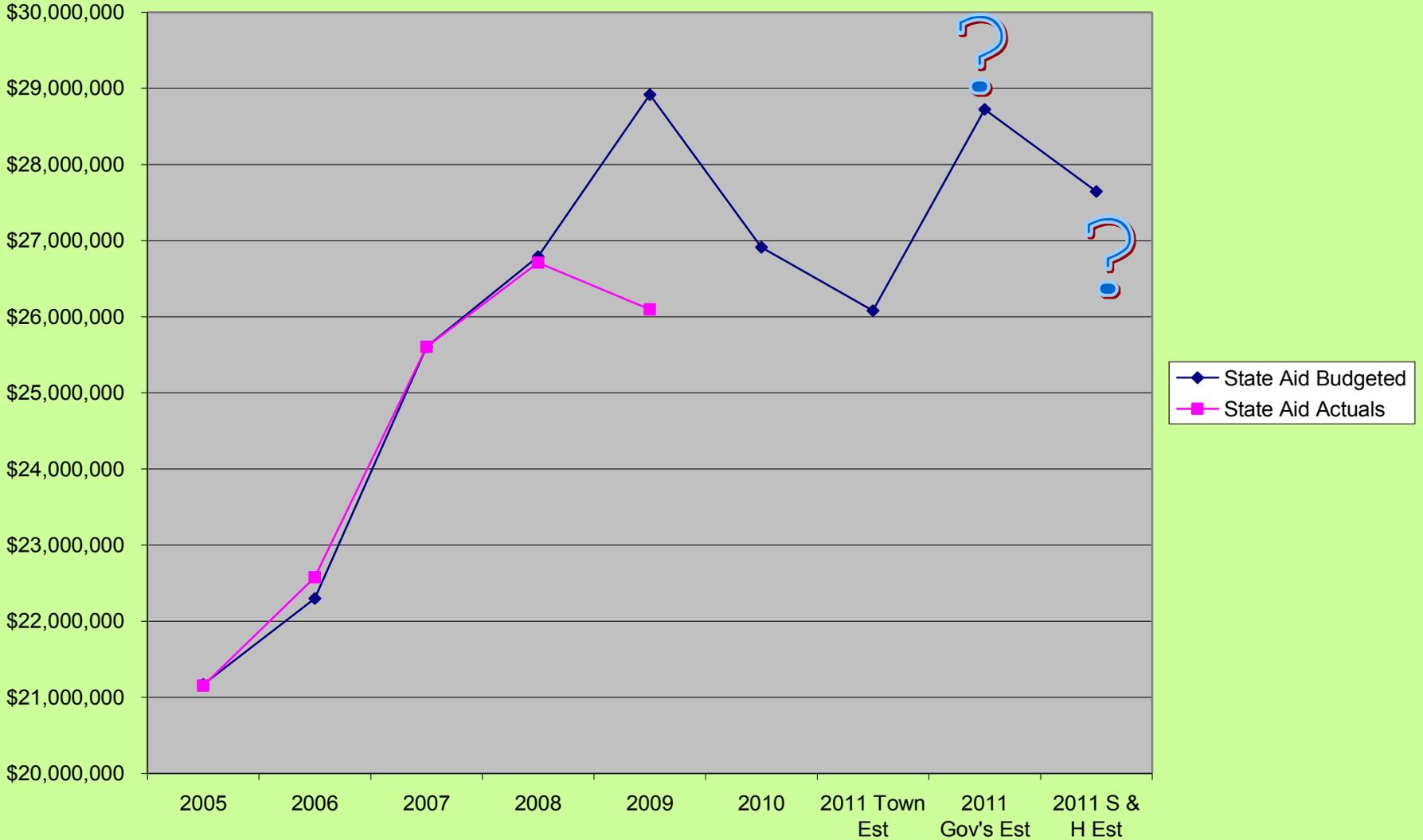


Big Question this Year - "Do we have a June Town Meeting?" = "NO"

# 2011 General Fund Revenue Estimates

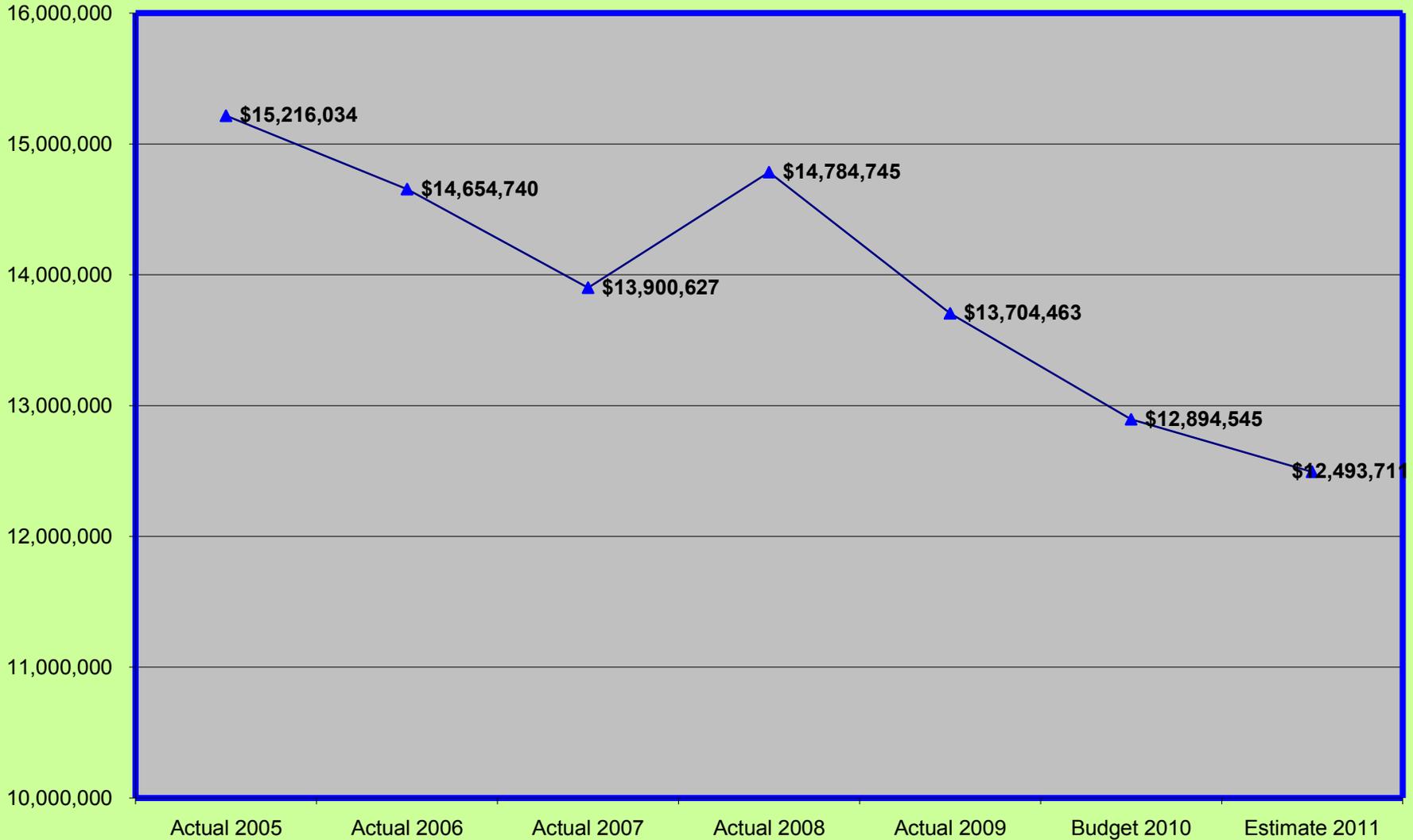


## Cherry Sheet State Aid



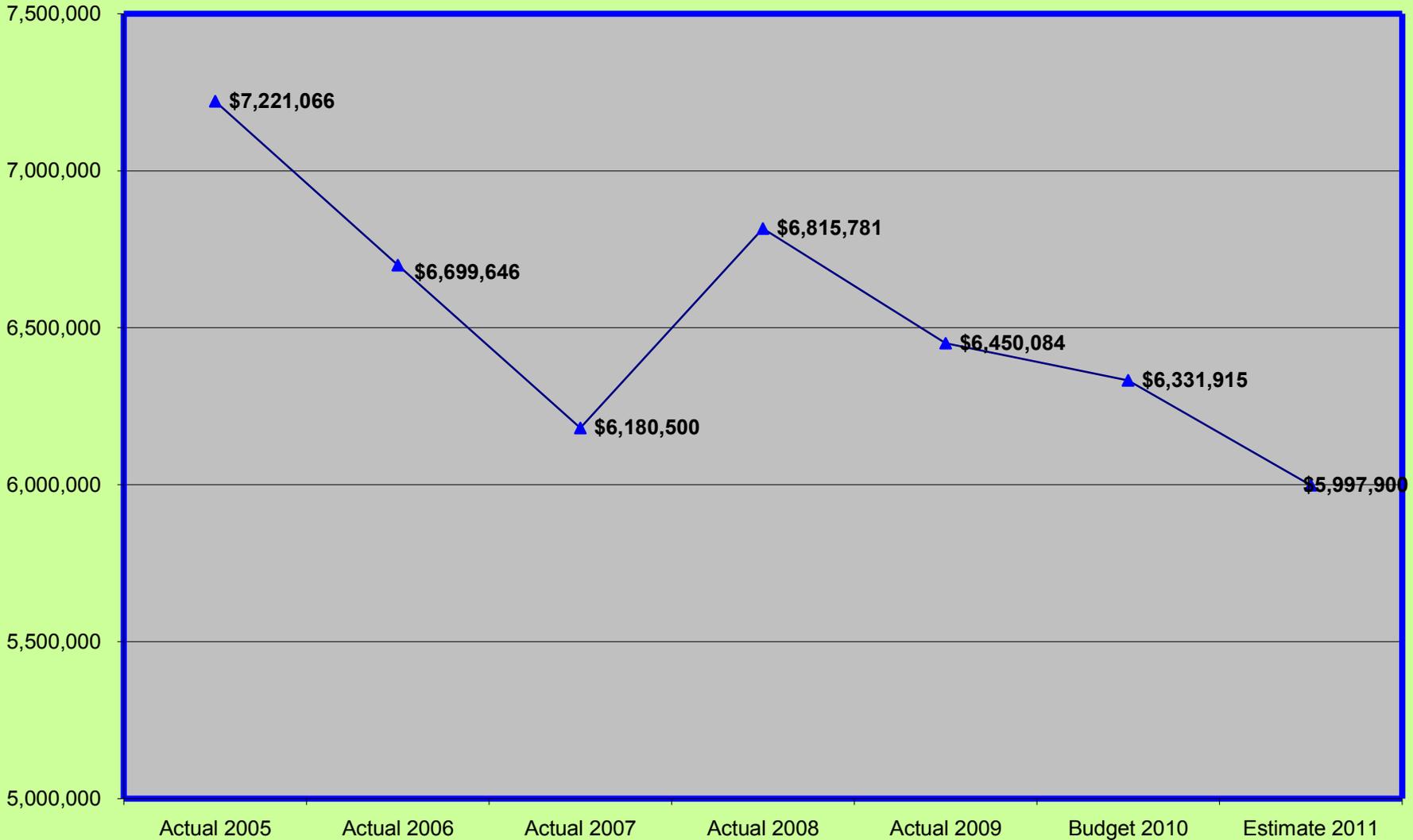
**Note – the \$2.8 million dollar difference in 2009 was made up of 9C cuts to General Municipal Aid of ½ million and a cut to Ch70 of \$2.3 million which was made up with SFSF – ARRA funds. FY2010 & FY2011 we are planning on using \$1.9 million of SFSF – ARRA funds to make up for the additional cut in state aid. There will be no more federal money in 2012 and beyond.**

## LOCAL RECEIPT TRENDS

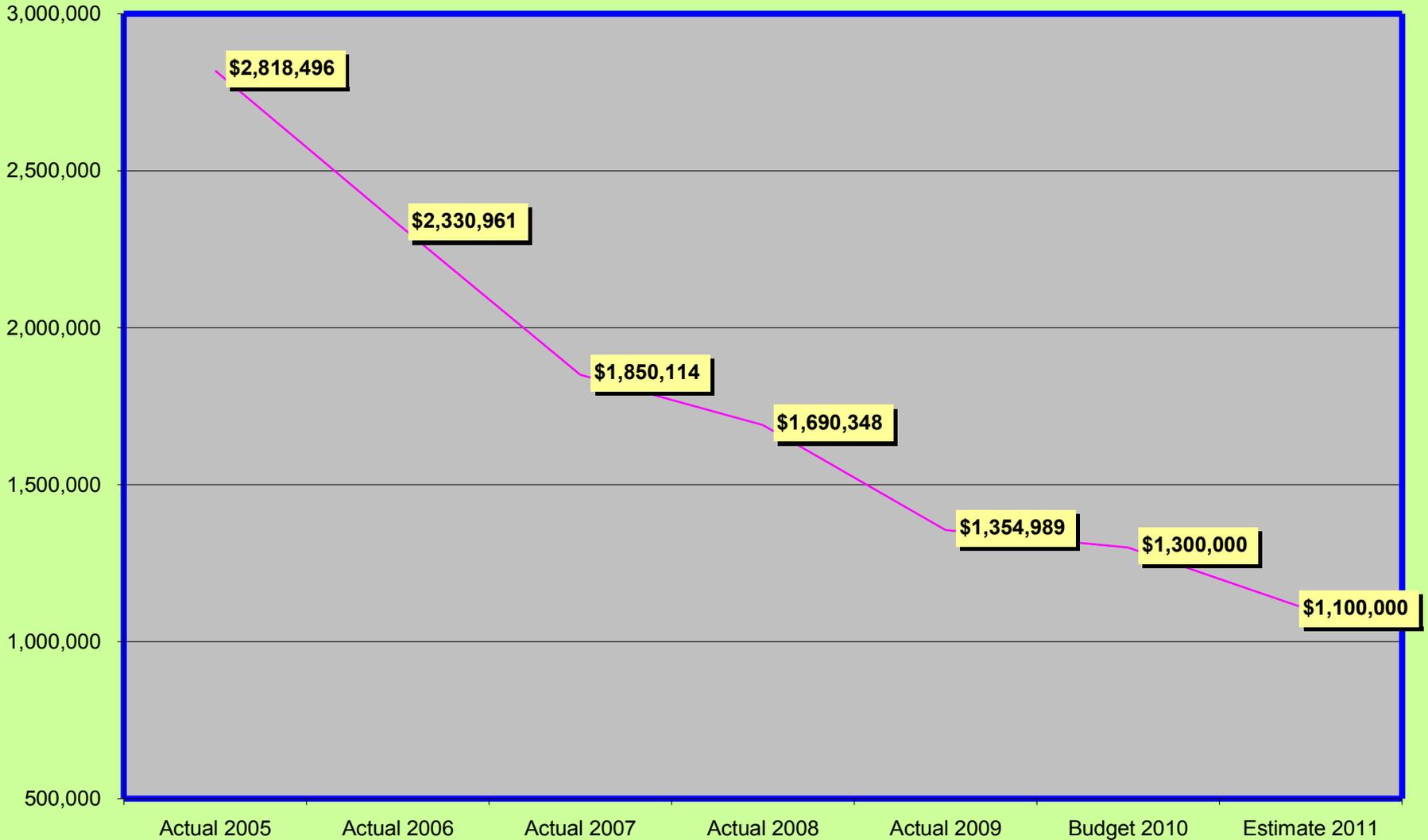


We are seeing the local effect of the economy in our “local receipts”.

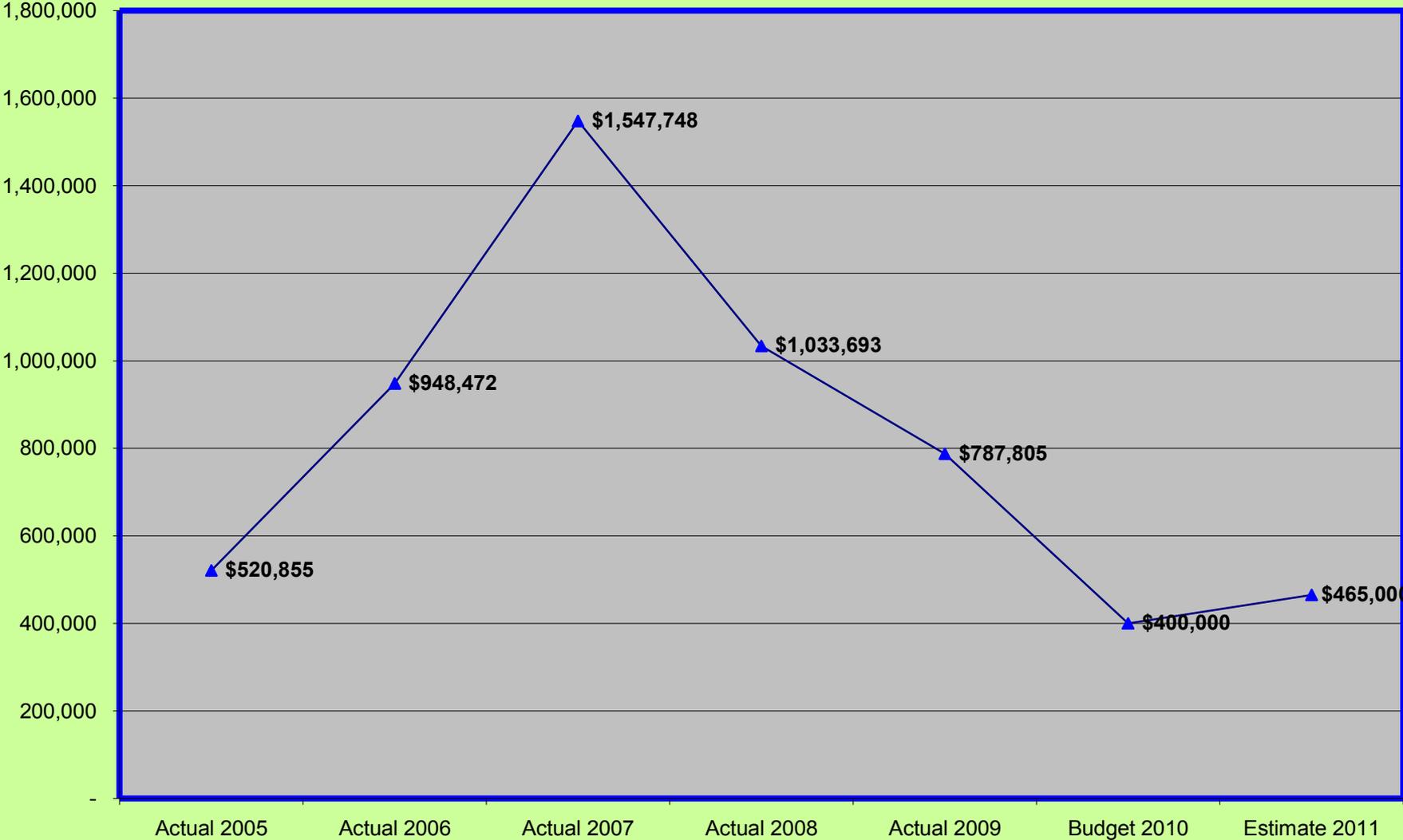
# MOTOR VEHICLE EXCISE TRENDS



## LICENSES & PERMITS TREND

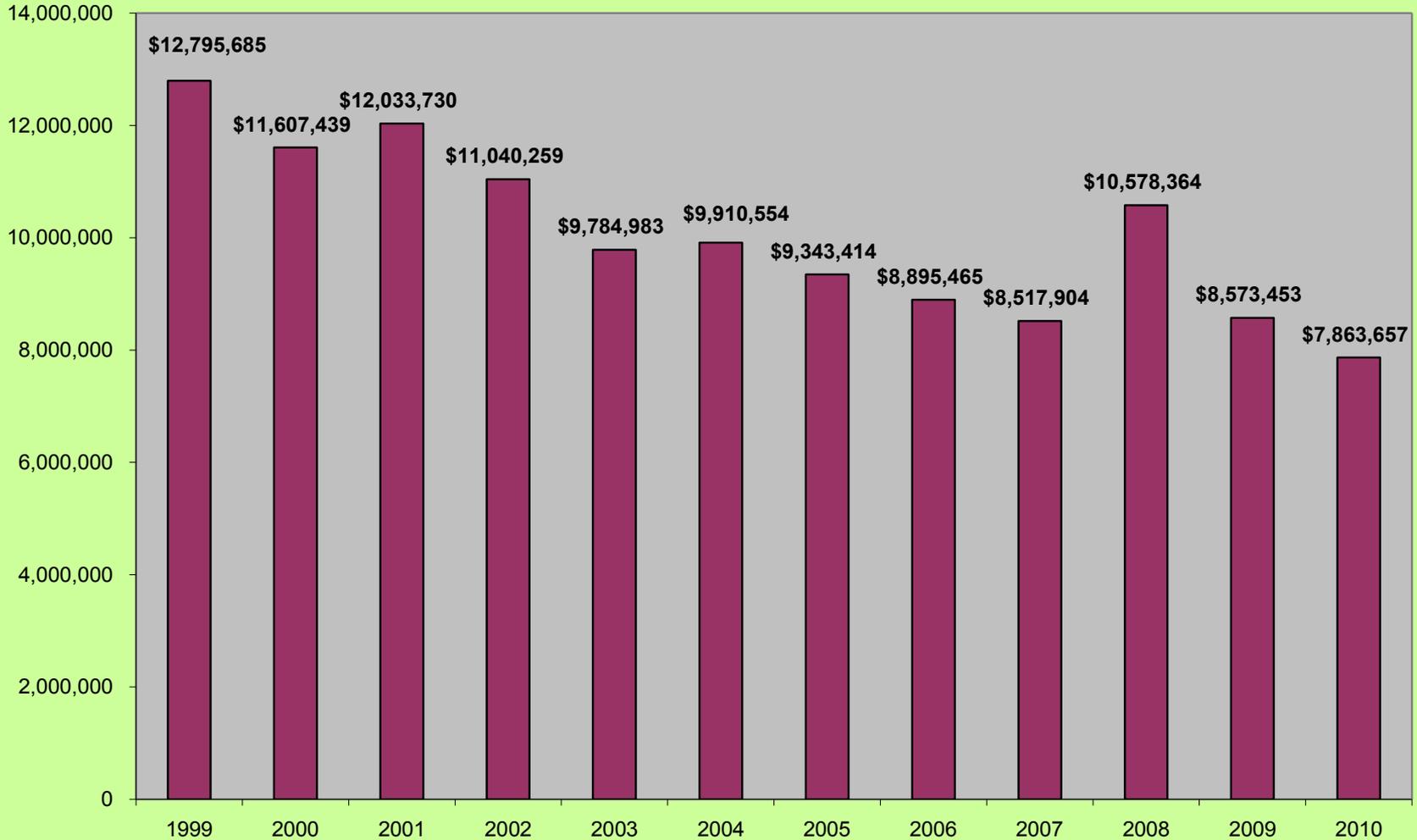


# INVESTMENT INCOME TRENDS



- Other Sources & Available Funds:
  - Title V for Debt & Admin, Revolving Accounts for fringe benefits, Cemetery Perpetual Care & Waterways Fund for operations
  - Free Cash & Stabilization for Debt Service
    - Free cash - \$3,242,000
    - Stabilization Fund - \$508.000
  - BECO Stabilization
    - Use of remaining balance of \$10,787.38
  - Transfers from Enterprise Funds to reimburse General Fund for Indirect Costs

## Stabilization Fund Balances



	2008	2009	2010	2011
Stabilization Fund for GF Debt	(2,750,000)	(2,750,000)	(1,472,112)	(508,000)
Stabilization Fund for Sewer Debt	(250,000)	(250,000)	(250,000)	0
Art 14 - Transfers to Stabilization Fund	4,438,156	1,274,022	762,316	
Net Transfer In (Transfer Out)	1,438,156	(1,725,978)	(959,796)	(508,000)

			<b>Solid</b>	
<b>Department Budget Allocations:</b>	<b>Water</b>	<b>Sewer</b>	<b>Waste</b>	<b>Airport</b>
Town Manager	\$79,571	\$72,401	\$12,696	\$8,514
Human Resources	\$6,262	\$0	\$2,572	\$3,131
Town Clerk	\$33,907	\$0	\$7,978	\$1,995
Finance Director & Accountant	\$37,364	\$16,962	\$14,549	\$10,759
Procurement	\$11,160	\$674	\$983	\$0
Assessor	\$0	\$0	\$0	\$0
Treasurer & Collector	\$75,921	\$15,058	\$19,467	\$7,496
Information Technology	\$23,952	\$7,453	\$12,351	\$5,798
Board of Health	\$0	\$0	\$1,459	\$0
DPW Administration	\$189,004	\$22,844	\$12,111	\$0
Engineering	\$96,455	\$25,151	\$3,630	\$0
Highway	\$11,355	\$0	\$1,177	\$0
Recreation	\$0	\$0	\$0	\$0
Environmental Management	\$10,749	\$73,236	\$66,746	\$0
Parks & Forestry	\$0	\$0	\$0	\$0
Maintenance- Buildings	\$4,809	\$1,631	\$84,695	\$0
Maintenance- Fleet	\$49,628	\$4,967	\$6,844	\$0
<b>Fringe Benefits &amp; Other Insurance:</b>				
Health, Life, Dental Insurance	\$238,005	\$44,297	\$40,971	\$87,778
Medicare	\$12,000	\$2,750	\$3,497	\$7,890
Deferred Comp	\$6,250	\$1,100	\$2,520	\$5,400
Retirement	\$170,677	\$43,685	\$42,161	\$59,940
Property Insurance	\$3,151	\$11,088	\$88	\$312
Vehicle Insurance	\$14,751	\$5,545	\$1,844	\$3,020
General Liability	\$20,872	\$0	\$0	\$0
Boiler & Machinery	\$381	\$1,342	\$11	\$38
Inland Marine	\$1,678	\$1,125	\$638	\$151
Umbrella Liability	\$1,935	\$301	\$101	\$164
Worker's Compensation Insurance	\$32,167	\$6,039	\$11,274	\$13,169
<b>General Fund Charge Backs:</b>				
Disposal Costs & Landfill Monitoring			(\$72,600)	
Offset for Property Tax Revenue & other				(\$123,554)
Municipal Consumption of Water	(\$65,155)			
Municipal Consumption of Sewer		(\$52,731)		
<b>Total Indirect Costs</b>	<b>\$1,066,848</b>	<b>\$304,918</b>	<b>\$277,763</b>	<b>\$92,000</b>

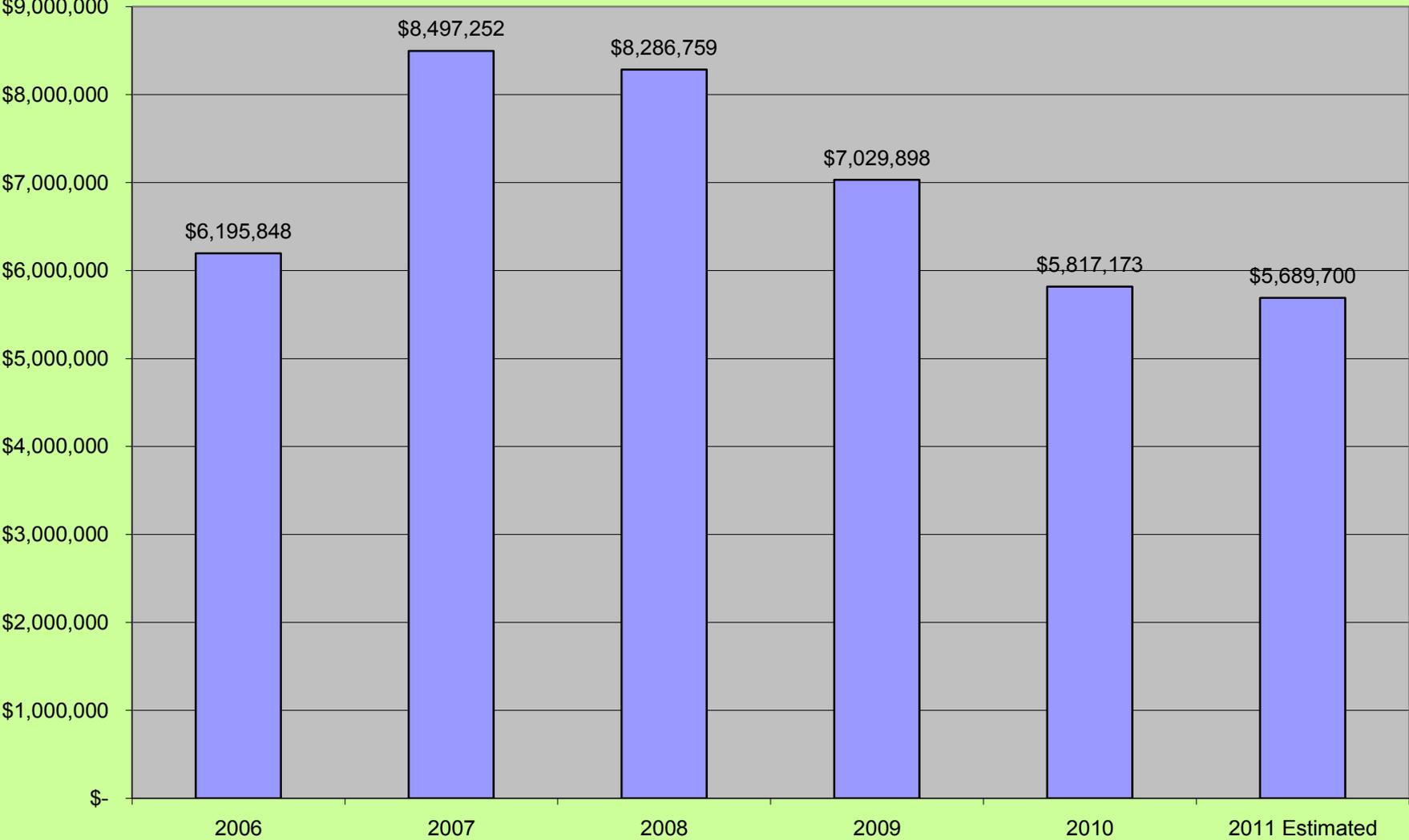
- **Property Taxes:**

- 2 ½ % Increase equals \$2,935,491
- Debt Exclusion for PNHS & Senior Center:
  - *Current Budget Estimate for 2011 is \$630,000*
  - *May update in the Fall based on bid results*

<b>Property Values (Fiscal 2010 Valuation):</b>	\$ 8,987,624,130
<b>Plymouth Average Home Value 2010:</b>	\$314,154.00
<b>Cost for that Homeowner:</b>	\$22.02
<b>Cost per thousand of Home Value</b>	\$0.0701

- Excess Levy Capacity use of \$127,473
- New Growth Estimate \$534,465

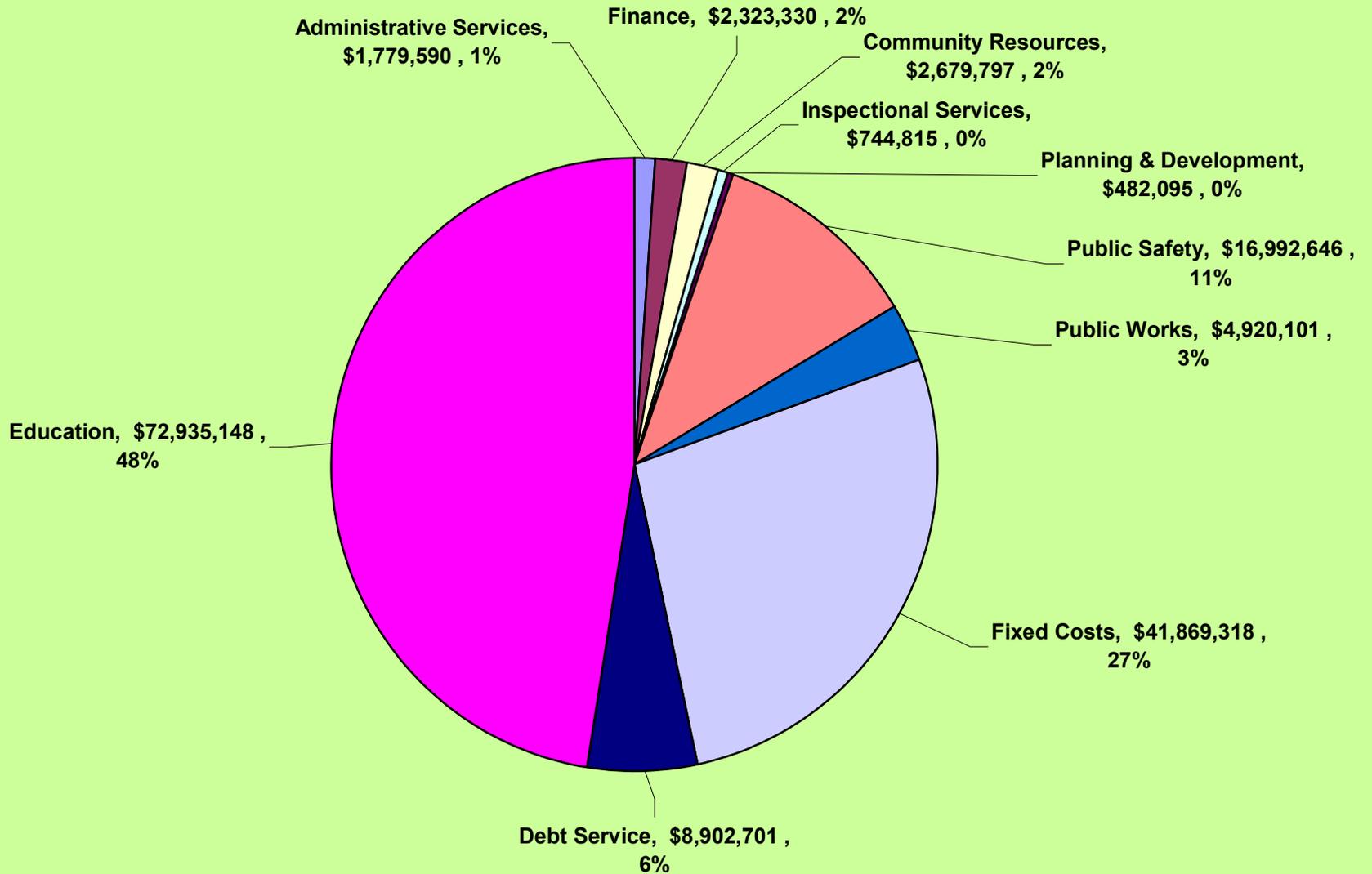
# Excess Levy Capacity



# New Growth

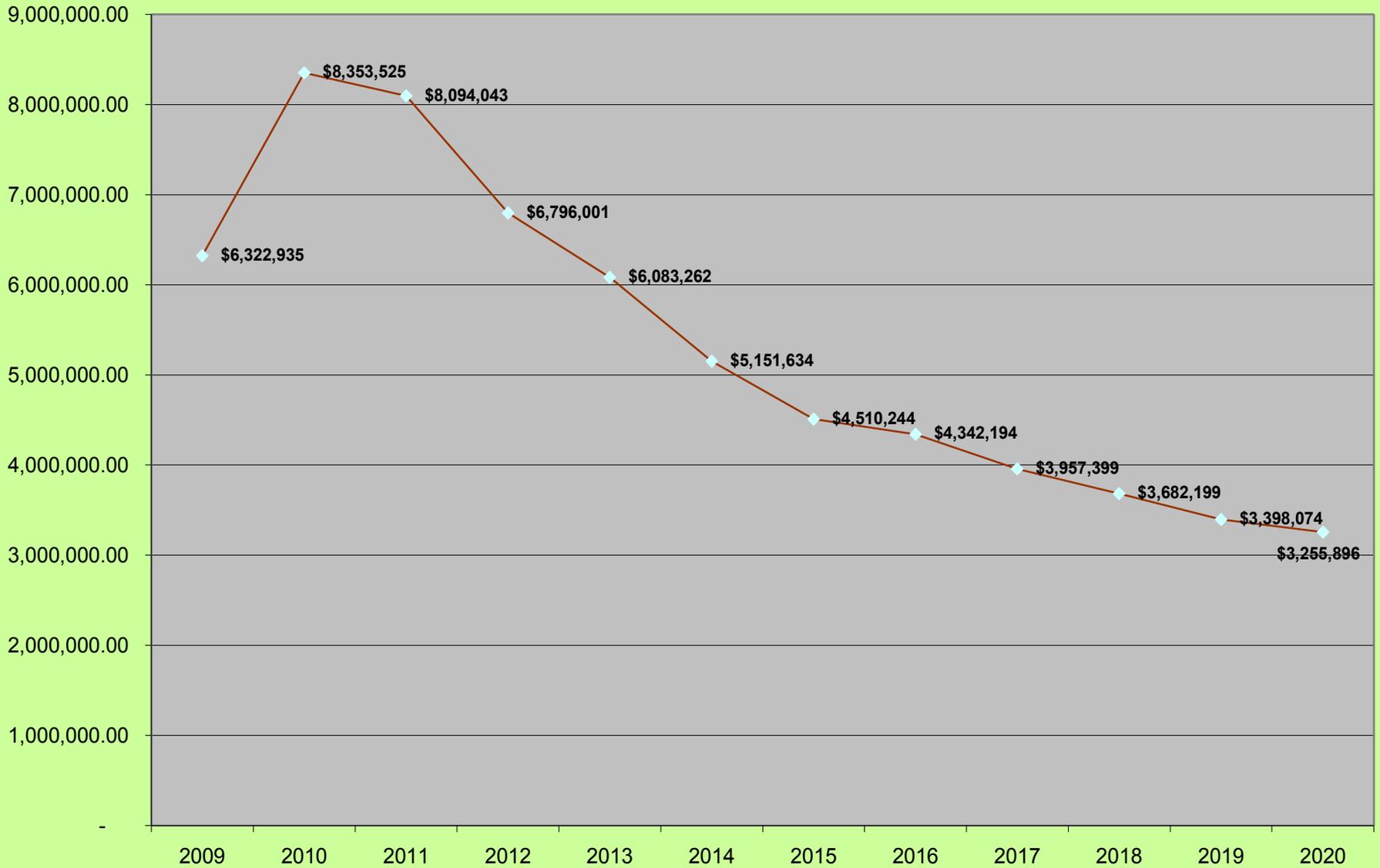


# General Fund Operating Budget - Article 7A



Administration	0.0%
Finance	-3.3%
Community Resources	5.6%
Inspection	-3.5%
Planning & Developme	-1.5%
Public Safety	-1.3%
Public Works	1.5%
Fixed Costs	7.8%
Debt Service	5.3%
Education	-2.0%
<b>Total</b>	<b>1.2%</b>

## General Fund - Long Term Debt Service



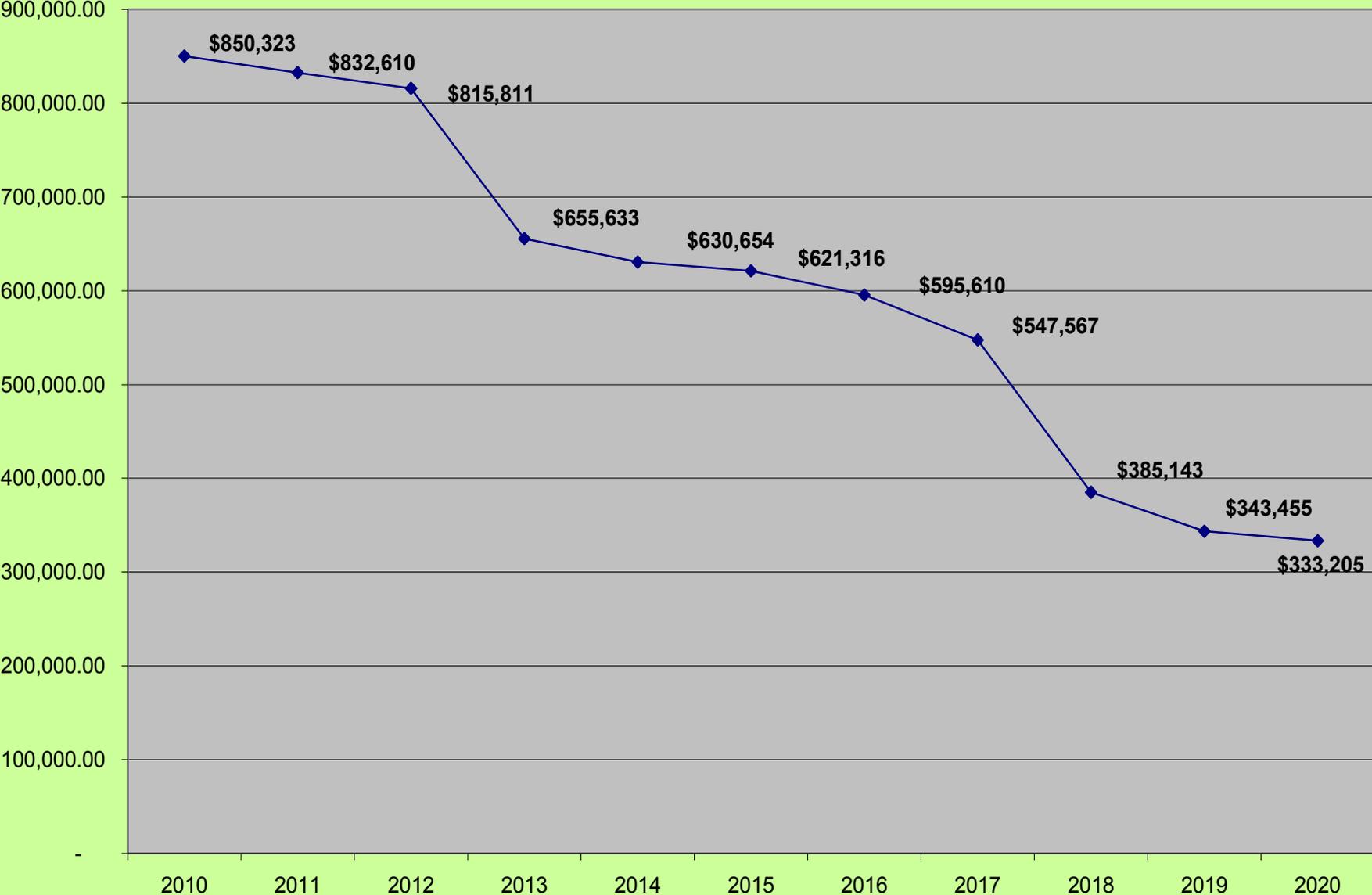
- Fixed Costs Increase 7.8% Overall
  - Member Insurance Increase 9.0%
    - Settlement of Town Share of Master Medical Migration due to un-blending of rates
    - Current contract negotiations may decrease future increases
  - Tax Title Foreclosure Budget increase of 355%
    - Increased Activity
    - Combined the amount raised on the recap with the budget for transparency and easier to manage
  - Pension Contribution Increase of 3.8%
  - Snow & Ice Budget Increase of 6.9%
  - Fuel & Utility Budget (**Decrease of 9.2%**)

# Water Enterprise Budget Article 7B

<b>WATER ENTERPRISE</b>				
	<b>Budget 2010</b>	<b>Budget 2011</b>	<b>\$ Increase / Decrease over 2010</b>	<b>% Variance '11-'10</b>
<b><i>Operating Expenditures &amp; Items to be Raised:</i></b>				
Salaries & Wages	989,790	965,901	(23,889)	-2.41%
Expenses	1,181,011	1,093,951	(87,060)	-7.37%
Debt Service	851,031	833,270	(17,761)	-2.09%
Transfer to General Fund - Indirect Costs	951,587	1,066,848	115,261	12.11%
Capital - Article 9	500,000	350,000	(150,000)	-30.00%
<b>Total</b>	<b>\$4,473,419</b>	<b>\$4,309,970</b>	<b>(\$163,449)</b>	<b>-4.44%</b>
<b><i>Operating Revenues &amp; Other Sources:</i></b>				
Facility Receipts - User Charges	3,697,419	3,697,970	551	0.01%
Other Departmental Revenue	240,000	227,000	(13,000)	-5.42%
Investment Income	36,000	35,000	(1,000)	-2.78%
Transfer from the Tax Levy - GF Subsidy			0	
Satbilization Fund			0	
Retained Earnings	473,724	350,000	(123,724)	-26.12%
Article Balances	26,276		(26,276)	-100.00%
<b>Total</b>	<b>\$4,473,419</b>	<b>\$4,309,970</b>	<b>(\$163,449)</b>	<b>-5.02%</b>

Board of Selectmen voted in February to keep the 2011 water rates the same as 2010.

# Water Enterprise Long Term Debt Service

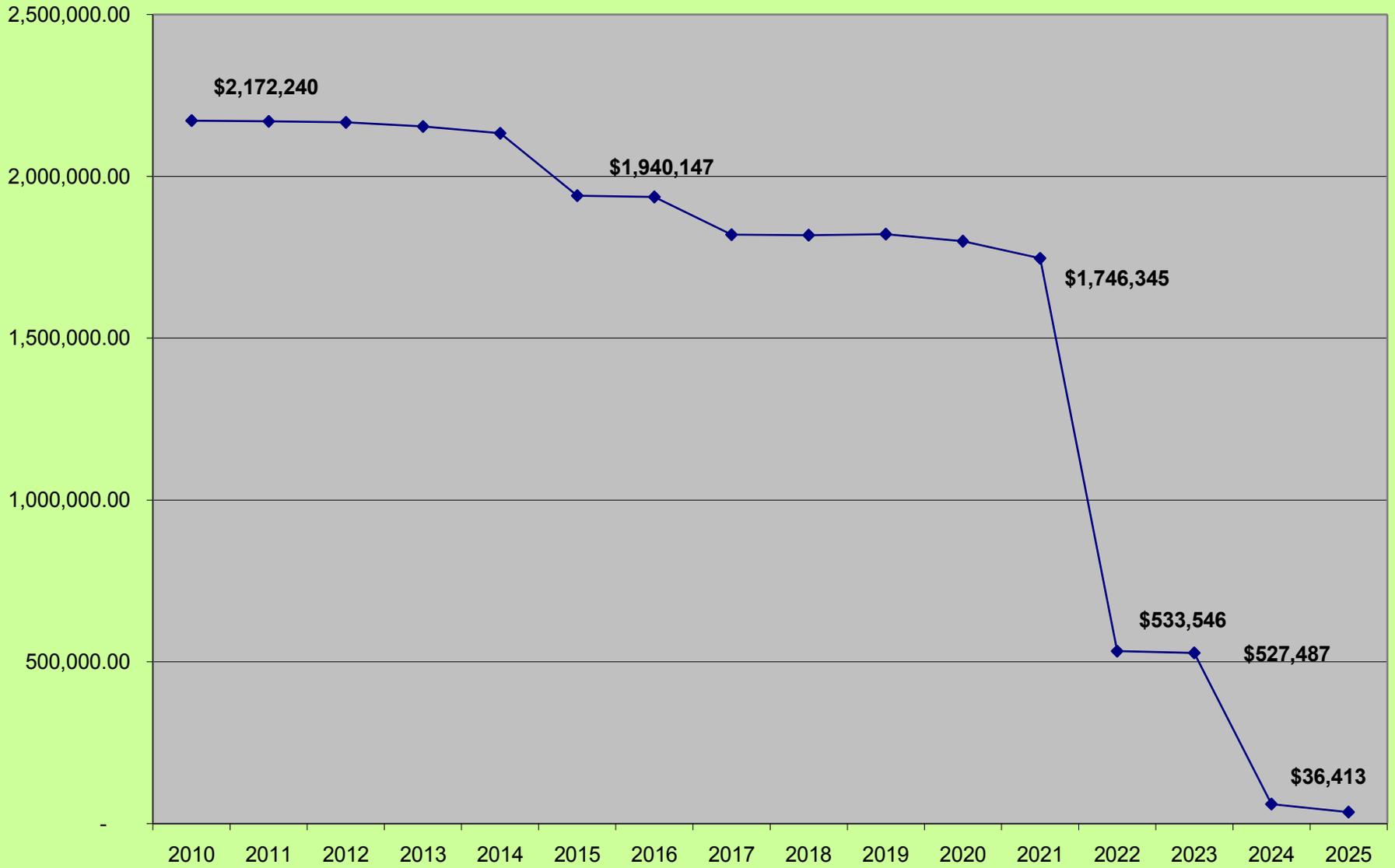


# Sewer Enterprise Budget Article 7C

<b>SEWER ENTERPRISE</b>				
	<b>Budget 2010</b>	<b>Budget 2011</b>	<b>\$ Increase / Decrease over 2010</b>	<b>% Variance '11-'10</b>
<b><u>Operating Expenditures &amp; Items to be Raised:</u></b>				
Salaries & Wages	309,896	311,930	2,034	0.66%
Expenses	1,854,285	1,804,025	(50,260)	-2.71%
Debt Service	2,212,783	2,207,653	(5,130)	-0.23%
Transfer to General Fund - Indirect Costs	303,626	304,918	1,292	0.43%
Capital - PY			0	
Capital	125,000		(125,000)	-100.00%
Revenue Deficit			0	
<b>Total</b>	<b>\$4,805,590</b>	<b>\$4,628,526</b>	<b>(\$177,064)</b>	<b>-3.29%</b>
<b><u>Operating Revenues &amp; Other Sources:</u></b>				
Facility Receipts - User Charges	3,778,413	3,758,526	(19,887)	-0.53%
Other Departmental Income	233,557	480,000	246,443	105.52%
Investment Income	2,500		(2,500)	-100.00%
Transfer from the Tax Levy - GF Subsidy	416,120	390,000	(26,120)	-6.28%
Stabilization Fund	250,000		(250,000)	-100.00%
Retained Earnings	118,650			
Article Balances	6,350		(6,350)	-100.00%
<b>Total</b>	<b>\$4,805,590</b>	<b>\$4,628,526</b>	<b>(\$58,414)</b>	<b>-1.13%</b>

Board of Selectmen voted in February to increase the 2011 sewer rates by 3% over 2010.

### Sewer Long Term Debt Service

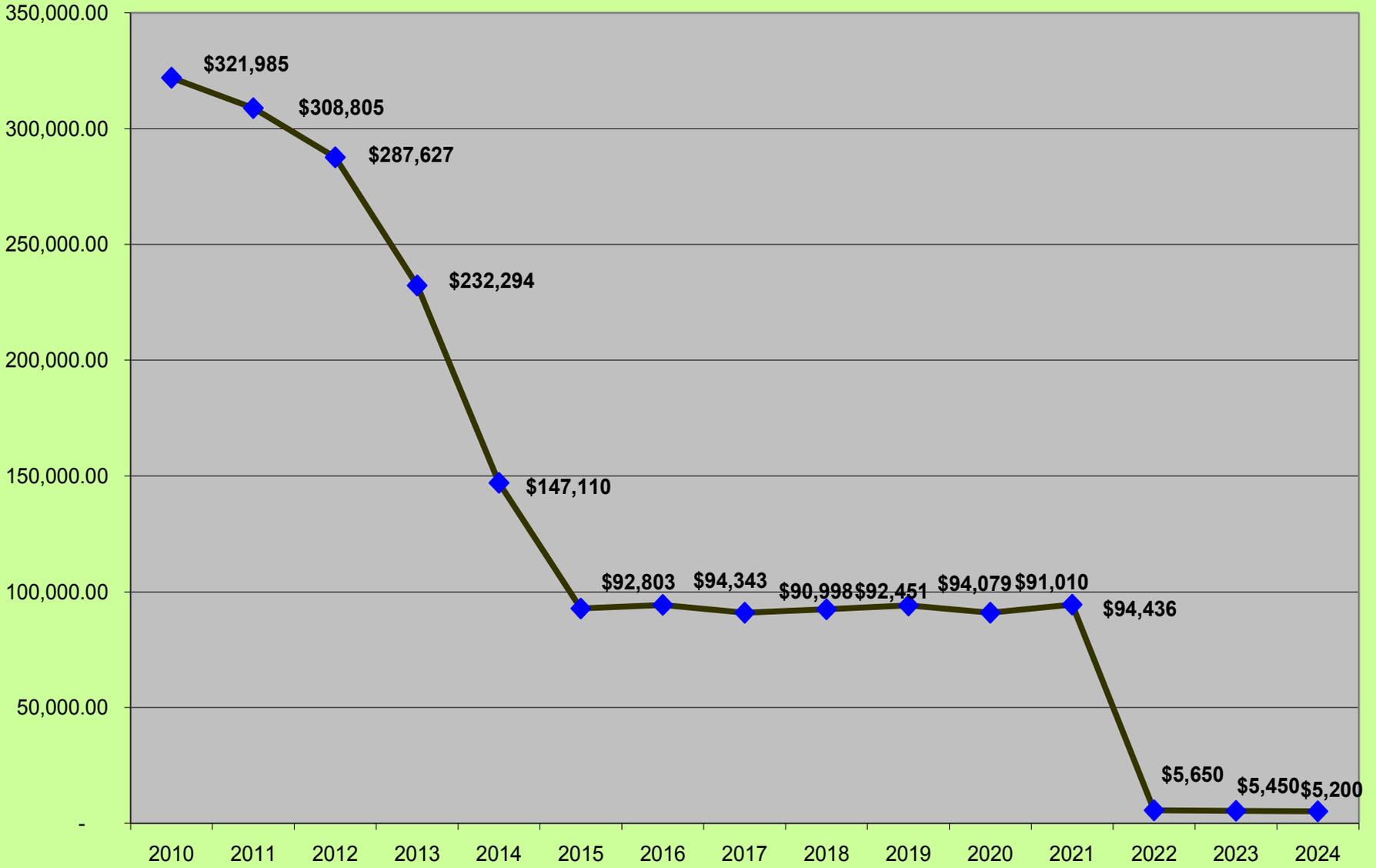


# Solid Waste Enterprise Budget Article 7D

<b>SOLID WASTE ENTERPRISE</b>				
	<b>Budget 2010</b>	<b>Budget 2011</b>	<b>\$ Increase / Decrease over 2010</b>	<b>% Variance '11-'10</b>
<b><i>Operating Expenditures &amp; Items to be Raised:</i></b>				
Salaries & Wages	271,958	256,303	(15,655)	-5.76%
Expenses	865,439	800,855	(64,584)	-7.46%
Debt Service	323,847	310,529	(13,318)	-4.11%
Transfer to General Fund - Indirect Costs	294,927	277,763	(17,164)	-5.82%
Capital Article 9		90,000	90,000	
Revenue Deficit	122,839	<b>144,447</b>	21,608	17.59%
<b>Total</b>	<b>\$1,879,010</b>	<b>\$1,879,897</b>	<b>\$887</b>	<b>0.05%</b>
<b><i>Operating Revenues &amp; Other Sources:</i></b>				
Facility Receipts - User Charges	1,717,190	1,663,077	(54,113)	-3.15%
Other Departmental Revenue	155,000	120,000	(35,000)	-22.58%
Investment Income	6,820	6,820	(0)	-0.01%
Transfer from the Tax Levy - GF				
Subsidy	0		0	
Stabilization Fund	0		0	
Article Balances		90,000	90,000	
<b>Total</b>	<b>\$1,879,010</b>	<b>\$1,879,897</b>	<b>\$887</b>	<b>0.05%</b>

Board of Selectmen voted in February to increase the 2011 transfer station rates by 2.25% over 2010. These fees will go on sale May 17<sup>th</sup>.

### Solid Waste Long Term Debt Service



# Airport Enterprise Budget Article 7E

AIRPORT ENTERPRISE				
	Budget 2010	Budget 2011	\$ Increase / Decrease over 2008	% Variance '09-'08
<b><i>Operating Expenditures &amp; Items to be Raised:</i></b>				
Salaries & Wages	410,755	423,754	12,999	3.16%
Expenses	3,738,600	2,922,325	(816,275)	-21.83%
Debt Service			0	
Prior Year Costs	14,000		(14,000)	-100.00%
Transfer to General Fund - Indirect Costs	57,000	92,000	35,000	61.40%
Capital - PY		8,750	8,750	
Capital			0	
Revenue Deficit / Appropriation Deficit			0	
<b>Total</b>	<b>\$4,220,355</b>	<b>\$3,446,829</b>	<b>(\$773,526)</b>	<b>-20.25%</b>
<b><i>Operating Revenues &amp; Other Sources:</i></b>				
Facility Receipts - User Charges	3,921,355	3,180,579	(740,776)	-18.89%
Other Departmental Income	280,000	255,000	(25,000)	-8.93%
Investment Income	5,000	2,500	(2,500)	-50.00%
Transfer from the Tax Levy - GF Subsidy			0	
Satbilization Fund			0	
Retained Earnings		8,750	8,750	
Article Balances / Budget Lines	14,000		(14,000)	-100.00%
<b>Total</b>	<b>\$4,220,355</b>	<b>\$3,446,829</b>	<b>(\$773,526)</b>	<b>-36.62%</b>

# 2011 Budget Challenges & Beyond

- *State Aid & Local Receipts*
  - *FATM we will make the necessary adjustments*
- *Keep Tax Increases to a Minimum*
- *Reduce Fixed Cost Increases*
- *Keep Current Services*
- *Long Term Financial Plan & Policies*