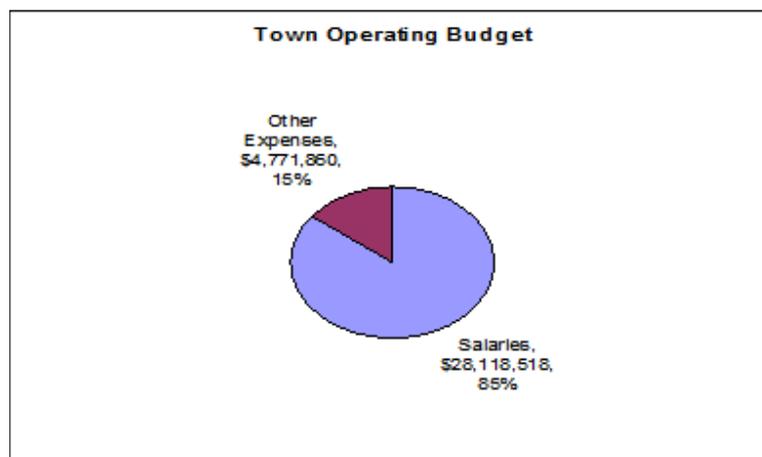
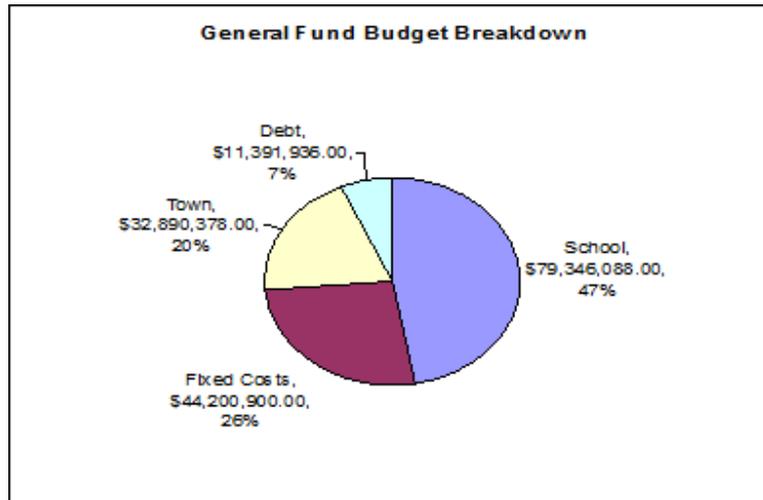


## 1. Budget FY15

As part of a more open and engaged budget process, I am going to begin including details about the budget planning and preparation in my weekly Town Manager reports. In this way, I am hoping to further engage the public and they can begin to weigh in or contact any of us with their comments. At this time, we have the direction of the Selectmen to show the impact of an overall 2.5% increase on the levy plus new growth and the override – we should have that for you in August. In addition, we will soon be planning our internal meeting to discuss projected revenues. We will expand that this year so that meeting includes me, the Finance Director, the Budget Analyst, the Chairman and Vice Chairmen from the Selectmen, School Committee, and Finance Committee, as well as School Superintendent and Business Manager. In trying something new, this year we have issued a written exercise and challenge to the Department Heads to analyze and review their basic core services and really contemplate and weigh any auxiliary services they provide or spend funds on. These auxiliary services are outside of the basic function of the department/town, however, they make Plymouth special and improve the quality of life for those residents who participate in them. For example, establishing the OPEB fund and establishing the Entergy Mitigation Fund through a Selectmen's initiative.

Also having funding in the Selectmen's budget for some of our important historical events (Thanksgiving and July 4<sup>th</sup>) and providing staff support for special purpose committees such as the White Horse Beach Parking Committee at the request of the public. A special committee like this can average, over a one year period, at least 70 hours of staff support (about \$2500). I also have asked them to think big – what would they do if anything were possible? What have they been able to do through creative financing, such as consolidation or technology? Finally, in recognition that salaries (town and school) are 80% of the overall budget (\$89 million), I've asked them to carefully scrutinize their staffing levels and their overtime practices over the last few years.





As we look at the first pie chart, we recognize that a very thorough review was done last year with the Selectmen and Finance Committee on the “other expenses – 15% of the expenditures. However, we also understand that the salary expenditure will increase based on negotiated raises (4% over three years). One consideration that is a possibility is that in FY15, there is no further personnel added without overwhelmingly compelling reasons. As of last year, 89 million dollars (85% of the budget excluding debt and fixed costs) is spent on the current number of employees to run the services of school and general government:

<u>SCHOOL – 61M salaries</u>	<u>TOWN – 28M salaries</u>
Full Time – 936	Full time - 452
Part Time – 496	Part Time - 38
Substitutes – 221	Substitutes - 23
Temporary – 87	Temporary Employees - 167
Seasonal – 40	Seasonal Employees - 123

Some of the negotiated changes we have made in recent years may counter a small portion of the salary increase, such as reductions in educational incentives for new employees and reductions in time off for new employees.

In the second chart, we know that we have to closely examine the fixed costs. We know that health insurance costs and claims continue to escalate in Massachusetts, even though Plymouth has made strides with the changes to plan design negotiated last year, so that figure will increase. However, fixed costs plays an important role in our budgeting and I plan on addressing it at length in one of these budget reports and/or as an agenda item. Finally, in terms of debt – that is something that the Town takes very seriously and weighs in on through override votes, town meeting action, and many times the Capital Outlay process. We will continue to make every effort to control the annual debt services and, in FY15, may have to make some very difficult prioritization decisions (land purchases, gas migration projects, demolition of buildings, emergency safety precautions, building renovations, private roads, sewer expansion, 1000 acres). This too shall be the subject of a Selectmen’s meeting so that we can work as a team to prioritize our future. To begin thinking about that discussion, the DPW Director has begun to plan and organize long term vision of projects that would beautify and enhance this Town. He has put together a massive capital plan for the Town that represents all we would like to do to prepare for 2020.

## 2. Goals for FY14

In my May 9, 2013 Town Manager's Report, I listed give potential goals for this year for the Board to provide me with feedback and input. Thank you for doing that. At this time, it seems fitting that at the same time we begin to publicly talk about the FY15 budget, we begin to look at formalizing the goals for the Town Manager. As such, using your input from May, I have begun to finalize the list of goals. These are items that I have been giving thought to for some time, even prior to May. You will note, a few of these will be multiple year goals and a few have been carried forward from last year. With your support, the following projects/services are ones that I believe both need, and deserve, my attention. I would need to dedicate a significant amount of my time to:

- a. Entergy Agreement
- b. FY15 budget – earlier and more engaged public process
- c. 1820 Courthouse Project
- d. Tipping Fee contract
- e. Promote public building safety for visitors and staff
- f. Parking Garage project
- g. Wastewater Treatment Plant – outfalls and DEP permits
- h. Media Outlets – a new way to reach residents/communication
- i. 1000 acres/additional commercial revenue
- j. Expedited Permitting furthering “business friendly’ philosophy
- k. Improve efficiency of Special Event process
- l. Education on Guiding Principles
- m. Departmental/Divisional Reorganization review for efficiencies