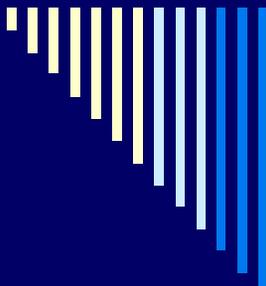


Town of Plymouth
Budget
Recommendation 2014
January 8, 2013

Melissa Arrighi, Town Manager
Lynne Barrett, Director of Finance



2014 Budget Building Exercise

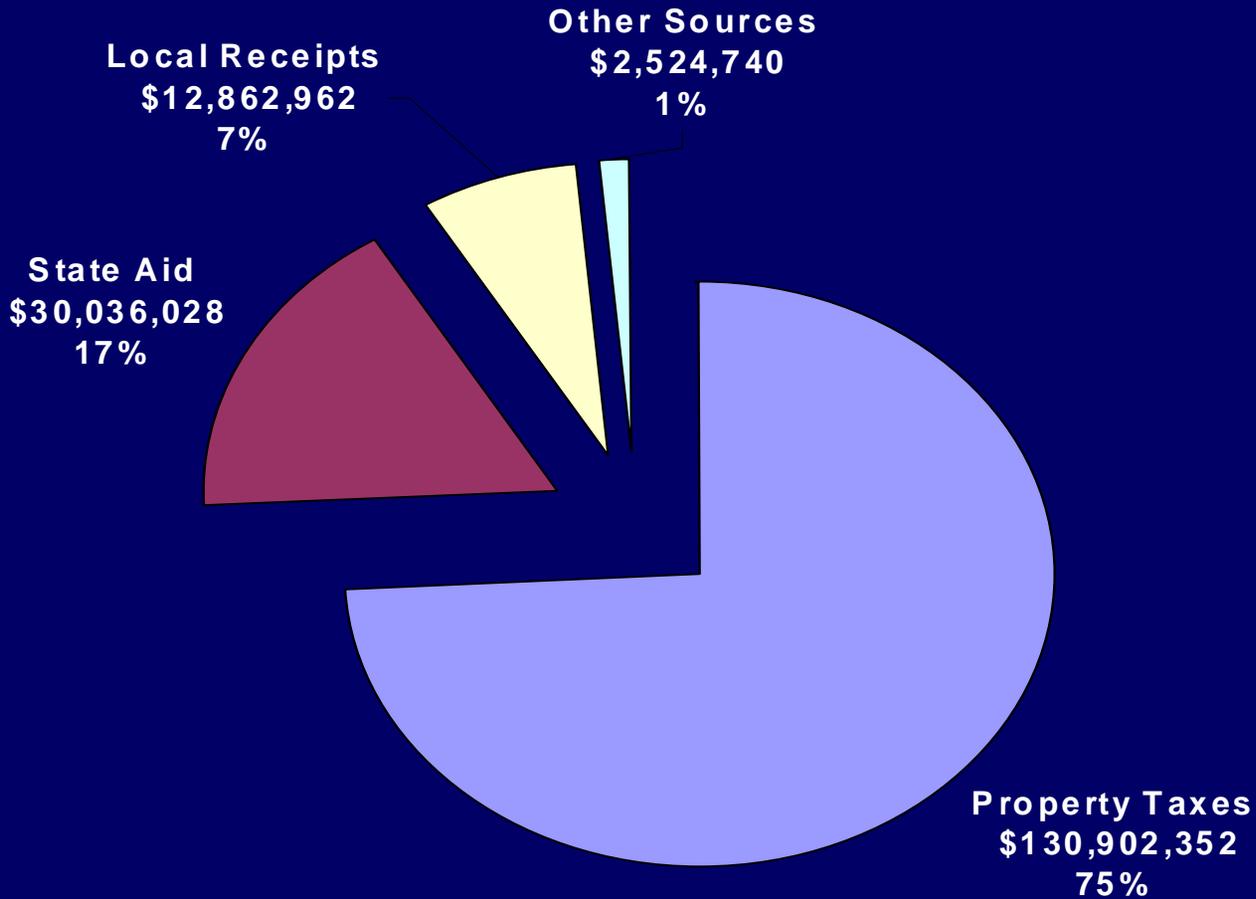
□ Anticipated Revenues:

- Chapter 70, General Municipal Aid, Veterans Benefits Level Funded
- Local Receipts Increase of 3%
- Makeup for Grant Monies Exhausted
 - School - ARRA
 - Fire - SAFER
 - Health Insurance - ERRP

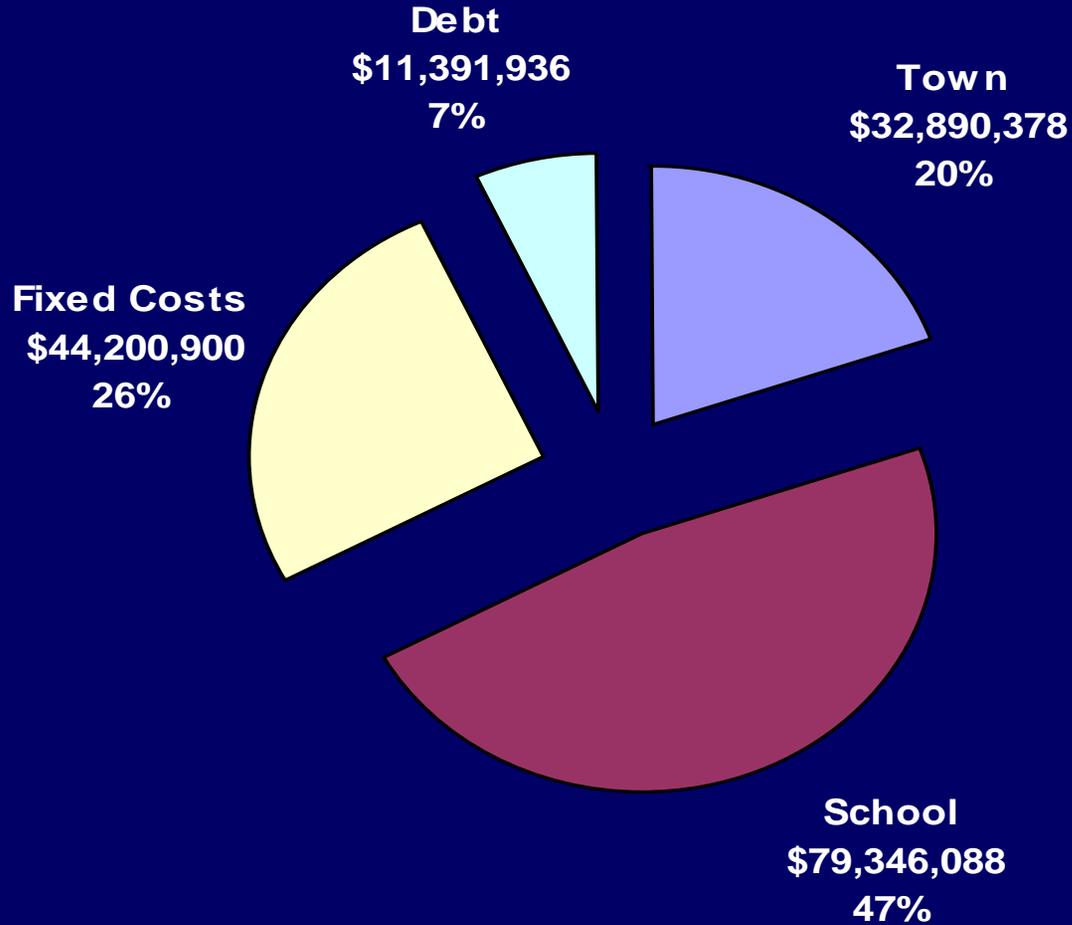
□ Expenditure Priorities:

- Support New Schools and Senior Center
- 2020 Initiative
- Support Public Works Efforts
- Support Open Space & Environment
- Business Friendly Initiatives
- Plant Mitigation Fund

General Fund Revenues



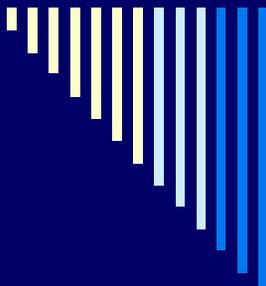
General Fund Budget Items



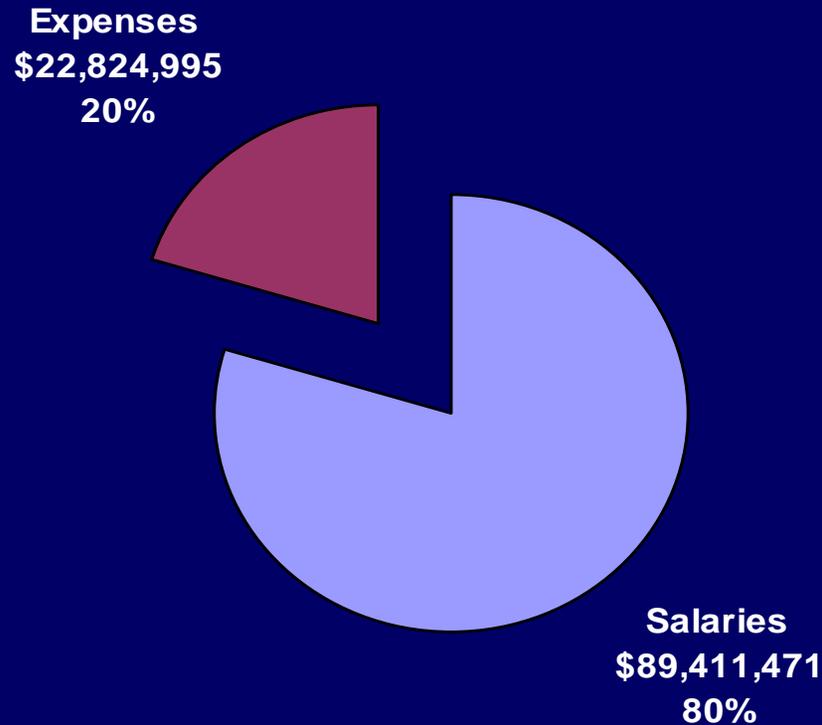
↑ Fixed Costs 6%

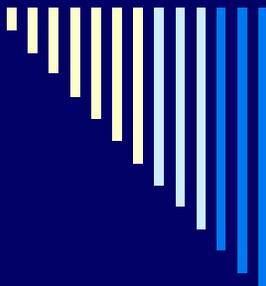
↑ Debt 14%

↑ Overall 4%



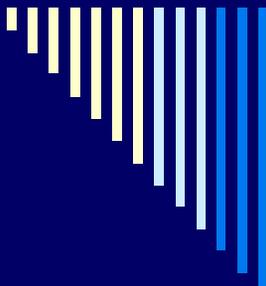
Town & School Combined 67% of Budget





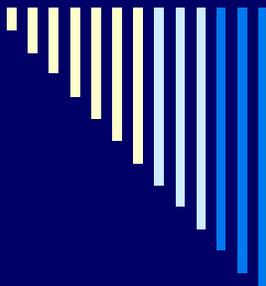
Fixed Costs 26% of Budget – 6% Increase over prior year

- Health Insurance Increase of 5% on Premiums for 2014
 - Claims increased dramatically in FY2012 due to anticipated Health Care Reform changes to take affect 7/1/2012
 - Children covered to age 26
 - 3 years straight with no premium increases
 - Affordable Care Act – Early Retiree Reimbursement Funds depleted (\$1 million)
 - Careful Approach – Closely monitoring this years claims
 - Future – Pending changes to Municipal Health Care at the State Level



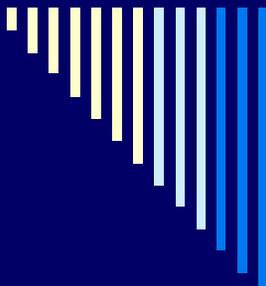
Fixed Costs Continued

- Pension Appropriation Increase of 6%
 - OPEB Trust Fund Transfer now included in budget
 - Prior to this budget recommendation we were increasing the Pension appropriation by 8%; now with the cooperation of the Retirement Board we are increasing the appropriation by 6% and using the difference to fund a transfer to the OPEB Trust.
 - We will continue to do this into the future with a goal of as the Pension System gets fully funded a larger portion will go towards funding the OPEB Trust.
-



Fixed Costs Continued

- Other Administrative Items Moved to Fixed Costs that were previously in separate articles at town meeting:
 - Unemployment Trust Appropriation
 - Medicaid Reimbursement Program
 - Out of District Transportation
 - Household Hazardous Waste Day article moved to the Marine & Environmental Affairs budget.
-



Debt Service 7 % of Budget – 14% Increase over prior year

- Long Term Issue in Spring 2013 of \$23 million:
 - Remaining Funds for NEW PNHS – Debt Exclusion
 - Other Projects
 - WEST* & IB HVAC, PCIS Roof*, PSMS Brick Veneer & Flashing (*Some MSBA Funding)
 - Water Street Culvert & Bridge
 - Fire Engine, Long Beach Property & Retort
 - Borrowing Rate is an Estimate of 4%
 - Aggressive Amortization Schedules
 - Budget is within the low to moderate carrying charge of 6 to 8% of the budget
- Short Term Borrowing for PSHS \$1.5 million for Feasibility

General Fund - Long Term Debt Service

14,000,000

12,000,000

10,000,000

8,000,000

6,000,000

4,000,000

2,000,000

2014

2015

2016

2017

2018

2019

2020

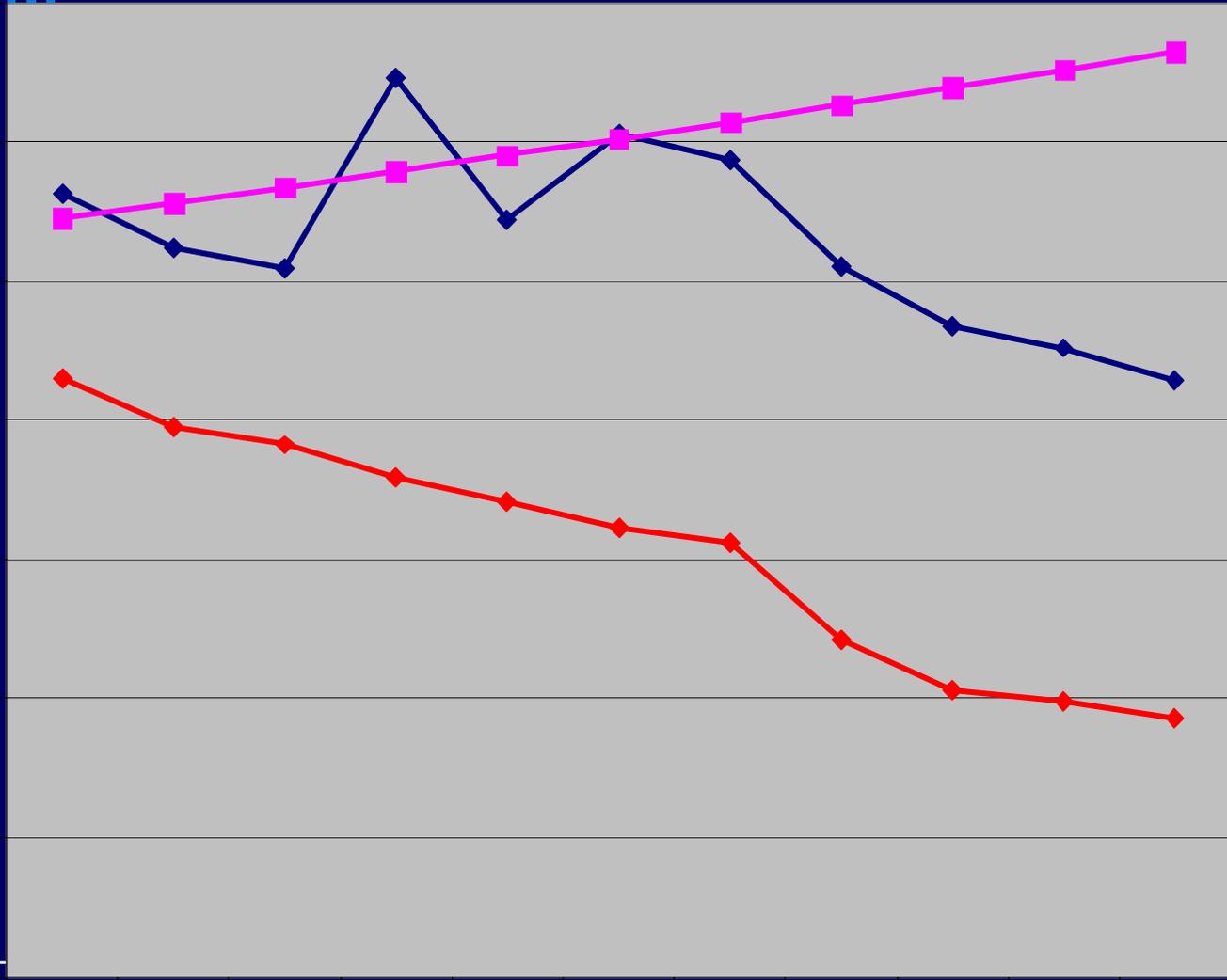
2021

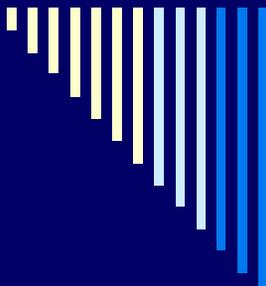
2022

2023

2024

- Authorized Projects
- Existing Debt
- Threshold of 6.50% of Budget





Other Budget Recommendations

- DOR Certified Available Funds at \$4.8 million
 - Where does it come from:
 - DOR Calculation from the 6/30/12 Balance Sheet
 - Budgeted Revenues - \$1.7 million
 - Budget Savings - \$2 million
 - Unused from Prior Year - \$670 K
 - Town Manager Recommended Use:
 - The first of an annual set aside into the “Plant Mitigation Fund” - \$1 million
 - Article 8 Departmental Equipment \$725 K
 - Set aside and save 10%
 - Remaining available for Capital funding during the COEC ranking process or other items
-

Budget to Govern Plymouth

