



**Annual Town Meeting**  
***Fiscal Year 2016***  
***Budget Presentation***

**Monday, April 27, 2015**



# Agenda

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- FY 2015 Year to Date Brief Update
  - *July 1, 2014 through June 30, 2015*
- FY 2016 Budget Recommendation
  - *July 1, 2015 through June 30, 2016*
- Summary



***Fiscal Year 2015***  
**Year to Date Update**



# FY 2015 Update - Expenses

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- Storms
  - Blizzard Nemo - carrying \$539,000 BAN in anticipation of FEMA reimbursement
  - Expectations (hope) for federal reimbursement for Hurricane Sandy, Nemo and the Blizzard of 2015 for 75% of the eligible costs. No expectations for remaining 25 % MEMA match.
- Snow and Ice Budget
  - Budgeted \$400,000
  - BOS and Advisory Board have approved authorization to spend up to \$1,800,000
  - ***Current deficit \$1,375,328 (as of 4/10/15)***



# FY 2015 Update - Expenses

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- Snow and Ice Update
  - From the DOR – 3 Options:
    - Pay the Fiscal 2015 deficit with available funds prior to the end of Fiscal 2015
    - Amortize the Fiscal 2015 deficit over two or three fiscal years – 2016 – 2017 – 2018 in equal installments
    - Establish a special revenue fund
      - Reimbursable expenses transferred to fund
      - FEMA/MEMA reimbursement deposited to the fund without further appropriation to cover costs
      - Waiting on DLS Bulletin for detailed guidance



***Fiscal Year 2016***  
**Projected Revenue**  
**July 1, 2015 to June 30, 2016**



# FY 2016 Revenue Sources

## Estimated Tax Levy

	FY15 Recap	Estimated FY16	Change from 2015	
Base Tax Levy	52,392,242	54,334,533	1,942,291	3.7%
Statutory 2 1/2 Increase	1,309,806	1,358,363	48,557	3.7%
New Growth	632,485	400,000	(232,485)	-36.8%
<b>Levy Limit</b>	<b>54,334,533</b>	<b>56,092,896</b>	<b>1,758,363</b>	<b>3.2%</b>
Debt Exclusion	3,069,505	4,178,906	1,109,401	36.1%
<b>Total Allowable Levy</b>	<b>57,404,038</b>	<b>60,271,803</b>	<b>2,867,765</b>	<b>5.0%</b>

**Total New Tax Revenue = \$1,758,363 or 3.2%**



# FY 15 TAX RATES

- Town of Marshfield has one of the lowest tax rates on the South Shore \$13.29

<i>Hingham</i>	<i>\$12.53</i>	Cohasset	\$12.71
Hanson	\$15.92	Scituate	\$13.10
Hull	\$13.94	Pembroke	\$14.74
Norwell	\$16.24	Hanover	\$16.15
Kingston	\$16.24	Rockland	\$19.03
Plymouth	\$15.54	Duxbury	\$15.60





## FY 2016 Revenue Sources Estimated State Aid

	FY15 Recap	Estimated FY16	Change from 2015	
State Aid less Offsets	16,373,818	16,536,855	163,037	1.0%
Less Offsets	(65,295)	(67,434)	(2,139)	3.3%
<b>Total State Aid</b>	<b>16,308,523</b>	<b>16,469,421</b>	<b>160,898</b>	<b>1.0%</b>

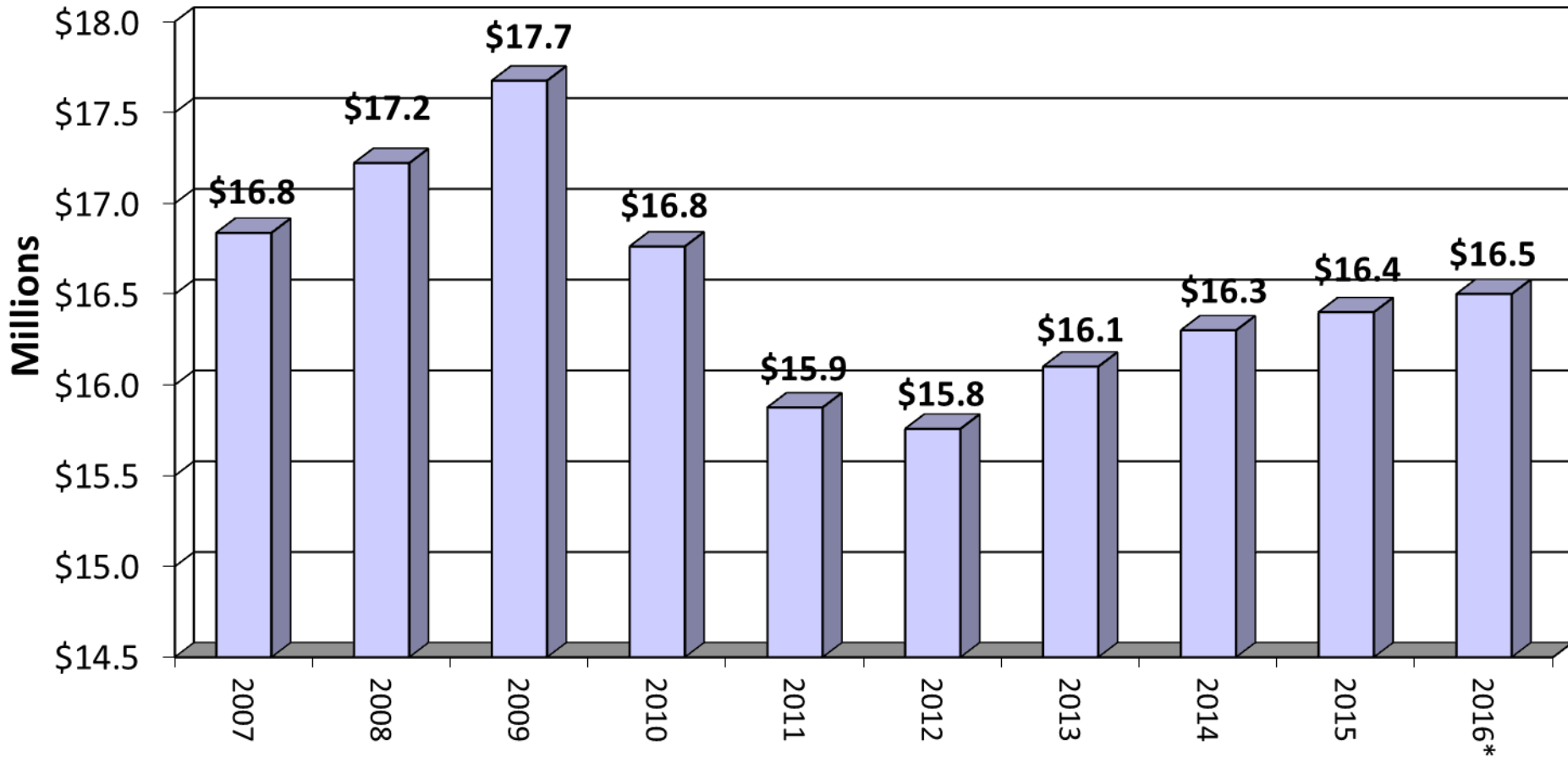
- Round 1 – Governor's Budget
- Must wait for House and Senate proposals
- Final numbers to be available by June 30, 2015

**Total Additional State Aid = \$160,898**



# Total State Aid

(not including school building assistance)



\* Projected



# FY 2016 Estimated Revenue Sources

## Summary of Changes

	FY15 Recap	Estimated FY16	Change from 2015	
Tax Levy	57,404,038	60,271,803	2,867,765	5.0%
State Aid	16,308,523	16,469,421	160,898	1.0%
Local Receipts	5,780,000	5,848,632	68,632	1.2%
Free Cash	0	0	0	0.0%
MSBA Reimbursement	1,112,854	1,112,854	0	0.0%
Use of Reserved Bond Premium	463,624	528,348	64,724	14.0%
Other Sources	361,000	90,000	(271,000)	-75.1%
Enterprise Indirects	1,403,112	1,492,319	89,207	6.4%
<b>Total Estimated Revenue</b>	<b>82,833,151</b>	<b>85,813,376</b>	<b>2,980,225</b>	<b>3.6%</b>

**Total Revenue Change from FY2015 = \$2,980,225  
(\$1,164,437 is for Debt Exclusion – Net = \$1,815,788)**



***Fiscal Year 2016***  
**Recommended Expenses**  
**July 1, 2015 to June 30, 2016**



## FY 2016 General Government pages 7-8

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- No New Positions – There will be Layoff
  - At least one full time position
  - Personnel cuts through reduction of hours in various departments
- All Departments funded less in Fiscal 2016 than 2015

***Total General Government recommended cut of \$115,766  
or 5% less than Fiscal 2015***



## FY 2016 Public Safety pages 8-9

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- Recommended Staffing Changes:
  - Police Department – One unfilled sergeant position
  - Fire Department – Three unfilled positions
  - Most likely other personnel cuts
  
- Significant cuts in all departments

Total Public Safety recommended increase of \$112,827 or 1.0% increase over Fiscal 2015



## FY 2016 Education

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- School Department Original Request \$45,610,045 (4.62%)
- By Agreement, School Department receives 67.5% of available revenue, less 50% of fixed costs
- FY16 recommended budget \$44,137,939 (\$1,472,106 less than original request)
  - Potential Operational Increases \$1,410,000
  - Projected Operational Decreases \$ 868,000

Total School Department recommended increase of \$539,973 or 1.2% increase over Fiscal 2015



## FY 2016 Public Works page 9

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- No New Positions – There will be layoffs
  - At least one full time position
  - Administrative staff personnel costs apportioned with Enterprise Funds
- Requested increases cut

Total Department of Public Works recommended **cut of \$47,543**  
or **1.8% less** than Fiscal 2015





## FY 2016 Health & Human Services page 9-10

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- No New Positions –
  - personnel cuts
- Two of Three Departments funded less in Fiscal 2016 than 2015

Total Health & Human Services recommended **cut of \$39,574** or **4.3% less** than Fiscal 2015



## FY 2016 Culture & Recreation page 10

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- Library budget reduced
  - Increase provided in Fiscal 2015 cut
  - Although cut is proportionate with other departments, may need to seek a waiver to maintain membership in the Library Network and receive state aid
- Veterans Memorial increased to assume responsibility for maintenance from DPW

Total Culture & Recreation recommended **cut of \$22,897** or **3.1%**  
**less** than Fiscal 2015



## FY 2016 Fixed Costs

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- Fixed costs budgeted with current information
  - General and Employee Health Insurances
    - Mayflower Municipal Health Group vote 2% increase for some plans and 4% increase on others
  - Any additional revenue will be added to the Reserve Fund and Unemployment Account as primary thought
- Debt service is increasing by \$1,812,231 or 23%
  - Full debt detail is provided Appendix A
- Unclassified and Utilities budgets both funded less in FY2016 than 2015 on page 11 in the Warrant

Total Fixed Costs recommended increase of \$798,428 or 6.33%  
over Fiscal 2015



# FY 2016 Proposed Expenses Summary of Recommendations

	FY15 Appropriation	FY16 Recommended	Change from 2015	
General Government*	2,333,595	2,213,254	(120,341)	-5.16%
Public Safety	10,144,911	10,257,738	112,827	1.11%
School	43,597,966	44,137,939	539,973	1.24%
DPW*	2,704,533	2,656,990	(47,543)	-1.76%
Health & Human Services	921,014	881,440	(39,574)	-4.30%
Culture & Recreation	739,668	716,771	(22,897)	-3.10%
Total Fixed Costs	12,621,801	13,420,229	798,428	6.33%
Debt Total	7,993,767	9,805,999	1,812,232	22.67%
Assessment Total	876,300	910,767	34,467	3.93%
Utilities	473,536	362,249	(111,287)	-23.50%
Overlay	426,060	450,000	23,940	5.62%
<b>Total FY2016 Recommend</b>	<b>82,833,151</b>	<b>85,813,376</b>	<b>2,980,225</b>	<b>3.60%</b>

\*Includes Elected Officials



# FY 2016 General Fund Summary

	FY15 Recap	Estimated FY16	Change from 2015	
Tax Levy	57,404,038	60,271,803	2,867,765	5.0%
State Aid	16,308,523	16,469,421	160,898	1.0%
Local Receipts	5,780,000	5,848,632	68,632	1.2%
Other Sources	3,340,590	3,223,521	(117,069)	0.0%
<b>Total Estimated Revenue</b>	<b>82,833,151</b>	<b>85,813,376</b>	<b>2,980,225</b>	<b>3.60%</b>
	FY15 Appropriation	FY16 Recommended	Change from 2015	
Town - All Departments	16,843,721	16,726,193	(117,528)	-0.70%
School	43,597,966	44,137,939	539,973	1.24%
Total Fixed Costs	12,621,801	13,420,229	798,428	6.33%
Debt Total	7,993,767	9,805,999	1,812,232	22.67%
Assessment Total	876,300	910,767	34,467	3.93%
Utilities	473,536	362,249	(111,287)	-23.50%
Overlay	426,060	450,000	23,940	5.62%
<b>Total Recommendation</b>	<b>82,833,151</b>	<b>85,813,376</b>	<b>2,980,225</b>	<b>3.60%</b>
<b>Rev-Exp Surplus/(Deficit)</b>	<b>0</b>	<b>0</b>		



# FY 2016 Enterprise Budgets

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- Wastewater
  - 2.2% Increase
  
- Water
  - 3.5% Increase
  
- Solid Waste
  - 6.2% Increase



# FY 2016 Enterprise Budgets

	FY15 Approp	Advisory Bd Recommends	Change from 2015	Percent
Wastewater Salaries	865,598	925,153	59,555	6.9%
Wastewater Expenses	923,500	932,735	9,235	1.0%
Wastewater Debt Service	845,923	825,414	(20,509)	-2.4%
Wastewater Emergency Reserve	100,000	100,000	0	0.0%
<b>Wastewater Enterprise Budget</b>	<b>2,735,021</b>	<b>2,783,302</b>	48,281	1.8%
Transfer for Indirect Costs	493,721	517,260	23,539	4.8%
<b>Total Wastewater Enterprise Budget</b>	<b>3,228,742</b>	<b>3,300,562</b>	<b>71,820</b>	2.2%
			0	
Water Salaries	1,157,994	1,183,779	25,785	2.2%
Water Expenses	911,730	920,848	9,118	1.0%
Water Debt Service	1,149,683	1,195,614	45,931	4.0%
Water Emergency Reserve	100,000	100,000	0	0.0%
<b>Total Water Enterprise Budget</b>	<b>3,319,407</b>	<b>3,400,241</b>	80,834	2.4%
Transfer for Indirect Costs	631,832	691,047	59,215	9.4%
<b>Total Water Enterprise Budget</b>	<b>3,951,239</b>	<b>4,091,288</b>	<b>140,049</b>	3.5%
			0	
Solid Waste Salaries	611,412	609,303	(2,109)	-0.3%
Solid Waste Expenses	1,946,999	2,192,269	245,270	12.6%
Solid Waste Debt Service	60,000	0	(60,000)	-100.0%
Solid Waste Emergency Reserve	50,000	50,000	0	0.0%
<b>Total Solid Waste Enterprise Budget</b>	<b>2,668,411</b>	<b>2,851,572</b>	183,161	6.9%
Transfer for Indirect Costs	282,784	284,012	1,228	0.4%
<b>Total Solid Waste Enterprise Budget</b>	<b>2,951,195</b>	<b>3,135,584</b>	<b>184,389</b>	6.2%



## FY 2016 Summary

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- Budget is balanced, but
  - Town will have layoffs, possible other personnel cuts and open positions will remain unfilled
  - School could also will have layoffs
  - A level dollar budget is a reduced budget
  - Some Town Hall offices will be closed during employee breaks and illnesses
  - No one will be happy with service cuts - staff or public
- State Budget – Not complete
  - Current net 0.8% increase after assessments
  - Included in recommended budget – but could decrease





## FY 2016 Summary

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- New revenue sources are needed; further cuts impact staffing, negotiations are ongoing with collective bargaining units
- All municipal services impacted throughout organization - employees always will do their best with resources provided.



## FY 2016 Summary

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- Monitoring options with fixed cost increases - stabilize increases or make them more predictable; pension, proposed OPEB changes, Health Insurance.
- Considering all options to fund FY 15 deficits as noted



Thank you