



*FY 2013  
Budget Presentation  
Annual Town Meeting*

Monday April 23, 2012

# Agenda

- FY 2013 Projected Revenue Sources
- FY 2013 Departmental Budget Expenses
  - Town and Schools
- FY 2013 Fixed Costs
- FY 2013 Conclusion

# FY 2013 Budget Key Issues

- Governor's Budget released 1/20/2012
  - Level Funding Less Supplemental Increase of \$132,000\*
- House Budget released by House Leadership
  - *NOT VOTED BY HOUSE; Budget Deliberations begin 4/23*
  - Includes Net Increase \$313,242
  - *Senate begins budget deliberations about 5/14*
- *House –Senate Conference Committee 6/12*
- *Final State Budget 6/30*

# FY 2013 Budget Key Issues

- Health insurance negotiations successfully concluded
- Collective Bargaining status
- 4<sup>th</sup> year of reduced/level State Aid and Impact on Services



# Fiscal Year 2013 Projected Revenues July 1, 2012 to June 30, 2013

# REVENUE CATEGORIES

- Levy – Real Estate Taxes
- State Aid (Cherry Sheets)
- Local Receipts
- Other Available Funds

# FY 2013 Revenue Sources

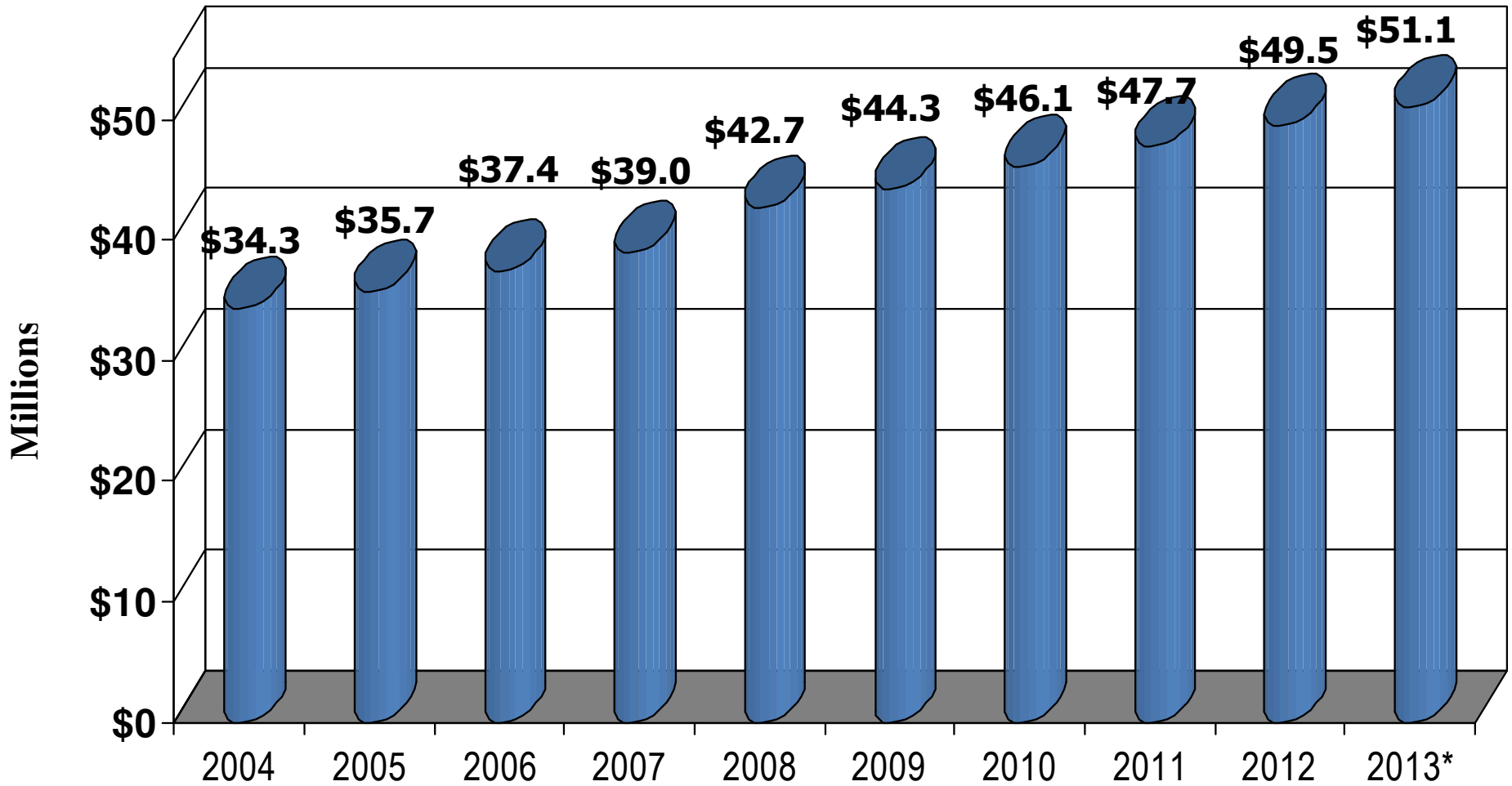
## Proposed Tax Levy

PROPERTY TAXES Prior Year Levy Limit	48,786,609
Add 2.5 %	1,219,665
NEW GROWTH	400,000
SUB TOTAL PROPERTY TAXES	50,406,274
Prop 2.5 Debt Exclusion	687,376
<hr/>	
<b>TOTAL PROPERTY TAXES</b>	<b>51,093,650</b>

**Total New Revenue = \$1,598,112**

Debt Exclusion for MHS = \$53,000 in short term interest which is a \$4.80 *annual* impact on average home

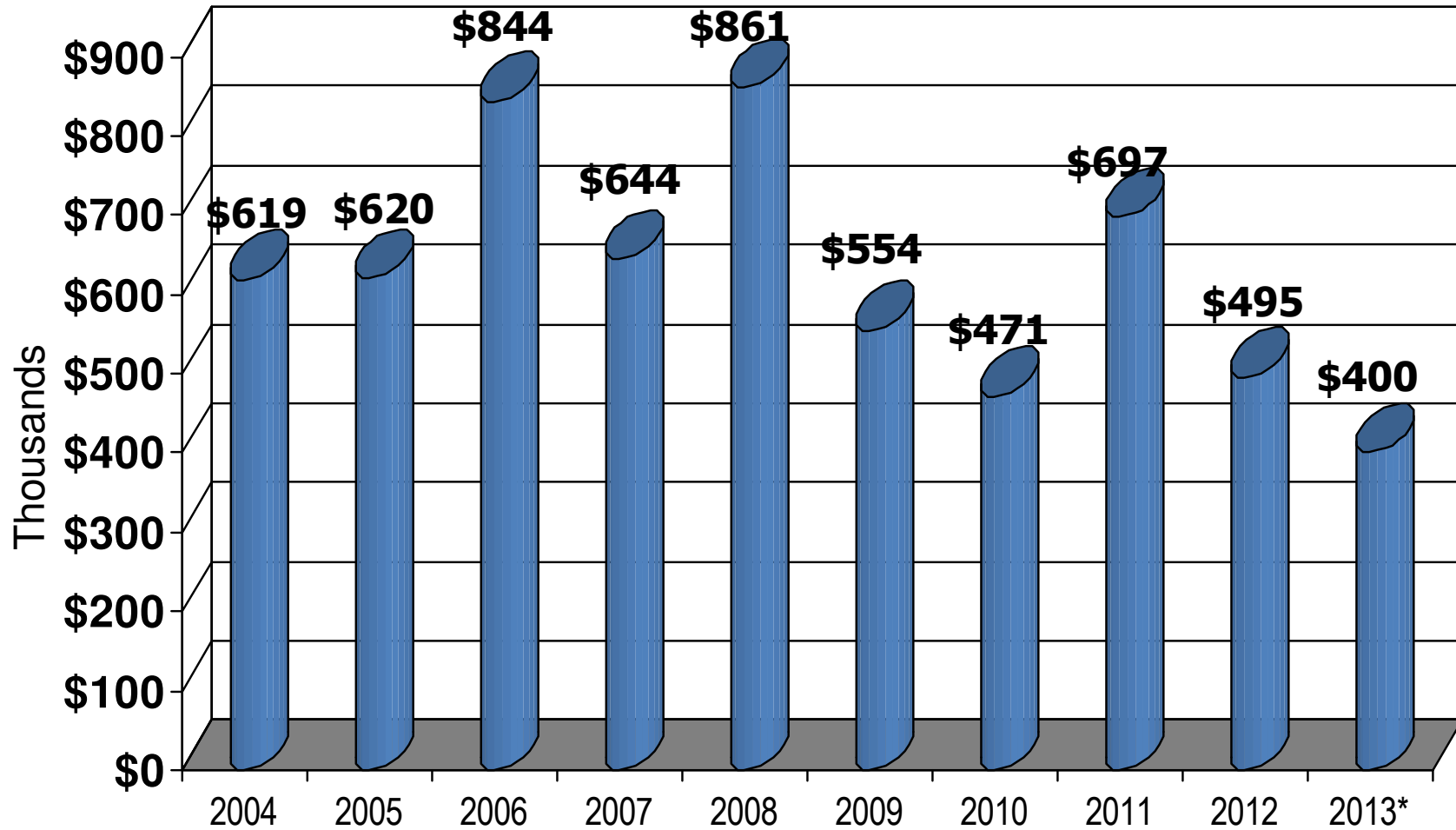
# Property Tax Levy FY 2004 - 2013



\* FY 13 new growth projected at \$400,000



# New Growth FY 2004 - 2013



\* FY 13 new growth projected at \$400,000

# TAX RATES

- Town of Marshfield has the lowest tax rate on the South Shore \$11.76

Hingham	\$11.89	Cohasset	\$11.98
Weymouth	\$12.14	Scituate	\$12.34
Hull	\$13.06	Pembroke	\$13.91
Norwell	\$14.24	Hanover	\$ 15.00
Kingston	\$15.33	Rockland	\$15.81

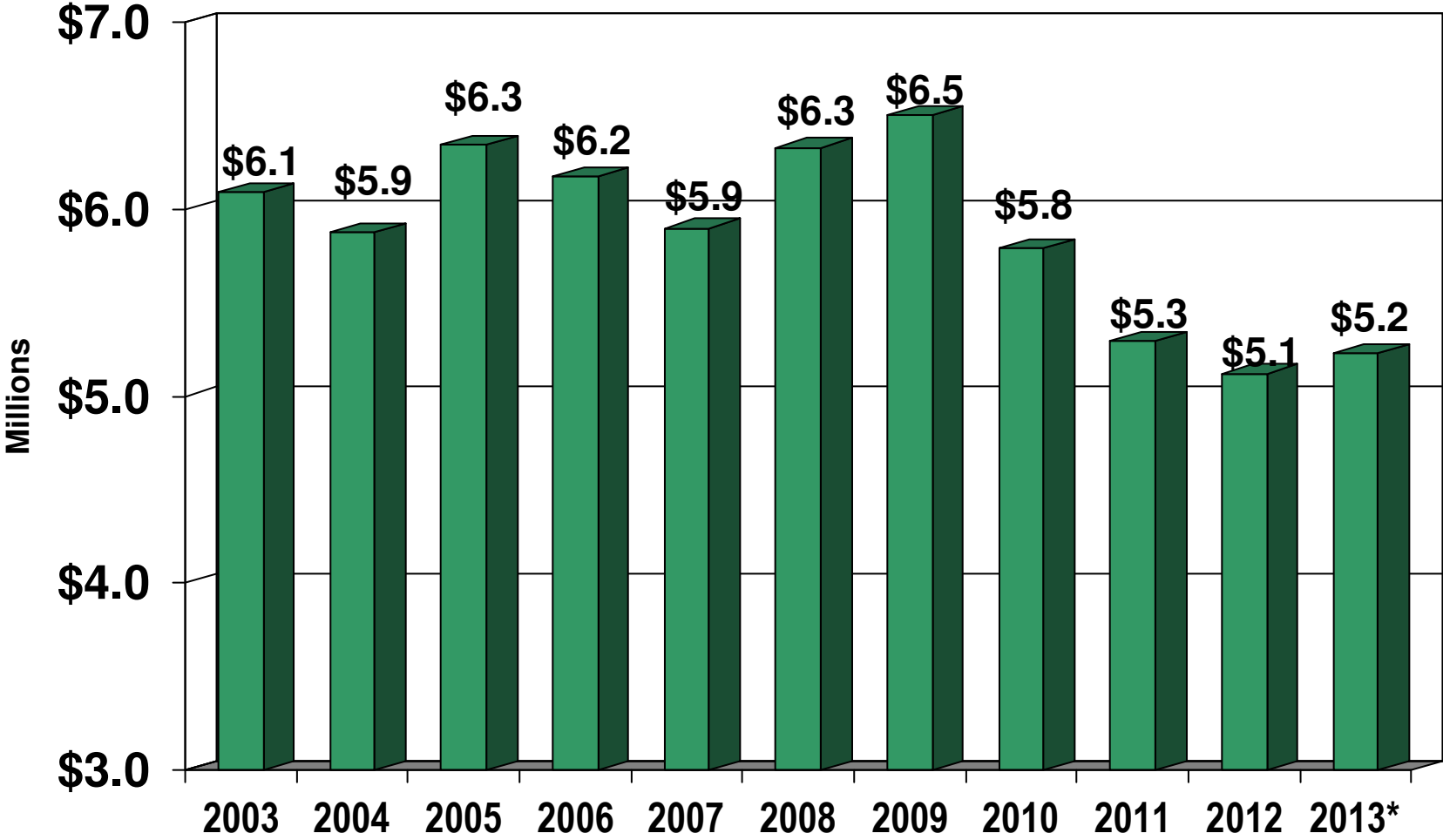
# FY 2013 Revenue Sources

## Proposed Local Receipts

- Utilize formula of 5 year average less 10% for local receipts
- Includes motor vehicle excise, investment income, fines and penalties, fees and ambulance charges

**Total New Revenue = \$134,000**

# Local Receipts FY 2003 - 2013



\*Projected-5 year average less 10%

# FY 2013 Revenue Sources

## Proposed State Aid

	FY12	Projection FY13
	State	Governor's
State Aid Description	Budget	Budget
Gross Aid	\$ 15,751,280	\$ 15,790,651
Gross Assessments	\$ (674,790)	\$ (710,589)
<b>NET AID</b>	<b>\$ 15,076,490</b>	<b>\$ 15,080,062</b>
<b>Change from Prior Year</b>		<b>\$ 3,572</b>
		<b>0.0%</b>

➤ ***One time aid in FY 2012 of \$132,484 not included; Governor not including this amount in his FY 13 budget***

# FY 2013 Revenue Sources

## Proposed State Aid

Comparison of House with governors numbers

		Projection FY13 Governor's Budget	Projection FY13 HWM Budget
	FY12		
	State		
<b>State Aid Description</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>
Gross Aid	\$ 15,751,280	\$ 15,790,651	\$ 16,083,066
Gross Assessments	\$ (674,790)	\$ (710,589)	\$ (689,762)
<b>NET AID</b>	<b>\$ 15,076,490</b>	<b>\$ 15,080,062</b>	<b>\$ 15,393,304</b>
<b>Change from Prior FY</b>		<b>\$ 3,572</b>	<b>\$ 316,814</b>
		<b>0.0%</b>	<b>2.1%</b>

# FY 2013 Revenue Sources

## OTHER Revenue Sources

*Cemetery Perpetual Care Interest*

*Licensing of Dogs*

*Waterways Fund*

*Wetland Protection Fund*

*Overlay Surplus*

*Enterprise Indirect Costs*

*Free Cash*

# FY 2013 Revenue Sources

## Proposed Use of Reserves

- Free Cash for Operational Budgets
  - One time revenue – creates structural deficits
    - \$2.3M used in FY 2007
    - Reduced from \$750K in FY12 to \$590K in FY 2013
  - ***Eliminate use of Free Cash in operational budget by FY 2015***



# FY 2013 Proposed Town/School Apportionment

(Fixed Costs 50%/50%;Revenue 32.4%/67.6%)

	FY12 Budget	FY13 Estimated	Change from PY
<b>Total Fixed</b>	<b>\$ 16,433,850</b>	<b>\$ 17,004,714</b>	<b>\$570,864</b>
<b>Total Educa</b>	<b>\$ 40,650,267</b>	<b>\$ 41,400,104</b>	<b>\$749,837</b>
<b>Total Town</b>	<b>\$ 15,343,772</b>	<b>\$ 15,521,122</b>	<b>\$177,350</b>
<b>Grand Total</b>	<b>\$ 72,427,889</b>	<b>\$ 73,925,940</b>	<b>\$ 1,498,051</b>

**FY13 Budget will be \$1,498,051 more than FY12 - +2.1%**



RECOMMENDED  
Expenses  
July 1, 2012 to June 30, 2013

# Expense Overview

- Budget challenges
  - 4 Years level service or level dollar budgets
  - Several requests for new positions – none recommended
  - Police and Fire Department overtime hardest to gauge due to unforeseen and extraordinary events/emergencies
  - Collective Bargaining process not complete

# Expense Categories

General Government

Public Safety

Schools

Public Works

Health and Human Services

Culture and Recreation

Employee Benefits

Miscellaneous

# GENERAL GOVERNMENT

- **GENERAL GOVT TOTAL**
- **FY 12                    \$ 2,368,320**
- **FY 13                    \$ 2,547,571**
- **DIFFERENCE \$ 179,251    7.6%**

– No new positions

# GENERAL GOVERNMENT HIGHLIGHTS

Why a 7.6% Increase..... ? ? ?

- **\$150,000 for Facilities Maintenance**  
**\$75,000 from each School and Town**  
**Maintenance Budgets**
- **\$30,000 For Elections**

# PUBLIC SAFETY

- **PUBLIC SAFETY TOTAL**
- **FY 12**                      **\$ 8,585,920**
- **FY 13**                      **\$ 8,811,001**
- **DIFFERENCE \$ 225,081 2.6%**

– No new positions

# PUBLIC SAFETY HIGHLIGHTS

- Police
  - Includes Collective Bargaining Settlement
    - 5 Officers - 2 retiring, 1 deployment and 2 vacancies
    - Police Chief Retires August
- Fire
  - Does Not Include Collective Bargaining Settlement
    - Request to Fund Administrative Officer not included



# SCHOOLS

- **FY 12**     \$ 40,650,267 Operating Budget  
   \$    623,463 Ed Jobs Funds  
  
**\$ 41,273,730 Total FY12 Funding**

# SCHOOLS

- **FY 13**      \$ 400,000 Contractual Inc. (No COLA)  
    \$ 363,430 Operational Increases
  - Out of District Tuition    \$213,430
  - Kindergarten Teacher & ISP    \$ 70,000
  - Athletics Expense    \$ 80,000
- (\$ 237,083) Operational Decreases
  - Full Day Kindergarten Revenue     \$ 58,000
  - Repairs & Maintenance to Facilities                                 \$ 75,000
  - Sick Leave Buyback Reserve    \$ 16,000
  - Salary Attrition    \$ 88,083
- **FY13**      **\$ 41,800,077 Level Budget**

# SCHOOLS

- **\$ 41,800,077 FY13 Level Budget**
- **\$ 41,400,104 FY13 Town Education Budget**
- **\$ 399,973 Reductions Needed**

# SCHOOLS HIGHLIGHTS

## Approved Tier I “Bad Idea” Reductions

▪Electricity (Fixed Contract Savings)	\$75,000
▪Vocational Tuition	\$23,152
▪Elementary Math Text & Supplies	\$21,636
▪Special Ed. Van Lease	\$15,000
▪GWS Heating System Repairs	\$6,000
▪Office Equipment	\$5,000
▪System-wide Textbooks	\$50,000
▪Special Ed. Teacher (.5 FTE)	\$37,185
▪Instructional Support Personnel (1 FTE)	\$17,000
▪Elementary Teachers (3 FTE)	\$150,000
▪ <b>Total Tier I “Bad Idea” Reductions (4.5 FTE)</b>	<b>\$399,973</b>

# SCHOOLS HIGHLIGHTS

## Approved Tier II “Bad Idea” Reductions

▪Special Ed. Teachers (3 FTE)	\$152,600
▪Elementary Teachers (2 FTE)	\$100,000
▪Instructional Support Personnel (5 FTE)	\$ 85,000
▪Social/Emotional Program Director (1 FTE)	\$ 73,500
▪Technical Ed. Teacher (1 FTE)	\$ 53,625
▪Multi-Sensory Reading Tutor (1 FTE)	\$ 36,309
▪MHS Health Teacher (.5 FTE)	\$ 25,000
▪Physical Therapist (.2 FTE)	\$ 12,927
▪Nurse Assistant (.5 FTE)	\$ 7,500

**Total Tier II “Bad Idea” Reductions (14.2 FTE) \$546,461**

# SCHOOLS HIGHLIGHTS

**Total FY13 “Bad Idea” Reductions  
\$946,434 (18.7 FTE)**

# PUBLIC WORKS

- **PUBLIC WORKS TOTAL**
- **FY 12**                    **\$ 3,000,140**
- **FY 13**                    **\$ 2,961,537**
- **DIFFERENCE \$ (38,603)            -1.3%**

– No new positions

# PUBLIC WORKS HIGHLIGHTS

- Level Service Budget – no layoffs
- Request to add Assistant Director Position and Confidential Secretary position not included



# HEALTH & HUMAN SERVICES

- **Health & Human Services TOTAL**
- **FY 12**                    **\$ 874,185**
- **FY 13**                    **\$ 877,441**
- **DIFFERENCE \$ 3,256 0.4%**

No new positions

# Health & Human Services Highlights

- **Council on Aging restructuring**
  - Increase one PT position to FT
  - Combine two PT positions into 1 FT
  - Continued use of COA Formula grant for funding
  - Fund bus drivers from GATRA revolving fund
  - Augment one Bus Driver position with maintenance duties by eliminating cleaning contract
- **Veterans Services includes cost of living increase for benefits**

# CULTURE & RECREATION

- **Culture and Recreation TOTAL**
- **FY 12**                      **\$ 737,443**
- **FY 13**                      **\$ 710,387**
- **DIFFERENCE \$ (27,056)                      -3.7%**

– No new positions

# Culture & Recreation Highlights

- Library Contractual Changes included
- Library expense cut by \$25,000

# EMPLOYEE BENEFITS

- **Employee Benefits TOTAL**
- **FY 12                    \$    10,293,041**
- **FY 13                    \$    10,685,905**
- **DIFFERENCE \$        392,864        3.8%**

# Employee Benefits Highlights

- Retirement 14.7% increase
  - Plan for County System to be fully funded by 2030
- Health Insurance Settlement Reached with Plan design changes
  - Town Budgetary Savings \$88,746

# Miscellaneous Budgets

- **Miscellaneous Budgets TOTAL**
- **FY 12**                      **\$ 5,918,573**
- **FY 13**                      **\$ 5,931,994**
- **DIFFERENCE \$ 13,421      0.2 %**

# Miscellaneous Budget Highlights

- Debt Service Budget increasing by amount of MHS short term interest \$53,000
- Utilities decrease due to electricity and natural gas contracts reductions
- w/o Debt Increase Miscellaneous Budgets actually decrease by \$40,000



# FY 2013 Budget Summary

- Balanced Budget
- Maintain Level Services
- Implement Health Insurance Changes
- Minimize staff reductions

# FINAL FY 2013 Budget as Proposed

Bottom Line.....

- Recommended FY 2013 Budget is \$73,925,940

❖ 2.1 % increase from FY 2012

# FY 2013 Budget Overview

THANK YOU

