

**Town of Dedham
FY2023 Proposed Budget
March 10, 2022**



**Leon I. Goodwin III
Town Manager**



Presentation Overview

- Revenue Summary
- Expenditure Summary
 - General Fund
 - Sewer Enterprise Fund
 - Capital Improvements
- FY23 Budget Drivers
- Tax Levy Impact



Revenue Summary

General Fund Sources	FY2020 Actual	FY2021 Actual	FY2022 Current Budget	FY2023 Town Manager	Percent Change FY22 to FY23
State Aid	9,827,502	9,893,490	9,963,133	10,856,232	9.0%
Local Receipts for Operations	7,979,978	7,750,905	7,710,000	8,283,617	7.4%
Free Cash (for All Uses)	3,249,062	2,867,811	1,822,500	1,732,503	-4.9%
Major Facilities Capital Stabilization for Debt Service (Robin Reyes)	4,142,377	5,377,113	5,377,113	4,532,317	-15.7%
Enterprise Funds Transfer (Administrative Overhead)	812,037	785,000	785,000	905,849	15.4%
Other Available Funds (FY23 ARPA)	1,200,000	500,000	1,500,000	1,000,000	-33.3%
Tax Levy	89,836,926	93,399,228	97,098,375	102,137,280	5.2%
Total Sources	117,047,881	120,573,546	124,256,121	129,447,798	4.2%



Expenditure Summary

Uses	FY2020	FY2021	FY2022	FY2023	Percent Change
General Government	5,528,922	5,889,884	7,130,074	7,128,788	0.0%
Public Safety	13,687,832	14,214,756	15,391,001	16,368,704	6.4%
Public Works	7,262,651	7,927,443	7,974,951	8,258,478	3.6%
Town Facilities	1,436,735	1,702,138	2,142,250	2,479,856	15.8%
Human Services	1,137,535	1,174,507	1,371,521	1,453,336	6.0%
Culture & Recreation	2,340,227	2,211,490	2,773,041	2,922,733	5.4%
Town	31,393,902	33,120,218	36,782,838	38,501,895	4.7%
Dedham District Education	45,155,072	46,347,583	48,580,207	50,902,385	4.8%
Regional District Education	1,898,572	2,021,847	2,072,284	2,247,994	8.5%
Schools	47,053,644	48,369,430	50,652,491	53,150,379	4.9%



Expenditure Summary (cont.)

Uses (continued)	FY2020 Actual	FY2021 Actual	FY2022 Current Budget	FY2023 Town Manager	Percent Change FY22 to FY23
Employee Benefits	16,928,360	16,306,074	17,418,125	18,690,621	7.3%
Debt Service	11,115,396	10,929,443	12,250,550	13,515,891	10.3%
Shared Expenses	28,043,756	27,235,517	29,668,675	32,206,512	8.6%
Operating Capital	-	-	-	332,095	
Operating Expenditures	106,491,302	108,725,164	117,104,003	124,085,881	5.9%
Major (Cash) Capital	1,010,682	523,210	-	-	
Transfer to Major Facilities Capital Stabilization Fund Prior Years	500,000	500,000	1,250,000	500,000	-60.0%
Transfer to General Stabilization	-	-	-	250,000	
Snow & Ice Deficit	125,000	400,030	103,009	-	-100.0%
Other Articles	963,000	1,300,452	822,500	-	-100.0%
Other Expenditures	2,598,682	2,723,692	2,175,509	750,000	-65.5%
Other Charges to be Raised	4,360,178	4,319,991	4,476,930	4,611,917	3.0%
Total Uses	113,450,162	115,768,847	123,756,442	129,447,798	4.6%



Personnel Changes (Town)

Position	Number	Salary (Annual)
IT Support Technician	1 FTE	67K
Custodian – Combined Public Safety Building FY23 (9 months)	1 FTE	37K
Purchasing and Grants Manager	1 FTE	No budget impact in FY23 (ARPA Funded)
Library Archivist	1 FTE	63K

FTE: Full-time Employee



Sewer Enterprise Fund

- Town sewer is provided through an enterprise fund. Revenues (user fees) directly pay for all sewer costs.
 - FY23 Sewer Enterprise Budget proposes use of retained earnings (accumulated fund balance) of **\$426,694** to balance.
 - Rate adjustment review in FY23.
 - Last rate adjustment in 2008.



Sewer Enterprise Fund (cont.)

Enterprise Fund Summary - Sources	FY2020 Actual	FY2021 Actual	FY2022 Current Budget	FY2023 Town Manager	Percent Change FY22 to FY23
Sewer Enterprise	7,549,315	6,740,131	6,826,986	7,132,831	4.5%
Total Sources	7,549,315	6,740,131	6,826,986	7,132,831	4.5%

Enterprise Fund Summary - Uses	FY2020 Actual	FY2021 Actual	FY2022 Current Budget	FY2023 Town Manager	Percent Change FY22 to FY23
Sewer Enterprise (Direct Operating)	6,160,801	6,686,986	6,686,986	6,770,112	1.2%
Sewer Enterprise (Capital)	-	140,000	140,000	362,719	159.1%
Total Uses	6,160,801	6,826,986	6,826,986	7,132,831	4.5%

Note: Deficit of \$86,855 reported in FY2021 actual budget (Total Uses – Total Sources)*

*See [CAFR statements](#) for prior year budget-to-actual results and unbudgeted transfers (e.g., Free Cash generation).



Capital Improvements Program

- **FY23 Capital Budget is \$6,607,591**
 - Bonding: \$6,275,496
 - Operating Capital: \$332,095
- **Major Projects:**
 - Roads and Sidewalks: \$2,830,000
 - School Facility Maintenance/Upgrades: \$1,675,000
 - Town Facility Maintenance: \$804,000



FY23 Largest Budget Drivers

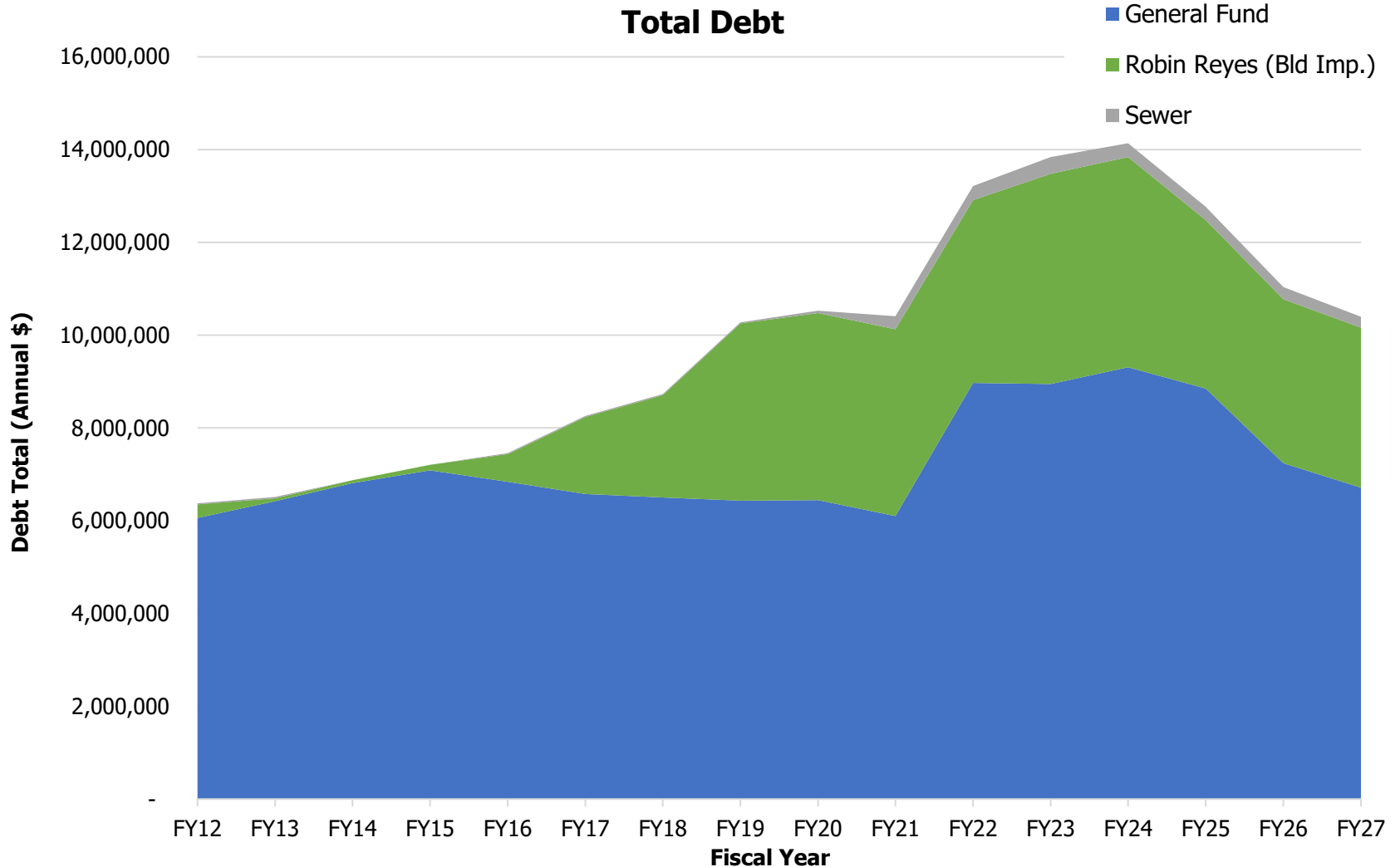
- Total Personnel Increases: **\$1,107,992 (4.5%)**
- Debt Service Increase: **\$1,265,341 (10.3%)**
- Operating Capital: **\$332,095 (New line item*)**
- Employee Benefits: **\$1,272,496 (7.3%)**
 - Health Insurance
 - Dedham Retirement System
 - OPEB Contribution

% = Percent change from FY22 to FY23

*Operating capital line item is new to FY23 budget, in accordance with Town Bylaw.



Total Annual Debt Service





Budget Change by Purpose

Purpose	FY23 Budget	Percent Change FY22 to FY23
General Government	(\$1,333,782)	-25.4%
Public Safety	\$977,703	6.4%
Public Works	\$283,527	4.7%
Town Facilities	\$337,606	14.3%
Human Services	\$81,815	5.2%
Culture & Recreation	\$149,692	4.7%
Operating Capital	\$332,095	NEW
Schools	\$2,497,888	4.9%
Debt Service*	\$1,265,341	10.3%

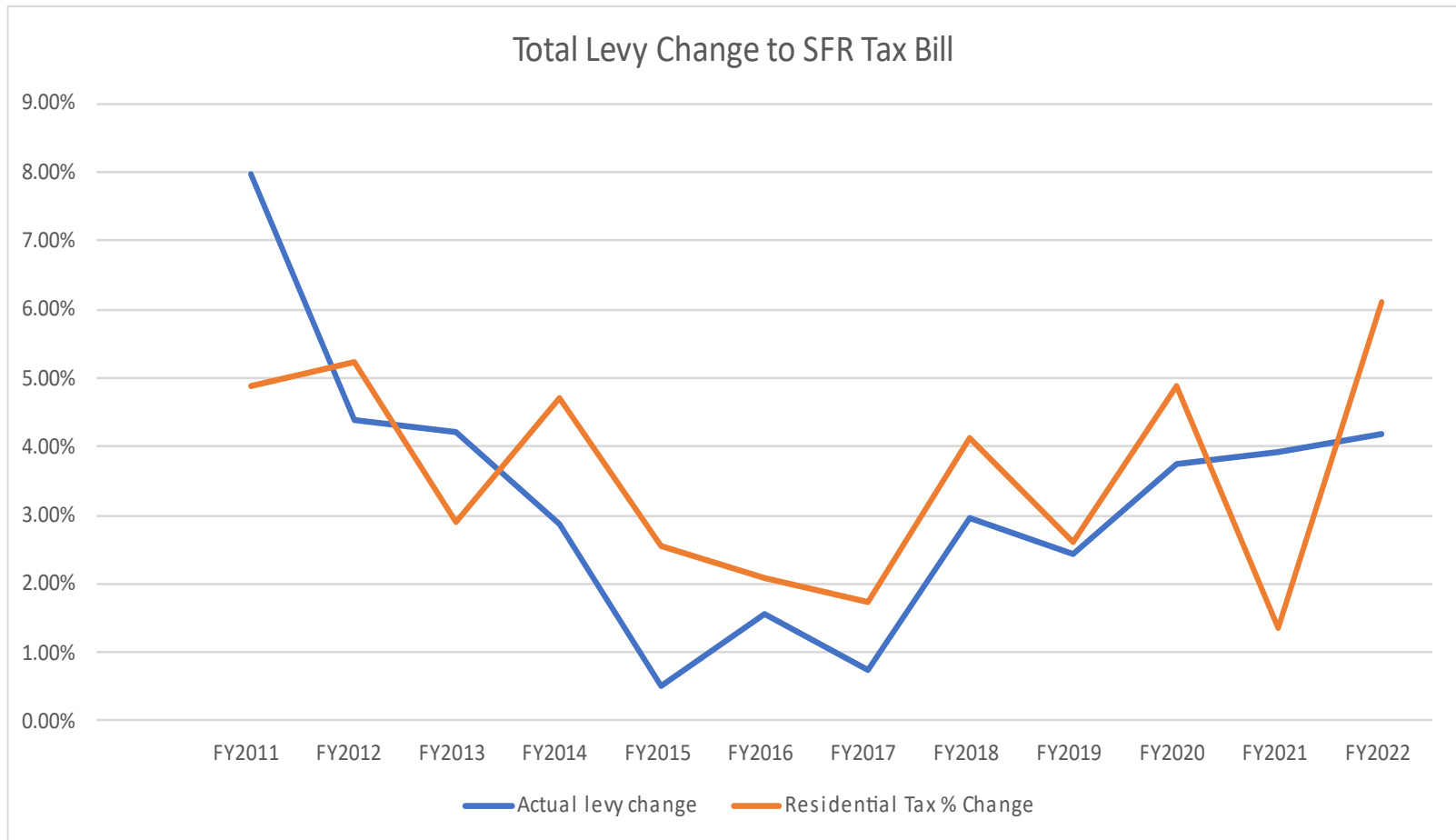
*Debt Service estimated at time of presentation



Use of Free Cash

Fiscal Year	Total	Free Cash Usage Breakdown
FY18	5.6M	Operating: 0.5M Capital 2.6M Snow 0.5M Other 2.0M
FY19	7.7M	Operating 3.7M Capital 2.6M Snow 0.6M Other 0.8M
FY20	3.2M	Operating 1.3M Capital 1.0M Other 0.9M
FY21	2.9M	Operating 1.6M Capital 1.0M Other 0.3M
FY22	1.8M	Operating 1M Other 0.8M
FY23	1.7M	Operating 1.2M General Stabilization 0.5M

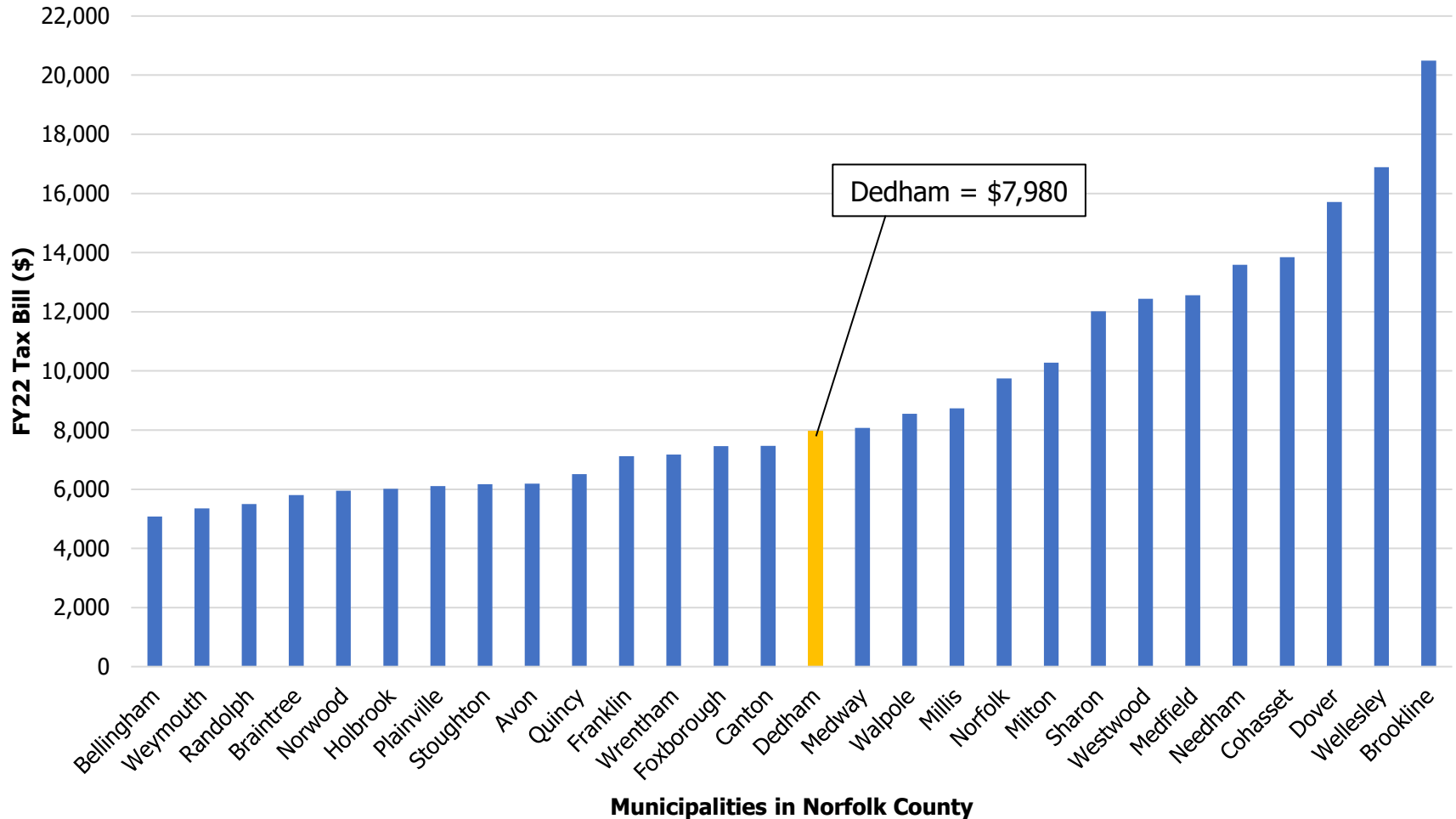
Total Levy Change and Relation to Average Tax Bill



FY22 Average Single Family Property Tax Bill



Average Single Family Property Tax



Thank You

I look forward to working with the Select Board, the Finance and Warrant Committee, and with Town Meeting Members throughout the rest of the budget process.

Leon I. Goodwin III
Town Manager