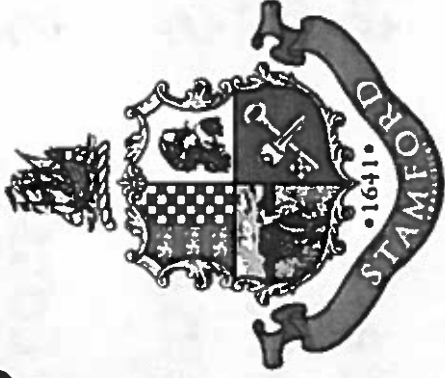


**Mayor's Proposed
FY 2014/15
Recommended Budget
Budget Overview**



March 24, 2014

Major Expenditure Drivers

Current Year Adopted Budget: \$493.1M
Mayor's Proposed Budget 14/15: \$515.4M
Variance: \$ 22.3M

Percentage Change: 4.5% Increase

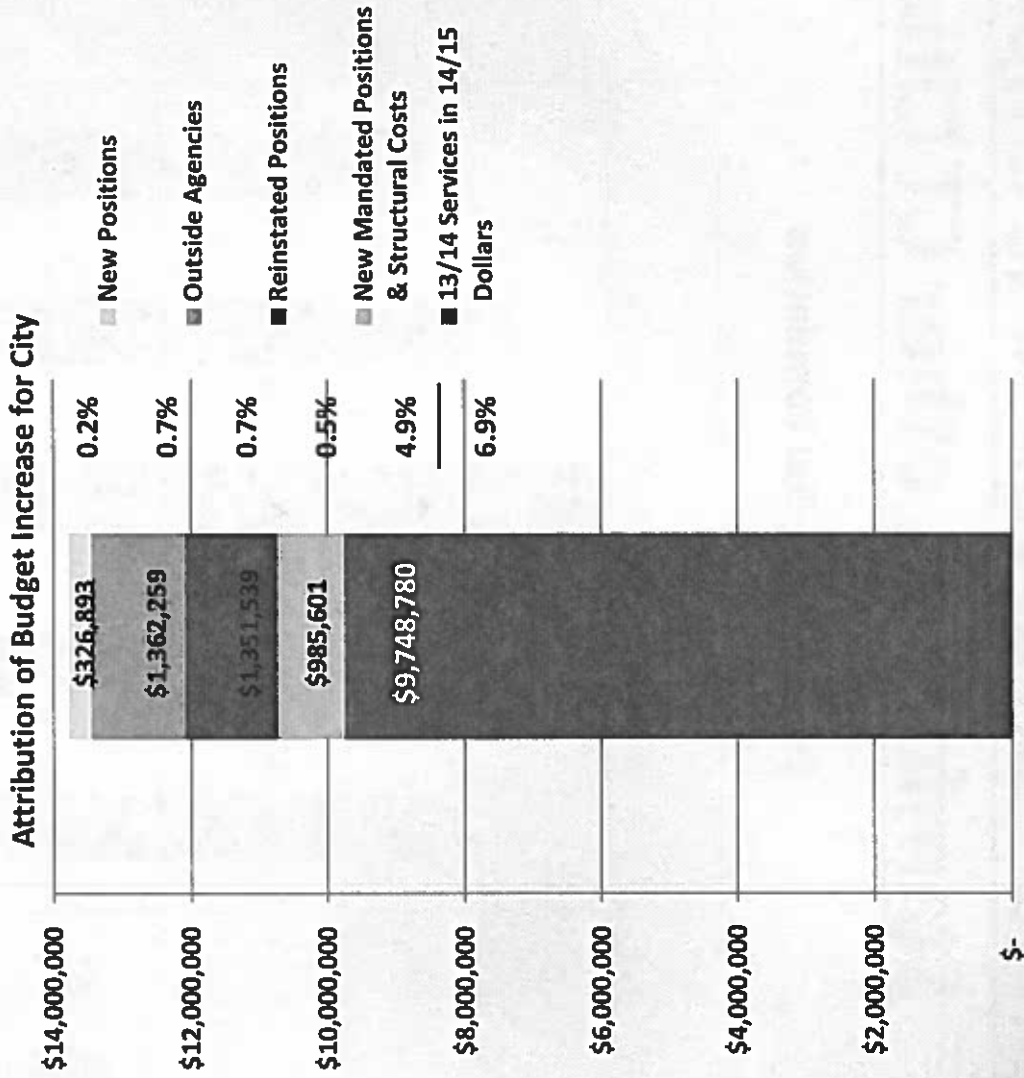
Major Factors:

BOE Increase: \$ 7.2M 2.9% Increase
City Operating Depts. \$13.8M 6.9% Increase
Debt Service: \$ 1.3M 2.7% Increase

Reserve Increases

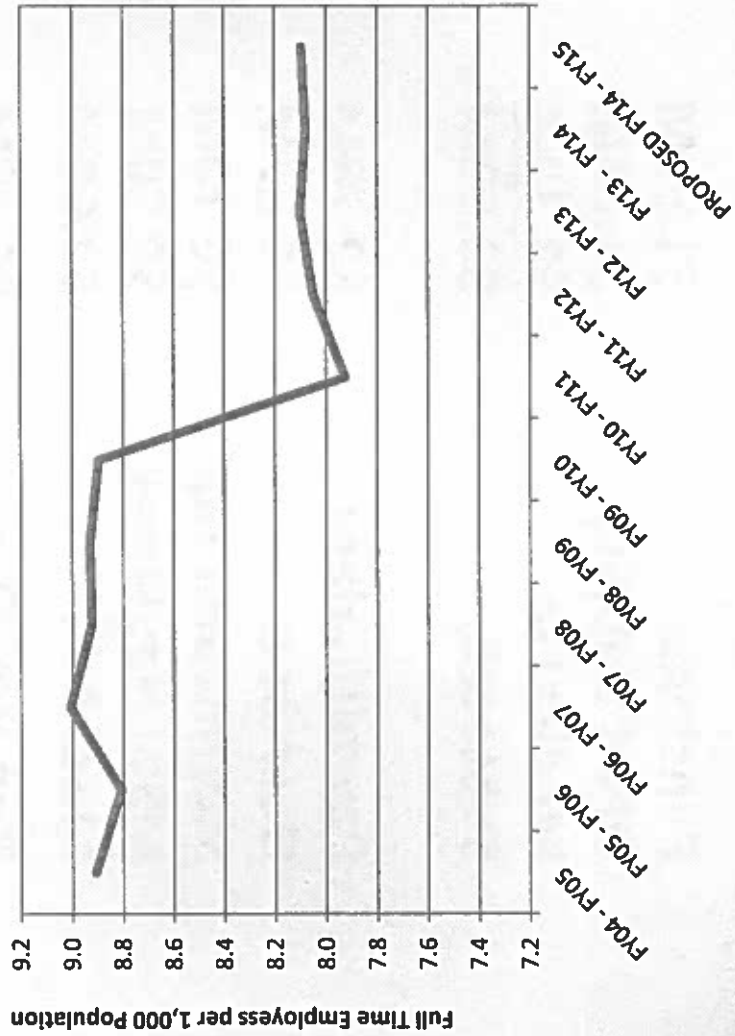
Reserve for Mill River TIFF	\$ 0.2M
Reserve for Harbor Point TIFF	\$ 1.4M
Reserve for Uncollected	\$ 2.2M
Reserve for Contingency	\$ 0.5M
<u>BOE Health Ins. Credit</u>	<u>\$ -0.7M</u>
Total Increase In Reserves	\$ 3.6 M

City Expenditure Drivers



Trend of City Employees per 1,000 Population

EMPLOYEES PER 1,000 POPULATION



City Drivers
Police Department

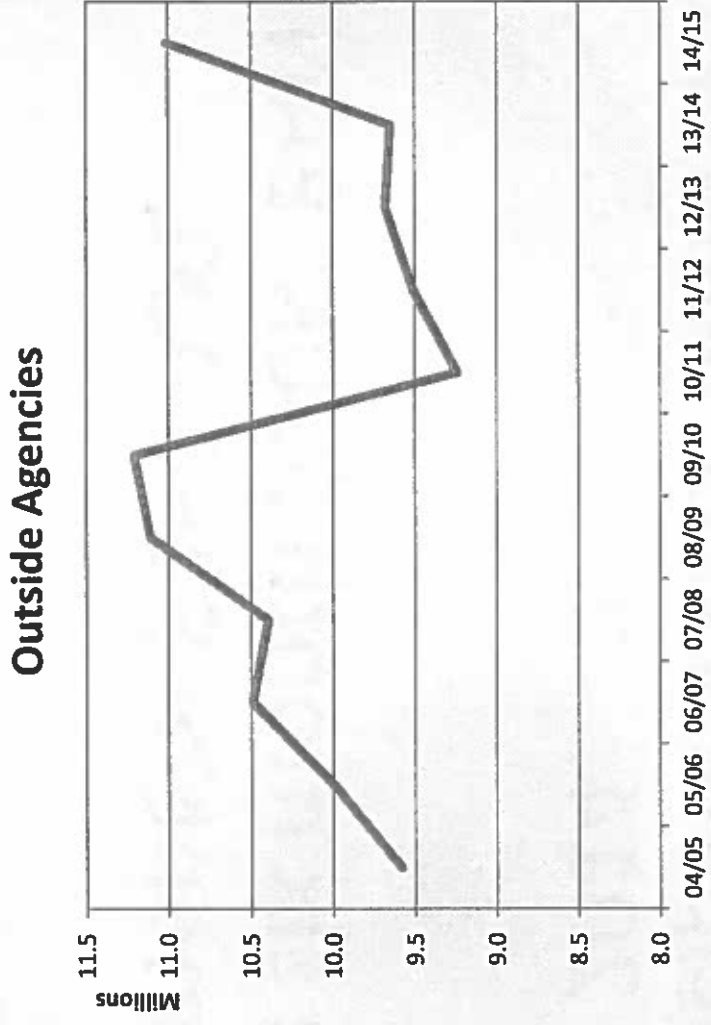
- **14+ hired over the last fiscal year**
- **Class of 3 to start in April, 2014**
- **Replacement will be hired as current officers retire**
- **Overtime Funded at \$400K per Month**
- **No Contingency Reserve for OT**

City Drivers

Operations

- Stormwater Management Unit funded for a full year of operations – a net addition of 7 New Positions totaling \$355,188
- Special Events fully funded at \$115K (OT)
- Fireworks are partially funded

Outside Agency Funding 10 yr History

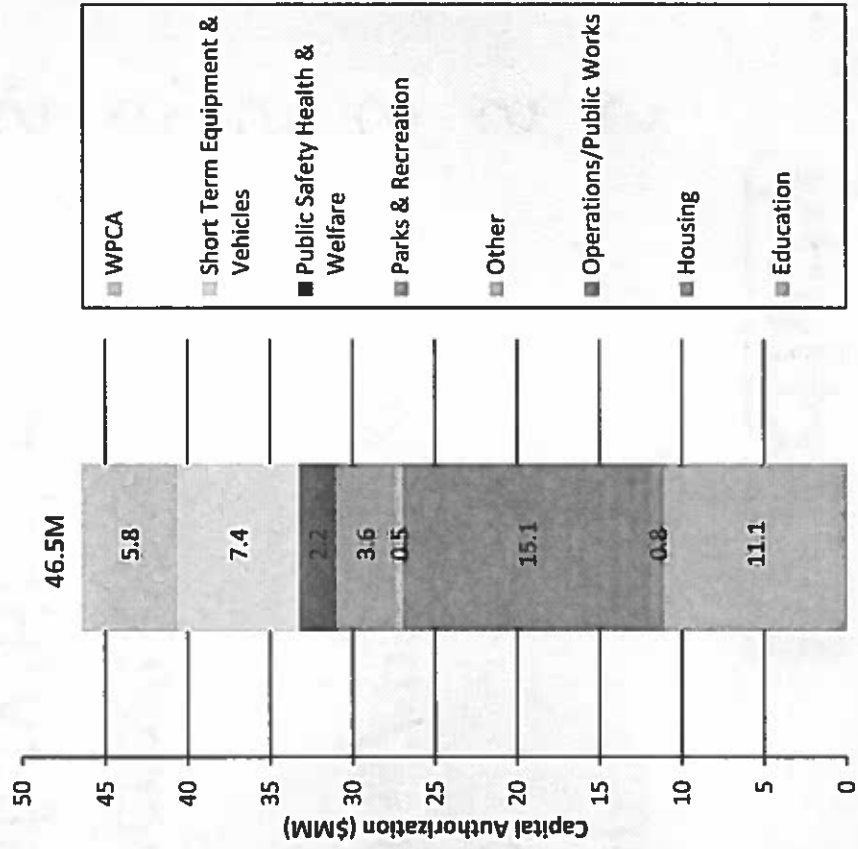


Proposed Capital Budget

- Gross Budget: \$46,507,888
- Less Grant Funding: \$6,729,999
- WPCA \$5,450,000
- Less Other/Self Supporting: \$4,692,306
- Net Local Share* \$29,635,583

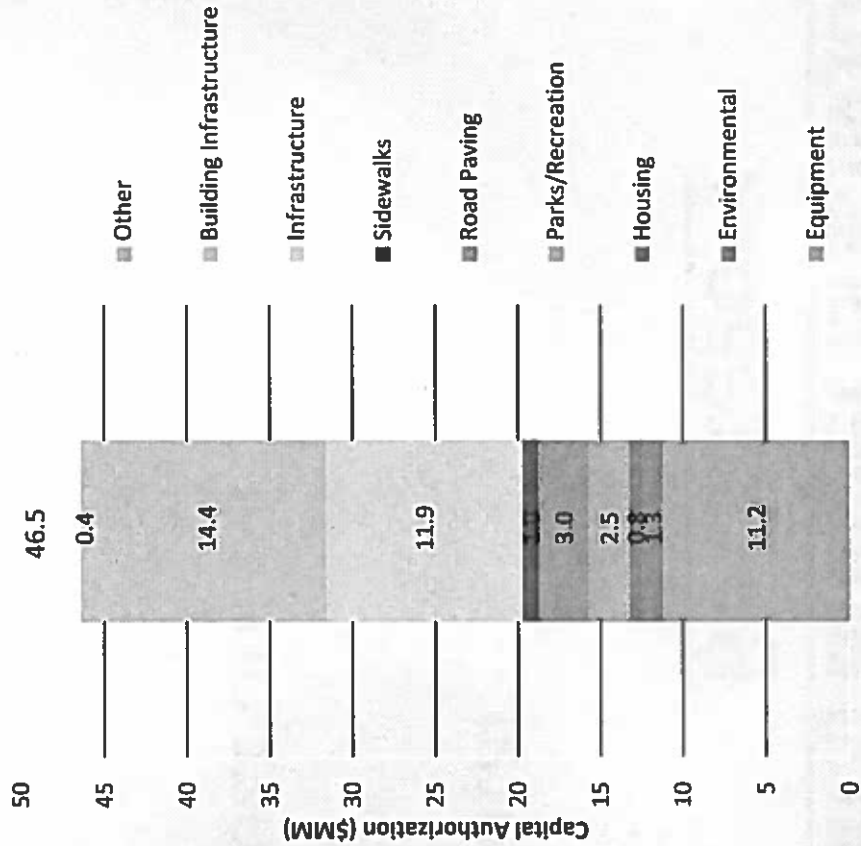
*This local share is consistent with the safe debt limit of \$30M as approved by the Board of Finance in January, 2014.

Capital Budget Breakdown By Activity



Capital Budget Breakdown

By Category



Conclusion

- Proposed budget reflects a 4.92% tax increase
- Key drivers for increase:
 - Structural costs
 - Unfunded liabilities
 - Unfunded Federal mandate
- We are beginning to address structural costs
 - Departmental reviews
 - Functional synergies across departments
 - Improving oversight and management control
 - Auditing medical benefits for all city employees
 - BOF invited to participate in labor negotiations