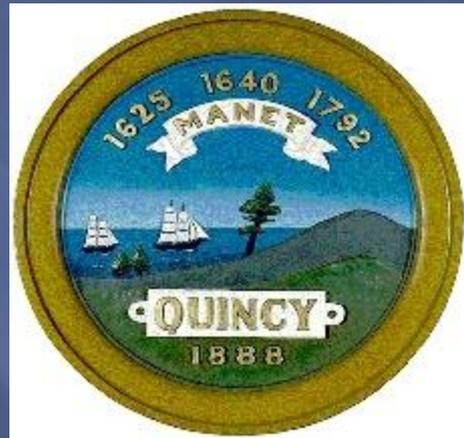


MAYOR KOCH'S BUDGET PRESENTATION to the Quincy City Council

May 11, 2009

The CITY OF QUINCY Fiscal Year 2010
APPROPRIATION



PREPARING THE 2010 BUDGET

- ▣ NO NEW PROPERTY TAXES
- ▣ PROTECTING CORE SERVICES
- ▣ REAL SPENDING CUTS

Setting The Stage

▣ PROBLEMS UNCOVERED

- ▣ Identified several expenses that were not included in the budget during our first financial review last year.

1. \$1.7 Million in unfunded employee contracts .
2. \$1.7 Million in unfunded debt payment.
3. \$4.1 Million in unfunded costs for the Honeywell project
4. \$2 Million in reserves used to offset regular budget
5. \$5 Million in Water and Sewer fees used to artificially lower City budget

Problems Solved

- ▣ Deficits cleared, restoring overall stability.
- ▣ Honest reporting of expenses shown openly on the books.
- ▣ Broad reform in Water and Sewer Department corrects deficits and ends misuse of fees to offset City budget.

Working Together

- ▣ \$6 Million reduction in health care costs thanks to landmark agreement to join state Group Insurance Commission.
- ▣ \$1.7 Million in savings to date due to raise deferral by City workers.
- ▣ \$400,000 reduction in trash collection costs, as our agreement with Weymouth and Braintree enters second year.
 - ▣ Recycling continues to expand, increasing savings

Facing Our Fiscal Challenges

- ▣ CONSERVATIVE REVENUE FIGURES
 1. No Increase In \$169.16 Million tax levy
 2. \$2.1 Million conservative new growth estimate
 3. \$500,000 projected reduction in local receipts to \$19.93 Million
 4. All other local revenue stable at \$5.5 Million
 5. 15 percent cut in State Aid anticipated, \$43 Million to \$36 .6 Million
 6. No other potential new revenue included in projections

2010 TOTAL ANTICIPATED REVENUE

\$234,178,751

Based on conservative, reasonable projections

TOTAL APPROPRIATION

\$226,463,464

Our Plan

Public Safety

- ▣ **POLICE LEVEL-FUNDED AT \$21.5Million**
 - 11 jobs to remain unfilled with minor restructuring of common patrol and specialty units to maintain patrol strength.
 - Increase Drug Unit staffing

- ▣ **FIRE LEVEL-FUNDED AT \$18.4 Million**
 - No stations closing
 - No elimination of ladder or engine companies
 - Reduction of 4 firefighter positions and two civilian positions

Improving Public Safety

- ▣ Application prepared for federal COPS Hiring Recovery Program
 - Federal Stimulus Program, request would add 13 patrol officers fully paid for three years.
- ▣ Application being prepared for federal Staffing for Adequate Fire and Emergency Response grant to retain firefighters.

Our Plan

Education

- ▣ School Department Level-Funded at \$81 Million
- ▣ Additional State Aid of \$4.3 Million through Federal Stimulus means education funding will continue to increase.
- ▣ Cuts still necessary because of fixed increases in School Department
- ▣ Talks continuing with teachers regarding wage deferral, with savings potential of \$1.9 Million.

Our Plan

- ▣ Spending Cuts
- ▣ All Cuts From FY09 Final Budget
 - Library Services cut \$281,000, but no branch closings
 - Department of Public Works cut \$994,000 through unfilled jobs, cuts to street-lighting and savings in trash contract.
 - Park and Forestry Department cut \$186,000 through unfilled jobs and expense cuts
 - Information Technology budget cut \$210,000 through contractual reductions.
 - Recreation Department cut \$60,000

Our Plan

- ▣ New Spending
 - \$300,000 in Police Department budget for new police cruisers to begin replacing deteriorating fleet.
 - Snow and Ice budget doubled to \$600,000 to begin the process of real budgeting for snow.

Securing Our Future

- ▣ Spending cuts
- ▣ Protection of core services
- ▣ No new taxes