



TOWN OF
DEDHAM
MASSACHUSETTS

Leon I. Goodwin, III

Town Manager

☎ 781-751-9100

📍 450 Washington Street

🌐 www.dedham-ma.gov

To: Finance and Warrant Committee

From: Leon I. Goodwin III, Town Manager

Date: April 10, 2024

The following has been prepared by the Town Manager's Office in response to a request from the Finance and Warrant Committee for their April 10, 2024 public meeting. The table below shows the fiscal year 2025 budget request by Dedham Public Schools as presented by DPS and the Town Manager.

DPS FY25 Budget Increase

	Town Meeting Approved FY24	School Presented FY25	% Change	Town Presented FY25	% Change
DPS Education	\$ 49,564,156	\$ 53,266,762	7.47%	\$ 53,051,523	7.04%
DPS Facilities	\$ 4,729,779	\$ 5,224,710	10.46%	\$ 5,506,711	16.43%
Total DPS	\$ 54,293,935	\$ 58,502,252	7.75%*	\$ 58,558,234	7.85%

*The DPS FY25 budget request did not include \$155,260 of FY24 Town Meeting approved operating capital. Their budget request identifies the FY25 increase as 8.06%



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CC: Select Board

Date: April 10, 2024

Re: Town of Dedham FY25 Budget Reduction Options

Based on the proposed FY25 property tax levy of \$116,498,445, Director of Assessing Kevin Doyle estimates t the average single-family home ("ASFH") tax bill would increase by \$577 or 6.24% in FY25. At its April 2, 2024 meeting, the FWC requested the Town Manager provide proposals that would reduce the operating budget by 0.5% (\$689,614) and 1.0% (\$1,379,227). Each 0.5% reduction in the operating budget results in an estimated reduction in the ASFH tax bill of \$59, annually.

Table A: FWC Requested Operating Budget Reductions

	Town Manager Proposed	0.5% Reduction	1.0% Reduction
Operating Budget (OB)	\$ 137,922,723	\$ 137,233,110	\$ 136,543,496
OB Reduction	\$ -	\$ (689,614)	\$ (1,379,227)
ASFH Tax Bill	\$ 9,821	\$ 9,762	\$ 9,703
ASFH Tax Impact	\$ -	\$ (59)	\$ (118)

To be clear, the options presented below **are not recommendations**. The Town Manager recommended budget (Budget Message) is the result of significant review and refinement over a period of months. The Town budget is calculated using historical expenditures and current prices to project the next year's budget, consistent with budgeting best practices. If recommended by the FWC and approved at Town Meeting, **any reduction will impact services and operations**.

The Town's Other post-employment benefits (OPEB) contribution, while not statutorily required, affects the Town's credit analysis with bond rating agencies and could increase the cost of future bonded debt.

A reduction in the Department of Public Works budget for summer staff will be visible because there will be fewer personnel to maintain the appearance of Town properties, including mowing and grounds maintenance. Elimination of the seven vacant Town positions outlined in Option 2 below would have an immense impact on the operations of six Town departments, resulting in a lowered work capacity, longer wait times for

residents, and diminished maintenance of Town buildings, grounds, roads, and sidewalks. A budget reduction of this size will involve cutting staff positions; Option 2 has been structured to impact the fewest currently employed Town staff.

Budget Reduction Options

Table B: Option 1 = 0.5% Reduction or \$691,740			
Department	Line/Item	Budgeted Amount	Notes
Employee Benefits	OPEB Contribution	\$(500,000)	Impact to bond rating
IT	Software and Systems	\$(19,300)	Engagement HQ will be grant funded
Public Works	Summer Temp Workers	\$(97,440)	Reduction in Summer work
Debt Service	Debt Service Reduction	\$(75,000)	Actual versus estimated
	Total	\$(691,740)	

Table C: Option 2 = 1.0% Reduction or \$1,379,227			
Department	Line/Item	Budgeted Amount	Notes
0.5% Reductions	See Option 1	\$(691,740)	See Option 1
Public Works	Vehicle Rental	\$(9,079)	Reduction in Summer work
Police	Wildlife Removal	\$(4,000)	Reduced need for service
IT	Operating Capital	\$(11,600)	Reduced original request
Finance	Tax and Treasury Clerk	\$(49,575)	Currently vacant
Facilities	Town Custodian - Rover	\$(68,163)	Currently vacant
PZNR	Senior Planner	\$(88,770)	Currently vacant
Public Works	SMEO	\$(73,362)	Currently vacant
Public Works	Foreman	\$(82,437)	Currently vacant
Youth Commission	Youth Commission Admin	\$(66,500)	Currently vacant
Library	Program Librarian	\$(66,001)	Currently vacant
Employee Benefits	Health Insurance	\$(168,000)	Benefits for vacant positions
	Total	\$(1,379,227)	

PZNR: Planning, Zoning, and Natural Resources Department (formerly named Planning & Zoning Department)