

# Fiscal Year 2021 Budget

## Initial Budget Presentation – *Supplemental Discussion Materials*

(This is NOT the proposed FY2021 Budget)

(All figures in this presentation are estimates and/or projections)





# Budget Summary

## (As of January 13, 2020)

	<i>FY2020 Appropriated</i>	<i>Potential FY2021</i>	<i>Change</i>
<b>General Government</b>	\$510,785	\$587,350	\$76,565
<b>Finance Department</b>	\$1,102,338	\$1,151,151	\$48,813
<b>Community Development and Municipal Inspections</b>	\$730,181	\$797,373	\$67,192
<b>Community Services</b>	\$603,446	\$590,788	(\$12,655)
<b>Library</b>	\$606,443	\$612,234	\$5,791
<b>Police</b>	\$4,233,059	\$4,477,417	\$244,358
<b>Fire</b>	\$3,360,427	\$3,616,936	\$256,509
<b>Hanover Public Schools</b>	\$29,218,627	\$30,683,498	\$1,464,871
<b>South Shore Vocational High School</b>	\$750,000	\$786,228	\$36,228
<b>Public Works</b>	\$3,447,471	\$7,265,916	\$3,818,445
<b>Facilities</b>	\$3,557,896		(\$3,557,896)
<b>Debt</b>	\$6,199,544	\$5,817,057	(\$382,487)
<b>Town-Wide Expenses</b>	\$8,492,259	\$9,100,828	\$608,569
<b>Transfers</b>	\$227,700	\$177,700	(\$50,000)
<b>Overlay Reserve</b>	\$400,000	\$400,000	
<b>State &amp; County Charges</b>	\$393,173	\$586,135	\$192,962
<b>TOTAL APPROPRIATIONS</b>	<b>\$63,833,349</b>	<b>\$66,650,611</b>	<b>\$2,817,262</b>



# Budget Summary

## (As of January 13, 2020)

- **\$2,817,262** Expenditure Increase
- **\$500,000** New Growth Revenue
- **\$2,317,262** Revenue “Gap” (January 13, 2020)
- As is the average single family house property tax bill would increase by  $\approx$  **\$630**



# 'Levers'



January 13, 2020



# 'Levers'

<b>1.5% Surcharge Town Revenue</b>	<b>Projected Annual Average Residential Tax Bill Savings</b>
<b>\$718,579</b>	<b>\$108.52</b>
<b>Free Cash Used</b>	<b>Projected Annual Average Residential Tax Bill Savings</b>
<b>\$500,000</b>	<b>\$100.93</b>
<b>CIP Shift</b>	<b>Projected Annual Average Residential Tax Bill Savings</b>
<b>1.04 (Current)</b>	<b>\$60.00</b>
<b>1.05</b>	<b>\$75.00</b>
<b>1.10</b>	<b>\$150.00</b>
<b>1.50</b>	<b>\$745.00</b>
<b>Transfer Station Changes</b>	<b>Projected Annual Average Residential Tax Bill Savings</b>
<b>\$480,000</b>	<b>\$96.89</b>



# Transfer Station – Expenditure(s)

- **Proposal(s)**
  - **Eliminate Acceptance of Construction & Demolition (C&D)**
  - **Implement \$50 Sticker Fee**
  - **Increase Per-Item Fees**
  - **In-House Hauling of Bulky & Recyclables**
  - **Increase Security**



# Transfer Station – Expenditure(s)

- **Eliminate the Acceptance of Construction & Demolition (C&D) Materials**
  - Board of Selectmen should adopt a policy
  - The private sector provides this service currently for a fee
  - Projected savings connected to the elimination of C&D for the Town of Hanover ≈ \$170,000
  - Any new policy needs enforcement and security



# Transfer Station – Expenditure(s)

- **In-House Hauling of Bulky & Recyclables**

- Furniture, Mattresses, Electronics, Cardboard, Paper, Glass, Plastic, Cans, etc.
- Currently we pay to have these materials hauled off site.
- Contracts ≈ \$100,000+
- In order to do this in-house we need a roll-off truck
  - » Savings would come from eliminating the hauling contracts
  - » Would need to pay for/finance a \$200,000 truck
  - » *Potentially* town would need to hire 0.5FTE
  - » Net savings (annually) ≈ \$50,000





# Transfer Station – Expenditure(s)

- **Enhance Security**
  - Board of Selectmen policy needed
  - Increase annual operating budget ≈ \$40,000
    - » Regular, Strong, Enhanced gate
    - » Periodic, random police details
    - » Ticketing and No-Trespass Orders



# Transfer Station – Revenue(s)

- **Sticker Fee**

- Requires vote by Town Meeting
- \$50 per year/per sticker currently “on the table”
- Revenue ≈ \$250,000 in non-property tax revenue
- Shifts some of the cost(s) to the users
- Likely will reduce ‘customers’; reduce volume
- Hanover among very few municipal transfer station w/o a sticker fee currently
- \$50 would pay for Transfer Station capital + more (needed) security



# Transfer Station – Revenue(s)

- **Per Item Fees**

- Requires vote by Town Meeting
- Current fees do not cover costs
- \$50,000 total per year ‘deficit’  
currently



# Transfer Station – Summary

- **Proposed Increased Non-Property Tax Revenue**
  - \$250,000 Sticker Fee + \$50,000 per item fees = \$300,000
- **Proposed Decrease Expenditures**
  - \$170,000 (C&D) + \$50,000 (in-house hauling) = \$220,000
- **Proposed Increase Expenditures**
  - \$40,000 (security)
- **Net Changes to Property Tax Burden**
  - \$300,000 + \$220,000 - \$40,000 = \$480,000



# Historical (& Projected) Free Cash Use

Fiscal Year	Amount Available	Amount Used Operating Budget	% Used in Operating Budget	Amount Used ATM	Amount Used STM	Total Used	% Used Total	Amount Remaining End of Fiscal Year
2010	\$1,546,768	\$1,248,929	81%	\$227,647	\$30,578	\$1,507,154	97.44%	\$39,613
2011	\$1,710,066	\$1,598,827	93%	\$111,239	\$0	\$1,710,066	100.00%	\$0
2012	\$2,394,387	\$1,447,366	60%	\$947,021	\$0	\$2,394,387	100.00%	\$0
2013	\$2,204,388	\$840,682	38%	\$1,226,556	\$0	\$2,067,238	93.78%	\$137,149
2014	\$3,049,716	\$460,166	15%	\$1,022,960	\$441,295	\$1,924,421	63.10%	\$1,125,294
2015	\$2,074,285	\$250,000	12%	\$956,923	\$320,000	\$1,526,923	73.61%	\$547,361
2016	\$2,784,497	\$0	0%	\$1,977,100	\$164,650	\$2,141,750	76.92%	\$642,747
2017	\$1,734,005	\$0	0%	\$1,075,612	\$195,350	\$1,270,962	73.30%	\$463,043
2018	\$2,543,589	\$500,000	20%	\$1,147,700	\$290,635	\$1,938,335	76.20%	\$605,254
2019	\$3,219,470	\$680,000	21%	\$836,000	\$602,679	\$2,118,679	65.81%	\$1,100,791
2020	\$2,850,000	\$750,000	26%	\$977,200	\$0	\$1,727,200	60.60%	\$1,122,800
2021	\$3,500,000	0	0%	\$1,700,000	0	\$1,700,000	48.5%	\$1,800,000



# FY2021 Free Cash Use

<b><u>(Projected) Free Cash Items</u></b>	<b><u>Amount</u></b>
Middle & Cedar, Phased Replacement of Cafeteria Lunch Tables (\$1,400 ea)	10,000
Schools, Install Filters for Drinking Fountains	38,800
Playground Sail Shades	30,000
Fire Headquarters Interior Improvements	15,000
Town Hall Site Renovations	10,000
Town Hall Elevator Modernization	600,000
Police Station - Replace Jail Cell Toilets Phase 2	20,000
Walnut Hill Neighborhood Continued Improvements	150,000
Replacement of (2) 72" Mowers	30,000
Transport/Service Truck Replacement	75,000
Wheel Loader Replacement	50,000
Large Dump Truck, Sander & Plow (6-Wheel Dump Truck) Replacement	205,000
2 Message Board Trailers	40,000
Command vehicle	55,000
Turnout Gear	36,000
2 Marked Police Vehicles	90,000
Marked Command Cruiser	50,000
Large Format Scanner	10,000
High School - Laser Cutter	15,000
WiFi Upgrades at Cedar School, COA, Police and Fire Headquarters	75,000
Install VOIP Phones at High School	26,000
Upgrade ViewPermit Software	30,000
Upgrade and Additional High School Cameras	25,000
<b>TOTAL</b>	<b>\$1,685,800</b>



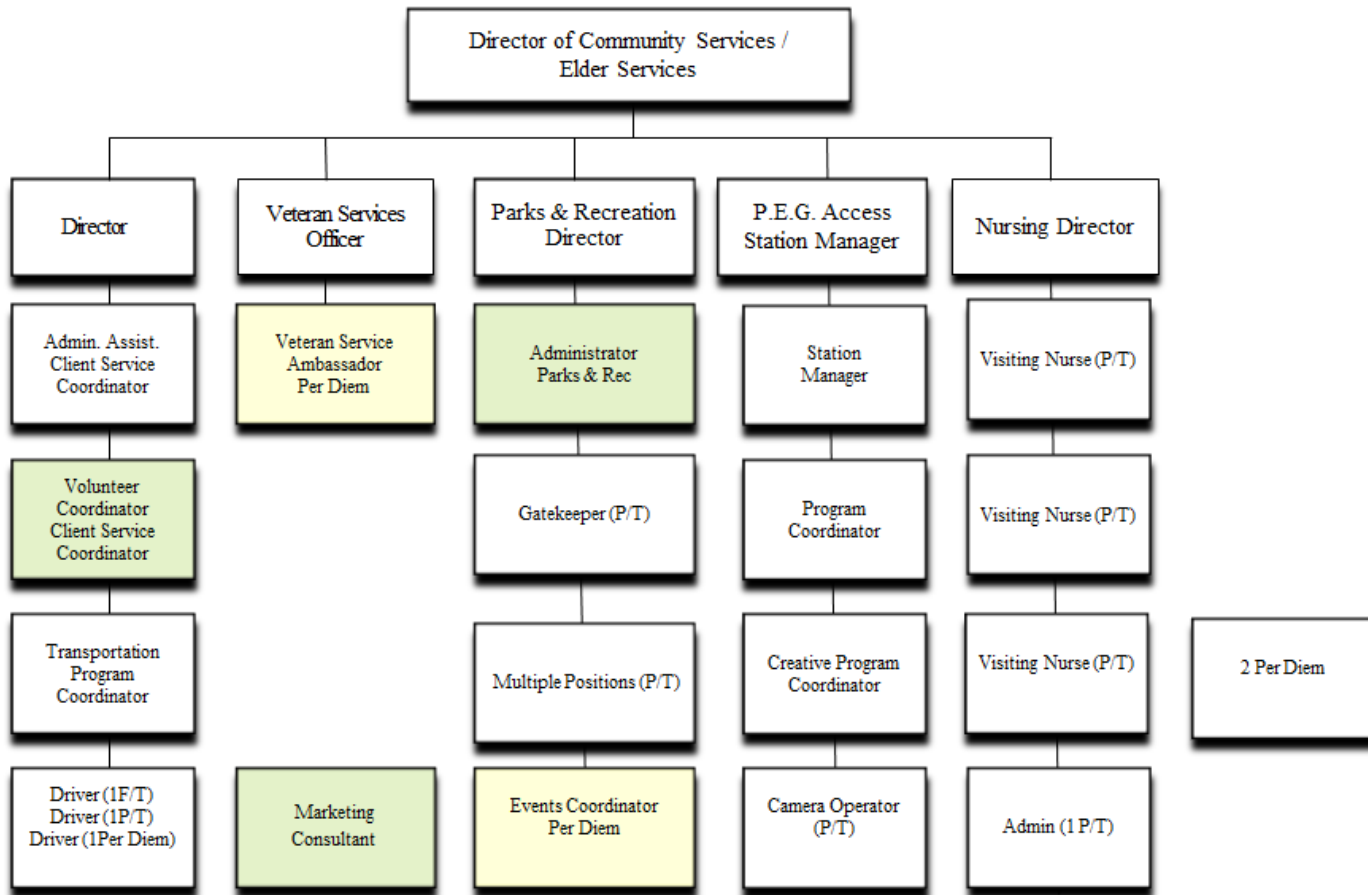
# Use of Ambulance Receipts

- Conceptual Proposal

	<u>FY 20</u>	<u>FY 21</u>	<u>FY 22</u>	<u>FY 23</u>	<u>FY 24</u>	<u>FY 25</u>	<u>FY 26</u>	<u>FY 27</u>	<u>FY 28</u>
AR - Ambulance Receipts in FY	\$ 1,200,000	\$ 1,248,000	\$ 1,297,920	\$ 1,349,837	\$ 1,403,830	\$ 1,459,983	\$ 1,518,383	\$ 1,579,118	\$ 1,642,283
Total - CAPITAL - start FY	\$ 300,000	\$ 300,000	\$ 397,920	\$ 220,840	\$ 95,677	\$ 24,507	\$ 9,491	\$ 52,873	\$ 156,992
Total - CAPITAL- used	\$ -	\$ -	\$ 275,000	\$ 275,000	\$ 275,000	\$ 275,000	\$ 275,000	\$ 275,000	\$ 275,000
Total - CAPITAL - end FY [(Total Cap - Total Cap Used)+ (AR - TO)]			\$ 220,840	\$ 95,677	\$ 24,507	\$ 9,491	\$ 52,873	\$ 156,992	\$ 324,274
TO - Total OPERATING - FD	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000



# Employees & Positions Community Services (FY2021)



Change  
Remove  
Add

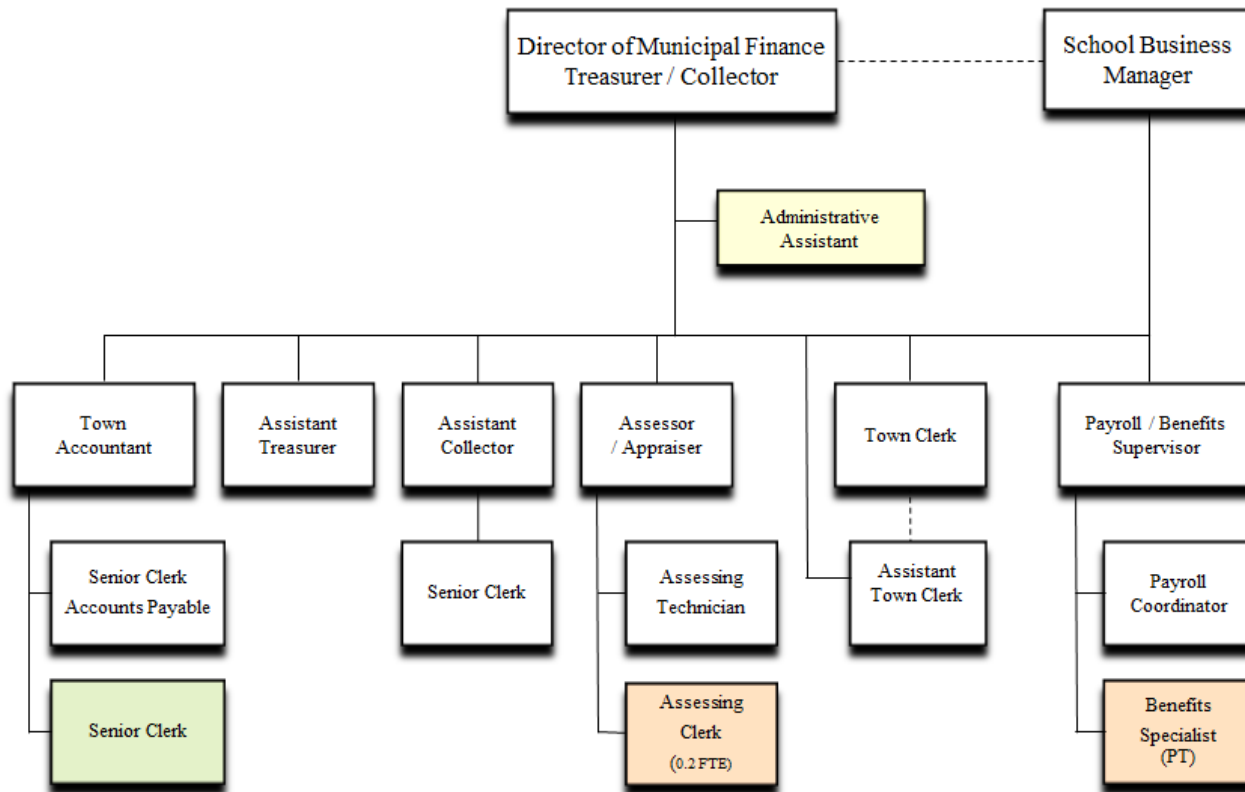
January 13, 2020

January, 2020





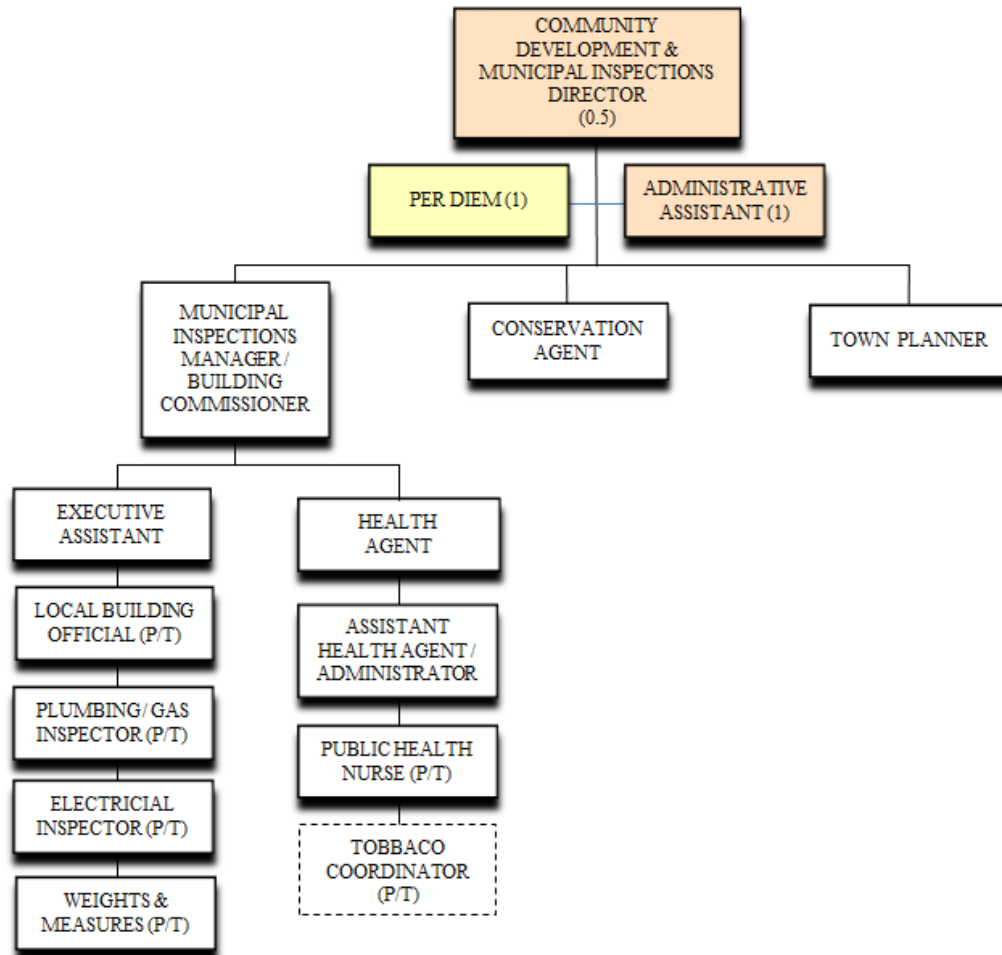
# Employees & Positions Finance (FY2021)



Change  
Remove  
Add



# Employees & Positions CDMI (FY2021)



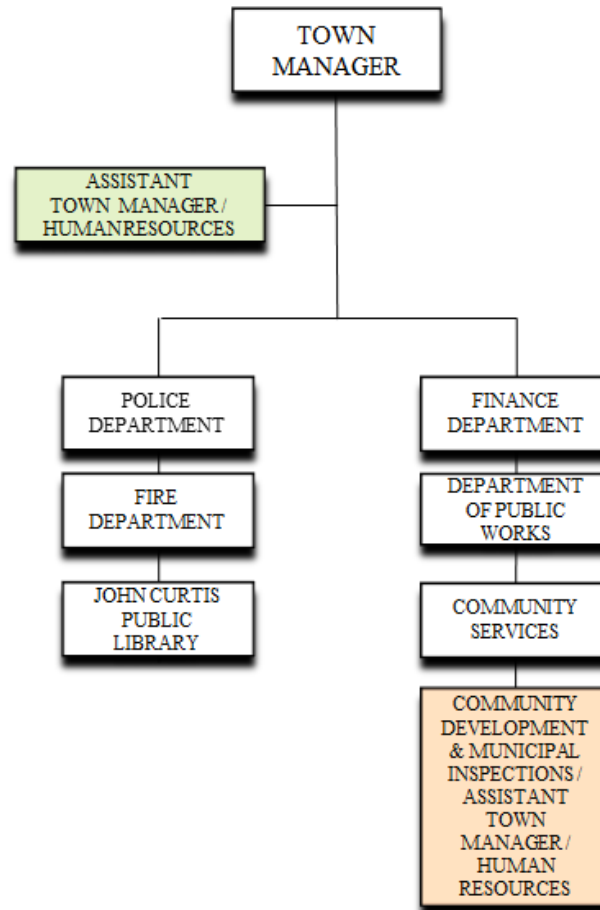
Change  
Remove  
Add

January 13, 2020

Grant Position



# Employees & Positions Full Administration (FY2021)



Change  
Remove  
Add

January 13, 2020



# Employees & Positions Hanover Police (FY2021)

