



Fiscal Year 2023 Budget Initial Budget Presentation Selectboard



January 24, 2022



Town of Hanover Budget 'Levers'

(Decisions for Elected Policy Makers)

<u>"Lever"</u>	<u>FY19 (actual)</u>	<u>FY20 (actual)</u>	<u>FY21 (actual)</u>	<u>FY22 (actual)</u>	<u>FY23 (Est.)</u>
Service Level (total expenditures)	\$61,634,049	\$64,070,160	\$65,005,712	\$66,227,630	\$69,469,457
New Growth	\$684,000	\$525,000	\$510,000	\$600,000	\$500,000
Increase to Tax Levy	\$990,000	\$580,000	\$750,000	\$1,000,000	\$1,130,000
Total Increase Tax Revenue	<u>\$1,574,000</u>	<u>\$1,005,000</u>	<u>\$1,260,000</u>	<u>\$1,600,000</u>	<u>\$1,630,000</u>
Free Cash Applied	\$680,000	\$750,000	\$1,548,000	\$1,000,000	\$2,938,783
Fees/Other Revenues	\$3,600,000	\$3,900,000	\$4,200,000	\$4,800,000	\$4,696,000



Budget “Gap”/Tax Levy

(How do Elected Policy Makers want to Set the Levers?)

<u>Tax Levy</u>	<u>FY23 (Gap)</u>	<u>Impact to Average Homeowner</u>
No Increase to Tax Levy	\$3,200,000	\$0
Apply “Excess” Levy (Unused for FY22)	\$2,313,432	\$186
Increase Levy by 2.5%	\$2,096,813	\$231
Apply “Excess” Levy + Increase Levy by 2.5%	\$1,159,985	\$417

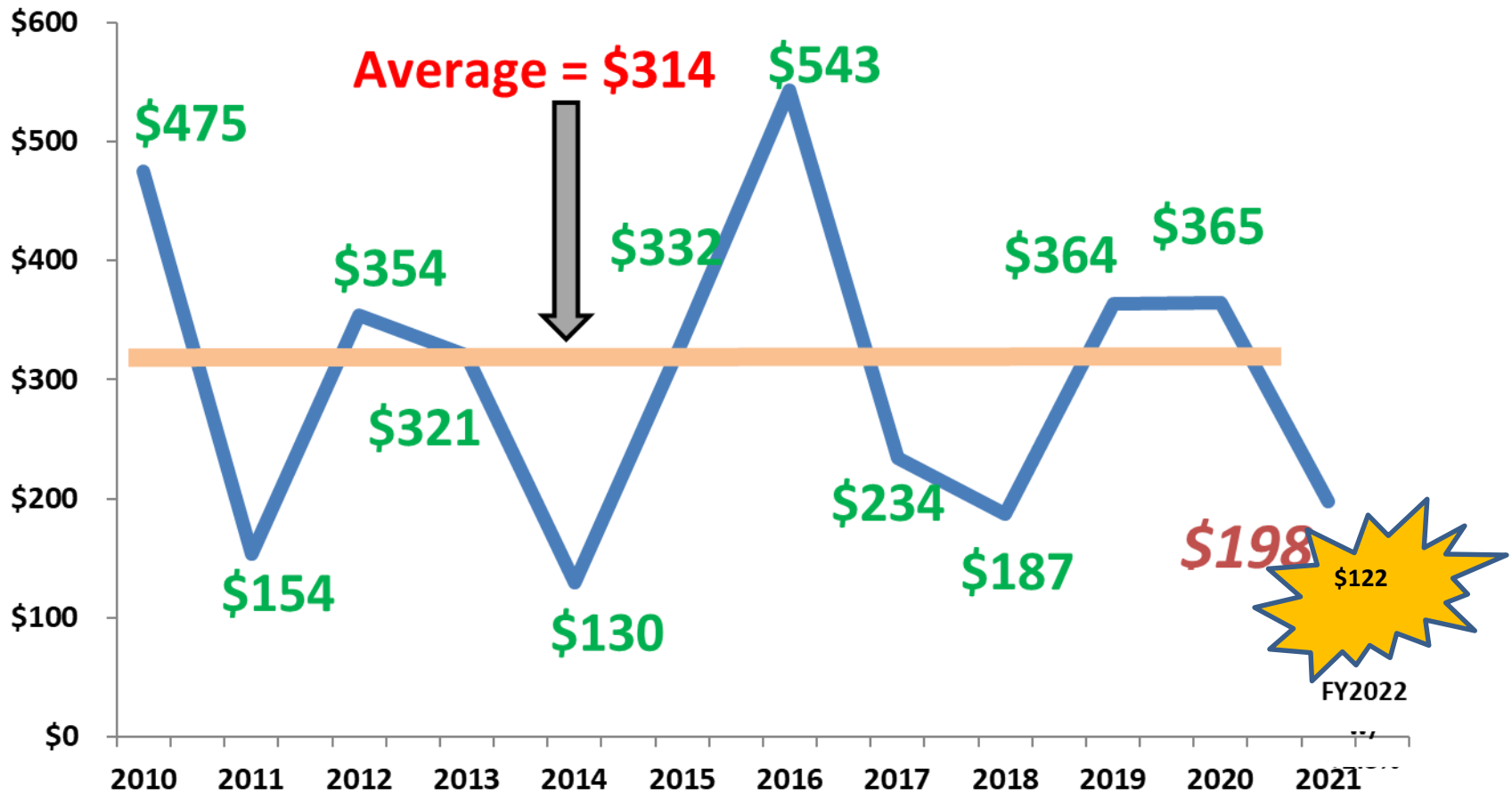


Town of Hanover Budget Prior Year Increases to Budget/Levy

<u>Fiscal Year</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>
Budget Increase	1.90%	5.66%	4.13%	1.17%	2.01%	4.9%
Avg. Tax Increase	2.39%	4.55%	4.36%	2.27%	1.23%	2.5%
Full Levy Limit	\$43,875,901	\$45,529,907	\$47,513,009	\$49,106,241	\$49,935,680	\$51,191,351
Tax Levy	\$43,261,291	\$45,476,555	\$47,320,007	\$48,591,082	\$49,021,701	\$50,277,372
Excess Levy	\$614,610	\$53,352	\$193,002	\$515,159	\$913,979	\$913,979

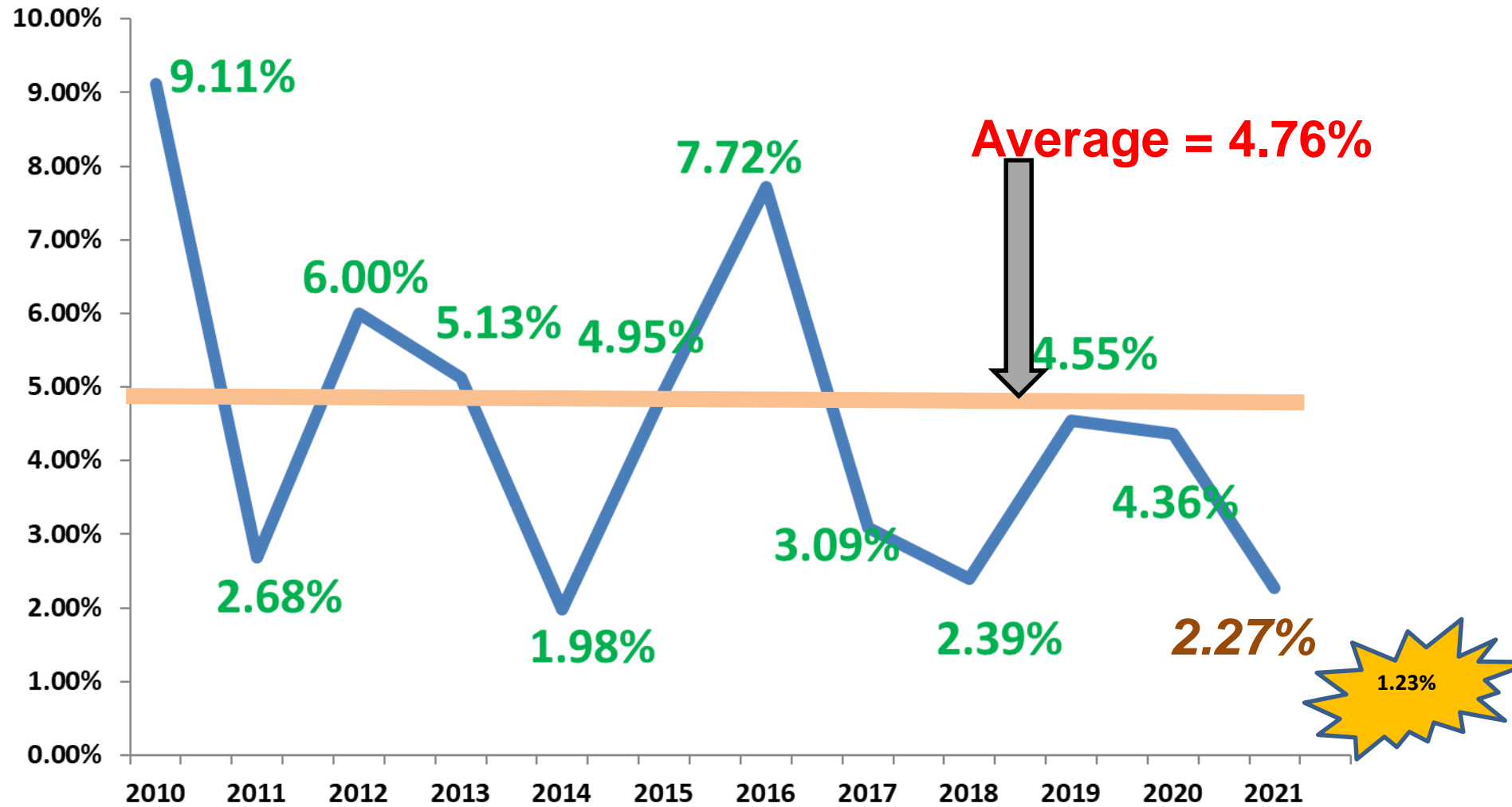


Historical & Projected Average Residential Property Tax Bill Increase (\$)





Historical & Projected Average Residential Property Tax Bill Increase (%)





Budget “Gap”

(How do Elected Policy Makers want to Set the Levers?)

<u>“Lever”</u>	<u>FY23</u>
Service Level (total expenditures)	\$69,469,457
New Growth	\$500,000
Increase to Tax Levy	\$1,130,000
Total Increase Tax Revenue	<u>\$1,630,000</u>
Free Cash Applied	\$2,938,783
Fees/Other Revenues	\$4,696,000
“Gap”	\$0



Budget “Gap”/Free Cash

(How do Elected Policy Makers want to Set the Levers?)

<u>Fiscal Year</u>	<u>Certified Free Cash</u>	<u>Applied to Operating Budget</u>	<u>Total Used</u>	<u>Remaining</u>
2012	\$2,394,387	\$1,447,366	\$2,394,387	\$0
2013	\$2,204,388	\$840,682	\$2,067,238	\$137,149
2014	\$3,049,716	\$460,166	\$1,924,421	\$1,125,294
2015	\$2,074,285	\$250,000	\$1,526,923	\$547,361
2016	\$2,784,497	\$0	\$2,141,750	\$642,747
2017	\$1,734,005	\$0	\$1,270,962	\$463,043
2018	\$2,543,589	\$500,000	\$1,938,335	\$605,254
2019	\$3,219,470	\$680,000	\$2,118,679	\$1,100,791
2020	\$3,010,477	\$750,000	\$1,583,021	\$1,427,456
2021	\$4,293,469	\$1,548,000	\$1,827,000	\$2,466,469
2022	\$3,933,629	\$1,000,000	\$2,240,600*	\$1,693,029
2023	\$6,000,000	\$2,938,783	\$4,790,783	\$1,209,217

*Includes \$600,000 voted on at Special Town Meeting for COVID costs not reimbursed. Hopefully we will not need much or any of it.



Budget “Gap”/Free Cash

(How do Elected Policy Makers want to Set the Levers?)

<u>FY2023 Capital Project</u>	<u>Amount</u>
Police Cruisers	\$120,000
Fire Dept. Ballistic Gear	\$40,000
DPW Dump Truck	\$220,000
DPW F-250	\$45,000
DPW F-450	\$70,000
Transfer Station Wheel Loader	\$50,000
Transfer Station Trash Trailer	\$70,000
RT 139/Town Center Roadway Improvements	\$250,000
Roadway Improvements – Walnut Hill	\$150,000
School Campus Engineering	\$125,000
IT Capital	\$137,000
5-Year Revaluation	\$75,000
SPED Reserve	\$500,000
Total	<u>\$1,852,000</u>



Budget “Gap”/Possible Debt

(How do Elected Policy Makers want to Set the Levers?)

<u>FY2023 Capital Project</u>	<u>Amount</u>	<u>(future) Annual Debt Payment</u>
High School Turf Field	\$1,750,000	\$208,500
Transfer Station Main Compactor	\$500,000	\$60,000
Broadway and Elm Street Improvements	\$500,000	\$34,250
Total	<u>\$2,750,000</u>	<u>\$302,750</u>



Budget Summary

	FY2022 Budget	“Initial” FY2023	Change (\$)	Change (%)
General Government	\$442,938	\$449,835	\$6,897	1.6%
Finance Department	\$1,046,025	\$1,067,735	\$21,710	2.1%
CDMI	\$646,191	\$639,075	\$(7,116)	-1.1%
Community Services	\$463,632	\$480,760	\$17,128	3.7%
Library	\$600,612	\$622,736	\$22,124	3.7%
Police	\$4,145,362	\$4,330,699	\$185,337	4.5%
Fire	\$3,802,712	\$3,903,577	\$100,865	2.7%
Public Works	\$7,496,160	\$7,733,042	\$236,882	3.2%
Transfers	\$124,938	\$125,000	\$62	0.1%
TOTAL MUNICIPAL	\$18,768,570	\$19,352,459	\$583,889	3.1%
Debt	\$4,397,568	\$4,421,052	\$23,484	0.5%
Town-Wide Expenses	\$9,484,727	\$9,752,640	\$267,913	2.8%
Overlay Reserve	\$400,000	\$400,000	\$0	0%
State & County Charges	\$767,850	\$834,391	\$66,541	8.7%
TOTAL FIXED COSTS	\$15,050,145	\$15,408,083	\$357,938	2.4%
Hanover Public Schools	\$31,521,915	\$33,771,915	\$2,250,000	7.1%
SS Vocational Technical HS	\$887,000	\$937,000	\$50,000	5.6%
TOTAL BUDGET	\$66,227,630	\$69,469,457	\$3,241,827	4.9%



Currently Identified as ARPA Potentially: Capital Projects

- Cedar School Security Enhancements (\$200,000)
- Middle School Replace Rooftop Ventilation Units (\$350,000)
- Middle School HVAC Asbestos Pipe Insulation Removal (\$75,000)
- Install Filters for Drinking Fountains in Schools (\$45,000)
- Fire HQ Interior Improvements (\$300,000)
- Library HVAC Upgrades (\$85,000)
- Police Station HVAC Improvements (\$195,000)
- Digitization of Records Stored at Sylvester (\$120,000)
- Town Hall Site Improvements (\$90,000)
- Voting Booths (\$18,192)



Currently Identified as ARPA Potentially: Operating Budget

- Town Planner (\$73,000)
- CDMI Administrative Assistant (\$45,000)
- Administrative Assistant – Town Manager's Office (\$58,000)
- Financial Analyst – (\$56,000)



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