



Fiscal Year 2024 Budget January 17, 2023 Update





Budget Schedule

Date	Event
December 9	Department Heads Submit Budgets to Finance Director
January 3	Initial Budget Presentation
January 3 – January 30	Select Board Review
January 31	Town Manager Submits Budget
February - April	Advisory Committee Review
May 1	Town Meeting
July 1	FY2024 Budget Becomes Effective



Select Board Budget Review

Date	Event
January 3	Initial Budget Presentation
January 9	Budget Review
January 17	Budget Review
January 23	Budget Review
January 30	Budget Review
January 31	Town Manager Budget Due



January 17, 2023 Budget Update

- **Presentation of Scenarios (Fully Funded School Dept Request, Zero Dollar Increase for all Town Departments)**
- **Highlight Decision Points**
- **Solicit Feedback and Obtain Direction from Select Board**
- **Work Towards Consensus for Formal Budget Submission on January 31**
- **This Budget Presentation is NOT a Budget Proposal**



Budget 'Levers'

- Tax Levy
- Free Cash
- Service Level/Expenditures
- **ARPA** (FY23, FY24 & FY25)

January 17, 2023





Service Level/Expenditures

Department	FY2023 Budget	FY2024 (1/17/23)	Change (\$)	Change (%)
General Government	\$438,938	\$438,938	\$0	0%
Finance Department	\$1,057,053	\$1,057,053	\$0	0%
CDMI	\$639,075	\$639,075	\$0	0%
Community Services	\$474,799	\$318,780	\$(156,019)	-32.86%
Library	\$622,736	\$622,736	\$0	0%
Police	\$4,325,699	\$4,325,699	\$0	0%
Fire	\$3,937,577	\$4,093,596	\$156,019	3.96%
Public Works	\$7,717,247	\$7,717,247	\$0	0%
Transfers	\$125,000	\$125,000	\$0	0.00%
TOTAL MUNICIPAL	<u>\$19,338,124</u>	<u>\$19,338,124</u>	<u>\$0.00</u>	<u>0.00%</u>
Debt	\$4,328,274	\$4,248,170	\$(80,104)	-1.85%
Town-Wide Expenses	\$9,725,140	\$10,356,684	\$631,544	6.49%
Overlay Reserve	\$400,000	\$300,000	\$(100,000)	-25.00%
State & County Charges	\$766,074	\$766,074	\$0	0.00%
TOTAL SHARED COSTS	<u>\$15,219,488</u>	<u>\$15,670,928</u>	<u>\$383,123</u>	<u>2.51%</u>
Hanover Public Schools	<u>\$33,571,915</u>	<u>\$35,623,299</u>	<u>\$2,051,384</u>	<u>6.11%</u>
SS Vocational Technical HS	\$1,054,852	\$1,054,852	\$0	0.00%
TOTAL BUDGET	<u>\$69,184,379</u>	<u>\$71,687,203</u>	<u>\$2,502,824</u>	<u>3.62%</u>



Service Level/Expenditures: History

Change	FY19	FY20	FY21	FY22	FY23	FY24	Average
Municipal \$	\$1,144,239	\$225,820	\$71,464	\$317,369	\$569,554	\$0	\$388,074
Municipal %	6.7%	1.2%	0.4%	1.7%	3.0%	0%	\$2.2%
Shared \$	\$987,117	\$1,087,838	\$287,185	\$(958,827)	\$330,438	\$383,123	\$352,812
Shared %	7.2%	7.4%	1.8%	-6.0%	2.2%	2.5%	2.5%
SSVT \$	\$(34,476)	\$(13,328)	\$(21,950)	\$158,950	\$167,852	\$0	\$42,841
SSVT %	-4.3%	-1.7%	-2.9%	21.8%	18.9%	0%	5.3%
Schools \$	\$917,731	\$1,135,781	\$598,313	\$1,704,975	\$2,050,000	\$2,051,384	\$1,409,712
Schools %	3.4%	4.0%	2.0%	5.7%	6.5%	6.11%	4.6%
Total \$	\$3,014,611	\$2,436,111	\$935,012	\$1,222,458	\$3,117,844	\$2,502,824	\$2,058,745
Total %	5.1%	4.0%	1.5%	1.9%	4.7%	3.6%	3.5%



Tax Levy + Free Cash “Options” for FY24

<u>2024 Tax Levy Applied</u>	<u>Tax Levy Revenue Increase</u>	<u>Free Cash Applied</u>	<u>Free Cash Change from FY23</u>	<u>Change from FY2023</u>
2.5%	\$1,575,502	\$1,000,000	\$(1,388,681)	\$186,821
2.5%	\$1,575,502	\$1,250,000	\$(1,138,681)	\$436,821
2.5%	\$1,575,502	\$1,750,000	\$(638,681)	\$936,821
2.5%	\$1,575,502	\$2,250,000	\$(138,681)	\$1,436,821
3.0%	\$1,810,602	\$1,000,000	\$(1,388,681)	\$421,921
3.0%	\$1,810,602	\$1,250,000	\$(1,138,681)	\$671,921
3.0%	\$1,810,602	\$1,750,000	\$(638,681)	\$1,171,921
3.0%	\$1,810,602	\$2,250,000	\$(138,681)	\$1,671,921
4.0%	\$2,280,804	\$1,000,000	\$(1,388,681)	\$892,123
4.0%	\$2,280,804	\$1,250,000	\$(1,138,681)	\$1,142,123
4.0%	\$2,280,804	\$1,750,000	\$(638,681)	\$1,642,123
4.0%	\$2,280,804	\$2,250,000	\$(138,681)	\$2,142,123
Full Levy (4.8%)	\$2,653,606	\$1,000,000	\$(1,388,681)	\$1,264,925
Full Levy (4.8%)	\$2,653,606	\$1,250,000	\$(1,138,681)	\$1,514,925
Full Levy (4.8%)	\$2,653,606	\$1,750,000	\$(638,681)	\$2,014,925
Full Levy (4.8%)	\$2,653,606	\$2,250,000	\$(138,681)	\$2,514,925



Tax Levy + Free Cash (History)

Fiscal Year	Amount Available	Amount Used in Operating Budget	% Used in Operating Budget	Amount Used ATM	Amount Used STM	Total Used	% Used Total	Amount Remaining at End of Fiscal Year
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	\$3,010,477	\$750,000	25%	\$725,531	\$107,490	\$1,583,021	52.58%	\$1,427,456
2021	\$4,293,469	\$1,548,000	36%	\$250,000	\$29,000	\$1,827,000	42.55%	\$2,466,469
2022	\$3,933,629	\$1,000,000	25%	\$640,000	\$600,600	\$2,240,600	56.96%	\$1,693,029
2023	\$6,812,892	\$2,388,681	35%	\$1,180,000	\$216,434	\$3,785,115	55.56%	\$3,027,777
2024	\$4,500,000*	\$2,250,000	50%	\$850,000	????	\$3,100,000	57.78%	\$1,400,000



Reduced Free Cash Options (2023 ATM Warrant)*

<u>Project</u>	<u>Amount</u>	<u>Project</u>	<u>Amount</u>
Town Event Funding	\$50,000	Four (4) DPW Vehicles	\$490,000
Dog Park	\$87,130	Transfer Station Compactor	\$75,000
Cedar School Vestibule	\$600,000	Transfer Station Fencing	\$35,000
Special Education Reserve Fund	\$400,000	Fire Cardiac Monitors	\$200,000
Middle School Lockers	\$50,000	Fire Utility Vehicle	\$60,000
HS Emergency Circuit Upgrades	\$60,000	Fire Command Vehicle	\$80,000
Basketball Court Renovations	\$100,000	Three (3) Police Cruisers	\$210,000
Ellis Fields Improvements	\$75,000	E-Code Software	\$18,000
Town Hall Elevator	\$100,000	COA Feasibility Study	\$40,000
DPW Fuel Canopy	\$50,000	HS Auditorium Lights	\$130,000
Sidewalk Repairs	\$250,000	TOTAL	\$1,108,000

January 17, 2023

*This is not a formal proposal, however it does show the reality of the capital projects that need to be eliminated, reduced, or alternatively funded.



FY2024 ARPA (Operating)

<u>Purpose</u>	<u>Amount</u>
Town Personnel*	\$390,913
VSO Mental Health Services	\$100,000
Schools	\$170,000
<u>Total</u>	<u>\$660,913</u>

**Town Personnel includes: Town Planner, Executive Assistant for CDMI, Executive Assistant for Town Manager, Financial Assistant, Assistant Town Clerk, and Housing Coordinator.*



FY2024 ARPA (Capital)

<u>Project</u>	<u>Cost</u>
Middle School HVAC Asbestos Pipe Insulation Removal	\$75,000
Middle School Replace Rooftop Ventilation Units	\$300,000
Middle School HVAC Improvements for Inner Core	\$300,000
Fire HQ Interior Improvements	\$100,000
Police Station HVAC Improvements	\$100,000
Sylvester Fire Sprinklers	\$400,000
Sylvester Basement Access	\$70,000
<u>TOTAL</u>	<u>\$1,345,000</u>



FY2025 ARPA (Operating)

<u>Purpose</u>	<u>Amount</u>
Town Personnel*	\$181,683
VSO Mental Health Services	\$50,000
Schools	\$86,050
<u>Total</u>	<u>\$317,733</u>

**Town Personnel includes: Town Planner, Executive Assistant for CDMI, Executive Assistant for Town Manager, Financial Assistant, Assistant Town Clerk, and Housing Coordinator. In Fiscal Year 2025, ARPA funding ends on December 31, 2024.*



FY2025 ARPA (Capital)

<u>Project</u>	<u>Cost</u>
Center Wheelchair Lift Replacement (FY25)	\$60,000
Fire HQ Interior Improvements (FY25)	\$100,000
Library HVAC Upgrades (FY25)	\$35,000
<u>TOTAL</u>	<u>\$195,000</u>



ARPA Totals

<u>ARPA</u>	<u>Cost</u>
ARPA Available	\$4,355,073
ARPA Used thru end of FY23	\$1,562,622
Remaining Balance end of FY23	\$2,792,451
FY24 Total ARPA Costs	\$2,005,913
FY25 Total ARPA Costs	\$512,733
<u>Ending ARPA Balance*</u>	<u>\$273,805</u>

**Estimate*



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





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





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