



Fiscal Year 2025
Initial Budget Presentation
November 20, 2023 Update





Budget Development Schedule

<u>Date</u>	<u>Deliverable</u>
November 6	Initial Budget Presentation
November 20th	Select Board Discussion
December 4th	Select Board Discussion
December 13th	Budget Workshop Facilitated by Town Manager and School Superintendent
December 18th	Select Board Discussion
January 2nd	2nd Draft Budget Presentation
January 8th	Select Board Discussion
January 16th	Select Board Discussion
January 22nd	Select Board Discussion
January 29th	Final Budget Presentation and Budget Submission
February – April	Advisory Committee Review
May 6th	Annual Town Meeting
May 18th	Annual Elections
July 1st	FY2025 Budget Effective



Expenditures (Example Override Budget)

Department	FY24 Budget	FY2025 Override	Difference (\$)	Difference (%)
General Government	\$438,765	\$487,523	\$48,758	11.1%
Finance Department	\$1,070,593	\$1,197,340	\$126,747	11.8%
CDMI	\$653,263	\$760,310	\$107,047	16.4%
Community Services	\$332,480	\$355,991	\$23,511	7.1%
Library	\$634,736	\$669,492	\$34,756	5.5%
Police	\$4,405,699	\$4,609,669	\$203,970	4.6%
Fire	\$4,186,441	\$4,469,473	\$283,032	6.8%
Public Works	\$7,770,766	\$8,062,223	\$291,457	3.8%
Transfers	\$115,000	\$115,000	\$0	0.0%
TOTAL MUNICIPAL	<u>\$19,607,743</u>	<u>\$20,727,021</u>	<u>\$1,119,278</u>	<u>5.7%</u>
Debt	\$4,248,170	\$4,127,820	\$(120,350)	-2.8%
Town-Wide Expenses	\$10,356,684	\$11,809,915	\$1,453,231	14.0%
Overlay Reserve	\$300,000	\$300,000	\$0	0.0%
State & County Charges	\$766,074	\$788,444	\$22,370	2.9%
TOTAL SHARED COSTS	<u>\$15,670,928</u>	<u>\$17,054,550</u>	<u>\$1,355,251</u>	<u>8.7%</u>
Hanover Public Schools	<u>\$35,031,299</u>	<u>\$39,550,594</u>	<u>\$4,519,295</u>	<u>12.9%</u>
SS Vocational Technical HS	<u>\$1,165,696</u>	<u>\$1,223,981</u>	<u>\$58,285</u>	<u>5.0%</u>
TOTAL BUDGET	<u>\$71,475,666</u>	<u>\$78,527,775</u>	<u>\$7,052,109</u>	<u>9.9%</u>

Differences From 11/6

Fire + \$178,371

Town-Wide (\$178,371)

Schools + \$430,871



Expenditures (Example Budget Within Levy)

Department	FY24 Budget	FY25 Within Levy	Difference (\$)	Difference (%)
General Government	\$438,765	\$458,364	\$19,599	4.5%
Finance Department	\$1,070,593	\$1,095,528	\$24,935	2.33%
CDMI	\$653,263	\$704,394	\$51,131	7.8%
Community Services	\$332,480	\$323,638	\$(8,842)	-2.7%
Library	\$634,736	\$617,854	\$(16,882)	-2.7%
Police	\$4,405,699	\$4,310,423	\$(95,276)	-2.2%
Fire	\$4,186,441	\$4,075,093	\$(111,348)	-2.7%
Public Works	\$7,770,766	\$7,174,725	\$(596,041)	-7.7%
Transfers	\$115,000	\$115,000	\$0	0%
TOTAL MUNICIPAL	<u>\$19,607,743</u>	<u>\$18,875,019</u>	<u>\$(732,724)</u>	<u>-3.7%</u>
Debt	\$4,248,170	\$4,127,820	\$(120,350)	-2.8%
Town-Wide Expenses	\$10,356,684	\$11,838,286	\$1,481,602	14.3%
Overlay Reserve	\$300,000	\$300,000	\$0	0%
State & County Charges	\$766,074	\$788,444	\$22,370	2.9%
TOTAL SHARED COSTS	<u>\$15,670,928</u>	<u>\$17,054,550</u>	<u>\$1,383,622</u>	<u>8.8%</u>
Hanover Public Schools	<u>\$35,031,299</u>	<u>\$36,952,869</u>	<u>\$1,921,570</u>	<u>5.5%</u>
SS Vocational Technical HS	<u>\$1,165,696</u>	<u>\$1,223,981</u>	<u>\$58,285</u>	<u>5.0%</u>
TOTAL BUDGET	<u>\$71,475,666</u>	<u>\$74,106,419</u>	<u>\$2,630,753</u>	<u>3.7%</u>



Expenditures (Override v. Within Levy)

Department	FY2025 Override	FY25 Within Levy	Difference (\$)	Difference (%)
General Government	\$487,523	\$458,364	\$(29,159)	-6.0%
Finance Department	\$1,197,340	\$1,095,528	\$(101,812)	-8.5%
CDMI	\$760,310	\$704,394	\$(55,916)	-7.3%
Community Services	\$355,991	\$323,638	\$(32,353)	-9.1%
Library	\$669,492	\$617,854	\$(51,638)	-7.7%
Police	\$4,609,669	\$4,310,423	\$(299,246)	-6.5%
Fire	\$4,469,473	\$4,075,093	\$(394,380)	-8.8%
Public Works	\$8,062,223	\$7,174,725	\$(887,498)	-11.0%
Transfers	\$115,000	\$115,000	\$0	0.0%
TOTAL MUNICIPAL	<u>\$20,727,021</u>	<u>\$18,875,019</u>	<u>\$(1,852,002)</u>	<u>-8.9%</u>
Debt	\$4,127,820	\$4,127,820	\$0	0.0%
Town-Wide Expenses	\$11,809,915	\$11,838,286	\$28,371	0.2%
Overlay Reserve	\$300,000	\$300,000	\$0	0.0%
State & County Charges	\$788,444	\$788,444	\$0	0.0%
TOTAL SHARED COSTS	<u>\$17,026,179</u>	<u>\$17,054,550</u>	<u>\$28,371</u>	<u>0.2%</u>
Hanover Public Schools	<u>\$39,550,594</u>	<u>\$36,952,869</u>	<u>\$(2,597,725)</u>	<u>-6.6%</u>
SS Vocational Technical HS	\$1,223,981	<u>\$1,223,981</u>	\$0	0.0%
TOTAL BUDGET	<u>\$78,527,775</u>	<u>\$74,106,419</u>	<u>\$(4,421,356)</u>	<u>-5.6%</u>

Differences From 11/6 (Override)

Fire + \$178,371

Town-Wide (\$178,371)

Schools + \$430,871



Tax Levy + Free Cash “Options” for FY25

<u>2025 Tax Levy Applied</u>	<u>Tax Levy Revenue Increase</u>	<u>Free Cash Applied</u>	<u>Free Cash Change from FY24</u>	<u>Change from FY2024</u>
2.5%	\$1,255,055	\$0	\$(1,792,747)	\$(537,692)
2.5%	\$1,255,055	\$900,000	\$(892,747)	\$362,308
2.5%	\$1,255,055	\$1,792,747	\$0	\$1,255,055
10.5%	\$4,421,356	\$1,792,747	\$0	\$6,214,103
12.1%	\$5,321,356	\$900,000	\$(892,747)	\$6,214,103
14.0%	\$6,214,103	\$0	\$(1,792,747)	\$6,214,103



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

Fiscal Year	Avg. Tax Bill Increase (\$)	Fiscal Year	Avg. Tax Bill Increase (\$)
2010	\$475	2019	\$364
2011	\$154	2020	\$365
2012	\$354	2021	\$198
2013	\$321	2022	\$122
2014	\$130	2023	\$124
2015	\$332	2024	\$459
2016	\$543	2025 – No Override	\$256
2017	\$234	2025 – Override + Same Free Cash	\$1,157
2018	\$187	2025 – Override + No Free Cash	\$1,522

***Average Increase since 2010: \$291**



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

Fiscal Year	Avg. Tax Bill Increase (%)	Fiscal Year	Avg. Tax Bill Increase (%)
2010	9.11%	2019	4.55%
2011	2.68%	2020	4.36%
2012	6.00%	2021	2.27%
2013	5.13%	2022	1.23%
2014	1.98%	2023	1.37%
2015	4.95%	2024	4.40%
2016	7.72%	2025 – No Override	2.32%
2017	3.09%	2025 – Override + Same Free Cash	10.47%
2018	2.39%	2025 – Override + No Free Cash	13.78%

***Average Increase since 2010: 4.08%**



Residential Property Tax Increase Distribution

Department	Within Levy	Override + Same Free Cash	Override + No Free Cash
General Government	\$1.58	\$7.18	\$9.45
Finance Department	\$3.78	\$17.64	\$23.21
CDMI	\$2.43	\$11.20	\$14.74
Community Services	\$1.12	\$5.25	\$6.90
Library	\$2.13	\$9.86	\$12.98
Police	\$14.89	\$67.92	\$89.34
Fire	\$14.08	\$65.85	\$89.63
Public Works	\$24.79	\$118.79	\$156.26
Transfers	\$0.40	\$1.69	\$2.23
TOTAL MUNICIPAL	<u>\$65.20</u>	<u>\$305.38</u>	<u>\$401.72</u>
Debt	\$14.26	\$60.82	\$80.00
Town-Wide Expenses	\$40.90	\$174.00	\$228.90
Overlay Reserve	\$1.04	\$4.42	\$5.81
State & County Charges	\$2.72	\$11.62	\$15.28
TOTAL SHARED COSTS	<u>\$58.91</u>	<u>\$250.86</u>	<u>\$330.00</u>
Hanover Public Schools	<u>\$127.65</u>	<u>\$582.72</u>	<u>\$766.56</u>
SS Vocational Technical HS	<u>\$4.23</u>	<u>\$18.03</u>	<u>\$23.72</u>
TOTAL BUDGET	<u>\$256.00</u>	<u>\$1,157.00</u>	<u>\$1,522.00</u>



Major Drivers FY2025

Cost Driver	FY25 Increase
ARPA Funded Personnel	\$860,000
Dispatch Contract	\$800,000
County Retirement	\$434,212
Special Education	\$987,080
Insurance(s)	\$232,801
South Shore Vo Tech	\$58,285
No Fee Full Day K	\$522,000
Total	<u>\$3,894,378</u>

Differences From 11/6

Special Education + \$335,231

Full Day K + \$522,000

ARPA Funded Town Personnel = (1) Town Planner, (2) Executive Assistant for CDMI (PT), (3) Executive Assistant for Town Manager, (4) Financial Assistant, (5) Assistant Town Clerk (PT).



Other Potential Sources of Revenue

- Meals Tax
 - 5yr Annual Town Meeting OPEB Funding Sunsets
 - Credit Rating Impacts (potential)
 - Estimated \$600,000/Yr



Service Level Impact (No Override)

Hanover Public Schools

- Reduction of approximately 20+ classroom teachers at all levels in all subject areas. This will negatively impact class size for all students and staff
- Continued reliance on tuition to support full-day Kindergarten
- Implementation of fees for transportation ("bus fees") along with increased/new fees for athletics and student activities
- Reliance on future Town Meeting articles and unpredictable grants to support technology needs, funding for unanticipated student services requirements, and educational resources
- Increased class size across all levels, reduced elective and advance placement offerings, reduced supports for counseling/college prep, limited instructional oversight, and limited funding for curriculum resources
- Reduced opportunities for clubs, extracurricular activities, enrichment, field trips, and other activities that are important to the student experience
- Reduction of leadership and support positions that will negatively affect student services, staff oversight and support, health and counseling, and curriculum development and growth



Service Level Impact (No Override)

Fire Department

- Reduction in Shift Strength (6 → 5/4)
- Reduce/Elimination of Call Fire Fighter Program
- Reduced VNA Part-Time Positions
- Reduction in Ambulance Revenue(s)

Police Department

- Replace Civilian Clerk with Uniformed Police Officer at Hanover Police Station
- One Less Officer on Patrol 24/7/365



Service Level Impact (No Override)

Library

- No Increase Possible to Saturday Hours
- Material Budget Cut by 50%
- State Library Certification In Jeopardy

Community Services

- Significant Reduction to Veterans' Benefits



Service Level Impact (No Override)

Community Development & Municipal Inspection

- Reduction to Inspectional Services
- Permit Inspections Currently Completed w/in 24hrs Would Be Delayed up to a Week
- Walk-in Services Would Be Curtailed and Intermittent

Finance

- Office Closures Due to Lack of Coverage
- Delays in Information Processing
- Impact Financial Management and Reporting



Service Level Impact (No Override)

Public Works

- Reduce Transfer Station Hours
- Significant Reduction to Facilities Maintenance (Impacting School and Town Buildings)
- Reduction to Engineering Budget
- Reduction to Fog Line/Parking Lot Painting
- Move ALL Stormwater Program Expenditures to Water Budget
- Significant Cut to Public Grounds, Cemetery, Field Maintenance
- Eliminate Weekend Brush Pile



Fiscal Year 2025 Budget Information & Further Review

<u>Date</u>	<u>Deliverable</u>
November 6	Initial Budget Presentation
November 20th	Select Board Discussion
*December 4th	Select Board Discussion
December 13th	Budget Workshop Facilitated by Town Manager and School Superintendent
December 18th	Select Board Discussion
January 2nd	2 nd Draft Budget Presentation
January 8th	Select Board Discussion
January 16th	Select Board Discussion
January 22nd	Select Board Discussion
January 29th	Final Budget Presentation and Budget Submission
February – April	Advisory Committee Review
May 6th	Annual Town Meeting
May 18th	Annual Elections
July 1st	FY2025 Budget Effective

Budget Information Available

<https://www.hanover-ma.gov/finance-department/treasurer-collector/pages/annual-budget-information>



Fiscal Year 2025
Initial Budget Presentation
November 20, 2023 Update

