

FY25 Budget Highlights, Public Hearing, March 29, 2024

The FY25 operating budget request is 6.38% higher than FY24.

#	Description	FY24	FY25	Increase/ Decrease
		Approved	Requested	
	Total Operating	\$3,792,386.41	\$4,034,479.16	\$242,092.75
	<i>Percent change</i>			<i>6.38%</i>

See bottom of page 4 of Draft FY25 Operating Budget.

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The largest contributor to the increase is the school budget.

#	Education	FY24	FY25	Increase/ Decrease
81	School Operations	\$1,547,355.00	\$1,580,296.26	\$32,941.26
82	Voc-Tech Student	\$29,320.00	\$80,000.00	\$50,680.00
83	School Committee stipend	\$1,300.00	\$1,300.00	\$0.00
	Subtotal	\$1,577,975.00	\$1,661,596.26	\$83,621.26

Note as of this date we have a second VoTech student for an additional \$40,000. Also, at the November STM, we appropriated an additional \$10,000 toward the transportation of the student.

See page 3 of Draft FY25 Operating Budget.

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The next largest contributors to the increase are the new union rates for the DPW and an increase in hours for the DPW Administrative Assistant.

#	DPW & Facilities	FY24	FY25	Increase/ Decrease
46	Highway Salaries	\$287,918.14	\$358,505.70	\$70,587.56
49	Highway Admin. Assist. Salary	\$16,640.00	\$32,778.72	\$16,138.72

Note as of this date we have a second VoTech student for an additional \$40,000. Also, at the November STM, we appropriated an additional \$10,000 toward the transportation of the student.

See page 2 of Draft FY25 Operating Budget.

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Following these are increases in two fixed cost accounts (8% hike in Health Insurance premiums).

#	Fixed Costs	FY24	FY25	Increase/ Decrease
104	Berkshire Cty. Retirement	\$105,647.00	\$117,334.00	\$11,687.00
105	Employee Benefits	\$161,450.64	\$176,524.92	\$15,074.28

See bottom of page 4 of Draft FY25 Operating Budget.

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Further notes:

- Transfer Station hours are returning to previous levels.
- Assistant Town Clerk is increasing to accommodate additional work on the STR registrations.
- Planning Board will have its own Legal budget, still subject to TM approval
- Fire Chief stipend recommended increase to \$15,000. This may go to \$20,000 for recruitment.
- Fire and EMS training pay is being considered, also to encourage recruitment. Some of this may shift to Fire Chief, if we propose going to \$20,000.

FY25 budget sheet by Department also provided.

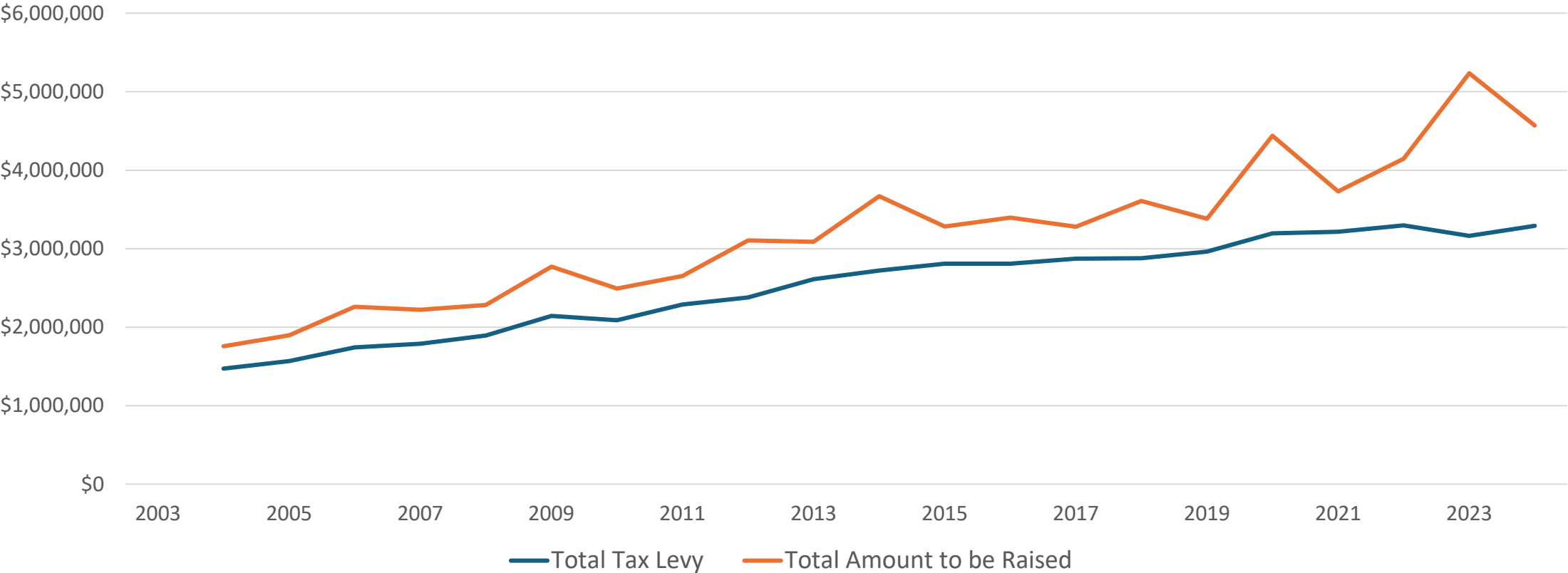
Discussion of line items.

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FY25 Capital Improvement Plan							
Proposed Capital Items	Service Life	Replace Year	Replace Cost	FY 2025	FY 2026	FY 2027	FY 2028
Highway Equipment							
2017 Feightline 144SD Dump Truck	7	2024	\$ 275,000.00	\$ 300,000.00			
2019 Western 4800SD Dump Truck (4WD)	8	2027	\$ 290,000.00			\$ 290,000.00	
2019 Western 4800SD Dump Truck (4WD)	9	2028	\$ 290,000.00				\$ 290,000.00
2019 Ford F350 Pickup	8	2027	\$ 65,000.00			\$ 65,000.00	
2016 JCB 3CX-14 super Backhoe	10	2029	\$ 165,000.00		\$ 165,000.00		
2007 John Deere 2615 Roadside	15	2027	\$ 217,000.00			\$ 217,000.00	
2008 Bandit 150 Chipper	20	2023	\$ 54,000.00				\$ 54,000.00
SALT SHED COVER					\$ 90,000.00		
Police Department							
2017 Ford F350 Cruiser	10	2027	\$ 50,000.00			\$ 50,000.00	
2021 Ford Explorer Cruiser	7	2028	\$ 50,000.00				\$ 55,000.00
Fire Department							
2015 Ford Explorer	10	2025	\$ 55,000.00			\$ 55,000.00	
Fire Hoses	5	2027	\$ 20,000.00			\$ 20,000.00	
Turnout gear (12)	5	2027	\$ 75,000.00			\$ 75,000.00	
Ambulance Department							
2012 Chevrolet Ambulance	12	2024	\$ 400,000.00	\$ 300,000.00			
				\$ 600,000.00	\$ 255,000.00	\$ 772,000.00	\$ 399,000.00

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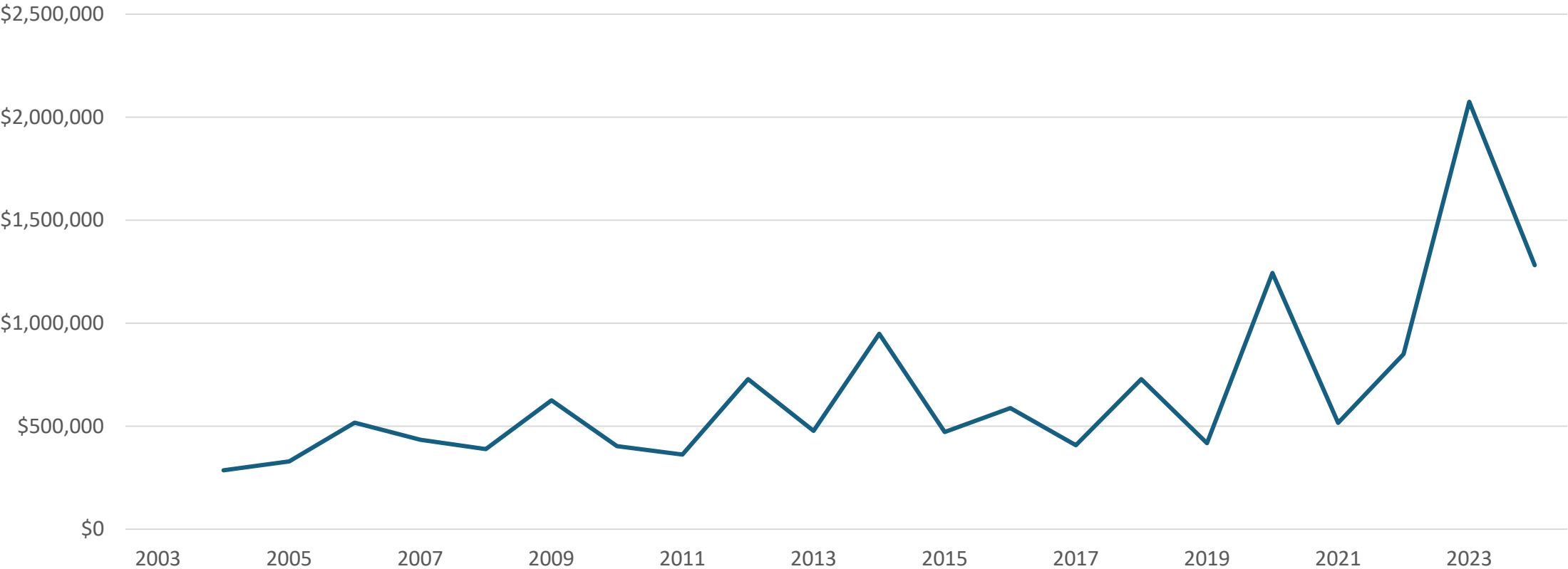
Tax Levy vs. Total Amount to be Raised



Note: Total Amount to be Raised is NOT the Operating Budget but the total of all appropriations. See Tax Rate Recapitulation for FY24.

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GAP: Total Estimated Receipts and Other Revenue Sources



This chart represents the GAP between the Levy and the Total Amount to be Raised.

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		Estimated	Estimated		(Amt Raised)	
	Tax Levy	State Aid	Local Receipts	All Other	Total Receipts	GAP
2020	\$3,193,861	\$156,491	\$118,000	\$969,482	\$4,437,834	\$1,243,973
2021	\$3,215,216	\$156,491	\$129,913	\$228,734	\$3,730,355	\$515,138
2022	\$3,295,513	\$169,433	\$130,000	\$549,739	\$4,144,685	\$849,172
2023	\$3,161,715	\$201,242	\$167,750	\$1,705,234	\$5,235,942	\$2,074,226
2024	\$3,290,075	\$214,423	\$208,750	\$857,522	\$4,570,769	\$1,280,695
2025	\$3,532,167	\$214,423	\$208,750	\$907,250	\$4,862,590	\$1,330,423

This table shows the Tax Levy, the GAP, and the components of the GAP: **Total Estimated Receipts and Other Revenue Sources** from the previous chart. The GAP is the difference between the Total Amount to be Raised (Total Receipts) and the targeted Tax levy.

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	Free Cash	Stabilization	Overlay	FC Lower Levy	All Other
2020	\$724,438	\$245,044	\$0	\$0	\$969,482
2021	\$211,266	\$17,468	\$0	\$0	\$228,734
2022	\$432,292	\$117,447	\$0	\$0	\$549,739
2023	\$1,022,507	\$484,613	\$0	\$198,115	\$1,705,234
2024	\$223,108	\$426,794	\$150,322	\$57,298	\$857,522
2025	\$507,250	\$200,000	\$0	\$200,000	\$907,250

This table shows the components all **Other Revenue Sources** from the previous chart. Along with borrowing, these are the financial funds we use to control (stabilize) the Levy. From these funds we pay for capital items, free cash special items (one-time nonrecurring purchases), and also to control (lower) the Levy through the use of additional free cash or overlay.

Note: in FY23, we used excess free cash to lower the levy back *below* FY22 levels...and nearly to FY21.

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	Tax Levy	Levy Chg (\$)	Levy Chg (%)	Total to Raise	Total Chg (\$)	Total Chg (%)
2019	\$2,963,834			\$3,381,148		
2020	\$3,193,861	\$230,027	7.76%	\$4,437,834	\$1,056,686	31.25%
2021	\$3,215,216	\$21,356	0.67%	\$3,730,355	(\$707,479)	-15.94%
2022	\$3,295,513	\$80,296	2.50%	\$4,144,685	\$414,331	11.11%
2023	\$3,161,715	(\$133,797)	-4.06%	\$5,235,942	\$1,091,257	26.33%
2024	\$3,290,075	\$128,359	4.06%	\$4,570,769	(\$665,172)	-12.70%
2025	\$3,532,167	\$242,092	7.36%	\$4,862,590	\$291,820	6.38%

This table shows the Levy change in dollars and percent.

Note: in FY23, we used excess free cash to lower the levy back *below* FY22 levels...and nearly to FY21.

Since FY20, the Levy has increased \$338,306, or 10.59% over five years (FY25 is an estimate).

BUT...is this “modest” Levy increase sustainable? Can we continue to fill the GAP by lowering the levy? No...

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	Unexpended	Tax Taking	Actual Receipts	Est. Receipts	Net Receipts	
2020	\$241,031	\$0	\$341,117	\$118,000	\$223,117	
2021	\$267,861	\$0	\$301,345	\$129,913	\$171,432	
2022	\$230,587	\$19,243	\$248,934	\$130,000	\$118,934	
2023	\$249,048	\$107,550	\$511,953	\$167,750	\$344,203	
2024	?	?	?	\$208,750		(\$72k Chtr)
2025	?	?	?	\$208,750		

Actual receipts averages \$300k, not \$500k. The use if Overlay was a one-time savings. Estimated receipts, which have raised as high as we can, and Cherry sheet (State Aid), will remain flat. The debt service on Charter also is charged against the Cherry sheet, a loss of \$72k. We still have to pay for years of deferred capital and maintenance costs. The price we pay for responsible budgeting is that the levy will more closely follow the budget, but it's not only the operating budget that is a threat; it's deferred capital.

And the FRRSD budget...