

**SELECT BOARD MEETING MINUTES
BUDGET FORUM
WEDNESDAY, MARCH 6, 2024
APPROVED**

Select Board Members Present: Peter Cunningham, Chair; John Reilly, Vice Chair; Alison Manugian, Clerk; Becky Pine; Matt Pisani

Also Present: Mark Haddad, Town Manager; Kara Cruikshank, Executive Assistant to the Town Manager; Laura Chesson, Groton Dunstable Regional School District (GDRSD) Superintendent; Sherry Kersey, GDRSD Director of Business and Finance; Jason Silva, Dunstable Town Administrator; Hannah Moller, Treasurer/Tax Collector; Patricia DuFresne, Assistant Director of Finance/Town Accountant; Megan Foster, Principal Assessor; Melisa Doig, Human Resources Director; Bud Robertson, Finance Committee Chair; Jason Kauppi, Moderator

Groton Finance Committee: Bud Robertson, Chair; David Manugian

GDRSD School Committee Members: Fay Raynor, Chair; Rafael Glod, Vice Chair; Brian LeBlanc; Catherine Awa; Lacey McCabe, Rosanna Casavecchia, Yasmeen Cheema

Dunstable Selectmen Members: Ron Mikol, Chair; Leah Basbanes, Vice Chair; Kieran Meehan

Moderator Jason Kauppi was in attendance to moderate the Budget Forum at the Groton Center. A second Budget Forum was held to present and review the Proposed Operating Budgets for Fiscal Year 2025 of the Towns of Dunstable and Groton and the Groton Dunstable Regional School District. At the start of the Budget Forum, Mr. Haddad provided important information on the financial future of the Towns of Groton and Dunstable and the Groton Dunstable Regional School District. He also provided crucial upcoming Town Meeting dates and Election information. The Supplemental FY 2025 Budget Process information memo has been included in these minutes for reference.

Mr. Cunningham called the Groton Select Board meeting to order at 7:00 PM.

Mr. Mikol called the Dunstable Board of Selectmen meeting to order at 7:00 PM.

Ms. Raynor called the GDRSD School Committee Member to order at 7:00 PM.


Town Manager Mr. Haddad presented the PowerPoint presentation for the Town of Groton's Budget for Fiscal Year 2025 (see included in these minutes).

Town Administrator Mr. Silva presented the PowerPoint presentation for the Town of Dunstable's Budget for Fiscal Year 2025 (see included in these minutes).

Superintendent Dr. Chesson and Director of Finance Ms. Kersey presented the PowerPoint presentation for the Groton Dunstable Regional School District Budget for Fiscal Year 2025 (see included in these minutes).

Once the presentations were completed, the attendees were given the opportunity to express their opinions and ask questions. Mr. Haddad strongly encouraged attendees to contact the Town Manager's Office to address any questions or concerns they may have. You can reach the Town Manager through email at townmanager@grotonma.gov or call (978) 448-1111.

The meeting was adjourned at 9:25 p.m.



**TOWN OF
GROTON
FISCAL YEAR
2025**

**BUDGET
FORUMS**

**February 27, 2024 and
March 6, 2024**





FISCAL YEAR 2025

- ***BUDGET
PROCESS***

PROCESS

- **FY 2025 Budget Process started earlier than usual.**
- **Town Manager's Tri-Comm Working Group began reviewing the issues surrounding the development of the Fiscal Year 2025 Budget in July 2023.**
- **The Working Group conducted studies of comparable Communities and School Districts and determined that spending by the Town and the School District was in line with these Comparables.**
- **The Working Group developed Revenue and Expenditure Assumptions based on the best information available at that time.**

PROCESS

- Outcome of this work showed the Town of Groton would be facing a deficit of \$3.9 Million in FY 2025.
- What issues created this deficit?
- Lack of sustained revenue sources (allowed growth under Proposition 2½ does not keep up with inflationary budget pressures)
- Lack of consistent and appropriate support from the Commonwealth of Massachusetts
- No longer receiving Federal Funding that was used to balance the Budget of the Groton Dunstable Regional School District (GDRSD) in FY 2022 and FY 2023 (CARES Act, ARPA, ESSER II)
- Use of Excess and Deficiency Fund by the GDRSD to cover operating expenses

***LEVY
INCREASE
OVER TIME***

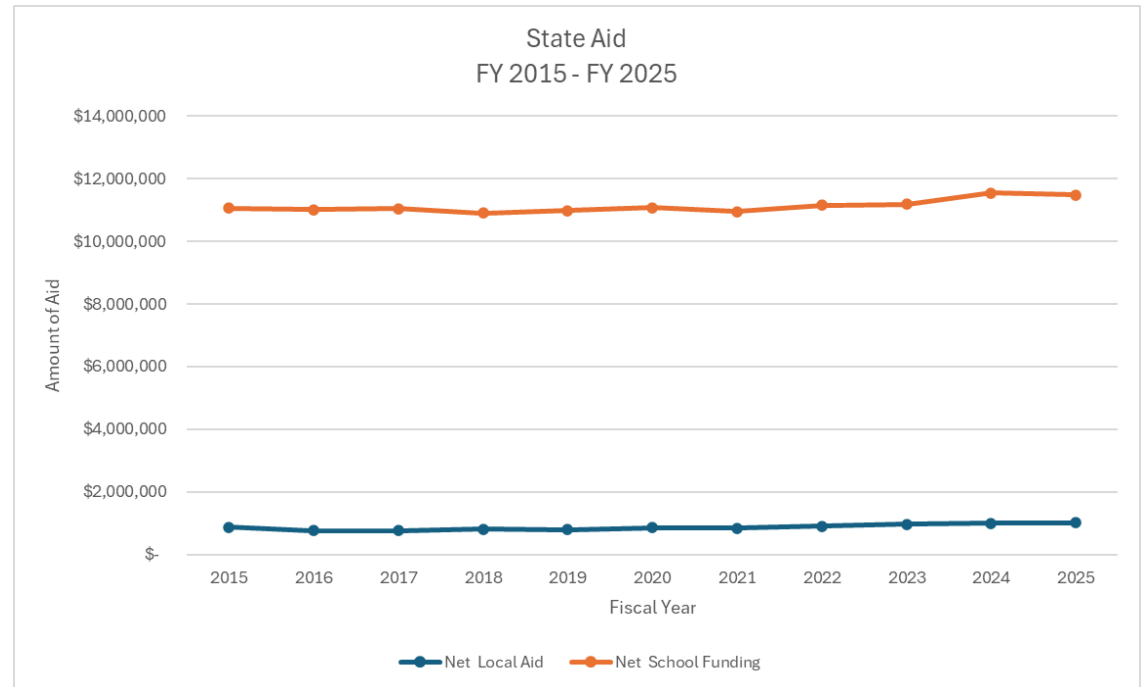
<u>Fiscal Year</u>	<u>Levy Limit</u>	<u>Percentage Increase</u>
2014	\$ 24,895,001	-
2015	\$ 26,002,556	4.45%
2016	\$ 27,029,638	3.95%
2017	\$ 28,151,493	4.15%
2018	\$ 29,360,225	4.29%
2019	\$ 30,650,535	4.39%
2020	\$ 31,932,418	4.18%
2021	\$ 32,985,370	3.30%
2022	\$ 34,157,624	3.55%
2023	\$ 35,383,886	3.59%
2024	\$ 36,832,663	4.09%
2025	\$ 38,055,280	3.32%

State Aid to Town of Groton and Groton Dunstable Regional School District

Fiscal Year		Net Local Aid	Net School Funding
2015	\$	869,706	\$ 11,068,425
2016	\$	756,730	\$ 11,016,078
2017	\$	754,570	\$ 11,045,618
2018	\$	804,503	\$ 10,905,100
2019	\$	799,107	\$ 10,977,751
2020	\$	859,662	\$ 11,074,754
2021	\$	840,222	\$ 10,953,988
2022	\$	894,676	\$ 11,155,438
2023	\$	957,446	\$ 11,195,152
2024	\$	988,430	\$ 11,548,831
2025	\$	1,015,417	\$ 11,484,897



Average Yearly Increase **1.52%** **0.34%**

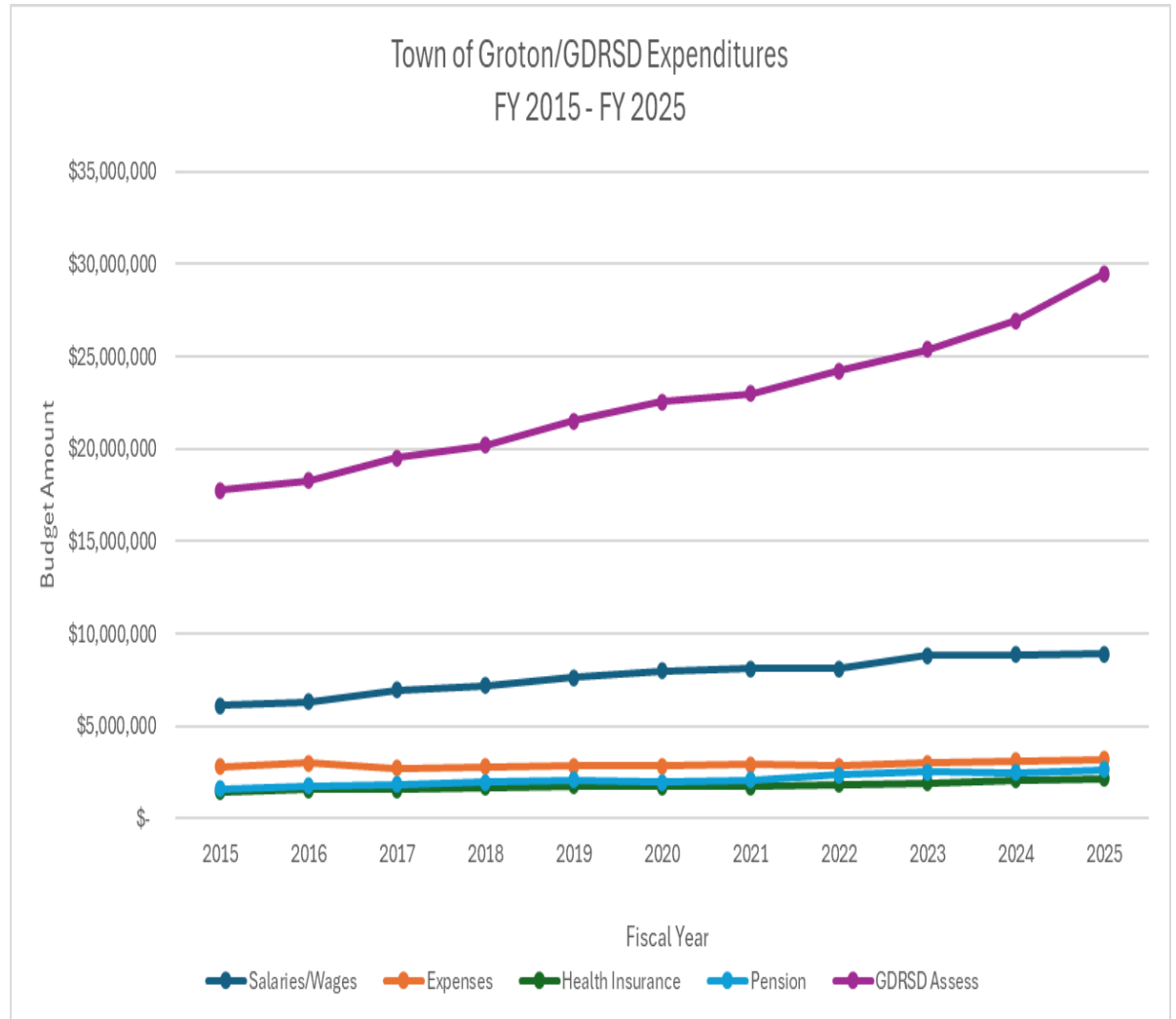


Major Estimated Receipts

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>Eight Year Percentage Increase</u>
Local Meals Tax	\$ 120,076	\$ 133,961	\$ -	\$ 168,570	\$ 172,096	\$ 144,283	\$ 215,759	\$ 242,074	101.60%
Local Room Occupancy Tax	\$ -	\$ -	\$ -	\$ -	\$ 45,994	\$ 36,958	\$ 136,445	\$ 174,676	279.78% *
Excise Taxes	\$ 1,670,830	\$ 1,717,507	\$ 1,807,342	\$ 1,791,544	\$ 1,781,243	\$ 1,835,724	\$ 1,843,246	\$ 1,927,790	15.38%
PILOTS	\$ 235,070	\$ 225,690	\$ 279,194	\$ 281,907	\$ 242,168	\$ 399,707	\$ 298,231	\$ 361,853	53.93%
Fees	\$ 382,207	\$ 405,859	\$ 423,593	\$ 392,157	\$ 340,328	\$ 429,273	\$ 428,207	\$ 420,806	10.10%
Licenses and Permits	\$ 364,349	\$ 510,162	\$ 719,667	\$ 413,343	\$ 455,235	\$ 465,011	\$ 537,500	\$ 800,579	119.73%
Country Club Revenue	\$ 446,827	\$ 442,346	\$ 462,714	\$ 552,570	\$ 323,711	\$ 661,208	\$ 739,701	\$ 793,769	77.65%

*Percentage increase since FY 2020

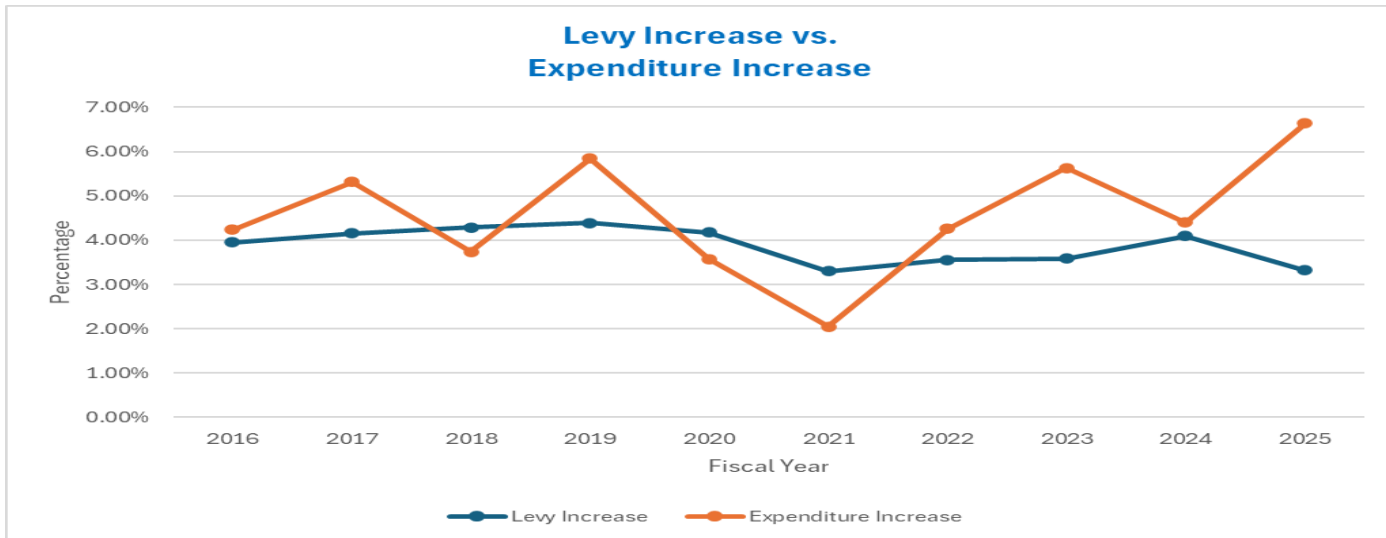
Town of Groton/GDRD Expenditures FY 2015 – FY 2025



Levy Increases vs. Expenditure Increases

Fiscal Year	Percentage Levy Increase	Percentage Expenditure Increase	Difference
2016	3.95%	4.24%	-0.29%
2017	4.15%	5.32%	-1.17%
2018	4.29%	3.74%	0.55%
2019	4.39%	5.85%	-1.46%
2020	4.18%	3.58%	0.60%
2021	3.30%	2.05%	1.25%
2022	3.55%	4.26%	-0.71%
2023	3.59%	5.63%	-2.04%
2024	4.09%	4.40%	-0.31%
2025	3.32%	6.64%	-3.32%

Federal Funding Supported Operating Budget of GDRSD






PROCESS

- **To Balance the Fiscal Year 2025 Budget, the Working Group determined that an Override of Proposition 2½ would be required, or the Town and School District would face substantial cuts in their respective Operating Budgets.**



**LEVEL SERVICE
BUDGET
DEVELOPMENT**

- **The Fiscal Year 2024 Approved Budget is \$244,920 under the Levy Limit.**
 - **FY 2024 New Growth was certified at \$36 million, which added \$564,180 to the FY 2024 Tax Levy.**
 - **We have estimated Fiscal Year 2025 New Growth at \$20 million which will add \$301,800 to the Tax Levy.**
 - **The Proposed Fiscal Year 2025 Town Operating Budget anticipates State Aid at \$1,145,967.**
 - **We are anticipating a modest increase of an additional \$130,563 in sources other than the Property Tax.**
- 

LEVEL SERVICE BUDGET DEVELOPMENT

Overall, the Town of Groton anticipates an increase of 3.17% in New Revenues for Fiscal Year 2025

<u>Revenue Source</u>	<u>Budgeted</u> <u>FY 2024</u>	<u>Proposed</u> <u>FY 2025</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>
Property Tax*	\$ 36,832,663	\$ 38,055,280	\$ 1,222,617	3.32%
State Aid	\$ 1,116,143	\$ 1,145,967	\$ 29,824	2.67%
Local Receipts - Excluding Country Club	\$ 4,797,383	\$ 4,877,946	\$ 84,626	1.76%
Country Club Revenue	\$ 700,000	\$ 750,000	\$ 50,000	7.14%
Other Available Funds	\$ 350,000	\$ 350,000	\$ -	0.00%
TOTAL	\$ 43,796,189	\$ 45,179,193	\$ 1,387,067	3.17%

*Includes 2½ percent increase allowed by law and \$20 million in new growth.

**LEVEL SERVICE
BUDGET
DEVELOPMENT**

The Town and the School District then took steps to reduce the anticipated FY 2025 deficit, including the following:



LEVEL SERVICE BUDGET DEVELOPMENT



Groton Dunstable Regional School District will phase out the use of E&D and phase in full day kindergarten over three years (along with other budget adjustments).



Select Board voted to join the Patriot Regional Emergency Communications Center.



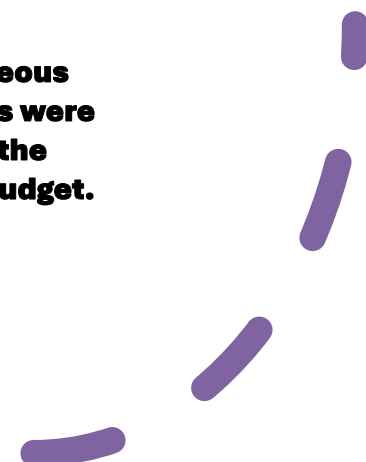
Select Board voted to join MIIA for Health Insurance.



The Town scrubbed revenues and found areas to increase them from the original estimate developed by the Tri-Comm Working Group.



Miscellaneous Adjustments were made to the Municipal Budget.



**LEVEL SERVICE
BUDGET
DEVELOPMENT**

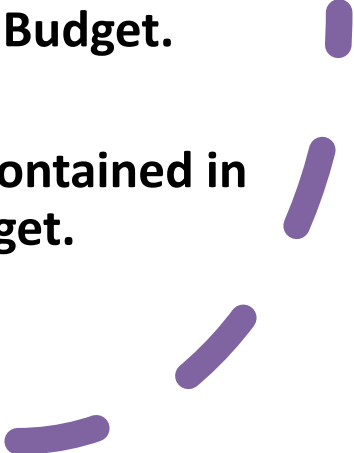
**These actions
reduced the
anticipated
deficit to
\$1,710,260 in
FY 2025**

Original Projected Deficit	\$ 3,918,075
School District Adjustments	\$ 1,400,316
Regional Dispatch	\$ 464,314
Health Insurance	\$ 117,563
Adjusted Nashoba Tech Assessment	\$ 35,937
New Revenues	\$ 130,563
Misc. Budget Adjustments	\$ 59,122
New Projected Deficit	\$ 1,710,260

LEVEL SERVICE BUDGET SUMMARY

- **By joining MIIA for Health Insurance in FY 2025, this budget will only increase by 3.38%, or \$70,588.**
- **The FY 2025 Pension Budget will increase by 6.36%, or \$158,739.**
- **FY 2025 is the third year of three-year agreements with our Unions. Total Salary Increase for FY 2025 (including COLA, Performance Incentives, Contractual Employee and one time cash payments) is \$231,964.**
- **Excluded Debt will increase by 6.3%, or \$299,760.**
- **The Finance Team anticipates covering all costs associated with the Groton Country Club without any taxpayer subsidy.**

LEVEL SERVICE BUDGET SUMMARY

- **Due to a decrease in Cable Revenues, it has been proposed to eliminate the Cable Enterprise in FY 2025 and make it a Town Department that will be supported by Cable Receipts Reserved for Appropriation and General Fund Revenues.**
 - **In FY 2025, it has been recommended that the Cable Department be supported by \$155,442 from the Town's Free Cash Account to give the Cable Receipts an opportunity to build up a reserve over the next year. Benefits for Cable Employees will be covered in the General Fund Budget.**
 - **There are no Major Initiatives Contained in the Proposed Level Service Budget.**
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LEVEL SERVICE BUDGET SUMMARY

<u>Category</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>Dollar Difference</u>	<u>Percentage Change</u>
General Government	\$ 2,388,159	\$ 2,472,927	\$ 84,768	3.55%
Land Use	\$ 499,606	\$ 520,749	\$ 21,143	4.23%
Protection of Persons and Property	\$ 4,772,597	\$ 4,515,079	\$ (257,518)	-5.40%
Department of Public Works	\$ 2,351,495	\$ 2,389,516	\$ 38,021	1.62%
Library and Citizen Services*	\$ 1,947,870	\$ 2,192,957	\$ 245,086	12.58%
Employee Benefits	\$ 4,930,663	\$ 5,174,990	\$ 244,327	4.96%
Sub-Total	\$ 16,890,390	\$ 17,266,217	\$ 375,828	2.23%
Debt Service - Excluded	\$ 4,326,957	\$ 4,649,077	\$ 322,120	7.44%
Debt Service - In Levy Only	\$ 474,605	\$ 407,534	\$ (67,071)	-14.13%
Sub-Total - All Municipal	\$ 21,691,952	\$ 22,322,828	\$ 630,877	2.91%
Nashoba Tech	\$ 762,656	\$ 966,719	\$ 204,063	26.76%
Groton-Dunstable Operating	\$ 25,937,716	\$ 28,741,942	\$ 2,804,226	10.81%
Groton-Dunstable Excluded Debt	\$ 406,982	\$ 384,622	\$ (22,360)	-5.49%
Groton-Dunstable Debt	\$ 58,814	\$ 60,534	\$ 1,720	2.92%
Groton Dunstable Capital	\$ 552,203	\$ 295,767	\$ (256,436)	-46.44%
Sub-Total - Education	\$ 27,718,371	\$ 30,449,584	\$ 2,731,213	9.85%
Grand Total - Town Budget	\$ 49,410,323	\$ 52,772,412	\$ 3,362,090	6.80%

*In FY 2025, Library and Citizen Services includes the Cable Access Department for the first time

Projected Three Year Deficit

**Based on a set of assumptions,
including:**

- Anticipated increases in the Operating Assessment of the Groton Dunstable Regional School District

- Anticipated salary increases

- Historical increases in health insurance and pension costs

- Average increases in expenses over the last five years

The Town Manager estimated that the Town of Groton would face a \$5.5 million deficit over the next three Fiscal Years (2025, 2026 & 2027)

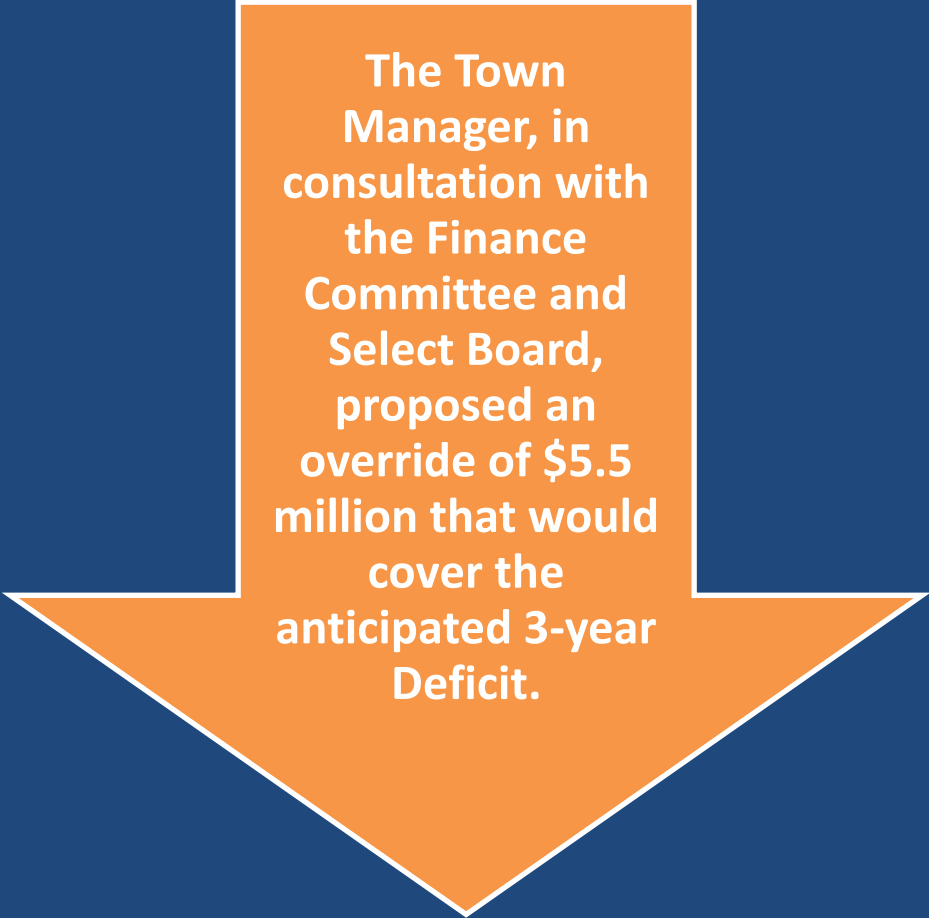
Projected Three Year Deficit

General Fund Revenues	FY 2024	FY 2025	FY 2026	FY 2027
Property Tax Levy	41,565,448	43,087,871	45,504,776	46,912,790
State Aid Cherry Sheet	1,116,143	1,145,967	1,165,043	1,184,501
Estimated Local Receipts	5,497,383	5,623,883	5,677,569	5,732,329
Available Funds/Other Financing Sources	2,217,637	2,321,460	2,321,460	2,321,460
Enterprise (for Indirects)	336,486	315,664	321,977	328,417
Total General Fund Revenues	50,733,097	52,494,845	54,990,825	56,479,497
Total Revenue Percentage Change		3.5%	4.8%	2.7%

General Fund Expenditures

General Government	2,388,159	2,472,927	2,519,726	2,567,551
Land Use	499,605	520,749	531,838	543,185
Public Safety	4,772,597	4,515,079	4,600,296	4,687,167
Regional Schools	27,718,371	30,699,754	33,093,439	35,829,711
Department of Public Works	2,351,495	2,389,516	2,433,734	2,478,903
Library and Citizen Services	1,947,870	2,192,957	2,239,917	2,287,972
Employee Benefits	4,930,663	5,174,990	5,483,218	5,810,559
Debt Service	4,801,562	5,056,611	6,519,225	6,512,851
Total Town Budget	49,410,322	53,022,583	57,421,393	60,717,899
State Assessments	95,249	101,443	101,443	101,443
Other Amounts Raised	982,606	1,081,078	1,081,078	1,081,078
Total General Fund Expenditures	50,488,177	54,205,104	58,603,914	61,900,420
General Fund Surplus/(Shortfall)	244,920	(1,710,259)	(3,613,089)	(5,420,923)
Total Expenditures Percentage Change		7.4%	8.1%	5.6%

How to Address the 3-Year Deficit



The Town Manager, in consultation with the Finance Committee and Select Board, proposed an override of \$5.5 million that would cover the anticipated 3-year Deficit.

How to Address the 3-Year Deficit

General Fund Revenues	FY 2024	FY 2025	FY 2026	FY 2027
Property Tax Levy	41,565,448	48,587,871	51,142,276	52,691,227
State Aid Cherry Sheet	1,116,143	1,145,967	1,165,043	1,184,501
Estimated Local Receipts	5,497,383	5,623,883	5,677,569	5,732,329
Available Funds/Other Financing Sources	2,217,637	2,321,460	2,321,460	2,321,460
Enterprise (for Indirects)	336,486	315,664	321,977	328,417
Total General Fund Revenues	50,733,097	57,994,845	60,628,325	62,257,934
Total Revenue Percentage Change		14.3%	4.5%	2.7%

General Fund Expenditures

General Government	2,388,159	2,472,927	2,519,726	2,567,551
Land Use	499,605	520,749	531,838	543,185
Public Safety	4,772,597	4,515,079	4,600,296	4,687,167
Regional Schools	27,718,371	30,699,754	33,093,439	35,829,711
Department of Public Works	2,351,495	2,389,516	2,433,734	2,478,903
Library and Citizen Services	1,947,870	2,192,957	2,239,917	2,287,972
Employee Benefits	4,930,663	5,174,990	5,483,218	5,810,559
Debt Service	4,801,562	5,056,611	6,519,225	6,512,851
Total Town Budget	49,410,322	53,022,583	57,421,393	60,717,899
State Assessments	95,249	101,443	101,443	101,443
Other Amounts Raised	982,606	1,081,078	1,081,078	1,081,078
Total General Fund Expenditures	50,488,177	54,205,104	58,603,914	61,900,420
General Fund Surplus/(Shortfall)	244,920	3,789,741	2,024,411	357,514
Total Expenditures Percentage Change		7.4%	8.1%	5.6%

How to Address the 3-Year Deficit

	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>
Levy - No Override	\$ 38,055,280	\$ 39,383,662	\$ 40,754,679
Other Revenues	\$ 9,406,974	\$ 9,486,049	\$ 9,566,707
Total Revenues	\$ 47,462,254	\$ 48,869,711	\$ 50,321,386
Anticipated Budget	\$ 49,171,404		
Deficit*	\$ 1,709,150		
New Levy Using Override Funds		\$ 41,135,541	
Other Revenues		\$ 9,486,049	
Total Revenues		\$ 50,621,590	
Anticipated Budget		\$ 52,482,800	
Deficit		\$ 1,861,210	
New Levy Using Override Funds			\$ 44,458,095
			\$ 9,566,707
Total Revenues			\$ 54,024,802
Anticipated Budget			\$ 55,742,309
Deficit			\$ 1,717,507
	Override Requested	\$ 5,500,000	
	FY 2025 Need	\$ 1,709,150	
	FY 2026 Need	\$ 1,861,210	
	FY 2027 Need	\$ 1,717,507	
Remaining Balance**		\$ 212,133	

*Please note that the actual deficit in FY 2025 is \$1,710,260, but it is offset by \$1,110 in bond proceeds.

**Please note that by adding the entire amount of the override (\$5,500,000) in FY 2025 the levy will increase by an additional \$145,381, leaving a balance in FY 2027 of \$357,514

FY 2025 TAX IMPACT

	<u>Actual</u> <u>FY 2024</u>	<u>Proposed</u> <u>FY 2025</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>
Levy Capacity Used	\$ 36,607,742	\$ 38,055,280	\$ 1,447,538	3.95%
Tax Rate on Levy Capacity Used	\$ 13.36	\$ 13.80	\$ 0.44	3.29%
Average Tax Bill	\$ 9,284	\$ 9,590	\$ 306	3.29%
Override	\$ -	\$ 1,710,260	\$ 1,710,260	100.00%
Tax Rate on Override	\$ -	\$ 0.62	\$ 0.62	100.00%
Average Tax Bill	\$ -	\$ 431	\$ 431	100.00%
Excluded Debt	\$ 4,732,786	\$ 5,032,590	\$ 299,804	6.33%
Tax Rate on Excluded Debt	\$ 1.73	\$ 1.82	\$ 0.09	5.20%
Average Tax Bill	\$ 1,202	\$ 1,265	\$ 63	5.20%
Final Levy Used	\$ 41,340,528	\$ 44,798,130	\$ 3,457,602	8.36%
Final Tax Rate	\$ 15.09	\$ 16.24	\$ 1.15	7.62%
Average Tax Bill	\$ 10,487	\$ 11,286	\$ 799	7.62%

NO OVERRIDE

OVERRIDE

<u>Fiscal Year</u>	<u>Tax Rate</u>	<u>Average Tax Bill</u>	<u>Increase Per Year</u>		<u>Tax Rate</u>	<u>Average Tax Bill</u>	<u>Increase Per Year</u>	<u>Override Cost</u>
2024	\$ 13.36	\$ 9,284			\$ 13.36	\$ 9,284		\$ -
2025	\$ 13.80	\$ 9,590	\$ 306		\$ 14.42	\$ 10,021	\$ 737	\$ 431
2026	\$ 14.16	\$ 9,840	\$ 250		\$ 15.47	\$ 10,751	\$ 730	\$ 480
2027	\$ 14.54	\$ 10,104	\$ 264		\$ 16.48	\$ 11,453	\$ 702	\$ 438
Total Increase		\$ 820				\$ 2,168		

Over three years, the average tax bill with an override will increase by \$1,349 or an average of \$449 per year.

Breakdown of Tax Increase

<u>Fiscal Year</u>	<u>Normal Prop 2½ Increase</u>	<u>Override Increase</u>	<u>Existing Excluded Debt</u>	<u>FloRo Excluded Debt</u>	<u>PFAS Excluded Debt</u>	<u>Total Increase</u>	<u>Total Average Tax Bill</u>
2025	\$ 306	\$ 431	\$ 21	\$ 41	\$ -	\$ 799	\$ 11,286
2026	\$ 250	\$ 480	\$ (7)	\$ 183	\$ 82	\$ 988	\$ 12,273
2027	\$ 264	\$ 438	\$ -	\$ -	\$ -	\$ 702	\$ 12,974

Three Year Tax Impact

TAX IMPLICATIONS

How much more can I expect to pay if the override passes?

The specific amount you will pay will be based on your property value, however, for an estimate based on the average Groton home value of approximately \$700,000, you can expect to pay the following to retain the same services we currently have across Town and School Departments.

**Tax Implications of Override for
average Groton home value of ~ \$700,000**

	FY 2025	FY 2026	FY 2027
Increase in Average Tax Bill with No Override	\$306/year (\$25.50 monthly)	\$250/year (\$20.83 monthly)	\$264/year (\$22.00 monthly)
Increase in Average Tax Bill with Override	\$737/year (\$61.42 monthly)	\$730/year (\$60.83 monthly)	\$702/year (\$58.50 monthly)
Difference	\$431/year (\$35.92 monthly)	\$480/year (\$40.00 monthly)	\$438/year (\$36.50 monthly)

**Tax Implications of Override for
average Groton home value of ~ \$700,000**

(New FloRo and PFAS mitigation)

	FY 2025	FY 2026	FY 2027
Increase in Average Tax Bill with No Override	\$306/year (\$25.50 monthly)	\$250/year (\$20.83 monthly)	\$264/year (\$22.00 monthly)
Increase in Average Tax Bill with Override, New FloRo Elementary School and PFAS Mitigation	\$799/year (\$66.58 monthly)	\$988/year (\$82.33 monthly)	\$702/year (\$58.50 monthly)
Difference	\$493/year (\$41.08 monthly)	\$738/year (\$61.50 monthly)	\$438/year (\$36.50 monthly)

To preserve level services across the District and the Town, the average Groton Taxpayer would be carrying an additional tax burden of \$41.08 monthly in FY 2025; \$61.50 monthly in FY 2026; and \$36.50 monthly in FY 2027.

BALANCED BUDGET SUMMARY

To provide a balanced budget, the Town Manager must reduce the Proposed Level Service Budget by \$1,710,260.

Under previous practice, to eliminate the deficit, the GDRSD has absorbed sixty (60%) percent of the deficit, while the Town absorbs forty (40%) percent.

Based on this, the School District would need to reduce their proposed level service assessment by \$1,026,156, or 3.57% and the Town would need to reduce its proposed level service budget by \$684,104 or 3.96%. The total reduction of \$1,710,260 is a reduction of 3.72% from the Proposed Level Service Budget.

Reductions at these levels are magnitudes beyond any reductions ever made by the Town or School District.

Reductions to General Government



<u>Department</u>	<u>Description</u>	<u>Original Request</u>	<u>Amount Reduced</u>	<u>Percentage Reduced</u>
<u>General Government</u>				
Select Board		\$ 30,854		
	Pepperell SRF		\$ 24,054	77.96%
Town Manager		\$ 412,800		
	Minute Takers		\$ 10,000	2.42%
Board of Assessors		\$ 213,047		
	Cyclical Inspections		\$ 10,000	4.69%
Treasurer/Tax Collector		\$ 274,954		
	Wages		\$ 762	0.28%
Elections/Registrars		\$ 54,141		
	Stipend		\$ 3,266	6.03%
Insurance and Bonding		\$ 367,000		
	Liability Insurance		\$ 10,000	2.72%
TOTAL GENERAL GOVERNMENT		\$ 2,472,927	\$ 58,082	2.35%

Reductions to Public Safety



<u>Department</u>	<u>Description</u>	<u>Original Request</u>	<u>Amount Reduced</u>	<u>Percentage Reduced</u>
<u>Public Safety</u>				
Police Department		\$ 2,810,496		
	Wages		\$ 147,150	5.24%
	Revenue from Dunstable/Resource Officer		\$ (15,000)	
Fire Department		\$ 1,665,119		
	Wages		\$ 90,000	5.41%
TOTAL PUBLIC SAFETY		\$ 4,515,079	\$ 222,150	4.92%

Reductions to Department of Public Works



<u>Department</u>	<u>Description</u>	<u>Original Request</u>	<u>Amount Reduced</u>	<u>Percentage Reduced</u>
<u>Department of Public Works</u>				
Highway		\$ 1,108,353		
	Wages		\$ 100,000	9.02%
Municipal Buildings		\$ 458,795		
	Minor Capital		\$ 25,000	5.45%
Parks Department		\$ 73,681		
	Wages		\$ 7,522	
	Expenses		\$ 55,759	
	Sub-Total		\$ 63,281	85.89%
TOTAL DEPARTMENT OF PUBLIC WORKS		\$ 2,389,516	\$ 188,281	7.88%

Reductions to Library and Citizen Services



<u>Department</u>	<u>Description</u>	<u>Original Request</u>	<u>Amount Reduced</u>	<u>Percentage Reduced</u>
<u>Library and Citizen Services</u>				
Library		\$ 1,029,302		
	Wages		\$ 75,000	7.29%
Water Safety		\$ 20,143		
	Maintenance		\$ 10,900	54.11%
Weed Management		\$ 34,385		
	Baddacook Weed Management		\$ 15,000	43.62%
TOTAL LIBRARY AND CITIZEN SERVICES		\$ 2,192,957	\$ 100,900	4.60%

Reductions to Employee Benefits



<u>Department</u>	<u>Description</u>	<u>Original Request</u>	<u>Amount Reduced</u>	<u>Percentage Reduced</u>
<u>Employee Benefits</u>				
Health Insurance	Reducing Head Count	\$ 2,161,151	\$ 104,691	4.84%
Medicare	Reducing Head Count	\$ 157,000	\$ 10,000	6.37%
TOTAL EMPLOYEE BENEFITS		\$ 5,174,990	\$ 114,691	2.22%

WE ARE NOT ALONE

**Other Massachusetts Towns facing
major deficits in FY 2025 include:**

Westford

Andover

Chelmsford

Dracut

Acton

Sudbury

Ashby

Belmont

Georgetown

Pepperell

Dunstable

Norton

Millis

/

THANK YOU

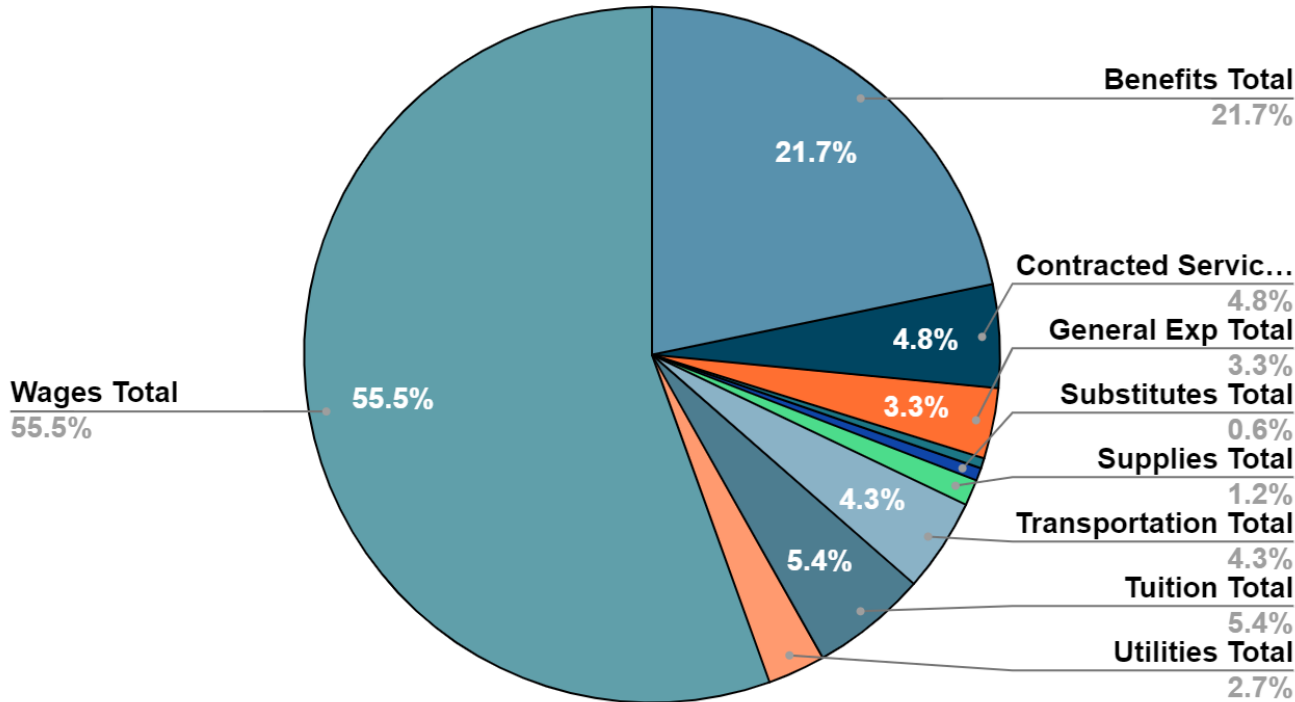
Questions

Groton-Dunstable Regional School District FY25 Budget Outlook-Public Forum

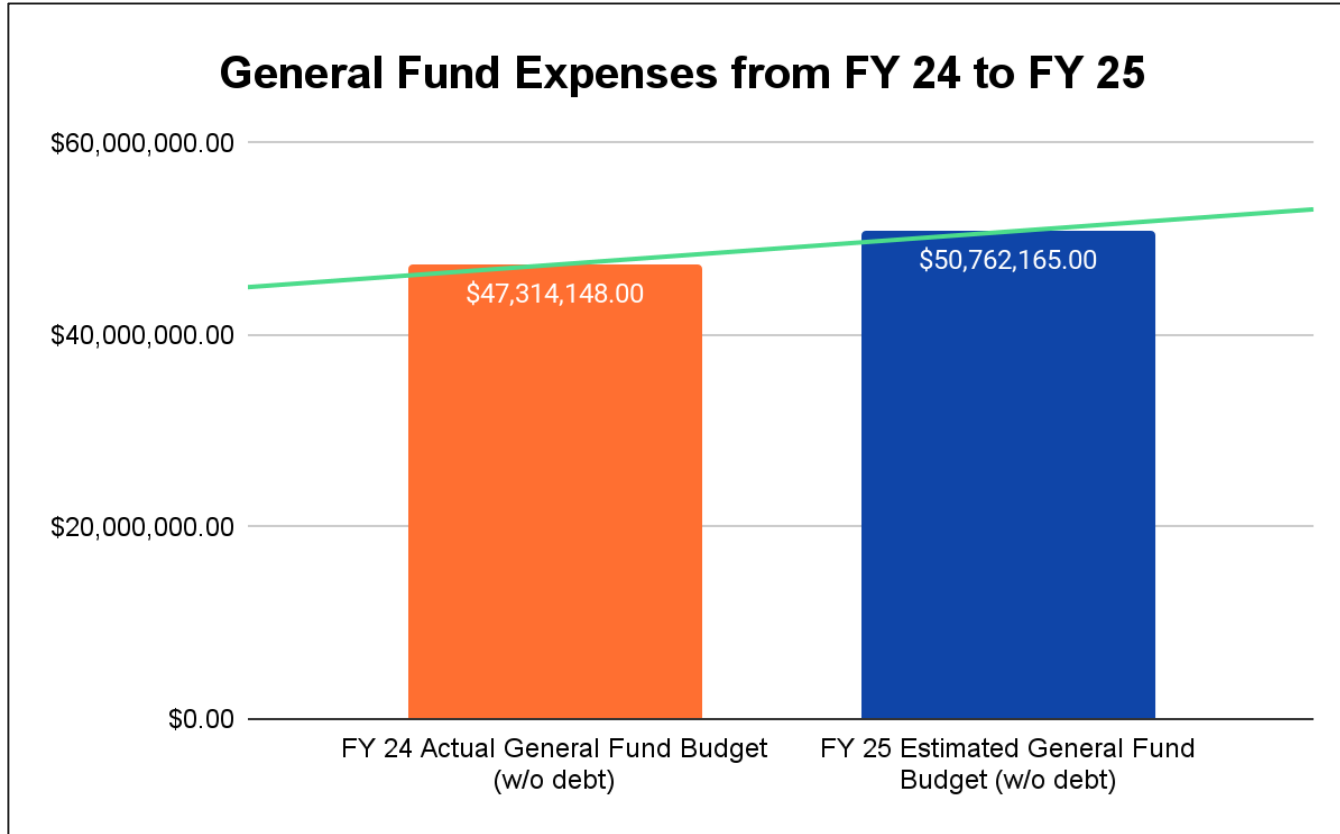
Presented by Laura Chesson, Superintendent of Schools
Sherry Kersey, Director of Finance & Operations
March 6, 2024

What is the budget comprised of?

FY25 Budget Category By %

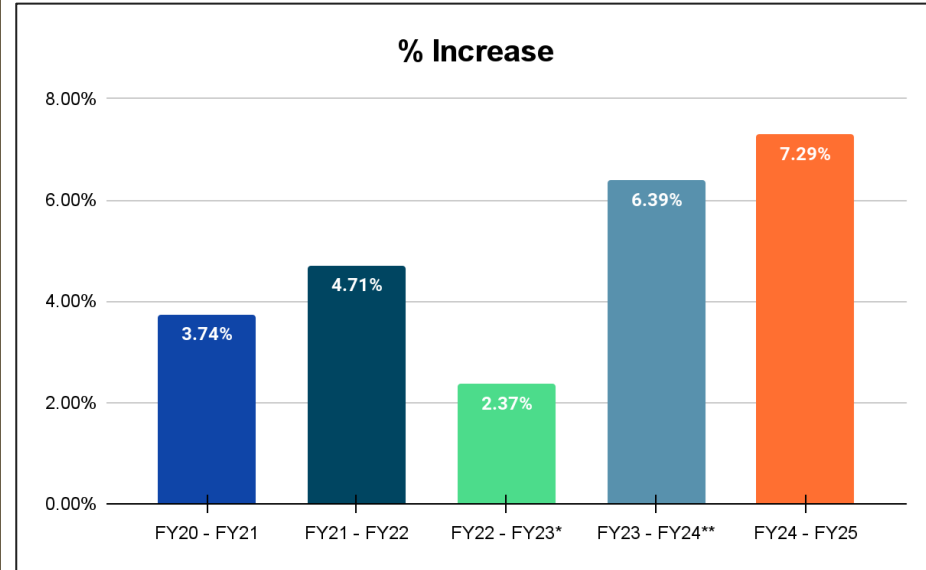
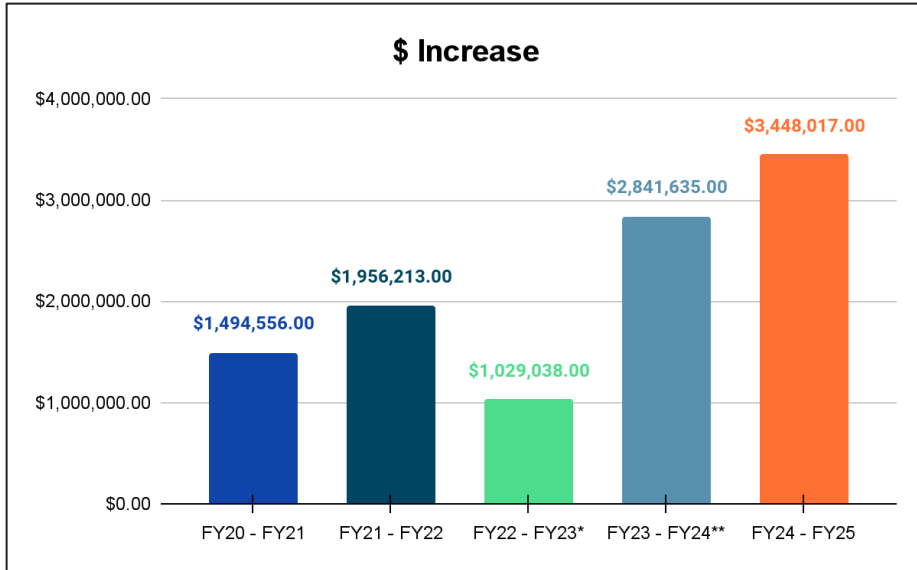


FY24 Budget vs FY25 Proposed Budget



7.29% increase

5 Year Historical Budget Increases



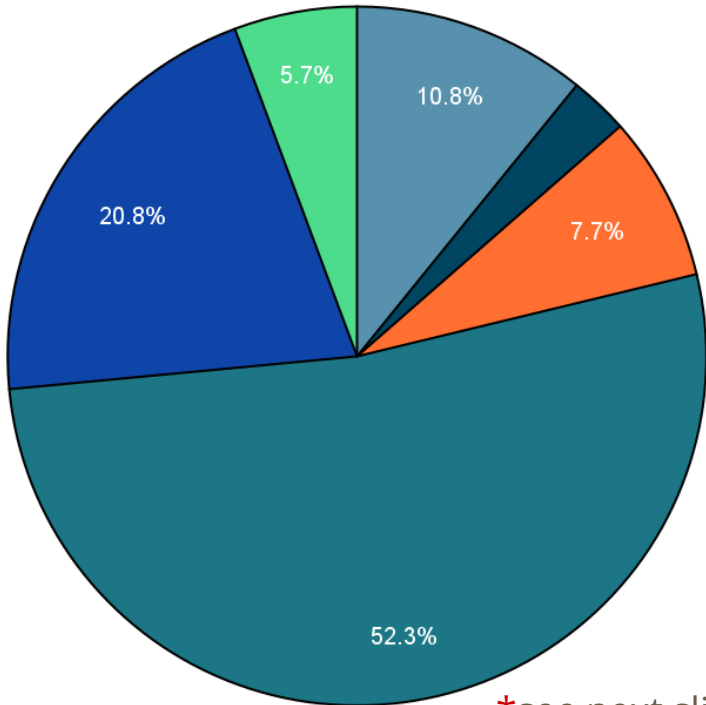
*ESSER & ARPA funding available
**ESSER & ARPA gone - expenses added to General Fund

FY25 Considerations that have increased \$ implications

- **Salary projections (negotiating with bargaining units)**
- **Health insurance (renewal increase will come early March)**
- **PFAS (\$100k in budget for mitigation steps prior to town water install)**
- **Change in 5 yr split due to change in 5 yr. Rolling average**
- **Change in local minimum contribution by state**

FY25 - Summary of Major Drivers of Assessment Increase

Assessment Increases



- Using Less E&D (\$911k to \$500k)
- Moving \$100k of Full Day Kindergarten Salaries to Operational Budget
- Anticipated New Positions*
- Estimated Wages & Salaries Increases
- Health Insurance - Active & Retired
- Utilities (water usage & PFAS)

Major Driver	Assessment Increase
Using Less E&D (\$911k to \$500k)	\$400,000.00
Moving \$100k of Full Day Kindergarten Salaries to Operational Budget	\$100,000.00
Anticipated New Positions*	\$285,000.00
Estimated Wages & Salaries Increases	\$1,930,037.00
Health Insurance - Active & Retired	\$769,136.00
Utilities (water usage & PFAS)	\$209,615.00

*see next slide for positions

Anticipated new positions to meet current services

Positions to be posted/filled by June 30th - replacing current positions

- 1.0 FTE Behavioral Interventionist (exchange for BCBA FTE) \$70,000
Elementary
- 1.0 FTE ELL teacher position (exchange for team chair FTE) \$70,000

Positions to be filled if new superintendent after year end closing/data review

- 1.0 FTE Maintenance for new Flo Ro building \$62,000
- 1.0 FTE 2nd grade teacher to restore position cut from FY23 \$70,000
- .4 FTE Administrative assistant FLO due to incr. Size \$13,000

How are assessments for each towns calculated

PROJECTED
BUDGET

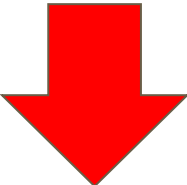
MINUS

STATE, FEDERAL &
DISTRICT FUNDING

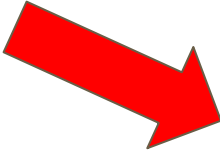
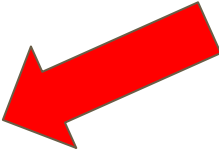
MINUS

LOCAL MINIMUM
CONTRIBUTION

=



AMOUNT TO BE APPORTIONED



GROTON

DUNSTABLE

Budget vs. Assessment

BUDGET

- ALL EXPENSES OF THE DISTRICT.
- MAJOR EXPENSES INCLUDE SALARIES, BENEFITS INCLUDING INSURANCE AND MIDDLESEX RETIREMENT.
- INCREASES IN CONTRACTED SERVICES
- CHANGES IN OUT OF DISTRICT TUITIONS
- INCREASES IN TRANSPORTATION
- MAINTENANCE OF BUILDINGS AND UTILITY COSTS

ASSESSMENT

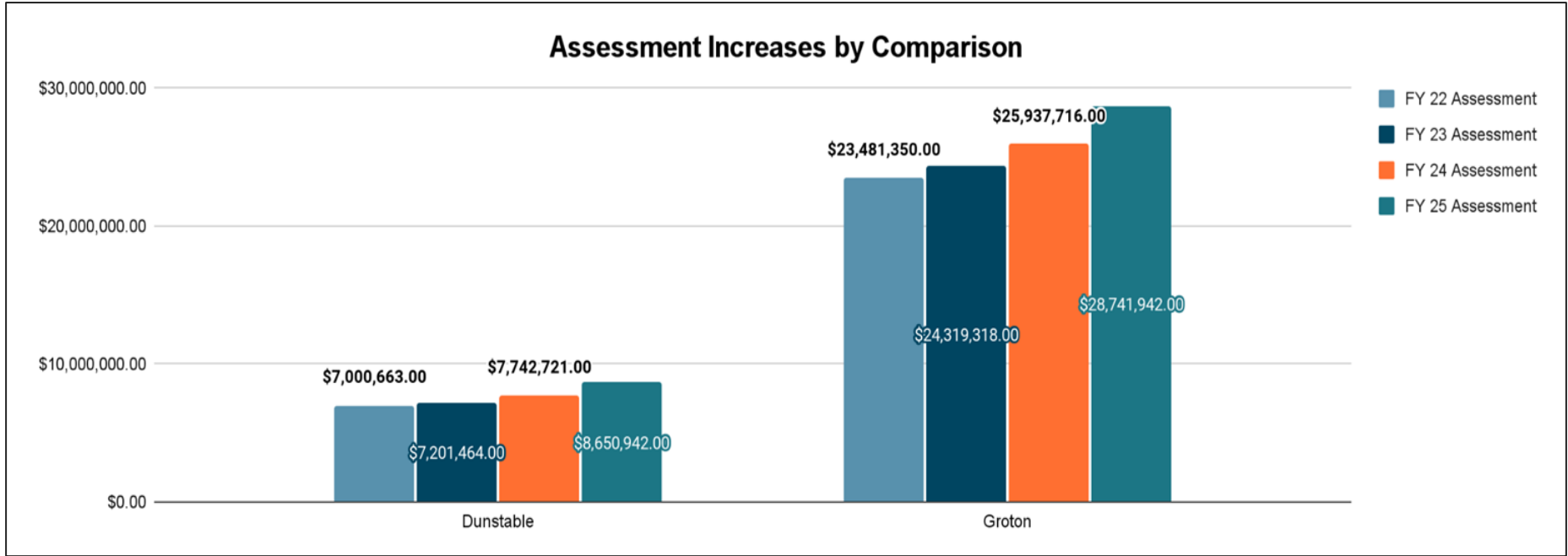
- AFTER ALL FEDERAL, STATE AND SCHOOL DISTRICT REVENUES ARE ESTIMATED, THE REMAINING AMOUNT NEEDED TO BALANCE THE PROPOSED BUDGET ARE ASSESSMENTS TO BOTH TOWNS.
- THE MINIMUM REQUIRED CONTRIBUTION MUST BE ASSESSED FIRST TO BOTH TOWNS
- THE REMAINDER IS ASSESSED BASED ON A 5 YEAR ROLLING AVERAGE OF STUDENT POPULATION FROM BOTH TOWNS.

Enrollment - 5 year rolling average FY 24 to FY 25

Regional Agreement dictates a 5 year rolling average of certified October 1st enrollment.

FY24	Dunstable	22.74%
	Groton	77.26%
FY25	Dunstable	22.82%
	Groton	77.18%

FY25 Estimated Assessment Comparisons



Town	FY 22-23 Assessment % Increase	FY 23-24 Assessment % Increase	FY 24-25 Assessment % Increase
Dunstable	2.87%	7.52%	11.73%
Groton	3.57%	6.65%	10.81%

This is not a one year problem

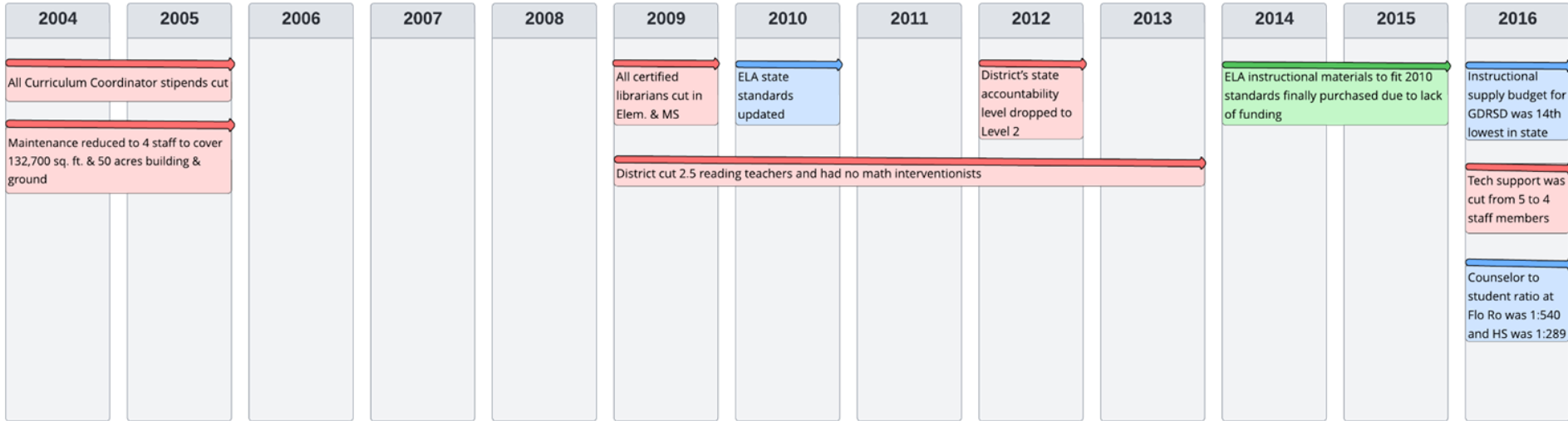
- The towns have estimated town revenues for the next 3 years.
- The school district has estimated town assessments for the next 3 years.
- The FY25-FY27 comparisons illustrate a deficit between the two estimates that occurs every year.
- School Leadership Team **is committed** to stay within our projections and that **any future unplanned increases need to be balanced with a corresponding reductions.**

What happens if override votes are not successful?

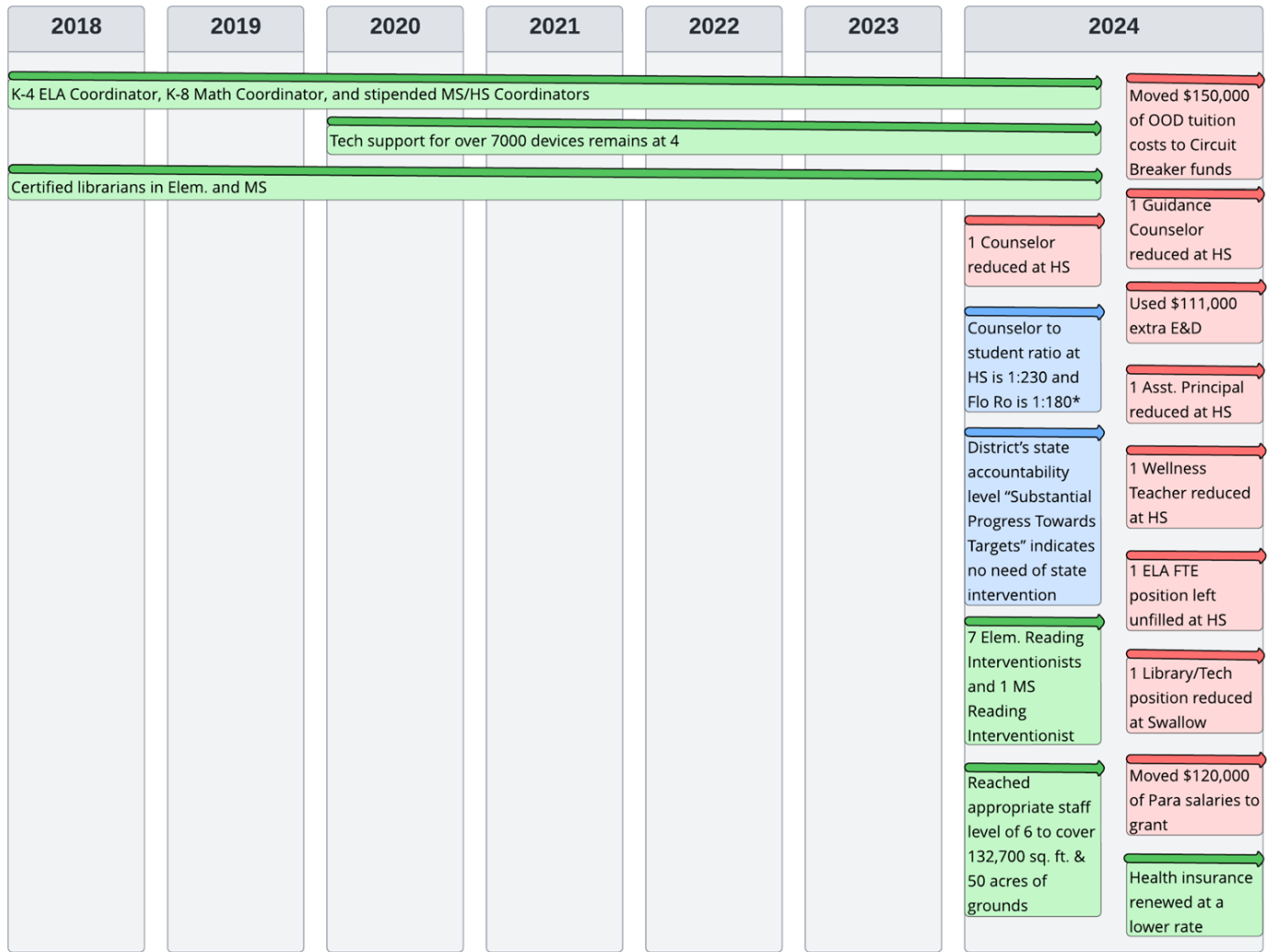
Introduction

- NONE of the options listed here are without **significant** impact to students, teachers, and remaining staff members.
- Focus for reductions varied by grade level
- High school focused on keeping academic class sizes below 30 and had to control impact of reduction of staffing from last fiscal year. Attempted to make reductions which would not result in class sizes above 30.
- Middle school attempted to spread impact across all areas of the school and attempted to make reductions spread across the board.
- Flo Ro and Swallow Union focused on keeping academic class sizes at current level and making reductions elsewhere.

Where we were....



Where we are



*Counselor added in anticipation of enrollment increase to 645 - then ratio would be 1:215

Where are we going?

- This presentation will outline the proposed reductions that will be necessary if the override for the operational budget does not pass.
- The following information should be reviewed with the understanding that the proposed FY 25 budget is level services. No new programs or services was recommended.

Reduction Targets

- Central Office and District Wide Resources \$1,142,000
- GDRHS \$699,980
- GDRMS \$722,560
- Flo Ro \$519,340
- Swallow Union \$316,120

Reduction Impacts

Reduction of 7 HS teachers =

- **High school class sizes of 30 - 31**
- **Reduction of electives**
- **Study halls will take place of some classes**
- **Reduced ability for competitive college applicants**

Reduction of 9 MS Teachers =

- **Middle school class sizes of 30 - 31**
- **Cuts in arts, music, PE, and integrated arts.**
- **Students in minimally supervised study halls**

Significant reduction in general education supports = impact student scores on MCAS, Dibels, and IXL assessments, and student achievement.

Significant reduction in behavioral and social/emotional support combined with large class sizes = negatively impact learning in classrooms PK - 12.

Reduction Impacts

INCREASE IN....

DECREASE IN

\$700 ATHLETIC FEES 

**STUDENTS ABLE TO PARTICIPATE
IN SPORTS**

\$400 ACTIVITY FEES 

**STUDENTS IN CHAMBER
CHOIR/ROBOTICS**

\$400 ACTIVITY FEES 

**LESS EXTRA-CURRICULARS THAT
HELP STUDENTS DEVELOP
COMPETITIVE APPLICATIONS**

Reduction Impacts

- **Decrease in special education team chair = reduction of family/school communication**
- **Decrease of related service providers = services being provided to students with IEPs in larger groups**
- **Decrease of related service providers and special education teachers = less groups for IEP services thus impacting scheduling options**
- **Decrease in special educators, related service providers, and counselors and nurses = less effective communication and collaboration supporting students**
- **Delay in increasing ELL staffing = non-compliance with the addition of more than 1 or 2 ELL students**

Reduction Impacts

- **Decrease in technology support will = increase in mean time to repair of technology issues**
- **Decrease in maintenance support = increase in mean time to repair of building issues**
- **Decrease in administrative assistant support in Central Office =**
 - **slower processing of medicare claims,**
 - **new student registration,**
 - **ordering of district supplies,**
 - **resolution of health insurance issues,**
 - **on-boarding of new staff, distribution of reports to DESE, parents, and teachers,**
 - **reduction in ability to process grant applications**

What will be the projected impact to FY 26 and FY 27?

- The deficit in FY 26 will be \$1.8 million and in FY 27 will be \$1.4 million
- Using the proportional method of allocating reductions the estimates would be:
 - Central office/district resources FY 26 \$600K FY27 \$420K
 - GDRHS FY26 \$558K FY27 \$434,000
 - GDRMS FY26 \$576K FY27 \$448,000
 - Flo Ro FY26 \$414K FY27 \$322,000
 - Swallow/Preschool FY26 \$252K FY27 \$196,000

Important Upcoming Dates

February 27
Districts)

First Budget Forum (Both Towns and School

March 6
District)

Second Budget Forum (Both Towns and School

March 26

Spring Town Meeting for Budgets

April 2

Potential ballot vote in both towns

TOWN OF DUNSTABLE

FY25 OPERATING BUDGET

BUDGET FORUM

FEBRUARY 27, 2024

MARCH 6, 2024





BACKGROUND

IMPACTS OF FY24 REDUCTIONS



\$84,874 REDUCED FROM THE POLICE DEPARTMENT BUDGET

- Lost overnight police officer position
- Current staffing is one police officer on overnight shift, Monday through Friday



\$52,824 REDUCED FROM THE FIRE DEPARTMENT BUDGET

- Funding in budget reduced to only support coverage of one per-diem firefighter during day shift (generous donor funded position for FY24)



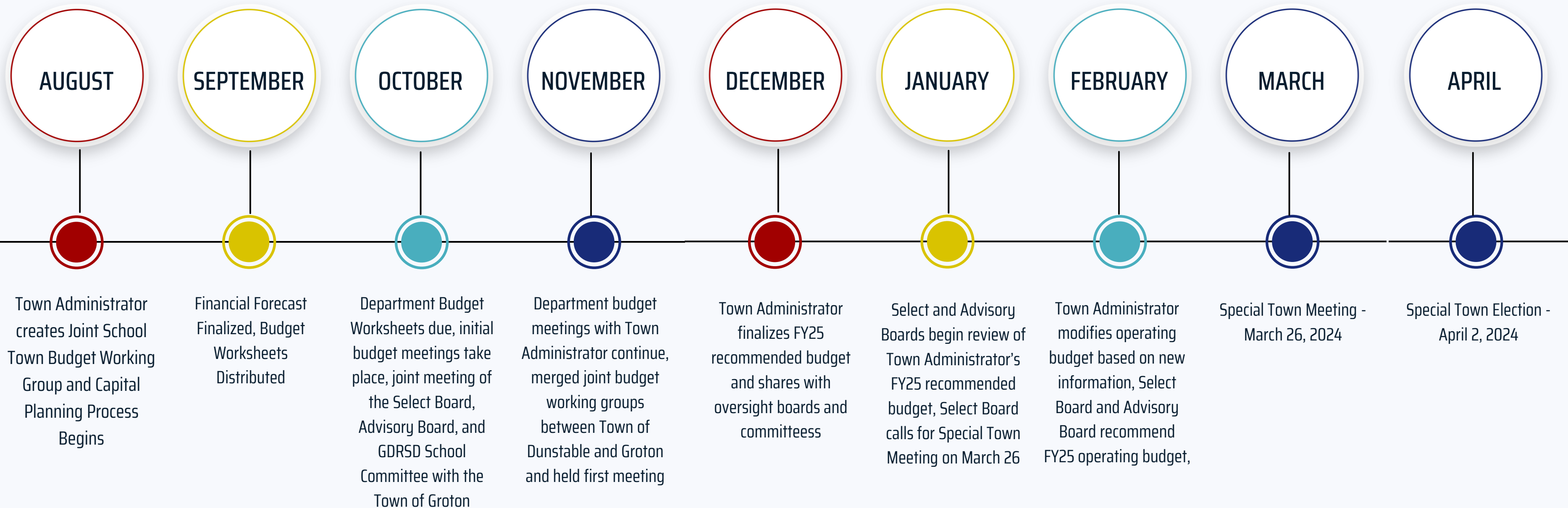
HIGHWAY, PARKS, SELECTMEN, TREASURER/COLLECTOR REDUCED

- Total of \$88,464 was reduced from the requested budgets of the Highway, Parks, Selectmen, Treasurer/Collector budgets



FY25 BUDGET PROCESS

FY25 BUDGET PROCESS



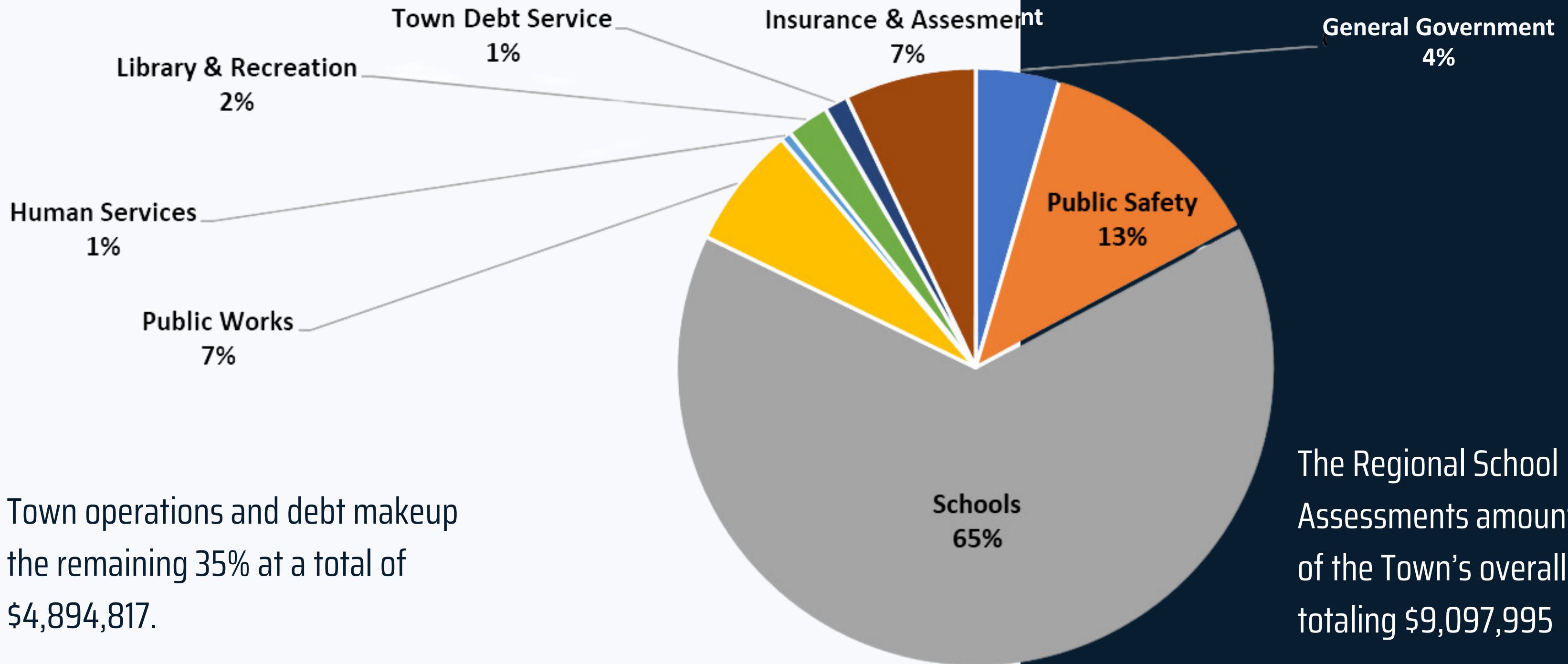
Meetings of the Dunstable Select Board and Advisory Board to review FY25 budget take place throughout this timeframe beginning in August



FY25 BUDGET REVIEW

EXPENDITURES

BUDGET BY CATEGORY

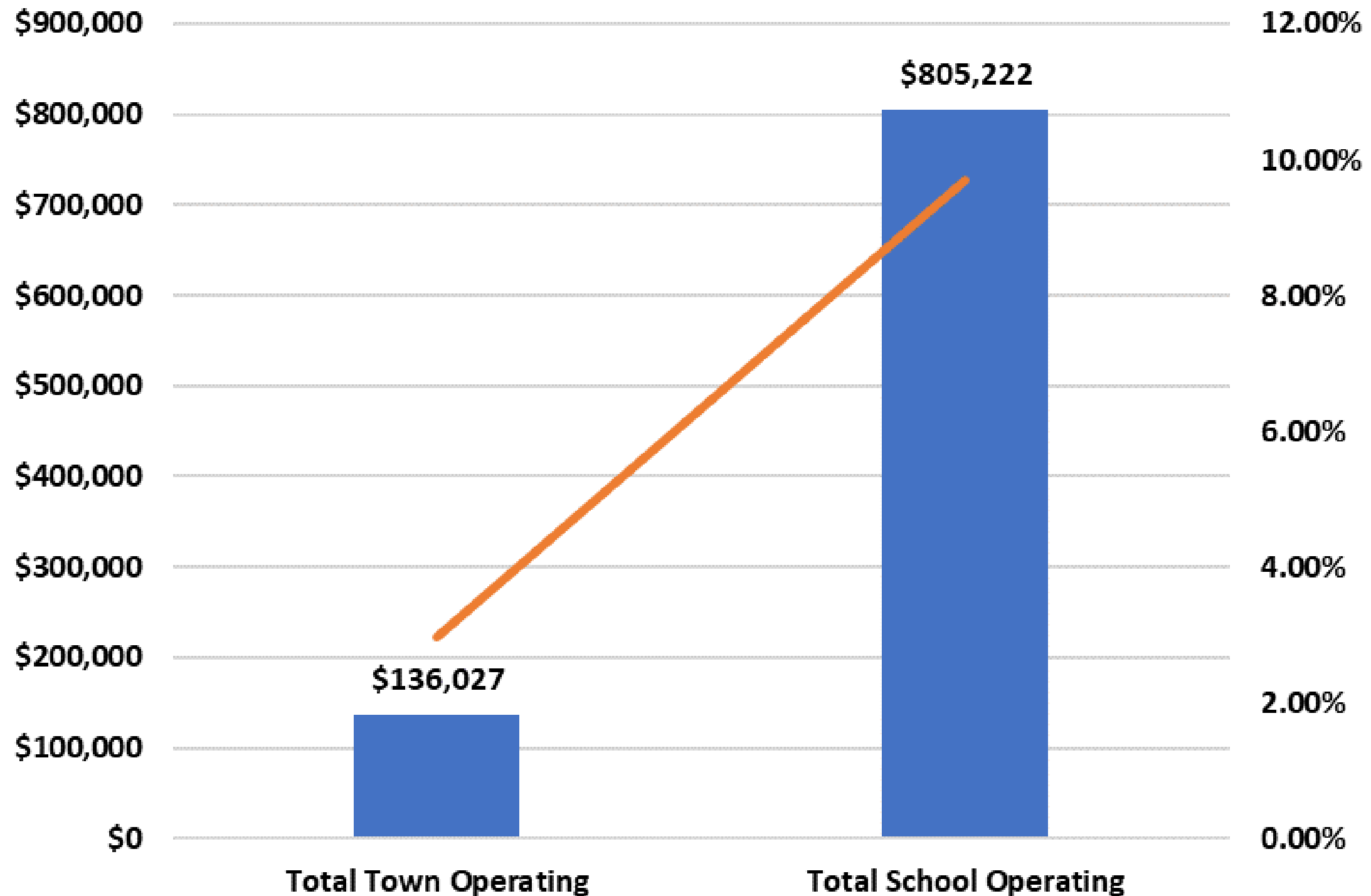


Town operations and debt makeup the remaining 35% at a total of \$4,894,817.

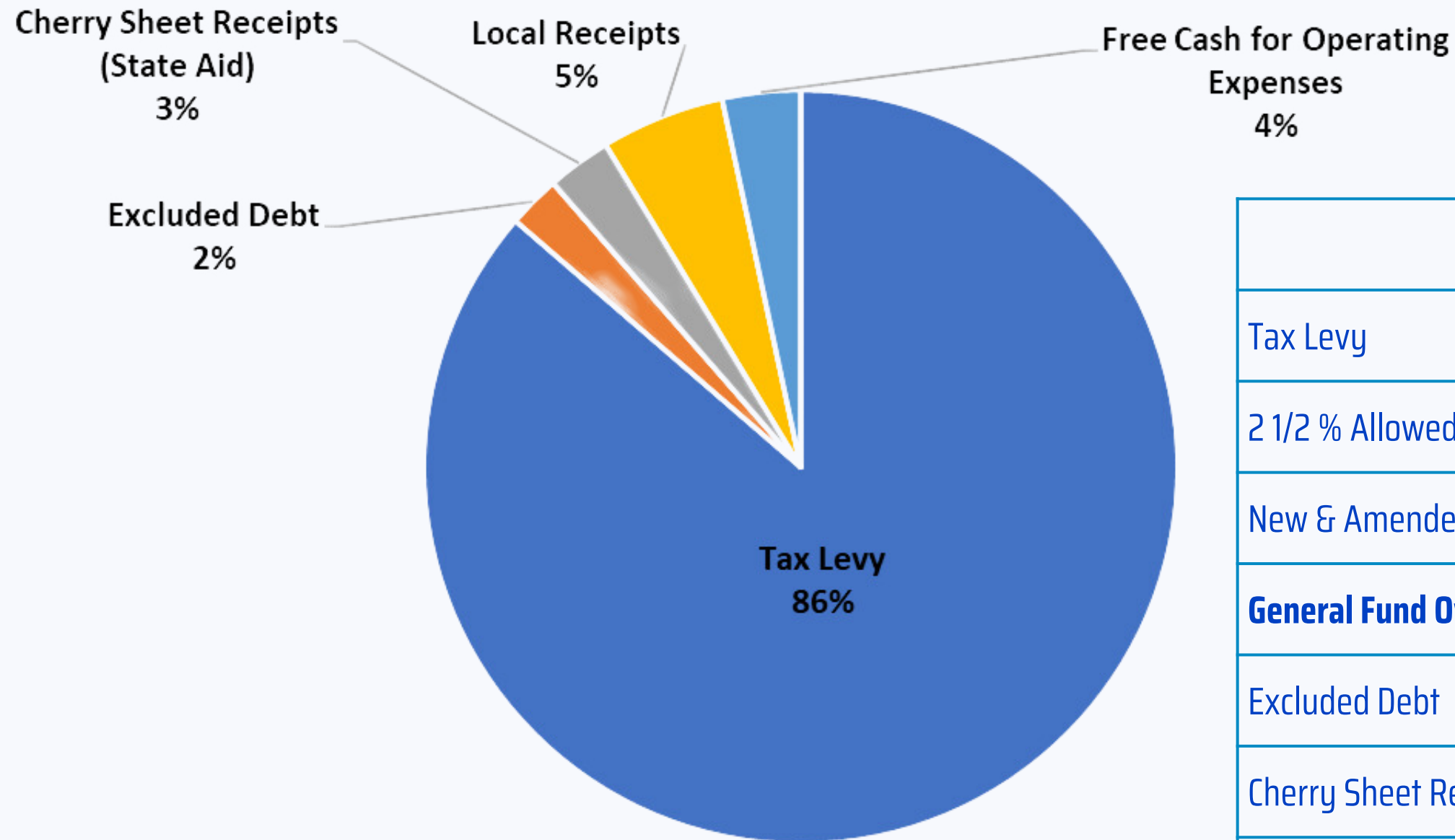
The Regional School Districts' Assessments amount to 65% of the Town's overall budget totaling \$9,097,995

TOWN AND SCHOOL BUDGET INCREASES SUMMARY

- The Municipal Operations FY25 budget increases by 2.97% or \$136,027:
 - Municipal Salaries - increase by \$127,509 or 5%
 - Municipal Operations - decrease by \$28,247 or -2.06%
 - Insurance and Assessments - increase by \$36,764 or 3.85%
- For Municipal Operations and Debt the total increase is \$127,961 or 2.68%
 - Debt service - decrease by \$8,066 or 4.30%
- The Regional School Assessments in the FY25 budget increases by \$805,222 or 9.71%
 - Greater Lowell Technical High School is level funded
 - Groton Dunstable Regional School District increases by \$805,222
 - \$908,221 or 11.73% increase in school assessment
 - \$101,547 or 53.93% decrease in capital
 - 10% increase overall



REVENUE



	FY24	FY25	\$ Change	% Change
Tax Levy	\$10,685,152	\$11,062,281	\$377,129	3.53%
2 1/2 % Allowed Increase	\$267,129	\$276,557	\$9,428	3.53%
New & Amended Growth	\$110,000	\$110,000	\$0	0.00%
General Fund Override	\$0	\$763,266	\$763,266	
Excluded Debt	\$326,394	\$318,070	-\$8,324	-2.55%
Cherry Sheet Receipts (State Aid)	\$379,303	\$390,853	\$11,550	3.05%
Local Receipts	\$749,632	\$750,000	\$368	0.05%
Free Cash for Operating Expenses	\$574,343	\$474,343	-\$100,000	-17.41%
Total	\$13,091,953	\$14,145,370	\$1,053,417	8.05%

The Town's Operating Budget relies on 4 major revenue sources:

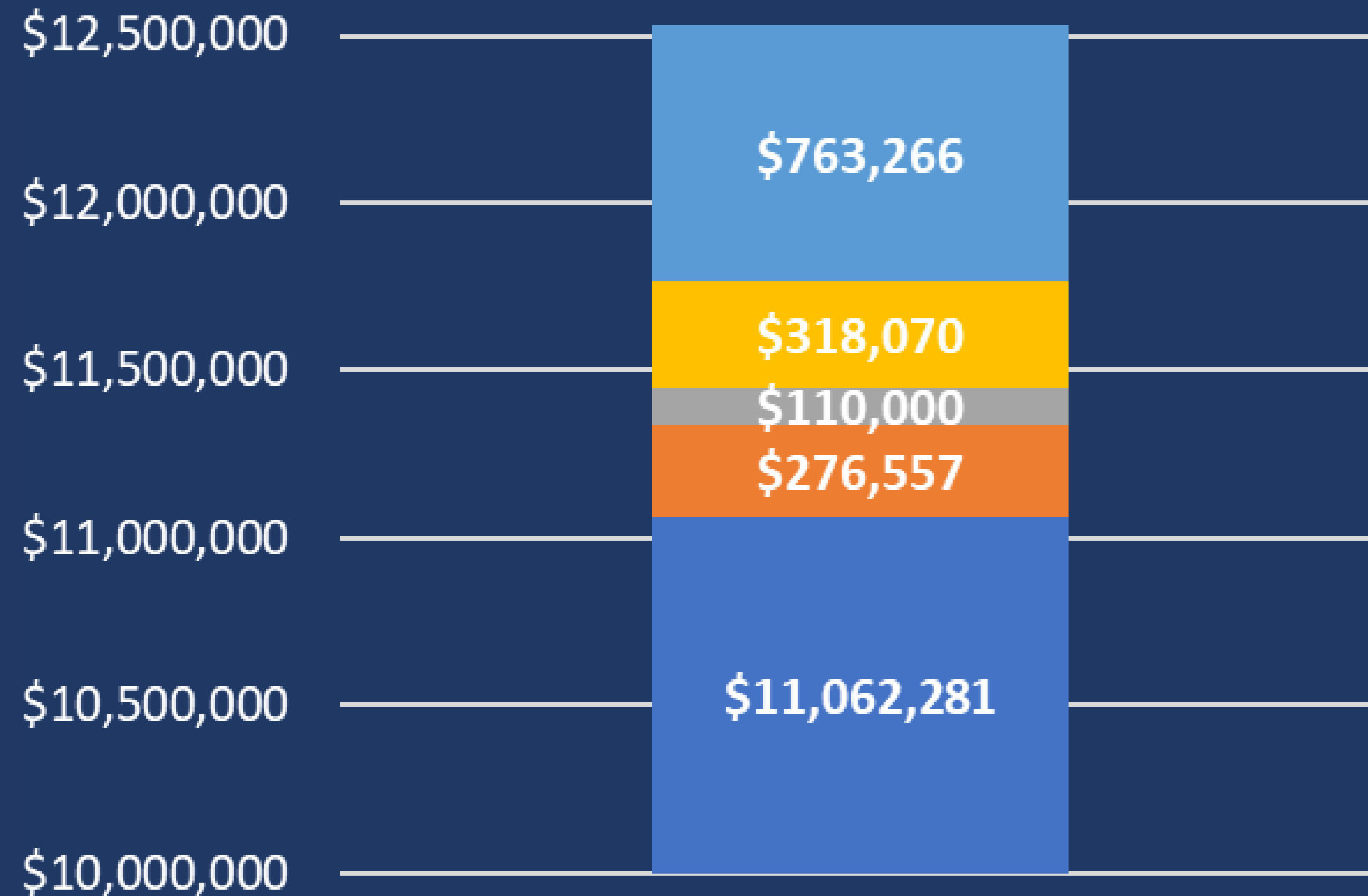
- Real Estate Taxes (tax levy plus excluded debt)
- Local Receipts
- Cherry Sheet Receipts (State Aid)
- Free Cash

REVENUE

	FY24	FY25	\$ Change	% Change
Tax Levy	\$10,685,152	\$11,062,281	\$377,129	3.53%
2 1/2 % Allowed Increase	\$267,129	\$276,557	\$9,428	3.53%
New & Amended Growth	\$110,000	\$110,000	\$0	0.00%
General Fund Override	\$0	\$763,266	\$763,266	
Excluded Debt	\$326,394	\$318,070	-\$8,324	-2.55%
Total	\$11,388,675	\$12,530,174	\$1,141,499	10.02%

- Proposition 2½ allows the annual growth of the tax levy to increase by 2 1/2%, plus new growth. Dunstable’s 2½ increase for FY25 is \$276,577.
- New growth is new development in the Town or improvements to properties that result in an increased assessed value. New growth revenue planned for FY25 is \$110,000.
- The tax levy includes excluded debt for projects approved by the voters of Dunstable. These projects include the water tower, fire rescue truck, and front end loader for the Town and school projects, as well. The total excluded debt payments for FY25 is anticipated to be \$318,070. The Town increases the tax levy based on the debt payments of these projects annually .
- Under Proposition 2½, communities are allowed to increase taxes beyond the levy limit with voter approval. The FY25 operating budget recommended by the Town is reliant on a \$763,266 general fund override to balance. In other words, it relies on an increase of \$763,266 over and above the limits of Proposition 2½.

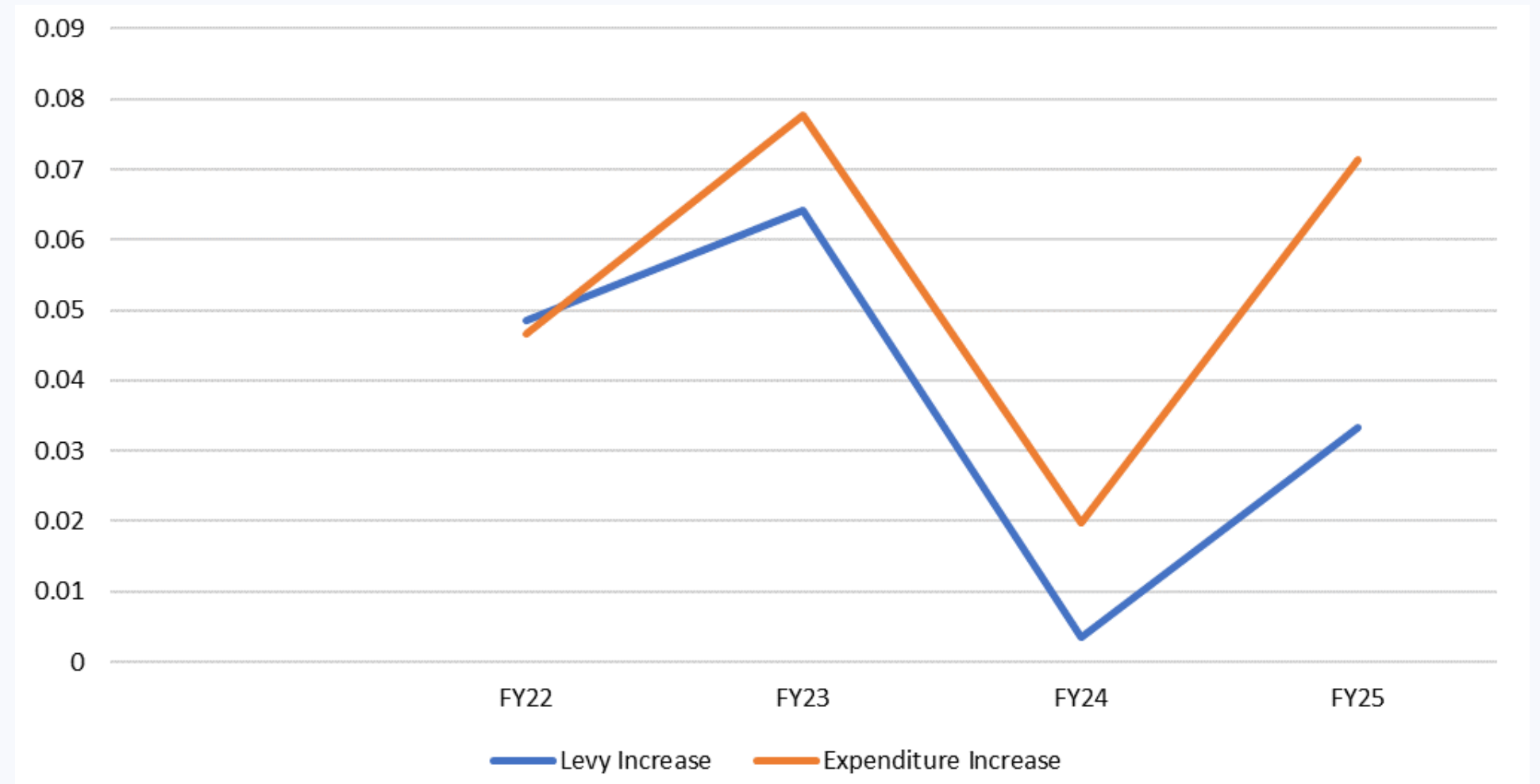
TAX LEVY



- Tax Levy
- 2 1/2 % Allowed Increase
- New & Amended Growth
- Excluded Debt
- General Fund Override

TAX LEVY VERSUS BUDGET EXPENDITURES

- Starting in FY23, the Town's budget expenditure increases have outpaced the Town's tax levy increase.
- In FY24, the levy only increased by .35%
 - Excluded debt was reduced
 - School Capital Exclusion in FY23 was only for one year - \$188,974
 - Total levy increase was only \$39,296
- In FY25, budget expenditure increases are over twice as high as the projected levy increase



	Levy Increase	Expenditure Increase
FY22	4.85%	4.66%
FY23	6.41%	8%
FY24	0.35%	1.99%
FY25	3.32%	7.15%

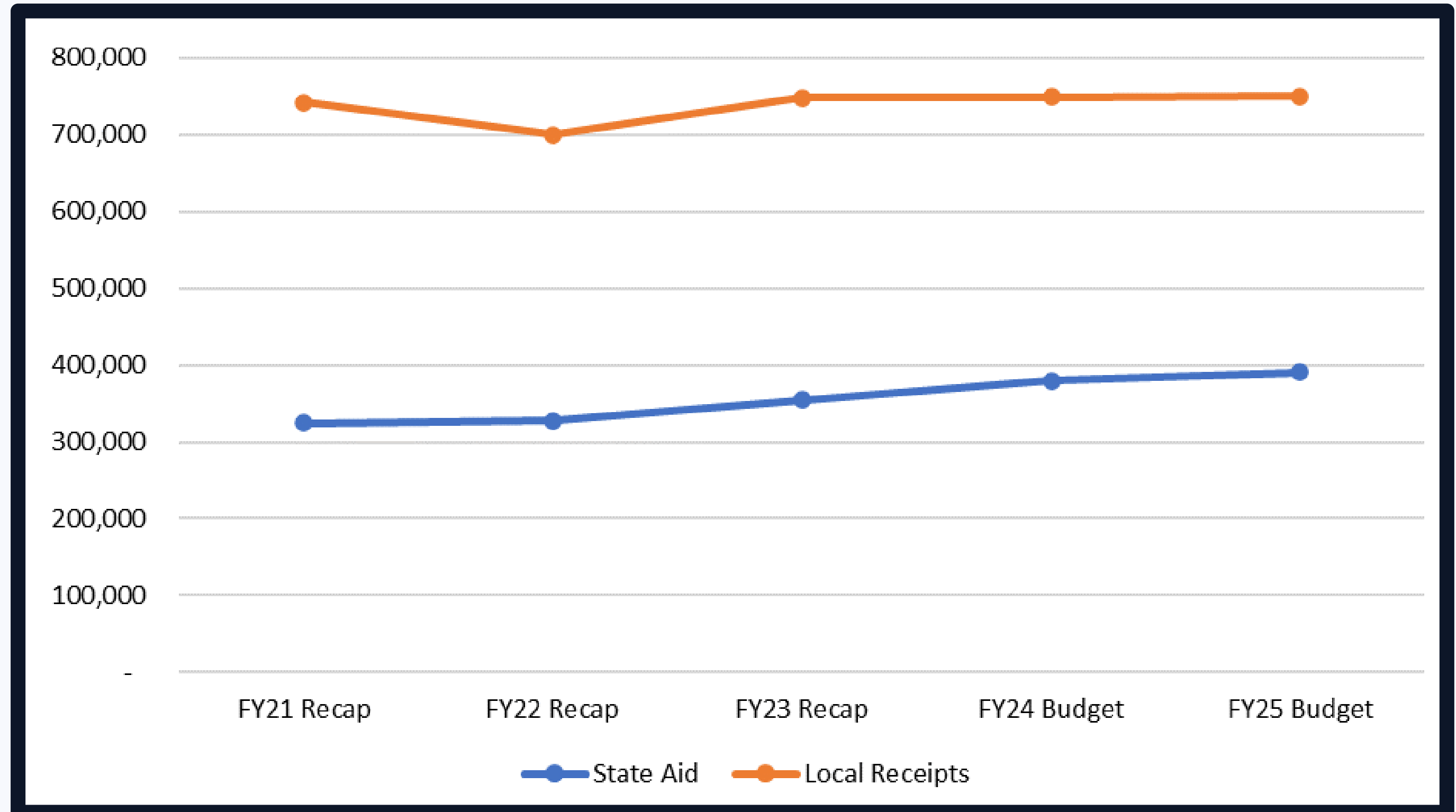
REVENUE

STATE AID AND LOCAL RECEIPTS

Over the last 5 years, including the budget plan for FY25, the Town has experienced a 4.1% average annual increase in State Aid

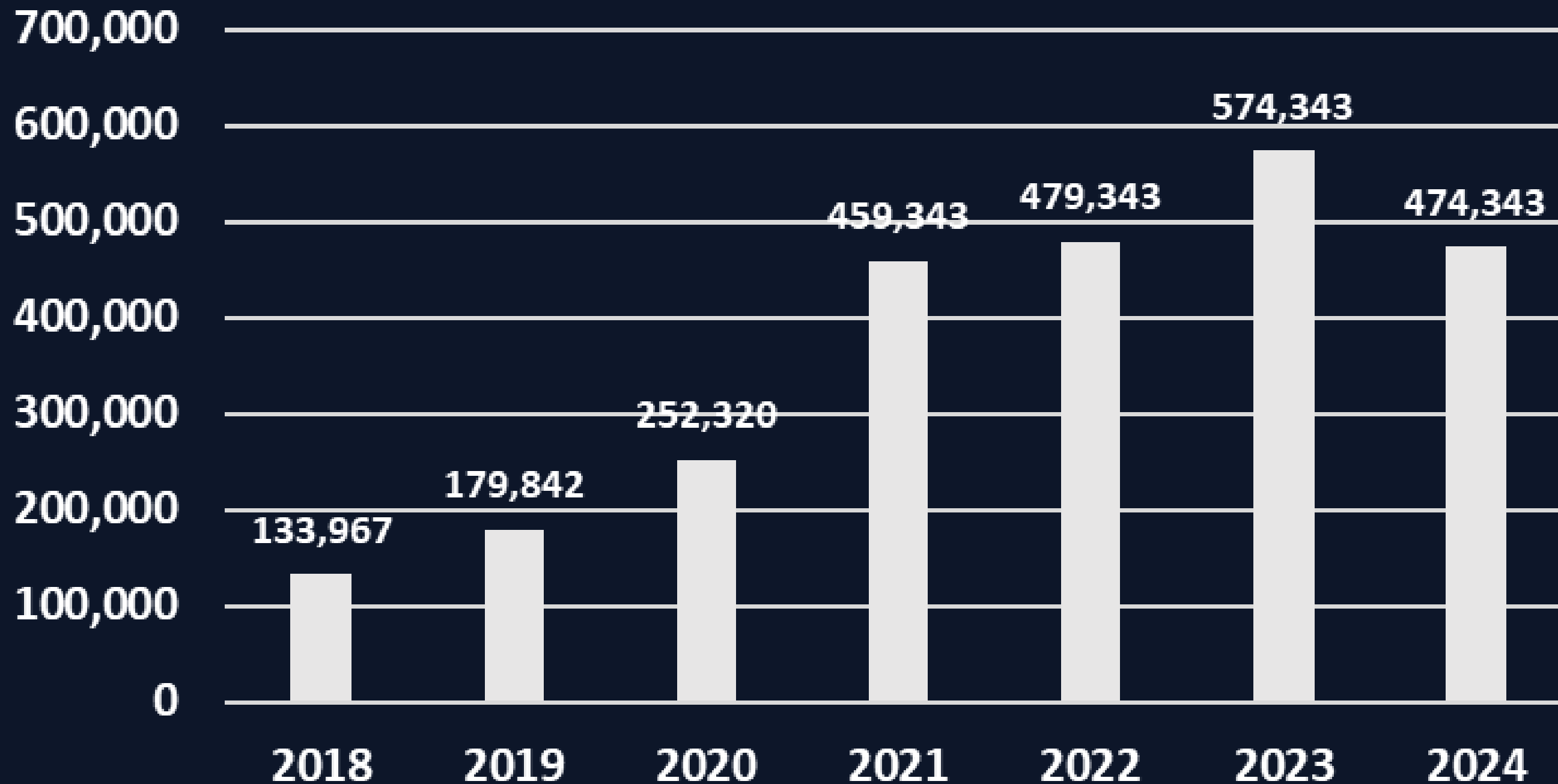
Local receipts, over this same period of time, has remained flat at \$750,000

All total, for all Town revenues other than real estate property taxes, the Town has experienced a 1.4% average annual increase.



REVENUE

FREE CASH FOR OPERATING EXPENSES

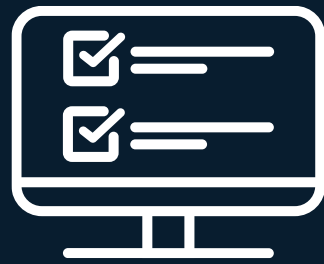


- A total of \$474,343 of the Town's free cash is being used to balance the FY25 budget.
- Over the last 5 years, the Town's reliance on free cash as a revenue stream to balance the budget has increased significantly.
- Because each year's free cash certification is not guaranteed, using it for reoccurring expenses can be unsustainable and demonstrates a structural budgetary problem.
- Because the Department of Revenue recommends free cash only be used for one-time expenses, in the FY25 budget, the Town has reduced its reliance on free cash by \$100,000 and plans to continue this practice in FY26 and FY27.



EXPLANATION OF MAJOR BUDGET CHANGES

REGIONALIZATION OF SERVICES



ONLINE RESIDENT SURVEY

- The majority of residents supported the idea of regionalizing services to help balance the budget



SELECT BOARD GOALS AND OBJECTIVES

- Seek out opportunities for interdepartmental and regional collaborations, cross-training, and back-up staffing options.
- Identify and consider sources of additional revenue generation and cost efficiencies.
- Deliver services in a cost effective, efficient manner with the goal of also enhancing services to residents



TREASURER/COLLECTOR

- Reduction in the Treasurer/Collector budget from \$91,940 to \$59,589, for a total reduction of \$32,351 or 35%

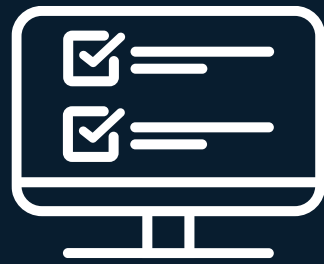
TOWN CLERK

- Reduction in the Town Clerk budget from \$53,414 to \$38,604, for a total reduction of \$14,810 or 28%

DISPATCH

- Reduction in the Police Department communications budget from \$124,300 to \$41,765, for a total reduction of \$82,535 or 66%

RESTORING FY24 BUDGET REDUCTIONS



ONLINE RESIDENT SURVEY

- Residents ranked Police and Fire Emergency Services, number 1 and 2 most important town services, respectively.

Rank Options

- | Rank | Options |
|------|--|
| 1 | Police services and emergency response |
| 2 | Fire protection and emergency response |

First choice  Last choice



RATIONALE

- Ensure residents receive adequate response in the case of an emergency
 - Currently, only 1 police officer covering overnight shift
 - The FY24 budget only includes funding for 1 per diem firefighter position during the day shifts
- Ensure emergency responders are supported and safe when responding



POLICE

- Restoring overnight police officer position results in an increase of \$81,397 in the Police Department's budget.



FIRE

- Restoring the second per diem firefighter position during the day shift results in an increase of \$48,830 in the Fire Department's budget.

EMPLOYEE BENEFITS AND INSURANCE



PENSION

- Pension costs increase from \$365,094 to \$386,855 (6%) to the Middlesex Retirement System



HEALTH INSURANCE

- Health Insurance costs increase from \$386,428 to \$405,749 (5%)



PROPERTY, CASUALTY AND GENERAL LIABILITY INSURANCE

- Property, Casualty, General Liability Insurance costs increase from \$147,644 to \$162,408 (10%)

OTHER BUDGET VARIANCES

BOARD OF HEALTH

- Nashoba Associated Boards of Health increases from \$11,262.73 to \$12,049 (7%)

BOARD OF HEALTH

- Nurse Assessment increases \$5,162 to \$5,471 (6%)

FIRE

- Fire Expenses increase from \$87,950 to \$92,450 (5%) related to energy, water, vehicle and EMS supplies

TECHNOLOGY

- Technology budget increases from \$30,250 to \$37,546 (24%) caused by a new IT Management Contract

ALLOCATION OF SALARY IN WATER, ASSESSOR, AND ACCOUNTING

- Reduction in Assessors budget from \$18,519 to \$12,628 (from 14.5 hours to 9.5 hours per week)
- Reduction in Water budget from \$17,802 to \$12,147 (from 14.5 hours to 9.5 hours per week)
- Increase in Accounting budget from \$12,289 to \$28,311 (from 8 hours to 18 hours per week)

TOWN ADMINISTRATOR

- Town Administrator's Training budget increases by \$3,000 in accordance with contractual obligations

LIBRARY

- \$10,000 increase in library expenses to cover the costs of energy, water, maintenance, and the transition to a new Library Director. Overall budget increase is 2% consistent with prior years.

COUNCIL ON AGING

- Council on Aging budget decreases by \$1,000 due to reduction in food service and transportation



FY26 AND FY27 FORECAST

FY26 AND FY27 FORECAST ASSUMPTIONS

EXPENSES

- Salaries: 2% increases year over year
- General expenses: 1% increases year over year
- Contract services: 3% increases year over year
- Energy: 3% increases year over year
- Utilities: 3% increases year over year
- Repairs and maintenance of buildings, vehicles and equipment: 3% increases year over year
- Dues and memberships: 2% increases year over year
- Nashoba Associated Boards of Health: 7% increases year over year
- Nurse Assessment: 6% increases year over year

For the Groton Dunstable Regional School District, the spending projections in FY26 and FY27 are based on budget assessment growth numbers provided to the Town by the District.

For FY26, the School District projects their budget assessment to the Town of Dunstable will increase by 10% and, in FY27, it will increase by 8.15%. For capital expenses, FY26 and FY27 are funded at FY24 levels at \$188,281.

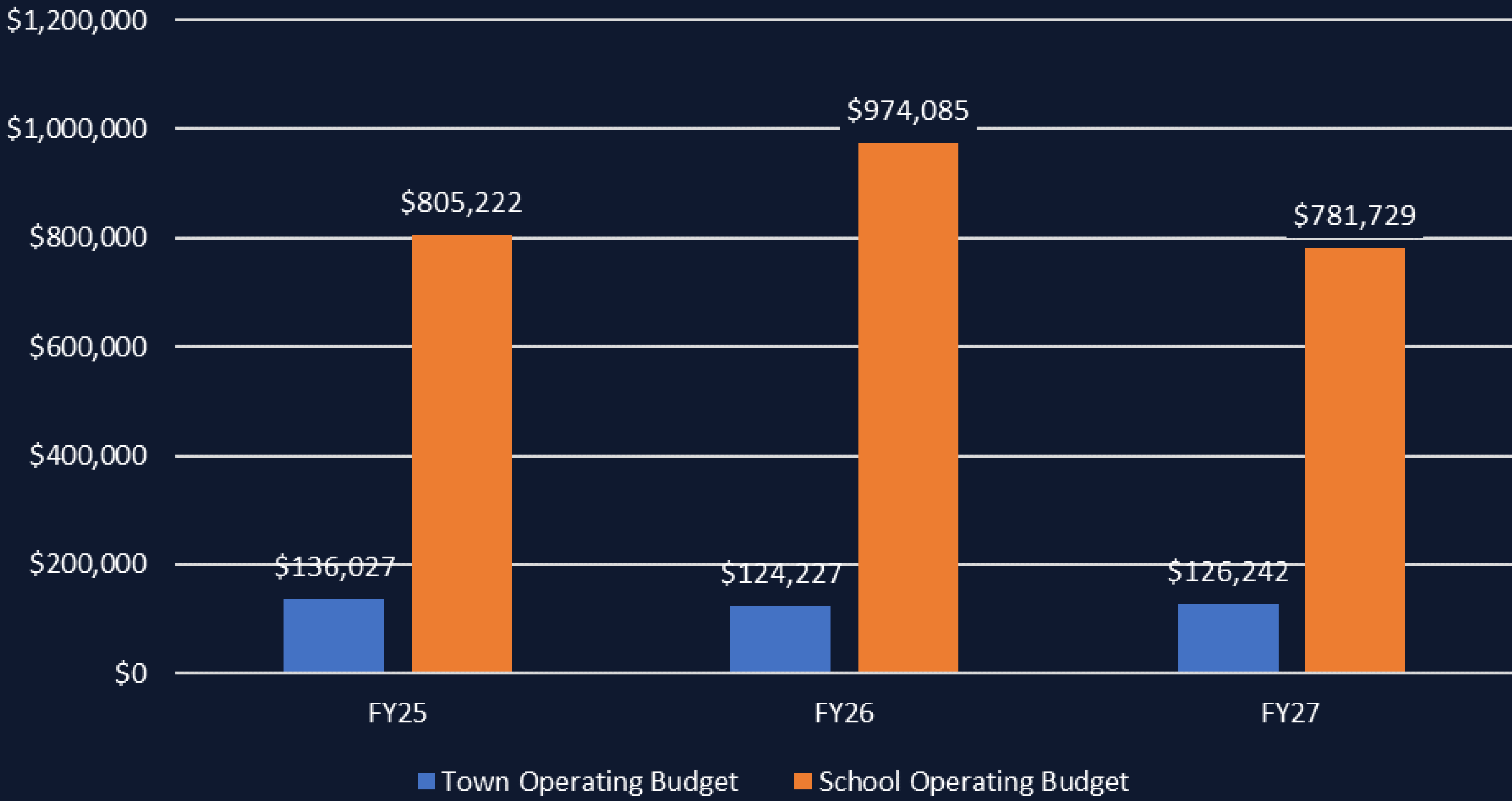
REVENUES

- The statutory 2.5% increase on the Town's tax levy and projected new growth of \$110,000.
- Local receipts remain at estimated FY24 levels.
- State aid increases by 2% year over year.
- Decrease in free cash from operating budget revenue by \$100,000 annually.
- Excluded taxes raised based on previously approved excluded debt payments.

Based on these assumptions, the general fund deficits in each of these years are in the amount of \$755,518 and \$555,567 respectively.

FINANCIAL FORECAST

TOWN AND SCHOOL BUDGET INCREASES FY25-FY27



	FY25	FY26	FY27
Town	2.97%	2.63%	2.61%
School	9.71%	10.71%	7.76%
Total	7.15%	7.72%	6.02%

FINANCIAL FORECAST

OVERRIDE BY YEAR

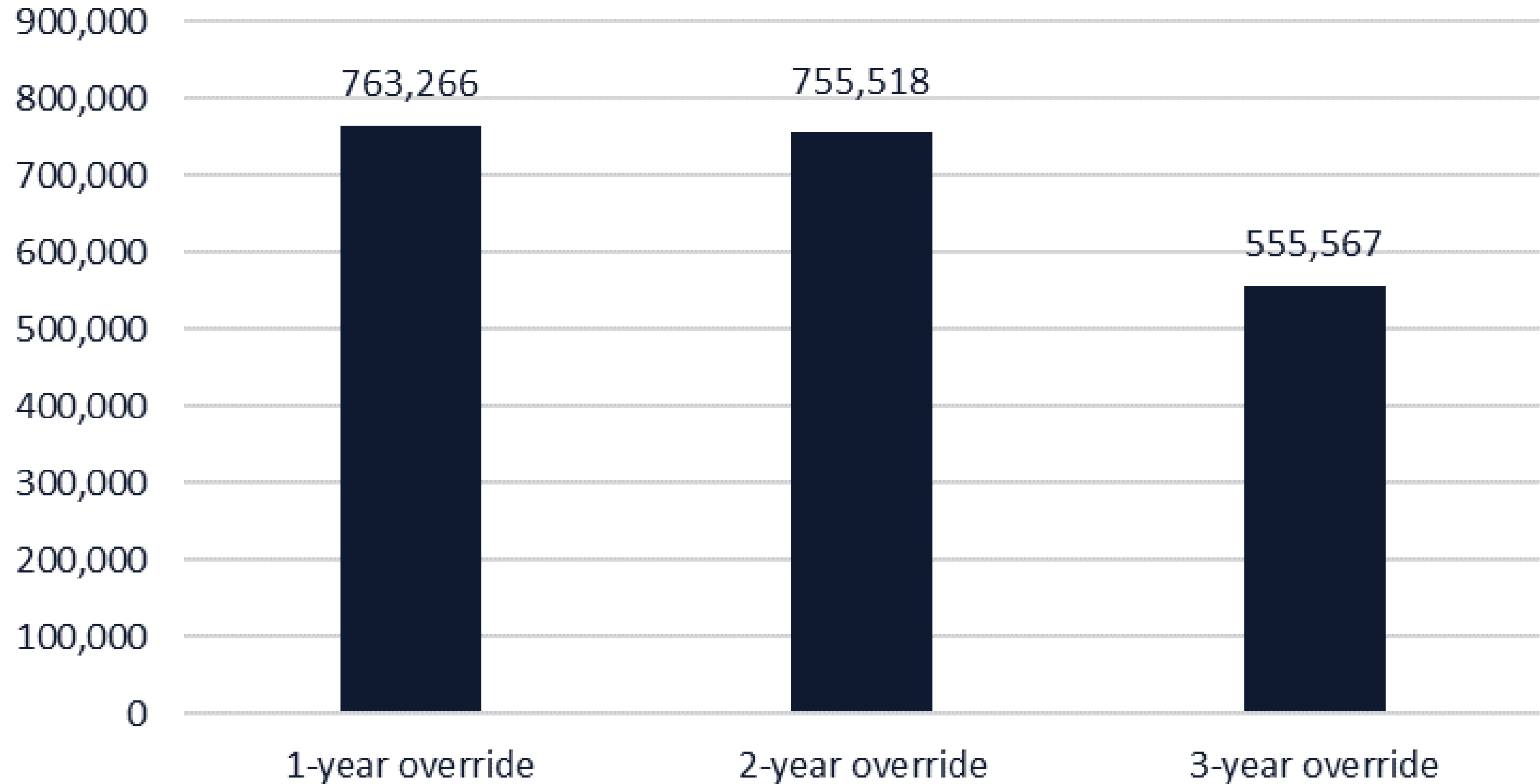
Based on the FY25 Town budget and FY26 and FY27 forecast, there is a need for a general fund override over the next 3 years in the following amounts:

FY25 - \$763,266

FY26 - \$755,518

FY27 - \$555,567

In total, over the next three years an override in the amount of **\$2,074,351** is needed.



MAGNITUDE OF FY25 DEFICIT

\$763,266

All of General Government Expenses (Accounting, Assessors, Treasurer/Collector, Town Administrator, Town Clerk)

\$633,755

All of Human Services, Library and Recreation Expenses (Library, Recreation, Parks, Veterans, COA, Board of Health)

\$397,370

\$365,896 less than deficit

Fire Department Budget

\$363,463

Highway Department Budget

\$577,326



OVERRIDE IMPACTS

ESTIMATED TAX INCREASES WITHOUT OVERRIDE

1

FY25

- The FY24 average single family tax bill with CPA is \$9,222.56. The average single family tax bill for FY25 is estimated to be \$9,612.34 without an override. An increase of \$389.78.

2

FY26

- In FY26, the average single family tax bill is estimated to be \$9,942.66 without an override. An increase of \$330.32 from FY25.

3

FY27

- In FY27, the average single family tax bill for FY27 is estimated to be \$10,272.98 without an override. An increase of \$330.32 increase from FY26.



TOTAL INCREASE:

- **Over the three years, the total increase to the average single family tax bill is estimated to be \$1,050.42**

OVERRIDE IMPACTS

BASED ON FY24 AVERAGE ASSESSMENT AND TAX RATE

1

FY25 OVERRIDE REQUEST: \$763,266

- The FY24 average single family tax bill with CPA is \$9,222.56. With an additional \$763,266, in FY25, it will increase to \$9,843.57, an increase of \$621.01

2

FY26 OVERRIDE REQUEST: \$755,518

- In FY26, with an additional \$755,518 the average single family tax bill with CPA will increase to \$10,464.57, an increase of \$621

3

FY27 OVERRIDE REQUEST: \$555,567

- In FY27, with an additional \$555,567, the average single family tax bill with CPA will increase to \$10,920.41, an increase of \$455.84



TOTAL OVERRIDE REQUEST: \$2,074,351

- Over the three years, the total increase to the average single family tax bill will be \$1,697.85.

ESTIMATED TOTAL TAX INCREASES

1

FY25 AVERAGE SINGLE FAMILY TAX INCREASE: \$1,010.79

2

FY26 AVERAGE SINGLE FAMILY TAX INCREASE: \$951.32

3

FY27 AVERAGE SINGLE FAMILY TAX INCREASE: \$786.16



TOTAL 3-YEAR AVERAGE SINGLE FAMILY TAX INCREASE: 2,748.27

IMPACTS TO FY25 BUDGET WITHOUT OVERRIDE

Proportionally assign
bottom line deficit
(65% schools; 35%
town)

Proportionally assign
new available revenue
(65% schools; 35%
town)

Town or school cover
entire deficit

IMPACTS TO FY25 BUDGET WITHOUT OVERRIDE

Proportionally assign bottom line deficit (65% schools; 35% town)

The overall, bottom-line budget deficit for FY25 is \$763,266.

If you allocate the deficit 65% to the School District and 35% to the Town, the deficits are as follows:

- **School District's deficit is \$496,123**
- **Town's deficit is \$267,143**

Town or school cover entire deficit

The Town or School budget absorbing the entire budget deficit of **\$763,266**.

Proportionally assign new available revenue (65% schools; 35% town)

FY25 new revenues = revenues generated by the 2.5% tax increase plus new growth + state aid and local receipts increases = **\$398,475**.

Total available new revenue = \$398,375 - reduction of free cash appropriation by \$100,000 - added back capital expenditures in the amount of \$119,344 = **\$179,131**.

The allocation of new available revenue, 65% to the School District and 35% to the Town, would result in the School District receiving \$116,435 and the Town receiving \$62,696.

The School District's FY25 budget assessment increase is \$805,222, thus the deficit associated with the School District after offsetting the increase with the Town's new available revenue is **\$688,787**.

The Town's operating budget increase is \$136,027, the deficit is **\$73,331** when including 35% of new available revenue.

Range of deficit amount for School and Town

In sum, the potential deficits of the School District and Town are as follows:

- **School District**
 - **\$763,266 (entire deficit)**
 - **\$688,787 (65% of new available revenue)**
 - **\$496,123 (65% of bottom line deficit)**
- **Town**
 - **\$763,266 (entire deficit)**
 - **\$267,143 (35% of bottom line deficit)**
 - **\$73,331 (35% of new available revenue)**

depending on how the overall deficit is assigned.



FUTURE PLANNING

FUTURE PLANNING



ONLINE RESIDENT SURVEY

- The majority of residents supported the idea of new businesses and economic development to help balance the budget
- Out of the options provided, it ranked first

Rank Options

First choice ■ ■ ■ ■ ■ Last choice

1 Attract new businesses and developme...



SELECT BOARD GOALS AND OBJECTIVES

- Identify and consider sources of additional revenue generation and cost efficiencies.



SELECT BOARD ACTIONS

- Creation of the Economic Development Committee, Land Use Committee, and Master Plan Implementation Committee
 - Focus on identifying potential economic development opportunities, evaluate use of town-owned land and future options, and implement recommendations of Town's Master Plan



THANK YOU