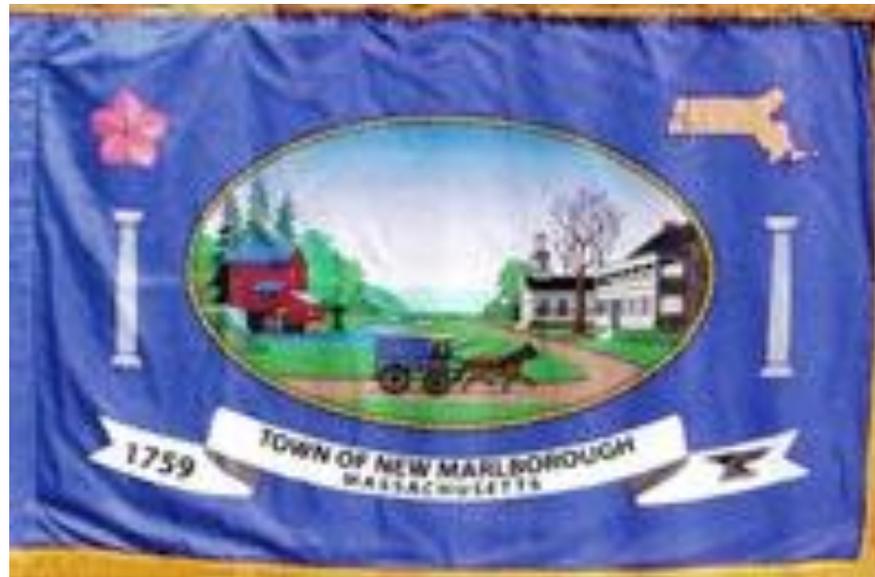


Proposed Operating and Capital Budgets

Fiscal Year 2024

April, 2023



FY 2024 Budget

- Total Budget of \$6,477,800 including School, increases 4.4% y/y
 - Employee related net increase = \$ 94,920 including \$48,725 for the Police.
 - Non-employee related net increase = \$ 132,010 including \$33,765 for transfer station expenses
 - School increase = \$104,425
 - Debt Service increase = \$ 46,362
 - Capital/One Time expenditures decrease = \$105,500
- Budget increases will require the utilization of Excess Capacity at an amount to be determined.
- Free Cash expenditures = \$366,000
- Stabilization Fund expenditures = \$265,000
- There are significant projected capital expenses in the next 5 years including the Town Hall.

Proposed Budget Breakdown Town vs. School district

	\$	% vs. FY 2023
TOTAL BUDGET	\$ 6,477,800	+ 4.4 %
Town Operating	\$ 3,506,175	+ 7.2 %
Stabilization/Capital	\$ 150,000	- 30.5 %
School Assessment	\$ 2,821,625	+ 3.8%

Shift in use of current tax levy from Capital to Operating budget for second year in a row.

Proposed Budget Comparison to Prior Year

Town Operating Budget

Increases in line items	\$ 339,579
Decreases in line items	\$ <u>(66,287)</u>
<i>Net Town Operating Budget Increase/Decrease</i>	\$ 273,292

School Budget Increase \$ 104,425

Net Total Budget Increase/Decrease \$ 377,717

(\$105,500 of net increase will be offset by reduction in Capital previously funded in tax rate)

Expense Highlights: Employee-Related

- No new positions
- Police Department Salaries net increase: **\$48,725**
 - Contract: Police Chief net increase 4.5% : \$3,782 (additional \$6,500 is shift from Animal Control Officer compensation to Police Chief salary)
 - Police Officers: 5% wage increase: \$4,935
 - Additional Hours: \$32,326 (4 days on/2 days off rotation to reduce back to back shifts; will result in patrol officer on duty 1-2 dayshifts a week for additional patrol)
 - Benefit Time/Overtime: \$7,311
- Highway: Union (five employees) wage increase 3.0%: **\$8,102** (plus overtime)
- Highway Officer Manager reclassified to a higher grade/additional hour: **\$3,423**
- COLA of 3.5% for all other employees and contracts: **\$22,241**
- Additional 1.5% for eleven positions below the salary range **\$6,225**
- Increased stipends for a handful of positions: **\$916**
- Retirement Assessment increase: **\$14,199**
- Town and Labor Counsel increase: **\$3,490**
- Human Resource Position (six hours a week): increase of **\$9,211** (FY 23 budget was only \$5,000 as State grant covered most of year one)
- Health Insurance decreases

Expense Increase Highlights*: Non-employee Related

Transfer Station Expenses	\$ 33,765
Highway Fuel: Propane & Diesel	\$ 26,500
Roads and Bridges	\$ 13,000
Town Insurance (includes Workers' Comp)	\$ 11,109
Library Expenses	\$ 10,137
Highway Machinery Expenses	\$ 10,000
Fire Protection	\$ 6,000
Police Department Expenses	\$ 5,201
Police Department Rental	\$ 3,000
Tree Work	\$ 3,000
Assessors Contracts (GIS Mapping)	\$ 2,909
Veteran's District Assessment	\$ 2,047
Town Hall Expenses	<u>\$ 2,000</u>
*line item increases over \$2,000	\$128,668

Proposed Reserves

Stabilization (current)	\$ 700,181
Proposed Expenditures	\$ 265,000
Proposed Additions	\$ 150,000
Post ATM Balance	\$ 585,181

Free Cash (current)	\$840,937
Proposed Expenditures	\$365,000
Post ATM Balance	\$475,937

Stabilization	\$700,181
Certified Free Cash	\$840,937
Total Reserves	\$1,540,937
Reserve @ 10% of Town Revenues	\$694,499
Available for Use	\$846,437

FY 2024 Proposed Free Cash Expenditures

Certified Free Cash	\$ 840,937
23,000 GVW Plow/Dump Truck	\$ 223,000
Police Pickup/Cruiser	\$ 82,000
Town Hall Planning	\$ 25,000
Leaf Blower	\$ 18,000
Mack Truck Balance	\$ 8,000
GASBY/OPEB consulting/study	\$ 6,000
Assessor's GIS Mapping	<u>\$ 3,000</u>
Balance after expenditures	\$ 475,937

Proposed Stabilization Expenditures and Additions

Current Balance	\$ 700,181
Highway Loader	\$ 215,000
Ambulance Balance	\$ 50,000
Raise and Appropriate	<u>\$ 150,000</u>
New Balance	\$ 585,181

Debt Service Schedule

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Hatchery Road (2026)	48,564	42,592	41,728	40,864	
Fire Truck (2026)	63,800	61,600	59,400	57,200	
Grader (2029)	41,600	40,300	39,000	37,700	36,400
Capital Road Projects (2038)		55,834	55,834*	55,834*	55,834*
School Roof/Boiler* (2032)	50,542	61,562	60,000*	60,000*	60,000*
TOTAL	204,506	261,888	255,962	251,598	152,234

*estimated

Outlook for the Future

Capital Expenses:

- Roads/Culverts – 5 year road plan developed by Highway Planning Working Group, to be reviewed by outside highways consultants.
- Town Hall – current Town Hall is not accessible. Cost estimates are being gathered on options which include renovating the current building, repurposing another building, or building a new building
- Other Capital – Equipment purchases for highways, fire and emergency services
- Broadband – \$62,500 per year for 15 years, to be somewhat offset by solar PILOT payments (FY 24 is year two)

Road program will require authorization for substantial multi-year bond financing program. To be presented to the town for approval.

Supporting Documents

Estimated Tax Capacity for FY 2024

Prop 2 ½ Allowable Growth	\$143,290
Estimated New Growth	\$57,798
Last year nonrecurring	\$105,500
<u>Excess Capacity</u>	<u>\$437,058</u>
TOTAL	\$743,646
Total Raise in Taxes Increase	<u>\$365,462</u>
Estimated remaining Capacity	\$378,184

Town budget vs. School budget

School Side

50% of allowable increase	\$100,544
FY 24 School increase	\$104,425

Town Side

50% of allowable increase	\$ 100,544
FY 24 Town Operating increase	\$ 261,037

Ideally, increases should not exceed the allowable increase. To fund the operating budget, we shifted \$105,500 from last years nonrecurring expenses to the operating budget. The remainder will be raised in taxes using excess capacity.

Spending by budget category-- 2020-2024

category		FY 20	FY 21	FY 22	FY 23	FY 24
General Government		6.3%	6.4%	6.8%	6.7%	6.7%
Highway		17.1%	18.0%	17.3%	18.3%	18.1%
Schools		49.3%	50.7%	46.3%	43.8%	43.6%
Culture and Recreation		2.3%	2.1%	2.1%	2.2%	2.3%
Protection, Persons & Property		7.7%	8.3%	8.6%	10.5%	10.6%
Health & Human Services		2.2%	2.4%	2.6%	2.7%	3.2%
Debt/Stabilization/Capital		6.7%	3.2%	6.9%	5.6%	5.4%
Unclassified		9.0%	9.1%	9.4%	10.2%	10.1%
TOTAL BUDGET		\$5,821,380	\$5,863,597	\$6,069,917	\$6,205,583	\$6,477,800
Increase v. Prior Year		3.3%	0.5%	3.5%	2.2%	4.4%
Tax Rate (per\$1000/assessed valuation)		\$10.31	\$9.94	\$9.30	\$8.37	TBD
Increase/Decrease v. Prior Year		(0.3%)	(3.5%)	(6.4%)	(10%)	

School Budget: Historical Share and % of Total Town Budget

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
NM % of School Budget	20.6	20.8	19.6	18.3	18.4
NM Assessment	2,865,680	2,963,602	2,785,867	2,708,400	2,812,825
% of Town Budget	49.2	50.7	45.9	43.7	43.4

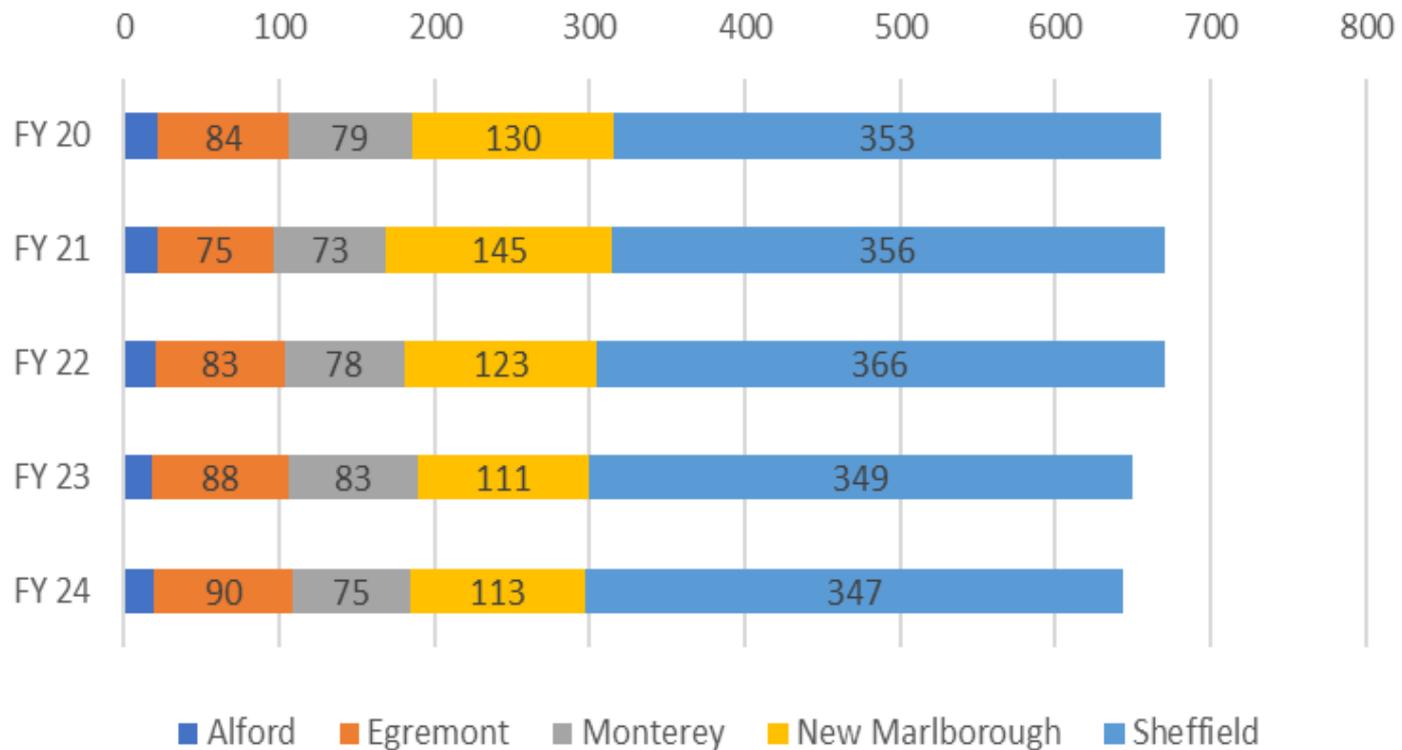
School District Budget: Total and Town Share

Total five town school assessment

Operating and Transportation	\$ 14,619,806
Capital	<u>\$ 322,499</u>
Subtotal	\$ 14,942,305
Roof/Boiler Bond	<u>\$ 334,351</u>
	\$ 14,276,656

New Marlborough's share of the assessment is 18.4%

Enrollment



Southern Berkshire Regional School District Assessments

annual change in assessments by Town

	<u>FY20</u>	<u>FY21</u>	<u>Inc/Dec</u>	<u>FY22</u>	<u>Inc/Dec</u>	<u>FY23</u>	<u>Inc/Dec</u>	<u>FY24</u>	<u>Inc/Dec</u>
ALFORD	\$466,253	\$464,133	-\$2,120	\$448,538	-\$15,595	\$449,604	\$1,066	\$476,808	\$ 27,204
EGREMONT	\$1,751,923	\$1,704,530	-\$47,393	\$1,757,965	\$ 53,435	\$1,950,932	\$192,967	\$2,096,264	\$145,332
MONTEREY	\$1,658,098	\$1,650,731	-\$7,367	\$1,678,894	\$ 28,163	\$1,854,451	\$175,557	\$1,830,529	\$ 23,922
NEW MARLBOROUGH	\$2,865,680	\$2,963,602	\$ 97,922	\$2,785,867	-\$177,735	\$2,708,400	-\$77,467	\$2,812,825	\$104,425
SHEFFIELD	\$7,202,643	\$7,456,312	\$ 253,669	\$7,568,836	\$ 112,524	\$7,803,226	\$234,390	\$8,060,230	\$257,004
TOTAL	\$13,944,597	\$14,239,308	\$ 294,711	\$14,240,100	792	\$14,766,613	\$526,513	\$15,276,656	\$510,043

Fiscal Year 2024 Presentation

Questions? Email Mari Enoch, Town Administrator at
nmbos@newmarlboroughma.gov