

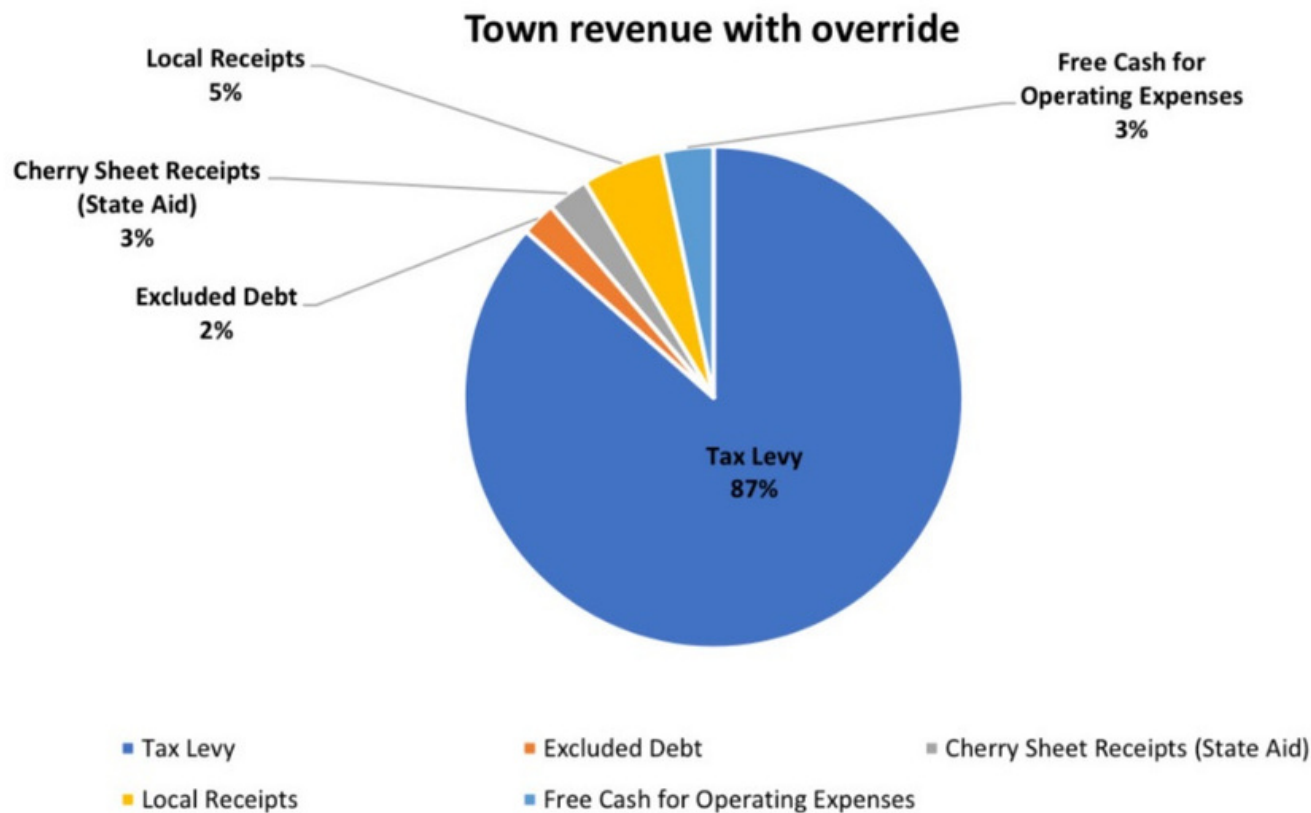
FY25 Town Administrator's Recommended Operating Budget



REVENUE
FREE CASH
EXPENSES
BUDGET OVERVIEW
FORECAST
GENERAL OVERRIDE
PROCESS

FY25 Town Administrator's Recommended Operating Budget

THE TOWN'S FY25 OPERATING BUDGET RELIES ON FOUR MAJOR REVENUE SOURCES: REAL ESTATE TAXES, LOCAL RECEIPTS, STATE AID, AND FREE CASH.



REVENUE

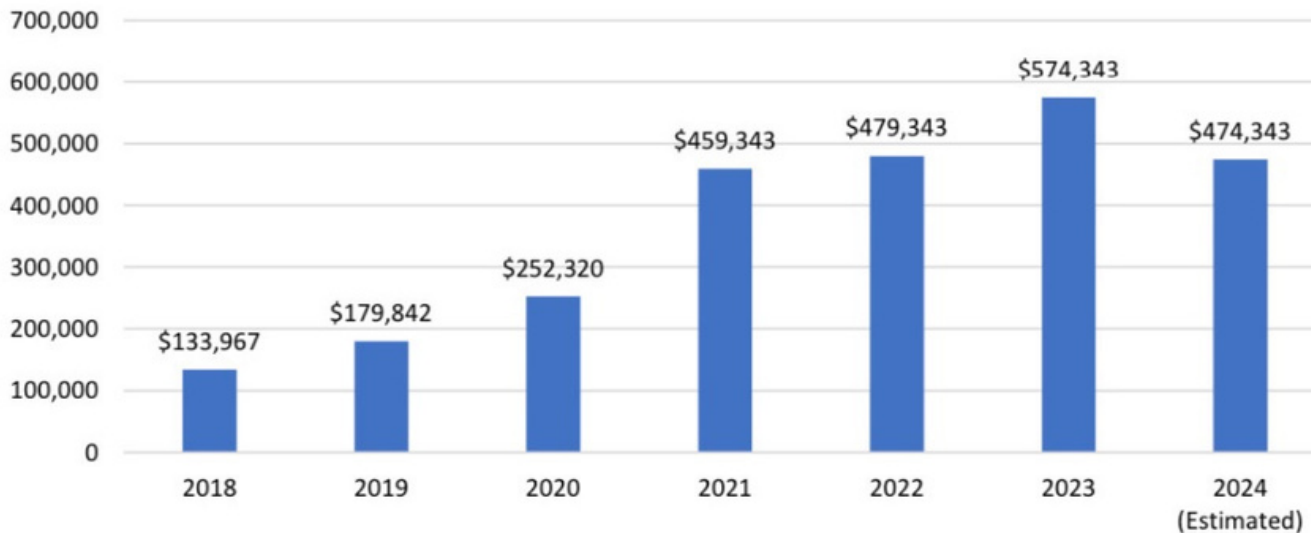
FY25 Town Administrator's Recommended Operating Budget

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 TO BALANCE ITS OPERATING BUDGET HAS INCREASED SIGNIFICANTLY.

FREE CASH IS THE RESULT OF THE SPENDING AND COLLECTION ACTIVITY WITHIN ANY GIVEN FISCAL YEAR. RELYING ON IT IN THIS WAY IS UNSUSTAINABLE BECAUSE THERE IS NO GUARANTEE THE FREE CASH USED TO BALANCE THIS YEAR'S BUDGET WILL BE AVAILABLE FOR NEXT YEAR'S BUDGET EXPENSES. FREE CASH SHOULD BE RESTRICTED TO PAYING ONE-TIME EXPENDITURES SUCH AS CAPITAL PROJECTS.

THE TOWN HAS REDUCED ITS RELIANCE ON FREE CASH TO BALANCE THE FY25 BUDGET BY \$100,000 AND PLANS TO CONTINUE TO DO SO IN FY26 AND FY27.

Free Cash used to balance the budget

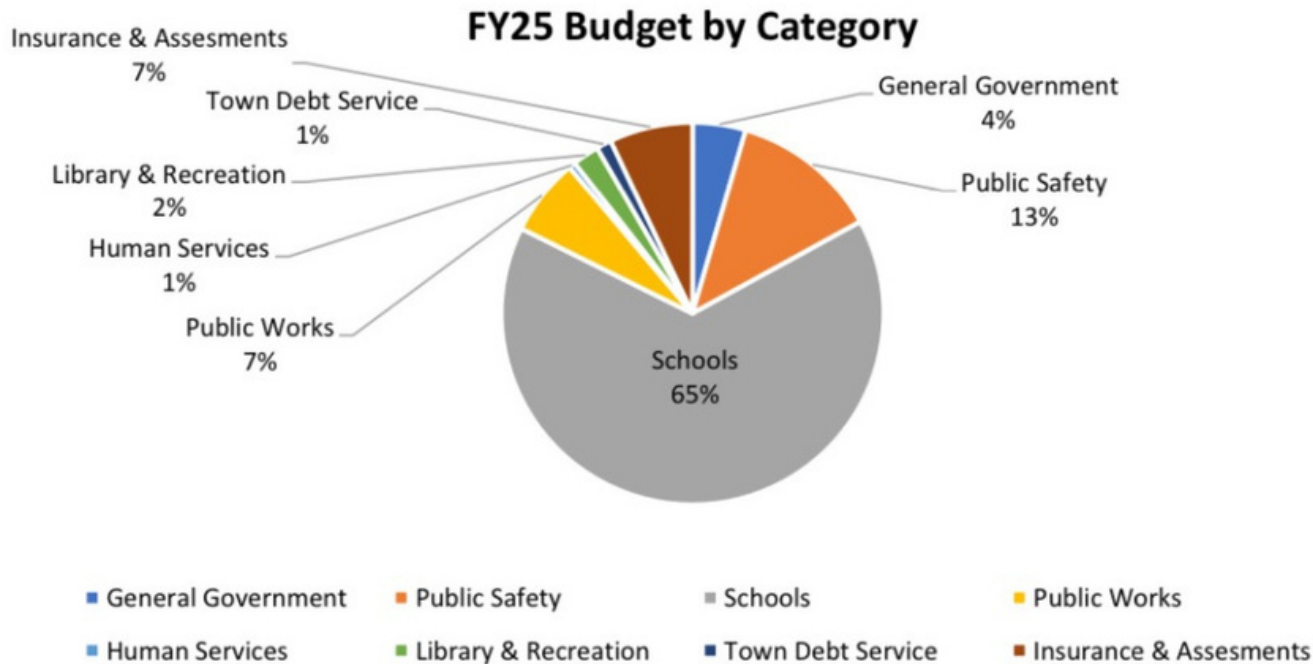


**FREE
CASH**

FY25 Town Administrator's Recommended Operating Budget

THE REGIONAL SCHOOL DISTRICTS'
ASSESSMENTS ARE 65% OF THE TOWN'S OVERALL
BUDGET TOTALING \$9,199,542.

TOWN OPERATIONS AND DEBT MAKE UP THE
REMAINING 35% AT A TOTAL OF \$4,894,817.



EXPENDITURES

FY25 Town Administrator's Recommended Operating Budget

OVERVIEW OF FY25 OPERATING BUDGET,
WHICH IS RELIANT ON A GENERAL
OVERRIDE IN THE AMOUNT OF \$875,473.

FY25 BUDGET OVERVIEW

REVENUE WITHOUT OVERRIDE

	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%
Excluded Debt	\$326,394	\$318,070	-\$8,324	-2.55%
Cherry Sheet Receipts (State Aid)	\$379,303	\$379,303	\$0	0.00%
Local Receipts	\$749,632	\$750,000	\$368	0.05%
Free Cash for Operating Expenses	\$574,343	\$474,343	-\$100,000	-17.41%
Total Revenue	\$13,091,953	\$13,370,554	\$278,601	2.13%

EXPENDITURES

	FY24	FY25	\$ Change	% Change
General Government	\$660,102	\$633,755	-\$26,347	-3.99%
Public Safety	\$1,665,647	\$1,768,904	\$103,257	6.20%
Schools	\$8,292,773	\$9,199,542	\$906,769	10.93%
Public Works	\$911,976	\$922,311	\$10,335	1.13%
Human Services	\$78,382	\$79,328	\$946	1.21%
Library & Recreation	\$307,171	\$318,242	\$11,071	3.60%
Town Debt Service	\$187,693	\$179,627	-\$8,066	-4.30%
Insurance & Assessments	\$955,886	\$992,650	\$36,764	3.85%
Other (Overlay, Capital and State Fees)	\$32,323	\$151,667	\$119,344	-369.22%
Total Expenditures	\$13,091,952	\$14,246,027	\$1,154,074	8.82%

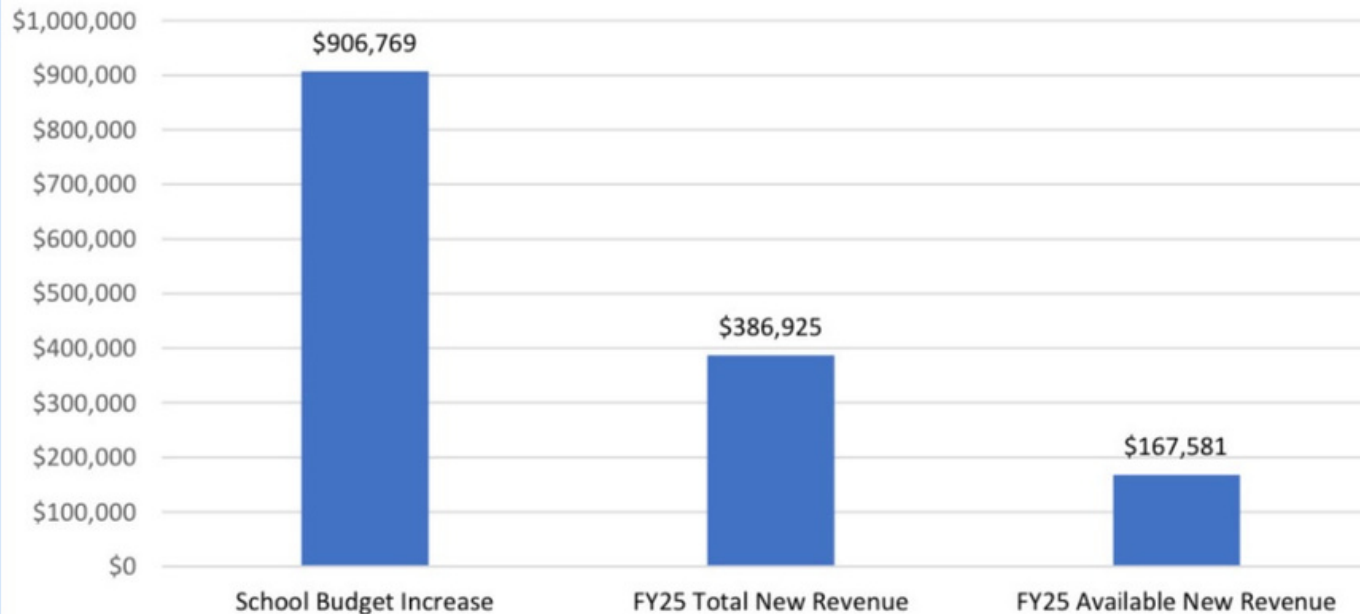
VARIANCE	\$0	\$875,473	\$875,473	6.69%
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FY25 Town Administrator's Recommended Operating Budget

ALL NEW REVENUE IN FY25 TOTALS \$386,925; ALL AVAILABLE REVENUE TOTALS \$167,581 WHEN CONSIDERING CAPITAL EXPENSES AND THE REDUCTION OF FREE CASH TO BALANCE THE BUDGET.

THE INCREASE OF THE GROTON DUNSTABLE REGIONAL SCHOOL DISTRICT ASSESSMENT IN FY25 IS \$906,769. THIS IS \$739,188 MORE THAN ALL AVAILABLE NEW REVENUE AND \$519,844 MORE THAN TOTAL NEW REVENUE IN FY25.

School Assessment Increase versus FY25 New Revenue

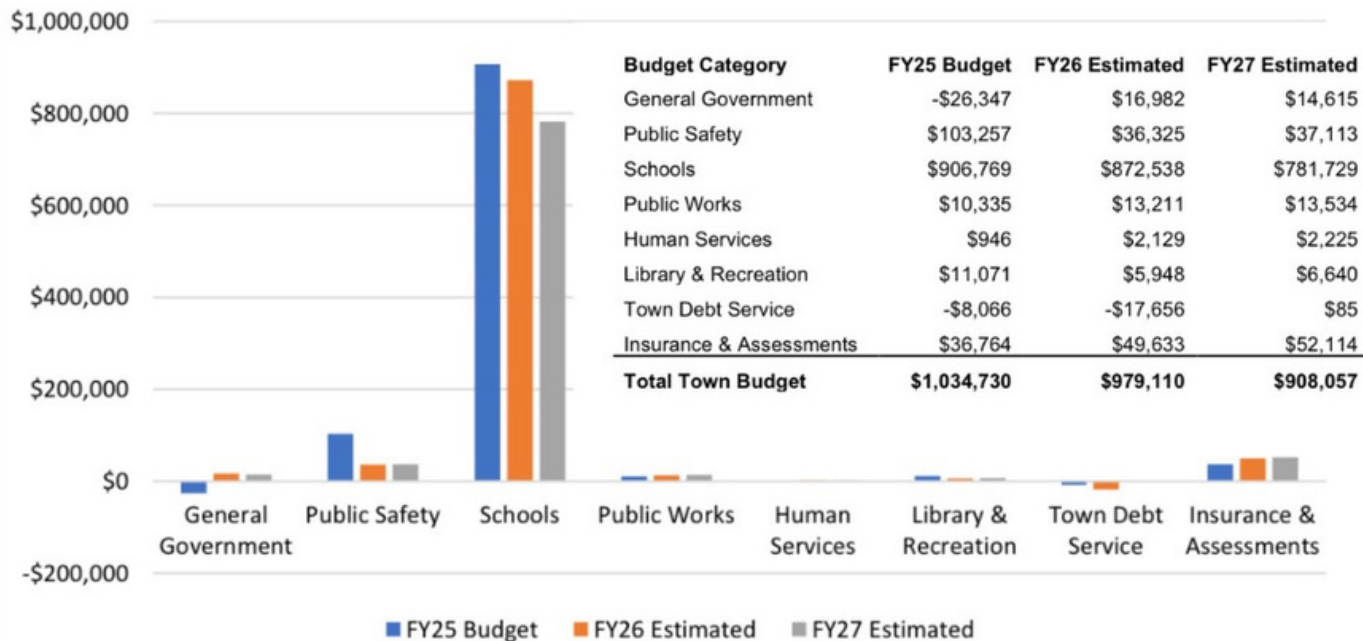


**FY25 BUDGET
INCREASE**

FY25 Town Administrator's Recommended Operating Budget

IN FY25, THE OVERALL BUDGET
INCREASES BY \$1,034,730, FY26
INCREASES BY \$979,110, AND FY27
INCREASES BY \$908,057.

Increases by Budget Category FY25 - FY27



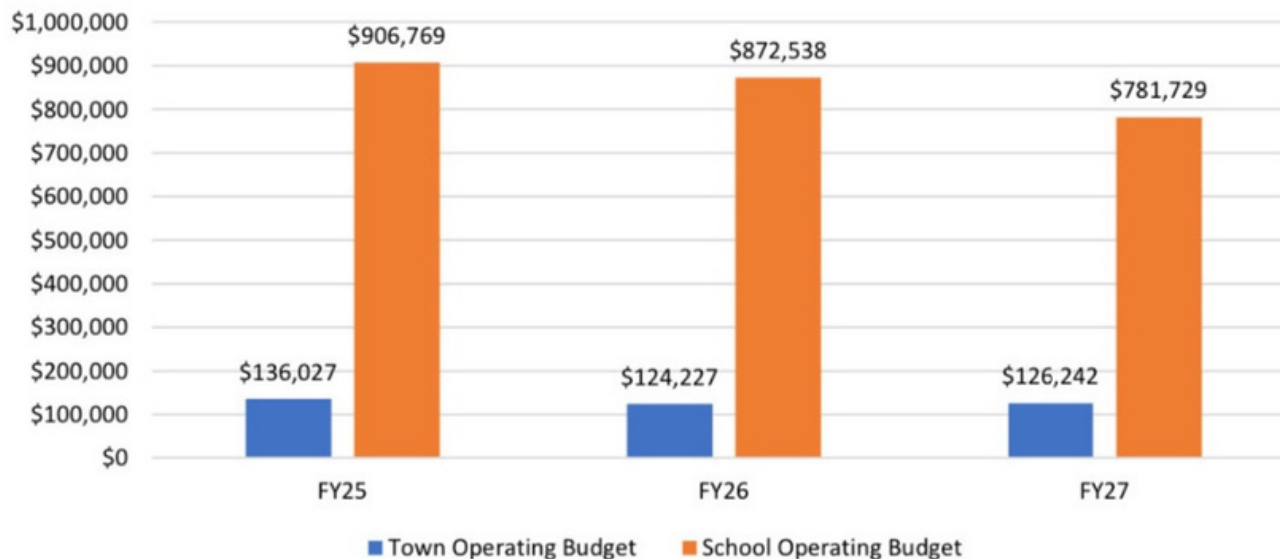
FORECAST

FY25 Town Administrator's Recommended Operating Budget

THE GROTON DUNSTABLE REGIONAL SCHOOL DISTRICT ASSESSMENT INCREASES BY 11.73% IN FY25, 10% IN FY26, AND 8.15% IN FY27.

TOWN OPERATIONS AND DEBT INCREASE BY 2.68% IN FY25, 2.18% IN FY26, AND 2.53% IN FY27.

Town versus School Increases FY25-FY27



FORECAST

FY25 Town Administrator's Recommended Operating Budget

Town Expenditures Assumptions FY26-FY27

As part of the budget development process, the Town has forecasted revenues and expenditures for FY26 and FY27 based on the Town Administrator's recommended FY25 operating budget. The forecast for these 2 years are based on the following assumptions for expenditures:

- 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

Town Revenues Assumptions FY26-FY27

For revenues, the FY26 and FY27 projections are consistent with growth projections in FY25:

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

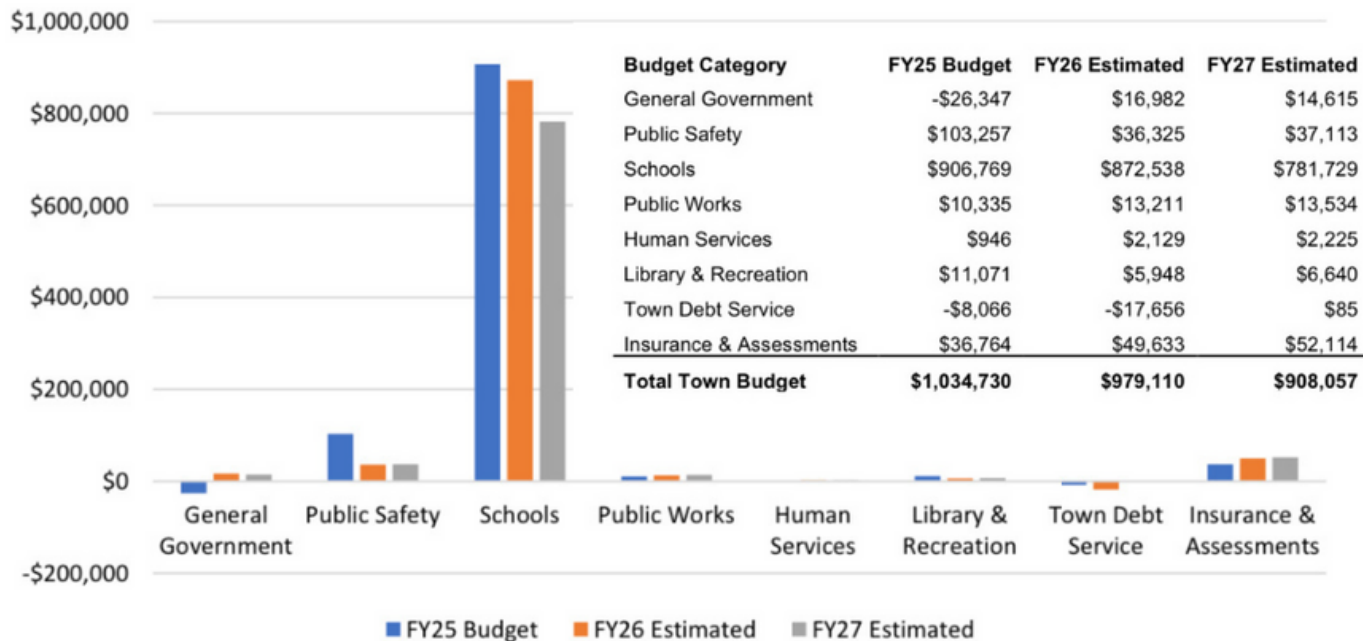
FORRECAST

FY25 Town Administrator's Recommended Operating Budget

TO BALANCE THE FY25, FY26, AND FY27 OPERATING BUDGET, THE TOWN REQUIRES GENERAL FUND OVERRIDES IN EACH YEAR IN THE FOLLOWING AMOUNTS:

FY25 - \$875,473
 FY26 - \$651,379
 FY27 - \$555,513
 TOTAL - \$2,082,365

Increases by Budget Category FY25 - FY27



GENERAL
OVERRIDE

FY25 Town Administrator's Recommended Operating Budget

GENERAL OVERRIDE IMPACT ON AVERAGE SINGLE FAMILY TAX BILL IN FY25, FY26, AND FY27

Using information provided by the Town Assessor, below please find an analysis of the impact to the average single family tax bill. The average single-family assessment for FY24 is \$641,400 and the tax rate is \$13.96. The average single family tax bill, including the 3% Community Preservation Act (CPA) surcharge, is \$9,222.56.

- In FY25, with the additional \$875,473 general fund override amount, the average single family tax bill, including the CPA surcharge, would be \$9,936.06. That is an increase of \$713.50.
- In FY26, with the additional \$651,379 general fund override amount, the average single family tax bill, including CPA surcharge, would be \$10,471.18. That is an increase of \$535.12.
- In FY27, with the additional \$555,513 general fund override amount, the average single family tax bill, including CPA surcharge, would be \$10,933.53. That is an increase of \$462.35.

All total, over the 3-year time period, the single family tax bill would increase by an estimated \$1,710.97.

GENERAL OVERRIDE

PROCESS

MOVING FORWARD

- Review and recommendation of budget by Advisory Board and Select Board
- Submit ballot question to Town Clerk - February 26, 2024
- Budget Community Forum - February 27, 2024
- Post Special Town Meeting - March 12, 2024
- Mail notice to households - no later than March 15, 2024
- Advisory Board Hearing - no later than March 19, 2024
- Special Town Meeting - March 26, 2024
- Special Town Election - April 2, 2024