



Fiscal Year 2024

Town Manager's Proposed Budget





Budget Schedule

Date	Event
December 9	Department Heads Submit Budgets to Finance Director
January 3	Initial Budget Presentation
January 3 – January 30	Select Board Review
January 30	Town Manager Submits Budget
February - April	Advisory Committee Review
May 1	Town Meeting
July 1	FY2024 Budget Becomes Effective



Budget Process Goals & Objectives

- **Simplicity, Transparency, Consensus Building**
- **Focus on Impact to Property Tax Payer**
- **Highlight Decision Points for Policy Makers (“Levers”)**
 - Tax Levy
 - Free Cash
 - Service Level/Expenditures
 - ARPA (FY23, FY24, FY25)





Town of Hanover Finances

- **Hanover Has Maintained Aa2 Bond Rating** (Moody's) **Since at Least FY2014.**
- **Management Letter Findings From Audit:**
 - **FY21: 0**
 - **FY20: 0**
 - **FY19: 3**
 - **FY18: 3**
 - **FY17: 10**



Town of Hanover Finances

Fiscal Year	Estimated Revenues	Actual Revenues	(Deficit)/ Surplus	Budgeted Expenses	Actual Expenses	(Deficit)/ Surplus	NET (Deficit)/ Surplus
FY22	\$66,227,630	\$67,002,990	\$775,360	\$65,212,725	\$63,356,544	\$856,181	\$1,631,541
FY21	\$65,005,173	\$68,702,767	\$3,697,594	\$64,924,110	\$63,480,448	\$1,443,662	\$5,141,256
FY20	\$64,070,160	\$64,918,807	\$848,647	\$63,910,253	\$62,279,058	\$1,631,195	\$2,479,842
FY19	\$61,604,632	\$63,126,372	\$1,521,740	\$61,263,171	\$60,570,634	\$692,537	\$2,214,277
FY18	\$58,783,584	\$60,400,281	\$1,656,697	\$57,942,392	\$57,533,763	\$408,628	\$2,065,325



Estimated Revenues

Revenue	Actual FY22	Estimate for FY23	Estimate for FY24	Change \$ (FY23 > FY24)	Change % (FY23 > FY24)
Property Taxes	\$48,799,712	\$50,707,606	\$53,361,212	\$2,653,606	5.2%
State Aid	\$9,881,127	\$9,910,355	\$9,997,579	\$87,224	0.9%
Motor Vehicle Excise	\$2,910,463	\$2,754,530	\$2,875,149	\$120,619	4.4%
Penalties/Interest on Taxes and Excises	\$267,409	\$184,674	\$227,298	\$42,624	23.1%
Fees	\$405,906	\$438,228	\$361,747	\$(76,481)	-17.5%
Licenses and Permits	\$873,610	\$839,224	\$814,871	\$(24,353)	-2.9%
Fines and Forfeits	\$39,283	\$46,268	\$33,670	\$(12,598)	-27.2%
Investment Income	\$68,315	\$63,205	\$62,068	\$(1,137)	-1.8%
Miscellaneous Recurring	\$295,535	\$150,000	\$150,000	\$0	0%
Other Financing Sources	\$1,765,067	\$1,769,925	\$1,799,925	\$30,000	1.7%
Free Cash	\$1,000,000	\$2,388,681	\$1,791,303	\$(597,378)	-25.0%
TOTAL	\$66,306,427	\$69,252,696	\$71,474,822	\$2,222,126	3.21%

January 30, 2023



Service Level/Expenditures

Department	FY2023	FY2024	Change (\$)	Change (%)
General Government	\$438,938	\$438,765	\$(173)	-0.4%
Finance Department	\$1,057,053	\$1,070,593	\$13,540	1.28%
CDMI	\$639,075	\$653,263	\$14,188	2.22%
Community Services	\$474,799	\$332,480	\$(142,319)	-29.97%
Library	\$622,736	\$634,736	\$12,000	1.93%
Police	\$4,325,699	\$4,405,699	\$80,000	1.85%
Fire	\$3,937,577	\$4,186,441	\$248,864	6.32%
Public Works	\$7,717,247	\$7,870,766	\$153,519	1.99%
Transfers	\$125,000	\$125,000	\$0	0.00%
TOTAL MUNICIPAL	<u>\$19,338,124</u>	<u>\$19,717,743</u>	<u>\$379,619</u>	<u>1.96%</u>
Debt	\$4,328,274	\$4,248,170	\$(80,104)	-1.85%
Town-Wide Expenses	\$9,725,140	\$10,356,684	\$631,544	6.49%
Overlay Reserve	\$400,000	\$300,000	\$(100,000)	-25.00%
State & County Charges	\$834,391	\$766,074	\$(68,317)	-8.19%
TOTAL SHARED COSTS	<u>\$15,287,805</u>	<u>\$15,670,928</u>	<u>\$451,440</u>	<u>2.97%</u>
Hanover Public Schools	<u>\$33,571,915</u>	<u>\$35,031,299</u>	<u>\$1,459,684</u>	<u>4.35%</u>
SS Vocational Technical HS	\$1,054,852	\$1,054,852	\$0	0.00%
TOTAL BUDGET	<u>\$69,252,696</u>	<u>\$71,474,822</u>	<u>\$2,222,126</u>	<u>3.21%</u>

January 30, 2023



Town Meeting Warrant Article

	FY2023 Appropriated	FY2024 Requested	\$ Change	% Change
General Government:				
Salaries	\$ 271,538.00	\$ 272,843.00	\$ 1,305.00	0.48%
Expenses	\$ 167,400.00	\$ 165,922.00	\$ (1,478.00)	-0.88%
Finance Department:				
Salaries	\$ 837,381.00	\$ 860,723.00	\$ 23,342.00	2.79%
Expenses	\$ 219,672.00	\$ 209,870.00	\$ (9,802.00)	-4.46%
Community Development and Municipal Inspections:				
Salaries	\$ 606,275.00	\$ 624,463.00	\$ 18,188.00	3.00%
Expenses	\$ 32,800.00	\$ 28,800.00	\$ (4,000.00)	-12.20%
Community Services:				
Salaries	\$ 269,819.00	\$ 121,816.00	\$ (148,003.00)	-54.85%
Expenses	\$ 204,980.00	\$ 210,664.00	\$ 5,684.00	2.77%
Library:				
Salaries	\$ 474,236.00	\$ 491,776.00	\$ 17,540.00	3.70%
Expenses	\$ 148,500.00	\$ 142,960.00	\$ (5,540.00)	-3.73%
Police:				
Salaries	\$ 4,065,776.00	\$ 4,135,932.00	\$ 70,156.00	1.73%
Expenses	\$ 259,923.00	\$ 269,767.00	\$ 9,844.00	3.79%
Fire:				
Salaries	\$ 3,661,219.00	\$ 3,920,759.00	\$ 259,540.00	7.09%
Expenses	\$ 276,358.00	\$ 265,682.00	\$ (10,676.00)	-3.86%
Hanover Public Schools	\$ 33,571,915.00	\$ 35,031,299.00	\$ 1,459,384.00	4.35%
South Shore Vocational High School	\$ 1,054,852.00	\$ 1,054,852.00	\$ -	0.00%
Public Works:				
Salaries	\$ 3,753,225.00	\$ 3,873,035.00	\$ 119,810.00	3.19%
Expenses	\$ 3,464,022.00	\$ 3,497,731.00	\$ 33,709.00	0.97%
Snow & Ice	\$ 500,000.00	\$ 500,000.00	\$ -	0
Debt	\$ 4,328,274.00	\$ 4,248,170.00	\$ (80,104.00)	-1.85%
Town Wide Expenses	\$ 9,725,140.00	\$ 10,356,684.00	\$ 631,544.00	6.49%
Transfers	\$ 125,000.00	\$ 125,000.00	\$ -	0.00%
Total General Fund Operating Budget	\$ 68,018,305.00	\$ 70,408,748.00	\$ 2,390,443.00	3.51%
Certified Free Cash	2,388,681.00	1,791,303.00	\$ (597,378.00)	-25.01%
Cemetery Graves & Foundations	65,000.00	65,000.00	\$ -	0.00%
Sale of Cemetery Lots	10,000.00	40,000.00	\$ 30,000.00	300.00%
Title V Receipts Reserved Account	26,530.00	26,530.00	\$ -	0.00%
Ambulance Receipts Reserved Account	1,200,000.00	1,200,000.00	\$ -	0.00%
Wetlands Receipts Reserved Accounts	5,000.00	5,000.00	\$ -	0.00%
Less Total Transfers	3,695,211.00	3,127,833.00	\$ (567,378.00)	-15.35%
To be raised by the Fiscal Year 2024 Tax Levy and other sources	\$ 64,323,094.00	\$ 67,280,915.00	\$ 2,957,821.00	4.60%

***Warrant article does not include Overlay or State/County Charges shown on previous slide (total of \$1,066,074). These charges are raised on the Tax Recap.**



Service Level/Expenditures: History

Change	FY19	FY20	FY21	FY22	FY23	FY24	Average
Municipal \$	\$1,144,239	\$225,820	\$71,464	\$317,369	\$569,554	\$379,619	\$451,344
Municipal %	6.7%	1.2%	0.4%	1.7%	3.0%	1.9%	2.5%
Shared \$	\$987,117	\$1,087,838	\$287,185	\$(958,827)	\$330,438	\$451,440	\$364,198
Shared %	7.2%	7.4%	1.8%	-6.0%	2.2%	3.0%	2.6%
SSVT \$	\$(34,476)	\$(13,328)	\$(21,950)	\$158,950	\$167,852	\$0	\$42,841
SSVT %	-4.3%	-1.7%	-2.9%	21.8%	18.9%	0%	5.3%
Schools \$	\$917,731	\$1,135,781	\$598,313	\$1,704,975	\$2,050,000	\$1,459,384	\$1,311,031
Schools %	3.4%	4.0%	2.0%	5.7%	6.5%	4.3%	4.3%
Total \$	\$3,014,611	\$2,436,111	\$935,012	\$1,222,458	\$3,117,844	\$2,290,443	\$2,169,413
Total %	5.1%	4.0%	1.5%	1.9%	4.7%	3.3%	3.4%



Major Drivers FY2024

** Based on Information from Superintendent Office as Part of the FY2024 Budget Request; \$400,000 Requested Increase for State mandated SPED and Transportation Costs and \$150,000 Reading and Counseling Services*



Tax Levy + Free Cash “Options” for FY24

<u>2024 Tax Levy Applied</u>	<u>Tax Levy Revenue Increase</u>	<u>Free Cash Applied</u>	<u>Free Cash Change from FY23</u>	<u>Change from FY2023</u>
2.5%	\$1,575,502	\$1,000,000	\$(1,388,681)	\$186,821
2.5%	\$1,575,502	\$1,250,000	\$(1,138,681)	\$436,821
2.5%	\$1,575,502	\$1,750,000	\$(638,681)	\$936,821
2.5%	\$1,575,502	\$2,250,000	\$(138,681)	\$1,436,821
3.0%	\$1,810,602	\$1,000,000	\$(1,388,681)	\$421,921
3.0%	\$1,810,602	\$1,250,000	\$(1,138,681)	\$671,921
3.0%	\$1,810,602	\$1,750,000	\$(638,681)	\$1,171,921
3.0%	\$1,810,602	\$2,250,000	\$(138,681)	\$1,671,921
4.0%	\$2,280,804	\$1,000,000	\$(1,388,681)	\$892,123
4.0%	\$2,280,804	\$1,250,000	\$(1,138,681)	\$1,142,123
4.0%	\$2,280,804	\$1,750,000	\$(638,681)	\$1,642,123
4.0%	\$2,280,804	\$2,250,000	\$(138,681)	\$2,142,123
Full Levy (4.8%)	\$2,653,606	\$1,000,000	\$(1,388,681)	\$1,264,925
Full Levy (4.8%)	\$2,653,606	\$1,250,000	\$(1,138,681)	\$1,514,925
Full Levy (4.8%)	\$2,653,606	\$1,750,000	\$(638,681)	\$2,014,925
Full Levy (4.8%)	\$2,653,606	\$1,791,303	\$(597,378)	\$2,056,228
Full Levy (4.8%)	\$2,653,606	\$2,250,000	\$(138,681)	\$2,514,925
Full Levy + Override (6%)	\$3,210,712	\$1,750,000	\$(638,681)	\$2,572,031



Tax Levy (History)

<u>Fiscal Year</u>	<u>Tax Levy</u>	<u>Excess Levy</u>	<u>% Levy Applied</u>	<u>% Levy Available</u>
2014	\$36,955,968	\$1,018,561	97.32%	2.68%
2015	\$38,674,362	\$596,383	98.48%	1.52%
2016	\$41,505,402	\$52,649	99.87%	0.13%
2017	\$42,395,351	\$1,738	99.99%	0.01%
2018	\$43,261,291	\$614,610	98.60%	1.40%
2019	\$45,476,555	\$53,352	99.88%	0.12%
2020	\$47,320,007	\$193,002	99.59%	0.41%
2021	\$48,591,082	\$515,159	98.95%	1.05%
2022	\$49,021,701	\$913,979	98.17%	1.83%
2023	\$50,707,606	\$1,078,104	97.92%	2.08%
2024	\$53,362,467	\$0	100%	0.00%

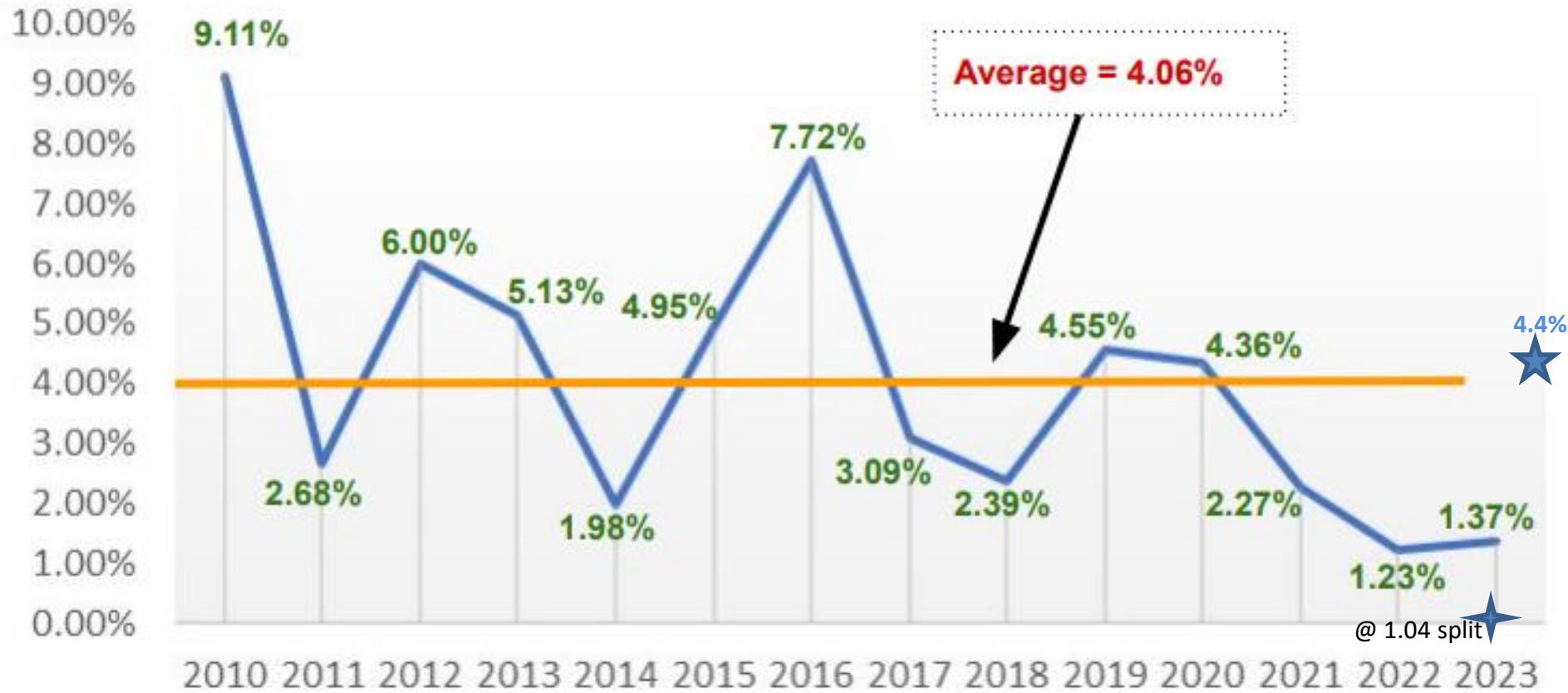


Historical & Projected Average Residential Property Tax Bill Increase (\$)





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





Annual Town Meeting Requests

Free Cash

<u>Project</u>	<u>Amount</u>
Town Event Funding	\$50,000
Special Education Reserve Fund	\$500,000
Four (4) DPW Vehicles	\$540,000
Fire Cardiac Monitors	\$200,000
Fire Command Vehicle	\$80,000
Two (2) Police Cruisers	\$150,000
E-Code Software	\$18,000
TOTAL	<u>\$1,538,000</u>



Free Cash

Fiscal Year	Amount Available	Amount Used in Operating Budget	% Used in Operating Budget	Amount Used ATM	Amount Used STM	Total Used	% Used Total	Amount Remaining at End of Fiscal Year
2014	\$3,049,716	\$460,166	15%	\$1,022,960	\$441,295	\$1,924,421	63.10%	\$1,125,294
2015	\$2,074,285	\$250,000	12%	\$956,923	\$320,000	\$1,526,923	73.61%	\$547,361
2016	\$2,784,497	\$0	0%	\$1,977,100	\$164,650	\$2,141,750	76.92%	\$642,747
2017	\$1,734,005	\$0	0%	\$1,075,612	\$195,350	\$1,270,962	73.30%	\$463,043
2018	\$2,543,589	\$500,000	20%	\$1,147,700	\$290,635	\$1,938,335	76.20%	\$605,254
2019	\$3,219,470	\$680,000	21%	\$836,000	\$602,679	\$2,118,679	65.81%	\$1,100,791
2020	\$3,010,477	\$750,000	25%	\$725,531	\$107,490	\$1,583,021	52.58%	\$1,427,456
2021	\$4,293,469	\$1,548,000	36%	\$250,000	\$29,000	\$1,827,000	42.55%	\$2,466,469
2022	\$3,933,629	\$1,000,000	25%	\$640,000	\$600,600	\$2,240,600	56.96%	\$1,693,029
2023	\$6,812,892	\$2,388,681	35%	\$1,180,000	\$216,434	\$3,785,115	55.56%	\$3,027,777
2024	\$4,500,000*	\$1,791,303	40%	\$1,538,000	????	\$3,329,303	73.98%	\$1,170,697



American Rescue Plan Act (ARPA)

FY2024

<u>Capital Projects</u>	<u>Amount</u>
Middle School HVAC Asbestos Pipe Insulation Removal	\$75,000
Middle School Replace Rooftop Ventilation Units	\$300,000
Middle School HVAC Improvements for Inner Core	\$300,000
Fire HQ Interior Improvements	\$100,000
Police Station HVAC Improvements	\$100,000
Sylvester Fire Sprinklers	\$400,000
Sylvester Basement Access	\$70,000
<u>TOTAL</u>	<u>\$1,345,000</u>

<u>Operating Items</u>	<u>Amount</u>
Town Personnel	\$390,913
VSO Mental Health Services	\$100,000
Schools	\$170,000
<u>TOTAL</u>	<u>\$660,913</u>



American Rescue Plan Act (ARPA) FY2025

<u>Capital Projects</u>	<u>Amount</u>	<u>Operating Items</u>	<u>Amount</u>
Center Wheelchair Life Replacement	\$60,000	Town Personnel	\$181,683
Fire HQ Interior Improvements	\$100,000	VSO Mental Health Services	\$50,000
Library HVAC Upgrades	\$35,000	Schools	\$86,050
<u>TOTAL</u>	<u>\$195,000</u>	<u>TOTAL</u>	<u>\$317,733</u>



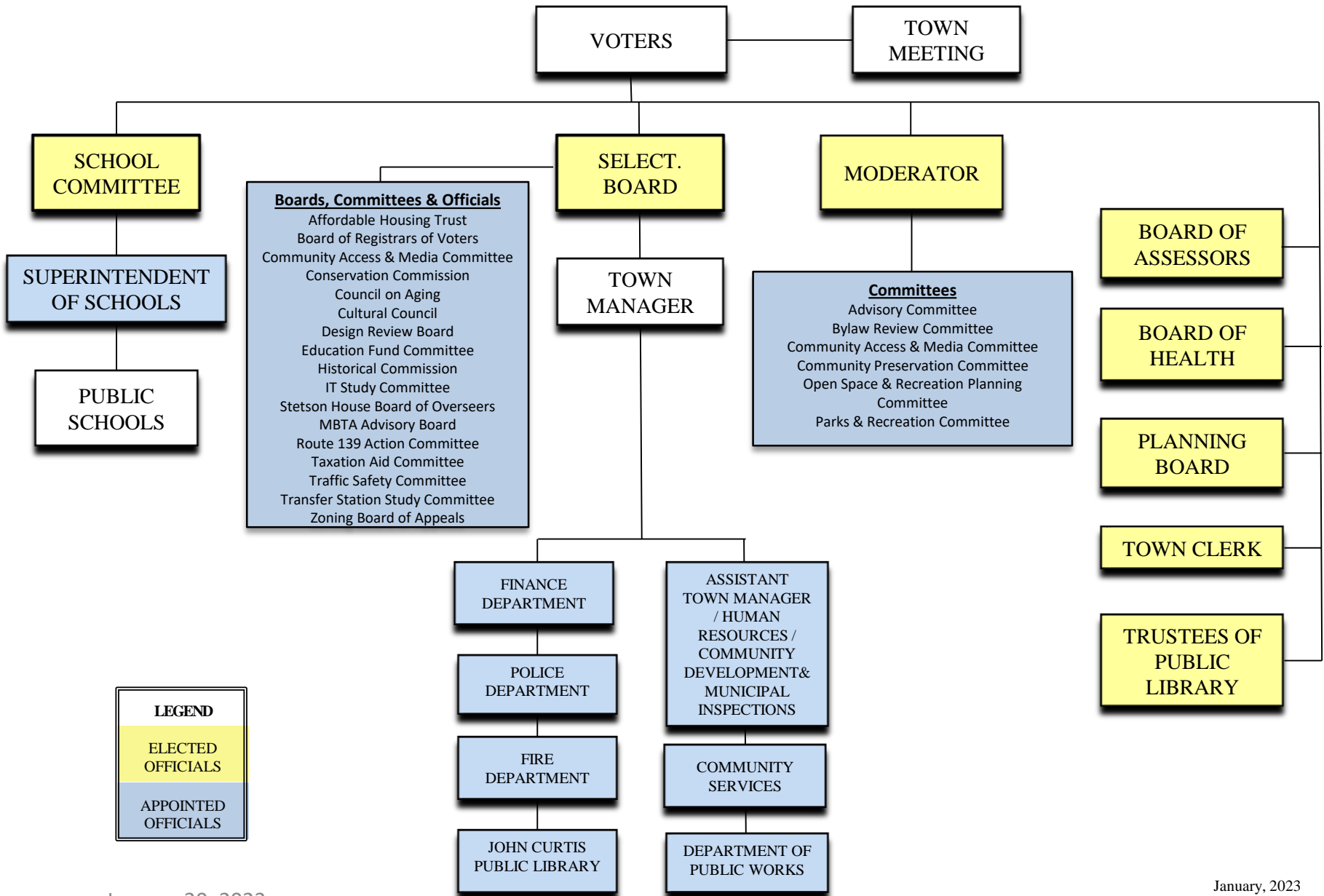
Personnel & Org Chart Changes

FISCAL YEAR	FULL-TIME EMPLOYEE
FY2020	-1.0
FY2021	-1.5
FY2022	-8.5
FY2023	+0.5
FY2024	+0.75
TOTAL Change	<u>-9.75</u>

Department	FY2020	FY2021	FY2022	FY2023	FY2024
Town Manager	4.00	3.50	4.50	4.50	4.50
Finance	16.00	15.50	14.00	14.00	14.00
CDMI	9.00	9.00	11.00	11.00	11.25
Comm Svcs	16.50	16.50	13.00	13.00	11.50
Library	8.00	7.50	7.50	8.00	8.00
Police	42.50	42.50	37.00	37.00	37.00
Fire	30.00	30.00	30.00	30.00	32.00
DPW	72.14	72.14	71.14	71.14	71.14
TOTAL	<u>198.14</u>	<u>196.64</u>	<u>188.14</u>	<u>188.64</u>	<u>189.39</u>

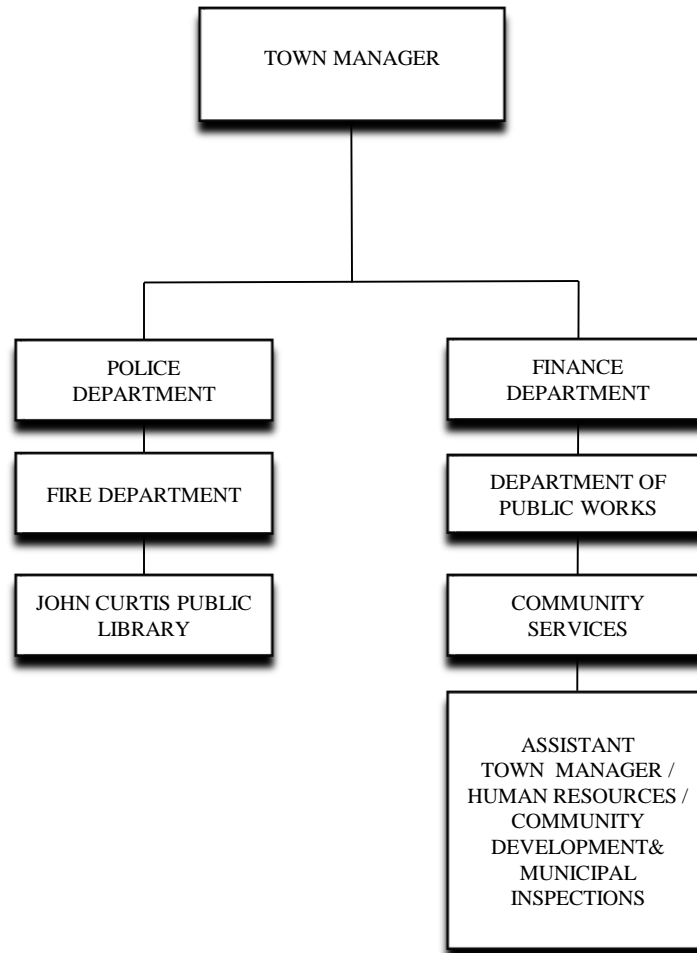





Town Organization Chart





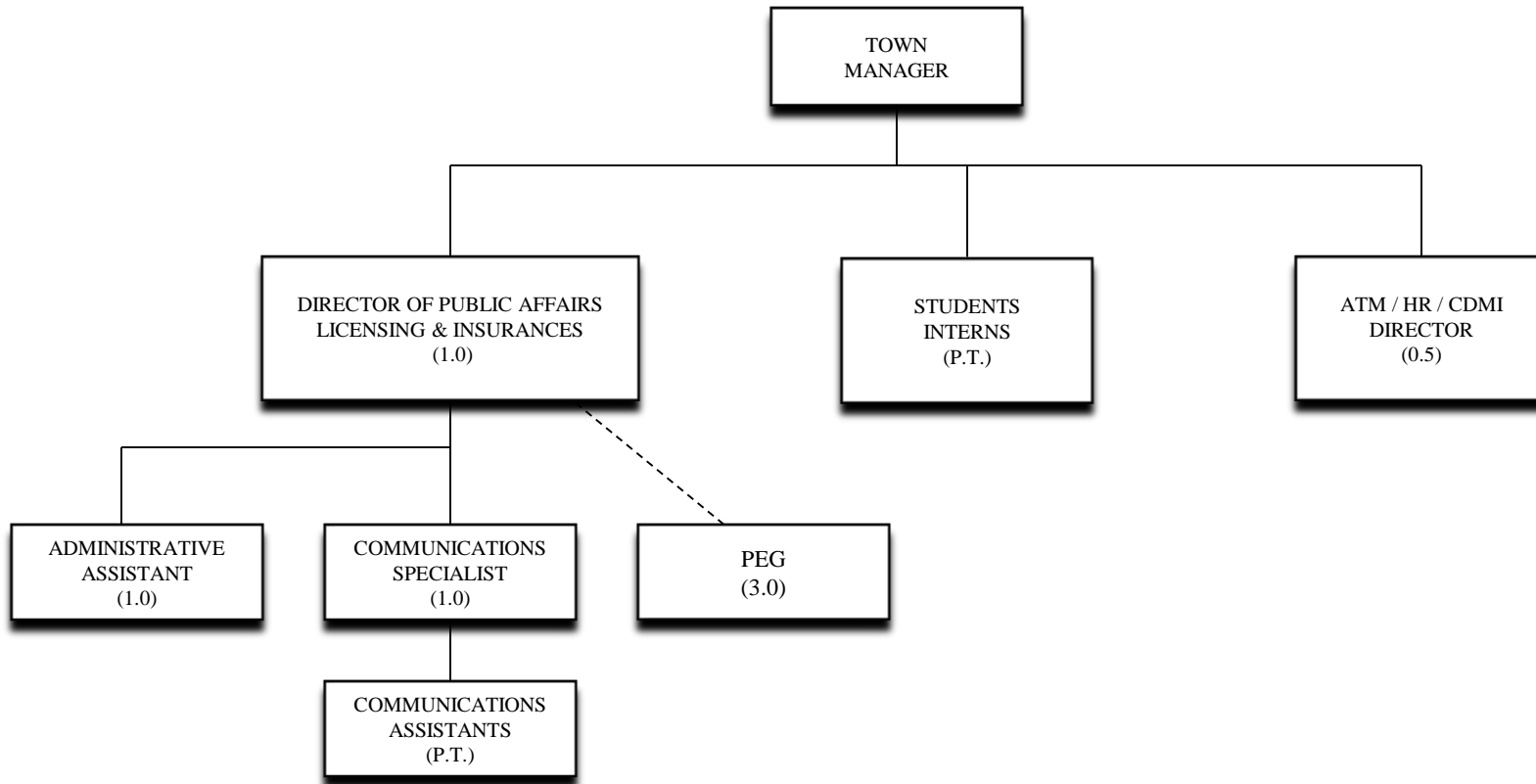
Town Manager Organization Chart



-  Change
-  Remove
-  Add



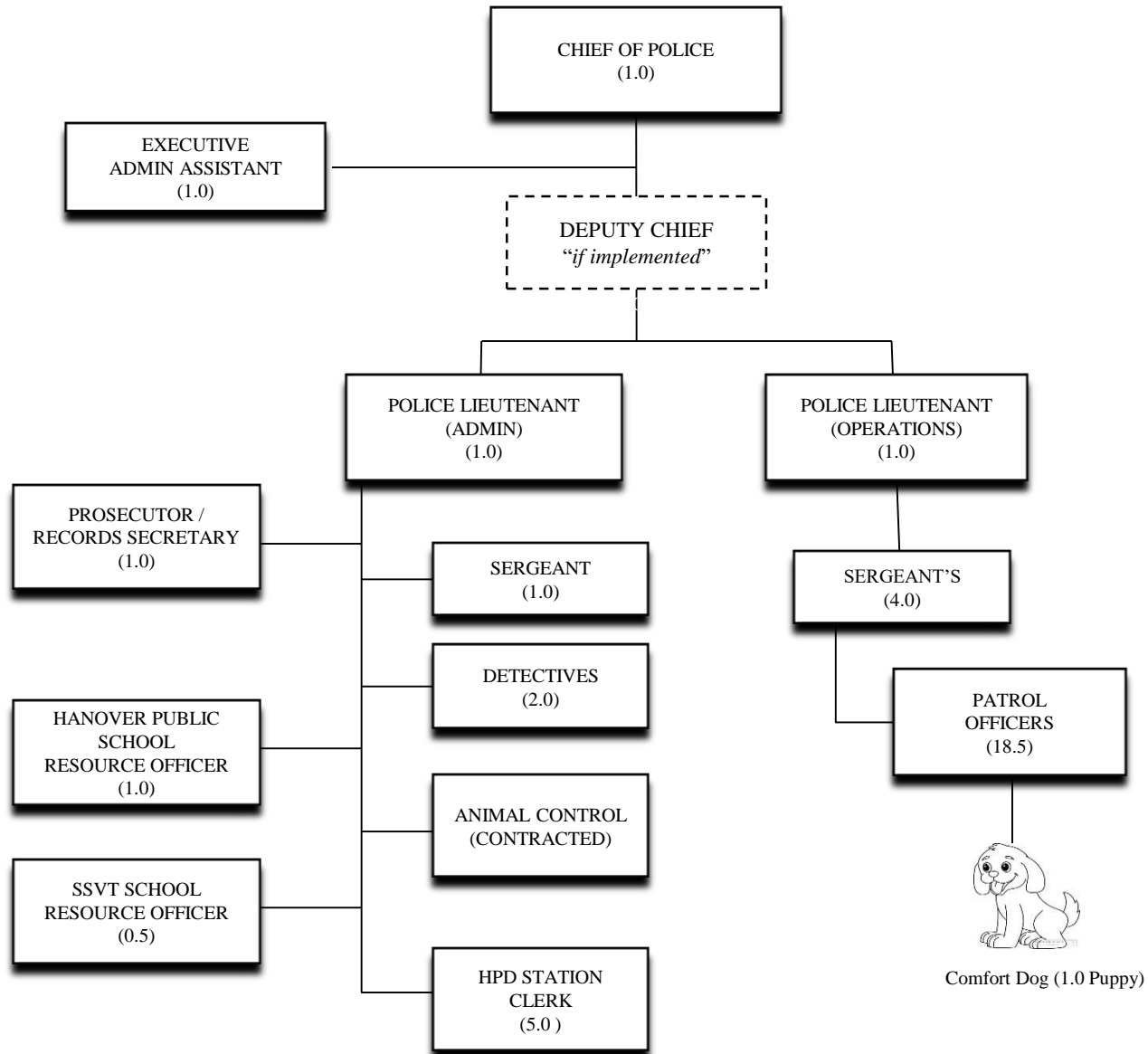
Town Manager's Office



- Change
- Remove
- Add



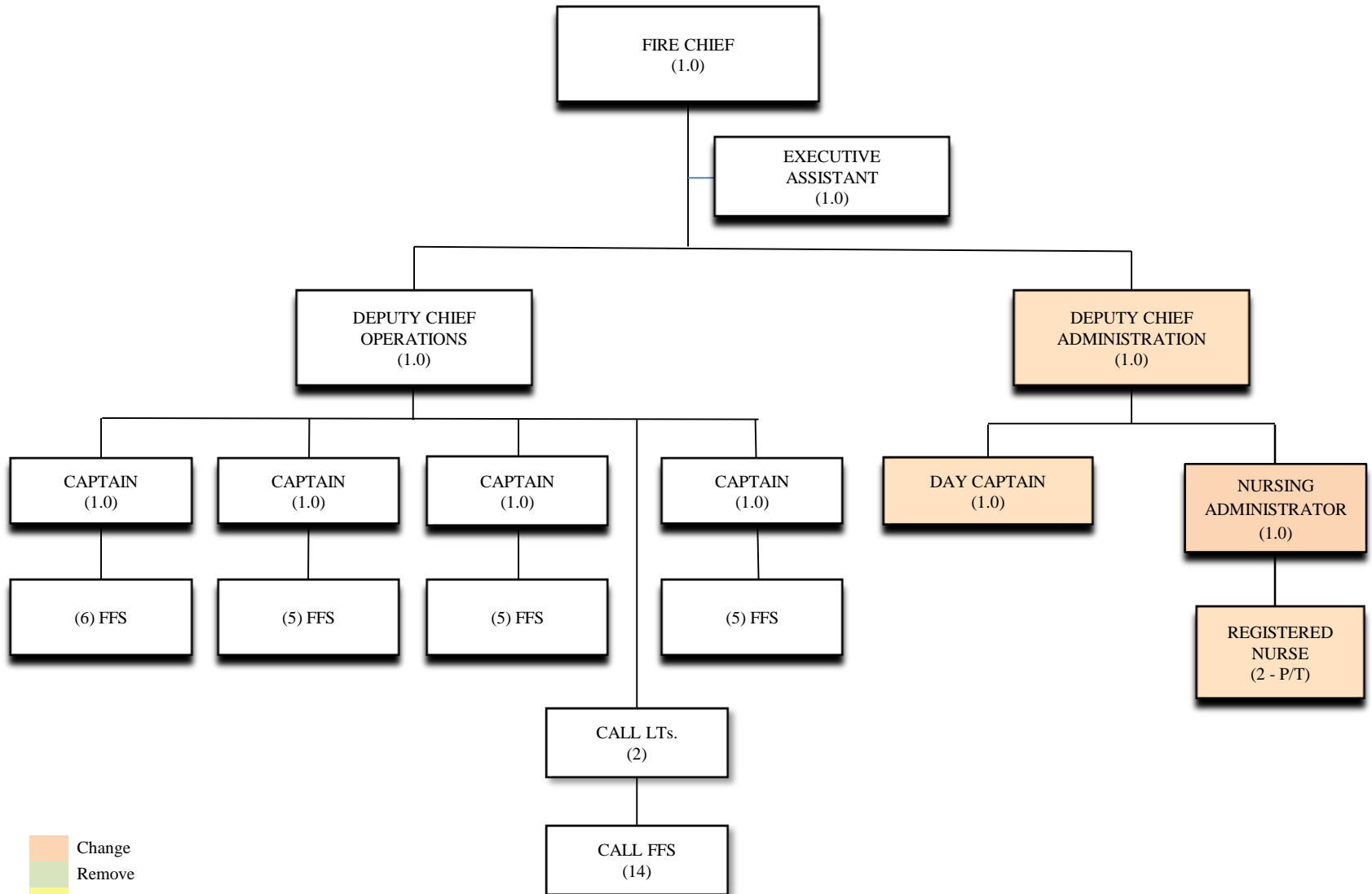
Police Department



- Change
- Remove
- Add



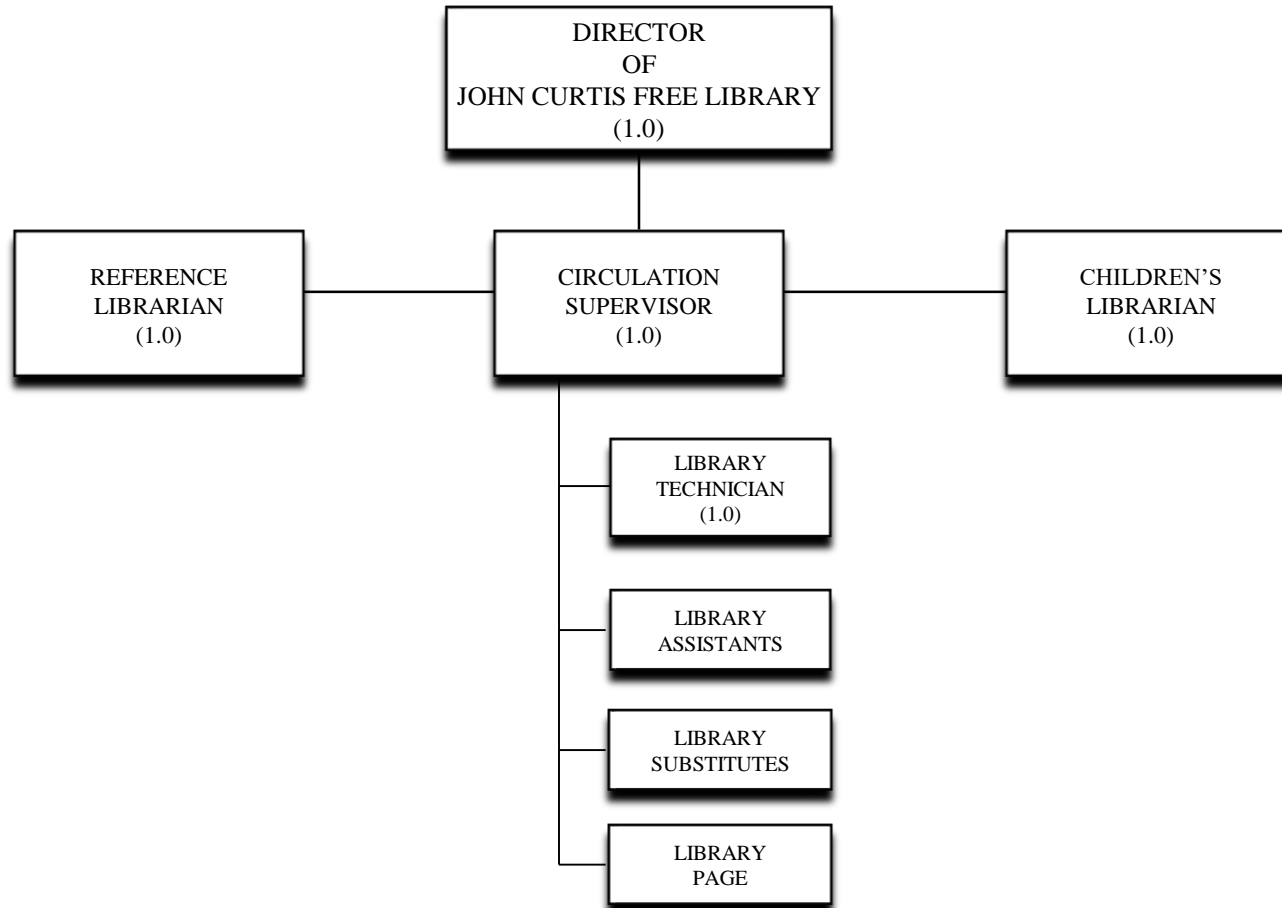
Fire Department



- Change
- Remove
- Add



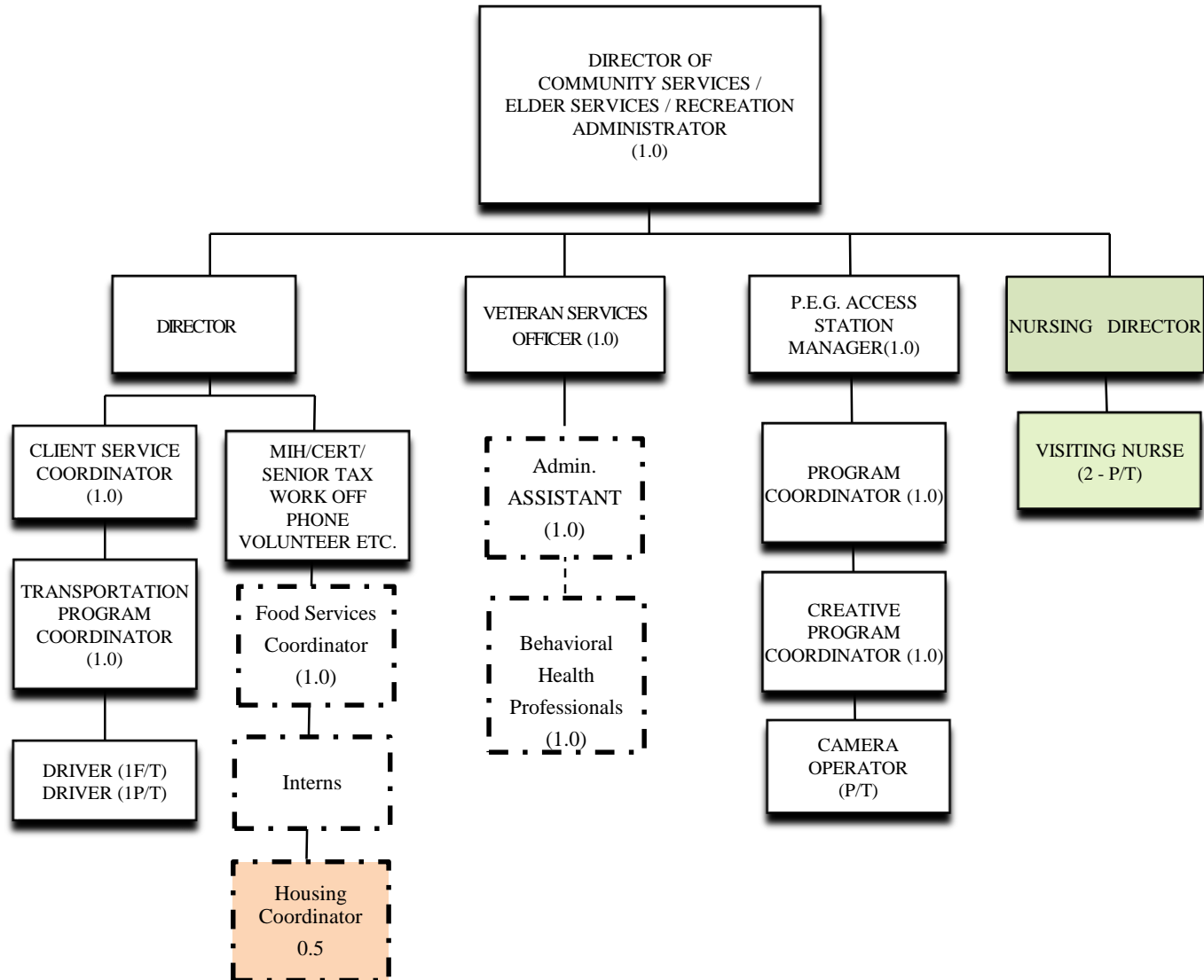
John Curtis Free Library



- Change
- Remove
- Add



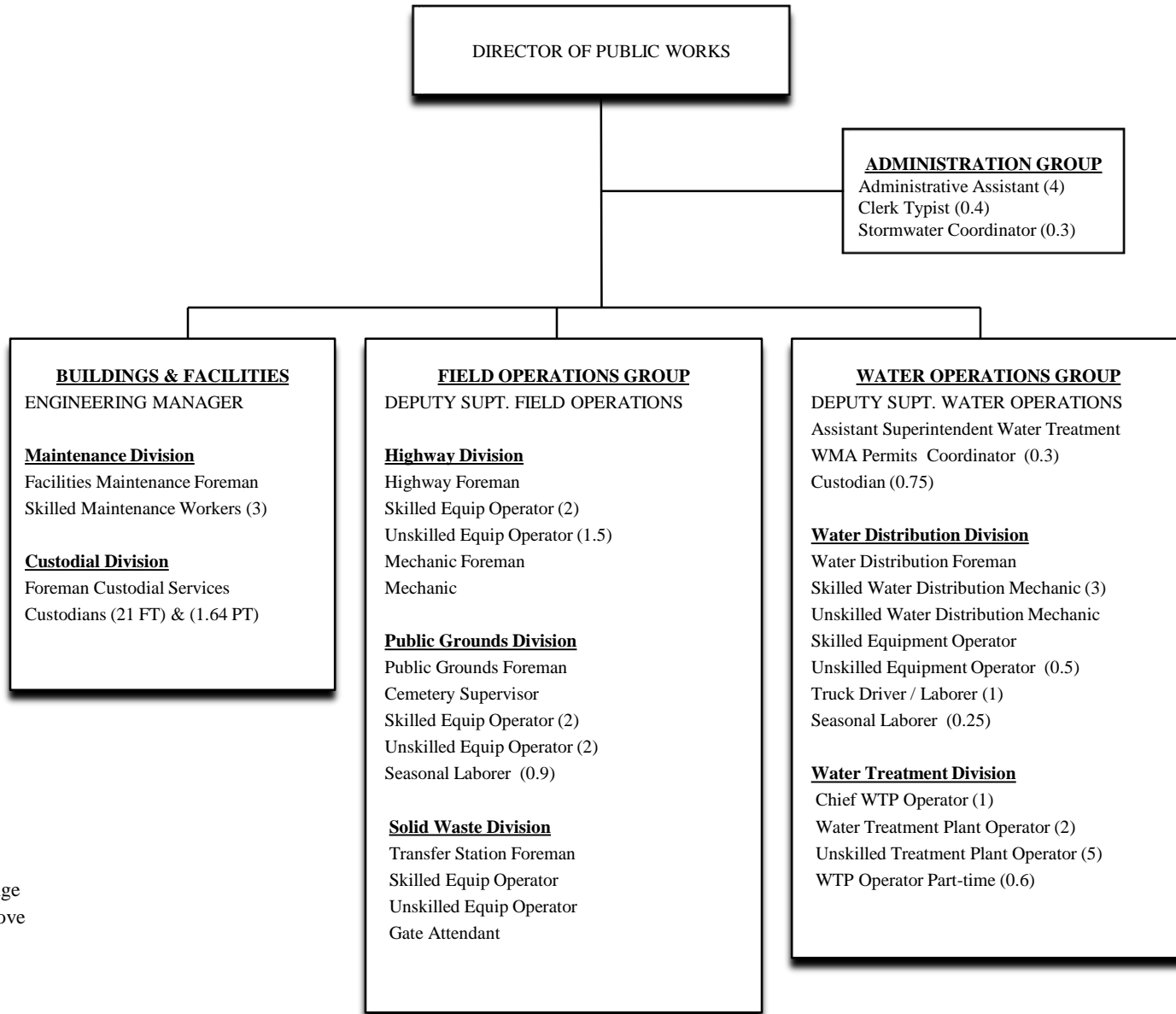
Community Services



- Change
- Remove
- Add



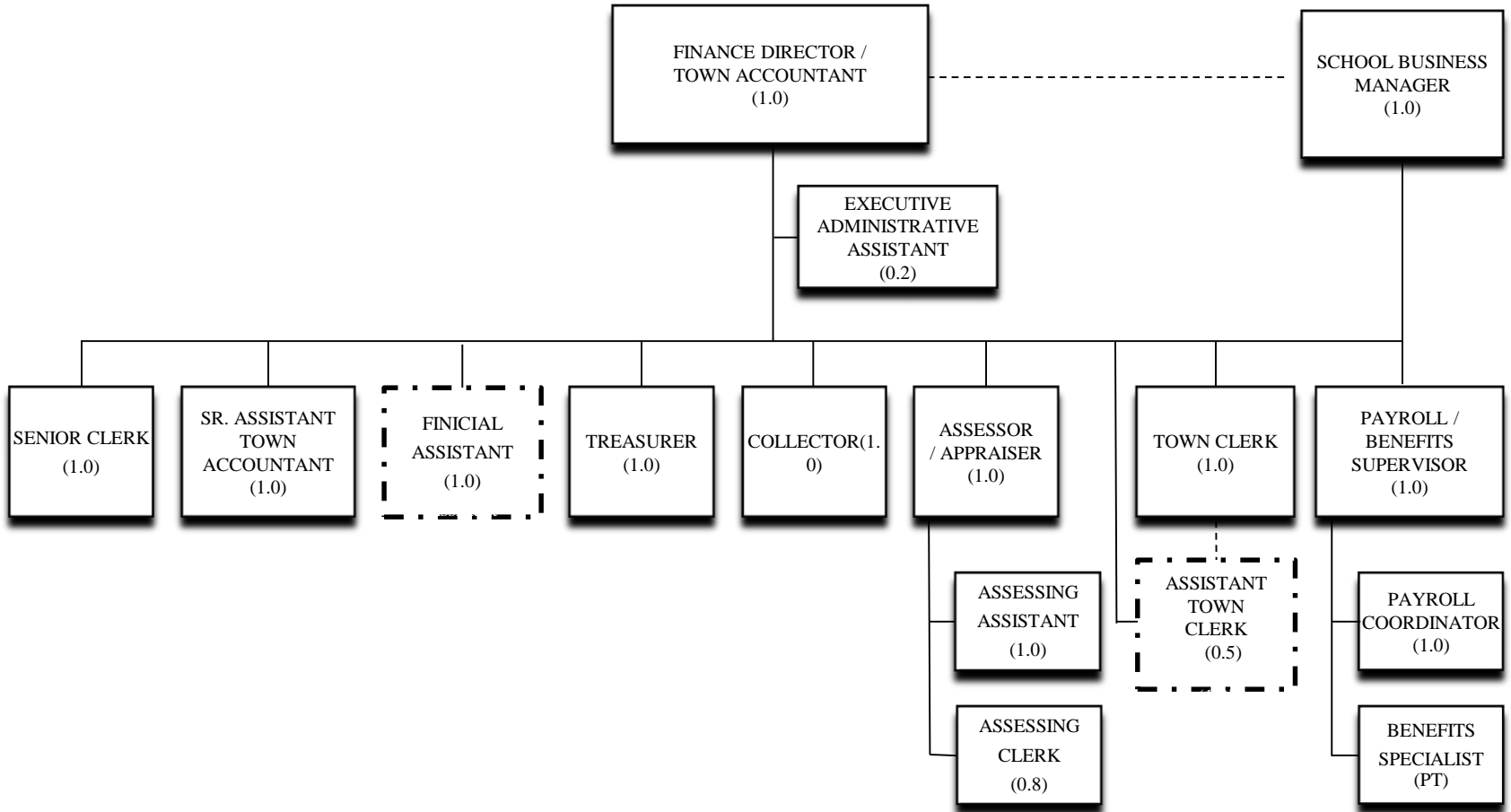
Department of Public Works



- Change
- Remove
- Add



Municipal Finance

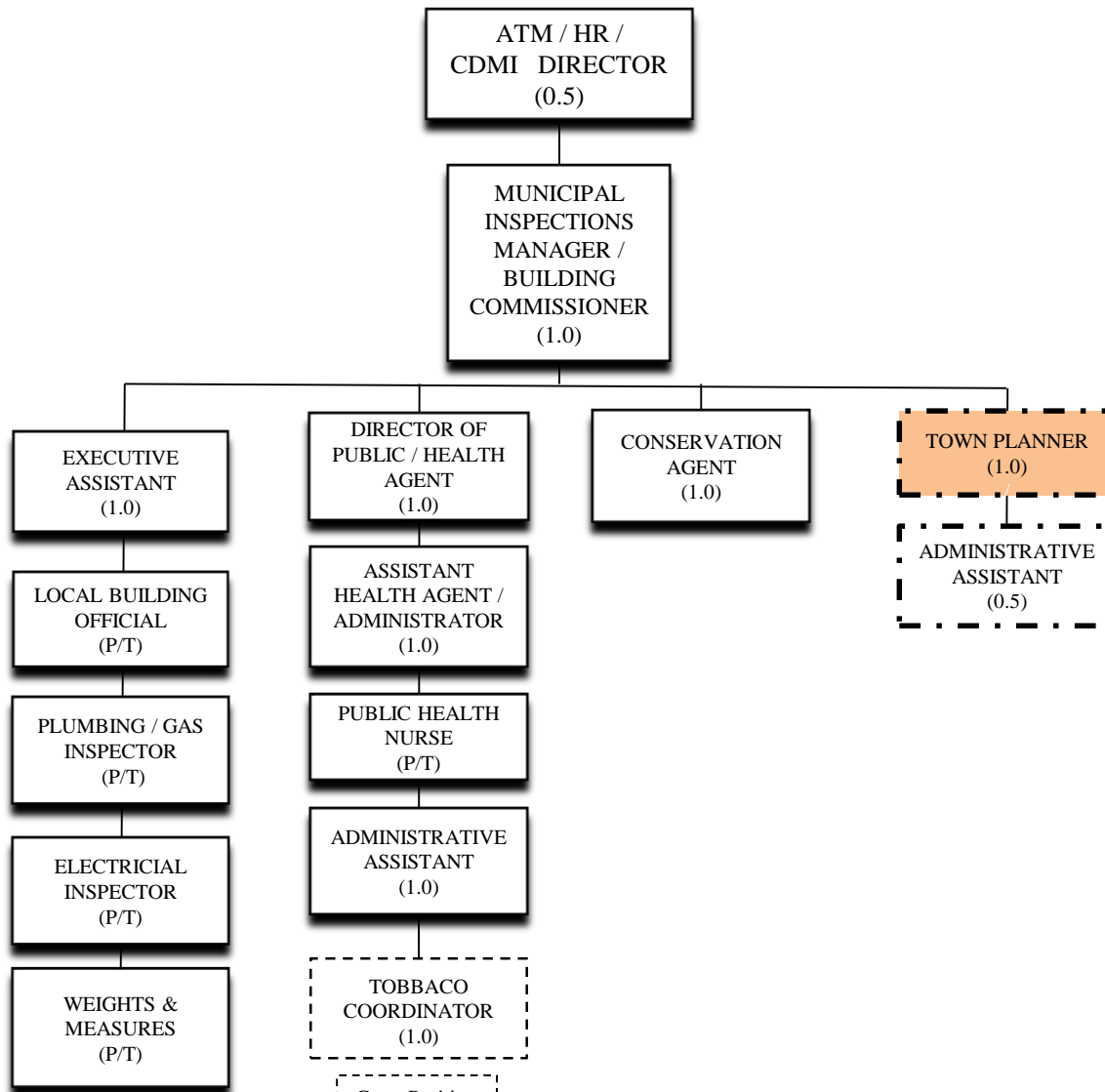


- Change
- Remove
- Add





Community Development & Municipal Inspections



Change
Remove
Add
ARPA



Fiscal Year 2024 Budget Information & Further Review

ALL Fiscal Year 2024 Budget Information is Available Online:

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

Date	Event
February 8	Police and Fire Budget Review with Advisory Committee
February 15	DPW and Water Budget Review with Advisory Committee
March 1	Schools, Finance, CDMI, Community Services, Library, & Town Manager Budget Review with Advisory Committee
March 8	CPC, Bylaw, and Petition Article Review with Advisory Committee
March 9 – 28	Advisory Committee Continues Review and Drafts Motions & Commentary for all Town Meeting Articles
March 29	Advisory Committee Meets to Discuss Motions and Commentary
April 5	Advisory Committee Meets to Vote Final Motions and Commentary
May 1	Special and Annual Town Meeting
July 1	Fiscal Year 2024 Budget Implemented



Fiscal Year 2024

Town Manager's Proposed Budget

