

FY 25 Operating Budget Update

MARCH 19, 2024

SELECT BOARD MEETING



Changes to Budget

- ❖ Salaries & Wages for relevant compensation/classification staff update with a corresponding reduction to the Compensation Reserve
- ❖ Elementary Schools reduced to the 4% guidance (anything over will be included in override)
 - ❖ Overall School budget reduced by \$201,625 at 3/18/24 School Committee meeting
- ❖ Masco budget adjusted based on latest meetings to \$11,103,746 or 1.9% increase
- ❖ Real Estate Tax (excess levy capacity) adjusted to balance the budget

Revenue Summary

REVENUES				
	FY2024	FY2025		
	BUDGETED	ESTIMATE	\$ Change	% Change
NET PROPERTY TAXES RAISED	\$ 37,331,848	\$ 38,707,061	\$ 1,375,213	3.7%
TOTAL NET STATE AID	2,185,456	2,249,948	64,492	3.0%
TOTAL LOCAL RECEIPTS	3,986,846	4,165,344	178,498	4.5%
TOTAL OFFSET RECEIPTS	1,241,731	1,146,477	(95,254)	-7.7%
TOTAL REVENUES	\$ 44,745,881	\$ 46,268,830	\$ 1,522,949	3.4%

Expenditure Summary

EXPENDITURES

	FY2024 BUDGET	FY2025 PROPOSED	\$ Change	% Change
TOTAL TOWN SERVICES	\$ 14,445,195	\$ 15,041,272	\$ 634,078	4.4%
TOWN DEBT SERVICE	3,805,330	3,828,178	22,848	0.6%
ELEMENTARY SCHOOLS	14,724,501	15,313,481	588,980	4.0%
TOTAL MASCONOMET ASSESSMENT	10,896,460	11,103,746	207,286	1.9%
TOTAL ESSEX NORTH SHORE ASSESSMENT	874,395	982,153	107,758	12.3%
TOTAL EXPENDITURES	<u>\$ 44,745,881</u>	<u>\$ 46,268,830</u>	<u>\$ 1,560,950</u>	<u>3.5%</u>

Budget Status

❖ Outstanding Items

❖ Elementary School

❖ Masco Final Budget

❖ Police CBA

Override

FY25 BUDGET OVERRIDE

- ❖ Add 6 months cost of Deputy Director of Facilities - \$50,000
- ❖ Add 2 Patrol Officers - \$146,200 (total cost of salary and contract benefits)
- ❖ Add 3 Firefighter/paramedics - \$282,000 (total cost of salary and contract benefits)
- ❖ Add 2 part-time library Circulation Assistants - \$31,000
- ❖ Employee Benefits for above positions - \$139,000
- ❖ Elementary School Operating Override - \$375,000 (as of 3/18/2024)

- ❖ Total - \$1,023,200 for FY25 portion of Override

Override

ADDITIONAL CAPACITY

- ❖ Build in additional capacity to last 3-5 years
 - ❖ Same methodology as the FY17 override question
- ❖ Based on future staffing needs for the Town this would be roughly \$757,000
 - ❖ Staffing for Police, Fire, Library, COA/Recreation, Planning/Conservation plus benefits
- ❖ Total Override question = \$1,780,200

Tax impact of Override

Middleton FY24 Tax Rate = \$11.79

Average Single Family Home Value —\$935,466

Tax Calculation = (Value/1,000)*Rate

Override impact = \$0.32/1,000

****ESTIMATES ONLY; FOR INFORMATIONAL PURPOSES****

- Home Value = \$450,000
 - Annual Tax Impact of Override = \$144

- Home Value = \$750,000
 - Annual Tax Impact of Override = \$240

- Home Value = \$950,000
 - Annual Tax Impact of Override = \$304

- Home Value = \$1,250,000
 - Annual Tax Impact of Override = \$400

- Home Value = \$1,550,000
 - Annual Tax Impact of Override = \$496