

FY24 Budget

**Town Administrator Presentation
Updated 3/21/2023**

Upcoming Schedule

March 20, 27 - Capital Committee meetings

March 21 -Selectboard Budget Hearing

March 28 - School Committee budget hearing and vote

April - Capital meeting(s) as needed

April - Bylaw Review meeting TBD

April - TM Info Session TBD

April 20 (Tentative) - TM Info Session - Zoning

April 25 - Appropriations / Town Administrator Hearing

May 10 - Town Meeting (May 12 if needed)

FY2024 Overview - \$54,266,925

General Fund	Up \$1.35m to \$24.35m	5.88%
Landfill	Up \$73k to \$1.4m	4.48%
Wastewater	Up \$154k to \$1.66m	10.26%
Ledges	Up \$32k to \$1.4m	2.34%
School	Up \$900k to \$24.53m	3.81%
Miscellaneous	Down \$122k to \$915k*	-11.8%
Overall	Up \$2.4m to \$54.27m	4.62%

*100k reduction from debt service moved to General Fund for new Facilities Department instead of into stabilization

Revenues

- **State Aid:** Net increase \$466k (last year it was \$918k)
Total increase in state receipts is \$794k (5.5% increase) over FY23; Total increase in assessments and charges is \$328k;
 - **Property taxes** - 2.5% plus new growth and debt exclusion adds \$973k
 - **Local receipts** estimate \$100k over FY23
 - **Retained earnings:** \$~300k increase in use of (Ledges, WWTP, Landfill) - Will have to consider increase sewer rates
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Expenses

- 6% increase Health Insurance (\$253k), 10% increase insurance (\$37k), 8% retirement (\$324k), 5% increase FICA/Medicare (\$20k)
 - Utilities - cost increases included in department budgets
 - Public Works - Add Working Foreperson position in Highway, move seasonal to full time in Parks, add maintenance expenses due to cost increases
 - Inspectional Services - add funding for emergency services and contracted inspections
 - Council on Aging - more funding for van drivers. Move $\frac{1}{3}$ of two existing positions from grant to budget
 - Veterans - part time to full time
 - Facilities - add Director level position
 - Public - loss of grant subsidy for nurse (one year grant), animal control backup
 - School Department increase of 900k
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Budget Notes

- Utility rates: We lock in natural gas ahead of time so we will be starting now for pricing down the road. Some department budgets will face a deficit this year and have increased their FY24 projections.
 - Wastewater: The Selectboard will consider a rate increase at an upcoming meeting. Retained earnings, typically used for capital, are being used to offset the operating budget. In FY25, there may not be any retained earnings to use for either operating or capital.
 - Library: The budget does not include a new position requested by the library. The initial request is for a part time archivist at a cost of \$14.5k. The library would like to consider funding the position at \$7500 if the funding for libraries is increased in the legislative budget(s).
 - Assistant Town Administrator / Human Resources: The Town Administrator is considering creating a joint position. No additional funding is needed at this time.
 - Opioid Settlements: The budget does not include any expenditures. There is a town meeting article to create a stabilization fund to put funds into there instead of the General Fund.
 - Retirement: This is the last year of a 7.2% increase per the schedule provided by the Hampshire County Retirement System. The rate will drop to 3.6% next year and then drop significantly in 2032, where the town can more aggressively fund OPEB.
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FY24 Capital Planning Requests as of 3/21/23

\$1.46m for General Fund. \$490k for Ledges. \$274k for Landfill. \$910k for Wastewater.

- DPW - \$33k for equipment, \$68k for building, \$52k for tree assessments
 - Facilities/Town Hall - \$75k for mini splits
 - Landfill - \$14k for equipment
 - Ledges - \$50k Master plan, \$38k clubhouse insulation/equipment, \$76k paving, \$52k drainage/irrigation
 - Library - \$15k acoustical improvements (likely to cost more, need to get new estimate)
 - Planning/Conservation - \$55k Leaping Well Nature Trail
 - Police - \$135k vehicles, \$10k water heater tank
 - Recreation/Parks - \$550k for BATTERY Brook (70% reimbursement with PARC grant), \$12k paint basketball courts, \$65k fencing and netting
 - Schools - \$100k Middle school HVAC, \$30k 10 passenger van, \$150k security at 3 schools, \$60k lockers, \$25k classroom, \$50k new floor tiles at Middle School
 - Wastewater - \$250k for Management Plan, \$500k for vehicles, \$160k maintenance
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ARPA - Requests as of 3/21/23

- South Hadley received a total of \$5,268,233
 - \$4,582,460 approved (\$841k High school mold, \$147k public health, \$40k housing production plan, \$80k community groups, \$30k facade improvement, \$50k land of low value project, \$10k Mosier Statement of Interest, \$182k Judd Brook, \$10k COA Transport, \$70k COA audio/visual, \$605k Schools) and earmarked (\$2.2m for Judd Brook, \$293k Schools)
 - That leaves \$685,773 in funding to consider other capital projects, community supports, public health, affordable housing.
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Next Steps

TONIGHT: Selectboard will hear public comment and make comments

Appropriations will review Operating Budget and make recommendations

Capital will review Capital Budget and make recommendations

Town Meeting warrant to be approved by Selectboard in April will include budget articles

Public comment via selectboard@southhadley.ma.gov anytime

Public hearing will be April 25th

Budget Information

www.southhadley.org/679/Budget-Town-Meeting-Documents

- Budget presentations
 - Sources and Uses
 - Budget Changes
 - Department Information
 - Previous Budget books and Presentations
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