

FY 2023 Budget Presentation



Josh Lang, Lanesborough Town Administrator

Budget Process

- January 2022— Budgets worksheets sent to Department Heads and Committees
- February 2022—Budgets due to Town Administrator by end of the month
- March 2022—Departments and Committees present budget, review of revenue projections, and provide Initial Operating Budget to Finance Committee and Selectmen
- March 2022—Town Administrator presents budget to Selectmen
- April 2022—Departments and Committees discuss budget concerns with finance committee
- April/May 2022—Town administrator presents budget to finance committee and makes budget and warrant recommendations
- May 2022—Warrant Articles and Operating Budget presented at Annual Town Meeting



FY23 Goals

- Attract and Retain Staff and Organizational Realignment: Building a Positive Culture
- Town Maintenance
- Town Technology in collaboration with IT Committee
- Organizational Development (Strategic Planning)
 - Improve Outreach and Communication
 - Develop Town Maintenance and Long Range Planning Efforts
 - Compensation Plan
 - Staff Training
- Update Job Descriptions
- New Town Website
- Finalize Updated Town Policies
- Financial Management Review
 - Continue to review cost savers and areas of additional revenue



Cost Analysis

- Healthcare
- Interest Rates
- Technology
- Solar
- Supply ordering process
- Capital Planning
- Grants



ARPA Funds

The Town ARPA committee is working to develop a budget to address organizational and community needs. We are set to receiving \$878,000. Some of the items discussed so far include the following:

- Technology Improvements
- Sewer Compliance
- Security Updates to Building
- Police Vehicle
- Broadband Improvements
- Emergency Management Vehicle
- Storm water compliance
- Facility Maintenance Index
- Records Management System
- Road Improvements around Pontoosuc Lake
- Cable Network Updates



Revenue

Total Tax Levy: \$8,830,053

+State Aid: \$550,930

+Estimated Local and Offset Receipts: \$1,307,913

Total: \$10,688,896

Total General Fund Revenues:

Available Fund/Other Financing: \$378,000 in Free Cash

Total Excess Capacity: \$10,533,056 (Total Max Tax Levy) -
\$8,830,053 (Tax Levy) = \$1,703,003

State aid is based on the Governor's budget (June), new growth has not been determined (October), only 8 full months of local receipts. More favorable revenue will decrease the amount needed from taxation, having a positive effect on the tax rate.



Tax Rate

$\$8,830,053$ (Tax Levy)/ $\$455,000,000$ (Taxable Value) x 1,000= 19.41 Tax Rate

With the addition of the \$209,100 as a General Fund Subsidy for the ambulance and \$15,600 for the Conservation Consultant request we would need \$9,054,753 in taxes

Calculation: $\$9,054,753$ (Tax Levy)/ $\$455,000,000$ (Taxable Value) x 1,000=19.90 Tax Rate

Home Assessed Estimated Annual Taxes

	<u>Tax Rate of 19.10</u>	<u>Tax Rate of 19.41</u>	<u>Tax Rate of 19.90</u>
\$200,000 Assessment	\$3,820 (\$955/quarter)	\$3,882 (\$970.50/quarter) \$62 increase/\$5.16 per month	\$3,980 (\$995/quarter) \$160 increase/\$13.33 per month
\$300,000 Assessment	\$5,730 (\$1,432.50/quarter)	\$5,823 (\$1,455.75/quarter) \$93 increase/\$7.75 per month	\$5,970 (\$1,492.50/quarter) \$240 increase/\$20 per month
\$400,000 Assessment	\$7,640 (\$1,910/quarter)	\$7,764 (\$1,941/quarter) \$124 increase/\$10.33 per month	\$7,960 (\$1,990/quarter) \$320 increase/\$26.66 per month
\$500,000 Assessment	\$9,550 (2,387.50/quarter)	\$9,705 (\$2,426.25/quarter) \$155 increase/\$12.91 per month	\$9,950 (\$2,487.50/quarter) \$400 increase/\$33.33 per month

Calculation: Assessed Value of Home divided by 1,000 multiplied by the tax rate.

Note: The rate is a guestimate based on a slight increase in property values. Until values are certified by BLA, the rate cannot be known.



Tax Rate

The Town conducted a Salary Survey of various towns of similar sizes and budgets. Throughout the Commonwealth we are seeing Town's having difficulty retaining and finding qualified staff, especially as staff retire. The Finance Committee did not accept the findings of the survey and voted to approve most increase in salaries at 5%. You can see the attached comparison of Proposed Staff Salaries to compare the Finance and Board of Selectmen/Town Administrator recommendations.

The difference in salary recommendations is \$26,116. Below is a breakdown of what the tax rate would look like.

$\$8,856,169$ (Tax Levy)/ $\$455,000,000$ (Taxable Value) x 1,000= 19.46 Tax Rate

With the addition of the \$209,100 as a General Fund Subsidy for the ambulance and \$15,600 for the Conservation Consultant request we would need \$9,080,869 in taxes.

Calculation: $\$9,080,869$ (Tax Levy)/ $\$455,000,000$ (Taxable Value) x 1,000=19.95 Tax Rate

Home Assessed Estimated Annual Taxes

	<u>Tax Rate of 19.10</u>	<u>Tax Rate of 19.46</u>	<u>Tax Rate of 19.95</u>
\$200,000 Assessment	\$3,820 (\$955/quarter)	\$3,892 (\$973/quarter) \$72 increase/\$6 per month	\$3,990 (\$997.50/quarter) \$170 increase/\$14.16 per month
\$300,000 Assessment	\$5,730 (\$1,432.50/quarter)	\$5,838 (\$1,459/quarter) \$108 increase/\$9 per month	\$5,985 (\$1,496.25/quarter) \$255 increase/\$21.25 per month
\$400,000 Assessment	\$7,640 (\$1,910/quarter)	\$7,784 (\$1,946/quarter) \$144 increase/\$12 per month	\$7,980 (\$1,995/quarter) \$340 increase/\$28.33 per month
\$500,000 Assessment	\$9,550 (2,387.50/quarter)	\$9,730 (\$2,432.50/quarter) \$180 increase/\$15 per month	\$9,975 (\$2,493.75/quarter) \$425 increase/\$35.41 per month

Calculation: Assessed Value of Home divided by 1,000 multiplied by the tax rate.

FY23 Proposed Expenses as Approved by Finance Committee

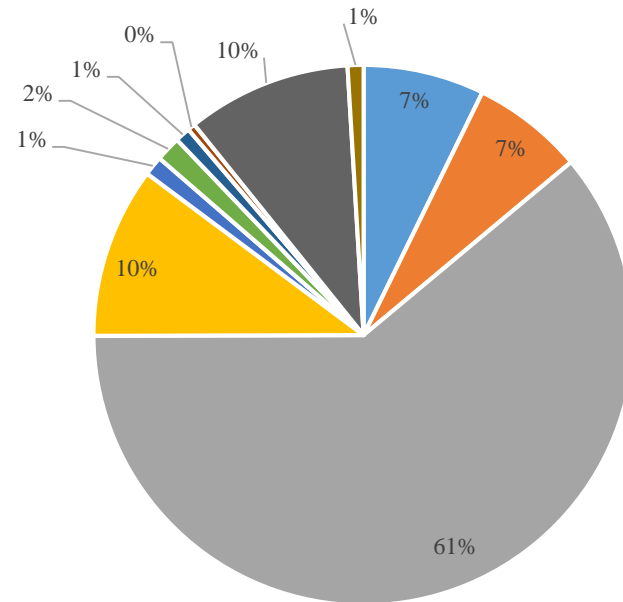
	FY22	FY23	Increase
General Government	\$728,271	\$717,523	(\$10,748)
Public Safety	\$677,252	\$700,528	\$23,276
Education	\$6,155,567	\$6,310,591	\$155,024
Public Works	\$1,059,708	\$1,074,970	\$15,262
Health and Human Services	\$105,247	\$104,567	(\$680)
Culture and Recreation	\$162,160	\$157,694	(\$4,466)
Debt and Interest	\$136,297	\$94,753	(\$41,544)
Other Assessments	\$47,140	\$47,701	\$561
Employee Benefits	\$981,718	\$1,007,270	\$25,552
Risk Management	\$95,200	\$100,050	\$4,850
Total	\$10,148,560	\$10,315,647	\$167,087

Total Percentage Increase: 1.65%



Allocation of FY23 Expenses

Town of Lanesborough Operating Budget FY23



- General Government
- Public Safety
- Education
- Public Works
- Health and Human Services
- Culture and Recreation
- Debt and Interest
- Other Assessments
- Employee Benefits
- Risk Management



Free Cash Articles

Previously Certified Amount of: **\$978,258**

Approved at January Special Meeting: **\$599,282.33**

Total Free Cash Remaining: **\$378,975.67**

Proposed Annual Town Meeting Free Cash

Other Post Employment Benefits Contribution: **\$50,000**

DPW Director Retirement Sick Leave and Vacation Buy Out: **\$47,823.45**

Sewer Compliance Study: **\$43,000**

Total Remaining Free Cash: **\$238,152.22**

