

FY 2025

BUDGET OVERVIEW

Open Hearing

March 18, 2024



FY25 CHALLENGES



- Inflationary pressure – energy, health care & labor costs
- New positions added for Community Center and town operations (\$375K)
- Increase in debt service for Community Center \$6.774M & capital (\$657K)
- Repairs and replacement of aging infrastructure (\$1.9M in capital)
- Dover-Sherborn Regional School Increase (\$313K)
- Chickering School Increase (\$524K):
 - Out of District Placement
 - New math curriculum
 - Additional .5 FTE
- Goal: Responsible use of reserves, moderate predictable increase in property taxes, maintain AAA rating and fiscal health of the Town

Notable Budget

Reductions

As of March 18, 2024



■ Reduced FTE Requests for Project Manager, IT Analyst, and Payroll/Benefits Coordinator

■ Reduce financial consultant support by 50K

■ Used 305K in state funding for repairing culverts as a result of storm damage

■ Used 319K in excess free cash to fund the town's long-term OPEB liability

■ Used 1.1 million in ARPA funds to reduce capital for stormwater and DPW 6-wheel dump truck

FY 2025

FUNDING REQUIREMENTS/ USE

OF RESERVES

	Approved FY24	Requested FY25	Variance FY 24 vs FY 25		Composition of Variance					
			\$	%	Standard	New	Offsets	One-time		
(\$ in Thousands)										
OPERATING EXPENSES										
General Town Operations (BOS)	\$3,372	\$3,793	\$421	12.5%	\$234	\$407	(\$230)	\$10		
Protective Agencies (Police & Fire)	3,898	4,063	166	4.2%	131	35	-	-		
Public Works	2,617	2,759	142	5.4%	83	128	(69)	-		
Health & Human Services	538	562	25	4.6%	25	-	-	-		
Culture & Recreation	1,401	1,513	111	7.9%	69	42	-	-		
Total Municipal Budget	11,826	12,691	865	7.3%	541	612	(299)	10		
Education (Chickering, Region & Minuteman)	24,007	24,865	858	3.6%	858	-	-	-		
Debt & Interest	1,862	2,519	657	35.3%	-	657	-	-		
Insurance & Pensions	5,129	5,549	419	8.2%	419	-	-	-		
Total Fixed Costs	6,992	8,068	1,076	15.4%	419	657	-	-		
Total Town Operating Expenses (Article 4)	\$42,825	\$45,624	\$2,799	6.5%	\$1,819	\$1,268	(\$299)	\$10		
Less: Impact of Excluded Debt Service	\$ 1,633	\$ 2,189	\$ 556							
Total Town Operating Expenses:										
Net of Excluded Debt Service	\$ 41,192	\$ 43,435	\$ 2,243	5.4%						
CAPITAL EXPENSES										
General Town Operations (BOS)	\$242	\$511	\$269	111.2%	\$511	\$0	\$0	\$0		
Protective Agencies (Police & Fire)	1,234	313	(920)	-74.6%	313	-	-	-		
Public Works	1,750	1,012	(738)	-42.2%	355	657	-	-		
Health & Human Services	-	-	-	N/A	-	-	-	-		
Culture & Recreation	34	150	116	339.1%	-	150	-	-		
Total Municipal Capital	3,260	1,987	(1,273)	-39.1%	1,179	807	-	-		
Education (Chickering, Region & Minuteman)	822	140	(682)	-83.0%	140	-				
Total Town Capital (Article 5)	\$4,082	\$2,127	(\$1,956)	-47.9%	\$1,319	\$807	\$0	\$0		
Funded by Debt-Public Works	2,490	657	(1,833)	-73.6%	\$0	\$657				
Net Capital Funding	\$1,592	\$1,469	(\$123)	-7.7%	\$1,319	\$150				
Special Articles	1,016	1,040	24	2.3%						
Total Funding Requirements	45,486	48,203	2,717	6.0%	\$3,138	\$2,076	(\$299)	\$10		
USE OF RESERVES FOR:										
Operating Budg. (Includes DCC Tax Relief)	\$ (690)	\$ (949)	\$ (259)	37.5%	\$0	\$0	\$0	\$0		
Reducing Tax Rate	(1,200)	(800)	400	-33.3%	-	-	-	-		
Capital Expenditures	(1,070)	(714)	356	-33.3%	-	-	-	-		
Unpaid bills	(8)	(10)	(2)	31.7%	-	-	-	-		
Prior Year Articles		(135)								
Special Articles	(1,016)	(1,040)	(24)	2.3%	-	-	-	-		
Overlay Surplus for Reserve Fund	(100)	(150)	(50)	50.0%	-	-	-	-		
Total Use of Reserves	(\$4,084)	(3,798)	\$286	-7.0%	\$0	\$0	\$0	\$0		
Net Funding Requirements	\$41,402	\$44,405	\$3,004	7.3%	\$3,138	\$2,076	(\$299)	\$10		

	Approved	Requested	Variance FY 24 vs FY 25		Composition of Variance			
	FY24	FY25	\$	%	Standard	New	Offsets	One-time
<i>(\$ in Thousands)</i>								
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2023-2024 Budget Comparison: Town of Sudbury vs. State of Massachusetts									
2023-2024 Budget		2022-2023 Actual		Change (%)		2023-2024 Budget		2022-2023 Actual	
Category	Amount	Amount	Amount	Change	Change (%)	Amount	Amount	Amount	Amount
CAPITAL EXPENSES									
General Town Operations (BOS)	\$242	\$511	\$269	111.2%	\$511	\$0	\$0	\$0	\$0
Protective Agencies (Police & Fire)	1,234	313	(920)	-74.6%	313	-	-	-	-
Public Works	1,750	1,012	(738)	-42.2%	355	657	-	-	-
Health & Human Services	-	-	-	N/A	-	-	-	-	-
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Total Municipal Capital	3,260	1,987	(1,273)	-39.1%	1,179	807	-	-	-
Education (Chickering, Region & Minuteman)	822	140	(682)	-83.0%	140	-	-	-	-
Total Town Capital (Article 5)	\$4,082	\$2,127	(\$1,956)	-47.9%	\$1,319	\$807	\$0	\$0	\$0
Funded by Debt-Public Works	2,490	657	(1,833)	-73.6%	\$0	\$657	-	-	-
Net Capital Funding	\$1,592	\$1,469	(\$123)	-7.7%	\$1,319	\$150	-	-	-
Special Articles	1,016	1,040	24	2.3%	-	-	-	-	-
Total Funding Requirements	45,486	48,203	2,717	6.0%	\$3,138	\$2,076	(\$299)	\$10	\$10

USE OF RESERVES FOR:				-						
Operating Budg. (Includes DCC Tax Relief)	\$ (690)	\$ (949)	\$ (259)	37.5%	\$0	\$0	\$0	\$0	\$0	\$0
Reducing Tax Rate	(1,200)	(800)	400	-33.3%						
Capital Expenditures	(1,070)	(714)	356	-33.3%	-	-	-	-	-	-
Unpaid bills	(8)	(10)	(2)	31.7%	-	-	-	-	-	-
Prior Year Articles		(135)								
Special Articles	(1,016)	(1,040)	(24)	2.3%	-	-	-	-	-	-
Overlay Surplus for Reserve Fund	(100)	(150)	(50)	50.0%						
Total Use of Reserves	(\$4,084)	(3,798)	\$286	-7.0%	\$0	\$0	\$0	\$0	\$0	\$0
Net Funding Requirements	\$41,402	\$44,405	\$3,004	7.3%	\$3,138	\$2,076	(\$299)	\$10		

MAJOR FY 2025 COST DRIVERS

	Approved FY24	Requested FY25	FY24 vs FY25 Change	Composition of New Budget Asks FY25				Regular Increases	
				DCC	BOS	P&R	Offsets	Net	Increases
OPERATING EXPENSES									
General Town Operations (BOS)	\$11,826	\$12,691	\$865						
Personnel				220	112	42	(178)	196	
DCC Director				105	-	-	-	-	
DCC Custodians (2)				115	-	-	-	-	
0.5 FTE for Park & Rec Assistant				-	-	42	-	-	
Finance Director				-	112	-	(50)	-	
Eliminated Project Manager and IT Analyst				-	-	-	(67)	-	
Eliminated Payroll/Benefits Manager				-	-	-	(62)	-	
Utilities				13	-	-	(52)	(39)	
Conservation Consulting				-	23	-		23	
Protective Agencies				-	35	-	-	35	
Ambulance On-Call Stipend Increase				-	35	-	-	-	
DPW				-	166	-	(69)	97	
Solar Project Fees				-	38	-	(38)	-	
Solid Waste Tipping and Hauling				-	78	-	(31)	-	
Paving				-	50	-	-	-	
Total Municipal Budget	11,826	12,691	865	233	336	42	(299)	313	552
Chickering	10,779	11,303	524	-	-	-	-	-	
DS Regional	12,955	13,268	313	-	-	-	-	-	
Minuteman Voc.	249	269	21	-	-	-	-	-	
Total Education	24,007	24,865	858	-	-	-	-	-	858
Debt & Interest	1,862	2,519	657	1,008	126	-	(630)	504	152
Insurance & Pensions	5,129	5,549	419	-	442	-	(319)	123	296
Total Fixed Costs	6,992	8,068	1,076	1,008	568	-	(949)	627	449
Total Town Operating Expenses (Article 4)	\$42,825	\$45,624	\$2,799	1,241	904	42	(1,248)	940	1,859
% Change versus FY24			6.5%	2.9%	2.1%	0.1%	-2.9%	2.2%	4.3%

FY 2025 FUNDING SOURCES

	Approved	Requested	Variance FY 24 vs FY 25		Composition of Variance			
	FY24	FY25	\$	%	Standard	New	Offsets	One-time
(\$ in Thousands)								
REVENUE SOURCES								
Tax Levy	38,003	40,845	\$2,841	7.5%				
Local Receipts	2,657	2,700	43	1.6%				
State Aid	1,386	1,416	31	2.2%				
Cherry Sheet Assessments	(645)	(556)	89	-13.7%				
Total Revenue Sources	\$41,402	\$44,405	\$3,004	7.3%				
Surplus/(Deficit)		0						
CASH RESERVES								
General Stabilization Fund			1,317					
Capital Reserve Fund			900					
OPEB Reserve - Region			1,819					
Cash Reserves for AAA rating (10% of Revenue), net of Stabilization Fund			3,124					
Total Cash Reserves: Allocated for Specific Purposes			\$7,160					
Estimated Cash Reserves @ Town Meeting			\$10,519					
Used at Town Meeting			(3,798)					
Cash Reserves for AAA rating (10% of Revenue), net of Stabilization Fund			(3,124)					
Estimated Unallocated Cash Reserves after Town Meeting			\$3,597					

Considerations

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Further Cost Reductions

- Discuss with Parks and Recreation creative solutions for the management of the Community Center.
- Phase hiring/ reduce the number of custodian positions for the Community Center.
- Consider a combined Finance Director/Treasurer-Collector Position.
- Eliminate 50K request for additional paving of roads.

