

# FISCAL YEAR 2027 BUDGET PRESENTATION

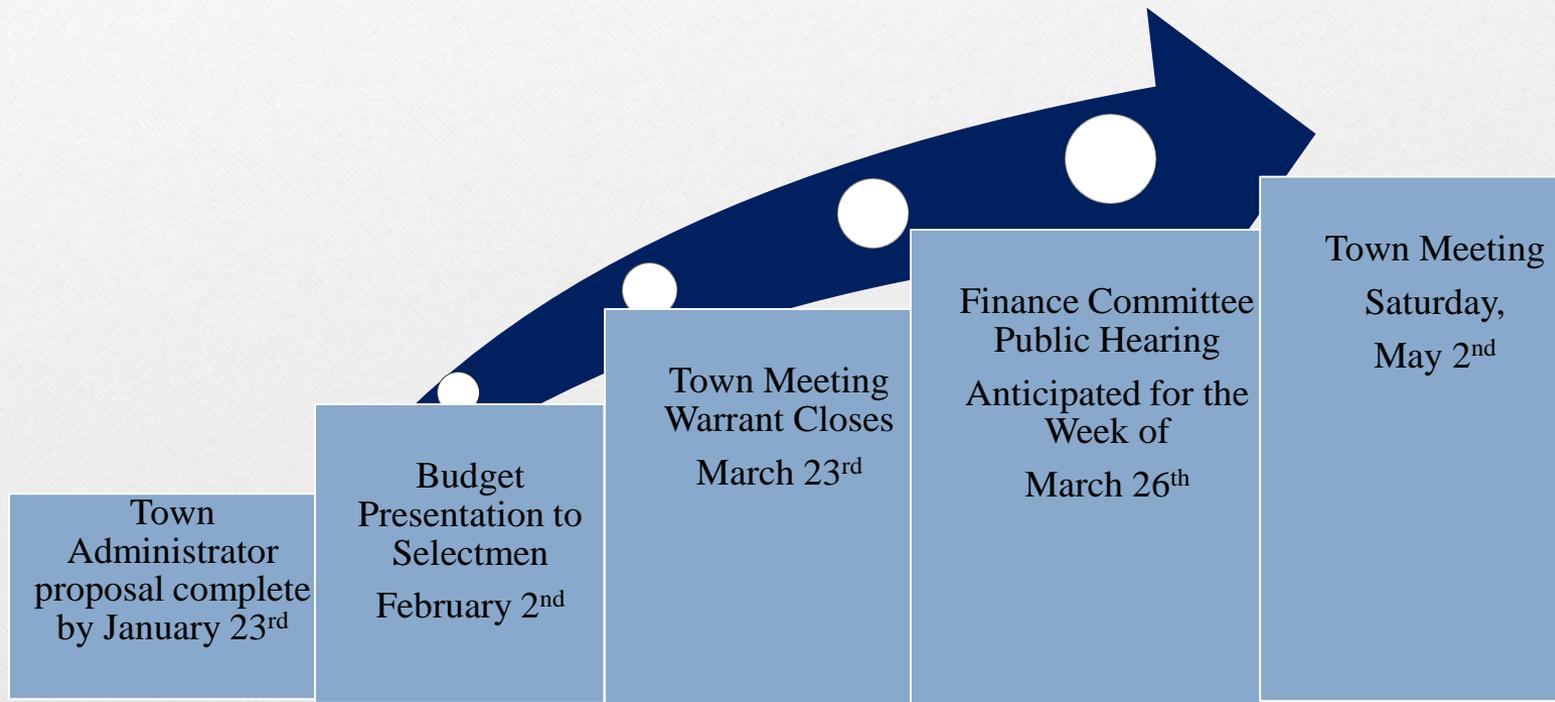


TO THE  
SELECT BOARD and FINANCE COMMITTEE

Presented by:  
**Keith R. Hickey**  
Town Administrator

# Budget Process Timeline

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# Town Administrator's Recommended Budget

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- What's included in the budget book?
  - Transmittal letter highlighting proposed operational and staffing changes included in the two budgets provided. The first budget requires a Proposition 2 1/2 override. The second budget option would fund services without an override.
  - Balanced General Fund, Water, Sewer and Cable budgets with detailed supporting information.
  - Revenue information including estimated Cherry Sheet revenues, local receipts and other available funds.
  - A glossary of municipal budget terms.
  - Town Administrator's PowerPoint Budget presentation.

# Overview of Town Administrator's Proposed Budget

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- The proposed budget requiring an override includes an increase in spending of 4.43%. A Proposition 2 ½ override has been discussed and anticipated for the FY27 fiscal year. This proposed budget has minimal impacts to current Town and School operations.
- The second budget, which does not need an override, will more significantly impact the services currently provided. This budget reduces staffing, overtime costs for emergency services, maintenance to roads, sidewalks and trees along with \$380,802 in reductions to the School Department.
- Other current services eliminated include Household Hazardous Waste Day and curbside leaf collection.

## Assumptions Used to Develop FY27 Budget Requiring a Proposition 2 ½ Override

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- State revenues are based on Governor's FY27 Cherry Sheet.
- Proposed budget includes all contractual wage adjustments for union employees and wage adjustments for nonunion.
- The Health Insurance budget is based on the average FY27 monthly expenditure and includes an 8% increase.
- The retirement appropriation is based on the actual costs determined by report from the Public Employee Retirement Actuarial Commission (PERAC).

# Annual General Fund Budget Summary

	FY27 Proposed Town Administrator Budget	FY27 Proposed Budget Without a Proposition 2 1/2 Override
<b>Revenues</b>		
Real and Personal Property Taxes	\$ 37,056,511	\$ 37,056,511
Debt Exclusion	\$ 693,239	\$ 693,239
State Aid Receipts (net of charges)	13,031,484	13,031,484
Local Receipts	9,277,630	9,277,630
Indirect Charges	1,470,472	1,470,472
Other Available Funds	1,756,390	1,756,390
<b>TOTAL REVENUE</b>	<b>\$ 63,285,726</b>	<b>\$ 63,285,726</b>
Total Town Appropriations	\$ 34,504,828	\$ 33,793,970
Total School Appropriations	29,695,647	29,191,756
<b>TOTAL APPROPRAITIONS</b>	<b>\$ 64,200,475</b>	<b>\$ 62,985,726</b>
Abatements & Exemptions	300,000	300,000
	<b>\$ 64,500,475</b>	<b>\$ 63,285,726</b>
Override Necessary for Level Services	<b>\$ 1,214,749</b>	

# Impacts to Current Services Provided Based on Town Administrator Budget

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- Eliminated funding for the administrative “floater” position that was created to provide departmental administrative support during times when administrative staff is out of the office.
- Overtime in Police, Fire and Public Works has been reduced to amounts closer to FY26.
- The Tree Department requested additional funding to more aggressively maintain town owned trees. Most of that funding, totaling \$116,000 has been eliminated.
- The Veteran Services budget has been reduced by \$92,000. There will be no impact to veteran support as the remaining FY27 budgeted amount remains more than what has historically been expended by the Veterans Department.

# Impacts to Current Services Provided Based on Town Administrator Budget cont.

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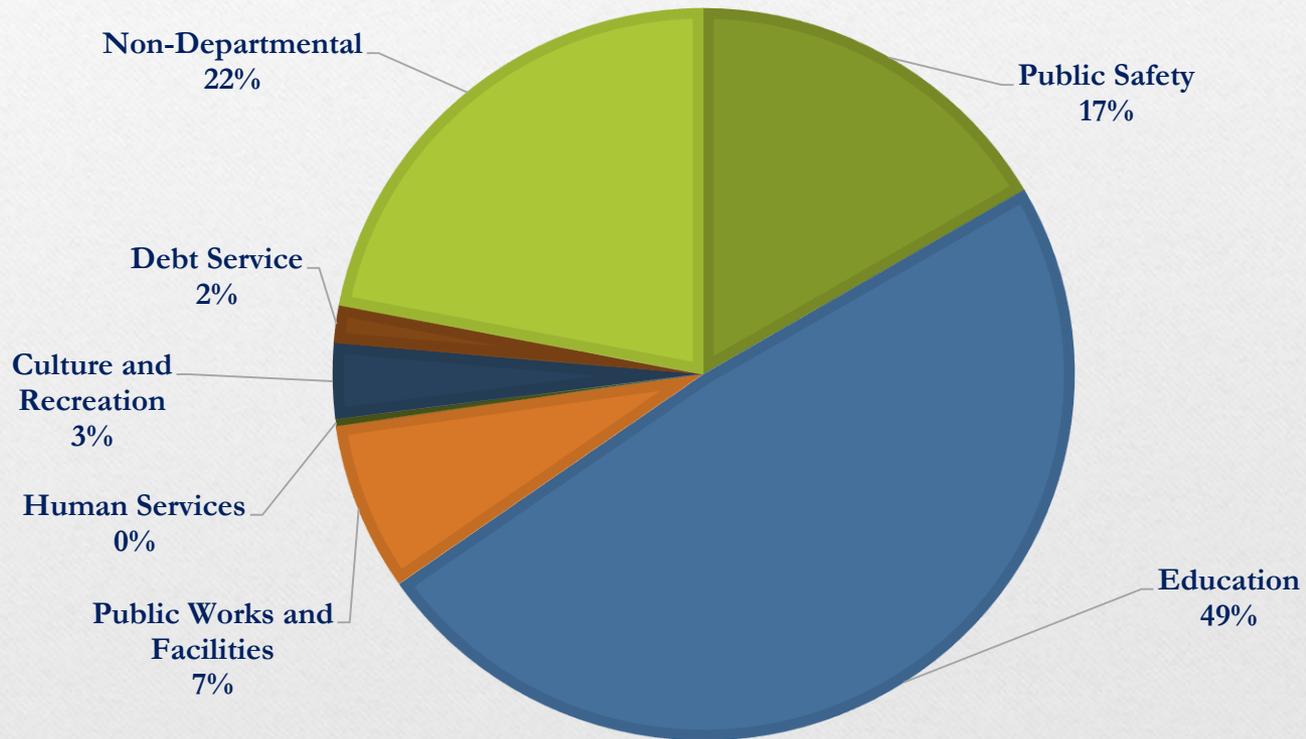
- The recommended Fiscal Year 2027 budget includes a reduction of \$380,802, or 1.42%, from the School Department's initial FY27 budget request. The resulting recommended School Department appropriation totals \$26,531,685, which represents an increase of approximately \$1.256 million over the FY26 budget.
- The anticipated impact of a Proposition 2 1/2 Override to a single-family home with a value of \$450,000 is estimated at \$189 annually.

## Fairhaven School Department Comparison of Annual District Statistics

	Fiscal Year				
	<u>24/25</u>	<u>23/24</u>	<u>22/23</u>	<u>21/22</u>	<u>20/21</u>
Total Students (K-12)	1,727	1,759	1,826	1,846	1,918
FT Teachers (FTE)	144	137	147	147	130
Administrators (FTE)		12	11.8	10.8	
Student/Teacher Ratio	12.0/1	12.8/1	12.4/1	12.6/1	14.8/1
Actual Net School Spending	\$25,649,369	\$ 24,346,238	\$ 23,409,914	\$ 23,535,014	\$ 22,025,294
Required Net School Spending	\$ 24,687,013	\$ 23,768,493	\$ 22,300,571	\$ 20,975,457	\$ 20,980,114
Amount Over Net School Spending	\$962,356	\$ 577,745	\$ 1,109,343	\$ 2,559,557	\$ 1,045,180
Total Expenditure Per Pupil	unavailable	unavailable	\$ 16,788	\$ 16,315	\$ 15,287
Annual Acushnet Tuition Received	\$ 2,227,237	\$ 2,403,277	\$ 2,637,909	\$ 2,512,442	\$ 2,708,021
Number of Acushnet Students	176	199	217	218	246

# Proposed Town Administrator Budget

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# BUDGET SOURCES

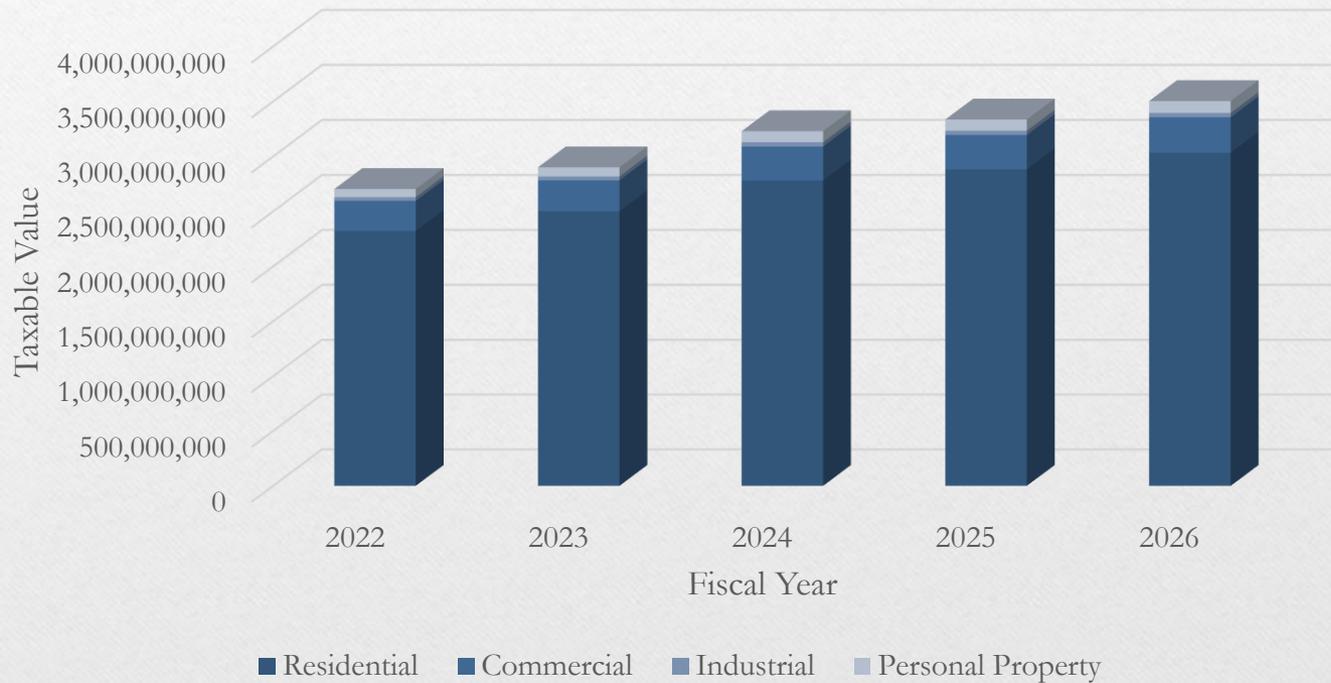
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## (REVENUES)

# FY27 Levy Limit Calculation

	FY26 Budget	FY27 Proposed Town Administrator Budget	FY27 Proposed Budget Without a Proposition 2 1/2 Override
<b>LEVY LIMIT:</b>			
Levy Limit Prior Year	\$ 34,476,372	\$ 35,760,041	\$ 35,760,041
Allowable 2.5% Increase	861,945	894,001	894,001
New Growth	421,724	402,469	402,469
<b>SUB-TOTAL</b>	<b>\$ 35,760,041</b>	<b>\$ 37,056,511</b>	<b>\$ 37,056,511</b>
<b>DEBT EXCLUSION:</b>	<u>\$ 715,775</u>	<u>\$ 693,239</u>	<u>\$ 693,239</u>
<b>MAXIMUM ALLOWABLE LEVY</b>	<b>\$ 36,475,816</b>	<b>\$ 37,749,750</b>	<b>\$ 37,749,750</b>
State Aid Receipts (net of charges)	12,903,718	13,031,484	13,031,484
Local Receipts	9,209,233	9,277,630	9,277,630
Indirect Charges	1,434,607	1,470,472	1,470,472
Other Available Funds	<u>1,739,000</u>	<u>1,756,390</u>	<u>1,756,390</u>
<b>ESTIMATED RECEIPTS</b>	<b><u>\$ 25,286,558</u></b>	<b><u>\$ 25,535,976</u></b>	<b><u>\$ 25,535,976</u></b>
<b>TOTAL REVENUE</b>	<b><u>\$ 61,762,374</u></b>	<b><u>\$ 63,285,726</u></b>	<b><u>\$ 63,285,726</u></b>

# Annual Taxable Value by Property Type



# Free Cash Balances Available for FY27

General Fund	
Starting Balance	\$ 4,213,249
Free Cash Used at 2025 Fall Town Meeting	\$ ( 70,000)
Capital Improvement Plan	\$ (2,000,000)
Available for Other Articles	\$ <u>2,143,249</u>
<u>Enterprise Funds</u>	
Water Fund	\$ 542,116
Sewer Fund	\$ 1,544,841
Cable – Town	\$ 577,434
Cable - School	\$ 383,145

# Free Cash Balances by Fiscal Year 2010-2026

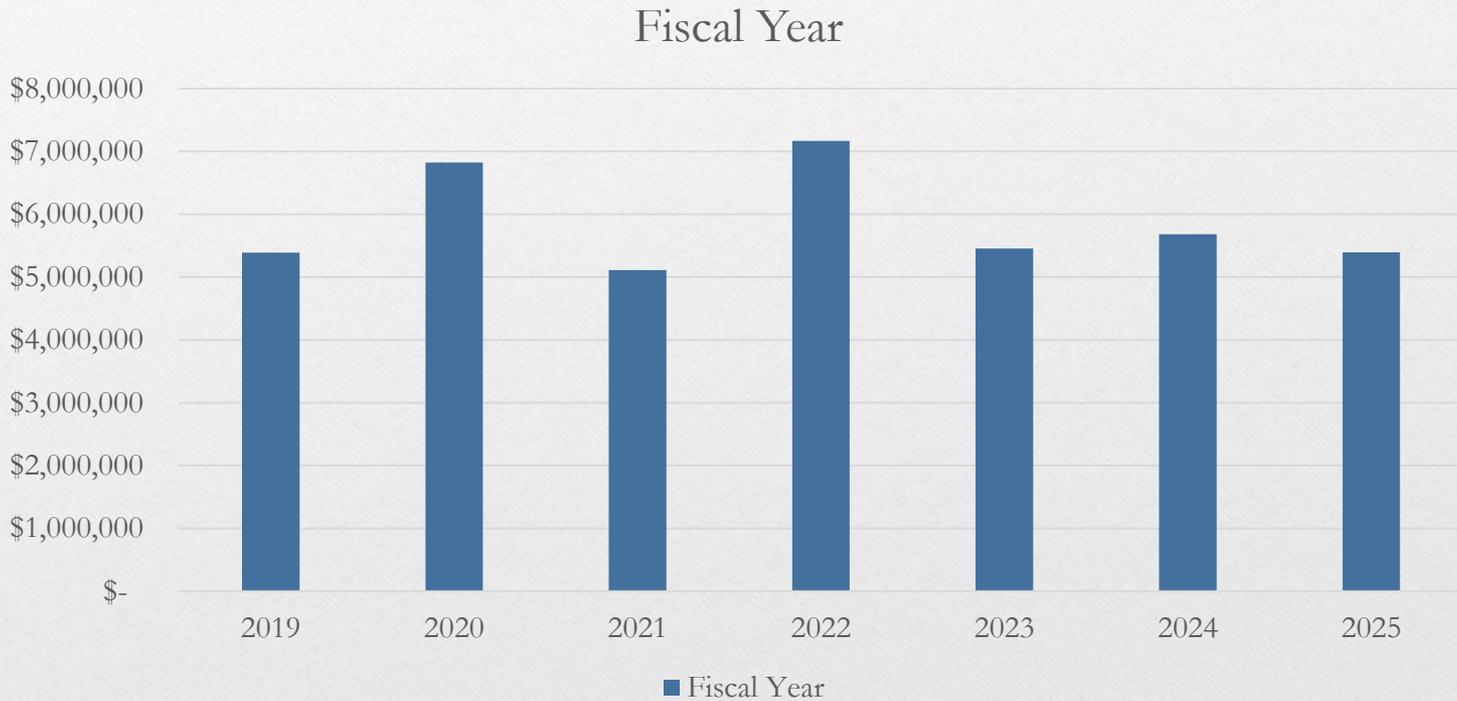


**BUDGET USES**  
**(APPROPRIATIONS)**

# Budget Expenditure Comparison FY26 vs FY27

	FY26 Budget	FY27 Proposed Town Administrator Budget	FY27 Budget Without a Proposition 2 1/2 Override	FY27 \$ Increase FY26 to TA Budget	FY27 % Increase FY26 to TA Budget
General Government	\$ 3,063,031	\$ 3,201,799	\$ 3,125,767	\$ 138,768	4.53%
Public Safety	\$ 9,857,641	\$ 10,126,546	\$ 10,065,855	\$ 268,905	2.73%
Education	\$ 28,620,128	\$ 29,695,647	\$ 29,191,756	\$ 1,075,519	3.76%
Public Works and Facilities	\$ 4,369,701	\$ 4,546,498	\$ 4,357,207	\$ 176,797	4.05%
Human Services	\$ 190,059	\$ 199,053	\$ 190,059	\$ 8,994	4.73%
Culture and Recreation	\$ 2,075,322	\$ 2,009,854	\$ 2,069,604	\$ (65,468)	-3.15%
Debt Service	\$ 945,820	\$ 1,017,891	\$ 1,017,891	\$ 72,071	7.62%
Non-Departmental	\$ 12,340,672	\$ 13,403,187	\$ 12,967,587	\$ 1,062,515	8.61%
<b>DEPARTMENTAL EXPENSES</b>	<b>\$ 61,462,374</b>	<b>\$ 64,200,475</b>	<b>\$ 62,985,726</b>	<b>\$ 2,738,101</b>	<b>4.45%</b>
Abatements & Exemptions	\$ 300,000	\$ 300,000	\$ 300,000	-	-
	<b>\$ 61,762,374</b>	<b>\$ 64,500,475</b>	<b>\$ 63,285,726</b>	<b>\$ 2,738,101</b>	<b>4.43%</b>
Override Necessary for Level Services		<b>\$ 1,214,749</b>			

# Unreserved/Undesignated Fund Balance FY19-FY25



# Questions

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