SUSTAINABILITY STUDY

Appendix

For The Mohawk Trail
Regional School District
School Committee

Superintendent of Schools:
Sheryl L. Stanton

Consultants:

MARS CONSULTING GROUP

<u>Appendix</u>

Community Survey

Town Officials Survey

Virtual Forums – Comments

Staff Interview Guides

Administrative Interview Guides

Municipal Finances Information for Member Towns

Summary NESDEC Report (separate file)

Full NESDEC Report (separate file)

Full Abrahams Financial Report (separate file)

The following reports were used as references:

District Strategic Plan

Jetzon Data Report

Best Report

White Paper Report

Comments from Virtual Forums on District Sustainability
April 13, 2023

Education

That Mohawk is a competitive option for college bound high school students

How do we get the message out more effectively

(Continue to) hold open house functions for first year college students

If more students stay in district, it would make a difference about how people feel about paying for schools

Frustration about a parent did not getting extra help in math for their child.

Budgets

Budgets are a challenge year to year, but the real concern is whether it is sustainable over the long term?

Budgets are volatile for Hawley.

There are concerns about administrative staffing in a small district.

Also concerns about the prevalence of paraprofessionals.

There is frustration that town employees are not paid like teachers.

Don't feel like we have control over the assessments, which need to go down.

Costs are going up and there are both school needs and town needs

State aid has not been helfpul.

Sustainability

Don't see a one campus consolidation, moving everyone to Mohawk and building a new facility would not be accepted.

The Heath closing was extremely disruptive.

A 6-8 grade configuration would be possible.

We pay for busing, but for some the bus routes do not work.

Municipal Forum

Question: What does sustainability look like?

We all love our community schools.

Further develop solar energy

Busing seems so complicated and not effective.

Spending more than an hour on a school bus is not acceptable

Can we think about sustaining smaller satellite sites?

Could we find a collaboration between our school and the vocational/technical school?

We need to be smart with our dollars – perhaps a focus on the community at large and we need to look at consolidation.

Heath was exempted from paying back to the MSBA regarding the school closure.

Mohawk is now implementing programs I long hoped for: SEL, learning about communication, anti-bullying

Our schools are attractive to the real estate market.

There is a worry about wounding the communities in an economic sense.

Mohawk is a gem – but there is work to be done

- Good student teacher relationships
- Exchange trip to Mexico
- Advisory program
- Dual enrollment
- We have good leadership, and we are going in the right direction.

Teacher Interview Guides

Inputs

School Environment:

Describe your teaching/learning space(s) & the school facility.

Do you have appropriate materials (including technology) & support?

Is there support for teacher development & growth?

Are SPED services adequate & effective

Are students academically challenged and is support available?

Describe the school culture.

Describe student/teacher relationships.

Describe family/school relationships & community involvement.

Outputs

Student Performance:

Describe student test score performance & trends.

Are students ready for transitions to the next level of schooling?

Is there a feeling of civic responsibility among students?

Do students have an appreciation for equity & diversity?

How would you describe the social-emotional health of your students & does the SEL program meet these needs?

District Performance:

What are the strengths & weaknesses of your school program?

Is your school/District meeting current & future needs of students?

What opportunities do you see to improve your program?

What are the most important parts of the school program which must be maintained?

How could your District/school be more efficient and, therefore, more sustainable?

Principal/Administrator Guides

Inputs

School Environment:

Describe your school facility & its ability to support good education.
What are you most proud of in your school & your district?
What are your concerns about the future of your school & your district?
Describe the culture of the school & the District.
Is there adequate staff – classroom teachers & specialists?
Does your school (& the District) provide enough resources to offer broad curricular and extra-curricular offerings?
Are students academically challenged and is support available?
Describe community involvement & family/school relationships.

Outputs

Student Performance:

Describe student test score performance & trends.
Is there an appreciation for equity & diversity among students, staff & community?
Are students ready for transitions to the next level of schooling?
How would you describe the social-emotional health of your students & does the SEL program meet these needs?

District Performance:

What are the most important parts of the school program which must be maintained?
Is your school/District meeting current & future needs of students?
Do you have ideas about how Mohawk Trail could further sustain itself and remain adequately funded and educationally viable and effective?

Municipal Finance Information for Member Towns

Table of Contents

Introduction 10

Summary – Mohawk Trail Regional School District 11

Town of Ashfield 14

Population by Age Group (DPH, 2019) 14
Tax Rate 14
Excess Levy Capacity 14
Override Capacity 15
Free Cash 16
Stabilization Account 17
Municipal Budgets 17
Ashfield Summary 18

Town of Buckland 19

Population by Age Group (DPH, 2019) 19
Tax Rate 19
Excess Levy Capacity 19
Override Capacity 20
Free Cash 21
Stabilization Account 22
Municipal Budgets 22
Buckland Summary 22

Town of Charlemont 24

Population by Age Group (includes Hawley, DPH, 2019) 24
Tax Rate 24
Excess Levy Capacity 24
Override Capacity 25
Free Cash 26
Stabilization Account 27
Municipal Budgets 27
Charlemont Summary 27

Town of Colrain 29

Population by Age Group (DPH, 2019) 29
Tax Rate 29
Excess Levy Capacity 29
Override Capacity 30
Free Cash 31
Stabilization Account 32
Municipal Budgets 32
Colrain Summary 32

Town of Hawley ... 34
- Population by Age Group (DPH, 2019) ... 34
- Tax Rate ... 34
- Excess Levy Capacity ... 34
- Override Capacity ... 35
- Free Cash ... 36
- Stabilization Account ... 37
- Municipal Budgets ... 37
  - Hawley Summary ... 37

Town of Heath ... 39
- Population by Age Group (DPH, 2019) ... 39
- Tax Rate ... 39
- Excess Levy Capacity ... 39
- Override Capacity ... 40
- Free Cash ... 41
- Stabilization Account ... 42
- Municipal Budgets ... 42
  - Heath Summary ... 42

Town of Plainfield ... 44
- Population by Age Group (DPH, 2019) ... 44
- Tax Rate ... 44
- Excess Levy Capacity ... 44
- Override Capacity ... 45
- Free Cash ... 46
- Stabilization Account ... 47
- Municipal Budgets ... 47
  - Plainfield Summary ... 47

Town of Shelburne ... 49
- Population by Age Group (DPH, 2019) ... 49
- Tax Rate ... 49
- Excess Levy Capacity ... 49
- Override Capacity ... 50
- Free Cash ... 51
- Stabilization Account ... 52
- Municipal Budgets ... 52
  - Shelburne Summary ... 53
  - Population Statistics for Nearby & Similar Sized Towns ... 54

Introduction

We offer this overview of your member towns' municipal finances as we believe it is critical for you to understand your towns' revenue, general appropriation budget, override capacity and fiscal solvency with regard to stabilization accounts and free cash. We chose not to include enterprise and revolving accounts as they are not available for general budget appropriation use.

The information we provide is from data publicly available from the Department of Revenue (data is limited in each category to the most recent year available).

# # # # #

Summary – Mohawk Trail Regional School District

The Mohawk Trail Regional School District (Mohawk Trail RSD) is comprised of eight member towns, each with a small resident population:

Town	Total Residents	Age 0-19 Years	Age 50+ Years
Ashfield	1,695	16%	55%
Buckland	1,816	16%	53%
Charlemont*	1,185	17%	54%
Colrain	1,606	19%	51%
Hawley	353	17%	53%
Health	723	21%	57%
Plainfield	633	17%	53%
Shelburne	1,884	15%	51%

*Hawley included in Charlemont
Source DPH

Their student population age group averages only 17%, with a 53% average of their population over the age of 50 years old.

As the far majority of their residents continue to age, there will need to be a more targeted allocation of funding toward other town services such as first responders and senior centers.

These age grouping percentages are reflective of the averages seen in Hampshire County (0-19 years, 19%; 50+ years, 46%) and Franklin County (0-19 years, 19%; 50+ years, 49%), although there is a more accelerated decrease in percentages of the student age group and increase in 50+ years percentages in Mohawk Trail RSD's member towns.

For comparison, Worcester County averages 23% for the 0-19 years age group, and the 50+ years average is 42%; and Suffolk County having 23% for the 0-19 years, and 50+ years averaging 34%.

The 2019 per capita income amounts for Mohawk Trail RSD's member towns were all well below the State average of $48,030.

Town	Per Capita Income
Ashfield	$28,455
Buckland	$24,544
Charlemont	$24,056
Colrain	$28,573
Hawley	$20,020
Health	$12,988
Plainfield	$28,662
Shelburne	$23,492

This could be indicative of a high percentage of the resident population reaching retirement age, and therefore on fixed incomes.

All of Mohawk Trail RSD's member towns are well managed financially, with all maintaining very healthy free cash and stabilization accounts balances. Most towns have built up an excess capacity in their tax levy and are not taxing to the full 2.5% increase every year. When considering the age group of their resident population, coupled with their per capita income, town government officials have clearly exercised caution when setting their yearly tax rate and should be commended for recognizing the challenges these circumstances can present to their residents.

Town	2022 Excess Capacity	2021 Operating Budget	2021 Free Cash	Free Cash as % of Operating Budget	2021 Stabilization Account	Stabilization as % of Operating Budget
Ashfield	$2,254	$5,061,012	$496,991	9.82%	$514,672	10.17%
Buckland	$20,252	$4,793,713	$362,394	7.56%	$524,528	10.94%
Charlemont	$265,985	$3,403,858	$520,084	15.28%	$356,493	10.47%
Colrain	$164,686	$4,391,743	$617,000	14.05%	$887,437	20.21%
Hawley	$108,076	$2,681,546	$154,829	5.77%	$285,465	10.65%
Health	$297,580	$2,336,090	$221,492	9.48%	$233,025	9.98%
Plainfield	$207,061	$2,266,525	$229,757	10.14%	$526,861	23.25%
Shelburne	$334,222	$4,592,326	$348,364	7.59%	$391,797	8.53%

DOR recommends 5% Free Cash and Stabilization Account balances

In 2021, the State average for education expenditures as a percentage of the municipality's General Budget was 50.15%.

Town	Education	General Budget	Education as % of General Budget
Ashfield	$2,771,117	$5,061,012	54.75%
Buckland	$2,844,959	$4,793,713	59.35%
Charlemont	$2,844,959	$4,793,713	59.35%
Colrain	$2,472,627	$4,391,743	56.30%
Hawley	$557,347	$2,681,546	20.78%
Health	$1,059,009	$2,336,090	45.33%
Plainfield	$1,010,532	$2,266,525	44.59%
Shelburne	$2,674,436	$4,592,326	58.24%

The majority of Mohawk Trail RSD's member towns were well above the State average with education expenditures as a percentage of their General Budget.

When considering each member town individually, a case can certainly be made that several towns may be in a position to access available funding to contribute more toward education. However, when you factor in the small percentage of their resident population is school age, with a large aging population, the per capita income, and that the majority of towns are already committing well above the State average toward education, extreme caution should be taken when exploring this option.

# # # # #

Town of Ashfield

Ashfield is a town of 1,695 residents (2020). There is an Open Town Meeting form of government, which is administered by a Town Administrator. The unemployment rate is 3.15% (2021, down from 4.26% in 2020), which is below the State average of 5.3% (2021). Ashfield's income per capita is $28,255, which is below the State average of $48,030.

Only 16% of Ashfield's resident population is under 19 years of age.

Population by Age Group (DPH, 2019)

0-4 Years	55	3%
5-11 Years	102	6%
12-15 Years	70	4%
16-19 Years	49	3%
20-29 Years	121	7%
30-49 Years	352	21%
50-64 Years	441	26%
65-74 Years	363	21%
75+ Years	144	8%
Total	1,695	100%

Tax Rate

The 2022 tax rate for residential property is $17.38, which is the same for commercial and industrial property. The 2022 tax levy for residential property is $4,110,763; commercial property is $167,461; industrial property is $21,680; and personal property is $480,885; for a total tax levy of $4,780,789. Residential property represents 85.99% of their tax levy, so most of the tax revenue is coming from the residents, rather than a commercial base.

Excess Levy Capacity

Proposition 2½ (M.G.L. Ch. 59 Sec. 21C), which was passed by Massachusetts voters in November of 1980, places a limit on the amount of property taxes a community can levy each year. Proposition 2½ establishes two types of restrictions on the annual property tax levy. First, a community cannot levy in excess of 2.5 percent of the total full and fair cash value of all taxable real and personal property in the community. This limit is referred to as the levy ceiling. Second, *community's levy is constrained in the amount it may increase from one year to the next. The maximum amount a community can levy in any given year is called the levy limit. The levy limit will always be below or at most equal to, the levy ceiling. It may not as a rule exceed the levy ceiling. **

*A Guide to Financial Management for Town Officials, Massachusetts Department of Revenue, Division of Local Services, undated.

While the municipality is allowed under law to increase the yearly tax rate automatically by 2.5%, some municipalities choose not to do so for various reasons. Typically, those reasons include a determination that taxing to the full levy is not necessary through the process of budget development and approval (common in regional school districts), concern over the total tax ceiling amount, and concern for capacity to pay real estate tax bills by an aging community and other socio-economic factors.

The gap between the amount taxed and the amount allowed to be taxed by Proposition 2½ is referred to as the Excess Levy Capacity. For example, a municipality may choose to only raise taxes by 1.5% instead of the full 2.5%. The dollar value of the 1% they chose not to tax would be considered the Excess Levy Capacity.

Ashfield has a 2022 Excess Levy Capacity of $2,254 and is taxing the full 2.5% (Excess Levy Capacity is 0.05% of Maximum Levy).

Override Capacity

The Override Capacity of a municipality is the difference between the Tax Levy (yearly total tax raised) and the Tax Ceiling (which is 2.5% of the "full and fair value of all taxable real estate and personal property").

A municipality is allowed to automatically increase their Tax Levy by 2.5%, as long as the value of the Tax Levy does not exceed the value of the Tax Ceiling. Once a town hits its ceiling, it is no longer allowed to raise taxes. For most municipalities, especially those inside of I-495, this is not an issue as there is an ample cushion between the Tax Levy and Tax Ceiling. However, the same cannot be said for towns in Central and Western Massachusetts that were hit hard by the housing market crash and have since then experienced a very slow recovery in real estate assessed values.

Tax Levy = the municipality's tax base/revenue, which is allowed to be increased 2.5% yearly.

Excess Levy Capacity = the gap between the amount the municipality chose to tax and

the amount they are allowed to increase the tax to for that fiscal year. If a municipality chose not to increase their Tax Levy the full 2.5%, the difference is the Excess Levy Capacity.

Tax Ceiling = 2.5% of the overall value of taxable real estate and personal property.

Override Capacity = the gap between the total Tax Levy and the Tax Ceiling is the amount that is available to the municipality to request a Proposition 2 ½ override.

For those school districts that may be considering a Proposition 2½ override warrant article to fund their operating budget, it is especially important to ascertain what the current Override Capacity is when determining if the request is in the best interest of the future financial health of the town.

Ashfield's Override Capacity dropped/fluctuated almost every year through 2021, and while it currently increased in 2022 to $2,253,109, it has not yet recovered to its 2010 level. Ashfield's FY22 Override Capacity of $2,253,109 represents 32.01% of their Levy Ceiling.

Free Cash

Free cash is the revenue available at year-end close-out which are typically from line item surpluses and unexpected revenue from areas such as delinquent tax collection, etc. Free cash cannot be appropriated until it is certified by the Department of Revenue. As free cash is considered one-time revenue, it therefore should only be appropriated for one-time expenditures and not recurring general budget expenditures.

The use of free cash for recurring expenditures places the municipality into a structural deficit for the following fiscal year, which is a difficult financial position to be in (much like funding full-time employees with grant money, at some point the full-time employees will need to be moved to general budget expense, which is never easy to accomplish).

Your municipality may have financial bylaws and policies regarding free cash balances and uses (e.g., maintain free cash balance at 5% of general budget appropriation). We recommend you spend time familiarizing yourself with them so you are aware of what the access for these funds is limited to.

Ashfield maintains a 2021 Free Cash balance of $496,991, which represents 9.8% of their Operating Budget of $5,061,012.

Stabilization Account

Most, if not all, municipalities maintain at least one stabilization account to protect their town from extraordinary expenses and unexpected emergencies. Some create stabilization accounts/special fund accounts for capital needs and purchases. The creation of, and the appropriation from and to stabilization accounts, require a 2/3 majority from the local appropriating authority at town meeting. Bond rating firms look for strong financial policies on stabilization accounts, on top of maintaining sufficient line item balances, when setting municipal bond rates. Municipalities that regularly appropriate funds from their stabilization account will see it negatively impact their bond rating. In many municipalities, the stabilization accounts are built up yearly by free cash appropriation.

Ashfield currently has a 2021 Stabilization Account balance of $514,672, which represents 10.2% of their Operating Budget.

Municipal Budgets

In 2021, Education Expenditures represented 54.75% of Ashfield's General Budget, which is higher than the State average of 50.15%.

General Fund Spending By Function

General Government	Police	Fire	Other Public Safety	Education	Public Works	Human Services	Culture and Recreation	Fixed Costs	Inter-Government	Other Expenses	Debt Service	Total Expenditure
376,330	206,494	92,044	184,999	2,771,117	863,429	66,505	78,306	268,444	64,110	0	89,234	5,061,012

General Fund Spending as % of Total

General Government	Police	Fire	Other Public Safety	Education	Public Works	Human Services	Culture and Recreation	Fixed Costs	Inter-Government	Other Expenses	Debt Service
7.44%	4.08%	1.82%	3.66%	54.75%	17.06%	1.31%	1.55%	5.30%	1.27%	0.00%	1.76%

General Fund Spending Per Capita

General Government	Police	Fire	Other Public Safety	Education	Public Works	Human Services	Culture and Recreation	Fixed Costs	Inter-Government	Other Expenses	Debt Service
222	122	54	109	1,635	509	39	46	158	38	0	53

Source: DOR Databank

Ashfield Summary

Ashfield is a small town of 1,695 residents (2020). Ashfield's income per capita is $28,255, which is below the State average of $48,030.

Only 16% of Ashfield's resident population is under 19 years of age, with 55% of the population over the age of 50. As most of their residents continue to age, there will need to be a more targeted allocation of funding toward first responders and senior center services.

Ashfield has a 2022 Excess Levy Capacity of $2,254 and is taxing the full 2.5% (Excess Levy Capacity is 0.05% of Maximum Levy). Ashfield's Override Capacity dropped/fluctuated almost every year through 2021, and while it currently increased in 2022 to $2,253,109, it has not yet recovered to its 2010 level. Ashfield's FY22 Override Capacity represents 32.01% of their Levy Ceiling ($6,876,854).

Ashfield maintains a 2021 Free Cash balance of $496,991, which represents 9.8% of their Operating Budget of $5,061,012. Ashfield currently has a 2021 Stabilization Account balance of $514,672, which represents 10.2% of their Operating Budget. Both accounts are in excess of the Department of Revenue's recommended balance of 5% of their operating budget.

In 2021, Education Expenditures represented 54.75% of Ashfield's General Budget, which is higher than the State average of 50.15%.

# # # # #

Town of Buckland

Buckland is a town of 1,816 residents (2020). There is an Open Town Meeting form of government, which is administered by a Town Administrator. The unemployment rate is 4.55% (2021, up from 2.83% in 2020), which is below the State average of 5.3% (2021). Buckland's 2019 income per capita is $24,544, which is well below the State average of $48,030.

Only 16% of Buckland's resident population is under 19 years of age.

Population by Age Group (DPH, 2019)

0-4 Years	63	3%
5-11 Years	114	6%
12-15 Years	61	3%
16-19 Years	66	4%
20-29 Years	128	7%
30-49 Years	417	23%
50-64 Years	477	26%
65-74 Years	319	18%
75+ Years	171	9%
Total	1,816	100%

Tax Rate

The 2022 tax rate for residential property is $16.78, which is the same for commercial and industrial property. The 2022 tax levy for residential property is $3,739,239; commercial property is $191,319; industrial property is $450,770; and personal property is $120,009; for a total tax levy of $4,501,337. Residential property represents 83.07% of their tax levy, so most of the tax revenue is coming from the residents, rather than a commercial base.

Excess Levy Capacity

Proposition 2½ (M.G.L. Ch. 59 Sec. 21C), which was passed by Massachusetts voters in November of 1980, places a limit on the amount of property taxes a community can levy each year. Proposition 2½ establishes two types of restrictions on the annual property tax levy. First, a community cannot levy in excess of 2.5 percent of the total full and fair cash value of all taxable real and personal property in the community. This limit is referred to as the levy ceiling. Second, community's levy is constrained in the amount it may increase from one year to the

*next. The maximum amount a community can levy in any given year is called the levy limit. The levy limit will always be below or at most equal to, the levy ceiling. It may not as a rule exceed the levy ceiling. **

*A Guide to Financial Management for Town Officials, Massachusetts Department of Revenue, Division of Local Services, undated.

.

While the municipality is allowed under law to increase the yearly tax rate automatically by 2.5%, some municipalities choose not to do so for various reasons. Typically, those reasons include a determination that taxing to the full levy is not necessary through the process of budget development and approval (common in regional school districts), concern over the total tax ceiling amount, and concern for capacity to pay real estate tax bills by an aging community and other socio-economic factors.

The gap between the amount taxed and the amount allowed to be taxed by Proposition 2½ is referred to as the Excess Levy Capacity. For example, a municipality may choose to only raise taxes by 1.5% instead of the full 2.5%. The dollar value of the 1% they chose not to tax would be considered the Excess Levy Capacity.

Buckland has a 2022 Excess Levy Capacity of $20,252 and is not taxing the full 2.5% (Excess Levy Capacity is 0.45% of Maximum Levy).

Override Capacity

The Override Capacity of a municipality is the difference between the Tax Levy (yearly total tax raised) and the Tax Ceiling (which is 2.5% of the "full and fair value of all taxable real estate and personal property").

A municipality is allowed to automatically increase their Tax Levy by 2.5%, as long as the value of the Tax Levy does not exceed the value of the Tax Ceiling. Once a town hits its ceiling, it is no longer allowed to raise taxes. For most municipalities, especially those inside of I-495, this is not an issue as there is an ample cushion between the Tax Levy and Tax Ceiling. However, the same cannot be said for towns in Central and Western Massachusetts that were hit hard by the housing market crash and have since then experienced a very slow recovery in real estate assessed values.

Tax Levy = the municipality's tax base/revenue, which is allowed to be increased 2.5% yearly.

Excess Levy Capacity = the gap between the amount the municipality chose to tax and

the amount they are allowed to increase the tax to for that fiscal year. If a municipality chose not to increase their Tax Levy the full 2.5%, the difference is the Excess Levy Capacity.

Tax Ceiling = 2.5% of the overall value of taxable real estate and personal property.

Override Capacity = the gap between the total Tax Levy and the Tax Ceiling is the amount that is available to the municipality to request a Proposition 2 ½ override.

For those school districts that may be considering a Proposition 2½ override warrant article to fund their operating budget, it is especially important to ascertain what the current Override Capacity is when determining if the request is in the best interest of the future financial health of the town.

Buckland's Override Capacity dropped every year through 2017, and while it currently is on an upward trend, it has not yet recovered to its 2010 level. Buckland's 2022 Override Capacity is $2,403,318, which is 35.84% of their Levy Ceiling ($6,706,400).

Free Cash

Free cash is the revenue available at year-end close-out which are typically from line item surpluses and unexpected revenue from areas such as delinquent tax collection, etc. Free cash cannot be appropriated until it is certified by the Department of Revenue. As free cash is considered one-time revenue, it therefore should only be appropriated for one-time expenditures and not recurring general budget expenditures.

The use of free cash for recurring expenditures places the municipality into a structural deficit for the following fiscal year, which is a difficult financial position to be in (much like funding full-time employees with grant money, at some point the full-time employees will need to be moved to general budget expense, which is never easy to accomplish).

Your municipality may have financial bylaws and policies regarding free cash balances and uses (e.g., maintain free cash balance at 5% of general budget appropriation). We recommend you spend time familiarizing yourself with them so you are aware of what the access for these funds is limited to.

Buckland maintains a 2021 Free Cash balance of $362,394, which represents 7.5% of their Operating Budget of $4,793,713.

Stabilization Account

Most, if not all, municipalities maintain at least one stabilization account to protect their town from extraordinary expenses and unexpected emergencies. Some create stabilization accounts/special fund accounts for capital needs and purchases. The creation of, and the appropriation from and to stabilization accounts, require a 2/3 majority from the local appropriating authority at town meeting. Bond rating firms look for strong financial policies on stabilization accounts, on top of maintaining sufficient line item balances, when setting municipal bond rates. Municipalities that regularly appropriate funds from their stabilization account will see it negatively impact their bond rating. In many municipalities, the stabilization accounts are built up yearly by free cash appropriation.

Buckland currently has a 2021 Stabilization Account balance of $524,528, which represents 11% of their Operating Budget.

Municipal Budgets

In 2021, Education Expenditures represented 59.35% of Buckland's General Budget, which is higher than the State average of 50.15%.

General Fund Spending By Function

General Government	Police	Fire	Other Public Safety	Education	Public Works	Human Services	Culture and Recreation	Fixed Costs	Inter-Government	Other Expenses	Debt Service	Total Expenditure
447,708	205,132	0	21,461	2,844,959	681,514	122,646	79,127	320,932	24,824	0	45,410	4,793,713

General Fund Spending as % of Total

General Government	Police	Fire	Other Public Safety	Education	Public Works	Human Services	Culture and Recreation	Fixed Costs	Inter-Government	Other Expenses	Debt Service
9.34%	4.28%	0.00%	0.45%	59.35%	14.22%	2.56%	1.65%	6.69%	0.52%	0.00%	0.95%

General Fund Spending Per Capita

General Government	Police	Fire	Other Public Safety	Education	Public Works	Human Services	Culture and Recreation	Fixed Costs	Inter-Government	Other Expenses	Debt Service
247	113	0	12	1,567	375	68	44	177	14	0	25

Source: DOR Databank

Buckland Summary

Buckland is a small town of 1,816 residents. Buckland's 2019 income per capita is $24,544, which is well below the State average of $48,030.

Only 16% of Buckland's resident population is under 19 years of age, with 53% of the population over the age of 50. As most of their residents continue to age, there will need to be a more targeted allocation of funding toward first responders and senior center services.

Buckland has a 2022 Excess Levy Capacity of $20,252 and is not taxing the full 2.5% (Excess Levy Capacity is 0.45% of the Maximum Levy). Buckland's Override Capacity dropped every year through 2017, and while it currently is on an upward trend, it has not yet recovered to its 2010 level. Buckland's 2022 Override Capacity is $2,403,318, which is 35.84% of their Levy Ceiling ($6,706,400). Buckland has a comfortable range to consider a Proposition 2 ½ override.

Buckland maintains a 2021 Free Cash balance of $362,394, which represents 7.5% of their Operating Budget of $4,793,713. Buckland currently has a 2021 Stabilization Account balance of $524,528 which represents 11% of their Operating Budget. Both accounts are in excess of the Department of Revenue's recommended balance of 5% of their operating budget.

In 2021, Education Expenditures represented 59.35% of Buckland's General Budget, which is higher than the State average of 50.15%. Buckland allocates a considerable portion of their General Budget toward education.

# # # # #

Town of Charlemont

Charlemont is a town of 1,185 residents (2020). There is an Open Town Meeting form of government, which is administered by a Town Administrator. The unemployment rate is 6.93% (2021, up from 6.44% in 2020), which is above the State average of 5.3% (2021). Charlemont's 2019 income per capita is $24,056, which is well below the State average of $48,030.

Only 17% of Charlemont's (including Hawley) resident population is under 19 years of age.

Population by Age Group (includes Hawley, DPH, 2019)

0-4 Years	39	3%
5-11 Years	79	7%
12-15 Years	46	4%
16-19 Years	41	3%
20-29 Years	102	9%
30-49 Years	246	21%
50-64 Years	309	26%
65-74 Years	200	17%
75+ Years	125	11%
Total	1,185	100%

Tax Rate

The 2022 tax rate for residential property is $20.73, which is the same for commercial and industrial property. The 2022 tax levy for residential property is $2,718,691; commercial property is $215,576; industrial property is $44,167; and personal property is $220,759; for a total tax levy of $3,199,193. Residential property represents 84.98% of their tax levy, so most of the tax revenue is coming from the residents, rather than a commercial base.

Excess Levy Capacity

Proposition 2½ (M.G.L. Ch. 59 Sec. 21C), which was passed by Massachusetts voters in November of 1980, places a limit on the amount of property taxes a community can levy each year. Proposition 2½ establishes two types of restrictions on the annual property tax levy. First, a community cannot levy in excess of 2.5 percent of the total full and fair cash value of all taxable real and personal property in the community. This limit is referred to as the levy ceiling. Second, community's levy is constrained in the amount it may increase from one year to the

*next. The maximum amount a community can levy in any given year is called the levy limit. The levy limit will always be below or at most equal to, the levy ceiling. It may not as a rule exceed the levy ceiling. **

*A Guide to Financial Management for Town Officials, Massachusetts Department of Revenue, Division of Local Services, undated.

While the municipality is allowed under law to increase the yearly tax rate automatically by 2.5%, some municipalities choose not to do so for various reasons. Typically, those reasons include a determination that taxing to the full levy is not necessary through the process of budget development and approval (common in regional school districts), concern over the total tax ceiling amount, and concern for capacity to pay real estate tax bills by an aging community and other socio-economic factors.

The gap between the amount taxed and the amount allowed to be taxed by Proposition 2½ is referred to as the Excess Levy Capacity. For example, a municipality may choose to only raise taxes by 1.5% instead of the full 2.5%. The dollar value of the 1% they chose not to tax would be considered the Excess Levy Capacity.

Charlemont has a 2022 Excess Levy Capacity of $265,985 and is not taxing the full 2.5% (Excess Levy Capacity is 7.68% of Maximum Levy).

Override Capacity

The Override Capacity of a municipality is the difference between the Tax Levy (yearly total tax raised) and the Tax Ceiling (which is 2.5% of the "full and fair value of all taxable real estate and personal property").

A municipality is allowed to automatically increase their Tax Levy by 2.5%, as long as the value of the Tax Levy does not exceed the value of the Tax Ceiling. Once a town hits its ceiling, it is no longer allowed to raise taxes. For most municipalities, especially those inside of I-495, this is not an issue as there is an ample cushion between the Tax Levy and Tax Ceiling. However, the same cannot be said for towns in Central and Western Massachusetts that were hit hard by the housing market crash and have since then experienced a very slow recovery in real estate assessed values.

Tax Levy = the municipality's tax base/revenue, which is allowed to be increased 2.5% yearly.

Excess Levy Capacity = the gap between the amount the municipality chose to tax and the amount they are allowed to increase the tax to for that fiscal year. If a municipality chose not to increase their Tax Levy the full 2.5%, the difference is the Excess Levy Capacity.

Tax Ceiling = 2.5% of the overall value of taxable real estate and personal property.

Override Capacity = the gap between the total Tax Levy and the Tax Ceiling is the amount that is available to the municipality to request a Proposition 2 ½ override.

For those school districts that may be considering a Proposition 2½ override warrant article to fund their operating budget, it is especially important to ascertain what the current Override Capacity is when determining if the request is in the best interest of the future financial health of the town.

Charlemont's Override Capacity dropped every year through 2021, and currently remains at approximately a third of its 2010 level. Charlemont's 2022 Override Capacity is $392,990, which is 10.19% of their Levy Ceiling ($3,858,168). This number requires close monitoring by town administration.

Free Cash

Free cash is the revenue available at year-end close-out which are typically from line item surpluses and unexpected revenue from areas such as delinquent tax collection, etc. Free cash cannot be appropriated until it is certified by the Department of Revenue. As free cash is considered one-time revenue, it therefore should only be appropriated for one-time expenditures and not recurring general budget expenditures.

The use of free cash for recurring expenditures places the municipality into a structural deficit for the following fiscal year, which is a difficult financial position to be in (much like funding full-time employees with grant money, at some point the full-time employees will need to be moved to general budget expense, which is never easy to accomplish).

Your municipality may have financial bylaws and policies regarding free cash balances and uses (e.g., maintain free cash balance at 5% of general budget appropriation). We recommend you spend time familiarizing yourself with them so you are aware of what the access for these funds is limited to.

Charlemont maintains a 2021 Free Cash balance of $520,084, which represents 15.28% of their Operating Budget of $3,403,858.

Stabilization Account

Most, if not all, municipalities maintain at least one stabilization account to protect their town from extraordinary expenses and unexpected emergencies. Some create stabilization accounts/special fund accounts for capital needs and purchases. The creation of, and the appropriation from and to stabilization accounts, require a 2/3 majority from the local appropriating authority at town meeting. Bond rating firms look for strong financial policies on stabilization accounts, on top of maintaining sufficient line item balances, when setting municipal bond rates. Municipalities that regularly appropriate funds from their stabilization account will see it negatively impact their bond rating. In many municipalities, the stabilization accounts are built up yearly by free cash appropriation.

Charlemont currently has a 2021 Stabilization Account balance of $356,493, which represents 10.5% of their Operating Budget.

Municipal Budgets

In 2021, Education Expenditures represented 59.35% of Charlemont's General Budget, which is higher than the State average of 50.15%.

General Fund Spending By Function

General Government	Police	Fire	Other Public Safety	Education	Public Works	Human Services	Culture and Recreation	Fixed Costs	Inter-Government	Other Expenses	Debt Service	Total Expenditure
447,708	205,132	0	21,461	2,844,959	681,514	122,646	79,127	320,932	24,824	0	45,410	4,793,713

General Fund Spending as % of Total

General Government	Police	Fire	Other Public Safety	Education	Public Works	Human Services	Culture and Recreation	Fixed Costs	Inter-Government	Other Expenses	Debt Service
9.34%	4.28%	0.00%	0.45%	59.35%	14.22%	2.56%	1.65%	6.69%	0.52%	0.00%	0.95%

General Fund Spending Per Capita

General Government	Police	Fire	Other Public Safety	Education	Public Works	Human Services	Culture and Recreation	Fixed Costs	Inter-Government	Other Expenses	Debt Service
247	113	0	12	1,567	375	68	44	177	14	0	25

Source: DOR Databank

Charlemont Summary

Charlemont is a small town of 1,185 residents. The unemployment rate is 6.93% (2021, up from 6.44% in 2020), which is above the State average of 5.3% (2021). Charlemont's 2019 income per capita is $24,056, which is well below the State average of $48,030.

Only 17% of Charlemont's (including Hawley) resident population is under 19 years of age, with 54% of the population over the age of 50 years old. As the majority of their residents continue to age, there will need to be a more targeted allocation of funding toward first responders and senior center services.

Charlemont has a 2022 Excess Levy Capacity of $265,985 and is not taxing the full 2.5% (Excess Levy Capacity is 7.68% of the Maximum Levy), most likely due to their current Levy Ceiling. Charlemont's Override Capacity dropped every year through 2021, and currently remains approximately a third of its 2010 level. Charlemont's 2022 Override Capacity is $392,990, which is 10.19% of their Levy Ceiling ($3,858,168). Charlemont is not in a position to access any of their Excess Levy Capacity.

Charlemont maintains a 2021 Free Cash balance of $520,084, which represents 15.28% of their Operating Budget of $3,403,858. Charlemont currently has a 2021 Stabilization Account balance of $356,493, which represents 10.5% of their Operating Budget. Both accounts are in excess of the Department of Revenue's recommended balance of 5% of their operating budget.

Education Expenditures represented 59.35% of Charlemont's FY21 General Budget, which is higher than the State average of 50.15% .

# # # # #

Town of Colrain

Colrain is a town of 1,606 residents (2020). There is an Open Town Meeting form of government, which is administered by the Board of Selectmen. The unemployment rate is 6.19% (2021, up from 5.23% in 2020), which is above the State average of 5.3% (2021). Colrain's 2019 income per capita is $28,573, which is below the State average of $48,030.

Only 19% of Colrain's resident population is under 19 years of age

Population by Age Group (DPH, 2019)

0-4 Years	67	4%
5-11 Years	110	7%
12-15 Years	64	4%
16-19 Years	66	4%
20-29 Years	156	10%
30-49 Years	318	20%
50-64 Years	454	28%
65-74 Years	240	15%
75+ Years	131	8%
Total	1,606	100%

Tax Rate

The 2022 tax rate for residential property is $20.48, which is the same for commercial and industrial property. The 2022 tax levy for residential property is $3,315,297; commercial property is $119,333; industrial property is $74,312; and personal property is $426,039; for a total tax levy of $3,934,981. Residential property represents 84.25% of their tax levy, so most of the tax revenue is coming from the residents, rather than a commercial base.

Excess Levy Capacity

Proposition 2½ (M.G.L. Ch. 59 Sec. 21C), which was passed by Massachusetts voters in November of 1980, places a limit on the amount of property taxes a community can levy each year. Proposition 2½ establishes two types of restrictions on the annual property tax levy. First, a community cannot levy in excess of 2.5 percent of the total full and fair cash value of all taxable real and personal property in the community. This limit is referred to as the levy ceiling.

*Second, community's levy is constrained in the amount it may increase from one year to the next. The maximum amount a community can levy in any given year is called the levy limit. The levy limit will always be below or at most equal to, the levy ceiling. It may not as a rule exceed the levy ceiling. **

*A Guide to Financial Management for Town Officials, Massachusetts Department of Revenue, Division of Local Services, undated.

While the municipality is allowed under law to increase the yearly tax rate automatically by 2.5%, some municipalities choose not to do so for various reasons. Typically, those reasons include a determination that taxing to the full levy is not necessary through the process of budget development and approval (common in regional school districts), concern over the total tax ceiling amount, and concern for capacity to pay real estate tax bills by an aging community and other socio-economic factors.

The gap between the amount taxed and the amount allowed to be taxed by Proposition 2½ is referred to as the Excess Levy Capacity. For example, a municipality may choose to only raise taxes by 1.5% instead of the full 2.5%. The dollar value of the 1% they chose not to tax would be considered the Excess Levy Capacity.

Colrain has a 2022 Excess Levy Capacity of $164,686 and is not taxing the full 2.5% (Excess Levy Capacity is 4.02% of the Maximum Levy).

Override Capacity

The Override Capacity of a municipality is the difference between the Tax Levy (yearly total tax raised) and the Tax Ceiling (which is 2.5% of the "full and fair value of all taxable real estate and personal property").

A municipality is allowed to automatically increase their Tax Levy by 2.5%, as long as the value of the Tax Levy does not exceed the value of the Tax Ceiling. Once a town hits its ceiling, it is no longer allowed to raise taxes. For most municipalities, especially those inside of I-495, this is not an issue as there is an ample cushion between the Tax Levy and Tax Ceiling. However, the same cannot be said for towns in Central and Western Massachusetts that were hit hard by the housing market crash and have since then experienced a very slow recovery in real estate assessed values.

Tax Levy = the municipality's tax base/revenue, which is allowed to be increased 2.5% yearly.

Excess Levy Capacity = the gap between the amount the municipality chose to tax and the amount they are allowed to increase the tax to for that fiscal year. If a municipality chose not to increase their Tax Levy the full 2.5%, the difference is the Excess Levy Capacity.

.

Tax Ceiling = 2.5% of the overall value of taxable real estate and personal property.

Override Capacity = the gap between the total Tax Levy and the Tax Ceiling is the amount that is available to the municipality to request a Proposition 2 ½ override.

For those school districts that may be considering a Proposition 2½ override warrant article to fund their operating budget, it is especially important to ascertain what the current Override Capacity is when determining if the request is in the best interest of the future financial health of the town.

Colrain's Override Capacity dropped every year through 2021, and has not return to its 2010 level. Colrain's 2022 Override Capacity is $813,558, which is 16.94% of their Levy Ceiling ($4,803,444).

Free Cash

Free cash is the revenue available at year-end close-out which are typically from line item surpluses and unexpected revenue from areas such as delinquent tax collection, etc. Free cash cannot be appropriated until it is certified by the Department of Revenue. As free cash is considered one-time revenue, it therefore should only be appropriated for one-time expenditures and not recurring general budget expenditures.

The use of free cash for recurring expenditures places the municipality into a structural deficit for the following fiscal year, which is a difficult financial position to be in (much like funding full-time employees with grant money, at some point the full-time employees will need to be moved to general budget expense, which is never easy to accomplish).

Your municipality may have financial bylaws and policies regarding free cash balances and uses (e.g., maintain free cash balance at 5% of general budget appropriation). We recommend you spend time familiarizing yourself with them so you are aware of what the access for these funds is limited to.

Stabilization Account

Most, if not all, municipalities maintain at least one stabilization account to protect their town from extraordinary expenses and unexpected emergencies. Some create stabilization accounts/special fund accounts for capital needs and purchases. The creation of, and the appropriation from and to stabilization accounts, require a 2/3 majority from the local appropriating authority at town meeting. Bond rating firms look for strong financial policies on stabilization accounts, on top of maintaining sufficient line item balances, when setting municipal bond rates. Municipalities that regularly appropriate funds from their stabilization account will see it negatively impact their bond rating. In many municipalities, the stabilization accounts are built up yearly by free cash appropriation.

Colrain currently has a 2021 Stabilization Account balance of $887,437, which represents 20% of their Operating Budget.

Municipal Budgets

In 2021, Education Expenditures represented 56.30% of Colrain's General Budget, which is higher than the State average of 50.15%.

General Fund Spending By Function

General Government	Police	Fire	Other Public Safety	Education	Public Works	Human Services	Culture and Recreation	Fixed Costs	Inter-Government	Other Expenses	Debt Service	Total Expenditure
460,751	131,830	121,673	22,350	2,472,627	721,226	24,839	80,067	262,075	16,398	1,300	76,607	4,391,743

General Fund Spending as % of Total

General Government	Police	Fire	Other Public Safety	Education	Public Works	Human Services	Culture and Recreation	Fixed Costs	Inter-Government	Other Expenses	Debt Service
10.49%	3.00%	2.77%	0.51%	56.30%	16.42%	0.57%	1.82%	5.97%	0.37%	0.03%	1.74%

General Fund Spending Per Capita

General Government	Police	Fire	Other Public Safety	Education	Public Works	Human Services	Culture and Recreation	Fixed Costs	Inter-Government	Other Expenses	Debt Service
287	82	76	14	1,540	449	15	50	163	10	1	48

Source: DOR Databank

Colrain Summary

Colrain is a small town of 1,606 residents (2020). The unemployment rate is 6.19% (2021, up from 5.23% in 2020), which is above the State average of 5.3% (2021).

Colrain's 2019 income per capita is $28,573, which is below the State average of

$48,030.

Only 19% of Colrain's resident population is under 19 years of age, with 51% of the population over the age of 50. As most of their residents continue to age, there will need to be a more targeted allocation of funding toward first responders and senior center services.

Colrain has a 2022 Excess Levy Capacity of $164,686 and is not taxing the full 2.5% (Excess Levy Capacity is 4.02% of the Maximum Levy). Colrain's Override Capacity dropped every year through 2021, and has not return to its 2010 level. Colrain's 2022 Override Capacity is $813,558, which is 16.94% of their Levy Ceiling ($4,803,444).

Colrain maintains a 2021 Free Cash balance of $617,000, which represents 14% of their Operating Budget of $4,391,743. Colrain currently has a 2021 Stabilization Account balance of $887,437, which represents 20% of their Operating Budget. Both accounts are in excess of the Department of Revenue's recommended balance of 5% of their operating budget.

In 2021, Education Expenditures represented 56.30% of Colrain's General Budget, which is higher than the State average of 50.15%. .

# # # # #

Town of Hawley

Hawley is a town of 353 residents (2020). There is an Open Town Meeting form of government, which is administered by the Board of Selectmen. The unemployment rate is 4.61% (2021, up from 3.41% in 2020), which is below the State average of 5.3% (2021). Hawley's 2019 income per capita is $20,020, which is below the State average of $48,030.

Only 17% of Hawley's resident population (included in Charlemont) is under 19 years of age.

Population by Age Group (DPH, 2019)

0-4 Years	39	3%
5-11 Years	79	7%
12-15 Years	46	4%
16-19 Years	41	3%
20-29 Years	102	9%
30-49 Years	246	21%
50-64 Years	309	26%
65-74 Years	200	17%
75+ Years	125	11%
Total	1,185	100%

Tax Rate

The 2022 tax rate for residential property is $17.52, which is the same for commercial and industrial property. The 2022 tax levy for residential property is $813,553; commercial property is $50,966; industrial property is $6,528; and personal property is $40,253; for a total tax levy of $911,300. Residential property represents 89.27% of their tax levy, so most of the tax revenue is coming from the residents, rather than a commercial base.

Excess Levy Capacity

Proposition 2½ (M.G.L. Ch. 59 Sec. 21C), which was passed by Massachusetts voters in November of 1980, places a limit on the amount of property taxes a community can levy each year. Proposition 2½ establishes two types of restrictions on the annual property tax levy. First, a community cannot levy in excess of 2.5 percent of the total full and fair cash value of all taxable real and personal property in the community. This limit is referred to as the levy ceiling. Second, community's levy is constrained in the *amount it may increase from one year to the next. The maximum amount a community can levy in any given year is called the levy limit. The levy limit will always be below or at most equal to, the levy ceiling. It may not as a rule exceed the levy ceiling. **

*A Guide to Financial Management for Town Officials, Massachusetts Department of Revenue, Division of Local Services, undated.

While the municipality is allowed under law to increase the yearly tax rate automatically by 2.5%, some municipalities choose not to do so for various reasons. Typically, those reasons include a determination that taxing to the full levy is not necessary through the process of budget development and approval (common in regional school districts), concern over the total tax ceiling amount, and concern for capacity to pay real estate tax bills by an aging community and other socio-economic factors.

The gap between the amount taxed and the amount allowed to be taxed by Proposition 2½ is referred to as the Excess Levy Capacity. For example, a municipality may choose to only raise taxes by 1.5% instead of the full 2.5%. The dollar value of the 1% they chose not to tax would be considered the Excess Levy Capacity.

Hawley has a 2022 Excess Levy Capacity of $108,076 and is not taxing the full 2.5% (Excess Levy Capacity is 4.02% of Maximum Levy).

Override Capacity

The Override Capacity of a municipality is the difference between the Tax Levy (yearly total tax raised) and the Tax Ceiling (which is 2.5% of the "full and fair value of all taxable real estate and personal property").

A municipality is allowed to automatically increase their Tax Levy by 2.5%, as long as the value of the Tax Levy does not exceed the value of the Tax Ceiling. Once a town hits its ceiling, it is no longer allowed to raise taxes. For most municipalities, especially those inside of I-495, this is not an issue as there is an ample cushion between the Tax Levy and Tax Ceiling. However, the same cannot be said for towns in Central and Western Massachusetts that were hard by the housing market crash and have since then experienced a very slow recovery in real estate assessed values.

Tax Levy = the municipality's tax base/revenue, which is allowed to be increased 2.5% yearly.

Excess Levy Capacity = the gap between the amount the municipality chose to tax and

the amount they are allowed to increase the tax to for that fiscal year. If a municipality chose not to increase their Tax Levy the full 2.5%, the difference is the Excess Levy Capacity.

Tax Ceiling = 2.5% of the overall value of taxable real estate and personal property.

Override Capacity = the gap between the total Tax Levy and the Tax Ceiling is the amount that is available to the municipality to request a Proposition 2 ½ override.

For those school districts that may be considering a Proposition 2½ override warrant article to fund their operating budget, it is especially important to ascertain what the current Override Capacity is when determining if the request is in the best interest of the future financial health of the town.

Hawley's Override Capacity dropped every year through 2022, and is currently a little more than half of its 2010 level. Hawley's 2022 Override Capacity is $285,318, which is 21.94% of their Levy Ceiling ($1,300,372). This number needs to be monitored closely by town administration.

Free Cash

Free cash is the revenue available at year-end close-out which are typically from line item surpluses and unexpected revenue from areas such as delinquent tax collection, etc. Free cash cannot be appropriated until it is certified by the Department of Revenue. As free cash is considered one-time revenue, it therefore should only be appropriated for one-time expenditures and not recurring general budget expenditures.

The use of free cash for recurring expenditures places the municipality into a structural deficit for the following fiscal year, which is a difficult financial position to be in (much like funding full-time employees with grant money, at some point the full-time employees will need to be moved to general budget expense, which is never easy to accomplish).

Your municipality may have financial bylaws and policies regarding free cash balances and uses (e.g., maintain free cash balance at 5% of general budget appropriation). We recommend you spend time familiarizing yourself with them so you are aware of what the access for these funds is limited to.

Hawley maintains a 2021 Free Cash balance of $154,829, which represents 6% of their Operating Budget of $2,681,546.

Stabilization Account

Most, if not all, municipalities maintain at least one stabilization account to protect their town from extraordinary expenses and unexpected emergencies. Some create stabilization accounts/special fund accounts for capital needs and purchases. The creation of, and the appropriation from and to stabilization accounts, require a 2/3 majority from the local appropriating authority at town meeting. Bond rating firms look for strong financial policies on stabilization accounts, on top of maintaining sufficient line item balances, when setting municipal bond rates. Municipalities that regularly appropriate funds from their stabilization account will see it negatively impact their bond rating. In many municipalities, the stabilization accounts are built up yearly by free cash appropriation.

Hawley currently has a 2021 Stabilization Account balance of $285,465, which represents 10.6% of their Operating Budget.

Municipal Budgets

In 2021, Education Expenditures represented 20.78% of Hawley's General Budget, which is less than half of the State average of 50.15%.

General Fund Spending By Function

General Government	Police	Fire	Other Public Safety	Education	Public Works	Human Services	Culture and Recreation	Fixed Costs	Inter-Government	Other Expenses	Debt Service	Total Expenditure
106,219	1,200	28,507	6,205	557,347	1,136,819	4,393	1,200	85,245	3,021	0	751,390	2,681,546

General Fund Spending as % of Total

General Government	Police	Fire	Other Public Safety	Education	Public Works	Human Services	Culture and Recreation	Fixed Costs	Inter-Government	Other Expenses	Debt Service
3.96%	0.04%	1.06%	0.23%	20.78%	42.39%	0.16%	0.04%	3.18%	0.11%	0.00%	28.02%

General Fund Spending Per Capita

General Government	Police	Fire	Other Public Safety	Education	Public Works	Human Services	Culture and Recreation	Fixed Costs	Inter-Government	Other Expenses	Debt Service
301	3	81	18	1,579	3220	12	3	241	9	0	2,129

Source: DOR Databank

Hawley Summary

Hawley is a very small town of 353 residents (2020). Hawley's 2019 income per capita is $20,020, which is below the State average of $48,030.

Only 17% of Hawley's resident population (included in Charlemont) is under 19 years of age, with 54% of the population over the age of 50. As most of their residents continue to age, there will need to be a more targeted allocation of funding toward first responders and senior center services.

Hawley has a 2022 Excess Levy Capacity of $108,076 and is not taxing the full 2.5% (Excess Levy Capacity is 4.02% of the Maximum Levy). Hawley's Override Capacity dropped every year through 2022, and is currently a little more than half of its 2010 level.

Hawley's 2022 Override Capacity is $285,318, which is 21.94% of their Levy Ceiling ($1,300,372). This number needs to be monitored closely by town administration.

Hawley maintains a 2021 Free Cash balance of $154,829, which represents 6% of their Operating Budget of $2,681,546. Hawley currently has a 2021 Stabilization Account balance of $285,465, which represents 10.6% of their Operating Budget.

In 2021, Education Expenditures represented 20.78% of Hawley's General Budget, which is less than half of the State average of 50.15%. .

# # # # #

Town of Heath

Heath is a town of 723 residents (2020). There is an Open Town Meeting form of government, which is administered by the Board of Selectmen. The unemployment rate is 3.51% (2021, down from 4.46% in 2020), which is below the State average of 5.3% (2021). Heath's 2019 income per capita is $12,988, which is well below the State average of $48,030.

Only 21% of Heath's resident population is under 19 years of age.

Population by Age Group (DPH, 2019)

0-4 Years	27	4%
5-11 Years	63	9%
12-15 Years	31	4%
16-19 Years	28	4%
20-29 Years	32	4%
30-49 Years	125	17%
50-64 Years	182	25%
65-74 Years	141	19%
75+ Years	94	13%
Total	723	100%

Tax Rate

The 2022 tax rate for residential property is $21.51, which is the same for commercial and industrial property. The 2022 tax levy for residential property is $1,919,447; commercial property is $29,792; industrial property is $2,071; and personal property is $224,192; for a total tax levy of $2,175,502. Residential property represents 88.23% of their tax levy, so most of the tax revenue is coming from the residents, rather than a commercial base.

Excess Levy Capacity

Proposition 2½ (M.G.L. Ch. 59 Sec. 21C), which was passed by Massachusetts voters in November of 1980, places a limit on the amount of property taxes a community can levy each year. Proposition 2½ establishes two types of restrictions on the annual property tax levy. First, a community cannot levy in excess of 2.5 percent of the total full and fair cash value of all taxable real and personal property in the community. This limit is referred to as the levy ceiling. Second, community's levy is constrained in the amount it may increase from one year to the

*next. The maximum amount a community can levy in any given year is called the levy limit. The levy limit will always be below or at most equal to, the levy ceiling. It may not as a rule exceed the levy ceiling. **

*A Guide to Financial Management for Town Officials, Massachusetts Department of Revenue, Division of Local Services, undated.

While the municipality is allowed under law to increase the yearly tax rate automatically by 2.5%, some municipalities choose not to do so for various reasons. Typically, those reasons include a determination that taxing to the full levy is not necessary through the process of budget development and approval (common in regional school districts), concern over the total tax ceiling amount, and concern for capacity to pay real estate tax bills by an aging community and other socio-economic factors.

The gap between the amount taxed and the amount allowed to be taxed by Proposition 2½ is referred to as the Excess Levy Capacity. For example, a municipality may choose to only raise taxes by 1.5% instead of the full 2.5%. The dollar value of the 1% they chose not to tax would be considered the Excess Levy Capacity.

Heath has a 2022 Excess Levy Capacity of $297,580 and is not taxing the full 2.5% (Excess Levy Capacity is 12.03% of Maximum Levy).

Override Capacity

The Override Capacity of a municipality is the difference between the Tax Levy (yearly total tax raised) and the Tax Ceiling (which is 2.5% of the "full and fair value of all taxable real estate and personal property").

A municipality is allowed to automatically increase their Tax Levy by 2.5%, as long as the value of the Tax Levy does not exceed the value of the Tax Ceiling. Once a town hits its ceiling, it is no longer allowed to raise taxes. For most municipalities, especially those inside of I-495, this is not an issue as there is an ample cushion between the Tax Levy and Tax Ceiling. However, the same cannot be said for towns in Central and Western Massachusetts that were hit hard by the housing market crash and have since then experienced a very slow recovery in real estate assessed values.

Tax Levy = the municipality's tax base/revenue, which is allowed to be increased 2.5% yearly.

Excess Levy Capacity = the gap between the amount the municipality chose to tax and

the amount they are allowed to increase the tax to for that fiscal year. If a municipality chose not to increase their Tax Levy the full 2.5%, the difference is the Excess Levy Capacity.

Tax Ceiling = 2.5% of the overall value of taxable real estate and personal property.

Override Capacity = the gap between the total Tax Levy and the Tax Ceiling is the amount that is available to the municipality to request a Proposition 2 ½ override.

For those school districts that may be considering a Proposition 2½ override warrant article to fund their operating budget, it is especially important to ascertain what the current Override Capacity is when determining if the request is in the best interest of the future financial health of the town.

Heath's Override Capacity dropped every year through 2020 (hitting $0 in 2017-2020), and is slowly beginning to build capacity again. Heath's 2022 Override Capacity is $93,486, which is 3.70% of their Levy Ceiling ($2,528,478). This number needs to be monitored closely by town administration.

Free Cash

Free cash is the revenue available at year-end close-out which are typically from line item surpluses and unexpected revenue from areas such as delinquent tax collection, etc. Free cash cannot be appropriated until it is certified by the Department of Revenue. As free cash is considered one-time revenue, it therefore should only be appropriated for one-time expenditures and not recurring general budget expenditures.

The use of free cash for recurring expenditures places the municipality into a structural deficit for the following fiscal year, which is a difficult financial position to be in (much like funding full-time employees with grant money, at some point the full-time employees will need to be moved to general budget expense, which is never easy to accomplish).

Your municipality may have financial bylaws and policies regarding free cash balances and uses (e.g., maintain free cash balance at 5% of general budget appropriation). We recommend you spend time familiarizing yourself with them so you are aware of what the access for these funds is limited to.

Heath maintains a 2021 Free Cash balance of $221,492, which represents 9.5% of their

Operating Budget of $2,336,090.

Stabilization Account

Most, if not all, municipalities maintain at least one stabilization account to protect their town from extraordinary expenses and unexpected emergencies. Some create stabilization accounts/special fund accounts for capital needs and purchases. The creation of, and the appropriation from and to stabilization accounts, require a 2/3 majority from the local appropriating authority at town meeting. Bond rating firms look for strong financial policies on stabilization accounts, on top of maintaining sufficient line item balances, when setting municipal bond rates. Municipalities that regularly appropriate funds from their stabilization account will see it negatively impact their bond rating. In many municipalities, the stabilization accounts are built up yearly by free cash appropriation.

Heath currently has a 2021 Stabilization Account balance of $233,025, which represents 9.9% of their Operating Budget.

Municipal Budgets

In 2021, Education Expenditures represented 45.33% of Heath's General Budget, which is less than the State average of 50.15%.

General Fund Spending By Function

General Government	Police	Fire	Other Public Safety	Education	Public Works	Human Services	Culture and Recreation	Fixed Costs	Inter-Government	Other Expenses	Debt Service	Total Expenditure
344,032	28,875	41,849	23,006	1,059,009	434,935	31,442	60,987	213,764	11,668	13,950	72,573	2,336,090

General Fund Spending as % of Total

General Government	Police	Fire	Other Public Safety	Education	Public Works	Human Services	Culture and Recreation	Fixed Costs	Inter-Government	Other Expenses	Debt Service
14.73%	1.24%	1.79%	0.98%	45.33%	18.62%	1.35%	2.61%	9.15%	0.50%	0.60%	3.11%

General Fund Spending Per Capita

General Government	Police	Fire	Other Public Safety	Education	Public Works	Human Services	Culture and Recreation	Fixed Costs	Inter-Government	Other Expenses	Debt Service
476	40	58	32	1,465	602	43	84	296	16	19	100

Source: DOR Databank

Heath Summary

Heath is a very small town of 723 residents. Heath's 2019 income per capita is $12,988, which is well below the State average of $48,030.

Only 21% of Heath's resident population is under 19 years of age, with 57% of population over the age of 50.

As the far majority of their residents continue to age, there will need to be a more targeted allocation of funding toward first responders and senior center services.

Heath has a 2022 Excess Levy Capacity of $297,580 and is not taxing the full 2.5% (Excess Levy Capacity is 12.03% of the Maximum Levy), most likely due to their current Levy Ceiling.

Heath's Override Capacity dropped every year through 2020 (hitting $0 in 2017-2020), and is slowly beginning to build capacity again. Heath's 2022 Override Capacity is $93,486, which is 3.70% of their Levy Ceiling ($2,528,478). Heath is not in a position to access any of their Excess Levy Capacity.

Heath maintains a 2021 Free Cash balance of $221,492, which represents 9.5% of their Operating Budget of $2,336,090. Heath currently has a 2021 Stabilization Account balance of $233,025, which represents 9.9% of their Operating Budget. Both accounts are in excess of the Department of Revenue's recommended balance of 5% of their operating budget.

In 2021, Education Expenditures represented 45.33% of Heath's General Budget, which is less than the State average of 50.15%.

# # # # #

Town of Plainfield

Plainfield is a town of 633 residents (2020). There is an Open Town Meeting form of government, which is administered by the Board of Selectmen. The unemployment rate is 5.08% (2021, down from 5.32% in 2020), which is below the State average of 5.3% (2021). Plainfield's 2019 income per capita is $28,662, which is below the State average of $48,030.

Only 17% of Plainfield's resident population is under 19 years of age.

Population by Age Group (DPH, 2019)

0-4 Years	23	4%
5-11 Years	34	5%
12-15 Years	24	4%
16-19 Years	24	4%
20-29 Years	68	11%
30-49 Years	128	20%
50-64 Years	157	25%
65-74 Years	123	19%
75+ Years	54	9%
Total	633	100%

Tax Rate

The 2022 tax rate for residential property is $19.95, which is the same for commercial and industrial property. The 2022 tax levy for residential property is $1,549,327; commercial property is $159,814; industrial property is $29,989; and personal property is $511,208; for a total tax levy of $2,250,338. Residential property represents 68.65% of their tax levy, so the majority of the tax revenue is coming from the residents, rather than a commercial base.

Excess Levy Capacity

Proposition 2½ (M.G.L. Ch. 59 Sec. 21C), which was passed by Massachusetts voters in November of 1980, places a limit on the amount of property taxes a community can levy each year. Proposition 2½ establishes two types of restrictions on the annual property tax levy. First, a community cannot levy in excess of 2.5 percent of the total full and fair cash value of all taxable real and personal property in the community. This limit is referred to as the levy ceiling.

*Second, community's levy is constrained in the amount it may increase from one year to the next. The maximum amount a community can levy in any given year is called the levy limit. The levy limit will always be below or at most equal to, the levy ceiling. It may not as a rule exceed the levy ceiling. **

*A Guide to Financial Management for Town Officials, Massachusetts Department of Revenue, Division of Local Services, undated.

While the municipality is allowed under law to increase the yearly tax rate automatically by 2.5%, some municipalities choose not to do so for various reasons. Typically, those reasons include a determination that taxing to the full levy is not necessary through the process of budget development and approval (common in regional school districts), concern over the total tax ceiling amount, and concern for capacity to pay real estate tax bills by an aging community and other socio-economic factors.

The gap between the amount taxed and the amount allowed to be taxed by Proposition 2½ is referred to as the Excess Levy Capacity. For example, a municipality may choose to only raise taxes by 1.5% instead of the full 2.5%. The dollar value of the 1% they chose not to tax would be considered the Excess Levy Capacity.

Plainfield has a 2022 Excess Levy Capacity of $207,061 and is not taxing the full 2.5% (Excess Levy Capacity is 8.43% of Maximum Levy).

Override Capacity

The Override Capacity of a municipality is the difference between the Tax Levy (yearly total tax raised) and the Tax Ceiling (which is 2.5% of the "full and fair value of all taxable real estate and personal property").

A municipality is allowed to automatically increase their Tax Levy by 2.5%, as long as the value of the Tax Levy does not exceed the value of the Tax Ceiling. Once a town hits its ceiling, it is no longer allowed to raise taxes. For most municipalities, especially those inside of I-495, this is not an issue as there is an ample cushion between the Tax Levy and Tax Ceiling. However, the same cannot be said for towns in Central and Western Massachusetts that were hit hard by the housing market crash and have since then experienced a very slow recovery in real estate assessed values.

Tax Levy = the municipality's tax base/revenue, which is allowed to be increased 2.5% yearly.

Excess Levy Capacity = the gap between the amount the municipality chose to tax and the amount they are allowed to increase the tax to for that fiscal year. If a municipality chose not to increase their Tax Levy the full 2.5%, the difference is the Excess Levy Capacity.

Override Capacity = the gap between the total Tax Levy and the Tax Ceiling is the amount that is available to the municipality to request a Proposition 2 ½ override.

For those school districts that may be considering a Proposition 2½ override warrant article to fund their operating budget, it is especially important to ascertain what the current Override Capacity is when determining if the request is in the best interest of the future financial health of the town.

Plainfield's Override Capacity dropped every year through 2020, and while on an upward trend, has not returned to their 2010 level. Plainfield's 2022 Override Capacity is $525,569, which is 18.64% of their Levy Ceiling ($2,819,972).

Free Cash

Free cash is the revenue available at year-end close-out which are typically from line item surpluses and unexpected revenue from areas such as delinquent tax collection, etc. Free cash cannot be appropriated until it is certified by the Department of Revenue. As free cash is considered one-time revenue, it therefore should only be appropriated for one-time expenditures and not recurring general budget expenditures.

The use of free cash for recurring expenditures places the municipality into a structural deficit for the following fiscal year, which is a difficult financial position to be in (much like funding full-time employees with grant money, at some point the full-time employees will need to be moved to general budget expense, which is never easy to accomplish).

Your municipality may have financial bylaws and policies regarding free cash balances and uses (e.g., maintain free cash balance at 5% of general budget appropriation). We recommend you spend time familiarizing yourself with them so you are aware of what the access for these funds is limited to.

Plainfield maintains a 2021 Free Cash balance of $229,757, which represents 10.1% of their Operating Budget of $2,266,525.

Stabilization Account

Most, if not all, municipalities maintain at least one stabilization account to protect their town from extraordinary expenses and unexpected emergencies. Some create stabilization accounts/special fund accounts for capital needs and purchases. The creation of, and the appropriation from and to stabilization accounts, require a 2/3 majority from the local appropriating authority at town meeting. Bond rating firms look for strong financial policies on stabilization accounts, on top of maintaining sufficient line item balances, when setting municipal bond rates. Municipalities that regularly appropriate funds from their stabilization account will see it negatively impact their bond rating. In many municipalities, the stabilization accounts are built up yearly by free cash appropriation.

Plainfield currently has a 2021 Stabilization Account balance of $526,861 which represents 23.2% of their Operating Budget.

Municipal Budgets

In 2021, Education Expenditures represented 44.59% of Plainfield's General Budget, which is less than the State average of 50.15%.

General Fund Spending By Function

General Government	Police	Fire	Other Public Safety	Education	Public Works	Human Services	Culture and Recreation	Fixed Costs	Inter-Government	Other Expenses	Debt Service	Total Expenditure
240,359	137,744	42,398	52,568	1,010,532	450,047	1,507	30,815	199,798	110	6,713	93,934	2,266,525

General Fund Spending as % of Total

General Government	Police	Fire	Other Public Safety	Education	Public Works	Human Services	Culture and Recreation	Fixed Costs	Inter-Government	Other Expenses	Debt Service
10.60%	6.08%	1.87%	2.32%	44.59%	19.86%	0.07%	1.36%	8.82%	0.00%	0.30%	4.14%

General Fund Spending Per Capita

General Government	Police	Fire	Other Public Safety	Education	Public Works	Human Services	Culture and Recreation	Fixed Costs	Inter-Government	Other Expenses	Debt Service
380	218	67	83	1,596	711	2	49	316	0	11	148

Source: DOR Databank

Plainfield Summary

Plainfield is a very small town of 633 residents. Plainfield has only 17% of their resident population under 19 years of age, and 53% being over the age of 50. As the majority of their residents continue to age, there will need to be a more targeted allocation of funding toward first responders and senior center services.

Plainfield's 2019 income per capita is $28,662, which is below the State average of $48,030, which is indicative of a large segment of their population being at a retirement age, and/or on fixed incomes.

Plainfield has a 2022 Excess Levy Capacity of $207,061 and is not taxing the full 2.5 percent. Their 2022 Override Capacity is $525,569, which is 18.64% of their Levy Ceiling ($2,819,972). Plainfield does have a comfortable margin to consider Proposition 2 ½ override to allocate more funding toward education, especially considering their total education expenditure in 2021 represented only 44.59% of their General Budget, which is well below the State average of 50.15%.

Plainfield maintains a 2021 Free Cash balance of $229,757, which represents 10.1% of their Operating Budget of $2,266,525, and a 2021 Stabilization Account balance of $526,861, which represents 23.2%. Both are in excess of the Department of Revenue's 5% recommended balance.

# # # # #

Town of Shelburne

Shelburne is a town of 1,884 residents (2020). There is an Open Town Meeting form of government, which is administered by the Board of Selectmen. The unemployment rate is 4.53% (2021, down from 6.03% in 2020), which is below the State average of 5.3% (2021). Shelburne's 2019 income per capita is $23,492, which is below the State average of $48,030.

Only 15% of Shelburne's resident population is under 19 years of age.

Population by Age Group (DPH, 2019)

0-4 Years	58	3%
5-11 Years	92	5%
12-15 Years	80	4%
16-19 Years	54	3%
20-29 Years	162	9%
30-49 Years	485	26%
50-64 Years	430	23%
65-74 Years	330	18%
75+ Years	193	10%
Total	1,884	100%

Tax Rate

The 2022 tax rate for residential property is $14.49, which is the same for commercial and industrial property. The 2022 tax levy for residential property is $3,407,869; commercial property is $392,823; industrial property is $160,110; and personal property is $459,637; for a total tax levy of $4,420,439. Residential property represents 77.09% of their tax levy, so the majority of the tax revenue is coming from the residents, rather than a commercial base.

Excess Levy Capacity

Proposition 2½ (M.G.L. Ch. 59 Sec. 21C), which was passed by Massachusetts voters in November of 1980, places a limit on the amount of property taxes a community can levy each year. Proposition 2½ establishes two types of restrictions on the annual property tax levy. First, a community cannot levy in excess of 2.5 percent of the total full and fair cash value of all taxable real and personal property in the community. This limit is referred to as the levy ceiling. Second, community's levy is constrained in the amount it may increase from one year to the

*next. The maximum amount a community can levy in any given year is called the levy limit. The levy limit will always be below or at most equal to, the levy ceiling. It may not as a rule exceed the levy ceiling. **

*A Guide to Financial Management for Town Officials, Massachusetts Department of Revenue, Division of Local Services, undated.

While the municipality is allowed under law to increase the yearly tax rate automatically by 2.5%, some municipalities choose not to do so for various reasons. Typically, those reasons include a determination that taxing to the full levy is not necessary through the process of budget development and approval (common in regional school districts), concern over the total tax ceiling amount, and concern for capacity to pay real estate tax bills by an aging community and other socio-economic factors.

The gap between the amount taxed and the amount allowed to be taxed by Proposition 2½ is referred to as the Excess Levy Capacity. For example, a municipality may choose to only raise taxes by 1.5% instead of the full 2.5%. The dollar value of the 1% they chose not to tax would be considered the Excess Levy Capacity.

Shelburne has a 2022 Excess Levy Capacity of $334,222 and is not taxing the full 2.5% (Excess Levy Capacity is 7.03% of Maximum Levy).

Override Capacity

The Override Capacity of a municipality is the difference between the Tax Levy (yearly total tax raised) and the Tax Ceiling (which is 2.5% of the "full and fair value of all taxable real estate and personal property").

A municipality is allowed to automatically increase their Tax Levy by 2.5%, as long as the value of the Tax Levy does not exceed the value of the Tax Ceiling. Once a town hits its ceiling, it is no longer allowed to raise taxes. For most municipalities, especially those inside of I-495, this is not an issue as there is an ample cushion between the Tax Levy and Tax Ceiling. However, the same cannot be said for towns in Central and Western Massachusetts that were hit hard by the housing market crash and have since then experienced a very slow recovery in real estate assessed values.

Tax Levy = the municipality's tax base/revenue, which is allowed to be increased 2.5% yearly.

Excess Levy Capacity = the gap between the amount the municipality chose to tax and the amount they are allowed to increase the tax to for that fiscal year. If a municipality chose not to increase their Tax Levy the full 2.5%, the difference is the Excess Levy Capacity.

Tax Ceiling = 2.5% of the overall value of taxable real estate and personal property.

Override Capacity = the gap between the total Tax Levy and the Tax Ceiling is the amount that is available to the municipality to request a Proposition 2 ½ override.

For those school districts that may be considering a Proposition 2½ override warrant article to fund their operating budget, it is especially important to ascertain what the current Override Capacity is when determining if the request is in the best interest of the future financial health of the town.

Shelburne's Override Capacity dropped every year through 2018, and has now surpassed their 2010 level. Shelburne's 2022 Override Capacity is $2,963,585, which is 38.86% of their Levy Ceiling ($7,626,706).

Free Cash

Free cash is the revenue available at year-end close-out which are typically from line item surpluses and unexpected revenue from areas such as delinquent tax collection, etc. Free cash cannot be appropriated until it is certified by the Department of Revenue. As free cash is considered one-time revenue, it therefore should only be appropriated for one-time expenditures and not recurring general budget expenditures.

The use of free cash for recurring expenditures places the municipality into a structural deficit for the following fiscal year, which is a difficult financial position to be in (much like funding full-time employees with grant money, at some point the full-time employees will need to be moved to general budget expense, which is never easy to accomplish).

Your municipality may have financial bylaws and policies regarding free cash balances and uses (e.g., maintain free cash balance at 5% of general budget appropriation). We recommend you spend time familiarizing yourself with them so you are aware of what the access for these funds is limited to.

Shelburne maintains a 2021 Free Cash balance of $348,364, which represents 7.6% of their Operating Budget of $4,592,326.

Stabilization Account

Most, if not all, municipalities maintain at least one stabilization account to protect their town from extraordinary expenses and unexpected emergencies. Some create stabilization accounts/special fund accounts for capital needs and purchases. The creation of, and the appropriation from and to stabilization accounts, require a 2/3 majority from the local appropriating authority at town meeting. Bond rating firms look for strong financial policies on stabilization accounts, on top of maintaining sufficient line item balances, when setting municipal bond rates. Municipalities that regularly appropriate funds from their stabilization account will see it negatively impact their bond rating. In many municipalities, the stabilization accounts are built up yearly by free cash appropriation.

Shelburne currently has a 2021 Stabilization Account balance of $391,797, which represents 8.5% of their Operating Budget.

Municipal Budgets

In 2021, Education Expenditures represented 58.24% of Shelburne's General Budget, which is more than the State average of 50.15%.

General Fund Spending By Function

General Government	Police	Fire	Other Public Safety	Education	Public Works	Human Services	Culture and Recreation	Fixed Costs	Inter-Government	Other Expenses	Debt Service	Total Expenditure
472,693	259,978	60	25,918	2,674,436	578,521	74,419	84,330	322,464	51,119	0	48,388	4,592,326

General Fund Spending as % of Total

General Government	Police	Fire	Other Public Safety	Education	Public Works	Human Services	Culture and Recreation	Fixed Costs	Inter-Government	Other Expenses	Debt Service
10.29%	5.66%	0.00%	0.56%	58.24%	12.60%	1.62%	1.84%	7.02%	1.11%	0.00%	1.05%

General Fund Spending Per Capita

General Government	Police	Fire	Other Public Safety	Education	Public Works	Human Services	Culture and Recreation	Fixed Costs	Inter-Government	Other Expenses	Debt Service
251	138	0	14	1,420	307	40	45	171	27	0	26

Source: DOR Databank

Shelburne Summary

Shelburne is a small town of 1,884 residents. Shelburne's 2019 income per capita is $23,492, which is below the State average of $48,030.

Only 15% of Shelburne's resident population is under 19 years of age, with 51% of population over the age of 50. As most of their residents continue to age, there will need to be a more targeted allocation of funding toward first responders and senior center services.

Shelburne has a 2022 Excess Levy Capacity of $334,222 and is not taxing the full 2.5% (Excess Levy Capacity is 7.03% of the Maximum Levy). Shelburne's Override Capacity dropped every year through 2018, and has now surpassed their 2010 level. Shelburne's 2022 Override Capacity is $2,963,585, which is 38.86% of their Levy Ceiling ($7,626,706).

Shelburne maintains a 2021 Free Cash balance of $348,364, which represents 7.6% of their Operating Budget of $4,592,326. Shelburne currently has a 2021 Stabilization Account balance of $391,797, which represents 8.5% of their Operating Budget. Both accounts are in excess of the Department of Revenue's recommended balance of 5% of their operating budget.

Education Expenditures represented 58.24% of Shelburne's General Budget, which is more than the State average of 50.15%. Shelburne allocates a considerable portion of their General Budget toward education.

# # # # #

Population Statistics for Nearby & Similar Sized Towns

Franklin	Ashfield	0-4 Years	55	3%	
Franklin	Ashfield	5-11 Years	102	6%	
Franklin	Ashfield	12-15 Years	70	4%	
Franklin	Ashfield	16-19 Years	49	3%	16%
Franklin	Ashfield	20-29 Years	121	7%	
Franklin	Ashfield	30-49 Years	352	21%	
Franklin	Ashfield	50-64 Years	441	26%	
Franklin	Ashfield	65-74 Years	363	21%	
Franklin	Ashfield	75+ Years	144	8%	55%
Franklin	Ashfield	Total	1,695	100%	

Franklin	Buckland	0-4 Years	63	3%	
Franklin	Buckland	5-11 Years	114	6%	
Franklin	Buckland	12-15 Years	61	3%	
Franklin	Buckland	16-19 Years	66	4%	16%
Franklin	Buckland	20-29 Years	128	7%	
Franklin	Buckland	30-49 Years	417	23%	
Franklin	Buckland	50-64 Years	477	26%	
Franklin	Buckland	65-74 Years	319	18%	
Franklin	Buckland	75+ Years	171	9%	53%
Franklin	Buckland	Total	1,816	100%	

Franklin	Charlemont w Hawley	0-4 Years	53	3%	
Franklin	Charlemont w Hawley	5-11 Years	94	6%	
Franklin	Charlemont w Hawley	12-15 Years	57	4%	
Franklin	Charlemont w Hawley	16-19 Years	48	3%	16%
Franklin	Charlemont w Hawley	20-29 Years	145	9%	
Franklin	Charlemont w Hawley	30-49 Years	322	21%	
Franklin	Charlemont w Hawley	50-64 Years	394	26%	
Franklin	Charlemont w Hawley	65-74 Years	266	17%	
Franklin	Charlemont w Hawley	75+ Years	159	10%	53%
Franklin	Charlemont w Hawley	Total	1,536	100%	

Franklin	Colrain	0-4 Years	67	4%	
Franklin	Colrain	5-11 Years	110	7%	
Franklin	Colrain	12-15 Years	64	4%	
Franklin	Colrain	16-19 Years	66	4%	19%
Franklin	Colrain	20-29 Years	156	10%	
Franklin	Colrain	30-49 Years	318	20%	
Franklin	Colrain	50-64 Years	454	28%	
Franklin	Colrain	65-74 Years	240	15%	
Franklin	Colrain	75+ Years	131	8%	51%
Franklin	Colrain	Total	1,606	100%	

Hampshire	Chesterfield	0-4 Years	33	3%	
Hampshire	Chesterfield	5-11 Years	76	6%	
Hampshire	Chesterfield	12-15 Years	45	4%	
Hampshire	Chesterfield	16-19 Years	64	5%	18%
Hampshire	Chesterfield	20-29 Years	102	9%	
Hampshire	Chesterfield	30-49 Years	285	24%	
Hampshire	Chesterfield	50-64 Years	307	26%	
Hampshire	Chesterfield	65-74 Years	184	16%	
Hampshire	Chesterfield	75+ Years	90	8%	50%
Hampshire	Chesterfield	Total	1,186	100%	

Franklin	Conway	0-4 Years	63	4%	
Franklin	Conway	5-11 Years	112	6%	
Franklin	Conway	12-15 Years	84	5%	
Franklin	Conway	16-19 Years	77	4%	19%
Franklin	Conway	20-29 Years	115	7%	
Franklin	Conway	30-49 Years	395	22%	
Franklin	Conway	50-64 Years	468	27%	
Franklin	Conway	65-74 Years	318	18%	
Franklin	Conway	75+ Years	128	7%	52%
Franklin	Conway	Total	1,761	100%	

Hampshire	Cummington	0-4 Years	18	2%	
Hampshire	Cummington	5-11 Years	43	5%	
Hampshire	Cummington	12-15 Years	33	4%	
Hampshire	Cummington	16-19 Years	51	6%	17%
Hampshire	Cummington	20-29 Years	41	5%	
Hampshire	Cummington	30-49 Years	194	23%	
Hampshire	Cummington	50-64 Years	261	32%	
Hampshire	Cummington	65-74 Years	116	14%	
Hampshire	Cummington	75+ Years	71	9%	55%
Hampshire	Cummington	Total	829	100%	

Franklin	Deerfield	0-4 Years	178	3%	
Franklin	Deerfield	5-11 Years	376	7%	
Franklin	Deerfield	12-15 Years	216	4%	
Franklin	Deerfield	16-19 Years	218	4%	18%
Franklin	Deerfield	20-29 Years	480	9%	
Franklin	Deerfield	30-49 Years	1,220	24%	
Franklin	Deerfield	50-64 Years	1,208	24%	
Franklin	Deerfield	65-74 Years	765	15%	
Franklin	Deerfield	75+ Years	429	8%	47%
Franklin	Deerfield	Total	5,090	100%	

Population Statistics for Nearby & Similar Sized Towns (cont'd)

Franklin	Hawley	0-4 Years	39	3%	
Franklin	Hawley	5-11 Years	79	7%	
Franklin	Hawley	12-15 Years	46	4%	
Franklin	Hawley	16-19 Years	41	3%	17%
Franklin	Hawley	20-29 Years	102	9%	
Franklin	Hawley	30-49 Years	246	21%	
Franklin	Hawley	50-64 Years	309	26%	
Franklin	Hawley	65-74 Years	200	17%	
Franklin	Hawley	75+ Years	125	11%	54%
Franklin	Hawley	Total	1,185	100%	

Franklin	Heath	0-4 Years	27	4%	
Franklin	Heath	5-11 Years	63	9%	
Franklin	Heath	12-15 Years	31	4%	
Franklin	Heath	16-19 Years	28	4%	21%
Franklin	Heath	20-29 Years	32	4%	
Franklin	Heath	30-49 Years	125	17%	
Franklin	Heath	50-64 Years	182	25%	
Franklin	Heath	65-74 Years	141	19%	
Franklin	Heath	75+ Years	94	13%	57%
Franklin	Heath	Total	723	100%	

Hampshire	Plainfield	0-4 Years	23	4%	
Hampshire	Plainfield	5-11 Years	34	5%	
Hampshire	Plainfield	12-15 Years	24	4%	
Hampshire	Plainfield	16-19 Years	24	4%	17%
Hampshire	Plainfield	20-29 Years	68	11%	
Hampshire	Plainfield	30-49 Years	128	20%	
Hampshire	Plainfield	50-64 Years	157	25%	
Hampshire	Plainfield	65-74 Years	123	19%	
Hampshire	Plainfield	75+ Years	54	9%	53%
Hampshire	Plainfield	Total	633	100%	

Franklin	Shelburne	0-4 Years	58	3%	
Franklin	Shelburne	5-11 Years	92	5%	
Franklin	Shelburne	12-15 Years	80	4%	
Franklin	Shelburne	16-19 Years	54	3%	15%
Franklin	Shelburne	20-29 Years	162	9%	
Franklin	Shelburne	30-49 Years	485	26%	
Franklin	Shelburne	50-64 Years	430	23%	
Franklin	Shelburne	65-74 Years	330	18%	
Franklin	Shelburne	75+ Years	193	10%	51%
Franklin	Shelburne	Total	1,884	100%	

Hampshire	Goshen	0-4 Years	39	4%	
Hampshire	Goshen	5-11 Years	54	6%	
Hampshire	Goshen	12-15 Years	45	5%	
Hampshire	Goshen	16-19 Years	60	6%	21%
Hampshire	Goshen	20-29 Years	85	9%	
Hampshire	Goshen	30-49 Years	235	24%	
Hampshire	Goshen	50-64 Years	244	25%	
Hampshire	Goshen	65-74 Years	135	14%	
Hampshire	Goshen	75+ Years	63	7%	46%
Hampshire	Goshen	Total	960	100%	

Franklin	Rowe	0-4 Years	18	4%	
Franklin	Rowe	5-11 Years	30	7%	
Franklin	Rowe	12-15 Years	25	6%	
Franklin	Rowe	16-19 Years	9	2%	19%
Franklin	Rowe	20-29 Years	38	9%	
Franklin	Rowe	30-49 Years	63	15%	
Franklin	Rowe	50-64 Years	90	21%	
Franklin	Rowe	65-74 Years	79	19%	
Franklin	Rowe	75+ Years	72	17%	57%
Franklin	Rowe	Total	424	100%	

Franklin	Whately	0-4 Years	69	4%	
Franklin	Whately	5-11 Years	94	6%	
Franklin	Whately	12-15 Years	72	4%	
Franklin	Whately	16-19 Years	49	3%	17%
Franklin	Whately	20-29 Years	131	8%	
Franklin	Whately	30-49 Years	348	22%	
Franklin	Whately	50-64 Years	430	27%	
Franklin	Whately	65-74 Years	272	17%	
Franklin	Whately	75+ Years	142	9%	53%
Franklin	Whately	Total	1,607	100%	

Hampshire	Williamsburg	0-4 Years	88	4%	
Hampshire	Williamsburg	5-11 Years	139	6%	
Hampshire	Williamsburg	12-15 Years	108	4%	
Hampshire	Williamsburg	16-19 Years	103	4%	18%
Hampshire	Williamsburg	20-29 Years	187	7%	
Hampshire	Williamsburg	30-49 Years	552	22%	
Hampshire	Williamsburg	50-64 Years	673	27%	
Hampshire	Williamsburg	65-74 Years	432	17%	
Hampshire	Williamsburg	75+ Years	223	9%	53%
Hampshire	Williamsburg	Total	2,504	100%	