

Town of Hopkinton



Appropriation Committee Report with Recommendations

Annual Town Meeting

May 6, 2019

Middle School Auditorium

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Introduction

Summary Narrative

To the Citizens of Hopkinton:

The Appropriation Committee (the Committee) has reviewed and recommends the proposed Fiscal Year 2020 General Fund operating budget in the amount of \$90,025,252 for the period commencing July 1, 2019, and accompanying capital articles presented by the Town Manager and Board of Selectmen.

The General Fund operating budget includes \$78,709,527 to fund the operation of Town Departments, \$8,439,226 to support the payment of principal and interest on debt, and a proposed General Fund capital budget of \$5,741,434, of which \$1,289,434 is funded from FY 2020 sources, and \$3,612,000 is proposed for new borrowing. The General Fund operating budget also includes a \$208,000 transfer to the Town's Stabilization Fund, a financial reserve; a \$400,000 transfer to the fund to offset the liability for non-pension retiree benefits that have been earned by Town employees (Other Post Employment Benefits, OPEB); a transfer of \$148,981 to the Parks and Recreation Enterprise Fund to support Recreation Programs; and payment of \$596,486 to state and regional programs including public transportation, veteran's services, and mosquito control.

The recommendations and supporting documentation in this report are meant to provide citizens with complete, accurate information about this year's financial Warrant Articles. This budget represents hours of collaborative work between the Board of Selectmen, School Committee, Town Manager, Department Heads, and our Committee.

Going into this budget season, the Board of Selectmen and Town Manager acknowledged that this was going to be a challenging budget season and set spending targets higher than previous years. After careful consideration of the desire to sustain services and to implement growth-targeted increases in education, public safety, veteran's and human services, and other Town Hall operations, the Town Manager proposed a budget with a 3.11% tax impact, net of new growth. Through several rounds of review, the Board of Selectmen directed reductions lowering the tax impact, net of new growth, for taxpayers in the existing tax base to 2.5%. The FY 2020 tax impact of 2.5% translates into an increase of about \$260 for the average taxpayer whose home is valued at \$599,500. This limited tax impact was supported by an estimated \$2,000,000 in additional tax revenue from new growth, mostly derived from new residential construction; coupled with cost control achieved through collaborative efforts of staff at the schools and other departments, and the Town's elected leadership. Overall, new growth paid for 55.4% of the increased expenses in the FY 2020 General Fund operating budget.

Principal and interest on past borrowings represents 7.9% of operating spending, which is below the maximum 15% debt service cost level established in Town Financial Policies. After peaking at \$7,939,618 (net of State reimbursement for school construction) in the FY 2019 budget, General Fund principal and interest costs associated with servicing the Town's debt to \$6,890,401 in FY 2020, dropping further to \$6,112,008 in FY 2021; all net of State school construction reimbursements. Debt that has been authorized at previous Town Meetings but which has not yet been issued will add approximately \$750,000 to the debt load in FY 2021 and FY 2022; and proposals before the Town Meeting this year could add approximately \$500,000 more in principal and interest in each of those future years. Debt

service is a major factor in the multi-year financial horizon and we continue to take a long-term view of debt and operating spending trends, as is shown in the projections included later in this report.

The proposed FY 2020 budget continues to make the most of sources of funds other than property tax collections to pay for items in the budget. The Town's certified Free Cash (\$2,231,091) carried forward from previous years, is used for Pay-As-You-Go capital projects (\$1,389,434), investment in both the General Stabilization Fund (\$208,000) and Other Post-Employment Benefits (OPEB) Liability Trust Fund (\$400,000) , and supplements the operating budget for statutorily authorized FY 2019 Snow and Ice Deficit spending. A final source of funding is from the money generously contributed by the Hopkinton Public Library Foundation (\$436,606) to assist with debt service related to the Library expansion, although that funding source ends in FY 2020.

This year's financial model continues to reflect relatively conservative projections for New Growth and Local Receipts, estimated at \$2,000,000 and \$4,737,262 respectively. The Town expects the New Growth numbers in particular to decline in subsequent years and believes Local Receipts will grow at a modest rate of 4% based on past performance. While New Growth continues to exceed estimates, there is a concern that if growth does not otherwise continue, there will be an increased burden on the individual taxpayer if the projected growth revenue is not forthcoming.

It should be noted that, except for a potential land acquisition and a Fire Department ladder truck acquisition, all General Fund borrowings put forth in the warrant are made within the levy limit, helping to mitigate future years' increases.

The committee does have some concerns about sustaining the budget in the coming years. Forecasting by the departments over the next three years shows budgets will continue to burden taxpayers, even though an override will not appear to be required. These forecasts are based on what we know today and there could be significant unforeseen costs in future years that put these tight projections in jeopardy. Likewise, while restrictions on continued tax base growth under consideration may slow the rise in some town costs, they would definitely curb the inflow of tax dollars from new growth. Additionally, funding for the trust fund to cover the Town's OPEB liability is set at \$400,000, while the Town's actuary identifies \$625,000, escalated by 3% annually, to be the required effective funding trajectory. Underfunding the OPEB reserve has been a trend over the past few years. This Committee would like to see funding brought in line with actuarial recommendations.

In conclusion, this budget is compliant with the law and with the financial policies of the Town of Hopkinton. It provides additional resources to Town departments including the Schools, Police and Fire, that are needed to manage the costs associated with community growth; and it does so while limiting tax impact on the existing tax base to an average of 2.5%.

Respectfully Submitted,

The Hopkinton Appropriation Committee

Michael Manning, Chair
Wayne Pacheco

Todd Cestari
Rebecca Robak

Shahidul Mannan



TOWN OF HOPKINTON
TOWN MANAGER'S OFFICE
Norman Khumalo, Town Manager

TO: Board of Selectmen

FROM: Norman Khumalo, Town Manager

DATE: September 27, 2018

RE: Fiscal Year 2020 Budget Policy

On behalf of the Board of Selectmen, I request that your budget submission conform to the Budget Message adopted by the Board of Selectmen at its Sep. 25, 2018 meeting, as summarized below. Municipal services and education budgets are due to the Town Manager by November 16, 2018 and January 17, 2019, respectively.

1. Departments should build their budgets from the bottom up.
2. Overall tax impact net of new growth should not exceed 3%.
3. Resolution of budget issues need to continue to be strategic, collaborative and transparent.
4. A budget advisory group consisting of the Chairs of the School Committee, Board of Selectmen and Appropriations Committee and professional staff will meet regularly, and the Chairs will routinely report back to their respective boards.
5. The Board of Selectmen directed the Town Manager to work directly with the School Superintendent to work out the budget in accordance with the budget message prior to the Town Manager submitting the budget to the Board of Selectmen; any difficulties encountered should go back to the respective boards for discussion.

Our Finance Team will be sending you the FY20 budget packets soon.

As we work collaboratively to develop the Fy20 budget for the Town, the Finance team members and I will be available to meet with each department head individually to provide technical assistance as needed.

Best Regards,



TOWN OF HOPKINTON
TOWN MANAGER'S OFFICE
Norman Khumalo, Town Manager

TO: Board of Selectmen
FROM: Norman Khumalo, Town Manager
RE: FY 20 Comprehensive Budget Transmittal Letter
DATE: January 28, 2019

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I am pleased to submit for your consideration the recommended budget and financing plan for the Fiscal Year beginning July 1, 2019 and concluding June 30, 2020. This budget and financing plan represent the careful and balanced choices required to meet the Town's diverse needs and priorities identified by boards and committees, maintain excellent quality services, respond to the impact of emerging needs caused by the growth of the Town and the need to minimize any required tax increase. As you will see in the budget details, many of the new initiatives and staff positions are a direct result of the need to strengthen the Town's institutional capacity to address growth.

The Town Manager recommended budget totals \$93,840,941 including an operating budget of \$79,022,920, a \$250,000 transfer to the General Stabilization fund, a \$500,000 transfer to the OPEB trust, debt service of \$8,439,226, and a proposed capital budget of \$5,628,795. Of the total capital budget \$4,042,000 will be bonded and \$1,586,795 will be Pay-As-You-Go.

The total estimated revenue for FY 2020 is \$91,320,007 an increase of \$5,526,071 or 6.4% from FY 2019. The actual amount of certified free cash available for appropriation is \$3,271,717. As in past years, the FY 2020 budget proposes to use free cash as a supplemental source to support improving reserves, investing in capital assets, and OPEB, while avoiding commitments to recurring expenses. Revenue from property taxes is projected to be \$72,817,321, state aid, which is projected based on the Governor's budget, and local receipts are projected at \$14,372,640, an increase of \$311,656. New growth is projected at \$2,000,000, a decrease of \$219,652 from last year. Local receipts are conservatively estimated at \$4,721,262, which is in line with the last fiscal year collections and has had a positive effect on the Town's free cash. Other available funds are projected at \$1,818,251 and include ambulance receipts, reimbursements of enterprise funds indirect costs, and receipts from the Library Foundation.

This projected budget proposes a transfer of \$250,000 to the Town’s General Stabilization fund, an increase of \$125,000 from FY 2019. The Town is continuing its commitment to creating and maintaining a General Stabilization fund of 5% of the total annual budget, in line with the Massachusetts Department of Revenue’s best practice recommendation. The balance in the General Stabilization fund at the end of FY 2019 is projected to be \$3,477,628, or 4.2% of the FY 2019 total operating budget. The Capital Stabilization fund balance is projected to be \$320,000 at the end of FY 2019.

Enterprise revenues are projected as follows:

Sewer	\$2,850,953
Water	\$2,542,061
Park and Recreation	\$514,440

This projected budget assumes a general government subsidy for Park and Recreation Enterprise at \$157,000 which is up from \$136,694 in FY 2019; and that the enterprise funds are fully reimbursing the general fund for their related indirect costs (employee benefits, shared staff, general insurance). Water and Sewer revenues are projected to be \$2,542,061 and \$2,850,953, respectfully. The budget also includes water Pay-As-You-Go capital improvements of \$115,000 and sewer bond financed capital improvements of \$170,000. An increase in both water and sewer rates is anticipated to balance the budget. The retained earnings or free cash for the Town’s enterprise funds were certified as follows:

Water Enterprise Fund	\$957,857
Sewer Enterprise Fund	\$308,100
Parks and Recreation Fund	\$142,523

The Community Preservation Funds from the Community Preservation Act (CPA) surcharge are projected at \$1,230,000, of which \$1,040,000 is projected from local property tax bills and \$190,000 from state matching funds which has been decreasing over the years. The state match on the FY 2018 revenue was \$191,038 which was received on November 16, 2018. The Community Preservation Funds budget includes Pay-As-You-Go capital improvements of \$710,000. The amounts currently held in the three required reserves as of Dec 31, 2018 are as follows:

Community Housing	\$571,522
Historic Resources	\$628,528
Open Space	\$744,229

Overall, departmental FY ‘19- ‘20 changes are as follows:

General Budget	FY' 20 Budget	% Change from FY '19	
General Government	\$ 4,581,604	7.54%	Increase in staff; Increase in legal fees
Public Safety	\$ 6,933,166	10.18%	Salary increases; Addition of 3 Firefighters; Replacement of 3 Police Cruisers; Addition of new Sergeant
Education	\$ 48,517,506	6.64%	Salary increases; Increase in staff size related to enrollment increases
Public Works	\$ 5,724,765	6.98%	Increase expenditures for pavement & tree maintenance; Increase in fuel costs
Human Services	\$ 873,680	8.26%	Increase in Services offered to Veterans; Salary adjustments
Culture & Recreation	\$ 615,798	11.59%	Hopkinton Day expenses; Increase in Library collection
Employee Benefits & Insurance	\$ 11,776,401	10.46%	Blanket Insurance - additional buildings & vehicles
<hr/>			
Total General Budget	\$ 79,022,920	7.63%	

A more detailed listing of changes in the FY' 20 operating budget are shown in the "Town of Hopkinton Departmental Detail Budgets" Report that can be found on pages 5 - 17.

Given the frequency and scale of unanticipated or unbudgeted costs of special education, out of district tuition or transportation, the School Committee has voted to establish a reserve fund that can be used in future years.

The recommended Capital Improvement Program including Municipal, School, Enterprise Funds, and Community Preservation Funds totals \$6,653,795 of which \$4,212,000 will be bonded and \$2,411,795 will be Pay-As-You-Go. Balancing debt with Pay-As-You-Go protects the Town from unforeseen costs and has been well-received by the Town's credit rating agencies.

As the budget review progresses, staff will continue to monitor and report to the Board on the following elements of the proposed FY '20 budget:

- Unfunded capital articles
- Budget sources, especially one-time sources and revolving funds
- Excess levy
- Snow and Ice expenses
- Overlay account

- FY '20 local aid receipts and estimated local aid assessments
- Reserve funds to address unanticipated and unbudgeted costs

As in past years, I would like to remind senior citizens of the Town's Senior Citizen Tax Relief program.

Finally, I would like to enthusiastically thank Tim, Ben, Dave, Todd, Chris, Carol, Susan, Department Heads, and Town Boards, Commissions and Committees for their collaborative effort and continued support preparing the FY20 budget. The "One-Town-One Solution" philosophy will continue to guide the on-going dialogue engaging Town residents for the final discussion and approval of the budget at the 2019 Annual Town Meeting.

Sincerely yours,



Norman Khumalo
Town Manager



TOWN OF HOPKINTON
TOWN MANAGER'S OFFICE
Norman Khumalo, Town Manager

TO: Board of Selectmen

FROM: Norman Khumalo, Town Manager
RE: FY 20 Comprehensive Budget Options
DATE: March 1, 2019

After listening to the public discussions on the FY 2020 budget, I recognize that there may be some concern with the proposed use of excess tax levy to meet budget requirements. To provide options that would allow you to preserve a higher level of unused tax levy, I have developed several prospective changes with updated information for your consideration in balancing needs and tax levy.

1. Reduction in proposed employee health care expense, \$272,954. I have been working closely with our carrier. Based on the Town's experience we are now projecting a health care increase of 6.19%, rather than the initially projected 10%.
2. Reduction in road paving, \$50,000. This reduction is not expected to reduce grant receipts, so our road paving program will drop from \$1.2M to \$1.15M.
3. Funding Hopkinton Day in FY 2019, \$30,000. We can appropriately encumber this known level of expense in FY 2019, when contractual arrangements are made for this important community event.
4. Funding of three police cars from the pay-as-you-go capital program, \$135,634. This expenditure can be covered though an expected reduction in the cost of the Fire Station Feasibility Study in the budget I submitted from \$150,000 to \$75,000, and from additional savings in expected FY 2019 snow and ice expense.

Together, these changes, if you adopt them, would result in an unused levy of \$893,568 and in a gross tax impact of 5.84%; consisting of 3.11% in new growth and 2.73% net of new growth. I have attached a revised sources and uses sheet showing these prospective changes.



TOWN OF HOPKINTON
TOWN MANAGER'S OFFICE
Norman Khumalo, Town Manager

TO: Board of Selectmen

FROM: Norman Khumalo, Town Manager
RE: FY 20 Comprehensive Budget Options
DATE: March 15, 2019

At the most recent Board of Selectmen meeting on March 5th, I was charged with reviewing the proposed FY20 budget with a goal of limiting the tax impact, net of new growth, to 2.50%. In conjunction with the Town and School Departments, I have carefully reviewed the proposed FY20 budget and have identified several changes to the FY20 operating and capital budgets. If adopted, these changes will reduce the tax impact, net of new growth, to 2.50% and preserve an additional \$287,000 in existing unused tax levy from prior fiscal years. Specific actions to meet this target include:

1. Further reduction of blanket insurance premiums by an additional \$38,000. I have been working closely with our insurance carrier and have received a more refined FY20 cost estimate.
2. Reduction in the School Wetlands Order of Condition pay-as-you-go capital project from \$100,000 to \$40,000.
3. Removal of the \$25,000 pay-as-you-go Middle School Existing Space Redesign project.
4. Addition of the \$24,200 Kitchen Equipment project to the pay-as-you-go capital plan.
5. Addition of the \$26,000 Special Education Van to the pay-as-you-go capital plan.
6. Reclassifying the funding source of \$234,800 of Stormwater System Plan from being funded by the tax levy to being funded by free cash.
7. Transfer of the \$200,000 School Security Camera Installation project from pay-as-you-go to borrowing.
8. Reduction of the school operating budget by \$15,000

Together, these changes, if you adopt them, would result in an unused levy of \$1,180,568; with a gross tax impact of 5.43%, consisting of 2.93% in new growth and 2.50% in automatic proposition 2 1/2 increase. I have attached a revised sources and uses sheet showing these prospective changes.

General Fund Sources and Uses of Funds - Streamlined View

Sources	FY 2019 Sources of Funds	FY 2020 Estimated Sources of Funds
Estimated Property Tax Revenue	\$68,365,275	\$72,073,732
Less - Provision for tax abatements & exemptions	-\$511,435	-\$500,000
Estimated Net Property Tax Revenue	\$67,853,840	\$71,573,732
Excess from Previous FY	\$1,255,266	\$2,255,429
State Aid	\$8,034,223	\$8,164,292
Mass School Building Authority Reimbursement	\$1,487,086	\$1,487,086
Excise Tax, Licenses, other Local Receipts	\$4,539,675	\$4,733,443
Cost Share from Enterprise Funds	\$663,066	\$689,589
Ambulance, Library Foundation, Misc. Sources	\$1,449,345	\$1,113,663
Total Sources of Funds:	\$85,282,501	\$90,017,234
Uses	FY 2019 Uses of Funds	FY 2020 Proposed Uses of funds
Tax Lien Administration Costs	\$50,000	\$50,000
State Aid to Public Libraries	\$16,654	\$17,579
State & Regional Program Charges	\$484,611	\$596,486
Transfer to Parks and Recreation	\$136,694	\$148,981
Repayment of Town Debt & Interest	\$9,476,704	\$8,439,226
Deficits & Judgments	\$119,812	\$0
Snow & Ice Surge Costs	\$31,501	\$58,000
General Government	\$4,260,492	\$4,777,494
Public Safety	\$6,292,572	\$6,601,642
Education	\$45,497,371	\$48,644,506
Public Works	\$5,351,037	\$5,674,765
Health & Human Services	\$806,984	\$959,875
Culture & Recreation	\$551,853	\$585,798
Employee Benefits & Insurance	\$10,660,950	\$11,465,448
Transfer to OPEB (post-retirement health care)	\$400,000	\$400,000
Transfer to Stabilization Trust Fund	\$125,000	\$208,000
Town Meeting Capital Articles	\$1,020,266	\$1,389,434
Total Uses of Funds:	\$85,282,501	\$90,017,234

Projected revenues for FY 2020 are budgeted conservatively. Property taxes are projected to increase by \$3,708,457, with 54% of that amount coming from new growth mostly tied to new residential construction. Overall, property taxes account for 80% of Town revenue; with 84% of property tax revenue coming from residential property, 8% from industrial property, 4% from commercial property, and 4% from taxable business personal property. State Aid is projected to increase by \$130,069, based on the Governor's budget. Local receipts are expected to rise by 4%. The appropriation from free cash supports a higher level of capital article spending and funding for reserve accounts, including the Stabilization Trust fund and the OPEB Trust Fund for post-employment retiree health care costs. Other Sources of Funds include Ambulance Receipts Reserved, Library Foundation donation, repayment of Title V septic system loans, enterprise indirect costs, bond premiums, and ambulance revolving fund.

Debt service is decreasing from 9.6% of General Fund spending in FY 2019 to 7.1% of General Fund spending in FY 2020, with a drop in debt service of \$1,037,478. A long term review of debt service projections through 2049 is included later in this report.

The most significant other changes in spending for FY 2020 include a \$3,147,135, 6.9% increase in school spending; a \$804,498, 7.5% increase in insurance for town property, liability, and workers compensation and employee benefits cost; and a \$517,002, 12% rise in the cost of general government, which includes \$195,890 for a public safety compensation contingency related to a grant opportunity.

This budget results in an unused tax levy of \$1,180,568. This unused levy represents additional taxing authority the Town Meeting has within the limits of Proposition 2 ½, that is not proposed to be collected and spent. The Board of Selectmen voted to send a measure to Town voters for an "override" of proposition 2 ½ taxing limits, eliminating the entire amount of unused tax levy.

Forecasting Model

The table on this page and the next provides both historical and predictive estimates of the next three years based on expense forecasts by Municipal and School departments, as well as reasonably expected percentage increases for some of the line items based on past performance.

TOWN OF HOPKINTON							April 23, 2019
SOURCES & USES - GENERAL FUND BUDGET							
	FY 2019 Original	FY 2020 Budgeted		FY 2021 Projected	FY 2022 Projected	FY 2023 Projected	
Levy Base	60,654,433	64,394,378		68,004,238	71,504,344	74,991,952	
Amended prior year growth	3,836						
2 1/2% increase	1,516,4576	1,609,859		1,700,106	1787,609	11,874,799	2.5%
New Growth	2,219,652	2,000,000		1,800,000	1,700,000	1,600,000	
Overrides/(Underrides)	-0	0		0	0	0	
Debt Exclusions	5,923,183	5,250,063		5,481,886	5,249,701	5,371,629	
Unused Levy	-1,952,2854	-1,180,568					
Net Tax Levy	68,365,275	72,073,732		76,986,230	80,241,653	0	
Cherry Sheet Receipts	8,034,223	8,164,292		8,327,578	8,494,129	8,664,012	2%
MSBA Reimbursements	1,487,086	1,487,086		1,487,086	0	0	
Local Receipts	4,539,675	4,733,443		4,922,781	5,119,692	5,328,776	4%
Subtotal, Revenues	82,426,259	86,458,553	4.90%	91,723,674	93,855,475	97,831,167	
Add: Additional Sources							
Free Cash - operating	0	257,995		0	0	0	
Free Cash - capital/other	755,445	1,972,434		1,400,000	1,300,000	1,200,000	
Enterprise - Indirect Costs	663,066	689,589		717,172	745,859	775,693	4%
Overlay Surplus	0	0		0	0	0	
Stabilization Fund	0	0		0	0	0	
Other	1,449,345	1,113,662		653,789	655,473	655,473	
Unused Capital Balances	499,821	25,000		50,000	50,000	50,000	
Subtotal	3,367,677	4,058,680		2,820,961	2,751,332	2,681,166	
Less:							
Prov for Abate/Exempt (Overlay)	-491,840	-500,000		-500,000	-500,000	-500,000	
Cherry sheet offsets	-16,654	-17,579		-18,106	-18,650	-19,209	3%

Snow & Ice	-31,501	-58,000		-250,000	-250,000	-250,000	
Cherry Sheet charges	-484,611	-596,486		-620,345	-645,159	670,965	4%
Tax title	-50,000	-50,000		-50,000	-50,000	-50,000	
Deficits & Judgements	-119,811	0		0	0	0	
Debt Service	-9,476,704	-8,439,226		-8,183,605	-6,131,692	-5,670,651	Note 1
Parks Enterprise Subsidy	-136,694	-148,981		-150,000	-150,000	-150,000	
Other	0	0		0	0	0	
Subtotal	-10,827,411	-9,810,272		-9,772,057	-7,995,501	-7,310,825	
Net Sources available for Approp	74,966,525	80,706,961	7.76%	84,772,579	88,611,306	93,201,508	
Expenditures By Category:	FY 2019 Original	FY 2020 Budgeted		FY 2021 Projected	FY 2022 Projected	FY 2023 Projected	
General Government	4,260,492	4,777,494	12.13%	4,896,932	5,109,355	4,933,887	2.5%
Public Safety	6,292,572	6,601,642	4.91%	6,766,683	6,935,850	7,320,198	2.5%
Education	45,497,371	48,644,506	6.92%	51,076,731	53,630,568	56,312,096	5%
Public Works	5,351,037	5,674,765	6.05%	5,816,634	5,962,050	6,111,101	2.5%
Human Services	806,984	959,875	16.07%	983,871	1,008,468	1,008,701	2.5%
Culture & Recreation	551,853	585,798	6.15%	600,443	615,454	630,840	2.5%
Employee Benefits & Insurance	10,660,950	11,465,448	7.55%	12,153,375	12,882,577	13,655,532	6%
Subtotal, Omnibus Budget	73,421,259	78,709,527	7.17%	82,294,669	86,054,322	89,972,355	
Articles - non-capital	0	0		0	0	0	
Articles - capital	1,020,266	1,389,434		1,125,000	1,000,000	1,200,000	
Transfer to Stabilization Fund(s)	125,000	208,000		208,000	208,000	208,000	
Transfer to OPEB Trust	400,000	400,000		400,000	400,000	400,000	
Total Expenditures	74,966,525	80,706,961	7.66%	84,027,669	87,662,322	91,780,355	
Surplus (Shortfall)	0	0		744,910	948,984	1,421,153	Note 2

Note 1: Debt Service shown for FY 2021 and FY 2022 includes some Water Enterprise Debt.

Note 2: If the proposed \$1,180,568 budget override is approved by voters, the projected surpluses in FY 2021, FY 2022, and FY 2023 will be reduced by \$1,180,568.

Tax Impact

An individual property tax bill is impacted by three factors: 1) the assessed value of the individual property, 2) the total assessed value of all property within the Town, and 3) the budget passed by the Town meeting; in this relationship:

$$\frac{\text{Assessed value of individual property}}{\text{Assessed value of all property in Town}} \times \text{Amount to be raised from property tax} = \text{Individual property tax}$$

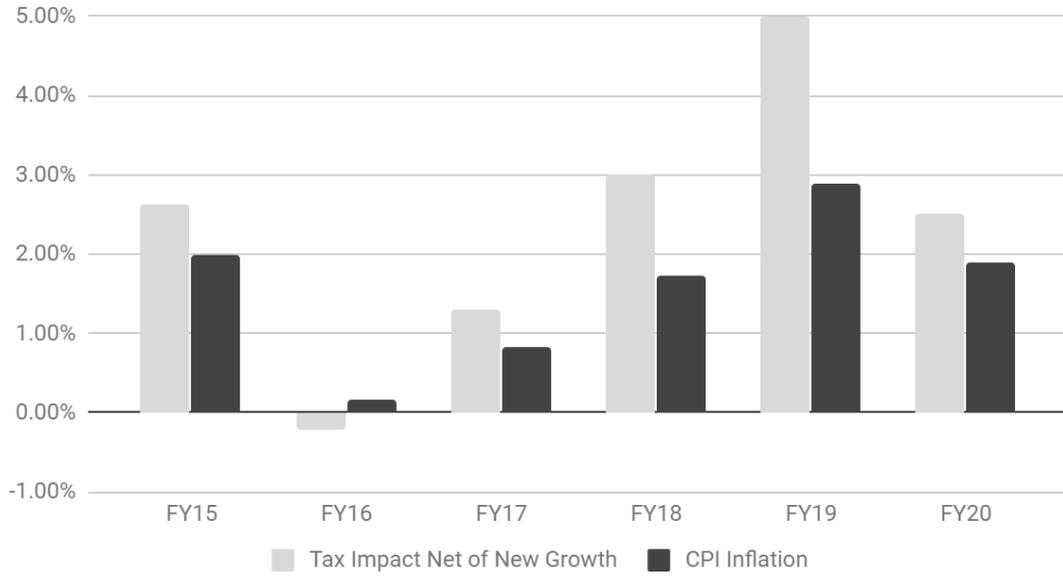
This presentation shows that each taxpayer is billed for a share of the total amount to be raised from property tax based on the proportion of the Town's total pool of taxable property that they own. Under this approach, three specific things impact a tax bill: 1) whether the taxpayer owns property with a higher or lower assessed value; whether the value of all the property in Town is growing or shrinking, which impacts the share or proportion of tax that each individual property owner is responsible for; and, 3) the amount of funding that the Town Meeting decides to raise from property taxes.

As shown in the Table below, across all tax bills, the average tax impact for FY 2020 will be 2.5%; but it noteworthy that individual tax bill will change by more or less than 2.5% based on individual property value; and specific traceable value changes will result from additions, improvements or neighborhood market and sales events.

	FY2019	\$ Increase vs FY2018	FY2020	\$ Increase vs FY2019
Prior Year Unused Levy	2,110,574	11,783	1,952,285	(158,289)
Statutory 2 1/2%	1,516,457	68,435	1,609,859	93,402
Override/(Underride)	-		-	
Debt Exclusions	1,548,399	(455,642)	(673,120)	(2,221,519)
Unused Tax Levy	(1,952,285)	(158,289)	(1,180,568)	(771,717)
		% Change in Tax Levy		% Change in Tax Levy
Change in Tax Levy to existing taxpayers	3,223,144	5.12%	1,708,457	2.50%
New Growth	2,219,652	3.66%	2,000,000	2.93%
Total Change in Tax Levy	5,442,796	8.97%	3,708,457	5.42%

Tax Impact vs. Inflation

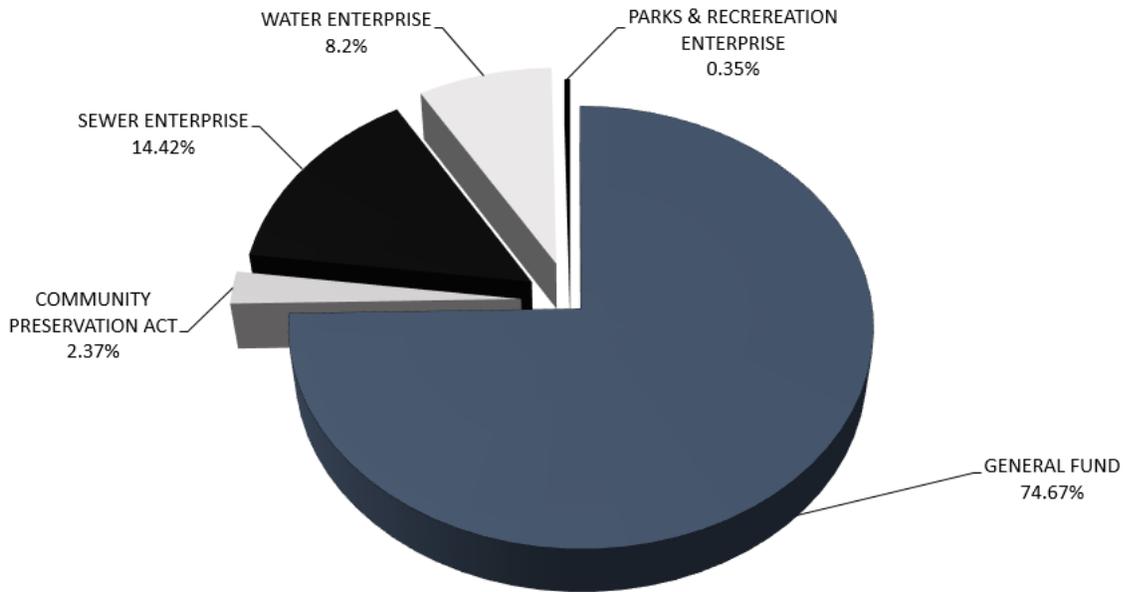
Tax Impact vs. Inflation



CPI Inflation for FY 2020 is based on the most recent 12 month rolling data published by the U. S. Department of Labor, Bureau of Labor Statistics.

Long Term Debt Service

Fiscal Year 2020



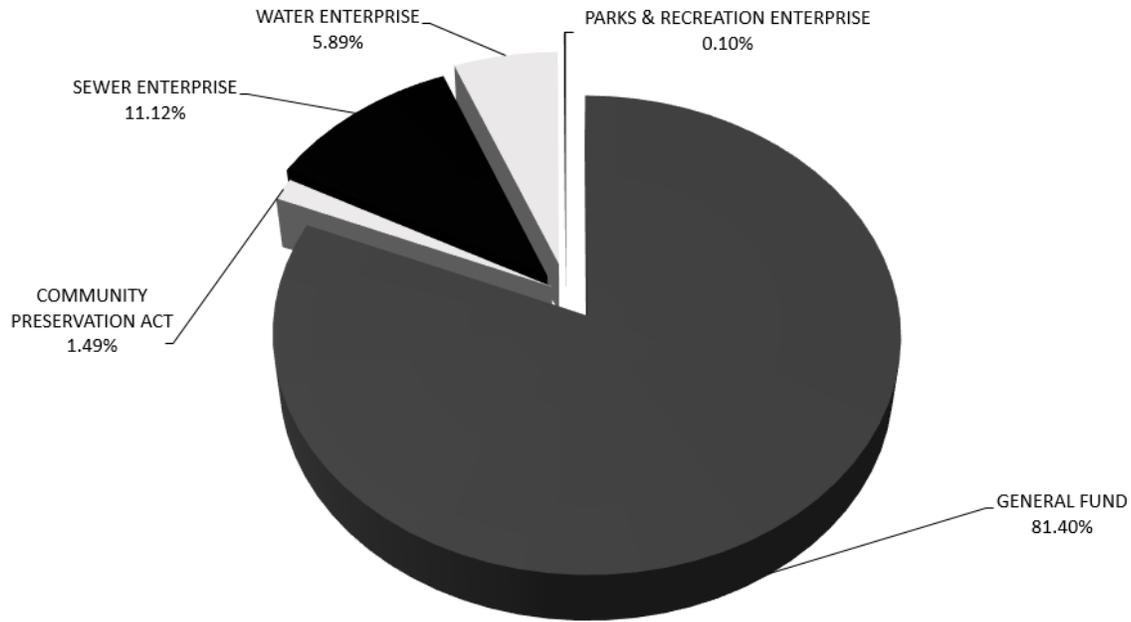
FUND	FY2020 DEBT PRINCIPAL & INTEREST PAYMENTS
GENERAL FUND	6,890,401
COMMUNITY PRESERVATION ACT	218,594
SEWER ENTERPRISE	1,331,098
WATER ENTERPRISE	755,332
PARKS & RECREATION ENTERPRISE	32,700
TOTAL ALL FUNDS	9,228,125

This chart represents the anticipated long term debt principal and interest payments that will be made in Fiscal Year 2020. When an authorized borrowing is first incurred, it typically occurs through a short term borrowing method, normally for a duration of one year or less, often referred to as a Bond Anticipation Note (BAN). Unlike the issuance of a long term bond, which requires regular payments of principal and interest, a BAN only requires payments of interest. Therefore, proposed FY2020 projects, if approved by Town Meeting, are not included in this chart. An estimate of the debt payments beyond Fiscal Year 2020 by fund can be found on later in this report.

See Appendix B for a project breakout of the Debt Service by Fund for currently issued debt.

Long Term Debt Outstanding

Fiscal Year 2020

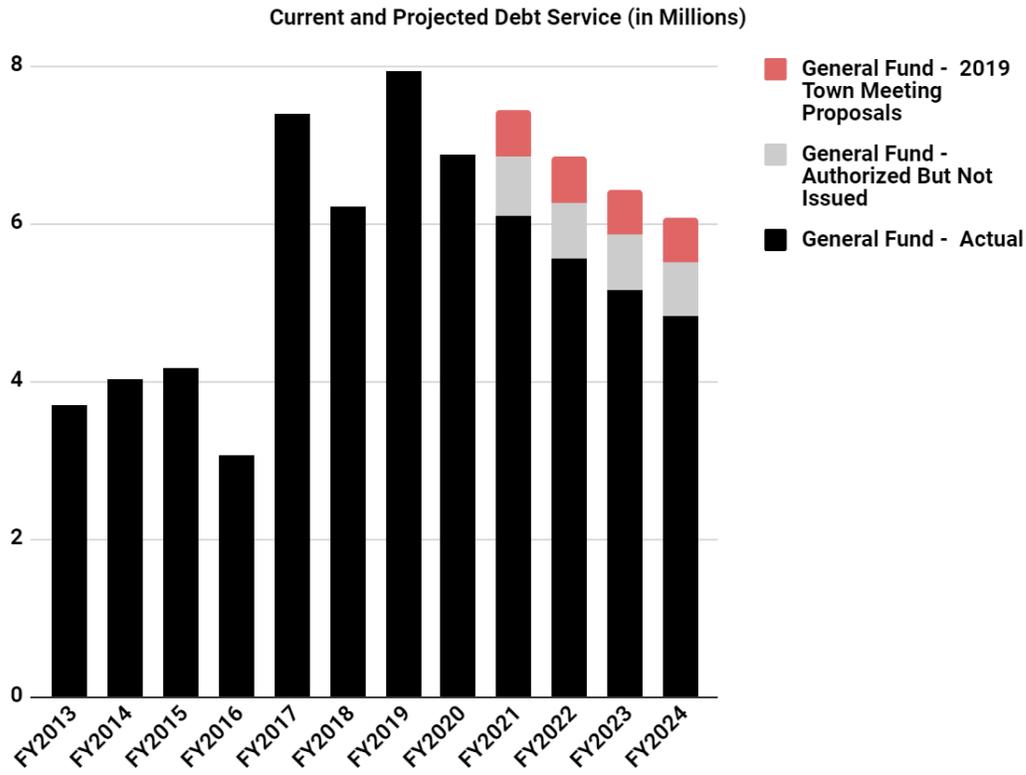


FUND	Total Long Term Debt & Interest Outstanding
GENERAL FUND	74,319,277
COMMUNITY PRESERVATION ACT	1,363,875
SEWER ENTERPRISE	10,153,452
WATER ENTERPRISE	5,375,300
PARKS & RECREATION ENTERPRISE	93,600
TOTAL ALL FUNDS	91,305,504

This chart represents the sum of all annual debt service the Town is obligated to pay for all outstanding bonds.

See Appendix B for a detailed breakout of the Debt Service by Fund for currently issued debt by project.

Historical and Anticipated Debt - General Fund



This graph represents the debt service for the General Fund, including existing borrowings, borrowings that have already been approved by Town Meeting but not yet issued, and estimate borrowings based on the proposed borrowings in the 2019 Annual Town Meeting Warrant.

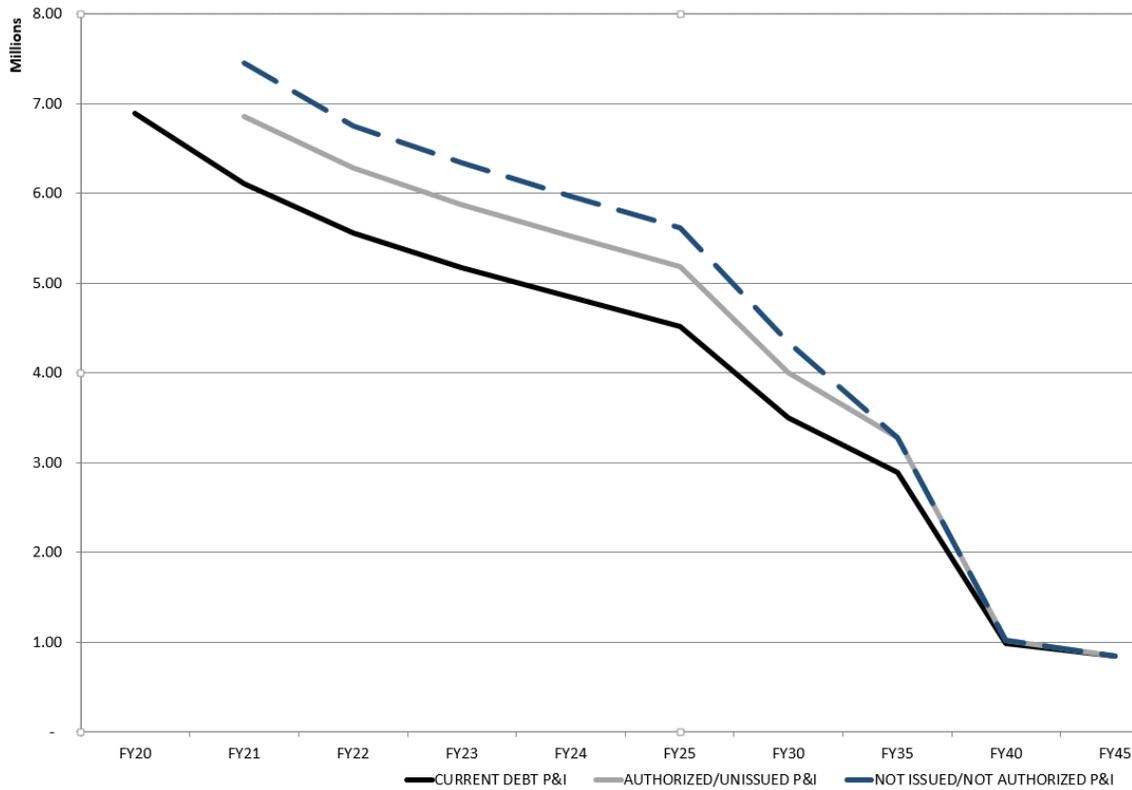
The annual debt service for the construction of the High School is presented net of the Massachusetts School Building Authority (MSBA) annual reimbursement. For several years, the General Fund has made debt service payments that are offset by a reimbursement from the MSBA in the amount of \$1,487,086. The final payment of the High School construction loan is scheduled for Fiscal Year 2021. The final two years of payments are \$1,618,025 and \$1,530,000 scheduled for FY2020 and FY2021, respectively. The obligations of the General Fund for the High School construction borrowing, net of the MSBA reimbursement, are scheduled to be \$130,393 and \$42,914 and FY2020 and FY2021, respectively. It should also be noted that the MSBA has altered its reimbursement method since the construction of the High School. Rather than an annual reimbursement over the total duration of the borrowing, the MSBA reimburses the Town shortly after the project is complete. The annual debt payments reflect the Town's obligation for the construction of the Marathon School, net of reimbursements from the MSBA for the construction of the Marathon School.

See Appendix B for a project breakout of the General Fund Debt Service for currently issued debt.

Long Term Debt Service Fiscal Year 2020 and Beyond

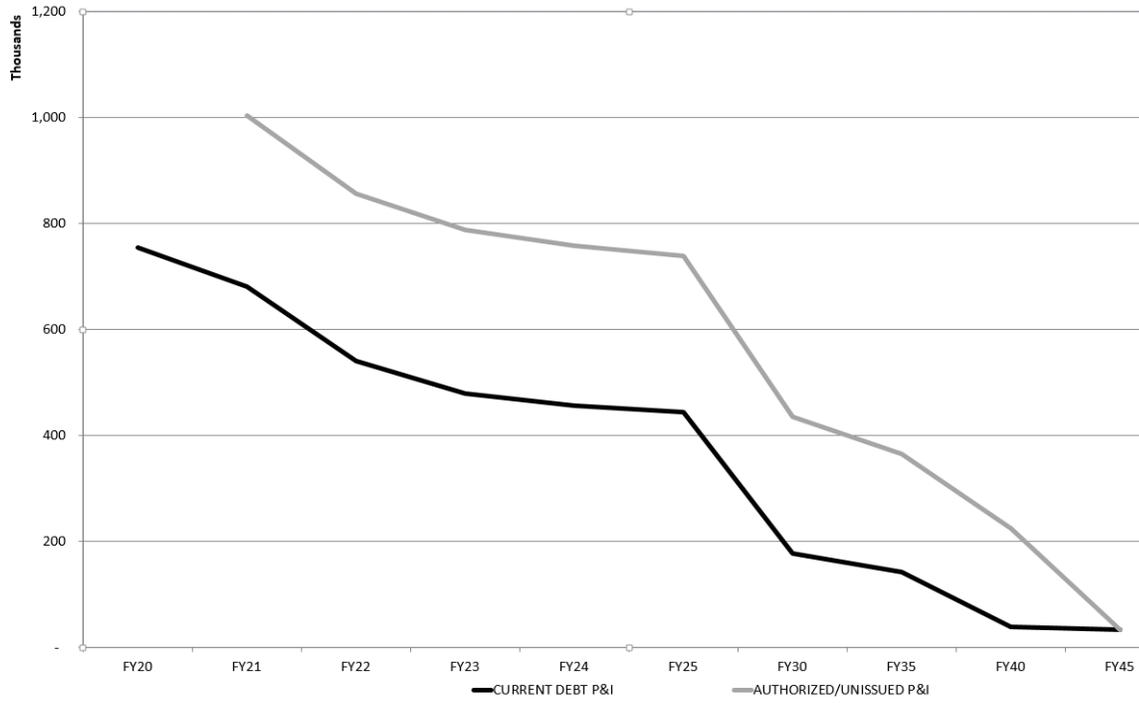
The following five charts represent three aspects of the Town's annual debt service, the current debt (solid dark line), the debt authorized at previous Town Meetings but not yet issued (solid gray line), and the unauthorized and unissued debt proposed in this budget (dashed dark line). This presentation is intended to give a consolidated picture of the debt level the Town will have if all projects proposed in the FY 2020 budget are approved.

General Fund Debt Service, - Actual and Projected*

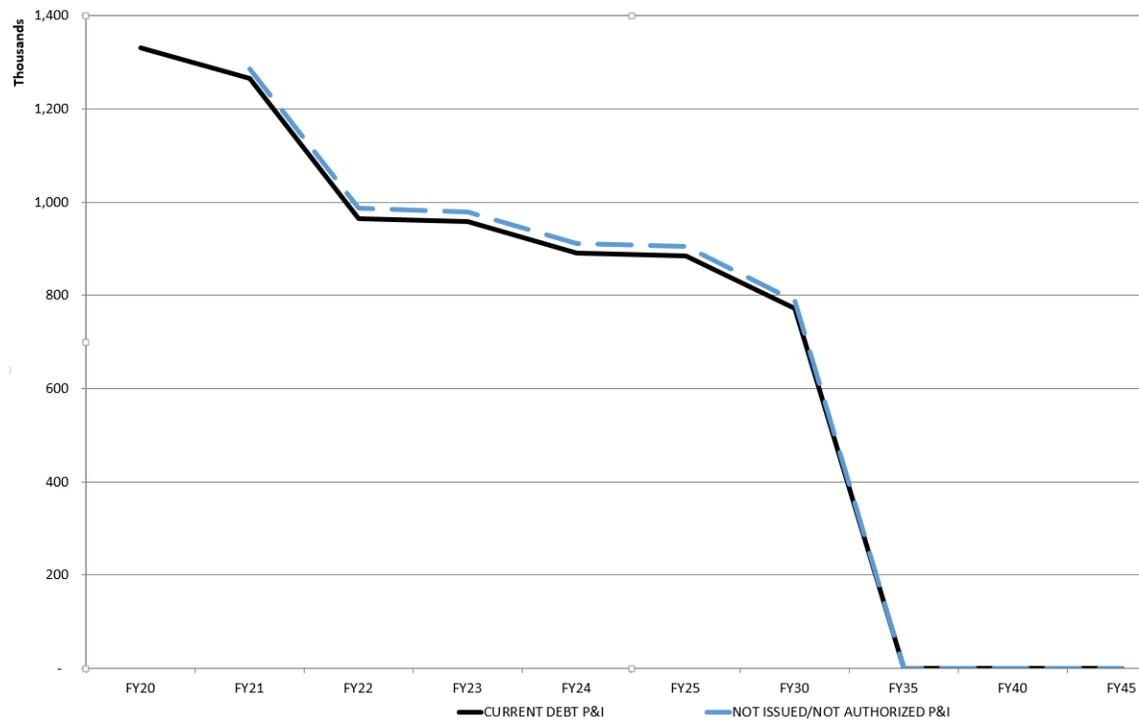


*Net of Massachusetts School Building Authority Reimbursement of \$1,487,086 for the construction of the High School in FY20 and FY21. The High School construction bond will be fully paid in FY21.

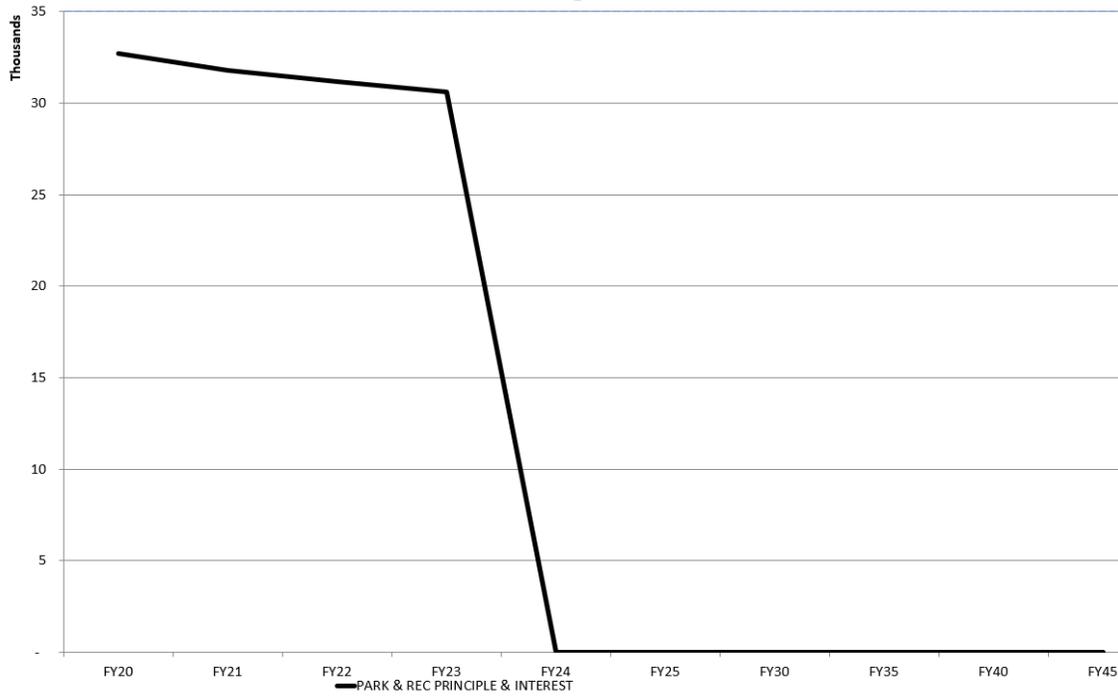
Water Enterprise Fund Debt Service - Actual and Projected



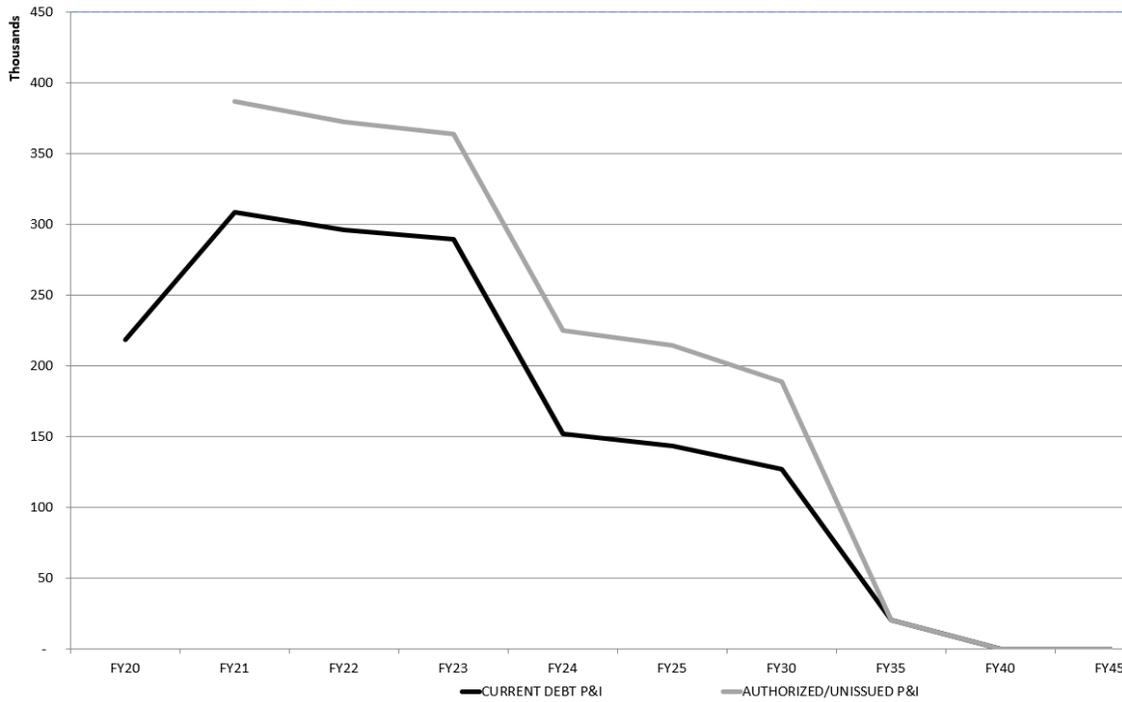
Sewer Enterprise Fund Debt Service - Actual and Projected



Parks & Recreation Enterprise Fund Debt Service - Actual and Projected



Community Preservation Act Debt Service - Actual and Projected



Trust Funds

OPEB Liability Trust Fund

Other Post-Employment Benefits (OPEB) refers to post-employment benefits other than pensions. OPEB generally takes the form of health insurance and dental, vision, prescription, or other health care benefits provided to eligible retirees, and in some cases their beneficiaries. OPEB is part of the compensation that employees earn each year, even though these benefits are not received until after employment has ended. Therefore, as benefits accrue, they are treated as a cost of providing public services today, and are presented that way on the Town's accounting statements.

Most governments report their cash outlays for OPEB in the year of actual distribution, rather than in the year benefits are earned. The amount paid out in a given year is typically different from the new benefit earned by employees and the accumulated difference represents between the two numbers builds an unfunded liability. Governmental Accounting Standards Board (GASB) Statement 45 now requires municipalities to disclose the unfunded liability as part of their financial statements, and the Town of Hopkinton does so. Municipalities are required to update an actuarial analysis of the liability every other year; and while there is not yet a requirement to fund the liability, Hopkinton has prudently elected to begin doing so.

In 2012, the Town established the OPEB Trust Fund through a special act and began funding it in FY 2014, with the idea of accumulating funds as benefits are earned. OPEB Actuarial Valuation Reports have been completed and updated periodically, with the last update reflecting the liability for benefits earned as of June 30, 2018 in the amount of \$28,116,549. As of that date, Hopkinton's OPEB Liability Trust Fund had a reported balance of \$915,283 for a funding level of 3.26% of the liability. As of March 31, 2019 the OPEB Liability Trust Fund has risen to \$2,449,877; a funding level of 8.71% of the liability.

The OPEB Liability Trust Fund serves a very long term need, so unlike most of the Town's other investments, liquidity or ready access to the funds is a less dominant concern than good long term returns on the investments. Therefore, the OPEB Liability Trust Fund is invested under the most aggressive investment posture of any of the Town's financial assets, with a portfolio weighted to a majority proportion of common stocks, as follows:

Domestic Common Stock	34.64%
International Common Stock	20.31%
Alternative (e.g. Hedge)	16.55%
Domestic Bonds	21.68%
International Bonds	6.49%
Cash Equivalents	0.33%

This allocation of the invested portfolio is designed to capture gains over the long run as stocks have traditionally gained, while moderating risk somewhat by retaining some less volatile, lower-return investments in the portfolio.

The FY 2020 budget proposed to the Town Meeting contains an additional contribution to the Trust Fund of \$400,000. While this is a positive step, and is beyond what is currently required by accounting standards, it is noteworthy that the actuary retained by the Town has determined that either a flat-line

funding trajectory of \$851,165 per year, or an initial funding level of \$624,280 escalated by 3% a year as equally viable paths for addressing the liability on a 30-year timeline, with a full funding target of 2047.

Other Trust Funds and Deposits under Town Management

The Town manages the flow of tens of millions of dollars in receipts and expenditures over the course of a year, with receipts clustered around tax collection dates and expenditures spread evenly throughout the year. Investment alternatives balance safety of invested funds, liquidity or ready availability of invested funds, and return on investment. For operating funds, safety and liquidity are of paramount importance, and the Town Treasurer invests operating funds in interest bearing, highly stable, short-term deposit accounts including the Massachusetts Municipal Depository Trust and commercial financial institutions to achieve some return on investment while maintaining maximum security and liquidity.

Trust Funds and Stabilization Funds which are typically not expected to be used during a fiscal year are often invested in a broader mix of financial products with the intention of maintaining substantial security and liquidity, while also trying to achieve a higher rate of return on funds held for longer periods as a way to preserve value against inflation over time. As of 3/31/2019, the Town had \$7.2 million in trust fund assets invested in accordance with the statutorily defined Massachusetts “legal list” of authorized investments with the following portfolio weighting:

Common Stock:	30.50%
Corporate Bond:	22.70%
CD:	16.12%
Treasury Bond:	15.02%
Government Agency:	10.29%
Money Market Mutual:	5.37%

An asset allocation strategy with a 30.50% weighting on common stock seeks to capture a moderate amount of benefit of the overall long-term rise of stocks, while preserving a majority of the portfolio in safer investments allocated in short-term CD’s, agencies, corporate, and treasury bonds. This is a lower-level risk strategy with corresponding expectations of lower returns; preserving a focus on safety and liquidity while trying to achieve some market return to protect against inflation.

The Town has established Stabilization Trust Funds to serve as financial reserves for both General Fund activities and capital spending, as allowed by Massachusetts General Laws chapter 40, section 5B, as accepted by the Hopkinton Town Meeting. The suggested best practice target for operating stabilization funds is 5% of the prior year operating budget, which for Hopkinton would be \$4,144,898. As of 3/31/19 the general Stabilization Trust Fund had a balance of \$3,432,935, with an additional \$208,000 proposed to be added in the FY 2020 budget. The Capital Stabilization Fund had a balance of \$216,951 as of 3/31/19, and no additional funding is proposed for that account in the FY 2020 budget.

Public Employees Retirement System Participation

The Town of Hopkinton is a participant in the Middlesex County Retirement System. Originally created by an Act of the Legislature in 1911, the Middlesex County Retirement System is the fourth largest of the 104 retirement systems in the Commonwealth, providing retirement, disability and survivor benefits to

approximately 5,000 retirees and 10,000 active employees of 31 Towns and 39 Districts and Authorities within Middlesex County.

Hopkinton currently has 99 retirees in the system, and 287 active enrolled participants. In a substantial financial benefit to cities and towns, the Commonwealth assumed responsibility for teacher pensions, so the Town liability excludes teacher pension costs. The latest report on the system, based on valuation information as of January 1, 2018, shows that current and former employees have earned benefits with an estimated present value of \$64,983,163 while net assets in the plan to cover those future costs are \$42,888,725, resulting in an unfunded liability of \$22,094,440. As of June 30, 2018, the Town's unfunded liability as reported in audited financial statements dropped to \$20,653,839.

The current funding ratio for Hopkinton's pension account is 66% of the computed liability. As benchmarks, research by The Pew Charitable Trust indicates that the average pension liability level for U.S. state systems is also 66%, while the 2018 National Conference on Public Employee Retirement Systems Public Retirement Systems Study showed that the average state and local pension funding ratio for all plans that responded was 72.6% in 2018. The Town of Hopkinton is making periodic required payments based on an actuarial determination of contributions needed to eliminate the unfunded liability by 2036.

Function and Department Overview

General Government

	Appropriation	Request	\$ Change	% Change
	FY2019	FY2020	FY19-FY20	FY19-FY20
Personal Services	2,310,320.00	2,510,590.07	200,270.09	8.67%
Expenses	1,016,816.00	1,088,158.10	71,342.10	7.02%
Compensation Contingency	305,000.00	500,890.00	195,890.00	64.23%
Transfer to Water Enterprise for Fire Protection / Hydrant Use	297,856.00	297,856.00	-	0.00%
Appropriation Reserve Fund	125,000.00	125,000.00	-	0.00%
Legal Counsel	205,500.00	255,000.00	49,500.00	24.09%
Total	4,260,492.00	4,777,494.19	517,002.19	12.13%

General Government includes the following entities, departments, and functions, and full time paid staff:

Board of Selectmen (0)	Town Manager (3)	Appropriations Committee (0)
Chief Financial Officer (1)	Accounting (2)	Procurement/Grants (1)
Assessors (3)	Treasurer/Tax Collector (3)	Payroll (1)
Human Resources (2)	Information Technology (3)	Town Clerk (2)
Elections & Registration (0)	Land Use, Planning, Permitting (7)	Green Committee (0)
Open Space Committee (0)	Upper Charles Trail Committee (0)	Town Hall Facilities (0)
Cable Committee (0)	Reporting & Auditing (0)	Fire Hydrant Program (0)

This budget category supports centralized functions and services for the Town including policy, direction, and public engagement for the Town as an enterprise; centralized management of the financial resource cycle including planning, borrowing, investing, tax administration and collections, disbursement, auditing, and financial reporting; centralized personnel management including recruitment, workforce compensation management, workforce and retiree benefits management, performance and discipline management, training and staff development; legal and collective bargaining support; centralized information technology systems and services; election and vital records management; and centralized management and community oversight of policy and regulatory activities involving land use.

The Town of Hopkinton is committed to a high performance culture, in which spending is continuously evaluated in the context of the value delivered to the community. The Town is aggressively pursuing grants, submitting five grant applications with a total potential value of \$1,147,271 so far in calendar year 2019. To date, one of two resolved grants has been won for a total of \$29,000 out of \$38,000 requested. \$1,109,271 in applications are awaiting resolution, and four additional grants totaling \$600,000 are under development.

General Government highlights in the FY 2020 budget includes annualization of the move of the Assistant Town Manager from Land Use to the Town Manager budget, annualization of Finance staff reorganization, a \$50K increase in contracted legal representation in support of commercial property valuation appeals, addition of a Benefits Administrator to serve nearly 700 active and retired staff, \$23K to Purchase of Town Hall multi-function copier-printers, and \$23K for a property assessment IT system upgrade.

Public Safety

	Appropriation	Request	\$ Change	% Change
	FY2019	FY2020	FY19-FY20	FY19-FY20
Personal Services	5,820,828.00	6,155,978.04	335,150.04	5.76%
Expenses	468,744.00	442,663.47	(25,080.53)	-5.35%
Auxiliary Police Expenses	3,000.00	3,000.00	-	0.00%
Total	6,292,572.00	6,601,641.51	309,069.51	4.91%

Public Safety General Government includes the following entities, departments, and functions, and full time paid staff:

Police Department (27)
Animal Control (1)

Fire Department (30)
Sealer of Weights & Measures (0)

Communications Center (9)

Hopkinton Police Department: The members of the Hopkinton Police Department are committed to strengthening the partnership between the Department and the community; guided by constitutional, professional and community standards while striving to provide the highest level of public safety; valuing honesty, excellence, tolerance, compassion and fairness. Police activities include a continuous patrol and response presence, a school presence through School Resource Officers, a detective division to manage investigation and prosecution, a newly launched K9 program, an in-town detention program, a community crime prevention program, and an internal training program geared toward normal operations and incident response.

Police highlights in the FY 2020 budget include the annualization of the Deputy Chief position, the addition of a Sergeant, negotiated collective bargaining agreement salary adjustments, the replacement of three patrol vehicles, and safety improvement to the detention facility.

Hopkinton Communications Center: The Hopkinton Communications Center is the information hub for the Town and manages both the Town 911 response line and the Code Red alert information system. The Center also manages video surveillance of key public spaces and supports the public access window for the Hopkinton Police Department.

Communications Center highlights in the FY 2020 budget include negotiated collective bargaining agreement salary adjustments and security camera coverage expansion.

Hopkinton Fire Department: The Hopkinton Fire Department works to preserve life and property from fire, medical and other emergencies; through the rapid response of professionally trained personnel, effective code enforcement, and quality community engagement. Fire Department activities include effective and timely response of trained people and equipment to fire, medical, and hazardous event emergencies; as well a fire safety inspection and education activities. The Fire Department serves a 28 square mile area, which includes residential areas outside the water service zone.

Fire Department highlights in the FY 2020 budget are oriented toward improving effective response coverage for a physically expanding residential community and include the addition of three new firefighter positions, negotiated collective bargaining agreement salary adjustments, replacement of an operational vehicle and a 100' ladder truck, and funding for a fire station replacement feasibility study.

Education

	Appropriation	Request	\$ Change	% Change
	FY2019	FY2020	FY19-FY20	FY19-FY20
Hopkinton Public Schools	45,056,651.00	48,044,950.07	2,988,299.07	6.63%
Regional Technical School	440,720.00	599,556.00	158,836.00	36.04%
Total	45,497,371.00	48,644,506.07	3,147,135.07	6.92%

The Hopkinton Public Schools and the Regional Technical School budgets are developed independently. This page is presented for informational purposes to support a budget document that depicts the total appropriation requests to be considered at the Annual Town Meeting.

Hopkinton Public Schools:

System Administration (9)	High School (124)	Middle School (90)
Hopkins (51)	Marathon (65)	Elmwood (55)
Preschool (5)	SPED System (5)	Facilities (26)
Food Service (1)	Curriculum (2)	Technology (12)
English Language Learning (10)		

Hopkinton Public Schools continuously strives to provide exceptional programming in academic and extracurricular activities, with a focus on nurturing student talent and meeting individual needs. Key priorities include advancing learning for all; fostering diverse pathways for success; investing in physical, social and emotional well-being; fostering student self-advocacy; inspiring a passion for learning; building habits for success; all while honoring and advancing diversity. The five schools in the system currently serve 3,756 students, and are consistently ranked among the best public schools in

Massachusetts and nationally. Rapid growth in student enrollment continues to be the single most significant factor in managing Hopkinton’s high quality school system.

Hopkinton Public Schools in the FY 2020 budget continue to focus on managing growth in student enrollment. Specific increases include payment for collective bargaining agreement salary increases, additional classroom teachers, Special Education paraprofessionals, support staff in libraries and counseling, infrastructure improvements, equipment and vehicle replacement, and the final phase of security camera upgrades.

Joseph P. Keefe Regional Technical School: The Joseph P. Keefe Regional Technical School (Framingham) provides educational services for Hopkinton’s high school students who seek a vocational education, which is not offered at Hopkinton High School. Keefe Regional Technical School provides an integrated academic and career/technical education with a focus on higher order reasoning, problem solving skills, work attitudes, general employability skills, modern technology applications, and the occupational specific skills necessary for economic independence as a productive and contributing member of society.

Hopkinton’s assessment is based on a base contribution determined by the State through a wealth and use index under the Education Reform Act of 1993; and an additional assessment based solely on enrollment. Hopkinton is budgeting for a contribution level based 27 students.

Public Works

	Appropriation	Request	\$ Change	% Change
	FY2019	FY2020	FY19-FY20	FY19-FY20
Personal Services	1,552,207.00	1,600,592.00	48,385.00	3.12%
Expenses	3,448,830.00	3,724,173.00	273,343.00	7.98%
Snow & Ice Control	350,000.00	350,000.00	-	0.00%
Total	5,351,037.00	5,674,765.00	323,728.00	6.05%

Public Works consists of the Department of Public Works and the Town Engineering/Facilities Department.

Public Works Administration (5)	Highway Division (14)	Water Division (3)*
Sewer Division (3)*	Town Engineer-Facilities (3)	Solid Waste/Recycling (0)
Cemeteries and Parks (0)	Tree Warden (0)	

* Sewer and Water Enterprise Fund information provided separately

Department of Public Works: The Department of Public Works (DPW) serves residents and visitors on a daily basis by providing an array of necessary services. The DPW maintains Town roads and sidewalks; ensures necessary signage, traffic lights and striping is maintained; removes snow and ice to ensure safe commuting in the winter; and surface renewal of Town roads. The Department also supervises the

Sewer and Water Enterprise Funds, which provide clean, potable water for drinking, cooking and commercial/industrial uses covering 65% of the Town, and for the collection and treatment of sewage covering 40% of the Town to help protect public health; collection of household trash and recyclables and ensures their proper disposal and recycling; maintenance of parks and fields for public enjoyment; maintenance of public cemeteries and burial services; and maintenance of public shade trees.

Department of Public Works highlights in the FY 2020 budget include negotiated collective bargaining agreement salary adjustments, \$142K for replacement of service vehicles, safety-compliant industrial work equipment, police detail services to support public works activities, operation of a consolidated fuel depot for Town vehicles, a \$50K increase to pavement management, and a \$30K increase to periodic weed control at Lake Maspenock. Capital items include a \$1.8M sidewalk extension program, a \$100K (used) elevated bucket service truck, and a \$177K multi-purpose tractor to support winter sidewalk clearing and summer public space maintenance.

Engineering/Facilities: The Engineering/Facilities Department mission is to provide leadership on all Town capital design and construction projects as well as providing engineering and facilities support to all other Town Departments. The Department has been leading the effort developing the Town Geographic Information System program along with the IT Department, as well as managing Town building energy use, meeting Green Community requirements, providing engineering assistance as requested, maintaining Town facilities and ensuring that Town public spaces provide a safe and healthy environment for the public and Town staff.

Engineering/Facilities increases in the FY 2020 budget include \$40K in utility expense increases for the Library and Public Works building and \$200K for renovation of the Town Hall basement level spaces, \$46K for police station flooring, \$75K for elevator controls.

Health & Human Services

	Appropriation	Request	\$ Change	% Change
	FY2019	FY2020	FY19-FY20	FY19-FY20
Personal Services	565,581.00	645,438.75	79,857.75	14.12%
Expenses	159,716.00	196,480.00	36,764.00	23.01%
Veterans Services	81,687.00	117,955.51	36,268.51	44.40%
Total	806,984.00	959,874.26	152,890.26	18.94%

Health & Human Services is comprised of the Board of Health, Senior Center, Youth & Family Services and Veterans Services.

Board of Health (3)
Veteran Services (0)

Senior Center (2)

Youth and Family Services (1)

Board of Health: The Board of Health is responsible for a wide range of health and environmental concerns, including the promotion of public health, control of dangerous disease, regulatory control of licensed establishments, and protection of the environment. Specific responsibilities include the

licensing and inspection of food establishments, mobile food truck, caterers, schools, beaches, public pools, camps, waste hauling, daycare food services, tobacco and nicotine product regulation, and mortuary and burial activities. The Board of Health also approves septic system tests and plans, manages a Community Septic Loan Program, water well permitting and testing, environmental risk evaluation, as well as mercury and lead waste control efforts. Emergency management is supported through an organized Emergency Medical Corps.

Senior Center: The mission of the Senior Center is to promote the well-being and enhance the quality of life for adults age 60+ years in the Town. As of the 2015 census, there were 2,700 seniors living in Hopkinton and that number is expected to increase to 3,600 by 2020. The Senior Center currently serves between 600 to 700 seniors on an ongoing basis; with participation in a variety of exercise classes, educational and art programs, health initiatives, outings, and support groups. The Senior Center also operates a meals program and a senior transportation service. The Senior Center has partnered with the Hopkinton Public Library to create a Memory Cafe, to provide support for residents and caregivers of all ages dealing with dementia.

Youth & Family Services: Youth & Family Services promotes and enhances family health and well-being, working collaboratively with the Hopkinton Youth Commission; providing parent consultation, crisis intervention, referral, and short-term counseling for individuals, groups, and families. Youth & Family Services also collaborates to develop and sponsor constructive community programs and activities, and works to promote food security for residents. These services respond to stressors including divorce and marital separation, serious illness, financial hardship, grief and loss, mental health challenges, and substance abuse and addiction issues. Fighting electronic nicotine use among youth and promoting the opt-out of commercial marijuana are among recent priorities.

Veterans Services: Veterans Services are mandated by State law, and provide assistance to Veterans and their dependents in receiving Federal, State and local benefits made available by the US Government and by the Commonwealth. Hopkinton is part of the Metrowest Veterans' Services District along with Medway, Holliston and Ashland and contributes a portion of the cost of cooperative services. Benefits provided by the Town to Veterans are reimbursed at a rate of 75% by the Commonwealth in the year following the expense.

Health and Human Services highlights in the FY 2020 budget include an increase in Personal Services for a Public Health Nurse position within the Board of Health; and an increase in regional Veterans Services staff to meet a growing demand for support.

Culture & Recreation

	Appropriation	Request	\$ Change	% Change
	FY2019	FY2020	FY19-FY20	FY19-FY20
Personal Services	510,775.00	538,878.00	28,103.00	5.50%
Expenses	39,078.00	44,920.00	5,842.00	14.95%
Celebrations	2,000.00	2,000.00	-	0.00%
Total	551,853.00	585,798.00	33,945.00	6.15%

Culture & Recreation is comprised of the Hopkinton Public Library and historical activities.

Library (5) Historical Commission (0) Historic District Commission (0)
 Townwide Celebrations (0)

Hopkinton Public Library: The Hopkinton Public Library operates with guidance from an elected Board of Trustees and enhances educational, cultural, social, and intellectual opportunities for the community by providing a high level of personal service, offering contemporary technology, a variety of events for all ages, and materials in diverse formats both physical and electronic. Library use doubled after a major renovation completed in 2017 and remained strong over the past year. Programmatic activities include a “Hopkinton 101” community fair providing information on civic and Town activities, author visits, lectures and presentations, storytimes, crafting events, the provision of study space and event/meeting space for community members, research assistance, and public computers and wireless internet, among a variety of other resources.

The Library augments its expenses through income earned on two trusts that were established to support the Library, as well as through State Aid which per State Law is excluded from the Town’s annual appropriation, and through the generous support of the community including gifts directly to the Library as well as contributions to the Friends of the Hopkinton Public Library and the Hopkinton Public Library Foundation. Specific anticipated additional sources in FY 2020 include \$16,500 in dedicated State Aid, \$6,500 from the Crooks Trust, approximately \$60,000 from the McGovern Trust, approximately \$6,400 from the Friends of the Library, \$5,000 from the Hopkinton Public Library Foundation, and \$7,500 in fines and user fees.

Debt Service and Employee Benefits & Insurance

	Appropriation	Request	\$ Change	% Change
	FY2019	FY2020	FY19-FY20	FY19-FY20
Debt Service				
Retirement of Debt	6,481,596.00	6,104,129.67	(392,466.66)	-6.04%
Long Term Interest	2,945,108.00	2,273,356.84	(671,750.79)	-22.81%
Short Term Interest	35,000.00	61,739.00	26,739.00	76.40%
Authorized/Unissued	15,000.00	-	-	-100%
Total	9,476,704.00	8,439,225.51	(1,037,478.45)	-10.95%
Employee Benefits & Insurance				
Unemployment Insurance	100,000.00	105,000.00	5,000.00	5.00%
Medicare Tax	651,000.00	651,000.00	-	0.00%
Life Insurance Premiums	20,000.00	20,000.00	-	0.00%
Health Insurance Premium	7,164,154.00	7,607,615.73	443,461.73	6.19%
Middlesex County Retirement	2,145,296.00	2,486,832.00	341,536.00	15.92%
Drug and Alcohol Testing	3,000.00	3,000.00	-	0.00%
Blanket Insurance Premiums	577,500.00	592,000.00	14,500.00	2.51%
Total	10,660,950.00	11,465,447.73	804,497.73	7.55%

The Town saw a spike in debt service in FY 2019 in conjunction with several large building projects and acquisitions, including the Town Library renovation, the new Department of Public Works facility, the new Marathon Elementary School, and three land purchases; all approved at the May 2015 Annual Town Meeting. The \$8,439,225 shown for General Fund debt includes both Town and State funding for school debt. Debt costs drop in FY 2020 and continue to drop in out years, notwithstanding the approval of new major capital projects.

Employee Benefits & Insurance continue to be a large percentage of the operating budget. The Town continues to tackle increasing health care costs. The budgeted increase of 6.19% which, combined with last year's 1.9% increase, represents a two year average of 4.05%, and is below the 4.5% two-year average national norm for the most recent period.

Middlesex County Retirement contributions are budgeted up 15.92% for coverage of current and retired Town employees, but notably excluding teachers who are covered under a separate state funding mechanism. Contributions reflect both the cost of new benefits earned, and contributions toward fully funding the liability to employees under a state-sanctioned plan by 2036. Blanket Insurance is up 2.5%, reflecting changes in the assets covered such as new buildings, loss experience, and growth in the Town payroll.

Community Preservation

	Appropriation	Request	\$ Change	% Change
	FY2019	FY2020	FY19-FY20	FY19-FY20
CPA Administration				
Personal Services	10,650.00	11,000.00	350.00	3.29%
Expenses	45,000.00	49,100.00	4,100.00	9.11%
Total	55,650.00	60,100.00	4,450.00	8.00%
Debt Service				
Retirement of Debt	180,000.00	180,000.00	-	0.00%
Interest on Long Term Debt	52,581.25	38,593.75	(13,987.50)	-26.60%
Interest on Short Term Debt	-	10,912.00	10,912.00	100.00%
Total	232,581.25	229,505.75	(3,075.50)	-1.32%

	Opening Balance	Proposed Funding FY20	Proposed Spending ATM (including FY20 Requested Budget)	Unappropriated Balance
Open Space	\$887,229	\$115,799	\$14,146	\$873,083
Historic Resources	\$628,528	\$115,799	\$33,750	\$584,778
Community Housing	\$571,522	\$115,799	\$0	\$571,522
Passive Recreation	\$501,042	\$0	\$0	\$501,042
Passive/Active Recreation	\$307,115	\$115,799	\$420,246	\$2,668
Budgeted Reserve	\$0	\$694,794	\$0	\$694,794
Undesignated	\$1,590,876	\$0	\$365,213	\$1,225,663
Total CPC Funds	\$4,486,313	\$1,157,990	\$833,356	\$4,453,550

The Community Preservation Act (CPA), created in 2000, is statewide enabling legislation and a smart growth tool that helps local communities, through state funding, to acquire and preserve open space and historic sites, create and support affordable housing and develop outdoor recreational facilities. It is funded through a surcharge of up to 3% of the real estate tax levy on real property.

Hopkinton adopted this Act by a ballot vote in 2001 at a surcharge of 2%. The first \$100,000 of a home's assessed value is exempt from the surcharge. Local revenue is supplemented through a state Community Preservation Trust Fund (state revenue raised through fees charged at Massachusetts Registries of Deeds). The percentage of state disbursements changes from year to year based on the amount in the Community Preservation Trust Fund. The availability of funds depends on two factors, the number of deeds registered in a given year and the number of cities and towns competing for state CPA dollars. The match was 11.5% in FY 2019 and is estimated to be 11.57% in FY 2020.

A minimum of 10% of annual revenues of the fund must be used for each of the three core community concerns - Open Space, Historic Resources and Community Housing. Any money remaining in each of these categories at the end of the fiscal year stays in that reserve account until appropriated for a project. Funds in a category reserve account are "restricted" funds, and they can only be used for that specific category. Once funds are transferred to a category reserve, they cannot be repurposed.

The remaining 70% can be allocated for any combination of allowed uses, including administrative costs, or for land for recreational use. An optional "budgeted reserve" account can be included in the CPA budget to temporarily park some of this money in case it is needed for additional projects that arise during the year. If money is not placed in a budgeted reserve, the Town will temporarily lose access to the funds when the town sets its tax rate in the fall. Putting the unused money in a budgeted reserve allows the community to access the funds during the entire fiscal year for any CPA purpose, following the normal procedure for CPA recommendation and Town Meeting vote.

The Town suspended contributions to Recreation category based on a vote at a prior Town Meeting, instead voting to fund a new combined Passive/Active Recreation bucket. Once the funds in the Passive Recreation have been spent, the category will be abandoned.

The following table illustrates the activity in each category based on the articles being presented at Town Meeting, including those funds requested in the Fiscal 2020 Operating Budget.

Sewer Enterprise Fund

	Appropriation	Request	\$ Change	% Change
	FY2019	FY2020	FY19-FY20	FY19-FY20
Sewer				
Personal Services	191,500.00	173,873.00	(17,627.00)	-9.20%
Expenses	1,016,900.00	1,059,704.36	42,804.36	4.21%
Total	1,208,400.00	1,233,577.36	25,177.36	2.08%
Debt Service				
Retirement of Debt	1,324,859.00	1,144,397.25	(180,461.75)	-13.62%
Interest on Long Term Debt	230,552.00	186,700.94	(43,851.06)	-19.02%
Interest on Short Term Debt	-	5,100.00	5,100.00	100.00%
Administrative Costs	8,000.00	-	(8,000.00)	-100.00%
Westborough Facility Debt	153,454.00	-	(153,454.00)	-100.00%
Total	1,716,865.00	1,336,198.19	(380,666.81)	-22.17%
Total Appropriation	2,925,265.00	2,569,775.55	(355,489.45)	-12.15%
Indirect Costs				
Employee Benefits & Pensions	57,381.00	59,676.24	2,295.24	4.00%
Shared Employees	212,982.00	221,501.28	8,519.28	4.00%
Total	270,363.00	281,177.52	10,814.52	4.00%
Enterprise Revenue	3,195,628.00	2,850,953.07	(344,674.93)	-10.79%

Approximately 40% of the Town is served by municipal sewer. The Sewer Enterprise staff is responsible for the operation of eight pumping stations along with over 40 miles of sewer pipe. Daily inspections of the stations are conducted to ensure proper operation. The department is on call 24 hours a day, 365 days a year and responds to numerous emergency calls throughout the year. Rates are set annually by the Board of Selectmen to cover all costs of sewer service to customers, including repayment for capital projects. The department continues to work on system efficiencies to help improve operations and costs. The increase in sewer expenses is substantially due to the one time cost of the next phase of the sewer inflow/infiltration remediation. Finding the source of inflow/infiltration is the next step to eliminating inflow/infiltration and lowering ongoing disposal costs. Crews were again instrumental in making in-house repairs and in performing required maintenance to keep the systems running properly.

Capital items for the Sewer Enterprise Fund in FY 2020 include a \$170K comprehensive sewer management plan.

Water

	Appropriation	Request	\$ Change	% Change
	FY2019	FY2020	FY19-FY20	FY19-FY20
Water				
Personal Services	390,000.00	420,286.00	30,286.00	7.77%
Expenses	788,500.00	827,545.82	39,045.82	4.95%
Total	1,178,500.00	1,247,831.82	69,331.82	5.88%
Debt Service				
Retirement of Debt	573,154.00	593,062.10	19,908.10	3.47%
Interest on Short Term Debt	-	54,349.00	54,349.00	0.00%
Interest on Long Term Debt	213,765.00	162,270.39	(51,494.61)	-24.09%
Administrative Costs	2,000.00	-	(2,000.00)	-100.00%
Ashland Obligation	71,874.00	-	(71,874.00)	-100.00%
Authorized/Unissued	-	-	-	0.00%
Total	860,793.00	809,681.49	(51,111.51)	-5.94%
Total Appropriation	2,039,293.00	2,057,513.31	18,220.31	0.89%
Indirect Costs				
Employee Benefits & Pensions	124,892.00	129,887.68	4,995.68	4.00%
Shared Employees	230,442.00	239,659.68	9,217.68	4.00%
Total	355,344.00	369,547.36	14,213.36	4.00%
Enterprise Revenue	2,394,627.00	2,427,060.67	32,433.67	1.35%

Approximately 65% of the town is served by municipal water. The Water Enterprise staff is responsible for maintaining eight pumping stations, three water tanks, 688 fire hydrants and 76 miles of water main. The department is on call 24 hours a day, 365 days a year. Rates are set annually by the Board of Selectmen to cover all costs of water distribution to customers, including repayment for capital projects. The division completed the new water system blending project on Fruit Street to enhance the Town's drinking water quality. Staff provides in house improvements to the system, leak detection, and preservation and identification of water resources. Monthly water samples are collected throughout Town and tested for bacteria and a wide variety of other contaminants, in compliance with State and Federal guidelines.

Capital items for the Water Enterprise Fund in FYH 2020 include \$65K for a water main valve service system, and \$50K for service vehicle replacement.

Parks & Recreation

	Appropriation	Request	\$ Change	% Change
	FY2019	FY2020	FY19-FY20	FY19-FY20
Parks & Recreation				
Personal Services	213,780.00	236,320.00	22,540.00	10.54%
Expenses	482,255.00	363,556.00	-118,699.00	-24.61%
Subtotal Operating	696,035.00	599,876.00	-96,159.00	-13.82%
Debt Service				
Retirement of Debt	35,000.00	30,000.00	-5,000.00	-14.29%
Interest on Short Term Debt	1,448.00	-	-1,448.00	-100.00%
Interest on Long Term Debt	3,750.00	2,700.00	-1,050.00	-28.00%
Subtotal Debt Service	40,198.00	32,700.00	-7,498.00	-18.65%
Total Appropriation	736,233.00	632,576.00	-103,657.00	-14.08%
Indirect Costs				
Employee Benefits & Pensions	7,557.00	7,859.28	302.28	4.00%
Shared Employees	29,812.00	31,004.48	1,192.48	4.00%
Total Indirect Cost to GF	37,369.00	38,863.76	1,494.76	4.00%
Enterprise Expenses	773,602.00	671,439.76	-102,162.24	-13.21%
Enterprise Revenues	626,908.00	522,458.76	-104,449.24	-16.66%
General Fund Subsidy	146,694.00	148,981.00	2,287.00	1.56%

Parks and Recreation (1)

The mission of the Parks and Recreation Department is to be the community leader in providing and promoting healthy recreation experiences and park facilities that enhance the lifestyle of our diverse community. The Department vision is to continually enhance the quality of life for the growing community by providing sustainable parks and recreation programs. The department is the custodian for the Town Common, Sandy Beach, EMC Park and ball fields, Carrigan Park, Emerald Hills Field, Daniel Shays Field, Reed Park and the Fruit Street Athletic Complex.

The department strives to provide programs that serve all community members. The projected decline in revenue does reflect lower use, but rather a new collection and cost-sharing approach with user organizations such as youth sports leagues. The department works to continuously improve fields and parks to create family friendly places for everyone to enjoy. It is noteworthy that the Department, which operates as an enterprise, receives an operating subsidy from the Town General Fund to support recreation activities. For FY 2020, the operating subsidy is budget at \$148,981.

Capital items for the Parks and Recreation Enterprise Fund in the FY 2020 budget are funded through Community Preservation Act, including \$150K toward development of a dog park, \$25K for a Youth Lacrosse Wall at the Fruit Street site, \$25K for Pyne Field Irrigation, \$50K toward development of access to an East Main Street recreation parcel, and \$260K to renew the EMC playground.

Recommendations by Article

Article 2 - FY 2019 Supplemental Appropriations and Transfers

Recommendation - Approval, Unanimous

\$595,000 ; Source -525,000 Free Cash, \$70,000 - Sewer Enterprise Fund Retained Earnings

The Commonwealth allows municipalities to spend in excess of the amount budgeted for Snow & Ice Removal annual given the nature of the accounts. This amount may be added to the following year's tax levy. The Town seeks to pay for a large portion of this through the use of Free Cash, with any remaining amount being added to the tax levy. The transfer from the Sewer Enterprise Fund Retained Earnings is to fund a staturoality authorized Fiscal 2019 budget deficit projected at this level.

Article 3 - Unpaid Bills from Previous Fiscal Year

Recommendation - Approval, Unanimous

\$2,352.32; Source - Free Cash

Occasionally bills for services incurred in the prior fiscal year will not be received until the following fiscal year. Once the fiscal year has closed, the method to pay these bills is through an article at Town Meeting.

Article 4 - Property Tax Exemption Increase

Recommendation - Approval, Unanimous

There is no appropriation or expenditure of town funds. Annually, the Town Meeting has voted to adopt a state law providing for property tax exemptions for older citizens, surviving spouses, minor children of deceased parents, or the blind who meet specific income eligibility and/or medical requirements. This article would allow these exemptions to be increased, under certain conditions, to provide some protection from large increases in property taxes.

Article 5 - BRAVE Act - Increase in abatement by amount not to exceed the cost of living

Recommendation - Approval, Unanimous

There is no appropriation or expenditure of town funds. This article votes to accept Clause Seventeenth F of the Massachusetts General Laws Chapter 59, Section 5 that the allowable abdatment may be increased annually at the discretion of the Town by an amount not to exceed the increase of the Consumer Price Index.

Article 6 - BRAVE Act - Real estate tax exemption for veterans and other qualified persons where home is owned by a trust, conservator or other fiduciary for the person's benefit

Recommendation - Approval, Unanimous

There is no appropriation or expenditure of town funds. This article votes to accept Clause Twenty-second G of the Massachusetts General Laws Chapter 59, Section 5 to provide limited exemption from taxation homes of eligible veterans when owned by a trustee, conservator or other fiduciary for the person's benefit.

Article 7 - BRAVE Act - Real estate tax exemption for surviving parents or guardians of certain soldiers, sailors, members of the National Guard and veterans

Recommendation - Approval, Unanimous

There is no appropriation or expenditure of town funds. This article votes to accept Clause Twenty-Second H of the Massachusetts General Laws Chapter 59, Section 5 to fully exempt from taxation certain real property of and occupied by parents or guardians of military personnel who were killed in action or injured in action, that subsequently cause their death, or military personnel missing in action and presumed dead, subject to residency requirements.

Article 8 - BRAVE Act - Reduction of property tax obligation of veteran in exchange for volunteer services

Recommendation - Approval, Unanimous

There is no appropriation or expenditure of town funds. This article votes to accept Massachusetts General Law Chapter 59 Section 5N that creates a program for reduction in property tax obligations for veterans or a spouse of a veteran, in certain cases, in exchange for volunteer services up to \$1,500 in tax reduction.

Article 9 - Set the Salary of Elected Officials

Recommendation - Approval, Unanimous

\$69,627.20; Source - Appropriation within Article 10 - Fiscal 2020 Operating Budget

Massachusetts General Laws (Chapter 41, Section 108) requires the salary and compensation of all elected officers be fixed annually at Town Meeting. The amount in the article is included in the appropriation amount within the operating budget in that article.

Article 10 - Fiscal 2020 Operating Budget

Recommendation - Approval, Unanimous

\$92,698,222.88; Source - see details within this report and the Warrant Articles and Motions Document.

Article 11 - FY 2020 Revolving Funds Spending Limits

Recommendation - Approval, Unanimous

The spending limits of established Revolving Funds must be re-authorized each year at Annual Town Meeting pursuant to the provisions of Massachusetts General Laws, Chapter 44, Section 53E1/2.

Article 13 - Chapter 90 Funds

Recommendation - Approval, Unanimous

\$643,095; Source - Chapter 90 Funds

This represents the amount established to be paid by the state to support the Town's Pavement Management Plan and assist in maintaining the Pavement Condition Index of the Town.

Article 14 - Transfer to General Stabilization Fund

Recommendation - Approval, Unanimous

\$208,000; Source - Free Cash

The Town continues to build its General Stabilization Fund to maintain a reserve balance in order to both provide money for a rainy day and maintain the Town’s bond rating. The current balance in this fund is approximately \$3,430,000.

Article 15 - Establishment of School Department Stabilization Fund

Recommendation - Approval, Unanimous

\$500,000; Source - Receipts Reserved for Appropriation Account

Establishment of a School Department Stabilization Fund, in accordance with Chapter 30 Section 5B of the Massachusetts General Laws. This article authorizes a transfer of \$500,000 into the School Department Stabilization Fund as well as a transfer out of this same stated School Stabilization fund in the amount of \$200,000 to be used to pay for costs related to the impacts on the Hopkinton Public Schools resulting from enrollment by residents of Legacy Farms. This article further directs that, starting July 1, 2019, at least 25% of all receipts from any private source that are based on increased enrollment in the Hopkinton Public Schools by residents of Legacy Farms be transferred to the School Department Stabilization Fund.

Article 16 - Transfer to Other Post-Employment Benefits Liability Trust Fund

Recommendation - Approval, Unanimous

\$400,000; Source - Free Cash

The Town continues to pay into the unfunded liability for OPEB. While this is a positive step and beyond what is currently required by accounting standards, the actuary retained by the Town has recommended either a flat-line funding trajectory of \$851,165 per year, or a funding level of \$624,280 escalated by 3% a year as two alternative paths for fully funding the liability.

Article 17 – Pay-As-You-Go Capital Expenses

Recommendation – Approval, Unanimous

\$1,389,434.00; Source – \$1,358,121.56 from Free Cash, and \$31,312.44 from unused capital amounts listed in the Warrant Articles and Motions Document

Capital Item	Amount	Rationale
Security Cameras - Library & Police Department	\$43,830	Install 6 cameras at the Public Library and 2 cameras at the Police Station at locations determined in review with certified “crime prevention through environmental design safety” representatives from the Police Department.
End User Hardware Replacement	\$43,750	Replaces aging end-user computing desktops and laptops, and associated peripherals (monitor, docking stations, cables, etc.) This is part of a planned and systematic hardware refresh, the end goal of which is to reach a point where replacement is normalized and doesn’t require large outlays of funds.
Public Safety Facility/Fire Station Feasibility Study	\$75,000	Retain professional services to complete a feasibility study for the Fire Department Headquarters/Public

		Safety Facility. The existing Fire Department Headquarters is currently staffed at designed capacity. The feasibility study will explore the renovation or addition of a second public safety facility/fire station.
Replace Fire Chief Car	\$53,050	Scheduled replacement of vehicle that is the primary response vehicle for the Fire Chief.
Police Jail Cells Floor Repair	\$45,970	Remove and replace the existing coating in the police jail cells, which has begun to separate from the concrete floor. The current condition is a safety hazard for detainees and police staff.
Town Hall Elevator Controls	\$75,000	Replace existing elevator controls that have been in service for 33 years and are 13 years beyond the expected useful life. Regulations require an accessible route in Town Hall be reliably available.
Replace DPW Trucks	\$142,000	Replacement of two DPW trucks. A 10 year old F-350 Dump Truck with 110,000 miles and \$27,000 in repairs; and a 13 year old F550 dump truck with 95,000 miles and \$27,000 in repairs. Both vehicles are an integral part of Highway operations, including snow removal.
Wetlands Order of Condition	\$40,000	Remediate an outstanding Order of Conditions from the 1996 fields project for the replication of wetlands.
Roof Engineering	\$100,000	Roof engineering services to continue necessary sectional roof replacement at the Hopkins, Middle and High Schools.
Kitchen Equipment	\$24,200	Scheduled replacement of kitchen equipment throughout the district at the end of its useful life.
Data Center Replacement	\$205,000	Replacement of existing servers that are at the end of their useful life. Data center servers run vital school and town process that are required to be updated on a replacement cycle.
School Capacity Study	\$50,000	Long range planning study for the increase in student population. The study will identify the enrollment increases as well as building capacity for the enrollment increases.
District Wide Facility Improvements	\$170,000	District wide facility improvements including flooring replacement and HVAC equipment across all campus locations as well as building and grounds improvements and equipment.
Boiler Replacement	\$160,000	Single boiler replacement that will begin the scheduled replacement of 8 boilers at the Middle, Hopkins, and High Schools that are at or near the end of their expected useful life.
Special Education Van	\$26,000	Addition of second van for the transfer of students in the 18-22 program and Life Skills program. A second van enhances students opportunities to participate more frequently in the community, and allows for increased participation at Framingham State University.

Replace Police Cruisers	\$135,634	Replacement of police three cruisers. Although the department has expanded to meet the needs of the citizens of Hopkinton, the fleet has not grown in the same manner. The increased use has been taxing on the vehicles.
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Unused capital amounts can occur at the completion of capital projects where the full amount appropriated at prior Town Meetings was not required for the project. The School Finance Director and the Town Manager both approved the amount remaining in the completed projects. This amount does not get included in Free Cash but may be used to pay for new capital projects. A listing of the specific projects, including original article and amount remaining, is included in the Warrant Articles and Motions Document

Article 18 – Purchase of Valve Maintenance Trailer System

Recommendation – Approval, Unanimous
 \$65,000; Source – Water Enterprise Fund Retained Earnings
 Purchase of a valve maintenance trailer system that will be used during emergencies to close water gate valves, shut down water mains and, as a maintenance tool, to exercise gate valves and keep them operational.

Article 19 – Purchase of Water Department Truck

Recommendation – Approval, Unanimous
 \$50,000; Source – Water Enterprise Fund Retained Earnings
 Replacement of a 15 year old F350 pickup truck with 150,000 miles that is integral to the water department operations. The replacement will also be equipped with a snow plow and will be used as part of the Town’s snow removal operations, including Town wells and pump stations.

Article 20 – Purchase of Bucket Truck

Recommendation – Approval, Unanimous
 \$100,000; Source – General Fund Borrowing
 Purchase of a bucket truck to be used by the DPW for tree maintenance and removal, as well as for building maintenance by the Facilities Department.

Article 21 – Purchase of Multi-Purpose Municipal Tractor

Recommendation – Approval, Unanimous
 \$177,000; Source – General Fund Borrowing
 Purchase of a third multi-purpose municipal tractor with plow, blower, sander and dump body to be used throughout the year, but primarily to be used for snow and ice removal on the growing sidewalk network.

Article 22 – Comprehensive Wastewater Management Plan Update

Recommendation – Approval, Unanimous
 \$170,000; Source – Sewer Enterprise Fund Borrowing
 Update to the Town’s 2004 Comprehensive WasteWater Management Plan (CWMP) to reassess areas in Town of critical need for sewer service.

Article 23 – Sidewalk Master Plan Phase II

Recommendation – Approval, 3-1

\$1,060,000; Source – General Fund Borrowing

Design and construction of the second phase of the five year sidewalk plan on West Main Street and Wood Street. This appropriation represents a portion of phase II of the sidewalk plan outlined in the Town Master Plan.

Article 24 – School Bus Parking Lot

Recommendation – Approval, Unanimous

\$300,000; Source – General Fund Borrowing

This project will include additional funds needed for the implementation of a master plan that will better accommodate parking, traffic circulation, parent drop off/pickup, and bus movement on the campus, mainly at Hopkinton High School. This appropriation will supplement funds that were previously appropriated (\$400,000 in Fiscal Year 2019).

Article 25 – Purchase of Ladder Truck

Recommendation – Approval, Unanimous

\$1,200,000; Source – General Fund Borrowing

Replacement of the existing 1999 Ladder truck that was purchased used in 2016. The existing ladder truck has limited clearance on the back end to the roadway during change of grade situations.

Article 26 – Public Safety Software Upgrade

Recommendation – Approval, Unanimous

\$375,000; Source – General Fund Borrowing

This request is for purposes of replacing the Town’s software that provides incident and records management to law enforcement, fire, and emergency medical services as well as Computer Aided Dispatch systems. The cost includes records and data conversions.

Article 27 – Town Hall Basement Renovation

Recommendation – Approval, Unanimous

\$200,000; Source – General Fund Borrowing

Design, repair, renovation, improvement and construction of the Town Hall basement to include additional offices and meeting space.

Article 28 – Security Cameras - Schools

Recommendation – Approval, Unanimous

\$200,000; Source – General Fund Borrowing

This funds the second half of the final stage of the school safety plan that will supply the high school, middle school, and sections of the loop road with security cameras.

Article 29 – Center School Renovation and Reuse Feasibility Study

Recommendation – Approval, Unanimous

\$58,000; Source – Raise and Appropriate

Conduct a feasibility study regarding the reuse and renovation of the Center School.

Article 31 – Community Preservation Recommendations

Recommendation – Approval, Unanimous

\$543,750; Source – CPC Funds

Amount	Source	Use
\$20,000	Historical Preservation	Preservation of Hopkinton Town records. Need will be based on age of record, extent of damage, and the importance of contents. To be spent under the direction of the Hopkinton Town Clerk and CPC.
\$3,750	Historical Preservation	Preservation of historical photographs by digitizing photographs and uploading them onto a publicly accessible website. To be spent under the direction of the Hopkinton Historical Society and CPC.
\$10,000	Historic Preservation	Preservation and rehabilitation of the most at-risk headstones at Mr. Auburn, East Hopkinton, Hayden Rowe Bear Hill, and Evergreen cemeteries, as well as the Mainstreet cemetery and Valentine Tombs if funds allow. To be spent under the direction of the Cemetery Commission and CPC.
\$150,000	Passive Active Recreation & Undesignated	\$20,000 for the design and engineering of a dog park at 66B Fruit Street, \$130,000 for the construction of the dog park, provided that the \$130,000 is contingent of a \$250,000 grant from the Stanton Foundation for the construction of a dog park. To be spent under the direction of the Parks and Recreation Department and CPC.
\$25,000	Passive Active Recreation	Design and installation of a lacrosse wall at the Fruit Street fields. To be spent under the direction of the Parks and Recreation Department and CPC.
\$25,000	Passive Active Recreation	Engineering, materials, and installation of an irrigation system at Pyne Field. To be spent under the direction of the Parks and Recreation Department and CPC.
\$50,000	Passive Active Recreation	Design a wetland crossing at 0 Wilson Street to allow the public access to other recreational lands. To be spent under the direction of the Parks and Recreation Department and CPC.
\$260,000	Undesignated Funds	Replace all the existing equipment at the EMC Playground. To be spent under the direction of the Parks and Recreation Department and CPC.

Article 51 - Municipal Parking

This article authorizes the Town to acquire parcels of land to provide Town Hall and municipal parking in the downtown area. Negotiations are ongoing and at the time of this report the proposed expenditure of funds have not been finalized to the point where the Appropriation Committee can issue a recommendation to either support or take no action. The Appropriation Committee anticipates issuing an addendum to this report either at or before Town Meeting to provide its recommendation.

Article 53 - Colella Farm Road Sewer

This Citizens' Petition Article authorizes the Town to appropriate funds for the design, engineering and construction costs related to connecting Colella Farm Road to the municipal sewer system. At the time of this report the proposed expenditure of funds have not been finalized to the point where the Appropriation Committee can issue a recommendation to either support or take no action. The Appropriation Committee anticipates issuing an addendum to this report either at or before Town Meeting to provide its recommendation.

Line by Line Appropriation

TOWN OF HOPKINTON				FY2020	FY2020	FY2020
FY20 OPERATING BUDGET			FY2019	Town Manager	Board of	Appropriation
			Appropriation	Recommended	Selectmen	Committee
FUND 1000: GENERAL FUND						
General Government						
122	Board of Selectmen					
		Expenses	2,000.00	2,000.00	2,000.00	
		Total	2,000.00	2,000.00	2,000.00	2,000.00
123	Town Manager					
		Personal Services	318,241.00	426,250.00	426,250.00	
		Expenses	22,440.00	29,300.00	29,300.00	
		Total	340,681.00	455,550.00	455,550.00	455,550.00
131	Appropriations Department					
		Expenses	500.00	500.00	500.00	
		Reserve Fund	125,000.00	125,000.00	125,000.00	
		Total	125,500.00	125,500.00	125,500.00	125,500.00
133	Town Accountant					
		Personal Services	341,300.00	278,566.00	278,566.00	
		Expenses	26,300.00	26,500.00	26,500.00	
		Total	367,600.00	305,066.00	305,066.00	305,066.00
133	Administration/CFO					
		Personal Services		132,600.00	132,600.00	
		Expenses		2,500.00	2,500.00	
		Total		135,100.00	135,100.00	135,100.00
141	Assessors					
		Personal Services	219,130.00	198,877.00	198,877.00	
		Expenses	13,700.00	14,000.00	14,000.00	
		Appraisal Services	89,400.00	109,000.00	109,000.00	
		Total	322,230.00	321,887.00	321,887.00	321,887.00
145	Treasurer/Collector					
		Personal Services	273,281.00	303,256.00	303,256.00	
		Expenses	80,500.00	80,500.00	80,500.00	
		Total	353,781.00	383,756.00	383,756.00	383,756.00
151	Legal					
		Legal Counsel	205,500.00	255,000.00	255,000.00	
		Total	205,500.00	255,000.00	255,000.00	255,000.00

TOWN OF HOPKINTON				FY2020	FY2020	FY2020
FY20 OPERATING BUDGET			FY2019	Town Manager	Board of	Appropriation
			Appropriation	Recommended	Selectmen	Committee
152	Human Resources					
		Personal Services	181,647.00	219,325.00	219,325.00	
		Compensation Contingency	305,000.00	500,890.00	500,890.00	
		Expenses	120,636.00	123,635.75	123,635.75	
		Total	607,283.00	843,850.75	843,850.75	843,850.75
155	Information Technology					
		Personal Services	271,691.00	298,620.02	298,620.02	
		Expenses	493,325.00	536,476.00	536,476.00	
		Total	765,016.00	835,096.02	835,096.02	835,096.02
161	Town Clerk					
		Personal Services	126,341.00	128,937.56	128,937.56	
		Expenses	8,284.00	7,708.60	7,708.60	
		Total	134,625.00	136,646.16	136,646.16	136,646.16
162	Election & Registration					
		Personal Services	23,860.00	18,307.67	18,307.67	
		Expenses	23,106.00	18,487.75	18,487.75	
		Total	46,966.00	36,795.42	36,795.42	36,795.42
170	Land Use, Planning & Permitting					
		Personal Services	554,829.00	505,840.84	505,840.84	
		Expenses	28,915.00	20,330.00	20,330.00	
		Total	583,744.00	526,170.84	526,170.84	526,170.84
179	Open Space Preservation Commission					
		Expenses	3,000.00	3,000.00	3,000.00	
		Total	3,000.00	3,000.00	3,000.00	3,000.00
187	Upper Charles River Trail					
		Expenses	51,440.00	52,950.00	52,950.00	
		Total	51,440.00	52,950.00	52,950.00	52,950.00
192	Town Hall					
		Expenses	8,270.00	8,270.00	8,270.00	
		Total	8,270.00	8,270.00	8,270.00	8,270.00
194	Cable Department					
		Expenses	0.00			
		Total	0.00			
199	Other General Government					

TOWN OF HOPKINTON				FY2020	FY2020	FY2020
FY20 OPERATING BUDGET			FY2019	Town Manager	Board of	Appropriation
			Appropriation	Recommended	Selectmen	Committee
		Town Reports	5,000.00	5,000.00	5,000.00	
		Audit	40,000.00	48,000.00	48,000.00	
		Fire Protection / Hydrant Use	297,856.00	297,856.00	297,856.00	297,856.00
		Total	342,856.00	350,856.00	350,856.00	350,856.00
Total General Government			4,260,492.00	4,777,494.199	4,777,494.19	4,777,494.199
Public Safety						
210	Police					
		Personal Services	2,403,658.00	2,654,417.52	2,654,417.52	
		Expenses	188,387.00	175,906.47	175,906.47	
		Auxiliary Police Expenses	3,000.00	3,000.00	3,000.00	
		Total	2,595,045.00	2,833,323.99	2,833,323.99	2,833,323.99
214	Central Dispatch					
		Personal Services	575,213.00	583,999.14	583,999.14	
		Expenses	14,950.00	14,950.00	14,950.00	
		Total	590,163.00	598,949.14	598,949.14	598,949.14
220	Fire					
		Personal Services	2,805,754.00	2,879,521.38	2,879,521.38	
		Expenses	257,207.00	243,507.00	243,507.00	
		Total	3,062,961.00	3,123,028.38	3,123,028.38	3,123,028.38
244	Sealer of Weights & Measures					
		Personal Services	3,287.00	3,320.00	3,320.00	
		Expenses	1,200.00	1,300.00	1,300.00	
		Total	4,487.00	4,620.00	4,620.00	4,620.00
292	Animal Control					
		Personal Services	32,916.00	34,720.00	34,720.00	
		Expenses	7,000.00	7,000.00	7,000.00	
		Total	39,916.00	41,720.00	41,720.00	41,720.00
Total Public Safety			6,292,572.00	6,601,641.51	6,601,641.51	6,601,641.51

TOWN OF HOPKINTON				FY2020	FY2020	FY2020
FY20 OPERATING BUDGET			FY2019	Town Manager	Board of	Appropriation
			Appropriation	Recommended	Selectmen	Committee
Education						
300	Hopkinton Public Schools					
		Hopkinton Public Schools	45,056,651.00	48,044,950.07	48,044,950.07	
		Total	45,056,651.00	48,044,950.07	48,044,950.07	48,044,950.07
800	Regional Technical Vocational School					
		Regional Schools	440,720.00	599,556.00	599,556.00	
		Total	440,720.00	599,556.00	599,556.00	599,556.00
Total Education			45,497,371.00	48,644,506.07	48,644,506.07	48,644,506.07
Public Works						
410	Engineering & Facilities					
		Personal Services	279,353.00	285,123.00	285,123.00	
		Expenses	896,773.00	986,736.00	986,736.00	
		Total	1,176,126.00	1,271,859.00	1,271,859.00	1,271,859.00
420	Public Works Administration					
		Personal Services	415,300.00	426,624.00	426,624.00	
		Total	415,300.00	426,624.00	426,624.00	426,624.00
422	Highway					
		Personal Services	868,632.00	874,291.00	874,291.00	
		Expenses	2,442,425.00	1,555,325.00	1,555,325.00	
		Subtotal	3,311,057.00	2,429,616.00	2,429,616.00	
		Total	3,311,057.00	2,429,616.00	2,429,616.00	2,429,616.00
423	Snow & Ice					
		Snow & Ice Control	350,000.00	350,000.00	350,000.00	
		Total	350,000.00	350,000.00	350,000.00	350,000.00
424	Street Lighting					
		Street Lights	33,000.00	33,000.00	33,000.00	
		Total	33,000.00	33,000.00	33,000.00	33,000.00
426	Traffic Control					
		Traffic Lights	25,000.00	25,000.00	25,000.00	
		Total	25,000.00	25,000.00	25,000.00	25,000.00
427	Tree Warden					
		Personal Services	14,354.00	14,354.00	14,354.00	

TOWN OF HOPKINTON				FY2020	FY2020	FY2020
FY20 OPERATING BUDGET			FY2019	Town Manager	Board of	Appropriation
			Appropriation	Recommended	Selectmen	Committee
		Expenses	25,000.00	50,000.00	50,000.00	
		Total	39,354.00	64,354.00	64,354.00	64,354.00
429	Other Storm Control					
		Storm Control		10,000.00	10,000.00	
		Total		10,000.00	10,000.00	10,000.00
433	Waste Collection & Disposal					
		Recycling Salaries		17,632.00	17,632.00	
		Rubbish Collection/Disposal		456,607.00	456,607.00	
		Rubbish Disposal		350,000.00	350,000.00	
		Recycling Expense		10,000.00	10,000.00	
		Recycling Collection/Disposal		214,873.00	214,873.00	
		Household Hazardous Waste		14,000.00	14,000.00	
		Total		1,063,112.00	1,063,112.00	1,063,112.00
491	Cemetery Commission					
		Personal Services	200.00	200.00	200.00	
		Expenses	1,000.00	1,000.00	1,000.00	
		Total	1,200.00	1,200.00	1,200.00	1,200.00
Total Public Works			5,351,037.00	5,674,765.00	5,674,765.00	5,674,765.00
Health & Human Services						
511	Board of Health					
		Personal Services	139,909.00	206,955.75	206,955.75	
		Expenses	79,921.00	79,060.00	79,060.00	
		Total	219,830.00	286,015.75	286,015.75	286,015.75
541	Senior Center					
		Personal Services	307,466.00	330,323.00	330,323.00	
		Expenses	37,405.00	61,750.00	61,750.00	
		Total	344,871.00	392,073.00	392,073.00	392,073.00
542	Youth & Family Services					
		Personal Services	118,206.00	108,160.00	108,160.00	
		Expenses	42,390.00	55,670.00	55,670.00	
		Total	160,596.00	163,830.00	163,830.00	163,830.00

TOWN OF HOPKINTON				FY2020	FY2020	FY2020
FY20 OPERATING BUDGET				FY2019	Town Manager	Board of
				Appropriation	Recommended	Selectmen
						Committee
543	Veterans Services					
		Veterans District	31,387.00	46,655.51	46,655.51	
		Veterans Service Benefits	49,000.00	70,000.00	70,000.00	
		Veterans Supplies	1,300.00	1,300.00	1,300.00	
		Total	81,687.00	117,955.51	117,955.51	117,955.51
Total Health & Human Services			806,984.00		959,874.26	959,874.26
Culture & Recreation						
610	Library					
		Personal Services	510,775.00	538,878.00	538,878.00	
		Expenses	37,528.00	43,370.00	43,370.00	
		Total	548,303.00	582,248.00	582,248.00	582,248.00
691	Historical Commission					
		Expenses	1,000.00	1,000.00	1,000.00	
		Total	1,000.00	1,000.00	1,000.00	1,000.00
692	Celebrations					
		Memorial Day	2,000.00	2,000.00	2,000.00	
		Total	2,000.00	2,000.00	2,000.00	2,000.00
693	300th Anniversary					
		300th Anniversary				
		Total				
695	Historic Center Historic District					
		Expenses	550.00	550.00	550.00	
		Total	550.00	550.00	550.00	550.00
Total Culture & Recreation			551,853.00	585,798.00	585,798.00	585,798.00
Debt Service						
700	Debt Service					
		Retirement of Debt	6,481,596.00	6,104,129.67	6,104,129.67	
		Long Term Interest	2,945,108.00	2,273,356.84	2,273,356.84	
		Short Term Interest	35,000.00	61,739.00	61,739.00	
		Authorized/Unissued	15,000.00			
Total Debt Service			9,476,704.00	8,439,225.51	8,439,225.51	8,439,225.51

TOWN OF HOPKINTON				FY2020	FY2020	FY2020	
FY20 OPERATING BUDGET				FY2019	Town Manager	Board of	Appropriation
				Appropriation	Recommended	Selectmen	Committee
Employee Benefits & Insurance							
910	Employee Benefits & Insurance						
		Unemployment Insurance	100,000.00	105,000.00	105,000.00		
		Medicare Tax	651,000.00	651,000.00	651,000.00		
		Life Insurance Premiums	20,000.00	20,000.00	20,000.00		
		Health Insurance Premium	7,164,154.00	7,607,615.73	7,607,615.73		
		Middlesex County Retirement	2,145,296.00	2,486,832.00	2,486,832.00		
		Drug and Alcohol Testing	3,000.00	30,000.00	30,000.00		
		Blanket Insurance Premiums	577,500.00	592,000.00	592,000.00		
Total Employee Benefits & Insurance			10,660,950.00	11,465,447.73	11,465,447.73	11,465,447.73	
Total General Fund			82,897,963.00	87,125,557.27	87,125,557.27	87,125,557.27	
FUND 2400: COMMUNITY PRESERVATION							
193	CPA Administration						
		Personal Services	10,650.00	11,000.00	11,000.00		
		Expenses	45,000.00	49,100.00	49,100.00		
		Total	55,650.00	60,100.00	60,100.00	60,100.00	
700	Debt Service						
		Retirement of Debt	180,000.00	180,000.00	180,000.00		
		Interest on Long Term Debt	52,581.00	38,593.75	38,593.75		
		Short Term Interest		10,912.00	10,912.00		
		Total	232,581.00	229,505.75	229,505.75	229,505.75	
Total Community Preservation			282,231.00	289,605.75	289,605.75	289,605.75	
FUND 6000: SEWER ENTERPRISE							
Direct Costs							
440	Sewer						
		Personal Services	191,500.00	173,873.00	173,873.00		
		Expenses	1,016,900.00	1,059,704.36	1,059,704.36		
		Total	1,208,400.00	1,233,577.36	1,233,577.36	1,233,577.36	

TOWN OF HOPKINTON				FY2020	FY2020	FY2020
FY20 OPERATING BUDGET			FY2019	Town Manager	Board of	Appropriation
			Appropriation	Recommended	Selectmen	Committee
700	Debt Service					
		Retirement of Debt	1,324,859.00	1,144,397.25	1,144,397.25	
		Interest on Long Term Debt	230,552.00	186,700.94	186,700.94	
		Interest on Short Term Debt		5,100.00	5,100.00	
		Repayment to General Fund				
		Administrative Costs	8,000.00			
		Authorized/Unissued				
		Westborough Facility Debt	153,454.00			
		Total	1,716,865.00	1,336,198.19	1,336,198.19	1,336,198.19
		Appropriation	2,925,265.00	2,569,775.55	2,569,775.55	2,569,775.55
Indirect Costs						
		Employee Benefits & Pensions	57,381.00	59,676.24	59,676.24	
		Shared Employees	212,982.00	221,501.28	221,501.28	
		Shared Facility				
		Other (Workers comp)				
		Total	270,363.00	281,177.52	281,177.52	281,177.52
Total Sewer Enterprise Fund			3,195,628.00	2,850,953.07	2,850,953.07	2,850,953.07
FUND 6100: WATER ENTERPRISE						
Direct Costs						
450	Water					
		Personal Services	390,000.00	420,286.00	420,286.00	
		Expenses	788,500.00	827,545.82	827,545.82	
		Total	1,178,500.00	1,247,831.81	1,247,831.81	1,247,831.81
700	Debt Service					
		Retirement of Debt	573,154.00	593,062.10	593,062.10	
		Interest on Short Term Debt		54,349.00	54,349.00	
		Interest on Long Term Debt	213,765.00	162,270.39	162,270.39	
		Administrative Costs	2,000.00			
		Ashland Obligation	71,874.00			
		Authorized/Unissued				

TOWN OF HOPKINTON				FY2020	FY2020	FY2020
FY20 OPERATING BUDGET			FY2019	Town Manager	Board of	Appropriation
			Appropriation	Recommended	Selectmen	Committee
		Total	860,793.00	809,681.49	809,681.49	809,681.49
		Appropriation	2,039,293.00	2,057,513.31	2,057,513.31	2,057,513.31
Indirect Costs						
		Employee Benefits & Pensions	124,892.00	129,887.68	129,887.68	
		Shared Employees	230,442.00	239,659.68	239,659.68	
		Shared Facility				
		Other (Workers comp)				
		Total	355,334.00	369,547.36	369,547.36	369,547.36
Total Water Enterprise Fund			2,394,627.00	2,427,060.67	2,427,060.67	2,427,060.67
FUND 6200: PARKS & RECREATION						
Direct Costs						
630	Parks & Recreation					
		Personal Services	213,780.00	236,320.00	236,320.00	
		Expenses	482,255.00	363,556.00	363,556.00	
		Total	696,035.00	599,876.00	599,876.00	599,876.00
700	Debt Service					
		Retirement of Debt	35,000.00	30,000.00	30,000.00	
		Interest on Short Term Debt	1,448.00			
		Interest on Long Term Debt	3,750.00	2,700.00	2,700.00	
		Total	40,198.00	32,700.00	32,700.00	32,700.00
		Appropriation	736,233.00	632,576.00	632,576.00	632,576.00
Indirect Costs						
		Employee Benefits & Pensions	7,557.00	7,859.28	7,859.28	
		Shared Employees	29,812.00	31,004.48	31,004.48	
		Shared Facility				
		Other (Workers comp)				
		Total	37,369.00	38,863.76	38,863.76	38,863.76
Total Parks & Recreation Enterprise Fund			773,602.00	671,439.76	671,439.76	671,439.76

TOWN OF HOPKINTON				FY2020	FY2020	FY2020	
FY20 OPERATING BUDGET				FY2019	Town Manager	Board of	Appropriation
				Appropriation	Recommended	Selectmen	Committee
Appropriation Summary*							
Fund 1000: General Fund				82,897,963.00	87,148,752.27	87,148,752.27	87,148,752.27
Fund 2400: Community Preservation				288,231.00	289,605.75	289,605.75	289,605.75
Fund 6000: Sewer Enterprise				3,195,628.00	2,850,953.07	2,850,953.07	2,850,953.07
Fund 6100: Water Enterprise				2,394,627.00	2,427,060.67	2,427,060.67	2,427,060.67
Fund 6200: Parks & Recreation Enterprise				773,602.00	671,439.76	671,439.76	671,439.76
Total				89,550,051.00	93,387,811.52	93,387,811.52	93,387,811.52

Appendices

A. Definitions

Cherry Sheet

Named for the cherry-colored paper on which it was originally printed, the Cherry Sheet is the official notification from the Commissioner of Revenue of the upcoming fiscal year's state aid and assessments to cities, towns, and regional school districts.

The purpose of the Cherry Sheet is to ensure that local budgets reflect realistic estimates of the amount of revenue a municipality and regional school district will actually receive from the state during the upcoming year, as well as the amounts that will be assessed upon local governments to pay for a variety of state or sub-state programs in which they participate. The Tax Rate Recapitulation Sheet, filed by local assessors with the Division of Local Services to certify property tax rates, must reflect the receipts and charges contained on the Cherry Sheet.

Debt Exclusion

Proposition 2 ½ allows communities to raise funds for certain purposes outside the levy limits. Subject to voter approval, a community can assess taxes in excess of its levy limit for the payment of specified debt service (principal and interest costs) for a specific capital project.

The additional amount for the payment of debt service is added to the levy limit for the life of the debt only. Unlike overrides, exclusions do not become part of the base upon which the levy limit is calculated in future years.

Enterprise Fund

An Enterprise Fund (as authorized under MGL Chapter 44 Section 53F½) is a separate accounting and financial reporting mechanism for municipal services for which a fee is charged in exchange for goods or services. It allows a community to demonstrate to the public the portion of total costs of a service that is recovered through user charges and the portion that is subsidized by the tax levy, if any. With an

Enterprise Fund, all cost of service delivery - direct, indirect, and capital costs – are identified. This allows the community to recover total service costs through user fees if it chooses. Hopkinton has three enterprise funds – Water, Sewer, and Parks & Recreation.

Free Cash

Free Cash is a budgetary term created by the Commonwealth of Massachusetts Department of Revenue to describe certain funds from previous fiscal years that are available for appropriations. Free Cash is generated when actual revenue collections are in excess of budget estimates, when expenditures are less than appropriations, or both. Free Cash must be certified by the state Department of Revenue as of July 1st of each fiscal year upon submission of a community's balance sheet and cannot be appropriated until certified. Once Free Cash is certified, it is available for appropriation at the Annual or any Special Town Meeting. Free Cash may be used for any lawful municipal purpose and provides communities with the flexibility to fund additional appropriations after the tax rate has been set. Factors that affect Free Cash are: actual revenues and expenditures versus amounts budgeted; the tax collection rate; the amount appropriated in the previous year, and deficits in the general and/or other funds.

General Override

A general override can be passed to obtain additional funds over the 2.5% levy limit for any municipal purpose. A general override permanently increases the Town's levy limit. An override question may be placed on the ballot by a majority vote of the Board of Selectmen and must be passed by a majority of voters.

New Growth

Proposition 2 ½ allows a community to increase its levy limit annually by an amount based on the increased value of new development and other growth in the tax base that is **not** the result of revaluation. The purpose of this provision is to recognize that new development results in additional municipal costs; for instance, the construction of a new housing development may result in increased school enrollment, public safety costs, and so on. New growth under this provisions includes:

- New construction.
- Properties that have increased in assessed valuation since the prior year because of development or other changes.
- Exempt real property returned to the tax roll and new personal property.
- New subdivision parcels and condominium conversions.

New growth is calculated by multiplying the increase in the assessed valuation of qualifying property by the prior year's tax rate. This applies only to newly valued property, not any increase due to revaluation of existing properties. This amount is estimated for purposes of Town Meeting and is certified after the close of the fiscal year for purposes of determining the actual tax rate for the following year.

Proposition 2 ½

Proposition 2 ½, which passed as a statewide ballot initiative in November 1980, places a limit on the property tax growth a community can levy each year. The taxing capacity of the Town is limited to a 2.5 percent increase over the prior year's levy limit. In addition, the total levy may increase by taxes attributable to new growth. Therefore, without any overrides, the total levy limit is increased by 2.5 percent and a new growth amount certified by the Department of Revenue.

Proposition 2 ½ governs total taxes raised by the Town, not an individual home's bill. The Town's total revenues, the budgets, the tax rate, and the individual's property tax bill can all increase by different percentages in the same fiscal year and still be within Proposition 2 ½.

Revolving Fund

Revolving Funds allow a community to raise revenues from a specific service and use those revenues to support the service without appropriation. Each fund must be reauthorized each year at Annual Town Meeting and specify at that time (1) the programs and purposes for which the revolving fund may be expended, (2) the departmental receipts which shall be credited to the revolving fund, (3) the board, department or officer authorized to expend from such fund, (4) a limit on the total amount which may be expended from such fund in the ensuing fiscal year. The aggregate of all revolving funds may not exceed ten percent of the amount raised by taxation by the Town in the most recent fiscal year, and no more than one percent of the amount raised by taxation may be administered by a single department or board.

Stabilization Fund

A Stabilization Fund is a savings account or "Rainy Day" fund from which amounts may be appropriated for any lawful purpose. The Town may appropriate into this fund in any year an amount not to exceed ten percent of the prior year's tax levy or a larger amount as may be approved by the director of accounts. The aggregate amounts in such funds at any time shall not exceed ten percent of the equalized value, and any interest shall be added to and become part of the fund. A Two-thirds vote of Town Meeting is required to appropriate money from the Stabilization Fund.

Underride

An underride can be passed to permanently decrease the Town's levy limit. It does not necessarily decrease taxes paid by residents. An underride may be placed on the ballot by a majority vote of the Board of Selectmen and must be passed by a majority of voters.

B. General Fund and Other Fund Debt Service by Project

This table represents only issued debt. It does not reflect any authorized but unissued, proposed or reasonably anticipated borrowings.

Annual Debt Service - General Fund	FY20	FY21	FY22	FY23	Final Payment
Purpose	Total	Total	Total	Total	Fiscal Year
ADA Compliance	11,275.00	10,825.00	5,500.00	5,300.00	FY28
ADA Compliance	18,075.00	17,425.00	16,775.00	16,125.00	FY27
ADA Compliance - Town and School	22,000.00	21,000.00	-	-	FY21
Ambulance	52,500.00	-	-	-	FY20
Center School Heating System	24,010.00	23,110.00	17,335.00	16,685.00	FY28
Center School Replacement Study	51,012.50	49,262.50	47,512.50	40,762.50	FY36
DPW Dump Truck	38,380.00	-	-	-	FY20
DPW Dump Truck	33,000.00	31,500.00	-	-	FY21
DPW Facility Building	1,036,150.00	1,008,650.00	981,150.00	948,775.00	
DPW Facility Site Assessments	50,500.00	-	-	-	FY20
DPW Trackless Tractor	30,300.00	-	-	-	FY20
Dump Truck	45,000.00	43,000.00	41,000.00	-	FY22
Elementary School Building	2,151,987.50	2,090,737.50	2,029,487.50	1,968,237.50	FY47
Elmwood School Modular Classrooms	16,725.00	16,075.00	15,425.00	15,750.00	FY25
Elmwood School Renovations	110,737.50	103,787.50	101,887.50	99,987.50	FY25
Fire Alarm Middle School	43,000.00	21,000.00	-	-	FY21
Fire Station Renovations	24,750.00	23,850.00	22,950.00	22,050.00	FY27
Fire Station Roof	47,968.76	46,468.76	44,968.76	43,468.76	FY38
Fire tender Truck	73,730.00	-	-	-	FY20
Fire Truck	131,000.00	105,000.00	-	-	FY21
Fruit St Land	174,686.00	169,784.00	158,916.00	-	FY22
Hayden Rowe Salt Shed	63,875.00	56,250.00	53,750.00	51,250.00	FY23
Hayden Rowe Traffic Improvements	107,187.50	103,687.50	100,187.50	96,687.50	FY24
High School Athletic Fields	10,750.00	10,250.00	-	-	FY21

Renovations					
High School Construction Refund	1,618,025.00	1,530,000.00	-	-	FY21
High School Loop Road Renovations	10,750.00	10,250.00	-	-	FY21
HOP Refund					FY19
Hopkins Elementary School Generator	41,410.00	-	-	-	FY20
HS & Hopkins Roof	89,700.00	86,700.00	83,700.00	80,700.00	FY36
HS Loop Road Entrance Improvements	12,300.00	11,800.00	11,300.00	10,800.00	FY26
Information Technology	38,500.00	36,750.00	-	-	FY23
Joint Safety/Security	27,000.00	15,750.00	-	-	FY21
Lakeshore Dr Drainage Improvements	60,600.00	-	-	-	FY20
Library Building	436,606.25	426,106.25	415,606.25	405,106.25	FY47
Main Street Fire Station Roof	35,425.00	29,175.00	28,175.00	27,175.00	FY36
Middle School Repairs	12,375.00	11,925.00	11,475.00	11,025.00	FY27
Middle School Telephone System	10,500.00	-	-	-	FY20
Middle School Wall/Roof Repairs	10,750.00	10,250.00	-	-	FY21
Middle School Walls and Roof	38,145.00	36,795.00	35,445.00	34,095.00	FY28
Middle School Walls and Roof	74,550.00	67,950.00	64,475.00	61,050.00	FY28
Police Station Construction	37,450.00	36,750.00	36,050.00	35,350.00	FY23
Police Station Construction	249,200.00	239,650.00	225,250.00	216,000.00	FY24
Police Station Drainage	10,500.00	-	-	-	FY20
Police Vehicles	15,150.00	-	-	-	FY20
Prop Acq 102 Fruit Street	201,887.50	195,137.50	188,387.50	176,637.50	FY36
Prop Acq 135 Hayden Rowe	143,031.25	138,281.25	133,531.25	128,781.25	FY36
Prop Acq 147 Hayden Rowe	120,000.00	116,000.00	112,000.00	108,000.00	FY36
Prop Acq 15 Clafin	21,806.25	21,056.25	20,306.25	19,556.25	FY36
Resurface Basketball Courts	11,000.00	10,500.00	-	-	FY21
School Building & Grounds Renovations	34,475.00	33,125.00	31,775.00	30,425.00	FY25
School Safety/Security	38,500.00	36,750.00	-	-	FY23

School St/West Main St Traffic Signal	54,500.00	53,000.00	52,000.00	51,000.00	FY23
School Tractor Mower	10,500.00	-	-	-	FY20
Senior Center Construction	106,175.00	102,125.00	94,175.00	89,350.00	FY26
Senior Center Construction	146,550.00	143,975.00	137,350.00	131,750.00	FY26
Senior Center Water Main	4,600.00	5,375.00	5,125.00	-	FY22
Senior Center Construction	5,350.00	5,250.00	5,150.00	5,050.00	FY23
Sidewalk Construction	154,312.50	148,562.50	142,812.50	137,062.50	FY30
Title V	9,243.00	9,243.00	9,458.00	9,458.00	FY23
Title V	9,820.00	-	-	-	FY20
Title V	10,000.00	10,000.00	10,000.00	10,000.00	FY26
Title V	10,000.00	10,000.00	10,000.00	10,000.00	FY26
Title V	10,000.00	10,000.00	10,000.00	10,000.00	FY26
Title V	25,000.00	25,000.00	25,000.00	25,000.00	FY31
Town Hall Basement	12,600.00	12,100.00	11,600.00	11,100.00	FY26
Town Hall Roof Improvements	12,600.00	12,100.00	11,600.00	11,100.00	FY26
Vactor Truck	28,000.00	-	-	-	FY20
Short Term Interest					
	8,377,486.51	7,599,094.51	5,558,591.51	5,170,650.51	

Annual Debt Service - Parks and Rec	FY20	FY21	FY22	FY23	Final Payment
Purpose	Total	Total	Total	Total	Fiscal Year
Sandy Beach Renovation	32,700.00	31,800.00	31,200.00	30,600.00	FY23

Annual Debt Service - Sewer	FY20	FY21	FY22	FY23	Final Payment
Purpose	Total	Total	Total	Total	Fiscal Year
Comprehensive Wastewater Management Plan Phase III	153,675.00	142,887.50	-	-	FY21
Comprehensive Wastewater Management Plan Phase VI	23,100.00	17,325.00	16,675.00	16,025.00	FY27
Comprehensive Wastewater Management Plan Phase VI	12,735.00	12,285.00	11,835.00	11,385.00	FY28
Comprehensive Wastewater Management Plan Phase VI	211,206.31	211,206.00	211,206.30	211,206.26	FY33
Comprehensive Wastewater Management Plan Phase VI	317,132.90	316,756.57	316,372.38	315,981.11	FY31
Comprehensive Wastewater Management Plan Phase VI	16,125.00	15,375.00	-	-	FY21
Comprehensive Wastewater Management Plan Phase VI	145,125.00	138,375.00	-	-	FY21
Comprehensive Wastewater Management Plan	24,714.74	24,050.17	28,003.96	26,967.94	FY21
Elm Street Sewer Replacement	19,717.50	16,387.50	16,087.50	15,787.50	FY25
Flanders Road Sewer Replacement	50,062.50	49,162.50	48,262.50	47,362.50	FY25
Sewer Flow Metering Program	35,250.00	33,750.00	32,250.00	30,750.00	FY25
Sewer Inflow Infiltration	9,375.78	9,061.75	8,748.62	8,414.17	FY25
Sewer Inflow Infiltration	7,134.11	7,124.11	7,114.28	7,104.56	FY25
Sewer Inflow Infiltration	8,493.87	8,479.88	8,464.83	8,450.65	FY31
Vactor Truck	28,000.00	-	-	-	FY20

Westborough Treatment Facility	146,886.84	142,537.30	141,724.26	141,414.92	FY36
Wood Street Wastewater Lift Station	131,325.00	128,175.00	126,075.00	123,975.00	FY30

Annual Debt Service - Water	FY20	FY21	FY22	FY23	Final Payment
Purpose	Total	Total	Total	Total	Fiscal Year
Ashland Water Treatment	72,037.43	72,896.87	-	-	FY21
Biological Filtration Wells	6,875.00	6,625.00	6,375.00	6,125.00	FY27
Cedar Street Water Main Replacement	26,831.25	25,831.25	24,831.25	23,831.25	FY31
Fruit Street	55,164.00	53,616.00	50,184.00	-	FY22
Fruit Street Well Blending	26,750.00	10,500.00	-	-	FY21
Fruit Street Well Blending	126,281.26	122,531.26	118,781.26	115,031.26	FY38
Grove Street Water Tank Engineering	11,000.00	10,500.00	-	-	FY21
Grove Street Water Tank Replacement	8,681.25	8,431.25	8,181.25	7,931.25	FY37
Hayden Rowe Water Main Replacement	8,681.25	8,431.25	8,181.25	7,931.25	FY37
Main Street Water Main Replacement	66,750.00	65,550.00	64,350.00	63,150.00	FY25
Public Water Well Construction	69,548.12	69,460.57	69,370.57	69,279.60	FY28
Public Water Well Construction	11,685.00	11,235.00	10,785.00	10,335.00	FY28

Public Water Well Engineering	5,500.00	5,300.00	5,100.00	5,875.00	FY26
Vactor Truck	28,000.00	-	-	-	FY20
Water Infrastructure Improvements	71,568.75	69,818.75	68,068.75	66,318.75	FY47
Water Main Replacement - Spring Street & West Main Street	24,750.00	23,850.00	22,950.00	22,050.00	FY27
Water Main Replacement - Spring Street & West Main Street	60,800.00	58,600.00	57,375.00	55,125.00	FY27
Water Radio Read Meters	21,500.00	20,500.00	-	-	FY21
Water Truck	15,375.00	-	-	-	FY20
Water Utility Vehicle	11,000.00	10,500.00	-	-	FY21
West Main Street Water Main Replacement	27,600.00	27,100.00	26,600.00	26,100.00	FY25

Annual Debt Service - CPC	FY20	FY21	FY22	FY23	Final Payment
Purpose	Total	Total	Total	Total	Fiscal Year
Abbott Land Purchase	141,700.00	137,800.00	135,200.00	132,600.00	FY23
Fruit Street Athletic Building	43,218.75	41,718.75	35,218.75	33,968.75	FY36
Fruit Street Storage/Concession	33,675.00	32,675.00	31,675.00	30,675.00	FY38
HS Athletic Fields	-	96,000.00	94,350.00	92,100.00	FY30

C. Current Debt Payments and Forecast

	CURRENT DEBT P&I	AUTHORIZED/UNISSUED P&I	NOT ISSUED/NOT AUTHORIZED P&I
FY16	3,064,107.00		
FY17	7,398,886.00		
FY18	6,216,354.00		
FY19	7,939,618.00		
FY20	6,890,401.00		
FY21	6,112,008.51	6,854,493.51	7,343,954.00
FY22	5,558,591.51	6,277,911.51	6,755,884.51
FY23	5,170,650.51	5,872,440.51	6,338,926.51
FY24	4,840,817.51	5,520,077.51	5,975,076.51
FY25	4,518,123.76	5,180,011.76	5,623,523.76
FY26	4,248,355.01	4,812,855.01	5,189,480.01
FY27	3,903,205.01	4,452,325.01	4,819,125.01
FY28	3,751,265.01	4,285,005.01	4,641,980.01
FY29	3,572,731.26	4,091,091.26	4,438,241.26
FY30	3,500,915.63	4,003,895.63	4,340,920.63
FY31	3,303,975.00	3,745,725.00	3,745,725.00
FY32	3,187,637.50	3,614,937.50	3,614,937.50
FY33	3,113,600.00	3,526,450.00	3,526,450.00
FY34	2,970,612.50	3,369,012.50	3,369,012.50
FY35	2,891,149.99	3,275,099.99	3,275,099.99
FY36	2,814,450.00	2,863,950.00	2,863,950.00
FY37	2,173,600.00	2,221,450.00	2,221,450.00
FY38	2,114,700.00	2,160,900.00	2,160,900.00
FY39	1,006,775.00	1,051,325.00	1,051,325.00
FY40	979,343.76	1,022,323.76	1,022,323.76
FY41	951,431.24	951,431.24	951,431.24
FY42	923,518.76	923,518.76	923,518.76
FY43	895,606.24	895,606.24	895,606.24
FY44	867,693.76	867,693.76	867,693.76
FY45	839,781.24	839,781.24	839,781.24
FY46	811,868.76	811,868.76	811,868.76
FY47	783,956.24	783,956.24	783,956.24
Total	107,315,729.70	84,275,136.71	89,324,142.20

*CURRENT DEBT P&I - Principle and Interest Payments for bonds that have been issued by the Town.

**** AUTHORIZED/UNISSUED P&I - Principle and Interest Payments for bonds that have been issued by the Town plus authorizations that have been granted to the Town Treasurer, through Town Meeting, but not yet issued. The principle and interest payments are estimated based on 15-20 years of borrowing time and 4% annual interest.**

*****NOT ISSUED/NOT AUTHORIZED P&I - This column equals the combined two categories above, plus debt that is proposed in 2019 Town Meeting. This column represents a projection of the annual debt service if all the authorized but unissued funds were expended *and* all of the proposed capital articles in the 2019 Town Meeting are approved. The principle and interest payments are estimated based on 5-10 years of borrowing time and 3% annual interest.**

Community Preservation Act Funds			
	CURRENT DEBT P&I*	AUTHORIZED/UNISSUED P&I**	NOT ISSUED/NOT AUTHORIZED P&I***
FY16	244,100.00		
FY17	250,826.00		
FY18	195,719.00		
FY19	232,581.00		
FY20	218,593.75		
FY21	308,794.00	386,794.00	386,794.00
FY22	296,444.00	372,644.00	372,644.00
FY23	289,344.00	363,744.00	363,744.00
FY24	152,244.00	224,844.00	224,844.00
FY25	143,494.00	214,294.00	214,294.00
FY26	139,894.00	208,894.00	208,894.00
FY27	136,394.00	203,594.00	203,594.00
FY28	133,094.00	198,494.00	198,494.00
FY29	129,969.00	193,569.00	193,569.00
FY30	126,875.00	188,675.00	188,675.00
FY31	53,675.00	53,675.00	53,675.00
FY32	52,450.00	52,450.00	52,450.00
FY33	51,194.00	51,194.00	51,194.00
FY34	49,938.00	49,938.00	49,938.00
FY35	48,625.00	48,625.00	48,625.00
FY36	47,250.00	47,250.00	47,250.00
FY37	20,900.00	20,900.00	20,900.00
FY38	20,300.00	20,300.00	20,300.00
Total	3,342,697.75	2,899,878.00	2,899,878.00

***CURRENT DEBT P&I - Principle and Interest Payments for bonds that have been issued by the Town.**

**** AUTHORIZED/UNISSUED P&I - Principle and Interest Payments for bonds that have been issued by the Town plus authorizations that have been granted to the Town Treasurer, through Town Meeting, but not yet issued. The principle and interest payments are estimated based on 10 years of borrowing time and 3% annual interest.**

*****NOT ISSUED/NOT AUTHORIZED P&I - This column equals the combined two categories above, plus debt that is proposed in 2019 Town Meeting. This column represents a projection of the annual debt service if all the authorized but unissued funds were expended *and* all of the proposed capital articles in the 2019 Town Meeting are approved. There are no proposed capital borrowings in the 2019 Annual Town Meeting related to Community Preservation Act Funds.**

PARKS AND RECREATION ENTERPRISE FUND			
	CURRENT DEBT P&I*	AUTHORIZED/UNISSUED P&I**	AUTHORIZED/UNISSUED P&I**
FY16	42,250.00	42,250.00	42,250.00
FY17	40,850.00	40,850.00	40,850.00
FY18	39,800.00	39,800.00	39,800.00
FY19	38,750.00	38,750.00	38,750.00
FY20	32,700.00	32,700.00	32,700.00
FY21	31,800.00	31,800.00	31,800.00
FY22	31,200.00	31,200.00	31,200.00
FY23	30,600.00	30,600.00	30,600.00
Total	287,950.00	287,950.00	287,950.00

***CURRENT DEBT P&I - Principle and Interest Payments for bonds that have been issued by the Town.**

**** AUTHORIZED/UNISSUED P&I - Principle and Interest Payments for bonds that have been issued by the Town plus authorizations that have been granted to the Town Treasurer, through Town Meeting, but not yet issued. There are no such authorizations related to the Parks and Recreation Enterprise Fund.**

*****NOT ISSUED/NOT AUTHORIZED P&I - This column equals the combined two categories above, plus debt that is proposed in 2019 Town Meeting. This column represents a projection of the annual debt service if all the authorized but unissued funds were expended *and* all of the proposed capital articles in the 2019 Town Meeting are approved. There are no proposed capital borrowings in the 2019 Annual Town Meeting related to Parks and Recreation Enterprise Fund.**

WATER ENTERPRISE FUND			
	CURRENT DEBT P&I*	AUTHORIZED/UNISSUED P&I**	AUTHORIZED/UNISSUED P&I**
FY16	582,298.60		
FY17	529,658.85		
FY18	700,847.45		
FY19	858,791.98		
FY20	755,332.49		
FY21	680,478.62	1,004,028.62	1,004,028.62
FY22	540,505.03	856,865.03	856,865.03
FY23	478,546.53	787,716.53	787,716.53
FY24	456,896.39	758,876.39	758,876.39
FY25	444,896.12	739,686.12	739,686.12
FY26	353,696.21	641,296.21	641,296.21
FY27	332,921.14	613,331.14	613,331.14
FY28	258,091.38	531,311.38	531,311.38
FY29	181,200.01	447,230.01	447,230.01
FY30	177,346.88	436,186.88	436,186.88
FY31	173,193.75	424,843.75	424,843.75
FY32	153,937.50	398,397.50	398,397.50
FY33	150,225.00	387,495.00	387,495.00
FY34	146,512.50	376,592.50	376,592.50
FY35	142,678.11	365,568.11	365,568.11
FY36	138,787.50	354,487.50	354,487.50
FY37	134,962.50	343,472.50	343,472.50
FY38	116,400.00	317,720.00	317,720.00
FY39	39,225.00	233,355.00	233,355.00
FY40	38,156.25	225,096.25	225,096.25
FY41	37,068.75	37,068.75	37,068.75
FY42	35,981.25	35,981.25	35,981.25
FY43	34,893.75	34,893.75	34,893.75
FY44	33,806.25	33,806.25	33,806.25
FY45	32,718.75	32,718.75	32,718.75
FY46	31,631.25	31,631.25	31,631.25
FY47	30,543.75	30,543.75	30,543.75
Total	8,802,229.54	10,480,200.17	10,480,200.17

*CURRENT DEBT P&I - Principle and Interest Payments for bonds that have been issued by the Town

**** AUTHORIZED/UNISSUED P&I - Principle and Interest Payments for bonds that have been issued by the Town plus authorizations that have been granted to the Town Treasurer, through Town Meeting, but not yet issued. The principle and interest payments are estimated based on 15-20 years of borrowing time and 4% annual interest.**

*****NOT ISSUED/NOT AUTHORIZED P&I - This column equals the combined two categories above, plus debt that is proposed in 2019 Town Meeting. This column represents a projection of the annual debt service if all the authorized but unissued funds were expended *and* all of the proposed capital articles in the 2019 Town Meeting are approved. There are no proposed capital borrowings in the 2019 Annual Town Meeting related to Water Enterprise Fund.**

SEWER ENTERPRISE FUND			
	PRINCIPLE & INTEREST*	AUTHORIZED/UNISSUED P&I**	AUTHORIZED/UNISSUED P&I***
FY16	1,754,493.74		
FY17	1,905,265.00		
FY18	1,741,074.69		
FY19	1,701,386.47		
FY20	1,331,098.19		
FY21	1,264,673.42	1,264,673.42	1,286,773.42
FY22	965,267.90	965,267.90	986,857.90
FY23	958,002.94	958,002.94	979,082.94
FY24	890,487.12	890,487.12	911,057.12
FY25	885,683.00	885,683.00	905,743.00
FY26	807,551.52	807,551.52	827,101.52
FY27	802,584.51	802,584.51	821,624.51
FY28	785,583.64	785,583.64	804,113.64
FY29	773,783.04	773,783.04	791,803.04
FY30	771,157.97	771,157.97	788,667.97
FY31	668,531.44	668,531.44	668,531.44
FY32	288,766.93	288,766.93	288,766.93
FY33	289,076.07	289,076.07	289,076.07
FY34	767.75	767.75	767.75
FY35	767.75	767.75	767.75
FY36	767.75	767.75	767.75
Total	18,586,770.84	10,153,452.75	10,351,502.75

***CURRENT DEBT P&I - Principle and Interest Payments for bonds that have been issued by the Town**

**** AUTHORIZED/UNISSUED P&I - Principle and Interest Payments for bonds that have been issued by the Town plus authorizations that have been granted to the Town Treasurer, through Town Meeting, but not yet issued. There are no authorized but unissued borrowings related to the Sewer Enterprise Fund.**

*****NOT ISSUED/NOT AUTHORIZED P&I - This column equals the combined two categories above, plus debt that is proposed in 2019 Town Meeting. This column represents a projection of the annual debt service if all the authorized but unissued funds were expended *and* all of the proposed capital articles in the 2019 Town Meeting are approved. The principle and interest payments are based on 5-10 years of borrowing time at 3% interest.**