

Town of Hopkinton



Appropriation Committee Report with Recommendations
Annual Town Meeting
September 12, 2020
Approved: August 27, 2020

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Summary Narrative

To the Citizens of Hopkinton:

The Hopkinton Appropriation Committee (the Committee) has reviewed and recommends the proposed Fiscal Year (FY) 2021 General Fund operating budget in the amount of \$93,582,695 for the period commencing July 1, 2020, as presented by the Town Manager and Select Board. These amounts are for the full fiscal year, and includes amounts made available for July, August, and September under emergency legislation and Commonwealth of Massachusetts approval related to the COVID-19 public health emergency.

The overarching priorities reflected in this budget respond to the COVID-19 public health emergency and include: sustaining community services at fiscal year 2020 levels; funding significant increases for the Hopkinton Public Schools in connection with growth in student enrollment; and, deferring all capital spending involving both current resources and proposed debt. The benefit of this multi-faceted approach is that it sustains operating services to the Town during a period of financial stress, while seeking to minimize new future recurring obligations.

The General Fund operating budget includes \$83,822,429 to fund the operation of Town Departments and \$8,991,366 to support the payment of principal and interest on debt. In response to the COVID-19 emergency situation, capital spending and new borrowing are being deferred to a future year. The budget contains a transfer of \$400,000 as a contribution to the Trust Fund to offset liability for non-pension retiree benefits that have been earned by Town employees (Other Post Employment Benefits, OPEB), sustaining this long-term commitment even during the COVID-19 public health emergency. The budget provides funding for Parks and Recreation program expenses of \$271,605, which includes \$90,000 of facility maintenance funding in the DPW budget; and payment of \$581,354 to state and regional programs including public transportation, veteran's services, and mosquito control.

The proposed budget would have an operating budget tax impact on existing taxpayers within the tax levy of 2.8%, consisting of a 2.33% increase on the existing tax levy, and adding a 0.47% impact by using excess tax levy capacity that was added through new growth in fiscal year 2020. The FY 2021 operating tax impact of 2.8% translates into an increase of about \$298 for the average taxpayer whose home is valued at \$632,500 with a prior year tax bill of \$10,638. As an additional resource, the operating budget is supported by an estimated \$1,900,000 in additional tax revenue from new growth, mostly derived from new residential construction. Overall, new growth paid for over 48% of the new property taxes in the FY 2021 General Fund operating budget, excluding new taxes from new debt voted for exclusion from the tax levy.

Hopkinton voters approved \$9.5 million in borrowing for the construction of 16 new public school classrooms, and voted to exclude that debt burden from the tax levy limits of Proposition 2 ½. The cost of repayment on that debt in FY 2021 is \$781,327, which will have an additional tax impact of 0.96%, which translates into an additional increase of about \$115 for the average taxpayer whose home is valued at \$632,500 with a prior year tax bill of \$10,638.

General Fund principal and interest payments on past borrowings of \$8,991,366 represents 9.6% of operating spending, which is below the maximum 15% debt service cost level established in Town Financial Policies. Those payments are tied to a debt level of \$93,505,191. Debt that has been authorized at previous Town Meetings but which has not yet been issued could add up to \$101,770 to the debt load in FY 2021 and \$289,000 in FY 2022; and up to \$3,950,000 to the overall debt level. There are no proposals before the Town Meeting this year that would add new debt, principal, or interest in future years. Debt service is a major factor in the multi-year financial horizon and the Town continues 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 2021 budget continues to make the most of sources of funds other than property tax collections to pay for items in the budget. An amount of \$1,427,494 from the Town's certified Free Cash carried forward from previous years is being used to provide \$400,000 to the Other Post-Employment Benefits (OPEB) Liability Trust Fund and to support operating spending.

This year's financial model continues to reflect conservative projections, adjusted for expected revenue impacts of the COVID-19 public health emergency, for New Growth at \$1,900,000 and Local Receipts estimated at \$4,709,436. New growth is projected to be down 18% from the actual level experienced in FY20, and local receipts, including motor vehicle excise taxes, are also expected to be down somewhat.

The Town's actuary computed that as of June 30, 2020, Hopkinton has a liability for future employee health benefits, OPEB, of \$27,117,158, partially covered by a trust fund balance of \$3,017,854, which is an 11.1% funding level for the liability. This budget calls for an additional contribution to the OPEB Trust Fund of \$400,000. The actuary computes that funding at this level, increased by 2.5% per year, will fully fund the liability by 2050, under current cost and life expectancy assumptions. Underfunding the OPEB reserve has been a trend over the past few years. This Committee appreciates the continued commitment to a substantial level of funding during the COVID-19 crisis

The Committee previously expressed concerns about sustaining the budget in the coming years, and the temporary stress from the COVID-19 public health crisis is exacerbating those concerns. Forecasting by Town departments over fiscal years 2022 - 2024 shows anticipated deficits currently estimated to grow to about \$1,156,143 by fiscal year 2024, arising from a drop off in new growth revenue and increases in Education spending and Employee Benefits expenses in excess of 2.5% per year. This emerging structural imbalance in the budget will be a financial management challenge in coming years.

Through mid-summer, the Town had anticipated a multi-million dollar drop-off in local aid from the Commonwealth of Massachusetts tied to state revenue loss experienced during the COVID-19 public health emergency, similar to the loss experience that occurred after the Great Recession in 2008-2010. Hopkinton anticipated that stabilization reserve balances would need to be tapped to sustain services in that scenario. In August, the Governor and Legislature signaled that local aid is actually expected to rise modestly in fiscal year 2021. As a result of this circumstance, and the strong cost control measures implemented, this budget does not call for drawing any stabilization funds at this time. As of June 30, 2020, the Town had the following stabilization balances: General Fund Operating Stabilization Fund \$3,750,586; General Fund

Capital Stabilization Fund \$325,145; School Stabilization fund \$2,078,250, with an additional \$1,953,053 receivable under a Host Community Agreement by December 31, 2021. The combined total is \$8.1 million available within the next sixteen months. Additionally, while this budget applies \$1.4 million in certified funds carried over from previous years for use in the operating budget, the Town has an additional \$1.1 million in certified funds from previous years that are not included in this budget, but that are available for future appropriation. That certified free cash balance will further raise the Town's effective reserves to \$9.2 million, or about 10% of the FY 2021 operating budget, which will be available for future costs associated with the COVID-19 emergency or any other emergency.

In conclusion, this budget is compliant with the law and with the financial policies of the Town of Hopkinton. The proposed budget takes decisive action to sustain services to the community during a period of dramatic economic downturn. Those actions include both spending control and temporary suspension of capital replacement and improvements. Managing through the COVID-19 crisis, and through the economic recovery that will follow it, will require prioritization and discipline. Key tasks will include: identifying recurring funding to support recurring expenses tied to current service levels that are being temporarily supported by one-time funding (certified cash balances from prior years); addressing operating cost growth associated with expected additional increases in the Public School student enrollment; addressing possible capital costs associated with any required new school construction; restarting the Town's capital replacement program; and building Stabilization reserves to a level identified as appropriate in the post-COVID-19 environment. The depth of these challenges will be dependent on the tempo of the economic recovery from the COVID-19 downturn.

This budget represents many hours of collaborative work between the Select Board, School Committee, Town Manager, Department Heads, and our Committee.

Respectfully Submitted,

The Hopkinton Appropriation Committee

Michael Manning, Chair
Todd Cestari
Shahidul Mannan
Wayne Pacheco
Timothy M. O'Leary, Hopkinton CFO (ex officio)

Reader's Guide to the Appropriation Committee Report

The purpose of this document is to communicate the Town of Hopkinton's fiscal year (FY) 2021 recommended budget.

The recommendations and supporting documentation in this report are meant to provide citizens, elected officials, staff, and any other interest parties with complete, accurate information about this year's financial Warrant Articles.

Budget Messages



TOWN OF HOPKINTON TOWN MANAGER'S OFFICE

TO: Select Board, School Committee, Appropriation Committee, Town Departments
FROM: Norman Khumalo, Town Manager
DATE: September 25, 2019
RE: Fiscal Year (FY) 2021 Budget Development

On behalf of the Select Board, I request that your budget submission conform to this direction as supported by the Select Board in a vote at its September 24, 2019 meeting.

Deliverables are due as specified in Enclosure (1). The following guidance applies:

1. Departments should examine and be prepared to justify budgets from the bottom up. Use this opportunity to review your current operating approach, with an eye toward streamlining and improved efficiency of operations; and be prepared to discuss your review of operations for efficiency at your upcoming Town Manager Budget Review session.
2. The budget to be submitted to the Select Board, after Town Manager review, will achieve an overall tax impact net of new growth of 2.5% (excepting voted exclusions).
3. Budgets are to be developed to sustain the current level of services. Any requests to fund new or expanded services above the FY 2020 level must be presented as a budget supplement, for special review. If a Department submits more than one supplemental request, they must be prioritized.
4. Specific instructions on FY 2021 procedures for operating budget submissions and capital article requests will be forthcoming from the Chief Financial Officer.

A budget advisory group consisting of the Chairs of the Select Board, Appropriation Committee, School Committee, and professional staff will meet regularly; with Chairs reporting to their respective boards. I look forward to another successful collaboration for the development of the FY 2021 budget, and to working with each Department to support a process that helps the community balance important operational needs and available resources.



TOWN OF HOPKINTON
Finance Department
18 Main St., Hopkinton MA 01748

TO: Hopkinton Departments, Boards & Committees
FROM: Timothy M. O'Leary, Chief Financial Officer
DATE: October 11, 2019
SUBJ: Fiscal Year (FY) 2021 Operating Budget Submission Requirements

REF: (1) N. Khumalo memo of 9/25/10, Subject: Fiscal Year (FY) 2021 Budget Development

In accordance with reference (1), I am providing this amplifying information to support your FY 2021 operating budget submission. Noteworthy requirements include:

- Budgets should be evaluated from the bottom up, validating each proposed cost
- Your budget should reflect a review for efficiencies and cost savings
- Your budget should be for continuation of FY 2020 operating levels, less efficiencies
- Requests for expanded services or new cost items should be itemized separately
- The Select Board has committed to an overall net tax impact of 2.5% or less

To support budget development, I am sharing a customized departmental operating budget template in Sheets formats with each of you, referencing this memo in the transmission email with the yellow highlighted sections of tabs (a) through (h) requiring attention. The former Budget Narrative, containing a restatement of the line by line budget, is not being requested at this time as part of our streamlining effort. In another change from prior years, the sheets budget template is pre-populated with accurate spending and personnel information to serve as the basis for your budget development. I am also providing a sample for the Departmental narrative as enclosure (1). Please provide submissions to me for consolidation and Town Manager review by November 1, 2019.

- a. Budget Worksheet - we are providing past and current year data and ask that you develop FY21 data by salary and expense category for current level services. A download from your Munis entry is an acceptable alternative for this tab.
- b. Personnel Budget Sheet - Project wages by employee for 52.2 weeks or 26.1 pay periods, and include factors for longevity, shift differential, stipends and other special or contractual wage factors as appropriate. Include FY20 merit increases, exclude projected FY21 merit increases.
- c. Budget Strategic Impact - Identify specific cost escalation or service challenges within the current level services submission, tied to strategic risks and opportunities.
- d. Efficiencies & Cost Containment - Identify savings associated with operational, technology, or process initiatives and indicate whether savings are recurring or 1-time.

- e. Training Needs - Identify training needs by employee or group to support both budget development and training program management.
- f. Membership Dues & Travel - Include travel for training in this tab.
- g. Revenue - Identify non-budget revenue projections, including gifts, grants, revolving fund, trust fund, state aid, and other revenues.
- h. New Starts - Per reference (1), itemized budget requests tied to new or expanded service initiatives should be detailed on this tab, identifying: the risk or opportunity being addressed; the action proposed; the cost of the proposed action; and the expected benefits or outcomes described in objective terms where possible, and otherwise subjectively.

In completing the Departmental Overview, please begin your narrative with between one and three key performance metrics as shown in the sample, framed in terms of outcomes and impacts, that highlight how your Department enriches the quality of community life for our residents, consistent with our Town Vision Statement. This is the beginning of an effort to explicitly tie our spending with performance outcomes that serve our strategic vision. See the sample or speak to me for amplification on this new reporting dimension.



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

TO: Select Board
FROM: Norman Khumalo, Town Manager
RE: FY 2021 Comprehensive Budget Transmittal Letter
DATE: January 17, 2020

I am writing to submit an initial budget and financing plan for fiscal year 2021 (FY21) beginning July 1, 2020 for your consideration.

This budget and financing plan: complies with the Select Board budget message and town's financial policies; and represents a balanced approach to addressing community needs within the constraints of the proposition 2 ½ limit on growth in the tax levy; and considers funds available from new growth in the residential, commercial, and industrial tax base and other anticipated revenue growth.

This budget includes the following amounts: Operating departments, \$71,212,549; Employee benefits and insurance, \$12,277,283; Payment of principal and interest on debt, \$10,647,986; Contribution to the OPEB trust fund, \$400,000; Contribution to the General Stabilization Fund, \$212,000; Subsidy to the Parks and Recreation Enterprise Fund, \$207,000; State, regional, and other program charges, \$776,900; and pay-as-you-go funding for capital articles of \$779,051; for a General Fund budget of \$95,804,770. The budget also includes borrowing within the tax levy for \$1,385,000 in capital project for the general government, and \$19,700,000 in proposed capital projects for the general government; including \$15,000,000 for reuse of the Center School, and \$4,000,000 for public school roof renewals.

The total estimated revenue for the General Government Fund is \$95,804,770, an increase of \$6,384,022. Property tax is expected to generate \$78,321,787, an increase of \$6,248,055, including \$2,000,000 from taxes on new property construction or improvement, \$1,679,139 from the allowed 2.5% increase in the property tax levy on the existing tax base, and \$2,568,916 from new growth that was above estimates in FY 2019 and from levies that will be tied to payments on new debt that is proposed for exclusion from levy limits if approved by citizen vote under proposition 2 ½. The \$2,000,000 projected for new growth is down from last year's actual new growth of \$2,316,574. The amount of projected free cash from prior fiscal years included in the budget is \$1,900,000, down from \$2,255,429 last fiscal year. As in previous years, the goal of this budget is to use free cash as a supplemental source of funds to support improving reserves, to fund a specific Other Post Employment Benefit reserve for Town employee retiree health care, and for investing in capital assets. Revenue from net state is projected at \$9,362,821, a rise of \$307,929. Local receipts are conservatively estimated at \$4,923,162, in line with the last fiscal year collections. Other available funds include ambulance receipts, reimbursement from Enterprise Funds for

Town support costs, and receipts from the Library Foundation; and that category of revenue will provide \$1,797,000, a decrease of \$6,252 arising from both a substantial decrease because the Library Foundation's very generous commitment to rebuilding the library is nearly fulfilled, offset by a \$222,502 FEMA grant awarded last year.

This budget proposes a transfer of \$212,000 to the General Stabilization Fund, which has a current balance of \$3,809,628 against a \$4,825,638 funding target in line with the Massachusetts Department of Revenue best practices for towns. The current Capital Stabilization Fund balance is \$331,004.

The recommended Capital Improvement Program within the General Fund includes: Public School projects at \$5,463,000; Center School Re-use at \$15,000,000; Town Facilities projects at \$400,000; Public Safety equipment at \$323,000; Information Technology equipment at \$168,051; Public Works equipment at \$390,000; and a retaining wall at Elm and Wood Streets at \$120,000. Water Enterprise Fund projects are \$7,010,000; Sewer Enterprise equipment is \$53,000; and Community Preservation projects are \$669,376.

Due to the funding constraints described above, this initial plan provides for a funding level for the Hopkinton Public Schools that is 6% above last year's budgeted amount, but still \$1,382,070 below the amount requested. Likewise, funding requests for other Town Departments are set in this initial plan at a level that is \$280,890 below requests, with an overall non-School departmental increase level of 5%. Employee benefits and insurance which cover employees in all School and other Town departments are increasing by 7%.

Enterprise revenues are projected as follows:

Water Enterprise	\$3,164,163
Sewer Enterprise	\$2,751,384
Parks and Recreation	\$700,552

This projected budget assumes a general government subsidy for the Parks and Recreation Enterprise of \$207,000, up from \$148,981 in FY20; and includes reimbursement to the general fund for support or indirect costs incurred by the Town to support the enterprise including employee benefits, shared staff, and general insurance, as is required by Massachusetts Department of Revenue regulations. Water and Sewer revenues are projected at a level that will support costs, as required.

The Community Preservation Funds from statutory surcharges on property taxes are projected at \$1,246,777, of which \$1,111,418 is projected from local property tax bills and \$135,359 from State matching funds support, which has been decreasing over the years. The state match on the FY 2019 revenue was \$154,557 which was received on November 22, 2019. The Community Preservation Funds budget includes pay-as-you-go capital improvement of \$669,376; with the following fund balances:

Community Housing	\$687,321
Historic Resources	\$710,577
Open Space	\$845,881

Overall, spending changes by government function are as follows:

		<u>% Change</u>
General Government	\$4,810,725	0.70%

Public Safety	\$7,045,145	6.72%
Education	\$51,615,675	6.11%
Public Works	\$6,056,212	6.72%
Human Services	\$1,085,785	13.12%
Culture & Recreation	\$599,007*	2.25%
<u>Employee Benefits & Insurance</u>	<u>\$12,277,283</u>	<u>7.08%</u>
Spending on Functions	\$83,489,832	6.07%

* Culture & Recreation spending does not include a \$207,000 Parks & Recreation subsidy

A more detailed listing of changes in FY21 departmental funding is shown in enclosure (4).

As the budget review progresses, I will continue to monitor and report to the Board on the refinement of current estimates involving one-time and recurring sources of revenue, projected expense amounts, excess tax levy computations, snow and ice removal expenses, and the status of the tax overlay account.

As in past years, I would like to remind senior citizens of the Town’s Senior Citizen Tax Relief program. Program information is available from the Assessor’s Office in Town Hall, by phone, or on the Town website.

Finally, I would like to thank Town Hall Staff, Department Heads, and Town Boards, Commissions, and Committees for their collaborative effort and continued support in bringing a prospective FY21 budget to this point. The “One Town, One Solution” philosophy will continue to guide the ongoing dialogue involving Town residents for the further refinement of the budget leading up to the 2020 Annual Town Meeting.

General Fund Sources and Uses of Funds - Streamlined View

Sources of Funds	FY 2020 Estimated Sources of Funds	FY 2021 Estimated Sources of Funds	FY 2020 - FY 2021 % Change	Tax impact
Levy Base	\$64,507,095	\$68,844,684	6.72%	2.80%
New Growth	\$2,316,574	\$1,900,000	-17.98%	2.64%
Debt Exclusions	\$5,250,063	\$5,938,971	13.12%	0.96%
Less - Provision for tax abatements/exemptions	<u>-\$500,000</u>	<u>-\$500,000</u>	<u>0.00%</u>	
Estimated Net Property Tax Revenue	\$71,573,732	\$76,183,654	6.44%	6.40%
Excess from Prior Fiscal Year (Revenue over Expense)	\$2,255,429	\$1,427,494	-36.71%	
State Aid	\$8,164,292	\$8,603,524	5.38%	
Less - Regional and State Program Charges	<u>-\$596,486</u>	<u>-\$581,354</u>	<u>2.54%</u>	
Estimated Net State Aid	\$7,567,806	\$8,022,170	6.00%	
Mass School Building Authority Reimbursement	\$1,487,086	\$1,487,086	0.00%	
Excise Tax, Licenses, other Local Receipts	\$4,733,443	\$4,709,436	-0.51%	
Cost Share from Enterprise Funds	\$689,589	\$662,178	-3.97%	
Ambulance, Library Foundation, misc. sources	\$1,113,663	\$1,090,677	-2.06%	
Transfer from General Stabilization	\$0	\$0	0%	
Transfer from School Stabilization	\$0	\$0	0%	
Total Sources of Funds:	\$89,420,748	\$93,582,695	4.65%	
Uses of Funds	FY 2020 Budgeted Uses of Funds	FY 2021 Town Manager Mark Uses of Funds	FY 2020 - FY 2021 % Change	
Tax lien administration costs	\$50,000	\$50,000	0.00%	
State funded Library spending	\$17,579	\$18,900	7.51%	
Transfer to Parks and Recreation	\$148,981	\$0	-100.00%	
Repayment of Town Debt and Interest	\$8,439,226	\$8,991,366	6.54%	
Deficits and Judgments	\$0	\$0	0.00%	
Snow and Ice Surge Costs	\$58,000	\$0	-100.00%	
General Government	\$4,777,494	\$4,775,461	-0.04%	

Public Safety	\$6,601,642	\$6,975,145	5.66%
Education	\$48,644,506	\$51,883,315	6.66%
Public Works	\$5,674,765	\$5,997,212	5.68%
Health and Human Services	\$959,875	\$1,092,214	13.79%
Culture and Recreation	\$585,798	\$780,612	33.26%
Employee Benefits and Insurance	\$11,465,448	\$12,618,470	10.06%
Transfer to OPEB (post-retirement health care)	\$400,000	\$400,000	0.00%
Transfer to Stabilization	\$208,000	\$0	-100.00%
Town Meeting Capital Articles, free cash	\$1,389,434	\$0	-100.00%
Total Uses of Funds:	\$89,420,748	\$93,582,695	4.65%

Projected revenues for FY 2021 are budgeted conservatively. Property tax receipts are projected to increase by \$4,609,922, with \$1,900,000 of that amount coming from new growth mostly tied to new residential construction, and reflecting a net increase in debt payments excluded from the proposition 2 ½ limits of \$688,908 that was approved by the voters in February, 20. Overall, property taxes account for 81% of Town operating revenue; with 84% of property tax revenue coming from residential property, 7.5% from industrial property, 4% from commercial property, and 4.5% from taxable business personal property. State Aid is projected to increase by \$439,232 or 5.4%, based on the Governor's budget. Local receipts are expected to fall by 1.3%. The appropriation from free cash supports a transfer to the OPEB Trust Fund for post-employment retiree health care costs, and supports other recurring operating costs. Other Sources of Funds include Ambulance Receipts Reserved, Library Foundation donation, repayment of Title V septic system loans, enterprise indirect costs, and bond premiums.

Debt service is increasing from 9.4% of General Fund spending in FY 2020 to 9.6% of General Fund spending in FY 2021, with a net rise in debt service of \$552,140. A long term review of debt service projections through 2050 is included later in this report.

The most significant other changes in spending for FY 2021 include a \$3,238,809, 6.7% increase in Education spending including both the Hopkinton Public Schools and the Town's contribution to Keefe Technical High School; and an \$1,124,627, 9.8%, increase in insurance for town property, liability, and workers compensation and employee benefits cost.

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.

	FY20 Enacted	FY21 Plan	% Change	FY22 Forecast	FY23 Forecast	FY24 Forecast
Levy Base	\$64,394,378	\$67,165,545		\$70,744,684	\$74,185,301	\$77,511,293
Amended prior year growth	\$24,684					
2 1/2% increase	\$1,610,477	\$1,679,139	2.50%	\$1,768,617	\$1,854,633	\$1,937,782
New Growth	\$2,316,574	\$1,900,000		\$1,672,000	\$1,471,360	\$1,294,797
Overrides/(Underrides)	-\$1,180,568			\$0	\$0	\$0
Debt Exclusions	\$5,250,063	\$5,938,971		\$6,092,270	\$5,732,246	\$4,856,286
Unused Levy	-\$341,876					
Net Tax Levy	\$72,073,732	\$76,683,654		\$80,277,571	\$83,243,540	\$85,600,158
Cherry Sheet Receipts	\$8,164,292	\$8,603,524		\$8,603,524	\$8,603,524	\$8,603,524
MSBA Reimbursements	\$1,487,086	\$1,487,086		\$0	\$0	\$0
Local Receipts	\$4,733,443	\$4,709,436		\$4,897,813	\$5,093,726	\$5,297,475
Subtotal, Revenues	\$86,458,553	\$91,483,700		\$93,778,908	\$96,940,790	\$99,501,157

Add: Additional Sources						
Free Cash - operating	\$257,995	\$1,033,815		\$0	\$0	\$0
Free Cash - capital/other	\$1,972,434	\$393,679		\$2,454,032	\$2,202,429	\$1,975,986
Enterprise - Indirect Costs	\$689,589	\$662,178		\$678,732	\$695,701	\$713,093
Overlay Surplus	\$0	\$0		\$0	\$0	\$0
General Stabilization Fund	\$0	\$0		\$0	\$0	\$0
School Stabilization Fund		\$0				
Other	\$1,113,662	\$1,084,356		\$956,506	\$721,098	\$649,185
Unused Capital Balances	\$25,000	\$6,321		\$25,000	\$25,000	\$25,000
Subtotal	\$4,058,680	\$3,180,349		\$4,114,270	\$3,644,228	\$3,363,264
Less:						
Prov for Abate/Exemp (Overlay)	-\$500,000	-\$500,000		-\$500,000	-\$500,000	-\$500,000
Cherry sheet offsets	-\$17,579	-\$18,900		-\$19,641	-\$20,411	-\$21,211
Snow & Ice	-\$58,000	\$0		\$0	\$0	\$0

Cherry Sheet charges	-\$596,486	-\$581,354		-\$581,354	-\$581,354	-\$581,354
Tax title	-\$50,000	-\$50,000		-\$50,000	-\$50,000	-\$50,000
Deficits & Judgements	\$0	\$0		\$0	\$0	\$0
Debt Service	-\$8,439,226	-\$8,991,366		-\$6,881,837	-\$6,435,396	-\$6,053,613
Parks Enterprise Subsidy	-\$148,981	\$0		\$0	\$0	\$0
Other	\$0	\$0		\$0	\$0	\$0
Subtotal	-\$9,810,272	-\$10,141,620		-\$8,032,831	-\$7,587,160	-\$7,206,177

Expenditures By Category:	FY20 Enacted	FY21 Plan	% Change	FY22 Forecast	FY23 Forecast	FY24 Forecast
General Government	\$4,777,494	\$4,775,461	-0.04%	\$4,894,847	\$5,017,219	\$5,142,649
Public Safety	\$6,601,642	\$6,975,145	5.66%	\$7,149,524	\$7,328,262	\$7,511,469
Education	\$48,644,506	\$51,883,315	6.66%	\$53,569,523	\$55,310,532	\$57,108,125
Public Works	\$5,674,765	\$5,997,212	5.68%	\$6,147,142	\$6,300,821	\$6,458,341
Human Services	\$959,874	\$1,092,214	13.79%	\$1,119,519	\$1,147,507	\$1,176,195
Culture & Recreation	\$585,798	\$780,612	33.26%	\$800,127	\$820,130	\$840,634
Employee Benefits & Insurance	\$11,465,448	\$12,618,470	10.06%	\$13,826,894	\$14,933,045	\$16,127,689
Subtotal, Omnibus Budget	\$78,709,527	\$84,122,429		\$87,507,576	\$90,857,516	\$94,365,101
Articles - non-capital	\$0					
Articles - capital	\$1,389,434	\$0		\$2,000,000	\$1,800,000	\$1,800,000
Transfer to Stabilization Fund(s)	\$208,000	\$0		\$208,000	\$213,200	\$218,530
Transfer to OPEB Trust	\$400,000	\$400,000		\$410,000	\$420,250	\$430,756
Total Expenditures	\$80,706,961	\$84,522,429		\$90,125,576	\$93,290,966	\$96,814,387
Surplus (Shortfall)	0	0		-\$265,229	-\$293,109	-\$1,156,143

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:

Assessed value of owned property

----- * Amount to be raised from property tax = Individual property tax

Assessed value of all property in Town

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.

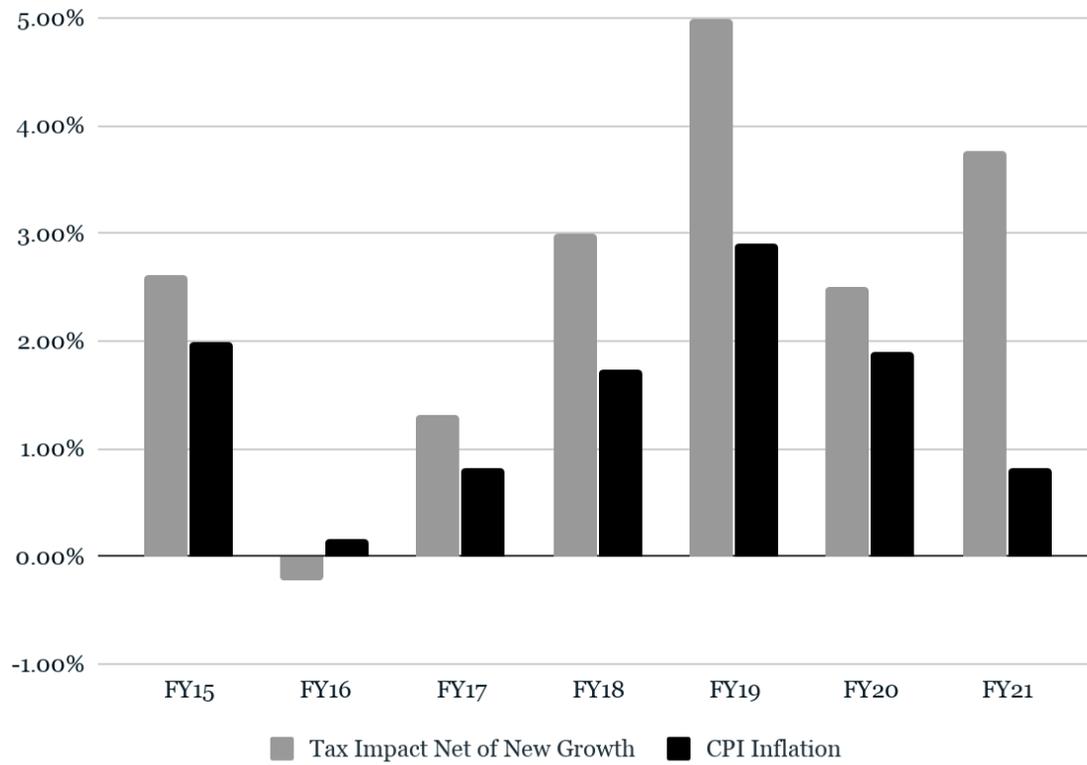
As shown in the Table below, across all tax bills, the average tax impact for FY 2021 will be 3.76%; but it noteworthy that an individual tax bill will change by more or less than 3.76% based on individual property value; and specific traceable value changes will result from additions, improvements or neighborhood market and sales events.

<u>Overall Tax Impact Summary:</u>	<u>FY20</u>	Tax Impact % Change from FY19	<u>FY21</u>	Tax Impact % Change from FY20
Prior Year Unused Levy	\$ 1,952,285	2.86%	\$ 341,876	0.47%
Statutory 2 1/2% Levy Increase	\$ 1,609,859	2.35%	\$ 1,679,139	2.33%
Override/(Underride)	\$ (1,180,568)	-1.73%	\$ -	0.00%
Unused Levy *	\$ (341,876)	-0.50%		0.00%
Net Change in Principal & Interest on Excluded Debt	\$ (673,120)	-0.98%	\$ 688,908	0.96%
Change in Tax Levy on Existing Tax Base	\$ 1,366,580	2.00%	\$ 2,709,922	3.76%
Additional Projected Tax Levy from New Growth	\$ 2,000,000	2.93%	\$ 1,900,000	2.64%
New Growth Adjustment (Fall 2019)	\$ 341,876	0.50%	N/A	N/A
Total Increase in Tax Levy	\$ 3,708,456	5.42%	\$ 4,609,922	6.40%

Note: * - A 2019 underride removed all excess levy capacity, but the final FY 2019 New Growth was \$341,876 above budget estimates, automatically generating that amount of new tax levy capacity within the Proposition 2 1/2 regulations.

Tax Impact vs. Inflation

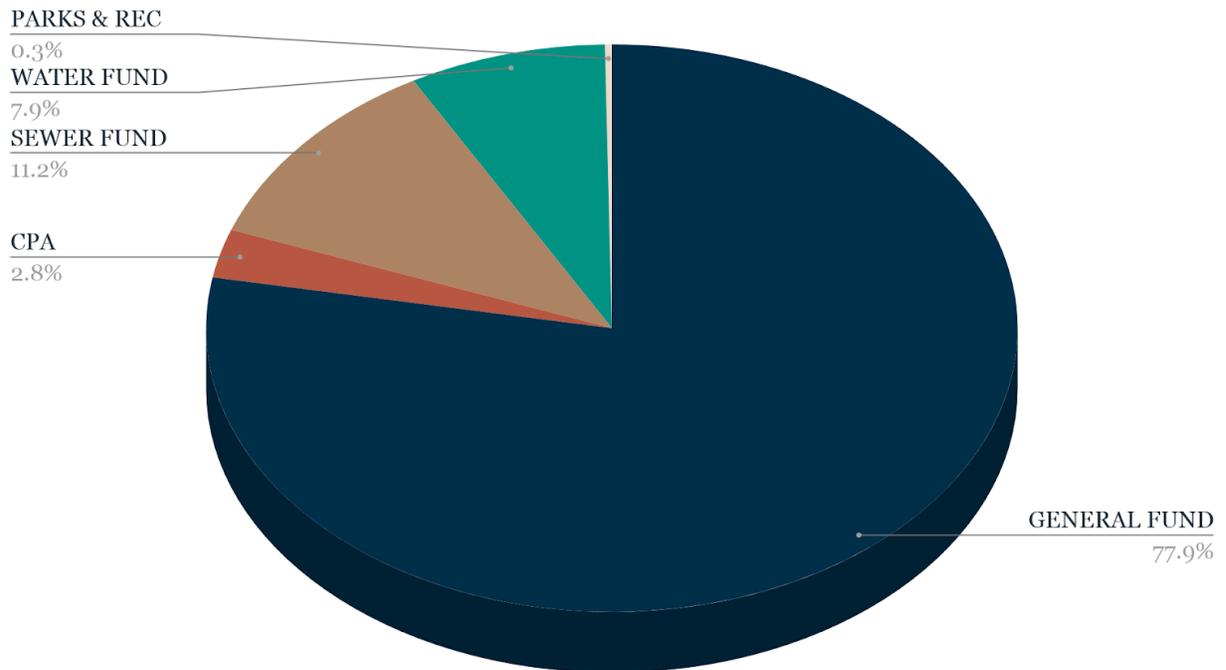
Tax Impact vs. Inflation



CPI Inflation for FY 2021 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

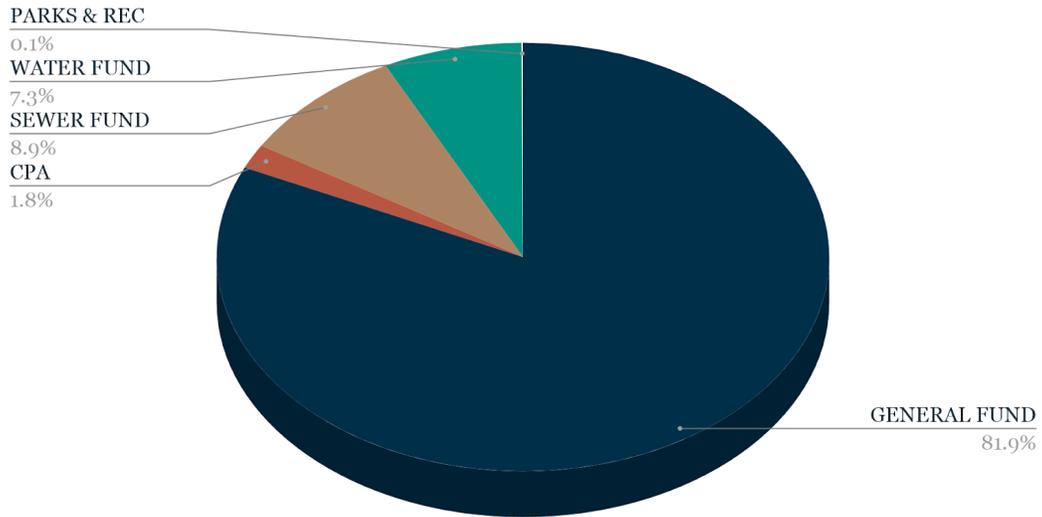
Fiscal Year 2021



FUND	FY2021 DEBT PRINCIPAL & INTEREST PAYMENTS
GENERAL FUND	\$8,991,366
CPA	\$319,573
SEWER FUND	\$1,296,983
WATER FUND	\$907,546
PARKS & REC	\$31,800
TOTAL	\$11,547,268

Long Term Debt Outstanding

Fiscal Year 2021

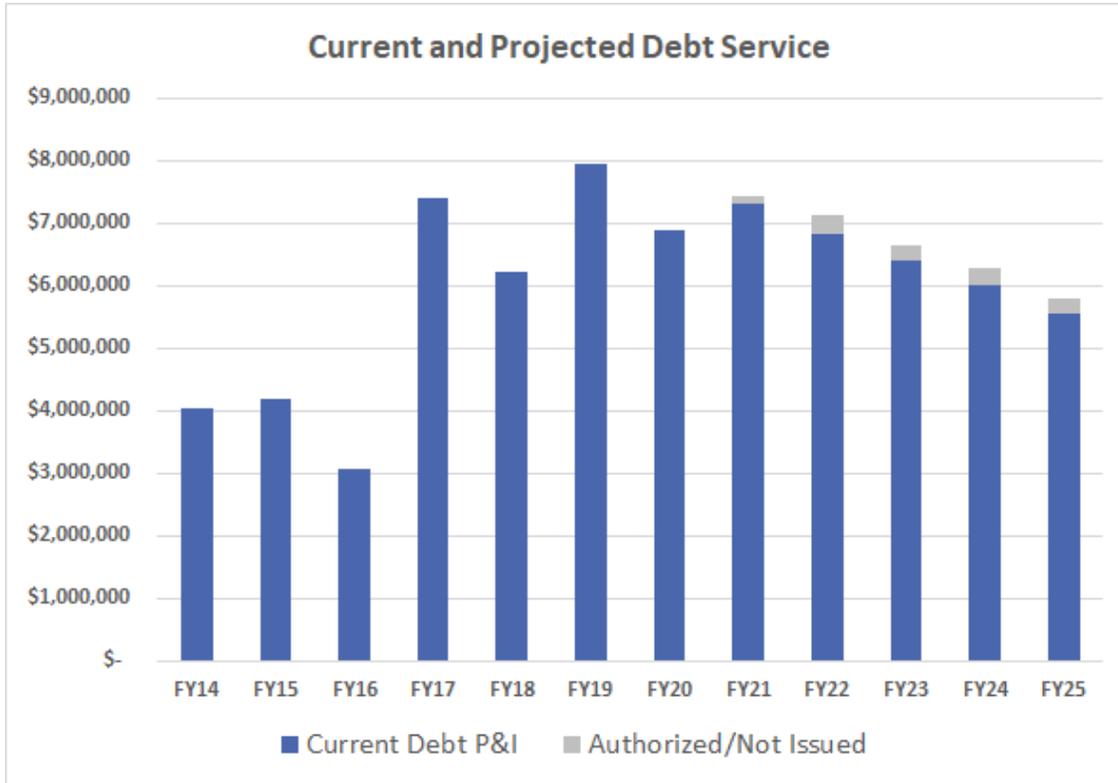


FUND	TOTAL LONG TERM DEBT & INTEREST OUTSTANDING
GENERAL FUND*	\$93,505,191
CPA	\$2,138,004
SEWER FUND	\$10,295,538
WATER FUND	\$8,498,491
PARKS & REC	\$93,600
TOTAL	\$114,530,824

*Net of state MSBA school construction reimbursement, Library Foundation 2021 reimbursement, and debt premium amortization through 2036.

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 Service - General Fund



This graph represents the debt service for the General Fund, including existing borrowings and borrowings that have been approved by Town Meeting but not yet issued.

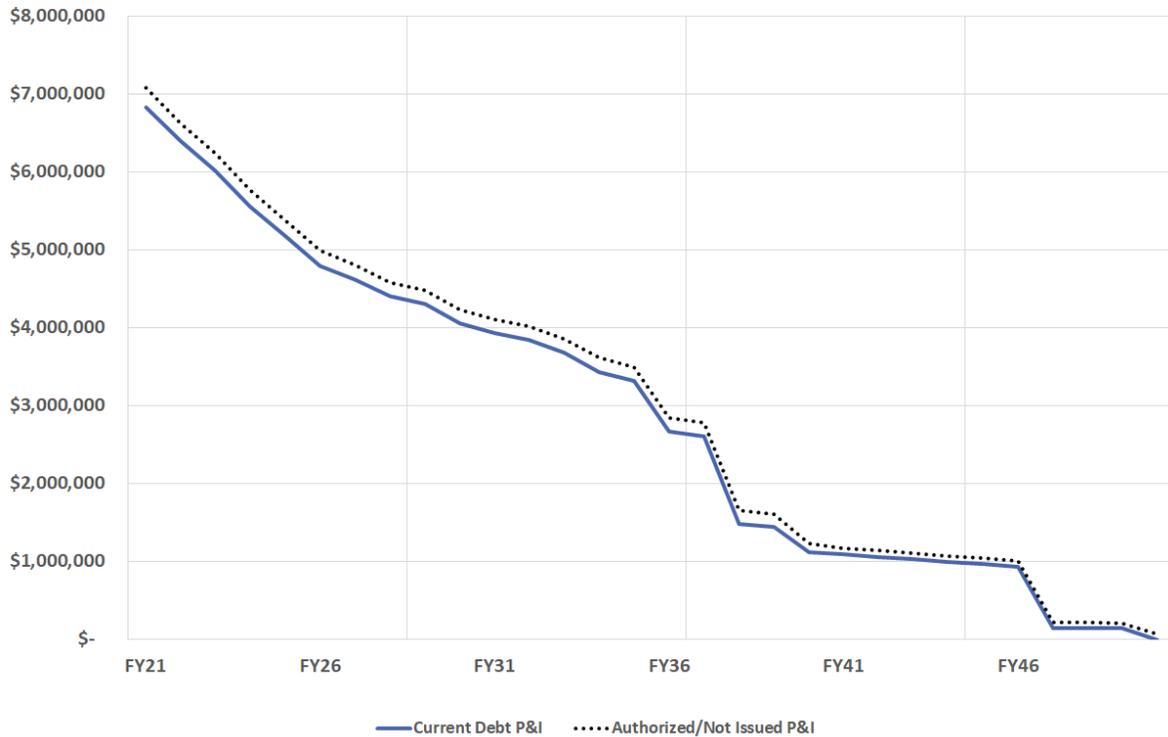
The annual debt service for the construction of the High School is presented net of Massachusetts School Building Authority (MSBA) annual reimbursement. For several years, the General Fund has made debt service payments that are offset by a reimbursement from the MSBA in the amount of \$1,487,086. The final payment of the High School construction loan of \$1,530,000 is scheduled for Fiscal Year 2021. The obligations of the General Fund for the High School construction borrowing, net of the MSBA reimbursement, is scheduled to be \$42,914 in FY2021. 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 now 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 2021 and Beyond

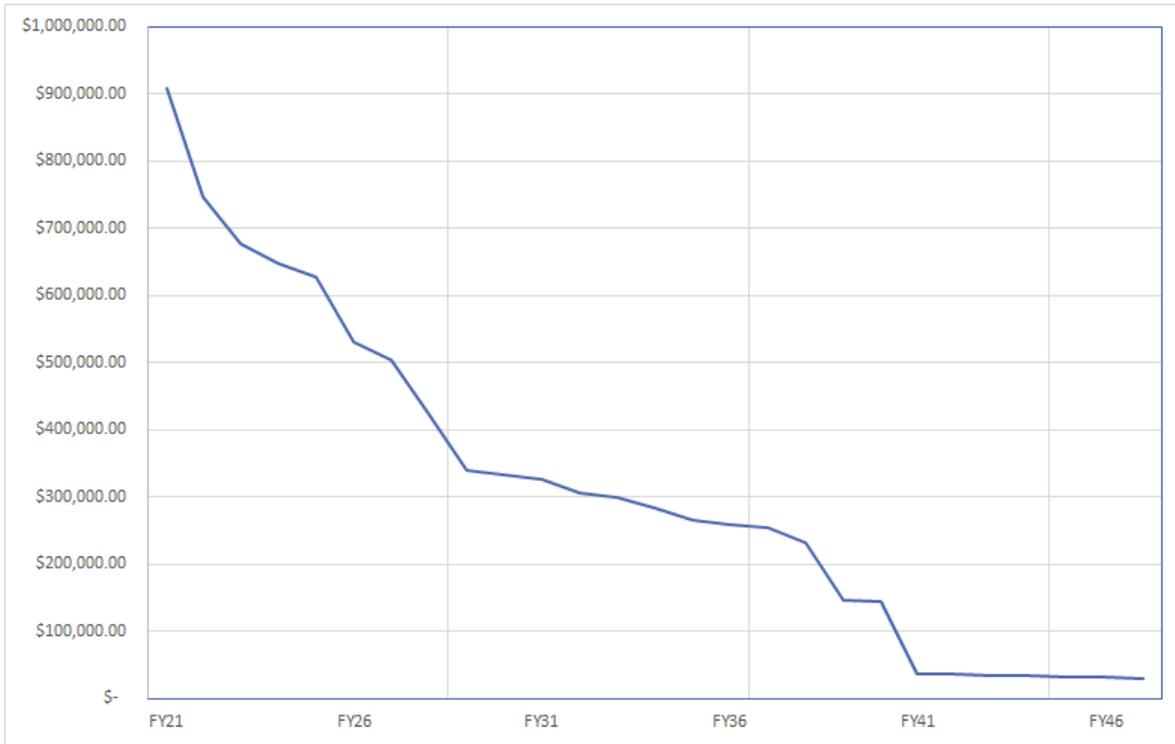
The following charts represent two views of the Town's annual debt service obligations, on a fund by fund basis. The current debt that has been issued is shown as a solid dark line. Any debt authorized at previous Town Meetings but not yet issued is shown as a dotted line. This presentation is intended to give a consolidated picture of the debt level the Town will have in each fund after all currently authorized projects are initiated.

General Fund Debt Service, - Actual and Authorized/Not Issued*

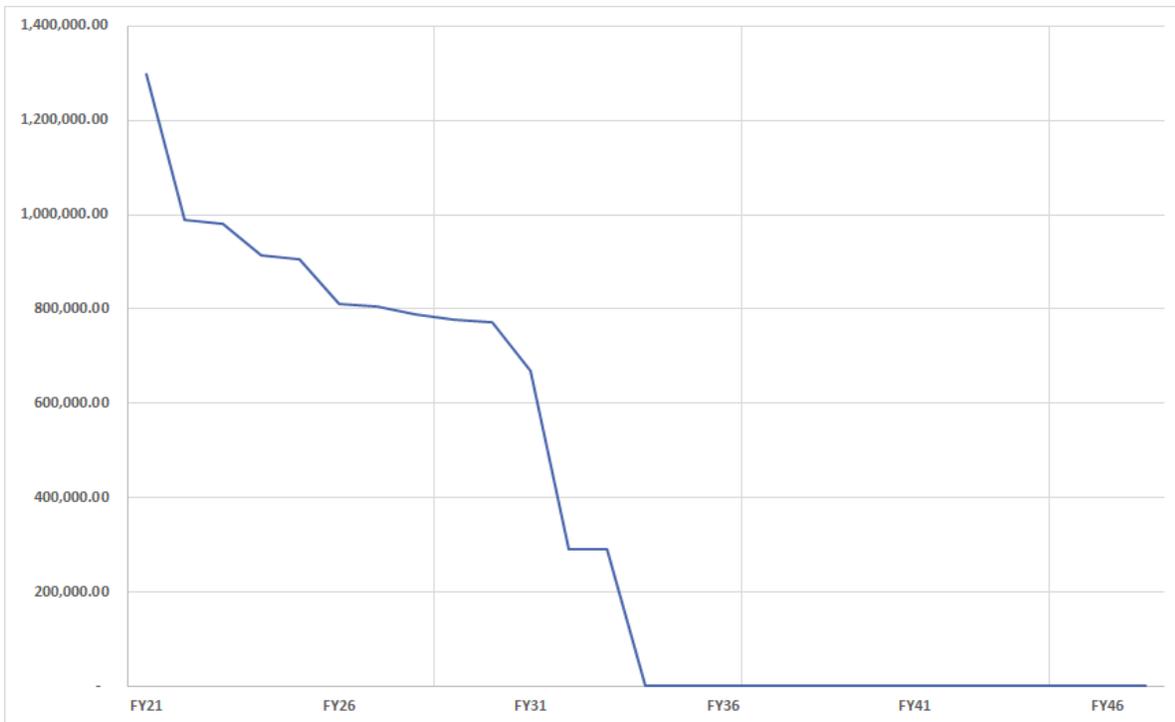


*Net of Massachusetts School Building Authority Reimbursement of \$1,487,086 for the construction of the High School in FY21. The High School construction bond will be fully paid in FY21.

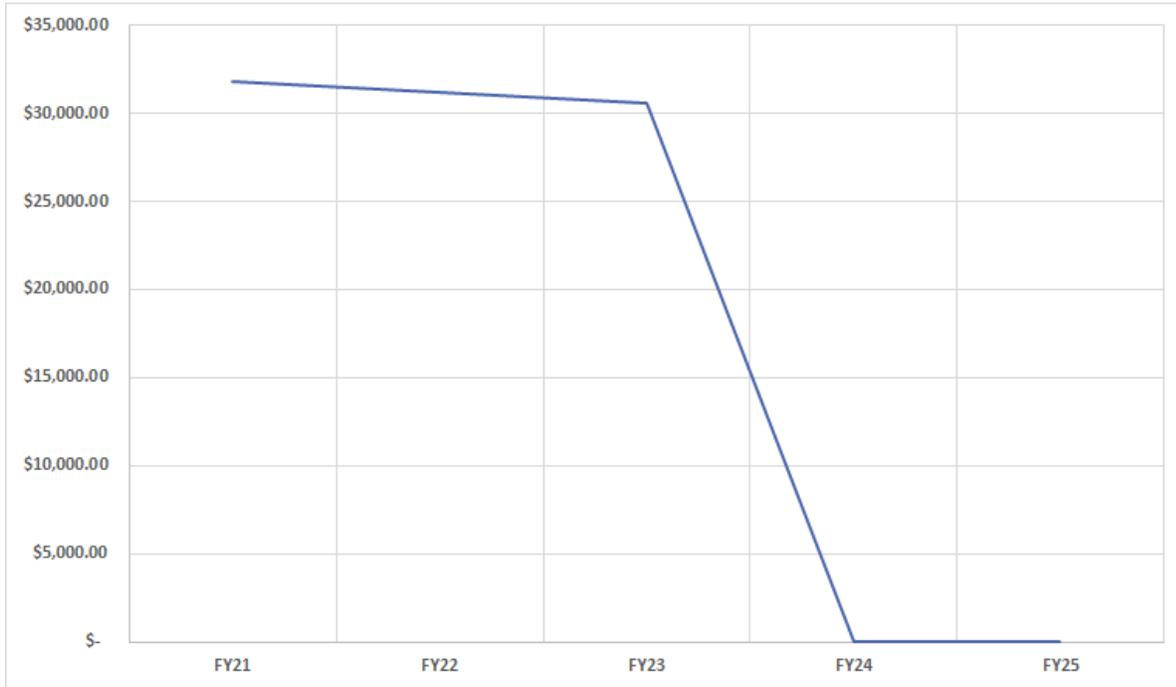
Water Enterprise Fund Debt Service - Actual



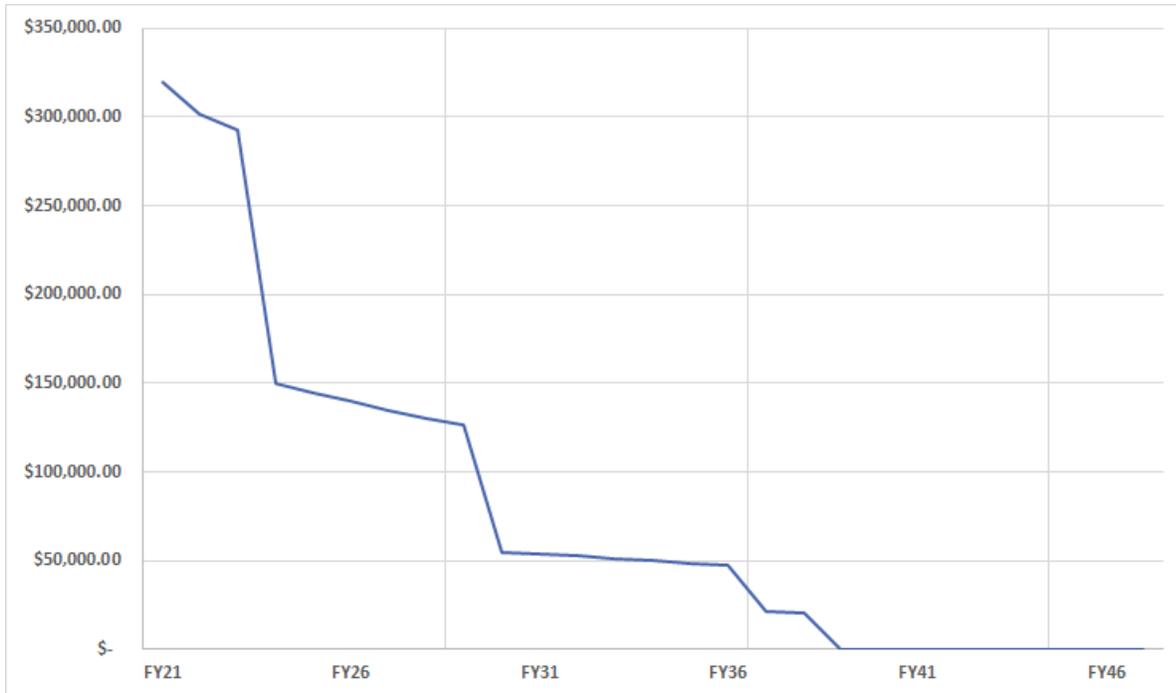
Sewer Enterprise Debt Service - Actual



Parks & Recreation Debt Service - Actual



Community Preservation Act Debt Service - Actual



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 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, 2020 in the amount of \$27,117,158. As of that date, Hopkinton's OPEB Liability Trust Fund had a reported balance of \$3,017,854 for a funding level of 11.3% 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	33.55%
International Common Stock	19.99%
Alternative (e.g. Hedge)	6.93%
Fixed Income	39.07%
Cash Equivalents	0.46%

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 2021 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 the current contribution level of \$400,000, escalated by 2.5% per year, would result in full funding of the liability in 2050.

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 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 6/30/2020, the Town had \$2.63 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:	26.31%
International Common Stock:	1.32%
Fixed Income:	59.06%
Cash and Equivalents:	13.31%

An asset allocation strategy with a 26% 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 the General Fund activities, School stabilization, and capital spending; as allowed by Massachusetts General Laws chapter 40, section 5B, as accepted by the Hopkinton Town Meeting. Prior to COVID-19, the suggested best practice target for operating stabilization funds is 5% of the prior year operating budget, which for Hopkinton would be \$4.5 million. As of 6/30/20 the general Stabilization Trust Fund had a balance of \$3,750,586. The Capital Stabilization Fund had a balance of \$325,145 as of 6/30/20. The School Stabilization Fund has a 6/30/2020 balance of \$2,078,250 with an additional \$1,953,053 receivable by 12/31/2021. During FY20 the Stabilization accounts were segregated into an even more conservative investment profile and invested in accordance with the statutorily defined Massachusetts “legal list” of authorized investments with the following portfolio weighting:

Common Stock:	9.29%
International Common Stock:	0.27%
Fixed Income:	71.73%
Cash and Equivalents:	18.71%

An asset allocation strategy with a 10% weighting on common stock seeks to preserve the majority of the portfolio in safer investments in order to ensure the availability of these assets should the Town need to draw upon them in times of uncertainty.

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 115 retirees in the system, and 312 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, 2020, shows that current and former employees have earned benefits with an estimated present value of \$77,788,522 while net assets in the plan to cover those future costs are \$50,770,346, with a total unfunded liability of \$27,579,300. As of December 31, 2018, the last periodic report issued, the Town's unfunded liability as reported in audited financial statements was \$25,369,330.

The current funding ratio for Hopkinton's pension account is 65% 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 2019 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 June 30, 2037 .

Function and Department Overview

General Government

	Appropriation	Request	\$ Change	% Change
	FY2020	FY2021	FY20-FY21	FY20-FY21
Personal Services	\$2,510,590	\$2,552,392	\$41,802	1.7%
Expenses	\$1,088,158	\$1,200,213	\$112,055	10.3%
Compensation Contingency	\$500,890	\$325,000	-\$175,890	-35.1%
Transfer to Water Enterprise for Fire Protection/Hydrant Use	\$297,856	\$297,856	\$0	0.0%
Appropriation Reserve Fund	\$125,000	\$125,000	\$0	0.0%
Legal Counsel	\$255,000	\$275,000	\$20,000	7.8%
Total	\$4,777,494	\$4,775,461	-\$2,033	0.0%

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

Select Board (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 (3)	Information Technology (2)	Town Clerk (2)
Elections & Registration (0)	Land Use, Planning, Permitting (8)	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 aggressively purses grant opportunities and was awarded approximately \$3.05 million of competitive grant awards during FY20.

Public Safety

	Appropriation	Request	\$ Change	% Change
	FY2020	FY2021	FY20-FY21	FY20-FY21
Personal Services	\$6,155,979	\$6,475,009	\$319,030	5.2%
Expenses	\$442,663	\$497,136.00	\$54,473	12.3%
Auxiliary Police Expenses	\$3,000	\$3,000.00	\$0	0.0%
Total	\$6,601,642	\$6,975,145	\$373,503	5.7%

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

Police Department (28)
Animal Control (0)

Fire Department (32)
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 2021 budget include the addition of one officer to be funded in the initial year by a Host Community Agreement.

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 2021 budget include negotiated collective bargaining agreement salary adjustments.

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 2021 budget are oriented to sustainment of services.

Education

	Appropriation	Request	\$ Change	% Change
	FY2020	FY2021	FY20-FY21	FY20-FY21
Hopkinton Public Schools	\$48,044,950	\$51,206,402	\$3,161,452	6.6%
Regional Technical School	\$599,556	\$676,913	\$77,357	12.9%
Total	\$48,644,506	\$51,883,315	\$3,238,809	6.7%

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. Full time equivalent positions:

Hopkinton Public Schools:

System Administration(13.3)	High School (102.1)	Middle School (68.3)
Hopkins (47.7)	Marathon (51.5)	Elmwood (44)
Preschool (17.9)	SPED System (133.5)	Facilities (28.4)
Food Service (17)	Curriculum (1.4)	Technology (11)
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 3,973 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 2021 budget continue to focus on managing growth in student enrollment. Specific increases include payment for collective bargaining agreement salary increases, additional classroom teachers, and Special Education paraprofessionals.

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 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 on 31 students, up from 27 in FY20.

Public Works

	Appropriation	Request	\$ Change	% Change
	FY2020	FY2021	FY20-FY21	FY20-FY21
Personal Services	\$1,600,592	\$1,678,364	\$77,772	4.9%
Expenses	\$3,724,173	\$3,968,848	\$244,675	6.6%
Snow & Ice Control	\$350,000	\$350,000	\$0	0.0%
Total	\$5,674,765	\$5,997,212	\$322,447	5.7%

Public Works consists of the Department of Public Works and the Town Engineering/Facilities Department. Full time paid employees:

Public Works Administration (5)	Highway Division (14)	Water Division (6)*
Sewer Division (2)*	Town Engineer-Facilities (4)	Solid Waste/Recycling (0.2)
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 2021 budget include negotiated collective bargaining agreement salary adjustments and an increase of \$100,000 for the Tree Warden's program.

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.

Health & Human Services

	Appropriation	Request	\$ Change	% Change
	FY2020	FY2021	FY20-FY21	FY20-FY21
Personal Services	\$645,438	\$772,100	\$126,662	19.6%
Expenses	\$196,480	\$198,385	\$1,905	1.0%
Veterans Services	\$117,956	\$121,729	\$3,773	3.2%
Total	\$959,874	\$1,092,214	\$132,340	13.8%

Health & Human Services is comprised of the Board of Health, the Senior Center, Youth & Family Services, and Veterans Services. Full time paid employees:

Board of Health (3) Senior Center (3) Youth and Family Services (1)
 Veteran Services (0)

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. The Board of Health has been particularly engaged in the Town's COVID-19 response. Other specific responsibilities include the licensing and inspection of food establishments, mobile food trucks, 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 well-being and enhance the quality of life for adults aged 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. Securing outpatient behavioral health care through the contracted INTERFACE Referral Helpline and strengthening the Hopkinton Organizing for Prevention coalition in primary prevention practice has been 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.

Culture & Recreation

	Appropriation	Request	\$ Change	% Change
	FY2020	FY2021	FY20-FY21	FY20-FY21
Personal Services	\$538,878	\$682,983	\$144,105	26.7%
Expenses	\$44,920	\$95,629	\$50,709	112.9%
Celebrations	\$2,000	\$2,000	\$0	0.0%
Total	\$585,798	\$780,612	\$194,814	33.3%

Culture & Recreation is comprised of the Hopkinton Public Library and historical activities. Full time paid employees:

Library (6) Historical Commission (0) Historic District Commission (0)
Townwide Celebrations (0) Parks and Recreation (1)

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 2021 include \$18,900 in dedicated State Aid, \$9,500 from the Crooks Trust, approximately \$44,000 from the McGovern Trust, approximately \$10,000 from the Friends of the Library, and \$9,000 in fines and fees for overdue, lost, and damaged materials.

Parks and Recreation: Programmatic/administrative costs and cost for maintaining the Town Common, EMC Park, Sandy Beach and other parks formerly supported through a subsidy from the General Fund to the Parks and Recreation Enterprise Fund will be funded as direct General Fund line items beginning in Fiscal Year 2021.

General Fund Debt Service and Employee Benefits & Insurance

	Appropriation	Request	\$ Change	% Change
	FY2020	FY2021	FY20-FY21	FY20-FY21
Debt Service				
Retirement of Debt	\$6,104,130	\$6,475,643	\$371,513	6.1%
Long Term Interest	\$2,273,357	\$2,515,723	\$242,366	10.7%
Short Term Interest	\$61,739	\$0	-\$61,739	-100.0%
Total	\$8,439,226	\$8,991,366	\$552,140	6.5%
Employee Benefits & Insurance				
Unemployment Insurance	\$105,000	\$105,000	\$0	0.0%
Medicare Tax	\$651,000	\$751,550	\$100,550	15.4%
Life Insurance Premiums	\$20,000	\$40,000	\$20,000	100.0%
Health Insurance Premium	\$7,607,616	\$8,543,549	\$935,933	12.3%
Middlesex County Retirement	\$2,486,832	\$2,486,832	\$0	0.0%
Drug and Alcohol Testing	\$3,000	\$5,000	\$2,000	66.7%
Blanket Insurance Premiums	\$592,000	\$686,539	\$94,539	16.0%
Total	\$11,465,448	\$12,618,470	\$1,153,022	10.1%

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 \$8,991,366 shown for General Fund debt includes both Town and State funding for school debt. Debt costs increase in FY 2021 due to borrowing for the construction of 16 new classrooms for the Hopkinton Public Schools, and 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 9.8%, which includes benefit costs for new staff, is a substantial cost increase factor in the FY 2021 budget.

Middlesex County Retirement contributions are level funding in the FY 2021 budget as retirement contributions are determined on a two year computational cycle. Notably, teachers 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 16%, reflecting changes in the assets covered such as new buildings, loss experience, and growth in the Town workforce.

Community Preservation

	Appropriation	Request	\$ Change	% Change
	FY2020	FY2021	FY20-FY21	FY20-FY21
CPA Administration				
Personal Services	\$11,000	\$11,330	\$330	3.0%
Expenses	\$49,100	\$49,100	\$0	0.0%
Total	\$60,100	\$60,430	\$330	0.5%
Debt Service				
Retirement of Debt	\$229,506	\$319,573	\$90,067	39.2%
Total	\$289,606	\$380,003	\$90,397	39.2%

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 11.57% in FY 2020 and is estimated to be 17.7% in FY 2021.

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 the Recreation category based on a vote at a prior Town Meeting, instead voting to fund a new Passive Recreation bucket. Once the funds in the Passive/Active 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 2021 Operating Budget.

	Opening Balance	Proposed FY21 Funding	Proposed ATM Spending (Including FY21 Requested Budget)	Unappropriated Balance
Open Space	\$845,881	\$141,084		\$986,965
Historic Resources	\$710,577	\$141,084	\$423,800	\$427,861
Community Housing	\$687,321	\$141,084		\$828,405
Passive Recreation	\$351,041		\$179,376	\$171,665
Passive/Active Recreation	\$2,668	\$141,084		\$143,752
Budgeted Reserve	\$694,794			\$694,794
Undesignated	\$1,225,663	\$846,512	\$455,003	\$1,617,172
Total CPC Funds	\$4,517,945	\$1,410,848	\$1,058,179	\$4,870,614

Sewer Enterprise Fund

	Appropriation	Request	\$ Change	% Change
	FY2020	FY2021	FY20-FY21	FY20-FY21
Personal Services	\$173,873	\$177,742	\$3,869	2.2%
Expenses	\$1,059,704	\$986,743	-\$72,961	-6.9%
Total	\$1,233,577	\$1,164,485	-\$69,092	-5.6%
Retirement of Debt	\$1,336,198	\$1,301,478	-\$34,721	-2.6%
Total	\$1,336,198	\$1,301,478	-\$34,721	-2.6%
Total Appropriation	\$2,569,776	\$2,465,963	-\$103,813	-4.0%
Indirect Costs				
Employee Benefits & Pensions	\$59,676	\$60,576	\$900	1.5%
Shared Employees	\$221,501	\$224,846	\$3,345	1.5%
Total	\$281,178	\$285,422	\$4,245	1.5%
Expense Grand Total	\$2,850,953	\$2,751,385	-\$99,568	-3.5%
Enterprise Revenue	\$2,850,953	\$2,751,385	-\$99,568	-3.5%

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 Select Board 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.

Water Enterprise Fund

	Appropriation	Request	\$ Change	% Change
	FY2020	FY2021	FY20-FY21	FY20-FY21
Personal Services	\$420,286	\$437,483	\$17,197	4.1%
Expenses	\$827,546	\$849,500	\$21,954	2.7%
Total	\$1,247,832	\$1,286,983	\$39,151	3.1%
Retirement of Debt	\$809,681	\$1,502,053	\$692,372	85.5%
Total	\$809,681	\$1,502,053	\$692,372	85.5%
Total Appropriation	\$2,057,513	\$2,789,036	\$731,523	35.6%
Indirect Costs				
Employee Benefits & Pensions	\$129,888	\$131,849	\$1,961	1.5%
Shared Employees	\$239,660	\$243,279	\$3,619	1.5%
Total	\$369,547	\$375,128	\$5,580	1.5%
Expense Grand Total	\$2,427,061	\$3,164,164	\$737,103	30.4%
Enterprise Revenue	\$2,427,061	\$3,164,164	\$737,103	30.4%

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 Select Board 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.

Parks & Recreation

	Appropriation	Request	\$ Change	% Change
	FY2020	FY2021	FY20-FY21	FY20-FY21
Personal Services	\$236,320		-\$236,320	-100.0%
Expenses	\$363,556	\$48,198	-\$315,358	-86.7%
Total	\$599,876	\$48,198	-\$551,678	-92.0%
Retirement of Debt	\$32,700.00	\$0	-\$32,700.00	-100.0%
Total	\$32,700.00	\$0	-\$32,700.00	-100.0%
Total Appropriation	\$632,576.00	\$48,198	-\$584,378.00	-92.4%
Indirect Costs				
Employee Benefits & Pensions	\$7,859.28		-\$7,859.28	-100.0%
Shared Employees	\$31,004.48	\$1,629	-\$29,375.48	-94.7%
Total	\$38,863.76	\$1,629	-\$37,234.76	-95.8%
Expense Grand Total	\$671,439.76	\$49,827	-\$621,612.76	-92.6%
Enterprise Revenue	\$522,459.00	\$49,827	-\$472,632.00	-90.5%
General Fund Subsidy	\$148,981.00	\$0	-\$148,981.00	-100.0%
Total Revenue	\$671,440.00	\$49,827	-\$621,613.00	-92.6%

Parks and Recreation (0)

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 works to continuously improve fields and parks to create family friendly places for everyone to enjoy. For FY 2021, the funding approach for this enterprise is changing to cover many

programmatic and administrative costs directly in the general fund in lieu of the operating subsidy used in previous years. Many programmatic costs will be covered in the General Fund; Fruit Street operations will be covered in this fund, and the User Fee activities will be covered in a separate existing revolving fund.

Capital items for the Parks and Recreation Enterprise Fund in the FY 2021 budget are funded through the Community Preservation Act, including \$75,000 for the design of a skate park at EMC Park.

Recommendations by Article

Article 1 - FY 2020 Supplemental Appropriations and Transfers

\$151,054 to Parks and Recreation Enterprise - Certified Free Cash
\$62,000 to Snow and Ice Removal; Source - Certified Free Cash
\$68,946 FY20 Parks and Recreation Deficit; Source - Parks and Recreation Certified Retained Earnings
Parks and Recreation adjustment to change funding method for Parks and Recreation Enterprise. 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 this through the use of Free Cash.

Article 2 - Unpaid Bills from Previous Fiscal Years

\$59,704.32; Source - \$5,497.32 from Sewer Enterprise Retained Earnings, \$44.93 from Water Enterprise Retained Earnings, \$54,162.07 from certified 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 3 - Excess Bond Premium

\$39,353.66; Source - Remaining net premium from issue of \$9,175,000 in bonds on 06/26/2019 and \$9,500,000 in bonds on 06/25/2020
Most bond premiums are used to lower the amount borrowed, but excess premiums arise from the rounded denominations of bonds issued, and those excess premiums are available for appropriation.

Article 4 - Personal Property

To raise the threshold for the minimum amount of personal business property subject to taxation from \$1,000 to \$2,500 for all fiscal years beginning on or after 1 July, 2020.

Article 5 - Set the Salary of Elected Officials

\$71,385.00; Source - Appropriation within Article 6 - Fiscal 2021 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 6 - Fiscal 2021 Operating Budget

General Fund - \$93,113,795; Source - Details within this report and Warrant Articles and Motions.
Community Preservation Fund - \$380,003
Sewer Enterprise Fund - \$2,465,963
Water Enterprise Fund - \$2,789,036
Parks and Recreation Enterprise Fund - \$48,198
Public, Educational, and Governmental Access Enterprise Fund - \$519,847

Article 7 - FY 2021 Revolving Funds Spending Limits

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 53 E/12:

- Building Department - \$270,000
- Part-Time Wire Inspector - \$100,000
- Part-Time Plumbing Inspector - \$100,000
- Hazardous Materials - \$15,000
- Conservation Commission - \$115,000
- Library - \$10,000
- Public Safety - \$5,000
- Planning Board - \$30,000
- Open Space Preservation Commission - \$10,000
- Youth and Family Services Department - \$4,000
- Zoning Board of Appeals - \$50,000
- Department of Public Works Trench Permitting - \$8,000
- Department of Public Works Trash Bag Fees - \$15,000
- Department of Public Works Recycling - \$8,000
- Cemetery Commission - \$3,500
- Cemetery Lot Fund - \$10,000
- School Department Laptop Initiative - \$470,000
- Fingerprinting Fund - \$500
- Senior Center Programs Fund - \$75,000
- Police Department - \$10,000

Article 8 - Chapter 90 Highway Funds

\$639,701; 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 9 - Transfer to Other Post-Employment Benefits Liability Trust Fund

\$400,000; Source - Certified Free Cash

The Town continues to pay into the unfunded liability for OBEP, as addressed in a separate section of this report.

Article 10 - Lease of East Main St. Parcel for International Marathon Center

To lease a portion of a parcel of land located at 45 East Main Street for a term not to exceed 99 years, for the purpose of constructing, maintaining, and operating an International Marathon Center or facility as reasonably determined by the Select Board, and on such terms and conditions as the Select Board deem to be in the best interests of the Town, to the winner of a competitive bid selection process

Article 11 – Community Preservation Funds

From FY2021 estimated revenues for Active/Passive Recreation	\$141,084
From FY2021 estimated revenues for Historic Resources Reserve	\$141,084
From FY2021 estimated revenues for Community Housing Reserve	\$141,084
From FY2021 estimated revenues for Budgeted Reserve	\$846,512

Article 12 – Community Preservation Recommendations

\$678,176 Source - Community Preservation Act Funds

\$20,000 (TWENTY THOUSAND DOLLARS) from funds reserved for Historical Preservation for the preservation of Town Records in the Town Hall basement, with funds being expended based on the age of record, extent of damage, and the importance of contents. Said sum to be spent under the direction of the Hopkinton Town Clerk and the Community Preservation Committee.

\$3,800 (THREE THOUSAND EIGHT HUNDRED DOLLARS) from funds reserved for Historical Preservation for a Historical Property Survey. The Survey will cover all of Summer Street, Main Street odd numbers 81-95, and even numbers 70-92 Main Street (omitting the police station). Said sum to be spent under the direction of the Hopkinton Historic District Commission and the Community Preservation Committee.

\$400,000 (FOUR HUNDRED THOUSAND DOLLARS) from funds reserved for Historical Preservation for improvements to the Exterior of the Hopkinton Center for the Arts, Terry Family Farmhouse, 98 Hayden Rowe, shown as Assessors Map parcel U22 1 0; said sum to be spent under the direction of the Hopkinton Historical Society and the Community Preservation Committee.

\$25,000 (TWENTY FIVE THOUSAND DOLLARS) from funds reserved for Passive Recreation for the construction of an Aikens Park Trail to Stone Bridge segment, located along Rt. 85, shown as Assessors Map parcel R4 22 0; said sum to be spent under the direction of the Hopkinton Historical Commission and the Community Preservation Committee.

\$60,000 (SIXTY THOUSAND DOLLARS) From funds reserved for Passive for the purchase of 1 parcel for the continuation of the Upper Charles Trail; parcel (Kelleigh) known as the "Railroad bed" approximately 1600 feet long; said sum to be spent under the direction of The Upper Charles Trail and Community Preservation Committee.

\$74,376 (SEVENTY FOUR THOUSAND THREE HUNDRED SEVENTY SIX DOLLARS) from funds reserved for Passive Recreation for the construction of a Campus Trail Connector, located at 0 McDermott Lane (directly across from EMC Playground), shown as Assessors Map parcel U22 5 A; said sum to be spent under the direction of the Upper Charles Trail Committee and the Community Preservation Committee.

\$20,000 (TWENTY THOUSAND SIX DOLLARS) from funds reserved for Passive Recreation for the construction of Hughes Trail Phase 2, Located at the Western End of the Hughes Trail Property, shown as Assessors Map parcel R30-132-0, R30-131-0,R30-2-A and R30-2-0; said sum to be spent under the direction of the Trail Coordination and Management Committee and the Community Preservation Committee.

\$75,000 (SEVENTY FIVE THOUSAND DOLLARS) from Undesignated funds for a drainage study for a skate park located at 113 Hayden Rowe, shown as Assessors Map parcel U22 19 A; The funds includes the design of the storm water system, design and bid for the skate park. Said sums to be spent under the direction of the Parks and Recreation Department and the Community Preservation Committee.

Article 20 – Land Acquisition – Liberty Mutual Property

This citizen petition is to authorize the Select Board to pursue the purchase of the Liberty Mutual Property with cost and financing unspecified.

			FY20 Enacted	FY21 Town Mgr. Recommend	FY21 Select Board	FY21 Appropriation Committee
<u>FUND 1000: GENERAL FUND</u>						
<u>General Government</u>						
122	Select Board					
	Expenses		\$2,000	\$2,000	\$2,000	
	Total		\$2,000	\$2,000	\$2,000	\$2,000
123	Town Manager					
	Personal Services		\$426,250	\$437,528	\$437,528	
	Expenses		\$29,300	\$32,550	\$32,550	
	Total		\$455,550	\$470,078	\$470,078	\$470,078
131	Appropriation Committee					
	Expenses		\$500	\$500	\$500	
	Reserve Fund		\$125,000	\$125,000	\$125,000	
	Total		\$125,500	\$125,500	\$125,500	\$125,500
133	Accounting					
	Personal Services		\$278,566	\$191,676	\$191,676	
	Expenses		\$26,500	\$28,950	\$28,950	
	Total		\$305,066	\$220,626	\$220,626	\$220,626
135	Administration					
	Personal Services		\$132,600	\$134,589	\$134,589	
	Expenses		\$2,500	\$2,000	\$2,000	
	Total		\$135,100	\$136,589	\$136,589	\$136,589
137	Procurement & Grants					
	Personal Services		\$0	\$75,000	\$75,000	
	Expenses		\$0	\$5,000	\$5,000	
	Total		\$0	\$80,000	\$80,000	\$80,000

		FY20 Enacted	FY21 Town Mgr. Recommend	FY21 Select Board	FY21 Appropriation Committee
141	Assessors				
	Personal Services	\$198,887	\$206,001	\$206,001	
	Expenses	\$14,000	\$17,300	\$17,300	
	Appraisal Services	\$109,000	\$151,500	\$151,500	
	Total	\$321,887	\$374,801	\$374,801	\$374,801
145	Treasurer/Collector				
	Personal Services	\$303,256	\$298,817	\$298,817	
	Expenses	\$80,500	\$80,000	\$80,000	
	Total	\$383,756	\$378,817	\$378,817	\$378,817
151	Legal				
	Legal Counsel	\$255,000	\$275,000	\$275,000	
	Total	\$255,000	\$275,000	\$275,000	\$275,000
152	Human Resources				
	Personal Services	\$219,325	\$223,793	\$223,793	
	Compensation Contingency	\$500,890	\$325,000	\$325,000	
	Expenses	\$123,636	\$124,236	\$124,236	
	Total	\$843,851	\$673,029	\$673,029	\$673,029
155	Information Technology				
	Personal Services	\$298,620	\$303,161	\$303,161	
	Expenses	\$536,476	\$547,184	\$547,184	
	Total	\$835,096	\$850,345	\$850,345	\$850,345
161	Town Clerk				
	Personal Services	\$128,938	\$130,795	\$130,795	
	Expenses	\$7,709	\$7,302	\$7,302	
	Total	\$136,646	\$138,097	\$138,097	\$138,097
162	Election & Registration				
	Personal Services	\$18,308	\$25,883	\$25,883	
	Expenses	\$18,488	\$21,261	\$21,261	
	Total	\$36,795	\$47,144	\$47,144	\$47,144

		FY20 Enacted	FY21 Town Mgr. Recommend	FY21 Select Board	FY21 Appropriation Committee
170	Land Use, Planning & Permitting				
	Personal Services	\$505,841	\$525,150	\$525,150	
	Expenses	\$20,330	\$20,300	\$20,300	
	Total	\$526,171	\$545,450	\$545,450	\$545,450
177	Green Committee				
	Expenses	\$0	0	0	
	Total	\$0	\$0	\$0	\$0
173	Open Space Committee				
	Expenses	\$3,000	\$12,100	\$12,100	
	Total	\$3,000	\$12,100	\$12,100	\$12,100
187	Trail Committees				
	Upper Charles Tr. Comm. Expenses	\$52,950	\$50,679	\$50,679	
	Trails Coord. Mgt. Comm. Expenses		\$36,081	\$36,081	
	Total	\$52,950	\$86,760	\$86,760	\$86,760
192	Town Hall				
	Expenses	\$8,270	\$8,270	\$8,270	
	Total	\$8,270	\$8,270	\$8,270	\$8,270
194	Cable Committee				
	Expenses	\$0	0	0	
	Total	\$0	\$0	\$0	\$0
199	Other General Government				
	Town Reports	\$5,000	\$5,000	\$5,000	
	Audit	\$48,000	\$48,000	\$48,000	
	Transfer: Water Ent., Fire Prot.	\$297,856	\$297,856	\$297,856	
	Total	\$350,856	\$350,856	\$350,856	\$350,856
	Total General Government	\$4,777,494	\$4,775,461	\$4,775,461	\$4,775,461

		FY20 Enacted	FY21 Town Mgr. Recommend	FY21 Select Board	FY21 Appropriation Committee
Public Safety					
210	Police				
	Personal Services	\$2,654,418	\$2,692,516	\$2,692,516	
	Expenses	\$175,906	\$162,506	\$162,506	
	Auxiliary Police Expenses	\$3,000	\$3,000	\$3,000	
	Total	\$2,833,324	\$2,858,022	\$2,858,022	\$2,858,022
214	Communications				
	Personal Services	\$583,999	\$648,978	\$648,978	
	Expenses	\$14,950	\$40,030	\$40,030	
	Total	\$598,949	\$689,008	\$689,008	\$689,008
220	Fire				
	Personal Services	\$2,879,521	\$3,096,078	\$3,096,078	
	Expenses	\$243,507	\$286,300	\$286,300	
	Total	\$3,123,028	\$3,382,378	\$3,382,378	\$3,382,378
244	Sealer of Weights & Measures				
	Personal Services	\$3,320	\$3,320	\$3,320	
	Expenses	\$1,300	\$1,300	\$1,300	
	Total	\$4,620	\$4,620	\$4,620	\$4,620
292	Animal Control				
	Personal Services	\$34,720	\$34,118	\$34,118	
	Expenses	\$7,000	\$7,000	\$7,000	
	Total	\$41,720	\$41,118	\$41,118	\$41,118
	Total Public Safety	\$6,601,642	\$6,975,145	\$6,975,145	\$6,975,145

			FY20 Enacted	FY21 Town Mgr. Recommend	FY21 Select Board	FY21 Appropriation Committee
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Education					
300	Hopkinton Public Schools				
	Hopkinton Public Schools	\$48,044,950	\$51,206,402	\$51,206,402	
	Total	\$48,044,950	\$51,206,402	\$51,206,402	\$51,206,402
800	Regional Technical Vocational School				
	Regional Schools	\$599,556	\$676,913	\$676,913	
	Total	\$599,556	\$676,913	\$676,913	\$676,913
Total Education		\$48,644,506	\$51,883,315	\$51,883,315	\$51,883,315

		FY20 Enacted	FY21 Town Mgr. Recommend	FY21 Select Board	FY21 Appropriation Committee
Public Works					
410	Engineering & Facilities				
	Personal Services	\$285,123	\$314,907	\$314,907	
	Expenses	\$986,736	\$985,736	\$985,736	
	Total	\$1,271,859	\$1,300,643	\$1,300,643	\$1,300,643
420	Public Works Administration				
	Personal Services	\$426,624	\$447,884	\$447,884	
	Total	\$426,624	\$447,884	\$447,884	\$447,884
422	Highway				
	Personal Services	\$874,291	\$901,019	\$901,019	
	Expenses	\$574,325	\$603,200	\$603,200	
	Sidewalk Maintenance	\$50,000	\$50,000	\$50,000	
	Pavement Management	\$501,000	\$501,000	\$501,000	
	Stormwater System	\$370,000	\$370,000	\$370,000	
	Parks & Recreation Facility Support		\$90,000	\$90,000	
	Lake Maspenock Weed Control	\$60,000	\$60,000	\$60,000	
	Total	\$2,429,616	\$2,575,219	\$2,575,219	\$2,575,219
423	Snow & Ice				
	Snow & Ice Control	\$350,000	\$350,000	\$350,000	
	Total	\$350,000	\$350,000	\$350,000	\$350,000
424	Street Lighting				
	Street Lights	\$33,000	\$33,000	\$33,000	
	Total	\$33,000	\$33,000	\$33,000	\$33,000
426	Traffic Control				
	Traffic Lights	\$25,000	\$25,000	\$25,000	
	Total	\$25,000	\$25,000	\$25,000	\$25,000
427	Tree Warden				
	Personal Services	\$14,354	\$14,354	\$14,354	
	Expenses	\$50,000	\$150,000	\$150,000	
	Total	\$64,354	\$164,354	\$164,354	\$164,354

		FY20 Enacted	FY21 Town Mgr. Recommend	FY21 Select Board	FY21 Appropriation Committee
429	Other Storm Control				
	Storm Control	\$10,000	\$10,000	\$10,000	
	Total	\$10,000	\$10,000	\$10,000	\$10,000
433	Waste Collection & Disposal				
	Recycling Salaries	\$17,632	\$17,632	\$17,632	
	Rubbish Collection/Disposal	\$456,607	\$468,030	\$468,030	
	Rubbish Disposal	\$350,000	\$360,000	\$360,000	
	Recycling Expense	\$10,000	\$10,000	\$10,000	
	Recycling Collection/Disposal	\$214,873	\$220,250	\$220,250	
	Household Hazardous Waste	\$14,000	\$14,000	\$14,000	
	Total	\$1,063,112	\$1,089,912	\$1,089,912	\$1,089,912
491	Cemetery Commission				
	Personal Services	\$200	\$200	\$200	
	Expenses	\$1,000	\$1,000	\$1,000	
	Total	\$1,200	\$1,200	\$1,200	\$1,200
	Total Public Works	\$5,674,765	\$5,997,212	\$5,997,212	\$5,997,212

		FY20 Enacted	FY21 Town Mgr. Recommend	FY21 Select Board	FY21 Appropriation Committee
<u>Health and Human Services</u>					
511	Board of Health				
	Personal Services	\$206,956	\$210,169	\$210,169	
	Expenses	\$79,060	\$79,060	\$79,060	
	Total	\$286,016	\$289,229	\$289,229	\$289,229
541	Senior Center				
	Personal Services	\$330,323	\$423,986	\$423,986	
	Expenses	\$61,750	\$40,655	\$40,655	
	Total	\$392,073	\$464,641	\$464,641	\$464,641
542	Youth & Family Services				
	Personal Services	\$108,160	\$137,944	\$137,944	
	Expenses	\$55,670	\$78,670	\$78,670	
	Total	\$163,830	\$216,614	\$216,614	\$216,614
543	Veterans Services				
	Veterans District	\$46,656	\$45,429	\$45,429	
	Veterans Service Benefits	\$70,000	\$75,000	\$75,000	
	Veterans Supplies	\$1,300	\$1,300	\$1,300	
	Total	\$117,956	\$121,729	\$121,729	\$121,729
Total Health & Human Services		\$959,874	\$1,092,214	\$1,092,214	\$1,092,214

		FY20 Enacted	FY21 Town Mgr. Recommend	FY21 Select Board	FY21 Appropriation Committee
<u>Culture and Recreation</u>					
610	Library				
	Personal Services	\$538,878	\$548,092	\$548,092	
	Expenses	\$43,370	\$47,365	\$47,365	
	Total	\$582,248	\$595,457	\$595,457	\$595,457
620	Parks and Recreation				
	Personal Services		\$134,891	\$134,891	
	Expenses		\$14,000	\$14,000	
	Rec Facility Debt Service		\$32,714	\$32,714	
	Total	\$0	\$181,605	\$181,605	\$181,605
691	Historic Commission				
	Expenses	\$1,000	\$1,000	\$1,000	
	Total	\$1,000	\$1,000	\$1,000	\$1,000
692	Celebrations				
	Memorial Day	\$2,000	\$2,000	\$2,000	
	Total	\$2,000	\$2,000	\$2,000	\$2,000
692	Townwide Celebration - Hopkinton Day				
	Expenses	\$0	0	0	
	Total	\$0	\$0	\$0	\$0
695	Historic District Commission				
	Expenses	\$550	\$550	\$550	
	Total	\$550	\$550	\$550	\$550
Total Culture & Recreation		\$585,798	\$599,007	\$780,612	\$599,007

		FY20 Enacted	FY21 Town Mgr. Recommend	FY21 Select Board	FY21 Appropriation Committee
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Debt Service					
700	Debt Service				
	Retirement of Debt	\$6,104,130	\$6,475,643	\$6,475,643	
	Long Term Interest	\$2,335,096	\$2,515,723	\$2,515,723	
	Authorized/Unissued	\$0	0	0	
	Total Debt Service	\$8,439,226	\$8,991,366	\$8,991,366	\$8,991,366
Employee Benefits&Insurance					
910	Employee Benefits & Insurance				
	Unemployment Insurance	\$105,000	\$105,000	\$105,000	
	Medicare Tax	\$651,000	\$751,550	\$751,550	
	Life Insurance Premiums	\$20,000	\$40,000	\$40,000	
	Health Insurance Premium	\$7,607,616	\$8,543,549	\$8,543,549	
	Middlesex County Retirement	\$2,486,832	\$2,486,832	\$2,486,832	
	Drug and Alcohol Testing	\$3,000	\$5,000	\$5,000	
	Blanket Insurance Premiums	\$592,000	\$686,539	\$686,539	
	Total Employee Benefits & Insurance	\$11,465,448	\$12,618,470	\$12,618,470	\$12,618,470
	Total General Fund	\$87,148,752	\$92,932,190	\$93,113,795	\$92,932,190
FUND 2400: COMMUNITY PRESERVATION					
193	CPA Administration				
	Personal Services	\$11,000	\$11,330	\$11,330	
	Expenses	\$49,100	\$49,100	\$49,100	
	Total	\$60,100	\$60,430	\$60,430	\$60,430
700	Debt Service				
	Retirement of Debt	\$229,506	\$319,573	\$319,573	
	Total	\$229,506	\$319,573	\$319,573	\$319,573
	Total Community Preservation	\$289,606	\$380,003	\$380,003	\$380,003

		FY20 Enacted	FY21 Town Mgr. Recommend	FY21 Select Board	FY21 Appropriation Committee
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FUND 6000: SEWER ENTERPRISE					
Direct Costs					
440	Sewer				
	Personal Services	\$173,873	\$177,742	\$177,742	
	Expenses	\$1,059,704	\$986,743	\$986,743	
	Total	\$1,233,577	\$1,164,485	\$1,164,485	\$1,164,485
700	Debt Service				
	Retirement of Debt	\$1,336,198	\$1,301,478	\$1,301,478	
	Total	\$1,336,198	\$1,301,478	\$1,301,478	\$1,301,478
	Appropriation	\$2,569,776	\$2,465,963	\$2,465,963	\$2,465,963
Indirect Costs					
	Employee Benefits & Pensions	\$59,676	\$60,576	\$60,576	
	Shared Employees	\$221,501	\$224,846	\$224,846	
	Indirect Cost Total	\$281,178	\$285,422	\$285,422	\$285,422
	Total Sewer Enterprise	\$2,850,953	\$2,751,385	\$2,751,385	\$2,751,385
FUND 6100: WATER ENTERPRISE					
Direct Costs					
450	Water				
	Personal Services	\$420,286	\$437,483	\$437,483	
	Expenses	\$827,546	\$849,500	\$849,500	
	Total	\$1,247,832	\$1,286,983	\$1,286,983	\$1,286,983
700	Debt Service				
	Retirement of Debt	\$809,681	\$1,502,053	\$1,502,053	
	Total	\$809,681	\$1,502,053	\$1,502,053	\$1,502,053
	Appropriation	\$2,057,513	\$2,789,036	\$2,789,036	\$2,789,036
Indirect Costs					
	Employee Benefits & Pensions	\$129,888	\$131,849	\$131,849	
	Shared Employees	\$239,660	\$243,279	\$243,279	
	Total	\$369,547	\$375,128	\$375,128	\$375,128
	Total Water Enterprise	\$2,427,061	\$3,164,164	\$3,164,164	\$3,164,164

		FY20 Enacted	FY21 Town Mgr. Recommend	FY21 Select Board	FY21 Appropriation Committee
FUND 6200: PARKS & RECREATION					
Direct Costs					
630	Parks & Recreation				
	Personal Services	\$236,320	\$0		
	Expenses	\$363,556	\$0		
	Fruit Street Facility Operation		\$48,198	\$48,198	
	Total	\$599,876	\$48,198	\$48,198	\$48,198
700	Debt Service				
	Retirement of Debt	\$32,700			
	Total	\$32,700	\$0	\$0	\$0
Indirect Costs					
	Employee Benefits & Pensions	\$7,859			
	Shared Employees	\$31,004	\$1,629	\$1,629	
	Shared Facility		\$0	\$0	
	Other (Workers comp)				
	Total	\$38,864	\$1,629	\$1,629	\$1,629
	Total Park and Recreation	\$671,440	\$49,827	\$49,827	\$49,827
FUND 6300: PEG ACCESS					
Direct Costs					
630	PEG Access				
	Personal Services	\$50,000	\$253,000	\$253,000	
	Expenses		\$86,847	\$86,847	
	Capital Budget		\$180,000	\$180,000	
	Total	\$50,000	\$519,847	\$519,847	\$519,847
	Total PEG Access Enterprise Fund	\$50,000	\$519,847	\$519,847	\$519,847

Appropriation Summary*				
Fund 1000: General Fund	\$87,148,752	\$92,932,190	\$93,113,795	\$92,932,190
Fund 2400: Community Preservation	\$289,606	\$380,003	\$380,003	\$380,003
Fund 6000: Sewer Enterprise	\$2,850,953	\$2,751,385	\$2,751,385	\$2,751,385
Fund 6100: Water Enterprise	\$2,427,061	\$3,164,164	\$3,164,164	\$3,164,164
Fund 6200: Parks & Recreation Enterprise	\$671,440	\$49,827	\$49,827	\$49,827
Fund 6300: PEG Access Enterprise	\$50,000	\$519,847	\$519,847	\$519,847
Total	\$93,387,812	\$99,277,568	\$99,979,020	\$99,277,568

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 Select Board 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 Select Board 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	FY21	FY22	FY23	FY24		Final Payment
Purpose	Total	Total	Total	Total	Thereafter	Fiscal Year
ADA Compliance	\$10,825	\$5,500	\$5,300	\$6,075	\$21,825	FY28
ADA Compliance	\$17,425	\$16,775	\$16,125	\$16,450	\$45,150	FY27
ADA Compliance - Town and School	\$21,000	\$0	\$0	\$0	\$0	FY21
Bucket Truck - DPW	\$24,897	\$23,250	\$22,250	\$21,250	\$15,375	FY25
Campus Master Plan	\$113,927	\$106,625	\$101,875	\$92,250	\$0	FY24
Center School Heating System	\$23,110	\$17,335	\$16,685	\$17,010	\$61,110	FY28
Center School Replacement Study	\$49,263	\$47,513	\$40,763	\$39,263	\$420,825	FY36
DPW Dump Truck	\$31,500	\$0	\$0	\$0	\$0	FY21
DPW Facility Building	\$1,008,650	\$981,150	\$948,775	\$921,525	\$13,696,106	FY36
Dump Truck	\$43,000	\$41,000	\$0	\$0	\$0	FY22
Elementary School Building	\$2,090,738	\$2,029,488	\$1,968,238	\$1,906,988	\$24,530,272	FY47
Elmwood Modular Classrooms	\$153,139	\$150,050	\$145,300	\$140,550	\$1,745,400	FY40
Elmwood School Modular Classrooms	\$16,075	\$15,425	\$15,750	\$15,050	\$14,350	FY25
Elmwood School Renovations	\$103,788	\$101,888	\$99,988	\$98,088	\$96,069	FY25
Fire Alarm Middle School	\$21,000	\$0	\$0	\$0	\$0	FY21
Fire Station Renovations	\$23,850	\$22,950	\$22,050	\$21,150	\$58,050	FY27
Fire Station Roof	\$46,469	\$44,969	\$43,469	\$37,094	\$424,078	FY38
Fire Truck	\$105,000	\$0	\$0	\$0	\$0	FY21
Fruit St Land	\$169,784	\$158,916	\$0	\$0	\$0	FY22
Hayden Rowe Salt Shed	\$56,250	\$53,750	\$51,250	\$0	\$0	FY23
Hayden Rowe Traffic Improvements	\$103,688	\$100,188	\$96,688	\$93,188	\$714,831	FY24

High School Addition	\$265,993	\$262,200	\$294,500	\$247,700	\$4,791,550	FY50
High School Athletic Fields Renovations	\$10,250	\$0	\$0	\$0	\$0	FY21
High School Construction Refund	\$1,530,000	\$0	\$0	\$0	\$0	FY21
High School Loop Road Renovations	\$10,250	\$0	\$0	\$0	\$0	FY21
High School Turf Field	\$187,134	\$173,640	\$167,640	\$161,640	\$1,351,020	FY34
Hopkins Modular Classrooms	\$226,625	\$222,100	\$215,100	\$208,100	\$2,630,800	FY40
HS & Hopkins Roof	\$86,700	\$83,700	\$80,700	\$77,700	\$803,719	FY36
HS Loop Road Entrance Improvements	\$11,800	\$11,300	\$10,800	\$5,300	\$10,300	FY26
Information Technology	\$36,750	\$0	\$0	\$0	\$0	FY23
Joint Safety/Security	\$15,750	\$0	\$0	\$0	\$0	FY21
Library Building	\$483,324	\$468,241	\$456,041	\$443,841	\$7,268,069	FY47
Main Street Corridor	\$92,299	\$85,250	\$82,250	\$79,250	\$620,650	FY35
Main Street Fire Station Roof	\$29,175	\$28,175	\$27,175	\$26,175	\$280,550	FY36
Middle School Auditorium	\$6,633	\$6,106	\$5,906	\$5,706	\$62,744	FY40
Middle School Repairs	\$11,925	\$11,475	\$11,025	\$10,575	\$29,025	FY27

Middle School Wall/Roof Repairs	\$10,250	\$0	\$0	\$0	\$0	FY21
Middle School Walls and Roof	\$36,795	\$35,445	\$34,095	\$31,770	\$117,870	FY28
Middle School Walls and Roof	\$67,950	\$64,475	\$61,050	\$59,625	\$216,000	FY28
Multi-Purpose Tractor - DPW	\$47,341	\$40,375	\$33,750	\$32,250	\$30,750	FY25
Municipal Parking - 6 Walcott Street	\$43,041	\$39,555	\$38,305	\$37,055	\$470,253	FY40
Police Station Construction	\$36,750	\$36,050	\$35,350	\$0	\$0	FY23
Police Station Construction	\$239,650	\$225,250	\$216,000	\$196,950	\$0	FY24
Prop Acq 102 Fruit Street	\$195,138	\$188,388	\$176,638	\$170,138	\$1,823,575	FY36

Prop Acq 135 Hayden Rowe	\$138,281	\$133,531	\$128,781	\$124,031	\$1,319,163	FY36
Prop Acq 147 Hayden Rowe	\$116,000	\$112,000	\$108,000	\$104,000	\$1,090,144	FY36
Prop Acq 15 Claflin	\$21,056	\$20,306	\$19,556	\$18,806	\$172,481	FY36
Public Safety Software	\$51,394	\$47,575	\$45,825	\$44,075	\$220,000	FY30
Resurface Basketball Courts	\$10,500	\$0	\$0	\$0	\$0	FY21
School Building & Grounds Renovations	\$33,125	\$31,775	\$30,425	\$29,075	\$28,700	FY25
School Bus Parking Lot	\$31,392	\$28,968	\$27,968	\$26,968	\$226,071	FY35
School Improvements	\$14,219	\$13,117	\$8,767	\$10,467	\$130,150	FY40
School Safety/Security	\$36,750	\$0	\$0	\$0	\$0	FY23
School St/West Main St Traffic Signal	\$53,000	\$52,000	\$51,000	\$0	\$0	FY23
School Technology	\$27,510	\$25,550	\$24,550	\$18,675	\$82,350	FY29
Security Cameras - School	\$49,509	\$46,250	\$39,375	\$37,625	\$35,875	FY25
Senior Center Construction	\$102,125	\$94,175	\$89,350	\$85,550	\$160,625	FY26
Senior Center Construction	\$143,975	\$137,350	\$131,750	\$127,125	\$237,300	FY26
Senior Center Water Main	\$5,375	\$5,125	\$0	\$0	\$0	FY22
Senior Center Construction	\$5,250	\$5,150	\$5,050	\$0	\$0	FY23
Sidewalk Construction	\$148,563	\$142,813	\$137,063	\$131,313	\$729,538	FY30
Title V - Septic Program	\$9,243	\$9,458	\$9,458	\$0	\$0	FY23
Title V - Septic Program	\$10,000	\$10,000	\$10,000	\$10,000	\$20,000	FY26
Title V - Septic Program	\$10,000	\$10,000	\$10,000	\$10,000	\$30,000	FY26
Title V - Septic Program	\$10,000	\$10,000	\$10,000	\$10,000	\$70,000	FY26
Title V - Septic Program	\$25,000	\$25,000	\$25,000	\$25,000	\$175,000	FY31
Town Hall Basement	\$12,100	\$11,600	\$11,100	\$10,600	\$20,600	FY26
Town Hall Roof Improvements	\$12,100	\$11,600	\$11,100	\$10,600	\$20,600	FY26
Total	\$7,326,669	\$6,832,291	\$6,394,381	\$6,019,427	\$66,932,423	

C. Current Debt Payments and Forecast

General Fund Debt		
	Current Debt P&I	Current + Authorized P&I
<i>FY17*</i>	\$7,398,886.00	\$7,398,886.00
<i>FY18*</i>	\$6,216,354.00	\$6,216,354.00
<i>FY19*</i>	\$7,939,618.00	\$7,939,618.00
<i>FY20*</i>	\$6,890,401.00	\$6,890,401.00
<i>FY21*</i>	\$7,326,669.08	\$7,428,439.30
<i>FY22</i>	\$6,832,290.65	\$7,071,745.44
<i>FY23</i>	\$6,394,380.80	\$6,611,027.65
<i>FY24</i>	\$6,019,427.47	\$6,234,528.60
<i>FY25</i>	\$5,558,292.21	\$5,767,772.33
<i>FY26</i>	\$5,174,194.12	\$5,377,609.48
<i>FY27</i>	\$4,796,553.56	\$4,993,580.24
<i>FY28</i>	\$4,612,075.69	\$4,802,464.45
<i>FY29</i>	\$4,400,767.20	\$4,584,251.35
<i>FY30</i>	\$4,302,626.76	\$4,480,826.12
<i>FY31</i>	\$4,054,998.05	\$4,232,846.16
<i>FY32</i>	\$3,923,692.59	\$4,101,443.42
<i>FY33</i>	\$3,839,780.61	\$4,017,588.87
<i>FY34</i>	\$3,681,781.11	\$3,859,684.04
<i>FY35</i>	\$3,436,062.35	\$3,614,106.95
<i>FY36</i>	\$3,313,040.67	\$3,491,226.04
<i>FY37</i>	\$2,666,567.87	\$2,844,683.04
<i>FY38</i>	\$2,602,015.00	\$2,776,904.86
<i>FY39</i>	\$1,479,165.00	\$1,650,629.40
<i>FY40</i>	\$1,439,153.76	\$1,607,222.32
<i>FY41</i>	\$1,123,281.24	\$1,233,267.05
<i>FY42</i>	\$1,092,288.76	\$1,174,545.29
<i>FY43</i>	\$1,061,296.24	\$1,142,027.93
<i>FY44</i>	\$1,030,303.76	\$1,108,239.92
<i>FY45</i>	\$999,311.24	\$1,075,891.99
<i>FY46</i>	\$968,318.76	\$1,042,984.99
<i>FY47</i>	\$937,116.24	\$1,010,528.71
<i>FY48</i>	\$149,870.00	\$221,198.53

FY49	\$146,580.00	\$216,891.97
FY50	\$143,290.00	\$212,585.41
Total FY21-FY50	\$93,505,190.79	\$97,986,741.85

*Amounts shown are net of state MSBA school construction reimbursement, Library Foundation 2021 reimbursement, and debt premium amortization through 2036.

**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 15-30 years of borrowing time and 1.9% annual interest.

Parks and Recreation Funds	
	Current Debt P&I
FY17	\$40,850.00
FY18	\$39,800.00
FY19	\$38,750.00
FY20	\$32,700.00
FY21	\$31,800.00
FY22	\$31,200.00
FY23	\$30,600.00
Total FY21 - FY23	\$93,600.00

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

Community Preservation Act Funds	
	Current Debt P&I
FY17	<i>\$250,826.00</i>
FY18	<i>\$195,719.00</i>
FY19	<i>\$232,581.00</i>
FY20	<i>\$218,593.75</i>
FY21	<i>\$319,572.50</i>
FY22	<i>\$301,618.75</i>
FY23	<i>\$293,018.75</i>
FY24	<i>\$149,543.75</i>
FY25	<i>\$144,543.75</i>
FY26	<i>\$139,543.75</i>
FY27	<i>\$134,643.75</i>
FY28	<i>\$129,943.75</i>
FY29	<i>\$126,468.75</i>
FY30	<i>\$54,775.00</i>
FY31	<i>\$53,675.00</i>
FY32	<i>\$52,450.00</i>
FY33	<i>\$51,193.75</i>
FY34	<i>\$49,937.50</i>
FY35	<i>\$48,625.00</i>
FY36	<i>\$47,250.00</i>
FY37	<i>\$20,900.00</i>
FY38	<i>\$20,300.00</i>
Total FY21 - FY38	\$2,138,003.75

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

Water Enterprise Fund	
	Current Debt P&I
FY17	\$529,658.85
FY18	\$700,847.45
FY19	\$858,791.98
FY20	\$755,332.49
FY21	\$907,545.93
FY22	\$747,363.33
FY23	\$677,688.36
FY24	\$647,394.91
FY25	\$628,799.45
FY26	\$531,002.42
FY27	\$503,628.27
FY28	\$422,197.43
FY29	\$340,705.01
FY30	\$334,251.88
FY31	\$327,498.75
FY32	\$305,642.50
FY33	\$299,297.50
FY34	\$282,962.50
FY35	\$266,600.61
FY36	\$260,235.00
FY37	\$253,880.00
FY38	\$232,732.50
FY39	\$148,005.00
FY40	\$144,416.25
FY41	\$37,068.75
FY42	\$35,981.25
FY43	\$34,893.75
FY44	\$33,806.25
FY45	\$32,718.75
FY46	\$31,631.25
FY47	\$30,543.75
Total FY21 - FY47	\$8,498,491.35

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

Sewer Enterprise Fund	
	Current Debt P&I
FY17	<i>\$1,905,265.00</i>
FY18	<i>\$1,741,074.69</i>
FY19	<i>\$1,701,386.47</i>
FY20	<i>\$1,331,098.19</i>
FY21	<i>\$1,296,982.73</i>
FY22	<i>\$990,444.64</i>
FY23	<i>\$981,699.61</i>
FY24	<i>\$912,717.62</i>
FY25	<i>\$906,460.91</i>
FY26	<i>\$812,249.31</i>
FY27	<i>\$806,574.47</i>
FY28	<i>\$788,851.06</i>
FY29	<i>\$776,312.90</i>
FY30	<i>\$772,934.94</i>
FY31	<i>\$669,539.87</i>
FY32	<i>\$289,233.76</i>
FY33	<i>\$289,232.79</i>
FY34	<i>\$767.75</i>
FY35	<i>\$767.75</i>
FY36	<i>\$767.75</i>
Total FY21 - FY36	\$10,295,537.86

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