




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

TO: Town of Hopkinton Select Board
FROM: Norman Khumalo, Town Manager 
DATE: February 4, 2022
RE: Revised Fiscal Year (FY) 2023 Comprehensive Budget Transmittal
REF: (A) My Memo of 1/28/22, FY23 Comprehensive Budget Transmittal

Reference (A) provided an initial budget recommendation based on a careful review of prospective sources and uses of funds. In response to a material, unexpected industrial tax appeal, the revised budget proposal raises the estimated contribution to the FY 2023 overlay account from \$1.0 million to \$2.5 million to ensure fiscal stability. This action creates a \$1.5 shortfall in the budget proposal forwarded in reference (A). The table below identifies the summary level changes proposed to address \$1.0 million of that \$1.5 million shortfall, with detailed impacts shown in revisions to enclosures (1), (2), and (3). These proposed adjustments produce no changes to tax impact or capital plans; but enclosures (4), (5), and (6) detailing those matters are provided again, without revision, for your convenience. Likewise, reference (A) is provided as enclosure (7) for your convenience.

The additional \$500,000 adjustment required to achieve a balanced budget remains under development with Town Departments and will be briefed at the February 8, 2022 Select Board meeting. The proposed actions to achieve \$1.0 million in adjustments are as follows:

| | Adjustments to Sources (+) & Uses (-) of Funds | 1/28/22 Proposal | 2/4/22 Proposal | Change |
|----|--|---------------------|--------------------|-------------|
| 1 | Increase use of Certified Free Cash | \$3,066,742 | \$3,184,742 | \$118,000 |
| 2 | Increase Estimated Excise Tax, base on Feb, 2022 Info. | \$4,733,679 | \$4,872,666 | \$138,987 |
| 3 | Increase "Other Revenues", ATM 2019, Art 17C Funds | \$841,098 | \$916,098 | \$75,000 |
| 4 | Revert to Level Funding of Pavement Management Plan | -\$550,000 | -\$501,000 | \$49,000 |
| 5 | Land Use Pers. Serv., Increase Cost Share from Revolving Funds | -\$612,832 | -\$569,832 | \$43,000 |
| 6 | Library Pers. Serv., Mid-Year Start of New Positions | -\$947,356 | -\$830,356 | \$117,000 |
| 7 | Reduce Transfer to OPEB Trust Fund | -\$620,250 | -\$420,250 | \$200,000 |
| 8 | Eliminate Transfer to General Fund Stabilization Trust Fund | -\$250,000 | \$0 | \$250,000 |
| 9 | Debt Service | -\$7,186,000 | -\$7,194,987 | -\$8,987 |
| 10 | Fund Police Overtime for Outreach from Host Comm. Agreement | -\$2,913,989 | -\$2,895,989 | \$18,000 |
| | Total: | | | \$1,000,000 |

Enclosure (7) detailed the many achievements reflected in the original budget presentation. The updated recommendation still retains many of those accomplishments. The revised proposal:

- Sustains municipal services, including educational services, at FY 2022 levels
- Meets contractual and debt obligations
- Fund targeted service expansion supporting diversity, equity, inclusion, and belonging; such as high priority special education needs funding for the Hopkinton Public Schools and for out of district special education tuition, a substantial increase in staffing at the Hopkinton Public Library to enhance service to an increasingly diverse user base, modest increases to support enhanced services for at-risk segments of the community in Senior Services, Youth and Family Service, and Police outreach programs; although in this revision some enhancements at the Library will be phased in rather than initiated on July 1, 2022, and Police outreach will be funded under provisions and funding from a Host Community Agreement with a property developer.
- The addition of dedicated staff in the Department of Public Works for tree stewardship, and in Land Use for conservation duties; and modest growth-driven increases in support staffing in the Town Clerk's critical election function and other functions, and for Human Resources training and administration work; although under this revision the Land Use conservation staff person will be funded to an increased degree from Land Use user fees.
- Balance spending and tax impact in a way that meets service level expectations while preserving the Town's long term financial health and stability; although under this revision proposed enhancements to financial stability are scaled back.
- Continued funding for long term costs including long-term pension funding and long-term retiree health care (OPEB) funding; although this revision would fund the OPEB Trust Fund at \$420,250 instead of \$620,250.
- Under this revision, there would be no contribution to bolster stabilization reserves.
- A determination of whether one time funding will be used to cover some recurring costs pends resolution of the final \$500,000 adjustment required to balance this budget.

The last minute appeal of \$2.8 million by the Town's largest taxpayer, Eversource, and the signal that action provides suggesting a likely appeal well in excess of \$3 million in February, 2023, necessitated these adjustments to the proposed FY 2023 budget.

The Town's ability to analyze and rapidly provide a proposed set of actions to address this challenge reflects the maturity and resilience of the Town's budget development process. This agile response to a material change in available information was facilitated by the detailed sensitivity analysis conducted on all the Town's significant sources and uses of funds in the original budget proposal.

The budget process is far from over, and based on past experience, it seems likely that additional adjustments and improvements will be made during this effort. By continuing forward with a One Town, One Solution approach, I am confident that the Town will achieve a balanced, workable budget for FY 2023 that sustains services, builds community equity, responds to population growth, and sustains long-term financial stability.

- Enclosure:
- (1) Projected Sources and Uses of Funds, FY 2023, Revised
 - (2) General Fund Five Year Financial Forecasting Model, Revised
 - (3) Line by Line Appropriation Summary, FY 2023, Revised
 - (4) Projected Tax Impact, FY 2023
 - (5) Capital Improvement Summary, FY 2023
 - (6) Five Year Capital Improvement Preview, FY 2023 - 2027
 - (7) My Memo of 1/28/22, FY23 Comprehensive Budget Transmittal

Town of Hopkinton; FY 2023 General Fund Sources and Uses

| Sources of Funds | FY22 Budgeted Sources of Funds | FY23 Estimated Sources of Funds | % Chg. FY21 - FY22 | Tax impact |
|---|---|--|--------------------------|---------------|
| Levy Base | \$72,765,443 | \$78,088,438 | 7.3% | 2.31% |
| New Growth | \$2,000,000 | \$2,500,000 | 25.0% | 3.03% |
| Debt Exclusions | \$6,367,657 | \$6,191,346 | -2.8% | -0.21% |
| Less - Provision for tax abatements/exemptions | -\$500,000 | -\$2,500,000 | 400.0% | |
| Estimated Net Property Tax Revenue | \$80,633,100 | \$84,279,784 | 4.5% | 5.12% |
| Excess from Prior Fiscal Year (Cert. Free Cash) | \$2,645,278 | \$3,184,742 | 20.4% | |
| State Aid | \$9,427,975 | \$10,172,326 | 7.9% | |
| Less - Regional and State Program Charges | -\$472,521 | -\$483,315 | 2.3% | |
| Estimated Net State Aid | \$8,955,454 | \$9,689,011 | 8.2% | |
| Excise Tax, Licenses, other Local Receipts | \$4,595,805 | \$4,872,666 | 6.0% | |
| Cost Share from Enterprise Funds | \$698,595 | \$757,355 | 8.4% | |
| Ambulance, Library Foundation, misc. sources | \$1,196,506 | \$916,098 | -23.4% | |
| Insurance Proceeds | \$0 | \$805,000 | n/a | |
| Total Sources of Funds: | \$98,724,738 | \$104,504,656 | 5.9% | |

| Uses of Funds | FY22 Budgeted Uses of Funds | FY23 Estimated Uses of Funds | % Chg. FY21 - FY22 |
|---|--------------------------------------|---------------------------------------|--------------------------|
| Tax lien administration costs | \$50,000 | \$50,000 | 0.0% |
| State funded Library spending | \$28,736 | \$28,736 | 0.0% |
| Repayment of Debt Principal and Interest | \$7,532,399 | \$7,194,987 | -4.5% |
| Deficits and Judgments | \$0 | \$0 | 0.0% |
| Snow and Ice Surge Costs | \$0 | \$0 | 0.0% |
| General Government | \$4,875,550 | \$5,283,535 | 8.4% |
| Public Safety | \$7,359,365 | \$7,674,460 | 4.3% |
| Regional Technical Vocational School | \$597,379 | \$597,379 | 0.0% |
| Hopkinton Public Schools Education | \$53,966,911 | \$56,022,404 | 5.8% |
| Special Education Reserve Fund | | \$1,094,024 | |
| Public Works | \$6,214,621 | \$6,499,584 | 4.6% |
| Health and Human Services | \$1,239,862 | \$1,300,075 | 4.9% |
| Culture and Recreation | \$854,534 | \$1,053,435 | 23.3% |
| Employee Benefits and Insurance | \$13,752,451 | \$14,852,647 | 8.0% |
| <i>Sub-Total Departmental Operating Funding</i> | \$88,860,673 | \$94,377,543 | 6.2% |
| Transfer to OPEB (post-retirement health care) | \$410,000 | \$420,250 | 2.5% |
| Transfer to Stabilization | \$0 | \$0 | n/a |
| Town Meeting Capital Articles, free cash | \$1,842,930 | \$2,933,140 | 59.2% |
| Total Uses of Funds: | \$98,724,738 | \$105,004,656 | 6.4% |

Encl: (1)

Town of Hopkinton; General Fund Five Year Financial Forecasting Model

| | FY22 Enacted | FY23 Plan | % Change | FY24 Forecast | FY25 Forecast | FY26 Forecast |
|--------------------------------------|---------------------|----------------------|-----------------|----------------------|----------------------|----------------------|
| Levy Base | \$70,990,676 | \$76,183,842 | | \$80,588,438 | \$84,603,149 | \$88,518,228 |
| Amended prior year growth | \$2,725 | | | | | |
| 2 1/2% increase | \$1,774,835 | \$1,904,596 | 2.5% | \$2,014,711 | \$2,115,079 | \$2,212,956 |
| New Growth | \$3,415,606 | \$2,500,000 | | \$2,000,000 | \$1,800,000 | \$1,600,000 |
| Overrides/(Underrides) | | | | \$0 | \$0 | \$0 |
| Debt Exclusions | \$6,367,657 | \$6,191,346 | | \$6,239,276 | \$5,873,482 | \$5,561,223 |
| Unused Levy | | | | | | |
| Net Tax Levy | \$82,551,499 | \$86,779,784 | | \$90,842,425 | \$94,391,710 | \$97,892,407 |
| Cherry Sheet Receipts | \$9,427,975 | \$10,172,326 | | \$10,172,326 | \$10,680,942 | \$11,214,989 |
| MSBA Reimbursements | \$0 | \$0 | | \$0 | \$0 | \$0 |
| Local Receipts | \$4,200,236 | \$4,872,666 | | \$5,067,573 | \$5,270,276 | \$5,481,087 |
| Subtotal, Revenues | \$96,179,710 | \$101,824,776 | | \$106,082,324 | \$110,342,928 | \$114,588,483 |
| Add: Additional Sources | | | | | | |
| Free Cash - operating | \$692,348 | \$821,352 | | \$0 | \$0 | \$0 |
| Free Cash - capital/other | \$1,952,930 | \$2,363,390 | | \$2,775,000 | \$2,608,750 | \$2,450,813 |
| Enterprise - Indirect Costs | \$698,595 | \$757,355 | | \$776,289 | \$795,696 | \$815,588 |
| Overlay Surplus | \$0 | | | | | |
| General Stabilization Fund | \$0 | \$0 | | \$0 | \$0 | \$0 |
| School Stabilization Fund | | \$0 | | | | |
| Other | \$1,196,506 | \$731,098 | | \$594,185 | \$591,377 | \$588,956 |
| Insurance Proceeds | | \$805,000 | | | | |
| Unused Capital Balances | | \$185,000 | | \$25,000 | \$25,000 | \$25,000 |
| Subtotal | \$4,540,379 | \$5,663,195 | | \$4,170,474 | \$4,020,823 | \$3,880,357 |
| Less: | | | | | | |
| Prov for Abate/Exemp | -\$1,522,830 | -\$2,500,000 | | -\$2,500,000 | -\$2,500,000 | -\$2,500,000 |
| Cherry sheet offsets | -\$28,736 | -\$28,736 | | -\$28,335 | -\$29,446 | -\$30,600 |
| Snow & Ice | | \$0 | | \$0 | \$0 | \$0 |
| Cherry Sheet charges | -\$472,521 | -\$483,315 | | -\$483,315 | -\$507,481 | -\$532,855 |
| Tax title | -\$50,000 | -\$50,000 | | -\$50,000 | -\$50,000 | -\$50,000 |
| Deficits & Judgements | -\$7,532,399 | \$0 | | \$0 | \$0 | \$0 |
| Debt Service | | -\$7,194,987 | | -\$7,288,711 | -\$6,792,651 | -\$6,373,989 |
| Parks Enterprise Subsidy | \$0 | \$0 | | \$0 | \$0 | \$0 |
| Other | \$0 | \$0 | | \$0 | \$0 | \$0 |
| Subtotal | -\$9,606,486 | -\$10,257,038 | | -\$10,350,361 | -\$9,879,577 | -\$9,487,444 |
| Net Sources avail. for Approp | \$91,113,603 | \$97,230,933 | | \$99,902,437 | \$104,484,173 | \$108,981,396 |
| Expenditures By Category: | FY21 Enacted | FY22 Plan | % Change | FY23 Forecast | FY24 Forecast | FY25 Forecast |
| General Government | \$4,875,550 | \$5,283,535 | 8.4% | \$5,468,459 | \$5,659,855 | \$5,857,950 |
| Public Safety | \$7,359,365 | \$7,674,460 | 4.3% | \$7,943,066 | \$8,221,073 | \$8,508,811 |
| Education | \$54,564,290 | \$56,619,783 | 5.8% | \$59,450,772 | \$62,423,311 | \$65,544,476 |
| Speical Education Reserve Fund | | \$1,094,024 | | \$1,115,904 | \$1,138,223 | \$1,160,987 |
| Public Works | \$6,214,621 | \$6,499,584 | 4.6% | \$6,727,069 | \$6,962,517 | \$7,206,205 |
| Human Services | \$1,239,862 | \$1,300,075 | 4.9% | \$1,345,578 | \$1,392,673 | \$1,441,416 |
| Culture & Recreation | \$854,534 | \$1,053,435 | 23.3% | \$1,090,305 | \$1,128,466 | \$1,167,962 |
| Employee Benefits & Insurance | \$13,752,451 | \$14,852,647 | 8.0% | \$16,040,859 | \$17,324,127 | \$18,710,058 |
| Subtotal, Omnibus Budget | \$88,860,673 | \$94,377,543 | | \$99,182,013 | \$104,250,245 | \$109,597,865 |
| Articles - non-capital | | | | | | |
| Articles - capital | \$1,842,930 | \$2,933,140 | | \$1,800,000 | \$1,800,000 | \$1,800,000 |
| Transfer to Stabilization Fund(s) | \$0 | \$0 | | \$208,000 | \$213,200 | \$218,530 |
| Transfer to OPEB Trust | \$410,000 | \$420,250 | | \$430,756 | \$441,525 | \$452,563 |
| Total Expenditures | \$91,113,603 | \$97,730,933 | | \$101,620,769 | \$106,704,970 | \$112,068,959 |
| Surplus (Shortfall) | \$0 | -\$500,000 | | -\$1,718,332 | -\$2,220,797 | -\$3,087,563 |

ENCL: (2)

Town of Hopkinton; Departmental Detail Budgets, FY 2023

| | (A) | (B) | (C) | (A to C) | (A to C) |
|--|---------|-----------|----------------|----------|----------|
| | FY22 | FY23 Dept | FY23 Town Mgr. | \$ Chg. | % Chg. |
| | Enacted | Requests | Recommend | FY22-23 | FY22-23 |

FUND 1000: GENERAL FUND

General Government

122 Select Board

| | | | | | |
|--------------|--------------|--------------|--------------|----------|-------------|
| Expenses | 2,000 | 2,000 | 2,000 | 0 | 0.0% |
| Total | 2,000 | 2,000 | 2,000 | 0 | 0.0% |

123 Town Manager

| | | | | | |
|-------------------|----------------|----------------|----------------|---------------|-------------|
| Personal Services | 452,453 | 479,237 | 479,237 | 26,784 | 5.9% |
| Expenses | 31,300 | 32,300 | 32,300 | 1,000 | 3.2% |
| Total | 483,753 | 511,537 | 511,537 | 27,784 | 5.7% |

131 Appropriation Committee

| | | | | | |
|--------------|----------------|----------------|----------------|-------------|--------------|
| Expenses | 500 | 0 | 0 | -500 | -100.0% |
| Reserve Fund | 125,000 | 125,000 | 125,000 | 0 | 0.0% |
| Total | 125,500 | 125,000 | 125,000 | -500 | -0.4% |

133 Accounting

| | | | | | |
|-------------------|----------------|----------------|----------------|---------------|--------------|
| Personal Services | 159,513 | 223,366 | 223,366 | 63,853 | 40.0% |
| Expenses | 23,200 | 27,000 | 27,000 | 3,800 | 16.4% |
| Total | 182,713 | 250,366 | 250,366 | 67,653 | 37.0% |

135 Finance

| | | | | | |
|--------------------|----------------|----------------|----------------|----------------|---------------|
| Personal Services | 138,615 | 648,498 | 648,498 | 509,883 | 367.8% |
| Expenses | 1,835 | 103,785 | 103,785 | 101,950 | 5555.9% |
| Appraisal Services | | | 171,500 | 171,500 | 100.0% |
| Total | 140,450 | 752,283 | 923,783 | 783,333 | 557.7% |

137 Procurement & Grants

| | | | | | |
|-------------------|---------------|----------|----------|----------------|----------------|
| Personal Services | 75,000 | 0 | 0 | -75,000 | -100.0% |
| Expenses | 5,000 | 0 | 0 | -5,000 | -100.0% |
| Total | 80,000 | 0 | 0 | -80,000 | -100.0% |

141 Assessors

| | | | | | |
|--------------------|----------------|----------|----------|-----------------|----------------|
| Personal Services | 212,537 | 0 | 0 | -212,537 | -100.0% |
| Expenses | 17,550 | 0 | 0 | -17,550 | -100.0% |
| Appraisal Services | 181,500 | 0 | 0 | -181,500 | -100.0% |
| Total | 411,587 | 0 | 0 | -411,587 | -100.0% |

145 Treasurer/Collector

| | | | | | |
|-------------------|----------------|----------|----------|-----------------|----------------|
| Personal Services | 307,568 | 0 | 0 | -307,568 | -100.0% |
| Expenses | 76,900 | 0 | 0 | -76,900 | -100.0% |
| Total | 384,468 | 0 | 0 | -384,468 | -100.0% |

151 Legal

| | | | | | |
|---------------|----------------|----------------|----------------|--------------|-------------|
| Legal Counsel | 280,000 | 283,500 | 283,500 | 3,500 | 1.3% |
| Total | 280,000 | 283,500 | 283,500 | 3,500 | 1.3% |

152 Human Resources

| | | | | | |
|-------------------|---------|---------|---------|--------|-------|
| Personal Services | 229,704 | 290,866 | 263,628 | 33,924 | 14.8% |
|-------------------|---------|---------|---------|--------|-------|

Town of Hopkinton; Departmental Detail Budgets, FY 2023

| | (A) FY22 Enacted | (B) FY23 Dept Requests | (C) FY23 Town Mgr. Recommend | (A to C) \$ Chg. FY22-23 | (A to C) % Chg. FY22-23 |
|--|------------------------|------------------------------|------------------------------------|--------------------------------|-------------------------------|
| Compensation Contingency | 325,000 | 500,000 | 500,000 | 175,000 | 53.8% |
| Expenses | 124,456 | 124,486 | 124,486 | 30 | 0.0% |
| Total | 679,160 | 915,352 | 888,114 | 208,954 | 30.8% |
| 155 Information Technology | | | | | |
| Personal Services | 349,733 | 349,353 | 349,353 | -380 | -0.1% |
| Expenses | 588,700 | 673,204 | 673,204 | 84,504 | 14.4% |
| Total | 938,433 | 1,022,557 | 1,022,557 | 84,124 | 9.0% |
| 161 Town Clerk | | | | | |
| Personal Services | 138,435 | 159,413 | 159,413 | 20,978 | 15.2% |
| Expenses | 7,395 | 10,030 | 10,030 | 2,635 | 35.6% |
| Total | 145,830 | 169,443 | 169,443 | 23,613 | 16.2% |
| 162 Election & Registration | | | | | |
| Personal Services | 9,750 | 25,496 | 25,496 | 15,746 | 161.5% |
| Expenses | 15,150 | 27,330 | 27,330 | 12,180 | 80.4% |
| Total | 24,900 | 52,826 | 52,826 | 27,926 | 112.2% |
| 170 Land Use, Planning & Permitting | | | | | |
| Personal Services | 553,529 | 612,832 | 569,832 | 16,303 | 2.9% |
| Expenses | 44,892 | 21,607 | 21,607 | -23,285 | -51.9% |
| Total | 598,421 | 634,439 | 591,439 | -6,982 | -1.2% |
| 177 Green Committee | | | | | |
| Expenses | 165 | 200 | 200 | 35 | 21.2% |
| Total | 165 | 200 | 200 | 35 | 21.2% |
| 173 Open Space Committee | | | | | |
| Expenses | 12,100 | 15,000 | 15,000 | 2,900 | 24.0% |
| Total | 12,100 | 15,000 | 15,000 | 2,900 | 24.0% |
| 187 Trail Committees | | | | | |
| Upper Charles Tr. Comm. Expenses | 52,300 | 54,000 | 54,000 | 1,700 | 3.3% |
| Trails Coord. Mgt. Comm. Expenses | 25,000 | 25,000 | 25,000 | 0 | 0.0% |
| Total | 77,300 | 79,000 | 79,000 | 1,700 | 2.2% |
| 192 Town Hall | | | | | |
| Expenses | 8,270 | 8,270 | 8,270 | 0 | 0.0% |
| Total | 8,270 | 8,270 | 8,270 | 0 | 0.0% |
| 194 Cable Committee | | | | | |
| Expenses | 0 | 0 | 0 | 0 | 0.0% |
| Total | 0 | 0 | 0 | 0 | 0.0% |
| 199 Other General Government | | | | | |
| Public Relations | 0 | 60,000 | 60,000 | 60,000 | 100.0% |
| Town Reports | 5,000 | 5,000 | 5,000 | 0 | 0.0% |
| Audit | 48,000 | 48,000 | 48,000 | 0 | 0.0% |
| Transfer: Water Ent., Fire Prot. | 247,500 | 247,500 | 247,500 | 0 | 0.0% |
| Total | 300,500 | 360,500 | 360,500 | 0 | 0.0% |

Town of Hopkinton; Departmental Detail Budgets, FY 2023

| | (A) FY22 Enacted | (B) FY23 Dept Requests | (C) FY23 Town Mgr. Recommend | (A to C) \$ Chg. FY22-23 | (A to C) % Chg. FY22-23 |
|---------------------------------|------------------------|------------------------------|------------------------------------|--------------------------------|-------------------------------|
| Total General Government | 4,875,550 | 5,182,273 | 5,283,535 | 347,985 | 7.1% |

Public Safety

210 Police

| | | | | | |
|---------------------------|------------------|------------------|------------------|---------------|-------------|
| Personal Services | 2,850,635 | 2,913,989 | 2,895,989 | 45,354 | 1.6% |
| Expenses | 175,783 | 199,506 | 199,506 | 23,723 | 13.5% |
| Auxiliary Police Expenses | 3,000 | 3,000 | 3,000 | 0 | 0.0% |
| Total | 3,029,418 | 3,116,495 | 3,098,495 | 69,077 | 2.3% |

214 Communications

| | | | | | |
|-------------------|----------------|----------------|----------------|---------------|-------------|
| Personal Services | 682,180 | 767,595 | 742,595 | 60,415 | 8.9% |
| Expenses | 46,585 | 56,935 | 56,935 | 10,350 | 22.2% |
| Total | 728,765 | 824,530 | 799,530 | 70,765 | 9.7% |

220 Fire

| | | | | | |
|-------------------|------------------|------------------|------------------|----------------|-------------|
| Personal Services | 3,262,944 | 3,420,174 | 3,420,174 | 157,230 | 4.8% |
| Expenses | 292,500 | 309,700 | 309,700 | 17,200 | 5.9% |
| Total | 3,555,444 | 3,729,874 | 3,729,874 | 174,430 | 4.9% |

244 Sealer of Weights & Measures

| | | | | | |
|-------------------|--------------|--------------|--------------|------------|-------------|
| Personal Services | 3,320 | 3,420 | 3,420 | 100 | 3.0% |
| Expenses | 1,300 | 1,300 | 1,300 | 0 | 0.0% |
| Total | 4,620 | 4,720 | 4,720 | 100 | 2.2% |

292 Animal Control

| | | | | | |
|-------------------|---------------|---------------|---------------|------------|-------------|
| Personal Services | 34,118 | 35,141 | 35,141 | 1,023 | 3.0% |
| Expenses | 7,000 | 6,700 | 6,700 | -300 | -4.3% |
| Total | 41,118 | 41,841 | 41,841 | 723 | 1.8% |

Total Public Safety 7,359,365 7,717,460 7,674,460 315,095 4.3%

Education

300 Hopkinton Public Schools

| | | | | | |
|--------------------------|-------------------|-------------------|-------------------|------------------|-------------|
| Hopkinton Public Schools | 53,966,911 | 57,116,428 | 56,022,404 | 2,055,493 | 3.8% |
| Hopkinton Public Schools | | | 1,094,024 | 1,094,024 | 100.0% |
| Total | 53,966,911 | 57,116,428 | 57,116,428 | 3,149,517 | 5.8% |

800 Regional Technical Vocational School

| | | | | | |
|------------------|----------------|----------------|----------------|----------|-------------|
| Regional Schools | 597,379 | 597,379 | 597,379 | 0 | 0.0% |
| Total | 597,379 | 597,379 | 597,379 | 0 | 0.0% |

Total Education 54,564,290 57,713,807 57,713,807 3,149,517 5.8%

Public Works

410 Engineering & Facilities

| | | | | | |
|-------------------|------------------|------------------|------------------|---------------|-------------|
| Personal Services | 322,198 | 350,384 | 350,384 | 28,186 | 8.7% |
| Expenses | 990,086 | 1,009,464 | 1,009,464 | 19,378 | 2.0% |
| Total | 1,312,284 | 1,359,848 | 1,359,848 | 47,564 | 3.6% |

420 Public Works Administration

Town of Hopkinton; Departmental Detail Budgets, FY 2023

| | (A) FY22 Enacted | (B) FY23 Dept Requests | (C) FY23 Town Mgr. Recommend | (A to C) \$ Chg. FY22-23 | (A to C) % Chg. FY22-23 |
|--|------------------------|------------------------------|------------------------------------|--------------------------------|-------------------------------|
| Personal Services | 485,335 | 544,832 | 544,832 | 59,497 | 12.3% |
| Total | 485,335 | 544,832 | 544,832 | 59,497 | 12.3% |
| 422 Highway | | | | | |
| Personal Services | 915,938 | 1,026,600 | 1,026,600 | 110,662 | 12.1% |
| Expenses | 618,900 | 619,200 | 619,200 | 300 | 0.0% |
| Sidewalk Maintenance | 50,000 | 50,000 | 50,000 | 0 | 0.0% |
| Pavement Management | 501,000 | 550,000 | 501,000 | 0 | 0.0% |
| Stormwater System | 370,000 | 370,000 | 370,000 | 0 | 0.0% |
| Parks & Rec. Facility Support | 105,000 | 105,000 | 105,000 | 0 | 0.0% |
| Lake Maspenock Weed Control | 60,000 | 60,000 | 60,000 | 0 | 0.0% |
| Total | 2,620,838 | 2,780,800 | 2,731,800 | 110,962 | 4.2% |
| 423 Snow & Ice | | | | | |
| Snow & Ice Control | 350,000 | 350,000 | 350,000 | 0 | 0.0% |
| Total | 350,000 | 350,000 | 350,000 | 0 | 0.0% |
| 424 Street Lighting | | | | | |
| Street Lights | 33,000 | 33,000 | 33,000 | 0 | 0.0% |
| Total | 33,000 | 33,000 | 33,000 | 0 | 0.0% |
| 426 Traffic Control | | | | | |
| Traffic Lights | 25,000 | 25,000 | 25,000 | 0 | 0.0% |
| Total | 25,000 | 25,000 | 25,000 | 0 | 0.0% |
| 427 Tree Warden | | | | | |
| Personal Services | 14,354 | 14,354 | 14,354 | 0 | 0.0% |
| Expenses | 250,000 | 250,000 | 250,000 | 0 | 0.0% |
| Total | 264,354 | 264,354 | 264,354 | 0 | 0.0% |
| 429 Other Storm Control | | | | | |
| Storm Control | 10,000 | 10,000 | 17,000 | 7,000 | 70.0% |
| Total | 10,000 | 10,000 | 17,000 | 7,000 | 70.0% |
| 433 Waste Collection & Disposal | | | | | |
| Recycling Salaries | 10,000 | 10,000 | 10,000 | 0 | 0.0% |
| Rubbish Collection/Disposal | 479,750 | 494,139 | 494,139 | 14,389 | 3.0% |
| Rubbish Disposal | 367,100 | 402,875 | 402,875 | 35,775 | 9.7% |
| Recycling Expense | 20,000 | 23,000 | 23,000 | 3,000 | 15.0% |
| Recycling Collection/Disposal | 225,760 | 232,536 | 232,536 | 6,776 | 3.0% |
| Household Hazardous Waste | 10,000 | 10,000 | 10,000 | 0 | 0.0% |
| Total | 1,112,610 | 1,172,550 | 1,172,550 | 59,940 | 5.4% |
| 491 Cemetery Commission | | | | | |
| Personal Services | 0 | 0 | | 0 | 0.0% |
| Expenses | 1,200 | 1,200 | 1,200 | 0 | 0.0% |
| Total | 1,200 | 1,200 | 1,200 | 0 | 0.0% |
| Total Public Works | 6,214,621 | 6,541,585 | 6,499,584 | 284,963 | 4.6% |
| <u>Health and Human Services</u> | | | | | |

Town of Hopkinton; Departmental Detail Budgets, FY 2023

| | (A) FY22 Enacted | (B) FY23 Dept Requests | (C) FY23 Town Mgr. Recommend | (A to C) \$ Chg. FY22-23 | (A to C) % Chg. FY22-23 |
|--|------------------------|------------------------------|------------------------------------|--------------------------------|-------------------------------|
| 511 Health Services | | | | | |
| Personal Services | 281,654 | 304,926 | 304,926 | 23,272 | 8.3% |
| Expenses | 93,690 | 103,390 | 103,390 | 9,700 | 10.4% |
| Total | 375,344 | 408,316 | 408,316 | 32,972 | 8.8% |
| 541 Senior Center | | | | | |
| Personal Services | 426,804 | 436,180 | 436,180 | 9,376 | 2.2% |
| Expenses | 40,955 | 44,955 | 44,955 | 4,000 | 9.8% |
| Total | 467,759 | 481,135 | 481,135 | 13,376 | 2.9% |
| 542 Youth & Family Services | | | | | |
| Personal Services | 204,440 | 209,250 | 209,250 | 4,810 | 2.4% |
| Expenses | 68,670 | 77,725 | 77,725 | 9,055 | 13.2% |
| Total | 273,110 | 286,975 | 286,975 | 13,865 | 5.1% |
| 543 Veterans Services | | | | | |
| Veterans District | 47,349 | 47,349 | 47,349 | 0 | 0.0% |
| Veterans Service Benefits | 75,000 | 75,000 | 75,000 | 0 | 0.0% |
| Veterans Supplies | 1,300 | 1,300 | 1,300 | 0 | 0.0% |
| Total | 123,649 | 123,649 | 123,649 | 0 | 0.0% |
| Total Health & Human Services | 1,239,862 | 1,300,075 | 1,300,075 | 60,213 | 4.9% |
| <u>Culture and Recreation</u> | | | | | |
| 610 Library | | | | | |
| Personal Services | 584,839 | 882,391 | 784,391 | 199,552 | 34.1% |
| Expenses | 46,865 | 64,965 | 45,965 | -900 | -1.9% |
| Total | 631,704 | 947,356 | 830,356 | 198,652 | 31.4% |
| 620 Parks and Recreation | | | | | |
| Personal Services | 171,830 | 167,579 | 167,579 | -4,251 | -2.5% |
| Expenses | 18,000 | 22,500 | 22,500 | 4,500 | 25.0% |
| Rec Facility Debt Service | 0 | 0 | 0 | 0 | 100.0% |
| Total | 189,830 | 190,079 | 190,079 | 249 | 0.1% |
| 691 Historic Commission | | | | | |
| Expenses | 1,000 | 1,000 | 1,000.00 | 0 | 0.0% |
| Total | 1,000 | 1,000 | 1,000.00 | 0 | 0.0% |
| 692 Celebrations | | | | | |
| Memorial Day | 2,000 | 32,000 | 2,000.00 | 0 | 0.0% |
| Total | 2,000 | 32,000 | 2,000.00 | 0 | 0.0% |
| 692 Townwide Celebration - Hopkinton Da | | | | | |
| Expenses | 30,000 | 32,000 | 30,000.00 | 0 | 0.0% |
| Total | 30,000 | 32,000 | 30,000.00 | 0 | 0.0% |
| 695 Historic District Commission | | | | | |
| Expenses | 0 | 0 | 0.00 | 0 | 0.0% |
| Total | 0 | 0 | 0 | 0 | 0.0% |
| Total Culture & Recreation | 854,534 | 1,202,435 | 1,053,435 | 198,901 | 23.3% |

Town of Hopkinton; Departmental Detail Budgets, FY 2023

| | (A) | (B) | (C) | (A to C) | (A to C) |
|--|---------|-----------|----------------|----------|----------|
| | FY22 | FY23 Dept | FY23 Town Mgr. | \$ Chg. | % Chg. |
| | Enacted | Requests | Recommend | FY22-23 | FY22-23 |

Debt Service

700 Debt Service

| | | | | | |
|---------------------|-----------|-----------|-----------|----------|--------|
| Retirement of Debt | 5,001,080 | 4,820,122 | 4,820,122 | -180,958 | -3.6% |
| Long Term Interest | 2,531,319 | 2,253,386 | 2,253,386 | -277,933 | -11.0% |
| Short Term Interest | 0 | 121,479 | 121,479 | 121,479 | 0.0% |

| | | | | | |
|---------------------------|------------------|------------------|------------------|-----------------|--------------|
| Total Debt Service | 7,532,399 | 7,194,987 | 7,194,987 | -337,412 | -4.5% |
|---------------------------|------------------|------------------|------------------|-----------------|--------------|

Employee Benefits&Insurance

| | | | | | |
|--|-------------------|--------------------|--------------------|------------------|-------------|
| Total Employee Benefits & Insurance | 13,752,451 | 14,852,647 | 14,852,647 | 1,100,196 | 8.0% |
| Total General Fund Spending | 96,393,072 | 101,705,269 | 101,572,530 | 5,119,458 | 5.3% |

FUND 2400: COMMUNITY PRESERVATION

193 CPA Administration

| | | | | | |
|-------------------|---------------|---------------|---------------|---------------|--------------|
| Personal Services | 12,095 | 12,095 | 12,095 | 0 | 0.0% |
| Expenses | 60,210 | 70,210 | 70,210 | 10,000 | 16.6% |
| Total | 72,305 | 82,305 | 82,305 | 10,000 | 13.8% |

700 Debt Service

| | | | | | |
|--------------------|----------------|----------------|----------------|-----------------|---------------|
| Retirement of Debt | 250,000 | 120,000 | 120,000 | -130,000 | -52.0% |
| Long Term Interest | 51,619 | 40,419 | 40,419 | -11,200 | -21.7% |
| Total | 301,619 | 160,419 | 160,419 | -141,200 | -46.8% |

| | | | | | |
|-------------------------------------|----------------|----------------|----------------|-----------------|---------------|
| Total Community Preservation | 373,924 | 242,724 | 242,724 | -131,200 | -35.1% |
|-------------------------------------|----------------|----------------|----------------|-----------------|---------------|

FUND 6000: SEWER ENTERPRISE

Direct Costs

440 Sewer

| | | | | | |
|-------------------|------------------|------------------|------------------|--------------|-------------|
| Personal Services | 174,818 | 174,818 | 174,818 | 0 | 0.0% |
| Expenses | 913,862 | 916,162 | 916,162 | 2,300 | 0.3% |
| Total | 1,088,680 | 1,090,980 | 1,090,980 | 2,300 | 0.2% |

700 Debt Service

| | | | | | |
|--------------------|------------------|------------------|------------------|---------------|--------------|
| Retirement of Debt | 862,940 | 874,431 | 874,431 | 11,491 | 1.3% |
| Long Term Interest | 147,789 | 131,312 | 131,312 | -16,477 | -11.1% |
| Total | 1,010,729 | 1,005,743 | 1,005,743 | -4,986 | -0.5% |

| | | | | | |
|----------------------|------------------|------------------|------------------|---------------|--------------|
| Appropriation | 2,099,409 | 2,096,723 | 2,096,723 | -2,686 | -0.1% |
|----------------------|------------------|------------------|------------------|---------------|--------------|

Indirect Costs

| | | | | | |
|------------------------------|---------|---------|---------|--------|------|
| Employee Benefits & Pensions | 309,724 | 324,382 | 324,382 | 14,658 | 4.7% |
| Shared Employees | | | | 0 | 0.0% |
| Shared Facility | | 0 | 0 | 0 | |
| Other (Workers comp) | | 0 | 0 | 0 | |

| | | | | | |
|----------------------------|----------------|----------------|----------------|---------------|-------------|
| Indirect Cost Total | 309,724 | 324,382 | 324,382 | 14,658 | 4.7% |
|----------------------------|----------------|----------------|----------------|---------------|-------------|

| | | | | | |
|-------------------------------|------------------|------------------|------------------|---------------|-------------|
| Total Sewer Enterprise | 2,409,133 | 2,421,105 | 2,421,105 | 11,972 | 0.5% |
|-------------------------------|------------------|------------------|------------------|---------------|-------------|

Town of Hopkinton; Departmental Detail Budgets, FY 2023

| | (A) FY22 Enacted | (B) FY23 Dept Requests | (C) FY23 Town Mgr. Recommend | (A to C) \$ Chg. FY22-23 | (A to C) % Chg. FY22-23 |
|------------------------------------|------------------------|------------------------------|------------------------------------|--------------------------------|-------------------------------|
| FUND 6100: WATER ENTERPRISE | | | | | |
| Direct Costs | | | | | |
| 450 Water | | | | | |
| Personal Services | 434,572 | 452,831 | 452,831 | 18,259 | 4.2% |
| Expenses | 860,546 | 884,046 | 884,046 | 23,500 | 2.7% |
| Total | 1,295,118 | 1,336,877 | 1,336,877 | 41,759 | 3.2% |
| 700 Debt Service | | | | | |
| Retirement of Debt | 639,641 | 521,284 | 521,284 | -118,357 | -18.5% |
| Long Term Interest | 260,689 | 217,983 | 176,567 | -84,122 | -32.3% |
| Total | 900,330 | 739,267 | 697,851 | -202,479 | -22.5% |
| Appropriation | 2,195,448 | 2,076,144 | 2,034,728 | -160,720 | -7.3% |
| Indirect Costs | | | | | |
| Employee Benefits & Pensions | 388,872 | 432,973 | 432,973 | 44,101 | 11.3% |
| Shared Employees | | | | 0 | 0.0% |
| Shared Facility | | | | 0 | 0.0% |
| Other (Workers comp) | | | | 0 | 0.0% |
| Total | 388,872 | 432,973 | 432,973 | 44,101 | 11.3% |
| Total Water Enterprise | 2,584,320 | 2,509,117 | 2,467,701 | -116,619 | -4.5% |

FUND 6300: PEG ACCESS

| | | | | | |
|---|----------------|----------------|----------|-----------------|----------------|
| Direct Costs | | | | | |
| 630 PEG Access | | | | | |
| Personal Services | 253,000 | 253,000 | 0 | -253,000 | -100.0% |
| Expenses | 93,947 | 93,947 | 0 | -93,947 | -100.0% |
| Capital Budget | | 0 | 0 | 0 | 100.0% |
| Total | 346,947 | 346,947 | 0 | -346,947 | -100.0% |
| Total PEG Access Enterprise Fund | 346,947 | 346,947 | 0 | -346,947 | -100.0% |

Appropriation Summary*

| | | | | | |
|--|--------------------|--------------------|--------------------|------------------|-------------|
| Fund 1000: General Fund Spending | 96,393,072 | 101,705,269 | 101,572,530 | 5,119,458 | 5.3% |
| Fund 2400: Community Preservation | 373,924 | 242,724 | 242,724 | -131,200 | -35.1% |
| Fund 6000: Sewer Enterprise | 2,409,133 | 2,421,105 | 2,421,105 | 11,972 | 0.5% |
| Fund 6100: Water Enterprise | 2,584,320 | 2,509,117 | 2,467,701 | -116,619 | -4.5% |
| Fund 6200: Parks & Recreation Enterprise | 0 | 0 | 0 | 0 | 0.0% |
| Fund 6300: PEG Access Enterprise | 346,947 | 346,947 | 0 | -346,947 | -100.0% |
| Total | 102,107,396 | 107,225,163 | 106,704,059 | 4,536,663 | 4.4% |

*Enterprise Funds Include Indirect Costs

Town of Hopkinton; Projected Tax Impact, FY 2023

| <u>Overall Tax Impact Summary:</u> | FY22 | Tax Impact % Change from FY21 | FY23 | Maximum Tax Impact % Change from FY22 |
|---|-------------|-------------------------------------|-------------|--|
| Prior Year Unused Levy | \$0 | 0.00% | \$0 | 0.00% |
| Statutory 2 1/2% Levy Increase | \$1,774,767 | 2.31% | \$1,904,596 | 2.31% |
| Override/(Underride) | \$0 | 0.00% | \$0 | 0.00% |
| Unused Levy | \$0 | 0.00% | \$0 | 0.00% |
| Net Change in Principal & Interest on Excluded Debt | \$428,686 | 0.56% | -\$191,478 | -0.23% |
| Change in Tax Levy on Existing Tax Base | \$2,203,453 | 2.86% | \$1,713,118 | 2.08% |
| Additional Projected Tax Levy from New Growth | \$2,000,000 | 2.60% | \$2,500,000 | 3.03% |
| Total Increase in Tax Levy | \$4,203,453 | 5.46% | \$4,213,118 | 5.10% |

Town of Hopkinton, Capital Improvement Summary, FY 2023

| General Fund - Pay as You Go | | | | |
|-------------------------------------|-----------------------------|---|-------------------------|--------------------------------|
| | Hopkinton Department | Project | Amount Requested | Town Manager Recommends |
| 155-1 | Information Technology | End User Computer Hardware Renewal | \$66,750 | \$66,750 |
| 155-2 | Information Technology | Datacenter Upgrades & Redundancy | \$58,000 | \$58,000 |
| 155-3 | Information Technology | Videoconferencing Updates | \$22,390 | \$22,390 |
| 155-4 | Information Technology | Electronic Document Management System | \$70,000 | \$70,000 |
| 214-1 | Communications | Public Safety Radio System Feasibility Study | \$100,000 | \$100,000 |
| 220-1 | Fire | Engine 4 Replacement | \$805,000 | \$805,000 |
| 210-1 | Police | Patrol Cruiser Replacement (3) | \$180,000 | \$180,000 |
| 300-1 | Public Schools | High School Auditorium Stage & Lighting | \$325,000 | \$325,000 |
| 300-2 | Public Schools | Districtwide Computer Network Switches | \$75,000 | \$75,000 |
| 300-3 | Public Schools | Wetlands Order of Condition Additional; ATM 2018, ART 14 | \$60,000 | \$60,000 |
| 410-2 | Facilities | Fire Station Roof HVAC Replacement, Add to ATM 2017, ART 20 | \$252,000 | \$252,000 |
| 410-3 | Facilities | Police Station Roof Replacement Cost Growth | \$187,000 | \$187,000 |
| 410-4 | Facilities | Police Station Mechanical System Upgrades | \$96,000 | \$96,000 |
| 410-5 | Facilities | Senior Center Dining Facility Expansion - Design | \$35,000 | \$35,000 |
| 410-6 | Facilities | Center School Reuse Design | \$100,000 | \$100,000 |
| 420-1 | Public Works | Street Sweeper (S-23) Replacement | \$270,000 | \$270,000 |
| 420-2 | Public Works | Sidewalk Replacement, Walcott St. | \$45,000 | \$45,000 |
| 430-3 | Public Works | Street Sweeper (S-22) Replacement | \$270,000 | \$0 |
| 420-4 | Public Works | Super Duty Pickup/Dump (S-12) Replacement | \$86,000 | \$86,000 |
| 420.5 | Public Works | Tree Truck, Additional; ATM 2019, ART 20 | \$100,000 | \$100,000 |
| Total Pay as You Go: | | | \$3,203,140 | \$2,933,140 |

| General Fund - Borrowing Excluded from Tax Levy Limit | | | | | |
|--|-----------------------------|---|-------------------------|--------------------------------|-------------------|
| | Hopkinton Department | Project | Amount Requested | Town Manager Recommends | Tax Impact |
| 220-2 | Fire | Engine 2 Replacement | \$736,318 | \$736,318 | |
| | | <i>Estimated Long Term Borrowing Cost for Year 1 Principal & Interest</i> | \$77,890 | \$77,890 | 0.09% |
| 410-1 | Facilities | Fire Station 2 (Woodville) Upgrades | \$400,000 | \$400,000 | |
| | | <i>Estimated Long Term Borrowing Cost for Year 1 Principal & Interest</i> | \$27,369 | \$27,369 | 0.03% |
| 420-6 | Public Works | Lake Maspenock Dam | \$400,000 | \$400,000 | |
| | | <i>Estimated Long Term Borrowing Cost for Year 1 Principal & Interest</i> | \$36,339 | \$36,339 | 0.04% |
| 300-4 | Public Schools | Air Handling Unit Replacement | \$475,000 | \$475,000 | |
| | | <i>Estimated Long Term Borrowing Cost for Year 1 Principal & Interest</i> | \$43,152 | \$43,152 | 0.05% |
| 300-6 | Public Schools | Solar & Battery Storage Project | \$6,287,000 | | |
| | | <i>Estimated Long Term Borrowing Cost for Year 1 Principal & Interest</i> | | | 0.00% |
| 300-7 | Public Schools | Marathon School Cost (2021 ATM Art 17) Increase | \$695,900 | \$695,900 | |
| | | <i>Estimated Long Term Borrowing Cost for Year 1 Principal & Interest</i> | \$47,615 | \$47,615 | 0.06% |
| 630-1 | Parks and Recreation | Replace Surface at Fruit Street Athletic Field | \$1,671,543 | \$1,671,543 | |
| | | <i>Estimated Long Term Borrowing Cost for Year 1 Principal & Interest</i> | \$179,326 | \$179,326 | 0.22% |
| Total Borrowing Excluded from Tax Levy Limit: | | | \$9,865,761 | \$4,378,761 | |
| <i>Estimated Year 1 Principal & Interest</i> | | | <i>\$411,691</i> | <i>\$411,691</i> | <i>0.50%</i> |

| Capital - Community Preservation Act | | | | |
|---|------------------------------------|---|--------------------------------|---------------------------------------|
| | <u>Hopkinton Department</u> | <u>Project</u> | <u>Amount Requested</u> | <u>Town Manager Recommends</u> |
| 2400-1 | Land Use/Town Manager | Shared Housing Services for Affordable Housing | \$23,000 | \$23,000 |
| 2400-2 | Town Clerk | Town Clerk's Records Preservation | \$20,000 | \$20,000 |
| 2400-3 | TCMC | Middle School Cross Country Course Drainage and Surfacing | \$18,000 | \$18,000 |
| 2400-4 | TCMC | Metrowest Holdings Land Purchase | TBD | TBD |
| 2400-5 | TCMC | Cameron Woods Trailhead Parking Lot | \$15,000 | \$15,000 |
| 2400-6 | Upper Charles Trail | Upper Charles Trail Campus Trail Connector Engineering | \$411,600 | \$411,600 |
| 2400-7 | Open Space | Spring Street Land Purchase | TBD | TBD |
| 2400-8 | Parks and Recreation | EMC Skatepark phase 2 | \$50,000 | \$50,000 |
| 2400-9 | Parks and Recreation | Pickleball/Tennis Court | \$775,000 | \$775,000 |
| 2400-10 | Parks and Recreation | Little League Bathroom Engineering Study | \$50,000 | \$50,000 |
| 2400-11 | Open Space | Land Purchase Conroy Property (Saddle Hill - Conroy) | TBD | TBD |
| 2400-12 | Open Space | Survey and Boundary Marking Cameron Woods | \$10,000 | \$10,000 |
| 2400-13 | Upper Charles Trail | Land Purchase/Easement East Main Street (Mezzit) | TBD | TBD |
| Total Community Preservation Act | | | \$1,372,600 | \$1,372,600 |

| Capital - Water Enterprise Fund | | | | |
|--|------------------------------------|---|--------------------------------|---------------------------------------|
| | <u>Hopkinton Department</u> | <u>Project</u> | <u>Amount Requested</u> | <u>Town Manager Recommends</u> |
| 6100-1 | Water | Clean Water Tanks (3) | \$ 50,000 | \$50,000 |
| 6100-2 | Water | Pickup Truck (W4) Replacement | \$ 60,000 | \$60,000 |
| 6100-3 | Water | MWRA Connection Design Work | \$ 1,300,000 | \$1,300,000 |
| 6100-4 | Water | Fruit Street Well Facility Roof Replacement | \$ 77,000 | \$77,000 |
| 6100-5 | Water | PFAS Filtration System | \$ 600,000 | \$600,000 |
| Total Water Enterprise Fund | | | \$2,087,000 | \$2,087,000 |

Town of Hopkinton 5 Year Capital Improvement Summary, FY 2023 - FY 2027


| | | Department | General Fund Project | FY 2023 Amount Requested | FY2024 Initial Plan | FY2025 Initial Plan | FY2026 Initial Plan | FY2027 Initial Plan |
|-----|----|-------------------|---|---|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| 155 | 1 | Info. Technology | End User Computer Hardware Renewal | \$66,750 | \$59,650 | \$52,555 | \$52,555 | \$52,555 |
| 155 | 2 | Info. Technology | Datacenter Upgrades & Redundancy | \$58,000 | | | \$75,000 | |
| 155 | 3 | Info. Technology | Videoconferencing Updates | \$22,390 | | | \$39,000 | |
| 155 | 4 | Info. Technology | Electronic Document Management System | \$70,000 | | | | |
| 155 | 5 | Info. Technology | Multi Function Printer Cyclical Replacement (2) | | \$16,000 | \$16,000 | \$16,000 | \$16,000 |
| 210 | 1 | Police | Patrol Cruiser Replacement (3) | \$180,000 | \$185,000 | \$190,000 | \$197,000 | \$205,000 |
| 214 | 1 | Communications | Public Safety Radio System Upgrade | \$100,000 | \$3,000,000 | | | |
| 220 | 1 | Fire | Engine 2 Replacement | \$736,318 | | | | |
| 220 | 2 | Fire | Engine 4 Replacement | \$805,000 | | | | |
| 220 | 2 | Fire | Pickup (C-3) F250 Replacement | | \$70,000 | | | |
| 220 | 3 | Fire | Vehicle (C-5) Ford Explorer Replacement | | \$60,000 | | | |
| 220 | 4 | Fire | Ambulance (A-3) Replacement | | | \$450,000 | | |
| 220 | 5 | Fire | SCBA (?) | | | \$380,000 | | |
| 220 | 6 | Fire | Vehicle (C-4) Ford Explorer Replacement | | | | \$75,000 | |
| 220 | 7 | Fire | Vehicle (B-6) Replacement | | | | | \$100,000 |
| 300 | 1 | Public Schools | High School Auditorium Stage & Lighting | \$325,000 | | | | |
| 300 | 2 | Public Schools | Technology Upgrades (FY23 Switches) | \$75,000 | \$75,000 | \$75,000 | \$75,000 | \$75,000 |
| 300 | 3 | Public Schools | Wetlands Order of Condition | \$60,000 | | | | |
| 300 | 4 | Public Schools | Air Handling Unit Replacement | \$475,000 | \$25,000 | \$100,000 | \$135,000 | \$175,000 |
| 300 | 5 | Public Schools | Middle School Roof Replacement Cost Growth | | TBD | | | |
| 300 | 6 | Public Schools | Solar & Battery Storage Project | \$0 | | | | |
| 300 | 7 | Public Schools | Marathon Addition Cost Add; 2021 ATM ART17 | \$695,900 | | | | |
| 300 | 8 | Public Schools | Elmwood School Renovation or Replacement | | \$59,000,000 | | | |
| 300 | 9 | Public Schools | Middle School Gym Partition Wall | | \$35,000 | | | |
| 300 | 10 | Public Schools | Master Traffic Pattern Improvement | | \$2,200,000 | | \$870,000 | |
| 300 | 11 | Public Schools | Additional Turf Athletic Fields (3) | | \$4,000,000 | \$4,000,000 | | |
| 300 | 12 | Public Schools | Building & Grounds Equipment and Vehicles | | | \$59,000 | | \$42,000 |
| 300 | 13 | Public Schools | Loop Road, Sidewalk, Parking Paving | | | \$1,500,000 | \$490,000 | |
| 300 | 14 | Public Schools | Building & Grounds Storage Facility | | | | \$450,000 | |
| 300 | 15 | Public Schools | Kitchen Equipment | | | | | \$50,000 |
| 410 | 1 | Facilities | Fire Station 2 (Woodville) Upgrades | \$400,000 | | | | |
| 410 | 2 | Facilities | Fire Station 1 (Main St) Roof Replacement | \$252,000 | | | | |
| 410 | 3 | Facilities | Police Station Roof Replacement Cost Growth | \$187,000 | | | | |
| 410 | 4 | Facilities | Police Station Mechancial System Upgrades | \$96,000 | | | | |
| 410 | 5 | Facilities | Senior Center Dining Facility Expansion | \$35,000 | \$265,000 | | | |
| 410 | 6 | Facilities | Center School Reuse Design | \$100,000 | | | | |
| 410 | 7 | Facilities | Senior Center Kitchen Equipment & Ventilation | | \$100,000 | | | |
| 410 | 8 | Facilities | Fire Main Envelope Repairs | | \$140,000 | | | |
| 410 | 9 | Facilities | Town Hall Boiler Replacement | | | \$100,000 | | |
| 410 | 10 | Facilities | Fruit St. Buliding Oil to Gas Conversion | | | | \$100,000 | |
| 410 | 11 | Facilities | Fruit St. Garage Repirs | | | | \$300,000 | |
| 410 | 12 | Facilities | Senior Center HVAC Renewal | | | | | \$275,000 |
| 420 | 1 | Public Works | Street Sweeper (S-23) Replacement | \$270,000 | | | | |
| 420 | 2 | Public Works | Sidewalk Replacement, Walcott St. | \$45,000 | | | | |
| 420 | 3 | Public Works | Street Sweeper (S-22) Replacement | | \$270,000 | | | |
| 420 | 4 | Public Works | Superduty Pickup/Dump (S-12) Replacement | \$86,000 | | | | |
| 420 | 5 | Public Works | Tree Truck; Add to ATM 2019 Art 20 | \$100,000 | | | | |
| 420 | 6 | Public Works | Lake Maspenock Dam | \$400,000 | | | | |
| 420 | 6 | Public Works | Loader (L-9), CAT 928 Replacement | | \$200,000 | | | |
| 420 | 6 | Public Works | Superduty Dump (S-4) INT 7600 Replacement | | \$215,000 | | | |
| 420 | 7 | Public Works | Backhoe (S-21) CAT 420 Replacement | | \$140,000 | | | |
| 420 | 8 | Public Works | Superduty Pickup (M-1) F350 Replacement | | | \$65,000 | | |
| 420 | 9 | Public Works | Loader (L-11), CAT 928 Replacement | | | \$200,000 | | |
| 420 | 10 | Public Works | Superduty Dump (S-6) INT 7600 Replacement | | | \$215,000 | | |
| 420 | 11 | Public Works | Superduty Dump (S-24) INT 7600 Replacement | | | \$215,000 | | |
| 420 | 12 | Public Works | Bopmag Roller Replacement | | | \$25,000 | | |

Town of Hopkinton 5 Year Capital Improvement Summary, FY 2023 - FY 2027

| | | Department | General Fund Project | FY 2023 Amount Requested | FY2024 Initial Plan | FY2025 Initial Plan | FY2026 Initial Plan | FY2027 Initial Plan |
|---|----|-------------------|---|---|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| 420 | 13 | Public Works | Car (C-1) Explorer Replacement | | | | \$55,000 | |
| 420 | 14 | Public Works | Superduty Dump (S-5) INT 7600 Replacement | | | | \$225,000 | |
| 420 | 15 | Public Works | Superduty Dump (S-8) INT 7600 Replacement | | | | \$225,000 | |
| 420 | 16 | Public Works | Trackless Tractor (S-18) Replacement | | | | \$200,000 | |
| 420 | 17 | Public Works | Car (C-2) Sedan Replacement | | | | | \$25,000 |
| 420 | 18 | Public Works | Trackless Tractor (S-19) Replacement | | | | | \$200,000 |
| 420 | 19 | Public Works | Superduty Dump (S-25) PB 348 Replacement | | | | | \$225,000 |
| 630 | 1 | Parks & Rec. | Fruit Street Field Renewal | \$1,671,543 | | | | |
| | | | \$90,030,216 | \$7,311,901 | \$70,055,650 | \$7,642,555 | \$3,579,555 | \$1,440,555 |
| <i>Note: Public Schools Plan on tab (c) shows an additional \$49.39M in requests for FY 2028 - 2032</i> | | | | | | | | |
| | | | Enterprise Fund Project | Amount Requested | FY2024 Initial Plan | FY2025 Initial Plan | FY2026 Initial Plan | FY2027 Initial Plan |
| 6100 | 1 | Water Enterprise | Clean Water Tanks (3) | \$50,000 | | | | |
| 6100 | 2 | Water Enterprise | Pickup (W-4) Replacement | \$60,000 | | | | |
| 6100 | 3 | Water Enterprise | MWRA Connection Design Work | \$1,300,000 | TBD | | | |
| 6100 | 4 | Water Enterprise | Fruit St. Well Facility Roof Replacement | \$77,000 | | | | |
| 6100 | 5 | Water Enterprise | Pickup (W-3) Replacement | | \$53,000 | | | |
| 6100 | 6 | Water Enterprise | Superduty Dump (W-5) INT 7600 Replacement | | \$100,000 | | | |
| 6100 | 7 | Water Enterprise | Pickup (W-1) D 2500 Replacement | | | \$57,000 | | |
| 6100 | 8 | Water Enterprise | Superduty Pickup (M-2) F350 Replacement | | | \$80,000 | | |
| | | | | \$1,487,000 | \$153,000 | \$137,000 | \$0 | \$0 |
| 6000 | 1 | Sewer Enterprise | Pickup (E-2) Replacement | | \$53,000 | | | |
| 6000 | 2 | Sewer Enterprise | Compressor, Ingersall Rand, Replacement | | | | \$13,000 | |
| | | | | \$0 | \$53,000 | \$0 | \$13,000 | \$0 |



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

TO: Town of Hopkinton Select Board
FROM: Norman Khumalo, Town Manager 
DATE: January 28, 2022
RE: Fiscal Year (FY) 2023 Comprehensive Budget Transmittal

As directed by the Select Board, this memorandum provides a comprehensive budget recommendation for FY 2023. The recommendation is within the constraints of the Proposition 2 ½ limit on growth in the tax levy, and considers funds available from projected new growth in the residential, commercial, and industrial tax base, local aid from the Commonwealth, and other anticipated revenue growth.

This proposal meets all statutory and regulatory requirements; and is consistent with Town Financial Policy.

After several difficult budget cycles with high sensitivity to the COVID-19 public health emergency, this proposal includes specific recommendations to address demands associated with continued growth in the Town, and the concomitant need for targeted service level adjustments. These targeted adjustments for “growth with equity” reflect an operationalization of the strategic objectives to enhance the Town’s tangible commitment to diversity, equity, inclusion, and belonging in our community. Specific priorities reflected in the budget include:

- Sustain municipal services, including educational services, at FY 2022 levels
- Meet contractual and debt obligations
- Fund targeted service expansion supporting diversity, equity, inclusion, and belonging; such as high priority special education needs funding for the Hopkinton Public Schools and for out of district special education tuition, a substantial increase in staffing at the Hopkinton Public Library to enhance service to an increasingly diverse user base, modest increases to support enhanced services for at-risk segments of the community in Senior Services, Youth and Family Service, and Police outreach programs
- The addition of dedicated staff in the Department of Public Works for tree stewardship, and in Land Use for conservation duties; and modest growth-driven increases in support staffing in the Town Clerk’s critical election function and other functions, and for Human Resources training and administration work
- Balance spending and tax impact in a way that meets service level expectations while preserving the Town’s long term financial health and stability

- Continued funding for long term costs including long-term pension funding and long-term retiree health care (OPEB) funding
- Resumption of modest contributions to stabilization reserves
- Funding all recurring costs with recurring sources of revenue, consistent with objectives identified in Town financial policy.

For the General Fund, this budget forecasts revenues of \$105,657,502, which is 7% above the budgeted revenue level for FY 2022, and which is detailed in Enclosure (1). This rise is attributable to several factors. Foremost, the tax levy is rising by \$5.1 million, with \$1.9 million tied to the statutory 2.5% increase in the tax levy and the remainder tied to new growth accrued in FY 2022 and expected in FY 2023, with most new growth associated with a major recapitalization driving tax value increases at the Eversource liquid natural gas facility. The revenue also includes an estimated \$805,000 anticipated as insurance proceeds from the catastrophic loss of Fire Engine 4 in a commercial repair shop fire. Other factors include the Governor’s proposal to increase local aid to Hopkinton by \$733,557, and an increase in funds used from certified free cash remaining from prior year activities of \$421,464.

The operating budget proposes balanced expenditures of \$105,657,502, and includes the following amounts: Operating Departments \$79,830,632; Employee benefits and insurance, \$14,852,647; Payment of principal and interest on debt, \$7,170,833.; and transfers of \$3,803,390.

Changes in spending by government function categories are as follows:

| | | |
|--|--------------|-------|
| Tax lien administration costs | 50,000 | 0.00% |
| State funded Library spending | 28,736 | 0.00% |
| General Government | \$5,326,535 | 9.2% |
| Public Safety | \$7,692,460 | 4.5% |
| Education* | \$56,619,783 | 5.8% |
| Special Education Reserve | \$1,094,024 | |
| Public Works | \$6,548,584 | 5.4% |
| Health and Human Services | \$1,300,075 | 4.9% |
| Culture and Recreation | \$1,170,435 | 37.0% |
| <u>Employee Benefits and Insurance</u> | \$14,852,647 | 8.0% |
| Total | 94,683,279 | 6.5% |

* Includes funding for Keefe Technical School tuition payments

There is expected to be a Town Meeting Article to create a Special Education Reserve Fund. The Hopkinton Public Schools requested a budget of \$57,116,428, which included an increase of \$1,094,024 for out-of-district special education payments. This recommendation provides the full \$57,116,428 requested by the schools, but provides \$56,022,404 directly to the School Department, and provides the complimentary \$1,094,024 as a transfer to the new Special Education Reserve Fund, with the expectation that the funds will be used to pay for out-of-district

special education costs in FY 2023 by subsequent authorization by both the Select Board and School Committee.

A high level view of the proposed operating budget is detailed in Enclosure (1). A multi-year view of the operating budget is provided as Enclosure (2), and a line-by-line budget detail is provided as Enclosure (3).

As a fiscal stewardship measure, this budget proposes to transfer \$250,000 to the General Fund Stabilization account. The Town's Financial Policy encourages maintaining a combined General Fund Stabilization balance and unallocated certified free cash balance of 5% of the General Fund budget. For this proposed budget, that 5% target would be \$5.1 million. After the proposed deposit to the General Fund Stabilization account, the balance (before investment returns) would be \$4,203,384, which when combined with unallocated certified free cash would nearly meet the Town's target, with a 4.9% aggregate reserve level. The Town also holds a Capital Stabilization Fund with a balance of \$343,164, and a School Stabilization Fund with a balance of \$3,120,075, reflecting additional financial strength.

This proposal also contains funding for the Town's public employee pension fund, including \$2,144,260 toward paying down the Town's long-term pension liability, consistent with the plan to achieve full funding of the employee pension plan by 2037. Further, the plan recommends a contribution of \$620,250 to the Town's Other Post Employment Benefit (OPEB) Trust Fund, which has been established as a fiscal stewardship measure to set aside funds to pay future retiree medical benefits that current and past employees have already earned.

As part of required financial reporting, the Town hires an actuary each year to update the estimate of the long-term liability associated with the retirement health care benefits that current and past employees have earned. Based on prior analyses, Hopkinton was on a path to contribute an amount planned for \$420,250 to the Town's OPEB Trust Fund in FY 2023, with the contribution planned to escalate by 2.5% per year, on a path to fully funding the liability by 2050. In the latest actuarial revision, received a few weeks ago, the estimated liability rose significantly as a result of changes in actuarial assumptions. In the coming weeks, the Finance Department will present an analysis of this situation to the Select Board, along with a briefing by the actuary. For this budget proposal, the contribution to the OPEB Trust Fund has been increased from \$420,250 to \$620,250, again, with a planned 2.5% escalation of contributions in future years. This adjustment will keep the Town close to the 2050 target for fully funding this liability.

The recommended budget includes a list of eighteen "pay-as-you-go" capital projects with an aggregate cost of \$2,128,140 recommended for funding from the available certified free cash balance. The pay-as-you-go list includes authorization for an additional purchase of a replacement for Fire Engine 4, which was ironically destroyed in a commercial repair shop fire, and which is expected to be funded through insurance proceeds which are recommended to be appropriated for this purpose.

The tax impact of the proposed operating budget is 2.31%, which would amount to a \$268 tax increase on the average home with a value of \$681,100 and a tax bill of \$11,599; however, because old debt which is excluded from the tax levy is being paid off faster than new excluded debt is being added, the aggregate effective tax impact for FY 2023 on existing taxpayers will be 2.08%, or \$241 on the average home with a value of \$681,100 and a tax bill of \$11,599.

This proposal also foresees putting six projects forward for Town Meeting and voter consideration as excluded debt under the Proposition 2 ½ budget scoring rules, subject to plebiscite, for an aggregate amount of \$4,378,761. As excluded debt, if these projects are approved, taxes will only be levied to support payment until the projects are paid off rather than permanently increasing the tax levy. It is anticipated that in the first year, if all six of the proposed excluded debt projects are approved, there will be an interest-only temporary borrowing with an estimated interest cost of \$62,849, with a taxpayer impact of 0.08%, however, because more excluded debt is being paid off than added in FY 2023, there will be a reduction in taxpayer expense for excluded debt, as discussed in the previous paragraph. However, it is noteworthy that if these projects are subsequently funded through long term bonding, the principal and interest costs would rise to approximately \$411,000, with an anticipated tax impact of 0.50% in FY 2024 with variances possible based on prevailing interest rates at time of eventual borrowing, and it is important to understand the eventual tax impact when considering approval of these projects.

A breakdown of tax impact is provided in Enclosure (4). A complete list of proposed FY 2023 capital projects is provided in Enclosure (5).

The Town’s Financial Policy supports the use of free cash as a supplemental source of funding for sustaining Town infrastructure and for improving financial strength and resilience. Consistent with that approach, in addition to the \$2,128,140 allocated for pay-as-you-go capital projects, \$620,250 of free cash is being recommended as a contribution to the OPEB Liability Trust Fund and \$250,000 to the General Stabilization Fund. Net revenue from the Commonwealth of Massachusetts as local aid is projected to be \$9,689,011 from the Governor’s proposed FY23 budget. If support from the Commonwealth is materially less, additional budget adjustments will be required. Local receipts are conservatively estimated at \$4,733,679. Other available funds include ambulance receipts, and other miscellaneous sources; and that category of revenue will provide \$841,098.

In developing this proposal, staff have reviewed each estimate and assumption that supports material projections for both revenue and expense. This review included factors that will impact prospective budgets beyond FY 2023, as shown in Enclosure (2). In conducting the review, the sensitivity of key estimates was analyzed with an eye toward their potential to significantly impact the overall stability of proposed budgets.

The following notes relate to accounts outside the General Fund:

The Community Preservation Funds from statutory surcharges on property taxes projected at \$1,753,150, of which \$1,339,067 is projected from property tax bills and \$414,083 from State matching funds support. The state match in FY2022 was \$553,004 and received in December 2021 and January 2022. The Community Preservation Funds budget includes pay-as-you-go capital improvements at \$1,372,600; with the following balances:

| | |
|---------------------|--------------------|
| Historic Resources | \$646,713 |
| Community Housing | \$967,090 |
| Open Space | \$1,155,750 |
| Recreation | \$371,594 |
| <u>Undesignated</u> | <u>\$4,079,059</u> |
| Total | \$7,220,207 |

Enterprise revenues are projected as follows:

| | |
|------------------|-------------|
| Water Enterprise | \$2,509,117 |
| Sewer Enterprise | \$2,421,105 |

Community access cable TV programming is available in Hopkinton from HCAM, the Hopkinton Community Access and Media, Inc. On an ongoing basis, HCAM is funded from fees collected by local cable providers which are remitted to the Town and distributed to HCAM to support public access programming. In response to a recent statutory change, a proposed article at Annual Town Meeting, Hopkinton will consider adopting a pass-through mechanism established in Massachusetts law specifically for community cable TV. That provision will require the Town to accumulate and hold collected fees for an initial year, so that Town Meeting can appropriate those fees to HCAM at Town Meeting in May, 2023 and each year thereafter. Because of the shift in funding methods, HCAM will be without its normal funding source for a year, while a baseline round of fees are accumulated for future appropriation. To support HCAM operations during that year, this budget proposes an appropriation of \$346,947 from certified free cash to support HCAM during the transition year.

Forward looking factors for consideration:

This balanced budget proposal benefits from several million dollars in new tax revenue recorded in FY 2022 and projected for FY 2023 in connection with a major recapitalization of the Eversource liquid natural gas facility located here. It is noteworthy that, unlike situations where new growth is tied to residential development, the growth in tax value at the Eversource liquid natural gas facility will not generate associated demand for educational or other social services. In that context, this growth is particularly beneficial as a new revenue source without an associated new expense.

That good news on the tax front is tempered by Eversource's established record of challenging tax assessments; which introduces unusual risk in the Town's revenue stream. Reflecting that, the proposed budget includes a \$1 million set-aside to the tax overlay account, which is a reserve fund for potential losses on tax appeals.

Further, while the Town expects a two year surge in new growth revenue from the the Eversource liquid natural gas facility upgrade over FY 2022 and FY 2023, and while those funds become part of the recurring tax base, it seems unlikely that there will frequent future industrial developments of this scale to deliver additional future tranches of new growth revenue without associated educational and social service costs.

Over the past several years, operating budget increases of substantially more than 2.5% have been possible because of new growth from new residential construction at Legacy Farms and on scattered sites across the Town, and from the aforementioned increases in the industrial tax base. If the Town enters an economic phase where residential construction is likely to taper off as development shifts to smaller, scattered-site projects, and where industrial redevelopment slows; the Town will be challenged to provide service sustainment increases beyond the 2.5% level allowed by Proposition 2.5%. To the extent that compensation and other cost commitments substantially exceed 2.5% in those years, the Town will face structural budget shortfalls.

With respect to the capital improvements program, the Town has been accepted into the Massachusetts School Building Authority process which offers the chance of partial funding toward the renewal or replacement of the Elmwood School. While that support is welcome, it is likely that there will be a substantial cost to the Town in the form of a large excluded debt borrowing to supplement State funding. Experience from recent construction projects for new

schools in peer communities indicates that construction costs have risen markedly, and that the planned project here will therefore have a significant tax impact. In addition to cost escalation, any further rises in borrowing rates driven by inflation levels not seen in recent decades would compound that tax impact of a major school construction project.

Significant costs seem likely in coming years within the Water Enterprise. Currently, Hopkinton is both a producer and distributor of potable water. Per- and polyfluoroalkyl substances (PFAS) contamination in the Town groundwater supply is necessitating short term treatment actions, and prompting exploration of a mid term plan to connect to the Massachusetts Water Resource Authority's (MWRA) supply at the Quabbin Reservoir. Under that approach, Hopkinton would become a distributor of water. This plan has many merits in establishing a safe, reliable, long-term water supply; and a water supply in which treatment or other special costs are spread among millions of MWRA users, rather than the few thousand Hopkinton users served by our Water Enterprise.

While there will be some operational savings gained by dropping the water production business line, there will be many new costs, including the capital cost for physically connecting the MWRA distribution system, a potential capital contribution for system membership, and volume-based fees for the water itself. This budget proposal includes Water Enterprise spending of \$600,000 for immediate temporary water treatment capability and \$1.3 million for MWRA connection design work. Even with support from federal funds which are currently available to the Town, and with the prospect of possible additional federal or state funding for water infrastructure, it is likely that the transition to the MWRA will result in very substantial water rate increases for Hopkinton users.

Conclusion:

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, new growth estimates, 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 these two budget recommendations to this point for consideration. The "One Town, One Solution" approach will continue to guide the ongoing dialogue involving Town residents for the further refinement of the budget leading up to the 2022 Annual Town Meeting.

- Enclosure:
- (1) Projected Sources and Uses of Funds, FY 2023
 - (2) General Fund Five Year Financial Forecasting Model
 - (3) Line by Line Appropriation Summary, FY 2023
 - (4) Projected Tax Impact, FY 2023
 - (5) Capital Improvement Summary, FY 2023
 - (6) Five Year Capital Improvement Preview, FY 2023 - 2027