

# ***TOWN OF NORTHBOROUGH MASSACHUSETTS***



Annual Budget  
For the Fiscal Year  
Beginning July 1, 2023 and ending June 30, 2024

## **Board of Selectmen**

*Mitch Cohen, Chair*  
*Julianne Hirsh, Vice Chair*  
*Kristen Wixted, Clerk*  
*Scott Rogers*  
*Jason Perreault*

## A CITIZEN'S GUIDE TO THE BUDGET

Congratulations! If you are reading this it means you are interested in better understanding one of the most important documents produced by your community. The Annual Budget document is much more than just numbers; it is a reflection of our community's values, priorities and goals. The Budget document serves as a policy document, a financial guide and a communications device to its residents. To this end, it is designed to be as user-friendly as possible. This guide was created to help orient interested readers by providing a brief overview of the budget process, as well as an explanation of the organization of the budget document itself. We hope you find this introductory guide a useful tool as you better acquaint yourself with the latest financial and planning information for the Town of Northborough.

### THE BUDGET PROCESS

The Town of Northborough operates under State statutes and the Home Rule Charter as amended to establish the Selectmen-Town Administrator form of government. The legislative body of Northborough is an Open Town Meeting comprised of all registered voters. Town Meeting has the sole authority to appropriate funds for the operating budget and capital projects except for specific instances where statutes or regulations do not require appropriation. Any amendments to appropriations require Town Meeting vote at either a regular or Special Town Meeting. The procedures for Town Meeting are specified in Chapter 1-80 of the Town of Northborough Code. Annual Town Meeting is always held on the fourth Monday in April.

While this document contains detailed departmental budgets, it should be noted that these details are provided for information purposes only. The final budget vote of Town Meeting constitutes the legal budget authority which ultimately governs the manner and amount of local funding expended during the fiscal year. This budget presents only the General Fund, which is required by state statute to be appropriated by Town Meeting.

Readers should also obtain a copy of the Annual Town Meeting Warrant book which contains the actual budget articles to be voted upon. Town Meeting Warrant Articles contain additional funding sources such as Revolving Funds used to offset specific departmental budgets. A more detailed explanation and overview of the Town's larger fund structure and basis of accounting can be found in Appendix B.

### BUDGET CALENDAR

#### August/September

- Identify Goals & Strategic Needs

#### October

- Capital Budget Manual sent out to Departments

#### November

- Capital Requests Submitted & Reviewed by Financial Planning Committee
- Operating Budget Manual sent to Departments

#### December

- Town Administrator Reviews Requests and Develops Operating Budget
- Town Administrator & Financial Planning Committee Develop Capital Budget
- Financial Trends and Forecast Report Updated

#### January/February

- Proposed Capital Budget Presented to Appropriations Committee
- Preliminary Operating Budget Presented to Appropriations Committee

#### February/March

- Appropriations Committee Holds Public Budget Hearings with Departments
- Proposed Budget Presented to Board of Selectmen and Appropriations Committee

#### April

- Proposed Operating and Capital Budgets Presented to Annual Town Meeting

#### June/July

- June 30<sup>th</sup> Current Fiscal Year 2023 Ends
- July 1<sup>st</sup> Fiscal Year 2024 Begins
- State Budget typically passed with Final State Aid numbers (a/k/a "Cherry Sheets")

#### November

- Tax Classification Hearing & Final Tax Rate Set

## A CITIZEN'S GUIDE TO THE BUDGET

Budget documents are traditionally difficult to read, especially if you are not familiar with the organization. One reason is that most of us do not work with written budgets everyday and thus are uncertain as to where we should focus our attention. For this reason the Town's budget has been consciously organized to provide a "big-picture" overview first, followed by progressively more detailed information. This document respects both your time and your need to understand complex financial issues at a level that allows you to actively participate in the discussion in a meaningful way. In order to address these issues, and to assist interested readers in making the budget understandable, we would like to suggest that it be read in the following order:

### HOW TO READ THE BUDGET

First, Appendix D at the back of this document contains a **Glossary of Terms** that the reader may want to refer to when using this document.

Second, the **Budget Message** contains the overall philosophy upon which the budget was developed as well as an explanation of any significant increases or decreases in the level of services being provided in the current fiscal year as well as what will be provided during the upcoming fiscal year. Immediately following the Budget Message is the Town's **Vision Statement** and a general **Community Profile**.

Third, the budget itself is contained in **Budget Highlights & Summaries Section 1**. This segment provides budget summaries which display revenue and expenditure histories as well as proposed appropriations for the coming fiscal year. This section identifies significant budget issues and explains the rationale for budget recommendations.

Fourth, since the budget document is designed to present summary information first, and progressively become more in-depth, Sections 2 through 5 are designed to provide **Departmental Detail** according to functional budget categories such as Public Safety, Community Services, etc.

Included in this detail are departmental mission statements, organizational charts, staffing histories, and goals for the upcoming fiscal year. These sections, explain in detail how the expenditures contained in the Budget Highlights section were arrived at and what services will be provided to Town residents.

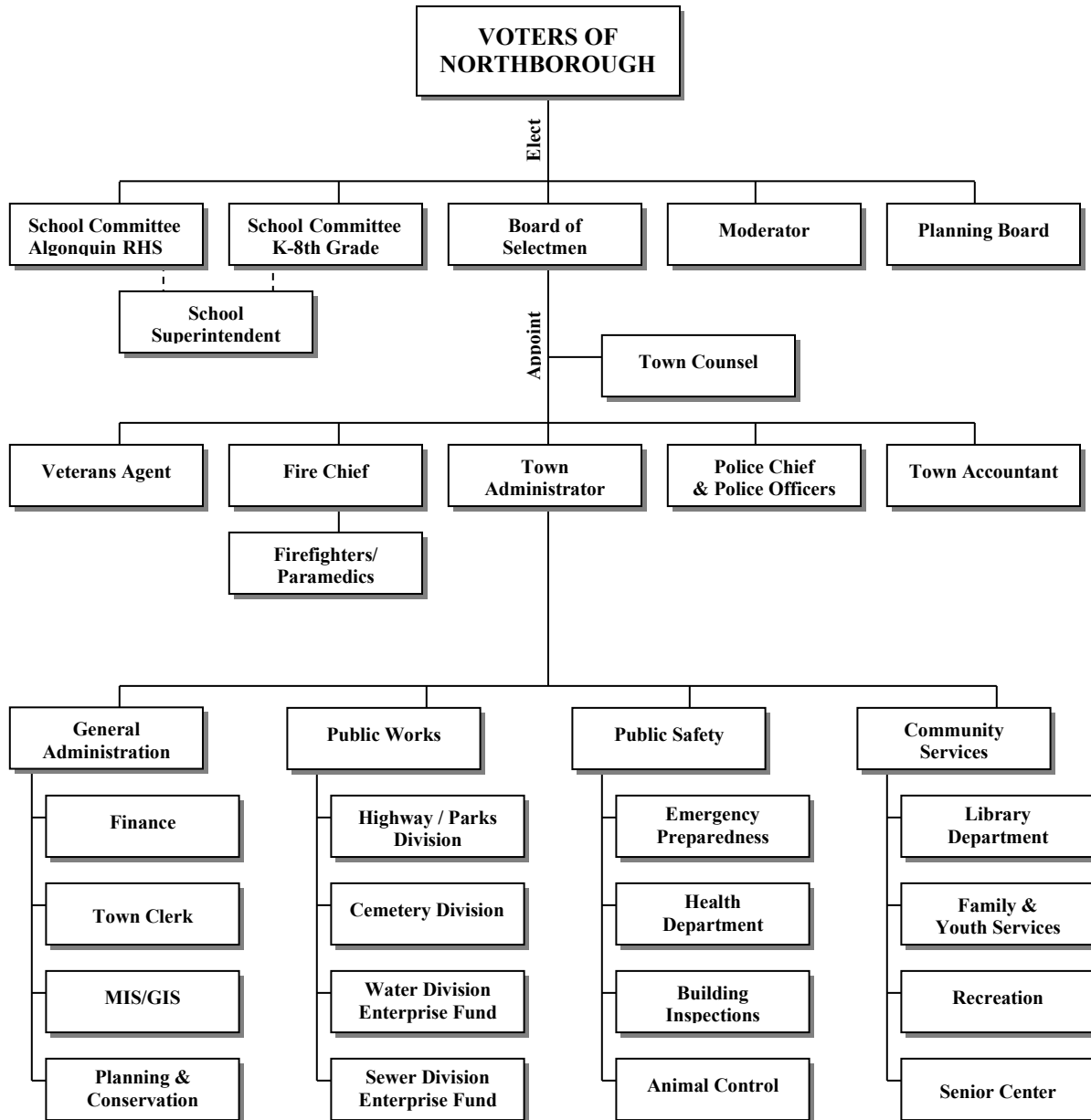
Fifth, Section 6 contains information on **Undistributed Expense Categories** such as Employee Benefits, Long-term Debt, Non-Appropriated Expenses and the FY2024 Warrant Articles.

Sixth, Section 7 contains the basic budgets for Schools. Please refer to the separately published **School Department** budget documents for more detail.

Seventh, Section 8 contains **Water, Sewer and Solid Waste Enterprise Fund budgets**.

Lastly, Section 9 details the FY2024 **Capital Projects Budget** and contains detailed information on the Town's Six-Year **Capital Improvement Program**. This is where the Town comprehensively plans for major projects that typically require funding with debt, such as new or renovated buildings and large equipment acquisitions. Contained within Section 9 is an additional reader's "introduction" guide that explains Northborough's Capital Planning process in a straight-forward manner.

# Town Organizational Chart

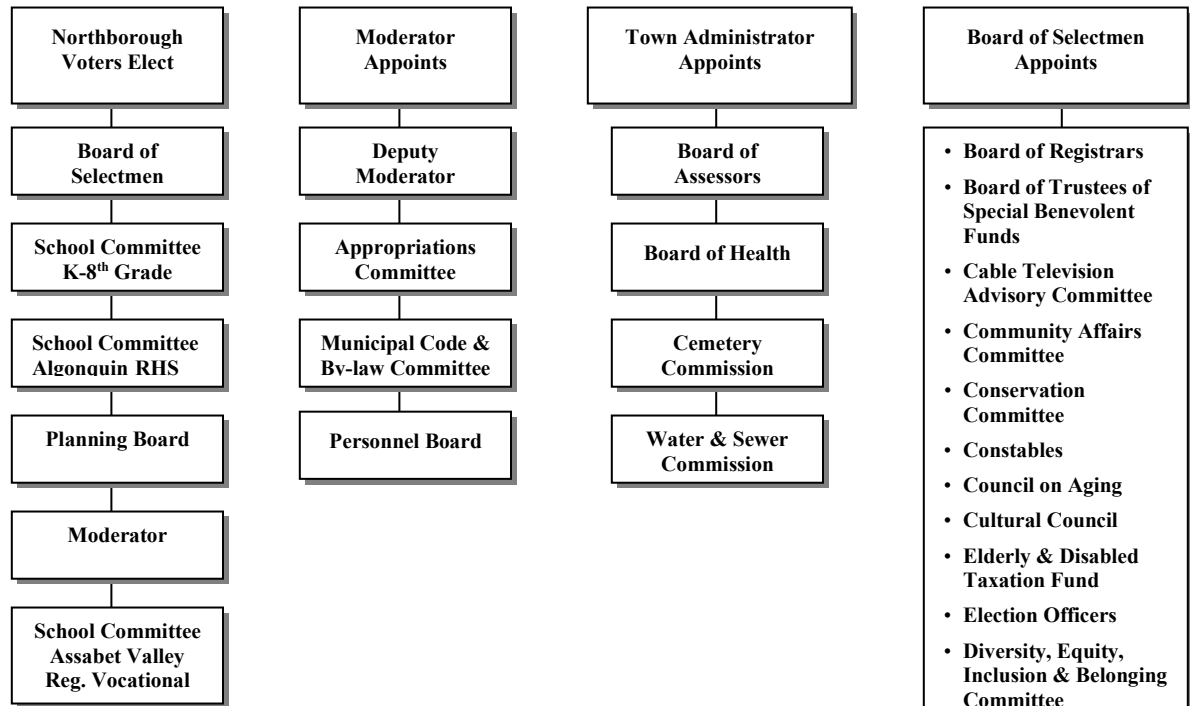


## Personnel Appointing Authority

- Voters elect the Board of Selectmen, School Committees, Planning Board and Town Moderator.
- The Northborough K-8 School Committee and the Algonquin Regional High School Committee appoint the Superintendent.
- The Board of Selectmen appoint the Town Administrator, Fire Chief (Chief appoints firefighters/paramedics), Police Chief, Police Officers, Town Counsel, Town Accountant and Veterans Agent. The Selectmen also appoint the Library Board of Trustees, which operates under their general administrative direction to appoint the Library Director and staff.
- The Town Administrator appoints all other Town Personnel and is responsible for overall budgeting and financial coordination between departments. In accordance with the Board of Selectmen's Department Reporting Policy 9-128-010, the day-to-day activities of the Police Chief, Fire Chief, Town Counsel, Town Accountant the Veterans Agent coordinate through the Town Administrator's Office.



# Boards and Committees



## Boards & Committees with Multiple Appointing Authorities

- **Financial Planning Committee:** The Financial Planning Committee consists of six members, three appointed by the Moderator, one by the Planning Board, one by the School Committee, and one by the Appropriations Committee for three-year terms.
- **Earthwork Board:** The Earthwork Board consists of five members, one each appointed by the Moderator, the Board of Selectmen, the Conservation Commission, the Zoning Board of Appeals and the Planning Board for three-year terms.
- **Groundwater Advisory:** The Groundwater Advisory Committee consists of five members, one each appointed by the Planning Board, the Conservation Commission, the Board of Health, the Board of Selectmen and the Water & Sewer Commission for indefinite terms.
- **Community Preservation Committee (CPC):** The CPC consists of nine members, one each from the Open Space Committee, the Conservation Committee, the Planning Board, the Parks & Recreation Commission, the Historical Commission, the Housing Authority, and three members appointed by the Board of Selectmen for three-year terms.
- **Open Space Committee:** The Open Space Committee consists of seven members, one each from the Planning Board, Conservation Commission, Parks & Recreation Commission, Board of Selectmen, and three members and two alternates appointed by the Board of Selectmen for three-year terms. The Trails Committee is a subcommittee of the Open Space Committee.
- **Housing Partnership:** The Housing Partnership Committee consists of nine members, one each from the Board of Selectmen, Planning Board, Housing Authority, Council on Aging and five members appointed by the Board of Selectmen, one of which must be a realtor, for three-year terms.
- **LEPC:** The Northborough Local Emergency Planning Committee is a committee established through the Federal Emergency Planning and Right-To-Know Act (EPCRA) of 1986. Local, State, and Federal members work together to formulate emergency planning for hazardous materials within Northborough, exercise the plan annually, maintain training for hazardous materials emergencies, and provide information on hazardous materials to the public. Membership includes: State and Local Elected Officials, Hospitals, Firefighters, Environmental Groups, Law Enforcement Personnel, News Media, Civil Defense Officials, Community Groups, Public Health Officials, Transportation Resources, and Hazardous Materials Facilities.
- **Various Ad Hoc Committees:** In addition to the Boards and Committees listed here, at any time there may also exist several ad hoc committees formed by various bodies to study specific issues such as Building Committees, Staffing Committee, Solid Waste Advisory Committee, etc.

## *IN THE CENTER OF IT ALL*

### *NORTHBOROUGH, MASSACHUSETTS*

#### **COMMUNITY PROFILE**

**Incorporated:** 1766

**Land Area:** 18.72 Sq. Miles

**Public Roads:** 92.7 Miles

**County:** Worcester

**2020 Population:** 15,741

**2021 Labor Force:** 8,029

**Form of Government:**  
Town Administrator  
Five-member Board of Selectmen  
Open Town Meeting

**FY2023 Tax Rate per Thousand:**  
\$14.79

**2023 Average Single Family  
Home Value:** \$579,799

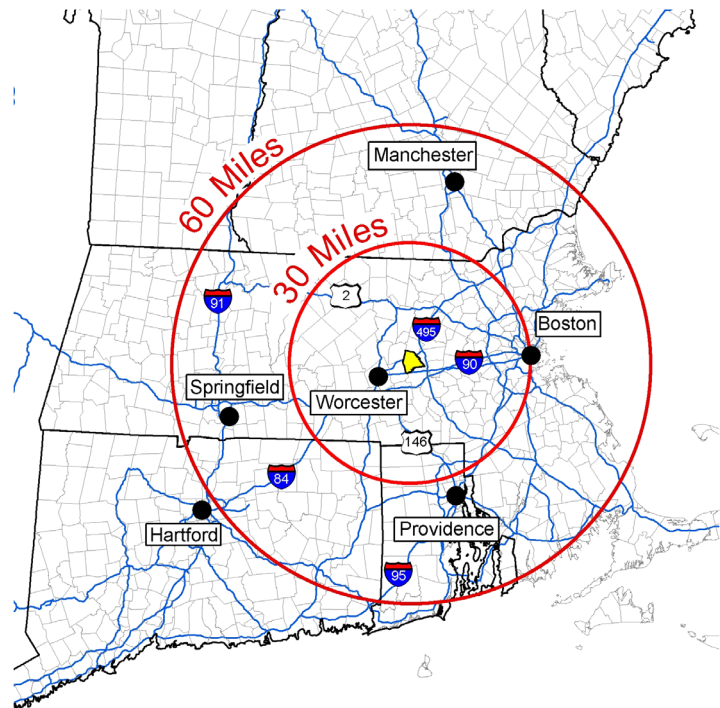
**2023 Average Single Family Tax  
Bill:** \$8,575

**FY2023 Municipal Operating  
Budget:** \$73,691,740

**To find out more about  
Northborough's municipal  
services, please visit:**

[www.town.northborough.ma.us](http://www.town.northborough.ma.us)

**Town Offices**  
63 Main Street  
Northborough, MA 01532  
Phone: (508) 393 – 5040  
Fax: (508) 393 - 6996  
[townadmin@town.northborough.ma.us](mailto:townadmin@town.northborough.ma.us)



The Town of Northborough is a suburban community which offers classic New England charm while providing access to educational opportunities, a mix of retail establishments and restaurants, a variety of housing options, and a stable and prospering business environment. These attributes make Northborough an attractive community in which to live, shop and work. Because Northborough is centrally located and in close proximity to I-495, I-290 and the Mass Pike I-90, it is a desirable area for travelers heading to Boston, New Hampshire, Rhode Island and Connecticut.

Northborough provides a broad range of general government services including police and fire protection; water and sewer; public works; parks and recreation; a senior center; and a library.

Northborough's school system consists of the Northborough Public Schools, grades kindergarten through 8, and the Algonquin Regional High School, grades 9 – 12. Technical education at the high school level is provided through the Assabet Valley Regional Technical High School.

## **TABLE OF CONTENTS**

Title page listing Board of Selectmen .....	<i>i</i>
Citizen's Guide to the Budget .....	<i>ii</i>
Town Organizational Chart .....	<i>iv</i>
Community Profile .....	<i>vi</i>
Table of Contents. ....	<i>vii</i>
 Town Administrator's Budget Message .....	 1-17
<b>SECTION 1—BUDGET SUMMARIES</b>	
Balanced Budget Summary .....	1-2
Revenue Budget Summaries .....	1-5
Expenditure Budget Summaries. ....	1-11
<b>SECTION 2—GENERAL ADMINISTRATION</b>	
Executive Office .....	2-1
Board of Selectmen .....	2-8
Town Administrator's Office .....	2-9
Economic Development (Community Development) .....	2-10
Town Reports .....	2-10
 Town Hall/Office Supplies .....	 2-11
 Finance Department .....	 2-13
Treasurer/Tax Collector .....	2-19
Assessing. ....	2-20
Accounting .....	2-21
 Management Information Systems /Geographic Information System (MIS/GIS) .....	 2-22
 Town Clerk's Office. ....	 2-27
Registrars & Elections .....	2-32
 Advisory Boards & Services .....	 2-33
Moderator. ....	2-33
Appropriations Committee .....	2-34
Financial Planning Committee .....	2-35
Personnel Board .....	2-36
Town Counsel/Legal Services .....	2-37
 Planning and Conservation. ....	 2-38
Town Planner/Planning Board .....	2-42
Central MA Regional Planning Commission. ....	2-43
Zoning Board of Appeals (ZBA) .....	2-44
Conservation Commission. ....	2-45
Earthwork Board .....	2-46
Community Preservation, and Open Space .....	2-47
Design Review Committee, Affordable Housing & Housing Partnership .....	2-48
Northborough Housing Authority & Northborough Affordable Housing Corp ...	2-49

## **TABLE OF CONTENTS**

### **SECTION 3—PUBLIC SAFETY**

Police Department . . . . .	3-1
Fire Department / Emergency Medical Services (EMS) . . . . .	3-8
Emergency Preparedness . . . . .	3-16
Building Inspections Department . . . . .	3-17
Plumbing/Gas Inspector . . . . .	3-22
Wiring Inspector . . . . .	3-23
Sealer of Weights & Measures Inspector . . . . .	3-24
Health Department / Board of Health . . . . .	3-25
Animal Control . . . . .	3-31

### **SECTION 4—PUBLIC WORKS**

Public Works Department . . . . .	4-1
Highway Administration . . . . .	4-10
Highway Division Construction & Maintenance . . . . .	4-11
Parks Division . . . . .	4-12
Cemetery Division . . . . .	4-13
Water Division Enterprise Fund (see Section 8 for budget detail)	
Sewer Division Enterprise Fund (see Section 8 for budget detail)	
Facilities . . . . .	4-14
Engineering . . . . .	4-15
Snow & Ice Removal . . . . .	4-16
Public Trees . . . . .	4-17
Street Lighting . . . . .	4-17

### **SECTION 5—COMMUNITY SERVICES**

Senior Center/ Council on Aging . . . . .	5-1
Library Department . . . . .	5-7
Recreation Department . . . . .	5-13
Family & Youth Services Department . . . . .	5-18
Public Access Cable Television . . . . .	5-24
Veteran Services . . . . .	5-29
Cultural Council . . . . .	5-33
Community Affairs Committee . . . . .	5-34
Historic District Commission . . . . .	5-35

## **TABLE OF CONTENTS**

### **SECTION 6—UNDISTRIBUTED EXPENSES**

Employee Benefits & Insurance (includes Northborough K-8 School employees) . . . . .	6-1
Health Insurance . . . . .	6-2
OPEB Trust . . . . .	6-5
Life Insurance . . . . .	6-6
Other Benefits/FICA . . . . .	6-7
Worcester Regional Retirement Assessment . . . . .	6-8
Worker's Compensation . . . . .	6-10
 Building & Liability Insurance (includes Northborough K-8 Schools) . . . . .	6-11
Debt Service. . . . .	6-12
Non-Appropriated Expenses. . . . .	6-16
State Assessments . . . . .	6-17
Reserve for Abatements/Off-sets . . . . .	6-18
Stabilization Fund Contribution . . . . .	6-19
Reserve Fund (see also under Warrant Articles) . . . . .	6-20
Warrant Articles. . . . .	6-20

### **SECTION 7—PUBLIC EDUCATION**

Northborough K-8 Public Schools. . . . .	7-1
Algonquin Regional High School (ARHS) . . . . .	7-2
Assabet Valley Regional Technical High School. . . . .	7-3
Agricultural High School Assessment . . . . .	7-4
Charter Schools (Please see Non-Appropriated Expenses)	

### **SECTION 8—ENTERPRISE FUNDS**

Solid Waste Enterprise Fund . . . . .	8-1
Water Division and Sewer Division Enterprise Funds . . . . .	8-6

### **SECTION 9—CAPITAL IMPROVEMENT PROGRAM**

Transmittal. . . . .	9-1
Introduction. . . . .	9-7
Capital Projects Flow Chart. . . . .	9-12
Capital Improvement Program (summary of projects requested) . . . . .	9-13
Project Detail by Functional Areas. . . . .	9-19
Financial Planning Committee Report. . . . .	9-78

### **APPENDICES**

- A. Financial Management Policies & Objectives
- B. Fund Descriptions and Balances
- C. Financial Trend Monitoring Report
- D. Glossary of Terms



This Page Intentionally Blank



## TOWN OF NORTHBOROUGH

Town Offices  
63 Main Street  
Northborough, MA 01532-1994  
(508) 393-5040 Phone  
(508) 393-6996 Fax

### MEMORANDUM

TO: Honorable Chairman and Members of the Board of Selectmen  
and the Appropriations Committee

FROM: Interim Town Administrator

SUBJECT: FY2024 Proposed Budget

DATE: April 5, 2023

I hereby transmit this proposed annual budget for FY2024. The recommended FY2024 General Fund operating budget totals \$73,691,740 or 3.47% as compared to FY2023.

#### FY2024 Proposed Budget

EXPENDITURES	FY2023 Budget	FY2024 Proposed	Variance	% Change
General Government (Town)	\$24,501,963	\$25,476,532	\$974,569	3.98%
Schools				
Northborough K-8	\$26,692,953	\$28,001,227	\$1,308,274	4.90%
Algonquin Reg. HS 9-12	\$12,833,497	\$13,421,085	\$587,588	4.58%
Algonquin Debt Exclusion	\$653,069	\$651,454	-\$1,615	-0.25%
Assabet Valley	\$1,155,301	\$1,175,405	\$20,104	1.74%
Assabet Valley Debt	\$130,004	\$126,176	-\$3,828	-2.94%
Warrant Articles				
Town Hall Reuse Article	\$10,000	\$0	-\$10,000	-100.00%
Reserve Fund	\$175,000	\$175,000	\$0	0.00%
Transfer to Stabilization	\$200,000	\$200,000	\$0	
Free Cash Capital Projects	\$2,024,000	\$1,105,000	-\$919,000	-45.41%
Transfer to OPEB Trust	\$300,000	\$550,000	\$250,000	
Library Debt Service	\$299,530	\$288,895	-\$10,635	-3.55%
Senior Center Debt Service	\$321,175	\$316,665	-\$4,510	-1.40%
Lincoln Street Debt Service	\$998,675	\$973,975	-\$24,700	-2.47%
Fire Station Debt Service	\$64,498	\$338,500	\$274,002	100.00%
Other Funds	\$854,621	\$891,826	\$37,205	4.35%
Adjustments	\$4,417		-\$4,417	-100.00%
<b>Subtotal General Fund</b>	<b>\$71,218,703</b>	<b>\$73,691,740</b>	<b>\$2,473,037</b>	<b>3.47%</b>
Water Enterprise Funds	\$2,636,103	\$2,772,795	\$136,692	5.19%
Sewer Enterprise Fund	\$2,397,488	\$2,508,481	\$110,993	4.63%
Solid Waste Enterprise Fund	\$928,113	\$1,040,684	\$112,571	12.13%
<b>Subtotal Enterprise Funds</b>	<b>\$5,961,704</b>	<b>\$6,321,960</b>	<b>\$360,256</b>	<b>6.04%</b>
<b>TOTAL ALL FUNDS</b>	<b>\$77,180,407</b>	<b>\$80,013,700</b>	<b>\$2,833,293</b>	<b>3.67%</b>



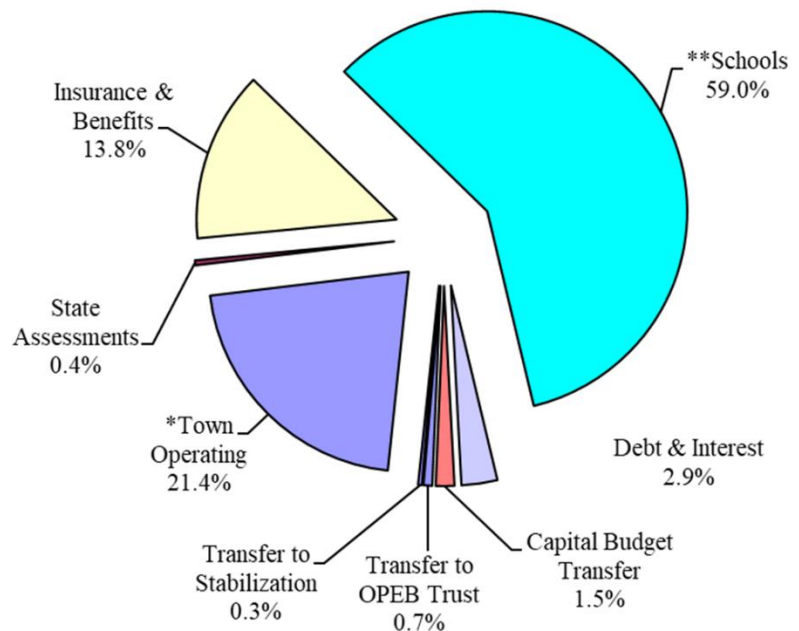
The FY2024 proposed budget includes the following key budget increases:

- Northborough K-8 Schools – 4.9%
- General Government (Town) – 3.98%
- Assabet Valley Vocational Assessment and Debt – 1.27%
- Algonquin Regional High School Assessment and Debt – 4.34%

The FY2024 budget proposal includes \$500,000 in free cash use per the Town's Financial Policy, a return to funding the Other Post Employment Benefits (OPEB) Trust Fund at \$550,000, an increase of \$250,000 over FY2023, as well as a \$200,000 contribution to the Stabilization Fund to maintain reserve ratios.

Looking ahead to FY2024, the Town continues to recover from the impacts of Covid-19. Multiple years of reduced expenditures to manage the impacts of the pandemic now require discipline to return to the funding amounts required to maintain the financial health of community. In FY2024, that recovery is reflected in the continuation of a \$200,000 stabilization fund contribution, reduced in FY2021 and FY2022 to address the impacts of Covid-19. During the pandemic, the Town was able to defer investment to the OPEB Trust Fund in the amount of \$1 million over three years. In FY2024, the Town will return to its pre-pandemic funding amount of \$550,000. In future years, the Town will need to consider strategies to increase the OPEB Trust Fund contribution to address the \$1 million shortfall because of the pandemic.

**FY2024 Expenditures**



#### Prior Fiscal Years Pandemic Budget Reductions

- Cut Operating Budgets to 1% in FY2021 and constrained increases in FY2022
- Used \$378,000 in one-time Free Cash in the FY2021 Budget due to revenue shortfalls
- Cut \$200,000 in Stabilization Fund Contributions in both FY2021 & FY2022
- Postponed Capital Investments in FY2021 and had limited Free Cash to fund pay-as-you-go projects in FY2022, creating a backlog
- Cut over \$1 million in contributions to Other Post-Employment Benefits (OPEB) Trust Fund (\$550,000 in both FY2021 & FY2022)





## **Financial Trend Monitoring System Report (FTMS):**

In preparation for FY2024 the Financial Team updated the Town's Financial Trend Monitoring System (FTMS) Report and presented the results along with revised five-year financial forecasts at a joint meeting of the Board of Selectmen, Financial Planning Committee, Appropriations Committee and K-8 School Committee in December of 2022. The updated FTMS Report provided critical information about FY2024 budget assumptions, which allowed the policy-making Boards and Committees to make informed decisions. The updated analysis included a close look at Local Receipts and State Aid projections, which were used to build consensus regarding sustainable FY2024 budget increases. These discussions took place in the context of the following standing goals for the annual budget development process.

## **Standing Budget Development Goals:**

1. To protect and improve the Town's overall Financial Condition, which is broadly defined as our ability to maintain existing service levels; withstand local and regional economic disruptions; and meet the demands of natural growth, decline, and change.
2. To develop a budget that is in conformance with the Town's comprehensive financial policies and does not rely on one-time gimmicks or unsustainable practices.
3. To maintain Northborough as an affordable place to live and operate a business
4. To protect the Town's long-run solvency beyond the immediate budget cycle by developing clear policies regarding issues such as debt, pension obligations, OPEB liabilities and capital investment.

As the FY2024 budget process unfolded, individual departmental goals and objectives were developed within these Town-wide umbrella goals to ensure that long-term perspectives that span beyond just the upcoming fiscal year are taken into consideration. In addition to these overriding goals and initiatives, each departmental budget contains more detailed goals and objectives for the FY2024 budget.

## **Recent Developments**

During the preceding months, several significant budgetary items were finalized, including Health Insurance, Debt Service, State Aid estimates, revised Local Receipt projections, and final guidance with regard to recent Federal Aid. Collectively, these items represent the final pieces of the FY2024 budget.

- Health Insurance—The FY2024 health insurance budget request of \$6.18 million represents a 0% increase from the previous fiscal year. the amount budgeted last year. Last year, following the exit of the Town's then provider Fallon from the market, the Town created a joint procurement association (JPA) with the Regional High School and the Town of Southborough in order to maximize the potential for savings in the health insurance market. In FY2023, the Town

<b>Health Insurance Budget Increases</b>	
FY2010	0.72%
FY2011	2.99%
FY2012	4.49%
FY2013	3.34%
FY2014	2.00%
FY2015	1.00%
FY2016	3.00%
FY2017	3.00%
FY2018	8.33%
FY2019	3.80%
FY2020	2.00%
FY2021	2.60%
FY2022	2.10%
FY2023	1.00%
FY2024	0.00%
Average	2.69%



executed an agreement with Harvard Pilgrim, resulting in an increase of just 1% budgetarily. During FY2023, the Town was noticed that Tufts, the provider of the most used Senior Plan, would no longer be offering that plan to the Town. As a result, the Town consolidated Senior Plans which resulted in significant savings for the Town, allowing a 0% increase to the budget in FY2024. Over the last decade, the Town has diligently managed health insurance costs with increases averaging just 2.69%.

- Debt Service—The proposed FY2024 debt service budget provides for the payment of principal and interest costs for long and short-term bonds issued by the Town for General Fund purposes. For FY2024, the total Debt Service budget for the General Fund is \$2.1 million, an increase of \$197,767 or 10.2%. This increase is largely attributable to a required pay-down for the purchase of 61-65 West Main Street, the land purchased for the location of a new Fire Station.

Of significant note is that in conjunction with the bond issuances for the Lincoln Street School project in 2015, Moody's Investors Service upgraded the Town's bond rating from Aa2 to Aa1, which is Northborough's highest rating ever. During the review Moody's cited the Town's manageable debt levels, strong reserves, below average pension liabilities and its ongoing funding of OPEB liabilities as positive factors. With regard to management, they commented that *"the Town has a strong management team evidenced by a multi-year trend of conservative budgeting guided by formal fiscal policies."* The independent assessment illustrates how our planning efforts and fiscal discipline produce very real and tangible results—lower rates on bonds resulting in less tax dollars going to pay for interest.

During FY2022 the Town underwent another bond rating review as part of its decision to refinance outstanding debt associated with the Senior Center and Library building projects, as well as various water and sewer projects. The Town's favorable Aa1 rating was affirmed and resulted in an estimated savings of \$824,167 over the remaining 8 years on the General Fund and Enterprise Fund bonds. The Town not only took advantage of low market interest rates, but was able to leverage its higher credit rating for additional savings.

- State Aid—The current budget model assumes State Aid will increase by 2% to \$5.87 million in accordance with the Governor's FY2024 Budget, which was released on February 23<sup>rd</sup>. This year, the State experienced a transition in the Governor's House, resulting in a delay in releasing the budget. The Town does not anticipate receiving much of an increase given experience and the State's ongoing commitment to funding the Student Opportunities Act, which is designed to direct increased funding to disadvantaged school districts. Over the coming months the House and Senate will release their respective budget proposals and work out the differences through a joint committee. The Town generally does a little better in terms of aid from the Legislature, in part, because they will have more up-to-date revenue information. However, we are unlikely to see any meaningful increase in FY2024. As discussed at

## BOND RATING SYMBOLS

### Moody's Investor Service

Aaa

➔ Aa1

Aa2

Aa3

A1

A2

A3

Baa1

Baa2

Baa3

Ba1

Ba2

Ba3

B1

B2

B3



the Financial Trend Monitoring Presentation, because State Aid continues to lag our general budget increases, it has become an ever-smaller percentage of our overall budget. State Aid declined from a high of 13.1% of revenues in FY2003 to just 8.4% in FY2024. Historically, the Town does not receive its final State Aid figures until well after Town Meeting. Based upon the information coming out of the Legislature, the Governor's 2% estimate appears to be a reasonable assumption.

- Local Receipts—The third largest source of revenue for the General Fund budget is Local Receipts, which include a variety of economically driven fees, permits, fines and license-related monies that the Town receives, as well as interest that is earned on investments or overdue tax bills. Local Receipt estimates are reduced in FY2024 to \$4 million due to the last of eight annual Algonquin Regional High School settlement payments being paid in FY2023 in the amount of \$232,000. Most Local Receipts such as building permits and motor vehicle excise taxes tend to trend along general economic cycles and are often the first revenues impacted by negative economic news, so it is important to be conservative when forecasting. As reported at the State's Revenue Consensus Hearing back in December, most economists were quick to qualify their forecasts in terms of the ongoing recovery, so it will be important to continue carefully tracking these elastic revenue sources moving forward.
- State & Federal Relief Funds—The Town continues to plan for the use of Northborough's ARPA monies. Over the last year, the Town has allocated approximately \$1.9 million of the \$4.5 million available. The balance of \$2.6 million is available for use by the Board of Selectmen and must be obligated by December of 2024, and fully expended by December of 2026. Numerous grants and funding initiatives are currently under development and the Town will need to stay flexible to take advantage of potential opportunities, especially involving infrastructure investments.

### **Budget in Brief**

---

Similar to prior budgets, the FY2024 Proposed Budget relies on projections regarding available revenue, thereby accepting the limits of the Town's financial resources. The budget is based upon an established ceiling of revenue derived from local property taxes in accordance with Proposition 2½. Added to these revenues are State Aid, Local Receipts such as fees, permits, interest earned and Available Funds such as Free Cash and Special Revenues.

At this point in time, based upon our latest projections, the overall General Fund budget increase is 5.28% with the proposed budgets for the key departments estimated to increase as follows:

- General Government (Town) increases \$974,569 or 3.98% to \$25,476,532
- Northborough K-8 Schools increase \$1,308,274 or 4.90% to \$28,001,227
- Algonquin Regional High School (ARHS) combined operating and debt assessments increase by \$585,973 or 4.3% to \$14,072,539



- Assabet Valley Vocational High School combined operating and debt assessments increase by \$16,276 or 1.2% to \$1,301,581

- **General Government Budget**

The total FY2024 General Government Budget (non-school) is \$25,476,532, which is an increase of \$974,569 or 3.98%. The balance of the document that follows this Budget Message provides detail regarding each departmental budget. All five collective bargaining contracts expired on June 30, 2022 and have been settled in preparation for the FY2024 budget. This proposed budget includes the salary and benefit impacts of those settled contracts. Other significant budget changes include a new Deputy Fire Chief which was recommended as a part of a 2015 Public Safety Staffing Study, and MIS/GIS increases reflective of the completion of an MIS/GIS Strategic Plan and recommendations for cyber security upgrades. Additional details on changes to general government budgets can be found in the narrative section of each departmental budget page.

- **Northborough K-8 Schools**

The Northborough K-8 Public School System serves children in grades Kindergarten through 8. There are four elementary schools: the Fannie E. Proctor School, the Lincoln Street School, the Marion E. Zeh School, and the Marguerite E. Peaslee School. These four schools serve children from Kindergarten through grade 5. There is also one middle school, the Robert E. Melican Middle School, which serves grades 6, 7 and 8. As of October 1, 2022, a total of 1,595 students attend the Northborough schools, with 1,047 students in grades K-5 at the four elementary schools and 548 students in grades 6-8 at the Middle School.

The FY2024 Budget for Northborough K-8 Schools is proposed at \$28,001,227, which is an increase of \$1,308,274 or 4.9%.

- **Algonquin Regional High School (ARHS)**

The Northborough-Southborough Regional High School budget is composed of an operating assessment and an assessment for the debt related to the completed renovation/addition project. The FY2024 operating assessment is \$13,421,085 which is a \$587,588 increase, or 4.58%. The debt for ARHS decreases by \$1,615, or -0.25%, to \$651,454. FY2023 was the final year of the \$232,000 settlement payment from the Town of Southborough as a result of the declaratory judgement for the renovation/addition project. This reduction in revenues as a result of no longer receiving that payment is reflected in the Town's revenue assumptions for FY2024. The net effect of the combined operating assessment and new debt service is an overall budget increase of \$585,973 or 4.3% to \$14,072,539. As of October 1, 2022, 742 Northborough students attend the Algonquin Regional High School.

- **Assabet Valley Regional Technical High School**

Assabet Valley Regional Technical High School is a vocational school composed of the member communities of Berlin, Hudson, Marlborough, Maynard, Northborough, Southborough and Westborough. Northborough's assessment is based upon the number of students from Town attending the school. The total FY2024 Assabet Valley assessment is \$1,175,405, an increase of 1.74% over FY2023.



As of October 1, 2022, 64 Northborough students attend Assabet Valley. This is an enrollment decrease of 4 students from the 68 Northborough students that attended Assabet Valley last year. Northborough's FY2024 share of the debt assessment from the completed building renovation project is \$126,176, which will continue to decline in subsequent years. The net effect of the combined operating assessment and debt assessment is \$1,301,581 which is an increase of \$16,276 or 1.2%.

### • **Special Warrant Articles**

In addition to the individual departmental appropriations, the Town's overall annual financial plan includes warrant articles which draw upon the funds available to the Town. A detailed description of the proposed warrant articles, including their funding sources, is provided in Section 6-21 through 6-24 of this budget document. Further detail regarding the capital project warrant articles is contained in Section 9, the Town's Annual Capital Budget and FY2024-2029 Capital Improvement Program.

Overall, the Fiscal Year 2024 total operating budget for all funds, including enterprise funds, is \$80,013,700 or a 3.67% increase over FY2023. An in-depth review of revenues and expenditures is provided in the Budget Summaries Section 1 that follows this Budget Message.

### **Financial Condition and Outlook**

---

During FY2024 the Town updated its Financial Trend Monitoring System (FTMS) analysis designed to assess the Town's Financial Condition. The FTMS, as adapted from the system developed by the International City/County Management Association (ICMA), "identifies the factors that affect financial condition and arranges them in a rational order so that they can be more easily analyzed and measured." It is a management tool that pulls together the pertinent information from the Town's budgetary and financial reports, mixes it with the appropriate economic and demographic data, and creates a series of Town-specific financial indicators that, when plotted over a period of time, can be used to monitor changes in the Town's financial condition. The financial indicators include such areas as revenue and expenditure trends, financial reserves, unfunded liabilities, changes in the tax base, one-time revenue dependencies, debt, capital investments, and external revenue dependencies. The updated FTMS Report is included in its entirety as Appendix C of this budget document.

### **Financial Trend Monitoring System Indicator Summary**



	Financial Indicator	FY2023
1	Property Tax Revenues	Favorable
2	Uncollected Property Taxes	Favorable
3	Revenues & Expenditures per Capita	Favorable
4	State Aid (Intergovernmental Revenues)	Unfavorable
5	Economic Growth Revenues	Stable / Uncertain
6	Use of One-Time Revenues	Favorable
7	Personnel Costs	Stable
8	Employee Benefits	Stable
9	Pension Liability	Favorable
10	Other Post Employment (OPEB) Liability	Unfavorable / Improving
11	Debt Service Expenditures	Favorable
12	Financial Reserves/Fund Balance	Favorable
13	Capital Investment—Overall fixed asset values	Favorable
14	Capital Investment—Pavement Management	Favorable

The conclusion of the FTMS analysis is that Northborough is in relatively good financial condition. The growth in revenue from property taxes, which has kept pace with inflation, as well as excellent tax collections are financial strengths for the Town. While expenditures per capita have risen indicating an increase in service needs, the Town's revenues per capita have increased proportionally as well. The Town's financial reserves are strong at 8.2% and use of the Stabilization (rainy day) Fund was not necessary during the pandemic. The Town's debt level is manageable at 4% of the operating budget and its upgraded Aa1 bond rating was reaffirmed in FY2022.

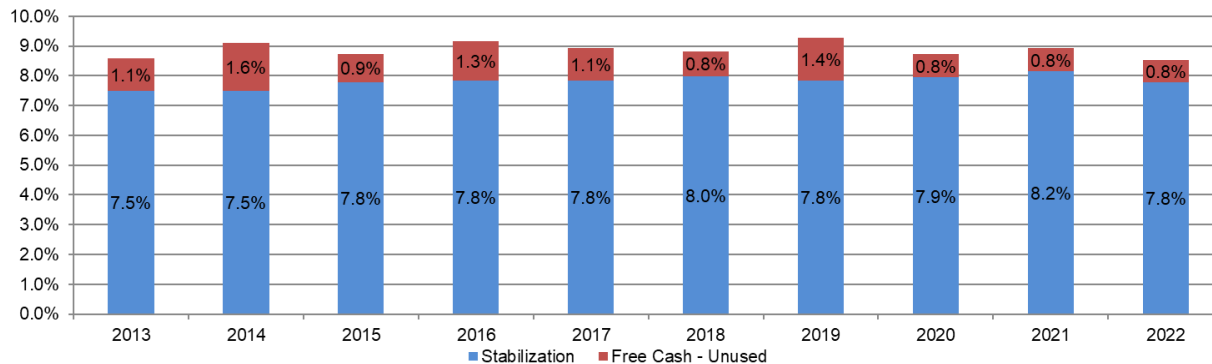
Reliance on one-time revenues in the operating budget is at the policy target of \$500,000, or approximately 1%. Following two years of reduced pay-as-you-go capital investments due to the pandemic, significant progress is being made in FY2024 to get the Capital Improvement Program (CIP) back on track.

Based on the FTMS analysis, it is apparent that long-run solvency surrounding unfunded pension liability and Other Post-Employment Benefits (OPEB) obligations are potential concerns for the Town. Due to the economic impacts of the COVID-19 pandemic, the Town postponed contributions to the OPEB Trust Fund in FY2021 and FY2022. The FY2024 Budget includes a return to pre-pandemic funding of the OPEB trust fund at \$550,000, however, it does not restore the missed contributions of nearly \$1 million during the pandemic. Future OPEB funding plans will need to be revised based upon the delayed contributions.





## Reserves as a % of Operating Revenue (after subsequent spending)



Uncertainties surrounding the economic recovery, level of State Aid, Local Receipts and future increases in health insurance premiums remain significant areas of potential exposure to be watched during future budget cycles.

For a more detailed explanation regarding the individual fiscal indicators and FTMS, interested readers are encouraged to review the introductory section to Appendix C of this budget document.

## Personnel Summary

Overall, personnel wages and benefits represent approximately 75% of the Town's operating budget and remain relatively stable. As vacancies occur, every effort is made to re-examine positions with a view toward restructuring, reducing or eliminating the position, where possible. The table below provides a five-year history of Full-time Equivalent (FTE)<sup>1</sup> positions by department, including any proposed changes for FY2024.

In total, Town Government staffing is up 0.95 FTEs from FY2023. This change is reflective of the new Deputy Fire Chief position that is included in the FY2024 budget following a recommendation from a 2015 Public Safety Staffing Study. Additionally, some staff are being reorganized throughout the departments to reflect the creation of a new Facilities Budget, that will be a part of the DPW Budget and staffing table in FY2024. The reduction in Public Buildings staff, as well as Police Department staffing reflect a shift in the custodial services that now are reflected in the DPW Budget as part of the newly created Facilities Division.

In FY2023, all five of the collective bargaining contracts were settled. All of the impacts of those settled contracts are reflected in the FY2024 proposed budget. Contracts will be in place until FY2025, when they will expire on June 30, 2025.

For a detailed breakdown of departmental staffing over the last five years, please see the personnel tables contained in Budget Sections 2 through 5 of this document. With regard to the Northborough K-8 Schools there are 2.6 fewer FTEs in the FY2024 budget<sup>2</sup>.

<sup>1</sup> Full Time Equivalents are based upon 40 hours per week (i.e., 30hrs/40hrs = .75 FTE).

<sup>2</sup> K-8 staffing does not include Central Administration staff which is shared on a budgetary basis between Northborough K-8 Schools (40%), Southborough K-8 Schools (30%) and Algonquin Regional HS (30%).



Please refer to the Superintendent's budget presentation for more detail regarding those changes.

### TOWN OF NORTHBOROUGH PERSONNEL SUMMARY FY2020–FY2024

Town Government	FY2020 FTE	FY2021 FTE	FY2022 FTE	FY2023 FTE	FY2024 FTE	FY2023- 24 Change
Executive Office	4.00	4.00	4.00	4.00	4.00	0.00
Public Buildings	0.50	0.50	1.50	1.50	0.00	-1.50
Financial Offices	9.50	9.10	9.10	9.10	9.10	0.00
MIS/GIS	2.00	2.00	2.00	2.00	2.00	0.00
Town Clerk's Office	2.00	2.00	2.00	2.00	2.00	0.00
Planning & Conservation	3.45	3.45	3.48	3.48	3.43	-0.05
Police Department	30.50	30.50	30.50	30.50	30.00	-0.50
Fire Department	23.18	23.18	22.85	22.85	23.85	1.00
Building Department	2.80	2.80	2.80	2.88	3.08	0.20
Health Department	2.20	2.20	2.20	2.20	2.00	-0.20
Dog Officer	contract	contract	contract	contract	contract	0.00
Dept. of Public Works	20.48	19.00	19.00	20.00	22.00	2.00
Senior Center/COA	3.00	3.00	3.00	3.00	3.00	0.00
Library	10.48	10.48	10.48	10.48	10.48	0.00
Recreation	2.00	2.00	2.00	2.00	2.00	0.00
Family & Youth Services	1.96	1.96	1.96	1.96	1.96	0.00
Cable Access TV	2.38	2.38	2.53	2.91	2.91	0.00
Veterans' Services	district	district	district	district	district	district
<b>Town Subtotal</b>	<b>120.43</b>	<b>118.55</b>	<b>119.40</b>	<b>120.86</b>	<b>121.81</b>	<b>0.95</b>
<b>School Department (K-8)</b>						
K-5 Teachers	52.00	59.00	53.00	52.00	52.00	0.00
Grade 6-8 Teachers	29.00	28.00	28.00	27.00	27.00	0.00
Specialists	41.90	41.52	41.90	42.10	42.30	0.20
Special Education Staff	46.30	50.95	49.30	58.95	58.25	-0.70
Administration	6.00	6.00	6.00	6.00	6.00	0.00
Support Staff	94.30	89.90	96.70	95.20	93.10	-2.10
<b>K-8 Schools Subtotal</b>	<b>269.50</b>	<b>275.37</b>	<b>274.90</b>	<b>281.25</b>	<b>278.65</b>	<b>-2.60</b>
<b>Total Town &amp; K-8 FTEs</b>	<b>389.93</b>	<b>393.92</b>	<b>394.30</b>	<b>402.11</b>	<b>400.46</b>	<b>-1.65</b>





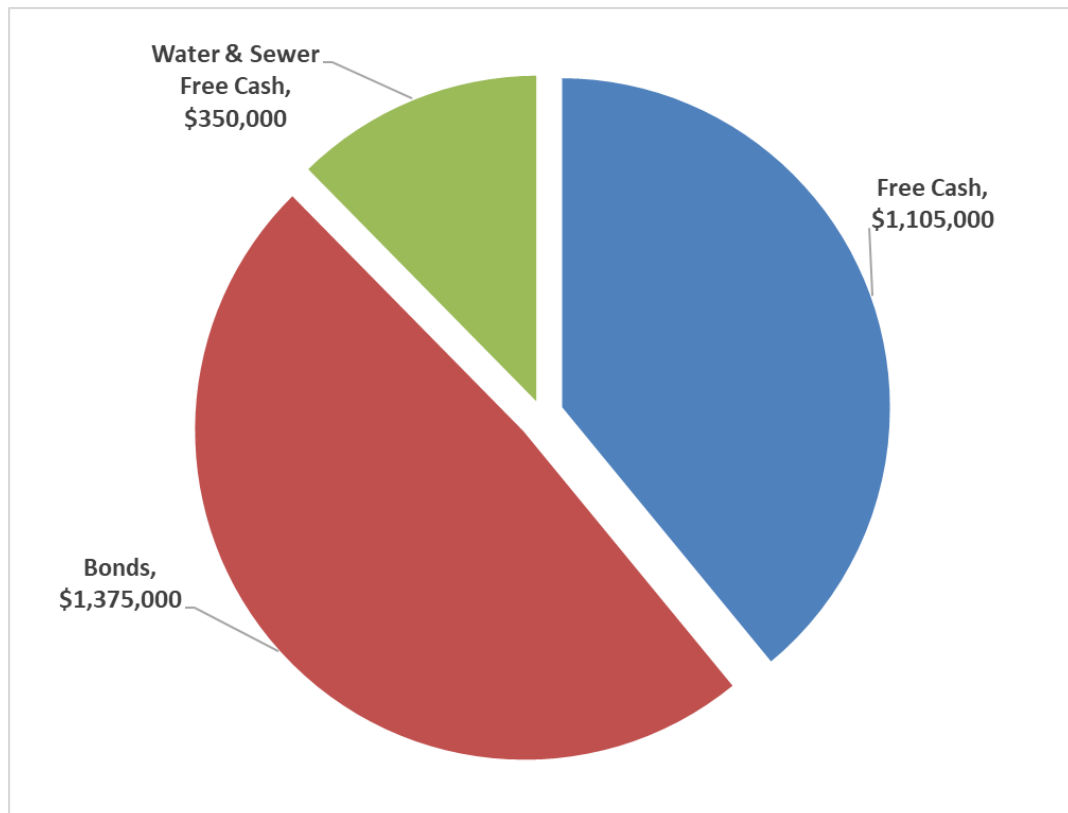
## Capital Budget

Enclosed in Section 9 of this document are the Town's Annual Capital Budget and FY2024-2029 Capital Improvement Program (CIP). The table on the following page represents the Proposed Capital Requests being made by the General Government Departments and the Northborough K-8 School Department for FY2024.

Although the detail for proposed projects has been incorporated as Section 9 of the Annual Operating Budget document, funding for all recommended FY2024 projects requires Town Meeting approval of specific Articles contained in the 2023 Annual Town Meeting Warrant.

The proposed FY2024 Capital Budget totals \$2,830,000 with \$1,105,000 coming from Free Cash, \$350,000 from the Water and Sewer Enterprise Funds, and \$1,375,000 in general fund obligation bonds for the purchase of a Fire Engine and a DPW Tight Tank. The pie chart below shows the breakdown of funding sources by category for the proposed Capital Budget. If approved, the proposed \$1,375,000 in general fund obligation bonds will result in an increase to the average single family tax bill of \$27 per year, or \$270 over 10 years. This increase will impact the single-family tax bill beginning in FY2025.

### FY2024 CAPITAL FUNDING SOURCES





## FY2024 CAPITAL BUDGET

PROJECTS BY DEPARTMENT		EXPENDITURE	FUNDING SOURCES		
			Free Cash	Enterprise Fund Free Cash	General Fund Bonds
Police	Police Cruiser Replacements (3)	190,000	190,000		
	Police Station Exterior Repairs & Painting	70,000	70,000		
	<b>Police Subtotal</b>	<b>\$260,000</b>			
Fire	Engine 1 Replacement	900,000			900,000
	<b>Fire Subtotal</b>	<b>\$900,000</b>			
DPW: Highway Division					
	Roadway Improvements/Maintenance	300,000	300,000		
	20-Ton Dump Truck w/Spreaders&Plow Replacement	355,000	355,000		
	Highway Garage Tight Tank DEP Compliance	475,000			475,000
	One-Ton Truck w/Plow Replacement	150,000	150,000		
	<b>Highway Subtotal</b>	<b>\$1,280,000</b>			
DPW: Water & Sewer Enterprise Funds					
	15-Ton Dump Truck (new addition)	225,000		225,000	
	SCADA Phase II (matching grant allocation)	125,000		125,000	
	<b>Sewer Enterprise Fund Subtotal</b>	<b>\$350,000</b>			
Schools K-8:					
	Zeh School Back Walkway Entrance Repairs	40,000	40,000		
	<b>Schools K-8 Subtotal</b>	<b>\$40,000</b>			
<b>TOTAL FY2024 CAPITAL BUDGET</b>		<b>\$2,830,000</b>	<b>\$1,105,000</b>	<b>\$350,000</b>	<b>\$1,375,000</b>

Section 9 of this budget document contains Project Detail Sheets for every capital project included in the Town's Six-year CIP. Part III of the CIP contains the Financial Planning Committee's review and recommendations on the FY2023 Capital Projects and the CIP as a whole. As the Financial Planning Committee's role is to act in an advisory capacity to Town Officials and the citizens at Town Meeting, the Committee's input and comments are an important part of the Town's capital planning process.

The full CIP included in Section 9 of this budget document also contains a question and answer introduction that provides a user-friendly overview of Capital Planning in Northborough.



## **FY2023 Goals & Accomplishments**

---

The most important aspect of the budget process is the generation of operational and financial plans, program review and the establishment of goals and objectives that will serve the citizens of the community both now and in future years. The financial data that is generated is intended to support the Town's policies, programs and objectives that are identified and articulated during the budget process. The budget serves not only as a financial plan, but also as a short-term strategic plan linked to longer-term objectives and vision for our community.

During FY2023 several key goals and initiatives were achieved. These include:

1. COVID-19 Pandemic Response and Immunization: The Town continued to respond to the COVID-19 pandemic and perform community outreach, disease investigation and surveillance. The Town ran five COVID-19 vaccination clinics and administered over 1,091 vaccines to individuals 5 and older. Over 500 flu shots were administered at clinics throughout the year, and the Town continued to collaborate with the Greater Boroughs Partnership for Health (GBPH), developed in FY2022. The Town of Northborough is now host to a full-time Epidemiologist and a full-time Health Inspector who serve the communities in the GBPH.
2. BeWell Northborough Community Wellness Initiative: In FY2023, the Board of Selectmen allocated \$100,000 towards a community wellness initiative to address community-wide mental health concerns and provide opportunities for residents to come together following the pandemic. Throughout FY2023, the BeWell Working Group, made up of staff from various departments, planned and coordinated numerous mental and physical health programs through the Senior Center, Recreation Department, and Library. The BeWell group coordinated a Summer Kick-Off Event, held at Ellsworth-MacAfee Park on the last day of classes for the Northborough schools. The event drew over 800 people. In addition to the kick-off event and the various programs hosted throughout the year by BeWell, staff coordinated the development of a 60-page Community Resource Guide that highlights municipal services and local, state, and federal resources that address the deeper lasting impacts of the pandemic. This guide was direct mailed to all households in town and is available electronically at [bewellnorthborough.com](http://bewellnorthborough.com).
3. Financial Trend Monitoring Report Updated: The Financial Team updated the Town's Financial Trend Monitoring System (FTMS) Report and presented the results at a joint meeting of the Board of Selectmen, Financial Planning Committee, Appropriations Committee and the K-8 School Committee on December 15, 2022. The purpose of the FTMS is to analyze key financial indicators in order to assess the financial direction of the Town. The report brings issues and opportunities to the attention of decision-makers through a systematic method of trend analysis. The updated FTMS Report provided critical information about the FY2024 budget assumptions during the ongoing pandemic, which allowed policy-making Boards and Committees to make informed decisions. The updated analysis included a close look at Local Receipts and State Aid projections which were used to build consensus regarding sustainable budget increases.



4. Clean Annual Audit and Positive Free Cash: Following the unexpected retirement of the Town's Auditor, a competitive request for proposal process was used to select a new firm. Although the yearend close was delayed due to the auditor selection process, the Town ultimately closed out FY2022 with approximately \$2.4 million in Free Cash on June 30, 2022, and no material issues or deficiencies were noted in the annual audit.
5. FY2023 Capital Budget: Annual Town Meeting approved \$2,784,000 in capital projects with \$2,024,000 coming from Free Cash, and a combination of other sources including Community Preservation Funds, EMS Revolving Funds and Enterprise Funds with no additional tax impact. Since FY2012, the Town has invested \$21.3 million in pay-as-you-go capital investments with no additional tax impact, including \$14.8 million in Free Cash and approximately \$6.5 million in other funding sources. Several significant capital projects were undertaken during FY2023, including replacement of key public safety and public works equipment, a Downtown Master Plan Study, funding for preliminary design of a dog park, and over \$1 million in roadway and culvert improvements were made in accordance with the Pavement Management Plan using combined funds from the capital budget as well as the operating budget.
6. Fire Station Project Site Transfer Completed: The Fire Station Feasibility Study Committee determined that the existing station is inadequate to meet the programmatic needs of the department and that the current site is also too small to accommodate a renovation/addition. Last year, during the Town's due diligence it was discovered that the site still requires significant remediation due to contamination from its prior use as a gas station. The language of the executed Purchase and Sale Agreement requires the seller to remove all structures and provide a clean site. Following months of negotiations and oversight of the clean-up, final ground water testing was completed and the property has been conveyed to the Town. Over the next several months, the Fire Station Building Committee will work to select an Owner's Project Manager and an Architect to move forward with the design of the new fire station, targeting April of 2024 for final approval of a design and appropriation of funds by Town Meeting for construction.
7. Reacquisition of 4 West Main Street (Old Town Hall): In FY2023, the Town completed the closing of the Old Town Hall located at 4 West Main Street. In 1983 the Town sold the former Town Hall property, subject to the right to re-purchase it in the 40th year after the sale for the sum of Ten Thousand Dollars (\$10,000). Article 21 on the 2022 Annual Town Meeting Warrant proposed the exercise of the re-purchase option and the appropriation of funds for that purpose. In the late Spring of 2023, the reacquisition was completed, and the building will be maintained by the Town until the Town Hall Feasibility Study and Downtown Revitalization Plans are complete and provide direction for the future of the building.
8. Settlement of Collective Bargaining Contracts: All collective bargaining contracts expired on June 30, 2022. Following negotiations with all units throughout FY2023, all contracts have been settled and all impacts of those contracts are included in the proposed FY2024 budget. The current contracts are valid until June 30, 2025, when negotiations will re-open with all units.



9. Master Plan Implementation Committee Work: The Master Plan Implementation Committee continued work on implementing the Master Plan. The first major project identified for pursuit is the development of a Downtown Revitalization Strategy & Design Report. After a competitive procurement process, the Town hired a consultant team led by Weston & Sampson Engineers. Deliverables will include a downtown vision document, market analysis, downtown revitalization design concepts, and implementation strategy. The planning process will feature an aggressive community outreach campaign and will take approximately nine months to complete.
10. Complete Streets Community Designation: The Planning, Engineering and DPW Departments worked together and with Woodard & Curran Engineers, the Town's consultant, on preparation of a Complete Streets Prioritization Plan. The Town was awarded a Technical Assistance Grant from the MA Department of Transportation's Complete Streets Program for that purpose. Communities with a locally adopted Complete Streets Policy and MassDOT-approved Prioritization Plan are eligible to seek construction funding of up to \$500,000 within a 4-year timeframe to aid in plan implementation.
11. Completion of Information Technology/GIS Strategic Plan: Using \$40,000 in funding received under the State Community Compact Grant program, the Town engaged an independent third-party consultant to assist in the development of a comprehensive IT/GIS Strategic Plan that focuses on aligning technology investment with overall organizational priorities. As part of the planning process the Town is also participating in a regional grant with the Town of Westborough to assess and better protect our technology against cyber security threats. The Plan was complete in FY2023 and the MIS/GIS Department will begin implementation of recommendations from that plan as early as FY2024.
12. Historic White Cliffs Facility Reuse: In FY2023, the White Cliffs Reuse Committee completed their charge of delivering a recommendation for reuse of the parcel to the Board of Selectmen. With the help of a consultant, the Committee developed a Request for Proposals (RFP) with the goal of identifying potential private sector partners willing to perform the restoration work needed to bring the facility back into code compliant use. The Committee received three proposals, and ultimately chose to recommend a proposal from Metro West Collaborative Development which provided a viable proposal to preserve the historic building, as well as solid financial plan and experience with similar projects in other communities. As of this writing, the Board of Selectmen has not made a decision regarding the White Cliffs Reuse and the Metro West proposal.

### **Major Upcoming Issues or Projects**

---

Looking forward to FY2024, the primary issues likely to continue dominating much of our focus over the next year involve various major capital and building infrastructure projects. The primary projects in FY2024 include:



1. Fire Station Project Design and Construction Funding Approval: Although funding for the land acquisition and design for the new fire station were approved at the April 2019 Town Meeting, required site remediation work performed by the seller delayed closing on the property, which is a former gas station. The Town closed on the property in July of 2022. Selection of an Owner's Project Manager and Architect will be complete before the end of FY2023. Moving into FY2024, the Fire Station Building Committee will work with the selected OPM and Architect to finalize the design of the building along with the construction documents with the goal of seeking approval of construction funding at the 2024 Annual Town Meeting in conjunction with a debt exclusion vote on the 2024 Election Ballot.
2. Town Offices Feasibility Study: A feasibility study will be conducted to determine the future location of the Town Administrative Offices. The feasibility study process is set to begin in the spring of 2023 and last through the summer and early fall. Once a determination is made on a path forward for the future of the Administrative Offices, the Town will put forth a request for design funding in the Spring of 2024. The Town acquired the Old Town Hall at 4 West Main Street in FY2023 and will continue to maintain the building until future plans for the downtown and the Old Town Hall are established.
3. Historic White Cliffs Facility Reuse: Whether the Town chooses to move forward with the Metro West Collaborative Development proposal for the White Cliffs Reuse Project will determine the next steps in the project. Should the Town choose to move forward with the proposal, an agreement will need to be negotiated and the developer will begin the public planning process for permit approval and design and construction. Should the Town decide not to move forward with the Metro West Development proposal, additional funds will need to be allocated in order to maintain the building in future years, until a viable use for the building is determined.
4. American Rescue Plan Act: The last major initiative for FY2024 will be the ongoing process of developing the priority funding goals for the balance of the \$4.5 million in ARPA funding. Currently there is approximately \$2.6 million remaining still to be allocated by the Board of Selectmen, which must be obligated by December of 2024 and fully expended by December of 2026.



---

## Conclusion

---

The FY2024 Proposed Budget that follows is balanced pending passage of the final State Budget and meets the previously determined budget goals. The FY2024 Proposed Budget is at the limit of Proposition 2½ and does not make use of any excess levy capacity in order to maintain current service levels.

Following this Budget Message is Section 1—Budget Summaries, which contains both the revenue and expenditure highlights of the FY2024 Proposed Budget and further details the challenges and opportunities facing the Town of Northborough.

Respectfully submitted,  
Robert Reed  
Interim Town Administrator



This Page Intentionally Blank



# **Budget Summaries**

## **Section 1**

# Section 1-2

# Balanced Budget

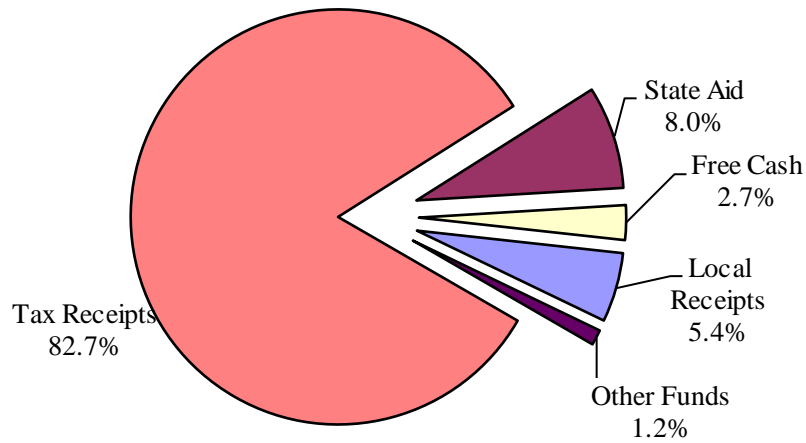


Table 1

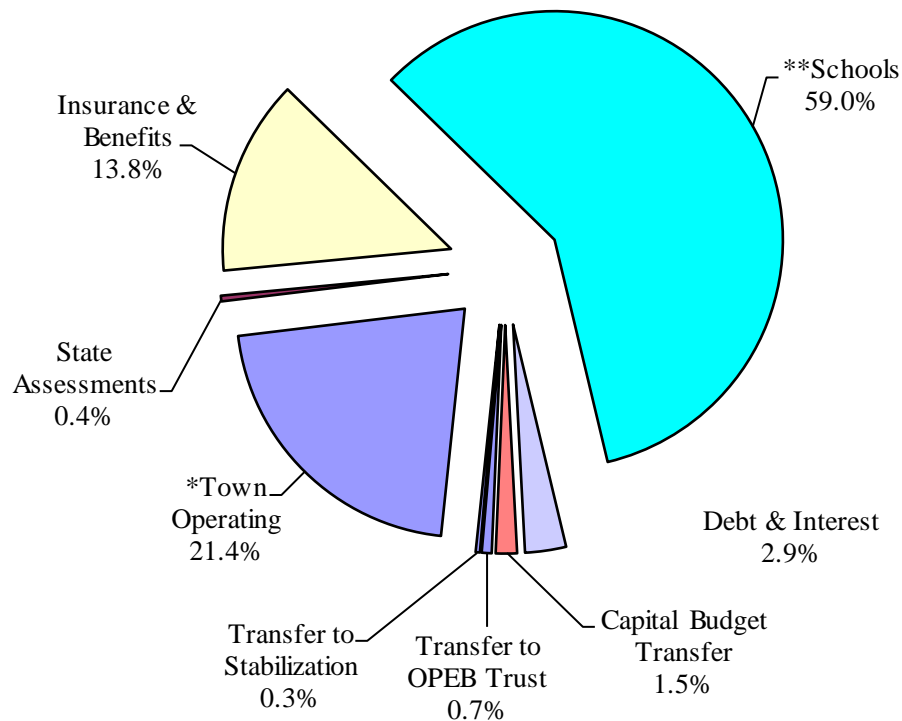
TOWN OF NORTHBOROUGH					
REVENUE & EXPENDITURE SUMMARY FISCAL YEARS 2022--2024					
LEVY LIMIT CALCULATION	FY2022	PROPOSED FY2023	REVISED FY2023	PROPOSED FY2024	% CHANGE
Prior Year Levy Limit	\$55,450,240	\$57,890,129	\$57,890,129	\$60,232,198	
Add 2.5%	\$1,386,256	\$1,447,253	\$1,447,253	\$1,505,805	
Add New Growth	\$1,053,633	\$659,600	\$894,816	\$591,600	
Add Overrides	\$0	\$0	\$0	\$0	
True Levy Limit	\$57,890,129	\$59,996,982	\$60,232,198	\$62,329,603	
Add Debt Excl - Library	\$343,177	\$299,530	\$272,412	\$255,841	
Add Debt Excl - Senior Center	\$362,594	\$321,175	\$321,175	\$286,915	
Add Debt Excl - Algonquin	\$647,846	\$653,069	\$653,069	\$639,873	
Less Debt Excl - Settlement	(\$230,681)	(\$232,988)	(\$232,965)	\$0	
Add Debt Excl - Lincoln Street	\$1,026,182	\$998,130	\$998,130	\$973,476	
Add Debt Excl - Fire Station	\$52,750	\$42,200	\$53,948	\$327,312	
Add Net Debt Exclusions	\$2,201,868	\$2,081,116	\$2,065,769	\$2,483,417	
Adjusted Levy Limit	\$60,091,997	\$62,078,098	\$62,297,967	\$64,813,020	
<b>REVENUES</b>					
Adjusted Levy Limit	\$60,091,997	\$62,078,098	\$62,297,967	\$64,813,020	
Less Unused Levy Capacity	(\$4,362,781)	(\$4,364,770)	(\$4,790,839)	(\$3,868,927)	
Total Tax Receipts	\$55,729,216	\$57,713,328	\$57,507,128	\$60,944,093	5.98%
State Aid	\$5,557,508	\$5,614,693	\$5,759,836	\$5,875,821	2.01%
Free Cash (Operating)	\$500,000	\$500,000	\$500,000	\$500,000	0.00%
Free Cash (Reserve)	\$175,000	\$175,000	\$175,000	\$175,000	0.00%
Free Cash (Stabilization)	\$0	\$200,000	\$200,000	\$200,000	0.00%
Free Cash (Capital)	\$805,000	\$2,024,000	\$2,024,000	\$1,105,000	-45.41%
Free Cash	\$1,480,000	\$2,899,000	\$2,899,000	\$1,980,000	-31.70%
Local Receipts	\$4,171,000	\$4,171,000	\$4,198,118	\$4,000,000	-4.72%
Other Funds	\$733,933	\$854,621	\$854,621	\$891,826	4.35%
<b>TOTAL GENERAL FUND REVENUES</b>	<b>\$67,671,657</b>	<b>\$71,252,642</b>	<b>\$71,218,703</b>	<b>\$73,691,740</b>	<b>3.47%</b>
Enterprise Funds	\$6,254,279	\$5,961,704	\$5,961,704	\$6,321,960	6.04%
<b>TOTAL REVENUES</b>	<b>\$73,925,936</b>	<b>\$77,214,346</b>	<b>\$77,180,407</b>	<b>\$80,013,700</b>	<b>3.67%</b>
<b>EXPENDITURES</b>					
Town Budget	\$23,639,610	\$24,501,963	\$24,501,963	\$25,476,532	3.98%
<b>Schools</b>					
Northborough K-8	\$25,799,678	\$26,692,953	\$26,692,953	\$28,001,227	4.90%
Algonquin 9-12	\$12,893,497	\$12,914,966	\$12,833,497	\$13,421,085	4.58%
ARHS Debt Exclusion	\$636,265	\$653,069	\$653,069	\$651,454	-0.25%
Assabet	\$934,658	\$1,123,936	\$1,155,301	\$1,175,405	1.74%
Assabet Renovation Project	\$133,832	\$130,004	\$130,004	\$126,176	-2.94%
<b>Warrant Articles</b>					
Town Hall Reuse Article		\$10,000	\$10,000	\$0	-100.00%
Reserve Fund	\$175,000	\$175,000	\$175,000	\$175,000	0.00%
Transfer to Stabilization	\$0	\$200,000	\$200,000	\$200,000	0.00%
Free Cash Capital	\$805,000	\$2,024,000	\$2,024,000	\$1,105,000	-45.41%
Transfer to OPEB Trust	\$0	\$300,000	\$300,000	\$550,000	83.33%
Colburn Street Debt Service	\$57,475	\$0	\$0	\$0	
Library Debt Service	\$343,567	\$299,530	\$299,530	\$288,895	-3.55%
Senior Center Debt Service	\$371,445	\$321,175	\$321,175	\$316,665	-1.40%
Lincoln Street Debt Service	\$1,026,775	\$998,675	\$998,675	\$973,975	-2.47%
Fire Station Debt Service	\$52,750	\$52,750	\$64,498	\$338,500	424.82%
Other Funds	\$733,933	\$854,621	\$854,621	\$891,826	4.35%
Adjustments	\$68,172		\$4,417		
<b>TOTAL GENERAL FUND EXPENDITURES</b>	<b>\$67,671,657</b>	<b>\$71,252,642</b>	<b>\$71,218,703</b>	<b>\$73,691,740</b>	<b>3.47%</b>
Water Enterprise Fund	\$2,961,675	\$2,636,103	\$2,636,103	\$2,772,795	5.19%
Sewer Enterprise Fund	\$2,373,460	\$2,397,488	\$2,397,488	\$2,508,481	4.63%
Solid Waste Enterprise Fund	\$919,144	\$928,113	\$928,113	\$1,040,684	12.13%
<b>TOTAL ALL FUNDS</b>	<b>\$73,925,936</b>	<b>\$77,214,346</b>	<b>\$77,180,407</b>	<b>\$80,013,700</b>	<b>3.67%</b>



## Fiscal Year 2024 Revenue Sources



## Fiscal Year 2024 Expenditures



\*Town Expenditures include Reserves for Abatements, Appropriation Reserve Fund, and Offsets

\*\*School Expenditures include Northborough K-8 School operations, Algonquin Regional High School operations, Algonquin Regional High School Debt Service & Assabet Valley Assessment



This Page Intentionally Blank



## Revenue Summary

## Section 1-5

### **FY2024 REVENUE SUMMARY**

The Town's General Fund revenue (excluding the Water & Sewer Enterprise and Solid Waste Enterprise Funds) is divided into four main categories: Property Taxes, State Aid, Local Receipts and Available Funds.

#### **Property Taxes**

Property taxes are the single largest revenue source for the Town and historically provide approximately 80% of the General Fund budget. Typically, year to year variations of 1% or 2% are the result of external factors beyond the Town's control, such as the level of State Aid, building activity, or fluctuations in interest rates.

Property taxes are levied on real property (land & buildings) and personal property used by Northborough's non-manufacturing business firms. In accordance with State law, the Town's Board of Assessors determines the fair market value of all property every five years. Northborough conducted a full revaluation during FY2021 with the next scheduled for FY2026; however, interim adjustments are performed each year that full revaluation is not required.

Under the provisions of Proposition 2½, property taxes may not exceed 2½ percent of the "full and fair cash value" of all property in Town. This limit is known as the "levy ceiling." Additionally, annual levy increases may not exceed 2½ percent more than the previous year's levy plus the taxes from any new growth value. Any Proposition 2½ override or debt exclusion amounts approved by ballot election are also added to the levy limit.

As the Town's primary revenue source, property taxes are expected to increase in FY2024 by 5.98% or approximately \$3.4 million, to \$60.9 million. The increase includes the 2½ percent increase of \$1,505,805, plus an increase of \$591,600 in estimated taxes from projected new growth which is conservatively estimated at \$40 million in value. It also includes the changes in debt due for previously approved debt exclusions. It is important to note that because Northborough has limited taxes increases over the years to below the limit of Proposition 2½, there is approximately \$3.87 million in excess levy capacity as shown in the table below. In Massachusetts, municipal budgets in excess of a community's levy limit require a voter-approved Proposition 2 ½ Override at the ballot.

**Table 2**

<b>LEVY LIMIT</b>			
<b>CALCULATION</b>	<b>FY2023</b>	<b>FY2024</b>	<b>% CHANGE</b>
Prior Year Levy Limit	\$57,890,129	\$60,232,198	
Add 2.5%	\$1,447,253	\$1,505,805	
Add New Growth	\$894,816	\$591,600	
Add Overrides	\$0	\$0	
True Levy Limit	\$60,232,198	\$62,329,603	
Add Net Debt Exclusions	\$2,065,769	\$2,483,417	
Adjusted Levy Limit	\$62,297,967	\$64,813,020	
Less Unused Levy Capacity	(\$4,790,839)	(\$3,868,927)	
<b>Total Tax Receipts</b>	<b>\$57,507,128</b>	<b>\$60,944,093</b>	<b>5.98%</b>



### State Aid

State Aid is Northborough's second largest revenue source and usually represents 8-10% of the General Fund budget. Together, State Aid and local property taxes account for approximately 90% of the General Fund budget. The proposed FY2024 budget assumes State Aid will increase by 2% to \$5.86 million. This estimate is based upon the Governor's Budget which was released on March 1, 2023.

State revenue collections are expected to grow by 1.6% next fiscal year, not including \$1 billion in a new Fair Share millionaires tax surcharge on income. With this new source, subject to appropriation by the State legislature, the forecast for state revenues rises to 4.1%. Though, the Town does not anticipate receiving much increase over its 2% estimate given past experience and the State's ongoing commitment to funding the Student Opportunities Act, an initiative designed to direct new State funding to disadvantaged school districts with lower wealth factors than Northborough. Over the coming months the House and Senate will release their respective budget proposals and work out the differences through a joint committee. Historically, the Town does not receive its final State Aid figures until well after Town Meeting.

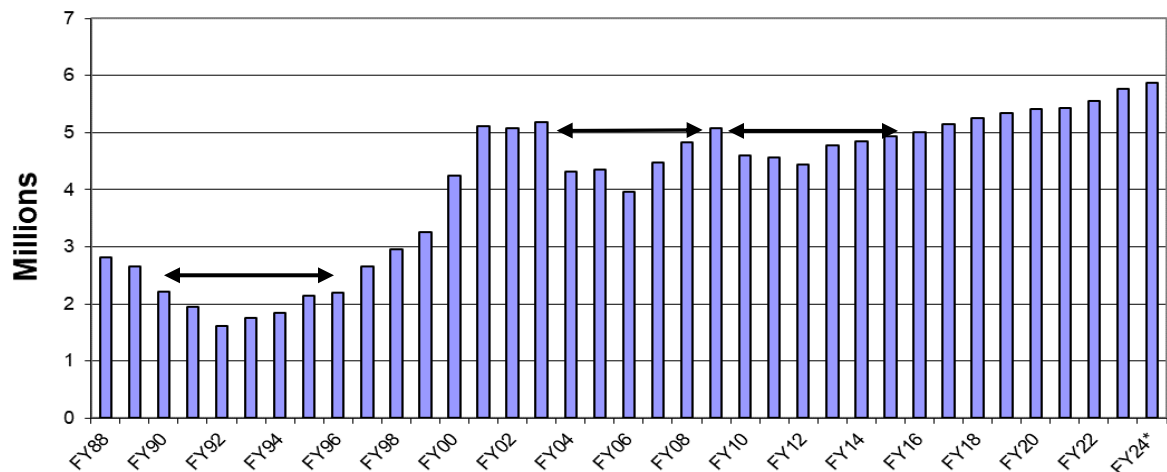
It is important to note that State Aid continues to lag behind our general budget increases and has become an ever-smaller percentage of Northborough's overall budget. State Aid declined from a high of 13.1% of revenues in FY2003 to approximately 8% in FY2024. The chart below shows the fluctuations in State Aid over the years, including previous recessionary periods highlighted by the arrows. Economists presenting at the State's revenue consensus hearing in January offered cautious short-term outlooks.

**Table 3: State Aid in Millions**

FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24*
5.14	5.25	5.35	5.41	5.43	5.56	5.76	5.88

\*Estimated

**Northborough State Aid FY1988-2024**



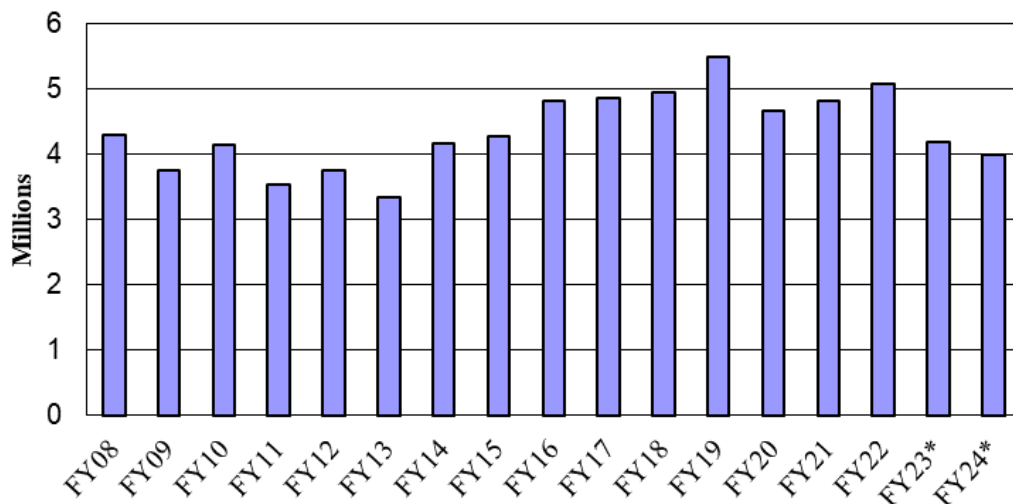


At the time of this writing the Town has limited information regarding State Assessments, and it is the net effect of the new aid and any increase in charges that really determines if Northborough is better off compared to the previous year. Given that unknown, the Town has chosen to proceed with the Governor's Budget figures for the FY2024 assessment expense budget and continue with the estimated 2% revenue increase. Any State Aid actually received above current estimates can only be used to reduce the local tax impact in FY2024.

## Local Receipts

The third largest source of revenue for the General Fund budget is Local Receipts, which include a variety of fees, permits, fines and license-related monies that the Town receives, as well as interest that is earned on investments or overdue tax bills. This category also includes excise taxes, which include Motor Vehicle Excise (MVE) and Hotel Rooms and Meals taxes. The total budgeted Local Receipts for FY2024 is \$4.00 million which represents a small net increase in funding versus FY2023's budget of \$4.20 million, after taking into account that FY2023 was the final year of 8 years of approximately \$230 thousand in annual payments from the Town of Southborough, following a lawsuit surrounding funding the regional high school. The single largest source of revenue within the Local Receipts category is the \$2.42 million budgeted for MVE taxes, which is a State tax collected by the municipality for its own use. The FY2021 Local Receipts estimate was lowered dramatically from FY2020 due to the pandemic shut down; however, as the reopening of the economy progresses, actual revenue collections continue to improve while supply chain issues may affect excise taxes, and other global issues may mitigate the economic recovery. Similar to the State's revenue assumptions, the FY2024 forecast for Local Receipts is predicated on the continued success of vaccination efforts and a sustained economic recovery.

Local Receipts



\*FY23 & 24 Budgeted

The Local Receipts shown in the graph above are the actual receipts from FY2008 through FY2022 and contain many one-time sources of funds, while the budgeted amounts are shown for both FY2023 and FY2024.



Until FY2010 Local Receipts included revenues from the Town's pay-as-you-throw (PAYT) trash program, which generated approximately \$500,000 annually in bag sales. Beginning in FY2011, the PAYT revenues were moved into the Solid Waste Enterprise Fund budget. That change in accounting represents a significant part of the reduction shown in the graph above going from FY2010 to FY2011.

More recently, the Meals Tax Surcharge of .75% and the increase in the local Room Occupancy Excise were adopted at the 2013 Town Meeting and the first funds were received in FY2014. In FY2016 the Town also began receiving settlement payments from the Town of Southborough related to successful litigation over the ARHS building project.

In general, the level of Local Receipts is greatly affected by outside economic conditions beyond the Town's control; especially as it relates to motor vehicle sales, building activity and permits fees. The actual revenue trend in the preceding graph tends to mirror the general economic conditions at the time.

#### **Available Funds (including Free Cash)**

The last category of revenue for the Town is monies in various Special Revenue funds and certified Free Cash available for appropriation from prior years. General Fund Free Cash as of July 1, 2022 was certified at \$2,440,073.

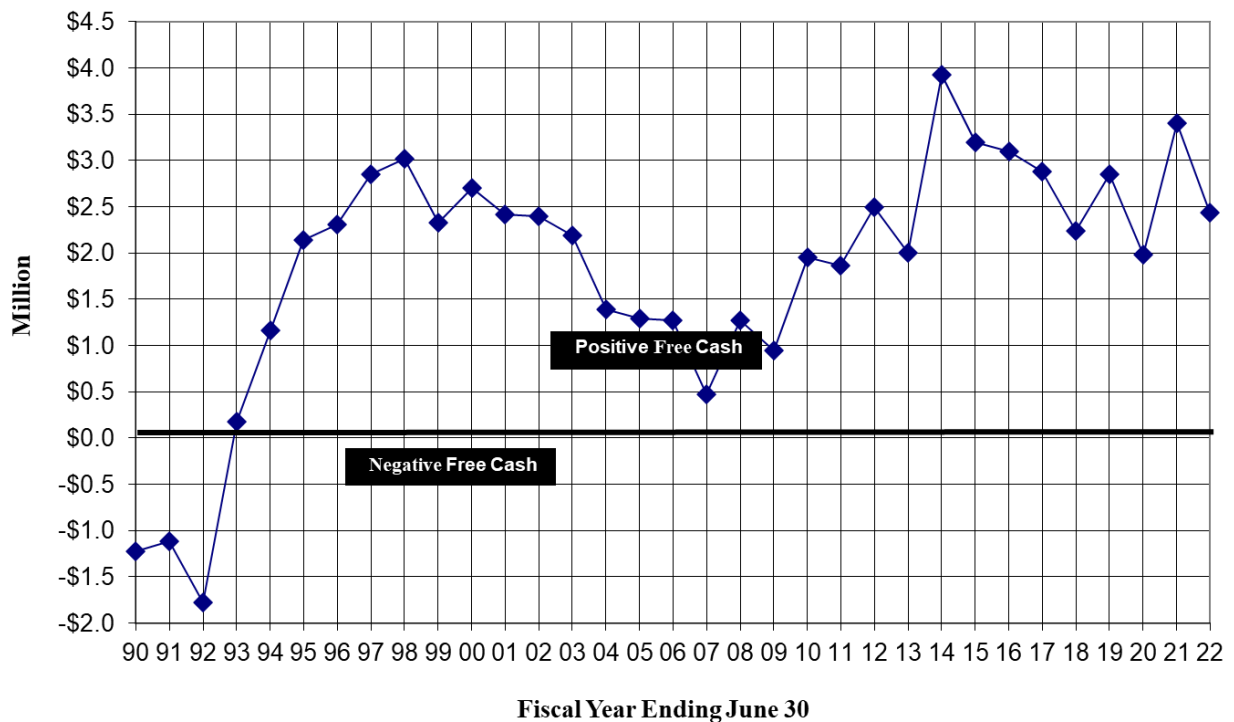
By far the single largest source of Available Funds is Free Cash. Free Cash is an available fund that is composed of the remaining, unrestricted funds from operations of the previous fiscal year, including unexpended Free Cash from the previous year, actual receipts in excess of revenue estimates and unspent amounts in appropriated budget line-items. After the June 30<sup>th</sup> close of the fiscal year, the Town's Free Cash is certified by the State Department of Revenue and only then is it available for appropriation.

Historically, the Town of Northborough had relied on over \$1 million of Free Cash to balance the operating budget and continued this practice for many years. However, the dependency upon one-time available funds to supply a portion of the foundation for the operating budget essentially created a rolling "structural deficit" which became an additional financial burden during the recessionary period following the close of FY2007. Use of Free Cash in the operating budget was systematically phased down over several years from \$700,000 in FY2010, down to \$600,000 in FY2011, and ultimately, reaching the Free Cash policy target amount of \$500,000 in FY2012, which is approximately 1% of the budget. The FY2024 Budget includes \$500,000 in Free Cash in accordance with the policy.





### Certified Free Cash FY1990-2022



\*Source: Massachusetts Department of Revenue

The preceding chart illustrates the unpredictability of Free Cash as a budgeted revenue source since it is heavily influenced by economic activity and political decision-making by the State Legislature. Any amount of Free Cash used in the operating budget must be reasonably expected to recur in subsequent years. If the Town fails to generate sufficient Free Cash to replenish what was used, as was the case in FY2007, a structural deficit materializes that could result in significant service reductions. More importantly, that structural shortfall carries forward into subsequent fiscal years.

For these reasons, the Board of Selectmen adopted a Free Cash Policy in November 2010 with the unanimous support of both the Appropriations Committee and the Financial Planning Committee. The policy identifies the acceptable uses of Free Cash for mainly one-time expenses and provides for a maximum level of \$500,000 for use in the operating budget (approximately 1%). However, the policy allows for additional funds to be used in an emergency, and the estimated loss of revenue due to the COVID-19 pandemic led to the FY2021 General Government Budget using \$378,000 in additional Free Cash from postponed capital projects. However, FY2022 through FY2024 budgets have returned to the policy goal of \$500,000, which is just 0.7% of the operating budget revenues. Free Cash devoted to other one-time expenses include \$1,105,000 in capital articles, a \$200,000 transfer to the Stabilization Fund, and \$175,000 for the Appropriation Committee's Reserve Fund.

Additionally for 2023's Town Meeting, a "Free Cash" update was requested and granted in February of 2023 to add \$107,123 in opioid settlement funds received during FY2023 to the Town's available sum of \$2.44 million so that the specific funds can be appropriated



and segregated for use for specific purposes following legal settlements with opioid manufacturers and distributors. There's a possibility for State legislation that will allow for carving out legal settlements from the traditional appropriation process, however the "update" process offered was one recommended by State Officials until a legislative fix can be applied.

Other sources of Available Funds to be used in FY2024 are projected to include transfers from special revenue funds to offset departmental budgets such as \$13,500 in Cemetery Sale of Lots income, \$2,478 in Conservation Commission fees, \$384,016 from the Fire/EMS Revolving Account, \$28,000 from the Animal Control Revolving Account, \$301,085 from the Cable Receipts Reserved for Appropriation Fund to cover the Cable Department's costs, a transfer of \$2,278 from the Department of Public Utilities Transportation Fund, and a transfer from the Recreation Revolving Fund of \$159,969 toward that department's budget. In addition, there will be a transfer of \$500 from premium reserves related to debt excluded debt service and must offset the amount of the debt exclusion added to the tax rate. In addition to Free Cash, these "Other" revenue sources total \$891,826 and will be used to off-set the municipal budgets as shown in Article 4 of the 2023 Annual Town Meeting Warrant.

#### **American Rescue Plan Act (ARPA)**

One unique revenue source that became available beginning in FY2022 is the Town's share of federal relief arising from the American Rescue Plan Act. On March 11, 2021, President Joe Biden signed the American Rescue Plan Act of 2021 (ARPA), which contains \$1.9 trillion in overall national spending to support relief and economic recovery efforts ARPA provides local governments with resources through the Coronavirus Local Fiscal Recovery Fund (CLFRF), to respond to the public health emergency caused by the COVID-19 pandemic. The funds are administered by the U.S. Treasury Department, which announced that the Town of Northborough has received \$4,516,183 in grant funding.

On January 6, 2022, the U.S. Treasury issued its Final Rule, which details how and for what purposes ARPA funding may be used. Since Northborough is receiving less than \$10 million in ARPA funds, its \$4.5 million grant may be used for any "general government services." The new rule greatly simplifies the compliance reporting process and allows the Town to essentially claim the entirety of its grant award under the revenue loss category, which provides substantial flexibility. In terms of timing, funding must be obligated by December 31, 2024 and be spent by December 31, 2026, which means expenditures will likely span mostly FY2023 and FY2024. Since ARPA funds are non-recurring, their use should be applied primarily to non-recurring expenditures and care should be taken to avoid creating new programs or add-ons to existing programs that require an ongoing financial commitment. Investment in critical infrastructure is a particularly well-suited use of ARPA funds because it is a non-recurring expenditure that can be targeted at strategically important long-term assets that provide benefits over many years. At the time of this writing, the Board of Selectmen is still reviewing how best to use the ARPA funds, however several smaller projects were approved by the Board, as well as a fairly significant roof project at the Proctor Elementary school for \$1.7 million. There remains an unobligated balance of approximately \$2.6 million.



## Section 1-11

### FY2024 EXPENDITURE SUMMARY

Following is a summary of the Town's General Government Budget (non-school), which details the 3.98% increase allowable under current revenue projections:

Department	FY2023 Budget	FY2024 Proposed Budget	\$ Change	% Change
<b>GENERAL ADMINISTRATION</b>				
<b><u>EXECUTIVE OFFICE</u></b>				
Selectmen	196,156	200,797	4,641	2.37%
Administrator	310,777	313,667	2,890	0.93%
Economic Development	1,342	700	(642)	-47.84%
Town Reports	5,150	5,150	-	0.00%
<b><u>TOWN HALL/OFFICE SUPPLIES</u></b>				
Town Hall/Office Supplies	158,200	157,240	(960)	-0.61%
<b><u>FINANCE</u></b>				
Treasurer	334,501	374,512	40,011	11.96%
Board of Assessors	279,489	294,042	14,553	5.21%
Town Accountant	201,610	210,482	8,872	4.40%
<b><u>MIS/GIS</u></b>				
MIS/GIS	632,938	696,122	63,184	9.98%
<b><u>TOWN CLERKS OFFICE</u></b>				
Town Clerk/Elections	204,334	214,772	10,438	5.11%
<b><u>ADVISORY BOARDS/SERVICES</u></b>				
Moderator	500	500	-	0.00%
Appropriations Committee	1,695	1,695	-	0.00%
Town Counsel	90,000	90,000	-	0.00%
Personnel Board	144,667	99,340	(45,327)	-31.33%
<b><u>PLANNING &amp; CONSERVATION</u></b>				
Conservation Commission	109,881	113,292	3,411	3.10%
Planning Board	206,358	210,048	3,690	1.79%
Zoning Board	5,318	4,080	(1,238)	-23.28%
Earthwork Board	2,180	2,889	709	32.52%
<b><u>PUBLIC SAFETY</u></b>				
Police	3,033,443	3,232,978	199,535	6.58%
Fire	2,227,206	2,445,137	217,931	9.78%
Emergency Preparedness	7,000	7,000	-	0.00%
Building	207,071	210,190	3,119	1.51%
Gas Inspector	12,897	13,606	709	5.50%
Wire Inspector	23,024	42,221	19,197	83.38%
Sealer of Weights	8,000	15,873	7,873	98.41%
Board of Health	232,146	215,484	(16,662)	-7.18%
Animal Control	42,729	42,729	-	0.00%
<b><u>PUBLIC WORKS</u></b>				
Highway Admin.	144,774	166,133	21,359	14.75%
Hwy. Const. & Maint.	1,720,163	1,776,562	56,399	3.28%
Parks	155,700	178,465	22,765	14.62%
Cemetery	172,578	187,200	14,622	8.47%
Public Facilities	479,197	751,156	271,959	56.75%
Engineering	190,191	192,261	2,070	1.09%
Snow & Ice	437,000	459,642	22,642	5.18%
Street Lighting	147,000	165,000	18,000	12.24%
Trees	56,000	71,500	15,500	27.68%
<b><u>COMMUNITY SERVICES</u></b>				
Council on Aging	322,003	293,824	(28,179)	-8.75%
Library	921,937	914,419	(7,518)	-0.82%
Recreation	155,360	159,969	4,609	2.97%
Youth Services	178,010	184,179	6,169	3.47%
Veterans Services	91,225	97,801	6,576	7.21%
Cable TV	294,728	301,085	6,357	2.16%
Cultural Council	500	1,000	500	100.00%
Community Affairs Committee	500	1,000	500	100.00%
Historical Commission	500	500	-	0.00%

# Section 1-12

# Expenditure Summary



Department	FY2023 Budget	FY2024 Proposed Budget	\$ Change	% Change
<b>UNDISTRIBUTED EXPENSES</b>				
<b><u>EMPLOYEE BENEFITS &amp; INSURANCE</u></b>				
Health Insurance	6,184,052	6,184,052	-	0.00%
Transfer to OPEB Trust	300,000	550,000	250,000	
Life Insurance	8,930	8,930	-	0.00%
Other Benefits/FICA	516,097	538,678	22,581	4.38%
Workers Comp	134,702	134,702	-	0.00%
Retirement Assessments	2,725,650	2,788,842	63,192	2.32%
<b><u>BUILDING &amp; LIABILITY INSURANCE</u></b>				
Bldg. & Liability Insur.	288,163	297,705	9,542	3.31%
<b><u>DEBT SERVICE</u></b>				
Debt Service	1,937,853	2,135,620	197,767	10.21%
<b><u>STATE ASSESSMENTS</u></b>				
State Assessments	285,618	321,775	36,157	12.66%
<b><u>NORFOLK AGRICULTURAL HIGH SCHOOL</u></b>				
Tuition/Transportation	69,934	46,200	(23,734)	-33.94%
<b><u>STABILIZATION FUND CONTRIBUTION</u></b>				
Stabilization Fund	200,000	200,000	-	
<b><u>RESERVE FUND</u></b>				
Reserve Fund	175,000	175,000	-	0.00%
<b><u>SPECIAL WARRANT ARTICLES</u></b>				
Special Articles	2,024,000	1,105,000	(919,000)	-45.41%
Solid Waste Subsidy	337,160	345,160	8,000	2.37%
<b>OTHER NON-APPROPRIATED AMOUNTS</b>				
Reserve for Abatements	419,224	328,519	(90,705)	-21.64%
Offsets	32,883	39,968	7,085	21.55%
<b>ENTERPRISE FUNDS</b>				
Water	2,636,103	2,772,795	136,692	5.19%
Sewer	2,397,488	2,508,481	110,993	4.63%
Solid Waste	928,113	1,040,684	112,571	12.13%
<b>GROSS TOTAL TOWN</b>	<b>35,746,948</b>	<b>36,638,353</b>	<b>891,405</b>	<b>2.49%</b>
<b>CALCULATION OF NET TOTAL TOWN</b>				
Less Water Fund	(2,636,103)	(2,772,795)		
Less Sewer Fund	(2,397,488)	(2,508,481)		
Less Solid Waste	(928,113)	(1,040,684)		
Less Other Funds	(854,621)	(891,826)		
Less Recap Adjustments	(35,782)			
Less Debt Exclusion	(1,683,878)	(1,918,035)		
Less Reserve Fund Article	(175,000)	(175,000)		
Less Transfer to OPEB Trust	(300,000)	(550,000)		
Less Transfer to Stabilization	(200,000)	(200,000)		
Less Special Articles	(2,034,000)	(1,105,000)		
<b>NET TOTAL TOWN</b>	<b>24,501,963</b>	<b>25,476,532</b>		<b>3.98%</b>
<b>CALCULATION OF TOWN APPROPRIATION</b>				
GROSS TOTAL TOWN	35,746,948	36,638,353		
Less County Assessments	(2,725,650)	(2,788,842)		
Less State Assessments	(285,618)	(321,775)		
Less Reserve for Abatements	(419,224)	(328,519)		
Less Offsets	(32,883)	(39,968)		
Less Debt Service raised on Recap	(11,748)	-		
Less Reserve Fund Article	(175,000)	(175,000)		
Less Stabilization Transfer Article	(200,000)	(200,000)		
Less Special Articles	(2,034,000)	(1,105,000)		
Less Solid Waste Subsidy	(337,160)	(345,160)		
Less Enterprise Funds	(5,961,704)	(6,321,960)		
<b>Net Town Warrant Article 4</b>	<b>23,563,961</b>	<b>25,012,129</b>		



## Expenditure Summary

## Section 1-13

### **General Administration**

The first of the budget categories is General Administration. This category includes the offices and departments which support the direct service departments of the Town through overall management, legal services, financial management (including collecting of revenues and the maintenance of financial records), administration of elections, Management Information Systems/Geographic Information Systems (MIS/GIS), personnel administration and related ancillary services. General Administration also includes planning and conservation services.

### **General Administration Summary**

	<b>FY2021 ACTUAL</b>	<b>FY2022 ACTUAL</b>	<b>FY2023 BUDGETED</b>	<b>FY2023 SIX MONTHS</b>	<b>FY2024 PROPOSED</b>	<b>% CHANGE</b>
<b><u>EXECUTIVE OFFICE</u></b>						
Selectmen	\$174,103	\$177,833	\$196,156	\$77,302	\$200,797	2.37%
Administrator	\$256,523	\$294,567	\$310,777	\$137,539	\$313,667	0.93%
Economic Development	\$855	\$855	\$1,342	\$500	\$1,100	-18.03%
Town Reports	\$3,680	\$3,921	\$5,150	\$0	\$5,150	0.00%
<b>Subtotal</b>	<b>\$435,161</b>	<b>\$477,175</b>	<b>\$513,425</b>	<b>\$215,341</b>	<b>\$520,714</b>	<b>1.42%</b>
<b><u>TOWN HALL/OFFICE</u></b>						
<b><u>SUPPLIES</u></b>	\$148,480	\$156,941	\$158,200	\$52,111	\$157,240	-0.61%
<b>Subtotal</b>	<b>\$148,480</b>	<b>\$156,941</b>	<b>\$158,200</b>	<b>\$52,111</b>	<b>\$157,240</b>	<b>-0.61%</b>
<b><u>FINANCE</u></b>						
Treasurer	\$295,728	\$298,075	\$334,501	\$147,942	\$374,512	11.96%
Board of Assessors	\$176,231	\$239,939	\$279,489	\$131,648	\$294,042	5.21%
Town Accountant	\$186,640	\$191,719	\$201,610	\$92,452	\$210,482	4.40%
<b>Subtotal</b>	<b>\$658,599</b>	<b>\$729,733</b>	<b>\$815,600</b>	<b>\$372,042</b>	<b>\$879,036</b>	<b>7.78%</b>
<b><u>MIS/GIS</u></b>	\$431,366	\$433,363	\$632,938	\$295,832	\$696,122	9.98%
<b>Subtotal</b>	<b>\$431,366</b>	<b>\$433,363</b>	<b>\$632,938</b>	<b>\$295,832</b>	<b>\$696,122</b>	<b>9.98%</b>
<b><u>TOWN CLERKS OFFICE</u></b>						
Town Clerk	\$141,367	\$146,131	\$153,362	\$69,938	\$166,292	8.43%
Elections/Registration	\$47,715	\$26,142	\$50,972	\$31,053	\$48,480	-4.89%
<b>Subtotal</b>	<b>\$189,082</b>	<b>\$172,273</b>	<b>\$204,334</b>	<b>\$100,991</b>	<b>\$214,772</b>	<b>5.11%</b>
<b><u>ADVISORY BOARDS/SERVICES</u></b>						
Moderator	\$200	\$200	\$500	\$0	\$500	0.00%
Appropriations Committee	\$210	\$210	\$1,695	\$214	\$1,695	0.00%
Personnel Board	\$19,046	\$31,397	\$144,667	\$4,703	\$99,340	-31.33%
Town Counsel	\$77,652	\$167,000	\$90,000	\$49,022	\$90,000	0.00%
<b>Subtotal</b>	<b>\$97,108</b>	<b>\$198,807</b>	<b>\$236,862</b>	<b>\$53,939</b>	<b>\$191,535</b>	<b>-19.14%</b>
<b><u>PLANNING AND CONSERVATION</u></b>						
Town Planner/Planning Bd	\$188,108	\$200,203	\$206,358	\$87,386	\$210,048	1.79%
Zoning Board of Appeals	\$2,526	\$2,340	\$5,318	\$534	\$4,080	-23.28%
Earthworks	\$628	\$582	\$2,180	\$323	\$2,889	32.52%
Conservation Commission	\$81,389	\$66,041	\$109,881	\$47,019	\$113,292	3.10%
<b>Subtotal</b>	<b>\$272,652</b>	<b>\$269,165</b>	<b>\$323,737</b>	<b>\$135,262</b>	<b>\$330,309</b>	<b>2.03%</b>



## Section 1-14

## Expenditure Summary

---

FY2022 was the last year of the previously negotiated collective bargaining agreements for Police Patrol Officers, Police Sergeants, Public Safety Dispatchers, Firefighters and the Northborough Municipal Employees Association, and all Town units have since settled new three-year contracts during FY2023 for FY2023 through FY2025. The FY2024 departmental budgets as presented include cost-of-living increases for both Union and Non-union personnel. The Town also recently completed a Classification/Compensation study for which the results were presented to 2022 Annual Town Meeting and adopted. Therefore, annual merit increases and adjustments are provided for centrally within the Personnel Board budget for all Town departments. Following are the key changes of significance for the General Government Departments:

- **Executive Office**

Overall, the Executive Office budget is increasing \$7,289 or 1.42% in FY2024. The increase primarily reflects an annual increase in salaries for a full year following merit increases given for six months of FY2023.

- **Town Hall/Office Supplies**

The Town Hall/Office Supplies Budget will decrease \$960 or .61% in FY2024. This account group was formerly titled “Public Buildings,” and the change in description reflects one of multiple changes for where expenses are charged between departments. This change follows a new Facilities Manager position being filled in FY2022 for the first time, and that department being organized under Public Works in the group titled “Public Buildings” for FY2024. The Town Hall/Office Supplies budget reflects only the expenses being managed by the Administrator’s Office, like office supplies, rather than the building maintenance and repair lines now under the Public Works department.

- **Finance Department**

Overall, the Finance Department’s FY2024 budget is up \$63,436, or 7.78%. Most of the increase is due to more reallocation of charges between departments, including approximately \$21,000 postage of tax bills to the Treasurer/Collector’s budget previously included in Town Hall/Office Supplies. The budget also provides for an \$10,000 increase for Tax Title Attorney with the Treasurer/Collector’s contracted services which were previously paid from the Town Counsel budget, and the addition of \$10,000 for contracted services in the Assessor’s budget to provide for appraisal services.

- **Management Information System/Geographic Information Systems (MIS/GIS)**

The MIS/GIS Department’s budget is increasing by \$63,184 or 9.98%. The most significant factor contributing to the increase are cybersecurity enhancements that are being made in response to the recommendations in both the IT/GIS Strategic Plan and the Cybersecurity Assessment, both completed in FY2023. Of the \$63,184 increase, approximately \$40,000 of that increase is directly attributable to additional cybersecurity enhancements being made to programs and processes across all town departments. Examples of this include the implementation of multi-factor authentication, endpoint protection, and spam filtering modifications.





- **Town Clerk/Elections**

The combined FY2024 Town Clerk/Elections budget represents an overall increase of \$10,438 or 5.11%. Within the Elections/Registration budget, funds that were previously budgeted within the Public Buildings account for the postage related to mailing the census to each household are now reflected within the census line for the Elections/Registration budget. This accounts for \$3,300 of the overall increase. Controlling for the movement in postage costs, the increase to the Town Clerk/Elections budget is 3.5% or \$7,138.

- **Advisory Boards/Services**

- **Personnel Board**

This budget account reflects costs associated with merit pay, limited town-wide training, DOT required drug testing and legal expenses associated with collective bargaining. The account is also used for consultant or temporary labor services associated with personnel transitions. During the fiscal year, funds are transferred out as appropriate and reflected in the departmental budgets, such as following a settled labor contract. All collective bargaining agreements expired on June 30, 2022, and the Town negotiated with all units and settled during FY2023. Also, the Town completed a Classification and Compensation System review in FY2022. The financial impact of the system adjustments as recommended by the consultant, and accepted by the Personnel Board, are included in this account. Estimated wage increases associated with all merit pay increases for eligible employees who are not at the max of their pay grade are held in this Personnel Board Budget account until approved based upon satisfactory performance evaluations. Once approved, the funds are transferred and reflected in the appropriate departmental budgets.

- **Town Counsel**

The budget for Town Counsel is level funded at \$90,000, though \$10,000 was added to the Treasurer/Collector budget to pay charges for the Tax Title Attorney, previously charged to the Town Counsel budget. Town Counsel is appointed by the Board of Selectmen for an indefinite term and serves as counsel to Town Officers and Committees and attends to the Town's legal affairs at the request of the Town Administrator. Under the Town bylaws, Town Counsel reviews all Warrant Articles prior to Town Meeting and serves as a resource during all Town Meeting proceedings. The budget represents general legal services. Legal expenses associated with specific capital projects or Water & Sewer Enterprise Funds are reflected in those budgets.

- **Planning and Conservation**

Overall, the FY2024 Planning and Conservation budget is up \$6,572, or 2%. The FY2024 wages reflect the cost-of-living increases for all staff. January 1 merit increases are budgeted centrally in the personnel budget. In prior years, funds were budgeted for a part-time secretary to draft minutes for the Zoning Board of Appeals. That position has been vacant for all of FY2023, and the minutes are being done by the Administrative Assistant. The Town does not have plans to fill the part-time secretary positions for Zoning Board of Appeals.

## Section 1-16

## Expenditure Summary



### **Public Safety**

Public Safety consists of police, fire, emergency management services, inspections & enforcement, public health and animal control services.

#### Public Safety Summary

	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED	% CHANGE
<b><u>PUBLIC SAFETY</u></b>						
Police	\$2,842,656	\$2,823,595	\$3,033,443	\$1,321,113	\$3,232,978	6.58%
Fire	\$2,061,526	\$2,179,452	\$2,227,206	\$1,058,269	\$2,445,137	9.78%
Emergency Preparedness	\$408	\$5,000	\$7,000	\$2,318	\$7,000	0.00%
Building Inspection	\$179,821	\$188,749	\$207,071	\$93,990	\$210,190	1.51%
Gas Inspector	\$12,255	\$11,968	\$12,897	\$6,777	\$31,669	145.55%
Wiring Inspector	\$17,453	\$22,281	\$23,024	\$11,863	\$23,758	3.19%
Sealer Weights/Measures	\$5,000	\$5,000	\$8,000	\$0	\$15,873	98.41%
Health/Plumbing Inspector	\$178,508	\$188,711	\$232,146	\$84,324	\$215,484	-7.18%
Animal Control	\$39,470	\$39,388	\$42,729	\$9,051	\$42,729	0.00%
<b>Subtotal</b>	<b>\$5,337,097</b>	<b>\$5,464,145</b>	<b>\$5,793,516</b>	<b>\$2,587,703</b>	<b>\$6,224,818</b>	<b>7.44%</b>

#### • **Police Department**

Overall, the FY2024 Police Department Budget is increasing 6.58% or \$199,535. An Officer who had been on administrative leave for an extended period is anticipated to return in FY2024. Given the time that passed, the department was forced to backfill the position during the three-year vacancy. As a result, the FY2024 budget reflects an increase of one full-time Patrol Officer not previously budgeted for. Should any staff separate during FY2024, the staffing levels will be reassessed for possible reduction. The wages and stipends for that officer account for approximately \$95,000 of the \$199,535 increase. Without the inclusion of the additional officer, the FY2024 Police budget would increase approximately 3.5%. The departmental budget as presented includes contractual wage increases for Police Patrol, Sergeants, Dispatchers, and Non-Union personnel.

#### • **Fire Department**

As presented, the FY2024 Fire Department Budget reflects an increase of \$217,931 or 9.78% in the General Fund appropriation. The departmental budget as presented includes contractual wage increases for all bargaining unit members. The FY2024 personnel budget includes the addition of a new Deputy Fire Chief, funded at the midpoint of Grade eight. Without the inclusion of the new Deputy Fire Chief position, the Fire Budget will increase \$100,931 or 4.53%. In addition to the General Fund appropriation of \$2,445,137 (which is underwritten by a transfer of \$384,016 from the Fire Department Revolving Fund under Article 4 of the Town Meeting Warrant) the departmental budget also includes \$608,363 in planned expenses that are charged directly to the Fire Department Revolving Fund, which is financed primarily by fees





for ambulance services. Therefore, the total FY2024 budget that supports the Fire/EMS services is \$3,053,500 (\$2,445,137 plus the Fire Department Revolving Fund direct charges of \$608,363).

- **Building Department**

Overall, the departmental budgets for Building, Plumbing/Gas, Wiring and Sealer are up \$30,498 or 12.15%. In FY2024, the Plumbing Inspector salary will be reflected in the Plumbing/Gas budget, relocated from the Board of Health budget to reflect the reporting structure in the Building Department. When controlling for the transition of the Plumbing Inspector budget from the Health Department to the Building Department, overall, the Building, Gas, Wiring and Sealer budgets are up \$12,615 or 5.03%, with \$7,873 of that increase attributable to the increase in the Sealer of Weights and Measures services from the State of Massachusetts.

- **Health Department**

Overall, the department's FY2024 budget is decreasing by \$16,662 or 7.18%, and this decrease reflects the part-time plumbing inspector line item moving to the Gas/Plumbing Inspector line in the Building Department budget. A survey of local communities found that the plumbing inspector position is more appropriately housed under the Building Department rather than the Health Department. When controlling for the relocation of the Plumbing Inspector expenses, the Health Department budget is increasing \$923 or .40%. This limited increase is due to the turnover of an Administrative Assistant.

- **Animal Control**

Beginning in FY2013 Animal Control services were outsourced through a contractual arrangement and the fees from dog licenses and fines brought into the General Fund as a transfer from the revolving fund to off-set the cost of the contract. The base contract is \$39,304, plus a small allowance for animal testing, if needed. In FY2024 the revolving fund revenues proposed to be transferred in are \$28,000 and the total Animal Control budget is \$42,729, resulting in a net tax-supported service expense of \$14,729.



## Section 1-18

## Expenditure Summary

### Public Works

The Department of Public Works (DPW) consists of multiple Divisions collectively responsible for maintaining and improving the Town's public spaces and infrastructure. This includes the maintenance and development of Town roads, sidewalks, public trees, cemeteries, parks, public grounds and buildings, as well as the Town water supply system and wastewater/sewerage system. In addition to general Administration and Engineering, the Divisions within the Department include: Highway, Parks, Cemetery, Water and Sewer<sup>1</sup>.

### Public Works Summary

	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED	% CHANGE
<b>PUBLIC WORKS</b>						
Highway Admin.	\$112,251	\$129,653	\$144,774	\$47,545	\$166,133	14.75%
Hwy. Const. & Maint.	\$1,189,119	\$1,295,772	\$1,720,163	\$652,238	\$1,776,562	3.28%
Parks	\$91,106	\$133,010	\$155,700	\$42,569	\$178,465	14.62%
Cemetery	\$140,149	\$164,035	\$172,578	\$65,665	\$187,200	8.47%
Facilities	\$231,151	\$541,922	\$479,197	\$191,018	\$751,156	56.75%
Engineering	\$188,624	\$129,393	\$190,191	\$57,021	\$192,261	1.09%
Snow & Ice	\$482,022	\$549,058	\$437,000	\$140,623	\$459,642	5.18%
Street Lighting	\$125,000	\$135,000	\$147,000	\$62,989	\$165,000	12.24%
Trees	\$41,793	\$50,739	\$56,000	\$51,608	\$71,500	27.68%
<b>Subtotal</b>	<b>\$2,601,216</b>	<b>\$3,128,583</b>	<b>\$3,502,603</b>	<b>\$1,311,276</b>	<b>\$3,947,919</b>	<b>12.71%</b>

Overall, the Department of Public Works General Fund budget is increasing \$445,316 or 12.71%. Of this increase, \$271,959 is directly attributable to the movement of Facilities expenses from General Administration to being a division within the Public Works department. This division consolidates expenses from several other departments and centralizes them under the Facilities Manager for better oversight and management. Of the \$271,959 increase, \$183,000 is for the movement of expenses from other departments to the centralized Facilities Division. Controlling for the addition of the Facilities Division to Public Works, the general fund portion of the Public Works budget is increasing \$173,357 or 4.95%. All divisions have significant increases in the costs for all general goods and utilities due to the inflationary impacts being felt across all industries, including a 20% increase for road salt. The major department initiatives supported by the General Fund address safety and environmental compliance. These include mandated safety compliance with the Division of Labor Standards which has adopted the requirements of the Occupational Safety and Health Administration. The Town continues to implement new components of the required Stormwater Pollution Prevention Plan, improvements to roadway and roadside safety, compliant removal and disposal of street sweeping and catch basin debris, proper disposal of resident generated yard waste, maintenance and repairs to parks and monuments, and biannual street sweeping.

<sup>1</sup> Please see the end of this Expenditure Summary for information regarding the Water, Sewer and Solid Waste Enterprise Funds. Section 8-5 of this budget document contains the detailed budget information regarding Enterprise Fund budgets.



## Expenditure Summary

## Section 1-19

### Community Services

Section 5 of the Budget contains the category of human services, cultural and recreational programs and departments. These include the Senior Center/Council on Aging, Library, Recreation, Family & Youth Services, Veterans' Services, Cable Access TV, as well as various Boards and Committees.

### Community Services Summary

	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED	% CHANGE
<b>COMMUNITY SERVICES</b>						
Senior Center/COA	\$298,225	\$312,262	\$322,003	\$127,159	\$293,824	-8.75%
Library	\$801,068	\$871,652	\$921,937	\$438,823	\$914,419	-0.82%
Recreation	\$108,012	\$138,025	\$155,360	\$71,582	\$159,969	2.97%
Family & Youth Services	\$142,483	\$143,938	\$178,010	\$73,214	\$184,179	3.47%
Veterans' Services	\$66,943	\$57,133	\$91,225	\$30,364	\$97,801	7.21%
Cable TV	\$222,584	\$233,348	\$294,728	\$115,662	\$301,085	2.16%
Cultural Council	\$500	\$500	\$500	\$60	\$1,000	100.00%
Community Affairs Comm.	\$500	\$500	\$500	\$190	\$1,000	100.00%
Historic Dist. Commission	\$344	\$441	\$500	\$0	\$500	0.00%
<b>Subtotal</b>	<b>\$1,640,659</b>	<b>\$1,757,799</b>	<b>\$1,964,763</b>	<b>\$857,054</b>	<b>\$1,953,777</b>	<b>-0.56%</b>

#### • Senior Center/Council on Aging

The departmental budget is down 8.75% or \$28,180, due to the relocation of all facilities and building maintenance costs to a centralized Facilities budget, overseen by the Facilities Manager within the Public Works grouping. When controlling for the changes for facilities, the Senior Center budget is up 9.48% or \$30,512. \$21,240 or 70% of this increase is due to the change in the electrical aggregation rate for town buildings, where the town's rate is increasing resulting in significant increases to our energy costs across all town buildings. In addition to the appropriated budget supported by tax revenues, the Senior Center receives approximately \$32,000 in additional funds directly from the State Formula Grant (based on the number of seniors in Town), which is used primarily to provide exercise programs to seniors and is not subject to Town Meeting appropriation.

#### • Family and Youth Services Department

The FY2024 Family & Youth Services Budget is increasing 3.47% or \$6,169. This increase is attributable to contractual wage increases for union and non-union staff in the department. The FYS Department will continue to offer the program called "INTERFACE," a confidential referral service that connects Northborough residents and public school students to outpatient mental health providers. The INTERFACE program is provided through a contract with William James College. The service was paid for in FY2021 through trust funds on a trial basis and was added to the budget in FY2022. This resource continues to be a valuable tool in combating the effects that the Coronavirus has had on mental health.



- **Veterans' Services**

Since the formation of the Central Massachusetts Veterans' District in FY2014 with the Towns of Grafton, Shrewsbury and Westborough, Northborough's share of the District budget has remained stable at 17% (\$28,801) of the overall administrative expenses in FY2024. In FY2023 Northborough's share of the District increased from 16% to 17% as a result of the updated census figures. Ordinary benefits for qualifying veterans and their families are funded at \$60,000 based upon historic needs, and any approved benefits will eventually be reimbursed at 75% from the Commonwealth's Department of Veterans' Services as part of the Town's state aid revenue. Overall, the FY2024 Veterans' Services budget is increasing by \$6,576, or 7.21%. This increase is due to the district's decision to increase a previously part-time Agent position to a full-time Agent position to better serve the needs of the district.

- **Library**

The FY2024 Library Budget is down overall 0.82%, or \$7,519. The overall decrease in the Library Budget is attributable to the relocation of all facilities and maintenance costs to a centralized Facilities Budget in FY2024. Controlling for the facilities budget adjustment, the Library budget is up \$39,966 or 4.15% overall. The increase in energy costs due to the increase of electric aggregation rates for town buildings accounts for \$26,300 or 65.8% of the total increase in FY2024. In FY2024 the Library will also receive an estimated \$27,022 in State Aid under the Governor's proposed budget that goes directly to the Library in a grant fund, which does not require Town Meeting appropriation.

- **Recreation Department**

The Recreation budget is increasing \$4,609 or 2.97% in FY2024 and includes contractual cost of living wage increases for the Director and the full-time Administrative Assistant. The department's \$159,969 budget is underwritten in full by a transfer from the Recreation Revolving Fund, financed by program fees.

- **Cable Access TV**

The FY2024 Cable Access budget is increasing \$6,357 or 2.16%. The department's \$301,085 General Fund budget includes all contractual wage increases and is reflective of a fully staffed department. The department's General Fund budget is fully underwritten by a transfer from the Cable Receipts Reserved for Appropriation Fund, which is financed by payments from cable contract providers. The contracts between the town and both providers, Charter and Verizon, have been settled and revenues from those contracts will sustain the operations of the Cable Department for another five years.

**Undistributed Expenses**

The Town's practice is to budget certain overhead costs in the aggregate rather than distributing costs by department or program. These overhead costs include employee benefits of health insurance, life insurance, Worcester Regional Retirement contributions, unemployment compensation and workers' compensation insurance; comprehensive building and liability insurance; debt service; non-appropriated expenses such as State Assessments and reserves for abatements; stabilization fund contributions; a reserve fund



for extraordinary and unforeseen expenses; and various Town Meeting special warrant articles.

### • **Employee Benefits & Insurance**

Employees Benefits and Insurance represent the budgetary requirements for health and life insurance coverage for both Town and K-8 School employees and retirees as well as other benefits such as FICA expense, Worcester Regional Retirement contributions, unemployment compensation and workers' compensation insurance.

The FY2024 Health Insurance budget request of \$6.18 million represents level funding from the amount budgeted last year. Through collaborative negotiations with all its employee groups, the Town has successfully mitigated health insurance budget increases to sustainable 2.69% average increase over the past fifteen years.

During FY2019 the Town was facing a 15.6% health insurance budget increase that would have necessitated significant service level reductions across all departments. To address the increase, the Town, working with the employee Insurance Advisory Committee (IAC), chose to bid out its health insurance seeking consolidation under a single carrier. Based upon the bid results and the recommendation of the IAC, Fallon Community Health Plan (Fallon) was awarded the contract. Unfortunately, after several years of favorable renewals the Town was informed that Fallon will be exiting the commercial market after FY2022, resulting in the need to go out to bid. The Town underwent the bid process, and while forming an informal Joint Purchasing Arrangement (JPA) with the Regional High School district and the Town of Southborough, awarded a contract to Harvard Pilgrim Healthcare (HPHC). Due to favorable claims data along with the larger group afforded by the JPA, the contract with HPHC results in modest premium increases for FY2023 & FY2024.

The second largest category of employee benefit costs after Health Insurance is the Worcester Regional Retirement System (WRRS). The total FY2024 Worcester Regional Retirement Assessment is \$2,909,208. The \$2,788,842 portion included in the General Fund budget does not include the retirement costs contained in the Water & Sewer Enterprise Funds (\$95,153), or the Cable Access TV budget (\$25,213)<sup>2</sup>. The modest FY2024 General Fund increase of \$63,192 or 2.32% is lower than most years due to the Town's actuarial factors. The multiemployer WRRS with approximately 100 members has implemented a funding schedule designed to eliminate its unfunded pension liability by 2036 and assessments generally rise approximately 10% per year.

It is important to note that a municipal employee hired after 1996 will contribute 9% of their total compensation plus another 2% of any regular compensation over \$30,000 to the retirement system. Such an employee, if retired with 25 years of creditable service and the investment return assumption is met, will effectively pay for their entire pension.<sup>3</sup>

---

<sup>2</sup> The Water & Sewer Enterprise Funds are designed to capture all costs associated with the service and are fully explained in Section 8 of this budget document. The Cable Public Access TV Department is funded by fees added to the cable TV subscriber bills, which pay for the related retirement costs of the full-time Cable Access staff (see Section 5 of the budget for more information regarding Public Access TV).

<sup>3</sup> Information from actuary, James R. Lamenza of the Public Employee Retirement Administration (PERAC).



- **Transfer to OPEB Trust**

Other Post-Employment Benefits (OPEB) are the benefits, other than retiree pensions, offered to retirees and their dependents. These benefits mainly consist of medical insurance. OPEB liability is the present value of benefits for retired and vested employees. An unfunded liability reflects an incurred obligation, payable in the future, for which no reserves have been set aside.

Following the acknowledgment of OPEB in FY2009 as required by the Government Accounting Standards Board (GASB), the Town has continued to contract with an actuary to update the liability, but also to develop a funding plan to address the liability. The Town's latest liability was calculated to be \$44.36 million (Net OPEB Liability) under GASB standards at the end of FY2022.

In FY2015 the Town adopted the optional Meals Tax Surcharge and increased the Room Occupancy Tax in order to provide capacity within the budget to begin funding the OPEB Trust Fund. Since FY2015 the General Fund budget has appropriated \$500,000 annually into the OPEB Trust Fund, and in FY2020 that amount was increased to \$550,000. Recent fiscal constraints associated with the COVID-19 pandemic led to postponement of contributions to the Trust in FY2021 and FY2022. The Town brought the contribution back at \$300,000 for FY2023, and has budgeted \$550,000 for FY2024 with the intent to increase the amount in future years. Unfortunately, the Town's contributions, although significant, are not yet lowering the overall liability.

- **Building & Liability Insurance**

This budget category includes property and liability coverage for all Town owned property, as well as liability coverage for all elected and appointed Town officials. In addition, because fire and police personnel are not eligible under Massachusetts law for regular workers' compensation coverage, a separate insurance policy with premiums based largely on claims experience is purchased to cover these personnel for injuries sustained in the line of duty. The police and fire MGL Chapter 41 Section 111F Injured on Duty (IOD) premium is also included here. The Town's Building and Liability insurance premiums reflect a 3.31% budgetary increase for FY2024.

- **Debt Service**

For FY2023, the total Debt Service budget for the General Fund is \$2.14 million, an increase of \$197,767 or 10.21%. The largest component of the debt service budget in FY2024 is for the Lincoln Street School, which is \$973,975. Though the largest increase is due to the first year of principal being due on debt associated with land and designs for the new Fire Station, and the debt service for this project increased by \$285,750 over the prior year to total \$338,500.

One key factor in limiting the increase in new debt service is the Town's Free Cash policy whereby smaller capital items are purchased using available funds, such as Free Cash, instead of financing with debt. For a detailed explanation of the Town's Free Cash Policy and the recent efforts to fund more pay-as-you-go capital projects, interested readers should refer to Section 9 of this budget document.





It should be noted that the debt service appropriations for the Water & Sewer Enterprise Funds appear in their respective budgets (Section 8 of this budget document).

- **State Assessments**

The Town's FY2024 State Assessments are projected to increase \$36,157, or 12.66%, based on the Governor's Budget, which total \$321,775 for Northborough. However, the Town will not know its final assessments until after the State Legislature completes its budget process, which typically wraps up well after Town Meeting. Four categories of State Assessments account for 86% of the expenses—Mosquito Control (\$67,309), Massachusetts Bay Transportation Authority (\$83,918), School Choice (\$68,350), and Charter School sending tuition (\$57,264).

- **Stabilization Fund Contribution**

As of June 30, 2022, the balance in the Stabilization Fund was \$4.98 million. Historically the Town Budget had provided for an annual appropriation of \$100,000 to be added to the Stabilization Fund. However, for several years the appropriation was not possible due to financial constraints. Beginning in FY2016, the contribution to the Stabilization Fund was restored at the level of \$200,000 with Free Cash as the source. The FY2022 budget did not include a contribution due to the fiscal impacts of COVID-19, though with the economy improving, the contribution to Stabilization from Free Cash has been restored for FY2023 and continued in FY2024 at the level of \$200,000. Overall, the Town's reserves remain within the acceptable levels prescribed by its financial policies, which is 5-10% of operating revenues. More information regarding the Town's Free Cash Policy can be found in Appendix A, and information regarding the Town's level of reserves can be found in Appendix B, pages 9 and 10.

- **Reserve Fund**

Authorized by state statute, the Appropriations Committee's Reserve Fund provides the Town operations with an option for the funding of extraordinary or unforeseen expenditures during the year. The FY2024 Reserve Fund is budgeted at the pre-pandemic level of \$175,000. Most commonly, the Reserve Fund account has been used to make up for storm related snow and ice budget overdrafts.

- **Special Warrant Articles**

In addition to the individual departmental appropriations, the Town's overall annual financial plan includes warrant articles which draw upon the funds available to the Town. The warrant articles contain proposed funding using a combination of Free Cash, bond proceeds, and/or other available funds. In FY2024, these warrant articles include \$175,000 for the Reserve Fund and \$200,000 transfer to the Stabilization Fund both from Free Cash, and the FY2024 Capital Improvement Plan (CIP) which in total amounts to \$7,904,260. The funding sources for the articles are \$1,480,000 from Free Cash, \$1,375,000 in borrowing with debt service to be paid from the General Fund, \$350,000 to come from Water/Sewer Enterprise Fund Free Cash, and \$4,961,713 to come from debt issued by the Regional School District (overlapping debt).

Effective in FY2012 the Board of Selectmen adopted a Free Cash Policy, which provides a funding source for projects other than municipal bonds. The Free Cash



## Section 1-24

## Expenditure Summary

---

Policy is on page 2 in Appendix A of this budget document, which contains the Town's comprehensive financial policies. The Free Cash Policy and plan are discussed at length in the transmittal letter of the Capital Improvement Plan contained in Section 9-1 through 9-6 of this document.

In summary, the 2023 Town Meeting Warrant Articles include the following:

- \$175,000 for the Appropriation Committee's Reserve Fund (Article 11)
- \$200,000 for Transfer to Stabilization Fund (Article 12)
- \$107,123 for Opioid Settlement Funds (Article 13)
- \$190,000 for Police Cruiser Replacements (Article 15)
- \$70,000 for Police Station Painting (Article 16)
- \$900,000 for Fire Engine Replacement (Article 17)
- \$300,000 for Roadway Maintenance and Improvements (Article 18)
- \$355,000 20-Ton Dump Truck with Plow Replacement (Article 19)
- \$475,000 Highway Garage Tight Tank (Article 20)
- \$150,000 DPW One-Ton Truck with Plow (Article 21)
- \$225,000 DPW 15-Ton Dump Truck (Article 22)
- \$125,000 Water/Sewer SCADA Phase 2 (Article 23)
- \$40,000 Zeh School Rear Entrance Repairs (Article 24)
- \$4,961,713 Algonquin Regional High School Athletic Complex project (Article 25)

The Board of Selectmen adopted a Free Cash Policy in November 2010, which provides a funding source for projects, other than municipal bonds. The Free Cash Policy can be found on page 2 of Appendix A of this budget document and is further discussed in the transmittal letter of the Capital Improvement Plan contained in Section 9-1 through 9-6 of this document.

### **Public Education**

#### **• Northborough K-8**

The Northborough K-8 Public School System serves children in grades Kindergarten through 8. There are four elementary schools: the Fannie E. Proctor School, the Lincoln Street School, the Marion E. Zeh School, and the Marguerite E. Peaslee School. These four schools serve children from Kindergarten through grade 5. There is also one middle school, the Robert E. Melican Middle School, which serves grades 6, 7 and 8. As of October 1, 2022, a total of 1,595 students attend the Northborough schools, with 1,047 students in grades K-5 at the four elementary schools and 548 students in grades 6-8 at the Middle School. The Northborough K-8 School Budget will increase by \$1,308,274 or 4.90% to \$28,001,227 in FY2024.





- **Algonquin Regional High School (ARHS)**

The Northborough-Southborough Regional School Committee consists of five (5) members from Northborough and five (5) members from Southborough. The Northborough-Southborough Regional School District houses students from grades nine through twelve in Algonquin Regional High School. Algonquin is a comprehensive high school; that is, a school designed to meet the needs of a variety of students, including students preparing to enter a four-year college or university, students who will continue their education for a shorter period of time in a junior college, vocational or technical school, and students preparing to enter the workforce. Approximately 90% of Algonquin graduates enter post-secondary education institutions. As of October 1, 2022, a total of 1,216 students attend Algonquin Regional High School, with 742 of those students being from Northborough.

- **Assabet Valley Regional Technical High School**

Assabet Valley Regional Technical High School is a vocational school composed of the member communities of Berlin, Hudson, Marlborough, Maynard, Northborough, Southborough and Westborough. Northborough's assessment is based upon the number of students from Town attending the school. The total FY2024 budget is \$1,301,581 which is an increase of \$16,276 or 1.27%. As of October 1, 2022, 64 Northborough students attend Assabet Valley, which results in an operating assessment of \$1,175,405. This is an enrollment decrease of 4 students from the 68 Northborough students that attended Assabet Valley in the prior year. Northborough's FY2024 share of the debt assessment from the completed building renovation project is \$126,176, which will continue to decline in subsequent years. The net effect of the combined operating assessment and new debt service is \$1,301,581 which is an increase of \$16,276, or 1.27%.

- **Norfolk County Agricultural High School (NCAHS)**

In prior years Northborough has borne the expense of tuition and transportation to the NCAHS in the Town's portion of the budget. This expense is borne by the Town because students have the freedom to seek admission to schools with state-approved vocational technical education programs pursuant to M.G.L. c. 74 603 CMR 4.00 and are known as Chapter 74 approved programs. Once accepted the Town is required to bear the full cost of both tuition and transportation. Following several years of no NCAHS expenses, the Town was notified prior to FY2022 that a student applied for admission and was accepted, under the Chapter 74 non-resident option, to the NCAHS program. Once accepted the Town is required to bear the full cost of both tuition and transportation. In FY2023, there were two Northborough students attending Norfolk Agricultural, however in FY2024, that number is reduced to one, resulting in a budget reduction in FY2024. The FY2024 tuition rate is \$31,755 per student, with an additional \$14,445 in transportation costs, resulting in a total cost of \$46,200 per student in FY2024.



### Enterprise Funds

Water, Sewer and Solid Waste services are operated as enterprise funds. Briefly, an enterprise fund as authorized under MGL Ch. 44 §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 costs 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.

### Enterprise Funds Summary

	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED	% CHANGE
<b>ENTERPRISE FUNDS</b>						
Water Enterprise Fund	\$2,394,848	\$2,675,750	\$2,636,103	\$1,160,015	\$2,772,795	5.19%
Sewer Enterprise Fund	\$1,673,903	\$1,776,238	\$2,397,488	\$705,283	\$2,508,481	4.63%
Solid Waste Enterprise	\$870,365	\$891,271	\$928,113	\$536,353	\$1,040,684	12.13%
<b>Subtotal</b>	<b>\$4,939,116</b>	<b>\$5,343,260</b>	<b>\$5,961,704</b>	<b>\$2,401,651</b>	<b>\$6,321,960</b>	<b>6.04%</b>

#### • Water Enterprise Fund

The FY2024 Water Enterprise Fund is budgeted at \$2,772,795 which is an increase of \$136,692 or 5.2%. This increase follows the 10.8% FY2023 budget reduction which was primarily attributed to the MWRA preliminary assessment going down by \$251,513. The cause of this was a shift in the share of the overall use from “bedroom communities” such as Northborough to Metro Boston as a result of businesses reopening after the initial effects of the pandemic. The FY2024 increase is attributed to several factors: including funding the required bi-annual system-side leak detection survey, inflationary increases to goods and services, reinstatement of \$50,000 toward the emergency account, and phasing back in of the annual hydrant replacement program, the latter two of which were eliminated due to financial constraints associated with the pandemic.

In the second quarter of FY2014, a base charge was added to each water account to recover a portion of fixed costs paid from the enterprise fund such as debt, meter reading, billing, and collection, regardless of the amount of water usage. Based upon formal rate studies, the water utility user rates are expected to increase approximately 4%-5% per year due to a combination of inflationary pressures (2-3% annually), annual water use fluctuations which trend downward between 0.5% and 1.0% due to mandated conservation measures, and the need to make regular infrastructure investments. The FY2024 user rates will be adjusted based upon a detailed rate study but are currently projected to increase between 3% and 4%. The base charge will also be evaluated as part of the rate study in an effort to maintain the appropriate ratio of fixed verse volumetric revenues.



### • **Sewer Enterprise Fund**

The FY2024 Sewer Enterprise Fund is budgeted at \$2,508,481, which is an overall increase of \$110,993 or 4.6%. The budget reflects an estimated 5% or \$44,728 increase in the Marlborough use charge. This value, along with several other smaller increases directly related to industry wide inflationary impacts and labor increase account for the FY2024 budget adjustments.

The critical issue facing the DPW Sewer Enterprise Fund continues to be negotiations for a new Intermunicipal Agreement with the City of Marlborough. The matter is currently in litigation, the outcome of which will establish our contribution to the operational expenses of the Westerly Wastewater Treatment Plan as well as Northborough's share of the \$30 million plant improvement project. Sewer rates were increased significantly in the second quarters of FY2014, FY2016, FY2017, and FY2018 in anticipation of a large plant improvement payment to Marlborough. The sewer use charges are evaluated as part of our comprehensive rate study. While final rate adjustments will be based upon the updated rate study, a modest increase is projected at this time for this coming fiscal year.

### • **Solid Waste Enterprise Fund**

Recycling markets throughout the United States continue to experience a difficult and complicated transition. For many years China had been the primary market for our country's recyclable materials. However, in early 2018 China revised their specifications for acceptance of recyclable materials to an unachievably low contamination standard, which eliminated the option of exporting these commodities to China. That action resulted in the need for fast and drastic changes to the market for recyclable materials in the United States.

In 2019 the Town issued an Invitation for Bids (IFB) for a new solid waste collection and recyclable materials collection and disposal contract. The contract now includes an annual Recycling Net Processing Cost Adjustment, which allows the Town to better manage costs associated with the changing recycling market trends.

Overall, the Solid Waste and Recycling budget is increasing by \$112,571, or 12.1%. The FY2024 fee revenues are projected to be \$530,000 and the FY2024 expenses are estimated at \$1,040,684 leaving a projected general fund subsidy of \$345,160 in addition to a transfer from the Solid Waste Fund Free Cash of \$165,524. In FY2024, the appropriation will again contain a \$10,000 Contingency Reserve account within the Solid Waste Fund to ensure adequate funding for the potential of an unforeseen event in the coming year.

For a full review of the PAYT trash program, as well as a more detailed discussion regarding recent market issues, interested readers are referred to the Solid Waste Enterprise Fund budget contained in Section 8 of this budget document.



This Page Intentionally Blank

# **General Administration**

## **Section 2**



This Page Intentionally Blank

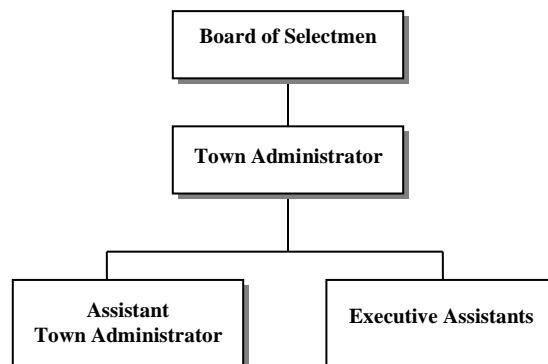


### Executive Office Departmental Statement

The Executive Office of the Town of Northborough is made up of the Board of Selectmen and the Town Administrator. The Board of Selectmen is recognized by the General Laws of the Commonwealth of Massachusetts as the Town's body of chief elected officials with the authority to enact rules and regulations establishing Town policies not otherwise governed by bylaw, the Town Charter, or by statute. The Board is composed of five members who are elected to staggered three-year terms. The powers and duties of the Board of Selectmen include appointing the Town Administrator, Police Chief, Fire Chief and Town Accountant, as well as various boards, committees and commissions. The Board of Selectmen also issues certain licenses and permits such as alcohol, car dealerships, common victualler, and entertainment; enforce special sections of the Town Code; and regulate the public ways.

The Town Administrator is appointed by the Board of Selectmen and is the senior appointed officer of the Town. The Town Administrator is responsible for managing the day-to-day operations of municipal government as outlined in Article IV of the Town Charter. The Town Administrator appoints and removes department heads, subordinates and employees, and members of certain boards and commissions for which no other method is provided in the Town Charter or in the general laws. The Town Administrator works closely with the Board of Selectmen to develop and implement policies and goals for the efficient and effective administration of Town government.

### Executive Office Organizational Chart





### Executive Office FY2023 Initiatives and Accomplishments

During FY2023 several key goals and initiatives were achieved. These include:

1. COVID-19 Pandemic Response and Immunization: The Town continued to respond to the COVID-19 pandemic and perform community outreach, disease investigation and surveillance. The Town ran five COVID-19 vaccination clinics and administered over 1,091 vaccines to individuals 5 and older. Over 500 flu shots were administered at clinics throughout the year, and the Town continued to collaborate with the Greater Boroughs Partnership for Health (GBPH), developed in FY2022. The Town of Northborough is now host to a full-time Epidemiologist and a full-time Health Inspector who serve the communities in the GBPH.
2. BeWell Northborough Community Wellness Initiative: In FY2023, the Board of Selectmen allocated \$100,000 towards a community wellness initiative to address community-wide mental health concerns and provide opportunities for residents to come together following the pandemic. Throughout FY2023, the BeWell Working Group, made up of staff from various departments, planned and coordinated numerous mental and physical health programs through the Senior Center, Recreation Department, and Library. The BeWell group coordinated a Summer Kick-Off Event, held at Ellsworth-MacAfee Park on the last day of classes for the Northborough schools. The event drew over 800 people. In addition to the kick-off event and the various programs hosted throughout the year by BeWell, staff coordinated the development of a 60-page Community Resource Guide that highlights municipal services and local, state, and federal resources that address the deeper lasting impacts of the pandemic. This guide was direct mailed to all households in town and is available electronically at [bewellnorthborough.com](http://bewellnorthborough.com).
3. Financial Trend Monitoring Report Updated: The Financial Team updated the Town's Financial Trend Monitoring System (FTMS) Report and presented the results at a joint meeting of the Board of Selectmen, Financial Planning Committee, Appropriations Committee and the K-8 School Committee on December 15, 2022. The purpose of the FTMS is to analyze key financial indicators in order to assess the financial direction of the Town. The report brings issues and opportunities to the attention of decision-makers through a systematic method of trend analysis. The updated FTMS Report provided critical information about the FY2024 budget assumptions during the ongoing pandemic, which allowed policy-making Boards and Committees to make informed decisions. The updated analysis included a close look at Local Receipts and State Aid projections which were used to build consensus regarding sustainable budget increases.
4. Clean Annual Audit and Positive Free Cash: Following the unexpected retirement of the Town's Auditor, a competitive request for proposal process was used to select a new firm. Although the yearend close was delayed due to the auditor selection process, the Town ultimately closed out FY2022 with approximately \$2.4 million in Free Cash on June 30, 2022, and no material issues or deficiencies were noted in the annual audit.
5. FY2023 Capital Budget: Annual Town Meeting approved \$2,784,000 in capital projects with \$2,024,000 coming from Free Cash, and a combination of other sources including





Community Preservation Funds, EMS Revolving Funds and Enterprise Funds with no additional tax impact. Since FY2012, the Town has invested \$21.3 million in pay-as-you-go capital investments with no additional tax impact, including \$14.8 million in Free Cash and approximately \$6.5 million in other funding sources. Several significant capital projects were undertaken during FY2023, including replacement of key public safety and public works equipment, a Downtown Master Plan Study, funding for preliminary design of a dog park, and over \$1 million in roadway and culvert improvements were made in accordance with the Pavement Management Plan using combined funds from the capital budget as well as the operating budget.

6. Fire Station Project Site Transfer Completed: The Fire Station Feasibility Study Committee determined that the existing station is inadequate to meet the programmatic needs of the department and that the current site is also too small to accommodate a renovation/addition. Last year, during the Town's due diligence it was discovered that the site still requires significant remediation due to contamination from its prior use as a gas station. The language of the executed Purchase and Sale Agreement requires the seller to remove all structures and provide a clean site. Following months of negotiations and oversight of the clean-up, final ground water testing was completed and the property has been conveyed to the Town. Over the next several months, the Fire Station Building Committee will work to select an Owner's Project Manager and an Architect to move forward with the design of the new fire station, targeting April of 2024 for final approval of a design and appropriation of funds by Town Meeting for construction.
7. Reacquisition of 4 West Main Street (Old Town Hall): In FY2023, the Town completed the closing of the Old Town Hall located at 4 West Main Street. In 1983 the Town sold the former Town Hall property, subject to the right to re-purchase it in the 40th year after the sale for the sum of Ten Thousand Dollars (\$10,000). Article 21 on the 2022 Annual Town Meeting Warrant proposed the exercise of the re-purchase option and the appropriation of funds for that purpose. In the late Spring of 2023, the reacquisition was completed, and the building will be maintained by the Town until the Town Hall Feasibility Study and Downtown Revitalization Plans are complete and provide direction for the future of the building.
8. Settlement of Collective Bargaining Contracts: All collective bargaining contracts expired on June 30, 2022. Following negotiations with all units throughout FY2023, all contracts have been settled and all impacts of those contracts are included in the proposed FY2024 budget. The current contracts are valid until June 30, 2025, when negotiations will re-open with all units.
9. Master Plan Implementation Committee Work: The Master Plan Implementation Committee continued work on implementing the Master Plan. The first major project identified for pursuit is the development of a Downtown Revitalization Strategy & Design Report. After a competitive procurement process, the Town hired a consultant team led by Weston & Sampson Engineers. Deliverables will include a downtown vision document, market analysis, downtown revitalization design concepts, and implementation strategy. The planning process will feature an aggressive community outreach campaign and will take approximately nine months to complete.



10. Complete Streets Community Designation: The Planning, Engineering and DPW Departments worked together and with Woodard & Curran Engineers, the Town's consultant, on preparation of a Complete Streets Prioritization Plan. The Town was awarded a Technical Assistance Grant from the MA Department of Transportation's Complete Streets Program for that purpose. Communities with a locally adopted Complete Streets Policy and MassDOT-approved Prioritization Plan are eligible to seek construction funding of up to \$500,000 within a 4-year timeframe to aid in plan implementation.
11. Completion of Information Technology/GIS Strategic Plan: Using \$40,000 in funding received under the State Community Compact Grant program, the Town engaged an independent third-party consultant to assist in the development of a comprehensive IT/GIS Strategic Plan that focuses on aligning technology investment with overall organizational priorities. As part of the planning process the Town is also participating in a regional grant with the Town of Westborough to assess and better protect our technology against cyber security threats. The Plan was completed in FY2023, and the MIS/GIS Department will begin implementation of recommendations from that plan as early as FY2024.
12. Historic White Cliffs Facility Reuse: In FY2023, the White Cliffs Reuse Committee completed their charge of delivering a recommendation for reuse of the parcel to the Board of Selectmen. With the help of a consultant, the Committee developed a Request for Proposals (RFP) with the goal of identifying potential private sector partners willing to perform the restoration work needed to bring the facility back into code compliant use. The Committee received three proposals, and ultimately chose to recommend a proposal from Metro West Collaborative Development which provided a viable proposal to preserve the historic building, as well as solid financial plan and experience with similar projects in other communities. As of this writing, the Board of Selectmen has not made a decision regarding the White Cliffs Reuse and the Metro West proposal.

### **Executive Office FY2024 Goals and Initiatives**

Looking forward to FY2024, the primary issues likely to continue dominating much of our focus over the next year involve various major capital and building infrastructure projects. The primary projects in FY2024 include:

1. GFOA Distinguished Budget Award Program: The Government Finance Officers Association (GFOA) Distinguished Budget Award Program revisions, adding several new criteria requirements in FY2024. This budget document reflects those changes, and the town will resubmit for consideration the FY2024 budget document.
2. Fire Station Project Design and Construction Funding Approval: Although funding for the land acquisition and design for the new fire station were approved at the April 2019 Town Meeting, required site remediation work performed by the seller delayed closing on the property, which is a former gas station. The Town closed on the property in July of 2022. Selection of an Owner's Project Manager and Architect will be complete before the end of FY2023. Moving into FY2024, the Fire Station Building Committee will work with the selected OPM and Architect to finalize the design of the building along with the construction documents with the goal of seeking approval of construction funding at the 2024 Annual Town Meeting in conjunction with a debt exclusion vote on the 2024 Election Ballot.



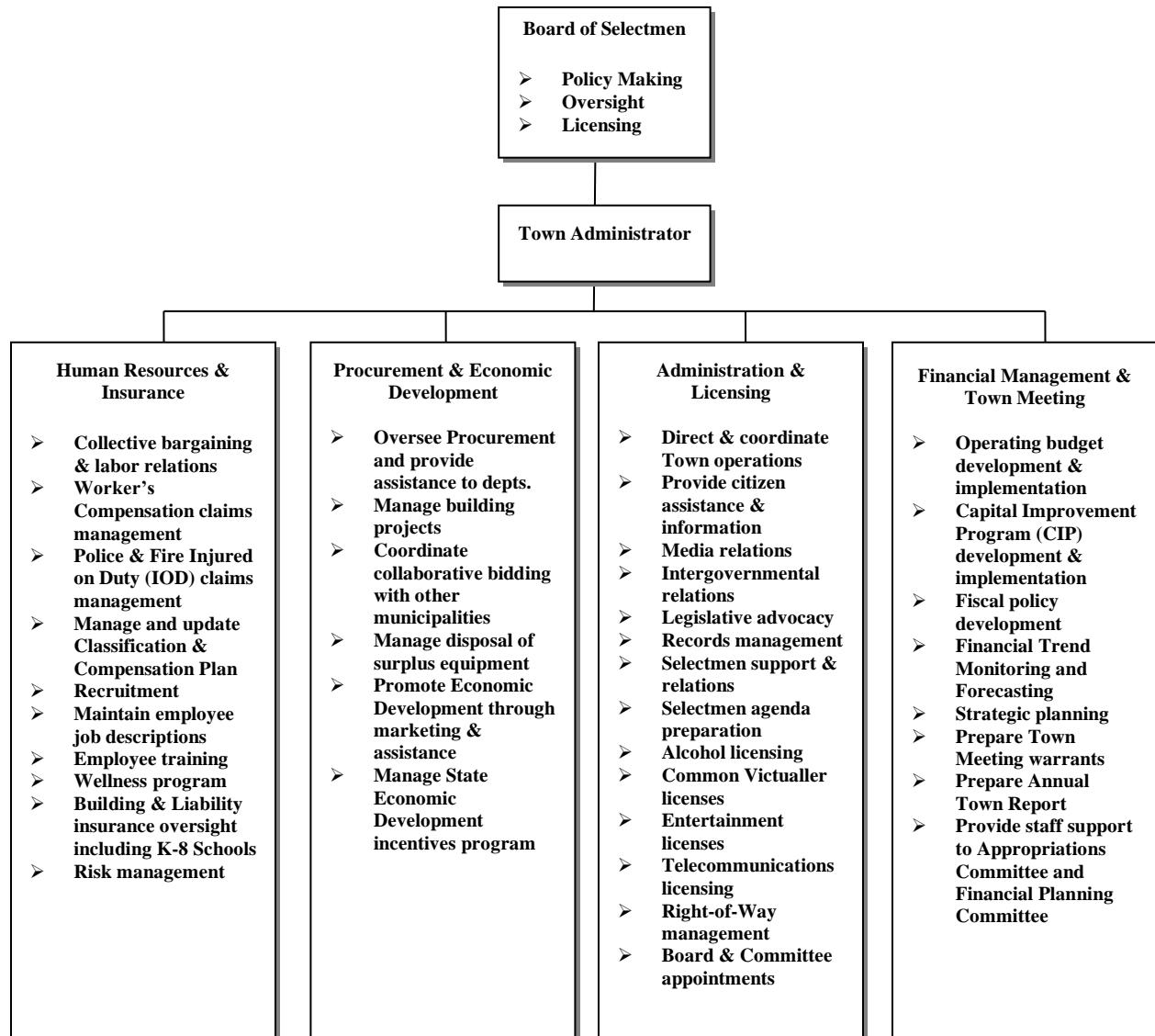
3. Town Offices Feasibility Study: A feasibility study will be conducted to determine the future location of the Town Administrative Offices. The feasibility study process is set to begin in the spring of 2023 and last through the summer and early fall. Once a determination is made on a path forward for the future of the Administrative Offices, the Town will put forth a request for design funding in the Spring of 2024. The Town acquired the Old Town Hall at 4 West Main Street in FY2023 and will continue to maintain the building until future plans for the downtown and the Old Town Hall are established.
4. Historic White Cliffs Facility Reuse: Whether the Town chooses to move forward with the Metro West Collaborative Development proposal for the White Cliffs Reuse Project will determine the next steps in the project. Should the Town choose to move forward with the proposal, an agreement will need to be negotiated and the developer will begin the public planning process for permit approval and design and construction. Should the Town decide not to move forward with the Metro West Development proposal, additional funds will need to be allocated in order to maintain the building in future years, until a viable use for the building is determined.
5. American Rescue Plan Act: The last major initiative for FY2024 will be the ongoing process of developing the priority funding goals for the balance of the \$4.5 million in ARPA funding. Currently there is approximately \$2.6 million remaining still to be allocated by the Board of Selectmen, which must be obligated by December of 2024 and fully expended by December of 2026.

### **Significant Budget Changes or Initiatives**

Overall, the Executive Office budget is increasing \$7,289 or 1.4% in FY2024. The departmental budget as presented includes contractual wage increases for July 1 cost of living adjustments, but does not include January 1 merit increases, which are budgeted centrally in the Personnel Board account.



## Executive Office Programs and Services



**EXECUTIVE OFFICE****Personnel Summary**

<b>Position</b>	<b>FY 2020 FTE</b>	<b>FY 2021 FTE</b>	<b>FY 2022 FTE</b>	<b>FY 2023 FTE</b>	<b>FY 2024 FTE</b>
Town Administrator	1	1	1	1	1
Assistant Town Administrator	1	1	1	1	1
Executive Assistants	2	2	2	2	2
<b>Total Full-time Equivalent</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>

\*Personnel Explanation: Full Time Equivalents based upon 40 hrs per wk (30hrs/40hrs = .75 FTE)

## Section 2-8

## Executive Office



	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>BOARD OF SELECTMEN</b>						
<b>Personnel Services</b>						
51110 Selectmen Stipends	6,240	6,240	6,240	6,240	3,120	6,240
51120 Executive Assistant	135,066	137,421	139,980	151,535	69,441	155,709
51220 Part-Time Executive Assistant	0	0	0	0	0	0
51410 Longevity Pay	1,600	1,750	1,750	1,900	1,900	1,900
<b>SUBTOTAL</b>	<b>142,906</b>	<b>145,411</b>	<b>147,970</b>	<b>159,675</b>	<b>74,461</b>	<b>163,849</b>
<b>Expenses</b>						
<sup>1</sup> 52850 Annual Independent Audit	24,534	25,256	25,520	29,460	0	29,900
53090 Advertising	272	227	420	850	0	850
56930 Town Meeting Expenses	0	63	380	500	0	500
57320 Subscriptions	345	396	345	600	0	600
57330 Memberships	2,741	2,666	2,719	2,821	2,773	2,848
57340 Meetings	214	85	0	1,250	68	1,250
57810 Unclassified	0	0	479	1,000	0	1,000
<b>SUBTOTAL</b>	<b>28,106</b>	<b>28,692</b>	<b>29,836</b>	<b>36,481</b>	<b>2,841</b>	<b>36,948</b>
<b>TOTAL: SELECTMEN</b>	<b>171,012</b>	<b>174,103</b>	<b>177,833</b>	<b>196,156</b>	<b>77,302</b>	<b>200,797</b>

<sup>1</sup> The total amount for the FY2023 audit (paid for during FY2024) is \$30,000 plus \$3,500 for the Federal Single Audit. The cost is split 88% General Fund (\$26,400 plus \$3,500 Single Audit) and 12% Water/Sewer Enterprise Funds



## Executive Office

## Section 2-9

	FY2020	FY2021	FY2022	FY2023	FY2023	FY2024
	ACTUAL	ACTUAL	ACTUAL	BUDGETED	SIX MONTHS	PROPOSED
<b>TOWN ADMINISTRATOR</b>						
<b>Personnel Services</b>						
51100 Town Administrator	168,340	175,142	182,217	189,592	86,881	189,592
51120 Assistant Town Administrator	30,672	72,608	100,951	105,037	43,146	108,200
51410 Longevity Pay	500	500	500	500	500	0
<b>SUBTOTAL</b>	<b>199,511</b>	<b>248,250</b>	<b>283,668</b>	<b>295,129</b>	<b>130,527</b>	<b>297,792</b>
<b>Expenses</b>						
52800 Contractual Services	5,300	0	0	0	0	0
53110 Printing	0	0	0	1,600	0	1,600
54290 Office Supplies	1,068	0	0	1,200	0	1,200
57110 Travel/Mileage	4,211	4,211	4,211	4,514	2,106	4,514
57310 Dues	1,801	1,802	2,620	2,700	2,53	2,700
57320 Subscriptions	1,387	1,626	1,798	1,834	2,061	2,061
57340 Meetings	539	634	2,270	3,800	392	3,800
<b>SUBTOTAL</b>	<b>14,305</b>	<b>8,273</b>	<b>10,899</b>	<b>15,648</b>	<b>7,012</b>	<b>15,875</b>
<b>TOTAL: TOWN ADMINISTRATOR</b>	<b>213,817</b>	<b>256,523</b>	<b>294,567</b>	<b>310,777</b>	<b>137,539</b>	<b>313,667</b>

## Section 2-10

## Executive Office



	FY2020	FY2021	FY2022	FY2023	FY2023	FY2024
	ACTUAL	ACTUAL	ACTUAL	BUDGETED	SIX MONTHS	PROPOSED
<b>ECONOMIC DEVELOPMENT</b>						
<b>Expenses</b>						
54290 Office Supplies	0	0	0	200	0	200
57110 Travel/Mileage	0	0	0	0	0	0
57310 Dues	855	855	855	892	500	900
57320 Subscriptions	0	0	0	0	0	0
57340 Meetings	0	0	0	250	0	0
<b>SUBTOTAL</b>	<b>855</b>	<b>855</b>	<b>855</b>	<b>1,342</b>	<b>500</b>	<b>1,100</b>
<b>TOTAL: ECONOMIC DEVELOPMENT</b>	<b>855</b>	<b>855</b>	<b>855</b>	<b>1,392</b>	<b>500</b>	<b>1,100</b>

### ANNUAL TOWN REPORTS

<b>Expenses</b>						
52800 Contractual Services	1,435	1,475	1,436	1,854	0	1,854
53110 Printing	0	2,205	2,485	3,296	0	3,296
<b>SUBTOTAL</b>	<b>1,435</b>	<b>3,680</b>	<b>3,921</b>	<b>5,150</b>	<b>0</b>	<b>5,150</b>
<b>TOTAL: ANNUAL TOWN REPORTS</b>	<b>1,435</b>	<b>3,680</b>	<b>3,921</b>	<b>5,150</b>	<b>0</b>	<b>5,150</b>



**Town Hall/Office Supplies Departmental Statement**

The Town Hall/Office Supplies department formerly contained all Public Buildings costs for the maintenance of all town owned buildings. In FY2024, most public buildings costs have been converted to the Facilities Division, which is now reflected in the Department of Public Works budget. All contractual services for buildings maintenance, facilities personnel, gasoline, and various repair and maintenance costs are contained in the Facilities Division budget.

Contained in the Town Hall/Office Supplies budget is:

1. The cost of electricity and natural gas to heat the Town Office Building (the Town works cooperatively with the Northborough K-8 Schools and the Regional School District to purchase fixed rate electricity under an aggregation program overseen by the Massachusetts Municipal Association).
2. Maintenance costs associated with copiers throughout Town Hall, costs to maintain the VoIP telephone system throughout the organization, and postage and various office supply lines for Town Hall.

<b>PUBLIC BUILDINGS</b>					
<b>Personnel Summary</b>					
<b>Position</b>	<b>FY 2020 FTE</b>	<b>FY 2021 FTE</b>	<b>FY 2022 FTE</b>	<b>FY 2023 FTE</b>	<b>FY 2024 FTE</b>
Facilities Manager	0	0	1	1	0
Custodian	.5	.5	.5	.5	0
<b>Total Full-time Equivalent</b>	<b>.5</b>	<b>.5</b>	<b>1.5</b>	<b>1.5</b>	<b>0</b>

**\*Personnel Explanation:**

Full Time Equivalents based upon 40 hrs per wk (30hrs/40hrs = .75 FTE)

- There is a full-time custodian that works 20 hours per week (.5 FTE) in the Town Offices Building and 20 hours per week in the Police Station.
- In FY2022 a full-time Facilities Manager was added, effective July 1, 2021. The position is responsible for coordination of the maintenance and repairs of Town Buildings, as well as assisting with preparation of the Town's Capital Improvement Plan.
- Effective July 1, 2023, the personnel costs associated with maintaining town buildings are reflected in the Facilities Division budget, which can be viewed as a part of the Department of Public Works Budget.

## Section 2-12

## Town Hall / Office Supplies



	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>PUBLIC BUILDINGS</b>						
<b>Personnel Services</b>						
*51100 Full-time Salaries	0	0	72,522	95,411	43,723	0
*51300 Overtime	0	0	0	6,596	0	0
*51410 Longevity	175	175	175	175	175	0
*51970 Part-time Custodian	27,466	28,125	21,544	29,321	13,567	0
<b>SUBTOTAL</b>	<b>27,641</b>	<b>28,300</b>	<b>94,424</b>	<b>131,503</b>	<b>57,464</b>	<b>0</b>
<b>Expenses</b>						
52110 Utilities Town Office Building	57,709	60,438	68,666	58,000	21,544	75,000
52460 Office Machine Maintenance	10,371	9,135	15,900	16,200	2,562	37,240
*52800 Contractual Services	0	5,112	28,083	3,000	0	0
53410 Telephone	25,449	25,266	39,682	30,000	944	30,000
53420 Postage	33,028	43,892	27,219	35,000	24,226	6,000
54290 Office Supplies	3,882	9,747	5,474	9,000	2,835	9,000
*54490 Repairs and Maintenance	82,932	41,481	198,230	110,500	17,170	0
*54590 Supplies	13,959	12,994	11,182	15,000	6,713	0
*54820 Gasoline	74,713	82,530	149,795	150,000	81,008	0
*58700 Water Charges	9,129	12,531	9,257	16,500	10,830	0
*58705 Sewer Charges	5,879	3,589	5,307	6,720	2,297	0
*58708 Solid Waste Charges	43,612	44,614	45,741	45,974	14,370	0
<b>SUBTOTAL</b>	<b>360,662</b>	<b>351,330</b>	<b>604,621</b>	<b>505,894</b>	<b>185,665</b>	<b>157,240</b>
<b>TOTAL: PUBLIC BUILDINGS</b>	<b>388,304</b>	<b>379,631</b>	<b>698,863</b>	<b>637,397</b>	<b>243,130</b>	<b>157,240</b>

\*Costs associated with the maintenance of public buildings have been established as part of a newly created Facilities Division within the Department of Public Works. Increases to those budget line items are reflected in the Department of Public Works budget.

### Significant Budget Changes or Initiatives

The Town Hall/Office Supplies budget appears to be decreasing by 75%, however, this decrease is a direct result of relocating all maintenance related expenses to the newly created Facilities Division within the Department of Public Works. In addition to the relocation of facilities related expenses, postage expenses have been relocated to the Treasurer/Collector's budget, where they appropriately reflect the cost of mailing tax bills. Lastly, in previous budget versions, copier maintenance costs were split between the Public Buildings department, and the MIS/GIS budget. In FY2024, those costs will be centralized within the Town Hall/Office Supplies budget. Controlling for the movement between the various budgets, the Town Hall/Office Supplies budget is increasing \$7,000 or 4.4%. This increase is directly attributable to the increase in energy costs, reflected in the utilities line for the town office building.



### Finance Departmental Statement

The Finance Department consists of three Divisions that work closely with the Town Administrator's Office to prepare the information needed to reach essential management decisions and formulate fiscal policies. These Divisions include Treasurer/Collector, Assessors and Accounting. Below is a description of each.

#### **Treasurer/Collector Division**

The Treasurer/Collector's Office is responsible for billing and collection of real estate taxes, personal property taxes, motor vehicle excise taxes, and the receipt of various permits and licenses. In addition, the Division is responsible for reconciliation of bank accounts, long and short-term investments, long and short-term borrowing, payroll processing, income tax reporting, and benefit administration for active and retired employees (health, dental, disability and life insurance). The Treasurer/Collector's Division receives, manages and disperses all funds of the Town in accordance with Massachusetts General Laws and the Town of Northborough Financial Policies contained in Appendix A of the Annual Budget Document.

#### **Assessing Division**

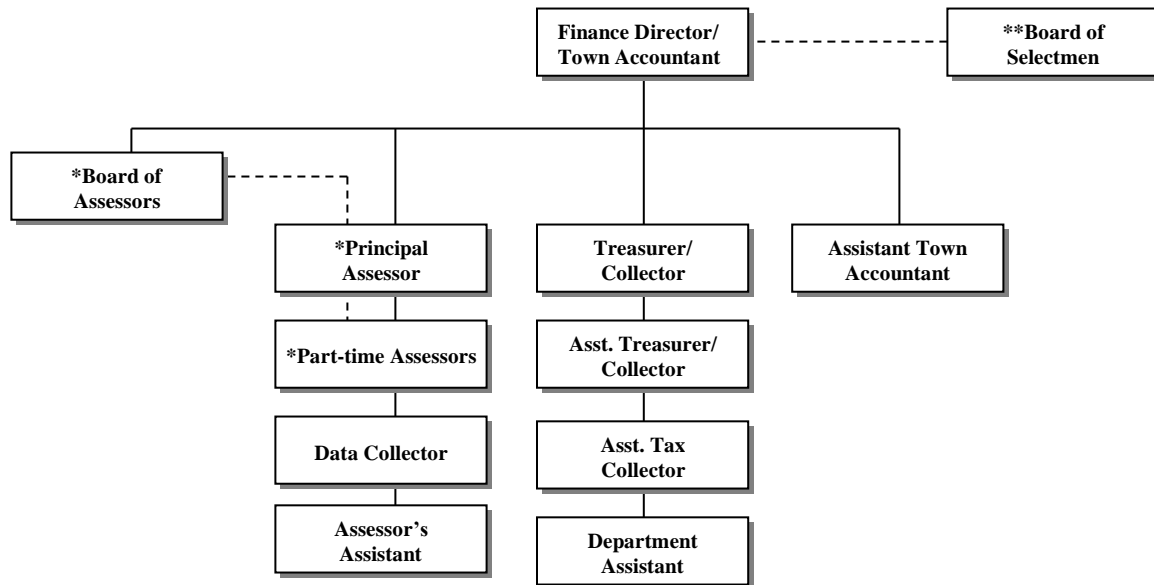
The primary role of the Assessor's Division, under the direction of the Board of Assessors, is the valuation of all real and personal property in the Town. The State Department of Revenue (DOR) requires that all property be valued at full and fair cash value which ensures that all property owners pay their fair share of the yearly tax burden. The Assessor's Division is responsible for meeting and adhering to strict certification requirements of the DOR. To meet these requirements, the Assessors are obligated to analyze and adjust the values of all properties annually and, once every five years, undergo a full recertification. In addition to appraisal duties, the Assessor's Division is responsible for the administration of statutory tax exemptions; tax abatement filings for real estate, personal property and motor vehicle excise taxes; maintaining and updating records following Registry of Deeds transactions; processing of betterments; maintaining tax maps; maintaining records of exempt property; and defense of values at the Appellate Tax Board.

#### **Accounting Division**

The Accounting Division is responsible for record keeping of all financial transactions of the Town; processing of all bills, warrants, receipts, payroll and ledgers; keeps records of all contracts and grants and provides departments with financial reports. The Accounting Division is the internal auditor for the Town and ensures the Town's compliance with Generally Accepted Accounting Principles, Federal and State laws, and Town Meeting authorizations. The Finance Director serves as the Town Accountant in addition to the position's other responsibilities.



### Finance Department Organizational Chart



#### Organizational Chart Notes:

\*The Board of Assessors consists of three members appointed by the Town Administrator for three-year terms. The Principal Assessor along with two Part-time Assessors serve as the Board of Assessors. Historically, the Part-time Assessors were also responsible for performing the field inspection work necessary for the appraisal of all real estate and personal properties in Town. During FY2022 a new Data Collector position was created which took over most of the routine field work, reducing the Part-time Assessors hours to focus primarily on the more complex Board of Assessors duties.

\*\*In accordance with the Town Charter, the Town Accountant position is appointed by the Board of Selectmen. The Board of Selectmen also contracts with a certified public accounting firm annually to conduct an independent audit of all records and accounts of the Town. In accordance with Town Code Chapter 9-128 and Chapter 1-36-030, the Town Administrator oversees the Finance Department and may appoint either the Town Accountant or the Treasurer-Collector to serve as Finance Director.



### **Finance FY2023 Initiatives and Accomplishments**

#### **Treasurer/Collector Division:**

1. Financial Team worked closely with the Assessing Division to maintain the tax rate approval schedule so that the Classification Hearing could continue being held in November for FY2023.
2. Actively pursued the real estate tax collection of several properties in tax title.
3. Transitioned to a new bill printer following the current vendor exiting the market.
4. Successfully prepared for debt issuance in FY2023, in addition to existing short-term debt being renewed. "Green Light" requirements have been met to proceed to the market with Bond Counsel's opinion.
5. Maintained at tax collection rate of 98.96% for most recently completed fiscal year (FY2022).

#### **Assessing Division:**

1. Successfully completed the FY2023 certification of property values in compliance with Massachusetts Department of Revenue (DOR) guidelines, including maintaining physical property inspection schedules, which allowed the tax rate to be set in November.
2. Assisted over 150 Senior residents with applications for real estate tax relief programs.
3. Settled Appellate Tax Board (ATB) cases for multiple years with the Town's largest commercial tax-payer.
4. Finance Team successfully recruited a new Principal Assessor and new Board of Assessors member to replace transitioning staff, in addition to continuing implementation of the modernized staffing proposal approved at the 2021 Annual Town Meeting.

#### **Accounting Division:**

1. Following the retirement of the Town's former auditor and the selection of a new audit firm using an RFP process for FY2021, the Accounting Division completed the FY2022 annual independent audit of the Town's financial statements resulting in no material deficiencies and complied with Government Account Standards Boards (GASB) Statements in the financial statements.
2. Timely submission of all required reports to the DOR including the Balance Sheet used to accurately certify Free Cash for the close of FY2022.
3. Prepared all data related to the Town's Financial Trend Monitoring System (FTMS) program, to allow for the annual presentation to be held in December for all boards, committees, and the public.



4. Attended training and education programs to learn about and comply with requirements of ongoing federal COVID-19 pandemic related grants, including FEMA-PA (Federal Emergency Management Agency Public Assistance), and ARPA (American Rescue Plan Act).
5. Following the retirement of the Assistant Town Accountant in December, successfully recruited a replacement without a gap in services.

### **Finance FY2024 Goals and Initiatives**

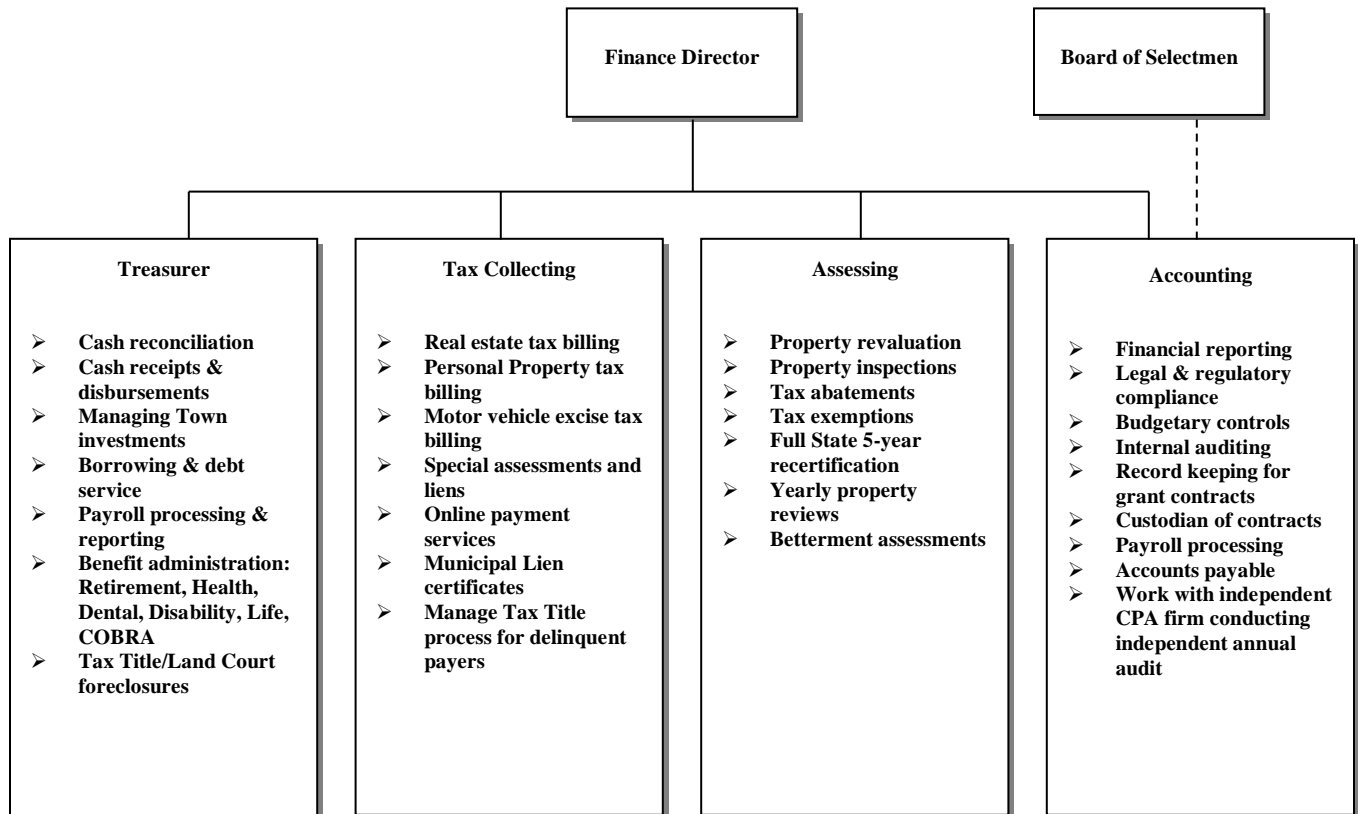
1. Continue progress towards modernizing operations of the Financial Offices with improved communication, cross training and sharing of resources.
2. Continue to monitor changes and requirements of federal grant programs and administer new grants received by the Town following the COVID-19 pandemic.
3. Continue to monitor changes and requirements at the state level following major settlements reached with opioid manufacturers and distributors.
4. Continue to work to improve our budget document for the Government Finance Officers Association Distinguished Budget Award which requires the Town to implement Best Practices in public budgeting.
5. Continue to work with our comprehensive financial and investment policies to improve financial procedures and expand internal controls to efficiently manage our financial resources.
6. Continue to expand utilization of technology to gain efficiencies.
7. Continue to maintain collection rates of at least 95% of current levy pursuant to the Town's financial policies contained in Appendix A of the annual budget document.

### **Significant Budget Changes or Initiatives**

Overall, the Finance Department's FY2024 budget is up \$63,436, or 7.8%. There are increases contained in the Treasurer/Collector's budget that reflect a change in where funds for postage of tax bills are budgeted. Previously, these funds were budgeted centrally within public buildings. However, in order to more accurately reflect the costs of running the department, those funds have been relocated to the Treasurer/Collector's budget in FY2024. This accounts for approximately \$21,000 of the increase to the overall finance department budget. The Treasurer/Collector's budget also reflects the inclusion of contractual services for an attorney to assist with handling Tax Title cases. Previously, funds for this purpose were budgeted in the Town Counsel line item. This change accounts for approximately \$10,000 of the increase. Additionally, the Assessing Division has added contractual services to provide for commercial appraisals to defend the Town's values at the State Appellate Tax Board (ATB). The addition of these services accounts for another \$10,000 of the overall increase.



## Financial Offices Programs and Services



**FINANCIAL OFFICES****Personnel Summary**

	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
<b>Position</b>	<b>FTE</b>	<b>FTE</b>	<b>FTE</b>	<b>FTE</b>	<b>FTE</b>
<u>Finance Director</u>	1	1	1	1	1
<u>Treasurer/Collector's Division</u>					
Treasurer/Collector	1	1	1	1	1
Assistant Treasurer/Collector	1	1	1	1	1
Assistant Tax Collector	1	1	1	1	1
Department Assistant	1	1	1	1	1
<u>Assessing Division</u>					
Principal Assessor	1	1	1	1	1
Part-time Assessors (2)	.5	.1	.1	.1	.1
Assessor's Assistants	2	2	1	1	1
Data Collector	0	0	1	1	1
<u>Accounting Division</u>					
Town Accountant	0	0	0	0	0
Assistant Accountant	1	1	1	1	1
<b>Total Full-time Equivalents</b>	<b>9.5</b>	<b>9.1</b>	<b>9.1</b>	<b>9.1</b>	<b>9.1</b>

\*Personnel Explanation: Full-time Equivalents are based upon 40hrs per wk (20hrs/40hrs = .5 FTE).

- During the FY2021 budget the hours of the Part-time Assessors were reduced. In FY2022 a reorganization of the Assessor's Office was implemented which shifted most of the field inspection work from the higher paid Part-time Assessors, who also serve on the Board of Assessors, to a new Data Collector position. The overall FTE count remains the same due to elimination of an Assessor's Assistant position.





## Finance Department

## Section 2-19

		FY2020	FY2021	FY2022	FY2023	FY2023	FY2024
		ACTUAL	ACTUAL	ACTUAL	BUDGET	SIX MONTHS	PROPOSED
<b>TREASURER/COLLECTOR</b>							
<b>Personnel Services</b>							
51100	Treasurer/Collector Salary	87,720	90,361	91,638	103,018	47,209	106,121
51120	Treasurer Office Staff Salaries	172,935	185,272	185,782	203,283	92,438	209,207
51410	Longevity Pay	500	650	850	850	850	850
51970	Treasurer's Stipend	1,000	1,000	1,000	1,000	1,000	1,000
	<b>SUBTOTAL</b>	<b>262,155</b>	<b>277,283</b>	<b>279,270</b>	<b>308,151</b>	<b>141,496</b>	<b>317,178</b>
<b>Expenses</b>							
52800	Contractual Services	0	0	0	0	0	10,000
53040	Computer Services	8,017	7,484	7,271	9,854	3,347	11,614
53090	Advertising	602	140	599	1,000	505	1,000
53110	Printing	4,127	4,339	3,398	4,619	0	26,022
53160	Banking Services	5,654	5,534	5,804	6,700	1,729	4,100
54290	Office Supplies	369	0	228	300	40	300
57110	Travel/Mileage	265	122	65	602	334	1,053
57310	Dues	140	140	140	205	205	205
57340	Meetings	936	160	40	445	285	940
57810	Unclassified	1,350	525	1,260	2,625	0	2,100
	<b>SUBTOTAL</b>	<b>21,460</b>	<b>18,445</b>	<b>18,805</b>	<b>26,350</b>	<b>6,446</b>	<b>57,334</b>
<b>TOTAL: TREASURER/COLLECTOR</b>		<b>283,615</b>	<b>295,728</b>	<b>298,075</b>	<b>334,501</b>	<b>147,942</b>	<b>374,512</b>

## Section 2-20

## Finance Department



		FY2020	FY2021	FY2022	FY2023	FY2023	FY2024
		ACTUAL	ACTUAL	ACTUAL	BUDGET	SIX MONTHS	PROPOSED
<b>ASSESSOR</b>							
<b>Personnel Services</b>							
51100	Principal Assessor Salary	100,650	72,857	87,559	96,934	49,939	102,000
51120	Asst. & Data Collector Salaries	107,675	51,886	100,740	125,475	56,273	127,421
51130	PT Assessors Salaries	12,555	10,913	8,534	8,235	2,577	6,411
51410	Longevity	700	500	500	650	650	0
	<b>SUBTOTAL</b>	<b>221,580</b>	<b>136,156</b>	<b>197,334</b>	<b>231,294</b>	<b>109,439</b>	<b>235,832</b>
<b>Expenses</b>							
52800	Contractual Services	34,786	37,518	39,246	40,200	18,294	50,800
53090	Advertising	155	0	0	0	0	0
53110	Printing	0	0	163	320	0	320
54290	Office Supplies	309	707	0	1,250	172	600
57110	Travel/Mileage	831	25	520	2,000	849	2,000
57310	Dues	284	286	362	375	225	440
57320	Subscriptions	2,028	60	1,100	1,050	1,044	1,050
57340	Meetings	1,512	1,479	1,214	3,000	1,625	3,000
	<b>SUBTOTAL</b>	<b>39,905</b>	<b>40,074</b>	<b>42,605</b>	<b>48,195</b>	<b>22,209</b>	<b>58,210</b>
<b>TOTAL: ASSESSOR</b>		<b>261,485</b>	<b>176,231</b>	<b>239,939</b>	<b>279,489</b>	<b>131,624</b>	<b>294,042</b>



## Finance Department

## Section 2-21

		FY2020	FY2021	FY2022	FY2023	FY2023	FY2024
		ACTUAL	ACTUAL	ACTUAL	BUDGET	SIX MONTHS	PROPOSED
<b>ACCOUNTING</b>							
<b>Personnel Services</b>							
51100	Town Accountant Salary*	119,225	121,610	124,042	131,528	58,558	135,506
51120	Asst. Accountant Salary	60,694	62,375	63,517	65,252	32,577	67,496
51410	Longevity	550	550	550	550	550	550
	<b>SUBTOTAL</b>	<b>180,469</b>	<b>184,534</b>	<b>188,109</b>	<b>197,330</b>	<b>91,686</b>	<b>199,327</b>
<b>Expenses</b>							
52800	Contractual Services	834	834	1,152	1,000	0	3,500
53110	Printing	181	650	290	450	218	500
54290	Office Supplies	0	57	0	200	73	200
57310	Dues	315	315	315	435	315	435
57320	Subscriptions	40	40	40	125	0	125
57340	Meetings	311	210	1,813	2,070	160	2,170
	<b>SUBTOTAL</b>	<b>1,680</b>	<b>2,106</b>	<b>3,610</b>	<b>4,280</b>	<b>766</b>	<b>6,930</b>
<b>TOTAL: ACCOUNTING</b>		<b>182,149</b>	<b>186,640</b>	<b>191,719</b>	<b>201,610</b>	<b>92,452</b>	<b>210,482</b>

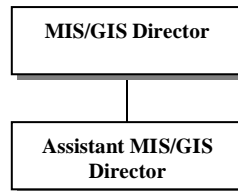
\* During FY2019 the Finance Director/Treasurer-Collector retired and the Town Accountant was promoted to Finance Director/Town Accountant.



### **Management Information Systems (MIS) & Geographic Information Systems (GIS) Departmental Statement**

The MIS/GIS Department is charged with coordinating the implementation and application of information technology throughout Town. The mission of MIS is to enhance public service by improving interdepartmental communication and providing efficient and effective information for decision-making purposes. This enhancement is accomplished by proactively maintaining all network systems to minimize downtime and maximize employee productivity. The mission of GIS is to improve access to spatially related information for decision-making purposes for Town staff, various Board and Committees and the general public by making various maps and information layers such as wetlands, utilities and topography readily available in a user-friendly format.

#### **MIS/GIS Organizational Chart**





### **MIS/GIS FY2023 Initiatives and Accomplishments**

1. Strategic planning was a primary focus of the MIS/GIS Department in FY2023. An MIS/GIS Strategic Plan was developed, and a cybersecurity assessment was completed; all of which were grant funded.
2. Core switches throughout all Town buildings were replaced in FY2023, replacing end-of-life equipment and increasing communication speed and resiliency between buildings.
3. A new storage area network was deployed at the Police Department in anticipation of replacement host servers planned for FY2024.
4. A new email security and archiving solution was implemented in FY2023, replacing systems that were at end-of-life while improving messaging hygiene and the Town's ability to respond to records requests.

### **MIS/GIS FY2024 Goals and Initiatives**

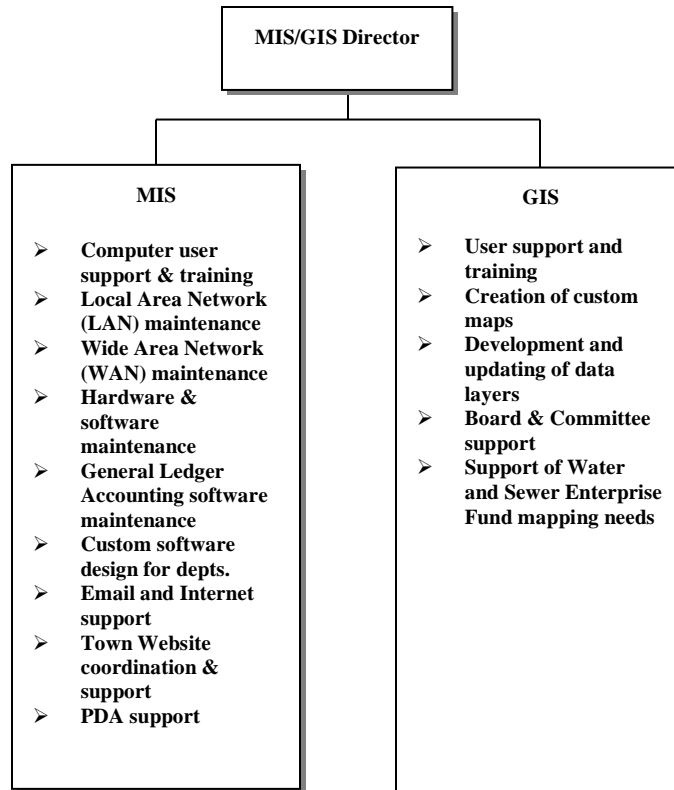
1. In keeping with recommendations from the strategic plan and cybersecurity assessment, the Town will deploy solutions to better secure devices and data (Microsoft Azure and Intune), as well as to better manage identities and credentials through multifactor authentication (MFA) and other tools.
2. New host servers at Town Hall, Police Department and Fire Department are planned for FY2024. These host servers are home to over two dozen virtual servers that run many of the Town's critical applications. Redundancy and replication are key features of the design being put into place.

### **Significant Budget Changes or Initiatives**

The MIS/GIS Department's budget is increasing by \$63,184 or 9.9%. The most significant factor contributing to the increase are cybersecurity enhancements that are being made in response to the recommendations in both the IT/GIS Strategic Plan and the Cybersecurity Assessment, both completed in FY2023. Of the \$63,184 increase requested in FY2024, approximately \$40,000 of that increase is directly attributable to additional cybersecurity enhancements being made to programs and processes across all town departments. Examples of this include the implementation of multi-factor authentication, endpoint protection, and spam filtering modifications. Cost of living wage adjustments are included in this budget. Merit adjustments that occur on January 1 for eligible employees are budgeted centrally in the Personnel Board account.



### MIS/GIS Programs and Services



**MIS/GIS DEPARTMENT****Personnel Summary**

<b>Position</b>	<b>FY 2020 FTE</b>	<b>FY 2021 FTE</b>	<b>FY 2022 FTE</b>	<b>FY 2023 FTE</b>	<b>FY 2024 FTE</b>
* MIS/GIS Director	1	1	1	1	1
Assistant MIS/GIS Director	1	1	1	1	1
<b>Total Full-time Equivalent</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>

\*Personnel Explanation:

Full Time Equivalents based upon 40 hrs per wk (30hrs/40hrs = .75 FTE).

- The MIS/GIS Director's time and salary is split between the General Fund (30hrs) and the Water/Sewer Enterprise Funds (10hrs). The FY2024 salary total is \$111,126 (\$83,345 reflected in the General Fund Budget and \$27,781 in the Water/Sewer Enterprise Fund Budgets in Section 8 of the budget).

## Section 2-26

## MIS/GIS



	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>MIS/GIS DEPARTMENT</b>						
<b>Personnel Services</b>						
51110 MIS/GIS Director Salary (GF)	76,050	76,997	78,536	80,908	22,470	83,345
51120 Asst. MIS/GIS Director Salary	90,917	85,481	26,218	76,234	34,934	78,530
51410 Longevity Pay	1,150	1,150	650	800	800	800
<b>SUBTOTAL</b>	<b>168,117</b>	<b>163,629</b>	<b>105,405</b>	<b>157,942</b>	<b>58,205</b>	<b>162,675</b>
<b>Expenses</b>						
52800 Contractual Services	21,493	24,430	40,421	45,000	1,772	60,000
53040 Computer Services	29,088	41,590	41,991	59,450	36,931	59,420
53190 Training	1,314	264	2,214	24,500	7,684	23,800
53720 Computer Maintenance	124,755	180,245	203,158	241,279	157,945	265,365
54290 Office Supplies	12,647	10,131	13,346	13,845	9,293	1,845
57110 Travel/Mileage	385	0	0	627	0	627
57310 Dues	100	0	0	490	0	490
57340 Meetings	2,857	0	239	4,900	2,769	4,900
58690 New Equipment	35,351	11,076	26,590	84,905	21,234	117,000
<b>SUBTOTAL</b>	<b>227,990</b>	<b>267,737</b>	<b>327,959</b>	<b>474,996</b>	<b>237,627</b>	<b>533,447</b>
<b>TOTAL: MIS/GIS</b>	<b>396,108</b>	<b>431,366</b>	<b>433,363</b>	<b>632,938</b>	<b>295,832</b>	<b>696,122</b>

\* The FY2024 Director salary total is \$111,126 (\$83,345 reflected in the General Fund Budget and \$27,781 in the Water/Sewer Enterprise Fund Budgets in Section 8 of the budget).



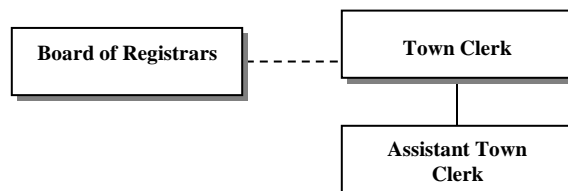


### Town Clerk's Office Departmental Statement

The Town Clerk's Office is responsible for maintaining vital public records and information so that they are easy to locate, up-to-date, accurate and preserved for future generations. The Town Clerk is also the chief election official and supervises the Town's election activities including the development of the ballots, managing election equipment and set-up, hiring and training election officials, certifying, reporting, and recording election results. The Town Clerk is an ex officio member of the Board of Registrars.

The Registrar Board consists of three members appointed by the Board of Selectmen to three-year terms. The members of the Board of Registrars of Voters shall represent the two leading political parties, and in no case shall an appointment be made so as to cause the Board to have more than two members, including the Town Clerk, of the same political party. The Board of Registrars of Voters supervises the qualification of persons to vote; certifies the names of voters on nomination papers and petition forms; and holds hearings and decides all disputes relating to these matters.

### Town Clerk's Office Organizational Chart



**Town Clerk's FY2023 Initiatives and Accomplishments**

1. Successfully managed the Annual Town Election, State Primary Election, State General Election.
2. Coordinated and managed a high volume of requests for vote by-mail ballots. Oversaw the mailing, tracking, and processing of mailed ballots.
3. Successfully managed in-person early voting session for State Elections.
4. Continue to manage content on the homepage of the Town's website, which displays all Board and Committee meetings, along with agendas, and minutes. Contribute to and manage Town News content on the website.
5. Enhanced the town's social media presence by frequently posting important updates important and notices.
6. Continue to manage responsibilities for a portion of the PAYT trash and recycling program. Process all payables and receivables. Manage all communication with residents. Sales of PAYT items (bags, bins, bulk labels).
7. Manage, track, and coordinate response to public records requests received by the Town. The volume of requests has increased exponentially in recent years.
8. Continue to manage the requirements under the revised Open Meeting Law for the posting of meeting notices and agendas. All meeting notices for boards, committees, and commissions are physically posted in the Town Clerk's Office and posted on the Town's Website at least 48 hours prior to the meeting.
9. Distribute and track Conflict of Interest/Ethics training documentation for all employees and Town Officials as required.

**Town Clerk's FY2024 Goals and Initiatives**

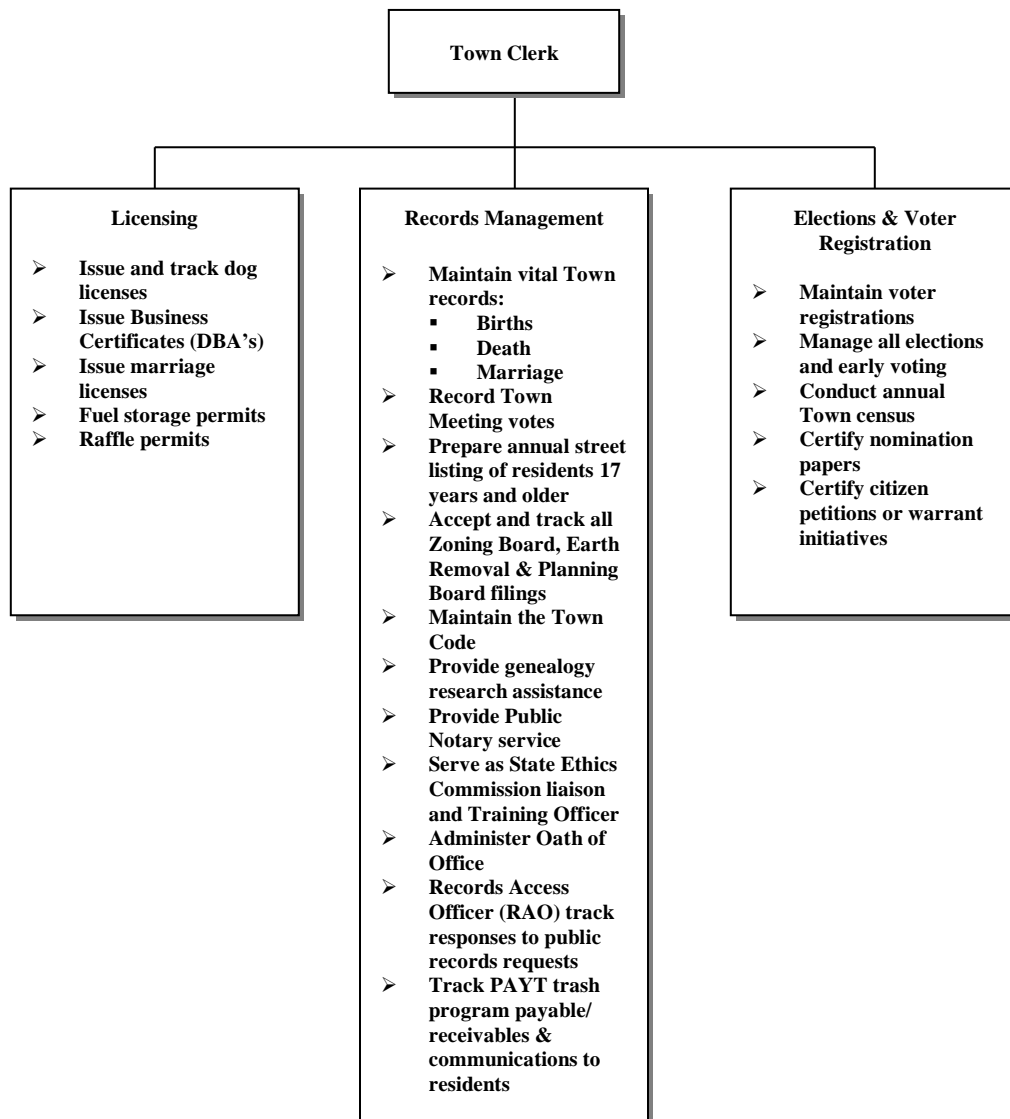
1. Increase communication with residents through enhanced website content and integration of social media platforms.
2. Revise payables and receivables methods for PAYT trash and recycling program. Increase communication with PAYT customers with automated messaging.
3. Continue to expand and promote credit card counter payments and online payments for the purchase of dog licenses and vital records (birth, death, marriage certificates).
4. Continue to assess the need for additional historic records preservation, digitization, indexing, and storage needs for all town records.



### Significant Budget Changes or Initiatives

The combined FY2024 Town Clerk/Elections budget represents an overall increase of \$10,438 or 5.1%. Within the Elections/Registration budget, funds that were previously budgeted within the Public Buildings account for the postage related to mailing the census to each household are now reflected within the census line for the Elections/Registration budget. This accounts for \$3,300 of the overall increase. Controlling for the movement in postage costs, the increase to the Town Clerk/Elections budget is 3.5% or \$7,138. Town Clerk Cost of living wage increases for all union and non-union positions are contained within the Town Clerk budget. Merit increases effective January 1 are budgeted centrally in the Personnel Board account.

### Town Clerk's Programs and Services



**TOWN CLERK'S OFFICE****Personnel Summary**

	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
<b>Position</b>	<b>FTE</b>	<b>FTE</b>	<b>FTE</b>	<b>FTE</b>	<b>FTE</b>
Town Clerk	1	1	1	1	1
* Assistant Town Clerk	1	1	1	1	1
<b>Total Full-time Equivalent</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>

\*Personnel Explanation: Full-time Equivalents are based upon 40 hrs per wk (30hrs/40hrs = .75 FTE).

- In previous years, the full-time Assistant Town Clerk position was budgeted 35 hours per week under the Town Clerk and 5 hours per week under Census Worker in the elections budget. In FY2024, the Assistant Town Clerk position is budgeted at 40 hours in the Town Clerk budget.
- In addition to the 2 permanent FTEs in the Town Clerk's Office, there are three Registrars, ten Town Meeting workers and approximately forty election workers (wardens, clerks, tellers, counters) that staff the voting precinct during each election. The cost of the election workers is reflected in the Elections budget, as well as additional expenses for school custodians working during the elections. Election Workers are not considered permanent employees and require annual appointment by the Board of Selectmen.



## Town Clerk's Office

## Section 2-31

	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>TOWN CLERK'S OFFICE</b>						
<b>Personnel Services</b>						
51110 Town Clerk Salary	90,917	92,735	94,590	97,446	44,655	100,380
51120 Assistant Town Clerk Salary	44,293	45,943	47,654	50,071	23,009	58,927
51410 Longevity Pay	950	950	1,150	1,150	1,150	1,150
51970 Stipend	1,000	1,000	1,000	1,000	1,000	1,000
<b>SUBTOTAL</b>	<b>137,160</b>	<b>140,628</b>	<b>144,395</b>	<b>149,667</b>	<b>69,813</b>	<b>161,457</b>
<b>Expenses</b>						
52800 Contractual Services	0	0	0	1,000	0	1,000
53190 Training	2,071	15	399	900	0	900
57110 Travel/Mileage	302	79	217	350	0	400
57310 Dues	725	475	475	445	125	475
57340 Meetings	514	170	646	1,000	0	2,060
<b>SUBTOTAL</b>	<b>3,612</b>	<b>739</b>	<b>1,737</b>	<b>3,695</b>	<b>125</b>	<b>4,835</b>
<b>TOTAL: TOWN CLERK</b>	<b>140,772</b>	<b>141,367</b>	<b>146,131</b>	<b>153,362</b>	<b>69,938</b>	<b>166,292</b>

## Section 2-32

## Town Clerk's Office



	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>ELECTIONS/VOTER REGISTRATION</b>						
<b>Personnel Services</b>						
51240 Registrars	950	800	950	1,250	800	1,250
*51250 Census Workers	6,216	6,494	8,162	7,181	5,275	0
51260 Town Election Workers	7,281	18,221	2,695	19,602	12,283	21,568
51270 Town Meeting Workers	0	930	660	864	0	864
<b>SUBTOTAL</b>	<b>14,447</b>	<b>26,446</b>	<b>12,467</b>	<b>28,897</b>	<b>18,358</b>	<b>23,682</b>
<b>Expenses</b>						
52720 Film Storage	1,052	1,094	1,318	750	1,397	1,398
52800 Contractual Services	9,094	11,827	4,852	12,500	8,044	10,700
53110 Printing	1,528	2,356	2,307	1,600	0	2,350
54290 Office Supplies	342	0	539	975	0	650
55820 Street Listing	1,444	2,436	0	1,200	0	1,250
55830 Census	1,929	2,059	2,334	2,200	0	5,500
55840 Election Expenses	1,317	1,061	79	2,100	1,153	1,900
57110 Travel/Mileage	252	0	591	75	274	100
57340 Meetings	269	436	1,654	675	1,827	950
58690 New Equipment	0	0	0	0	0	0
<b>SUBTOTAL</b>	<b>17,228</b>	<b>21,269</b>	<b>13,675</b>	<b>22,075</b>	<b>12,694</b>	<b>24,798</b>
<b>TOTAL: ELECTIONS/VOTER REG</b>	<b>31,675</b>	<b>31,675</b>	<b>26,142</b>	<b>50,972</b>	<b>31,053</b>	<b>48,480</b>

\*In previous years, five hours per week of the Assistant Town Clerk's salary was budgeted in the Census Workers line within the Elections/Voter Registration budget. In FY2024, those hours have been relocated to the Assistant Town Clerk Salary line item in the Town Clerk's Office budget, which now reflects the full salary of the Assistant Town Clerk.



### Town Moderator

The Moderator is the presiding officer at Town Meeting. This is an elective office held for a one-year term. It is the responsibility of the Moderator to conduct the meeting so that all issues are discussed and voted upon in a business-like manner. The Moderator appoints the Appropriations Committee, Personnel Board and three of the six members of the Financial Planning Committee. The Moderator also appoints a deputy moderator to serve in the event of his/her absence or disability, subject to approval by Town Meeting.

		FY2020	FY2021	FY2022	FY2023	FY2023	FY2024
		ACTUAL	ACTUAL	ACTUAL	BUDGETED	SIX MONTHS	PROPOSED
<b>MODERATOR</b>							
<b>Personnel Services</b>							
51110	Moderator Stipend	0	150	150	150	0	150
51130	Deputy Moderator Stipend	0	50	50	50	0	50
	<b>SUBTOTAL</b>	<b>0</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>0</b>	<b>200</b>
<b>Expenses</b>							
57810	Moderator Expenses	0	0	0	300	0	300
	<b>SUBTOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>300</b>	<b>0</b>	<b>300</b>
<b>TOTAL:</b>	<b>MODERATOR</b>	<b>0</b>	<b>200</b>	<b>200</b>	<b>500</b>	<b>0</b>	<b>500</b>



### Appropriations Committee

The Appropriations Committee consists of six members appointed by the Town Moderator for three-year terms. Under the Town Charter and bylaws, the role of the Appropriations Committee is to advise Town Meeting regarding all articles involving the appropriation or expenditure of money. Immediately following the presentation of a monetary article at Town Meeting, the Committee must report to the Meeting its recommendation of approval or disapproval of such appropriation or expenditure, together with the reasons therefore.

		FY2020	FY2021	FY2022	FY2023	FY2023	FY2024
		ACTUAL	ACTUAL	ACTUAL	BUDGETED	SIX MONTHS	PROPOSED
<b>APPROPRIATIONS</b>							
<b>Expenses</b>							
53110	Printing	0	0	0	900		900
57310	Dues	210	210	210	240	214	240
57340	Meetings	212	0	0	555		555
57810	Unclassified	0	0	0	0		
	<b>SUBTOTAL</b>	<b>422</b>	<b>210</b>	<b>210</b>	<b>1,695</b>	<b>214</b>	<b>1,695</b>
<b>TOTAL:</b>	<b>APPROPRIATIONS</b>	<b>422</b>	<b>210</b>	<b>210</b>	<b>1,695</b>	<b>214</b>	<b>1,695</b>





### Financial Planning Committee

The Financial Planning Committee consists of six members, three appointed by the Moderator, one by the Planning Board, one by the School Committee, and one by the Appropriations Committee for three-year terms. The Financial Planning Committee serves in a research, study and advisory capacity to the Board of Selectmen, the Appropriations Committee and the Town Administrator on long-range and short-range financial planning matters and assists the Town Administrator in the development of a five-year capital improvement program as provided for in the Town Charter.

		FY2020	FY2021	FY2022	FY2023	FY2023	FY2024
		ACTUAL	ACTUAL	ACTUAL	BUDGETED	SIX MONTHS	PROPOSED
<b>FINANCIAL PLANNING</b>							
<b>Expenses</b>							
53110	Printing	0	0	0	0	0	0
57310	Dues	0	0	0	0	0	0
57340	Meetings	0	0	0	0	0	0
57810	Unclassified	0	0	0	0	0	0
	<b>SUBTOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL:</b>	<b>FINANCIAL PLANNING</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



### Personnel Board

The Personnel Board consists of six members appointed by the Moderator for three-year terms. The Board is responsible for the administration of the classification and compensation plans and exercises this responsibility through the Town Administrator according to the provisions of the Consolidated Personnel Bylaw for the Town of Northborough, as amended. This budget account reflects costs associated with merit pay, limited town-wide training, drug testing and legal expenses associated with collective bargaining negotiations. The account is also used for consultant or temporary labor services associated with personnel transitions. During the course of the fiscal year funds are transferred out as appropriate and reflected in the departmental budgets, such as a settled labor contract. Any unused funds shown in the prior year "Actual" columns below are closed out to free cash at the end of the fiscal year.

All collective bargaining agreements expired on June 30, 2022, and the Town negotiated with all units and settled during FY2023. In addition to all union contracts expiring, the Town completed a Classification and Compensation System review in FY2022. The financial impact of the system adjustments as recommended by the consultant, and accepted by the Personnel Board, are included in this account. Estimated wage increases associated all merit pay increases for eligible employees who are not at the max of their pay grade are held in this Personnel Board Budget account until approved based upon satisfactory performance evaluations. Once approved, the funds are transferred and reflected in the appropriate departmental budgets.

		FY2020	FY2021	FY2022	FY2023	FY2023	FY2024
		ACTUAL	ACTUAL	ACTUAL	BUDGETED	SIX MONTHS	PROPOSED
<b>PERSONNEL BOARD</b>							
<b>Expenses</b>							
51980	Compensation Adjustments	0	0	0	136,858		91,531
52800	Contractual Services	5,643	11,330	15,515	2,834	2,745	2,834
53090	Advertising	1,692	2,422	2,230	1,000	0	1,000
53170	Drug & Alcohol Testing	2,211	4,195	5,816	2,000	1,593	2,000
53190	Training	54	825	7,515	1,000	90	1,000
57310	Dues	275	275	275	275	275	275
57340	Meetings	39	0	45	700	0	700
	<b>SUBTOTAL</b>	<b>9,914</b>	<b>19,046</b>	<b>31,397</b>	<b>144,667</b>	<b>4,703</b>	<b>99,340</b>
<b>TOTAL:</b>	<b>PERSONNEL BOARD</b>	<b>9,914</b>	<b>19,046</b>	<b>31,397</b>	<b>144,667</b>	<b>4,703</b>	<b>99,340</b>



### Town Counsel

The budget for Town Counsel is level funded at \$90,000, though \$10,000 was added to the Treasurer/Collector budget to pay charges for the Tax Title Attorney, previously charged to the Town Counsel budget. Town Counsel is appointed by the Board of Selectmen for an indefinite term. Town Counsel serves as counsel to Town Officers and Committees and attends to the Town's legal affairs at the request of the Town Administrator. Under the Town bylaws, Town Counsel reviews all Warrant Articles prior to Town Meeting and serves as a resource during all Town Meeting proceedings. The budget below represents general legal services. Legal expenses associated with specific capital projects or Water & Sewer Enterprise Funds are reflected in those budgets.

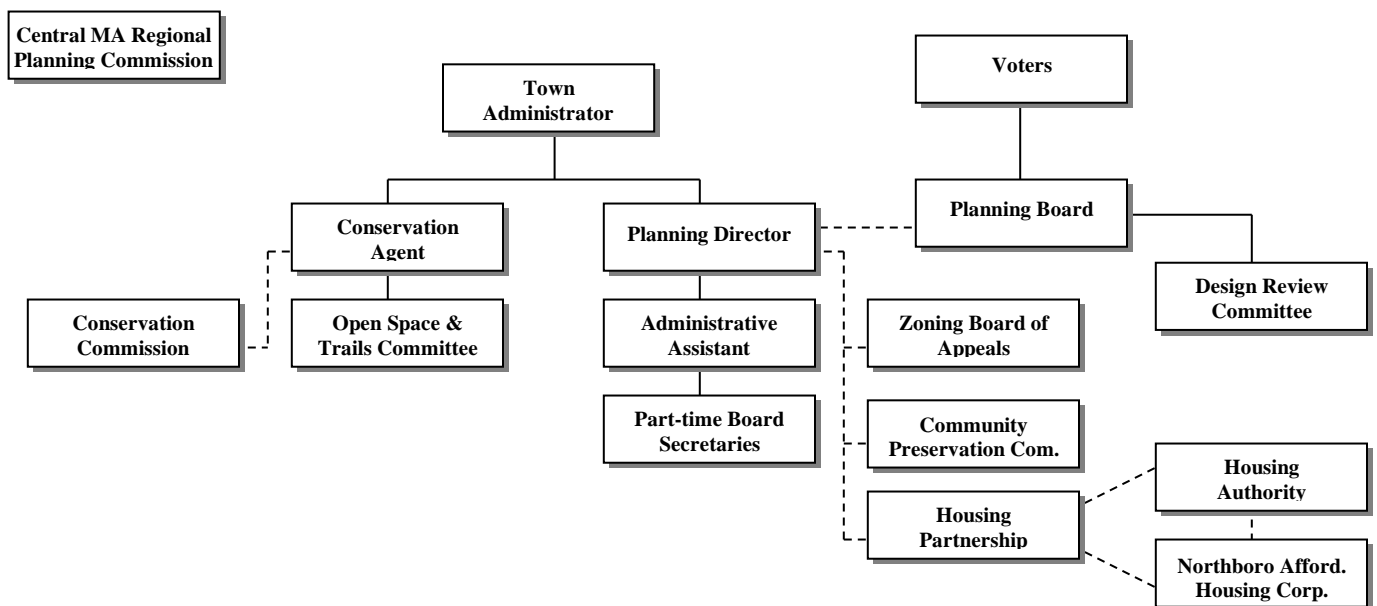
		FY2020	FY2021	FY2022	FY2023	FY2023	FY2024
		ACTUAL	ACTUAL	ACTUAL	BUDGETED	SIX MONTHS	PROPOSED
<b>TOWN COUNSEL</b>							
<b>Expenses</b>							
53020	Legal Services	63,787	77,652	167,000	90,000	49,022	90,000
	<b>SUBTOTAL</b>	<b>63,787</b>	<b>77,652</b>	<b>167,000</b>	<b>90,000</b>	<b>49,022</b>	<b>90,000</b>
<b>TOTAL:</b>	<b>TOWN COUNSEL</b>	<b>63,787</b>	<b>77,652</b>	<b>167,000</b>	<b>90,000</b>	<b>49,022</b>	<b>90,000</b>



### Planning & Conservation Departmental Statement

The Planning and Conservation Offices encompass a number of Boards, Commissions, Committees and affiliated organizations which together manage growth and promote the highest quality of development within the Town. These bodies are served by the Planning Director, Conservation Agent, Town Engineer and Building Inspector/Zoning Enforcement Officer who provide technical support and information regarding land use and development to the Planning Board, Zoning Board of Appeals, Conservation Commission, Earthwork Board, Open Space Committee, Trails Committee, Northborough Housing Partnership and Community Preservation Committee. Affiliate organizations include the Central Massachusetts Regional Planning Commission (CMRPC), the Northborough Housing Authority and the Northborough Affordable Housing Corporation (NAHC). Below is an organizational chart that provides a graphic representation of their relationship to Town staff and each other. A detailed description of each is included in the pages that follow.

### Planning & Conservation Organizational Chart



#### Organizational Chart Notes:

- Voters elect the Planning Board.
- The Town Administrator appoints all staff positions.
- The Northborough Affordable Housing Corporation (NAHC) is a registered 501(c)(3) non-profit corporation that is a legally separate entity from Town Government, but works in close relationship with the Northborough Housing Authority and the Northborough Housing Partnership. NAHC has received funding from the Town through the Community Preservation Committee to develop affordable housing in Northborough.
- All other Boards and Committees are appointed by either the Selectmen or a combination of various Boards as detailed in the descriptions on the following pages.
- Central MA Regional Planning Commission has a Representative appointed by the Selectmen and a representative appointed by the Planning Board.



### Planning & Conservation FY2023 Initiatives and Accomplishments

1. The Master Plan Implementation Committee continued work on implementing the Master Plan. The first major project identified for pursuit is the development of a Downtown Revitalization Strategy & Design Report. After a competitive procurement process, the Town hired a consultant team lead by Weston & Sampson Engineers. Deliverables will include a downtown vision document, market analysis, downtown revitalization design concepts, and implementation strategy. The planning process will feature an aggressive community outreach campaign and will take approximately nine months to complete.
2. The 2020 Open Space and Recreation Plan was updated to address comments received from the Massachusetts Division of Conservation Services.
3. Planning Department staff secured Preservation Massachusetts' Most Endangered Historic Resources designation for the White Cliffs Mansion. That designation will focus statewide attention upon the Mansion, its challenges and community importance, in the hopes that it will serve as a catalyst for preservation opportunities.
4. The Planning, Engineering and DPW Departments worked together to update the Planning Board Rules and Regulations. The purpose of these updates is to ensure compliance with new State regulations, construction standards, and best practices.
5. Planning Department staff worked with the Design Review Committee to finalize design guidelines for construction of new two-family dwellings.
6. Planning Department staff prepared checklists to accompany all Planning Board and Zoning Board of Appeals permit applications to streamline the submittal process and make it easier for applicants and staff to determine application completeness.
7. The Town secured Community Preservation Act funding at the Annual Town Meeting in April 2022 to finance the design of an ADA-compliant woodland trail that connects the Senior Center campus to nearby open space and the trail system at Edmund Hill Woods. The Planning Department worked collaboratively with the selected design consultant, Weston & Sampson Engineers, and the DPW Director throughout the design process and prepared an application for FY24 Community Preservation Act funding for construction of the trail, parking lot improvements, seating, and wayfinding signage.
8. The Town secured Community Preservation Act funding at the Annual Town Meeting in April 2022 to evaluate up to five potential locations for their use as a dog park, conduct a public outreach campaign, and then prepare a preliminary plan for the location deemed most suitable. Weston & Sampson Engineers was selected as the Town's design consultant. Taking into account their analysis and feedback received at public information and input sessions held in October and December 2022, a 32-acre wooded parcel on Boundary Street that abuts State conservation land was selected. The Planning Department then worked collaboratively with Weston & Sampson Engineers, the DPW Director, Recreation Director, and other interested parties on the preliminary design of the dog park, which will consist of a 1.2-acre fenced in facility with a paved parking lot. The Planning Department prepared an application for grant funding from the Stanton Foundation to complete the design and bid-



ready construction documents and for FY24 Community Preservation Act funding to pay a portion of the construction costs.

9. The Town secured Community Preservation Act funding at the 2022 Annual Town Meeting for the preliminary design of a multi-use trail over the Assabet River Aqueduct Bridge. Stantec Consulting Services was engaged for this purpose and the design process will take approximately 9 months to complete.
10. The Planning, Engineering and DPW Departments worked together and with Woodard & Curran Engineers, the Town's consultant, on preparation of a Complete Streets Prioritization Plan. The Town was awarded a Technical Assistance Grant from the MA Department of Transportation's Complete Streets Program for that purpose. Communities with a locally adopted Complete Streets Policy and MassDOT-approved Prioritization Plan are eligible to seek construction funding of up to \$500,000 within a 4-year timeframe to aid in plan implementation.
11. The Conservation Agent worked with the Conservation Commission to implement the recommendation within the Forest Management Plan for Edmund Hill conservation lands to conduct a salvage cut and treat impacted areas for invasive plant management.
12. The Conservation Agent and Town Engineer worked together to establish an annual reporting and inspection protocol as required by the USEPA for the Stormwater Management and Land Disturbance Bylaw and MS4 compliance.

### **Planning & Conservation FY2024 Goals and Initiatives**

1. The Planning Department will work with the Planning Board, Central Massachusetts Regional Planning Commission, a housing consultant, and the public to develop a multi-family overlay district that complies with the new provisions of the Zoning Act (Chapter 40A, Section 3A).
2. The Planning Department will work with the Town Engineer, DPW Director and Planning Board to update the Rules & Regulations Governing the Subdivision of Land. The purpose of these updates is to ensure compliance with new State regulations, construction standards and best practices.
3. The Planning Department will work with the Town Engineer and Zoning Board of Appeals to prepare Rules and Regulations to guide their activities, including the grant of special permits, variances, and appeals of Building Inspector decisions.
4. The Planning Director and Conservation Agent will work with the Master Plan Implementation Committee and other municipal boards, commissions and committees to implement Master Plan recommendations, including the Downtown Revitalization & Design Report. Seek grant funding to finance design of Phase I improvements to the public realm.
5. Planning staff will prepare Planning Board, Zoning Board of Appeals, and Conservation Commission files for electronic conversion.



6. Planning staff will work with boards and commissions to enforce the Zoning Bylaws, Planning Board Rules & Regulations, Subdivision Rules & Regulations, MA Wetlands Protection Act, the Northborough Wetlands Protection Bylaw, and the Northborough Stormwater Management and Land Disturbance Bylaw.
7. The Planning Director and Conservation Agent will work with consultants, committees and others as appropriate to implement goals and recommendations of the Open Space and Recreation Plan, including finalizing the design of the multi-purpose trail at the Aqueduct Bridge, overseeing creation of a feasibility study for development of a multi-purpose trail along the Northborough portion of the aqueduct, and applying for/administering grants associated with construction of the Northborough Dog Park and the ADA-compliant trail linking the Senior Center to the Edmund Hill trail system.
8. In association with the Open Space Committee, the Conservation Agent will create and implement an outreach plan to Northborough landowners regarding land conservation and resource protection.
9. With assistance from the Sudbury Valley Trustees, the Conservation Agent will work with the Trails Committee to update trail maps and post them on the municipal website.

### **Significant Budget Changes or Initiatives**

Overall, the FY2024 Planning and Conservation budget is up \$6,572, or 2%. The FY2024 wages reflect the cost-of-living increases for all staff. January 1 merit increases are budgeted centrally in the personnel budget. In prior years, funds were budgeted for a part-time secretary to draft minutes for the Zoning Board of Appeals. That position has been vacant during FY2023, and the minutes are being completed by the Administrative Assistant. The Town does not have plans to fill the part-time secretary positions for Zoning Board of Appeals.

**PLANNING & CONSERVATION****Personnel Summary**

	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
<b>Position</b>	<b>FTE</b>	<b>FTE</b>	<b>FTE</b>	<b>FTE</b>	<b>FTE</b>
Planning Director	1	1	1	1	1
Conservation Agent	1	1	1	1	1
Administrative Assistant	1	1	1	1	1
Part-time Board Secretaries for					
Conservation Commission	.30	.30	.30	.30	.30
Earthwork	0.03	0.03	0.03	0.03	0.03
Zoning Board of Appeals	0.05	0.05	0.05	0.05	0
Planning Board	0.07	0.07	0.1	0.1	0.1
<b>Total Full-time Equivalent</b>	<b>3.45</b>	<b>3.45</b>	<b>3.48</b>	<b>3.48</b>	<b>3.43</b>

\*Personnel Explanation: Full Time Equivalents are based upon 40 hrs per wk (30hrs/40hrs = .75 FTE).

- There are two part-time Board Secretaries that take minutes at the meetings of the Planning Board, Conservation Commission, Earthwork Board, and Zoning Board of Appeals. Conservation is 12 hours per week, or 0.30 FTE (12hrs/40hrs = 0.30 FTE). Earthwork is budgeted at 5.5 hrs per month, or 0.03 FTE (averages 1.27 hours per week/40hrs). In FY2024, the ZBA assistant's work will be absorbed by the full-time Administrative Assistant. The Planning Board is budgeted at 16 hrs per month, or 0.1 FTE (averages 4hrs wk/40hrs). This was increased in FY2022 from an average of 3 hours per week, to four hours per week due to the increased length of meetings.

**Planning Director**

The Planning Director provides technical support to all Town Departments, Boards and Committees as requested. The Planning Director serves as staff liaison to the Planning Board, Zoning Board of Appeals, Community Preservation Committee, Design Review Committee and the Housing Partnership. The position is also responsible for oversight of the Zoning Bylaw, Subdivision Rules & Regulations, Master Plan, Community Development Plan, Open Space & Recreation Plan and Housing Plan. The Planning Director works with various state agencies as a Town representative on local issues (e.g., Central Mass Regional Planning Commission, and MA Department of Housing and Community Development).

**Planning Board**

The Planning Board is the regulatory agency most responsible for ensuring that development occurs in a manner that is beneficial to the Town. The Planning Board is responsible for enforcing the Zoning Act (MGL c. 40A), Subdivision Control Law (MGL c. 41, section 81K-





## Planning & Conservation

## Section 2-43

81GG), the Northborough Zoning Bylaw and the Northborough Subdivision Rules and Regulations. The Planning Board reviews all plans for subdivisions, common driveways, wireless communication facilities, and site plans; works with the Planning Director in accomplishing goals as set forth in the Master Plan, Community Development Plan, and Open Space & Recreation Plan; and maintains the Zoning Bylaw and Subdivision Rules & Regulations. The Board consists of five officials elected by the voters of Northborough for three-year terms.

	FY2020	FY2021	FY2022	FY2023	FY2023	FY2024
	ACTUAL	ACTUAL	ACTUAL	BUDGETED	SIX MONTHS	PROPOSED
<b>PLANNING DEPARTMENT</b>						
<b>Personnel Services</b>						
51100 Planning Director Salary	100,650	102,663	114,045	107,795	48,153	108,243
51120 Administrative Assistant wages	63,154	65,573	63,517	65,252	29,944	67,143
51140 Part-time Board Secretary wages	2,363	9,611	6,590	6,980	2,173	5,494
51410 Longevity Pay	1,300	1,450	1,450	500	500	500
<b>SUBTOTAL</b>	<b>167,467</b>	<b>179,297</b>	<b>185,852</b>	<b>180,527</b>	<b>80,769</b>	<b>181,380</b>
<b>Expenses</b>						
52800 Contractual Services	0	0	1,684	10,000	484	10,000
53090 Advertising	2,310	2,154	2,069	1,560	557	3,900
53110 Printing	3,025	0	1,684	2,250	0	2,250
54290 Office Supplies	527	173	361	850	204	850
*56820 Central MA RPC Assessment	4,054	4,155	4,259	4,736	4,736	4,878
57110 Travel/Mileage	1,103	543	234	2,070	0	2,250
57310 Dues	672	491	676	400	511	575
57320 Subscriptions	786	890	1,201	865	0	865
57340 Meetings	475	405	40	3,100	125	3,100
<b>SUBTOTAL</b>	<b>12,952</b>	<b>8,811</b>	<b>14,351</b>	<b>25,831</b>	<b>6,617</b>	<b>28,668</b>
<b>TOTAL: PLANNING DEPARTMENT</b>	<b>180,420</b>	<b>188,108</b>	<b>200,203</b>	<b>206,358</b>	<b>87,386</b>	<b>210,048</b>

### Central Massachusetts Regional Planning Commission (CMRPC)

The Planning Department budget includes an assessment for the Central Massachusetts Regional Planning Commission (CMRPC). The Board of Selectmen and Planning Board each appoint a representative to the CMRPC each year as do other member communities. The CMRPC, formed in 1963, is the designated regional planning entity for the Central Massachusetts region, which includes the City of Worcester and the surrounding 39 communities. This region encompasses the southern two-thirds of Worcester County. CMRPC provides municipal and regional planning for Land Use and Transportation, as well as a variety of Community Development services, Transit Planning for the region's transit authority, Geographic Information Services (GIS), staffing for MORE (Municipalities Organized for Regional Effectiveness) and other programs. CMRPC collaborates with local, regional, state and federal officials, as well as with legislators,

\* The Planning Department budget contains an assessment for the Central MA Regional Planning Commission.



in order to bring a regional perspective and a coordinated approach to the planning and development that occurs in this region. The ultimate goal of this agency is to improve the quality of life for those who work and live in the Central Massachusetts region.

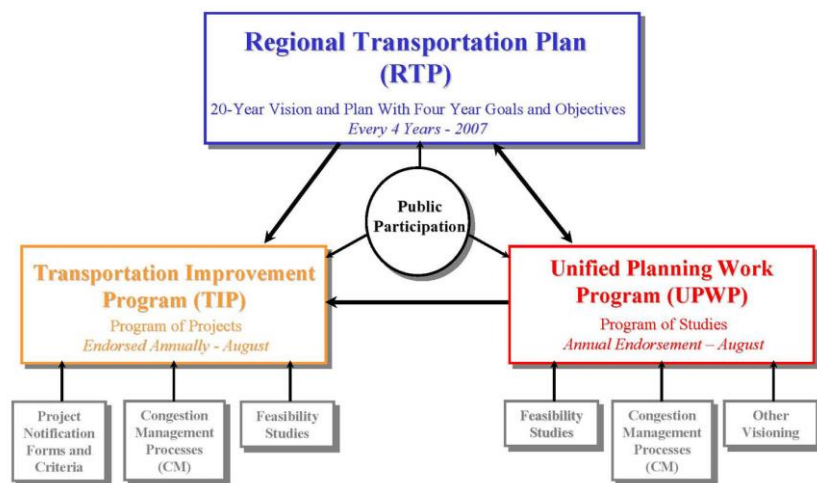
### Central Massachusetts Metropolitan Planning Organization<sup>1</sup> (CMMPO)

The Central Massachusetts Metropolitan Planning Organization (CMMPO) was established in 1976 to undertake the comprehensive, continuing, and cooperative transportation planning process required by the United States Department of Transportation. The Central MA Regional Planning Commission (CMRPC) is one of ten members of the CMMPO and it is the staff to this organization as well.

The CMMPO is responsible for preparing and updating the Regional Transportation Plan (RTP), the Transportation Improvement Program (TIP), the Unified Planning Work Program (UPWP) and the Public Outreach Plan (POP) for the Central Massachusetts region that includes the City of Worcester and the surrounding 39 communities.

The RTP is a long-range planning document that describes the region's current transportation system and how that system should be maintained or modified over the next 20 years. The federal planning provisions passed in August of 2005, requires the CMMPO to update the RTP every 4 years, since it presides over a region that does not meet federal air quality standards for ozone. The TIP lists federal-aid eligible highway, bridge and transit projects that are expected to be implemented over the next 5 years. A new list is compiled over the course of every year and endorsed by the CMMPO.

Relationship of CMMPO Documents to One Another



### Zoning Board of Appeals (ZBA)

The Zoning Board of Appeals consists of five members and two alternates appointed by the Board of Selectmen for three-year terms. The ZBA hears petitions and applications for variances, special permits, comprehensive permits and other appeals under the Zoning Act (MGL c. 40A), the Anti-Snob Zoning Act (MGL c. 40B) and the Northborough Zoning Bylaw. The ZBA hears all appeals of actions taken by the Building Inspector on matters which arise out of the enforcement of Town Bylaws relating to the construction, reconstruction, demolition or repair of buildings and other structures within the Town. The ZBA also hears and decides all appeals of actions taken by the Planning Board and other Town officers under the Zoning Bylaws.

<sup>1</sup> Description and graphic taken directly from the CMRPC website located at <http://www.cmrpc.org>



## Planning & Conservation

## Section 2-45

	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>ZONING BOARD OF APPEALS</b>						
<b>Personnel Services</b>						
51140 Part-time Board Secretary wages	0	1,483	26	2,638	0	0
<b>SUBTOTAL</b>	<b>0</b>	<b>1,483</b>	<b>26</b>	<b>2,638</b>	<b>0</b>	<b>0</b>
<b>Expenses</b>						
53090 Advertising	798	1,043	2,313	2,200	434	3,600
53110 Printing	0	0	0	80	0	80
54290 Office Supplies	135	0	0	30	0	30
57310 Dues	0	0	0	70	0	70
57340 Meetings	105	0	0	300	100	300
<b>SUBTOTAL</b>	<b>1,038</b>	<b>1,043</b>	<b>2,313</b>	<b>2,680</b>	<b>534</b>	<b>4,080</b>
<b>TOTAL: ZONING BOARD OF APPEALS</b>	<b>1,038</b>	<b>2,526</b>	<b>2,340</b>	<b>5,318</b>	<b>534</b>	<b>4,080</b>

### Conservation Commission

The Conservation Commission consists of seven members appointed by the Board of Selectmen for three-year terms. The purpose of the Commission is to promote and develop the natural resources and to protect the watershed resources of the Town as provided for under MGL Ch. 40, Section 8C, as amended. The Conservation Commission's charge is to protect the wetlands, related water resources and adjoining land areas in Northborough as mandated by the Wetlands Protection Act and the Northborough Wetlands Bylaw.<sup>2</sup> This is achieved through a permitting process designed to minimize the impact of activities on wetland resource areas, including public or private water supply, groundwater, flood control, erosion and sedimentation control, storm damage prevention, water pollution prevention, fisheries, freshwater shellfish, wildlife habitat, recreation, aesthetics, agriculture and aquaculture values. Activities proposed within 100 feet of any resource area are subject to review by the Commission. Resource areas include freshwater wetlands, bordering vegetated wetlands, marshes, wet meadows, bogs or swamps; any bank, beach, lake, river, pond, stream or any land under said waters; any land subject to flooding or inundation by groundwater. Any project in any riverfront area is also subject to review by the Commission. The Commission adheres to the existing regulations of MGL Chapter 131, Section 40, the Wetlands Protection Act.

<sup>2</sup> The Conservation Commission charges permit fees to all applicants. These fees return to the General Fund budget under "Other Funds" and have the effect of an off-set to the Conservation Commission budget.



	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>CONSERVATION COMMISSION</b>						
<b>Personnel Services</b>						
51120 Administrative Assistant wages	67,010	68,350	53,371	85,170	39,419	86,874
51140 Part-time Board Secretary wages	9,001	9,867	9,517	16,863	6,291	17,853
51220 Conservation Agent	0	0	0	0	0	0
<b>SUBTOTAL</b>	<b>76,011</b>	<b>78,217</b>	<b>62,888</b>	<b>102,033</b>	<b>45,710</b>	<b>104,727</b>
<b>Expenses</b>						
53090 Advertising	567	1,227	840	1,200	146	1,800
53110 Printing	0	0	0	400	0	400
54290 Office Supplies	254	52	240	930	215	930
55980 Field Supplies	558	0	84	500	113	500
57110 Travel/Mileage	555	320	307	1,008	50	1,125
57310 Dues	757	771	771	835	785	835
57340 Meetings	600	325	180	1,975	0	1,975
57840 Conserv. Property Maintenance	0	478	730	1,000	0	1,000
<b>SUBTOTAL</b>	<b>3,290</b>	<b>3,172</b>	<b>3,153</b>	<b>7,848</b>	<b>1,309</b>	<b>8,565</b>
<b>TOTAL: CONSERVATION COMMISSION</b>	<b>79,301</b>	<b>81,389</b>	<b>66,041</b>	<b>109,881</b>	<b>47,019</b>	<b>113,292</b>

### Earthwork Board

The Earthwork Board consists of five members, one each appointed by the Moderator, the Board of Selectmen, the Conservation Commission, the Zoning Board of Appeals and the Planning Board for three-year terms. The Earthwork Board was created in 1971 to implement the Earth Removal Bylaw which, at the time, was passed primarily to prevent soil stripping and the creation of unsafe and unsightly conditions in Town. The Earthwork Board conducts hearings and issues permits for the removal of earth material from any land not in public use in accordance with Town Bylaws.



## Planning & Conservation

## Section 2-47

	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>EARTHWORK BOARD</b>						
<b>Personnel Services</b>						
51140 Part-time Board Secretary wages	0	628	582	1,780	323	1,889
<b>SUBTOTAL</b>	<b>0</b>	<b>628</b>	<b>582</b>	<b>1,780</b>	<b>323</b>	<b>1,889</b>
<b>Expenses</b>						
53090 Advertising	0	0	0	50	0	1000
53110 Printing	0	0	0	50	0	0
57320 Subscriptions	0	0	0	300	0	0
<b>SUBTOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>200</b>	<b>0</b>	<b>1,000</b>
<b>TOTAL: EARTHWORK BOARD</b>	<b>0</b>	<b>628</b>	<b>628</b>	<b>2,180</b>	<b>323</b>	<b>2,889</b>

### Community Preservation Committee

The Planning Director is the staff liaison to the Community Preservation Committee (CPC) which is responsible for the expenditures authorized by the adoption of the Community Preservation Act (CPA). The Committee evaluates community preservation needs, develops a long-range community preservation plan, and makes recommendations for the CPA Fund expenditures at Town Meeting.

The CPC consists of nine members, one each from the Open Space Committee, the Conservation Committee, the Planning Board, the Parks & Recreation Commission, the Historical Commission, the Housing Authority and three members appointed by the Board of Selectmen for three-year terms. The CPA is a funding tool to assist communities with the protection and acquisition of open space, preservation of historic resources, and the creation of affordable housing. The CPA provides for local autonomy in deciding where and how funds will be spent. It is the responsibility of the Committee (CPC) to consult with Town departments and boards and community organizations; evaluate community preservation needs, develop a long-range community preservation plan; and make recommendations for CPA fund expenditures at Town Meeting.

For an explanation of CPC funding please refer to the individual Town Meeting Warrant Articles, as the revenues and expenditures for the CPC are outside the General Fund budget. The expenses associated with the Board Secretary for the CPC meetings are paid for directly from CPA funds and not reflected in the Planning & Conservation budget.

### Open Space Committee

The Open Space Committee consists of seven members, one each from the Planning Board, Conservation Commission, Parks & Recreation Commission, Board of Selectmen and three members and two alternates appointed by the Board of Selectmen for three-year terms. The Open Space Committee is responsible for the identification and preparation of proposals for Town Meeting of properties to be acquired for open space and/or recreational use. The Open



Space Committee also considers alternative methods for open space preservation, including but not limited to grants, donations, and conservation easements.

➤ **Trails Committee**

The Northborough Trails Committee is a subcommittee of the Northborough Open Space Committee. The Trails Committee works to develop and maintain a viable recreational trail system in Northborough on public and private property by utilizing volunteers from the community.

Both the Open Space Committee and the Trails Committee have received funding through individual Town Meeting Warrant Articles funded by the Community Preservation Committee.

### **Design Review Committee**

The Design Review Committee is a five-member board appointed by the Planning Board per Section 7-03-050 E of the Zoning Bylaw. The DRC consists of a member of the Planning Board, two architects, a landscape architect, and one resident of the town with a related background such as real estate development, interior design, graphic design, lighting design, or building/construction; or a balance as close to that representation as possible. The DRC works with applicants in an advisory capacity in reviewing the design review components of the site plan such as design of building, landscaping, and placement of building on the site. Written recommendations are then provided to the applicable board.

### **Affordable Housing**

There are several affordable housing agencies active within the Town of Northborough, each serving separate functions, but sharing the mutual goal of addressing the affordable housing needs in the community. Some of these agencies are direct agents of the Town, while others are affiliated with the Town in some way, but legally separate from Town Government. The Planning Director serves as the liaison to these various affordable housing organizations, which are described below.

### **Housing Partnership Committee**

The Housing Partnership Committee consists of nine members, one each from the Board of Selectmen, Planning Board, Housing Authority, Council on Aging and five members appointed by the Board of Selectmen, one of which must be a realtor, for three-year terms. The purpose of the Northborough Housing Partnership is to formulate and implement a Housing Policy for the Town of Northborough that will work toward the provision of decent, safe and affordable housing for all of Northborough's residents.

The local Housing Partnership was established by the Board of Selectmen to allow the community to gain control of the process of affordable housing development by initiating a process that will combine growth management with affordable housing initiatives in a positive way. Rather than simply react to the imposition of comprehensive permit proposals under MGL c. 40B, which might burden services, disrupt neighborhoods and be otherwise inappropriate to the community and environment, the Partnership may establish pro-active guidelines for the preservation and production of acceptable and appropriate affordable housing development and support and encourage housing initiatives that meet these criteria.





The primary objectives of the Partnership are: to facilitate an increase in the supply of affordable housing in the Town; establish a housing policy and a housing action plan; survey the current housing stock to determine specific unmet needs for varying categories of housing; identify and research available sites including Town-owned land; and recommend and coordinate specific procedures for the implementation of its objectives with other entities, including the Board of Selectmen, the Town Administrator, the Zoning Board of Appeals, the Planning Board, and other appropriate boards, committees, agencies or for-profit or non-profit organizations such as the Housing Authority and the Affordable Housing Corporation.

### **Northborough Housing Authority**

The Northborough Housing Authority (NHA) consists of four members appointed by the Board of Selectmen and one governor-appointed member for five-year terms. The Director is appointed by the Housing Authority. The Housing Authority is a public agency which provides housing for low-income, elderly and handicapped and families. The Housing Authority is regulated by the Commonwealth of Massachusetts through the Department of Housing and Community Development (DHCD) and must adhere to their regulations and funding requirements. The Authority has the local management responsibilities for housing for the elderly under its jurisdiction in the Town, and is responsible for the clearance of substandard, decadent or blighted open areas or the provision of housing for families of low income or engaging in land assembly and redevelopment, including the preservation, restoration or relocation of historical buildings.

The NHA developed and manages one hundred four (104) senior housing units located in two areas of town and twenty-six (26) units of family housing scattered throughout town.

### **Northborough Affordable Housing Corporation (NAHC)**

The Northborough Affordable Housing Corporation exists for the purpose of assessing the housing needs of the Town of Northborough and to create housing to be made available to low and moderate income people. The Corporation may acquire land on which appropriate housing could be built or may acquire existing buildings which could be converted into appropriate housing. The Corporation is a private, non-profit entity which exists independent of any other organization and is empowered to raise funds and to own and transfer property in a manner consistent with its mission to increase the supply of affordable housing in the town of Northborough. The NAHC is not controlled by the Department of Housing and Community Development (DHCD) as the Northborough Housing Authority is, and can apply for funding as well as develop property without DHCD restrictions.

To date, the only source of funding to the NAHC has been Community Preservation Funds voted by Town Meeting and transferred to the NAHC to pursue its mission. Town Meeting appropriated \$303,000 in April 2008, \$150,000 in April 2009, \$150,000 in April 2010 and \$52,000 in 2011 to NAHC, pursuant to the Community Preservation Act. Although the use of these funds was at the sole discretion of NAHC, the Town entered into an agreement with NAHC to use these funds to renovate the former Senior Center building located on Centre Drive. Construction of four new apartments at the former Senior Center was completed in 2014.

Under Article 57 of the April 2015 Annual Town Meeting another \$500,000 was appropriated to NAHC for future creation of affordable housing, contingent upon a written contract with the



Town. Article 38 of the April 2016 Annual Town Meeting appropriated another \$100,000 in CPC funds for the NAHC. Article 42 of the April 2017 Annual Town Meeting appropriated \$100,000 in CPC funds for use by the NAHC. Article 28 of the April 2018 Annual Town Meeting appropriated \$100,000 in CPC funds for use by the NAHC. Using the CPC funds, NAHC worked with the non-profit Habitat for Humanity to develop 4 units of affordable housing in two historic buildings in the Town Center in 2019. Article 26 of the April 2019 Annual Town Meeting Warrant appropriated another \$100,000 in CPC funds for use by the NAHC in a yet to be determined project.



# **Public Safety**

## **Section 3**



This Page Intentionally Blank

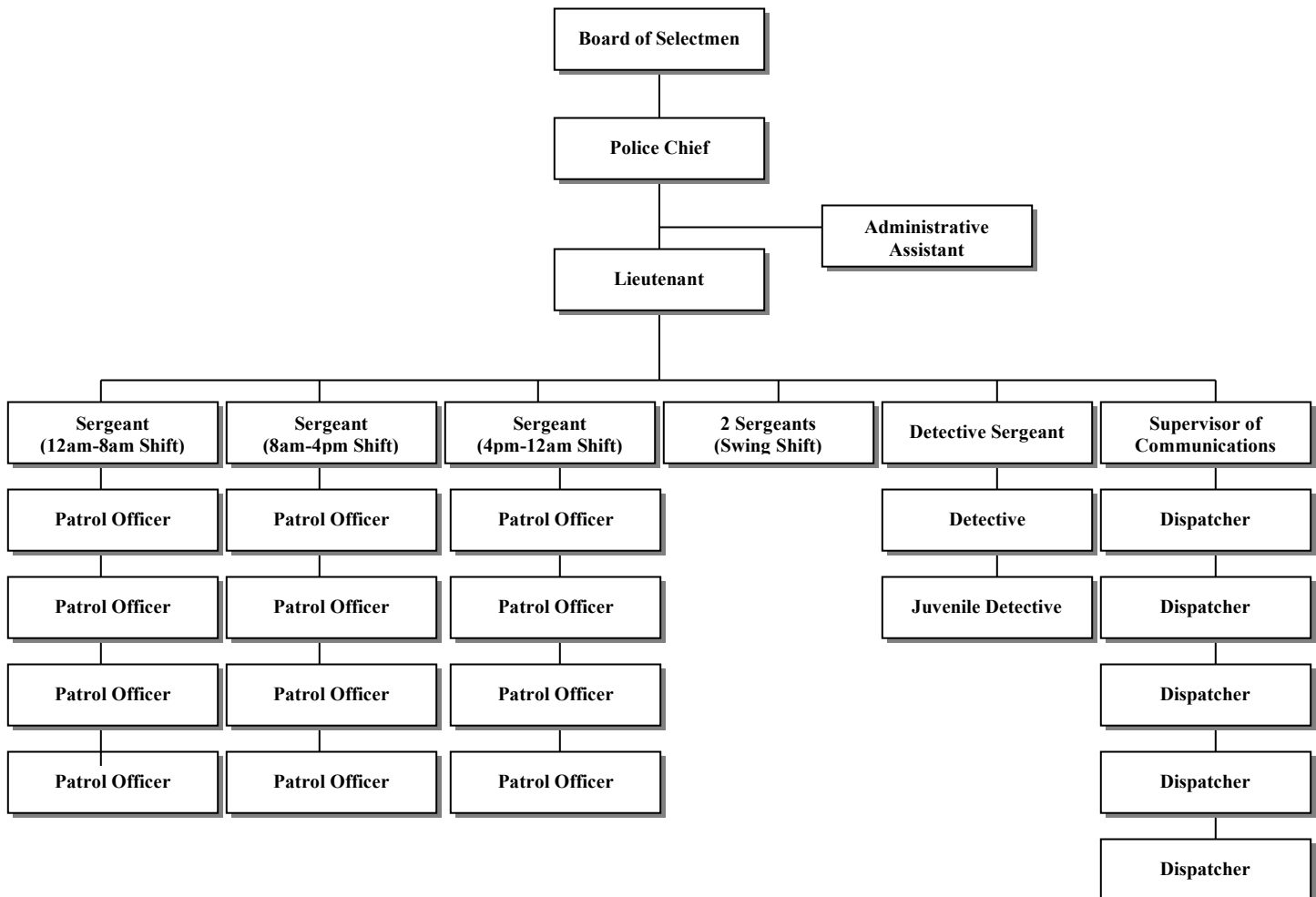


## Police Department Mission Statement

The Northborough Police Department will provide residents and visitors to the Town of Northborough the highest level of public safety which preserves a quality of life that makes this community a desirable place within which to live, visit or work, by:

- Emphasizing a pro-active, preventative and problem-solving approach to policing; protecting people and property; preserving the peace, order and dignity of individuals, and providing fair and equitable enforcement of all laws.
- Establishing community-wide partnerships around issues of public safety and fostering the trust and confidence of the citizenry while working on solutions to root causes of problems.
- Instituting a process of integrity and responsiveness that provides timely investigations and dispositions of all complaints of employee conduct.

## Organizational Chart



**Police Department FY2023 Initiatives and Accomplishments**

1. In FY2023, the Police Department continued to serve the community with the following initiatives:
  - R.U.O.K.: A free, daily telephone call to check on the welfare of senior citizens and shut ins.
  - Free Child Safety Seat Installations provided by our trained and certified Police Officer installer.
  - Provided support for: the Applefest Celebration, Memorial Day Parade, Recreation Department functions, numerous road races, and fundraising events.
2. Continued the communications working group comprised of key stakeholders (Police, Fire, DPW) to improve the communications center functions. The group met during the fiscal year to discuss topics including policies and procedures; communications center modernization improvements, and staff workload demands.
3. Maintained aggressive crime prevention patrols specifically targeting high risk businesses and municipal property as part of a security check program.
4. Maintained an aggressive traffic enforcement program aimed at increasing roadway safety. This is the single most requested police service by residents and the Department completed nearly 5,000 traffic enforcement actions.
5. Continued participation in the Massachusetts Police Accreditation Program to ensure that the department maintains best practices, policies, and procedures in accordance with national professional standards.
6. Continued implementation of a professional development and recognition program. This on-going voluntary program facilitates professional development and career guidance. Achievements are recognized through the issuance of uniform insignia indicating achievement of minimum standards and demonstration of competencies in identified areas.
7. The Communities for Restorative Justice (C4RJ) program began its fourth year. A partnership with C4RJ continues to see referrals for low level crimes and juvenile issues as opposed to filing criminal complaints in district courts.



### **Police Department FY2024 Goals and Initiatives**

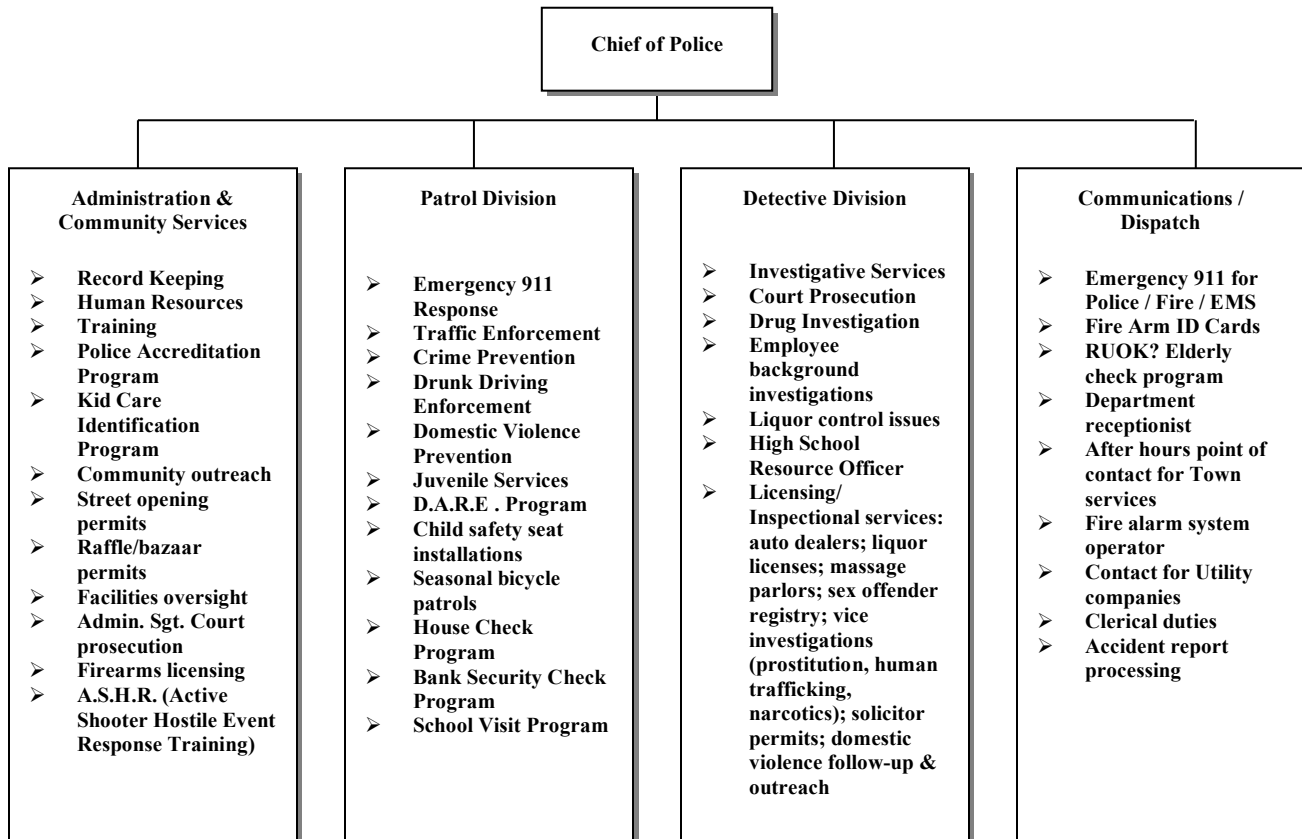
1. Continue to maintain and improve services and programs identified in the FY2023 accomplishments.
2. Maintain grant funding for the Jail Diversion/Co-responder program instituted in FY2020. The program allows the department to effectively handle persons with mental health issues and substance abuse disorders by partnering with a mental health provider to respond to calls with officers.
3. Continue to expand the community policing/community outreach efforts by expanding programs such as “Coffee with a Cop,” open house days, increased bike patrols and continued participation in programs in partnership with the senior center staff.
4. Continue emphasis and improvement of our school intruder response program (A.L.I.C.E.) imitated drills and provide training within the school system.
5. Seek grants or other funding for an ATV patrol vehicle to increase presence on the Town’s trail system and provide additional mode of officer transportation for Applefest events such as the parade and fireworks.
6. Implementation of voice recognition system. This system will reduce the amount of time an officer is off patrol and out of service because the officer no longer needs to return to the station to process reports.
7. Increase public outreach, agency transparency, community engagement, and candidate recruitment through webpage and social media enhancement by contracting with a public relations partner. Currently, the department’s social media presence is limited due to the lack of staff and the ability to monitor and post in real time, particularly about important and timely community messages and notifications. This partnership will increase social media presence and following by improving website design and user friendliness.
8. Implement a comfort dog program. Comfort dogs provide support services for victims and witnesses of traumatic events and people in crisis. Comfort dogs also facilitate community engagement and improve officer-public interaction.

### **Significant Budget Changes or Initiatives**

Overall, the FY2024 Police Department Budget is increasing 6.58% or \$199,535. An Officer who had been on administrative leave for an extended period is anticipated to return in FY2024. Given the time that passed, the department was forced to backfill the position during the three-year vacancy. As a result, the FY2024 budget reflects an increase of one full-time Patrol Officer not previously budgeted for. Should any staff separate during FY2024, the staffing levels will be reassessed for possible reduction. The wages and stipends for that officer account for approximately \$95,000 of the \$199,535 increase. Without the inclusion of the additional officer, the FY2024 Police budget would increase approximately 3.5%. The departmental budget as presented includes contractual wage increases for Police Patrol, Sergeants, Dispatchers, and Non-Union personnel.



## Police Programs and Services





## Police Department

## Section 3-5

### POLICE DEPARTMENT

#### Personnel Summary

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Position	FTE	FTE	FTE	FTE	FTE
Chief of Police	1	1	1	1	1
Lieutenant	1	1	1	1	1
Sergeant	6	6	6	6	6
Patrol Officers	14	14	14	14	14
Supervisor of Communications	1	1	1	1	1
Dispatcher	6	6	6	6	6
Administrative Assistant	1	1	1	1	1
Custodian	0.5	0.5	0.5	0.5	0
<b>Total Full-time Equivalent</b>	<b>30.5</b>	<b>30.5</b>	<b>30.5</b>	<b>30.5</b>	<b>30</b>

#### \*Personnel Explanation:

Full Time Equivalents based upon 40 hrs per wk (30hrs/40hrs = .75 FTE).

- In FY2024, funds for the Custodian salary will be moved to the Facilities budget. The full-time staff will be reflected in the Facilities budget personnel chart and will no longer be reflected partially in the Police and Public Buildings budgets.
- The FY2024 budget authorizes 22 sworn Officers in the Department, including the Chief of Police.

## Section 3-6

## Police Department



	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>POLICE DEPARTMENT</b>						
<b>Personnel Services</b>						
51100 Police Chief Salary	127,388	130,122	132,725	136,731	62,243	140,849
51120 Administrative Assistant Salary	62,209	63,204	64,477	66,428	30,230	68,141
51150 Sergeant Salaries	458,780	466,254	483,067	467,379	216,595	494,015
51160 Patrol Officer Salaries	791,437	803,079	730,438	872,847	316,997	963,737
51170 Dispatcher Salaries	346,204	359,746	338,883	417,078	192,604	445,488
51180 Special Officers	0	0	0	5,000	0	5,000
51200 Detective Pay	9,846	8,918	7,245	13,151	3,622	13,673
51210 Lieutenant Salary	100,650	97,845	98,551	103,959	47,325	107,090
51300 General Overtime	91,243	152,176	141,447	130,653	78,971	130,653
51310 Dispatcher Overtime	49,165	51,844	96,450	29,960	34,736	29,960
51320 Christmas Overtime	2,424	2,547	2,814	3,655	0	3,390
51330 Dispatcher Christmas Overtime	1,287	1,165	1,597	1,065	0	1,548
51400 Longevity pay	8,875	9,075	9,075	10,925	8,775	9,425
51410 Dispatcher Longevity Pay	1,200	1,200	1,675	1,825	1,825	2,225
51420 Holiday Pay	52,208	51,700	55,382	56,484	21,920	67,367
51430 Dispatcher Holiday Pay	16,268	16,844	18,119	17,902	7,620	20,630
51440 Shift Differential	10,149	10,133	9,332	8,509	3,146	13,156
51450 Court Time	4,709	1,879	1,260	10,500	0	10,500
51460 Quinn Bill Educational Incentive	263,659	261,904	249,173	296,621	123,821	303,444
51470 Dispatcher EMD Stipend	0	0	5,000	7,000	0	9,100
51920 Uniforms	36,792	44,492	52,139	30,250	9,860	31,425
51930 In-service Training	11,219	10,196	18,737	8,000	7,617	10,000
51940 Fitness Incentive	19,100	20,600	22,400	26,800	10,500	28,000
51950 Roll Call	0	0	0	3,400	0	3,400
51960 Dispatcher Differential	0	0	0	3,650	0	7,300
51965 Officer In Charge Pay	1,664	1,250	1,871	0	516	0
51970 Part-time Custodian	27,466	28,125	21,544	29,321	13,567	0
<b>SUBTOTAL</b>	<b>2,493,942</b>	<b>2,594,298</b>	<b>2,563,726</b>	<b>2,759,093</b>	<b>1,192,491</b>	<b>2,919,516</b>





## Police Department

## Section 3-7

	FY2020	FY2021	FY2022	FY2023	FY2023	FY2024
	ACTUAL	ACTUAL	ACTUAL	BUDGETED	SIX MONTHS	PROPOSED
<b>POLICE DEPARTMENT</b>						
<b>Expenses</b>						
52110 Utilities	33,324.36	34,604	37,617	37,500	16,443	53,000
52690 Radio Equipment Maintenance	4,905.71	4,108	7,221	7,000	2,438	7,000
52800 Contractual Services	33,600.73	52,648	35,896	41,000	25,875	54,800
53110 Printing	933.43	222	270	700	487	700
53190 Training	13,202.76	16,518	20,026	20,000	4,993	25,000
53410 Telephone	17,908.62	17,403	17,643	17,990	6,992	17,990
53420 Postage	2,255.43	0	250	600	39	600
53430 Radio Line Rentals	4,545.60	6,952	6,290	6,552	4,927	11,340
53720 Computer Services	34,360.29	35,546	52,602	60,008	33,100	62,532
54290 Office Supplies	2,870.37	5,057	671	3,000	402	3,500
54490 Repairs & Maintenance	14,559.65	10,464	11,358	24,000	3,741	7,500
54590 Custodial Supplies	4,872.65	3,339	3,094	4,000	2,045	4,000
54850 Vehicle Maintenance	35,651.86	23,160	23,575	20,000	13,401	25,000
55970 Special Investigations	0.00	0	0	0	0	500
55980 Field Supplies	15,522.16	14,971	25,174	10,000	3,383	12,000
57810 Unclassified	2,025.17	2,034	2,589	2,000	1,934	3,000
58690 New Equipment	47,907.17	21,333	15,593	20,000	8,422	25,000
<b>SUBTOTAL</b>	<b>268,446</b>	<b>248,358</b>	<b>259,869</b>	<b>274,350</b>	<b>128,622</b>	<b>313,462</b>
<b>TOTAL: POLICE</b>	<b>2,762,388</b>	<b>2,842,656</b>	<b>2,823,595</b>	<b>3,033,443</b>	<b>1,321,113</b>	<b>3,232,978</b>



### **Fire Department Mission Statement**

*"To promote and deliver life safety by providing efficient, professional, high quality, cost effective, and timely protective services including fire suppression, emergency medical services, fire prevention, disaster response management, public safety education, and code enforcement."*

The Northborough Fire Department is charged with the protection of life and property from fire through direct fire suppression efforts, prevention, inspectional services, self-inspection programs, fire code enforcement and public fire education. The department also provides a Fire Investigation Unit of trained fire investigators to determine the cause and origin of fires. These department investigators work closely with the Town's Police Department, Fire District 14 Fire Investigation Unit, Office of the State Fire Marshal's Fire and Explosion Investigation Unit as well as the Federal Bureau of Alcohol, Tobacco and Firearms.

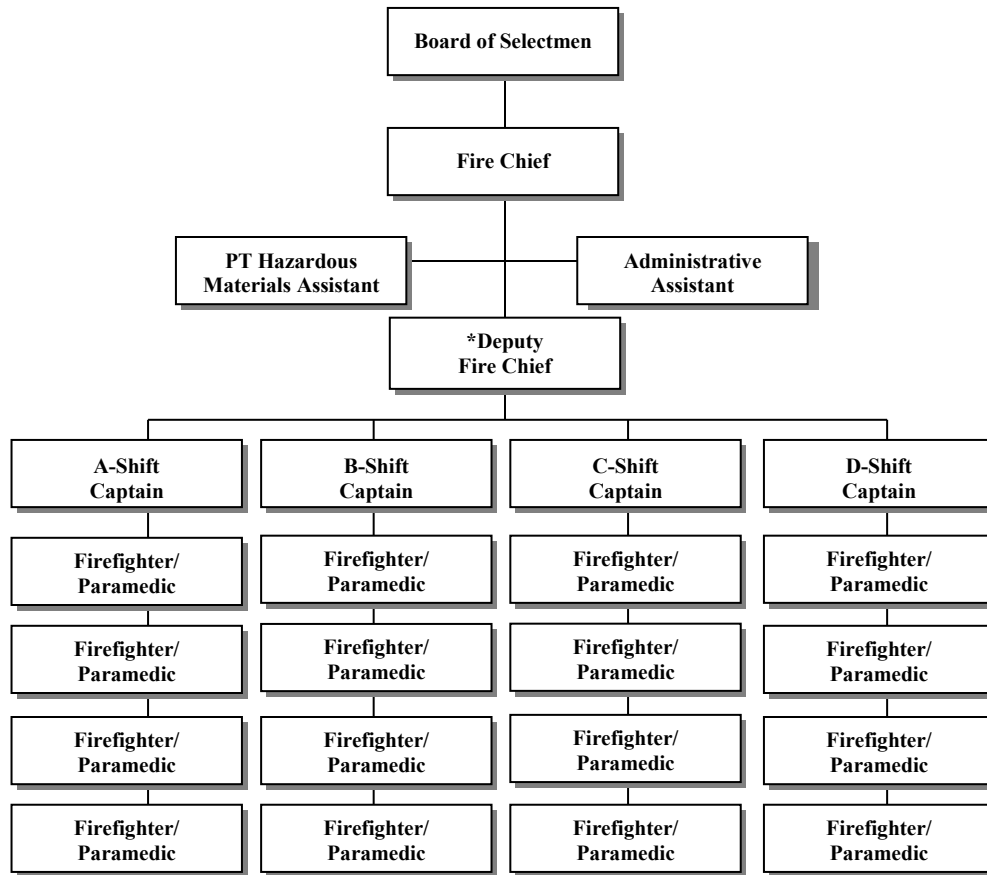
In keeping with the protection of life as its highest priority, the department is licensed by the state to operate its emergency medical ambulance service at the advance life support paramedic level. Through the department's Paramedics, Advanced Emergency Medical Technicians (AEMT), and Basic Emergency Medical Technicians (EMT-B), the highest standard of pre-hospital emergency care is provided to those in need.

The department is also equipped to handle a wide variety of rescue services ranging from motor vehicle extrication to water and ice rescue. Fire and EMS mutual aid is coordinated through Massachusetts Fire District 14 with hazardous materials response and mitigation provided on a regional basis through the Massachusetts Department of Fire Services.

Through an all-hazards approach to manmade and natural disasters, the department provides and prepares for a planned response and coordination effort by all town departments through the town's Comprehensive Emergency Management Plan (CEMP) and Hazardous Materials Plan approved by the Massachusetts Emergency Management Agency (MEMA). The department also plays the lead role for the framework of the Local Emergency Planning Committee (LEPC).



### Organizational Chart



Through a combination of career and on-call personnel, the department provides fire suppression/prevention, EMS and rescue services. Career Firefighters cover the fire station on a 24/7 basis with four shifts consisting of a Captain and four Firefighter/Paramedics.

\*In FY2024, a new Deputy Fire Chief position is funded. In 2015, the Center for Public Safety Management completed a staffing study of the Fire Department in which it recommended the funding of a Deputy Chief to assist the Fire Chief with the overall management of the Fire Department. In 2017, Town Meeting approved the classification of a Deputy Fire Chief.

**Fire Services FY2023 Initiatives and Accomplishments**

1. Completed land purchases for construction of new fire station.
2. Achieved an EMS response time of 07:46 or less in alignment with the National Fire Protection Agency Standard 1710, 9 minutes for Advanced Life Support for 90% of incidents.
3. Completed purchase and setup of department SUV and pickup truck.
4. Completed analysis to convert from Verizon copper lines for radio communications to a digital communication system and completed the project.
5. Obtained a grant from FEMA to replace an inefficient station vehicle exhaust system with a new exhaust system that can be relocated to the new station. This new system will aid in reducing cancer causing elements in the station.
6. Received a grant from the Department of Fire Services to initiate the SAFE fire education program in schools.

**Fire Department FY2024 Goals and Initiatives**

1. Achieve an apparatus turnout time for fire responses of 80 seconds for 90% of calls as per National Fire Protection Agency Standard 1710.
2. Achieve a first engine arrival time of 240 seconds for 90% of responses with a minimum staffing of four personnel as per National Fire Protection Agency Standard 1710.
3. Complete work on design of new fire station and receive Town Meeting approval for construction of a new fire station.
4. Establish a more efficient Emergency Medical System training program while reducing the overall cost by 10%.



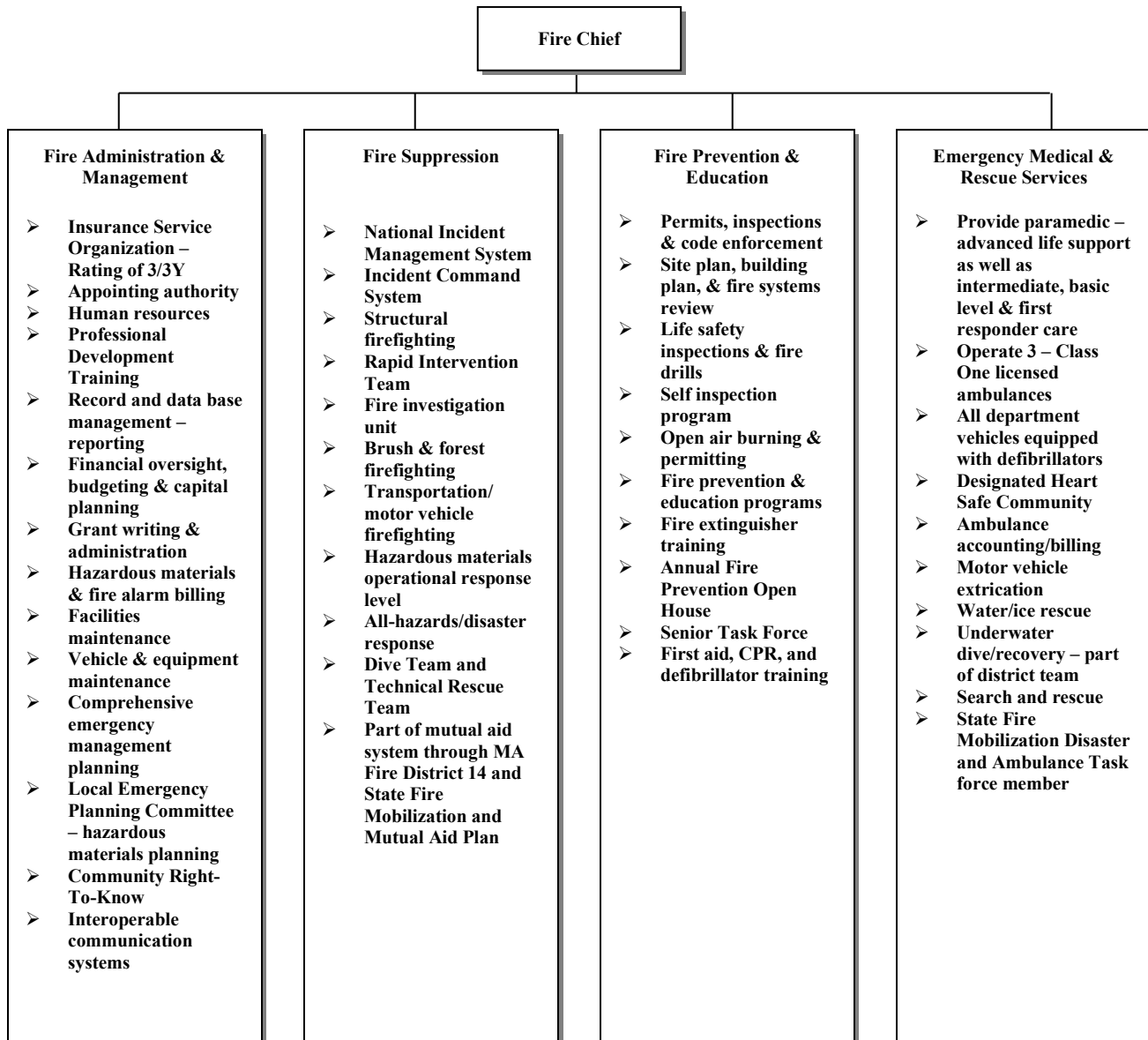
### **Significant Budget Changes or Initiatives**

As presented, the FY2024 Fire Department Budget reflects an increase of \$217,931 or 9.8% in the General Fund appropriation. The departmental budget as presented includes contractual wage increases for all bargaining unit members. The FY2024 personnel budget includes the addition of a new Deputy Fire Chief, funded at the midpoint of Grade eight. Without the inclusion of the new Deputy Fire Chief position, the Fire Budget will increase \$100,931 or 4.5%.

In addition to the General Fund appropriation of \$2,445,137 (which is underwritten by a transfer of \$384,016 from the Fire Department Revolving Fund under Article 4 of the Town Meeting Warrant) the departmental budget also includes \$608,363 in planned expenses that are charged directly to the Fire Department Revolving Fund, which is financed primarily by fees for ambulance services. Therefore, the total FY2024 budget that supports the Fire/EMS services is \$3,053,500 (\$2,445,137 plus the Fire Department Revolving Fund direct charges of \$608,363).



## Fire Programs and Services





FIRE DEPARTMENT					
Personnel Summary					
Position	FY 2020 FTE	FY 2021 FTE	FY 2022 FTE	FY 2023 FTE	FY 2024 FTE
Fire Chief	1	1	1	1	1
Deputy Fire Chief	0	0	0	0	1
Fire Captain	4	4	4	4	4
Firefighter / EMT Basic	1	1	1	0	0
Firefighter / EMT Advanced	0	0	0	0	0
Firefighter / Paramedic	15	15	15	16	16
Administrative Assistant	1	1	1	1	1
Hazardous Materials Assistant	0.48	0.48	0.48	0.48	0.48
Call Firefighters	0.70	0.70	0.70	0.37	0.37
<b>Total Full-time Equivalent</b>	<b>23.18</b>	<b>23.18</b>	<b>23.18</b>	<b>22.85</b>	<b>23.85</b>

- Current Fire Department staffing is comprised of 22 full-time career members consisting of a Fire Chief, four Captain/EMT's, and sixteen Firefighter/Paramedics and one Administrative Assistant. Northborough Firefighters provide fire suppression, fire prevention/code enforcement and emergency medical ambulance transportation. Over the course of the last several years the Department has set a standard to hire only Firefighter/Paramedics. This is to allow the department to provide the highest-level pre-hospital care on each of the four, rotating twenty-four-hour work shifts.
- In addition to the full-time professional Firefighters, there are currently 3 active Call Firefighters that work as needed. During FY2023 Call Firefighter wages average \$26.00/hr. The Call wages budget is \$20,000. This results in approximately 0.37 FTEs ( $\$20,000 / \$26.00 = 769.23$  hrs. per year/ 52 weeks = 14.79 hrs. per week / 40hrs. per week = .37 FTE). Variations in the FTE calculation for Call Firefighters is attributable to the number of active call personnel during any given year.
- The department employs a 19 hour per week (.48 FTE) Hazardous Materials Assistant who also assists with ambulance billing.
- In FY2024, the Department added a full-time Deputy Fire Chief. In 2015, the Center for Public Safety Management completed a staffing study of the Fire Department in which it recommended the funding of a Deputy Chief to assist the Fire Chief with the overall management of the Fire Department. In 2017, Town Meeting approved the classification of a Deputy Fire Chief.

## Section 3-14

## Fire Department



	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>FIRE DEPARTMENT</b>						
<b>Personnel Services</b>						
51100 Fire Chief's Salary	125,723	129,910	132,724	140,285	62,762	144,991
*51105 Deputy Fire Chief	0	0	0	0	0	117,000
51110 Administrative Salary	61,292	62,285	63,517	65,437	30,037	67,142
51115 Part-time Admin Salary	0	0	0	0		0
51120 Firefighters Salaries	1,256,277	1,270,337	1,285,633	1,335,609	618,272	1,411,096
51132 Hazardous Materials Assistant	13,662	10,320	10,300	25,543	5,100	26,212
51230 Call Firefighter Wages	14,318	3,897	4,191	20,000	1,578	20,000
51300 Overtime	219,020	170,192	164,844	165,000	148,006	165,000
51410 Longevity Pay	9,600	8,400	8,600	9,400	9,400	8,800
51420 Fire Holiday Pay	53,034	53,002	59,463	55,949	25,229	65,379
51460 Educational Incentive	134,121	134,617	146,451	154,550	61,272	175,200
51930 In-service Training	35,636	72,163	52,364	47,572	23,039	48,895
<b>SUBTOTAL</b>	<b>1,922,683</b>	<b>1,915,123</b>	<b>1,928,087</b>	<b>2,019,345</b>	<b>984,694</b>	<b>2,249,715</b>

\*Included in the FY2024 Fire Budget is the funding of a full-time Deputy Fire Chief position. This position was recommended in 2015 following the completion of a staffing analysis of the Fire Department, and the position was classified and approved by Town Meeting in 2017. In FY2024, the position has been funded at the midpoint of grade eight, at \$117,000.





## Fire Department

## Section 3-15

	FY2020	FY2021	FY2022	FY2023	FY2023	FY2024
	ACTUAL	ACTUAL	ACTUAL	BUDGETED	SIX MONTHS	PROPOSED
<b>FIRE DEPARTMENT</b>						
<b>Expenses</b>						
52110 Utilities	25,416	28,013	32,250	26,550	11,709	30,400
52410 Vehicle Maintenance	18,438	27,136	50,705	21,250	5,385	26,250
52415 Equipment Maintenance	11,482	6,755	8,088	12,925	212	20,425
52800 Contractual Services	1,863	8,766	25,085	24,200	13,573	14,000
53110 Printing	2,199	1,261	1,451	1,000	611	1,000
53190 Training Expenses	4,809	2,780	7,403	9,000	1,125	9,000
53210 Fire Prevention Education	572	0	688	1,000	452	1,000
53410 Telephone	3,720	3,691	3,720	3,720	2,295	3,720
53420 Postage	0	19	16	400	20	400
53720 Computer Services	26,278	13,662	31,451	10,613	6,482	10,613
54290 Office Supplies	378	164	119	1,000	512	1,000
54490 Building Maintenance	11,316	11,924	21,775	20,000	9,993	0
54590 Custodial Supplies	2,007	2,590	2,163	2,000	1,449	2,500
55130 Uniforms	18,816	16,226	18,618	22,500	5,611	22,500
55990 Materials & Supplies	12,199	10,308	15,838	12,750	5,545	13,250
57110 Travel / Mileage	83	44	82	390	17	390
57310 Dues	4,280	4,830	4,505	4,164	3,750	4,575
57320 Subscriptions	1,370	1,375	1,377	1,445	1,584	1,445
57340 Meetings	90	0	0	604	0	604
57360 NFPA 1500 Compliance	1,129	1,648	300	2,350	0	2,350
58530 Capital Outlay	9,915	5,209	25,730	30,000	3,249	30,000
<b>SUBTOTAL</b>	<b>156,360</b>	<b>146,402</b>	<b>251,365</b>	<b>207,861</b>	<b>73,575</b>	<b>195,422</b>
<b>*TOTAL: FIRE</b>	<b>2,079,042</b>	<b>2,061,526</b>	<b>2,179,452</b>	<b>2,227,206</b>	<b>1,058,269</b>	<b>2,445,137</b>

\* In addition to the General Fund appropriation of \$2,445,137 (which is underwritten by a transfer of \$384,016 from the Fire Department Revolving Fund under Article 4 of the Town Meeting Warrant) the departmental budget also includes \$608,363 in planned expenses that are charged directly to the Fire Department Revolving Fund. The Fire Department Revolving Fund is supported primarily by fees for ambulance services. The total FY2024 budget that supports the Fire/EMS services is \$3,053,500 (\$2,445,137 plus the Fire Department Revolving Fund direct charges of \$608,363).

## Section 3-16

## Fire Department



	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>EMERGENCY PREPAREDNESS</b>						
<b>Personnel Services</b>						
51130 Stipend for EP Director	0	0	5,000	5,000	2,318	5,000
51130 Stipend for Shelter Coordinator	0	0	0	1,000	0	1,000
<b>SUBTOTAL</b>	<b>0</b>	<b>0</b>	<b>5,000</b>	<b>6,000</b>	<b>2,318</b>	<b>6,000</b>
<b>Expenses</b>						
52690 Equipment Maintenance	0	0	0	0	0	0
53410 Telephone	0	0	0	0	0	0
55980 Field Supplies	110	408	0	1,000	0	1,000
58690 New Equipment	0	0	0	0	0	0
<b>SUBTOTAL</b>	<b>110</b>	<b>408</b>	<b>0</b>	<b>1,000</b>	<b>0</b>	<b>1,000</b>
<b>TOTAL: EMERGENCY PREPAREDNESS</b>	<b>110</b>	<b>408</b>	<b>5,000</b>	<b>7,000</b>	<b>2,318</b>	<b>7,000</b>

The Northborough Local Emergency Planning Committee (LEPC) is a Northborough committee established through the Federal Emergency Planning and Right-To-Know Act (EPCRA) of 1986. Local, State and Federal members work together to formulate emergency planning for hazardous materials within Northborough, exercise the plan annually, maintain training for hazardous materials emergencies and provide information on hazardous materials to the public.

The Fire Chief is the Emergency Preparedness Director for the Town and coordinates the LEPC. Membership in the LEPC includes State and Local Elected Officials, Hospitals, Firefighters, Environmental Groups, Law Enforcement Personnel, News Media, Emergency Management Officials, Community Groups, Public Health Officials, Transportation Resources and Hazardous Materials Facilities. This committee maintains the Town of Northborough Hazardous Materials Plan. Input from all the groups within the LEPC membership is incorporated into hazardous materials planning.

The Northborough LEPC is a fully certified stand-alone Local Emergency Planning Committee by the Massachusetts State Emergency Response Commission (SERC). Re-Certification was last issued in 2020 and is valid for a five-year period.

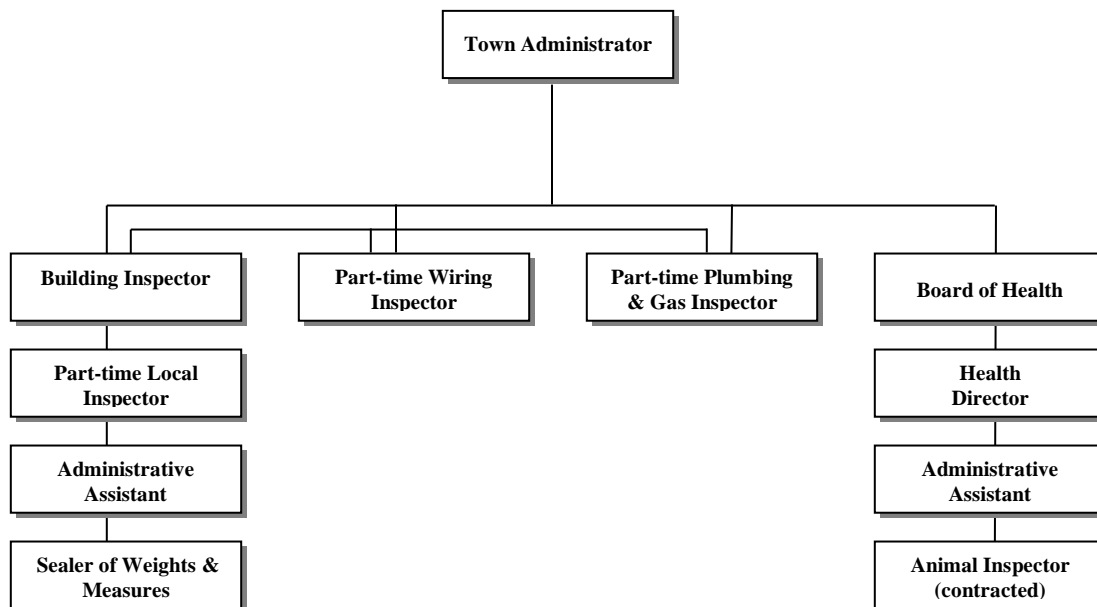
During FY2013 an Emergency Shelter Coordinator position was created, and a stipend was added to the budget, which is continued in FY2023. In FY2022 the Emergency Preparedness Director Stipend was returned to the budget to recognize the efforts required to perform that role.



### Building Department Mission Statement

The Building Department is responsible for administering and enforcing Massachusetts Codes regarding building, sheet metal, plumbing, gas, and electrical work; as well as the rules and regulations of the Massachusetts Architectural Access Board. In addition, the department administers and enforces all Town of Northborough Zoning By-laws. It is the mission of the Building Department to strive to ensure public safety, health and welfare through inspection activities and continuous enforcement of all codes, rules and regulations designed to detect and correct improper and/or unsafe building practices and land uses within the Town.

### Organizational Chart



\*Note: The Building Department and the Health Department share an office suite and two Administrative Assistants that are cross trained.

In FY2024, the Part-time Plumbing & Gas Inspector will no longer be reflected in the Board of Health budget. This position will now be managed by the Building Inspector, along with the Part-time Wiring Inspector, Local Inspector, and Sealer of Weights & Measures. In prior years, the Health Director has had some oversight responsibilities with respect to the Plumbing Inspector. Beginning in FY2024, that will no longer be the case.

**Building Department FY2023 Initiatives and Accomplishments**

1. The new online permitting system has been live in fully accessible to the public for all of FY2023. This has streamlined the permitting process, allowing for more autonomy for those seeking permits, and a more efficient approval system for the building department.
2. Solar panel installations and permit approvals increased by 53%.
3. The department filled a vacancy left by one of the Administrative Assistants who transferred to the Accounting Department.
4. The approximate total value of the permitted building and mechanical work from calendar year 2022 was \$53,022,244.

**Building Department FY2024 Goals and Objectives**

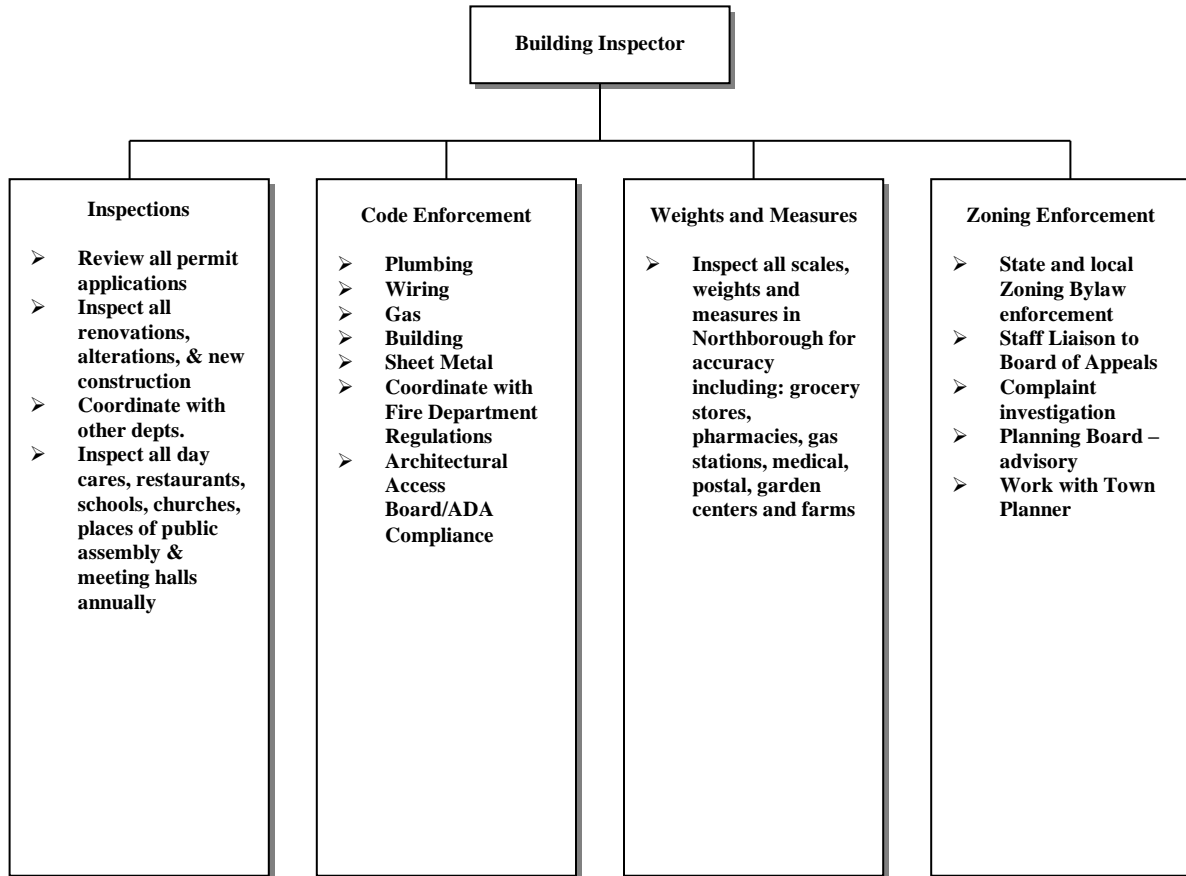
1. Staff is preparing for the adoption and implementation of the 10<sup>th</sup> Edition of the Building Code and plans to develop a comprehensive guide to assist with understanding the impacts of the code changes.
2. The department will equip all field inspectors with iPads to assist in documenting findings in real time and uploading them to the cloud based permitting system.
3. Ongoing digital archival of all plans and records to improve response times for information requests.

**Significant Budget Changes or Initiatives**

Overall, the departmental budgets for Building, Plumbing/Gas, Wiring and Sealer are up \$30,498 or 12.2%. In FY2024, the Plumbing Inspector salary will be reflected in the Plumbing/Gas budget, relocated from the Board of Health budget to reflect the reporting structure in the Building Department. When controlling for the transition of the Plumbing Inspector budget from the Health Department to the Building Department, overall, the Building, Gas, Wiring and Sealer budgets are up \$12,615 or 5%, with \$7,873 of that increase attributable to the increase in the Sealer of Weights and Measures services from the State of Massachusetts.



## Building Department Programs and Services



**BUILDING DEPARTMENT****Personnel Summary**

<b>Position</b>	<b>FY 2020 FTE</b>	<b>FY 2021 FTE</b>	<b>FY 2022 FTE</b>	<b>FY 2023 FTE</b>	<b>FY 2024 FTE</b>
Building Inspector	1	1	1	1	1
Part-time Local Building Inspector	0.40	0.40	0.40	0.40	0.48
Part-time Wiring Inspector	0.25	0.25	0.25	0.25	0.25
Part-time Gas Inspector	0.15	0.15	0.15	0.15	0.15
Part-time Plumbing Inspector	Health	Dept	---	---	0.20
Administrative Assistant	1	1	1	1	1
PT Sealer of Weights & Measures	Contract	Contract	Contract	Contract	Contract
<b>Total Full-time Equivalent</b>	<b>2.80</b>	<b>2.80</b>	<b>2.80</b>	<b>2.80</b>	<b>3.08</b>

**\*Personnel Explanation:**

- Full Time Equivalents are based upon 40hrs per wk (30hrs/40hrs = .75 FTE).
- One individual serves as both the Part-time Plumbing Inspector 8hrs per week (0.20 FTE) and the Part-time Gas Inspector 6hrs per week (0.15 FTE). The Part-time Plumbing Inspector's wages are reflected in the Health Department budget.
- Beginning in FY2013 the Town began contracting with the Massachusetts Division of Standards (DOS) to provide all Sealer of Weights & Measures services, including the inspections required at the Northborough Crossing shopping plaza. DOS is the State agency responsible for enforcing all laws, rules, and regulations relating to weights and measures and the use of weighing and measuring devices in commercial transactions.
- In FY2023, the Part-time Local Building Inspector's hours will increase from 15 per week, to 19 per week, as reflected in the chart above. This is a result of significant increases in local permit counts and inspections experienced in the last year.
- In FY2024, the Part-time Plumbing Inspector was relocated from the Health Department budget to the Building Department budget. This more accurately reflects the operations of the department whereby the Plumbing and Gas Inspector are both managed by the Building Inspector. This position will no longer be reflected in the Health Department Budget as of FY2024.



## Building Department

## Section 3-21

	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>BUILDING INSPECTOR</b>						
<b>Personnel Services</b>						
51100 Building Inspector Salary	85,738	89,202	92,806	96,562	44,250	99,470
51120 Part-time Local Inspector wages	28,788	28,610	31,223	38,590	19,906	38,690
51140 Administrative Assistant	54,946	58,642	61,901	64,929	28,703	64,252
51410 Longevity Pay	0	0	0	300	300	200
<b>SUBTOTAL</b>	<b>169,472</b>	<b>176,454</b>	<b>185,929</b>	<b>200,381</b>	<b>93,159</b>	<b>202,612</b>
<b>Expenses</b>						
53190 Training	200	921	0	1,850	0	1,850
54290 Office Supplies	1,778	806	925	660	60	780
55980 Field Supplies	0	0	0	100	0	100
57110 Travel / Mileage	1,791	1,496	1,745	3,000	521	3,718
57310 Dues	285	145	150	285	150	335
57340 Meetings	50	0	0	645	100	645
58690 New Equipment	0	0	0	150	0	150
<b>SUBTOTAL</b>	<b>4,104</b>	<b>3,367</b>	<b>2,820</b>	<b>6,690</b>	<b>831</b>	<b>7,578</b>
<b>TOTAL: BUILDING INSPECTOR</b>	<b>173,576</b>	<b>179,821</b>	<b>188,749</b>	<b>207,071</b>	<b>93,990</b>	<b>210,190</b>

## Section 3-22

## Building Department



	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>PLUMBING/GAS INSPECTOR</b>						
<b>Personnel Services</b>						
*51130 Plumbing/Gas Inspector Salary	8,914	11,350	10,130	11,577	5,904	30,169
<b>SUBTOTAL</b>	<b>8,914</b>	<b>11,350</b>	<b>10,130</b>	<b>11,577</b>	<b>5,904</b>	<b>30,169</b>
<b>Expenses</b>						
53190 Training	85	0	205	125	0	125
54290 Office Supplies	0	0	0	225	0	405
57110 Travel / Mileage	1,149	880	1,543	880	848	880
57310 Dues	25	25	90	90	25	90
58690 New Equipment	0	0	0	0	0	0
<b>SUBTOTAL</b>	<b>1,259</b>	<b>905</b>	<b>1,838</b>	<b>1,320</b>	<b>873</b>	<b>1,500</b>
<b>TOTAL: PLUMBING/GAS INSPECTOR</b>	<b>10,173</b>	<b>12,255</b>	<b>11,968</b>	<b>12,897</b>	<b>6,777</b>	<b>31,669</b>

\*The Plumbing and Gas Inspector lines were combined in FY2024 to better reflect the operations of the Building Department. Previously the Plumbing Inspector was budgeted for in the Health Department, despite being managed by the Building Inspector.





## Building Department

## Section 3-23

	FY2020	FY2021	FY2022	FY2023	FY2023	FY2024
	ACTUAL	ACTUAL	ACTUAL	BUDGETED	SIX MONTHS	PROPOSED
<b>WIRING INSPECTOR</b>						
<b>Personnel Services</b>						
51130 PT Wiring Inspector Wages	15,927	16,069	19,501	19,344	9,690	20,078
51140 PT Permanent Wages	1,171	277	401	1,000	771	1,000
<b>SUBTOTAL</b>	<b>17,098</b>	<b>16,346</b>	<b>19,902</b>	<b>20,344</b>	<b>10,460</b>	<b>21,078</b>
<b>Expenses</b>						
53190 Training	170	187	100	250	288	250
54290 Office Supplies	398	180	180	430	60	430
57110 Travel / Mileage	1,538	739	2,099	2,000	1,054	2,000
<b>SUBTOTAL</b>	<b>2,106</b>	<b>1,107</b>	<b>2,379</b>	<b>2,680</b>	<b>1,403</b>	<b>2,680</b>
<b>TOTAL: WIRING INSPECTOR</b>	<b>19,204</b>	<b>17,453</b>	<b>22,281</b>	<b>23,024</b>	<b>11,863</b>	<b>23,758</b>

## Section 3-24

## Building Department



	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>SEALER OF WEIGHTS &amp; MEASURES</b>						
<b>Personnel Services</b>						
51130 Sealer Salary	0	0	0	0	0	0
<b>SUBTOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Expenses</b>						
52800 Contractual Services	5,000	5,000	5,000	8,000	0	15,873
53190 Training	0	0	0	0	0	0
54290 Office Supplies	0	0	0	0	0	0
57110 Travel / Mileage	0	0	0	0	0	0
57310 Dues	0	0	0	0	0	0
<b>SUBTOTAL</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>8,000</b>	<b>0</b>	<b>15,873</b>
<b>TOTAL: SEALER WEIGHTS/MEASURES</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>8,000</b>	<b>0</b>	<b>15,873</b>



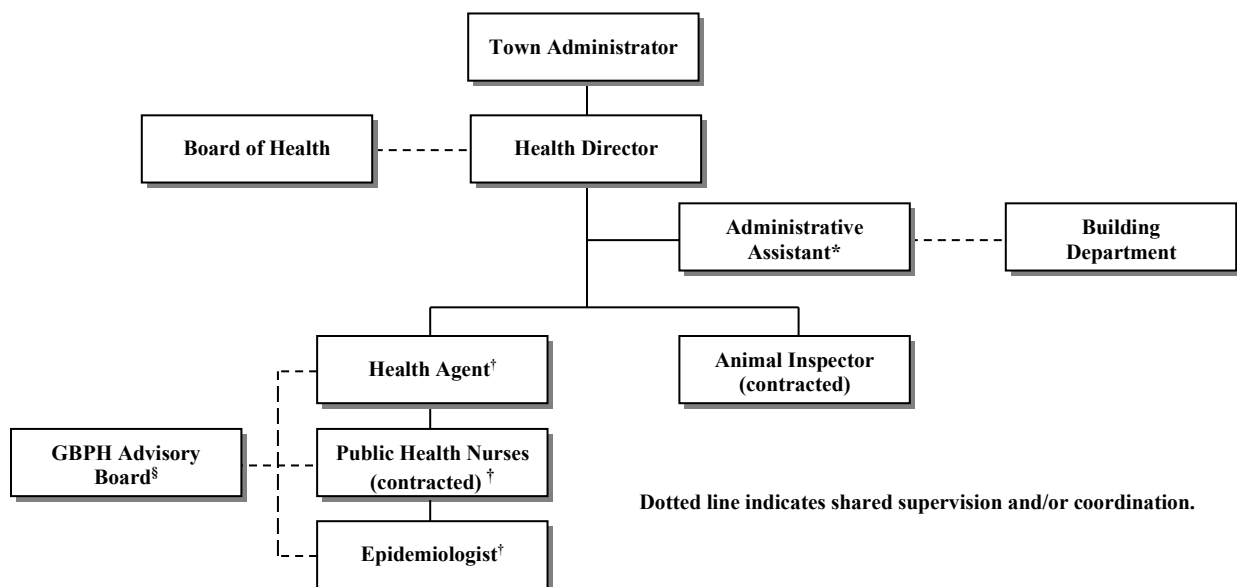
## Health Department Mission Statement

The Health Department, under the guidance of the Board of Health, promotes and protects the health and wellness of residents, employees, and visitors. This is accomplished through the development and implementation of programs focused on disease surveillance and prevention, environmental health inspections, health promotion, education, and outreach. Through the enforcement of federal, state, and local statutes and regulations, we strive to protect and preserve the health of the community and the environment.

## Board of Health

The Board of Health is composed of five members appointed by the Town Administrator. Each member serves a term of three years. The Board of Health works under the general policy direction of the Board of Selectmen and has the responsibility for the formulation and enforcement of regulations affecting the environment and the public health. The Board shall have all the powers and duties and obligations that boards of health may have under the Constitution and laws of the Commonwealth and the State Sanitary Codes, the Town Charter, Town Bylaws and the Administrative Code.

## Organizational Chart



\* The Building Department and the Health Department share an office suite and two Administrative Assistants that are cross-trained.

† The Health Agent is paid \$13,000 from the Health Department Budget and the remainder of fulltime salary and benefits from the Public Health Excellence (PHE) Grant for Shared Services. The Epidemiologist and the contracted Public Health Nurses are funded through both the PHE Grant and Local Health Support for COVID-19 Case Investigation and Contact Tracing Grant.

§ Northborough serves as the host for the Greater Boroughs Partnership for Health (GBPH).



### Health Department FY2023 Initiatives and Accomplishments

1. **Shared Services.** FY2023 marked the second year of the Greater Boroughs Partnership for Health (GBPH). This collaborative provides shared public health services and programs to towns of Northborough, Boylston, Southborough, and Westborough. Northborough serves as the host and successfully onboarded a new Health Agent as well as full-time Epidemiologist. Several new programs and initiatives were launched including a free Home Wellness Check program and Narcan Training program for residents. Shared staff provide nursing serves, inspectional services, and other health and wellness programming for the community.
2. **Substance Use Prevention and Programming.** Health Department staff took a more active role in our local substance use prevention coalition called “Encompass” (previously named Northborough-Southborough Substance Abuse Prevention Coalition). This coalition works to promote awareness and prevention of substance abuse among in the community. The coalition engaged the help of a graphic designer to create a new logo and support a rebranding campaign to improve visibility. The coalition contracted with Amanda Decker of Bright Solutions to review the coalition and make improvements to policies, recruitment, retention, programming, data collection, and grant writing. The Health Director worked with the Hudson Health Department to reallocate unspent MassCALL3 funds to contract with a consultant to perform data collection around substance use including key informant interviews and focus groups with parents and youth. The Health Department is writing a Drug Free Community Grant to submit on behalf of the coalition.
3. **Immunization Clinics.** The Health Department ran five COVID-19 vaccination clinics at the Northborough Senior Center between September and December of 2022 administering over 1,091 vaccines to individuals aged 5 and older. Clinics were supported by Medical Reserve Corps volunteers. Over 500 flu shots were administered at clinics hosted at the Senior Center, Melican Middle School (for teachers), and Algonquin Regional High School (drive-through) in the fall. Contracted nurses also administered both flu and COVID-19 vaccines to homebound residents upon request or referral.
4. **Be Well Northborough and Community Resource Guide.** Staff continued to collaborate with other town departments on the Be Well Northborough initiative. A temporary part-time Outreach Coordinator position was created to support this initiative. The Outreach Coordinator is jointly funded by the Health Department and Library through a MetroWest Health Foundation Grant and appropriation by the Library Board of Trustees through their Annual Appeal Expense Account. The Outreach Coordinator supports program development, outreach, and maintains the online Community Calendar.

The Health Department coordinated the development of a 60-page Community Resource Guide that highlights our municipal services and local, state, and federal resources that address the deeper lasting impacts of the pandemic. This project was supported by Library staff as well as input from many town departments, boards, and committees. This guide was direct mailed to all households in town and is available electronically at [bewellnorthborough.com](http://bewellnorthborough.com).

5. **Regulatory Requirements and Response to Complaints.** The Health Department continued to improve its ability to meet regulatory requirements related to septic systems,



well, food establishments, recreational camps, pools, body art, nuisance complaints and more. One hundred percent of all food establishments are up to on inspections as compared to a 77% compliance rate for the first half of the 2022 calendar year. These improvements are a direct result of the new shared services staff and the implementation of food and housing inspectional software paid for by state grants.

6. Online Permitting. The Health and Building Departments have fully implemented a cloud-based permitting software for all permits.

### **Health Department FY2024 Goals and Initiatives**

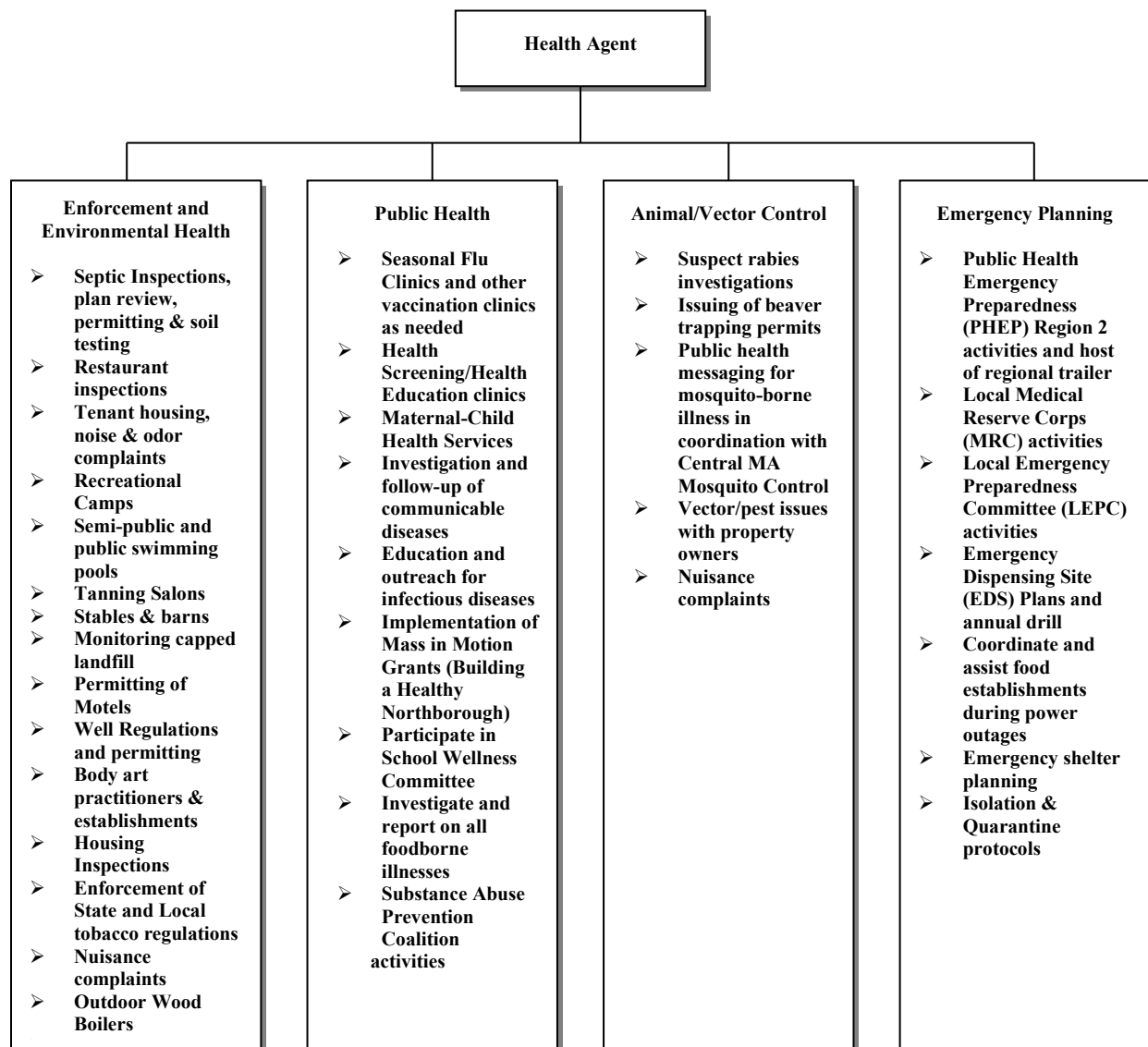
1. Shared Services for Local Public Health. As host of the Greater Boroughs Partnership for Health, the Health Department will continue to administer the Public Health Excellence Grant Program for Shared Services (\$300,000/year for FY24) and a Local Health Support for COVID-19 Case Investigation and Contact Tracing Grant (\$160,000/year for FY24). The Health Department will continue to leverage state and local grants to develop and expand public health programs and services in the region. A goal of FY2024 is to join a state-funded tobacco control alliance to improve to improve regulatory compliance and limit underage sales. The region is planning to partner with IMPACT Melanoma to install sunscreen dispensers at town parks.
2. Health Education and Outreach. The Health Department plans to work with Academic Public Health Corps to implement a new public health outreach campaign focusing on seasonal public health topics such as sun safety, tick-borne diseases, and flu vaccines. Our goal is to deliver public health outreach and education materials monthly across multiple platforms by leveraging partnerships with other town departments, media, and non-profit organizations.
3. Substance Use Prevention. The Health Department will work closely with other town departments and schools on the development and implementation of programs using Municipal Opioid Settlement Funds. Additionally, the Health Department will continue to support Encompass and delivery of grant obligations for any awarded state and federal grants related to substance use and prevention.

### **Significant Budget Changes or Initiatives**



Overall, the department's FY2024 budget is decreasing by \$16,662 or 7.2%, and this decrease reflects the part-time plumbing inspector line item moving to the Gas/Plumbing Inspector line in the Building Department budget. A survey of local communities found that the plumbing inspector position is more appropriately housed under the Building Department rather than the Health Department. When controlling for the relocation of the Plumbing Inspector expenses, the Health Department budget is increasing \$923 or 0.4%. This limited increase is due to the turnover of an Administrative Assistant. The departmental budget as presented includes July 1, 2023 cost of living adjustments for union and non-union personnel. This budget does not include merit wage adjustments for January 1, 2024 as those are contingent upon a positive performance evaluation and are budgeted centrally in the Personnel Board account.

### Health Department Programs and Services





## HEALTH DEPARTMENT

### Personnel Summary

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Position	FTE	FTE	FTE	FTE	FTE
Health Director	1	1	1	1	1
Administrative Assistant	1	1	1	1	1
Plumbing Inspector	.20	.20	.20	.20	0
Animal Inspector	contractual	contractual	contractual	contractual	contractual
<b>Total Full-time Equivalent</b>	<b>2.20</b>	<b>2.20</b>	<b>2.20</b>	<b>2.20</b>	<b>2.00</b>

### \*Personnel Explanation:

- Full Time Equivalents are based upon 40 hrs per wk (30hrs/40hrs = .75 FTE).
- Beginning in FY2024, the Plumbing Inspector is reflected in the Building Department budget to accurately align with operational oversight.
- The Animal Inspector is a contractual service covered as part of the Animal Control contract.
- In addition to the permanent General Fund staff listed in the table above, the Health Department has several shared positions. Please refer to the table below for an explanation of those positions not carried in the official personnel count.

### Additional staffing funded outside the General Fund (tax revenues):

## HEALTH DEPARTMENT

### Personnel Summary

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Position	FTE	FTE	FTE	FTE	FTE
Health Agent	0	0	0	1	1
Epidemiologist	0	0	0	.48	.80
Public Health Nurses	0	0	0	contractual	contractual
<b>Total Full-time Equivalent</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1.48</b>	<b>1.80</b>

- Greater Boroughs Partnership for Health is supported by a Public Health Excellence Grant Program for Shared Services (\$300,000/year for FY2022-FY2024) and a Local Health Support for COVID-19 Case Investigation and Contact Tracing Grant (\$160,000/year for FY2022-FY2024) from the Massachusetts Department of Public Health. In FY2024, these grants will support the following positions, which are shared by the Towns of Boylston, Southborough, and Westborough:
  - Epidemiologist – Budgeted at 32 hours per week or 0.8 FTE (increased from 19 hours per week or 0.48 in FY2023)
  - Health Agent – Budgeted at 40 hours per week or 1 FTE
  - Contracted Public Health Nurses - 2 FTE and additional per diem hours

## Section 3-30

## Health Department



	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>HEALTH DEPARTMENT</b>						
<b>Personnel Services</b>						
<sup>1</sup> 51100 Health Director	72,338	72,755	94,590	101,306	44,655	103,332
<sup>2</sup> 51130 Part-Time Plumbing Inspector	12,963	15,133	14,291	17,405	8,096	0
51140 Administrative Assistant wages	54,946	58,642	61,901	64,929	28,703	64,252
<sup>3</sup> 51220 Temporary wages	10,496	12,988	0	13,000	0	17,000
51410 Longevity Pay	0	0	0	100	100	0
<b>SUBTOTAL</b>	<b>150,743</b>	<b>159,518</b>	<b>170,781</b>	<b>196,740</b>	<b>81,554</b>	<b>184,584</b>
<b>Expenses</b>						
52800 Contractual Services	0	178	3,250	1,000	0	4,000
53090 Advertising	0	0	0	250	0	250
53170 Testing	7,662	6,523	3,074	20,000	0	20,000
<sup>4</sup> 53990 Nursing Services	7,000	7,500	1,250	7,000	0	0
54290 Office Supplies	989	1,247	1,648	1,260	793	1,080
57110 Travel / Mileage	1,383	1,276	807	3,000	0	2,500
57310 Dues / Licensure Fees	60	60	400	1,201	225	1,370
57340 Meetings	115	551	400	1,195	660	1,200
57810 Unclassified	78	1,655	5,053	300	1,020	300
58690 New Equipment	23	0	2,049	200	72	200
<b>SUBTOTAL</b>	<b>17,309</b>	<b>18,990</b>	<b>17,929</b>	<b>35,406</b>	<b>2,770</b>	<b>30,900</b>
<b>TOTAL: HEALTH DEPARTMENT</b>	<b>168,052</b>	<b>178,508</b>	<b>188,711</b>	<b>232,146</b>	<b>84,324</b>	<b>215,484</b>

<sup>1</sup> Health Director receives a \$10,000 stipend in addition to the listed salary which is paid directly from the PHE grant for oversight of the Greater Boroughs Partnership for Health shared staff and services.

<sup>2</sup> Beginning in FY2024, the Plumbing Inspector is reflected in the Gas/Plumbing Inspector Budget under the Building Department to better align with actual operational oversight.

<sup>3</sup> Line 51220 includes \$13,000 match towards PHE grant which funds majority of the Health Agent wages for the Greater Boroughs Partnership for Health, as well as \$4,000 in wages to fund a part-time Title V Inspector.

<sup>4</sup> In FY2024, Nursing Services are covered by the PHE grant. Funds have been reallocated to lines 52800 and 51220 as operational funding cannot be supplanted by grants.





## Animal Control Services Statement

Animal Control has primary responsibility for the enforcement of Chapter 2-24 of the Town Code—Dogs and Other Animals, as amended, and Massachusetts General Laws, Chapter 140—Licenses, Sections 136A through 175 (regulation of dogs and other animals) as amended, and any other applicable laws or regulations. Duties include but are not limited to licensing enforcement; enforcing state and local leash laws and regulations; investigating complaints relative to alleged violations of laws, bylaws and regulations related to domesticated animals; and participating in any hearings before the Board of Selectmen and/or prosecution of cases in Court as needed. Animal Control is also responsible for assisting with general animal-related situations, as appropriate.

## Significant Budget Changes or Initiatives

Beginning in FY2013 Animal Control services were outsourced through a contractual arrangement and the fees from dog licenses and fines brought into the General Fund as a transfer from the revolving fund to off-set the cost of the contract. The base contract is \$39,304, plus a small allowance for animal testing, if needed. In FY2024 the revolving fund revenues proposed to be transferred in are \$28,000 and the total Animal Control budget is \$42,729, resulting in a net tax-supported service expense of \$14,729.

Animal Control					
Personnel Summary					
Position	FY 2020 FTE	FY 2021 FTE	FY 2022 FTE	FY 2023 FTE	FY 2024 FTE
Dog Officer	Contracted	Contracted	Contracted	Contracted	Contracted
Assistant Dog Officer	Contracted	Contracted	Contracted	Contracted	Contracted
<b>Total Full-time Equivalent</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### \*Personnel Explanation:

- During FY2012 the position of Dog Officer became vacant due to a retirement. Following a detailed analysis, the Town opted to contract out for the service at significant savings. The contractual arrangement continues during FY2024.

Prior to the outsourcing of the Animal Control services in FY2013 there were two on-call Assistant Dog Officers that served on an “as-needed” basis to cover absences of the full-time Dog Officer. The costs associated with the Assistant Dog Officers were funded through the Dog Officer’s Revolving Fund where dog license fees and related fines are collected and deposited for use in support of the service. These positions were eliminated in FY2013.

## Section 3-32

## Animal Control



	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>ANIMAL CONTROL</b>						
<b>Personnel Services</b>						
51130 Dog Officer Salary	0	0	0	0	0	0
51410 Longevity Pay	0	0	0	0	0	0
<b>SUBTOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Expenses</b>						
52800 Contractual ACO Services	39,481	39,470	39,388	42,729	9,051	42,729
<b>SUBTOTAL</b>	<b>39,481</b>	<b>39,470</b>	<b>39,388</b>	<b>42,729</b>	<b>9,051</b>	<b>42,729</b>
<b>TOTAL: ANIMAL CONTROL</b>	<b>39,481</b>	<b>39,470</b>	<b>39,388</b>	<b>42,729</b>	<b>9,051</b>	<b>42,729</b>

### **Dog Officer's Revolving Fund Explanation:**

The Revolving Fund is where dog license fees and related fines are collected and deposited for use in support of the service. Beginning in FY2013 the fees from dog licenses and fines went into the General Fund as a transfer to off-set the costs of the Animal Control services. In FY2024 the revolving fund revenues proposed to be transferred in are \$28,000 and the cost for Animal Control services is \$42,729, resulting in a net tax-supported service expense of \$14,729.

# **Public Works**

## **Section 4**



This Page Intentionally Blank



### **Public Works Departmental Statement**

The Department of Public Works (DPW) consists of multiple Divisions collectively responsible for maintaining and improving the Town's public spaces and infrastructure. This includes the maintenance and development of Town roads, sidewalks, public trees, cemeteries, parks, public grounds and buildings, as well as the Town water supply system and wastewater/sewerage system. In addition to general administration, the Divisions within the Department include: Highway, Parks, Cemetery, Facilities, Engineering, Water and Sewer. For budget information regarding the Water and Sewer Divisions, please see Enterprise Funds, Section 8 of this document.

#### **Highway Division**

The Highway Division is responsible for all repairs, street openings, new construction of public ways, sidewalk construction and repair, drainage, snow removal and other matters having to do with the proper maintenance and development of the Town's road system. The Highway Division also maintains the trees within the right-of-way along the public roads.

#### **Parks Division**

The Parks Division is responsible for maintaining and developing public playgrounds, parks and related facilities. Under the current staffing model, the same staff performs the duties of the Highway and Parks Divisions.

#### **Cemetery Division**

The Cemetery Division operates, maintains and develops the public burial grounds of the Town and related facilities. There is a small historic cemetery on Brigham Street which has few headstones. The main burial ground in Town is the Howard Street Cemetery which has two portions: the older, historic section and the north section, or the Kizer Cemetery, named for the family from whom the land was purchased. The original section is 18.65 acres, and the active North section is 21.71 acres.

#### **Facilities Division<sup>1</sup>**

The Facilities Division is responsible for the maintenance and repair of Town owned buildings including the Town Hall, Senior Center, Library, Police and Fire Stations, Highway Garage, White Cliffs, and soon to include 4 West Main Street. Work entails implementing and monitoring preventative maintenance work for all mechanical systems and building envelopes, repairs to fixtures and amenities, and assistance with capital projects.

#### **Engineering Division**

The Engineering Division provides technical support to all Town Departments, Boards, and Committees as requested. The Town Engineer reviews a variety of projects for the Planning Board, Conservation Commission, Earthwork Board, Groundwater Advisory Committee and Zoning Board of Appeals. The Division is also responsible for oversight of the Town Pay-As-You-Throw solid waste program which is shown separately under the Solid Waste Enterprise Fund portion of this budget document. The Town Engineer works with various state agencies as a Town representative on local issues (e.g., Mass Highway, Central Mass Regional Planning Commission, MA Executive Office of Environmental Affairs and US Department of Environmental Protection).

---

<sup>1</sup> FY2024 is the first year that the cost of maintaining town facilities is centralized in a Facilities Division in the Public Works budget.

**Water and Sewer Divisions (Enterprise Funds)**

The Water and Sewer Divisions operate, maintain and develop the Town's public water and sewer systems and related facilities. The Water and Sewer Divisions are operated as enterprise funds. Briefly, an enterprise fund as authorized under MGL Ch. 44 §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 costs of service delivery—direct, indirect, and capital costs—are identified. This allows the community the option to recover total service costs through user fees.

For purposes of providing a departmental overview and personnel summary, the Water & Sewer Division is included here within the DPW Section 4 of the budget. The actual budgets associated with the Water and Sewer enterprise funds are contained in Section 8 of this budget document.

**Related Advisory Boards and Commissions**

In addition to the various DPW Divisions, there are several advisory Boards and Commissions related to the DPW's mission and functions. These include:

**Cemetery Commission**

The Cemetery Commission consists of three members appointed by the Town Administrator for three-year terms. The Commission is responsible for the development of policies, fees, rules and regulations pertaining to the care, superintendence and management of all public burial grounds. The DPW Director serves as the staff liaison to the Cemetery Commission.

**Parks & Recreation Commission**

The Parks & Recreation Commission consists of five members appointed by the Board of Selectmen for three-year terms. The Commission is responsible for the development of policies, rules and regulations pertaining to the care, superintendence and management of the public recreation programs, facilities and public parks and playgrounds under its control. The DPW Director serves as one of the staff liaisons to the Parks & Recreation Commission and is responsible for the physical maintenance of the facilities. The other staff liaison is the Recreation Director, who is responsible for the Recreation Department programs on those facilities.

**Water & Sewer Commission**

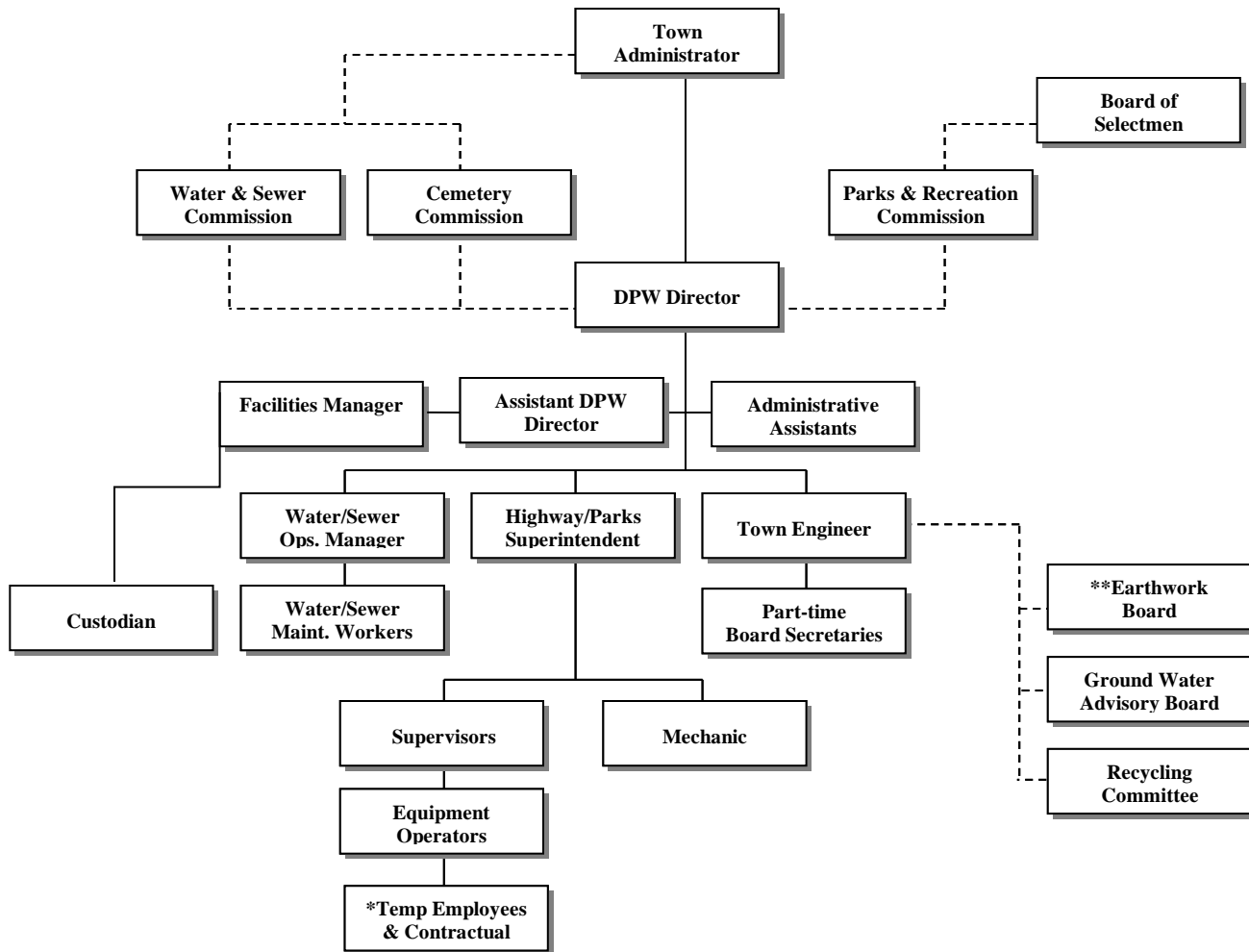
The Water & Sewer Commission consists of three members appointed by the Town Administrator for three-year terms. The Commission is responsible for the development of policies, fees, rules and regulations pertaining to the care, superintendence, development and management of the Town's water supply and facilities and the Town's sewerage system. The DPW Director serves as the staff liaison to the Water & Sewer Commission.

**Groundwater Advisory Committee**

The Groundwater Advisory Committee consists of five members, one each appointed by the Planning Board, the Conservation Commission, the Board of Health, the Board of Selectmen and the Water & Sewer Commission for indefinite terms. The Committee exists to protect, preserve and maintain the existing and potential groundwater supply and groundwater recharge areas within the known aquifers of the town.



## DPW Organizational Chart



### Organizational Chart Notes:

\*The Highway/Parks Division and Cemetery Division use temporary, seasonal employees to augment park maintenance in the summer months, and contractual snowplow operators to supplement DPW staff during winter operations.

\*\*The Earthwork Board secretary is budgeted under Planning & Conservation.

**DPW FY2023 Initiatives and Accomplishments****Highway/Parks & Cemetery Divisions:**

1. The Department secured quotes and issued purchase orders for equipment and vehicle replacements including a one-ton dump body, front end loader, backhoe, and 20-ton truck.
2. Construction of the new Assabet Park Playground was complete and open for use prior to Memorial Day weekend.
3. Implemented approximately 8.4 miles of roadway maintenance and improvements including mill and overlay, full depth reclamation, rubber chip seal, and crack fill. Reconstructed approximately 0.8 miles of sidewalk.
4. Completed townwide condition assessment of all roadways and sidewalks including capital improvement plans for each.
5. Conducted snow plowing and treatment of over 80 miles of roads for all winter weather events in what turned out to be an average snow fall season.
6. Issued 126 permits for water, sewer, and drainage work which is an increase of 30 over the prior year.
7. Pruned or completely removed over 65 unhealthy, dead, or dying street trees located within the Town's right of way.
8. Completed replacement of the failing Lincoln Street culvert in time for school to open without interruption.
9. Adopted a local Complete Streets Policy. Submitted to MassDOT the Town's Complete Street Prioritization Plan for which MassDOT approval is the final requirement for Northborough to be designated as a Complete Streets Community. A \$35,200 competitive grant was awarded to the Town to partially fund this effort.
10. Completed aesthetic improvements to the September 11, 2001 memorial.
11. Completed construction of six new pickleball courts at Ellsworth McAfee Park.
12. Facilitated painting of a new mural adjacent to the Town Common.

**Facilities Division:**

1. Replaced both geothermal heat pumps at the Senior Center including upgrades to the system of controls.
2. Completed energy efficient building lighting weatherization improvements funded through Green Communities grants.
3. Installed and commissioned a new audio video system at the Senior Center.
4. Completed roof, masonry, plaster, and paint restoration work at the Northborough Free Library.





5. Secured White Cliffs including selective deconstruction of the south chimney, closure of building envelop openings, and installation of a humidity control system.
6. Submitted grant applications for preparation of an ADA self-evaluation and transition plan, and for a variety of safety measures through the Massachusetts Interlocal Insurance Agency funding program.

### **Engineering Division:**

1. The annual Household Hazardous Waste Day was held at the DPW Garage at 190 Main Street and included the collection of scrap metal and Styrofoam by the Northborough Junior Women's Club.
2. During 2015 the Massachusetts Department of Environmental Protection (DEP) restored some Grant programs which had been eliminated several years before due to the constraints on the state budget. In FY2023, the Town received a \$15,400 grant under the Recycling Dividends Program which will be used to offset some costs such as purchasing recycling bins, compost bins and the cost of producing and mailing the annual recycling calendar to each household in June.
3. The Town Engineer represented Northborough as its liaison to the Central Massachusetts Regional Stormwater Coalition (CMRSWC) and sits on their Steering Committee as they work toward finding feasible ways to protect stormwater quality and to remain in compliance with the Federal Environmental Protection Agency MS4 NPDES permit.
4. The Town Engineer worked closely with the Massachusetts Department of Transportation (MDOT) regarding projects involving the state highway within the limits of Northborough and made applications for State Highway Access Permits on behalf of applicants proposing to connect to Town utilities located within the state highway.
5. The Town Engineer worked closely with the Conservation Commission and their agent on the implementation of the Stormwater Management and Land Disturbance Bylaw, which was approved at the 2021 Annual Town Meeting.

### **Water and Sewer Divisions:**

1. The Assabet Valley Regional Technical High School students completed the interior fit-out for the new operations building.
2. Conducted the sixth year of a 15-year Sanitary Sewer Inflow and Infiltration (I&I) Elimination Program as mandated by State and Federal clean water regulations including building inspections, flow isolation, and video pipe inspection.
3. Completed the second infiltration elimination construction project which removed approximately 67,000 gallon per day of non-sanitary infiltration.
4. Completed controls replacement at the Assabet Hill Water Storage Tank including new testing and monitoring facilities and enclosure.



5. Submitted environmental permit applications for removal of the Northborough Reservoir Dam.
6. Commenced installation of a Supervisory Collection and Data Acquisition system (SCADA) for both water and sewer facilities to allow for remote monitoring of critical infrastructure.
7. Continued our bi-annual hydrant flushing and annual gate exercising program.
8. Continued compliance with unfunded drinking water mandates including:
  - a. Revised Total Coliform Rule.
  - b. Reduction of Lead in Drinking Water Act.
  - c. Revisions to the Water Management Act (WMA) including the Sustainable Water Management Initiative (SWMI).
  - d. Unregulated Contaminant Monitoring Rule (UCMR) Phase 5.
9. Continued upgrading all water meter communication devices.
10. Procured backup power supply for the Town Hall Sewer Pump Station and new operations building.

#### **Department of Public Works FY2024 Goals and Initiatives**

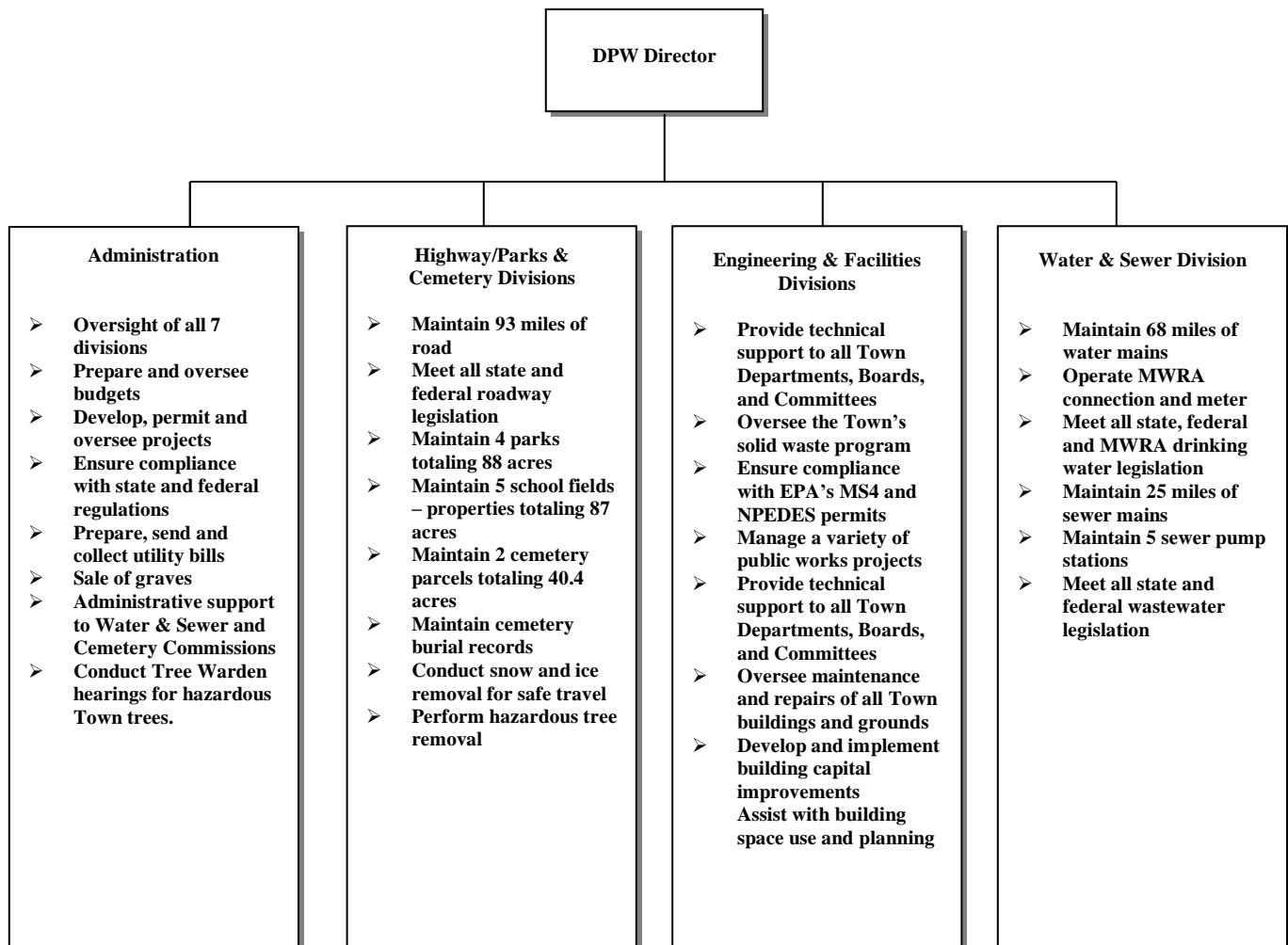
1. Continue the all-inclusive approach to infrastructure management and improvement by combining the recommendations from the pavement management program, water master plan and the comprehensive wastewater management plan to proficiently manage operations and prioritize future capital improvement projects.
2. Selectively implement the pavement management plan according to recommendations by the consultants and Public Works staff with a goal of addressing 10% of the town roadways.
3. Conduct a facilities assessment of all Town buildings including capital needs.
4. Consolidate building preventative maintenance contracts to realize economy of scale savings.
5. Complete design of the ADA accessible trail around the Senior Center property.
6. Obtain MassDOT approval and designation as a Complete Streets Community.
7. Complete improvements to the historic Brigham Street Burial Ground.
8. Continue compliance with unfunded drinking water mandates.
9. Implement the Town's Stormwater Management Plan and Stormwater Pollution Prevention Plan as required by the EPA's final MS4 permit.
10. Rehabilitate grounds around Civil War Memorial.
11. Relocate water and sewer operations into the new building.
12. Obtain all environmental permits for removal of the Northborough Reservoir Dam.
13. Commission the new water and sewer SCADA system.



### Significant Budget Changes or Initiatives

Overall, the Department of Public Works General Fund budget is increasing \$445,316 or 12.7%. Of this increase, \$271,959 is directly attributable to the movement of Facilities expenses from General Administration to being a division within the Public Works department. This division consolidates expenses from several other departments and centralizes them under the Facilities Manager for better oversight and management. Of the \$271,959 increase, \$183,000 is for the movement of expenses from other departments to the centralized Facilities Division. Controlling for the addition of the Facilities Division to Public Works, the general fund portion of the Public Works budget is increasing \$173,357 or 4.9%. All divisions have significant increases in the costs for all general goods and utilities due to the inflationary impacts being felt across all industries, including a 20% increase for road salt. The major department initiatives supported by the General Fund address safety and environmental compliance. These include mandated safety compliance with the Division of Labor Standards which has adopted the requirements of the Occupational Safety and Health Administration. The Town continues to implement new components of the required Stormwater Pollution Prevention Plan, improvements to roadway and roadside safety, compliant removal and disposal of street sweeping and catch basin debris, proper disposal of resident generated yard waste, maintenance and repairs to parks and monuments, and biannual street sweeping.

### Programs and Subprograms





DEPARTMENT OF PUBLIC WORKS					
Personnel Summary					
Position	FY 2020 FTE	FY 2021 FTE	FY 2022 FTE	FY 2023 FTE	FY 2024 FTE
<u>Administration</u>					
DPW Director	1	1	1	1	1
Assistant DPW Director	1	1	0	0	0
Administrative Assistants	2.48	2	2	2	2
<u>Engineering Division</u>					
Town Engineer	1	1	1	1	1
<u>Highway/Parks/Cemetery Division</u>					
Highway/Parks Superintendent	1	1	1	1	1
Highway/Parks/Cemetery Supervisor	2	2	2	2	2
Mechanic	1	1	1	1	1
Heavy Equipment Operators	6	5	5	5	5
Light Equipment Operator	1	1	2	3	3
<u>Facilities Division<sup>2</sup></u>					
Facilities Manager	0	0	0	0	1
Custodian	0	0	0	0	1
<u>Water &amp; Sewer Division</u>					
Water/Sewer Operations Manager	1	1	1	1	1
Water/Sewer Maintenance Workers	3	3	3	3	3
<b>Total Full-time Equivalents</b>	<b>20.48</b>	<b>19</b>	<b>19</b>	<b>20</b>	<b>22</b>

\*Personnel Explanation: Full-time Equivalents are based upon 40 hrs per wk (30hrs/40hrs = .75 FTE).

- The Highway/Parks & Cemetery Divisions use seasonal staff to augment park maintenance in the summer and contract snowplow operators to supplement staff during winter operations.
- The DPW Director's salary and wages for the two full-time Administrative Assistants are budgeted 50% in the General Fund, 30% in the Water Enterprise Fund and 20% in the Sewer Enterprise Fund budget (See Section 8 of this budget document for Enterprise Fund detail).
- The FY2021 budget eliminated the part-time water/sewer administrative assistant and the department started using a lockbox service.
- In FY2022 funding for the vacant Assistant DPW Director was reallocated to hire another Light Equipment Operator at the request of the Director to better meet service demands. In FY2023 the previously cut Light Equipment Operator position was added back.
- The FY2024 Public Works budget incorporates a newly created Facilities Division. Funds within this division are reallocated from other building Departments such as Fire, Police, Library, Senior Center, and Public Buildings.

<sup>2</sup> The Facilities Manager and half the full-time Custodian were previously budgeted and accounted for in the Public Buildings budget. Half of the full-time Custodian was budgeted in the Police Department. In FY2024, those positions will relocate into the Facilities Division of the Public Works budget.



# Department of Public Works

## Section 4-9

### \*\*DPW Personnel Table of FTEs by Division Budgets\*\*

<b>DEPARTMENT OF PUBLIC WORKS</b>					
<b>Personnel Summary<sup>3</sup></b>					
<b>Position</b>	<b>FY 2020 FTE</b>	<b>FY 2021 FTE</b>	<b>FY 2022 FTE</b>	<b>FY 2023 FTE</b>	<b>FY 2024 FTE</b>
<u>Administration</u>					
Budgeted in Divisions below					
<u>Engineering Division</u>					
Town Engineer	1	1	1	1	1
<u>Highway/Parks Division</u>					
DPW Director	.5	.5	.5	.5	.5
Assistant DPW Director	.5	.5	0	0	0
Administrative Assistants	1	1	1	1	1
Highway/Parks Superintendent	1	1	1	1	1
Supervisor	1.25	1.25	1.25	1.25	1.25
Mechanic	1	1	1	1	1
Heavy Equipment Operators	6	5	5	5	5
Light Equipment Operator	.5	1.5	1.5	2.5	2.5
<u>Cemetery Division</u>					
Supervisor	.75	.75	.75	.75	.75
Heavy Equipment Operator	0	0	0	0	0
Light Equipment Operator	.5	.5	.5	.5	.5
<u>Facilities Division</u>					
Facilities Manager	0	0	0	0	1
Custodian	0	0	0	0	1
<u>Water Division Enterprise Fund</u>					
DPW Director	.3	.3	.3	.3	.3
Assistant DPW Director	.3	0	0	0	0
Administrative Assistants	.89	.6	.6	.6	.6
Water/Sewer Superintendent	0	0	0	0	0
Water/Sewer Operations Manager	.6	.6	.6	.6	.6
Water/Sewer Maintenance Workers	1.8	1.8	1.8	1.8	1.8
<u>Sewer Division Enterprise Fund</u>					
DPW Director	.2	.2	.2	.2	.2
Assistant DPW Director	.2	0	0	0	0
Administrative Assistants	.59	.4	.4	.4	.4
Water/Sewer Superintendent	0	0	0	0	0
Water/Sewer Supervisor	.4	.4	.4	.4	.4
Water/Sewer Maintenance Workers	1.2	1.2	1.2	1.2	1.2
<b>Total Full-time Equivalents</b>	<b>20.48</b>	<b>19</b>	<b>19</b>	<b>20</b>	<b>22</b>

<sup>3</sup> The table above represents how personnel in the table on the previous page are budgeted, as opposed to how many full-time equivalents exist by title. The distinction is important due to the existence of the Water and Sewer Enterprise Funds and the accounting required to capture all the costs associated with these services, so that the fee structures may be set to cover 100% of the direct and indirect costs. For more detail on enterprise fund budgets, please refer to Section 8 of this budget document.

## Section 4-10

## Department of Public Works



	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>HIGHWAY ADMINISTRATION</b>						
<b>Personnel Services</b>						
451100 DPW Director Salary (50%)	61,884	64,384	66,345	68,366	31,329	70,475
51100 Assistant DPW Director (50%)	0	0	0	0	0	0
51410 Longevity Pay	0	0	100	100	100	100
<b>SUBTOTAL</b>	<b>61,884</b>	<b>64,384</b>	<b>66,445</b>	<b>68,466</b>	<b>31,429</b>	<b>70,525</b>
<b>Expenses</b>						
52110 Utilities	35,710	34,830	35,229	42,540	6,853	61,840
52800 Contractual Services	2,952	470	0	0	0	0
54290 Office Supplies	1,263	916	2,177	2,000	1,205	2,000
54490 Building Maintenance	20,435	10,525	24,484	27,900	7,637	27,900
57110 Travel/Mileage	673	341	560	1,075	144	1,075
57310 Dues	2,093	785	759	2,793	278	2,793
<b>SUBTOTAL</b>	<b>63,125</b>	<b>47,867</b>	<b>63,209</b>	<b>76,308</b>	<b>16,116</b>	<b>95,608</b>
<b>TOTAL: HIGHWAY ADMINISTRATION</b>	<b>125,009</b>	<b>112,251</b>	<b>129,653</b>	<b>144,774</b>	<b>47,545</b>	<b>166,133</b>

<sup>4</sup> Line 51100 includes 50% of the DPW Director and Assistant Director Salaries with 30% carried in the Water Enterprise Fund Budget and the other 20% included in the Sewer Enterprise Budget (see Section 8 of this Budget Document for detail on the Enterprise Budgets)



## Department of Public Works

## Section 4-11

FY2020	FY2021	FY2022	FY2023	FY2023	FY2024
ACTUAL	ACTUAL	ACTUAL	BUDGETED	SIX MONTHS	PROPOSED

### HIGHWAY DIVISION CONSTRUCTION & MAINTENANCE

#### Personnel Services

51010 Labor Wages	625,709	663,840	680,785	764,955	323,674	784,868
51140 Wages Part-time Permanent	61,287	62,375	63,517	65,299	29,944	67,150
51300 Overtime	98,408	111,327	114,481	121,588	77,592	123,123
51410 Longevity Pay	4,175	4,875	5,088	5,238	5,238	5,388
51920 Uniforms	8,313	8,788	9,263	11,163	4,631	11,963
51970 Stipends	0	0	0	0	0	0
<b>SUBTOTAL</b>	<b>797,892</b>	<b>851,204</b>	<b>873,133</b>	<b>968,243</b>	<b>441,079</b>	<b>992,492</b>

#### Expenses

52690 Equipment Maintenance	79,537	95,956	94,035	89,000	38,793	94,300
52800 Contractual Services	17,438	54,148	23,476	45,250	26,211	45,500
55320 Materials & Supplies	23,089	22,338	27,651	16,200	12,186	22,300
55420 Safety Training, Dues & Licenses	3,230	1,359	2,452	6,970	0	12,470
58690 New Equipment	0	982	13,815	13,000	0	13,000
58710 Roadway Maintenance	77,891	84,686	157,811	400,000	44,675	400,000
58715 Storm water/Drainage	141,636	78,447	103,398	181,500	89,296	196,500
<b>SUBTOTAL</b>	<b>342,821</b>	<b>337,915</b>	<b>422,639</b>	<b>751,920</b>	<b>211,160</b>	<b>784,070</b>

#### TOTAL: HIGHWAY CONST & MAINT.

<b>1,140,713</b>	<b>1,189,119</b>	<b>1,295,772</b>	<b>1,720,163</b>	<b>652,238</b>	<b>1,776,562</b>
------------------	------------------	------------------	------------------	----------------	------------------

## Section 4-12

## Department of Public Works



	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>PARKS DIVISION</b>						
<b>Personnel Services</b>						
<sup>5</sup> 51130 Labor Wages	0	0	0	0	0	0
51220 Seasonal Temporary Labor	45,160	19,213	45,906	45,000	24,495	48,000
51300 Overtime	0	0	0	0	0	0
51410 Longevity Pay	0	0	0	0	0	0
<b>SUBTOTAL</b>	<b>45,160</b>	<b>19,213</b>	<b>45,906</b>	<b>45,000</b>	<b>24,495</b>	<b>48,000</b>
<b>Expenses</b>						
51920 Uniforms	832	1,459	848	1,700	488	1,825
52110 Utilities	1,485	1,468	1,811	2,000	755	2,600
52610 Materials & Supplies	52,839	54,840	49,614	75,000	13,565	75,000
52800 Contractual Services	5,000	3,296	13,435	8,500	653	27,540
54710 Building Maintenance	6,886	2,587	4,021	4,000	1,263	4,000
58690 New Equipment	9,370	8,244	15,248	19,500	1,350	19,500
<b>SUBTOTAL</b>	<b>76,412</b>	<b>71,893</b>	<b>87,104</b>	<b>110,700</b>	<b>18,074</b>	<b>130,465</b>
<b>TOTAL: PARKS DIVISION</b>	<b>121,572</b>	<b>91,106</b>	<b>133,010</b>	<b>155,700</b>	<b>42,569</b>	<b>178,465</b>

<sup>5</sup> Funding previously included in Line 51130 has been collapsed into Line 51220 to fund seasonal/temporary help instead of a permanent laborer position





## Department of Public Works

## Section 4-13

	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>CEMETERY DIVISION</b>						
<b>Personnel Services</b>						
<sup>6</sup> 51010 Labor Wages	81,606	83,444	85,652	88,530	40,299	90,855
<sup>7</sup> 51100 Miscellaneous Labor	15,362	16,731	17,160	23,280	7,524	28,600
51300 Overtime	6,314	6,005	9,820	7,792	3,672	8,619
51410 Longevity Pay	375	475	588	588	588	588
51920 Uniforms	1,188	1,188	1,188	1,188	594	1,188
<b>SUBTOTAL</b>	<b>104,843</b>	<b>107,842</b>	<b>114,407</b>	<b>121,378</b>	<b>52,676</b>	<b>129,850</b>
<b>Expenses</b>						
52110 Utilities	685	796	854	1,000	380	1,600
52690 Equipment Maintenance	4,421	5,521	7,381	5,000	6,951	6,300
54490 Building Repair	3,654	230	10,417	4,100	0	4,100
54690 Materials & Supplies	19,398	17,011	17,194	20,100	5,099	24,350
58690 New Equipment / Capital	10,676	8,748	13,783	21,000	560	21,000
<b>SUBTOTAL</b>	<b>38,833</b>	<b>32,307</b>	<b>49,629</b>	<b>51,200</b>	<b>12,989</b>	<b>57,350</b>
<b>TOTAL: CEMETERY DIVISION</b>	<b>143,676</b>	<b>140,149</b>	<b>164,035</b>	<b>172,578</b>	<b>65,665</b>	<b>187,200</b>

<sup>6</sup> FY2019 represents a new Supervisor position budgeted 75% in Cemetery and 25% in highway/parks to accurately reflect the time dedicated to the Cemetery Division

<sup>7</sup> Seasonal summer help dedicated exclusively to the cemetery is now budgeted in line 51100 to more accurately represent the resources devoted to the Cemetery Division

## Section 4-14

## Department of Public Works



	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b><sup>8</sup>FACILITIES DIVISION</b>						
<b>Personnel Services</b>						
51010 Salaries Full-Time	0	0	72,522	95,411	43,723	158,168
51300 Overtime	0	0	0	6,596	0	6,600
51410 Longevity Pay	175	175	175	175	175	500
<sup>9</sup> 51920 Part-Time Custodial	27,466	28,125	21,544	29,321	13,567	0
<b>SUBTOTAL</b>	<b>27,641</b>	<b>28,300</b>	<b>94,242</b>	<b>131,503</b>	<b>57,464</b>	<b>165,268</b>
<b>Expenses</b>						
52800 Contractual Services	0	5,112	28,083	3,000	0	133,070
54492 Repairs & Maintenance	82,932	41,481	198,230	110,500	17,170	204,951
54590 Supplies	13,959	12,994	11,182	15,000	6,713	5,400
54820 Gasoline	74,713	82,530	149,795	150,000	81,008	165,000
57110 Travel/Mileage	0	0	85	0	443	2,150
57310 Dues	0	0	0	0	325	2,165
58700 Water Charges	9,129	12,531	9,257	16,500	10,830	16,500
58705 Sewer Charges	5,879	3,589	5,307	6,720	2,697	6,720
58708 Solid Waste Charges	43,612	44,614	45,741	45,947	14,370	49,932
<b>SUBTOTAL</b>	<b>230,224</b>	<b>202,851</b>	<b>447,680</b>	<b>347,694</b>	<b>133,554</b>	<b>585,888</b>
<b>TOTAL: FACILITIES DIVISION</b>	<b>257,866</b>	<b>231,151</b>	<b>541,922</b>	<b>479,197</b>	<b>191,018</b>	<b>751,156</b>

<sup>8</sup> In FY2024, the Facilities Division will reflect the cost for maintaining all public buildings. Previously, these funds were budgeted in a combination of places, including the prior "Public Buildings" budget, as well as various departmental budgets.

<sup>9</sup> Previously funds for half the Custodian's salary were budgeted in the Public Buildings fund, reflected in line 51920 until FY2024, and the other half was previously budgeted in the Police Department. In FY2024, the full salary for the Custodian will be budgeted in the Facilities full-time salary line 51010.



## Department of Public Works

## Section 4-15

	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>ENGINEERING</b>						
<b>Personnel Services</b>						
51100 Town Engineer Salary	114,206	116,490	118,820	122,406	56,093	124,476
51410 Longevity Pay	650	650.00	650	650	650	650
<b>SUBTOTAL</b>	<b>114,856</b>	<b>117,140</b>	<b>119,470</b>	<b>123,056</b>	<b>56,743</b>	<b>125,126</b>
<b>Expenses</b>						
52800 Contractual Services	35,000	70,000	8,000	64,200	0	64,200
54290 Office Supplies	374	317	233	450	0	450
55980 Field Supplies	0	0	9	100	0	100
57110 Travel/Mileage	1,516	907	1,259	1,500	0	1,500
57310 Dues	406	260	422	435	278	435
57320 Subscriptions	0	0	0	150	0	150
57340 Meetings	0	0	0	300	0	300
<b>SUBTOTAL</b>	<b>37,295</b>	<b>71,484</b>	<b>9,923</b>	<b>67,135</b>	<b>278</b>	<b>67,135</b>
<b>TOTAL: ENGINEERING</b>	<b>152,151</b>	<b>188,624</b>	<b>129,393</b>	<b>190,191</b>	<b>57,021</b>	<b>192,261</b>

## Section 4-16

## Department of Public Works



	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>SNOW &amp; ICE</b>						
<b>Personnel Services</b>						
51220 Miscellaneous Labor	0	148	2,241	9,000	0	13,842
<sup>10</sup> 51300 Overtime	80,066	125,021	132,957	112,000	9,869	112,000
<b>SUBTOTAL</b>	<b>80,066</b>	<b>125,170</b>	<b>135,198</b>	<b>121,000</b>	<b>9,869</b>	<b>125,842</b>
<b>Expenses</b>						
<sup>11</sup> 52800 Contractual Services	49,957	74,850	81,003	92,000	1,895	92,000
55350 Salt & Additives	117,400	200,839	280,476	181,000	97,369	198,800
57810 Materials & Supplies	82,989	81,164	52,382	43,000	31,490	43,000
<b>SUBTOTAL</b>	<b>250,346</b>	<b>356,852</b>	<b>413,860</b>	<b>316,000</b>	<b>130,754</b>	<b>333,800</b>
<b>TOTAL: SNOW &amp; ICE</b>	<b>330,412</b>	<b>482,022</b>	<b>549,058</b>	<b>437,000</b>	<b>140,623</b>	<b>459,642</b>

<sup>10</sup> Line 51300 contains Overtime funds for DPW employees that plow snow during winter operation

<sup>11</sup> The DPW uses contractual snowplow services to supplement Town staff and equipment during winter operations



## Department of Public Works

## Section 4-17

	FY2020	FY2021	FY2022	FY2023	FY2023	FY2024
	ACTUAL	ACTUAL	ACTUAL	BUDGETED	SIX MONTHS	PROPOSED
<b>TREES</b>						
<b>Expenses</b>						
52690 Equipment Maintenance	3,639	1,676	4,374	3,000	602	3,000
52800 Contractual Services	37,770	39,000	45,312	50,000	50,000	65,000
54700 Supplies	2,249	1,117	1,053	3,000	1,006	3,500
<b>SUBTOTAL</b>	<b>43,658</b>	<b>41,793</b>	<b>50,739</b>	<b>56,000</b>	<b>51,608</b>	<b>71,500</b>
<b>TOTAL: TREES</b>	<b>43,658</b>	<b>41,793</b>	<b>50,739</b>	<b>56,000</b>	<b>51,608</b>	<b>71,500</b>

	FY2020	FY2021	FY2022	FY2023	FY2023	FY2024
	ACTUAL	ACTUAL	ACTUAL	BUDGETED	SIX MONTHS	PROPOSED
<b>STREET LIGHTING</b>						
<b>Expenses</b>						
52130 Utilities	120,000	125,000	135,000	147,000	62,989	165,000
<b>SUBTOTAL</b>	<b>120,000</b>	<b>125,000</b>	<b>135,000</b>	<b>147,000</b>	<b>62,689</b>	<b>165,000</b>
<b>TOTAL: STREET LIGHTING</b>	<b>120,000</b>	<b>125,00</b>	<b>135,000</b>	<b>147,000</b>	<b>62,689</b>	<b>165,000</b>

**NOTE:** Please see Section 8 Enterprise Fund of this document for the detailed Water & Sewer Division budgets.



This page intentionally left blank.

# **Community Services**

## **Section 5**



This Page Intentionally Blank

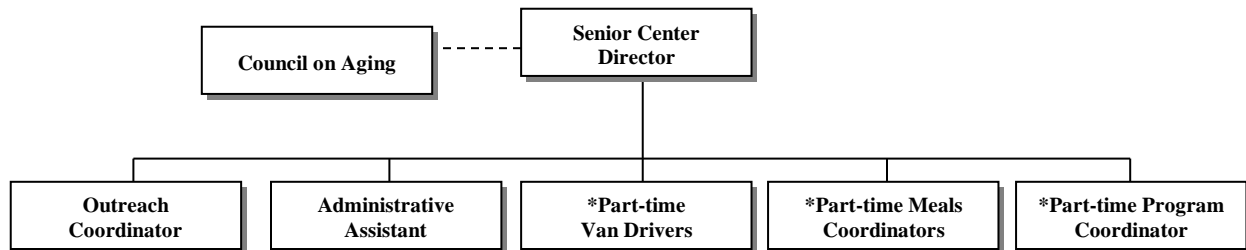




### Senior Center/Council on Aging Departmental Statement

The role of the Senior Center/Council on Aging is to improve the quality of life for the mature citizens of our community. We do this through support, advocacy, planning, coordination, and implementation of programs that bring mature citizens together for social, recreational, and educational purposes. We seek to educate the entire community and enlist its support and participation. The Council on Aging consists of nine members appointed by the Board of Selectmen for three-year terms.

### Senior Center Organizational Chart



\*The Part-time Meals Coordinator positions are funded through program fees and revenues generated by the senior center lunch and dinner program known as the Bistro @ 119. The Part-time Program Coordinator position is funded through program revenues. The Part-time Van Driver positions are funded through an agreement with the Worcester Regional Transit Authority. Please see the Personnel Tables on page 5-5 for more detail.



### **Senior Center FY2023 Initiatives and Accomplishments**

1. At the start of FY2023, the Senior Center endeavored to review the Strategic Plan with the Council on Aging and key staff to determine what, if any, changes in the plan were necessary. The Council on Aging has reviewed the Strategic Plan individually and with the leadership of the Chair of the Council on Aging. The project team, with the leadership of the Chair has scheduled time to meet beyond the monthly Council on Aging regular business meetings to continuously review, update and implement parts of the plan on an ongoing basis.
2. In FY2022 the Senior Center hosted 13,573 participants; in FY2023 we have hosted 12,665 participants with an additional 143 days remaining in the year. Our average daily attendance in FY2022 was 53.67, and our current average for FY2023 is 63.03, an increase of 17%. Since the start of FY2023 we have added 31 new programs and activities, with a focus on intergenerational experiences and cultural programming; those include hosting 250 children for a Trunk-or-Treat, Algonquin students hosting a free gift-wrapping program and a Diwali celebration with the India Society of Worcester. Through the BeWell Northborough initiative we have hosted several programs on wellness; including but not limited to Emotional Wellbeing, and a YMCA Water Aerobics collaboration that allows six Northborough Seniors to participate in Water Aerobics classes twice weekly. Our focus in FY2023 has been to appeal to a diverse crowd, have a welcoming and inclusive array of programing and focus on mental and physical health.
3. Researched programs and options for innovative models of in-home support for families. The Greater Boroughs Partnership for Health has leveraged the Senior Center's outreach abilities as a tool to reach homebound seniors and assist in them getting vaccinated against COVID-19 and the Flu, which we plan to continue in future years.
4. The Senior Center continues to use the MYSENIORCENTER program and database as a tool for planning programs, outreach, and data collection. We have activated new capabilities within the system this year and are now able to send out Robo-Calls that reach over 100 seniors at one time. Additionally, we can now send emails and text messages using the MYSENIORCENTER program. These features allow us to minimize staff time while maximizing outreach potential and have been a useful tool in communicating important information to our senior population. We have been able to utilize the remote meeting function to host a hybrid in-person/online program and two remote programs. There are active seniors in town who are not comfortable returning to in-person events since COVID-19, making the hybrid/remote classes critical for socialization opportunities.



### Senior Center FY2024 Goals and Initiatives

1. In FY2024, the Senior Center plans to focus on increasing cultural programming. We will continue to maintain existing relationships with cultural organizations like The India Society in Shrewsbury, The Chinese American Association of Southborough/Northborough, B'Nai Shalom in Westborough, and work to develop new relationships in FY2024. We believe that increasing the visibility of diverse cultures and backgrounds will encourage participation from seniors of all backgrounds, making the Northborough Senior Center a welcoming place for all. We are exploring partnerships with LGBTQ+ organizations to develop a program unique to Northborough for grandparents and parents to be educated about LGBTQ+ history, and what it means to parent or grandparent someone whose sexual orientation or gender identity may fall under the LGBTQ+ umbrella.
2. Continue to work with the Worcester Regional Transit Authority to enhance transportation options for seniors.
3. The Senior Center utilizes the MYSENIORCENTER program to track participation in various programs and events. The data portion of the program requires that seniors sign in to log participation in a particular class or event. Many of our participants forget to sign in, which limits the data pool and information. At this time, we estimate 40-60% of participants are signing in. In FY2024, we will strive to increase that to 80% of participants. The increase in accurate data will allow us to utilize the MYSENIORCENTER program to its fullest extent, providing data to support the creation of or elimination of certain programs or classes based upon enrollment and participation.

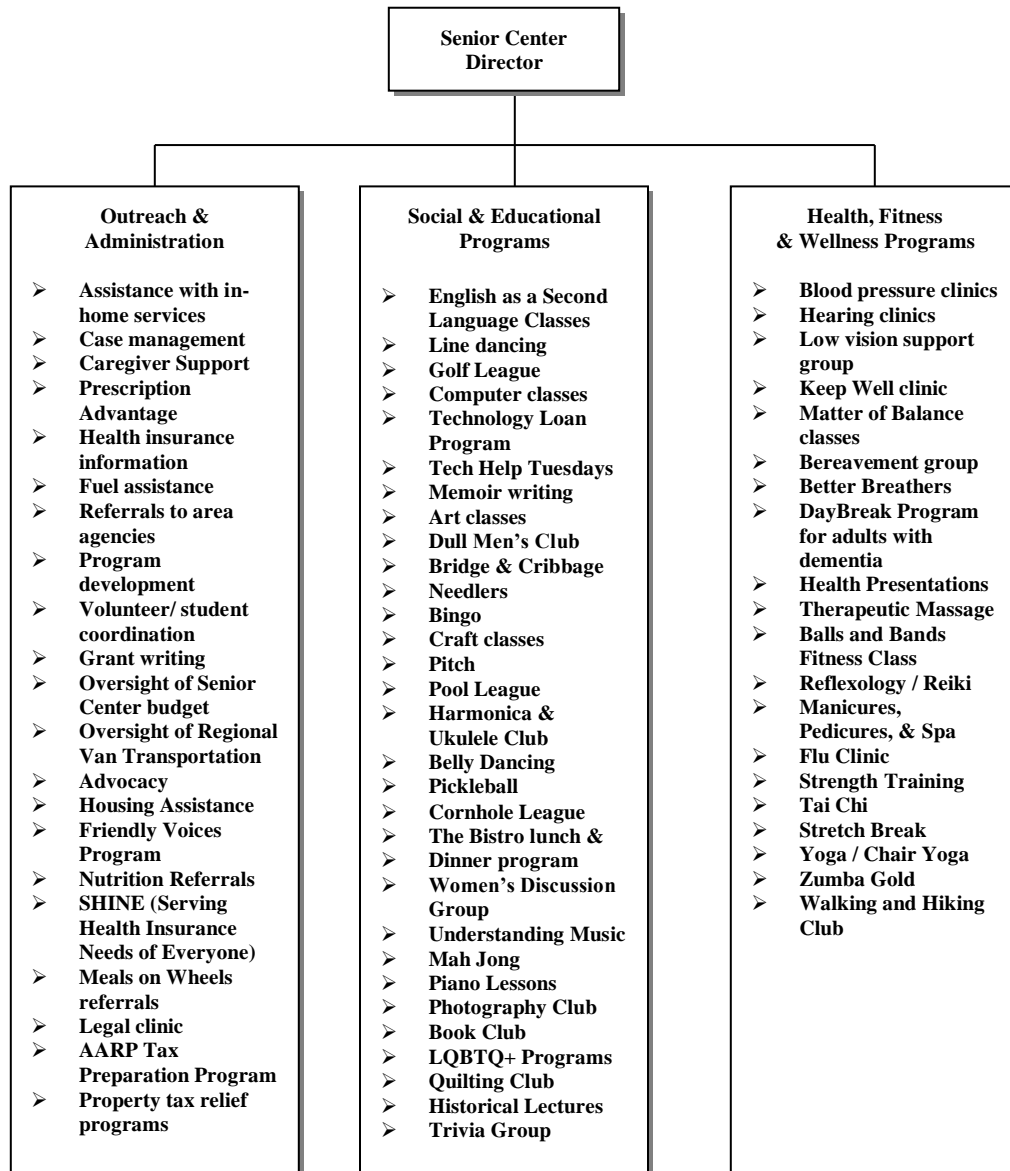
### Significant Budget Changes or Initiatives

Overall, the departmental budget is down 8.75% or (\$28,180). Like other departments, the Senior Center budget reduction is due to the migration of all facilities and building maintenance costs to a centralized Facilities Budget, overseen by the Facilities Manager. All building systems and maintenance contracts will be centrally managed beginning in FY2024. When controlling for the changes in budgeting for facilities, the Senior Center budget is up 9.48% or \$30,512. \$21,240 or 70% of this increase is due to the change in the electrical aggregation rate for town buildings. Beginning in FY2024, the town's rate is increasing by \$0.0576 cents per kilowatt/hour, resulting in significant increases to our energy costs across all town buildings. July 1, 2023 cost of living adjustments for both Union and Non-union personnel are captured in this budget. January 1, 2024 merit increases are budgeted centrally in the Personnel Budget as they are contingent on a positive performance evaluation.

In addition to the appropriated budget supported by tax revenues, the Senior Center receives approximately \$32,000 in additional funds directly from the State Formula Grant which is used primarily to provide exercise programs to seniors. The formula grant (based on the number of seniors in Town) is not subject to Town Meeting appropriation.



### Senior Center Programs and Services



**SENIOR CENTER****Personnel Summary**

	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
<b>Position</b>	<b>FTE</b>	<b>FTE</b>	<b>FTE</b>	<b>FTE</b>	<b>FTE</b>
Director	1	1	1	1	1
Office Assistant	1	1	1	0	0
Administrative Assistant	0	0	0	1	1
Outreach Coordinator	1	1	1	1	1
<b>Total Full-time Equivalent</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>

**\*Personnel Explanation:**

- In FY2023, the Office Assistant position was reclassified to be an Administrative Assistant to provide greater support. In addition to the personnel table above, there are positions funded outside of the General Fund. Please refer to the table below for an explanation of those positions not carried in the official personnel count.

**Additional staffing funded outside the General Fund (tax revenues):****SENIOR CENTER****Personnel Summary**

	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
<b>Position</b>	<b>FTE</b>	<b>FTE</b>	<b>FTE</b>	<b>FTE</b>	<b>FTE</b>
Part-time Van Drivers	1.69	1.69	1.69	1.69	1.69
Part-time Bistro (meals) Coordinators	.96	0	.96	.96	.96
Part-time Program Coordinator	.48	0	.48	.48	.48
<b>Total Full-time Equivalent</b>	<b>3.13</b>	<b>1.69</b>	<b>3.13</b>	<b>3.13</b>	<b>3.13</b>

- Four part-time Van Drivers work approximately 15hrs/wk each for a total average of 67.5 hours per week (67.5hrs/40hrs = 1.69 FTEs). A fifth substitute driver is used as needed. The full cost of providing van service to seniors and disabled individuals in the Towns of Northborough, Boylston and Westborough is funded through a reimbursement contract with the Worcester Regional Transit Authority (WRTA).
- In addition to the staffing included in the General Fund, a 19hr/wk (.48 FTE) part-time Program Coordinator position is funded through the program revolving fund without using tax revenues. The position was temporarily vacated during the FY2021 pandemic due to closure of the Senior Center but returned in FY2022.
- There are two 19hr/wk (.96 FTEs) Meals Coordinator positions that run the lunch and dinner program at the Senior Center known as the Bistro @ 119. The program serves lunch Monday through Thursday. These positions were vacated when the Bistro closed during FY2021 due to COVID-19 but returned in FY2022. The part-time positions are funded through the revolving fund from program fees.

## Section 5-6

## Senior Center/COA



	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>SENIOR CENTER</b>						
<b>Personnel Services</b>						
51100 Director Salary	95,043	87,518	96,970	83,827	38,798	85,504
51120 Administrative Staff Wages	55,355	56,332	57,378	57,296	15,015	61,526
51140 Outreach Worker Wages	64,044	64,752	65,945	67,848	31,087	69,693
51410 Longevity Pay	1,200	1,000	1,150	1,150	350	350
<b>SUBTOTAL</b>	<b>215,642</b>	<b>209,602</b>	<b>221,444</b>	<b>210,121</b>	<b>85,249</b>	<b>217,073</b>
<b>Expenses</b>						
52110 Utilities	46,173	41,846	50,074	46,160	26,628	67,400
<sup>1</sup> 52800 Contractual Services	27,340	26,564	30,293	35,392	8,088	1,200
53110 Printing	0	143	8	300	0	400
53420 Postage	275	456	294	400	120	500
<sup>2</sup> 54490 Repairs & Maintenance	9,165	18,332	6,489	24,500	5,628	0
54590 Custodial Supplies	1,502	635	1,269	1,700	644	3,000
55990 Senior Center Programs	232	419	1,055	1,000	0	1,500
57110 Travel/Mileage	200	17	259	850	130	850
57310 Dues	0	191	1,047	1,060	637	1,100
57340 Meetings	30	20	30	520	35	800
<b>SUBTOTAL</b>	<b>84,917</b>	<b>88,623</b>	<b>90,818</b>	<b>111,882</b>	<b>41,910</b>	<b>76,750</b>
<b>TOTAL: SENIOR CENTER</b>	<b>300,559</b>	<b>298,225</b>	<b>312,262</b>	<b>322,003</b>	<b>127,159</b>	<b>293,823</b>

<sup>1</sup> Beginning in FY2024, all maintenance contracts and building repairs are budgeted in the central Facilities Budget.

<sup>2</sup> Beginning in FY2024, all maintenance contracts and building repairs are budgeted in the central Facilities Budget.

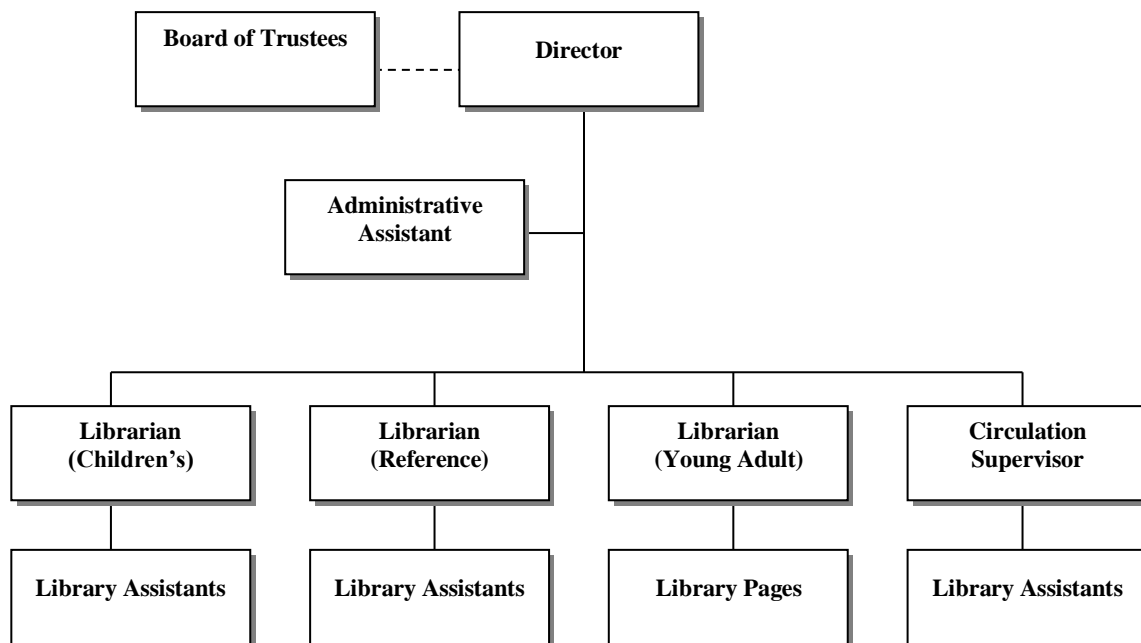


## Library Departmental Statement

The mission of the Northborough Free Library is to provide materials, space, access and opportunities for members of the community to learn and discover; to enrich their lives and further their personal goals; and to engage with others in a comfortable environment. Materials are purchased for recreation, independent learning, and vocational and educational support. In addition, the Library provides access to materials and information in other libraries or organizations, as well as electronic databases. The Library also serves as a center of community activity, with programs for preschoolers to the elderly; a meeting place for civic, cultural, social, and other non-profit organizations; and a distribution point for local information.

The Board of Library Trustees consists of nine members appointed by the Board of Selectmen for three-year terms. The Trustees have the responsibility for the care, superintendence and management of the Northborough Free Library.

## Library Organizational Chart





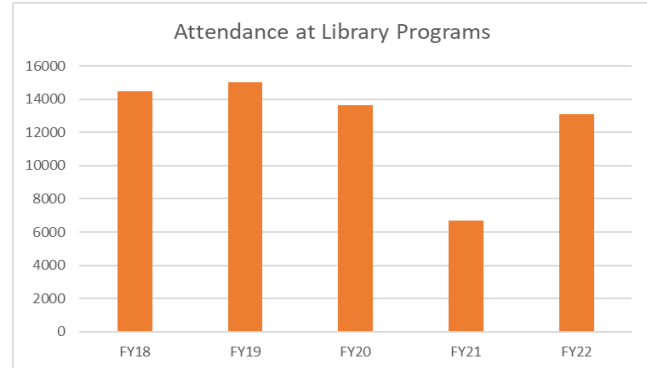
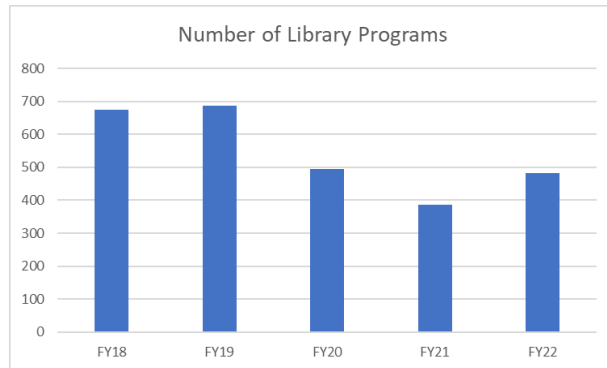
### Library FY2023 Initiatives and Accomplishments

1. The library was instrumental in the development of the BeWell Northborough initiative. This collaborative town-wide wellness initiative has strengthened bonds between the library and other key town departments, facilitating the sharing of critical health and wellness information to residents. To date, the library has offered 10 unique health and wellness programs with a total of 38 sessions to roughly 296 attendees. We also worked extensively with the Heath Department to produce a Northborough Resource Guide, highlighting local health and wellness resources, which was printed and mailed to every residence in town. We launched a Fitness Pass Program in partnership with three local fitness centers and have begun lending pickleball equipment to encourage use of the new courts in town. Finally, we helped create a summer kick-off community outreach event, which drew a crowd of approximately 800 people to the Ellsworth McAfee Park.
2. The library set a record for total circulations in calendar year 2022, with a total of 203,817 items checked out. This represents an increase of about 7.4% over pre-pandemic numbers. The largest increase was in digital books, audiobooks, and video, with the largest decreases in use being DVDs and books on CD. However, we were surprised to note a modest (9%) increase in checkouts of physical books and will monitor whether that trend continues as people re-emerge from the confines of COVID-19.
3. There was a 14% increase in the number of people who actively used their library card this past year. This means that 12,116 unique patrons with a Northborough Library card used the library to check materials out last year. However, while more individual people are using the library, they are not necessarily using the physical building, or are not visiting the library as frequently, because we have had a decrease in our overall door count of 17%. Our web site, however, has had 69,167 visits, which is almost a 600% increase over last year.
4. The library resumed in-person programming for all ages. We began small, with about half of our normal number of events, and gradually returned to pre-pandemic levels of hosting 50-60 in-person events per month. COVID-19 did still have an impact, with events occasionally needing to be canceled due to presenter illness. We offered 482 events with a total attendance of 13,105 people. While we offered significantly fewer programs (pre-pandemic, we were offering almost 800 programs annually), our total attendance is close to our pre-pandemic totals (15,070 people attended programs in 2019, our last pre-pandemic year). This metric indicates that we have a higher turnout per program and are reaching a wider audience in 2022 than previously.





Below are charts reflecting the overall change in the number of Library programs offered as well as the attendance at those programs. The decrease in FY2020-FY2021 is directly attributable to the COVID-19 pandemic. As you can see, there has been an increase in the number of programs following the pandemic and in FY2023 and FY2024, we expect to meet and surpass pre-pandemic programming levels and attendance.



## Library FY2024 Goals and Initiatives

1. Improve our web site usability and online collections. While the popularity of electronic resources has been increasing for several years, statistics show a steep increase in this transition post-pandemic. A more comprehensive analysis and overhaul of our online presence and collections must be completed to improve the customer experience when accessing these features. We will allocate more time and appropriated funds to these resources, and will compensate by spending less on physical media, which has been declining in circulation for several years. We will investigate options for adding a discovery layer to our online presence, which would allow patrons to search in one spot to access materials in all our separate electronic collections, which is not currently possible.
2. Complete a marketing and communications plan. This includes more study on how residents find out about events and services and examining whether the role of social media in advertising has changed in recent years. We will identify marketing successes for the library and eliminate platforms that do not improve outcomes.
3. Reduce processing time for new materials. Currently, it takes two weeks to shelve new items due to processing and cataloging times. Ideally, we would like to improve our workflow so that new materials are shelved no more than one week after they arrive from vendors. This would eliminate any gap between when books are released in bookstores and when they become available to Northborough library patrons.
4. Complete reclassification of library materials. Last year, we set a goal to begin the lengthy process of reclassifying all library materials. We achieved benchmarks set last year, the bulk of which were related to preparation and planning. In FY2024, we plan to execute phase two of the project, which is to relabel and reorder the nonfiction collections with a system that is more user-friendly, flexible, and inclusive.

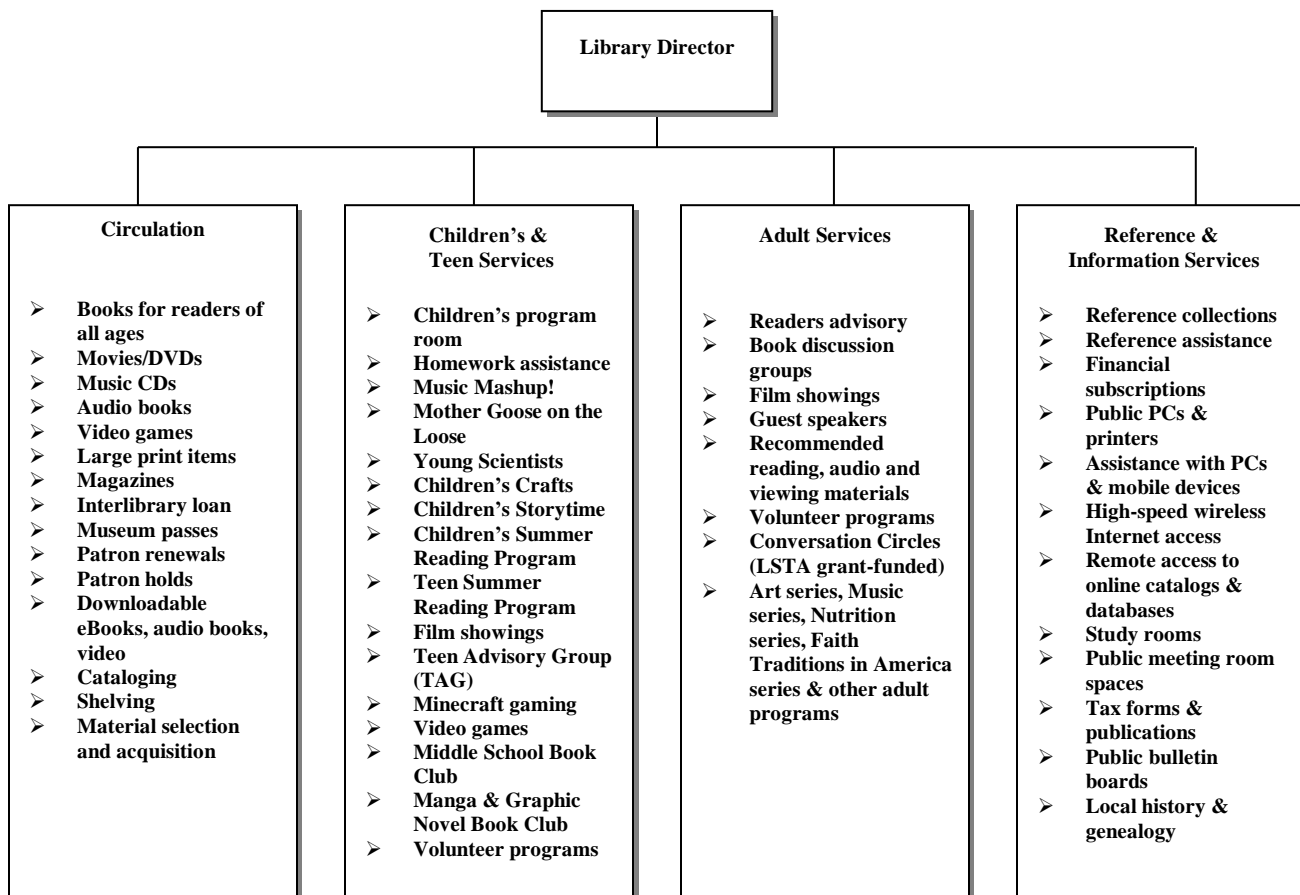


5. Create sustainable outreach and programming efforts related to the BeWell Northborough initiative. The Health Department's temporary Outreach Coordinator has been successful in bringing health and wellness information to residents through the library. In FY2024, we anticipate that all BeWell funds will be expended. To sustain the work of BeWell on an ongoing basis, we will investigate opportunities to prolong the programming and communication successes set up through the BeWell program.

### Significant Budget Changes or Initiatives

Overall, the FY2024 Library Budget is down overall 0.82%, or \$7,519. The overall decrease in the Library Budget is attributable to the migration of all facilities and maintenance costs to a centralized Facilities Budget in FY2024. Controlling for the facilities budget adjustment, the Library budget is up \$39,966 or 4.15% overall. The increase in energy costs due to the increase of electric aggregation rates for town buildings accounts for \$26,300 or 65.8% of the total increase in FY2024. The departmental budget includes July 1, 2023 cost-of-living wage increases for Union and Non-Union personnel. January 1, 2024 merit increases are budgeted centrally in the Personnel Budget as they are contingent upon a successful performance review. In FY2024 the Library will also receive an estimated \$27,022 in State Aid under the Governor's proposed budget that goes directly to the Library and does not require Town Meeting appropriation.

### Library Programs and Services





## Library

## Section 5-11

### LIBRARY

#### Personnel Summary

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Position	FTE	FTE	FTE	FTE	FTE
Director	1	1	1	1	1
Librarians	3.48	3.48	3.48	3.48	3.48
Circulation Supervisor	1	1	1	1	1
Library Assistants	3.4	3.4	3.4	3.4	3.4
Financial Assistant	1	1	1	0	0
Administrative Assistant	0	0	0	1	1
Pages	0.60	0.60	0.60	0.60	0.60
<b>Total Full-time Equivalent</b>	<b>10.48</b>	<b>10.48</b>	<b>10.48</b>	<b>10.48</b>	<b>10.48</b>

#### \*Personnel Explanation:

- Full Time Equivalents based upon 40 hour per week (30hrs/40hrs = .75 FTE)
- In FY2023, the Financial Assistant was reclassified to an Administrative Assistant to provide additional support to the Library operations.

# Section 5-12

# Library



	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>LIBRARY</b>						
<b>Personnel Services</b>						
51100 Professional Librarian Salaries	310,494	270,572	310,377	333,007	146,773	336,568
51120 Library Assistant Salaries	235,705	256,140	269,297	285,213	126,954	293,016
51140 Pages Salaries	10,527	14,113	14,156	18,792	5,363	18,720
51410 Longevity Pay	1,250	1,600	1,600	1,750	1,750	1,550
<b>SUBTOTAL</b>	<b>557,976</b>	<b>542,425</b>	<b>595,430</b>	<b>638,762</b>	<b>280,839</b>	<b>649,853</b>
<b>Expenses</b>						
52110 Utilities	33,932	35,162	46,015	39,000	24,470	75,000
<sup>1</sup> 52140 Fuel	9,577	9,903	7,823	9,700	1,485	0
52640 Equipment Maintenance	4,186	156	2,085	4,250	587	4,500
<sup>2</sup> 52680 HVAC Maintenance	9,715	11,903	11,193	0	0	0
<sup>3</sup> 52800 Contractual Services	30,186	38,759	41,918	47,100	33,630	20,615
53410 Telephone	3,460	2,443	2,940	0	0	0
54290 Office Supplies	14,197	17,638	14,362	14,000	8,061	10,650
<sup>4</sup> 54490 Building Maintenance	9,972	20,009	9,406	21,000	28,076	0
54590 Custodial Supplies	2,999	1,195	1,814	2,600	1,091	2,600
54690 Materials & Supplies	0	0	0	0	0	0
55120 Books and Periodicals	97,733	82,268	113,050	99,950	48,377	102,000
55130 Supplies	4,135	3,704	3,450	4,500	2,448	4,500
55290 Non-print Media	23,153	24,679	17,787	36,500	6,236	38,000
57110 Travel Mileage	0	0	0	225	0	700
57310 Dues	1,137	625	753	600	423	800
57340 Meetings	0	0	110	600	0	1,200
57810 Unclassified	129	130	144	150	0	0
58690 New Equipment	5,999	10,068	3,374	3,000	3,099	4,000
<b>SUBTOTAL</b>	<b>250,508</b>	<b>258,643</b>	<b>276,222</b>	<b>283,175</b>	<b>157,983</b>	<b>264,565</b>
<b>TOTAL: LIBRARY</b>	<b>808,484</b>	<b>801,068</b>	<b>871,652</b>	<b>921,937</b>	<b>438,823</b>	<b>914,418</b>

<sup>1</sup> Beginning in FY2024, the fuel budget has been consolidated with utility budget line item 52110.

<sup>2</sup> Beginning in FY2024, HVAC Maintenance is budgeted in a centralized facilities budget.

<sup>3</sup> Beginning in FY2024, all contractual services and building maintenance costs are included in a centralized facilities budget.

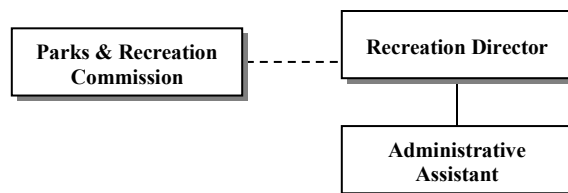
<sup>4</sup> Beginning in FY2024, all contractual services and building maintenance costs are included in a centralized facilities budget.



## Recreation Departmental Statement

The mission of the Northborough Recreation Department is to provide Northborough and area residents with comprehensive programs, activities, and facilities that encourage health, fitness, cultural, recreational, educational, and social opportunities in our community. The Department offers a wide variety of programming opportunities for all ages. We utilize all of our Town parks, Recreation Center, Town Hall Gym, schools, library, and private locations in providing programs for the public. Our department offers programs for infants through seniors.

## Recreation Department Organizational Chart



**Recreation Department FY2023 Initiatives and Accomplishments**

1. The DPW completed ADA improvements at Assabet Park, with the installation of a new accessible playground.
2. Six new outdoor pickleball courts were constructed at Ellsworth McAfee Park by the DPW, funded by the Community Preservation Committee.
3. The Recreation Department reached its goal to become 100% self-sufficient again.
4. The Recreation Department helped to coordinate Be Well Northborough's 1<sup>st</sup> kickoff event, which introduced the community to the Be Well Northborough initiative. The event was a huge success. Many vendors participated and over 800 people attended.
5. The Recreation Department received a citation award from the Massachusetts Parks and Recreation Association for creating an adult women's softball program with five surrounding towns.
6. The Recreation Department coordinated the annual Turkey Trot 5K Run this year and raised over \$15,000 which will be used to help fund programs for families in need.

**Recreation Department FY2024 Goals and Initiatives**

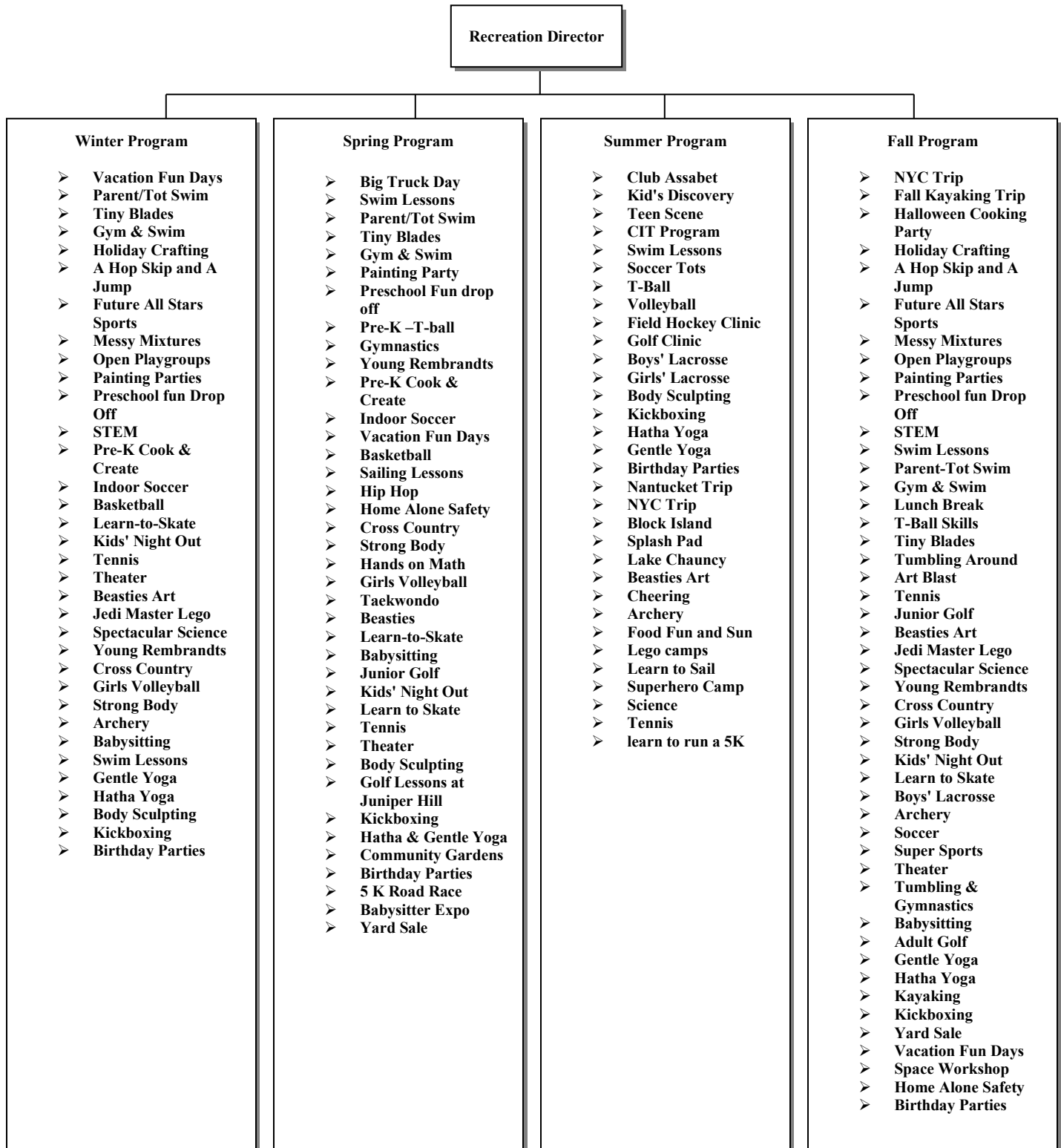
1. Create five new youth programs by seeking out new vendors who can provide various enhanced program offerings.
2. Collaborate with surrounding Recreation Departments to offer more leagues for kids and adults.
3. Develop stronger end user surveys and create ways for the Department to follow-up with the survey results.
4. Expand three new program offerings for youth and adults for people with disabilities.
5. In partnership with the DPW, Planning Department, and Community Preservation Committee, construct the new public dog park.
6. As part of the Be Well Northborough initiative, and with the assistance of the DPW, install a new ice rink in town.
7. Offer more Be Well Northborough initiative-based programs to the community.
8. In 2024, try to raise more donations for the annual Turkey Trot 5K run.

**Significant Budget Changes or Initiatives**

The Recreation budget is increasing \$4,609 or 2.97% in FY2024, and includes contractual cost of living wage increases for the Director and the full-time Administrative Assistant. The department's \$159,969 budget is underwritten in full by a transfer from the Recreation Revolving Fund, financed by program fees.



## Recreation Department Programs and Services



**RECREATION DEPARTMENT****Personnel Summary**

	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
<b>Position</b>	<b>FTE</b>	<b>FTE</b>	<b>FTE</b>	<b>FTE</b>	<b>FTE</b>
Recreation Director	1	1	1	1	1
Full-time Administrative Assistant	1	1	1	1	1
<b>Total Full-time Equivalent</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>

**\*Personnel Explanation:**

Salaries and benefits for the full-time Recreation Director and Administrative Assistant are budgeted in the Town's General Fund budget, though the department's budget is underwritten by a transfer from the Recreation Revolving Fund, financed by program fees. However, due to the elimination of the majority of recreation programs as a result of COVID-19 in FY2021, the General Fund covered the salaries for the department. Though the department has now fully recovered and will be underwritten in full by a transfer from the Recreation Revolving Fund, financed by program fees.





## Recreation Department

## Section 5-17

	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b><sup>1</sup>RECREATION DEPARTMENT</b>						
<b>Personnel Services</b>						
51100 Director & Admin Salaries	152,204	107,512	137,525	154,710	70,932	159,319
51410 Longevity Pay	850	500	500	650	650	650
<b>SUBTOTAL</b>	<b>153,054</b>	<b>108,012</b>	<b>138,025</b>	<b>155,360</b>	<b>71,582</b>	<b>159,969</b>
<b>Expenses</b>						
52800 Contractual Services	0	0	0	0	0	0
53090 Advertising	0	0	0	0	0	0
54710 Supplies	0	0	0	0	0	0
57110 Travel/Mileage	0	0	0	0	0	0
57310 Dues	0	0	0	0	0	0
57340 Meetings	0	0	0	0	0	0
<b>SUBTOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL: RECREATION DEPARTMENT</b>	<b>153,054</b>	<b>108,012</b>	<b>138,025</b>	<b>155,360</b>	<b>71,582</b>	<b>159,969</b>

<sup>1</sup> Prior to FY2021 salaries and benefits for the full-time Recreation Director and Administrative Assistant were 100% funded through a transfer from the Revolving Account under Article 4 of the Town Meeting Warrant. Due to the pandemic, programs were canceled in FY2021 and the cost of the full-time staff transitioned to the General Fund Budget, pending the return of program revenues. However, all part-time and seasonal employees as well as programmatic expenses were continued to be paid directly out of the Recreation Revolving Fund.



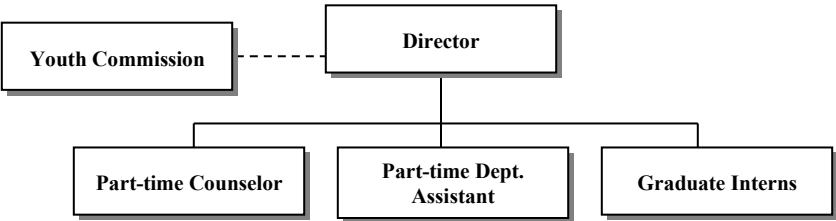
**Family & Youth Services Departmental Statement**

The mission of the Family & Youth Services (FYS) Department is to identify and respond to the Town’s human service needs to enhance the lives of Northborough youth, families and individuals of all ages. FYS services are shaped by community need and developed through ongoing collaboration with the Youth Commission, schools, police, fire and other Town departments and organizations.

**Youth Commission**

The Youth Commission consists of seven members appointed by the Board of Selectmen for three-year terms. The Commission investigates and conducts programs for the youth of the Town, and is responsible for the care, superintendence and management of such programs. The Commission also evaluates community needs and advocates for the development and support of resources for Northborough families. Student liaisons from the high school also participate in the monthly meetings.

**Family & Youth Services Organizational Chart**

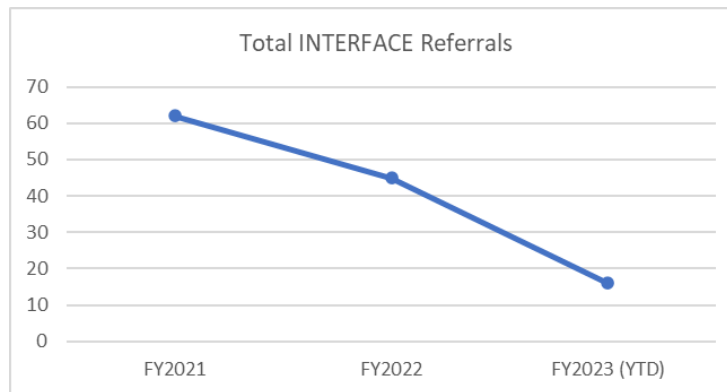


\*The Office Assistant and Counselor positions are part-time positions (19 hours per week).

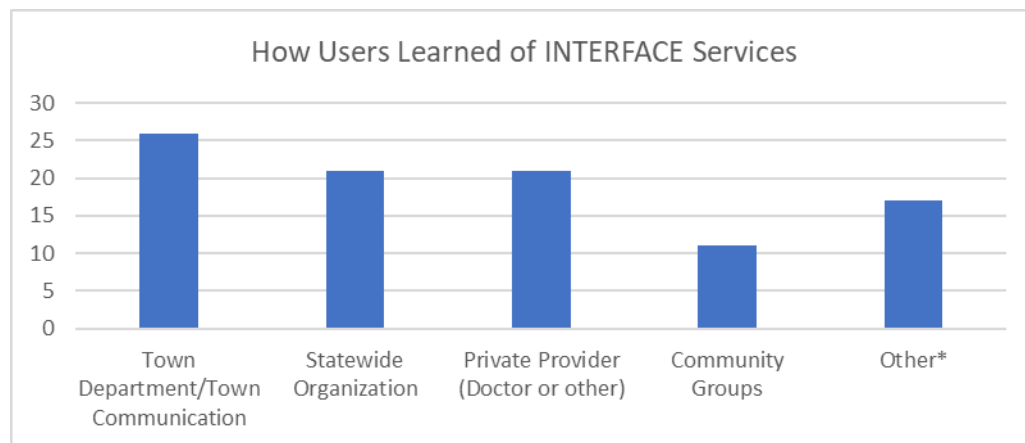


### Family & Youth Services FY2023 Initiatives and Accomplishments

1. FYS partnered with William James College's INTERFACE Referral Service. Interface is a free, confidential service connecting residents and public-school students to mental health therapists. For more details about Interface service, please visit <http://interface.williamjames.edu/>. In FY2022, Interface served 45 clients in Northborough. Year to date in FY2023, they have served 16 clients. Overall, based upon the referrals being completed by INTERFACE on behalf of the Town alone, demand for mental health services appears to be trending down since its peak during the COVID-19 Pandemic, when INTERFACE referred 62 clients in FY2021.



The Town will continue to publicize the INTERFACE services to Northborough residents and plans to continue this partnership in FY2024. Town Departments, including FYS have been successful in publicizing the availability of the INTERFACE service for all Northborough residents. Below is a chart reflecting how residents have learned about the service since its inception.



\*Those who describe having learned about the service from friend or family member typically would fall into the category of "other".



2. Since 2012, Northborough Family & Youth Services has maintained a commitment to prevent and reduce youth substance abuse. This is demonstrated through our membership on MASS Call3 and ENCOMPASS (formally known as Northborough-Southborough Substance Abuse Prevention Coalition). In FY2023, the group went through a complete rebranding with the assistance of a consultant and changed its name from “Substance Abuse Coalition” to “ENCOMPASS”. Additionally, the Family & Youth Service Department has an affiliation agreement with the Town of Hudson to participate in MassCALL3 (Massachusetts Collaborative for Action, Leadership, and Learning). MassCALL3 is the State's grant-funded substance use prevention initiative. During FY2023, MassCALL3 allocated funds to support ENCOMPASS.
3. The Family and Youth Services Department continues to partner with area resources and organizations to assist in providing basic life necessities to those in need, including those grieving the loss of a family member, those suffering from chronic conditions, or those who are homeless or at risk of homelessness. In FY2023, the Department maintained relationships with over 32 area organizations for service referrals.

### **Family & Youth Services FY2024 Goals and Initiatives**

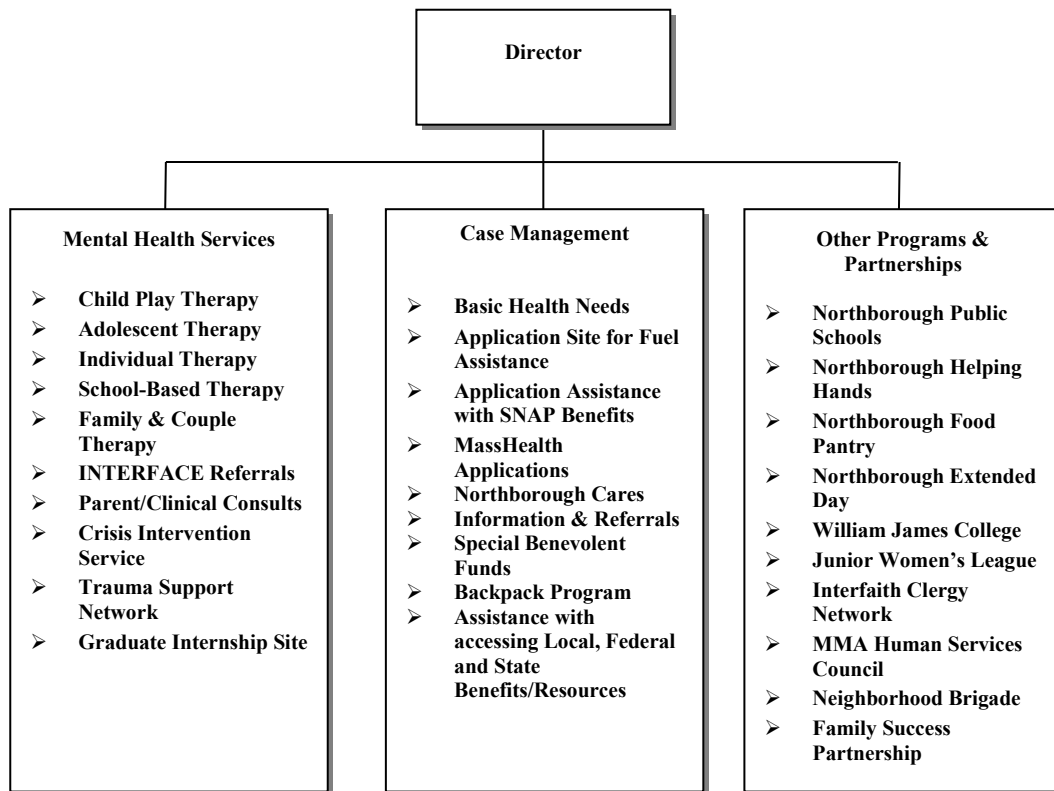
1. Increase the promotion and marketing of INTERFACE Referral Service, a program of William James College. This will include publication of articles or announcements about the INTERFACE referral service in local newspapers and publications. The Department will expand the distribution list of residents, businesses, volunteer groups and community organizations who receive information about INTERFACE and other FYS programs.
2. Continue to maintain a commitment to prevent and reduce youth substance abuse use through membership on coalitions such as ENCOMPASS. This includes attending all steering committee meetings and finalizing recruitment paraphernalia for new members. The Department will work with other town departments to explore use for the Opioid Settlement Funds for the Town.

### **Significant Budget Changes or Initiatives**

The FY2024 Family & Youth Services Budget is increasing 3.47% or \$6,169. This increase is attributable to contractual wage increases for union and non-union staff in the department. The cost to maintain the INTERFACE program is level in FY2024.



## Family & Youth Services Programs and Services



**FAMILY & YOUTH SERVICES****Personnel Summary**

	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
<b>Position</b>	<b>FTE</b>	<b>FTE</b>	<b>FTE</b>	<b>FTE</b>	<b>FTE</b>
Director	1	1	1	1	1
Department Assistant*	.48	.48	.48	.48	.48
Counselor	.48	.48	.48	.48	.48
<b>Total Full-time Equivalent</b>	<b>1.96</b>	<b>1.96</b>	<b>1.96</b>	<b>1.96</b>	<b>1.96</b>

## Personnel Explanation:

\*The 19 hours per week (19hrs/40hrs = .48 FTE) Department Assistant position is partially funded through an agreement with Northborough Extended Day Program (NEDP), a private non-profit entity which shares office space with FYS.



## Family & Youth Services

## Section 5-23

	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>FAMILY &amp; YOUTH SERVICES</b>						
<b>Personnel Services</b>						
51100 Director Salary	90,917	92,735	94,590	97,446	44,655	100,380
51120 Part-time Counselor	22,037	29,985	10,349	33,246	0	34,580
51140 Part-time Admin. Asst Wages	18,779	16,018	19,281	24,317	10,976	24,996
51410 Longevity Pay	350	350	350	350	500	500
<b>SUBTOTAL</b>	<b>132,084</b>	<b>139,088</b>	<b>124,570</b>	<b>155,359</b>	<b>56,131</b>	<b>160,456</b>
<b>Expenses</b>						
52800 Contractual Services	0	0	15,500	15,500	16,250	16,250
53080 Clinical Consultants	2,200	975	1,000	2,600	0	2,600
53190 Training	484	542	80	1,020	17	1,020
53580 Program Supplies	683	1,601	2,001	1,500	758	1,500
57110 Travel/Mileage	1,170	0	215	1,260	59	1,260
57320 Subscriptions	391	276	572	771	0	1,093
<b>SUBTOTAL</b>	<b>4,927</b>	<b>3,394</b>	<b>19,368</b>	<b>22,651</b>	<b>17,084</b>	<b>23,723</b>
<b>TOTAL: FAMILY &amp; YOUTH SERVICES</b>	<b>137,010</b>	<b>142,483</b>	<b>143,938</b>	<b>178,010</b>	<b>73,214</b>	<b>184,179</b>



### **Cable Access TV Departmental Statement**

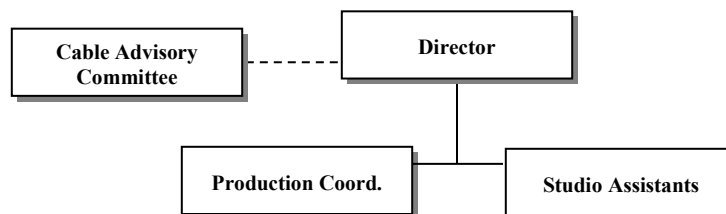
The Cable Access TV Department, under the direction of the Cable Access Director, is responsible for the operations of the three local access television stations, which are Public Access, Educational Access and Government Access Television (PEG). The Director is also responsible for overseeing the provisions of the Town's Cable TV contracts with Charter Communications and Verizon.

Northborough Community Access Television is a public television cablecast forum to facilitate the non-commercial expression of its member community for educational, entertainment and informational use. It actively promotes and provides all necessary training and assistance to encourage the creation of diverse and unique local programming for Northborough cable television subscribers and the community as a whole.

### **Cable Advisory Committee**

The Cable Advisory Committee consists of five to seven members appointed by the Board of Selectmen for three-year terms. The purpose of the Committee is to act on behalf of the issuing authority of the Town; to formulate and publish operating rules for the local access channels; and to promote the use of local access cable television within the Town.

### **Cable Access TV Department Organizational Chart**







### **Cable Access TV Department FY2023 Initiatives and Accomplishments**

1. Continued meeting coverage via Zoom and expanded live coverage as meetings slowly started to be held in-person again.
2. Continued to provide content on TV and YouTube with over 60,000 views.
3. Provided all audio/video production for ARHS graduation outdoors.

### **Cable Access TV Department FY2024 Goals and Initiatives**

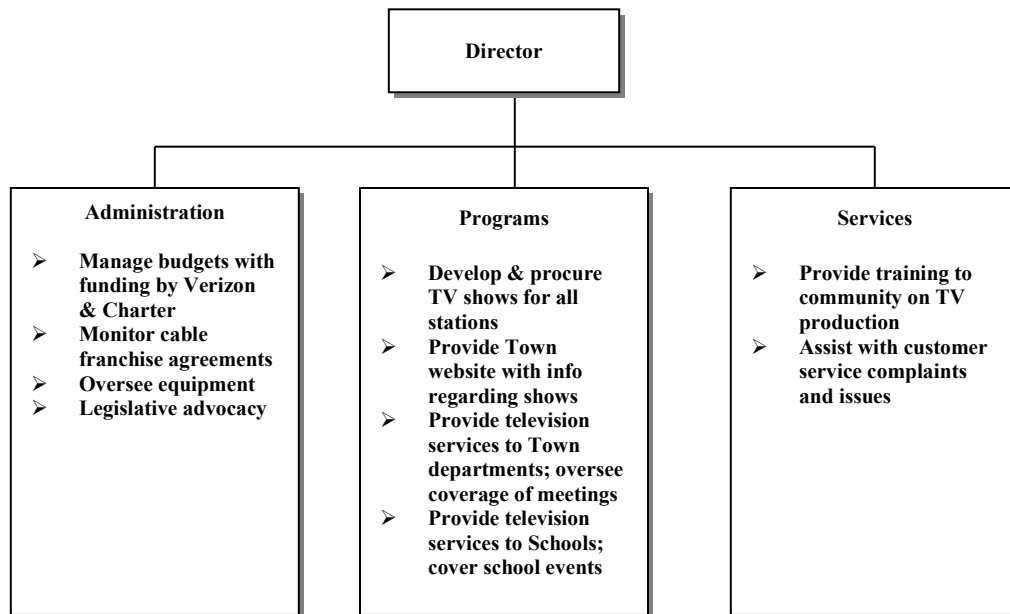
1. Expand Zoom hosting and meeting coverage for the Town.
2. Design and implement multiple hybrid meeting rooms for more flexible coverage of Town and school meetings.
3. Produce Town department informational and instructional videos for use on the Town website.

### **Significant Budget Changes or Initiatives**

The FY2024 Cable Access budget is increasing \$6,357 or 2.16%. The department's \$301,085 General Fund budget includes all contractual wage increases and is reflective of a fully staffed department. The department's General Fund budget is fully underwritten by a transfer from the Cable Receipts Reserved for Appropriation Fund, which is financed by payments from cable contract providers. The contracts between the town and both providers, Charter and Verizon, have been settled and revenues from those contracts will sustain the operations of the Cable Department for another five years.



### Cable Access TV Department Programs and Services





## CABLE ACCESS TV DEPARTMENT

### Personnel Summary

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Position	FTE	FTE	FTE	FTE	FTE
Director	1	1	1	1	1
Production Coordinator	0	0	0	1	1
Studio Assistants	1.38	1.38	1.53	.91	.91
<b>Total Full-time Equivalent</b>	<b>2.38</b>	<b>2.38</b>	<b>2.53</b>	<b>2.91</b>	<b>2.91</b>

### \*Personnel Explanation:

- There is one full-time Studio Assistant and three permanent part-time Studio Assistants, two budgeted at 15hrs/wk on average (.76 FTE) and one at 6hrs/wk on average at (.15FTE).
- In addition to the two full-time positions and two permanent part-time positions, the Department also uses temporary, Seasonal Studio Assistants that work as needed to cover community events.
- All Cable Access Departmental personnel and benefit expenses are underwritten fully by a transfer to the General Fund from the Cable Receipts for Appropriation Fund, which is financed by payments from cable contract providers. Charter and Verizon. Therefore, there is no impact to taxpayers for the operation of the department.

## Section 5-28

## Cable Access TV



	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>CABLE ACCESS TV</b>						
<b>Personnel Services</b>						
51110 Director Salary	74,062	76,363	79,450	81,040	37,624	84,314
51120 Studio Assistants	68,039	68,904	62,442	113,202	7,863	106,110
51410 Longevity Pay	650	650	850	850	650	650
<b>SUBTOTAL</b>	<b>142,751</b>	<b>145,917</b>	<b>142,743</b>	<b>195,092</b>	<b>46,137</b>	<b>191,074</b>
<b>Expenses</b>						
51730 Town FICA Expense	2,232	2,321	2,400	2,400	2,400	3,145
51750 Town Health Insurance	32,998	36,513	37,609	37,397	37,397	40,014
52800 Contractual Services	4,267	3,632	8,152	2,500	5,411	7,300
53040 Computer Services	4,229	4,854	15,580	21,913	930	16,664
53410 Telephone	1,629	1,809	1,699	1,750	851	1,800
53720 Maintenance	519	0	600	1,400	0	1,600
54290 Office Supplies	2,682	1,202	1,377	1,000	869	1,200
54690 Studio Materials	8,915	8,704	3,368	9,500	267	12,500
56220 County Retirement Assessment	15,776	17,257	19,445	21,201	21,201	25,213
57110 Travel/Mileage	72	0	0	200	0	200
57310 Dues	375	375	375	375	200	375
58690 New Equipment/Capital	16,985	0	0	0	0	0
59990 Other Financing Uses	0	0	0	0	0	0
<b>SUBTOTAL</b>	<b>90,678</b>	<b>76,667</b>	<b>90,605</b>	<b>99,636</b>	<b>69,525</b>	<b>110,011</b>
<b>TOTAL: CABLE ACCESS TV</b>	<b>233,429</b>	<b>222,584</b>	<b>233,348</b>	<b>294,728</b>	<b>115,662</b>	<b>301,085</b>

### Cable Access TV Special Revenue Fund Explanation:

The department's budget is within the Town's General Fund; however it is financed 100% by contractual payments from its two contracted providers, Charter Communications and Verizon. These revenues are held in reserve outside of the General Fund in a Special Revenue Fund. The funds are voted to be transferred in via the Town's annual budget article. In effect, there are no direct tax dollars used to support the department.

It should be noted that in prior years, the budgets and expenditures displayed in the table above were intended to be informational, because the department's expenses and revenues were carried within a Special Revenue Fund. However beginning in FY2017, state law<sup>1</sup> requires the expenses be brought explicitly into the General Fund, while the revenues continued to be received in the Special Revenue Fund. As in the current year, no tax dollars were used to support the department.

<sup>1</sup> Massachusetts General Law Chapter 44 §53F ¾



### **Veterans' Services Department**

The Department of Veterans' Services program is established in accordance with Massachusetts General Law, Chapter 115. The purpose of the program is to provide information, advice and assistance regarding benefits to veterans, as well as their spouses and dependents.

On July 1, 2013, the Town of Northborough entered into an agreement with the Towns of Grafton, Shrewsbury and Westborough to form the Central Massachusetts Veterans' Services District. Oversight of the District is provided by the Secretary of the Commonwealth of Massachusetts Department of Veterans' Services and the District's Veteran's Advisory Board. The locally appointed Veterans' Agent works with veterans to obtain benefits including employment, vocational or other educational opportunities, hospitalization, medical care, burial and other veterans' benefits. The approved benefits paid to Northborough veterans are subject to a 75% reimbursement from the Commonwealth's Department of Veterans' Services. Administrative costs, including salary are not reimbursable and the reimbursement is received as State Aid revenue approximately twelve to fifteen months after the expenditure.

### **Veterans' Services FY2023 Accomplishments**

1. Veterans' Services staff continued to host and participate in virtual community events designed to educate and inform Veterans, their families, and the community at large about the variety of programs and benefits that are available at the federal, state, and local levels.
2. Served as a resource for various local businesses regarding the veteran community, most especially regarding various forms of military paperwork, employee veteran status, employment practices and transition assistance.
3. Continue to support a high volume of claims to the Department of Veterans Affairs for medical care, disability, and survivor's pensions.
4. In FY2023, the District successfully recruited a new Director and full-time Agent, following the resignation of the prior Director, and the retirement of the part-time Agent.

### **Veterans' Services FY2024 Goals and Objectives**

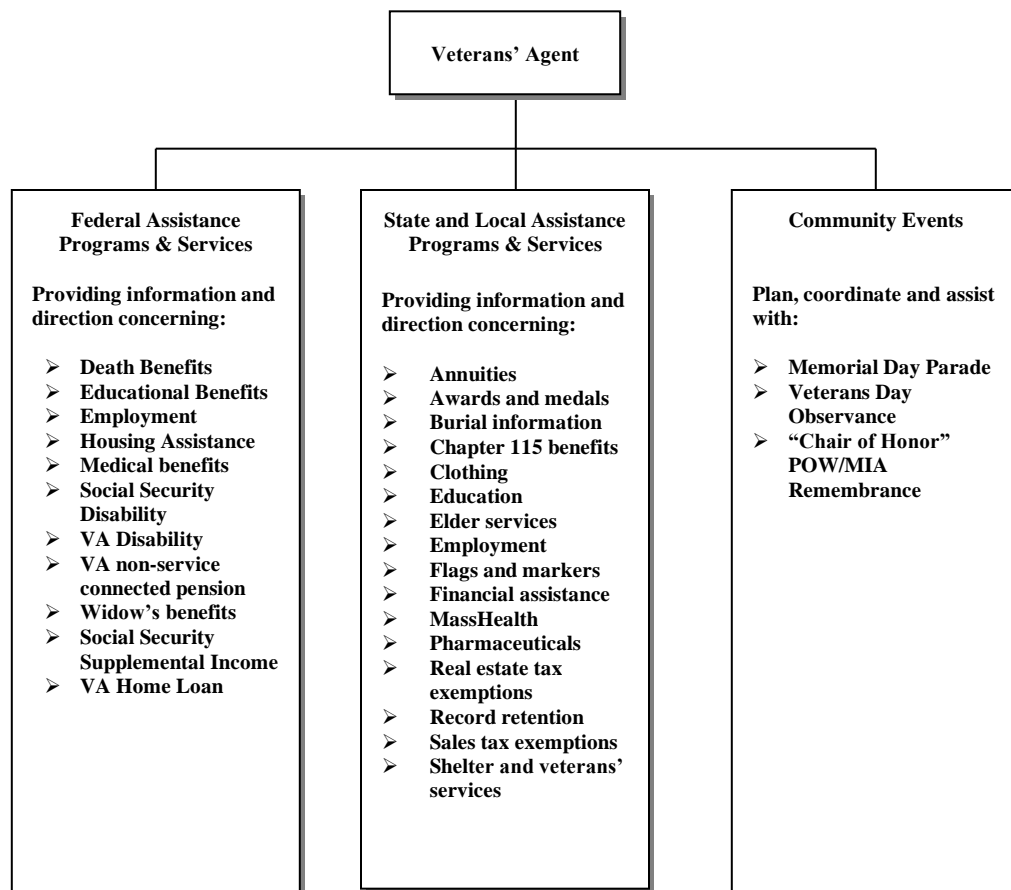
1. In FY2024, the Central Massachusetts Veterans Services District will undergo a Strategic Planning Process, to map out the future of the district, as Veteran needs continue to evolve.



### Significant Budget Changes or Initiatives

Since the formation of the Central Massachusetts Veterans' District in FY2014 with the Towns of Grafton, Shrewsbury and Westborough, Northborough's share of the District budget has remained stable at 17% (\$28,801) of the overall administrative expenses in FY2024.<sup>1</sup> In FY2023 Northborough's share of the District increased from 16% to 17% as a result of the updated census figures. Ordinary benefits for qualifying veterans and their families are funded at \$60,000 based upon historic needs. Although any approved benefits paid to Northborough veterans will eventually be subject to a 75% reimbursement from the Commonwealth's Department of Veterans' Services as part of the Town's state aid revenue, the Town is required to budget for the benefit payments in full in advance of the reimbursement. Overall, the FY2024 Veterans' Services budget is increasing by \$6,576, or 7.21%. This increase is due to the district's decision to increase a previously part-time Agent position to a full-time Agent position in FY2024 to better serve the needs of the district. The full-time Agent will work directly under the District Director.

### Veterans' Services Programs and Services



<sup>1</sup> Under the District Agreement, Northborough is responsible for 17% of the administrative expenses of the District. This is proportionally equivalent to Northborough's population relative to the total District population.



VETERANS' SERVICES					
Personnel Summary					
Position	FY 2020 FTE	FY 2021 FTE	FY 2022 FTE	FY 2023 FTE	FY 2024 FTE
Veterans' Agent	District	District	District	District	District
Total Full-time Equivalent	0	0	0	0	0

**\*Personnel Explanation:**

Effective in FY2014 the Town of Northborough shares a full-time Director and two part-time Agents with the Towns of Grafton, Shrewsbury and Westborough. District personnel are technically employees of the Town of Grafton, which serves as the host community for the District. Northborough is billed quarterly for its 17% share of administrative expenses, including personnel.

In FY2024, the District voted to increase the part-time Agent position to a full-time position to better serve the Veteran's within the district and meet the increased service delivery demands. The District is now staffed with two full-time VSO's, one of which serves as the Director.

## Section 5-32

## Veterans' Services



	FY2020	FY2021	FY2022	FY2023	FY2023	FY2024
	ACTUAL	ACTUAL	ACTUAL	BUDGETED	SIX MONTHS	PROPOSED
<b>VETERANS' SERVICES</b>						
<b>Personnel Services</b>						
51130 Director Salary	0	0	0	0	0	0
<b>SUBTOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Expenses</b>						
55030 Ordinary Benefits	47,236	47,168	35,562	58,580	19,624	60,000
55090 District Expenses	15,970	16,930	17,711	23,445	9,055	28,801
57810 Unclassified	1,465	2,845	3,860	9,200	1,685	9,000
<b>SUBTOTAL</b>	<b>64,671</b>	<b>66,943</b>	<b>57,133</b>	<b>91,225</b>	<b>30,364</b>	<b>97,801</b>
<b>TOTAL: VETERANS' SERVICES</b>	<b>64,671</b>	<b>66,943</b>	<b>57,133</b>	<b>91,225</b>	<b>30,364</b>	<b>97,801</b>





## Community Service Committees

## Section 5-33

### Cultural Council

The Cultural Council consists of seven members appointed by the Board of Selectmen for three-year terms. The Cultural Council plans, coordinates and monitors funding for community arts programs in the Town of Northborough. Funding, which is received on a limited basis from the State, is augmented through various fundraising events.

		FY2020	FY2021	FY2022	FY2023	FY2023	FY2024
		ACTUAL	ACTUAL	ACTUAL	BUDGETED	SIX MONTHS	PROPOSED
<b>CULTURAL COUNCIL</b>							
<b>Expenses</b>							
57810	Unclassified	500	500	500	500	60	1,000
	<b>SUBTOTAL</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>60</b>	<b>1,000</b>
<b>TOTAL:</b>	<b>CULTURAL COUNCIL</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>60</b>	<b>1,000</b>



### Community Affairs

The Community Affairs Committee consists of nine members appointed by the Board of Selectmen for three-year terms. The purpose of the Committee is to promote community life and publicity for the Town by holding functions such as social events, heritage days, parades, and other Town events for the enjoyment of the citizens.

	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>COMMUNITY AFFAIRS</b>						
<b>Expenses</b>						
57810 Unclassified	500	500	500	500	190	1,000
<b>SUBTOTAL</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>190</b>	<b>1,000</b>
<b>TOTAL: COMMUNITY AFFAIRS</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>190</b>	<b>1,000</b>



## Historic District Commission

The Historic District Commission (MGL Ch. 40, Section 14) consists of seven members appointed by the Board of Selectmen for three-year terms. The Commission conducts research into places of historic value and seeks to coordinate the activities of unofficial bodies organized for similar purposes. The Commission may acquire by gift, purchase or otherwise, artifacts, books, paintings, and other materials of historic value and provide a proper place for the storage and display of any such materials. The Commission may recommend the certification of places of interest as historical landmarks to the Town Meeting for the purpose of protecting and preserving such places. The Commission may acquire in the name of the Town by gift, purchase, grant, bequest, devise, lease or otherwise the fee or lesser interest in real or personal property of significant historical value and may manage the same (MGL Ch. 40, Section 8D).

The Commission compiles and maintains an inventory of the Town's historic assets; initiates and encourages activities to educate and to broaden community awareness of Northborough's historical heritage; works with individuals, public and private groups to promote preservation; encourages and supports local historic districts; provides preservation information and guidance; maintains a close working relationship with the Northborough Historical Society; and solicits preservation funding from local, state and private agencies. Its mission is to identify, evaluate and preserve the historical heritage of the town of Northborough.

	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>HISTORIC DISTRICT COMMISSION</b>						
<b>Expenses</b>						
52800 Contractual Services	0	0	0	0	0	0
53090 Advertising	0	0	0	0	0	0
53110 Printing	0	0	0	0	0	0
57340 Meetings	290	344	441	500	0	500
58690 New equipment	0	0	0	0	0	0
<b>SUBTOTAL</b>	<b>290</b>	<b>344</b>	<b>441</b>	<b>500</b>	<b>0</b>	<b>500</b>
<b>TOTAL: HISTORICAL COMMISSION</b>	<b>290</b>	<b>344</b>	<b>441</b>	<b>500</b>	<b>0</b>	<b>500</b>



This page intentionally left blank.

# **Undistributed Expenses**

## **Section 6**



This Page Intentionally Blank



# Undistributed Expenses

# Section 6-1

## Undistributed Expenses

In its operation the Town budgets certain overhead costs in the aggregate rather than distributing costs by department or program. These overhead costs include employee benefits of health insurance, life insurance, Worcester Regional Retirement contributions, unemployment compensation and workers' compensation insurance; comprehensive building and liability insurance; debt service; non-appropriated expenses such as State Assessments and reserves for abatements; stabilization fund contributions; a reserve fund for extraordinary and unforeseen expenses; and various Town Meeting special warrant articles. In the pages that follow each of these undistributed expenses are explained in more detail. A summary of these expenses is shown below.

	FY2020	FY2021	FY2022	FY2023	FY2023	FY2024
	ACTUAL	ACTUAL	ACTUAL	BUDGETED	SIX MONTHS	PROPOSED
<b>UNDISTRIBUTED EXPENSES SUMMARY</b>						
<b>EMPLOYEE BENEFITS&amp; INSURANCE</b>						
Health Insurance	5,465,418	5,587,249	5,523,737	6,184,052	3,077,153	6,184,052
Transfer to OPEB Trust	550,000	0	0	300,000	300,000	550,000
Life Insurance	6,496	6,374	6,256	8,930	2,998	8,930
Other Benefits/FICA	467,415	441,067	452,239	516,097	228,231	538,678
Worcester Regional Retirement	2,047,554	2,275,596	2,470,601	2,725,650	2,725,650	2,788,842
Workers Comp	118,943	119,051	123,134	134,702	121,801	134,702
<b>SUBTOTAL EMPLOYEE BENEFITS</b>	<b>8,655,826</b>	<b>8,429,337</b>	<b>8,575,966</b>	<b>9,869,431</b>	<b>6,455,833</b>	<b>10,205,204</b>
<b>Building &amp; Liability Insurance</b>	241,455	199,539	281,617	288,163	288,163	297,705
<b>Debt Service</b>	2,666,160	2,191,982	2,035,411	1,937,853	248,078	2,135,620
<b>State Assessments</b>	251,463	235,219	265,121	285,618	163,352	321,775
<b>Reserve for Abatements<sup>1</sup></b>	587,104	650,299	326,767	404,661	0	328,519
<b>Cherry Sheet Offset Items<sup>2</sup></b>	23,612	23,994	29,977	32,883	0	39,968
<b>Stabilization Fund Contribution</b>	200,000	0	0	200,000	200,000	200,000
<b>Reserve Fund <sup>3</sup></b>	175,000	375,000	175,000	175,000	0	175,000
<b>Warrant Articles<sup>4</sup></b>	4,951,000	2,337,775	1,875,250	2,784,000	0	7,898,836
<b>TOTAL:     UNDISTRIBUTED EXPENSES</b>	<b>17,751,620</b>	<b>14,443,145</b>	<b>13,565,109</b>	<b>15,977,619</b>	<b>7,355,426</b>	<b>21,602,627</b>

<sup>1</sup> Amounts displayed reflect an offset to revenue rather than actual expenditures and reflect what was provided for abatements and exemptions from the property tax levy as determined by the Assessors in each year.

<sup>2</sup> Amounts displayed reflect an offset to revenue rather than actual expenditures. The amounts are the portion of total budgeted state aid that is restricted to uses in other funds and will be received outside of the general fund. Beginning in FY2016 the only offset is for public library grants.

<sup>3</sup> Amounts displayed will reflect the budget only for the Reserve Fund from which amounts may be transferred to other departments to cover extraordinary/unforeseen expenses, expenditures are not made directly from the fund.

<sup>4</sup> Amounts displayed in this row reflect budgets rather than actual expenditures because articles are generally multi-year and reflect either transfers to Capital Project Funds or Borrowing Authorizations.



### Employee Benefits and Insurance Statement

The employee benefits and insurance provided to the employees of the Town of Northborough (including those who work for the Northborough K-8 Public Schools) include both the required and contractually agreed upon benefits to protect their health, provide for their income security if they are injured on the job, and provide for their eventual retirement from the Town. Employee benefits represents the cost of providing health and life insurance for Town and K-8 School employees as well as for workers' compensation, unemployment, FICA/Medicare tax, and the Town's assessment from the Worcester Regional Retirement System.

#### Health Insurance

Pursuant to MGL Chapter 32B, as a benefit of employment, any active, permanent employee of the Town who works in excess of twenty hours per week is eligible for group health insurance coverage. In an effort to control the escalating costs of health insurance, the Town issued a Request for Proposals (RFP) to various health insurance providers and the result was a move to consolidate carriers under the Fallon Community Health Plan for FY2019. After favorable annual renewals under Fallon, they made the decision to exit the active employer group insurance market for FY2023. The Town underwent another RFP process, and while forming an informal Joint Purchasing Arrangement (JPA) with the Regional High School district and the Town of Southborough, awarded a contract to Harvard Pilgrim Healthcare (HPHC) for FY2023. Due to favorable claims data along with the larger group afforded by the JPA, the new contract with HPHC resulted in a modest premium increase for FY2023 and FY2024. Through HPHC the Town continues to offer an HMO plan with a broad network, a lesser cost HMO plan with a more limited network, as well as a Preferred Provider plan (PPO). As a benefit of retirement, former Town employees are also eligible for group health insurance coverage. Retirees under the age of 65, or otherwise not Medicare eligible, are covered on the active employee plans with the same contribution as the Town employees. The Town offers three senior plans for Medicare eligible retirees: Fallon Senior, Tufts Preferred and MEDEX. As of January 2023 a total of 285 active employees (80 Town and 205 K-8 School), and 154 retirees (55 Town and 99 K-8 School, plus covered dependents) were enrolled in one of the Town's health insurance plans. The following rate schedule was used in budgeting for FY2024:

Health Insurance Plan		7/1/2023 Renewal Monthly Rates	Town Employees				School Employees			
			7/1/2023 Town Monthly Expense	7/1/2023 Employee Monthly Expense			7/1/2023 Town Monthly Expense	7/1/2023 Employee Monthly Expense		
HPHC HMO	Ind	916.08	70%	641.26	30%	274.82	75%	687.06	25%	229.02
	Fam	2,381.81	70%	1,667.27	30%	714.54	75%	1,786.36	25%	595.45
HPHC FOCUS HMO	Ind	810.46	70%	567.32	30%	243.14	75%	607.85	25%	202.61
	Fam	2,107.18	70%	1,475.03	30%	632.15	75%	1,580.39	25%	526.79
HPHC PPO	Ind	1,099.30	50.0%	549.65	50%	549.65	50.0%	549.65	50%	549.65
	Fam	2,858.17	50.0%	1,429.09	50%	1,429.08	50.0%	1,429.09	50%	1,429.08





## Undistributed Expenses

## Section 6-3

In FY2024, the Town will contribute 70% of the monthly HMO premiums for Town employees and 75% for K-8 School Employees. Beginning in FY2012, the Town's contribution for K-8 School employees decreased from 80% to 75% of the monthly HMO premiums. It is the goal of the administration to achieve parity between all employees at 70% during the next round of collective bargaining. In accordance with Chapter 32B, the Town pays 50% of the monthly premium for the PPO Plan for both K-8 School and Town employees. The employees pay the remaining premium through bi-weekly payroll deductions.

The FY2024 budget was prepared using an estimated 5% increase effective with the Senior plan renewal on January 1, 2023. The following rate schedule will be in place until the calendar year renewal.

			Medicare Eligible Ret Employees*			
Health Insurance Plan		1/1/2023 Renewal Monthly <u>Rates</u>		1/1/2023 Town Monthly <u>Expense</u>		1/1/2023 Retiree Monthly <u>Expense</u>
Fallon Senior	Ind	328.00	70%	229.60	30%	98.40
	Ind x2	656.00	70%	459.20	30%	196.80
Tufts Medicare	Ind	384.00	70%	268.80	30%	115.20
Preferred	Ind x2	768.00	70%	537.60	30%	230.40
MEDEX 2	Ind	424.57	51%	216.53	49%	208.04
	Ind x2	849.14	51%	433.06	49%	416.08

\* Enrollment in the Senior Plans require participation in Medicare Parts A & B

The Town pays 70% of the monthly Senior Plan HMO premiums for all retirees. In accordance with Chapter 32B, the Town pays 51% of the monthly premium for the MEDEX Plan. The retirees pay the remaining premium through monthly deductions from their retirement allowances. Through December, 2022 the Town also offered a comprehensive Tufts Medicare Complement plan, for which the Town received notice from Tufts that it would discontinue the plan upon the January 2023 renewal. The Town successfully navigated all 50 retirees (in addition to 30 covered spouses) onto alternative plans, which resulted in FY2023 budget savings of approximately \$300,000 that carried over into FY2024.

In the past, the Town experienced significant increases in its Health Insurance premiums. The Town unanimously adopted MGL Chapter 32B, Section 18 at the Annual Town Meeting in April 2009. Adoption of Chapter 32B, Section 18 required Medicare eligible retirees to move out of the HMO active health plans and into Medicare supplement or "Senior Plans," which are specifically designed for the medical needs of seniors and will effectively cost share health care expenses with the Federal Medicare program. By offering a variety of Senior Plans the Town continues to realize savings as Medicare-eligible retirees and their spouses are required to transition to these lower cost Senior Plans.



## Section 6-4

## Undistributed Expenses

In order to maintain sustainable health insurance budgets over the years the Town has periodically made changes to plan design, employee contributions, carrier consolidation, and most recently forming an informal JPA and collaborating on an RFP with a larger group. The overall affect has been an average health insurance budget increase of just 2.69% since FY2010.

- FY2010 Plan Design Changes and adoption of MGL c.32B, Section 18
- FY2012 Teacher contributions increased 5%
- FY2017 Plan Design Changes
- FY2018 Plan Design Changes but still experienced an 8.33% increase
- FY2019 Negotiated Carrier Consolidation resulted in a 3.8% budget increase

Health Insurance Budget Increases	
FY2010	0.72%
FY2011	2.99%
FY2012	4.49%
FY2013	3.34%
FY2014	2.00%
FY2015	1.00%
FY2016	3.00%
FY2017	3.00%
FY2018	8.33%
FY2019	3.80%
FY2020	2.00%
FY2021	2.60%
FY2022	2.10%
FY2023	1.00%
FY2024	0.00%
Average	2.69%

- FY2023 Conducted RFP as part of JPA which resulted in a 1.0% budget increase
- FY2024 Successfully enrolled retirees in alternate plans following cancellation of the Tufts Complement retiree plan, resulting in a savings of approximately \$300,000.

For FY2024, HPHC's premiums are still unknown at the time of this writing and the rates shown in this section reflect an estimated increase of 7% over the prior year. However, the overall budget increase is estimated at 0%, due to enrollment trends and cost-saving changes made to the senior plans during FY2023.

	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>HEALTH INSURANCE</b>						
<b>Expenses</b>						
51750 Town Health Insurance	1,137,210	1,106,821	1,106,821	1,388,535	549,580	1,286,473
51755 Town Retiree Health Ins.	326,570	347,975	350,246	349,677	223,726	396,043
51800 School K-8 Health Insurance	3,324,354	3,403,998	3,359,942	3,675,230	1,923,270	3,893,527
51805 School K-8 Retiree Health Ins.	654,889	681,967	692,128	720,610	374,576	558,009
51850 Health Reimbursement Account	18,152	16,100	14,600	50,000	6,000	50,000
<b>SUBTOTAL</b>	<b>5,465,418</b>	<b>5,587,249</b>	<b>5,523,737</b>	<b>6,184,052</b>	<b>3,077,153</b>	<b>6,184,052</b>



### **Transfer to OPEB Trust**

Other Post-Employment Benefits (OPEB) are the benefits, other than retiree pensions, offered to retirees and their dependents. These benefits mainly consist of medical insurance. The OPEB liability is defined as the present value of the benefit for retired and vested employees. The unfunded liability is the amount payable in the future, where the actuarial value of the benefits exceeds the value of funds previously set aside to pay the expense (in an irrevocable trust). The concept for recognizing OPEB was required by the Governmental Accounting Standards Board (GASB)<sup>5</sup>. Under the GASB's Statement #45, the Town was required to recognize this liability in its financial statements starting FY2009.

The Town's first actuarial study calculated the liability to be \$90.4 million. However, following the adoption of MGL Chapter 32B, Section 18 in 2009, the Town's Unfunded Actuarial Accrued Liability (UAAL) for OPEB was greatly reduced to \$34.3 million. At the close of FY2011, an actuarial update was required and due to the implementation of Section 18, the Town's UAAL was further reduced to \$28.1 million. Without a funding source for this obligation, the UAAL increased to \$32.6 million based on the actuarial study received at the close of FY2013. The next actuarial study was completed at the close of FY2015 and the UAAL increased to \$34.9 million and as required, another actuarial update was conducted for the close of FY2017 which was calculated to be \$37.4 million (net of the trust fund balance). The GASB has since clarified and replaced Statement #45, with Statements #74 and #75, and under GASB #75 the Town's latest liability was calculated to be \$44.36 million (Net OPEB Liability) under the new standards at the end of FY2022.

The Town adopted the local option Meals Tax surcharge and an increase in Room Occupancy tax in FY2015 in part to help provide the capacity for an initial \$500,000 funding for the OPEB Trust Fund. Over the subsequent four years from FY2016 through FY2019 another \$500,000 per year was transferred to the OPEB Trust fund. The funds have been invested with the state's Pension Reserves Investment Trust (PRIT) Fund. The PRIT Fund, which contains \$95.5 billion as of January 31, 2023, is the state retiree pension fund as well as the investment fund for 93 local Massachusetts retirement systems. These funds are professionally managed by the Pension Reserves Investment Management Board.

The Town continues to advocate for proposed legislative changes regarding the local obligation for retiree health insurance that would positively affect its OPEB liability. In FY2020, the Town made a \$550,000 contribution to the OPEB Trust Fund, which was a \$50,000 increase above the prior year's contribution. The increase was intended to recognize the growing liability, since the actuarial studies have involved medical cost trends growing faster than inflation, as well as longer life expectancies. Increased life expectancy, while positive, leads to a higher liability.

---

<sup>5</sup> The Governmental Accounting Standards Board (GASB) is the independent organization that establishes and improves standards of accounting and financial reporting for U.S. state and local governments. Established in 1984 by agreement of the Financial Accounting Foundation (FAF) and 10 national associations of state and local government officials, GASB is recognized by governments, the accounting industry, and the capital markets as the official source of generally accepted accounting principles (GAAP) for state and local governments.



## Section 6-6

## Undistributed Expenses

Unfortunately, the Town's annual contributions, although significant, are not yet lowering the overall liability. In addition, recent fiscal constraints associated with the COVID-19 pandemic led to postponement of contributions to the OPEB Trust Fund in FY2021 and FY2022. For FY2023, the Town brought the contribution back at \$300,000, and has returned a contribution at the \$550,000 level to the budget for FY2024.

Ultimately, as the balance in the Trust Fund grows, the cumulative effect of positive investment returns will begin to be more substantial. In addition, when the unfunded pension liabilities are fulfilled by the Worcester Regional Retirement System's goal for full funding by 2036, the funds from the pension assessment should be redirected to address the unfunded OPEB liability.

In total, the Town has appropriated \$3.35 million into the OPEB Trust Fund since FY2015, not including the \$550,000 contribution planned for FY2024. The Trust Fund balance as of January 31, 2023 is \$5.11 million, which represents a funding ratio of 10% versus the Total OPEB Liability of \$49 million calculated as of June 30, 2022.

	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>TRANSFER TO OPEB TRUST</b>						
59992 Transfer to OPEB Trust	550,000	0	0	300,000	300,000	550,000
<b>SUBTOTAL</b>	<b>550,000</b>	<b>0</b>	<b>0</b>	<b>300,000</b>	<b>300,000</b>	<b>550,000</b>

### Life Insurance

The Town provides a group life insurance program available to all employees and contracts with Boston Mutual Life. All Town and K-8 School employees who choose to enroll are insured for \$5,000. In addition, Town and School Retirees are insured for \$2,000. This budget covers the Town's 50% portion of the premium. Employee payroll deductions and retiree contributions fund the balance of the premium costs. This budget also covers a term life insurance policy for the Town Administrator pursuant to the employment contract.

	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>LIFE INSURANCE</b>						
<b>Expenses</b>						
51740 Town Life insurance	1,669	1,730	1,714	4,108	799	4,108
51745 School K-8 Life Insurance	4,828	4,643	4,542	4,822	2,198	4,822
<b>SUBTOTAL</b>	<b>6,496</b>	<b>6,374</b>	<b>6,256</b>	<b>8,930</b>	<b>2,998</b>	<b>8,930</b>



### **Other Benefits / Federal Insurance Contributions Act (FICA) Tax**

Federal Insurance Contributions Act (FICA) tax is a payroll (or employment) tax imposed by the Federal Government on both employees and employers. As a result of Federal legislation, all local government employees hired after March 31, 1986 are considered Medicare Qualified Government Employees (MQGE) and are required to be covered under the Medicare program. The Town is responsible for a matching Medicare payroll tax of 1.45% on these employees. Annual increases in this tax liability reflect a rise in the payroll subject to this tax.

Massachusetts is one of a handful of “non-Social Security” states. Most full-time employees, as members of contributory retirement systems, pay into defined-benefit public pension systems instead of Social Security. The Town is not subject to the 6.2% matching FICA tax and Town employees do not earn Social Security “credits” or “quarters” for their service.

Part-time and temporary employees who are not covered by the contributory retirement system are required to participate in an alternative as permitted by the federal Omnibus Budget Reconciliation Act of 1990. Such employees pay into a defined contribution plan at a rate of 7.5%. There is no employer cost for this program.

### **Unemployment Assistance**

The Town does not pay unemployment insurance, but instead, is assessed by the State Division of Unemployment Assistance (DUA) on a pay-as-you-go basis for the cost of any and all benefits actually paid to former Town and K-8 School employees. In a typical year and situation, the maximum number of weeks an individual may receive benefits is 26 and the maximum weekly benefit amount is currently \$1,015/week, plus a dependency allowance of \$25 per week for each dependent child. The Town is responsible for reimbursing the State 100% of the benefits paid to former employees. There is an inherent complexity in tracking unemployment costs and estimating liability given that an employee’s “benefit year” may cross fiscal years, claimants may be subject to partial benefits if they have other earnings, and claimants who become unemployed more than once during a benefit year may reactivate a prior claim.

During FY2020 and FY2021, in response to the COVID-19 Pandemic, the federal government passed the Coronavirus Aid, Relief and Economic Security Act (CARES), which provided \$268 billion for expanded unemployment insurance benefits for workers impacted by the Pandemic. This Act both extended the amount of time employees could collect unemployment for COVID-19 related layoffs and increased the benefit amount. As a pay-as-you-go community, Northborough is required to provide the additional pandemic emergency unemployment compensation to qualifying employees. Through the pandemic, the Town did not experience any large-scale layoffs or furloughs therefore the benefits paid did not increase substantially, and the line has been level funded at \$60,000 for FY2023 and FY2024.



## Section 6-8

## Undistributed Expenses

### Miscellaneous Benefits

Miscellaneous benefits include payment of a portion of sick leave for eligible retiring employees (capped at \$3,000 each), OBRA payments for the Senior Work Program, payment of the deferred compensation benefit for the Town Administrator pursuant to the employment contract, and the fee assessed by the deferred compensation program provider.

	FY2020	FY2021	FY2022	FY2023	FY2023	FY2024
	ACTUAL	ACTUAL	ACTUAL	BUDGETED	SIX MONTHS	PROPOSED
<b>OTHER BENEFITS/FICA</b>						
<b>Expenses</b>						
51730 FICA Town Share	120,181	119,644	125,209	130,810	62,189	137,351
51733 FICA School Share	278,171	286,048	301,349	302,820	142,950	317,351
51735 Unemployment Compensation	55,446	18,366	14,623	60,000	8,878	60,000
55090 Miscellaneous Benefits	13,617	17,008	11,058	22,467	14,213	23,366
<b>SUBTOTAL</b>	<b>467,415</b>	<b>441,067</b>	<b>452,239</b>	<b>516,097</b>	<b>228,231</b>	<b>538,678</b>

### Worcester Regional Retirement Assessment

The Town participates in the Worcester Regional Retirement System which is a contributory retirement system composed of one hundred (100) member towns and districts from Worcester County. Subject to the provisions of Chapter 32B and 34B of the Massachusetts General Laws, the retirement system, as well as all public retirement systems in Massachusetts, is overseen by the Public Employee Retirement Administration Commission (PERAC).

PERAC, through an actuarial study, determines the appropriate funding schedule for the retirement system's total Unfunded Actuarial Accrued Liability (UAAL). The Municipal Relief Act of 2010 extended the requirement for full funding of the pension system's liability to the year 2040, while the system's actual funding schedule targets full funding by 2036. The total source of funding is the annual Town assessment together with employee contributions for each member unit.

The FY2024 assessment was prepared using the full actuarial method of assessment calculation. Previously, the Worcester Regional Retirement System based its assessment to each member unit upon its proportional amount of payroll. The actuarial method of assessment, now fully implemented, calculates the assessment on an actuarial determination using the employee age, service, and average salary data of each individual member unit. The Town of Northborough's total Unfunded Actuarial Accrued Liability is \$32,470,738 as of January 1, 2022. The Worcester Regional Retirement System regards the actuarial method as a "more fair and transparent way of assessing each unit's true liability" and noted that this is also consistent with the standards of the Government Accounting Standards Board (GASB).

In recent years there have been changes to Massachusetts pension benefits brought about by various Pension Reform legislation in an attempt to rein in pension liability costs. The liability had increased due to lack of performance in investments and the inability of the pay-as-you-go funding to keep pace with the defined benefits. It is important to note that a municipal employee hired after 1996 will contribute 9% of their total compensation plus another 2% of any regular



## Undistributed Expenses

## Section 6-9

compensation over \$30,000 to the retirement system. This non-public safety employee, if retired with 25 years of creditable service and the investment return assumption is met, will effectively pay for their entire pension.<sup>6</sup> The Town's assessment together with the employee contributions are intended to meet the pension costs for all Town and Northborough K-8 School (non-teaching positions) retirees covered by this retirement system, as well as to amortize over time the previous unfunded pension liability created by insufficient contributions by member units over a number of years.

It should be noted that Northborough K-8 School teachers are not part of the Worcester Regional Retirement System, but are instead covered by the Massachusetts Teachers' Retirement System which is governed by MGL, Chapter 32. Teacher retirement costs are funded directly with an appropriation by the Commonwealth of Massachusetts and employee contributions. For the fiscal year ended June 30, 2022, the Town recognized pension expense and intergovernmental revenue of \$3,923,632 for the Commonwealth's support of the system on behalf of the Town in its financial statements.

The total FY2024 Worcester Regional Retirement Assessment is \$2,909,208. The \$2,788,842 portion included in the General Fund budget below does not include the retirement costs contained in the Water Enterprise Fund (\$57,092), the Sewer Enterprise Fund (\$38,061) or the Cable Access TV budget (\$25,213)<sup>7</sup>.

The FY2024 General Fund increase of \$63,192 represents a 2.32% rise in costs, which is much lower than the system-wide increase of approximately 10% which is that significant primarily due to implementation of the funding schedule designed to eliminate the unfunded pension liability by 2036. Northborough's lower than average increase within the system is driven by actuarial factors, which include the ages of covered employees and retirees.

		FY2020	FY2021	FY2022	FY2023	FY2023	FY2024
		ACTUAL	ACTUAL	ACTUAL	BUDGETED	SIX MONTHS	PROPOSED
<b>WORCESTER REGIONAL RETIREMENT</b>							
<b>Expenses</b>							
56220	Retirement Assessment	2,047,554	2,275,596	2,470,601	2,725,650	2,725,650	2,788,842
	<b>SUBTOTAL</b>	<b>2,047,554</b>	<b>2,275,596</b>	<b>2,470,601</b>	<b>2,725,650</b>	<b>2,725,650</b>	<b>2,788,842</b>

<sup>6</sup> Information from Actuary James R. Lamenzo of the Public Employee Retirement Administration (PERAC).

<sup>7</sup> The Water & Sewer Enterprise Funds are designed to capture all costs associated with the service and are fully explained in Section 8 of this budget document. The Cable Public Access TV Department is funded by fees added to the cable TV subscriber bills, which pay for the related retirement costs of the full-time Cable Access staff (see Section 5 of the budget for more information regarding Public Access TV).





### **Workers' Compensation Insurance**

Workers' Compensation is available to those employees injured on the job. The Town is insured through the Massachusetts Interlocal Insurance Agency (MIIA) which is owned and operated by the municipalities of Massachusetts.<sup>8</sup> Employees injured on the job receive 60% of their pay tax-free and the Town is responsible for 100% of associated medical bills.

Also included in this budget are medical payments to cover separated police and fire personnel. MGL, Chapter 41, Section 100B requires the Town to continue to pay for related medical payments and associated expenses for retired police and fire employees injured on duty. The actual Injured on Duty (IOD) insurance premium for police and fire personnel is contained in the Building and Liability Insurance budget.

The Town's Workers' Compensation insurance premiums reflect a level budget for FY2024. There are two key factors that drive fluctuations in Workers' Compensation insurance premiums: claims experience and payroll costs (higher payroll costs associated with increases in wage rates and salaries and/or additional staffing generally result in higher premiums). The Town has participated in a wide variety of safety training programs offered by its insurer, MIIA, that are intended to reduce work-related injuries. These programs are specifically designed to address risks faced by municipal employees, are offered free of charge, and help the Town proactively manage its claims risk, thereby keeping costs down while wages have increased modestly. These factors have resulted in the Town being able to level fund its Workers' Compensation budget for FY2024.

	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>WORKERS' COMPENSATION INSURANCE</b>						
<b>Expenses</b>						
51710 Workers' Compensation	118,803	118,984	122,751	129,702	121,709	129,702
53080 Police/Fire Injured on Duty (IOD) Medical Payments	140	67	383	5,000	92	5,000
<b>SUBTOTAL</b>	<b>118,943</b>	<b>119,051</b>	<b>123,134</b>	<b>134,702</b>	<b>121,801</b>	<b>134,702</b>

<sup>8</sup> Massachusetts Interlocal Insurance Association (MIIA) was incorporated by the Massachusetts Municipal Association in 1982 as a nonprofit organization to provide insurance services to the cities, towns and other governmental entities in Massachusetts that are members of the MMA. MIIA insures approximately 300 cities and towns across Massachusetts.





## Undistributed Expenses

## Section 6-11

### **Building & Liability Insurance**

This budget category includes property and liability coverage for all Town owned property, as well as liability coverage for all elected and appointed Town officials.

In addition, because fire and police personnel are not eligible under Massachusetts law for regular workers' compensation coverage, a separate insurance policy with premiums based largely on claims experience is purchased to cover these personnel for injuries sustained in the line of duty. The police and fire MGL Chapter 41 Section 111F Injured on Duty (IOD) premium is also included here. Under this statute, public safety employees injured on duty receive 100% of their regular earnings. These IOD earnings are considered non-taxable wages by both the Department of Revenue and the Internal Revenue Service.

The Town's Building and Liability insurance premiums reflect a 3.31% budgetary increase for FY2024.

	FY2020	FY2021	FY2022	FY2023	FY2023	FY2024
	ACTUAL	ACTUAL	ACTUAL	BUDGETED	SIX MONTHS	PROPOSED
<b>BUILDING &amp; LIABILITY INSURANCE</b>						
<b>Expenses</b>						
57410 Building & Liability Ins.	241,455	199,539	281,617	288,163	288,163	297,705
<b>SUBTOTAL</b>	<b>241,455</b>	<b>199,539</b>	<b>281,617</b>	<b>288,163</b>	<b>288,163</b>	<b>297,705</b>



### Debt Service

Debt Service appropriations provide for the payment of principal and interest costs for long-term bonds and short-term notes issued by the Town for capital projects for General Fund purposes in addition to the cost of issuing debt. The debt service appropriations for the Water & Sewer Enterprise Funds will appear in their respective budgets (Section 8 of this budget document). The following table shows the total amount of debt being considered for FY2024 and the various sources from which the debt will be paid.

		OUTSTANDING	PRINCIPAL &	INTEREST &	TOTAL
		PRINCIPAL	PAYDOWNS	ISS COSTS	DEBT SERVICE
		START OF YEAR	PAYABLE	PAYABLE	FY2024
General Fund		888,200	166,300	51,285	217,585
General Fund (Debt Excluded)		13,559,200	1,408,100	509,935	1,918,035
<b>Subtotal General Fund</b>		<b>14,447,400</b>	<b>1,574,400</b>	<b>561,220</b>	<b>2,135,620</b>
Water Enterprise		1,763,656	220,414	90,775	311,189
Sewer Enterprise		2,824,365	488,791	116,285	605,076
Community Preservation Act		735,000	147,000	41,000	188,000
Revolving Funds		400,000	134,000	22,000	156,000
<b>Subtotal (Non General Fund)</b>		<b>5,723,021</b>	<b>990,205</b>	<b>270,060</b>	<b>1,260,265</b>
<b>TOTAL LONG &amp; SHORT TERM DEBT</b>		<b>20,170,421</b>	<b>2,564,605</b>	<b>831,280</b>	<b>3,395,885</b>

Typically, larger projects such as the Lincoln Street School are bonded for twenty years, while the debt for other General Fund projects and equipment is retired within five to ten years. The Town's goal is to finance capital projects for the shortest feasible term over the useful life of the asset in accordance with the terms outlined in Massachusetts General Laws. This ensures that the debt burden remains manageable.

	FY2020	FY2021	FY2022	FY2023	FY2023	FY2024
	ACTUAL	ACTUAL	ACTUAL	BUDGETED	SIX MONTHS	PROPOSED
<b>DEBT SERVICE</b>						
<b>Expenses</b>						
59100 Principal/Long-term Debt	1,996,500	1,600,548	1,475,325	1,377,200	0	1,574,400
59150 Interest/Long-term Debt	669,660	591,434	528,524	496,155	248,078	438,845
59270 Interest/Temporary Loans	0	0	31,562	53,948	0	105,000
59280 Issuance Costs	0	0	0	10,550	0	17,375
<b>SUBTOTAL</b>	<b>2,666,160</b>	<b>2,191,982</b>	<b>2,035,411</b>	<b>1,937,853</b>	<b>248,078</b>	<b>2,135,620</b>

For FY2024, the total Debt Service budget for the General Fund is \$2.14 million, an increase of \$197,767. The largest component of the debt service budget in FY2024 is for the Lincoln Street School, which is \$973,975, a decrease from the FY2017 peak of \$1,144,882. Since that project was completed on time and approximately \$1.38 million under budget, the surplus bond proceeds from this project were used to fund the next phase of the Fire Station building project approved at 2019 Town Meeting. In preparation for the Fire Station project, and other more significant building projects, issuance of debt for smaller capital projects has been curtailed to minimize the tax impact. This practice is in accordance with the Town's 2010 Free Cash Policy,



## Undistributed Expenses

## Section 6-13

as these smaller capital items have been purchased using available funds. Please see Section 9 of this budget document for a more detailed explanation of the Free Cash Policy and the successful efforts to fund more pay-as-you-go capital projects. Following is a table showing the detail of all the Town's outstanding Long-Term Debt which will be coming due during FY2024:

DATE ISSUED	PAR AMOUNT	NET INTEREST COST	PURPOSE	FUND DEBT PAID FROM	TERM (YEARS)	TOTAL DUE PRINCIPAL & INTEREST
5/15/2005	\$ 2,100,000	3.9225%	Various Projects		20	\$ 65,100
	\$ 1,154,000	3.8864%	2002 & 2003 Water Articles	Water Enterprise	20	\$ 32,550
	\$ 675,000	4.0202%	2002 & 2003 Sewer Articles	Sewer Enterprise	20	\$ 32,550
10/15/2009	\$ 1,550,000	5.9191%	2004 STM Art 1 - Sewer Land Acq (Taxable)	Sewer Enterprise	15	\$ 109,650
6/17/2015	\$ 7,390,000	2.5504%	2014 Art 19 - Lincoln Street School (DE)	Gen Fund (DE)	20	\$ 494,575
1/21/2016	\$ 6,800,000	2.3927%	2014 Art 19 - Lincoln Street School (DE)	Gen Fund (DE)	20	\$ 479,400
5/18/2017	\$ 986,053	0.0000%	2014 Art 31 - Water Meters (MWRA Loan)	W/S Enterprise*	10	\$ 98,605
6/14/2018	\$ 2,275,000	2.7338%	Various Projects		15	\$ 227,650
	\$ 1,363,000	2.8223%	2015 Art 32 - Sewer Pump Station Const	Sewer Enterprise	15	\$ 127,650
	\$ 819,000	2.5482%	2014 Art 28 - Church Street Culvert	Gen Fund	10	\$ 100,000
5/26/2021	\$ 6,845,000	0.7646%	Various Projects		10	\$ 1,076,500
	\$ 80,075	0.5640%	2006 Art 56 - School Roof (Refunded 2009)	Gen Fund	6	\$ 15,860
	\$ 1,107,300	0.6558%	2000 Art 37 - Library Const (DE) (Refunded 2009)	Gen Fund (DE)	7	\$ 196,080
	\$ 45,300	0.4791%	2005 Art 23 - Library Const (DE) (Refunded 2009)	Gen Fund (DE)	5	\$ 10,355
	\$ 465,575	0.6559%	2007 Art 20 - Library Const (DE) (Refunded 2009)	Gen Fund (DE)	7	\$ 82,460
	\$ 10,050	0.4778%	2004 Art 23 - DPW Garage (Refunded 2009)	Gen Fund	5	\$ 2,075
	\$ 12,650	0.5466%	2006 Art 30 - Police Station Repairs (Refunded 2009)	Gen Fund	6	\$ 2,160
	\$ 12,650	0.5466%	2006 Art 31 - DPW Garage (Refunded 2009)	Gen Fund	6	\$ 2,160
	\$ 260,950	0.7433%	2006 Art 24 - Water Wells (Refunded 2009)	Water Enterprise	8	\$ 43,270
	\$ 75,900	0.7522%	2006 Art 25 - Water Mains (Refunded 2009)	Water Enterprise	8	\$ 12,230
	\$ 75,900	0.7522%	2007 Art 23 - Water Tanks (Refunded 2009)	Water Enterprise	8	\$ 12,230
	\$ 441,400	0.7524%	2006 Art 27 - Sewer Const (Refunded 2009)	Sewer Enterprise	8	\$ 71,170
	\$ 82,800	0.7209%	2007 Art 24 - Sewer Const (Refunded 2009)	Sewer Enterprise	8	\$ 13,390
	\$ 1,949,750	0.7541%	2008 Art 20 - Senior Center (DE) (Refunded 2011)	Gen Fund (DE)	8	\$ 316,665
	\$ 561,750	0.7534%	2008 Art 21 - Environmental Remediation (Refunded 2011)	Gen Fund	8	\$ 88,455
	\$ 172,525	0.7557%	2008 Art 24 - Water Wells (Refunded 2011)	Water Enterprise	8	\$ 27,690
	\$ 353,800	0.9281%	2016 Art 27 - Sewer I&I	Sewer Enterprise	10	\$ 49,000
	\$ 259,000	0.9258%	2017 Art 31 - Sewer W Main Pump Stn	Sewer Enterprise	10	\$ 35,000
	\$ 666,800	0.9241%	2019 Art 12 - Water/Sewer Garage	W/S Enterprise**	10	\$ 96,250
<b>SUBTOTAL EXISTING LONG TERM DEBT</b>						<b>\$ 2,551,480</b>
*0% Loan from MWRA - to be split 60%/40% between Water & Sewer Enterprise Funds for life of debt (Split \$7,813.95 / \$90,791.35 in FY2023-FY2027)						
** Split 60% Water / 40% Sewer						

While the previous table reflects the existing Long-Term debt obligations, the Town also has Short-term debt obligations to consider, and the following table reflects those:

ESTIMATED BAN & ISS %*	PURPOSE	FUND DEBT PAID FROM	ESTIMATED TERM	PRINCIPAL & INTEREST
5%	2019 Art 20 - Fire Station Land/Design (FY21-22, Req FY24)	Gen Fund (DE)	10	\$ 338,500
5%	2016 Art 42 - White Cliffs BAN (Paydowns FY18-23)	CPA	10	\$ 188,000
5%	2020 Art 23 - Assabet Water Tank Rehab (FY22-23 Paydown)	Water Enterprise	20	\$ 72,805
5%	2021 Art 17 - SCADA System (50%/50% W/S)	W/S Enterprise	10	\$ 74,750
5%	2021 Art 18 - Dam Compliance	Water Enterprise	10	\$ 7,475
<b>SUBTOTAL EXISTING SHORT TERM DEBT</b>				<b>\$ 681,530</b>
* .5% Added for estimated issuance costs				
** Estimated as taxable debt due to possibility that White Cliffs becomes designated for private use for presentation at CPC in December				

There are also issuance costs estimated at .5% for \$1,375,000 in temporary debt for two new articles going before 2024 Town Meeting (\$6,875) in addition to an amount budgeted for new debt for an ambulance approved at 2023 Town Meeting payable from EMS/Ambulance Revolving funds to be issued in FY2023 payable in FY2024 (\$156,000). Therefore, with these additions totaling \$162,875, the total long and short-term debt service to be payable in FY2024 equals the \$3,395,885 shown in the first table of this section.



### Statutory Debt Limit

The aggregate level of the Town of Northborough's outstanding debt obligation is limited by State law. The statutory debt limit is established by Massachusetts General Laws, Chapter 44, Section 10 at 5% of our total Equalized Valuation (EQV). The EQV is determined every other year by the State Department of Revenue.

Northborough's 2022 EQV	\$3,635,129,100
Debt Limit (5% of EQV)	\$ 181,756,455

Northborough's total issued short and long-term debt principal, both inside and outside the debt limit as of June 30, 2022, is \$22,151,027, significantly below the statutory debt limit.

### Debt Policy Limits

There is an additional local limit placed on Northborough's total debt obligation through the Debt Policy adopted by the Board of Selectmen in September 2000. The Debt Policy provides for specifically defined Gross and Net debt limits for the annual General Fund debt service expressed as a percentage of the proposed budget.

Gross General Fund Debt Limit	Not to Exceed	15%
Net General Fund Debt Limit	Not to Exceed	8% – 10%

The estimated FY2024 General Fund debt service budget is well under the local debt policy limits, as Gross General Fund Debt is 4.0% of the proposed budget, which is well within the Town's policy limits: \$2,135,620 plus \$777,630 in overlapping debt from the regional school districts divided by an expense budget of \$73,532,661. The Net General Fund debt represents the same amount, 4.0% of FY2024 expenditures, since the Town has no remaining State School Building Authority payments to subtract. So, again the debt budget is well within the policy limit. See Appendix A, page 4 for more information on the Town's specific debt policy.

### Bond Rating

In order to comply with complex tax regulations, secure access to the municipal bond market, and assure a competitive climate for bids, the Town uses the services of Bond Counsel, a Financial Advisor and a private credit rating agency to prepare for the issuance of bonds.

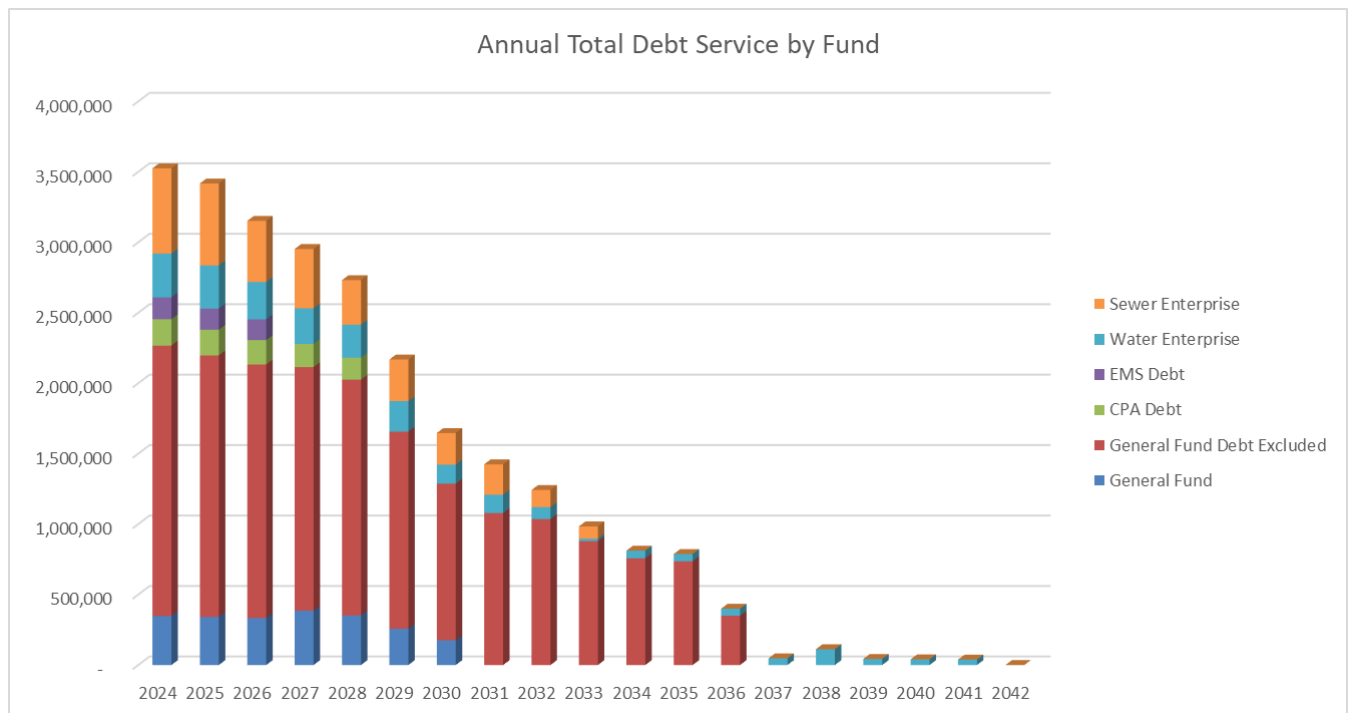
In May 2015, in conjunction with the first bond issuance for the Lincoln Street School project, Moody's Investors Service upgraded the Town's bond rating from Aa2 to Aa1, which is Northborough's highest rating ever. During the review Moody's cited the Town's manageable debt levels, strong reserves, below average pension liabilities and its ongoing funding of OPEB liabilities as positive factors. With regard to management they commented that *"the Town has a strong management team evidenced by a multi-year trend of conservative budgeting guided by formal fiscal policies."* The independent assessment illustrates how our planning efforts and fiscal discipline produce very real and tangible results—lower rates on bonds resulting in less tax dollars going to pay for interest.

<b>Moody's Investor Service Bond Rating</b>	
Aaa	
➡ Aa1	
Aa2	
Aa3	
A1	
A2	
A3	
Baa1	
Baa2	
Baa3	
Ba1	
Ba2	
Ba3	
B1	
B2	



## Total Long-Term Debt Service - All Funds

The total long-term annual debt service from FY2024 through FY2042, including both principal and interest, is shown on the following page. The chart indicates the amount of long-term debt service for the General Fund (both Debt Excluded and Non-Excluded), as well as the long term debt service for the Community Preservation Act (CPA) Fund, Emergency Medical Services Revolving Fund and the Water and Sewer Enterprise Funds. The figures include all existing debt, including projections for items currently in short-term debt and proposed for this year.





Annual Total Debt Service By Fund							
Fiscal Year	General	General Fund	CPA	EMS	Water	Sewer	Total
Due	Fund	Debt Excluded	Debt	Debt	Enterprise	Enterprise	Debt Service
2024	348,710	1,918,035	187,425	154,750	311,189	605,076	3,525,185
2025	341,195	1,856,115	182,280	150,150	305,819	581,976	3,417,535
2026	333,540	1,799,355	173,460	146,575	265,054	434,121	3,152,105
2027	385,295	1,729,250	164,640		252,549	420,786	2,952,520
2028	351,980	1,673,000	155,820		234,265	316,555	2,731,620
2029	257,185	1,399,140			216,435	295,540	2,168,300
2030	175,675	1,111,685			134,765	224,375	1,646,500
2031		1,079,045			129,220	216,000	1,424,265
2032		1,036,000			84,675	121,625	1,242,300
2033		879,125			17,200	87,550	983,875
2034		757,500			53,860	-	811,360
2035		736,350			51,640	-	787,990
2036		350,200			49,420	-	399,620
2037					47,200	-	47,200
2038					111,980	-	111,980
2039					42,760	-	42,760
2040					40,540	-	40,540
2041					38,320	-	38,320
2042					-	-	-
	<b>2,193,580</b>	<b>16,324,800</b>	<b>863,625</b>	<b>451,475</b>	<b>2,386,891</b>	<b>3,303,605</b>	<b>25,523,976</b>

### Non-Appropriated Expenses

Beyond the specific appropriations contained within the Budget Article and other Town Meeting articles, the Town must account for those expenses which do not require votes for appropriations. This category of mandated expenditures and assessments are automatically added to the tax rate without appropriation. Such costs include various state assessments for services such as: charter schools, county services, prior year budget overdrafts in snow and ice removal, court judgments, and an amount estimated for tax abatements and exemptions or the overlay.

### State Assessments

The FY2024 Assessments represented below are from the Governor's Budget. Historically, the Town does not receive its final State Assessments until well after Town Meeting in April. Four categories of State assessments account for approximately 86% of the expenses: Mosquito Control, MBTA, School Choice, and Charter School Assessments.

1. Mosquito Control Assessment: Pursuant to MGL Chapter 252, Section 5A (Chapter 2, Section 41, Acts of 1986) there are eight mosquito control districts whose costs are apportioned to member municipalities on the Cherry Sheet. Each district is also allocated a proportional share of expenses for the State Reclamation Board that administers these programs.



## Undistributed Expenses

## Section 6-17

2. Massachusetts Bay Transportation Authority (MBTA): For services rendered to those cities and towns within the Authority, an assessment is administered in order to maintain and operate regional public transportation.
3. School Choice: To assess the sending municipality or regional school district for pupils attending other public school districts, who accept students voluntarily through School Choice. Per pupil tuition rates are 75 per cent of the per pupil costs up to a limit of \$5,000, Additional increments are added for students on individualized education plans (SPED).
4. Charter School Assessment: To assess the sending municipality or regional school district for pupils attending charter schools. Charter school tuition charges are assessed against the sending district and paid to the charter school district. Charter Schools shall receive per-pupil payments from sending districts equal to the average cost per student in that district, plus a capital funding share.

	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>STATE ASSESSMENTS</b>						
<b>Expenses</b>						
56390 Mosquito Control Assessment	64,273	64,306	65,990	67,658	33,834	67,309
56400 Air Pollution Assessment	5,418	5,522	5,585	5,785	2,898	5,901
56420 MBTA	77,530	79,010	82,996	82,418	41,214	83,918
56430 Regional transportation Ch 161 B	26,104	23,374	20,552	27,780	13,890	30,715
56450 Parking Surcharge Ch 90	7,296	192	0	7,980	3,862	7,080
56440 Special Education	0	10,380	7,980	0	0	1,058
56455 School Choice Sending Tuition	30,369	28,741	56,952	55,903	29,581	68,530
56460 Charter School Sending Tuition	40,473	23,694	25,066	38,094	38,073	57,264
<b>SUBTOTAL</b>	<b>251,463</b>	<b>235,219</b>	<b>265,121</b>	<b>285,618</b>	<b>163,352</b>	<b>321,775</b>



### **Reserve for Abatements**

The Reserve or Allowance for Abatements and Exemptions or Overlay is an account established annually to fund anticipated property tax abatements, exemptions and uncollected taxes in that year. The overlay reserve need not be funded by the normal appropriation process, but rather is raised on the tax rate recapitulation sheet.

The Board of Assessors process a variety of statutory exemption applications for elderly, veteran, blind and hardship taxpayers. If approved, the exemptions are funded by the Overlay Reserve for Abatements and Exemptions. Additionally, taxpayers may file for an abatement of their property taxes. If approved, the exemptions are funded by the Overlay Reserve for Abatements and Exemptions.

Massachusetts Municipal Modernization Act passed and went into effect in November 2016. The new law created a single overlay reserve to cover the costs of potential abatements or exemptions granted by the assessors or ordered by the Appellate Tax Board for any fiscal year. Now all balances in all overlay accounts for prior years will be merged into a single overlay account. An amount will still need to be raised each year to be sure there are sufficient funds to cover all the abatements and exemptions, however the amount raised in the current year may be reduced at the time the tax rate is set in November if sufficient surplus remains in the reserve.

In FY2024, the proposed funding for the Overlay Reserve for Abatements and Exemptions is \$328,519, which represents approximately 0.5% of the estimated tax levy.

### **Cherry Sheet Offset Items**

Cherry Sheet Offset Items represent State Aid revenue that is included with the Town's revenue estimates that are provided by the State called the "Cherry Sheet." The estimates include specific revenue items dedicated to be used for certain purposes, and are received and expended outside the General Fund. Therefore, the General Fund expenditure budget must reflect an "offset" for this anticipated revenue.

The only offset item for FY2024 is \$39,968 estimated for public library grants.





## Stabilization Fund Contribution

The Stabilization fund is designed to accumulate amounts for capital and other future spending purposes, although it may be appropriated for any lawful purpose (MGL Chapter 40, Section 5B). Communities may establish one or more stabilization funds for different purposes and may appropriate into them in any year an amount not to exceed ten percent of the prior year's tax levy. The total of all stabilization fund balances shall not exceed ten percent of the community's equalized value, and any interest shall be added to and become a part of the funds. A two-thirds vote of town meeting is required to establish, amend the purpose of, or appropriate money from the stabilization fund. However, funds may be appropriated into the fund by a simple majority vote.

As of June 30, 2022, the balance in the Stabilization Fund is \$4.98 million. Historically the budget had provided for an annual appropriation of \$100,000 to be added to the Stabilization Fund. However, for several years the appropriation was not possible due to financial constraints. Beginning in FY2016, the contribution to the Stabilization Fund was restored at \$200,000 with Free Cash as the source. The FY2021 and FY2022 budgets did not include a contribution to the Stabilization Fund from Free Cash due to the fiscal impacts of COVID-19. With the economy improving the contribution to Stabilization from Free Cash was restored for FY2023 at \$200,000 and another contribution was budgeted for FY2024 at \$200,000.

Overall, the Town's reserves remain within the acceptable levels prescribed by its financial policies, which is 5-10% of operating revenues. Detailed information regarding the level of reserves can be found in Appendix B, pages 9 and 10.

	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>STABILIZATION FUND CONTRIBUTION</b>						
<b>Expenses</b>						
59950 Stabilization Fund	200,000	0	0	200,000	200,000	200,000
<b>SUBTOTAL</b>	<b>200,000</b>	<b>0</b>	<b>0</b>	<b>200,000</b>	<b>200,000</b>	<b>200,000</b>
<b>TOTAL: STABILIZATION FUND CONTR.</b>	<b>200,000</b>	<b>0</b>	<b>0</b>	<b>200,000</b>	<b>200,000</b>	<b>200,000</b>



### Reserve Fund

Authorized by state statute, the Reserve Fund provides the Town operations with an option for the funding of extraordinary or unforeseen expenditures during the year. Transfers from this account require approval of the Appropriations Committee. Beginning in FY2012 the Reserve Fund was appropriated from Free Cash as a separate Warrant Article at Town Meeting. The Reserve Fund was level funded from FY2012 through FY2015 at \$150,000 annually. In FY2016, to meet the increasing need, the budget provided for an appropriation in the Reserve Fund of \$175,000. The appropriation to the Reserve Fund remained funded at \$175,000 from FY2017 through FY2020. In FY2021, the Reserve was funded at \$375,000 to mitigate the unknown potential impacts of COVID-19. However, given the significant federal support through both the CARES Act and the American Rescue Plan, it is unlikely there will be a need to utilize the additional Reserve Fund dollars, and as a result, the appropriations for FY2022 through FY2024 was reduced to pre-pandemic levels at \$175,000.

Most commonly, the Reserve Fund account has been used to make up for any snow and ice budget overdrafts. The table below shows past year “actuals” as zero because budgeted funds are transferred into other accounts when approved by the Committee, rather than expenses being charged directly to the Reserve Fund.

	FY2020	FY2021	FY2022	FY2023	FY2023	FY2024
	ACTUAL	ACTUAL	ACTUAL	BUDGETED	SIX MONTHS	PROPOSED
<b>RESERVE FUND</b>						
<b>Expenses</b>						
59810 Reserve Fund	0	0	0	175,000	0	175,000
<b>SUBTOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>175,000</b>	<b>0</b>	<b>175,000</b>
<b>TOTAL: RESERVE FUND</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>175,000</b>	<b>0</b>	<b>175,000</b>

\*\*\*The transfer to the Reserve Fund is voted as a separate warrant article, and is not included in the warrant article for the Town Budget.\*\*\*

### Warrant Articles

In addition to the individual departmental appropriations, the Town's overall annual financial plan includes warrant articles which draw upon the funds available to the Town. The warrant articles contain proposed funding using a combination of Free Cash, bond proceeds, and/or other available funds. In FY2024, these warrant articles include \$175,000 for the Reserve Fund and \$200,000 transfer to the Stabilization Fund both from Free Cash, an article from an FY2023 Free Cash update funded by opioid settlement funds in the amount of \$107,123, and the FY2024 Capital Improvement Plan (CIP) \$7,601,713, and the articles in total amounts to \$8,273,836. The funding sources for the articles are \$1,480,000 from Free Cash, an additional \$107,123 from Free Cash (FY2023 update), \$1,375,000 in borrowing with debt service to be paid from the General



## Undistributed Expenses

## Section 6-21

Fund, \$350,000 to come from Water/Sewer Enterprise Fund Free Cash, and \$4,961,713 to come from debt issued by the Regional School District (overlapping debt).

Effective in FY2012 the Board of Selectmen adopted a Free Cash Policy, which provides a funding source for projects other than municipal bonds. The Free Cash Policy is on page 2 in Appendix A of this budget document, which contains the Town's comprehensive financial policies. The Free Cash Policy and plan are discussed at length in the transmittal letter of the Capital Improvement Plan contained in Section 9-1 through 9-6 of this document.

In summary, the FY2024 Town Meeting Warrant Articles include the following:

- \$175,000 for the Appropriation Committee's Reserve Fund—Authorized by state statute, the Reserve Fund provides the Town operations with an option for the funding of extraordinary or unforeseen expenditures during the year (see page 6-18 for more detail). This article is funded from Free Cash.
- \$200,000 for Transfer to Stabilization Fund —After multiple years without an appropriation, funding for the Stabilization Fund was restored in FY2016, and funded from FY2017 through FY2020 in the amount of \$200,000 per year (see page 6-17 for more detail). The annual transfer was postponed for FY2021 & FY2022 due to the pandemic, but was restored for FY2023 and continues in FY2024. This transfer is funded from Free Cash.
- \$107,123 for Opioid Settlement Funds—This request provides funds to supplement and strengthen resources for substance abuse prevention, harm reduction, treatment, and recovery funded by direct payments received by the Town as a result of signing onto statewide settlements with opioid manufacturers, distributors, and/or pharmacies. In order to comply with settlement reporting requirements, the funds are being segregated from general revenues into a separate article. This transfer is funded from Free Cash, which was updated to include the specific receipts received from the settlement in the current year (FY2023) in order to be available to make this appropriation.
- \$190,000 for Police Cruiser Replacements (CIP) — This request provides funds for the purchase of three police vehicles. Included in the funding request is the cost of outfitting the vehicles with the required ancillary equipment. This article is funded from Free Cash.
- \$70,000 for Police Station Painting (CIP) — This request provides funds needed to repair and paint the exterior of the Northborough Police Station. The last time the exterior was painted was approximately 10 years ago. This article is funded from Free Cash.
- \$900,000 for Fire Engine Replacement (CIP) ) — This request is to replace a 2005 Fire Engine. At the time of replacement, it will have exceeded its expected useful life, including approximately 10 years of front-line service, 5 years back-up service and 5 years reserve. Due to supply chain disruptions, it may take up to two years for delivery following placement of the order. This outlay is planned to be funded by borrowing paid from the General Fund.
- \$300,000 for Roadway Maintenance and Improvements (CIP)—This request provides funds in addition to the State's Chapter 90 Transportation Bill allocation in order to maintain current road conditions in accordance with the Pavement Management Plan. This article is funded from Free Cash.



## Section 6-22

## Undistributed Expenses

---

- \$355,000 20-Ton Dump Truck with Plow Replacement (CIP)—This request provides funds for the purchase of a 20-ton dump truck with plow to replace a 2005 truck that has surpassed its useful life. This article is funded from Free Cash.
- \$475,000 Highway Garage Tight Tank (CIP)—This request provides funds for the installation of a tight tank at the highway garage located at 190 Main Street. The existing garage was built in 1984 and no longer complies with State environmental regulations. The building is served by an onsite septic system which cannot accept discharge of truck wash. In accordance with MassDEP requirements, an underground holding tank is required for this wastewater. This project will be funded by borrowing with debt service to be paid from the General Fund.
- \$150,000 DPW One-Ton Truck with Plow (CIP)—This request is to replace a 2012 F350 with an F600 model truck. The 2012 truck will be past its useful life at the time of replacement. This article is funded from Free Cash.
- \$225,000 DPW 15-Ton Dump Truck (CIP)—This request is to purchase a new 30,000-pound GVW dump truck for use by the water and sewer divisions. The current fleet of vehicles are smaller daily task vehicles. This truck is large enough to move water and sewer department equipment and materials which will alleviate the need to use the highway dump truck for towing. This article will be funded from Water/Sewer Enterprise Fund Free Cash (60% Water/40% Sewer).
- \$125,000 Water/Sewer SCADA Phase 2— This request is to fund the final phase of a 2-phase project to efficiently monitor and manage the Town's infrastructure. The overall objective of this project is to provide operators with the ability to remotely monitor and collect data from the town's critical water and sewer facilities. Northborough recently received an 80% Federal earmark (\$491,000) to fund this Phase. The request seeks to fund the required 20% grant match from the Sewer Enterprise Fund Free Cash. The project will add the remaining sewer pump stations to the SCADA system. This article seeks to fund the required 20% grant match, and will be paid from the Sewer Enterprise Fund Free Cash.
- \$40,000 Zeh School Rear Entrance Repairs (CIP)—This request provides funds needed to repair the cement rear entrance of the Zeh Elementary School which has deteriorated. This article is funded from Free Cash.
- \$4,961,713 Algonquin Regional High School Athletic Complex project (CIP)— The Algonquin Regional High School Athletic Complex is a project that the Northborough-Southborough Regional School Committee is proposing. This request is being made because the current conditions of the fields, tracks, courts and lighting are beyond their useful life. There are health and safety issues which require ADA accessible upgrades for the existing stadium, grandstand and amenities. This article will be funded through debt assessed to the Town and issued by the Regional School District (overlapping debt). Northborough's share of the debt service payable will be determined by an annual assessment based on a rolling average of Northborough's share of enrollment. The amount shown reflects 62.33% of the project costs using an assumption of this enrollment calculation which is subject to change.



## Undistributed Expenses

## Section 6-23

		FY2020	FY2021	FY2022	FY2023	FY2023	FY2024
		BUDGETED <sup>9</sup>	BUDGETED	BUDGETED	BUDGETED	SIX MONTHS	PROPOSED
<b>TOWN MEETING SPECIAL WARRANT ARTICLES</b>							
<b>Expenses</b>							
52012	Fire Ambulance Replacement	315,000					
52020	Fire Station Phase I	3,500,000					
52014	DPW One-Ton Dump Truck	90,000					
52015	DPW 20-Ton Dump Truck	271,000					
52017	Water/Sewer Garage Design	75,000					
52018	Assabet Water Tank Rehab.	70,000					
52019	School K-8 Security Upgrades	185,000					
52113	Town Offices Feasibility		100,000				
52114	DPW Wing Mower		75,000				
52116	DPW Generator		35,000				
52117	Assabet Park Improvements		102,775				
52122	Water/Sewer Garage Const		900,000				
52123	Assabet Water Tank Rehab		725,000				
52124	MMS Accessibility & Parking Lot		50,000				
52212	Fire Dept Pickup Truck			80,000			
52213	Fire Command Vehicle			76,000			
52215	DPW One-ton Dump Truck			115,000			
52216	DPW One-ton Pickup Truck			74,000			
52217	Water/Sewer SCADA System			500,000			
52218	<sup>10</sup> Water Reservoir Dam Compliance			200,000			
52219	Water/Sewer Utility Tractor			80,000			
52220	Pickleball Courts (CPA)			290,250			
52312	Fire Dept Ambulance				400,000		
52314	DPW Culvert Replacements				300,000		
52315	DPW One-Ton Dump Truck				130,000		
52316	DPW 20-Ton Pickup Truck				340,000		
52317	DPW Loader Replacement				290,000		
52318	DPW Backhoe Replacement				195,000		
52319	Master Plan Downtown Study				150,000		
52320	Sewer – Inflow & Infiltration				360,000		

<sup>9</sup> Amounts in the table reflect the total budget for the article in the column of the year proposed. Warrant articles are generally multi-year and reflect transfers from the General Fund to Capital Project Funds or Borrowing Authorizations rather than actual expenditures, which may cross fiscal years, therefore the depiction of budget rather than actual expenditures is used in this case.

<sup>10</sup> 2021 Town Meeting Warrant Article #18 includes an appropriation for \$50,000, but the full project cost is \$200,000 with the remaining \$150,000 in additional funds coming from a non-appropriated grant

## Section 6-24

## Undistributed Expenses



(Continued)

FY2020      FY2021      FY2022      FY2023      FY2023      FY2024  
BUDGETED<sup>11</sup>   BUDGETED   BUDGETED   BUDGETED   SIX MONTHS   PROPOSED

### TOWN MEETING SPECIAL WARRANT ARTICLES

Expenses						
52413      Opioid Settlement Fund						107,123
52415*    Police Cruiser Replacements	145,000	50,000	150,000	165,000		190,000
52416    Police Station Painting						70,000
52417    Fire Engine Replacement						900,000
52418*   DPW Road Improvements	300,000	300,000	310,000	454,000		300,000
52419    DPW 20-Ton Dump Truck						355,000
52420    DPW Highway Garage Tight Tank						475,000
52421    DPW One-Ton Truck						150,000
52422    DPW 15-Ton Dump Truck						225,000
52423    Water/Sewer SCADA Phase 2						125,000
52424    Zeh School Entrance Repairs						40,000
52425**   ARHS Athletic Complex						4,961,713
<b>SUBTOTAL</b>	<b>4,951,000</b>	<b>2,337,775</b>	<b>1,875,250</b>	<b>2,784,000</b>		<b>7,898,836</b>
59810    Reserve Fund	175,000	375,000	175,000	175,000		175,000
59950    Stabilization Fund	200,000	0	0	200,000		200,000
<b>TOTAL</b>	<b>5,326,000</b>	<b>2,712,775</b>	<b>2,050,250</b>	<b>3,159,000</b>		<b>8,273,836</b>

\*Multiple account numbers combined for display purposes

\*\*Article at Town Meeting will be to authorize total project cost of \$7,960,393, while amount shown in table reflects Northborough's estimated 62.33% share

<sup>11</sup> Amounts in the table reflect the total budget for the article in the column of the year proposed. Warrant articles are generally multi-year and reflect transfers from the General Fund to Capital Project Funds or Borrowing Authorizations rather than actual expenditures, which may cross fiscal years, therefore the depiction of budget rather than actual expenditures is used in this case.

# **Public Education**

## **Section 7**



This Page Intentionally Blank





## Public Education

## Section 7-1

### Northborough K-8 Public Schools

It is the mission of the Public Schools of Northborough to maximize academic achievement, social responsibility and lifelong learning by attending to the intellectual and developmental needs of individual students in supportive classroom environments.

The Northborough School Committee consists of five (5) members elected by the voters of the Town of Northborough. The Northborough Public School System serves children in grades Kindergarten through eighth. There are four elementary schools: the Fannie E. Proctor School, the Lincoln Street School, the Marion E. Zeh School, and the Marguerite E. Peaslee School. These four schools serve children from Kindergarten through grade five. There is also one middle school, the Robert E. Melican Middle School, which serves grades six through eight.

In FY2023, the proposed K-8 School budget is an increase of \$893,275 or 3.46%.

	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 BUDGETED	FY2022 SIX MONTHS	FY2023 PROPOSED
<b>NORTHBOROUGH K-8 SCHOOLS</b>						
K-8 School Department	24,263,961	24,492,750	24,729,524	25,799,678	9,536,535	26,692,953
<b>TOTAL</b>	24,263,961	24,492,750	24,729,524	25,799,678	9,536,535	26,692,953

<b>Northborough K-8 Public School</b>											
<b>Enrollment as of October 1, 2021</b>											
School	Grade										
	Pre-K	K	1	2	3	4	5	6	7	8	Totals
Lincoln		39	46	40	42	55	45				267
Peaslee		35	48	44	40	33	54				254
Proctor		39	40	52	41	42	42				256
Zeh		43	41	42	43	36	42				247
Melican								192	175	162	529
		156	175	178	166	166	183	192	175	162	1553

\*Approximately 43 Northborough Pre-K students attend school in Southborough

**\*\*For detailed information regarding the Northborough K-8 Public School budget, initiatives and goals, please see the School Superintendent's FY2023 budget.\*\***



### Northborough-Southborough Regional High School

The Northborough-Southborough Regional School Committee consists of five (5) members from Northborough and five (5) members from Southborough. The Northborough-Southborough Regional School District houses students from grades nine through twelve in Algonquin Regional High School. Algonquin is a comprehensive high school; that is, a school designed to meet the needs of a variety of students, including students preparing to enter a four-year college or university, students who will continue their education for a shorter period of time in a junior college, vocational or technical school, and students preparing to enter the workforce. Approximately 90% of Algonquin graduates enter post-secondary education institutions.

The Northborough-Southborough Regional High School budget is composed of an operating assessment and a debt assessment related to the completed renovation/addition project. The FY2023 operating assessment is \$12,893,497 which is a \$21,469 increase, or 0.17%. The debt for ARHS increases by \$16,804, or 2.64%, to \$653,069. Additionally, the debt exclusion will be reduced by approximately \$230,000 which is the amount of the estimated FY2023 settlement payment from the Town of Southborough as a result of the declaratory judgement for the renovation/addition project. The net effect of the combined operating and debt assessment is an overall budget increase of \$38,273, or 0.28%, to \$13,568,035.

	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022* BUDGETED	FY2022 SIX MONTHS	FY2023 PROPOSED
<b>ALGONQUIN REGIONAL HIGH SCHOOL</b>						
19981 Algonquin Regional Assessment	11,304,714	12,252,514	12,587,175	12,893,497	6,461,451	12,914,966
19981 Debt- Exclusion – Prop 2 1/2	610,774	621,442	632,229	636,265	323,923	653,069
19981 Debt – Not Excluded	0	0	0	0	0	0
<b>TOTAL</b>	<b>11,915,488</b>	<b>12,873,955</b>	<b>13,219,404</b>	<b>13,529,762</b>	<b>6,785,374</b>	<b>13,568,035</b>

\*FY2022 figures above reflects assessment reduction by School Committee of \$122,952 after budget voted by Town Meeting

Algonquin Regional High School Enrollment as of October 1, 2021					
	Grade				
Town	9	10	11	12	Totals
Northborough	174	197	200	201	772
Southborough	122	118	116	136	492
Other	2	1	1	2	6
	298	316	317	339	1270

**\*\*For detailed information regarding the Northborough/Southborough Regional High School budget, initiatives and goals, please see the School Superintendent's FY2023 budget.\*\***

**Assabet Valley Regional Technical High School**

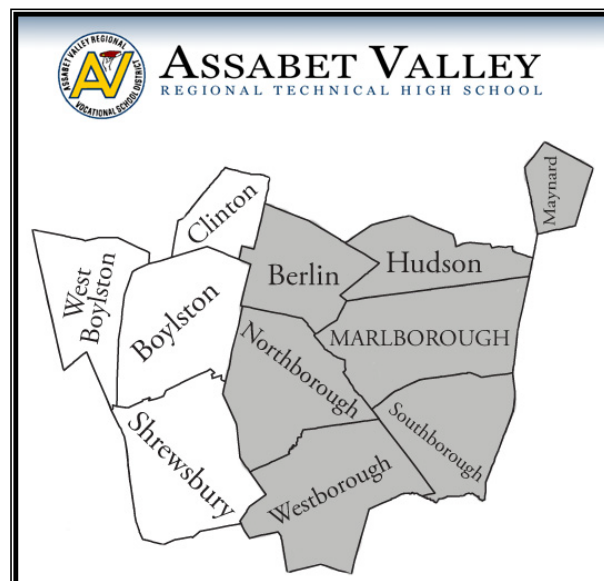
Assabet Valley Regional Technical High School is a vocational school composed of the member communities of Berlin, Hudson, Marlborough, Maynard, Northborough, Southborough and Westborough. Northborough's assessment is based upon the number of students from Town attending the school. The total FY2023 budget is \$24,108,684 which is an increase of \$1,004,684, or 4.3%.

As of October 1, 2021, 68 Northborough students attend Assabet Valley, which results in an operating assessment of \$1,123,936. This is an enrollment increase of 9 students from the 59 Northborough students that attended Assabet Valley in the prior year. Northborough's FY2023 share of the debt assessment from the completed building renovation project is \$130,004, which will continue to decline in subsequent years. The net effect of the combined operating assessment and new debt service is \$1,253,940 which is an increase of \$185,450, or 17.36%.

	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 BUDGETED	FY2022 SIX MONTHS	FY2023* PROPOSED
<b>ASSABET VALLEY REG TECH HIGH SCH</b>						
53260 Assabet Regional Assessment	612,406	694,822	865,186	934,658	467,329	1,123,936
53265 Assabet Non-Excluded Debt	145,316	141,488	137,660	133,832	133,832	130,004
<b>TOTAL</b>	<b>757,722</b>	<b>836,310</b>	<b>1,002,846</b>	<b>1,068,490</b>	<b>601,161</b>	<b>1,253,940</b>

\*FY2023 budget includes a mandatory reduction of \$64,620 due to excess FY2021 certified "Excess & Deficiency" (E&D) per state rules.

**\*\*For more information regarding the Assabet Valley Regional Technical High School budget, initiatives and goals, please see the Assabet Valley's School Superintendent's FY2023 budget.\*\***





### Norfolk County Agricultural High School

Norfolk County Agricultural High School (NCAHS) is a public high school located in Walpole that currently enrolls over 500 students from the 28 towns of Norfolk County as well as more than 40 out-of-county (tuition) towns.

In prior years Northborough has borne the expense of tuition and transportation to the NCAHS in the Town's portion of the budget. This expense is borne by the Town because students have the freedom to seek admission to schools with state-approved vocational technical education programs pursuant to M.G.L. c. 74 603 CMR 4.00 and are known as Chapter 74 approved programs. Since the Town of Northborough did not offer the particular vocational technical education program in which the student was interested, either at the high school or the regional vocational technical high school to which the town belongs, the student then had the option to apply to any school which offered such a program.

Following several years of no NCAHS expenses, the Town was notified prior to FY2022 that a student applied for admission and was accepted, under the Chapter 74 non-resident option, to the NCAHS program. Once accepted the Town is required to bear the full cost of both tuition and transportation. The Town was notified that a second student was accepted for FY2023, so while the FY2022 cost for one student's tuition and transportation was \$38,500, the cost for two students is budgeted to be \$69,934 for FY2023.

	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 BUDGETED	FY2022 SIX MONTHS	FY2023 PROPOSED
<b>NORFOLK AGRICULTURAL HIGH SCHOOL</b>						
56470 Norfolk Agricultural Assessment	0	0	0	38,500	16,516	69,934
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>38,500</b>	<b>16,516</b>	<b>69,934</b>



## Public Education

## Section 7-1

### Northborough K-8 Public Schools

It is the mission of the Public Schools of Northborough to maximize academic achievement, social responsibility and lifelong learning by attending to the intellectual and developmental needs of individual students in supportive classroom environments.

The Northborough School Committee consists of five (5) members elected by the voters of the Town of Northborough. The Northborough Public School System serves children in grades Kindergarten through eighth. There are four elementary schools: the Fannie E. Proctor School, the Lincoln Street School, the Marion E. Zeh School, and the Marguerite E. Peaslee School. These four schools serve children from Kindergarten through grade five. There is also one middle school, the Robert E. Melican Middle School, which serves grades six through eight.

In FY2024, the proposed K-8 School budget is an increase of \$1,308,274 or 4.9%.

	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>NORTHBOROUGH K-8 SCHOOLS</b>						
K-8 School Department	24,492,750	24,729,524	25,640,780	26,692,953	9,551,893	28,001,227
<b>TOTAL</b>	24,492,750	24,729,524	25,640,780	26,692,953	9,551,893	28,001,227

Northborough K-8 Public School Enrollment as of October 1, 2022											
School	Grade	K	1	2	3	4	5	6	7	8	Totals
Lincoln		41	41	51	45	50	59				287
Peaslee		36	51	48	44	43	33				255
Proctor		39	41	39	48	43	42				252
Zeh		41	42	41	45	43	41				253
Melican								183	193	172	548
		157	175	179	182	179	175	183	193	172	1595

\*Approximately 43 Northborough Pre-K students attend school in Southborough

**\*\*For detailed information regarding the Northborough K-8 Public School budget, initiatives and goals, please see the School Superintendent's FY2024 budget.\*\***



### Northborough-Southborough Regional High School

The Northborough-Southborough Regional School Committee consists of five (5) members from Northborough and five (5) members from Southborough. The Northborough-Southborough Regional School District houses students from grades nine through twelve in Algonquin Regional High School. Algonquin is a comprehensive high school; that is, a school designed to meet the needs of a variety of students, including students preparing to enter a four-year college or university, students who will continue their education for a shorter period of time in a junior college, vocational or technical school, and students preparing to enter the workforce. Approximately 90% of Algonquin graduates enter post-secondary education institutions.

The Northborough-Southborough Regional High School budget is composed of an operating assessment and a debt assessment related to the completed renovation/addition project. The FY2024 operating assessment is \$13,421,085 which is a \$587,588 increase, or 4.58%. The debt for ARHS decreases by \$1,615 or -0.25%, to \$651,454. The net effect of the combined operating and debt assessment is an overall budget increase of \$585,973, or 4.34%, to \$14,072,539.

	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>ALGONQUIN REGIONAL HIGH SCHOOL</b>						
19981 Algonquin Regional Assessment	12,252,514	12,587,175	12,893,497	12,833,497	6,430,326	13,421,085
19981 Debt- Exclusion – Prop 2 1/2	621,442	632,229	636,265	653,069	326,535	651,454
19981 Debt – Not Excluded	0	0	0	0	0	0
<b>TOTAL</b>	<b>12,873,955</b>	<b>13,219,404</b>	<b>13,529,762</b>	<b>13,486,566</b>	<b>6,756,861</b>	<b>14,072,539</b>

\*FY2023 figures above reflects assessment reduction by School Committee after budget voted by Town Meeting

Algonquin Regional High School Enrollment as of October 1, 2022					
Town	Grade				Totals
	9	10	11	12	
Northborough	160	180	194	208	742
Southborough	113	119	115	123	470
Other	0	2	1	1	4
	273	301	310	332	1216

**\*\*For detailed information regarding the Northborough/Southborough Regional High School budget, initiatives and goals, please see the School Superintendent's FY2024 budget.\*\***



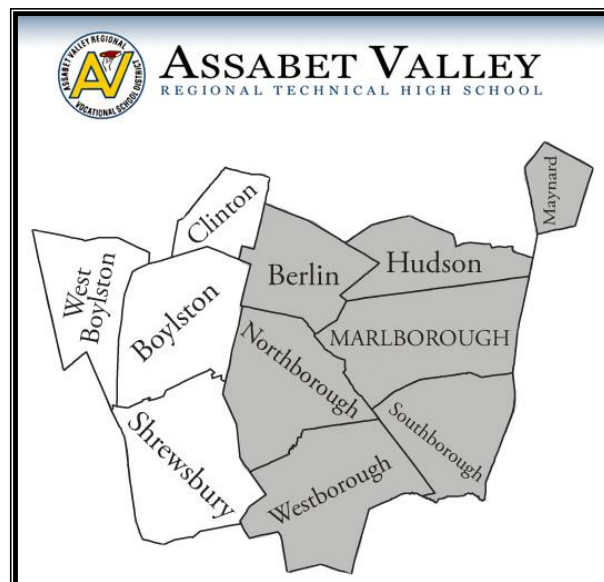
## Assabet Valley Regional Technical High School

Assabet Valley Regional Technical High School is a vocational school composed of the member communities of Berlin, Hudson, Marlborough, Maynard, Northborough, Southborough and Westborough. Northborough's assessment is based upon the number of students from Town attending the school. The total FY2024 budget is \$1,301,581 which is an increase of \$16,276 or 1.27%.

As of October 1, 2022, 64 Northborough students attend Assabet Valley, which results in an operating assessment of \$1,175,405. This is an enrollment decrease of 4 students from the 68 Northborough students that attended Assabet Valley in the prior year. Northborough's FY2024 share of the debt assessment from the completed building renovation project is \$126,176, which will continue to decline in subsequent years. The net effect of the combined operating assessment and new debt service is \$1,301,581 which is an increase of \$16,276, or 1.27%.

	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>ASSABET VALLEY REG TECH HIGH SCH</b>						
53260 Assabet Regional Assessment	694,822	865,186	934,658	1,155,301	561,023	1,175,405
53265 Assabet Non-Excluded Debt	141,488	137,660	133,832	130,004	130,004	126,176
<b>TOTAL</b>	<b>836,310</b>	<b>1,002,846</b>	<b>1,068,490</b>	<b>1,285,305</b>	<b>691,027</b>	<b>1,301,581</b>

**\*\*For more information regarding the Assabet Valley Regional Technical High School budget, initiatives and goals, please see the Assabet Valley's School Superintendent's FY2024 budget.\*\***





### Norfolk County Agricultural High School

Norfolk County Agricultural High School (NCAHS) is a public high school located in Walpole that currently enrolls over 500 students from the 28 towns of Norfolk County as well as more than 40 out-of-county (tuition) towns.

In prior years Northborough has borne the expense of tuition and transportation to the NCAHS in the Town's portion of the budget. This expense is borne by the Town because students have the freedom to seek admission to schools with state-approved vocational technical education programs pursuant to M.G.L. c. 74 603 CMR 4.00 and are known as Chapter 74 approved programs. Since the Town of Northborough did not offer the particular vocational technical education program in which the student was interested, either at the high school or the regional vocational technical high school to which the town belongs, the student then had the option to apply to any school which offered such a program.

Following several years of no NCAHS expenses, the Town was notified prior to FY2022 that a student applied for admission and was accepted, under the Chapter 74 non-resident option, to the NCAHS program. Once accepted the Town is required to bear the full cost of both tuition and transportation. In FY2023, there were two Northborough students attending Norfolk Agricultural, however in FY2024, that number is reduced to one, resulting in a budget reduction in FY2024. The FY2024 tuition rate is \$31,755 per student, with an additional \$14,445 in transportation costs, resulting in a total cost of \$46,200 per student in FY2024.

	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>NORFOLK AGRICULTURAL HIGH SCHOOL</b>						
56470 Norfolk Agricultural Assessment	0	0	37,690	69,934	4,698	46,200
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>37,960</b>	<b>69,934</b>	<b>4,698</b>	<b>46,200</b>



# **Enterprise Funds**

## **Section 8**



This Page Intentionally Blank



### Solid Waste Enterprise Fund Statement

On January 1, 2003 the Town began a fee-based solid waste program commonly referred to as “Pay-As-You-Throw” (PAYT). The PAYT program requires residents to use Town of Northborough designated trash bags in order to have their trash and recycling collected at curbside by the Town’s contractor. The PAYT program is operated as an enterprise fund intended to generate fee revenue to cover a portion of the solid waste and recycling collection and disposal costs previously provided within the tax base. An enterprise fund, authorized by MGL Ch. 44 §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, in this case, the portion that is subsidized by the tax levy.

### Significant FY2024 Budget Changes or Initiatives

Recycling markets throughout the United States are going through a difficult and complicated transition. For many years China had been the primary market for our country’s recyclable materials. In early 2018 China revised their specifications for acceptance of recyclable materials to an unachievably low contamination standard, which eliminated the option of exporting these commodities to China. This has resulted in the need for a fast and drastic change to the market for recyclable materials here in the United States. The impact on central Massachusetts is similar to that of the rest of our nation. Market instability is projected to continue until new material recovery facilities can be brought on-line here in the United States and in emerging countries around the world. The cost of this transition unfortunately is being borne by communities such as ours. MassDEP regulations prohibit recyclable materials from entering the solid waste stream; therefore, collection and processing is mandated.

In 2019, the Town issued an Invitation for Bids (IFB) for solid waste and recyclable material collection and disposal. After reviewing the recycling market and the bids received, the Town entered into a three (3) year contract with two (2) one-year extensions at the Town’s option. The contract includes a 3% annual increase for collection throughout the duration. The contract also includes an annual Recycling Net Processing Cost Adjustment, which has allowed the Town to maintain costs associated with current recycling market trends and to minimize future significant increases. In FY2024 the Town is exercising the contract’s final extension for year five. The Town anticipates issuing an IFB during FY2024 and expects there to be significant increases in collection and processing due to continued volatility in the recycling market. The IFB process will take three to six months as extensive research is required. A part of this research will include several alternative contractual approaches.

Overall, the Solid Waste and Recycling budget is increasing by \$112,571, or 12.1%. The FY2024 fee revenues are projected to be \$530,000 and the FY2024 expenses are estimated at \$1,040,684 leaving a projected general fund subsidy of \$345,160 in addition to a transfer from the Solid Waste Fund Free Cash of \$165,524. In FY2024, the appropriation will again contain a \$10,000 Contingency Reserve account within the Solid Waste Fund to ensure adequate funding for the potential of an unforeseen event in the coming year.



As a result of the fees projected to be collected and the FY2024 expenses of \$1,040,684 a General Fund subsidy of \$345,160 (\$8,000 more than FY2023) is recommended to balance the Enterprise Fund. The following is a detailed explanation regarding projected revenues, overhead costs, disposal costs, projected tonnage for disposal and collection costs.

**PAYT Revenues and Overhead Costs:**

The Town continues to offer two sizes of bags and the bag fee was last revised in January of 2007 and remains set at \$3.00/large bag and \$1.50/small bag. Additional fees were also created to help reduce the shortfall between revenues and expenditures. A fee of \$10 per box was instituted for the disposal of hazardous waste at the annual Household Hazardous Waste Day event in September of 2005. In addition, a sticker fee of \$10 per item for the disposal of large/bulky items set out at the curb was instituted in March of 2006.

As reflected in the Trash and Recycling Comparison Chart on page 8-5, trash and recycling disposal tonnage has been consistent for the last several years, although trash increased during the pandemic as more people were at home. Consistent trash tonnage and consistent bag prices have resulted in a stable revenue stream of approximately \$530,000 each of the last few years.

During FY2023, the Town received \$15,400 as part of the Department of Environmental Protection's Recycling Dividends Fund program which provides payments to municipalities that have implemented specific programs and policies proven to maximize reuse, recycling and waste reduction. This money will be used to offset the cost of purchasing recycling bins and to offset the cost of producing and mailing the recycling calendar to each household in June. Due to the possibility of future state budget cuts, the Solid Waste budget also includes \$7,000 to cover these costs in FY2024.

The Town works with W.B. Mason to warehouse and distribute trash bags and bulk item labels to the authorized retailers at a cost of \$.02 per bag or label. The total projected FY2024 overhead costs for the Pay-As-You-Throw program (purchase of bags, stickers, labels, and their distribution) is estimated at \$90,000.

The Solid Waste budget also includes the cost of removing and disposing of the yard waste material (brush, leaves and grass) residents dispose of at the Highway Garage. The State Department of Environmental Protection banned yard waste, which includes grass and leaves, from the list of acceptable items that can be disposed of in landfills and incinerators/resource recovery facilities in 1991. The total cost for disposal of all yard waste is estimated to be \$100,000 for FY2024.

**Disposal Costs and Projected Tip Fee:**

In accordance with the Waste Disposal Agreement with Wheelabrator Millbury, Inc. as revised in 2014, the tip fee is to be adjusted each year on July 1<sup>st</sup> based upon the amount of change in the Consumer Price Index (CPI) for urban wage earners and clerical workers-Northeast Urban beginning on July 1, 2017. As outlined in the agreement, the current tip fee is \$75.52/ton and based upon the most recent information from the Bureau of Labor and Statistics and the formula in the agreement, the tip fee for FY2024 has been estimated at \$81.00/ton, which will apply to the amount of trash disposed of between 7/1/23 and 6/30/24.



## Solid Waste Enterprise Fund

## Section 8-3

Under the terms of the contract for solid waste/recyclable materials collection and disposal, the Town is also responsible for an annual Recycling Net Processing Cost Adjustment. In accordance with the terms of the contract and due to the improved quality of the recycling material being processed at the facility, the Recycling Net Processing Cost Adjustment has been set as a credit of \$8.91 per ton for the actual amount of recycling materials collected in calendar year 2022 (994.5 tons), resulting in a disposal cost credit of \$8,861 for FY2024.

### Projected Solid Waste Tonnage:

Actual tonnage for the last 12 months (calendar year 2022) was 2,260 tons, which reflects a 4.34% increase from the previous 12 months. Based on the number of new building permits for single family homes (9) during the last 12 months, the growth rate was 0.18%. The projected tonnage for FY2024 is approximately 2,362 tons ( $2,260 \times 1.043 \times 1.00184$ ). An estimated 2,400 tons is expected to be disposed of in FY2024, resulting in a budget of \$194,400 based upon the projected tipping fee of \$81.00/ton.

### Collection Costs:

On July 1, 2019, the Town entered into a new agreement with Republic Services, Inc. for solid waste/recyclable materials collection and disposal, which will continue to service the Town through FY2024, as the Town opted to exercise the second of the two one-year extensions. Under the contract, collection costs will increase by 3% in FY2024. The total FY2024 collection costs are \$620,795, which consists of \$289,594 for Trash Collection and \$331,201 for Recycling Collection and Disposal.

		FY2020	FY2021	FY2022	FY2023	FY2023	FY2024
		ACTUAL	ACTUAL	ACTUAL	BUDGETED	6 MONTHS	PROPOSED
<b>SOLID WASTE ENTERPRISE FUND</b>							
<b>Expenses</b>	<b>Services</b>						
52810	Unclassified	133,434	143,284	160,279	224,350	208,529	224,350
52910	Collection	551,568	568,114	575,978	602,714	259,481	620,795
57810	Disposal	139,973	158,967	155,015	91,049	68,343	185,539
59810	Extra Ordinary & Unforeseen Exp.	0	0	0	10,000	0	10,000
	<b>SUBTOTAL</b>	<b>824,976</b>	<b>870,365</b>	<b>891,271</b>	<b>928,113</b>	<b>536,353</b>	<b>1,040,684</b>
<b>TOTAL:</b>	<b>SOLID WASTE</b>	<b>824,976</b>	<b>870,365</b>	<b>891,271</b>	<b>928,113</b>	<b>536,353</b>	<b>1,040,684</b>

**Additional Solid Waste Budget Detail****Unclassified:**

Newsletter, training, bins and misc. supplies:	\$7,000
Disposal of illegal dumping:	\$7,000
Household Hazardous Waste Day:	\$20,000
Pay-As-You-Throw costs:	\$90,000
Disposal of Yard Waste	\$100,000
SWANA Membership	\$225
SWANA Meetings	<u>\$125</u>
Sub-total	\$224,350

**Solid Waste & Recycling Collection:**

Trash Collection:	\$289,594
Recycling Collection:	<u>\$331,201</u>
Sub-total	\$620,795

**Solid Waste & Recycling Disposal Adjustment:**

7/1/23 - 6/30/24: 2,400 tons x \$81.00/ton	\$194,400
Recycling Processing cost adjustment	<u>(\$8,861)</u>
Sub-total	\$185,539

Contingency Reserve	<u>\$10,000</u>
Sub-total	\$10,000

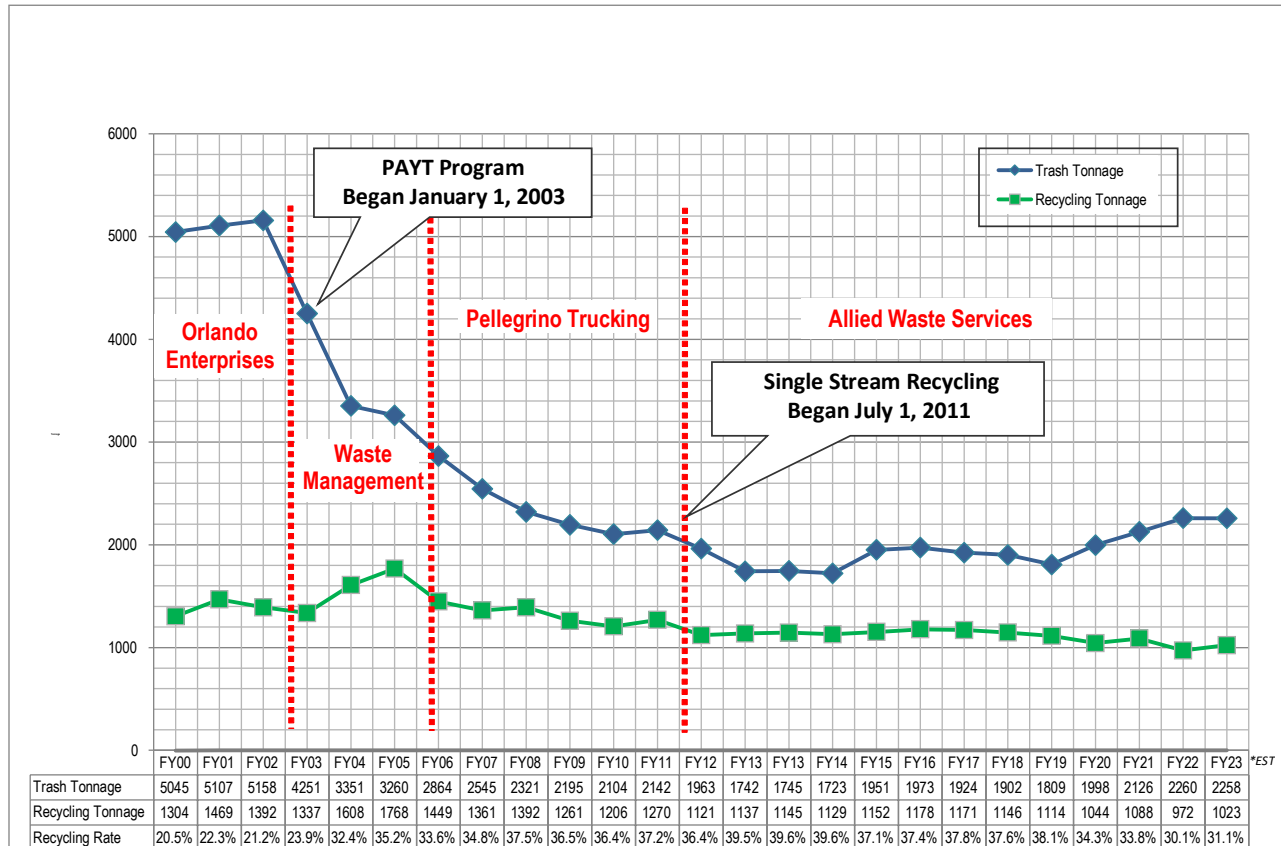
**Grand Total    \$1,040,684**



## Solid Waste Enterprise Fund

## Section 8-5

### Waste & Recycling Trends from FY2000 to FY2023



Since its inception on January 1, 2003 the PAYT program has provided significant incentive to participants to reduce waste and increase recycling. Trash went from a high of 5,158 tons in FY2002 steadily downward to 1,722 tons in FY2014 and has slowly increased been increasing. In addition, recycling rates rose from 21% in FY2002 to approximately 38% in FY2014 and now appears to remain steady at 30%. The difference between the 5,158 tons of trash in FY2002 and the 2,400 tons of trash projected to be disposed in FY2024 is 2,758. In FY2024 that difference, multiplied by the projected disposal rate of \$81.00/ton, represents approximately \$223,398 in cost avoidance.



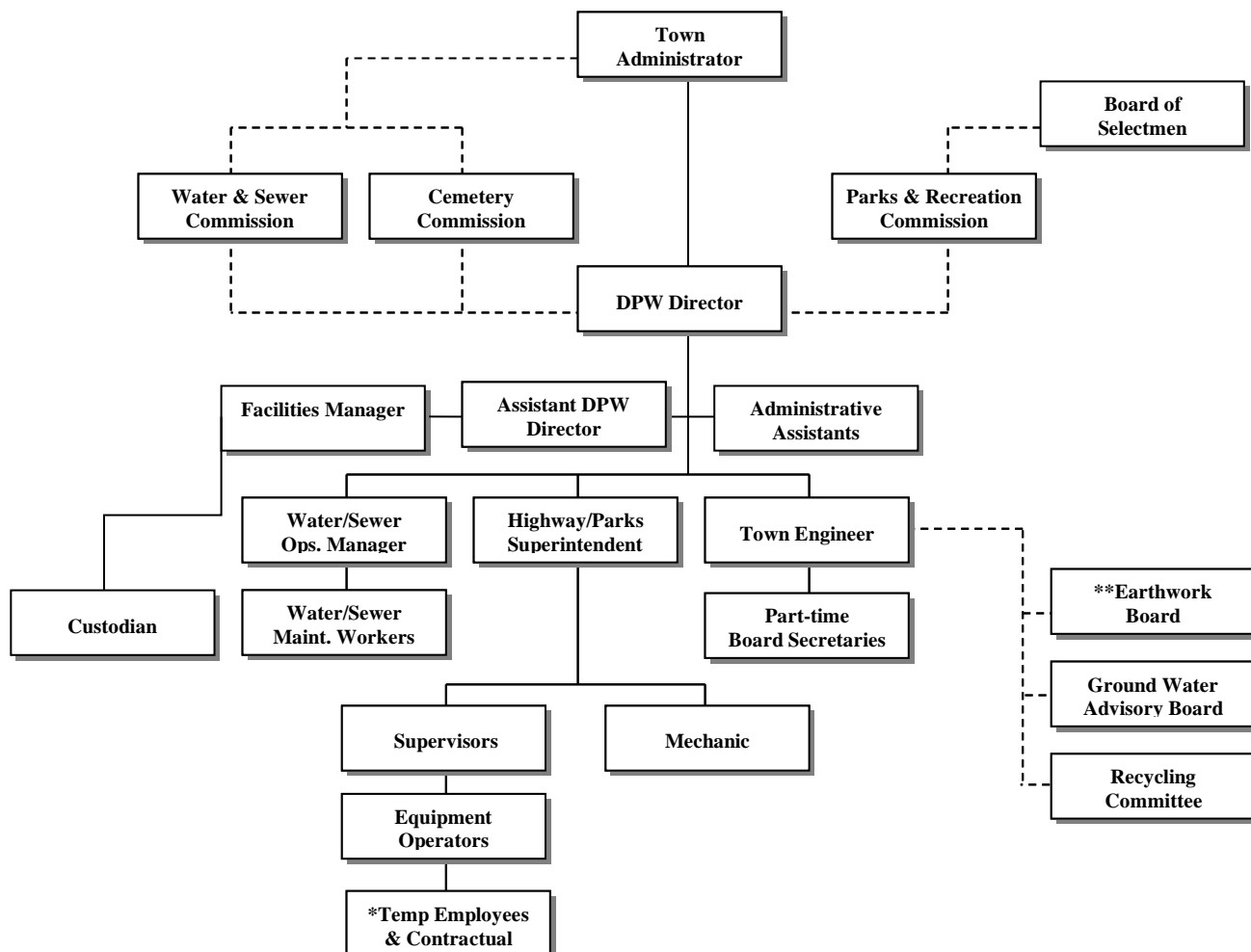
### Water & Sewer Enterprise Funds

The Water and Sewer Divisions operate and maintain the Town's public water and sewer systems and related facilities. The Water and Sewer Divisions are operated as enterprise funds. Briefly, an enterprise fund as authorized under MGL Ch. 44 §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 costs 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. For purposes of providing a departmental overview, personnel summary and goals/objectives, the Water & Sewer Divisions are included within Department of Public Works (DPW) Section 4 of the budget. The actual line-item budgets associated with the Water and Sewer enterprise funds are contained here in Section 8 of this budget document.

### Water & Sewer Commission

In addition to the DPW staff, the Water & Sewer Commission provides advisory oversight to the enterprise funds. The Water & Sewer Commission consists of three members appointed by the Town Administrator for three-year terms. The Commission is responsible for the development of policies, fees, rules and regulations pertaining to the care, superintendence, development and management of the Town's water supply and facilities and the Town's sewerage system. The DPW Director serves as the staff liaison to the Water & Sewer Commission.

### DPW Organizational Chart







### Background on the Northborough Water System

Northborough's Water System was first authorized by the State Legislature in 1882. A small portion of Town was originally served from the Northborough Reservoir located in Shrewsbury and Boylston before it was taken out of service in 1955. The connection to what is now called the Massachusetts Water Resources Authority (MWRA)<sup>1</sup> was initiated in 1954. The Town's four wells came online later. The Brigham Street well was brought online in 1956; the Lyman Street well was brought online in 1964; the Crawford Street well was brought online in 1969; and the Howard Street well was brought online in 1994.

In the past, the Town operated its own wells and supplemented production from the wells with water purchased from the MWRA. The MWRA water was originally provided directly from the Wachusett Aqueduct. When the Wachusett Aqueduct was shut down for repair in 2000, the water provided by the MWRA to the Town came through a connection in Bartlett Street. This is connected to the new MWRA Carroll Water Treatment facility in Marlborough.

From 2000 to 2009, all the Town's water was being purchased from the MWRA because the well water was chemically incompatible with the water being provided by the MWRA. The Town well water has a pH of 6.5, and the new MWRA water source has a pH of 9. The higher pH in the MWRA water causes the Town's well water to drop the naturally occurring iron and manganese out of solution and turn the water red.

To address requirements of the Safe Drinking Water Act and to make the Town's water compatible, treatment alternatives were evaluated. The Town's consultant designed a new chemical addition facility at the Lyman Street well which the Town subsequently built. The Lyman Street well was reactivated in 2009 and produced approximately 225,000 gallons per day of the necessary 1 million gallons per day of average daily water usage in Northborough. Unfortunately, in June 2011, routine testing of the Lyman Street well indicated the presence of bacteria and the well was taken offline.

The Town then contracted with an engineering consultant to evaluate the Town's long-term water supply and distribution needs. The evaluation used historical population data and regional studies to project future water system demands for a 20-year period. Raw and finished water quality data was reviewed to determine required improvements for treatment facilities to comply with current and future drinking water standards. The local well supplies were then contrasted with MWRA interconnections and a cost-benefit analysis performed to see if the Town should:

- Utilize the Town's existing wells (and possibly additional subsurface supplies through exploration) with added treatment facilities to meet the water consumption demands,
- Utilize the Town's existing wells along with MWRA interconnection for summer peak demands, or
- Utilize MWRA interconnection for all water supply needs.

---

<sup>1</sup> The MWRA is a public authority established under Chapter 372 of the Acts of 1984. The MWRA is an independent authority that provides wholesale water and sewer services to its customer communities and funds its operations primarily through user assessments and charges.

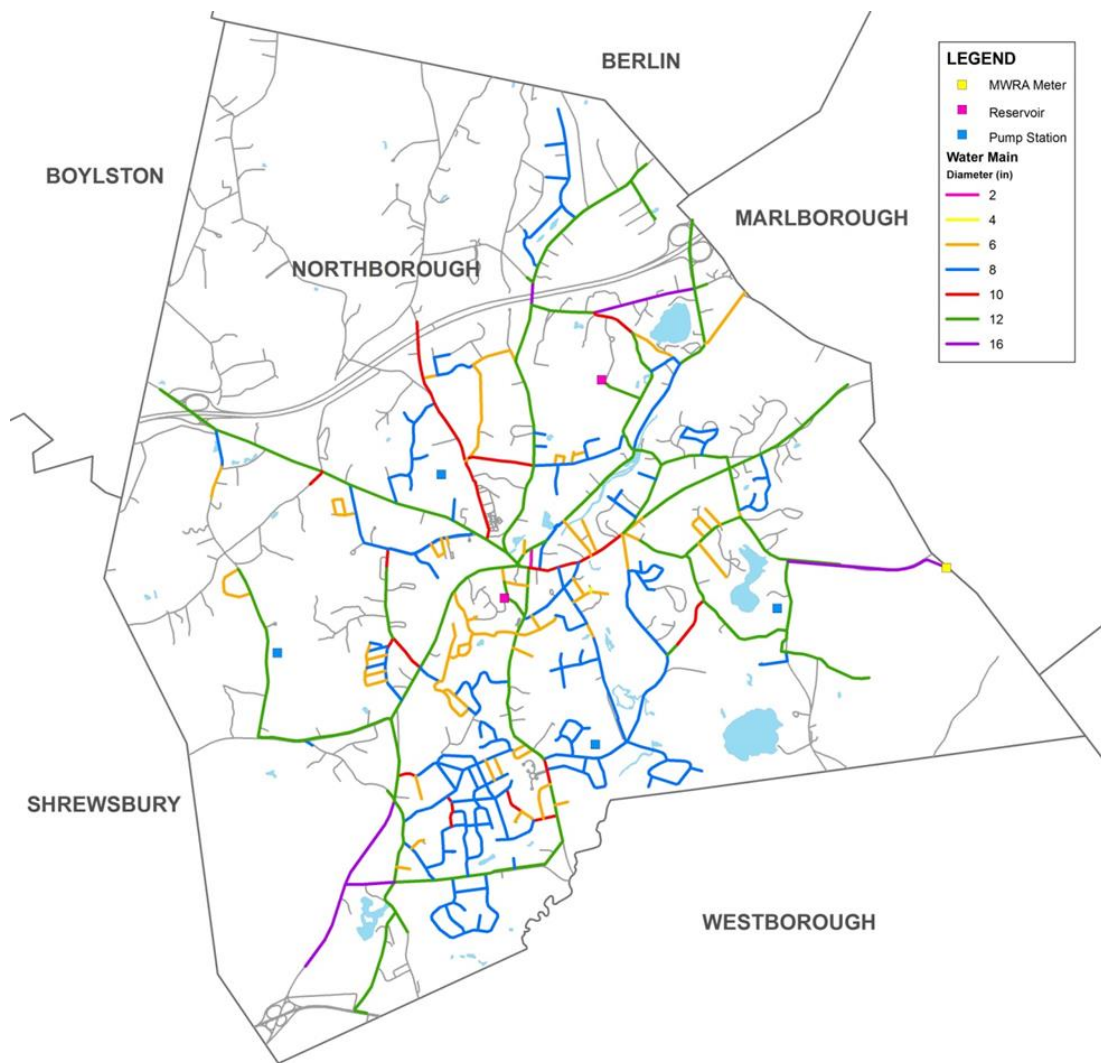


In order to fully determine which of the three options outlined above would be the best option for the Town, a water system master plan was prepared. The master plan focused on the entire potable water system and its ability to provide the Town with the most cost-effective method of delivering safe, clean potable water to the residents. The study included reviewing sustainable sources of water supply as well as evaluating the current distribution model, calibrating the model and calculating storage and system operating pressures.

The evaluation determined that while our distribution system is basically sound, the town-owned wells cannot supply the current water demand of an average of 0.87 million gallons per day (MGD) and a maximum or peak demand of 1.73 MGD. Reactivation of Town wells would require a cost-prohibitive water treatment facility that would still fall short of meeting the needs of the Town. As a result, the Town receives 100% of its water from the MWRA and the four wells remain off-line in an emergency only capacity.

Approximately 80% of the Town receives water from the public water supply system. The map below shows the water system service area.

**Northborough Water System Map**





## Water & Sewer Enterprise Funds

## Section 8-9

### Significant FY2024 Budget Changes or Initiatives

The FY2024 Water Enterprise Fund is budgeted at \$2,772,795 which is an increase of \$136,692 or 5.2%. This increase follows the 10.8% FY2023 budget reduction which was primarily attributed to the MWRA preliminary assessment going down by \$251,513. The cause of this was a shift in the share of the overall use from “bedroom communities” such as Northborough to Metro Boston as a result of businesses reopening after the initial effects of the pandemic. The FY2024 increase is attributed to several factors: including funding the required bi-annual system-side leak detection survey, inflationary increases to goods and services, reinstatement of \$50,000 toward the emergency account, and phasing back in of the annual hydrant replacement program, the latter two of which were eliminated due to financial constraints associated with the pandemic.

In the second quarter of FY2014, a base charge was added to each water account to recover a portion of fixed costs paid from the enterprise fund such as debt, meter reading, billing, and collection, regardless of the amount of water usage. Based upon formal rate studies, the water utility user rates are expected to increase approximately 4%-5% per year due to a combination of inflationary pressures (2-3% annually), annual water use fluctuations which trend downward between 0.5% and 1.0% due to mandated conservation measures, and the need to make regular infrastructure investments. The FY2024 user rates will be adjusted based upon a detailed rate study but are currently projected to increase between 3% and 4%. The base charge will also be evaluated as part of the rate study in an effort to maintain the appropriate ratio of fixed verse volumetric revenues.

	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>WATER ENTERPRISE FUND</b>						
<b>Personnel Services</b>						
<sup>2</sup> 51010 Full-time Wages	173,925	164,514	168,034	170,750	80,246	183,793
<sup>3</sup> 51100 Full-time Salary	37,130	38,630	39,807	39,818	18,797	42,255
<sup>4</sup> 51120 Full-time Permanent wages	36,772	37,425	38,110	38,056	17,966	40,290
<sup>5</sup> 51130 W&S Commissioner Stipends	1,080	0	1,080	1,080	0	1,080
<sup>6</sup> 51135 GIS Salary	14,760	15,400	15,708	16,179	16,179	16,669
51300 Overtime	41,915	47,378	43,957	47,810	18,927	51,463
51410 Longevity Pay	1,410	1,620	1,785	1,659	1,785	1,629
51970 Stipends	950	1,950	950	950	0	900
51920 Uniforms	2,280	2,280	2,280	2,280	1,140	2,280
<b>SUBTOTAL</b>	<b>310,223</b>	<b>309,197</b>	<b>311,711</b>	<b>318,582</b>	<b>155,040</b>	<b>340,539</b>

<sup>2</sup> Line 51010 represents 60% of the Water/Sewer Operations Manager salary and Water/Sewer Maintenance Workers' wages. The other 40% of these personnel expenses are included in the Sewer Enterprise Fund budget.

<sup>3</sup> Line 51100 represents 30% (12 hrs/ week) of the DPW Director's salary. 20% is reflected in the Sewer Enterprise Fund Budget and the balance (50%) is included in the DPW budget Section 4 of this document.

<sup>4</sup> Line 51120 represents 24 hours per week of an Administrative Assistant

<sup>5</sup> Line 51130 represents the three Water & Sewer Commissioners who receive \$600 each per year, split 40% (\$720) Sewer Fund Budget and 60% (\$1,080) Water Fund Budget

<sup>6</sup> Line 51135 represents 15% (6 hours per week) of the GIS Director's time supporting the Water Enterprise fund.

## Section 8-10

## Water & Sewer Enterprise Funds



	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>WATER ENTERPRISE FUND</b>						
<b>Expenses</b>						
51710 Workers' Compensation	13,438	12,180	11,005	11,076	11,076	11,298
51730 F.I.C.A.	4,806	5,037	5,037	5,037	5,037	4,936
51740 Life Insurance	88	88	88	63	63	63
51750 Health Insurance	49,481	48,751	49,124	49,022	49,022	59,762
52110 Utilities	16,1012	16,227	21,013	19,500	7,215	35,411
52610 Building Maintenance	3,564	3,511	15,288	13,300	13,026	13,300
52620 Equipment Maintenance	6,160	11,195	4,211	18,000	1,737	18,000
52800 Contractual Services	162,498	121,087	107,171	178,134	46,263	197,334
52850 Audit	2,008	2,899	2,088	2,957	0	2,993
53020 Legal Services	833	273	0	10,000	0	10,000
53110 Printing	5,856	5,977	6,419	10,308	3,647	13,500
53170 Water Analysis	563	0	136	5,500	0	5,500
53190 Training	6,997	5,545	5,967	8,825	1,448	9,325
54290 Office Supplies	653	259	0	1,860	677	1,860
54350 Howard Street Well	0	0	0	0	0	0
54370 Private Work	0	0	0	0	0	0
54380 Brigham Street Well	0	0	0	0	0	0
54390 MWRA Assessment	1,312,356	1,422,346	1,760,228	1,508,715	754,358	1,475,638
54400 Lyman Street Well	0	0	0	0	0	0
54410 Crawford Street Well	0	0	0	0	0	0
54420 Materials & Supplies	95,040	89,364	18,633	67,900	19,897	92,900
54820 Gasoline	10,545	10,545	10,545	10,545	10,545.00	16,800
55990 Chemicals	0	0	0	0	0	0
56220 Worcester Regional Retirement	33,340	37,993	34,940	39,515	39,515	57,092
57110 Travel/Mileage	404	206	336	600	86	645
57410 Liability/Building Insurance	17,639	18,130	19,500	19,500	19,500	19,890
58530 Capital Outlay	0	0	0	0	0	0
59810 Extraordinary and Unforeseen	0	0	0	25,000	0	75,000
<b>SUBTOTAL</b>	<b>1,742,370</b>	<b>1,811,612</b>	<b>2,071,728</b>	<b>2,005,357</b>	<b>983,112</b>	<b>2,121,247</b>



## Water & Sewer Enterprise Funds

## Section 8-11

	FY2020	FY2021	FY2022	FY2023	FY2023	FY2024
	ACTUAL	ACTUAL	ACTUAL	BUDGETED	SIX MONTHS	PROPOSED
<b>WATER ENTERPRISE FUND</b>						
<b>Expenses (Debt Service)</b>						
59100 Principal / Long Term Debt	272,855	234,857	228,668	239,914	0	220,414
59150 Interest / Long Term Debt	46,117	39,181	52,797	47,552	21,863	40,120
59270 Interest / Temporary Loans	0	0	10,844	20,095	0	46,385
59280 Issuance Costs	0	0	0	4,605	0	4,270
<b>SUBTOTAL</b>	<b>318,973</b>	<b>274,038</b>	<b>292,311</b>	<b>312,164</b>	<b>21,863</b>	<b>311,189</b>
<b>TOTAL: WATER ENTERPRISE FUND</b>	<b>2,371,565</b>	<b>2,394,848</b>	<b>2,675,750</b>	<b>2,636,103</b>	<b>1,160,015</b>	<b>2,772,795</b>

## Section 8-12      Water & Sewer Enterprise Funds

---



### **Background on the Northborough Sewer System**

The Town operates a collection system of sewer pipes that bring sewerage to the City of Marlborough's Westerly Wastewater Treatment Plant where it is treated and discharged into the Assabet River. When the sewer system was started in the mid 1960's it was designed to service only the central portion of Town. While sewer pipe installation did not start until the 1970's, in 1964 land was purchased for a Northborough sewage treatment plant on Boundary Street.

In the late 1960's when the Town of Northborough attempted to obtain approvals for a sewerage treatment plant from the Massachusetts Department of Public Health, the regulators told the Town that since Marlborough was building a plant across the roadway on Boundary Street, that they would not allow two plants across the street and side-by-side with each other on the river. As a result, the Town of Northborough was required to become a partner in the Marlborough Westerly Wastewater Treatment Plant by entering into an Intermunicipal Agreement with the City of Marlborough for sewerage treatment.

In 1970, the Town of Northborough entered into the first of two twenty-year agreements with Marlborough for 800,000 gallons per day. The Marlborough Westerly Plant has a design capacity of 2.89 million gallons per day (MGD). Therefore, Marlborough's portion is 2.09 MGD and Northborough's is 0.80 MGD. While our sewer pipe installation has continued into the present in accordance with a Master Plan initially generated in the early 1980's, the Town's sewer capacity at the Westerly Plant has not changed since the original 1970 agreement. It has remained at 0.80 MGD.

### Sewer service area and future capacity needs

In the late 1970's the Town hired the engineering firm of Camp Dresser & McKee (CDM) to begin developing the sewer system and mapping out the sewer service area for the Town. It was estimated that the sewerage to be contributed by the users in the original sewer service area would use the full 0.80 MGD of sewer capacity. Therefore, as long as the Town's capacity at the treatment plant remains at 0.80 MGD, it cannot provide sewer to any other parts of Town currently outside of the sewer service area.

During 2000, CDM updated the sewer service area and determined that there was only 50,000 gallons per day of sewer capacity for development of the southeast and southwest industrial areas. The Avalon Bay/Northborough Crossing development discharges approximately 80,000 gallons per day. Not only does this use up the 50,000 gallons per day allocated for industrial development, but it also uses 30,000 gallons per day more of capacity previously targeted for existing residential areas in Town. Therefore, it is critical for the Town to pursue additional capacity at the Marlborough Westerly Wastewater Treatment Plant. Should the Town be unsuccessful in getting additional capacity, the amount of capacity previously designated for users within the sewer service area will need to be reduced by 30,000 gallons per day to stay within our 0.80 MGD.

### Assabet Consortium Study

In 2000, Town Meeting authorized \$500,000 to study the Town's current sewer needs through the Assabet River Consortium Study. The Assabet Consortium Study is a collaboration of the six towns whose sewerage treatment plants discharge to the Assabet River; these include Northborough, Marlborough, Westborough, Shrewsbury, Hudson and Maynard. As part of the discharge permit for each sewerage treatment plant (there are four) each Town must produce a study that evaluates the effect of the treatment plant's discharge on the Assabet River. The





engineering firm of Fay, Spofford & Thorndike (FST), was hired to do the study for the Town of Northborough. FST inventoried the Board of Health records for septic system failures, excessive pumping, Building Department records for building construction, soils maps, zoning and other applicable files and information to calculate the sewer capacity necessary to service the entire Town of Northborough. They determined that the Town, including existing users, would need 1.25 MGD. This means that there is not enough capacity in the existing sewage treatment plant for the Town to provide sewer to every area that needs it. Marlborough's consultant determined that Marlborough also needed additional capacity. Between Northborough & Marlborough the total sewage treatment capacity needed is 4.15 MGD. With the plant capacity permitted for 2.89 MGD, the deficit is 1.26 MGD.

Through the Assabet Consortium Study process, the Department of Environmental Protection (DEP) and the Federal Environmental Protection Agency (EPA) originally informed the Town that no additional flows would be permitted into the Assabet River. Therefore, the additional 4.15 MGD of capacity necessary for Northborough and Marlborough must be handled by infiltrating it into the ground through subsurface discharge. Even though the effluent water is treated to just about drinkable standards, the DEP and EPA goal is to replenish the ground water rather than let it flow away down the river.

### Haitsma Property Acquisition

At the August 10, 2004 Special Town Meeting the Town opted to purchase, through the Chapter 61A tax relief statute, the Haitsma farm at 455 Main Street. The primary purpose of this land was to serve future sewer utility expansion, thus allowing proper build-out and economic development of the Town. According to the Town's consultants, an additional 1.5 MGD of sewer capacity could be achieved through subsurface disposal on the Haitsma property, if needed. However, the cost would be significantly higher than discharging to the river. Consultants for Marlborough and Northborough proposed putting all the additional flows into the river because of the negative environmental impact of clearing all the land necessary to put the additional flows into the ground as well as the additional energy costs of the subsurface disposal. Further evaluation by the Town's consultant in 2018 determined that subsurface disposal of effluent at the Haitsma property would likely result in the discharge entering the Assabet River due to the local hydrogeologic conditions, calling into question the viability of subsurface disposal at that location.

### Status of the Marlborough Westerly plant expansion

On November 16, 2009, after spending more than 8 years working with both the State DEP and Federal EPA, the National Pollutant Discharge Elimination System (NPDES) Permit modification for the Marlborough Westerly Treatment Plant was finally granted. This is the permit that allows the Westerly Treatment Plant additional flow into the Assabet River, instead of more expensive alternatives such as subsurface disposal on the Haitsma property. The NPDES permit modification also included significant and expensive upgrades to water treatment, particularly with regard to phosphorus discharge limits.

Unfortunately, after granting the increase in flow, the EPA abruptly and unexpectedly decided to rescind the NPDES permit on February 23, 2010. However, since the granting of the permit, Marlborough has completed the \$30 million expansion and upgrades to the plant and although the plant is seeing great results on the quality of the effluent, it is coming at a significant increase in operational costs. Under the proposed Intermunicipal Agreement, the Town of Northborough will owe 30% of the cost of construction. It remains to be seen how the issue of additional capacity will be resolved. The EPA has issued the new NPDES permit for the Marlborough

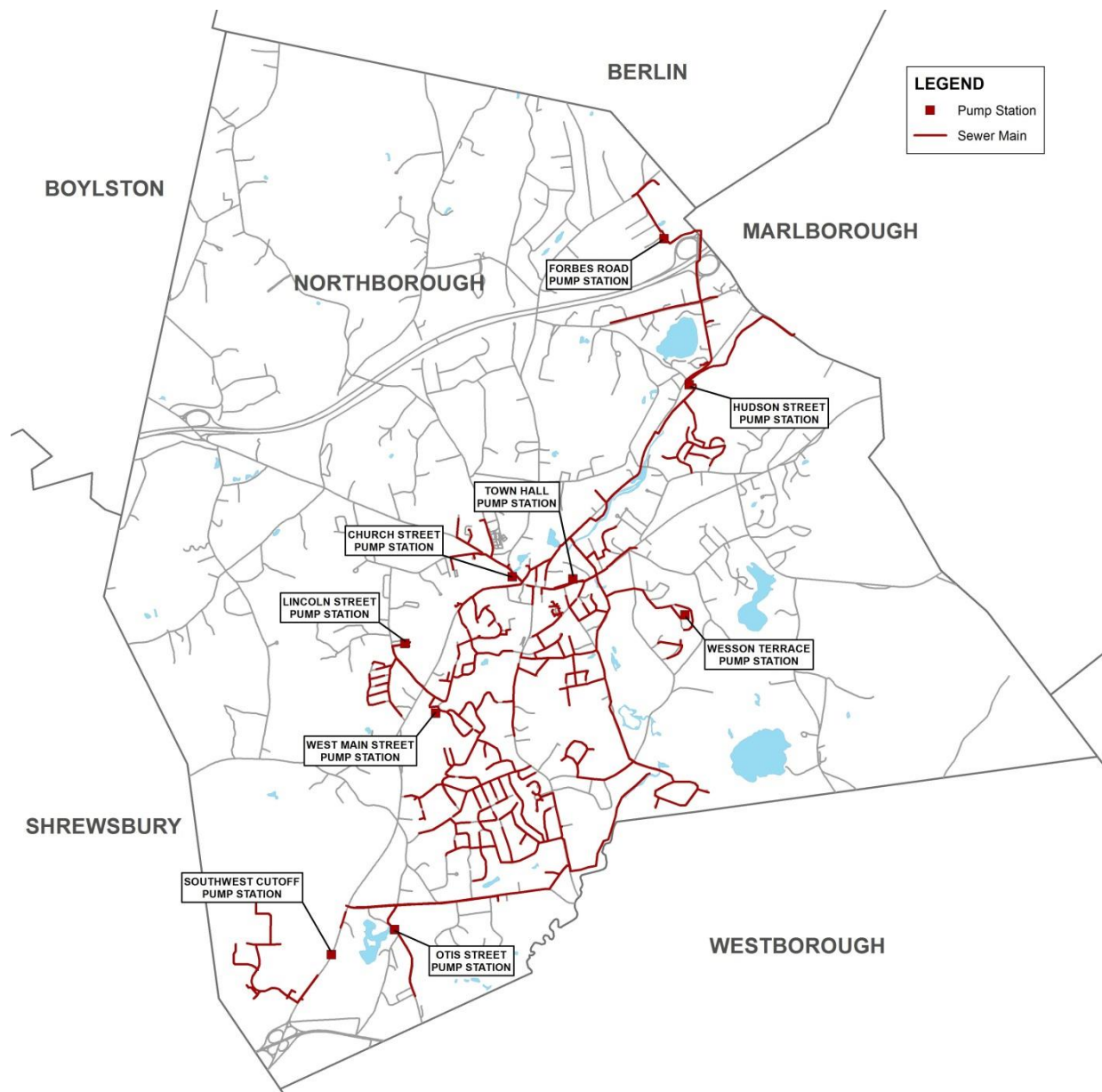
## Section 8-14      Water & Sewer Enterprise Funds



Westerly Plant within which Northborough is a co-permittee. The new permit provides no additional capacity, and the City has indicated no willingness to appeal the permit issuance. The new permit does include additional operational requirements that will impact the sewer enterprise fund operating expenses in the coming years.

Approximately 30% of the Town has access to the sewer wastewater system. The map below shows the sewer system service area.

**Northborough Sewer System Map**







## Significant FY2024 Budget Changes or Initiatives

The FY2024 Sewer Enterprise Fund is budgeted at \$2,508,481, which is an overall increase of \$110,993 or 4.6%. The budget reflects an estimated 5% or \$44,728 increase in the Marlborough use charge. This value, along with several other smaller increases directly related to industry wide inflationary impacts and labor increase account for the FY2024 budget adjustments.

The critical issue facing the DPW Sewer Enterprise Fund continues to be negotiations for a new Intermunicipal Agreement with the City of Marlborough. The matter is currently in litigation, the outcome of which will establish our contribution to the operational expenses of the Westerly Wastewater Treatment Plan as well as Northborough's share of the \$30 million plant improvement project. Sewer rates were increased significantly in the second quarters of FY2014, FY2016, FY2017, and FY2018 in anticipation of a large plant improvement payment to Marlborough. The sewer use charges are evaluated as part of our comprehensive rate study. While final rate adjustments will be based upon the updated rate study, a modest increase is projected at this time for this coming fiscal year.

	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>SEWER ENTERPRISE FUND</b>						
<b>Personnel Services</b>						
51010 Full-time Wages	115,950	109,676	112,023	113,834	53,497	123,220
51100 Full-time Salary	24,754	25,754	26,538	26,545	12,531	28,174
51120 Full-time Permanent wages	24,515	24,950	25,407	25,371	11,978	26,860
<sup>7</sup> 51130 W&S Commissioner Stipends	720	1,800	720	720	0	720
<sup>8</sup> 51135 GIS Salary	9,840	10,266	10,472	10,786	10,786	11,113
51300 Overtime	27,943	31,585	29,305	31,874	12,618	34,309
51410 Longevity Pay	940	1,080	1,190	1,064	1,190	1,044
51970 Stipends	1,000	0	1,000	1,000	0	1,000
51920 Uniforms	1,520	1,520	1,520	1,520	760	1,520
<b>SUBTOTAL</b>	<b>207,182</b>	<b>206,631</b>	<b>208,174</b>	<b>212,714</b>	<b>103,360</b>	<b>227,265</b>

<sup>7</sup> Line 51130 represents the three Water & Sewer Commissioners receive \$600 each per year, split 40% ( \$720) Sewer Fund Budget and 60% (\$1,080) Water Fund Budget

<sup>8</sup> Line 51135 represents 10% (4 hours per week) of the GIS Director's time supporting the Sewer Enterprise fund.

## Section 8-16

## Water & Sewer Enterprise Funds



	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 ACTUAL	FY2023 BUDGETED	FY2023 SIX MONTHS	FY2024 PROPOSED
<b>SEWER ENTERPRISE FUND</b>						
<b>Expenses</b>						
51710 Workers' Compensation Ins.	8,399	8,120	7,337	7,384	7,384	7,532
51730 F.I.C.A.	3,120	3,364	3,364	3,364	3,364	3,295
51740 Life Insurance	59	59	59	42	42	42
51750 Health Insurance	32,988	32,501	32,749	32,682	32,682	39,842
52110 Utilities	51,165	51,941	60,855	60,000	19,566	105,055
52310 Marlborough Use Charge	400,000	400,000	400,000	894,555	200,000	939,283
52600 Building Maintenance	50,879	49,814	41,076	97,800	17,280	104,254
52620 Equipment Maintenance	6,795	20,459	10,720	41,000	2,097	41,000
52800 Contractual Services	156,605	65,923	200,889	179,611	37,781	182,233
52850 Audit	1,338	2,211	1,392	2,249	0	2,273
53020 Legal Services	37,362	85,152	8,569	50,000	3,330	50,000
53110 Printing	3,904	3,984	5,524	5,873	2,431	9,000
53170 Testing	8,151	1,644	5,557	4,900	0	4,900
53190 Training, Dues and Licenses	1,782	426	2,369	3,240	732	3,240
54290 Office Supplies	450	390	465	1,740	451	1,740
54420 Materials & Supplies	14,380	33,163	29,243	44,500	5,270	44,500
54820 Gasoline	7,030	7,030	7,030	7,030	7,030	11,200
55990 Chemicals	0	0	0	0	0	0
56220 Worcester Regional Retirement	22,227	25,329	23,293	26,343	26,343	38,061
57110 Mileage	269	137	224	400	58	430
57410 Liability/Building Insurance	11,759	12,087	13,000	13,000	13,000	13,260
58730 Capital Outlay	0	0	0	0	0	0
59810 Extraordinary and Unforeseen	0	0	0	75,000	0	75,000
<b>SUBTOTAL</b>	<b>818,752</b>	<b>803,734</b>	<b>853,445</b>	<b>1,550,713</b>	<b>436,300</b>	<b>1,676,140</b>



## Water & Sewer Enterprise Funds

## Section 8-17

	FY2020	FY2021	FY2022	FY2023	FY2023	FY2024
	ACTUAL	ACTUAL	ACTUAL	BUDGETED	SIX MONTHS	PROPOSED
<b>SEWER ENTERPRISE FUND</b>						
<b>Expenses (Debt Service)</b>						
59100 Principal / Long Term Debt	514,370	530,183	581,611	503,491	100,000	488,791
59150 Interest /Long Term Debt	144,672	123,121	133,007	124,320	65,623	103,910
59270 Interest / Temporary Loans	19,377	10,234	0	5,125	0	11,375
59280 Issuance Costs	0	0	0	1,125	0	1,000
<b>SUBTOTAL</b>	<b>678,419</b>	<b>663,539</b>	<b>714,619</b>	<b>634,061</b>	<b>165,623</b>	<b>605,076</b>
<b>TOTAL: SEWER ENTERPRISE FUND</b>	<b>1,704,353</b>	<b>1,673,903</b>	<b>1,776,238</b>	<b>2,397,488</b>	<b>705,283</b>	<b>2,508,481</b>



This Page Intentionally Blank

# *Proposed Capital Improvement Program*



*2024 - 2029*

*Town of Northborough, Massachusetts*

# ***CAPITAL IMPROVEMENT PROGRAM***

## **Table of Contents**

<b>Town Administrator’s Transmittal Letter.</b> . . . . .	1
FY2024 Proposed Capital Budget . . . . .	4
<b>Introduction of Frequently Asked Questions.</b> . . . . .	7
Capital Projects Flow Chart. . . . .	12
<b>Part I Capital Improvement Program FY2024-2029 Summary by Department</b> . . . . .	13
<b>Part II Project Detail Sheets by Department</b> . . . . .	19
Fire/EMS Department. . . . .	21-26
Police Department. . . . .	27-32
Town Administration . . . . .	33-34
Department of Public Works: Highway/Parks/Cemetery Divisions . . . . .	35-58
Department of Public Works: Sewer Enterprise Fund. . . . .	59-61
Department of Public Works: Water Enterprise Fund. . . . .	62-65
Northborough K-8 Public Schools . . . . .	66-77
<b>Part III Financial Planning Committee Report.</b> . . . . .	78



***Office of the Town Administrator***

*63 Main Street  
Northborough, MA 01532*

(508) 393-5040  
Fax: (508) 393-6996

April 10, 2023

To: Board of Selectmen, Financial Planning Committee,  
Appropriations Committee

It is my pleasure to submit herewith the Proposed FY2024-2029 Capital Improvement Program (CIP), the first year of which constitutes the requested FY2024 Capital Budget. Each year, Town Meeting reviews the Proposed Capital Budget and adopts it by voting to appropriate funds for each recommended capital project. The planned acquisition of capital associated with the annual appropriation is an important component of the Town's capital plan.

As in previous years, the CIP is incorporated in its entirety as Section 9 of the annual Operating Budget document. While the physical document continues to be refined, the main focus again in FY2024 is on the financing of the projects themselves, as the Town seeks to fund more projects using available funds such as Free Cash, without incurring debt.

**The Free Cash Policy**

The process of preparing the CIP and the FY2024 Capital Budget has remained essentially the same in recent years. However, the Board of Selectmen adopted a Free Cash Policy in November of 2010, which provides a recurring funding

source for projects, other than municipal bonds. Interested readers are encouraged to refer to the complete Free Cash Policy on page 2 of Appendix A of this budget document, which contains the Town's comprehensive financial policies.

In its most basic definition, Free Cash is the fiscal year-end combination of revenues that come in higher than estimated and expenditures that come in lower than budgeted. After the June 30<sup>th</sup> close of the fiscal year, the Town's Free Cash is certified by the State Department of Revenue and available for appropriation. Free Cash that was certified at the close of FY2022 (June 30, 2022) is available for use in the FY2024 Capital Budget.

The adopted Free Cash Policy attempts to align one-time revenues with appropriate one-time expenditures, thereby minimizing the level at which recurring expenses, such as personnel, are dependent upon this unpredictable revenue source. To that end, the following are explicitly authorized uses of Free Cash under the adopted policy:

1. Appropriation Committee's Reserve Fund
2. Limited (\$500,000) Subsidy of the Operating Budget
3. Contribution to the Town's Stabilization Fund
4. Fund Projects in the Capital Improvement Program
5. Extraordinary Deficits & Emergency Appropriations

Under the policy, one appropriate use of Free Cash is to fund capital projects that would otherwise incur borrowing costs associated with the issuance of debt. The financing of small capital projects or equipment is not considered a best practice for a community our size. Although perfectly legal, the Town has moved away from incurring debt for vehicles and small equipment purchases.

Bond rating agencies prefer to see Towns use a pay-as-you-go approach for smaller capital projects. The one-time nature of Free Cash makes it an excellent match for one-time capital expenditures. If for some reason sufficient Free Cash does not materialize in a given year, the Town may borrow for capital projects, or delay them, without causing immediate impact to the operating budget and related services.

#### **The FY2024 Free Cash Plan**

The Free Cash Policy represents the Town's agreed upon and principled approach to how this unpredictable revenue source will be used. The policy guides our decision-making process based upon sound financial planning practices and sets realistic and sustainable goals. The Free Cash Plan is the annual implementation of how actual Free Cash will be used during the budget process in the context of our policy guidelines, including funding of any capital projects. As always, any use of Free Cash remains subject to Town Meeting approval and appropriation.

At the conclusion of FY2022, Free Cash was certified at approximately \$2.4 million. Of the total Free Cash, \$1,105,000 will be used to finance the FY2024 Capital Budget. Projects financed using Free Cash will not increase taxes or result in the payment of finance charges. The use of Free Cash is a significant funding source for FY2024 capital projects and will continue playing a significant role in funding future capital projects as well.

<b>PROPOSED FY2024 FREE CASH PLAN</b>			
Free Cash Certification as of 7/1/2022		2,440,073	100%
FY2024	Appropriated Reserve	-175,000	7.2%
FY2024	Operating Budget	-500,000	20.5%
FY2024	Stabilization Fund	-200,000	8.2%
FY2024	Capital Projects	-1,105,000	45.3%
Available Free Cash after FY2024 Plan		460,073	18.9%

Based upon the \$2.4 million in available Free Cash, the Town will be able to maintain an appropriation to the Reserve Account, continue to contribute the policy-targeted amount into the FY2024 Operating Budget, and once again pay cash for a portion of our upcoming capital needs.

Due to the budgeting constraints experienced during the pandemic the Town did not contribute to the Stabilization (rainy day) Fund in FY2021 or FY2022. In FY2023, the Town restored the annual contribution of \$200,000 to the Stabilization Fund. This will continue in FY2024, with another contribution of \$200,000. The Stabilization Fund is designed to accumulate amounts for capital and other future spending purposes, although it may be appropriated for any lawful purpose in accordance with MGL Chapter 40, Section



5B. Communities may establish one or more stabilization funds for different purposes. Any interest shall be added to and become a part of the funds. A two-thirds vote of Town Meeting is required to appropriate from a stabilization fund.

The Town currently maintains a Stabilization Fund for emergencies and unforeseen circumstances. As of June 30, 2022, the balance in the Town's Stabilization Fund is \$4.90 million. Since FY2016, the annual Stabilization Account contribution was stable at \$200,000. However, due to economic concerns posed by the threat of COVID-19 in FY2021, a decision was made to increase the Appropriations Reserve Account by \$200,000, rather than transfer funds to the Stabilization Account. In addition, several capital projects were delayed in order to free up resources for any unforeseen expenses brought on by the pandemic. Fortunately, the Town received significant federal assistance during this time, allowing the funds held for pandemic management to be closed out to Free Cash and made available as part of the FY2023 Capital Budget. This attributed to the higher-than-normal free cash certification leading into the FY2023 budget cycle. At the close of FY2022, Free Cash was certified at a more historically typical amount, thus reducing the number of projects compared to last year. Moving forward, the Town will need to continue updating the CIP and associated funding sources to address the temporary backlog of postponed projects.

Northborough's financial policy provides for reserves (stabilization fund plus unappropriated free cash) to average between 5% and 10% of the Town's operating budget. The proposed Free Cash Plan maintains the Town's financial reserves within the policy range. Prior to the close of FY2022, the Town's reserves were at 8.2%, or \$5.9 million. After the close of FY2022 the July 1, 2022 reserves increased to 10.7%. Based on the proposed FY2024 Operating and Capital

Budgets, reserves are projected to remain at 8%, well within the policy guidelines.

It is important to note that Northborough's Free Cash Policy has been a major success story for the Town. Since FY2012 the Town has invested \$21.0 million in pay-as-you-go capital investments with no additional tax impact. That includes \$14.9 million in Free Cash and approximately \$6.2 million in other funding sources, exclusive of the \$1,105,000 in Free Cash expenditures planned for FY2024. In FY2024, in addition to the \$1,105,000 in Free Cash proposed to be spent on capital projects, an additional \$1.375 million will be put forward for borrowing consideration for a Fire Engine replacement and a Highway Garage Tight Tank replacement. These items were initially considered as American Rescue Plan act (ARPA) projects, but ultimately were put forward for borrowing consideration as part of the FY2024 Capital Plan.

### **FY2024 Proposed Capital Budget**

The table on the following page represents the FY2024 proposed capital requests of the General Government Department and the Northborough K-8 Schools. The table also provides a matrix of the various sources of funding for the proposed projects.

Although the detail for these proposed projects has been incorporated as Section 9 of the annual Operating Budget document, funding for all recommended FY2024 projects requires Town Meeting approval of specific Articles contained in the April 2023 Annual Warrant. The adoption of the Capital Budget and any associated borrowing is done strictly in accordance with the Town Charter and Massachusetts General Laws.

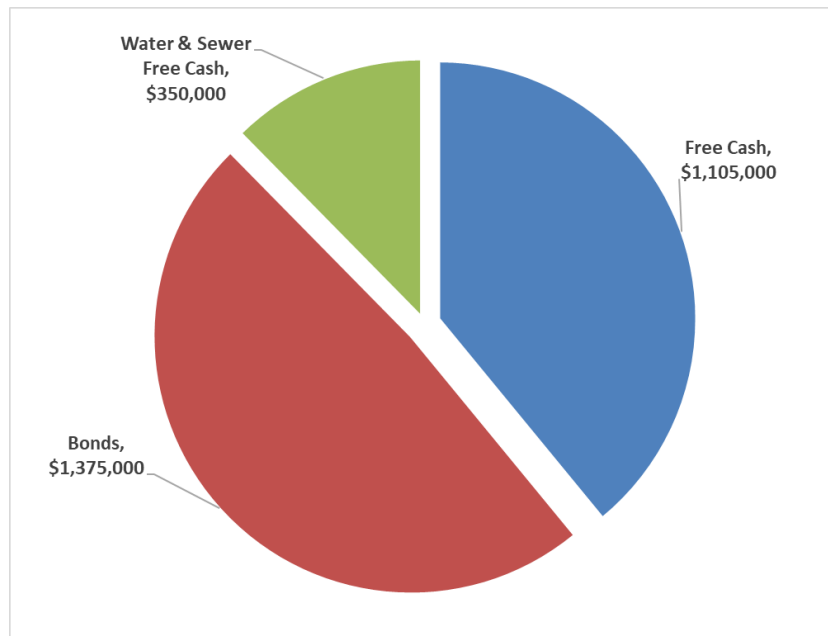
The proposed FY2024 Capital Budget totals \$2,830,000 with \$1,105,000 from Free Cash, \$1,375,000 from General

Obligation Bonds, and \$350,000 from the Water and Sewer Enterprise Funds. A breakdown of the proposed funding sources can be found on the subsequent pages.

### FY2024 Proposed Capital Budget & Funding Sources

PROJECTS BY DEPARTMENT		EXPENDITURE	FUNDING SOURCES		
			Free Cash	Enterprise Fund Free Cash	General Fund Bonds
<b>Police</b>	Police Cruiser Replacements (3)	190,000	190,000		
	Police Station Exterior Repairs & Painting	70,000	70,000		
	<b>Police Subtotal</b>	<b>\$260,000</b>			
<b>Fire</b>	Engine 1 Replacement	900,000			900,000
	<b>Fire Subtotal</b>	<b>\$900,000</b>			
<b>DPW: Highway Division</b>	Roadway Improvements/Maintenance	300,000	300,000		
	20-Ton Dump Truck w/Spreader&Plow Replacement	355,000	355,000		
	Highway Garage Tight Tank DEP Compliance	475,000			475,000
	One-Ton Truck w/Plow Replacement	150,000	150,000		
	<b>Highway Subtotal</b>	<b>\$1,280,000</b>			
<b>DPW: Water &amp; Sewer Enterprise Funds</b>	15-Ton Dump Truck (new addition)	225,000		225,000	
	SCADA Phase II (matching grant allocation)	125,000		125,000	
	<b>Sewer Enterprise Fund Subtotal</b>	<b>\$350,000</b>			
<b>Schools K-8:</b>	Zeh School Back Walkway Entrance Repairs	40,000	40,000		
	<b>Schools K-8 Subtotal</b>	<b>\$40,000</b>			
<b>TOTAL FY2024 CAPITAL BUDGET</b>		<b>\$2,830,000</b>	<b>\$1,105,000</b>	<b>\$350,000</b>	<b>\$1,375,000</b>

## FY2024 Capital Funding Sources



### American Rescue Plan Act Funds (ARPA):

On March 11, 2021, U.S. President Joe Biden signed the American Rescue Plan Act of 2021 (ARPA) into law. ARPA provides local governments with resources through the Coronavirus Local Fiscal Recovery Fund (CLFRF), to respond to the public health emergency caused by the COVID-19 pandemic. The funds are administered by the U.S. Treasury Department, which announced that the Town of Northborough will receive \$4,516,183 in grant funding.

Based upon the requirements set forth by the US Treasury, all ARPA funds must be obligated by December 31, 2024, and spent by December 31, 2026. As of this writing, the Town has obligated approximately \$1.9 million for various projects as detailed below, leaving \$2.6 million still to be obligated and spent by the deadlines above.

<b>Total ARPA Grant Funds Received:</b>		<b>\$4,516,184</b>
<b>ARPA Funds Committed</b>		
Proctor Roof Drainage Repairs		(\$38,000)
Assabet Park Fence		(\$20,000)
Pickleball Court Bid Alternates		(\$18,000)
BeWell Northborough Wellness Initiative		(\$100,000)
Community Meals Support		(\$15,000)
Proctor School Roof		(\$1,700,000)
<b>Remaining ARPA Grant Funds</b>		<b>\$2,625,184</b>

### Financial Planning Committee Report:

As a reminder, Part III of this CIP document contains the Financial Planning Committee's evaluation and recommendation of the proposed capital projects. The report is an excellent reference for citizens reviewing the CIP and provides additional detail regarding how projects are prioritized. Interested readers are strongly encouraged to review the report.

### **Closing Comments**

In closing, it is obvious that the Town continues to make positive strides towards maintaining its physical assets through the Capital Improvement Program. The attached Capital Budget continues to recognize the Town's ongoing responsibility to maintain its capital facilities, equipment, and infrastructure, and to make the capital investments necessary to meet the evolving service demands of our community. The Capital Improvement Program also recognizes the Town's responsibility to limit such undertakings to a sustainable level that will preserve the fiscal integrity of the Town.

The development of this document would not be possible without the collaboration between the Financial Planning Committee, School Superintendent, Department Heads and staff for their assistance in the preparation of this document.

## ***CAPITAL IMPROVEMENT PROGRAM***

---

### **INTRODUCTION**

In a continuing effort to provide “user friendly” documents to our citizens, the Town has endeavored to provide a straight forward introductory section that answers the most commonly asked questions regarding capital planning in Northborough. The following questions and answers define terms, describe processes, and detail the needs and benefits of Northborough’s capital planning activities.

#### **I. What is the Capital Improvement Program?**

The Capital Improvement Program (CIP) is a multi-year plan used to coordinate the financing and timing of major public improvements for the Town of Northborough. It contains a list of capital projects proposed for the Town within the next six years and reflects the recommendations of citizens, boards, commissions, and staff from each of the Town departments. The CIP identifies each proposed project and presents a summary description, estimate of cost, method of financing, and a schedule of implementation. The Capital Improvement Program constitutes a rational plan for preserving, as well as adding to the capital assets of the Town.

#### **II. What are Capital Assets and Capital Projects?**

A capital asset is a new or rehabilitated physical asset that is of a non-recurring nature, has a useful life of at least five years, and is of significant value. Capital projects are undertaken to acquire capital assets and are differentiated from ordinary repairs or maintenance of a recurring nature. Examples of capital projects include land acquisitions, construction or major improvements to public buildings, road construction, and the acquisition of large equipment. For our purposes, projects submitted must exceed \$25,000 in value for FY2023 to qualify for inclusion in the *Town of Northborough’s Capital Improvement Program*.

#### **III. What is the difference between the Capital Improvement Program and the Capital Budget?**

The first year of the CIP is the proposed Capital Budget. The Capital Budget consists of those capital projects which, through the Town Meeting process and in accordance with the Town Charter, are annually approved and funded. However, projects slated for subsequent years in the CIP serve on a planning basis only, and do not receive ultimate spending authority until they are incorporated into a capital budget and approved by Town Meeting.

**IV. How is the Operating Budget Related to the Capital Budget?**

The Town of Northborough prepares a Capital Budget separate from the Operating Budget, yet the two are closely linked. The annual Operating Budget provides for general municipal service delivery, including personnel service costs, supplies and other contractual services, and certain capital equipment. Revenues for the Operating Budget are derived primarily from recurring taxes, intergovernmental sources, and user fees. Appropriations to the annual Operating Budget are for a single fiscal year.

In contrast, the Capital Budget is a multi-year budget designed to expend monies which add to the physical assets of the Town. Capital projects typically require expenditures which take place beyond a single fiscal year; funding with debt because of significant costs to be shared by current and future beneficiaries; systematic acquisition over an extended period of time in order to implement major operating systems or programs; and scheduled replacement or maintenance of specific elements of physical assets. Revenues for capital projects are most often derived from the sale of municipal bonds (borrowing), State & Federal Grants (when available) or can be supported by one-time funding sources, such as donations and free cash.

Notwithstanding the differences between the two, the Operating and Capital Budgets are closely interwoven inasmuch as operating costs related to capital projects need to be estimated and provided for in the Operating Budget. Many capital projects, such as the Library Renovation/Expansion Project or Senior Center, have an impact on the operating costs of those facilities once reopened. Town practice is to attempt to project the net effect a capital project will have on the operating budget. Maintenance and repair costs may be lower in a new facility, but it may cost more to run the larger facility as well. In addition, since most large capital projects are financed through municipal debt, repayment of that debt becomes part of the operating budget as well as the Town's fiscal forecasting models. The necessity to incur some degree of debt in order to finance the Capital Improvement Program carries with it the burden to effectively manage that debt within the Town's financial resources.

**V. Why do we need a CIP?**

The CIP provides a means of coordinating and centralizing the capital project requests of various departments and agencies, thus eliminating wasteful overlap, duplication, and delay. It focuses attention on Northborough's goals and financial capability by comprehensively considering not only what capital projects Northborough needs, but equally as important, what it can afford. Additionally, the formalized process allows more time for the study of projects, encourages public discussion of proposed undertakings, and allows Town citizens the opportunity to provide input, advice and recommendations with respect to proposed projects and expenditures.

**VI. How does Capital Programming save the Town money?**

Investors and bond rating agencies stress the value of a CIP for a municipality seeking to borrow funds. In fact, the six-year capital plan is referenced in every Offering Statement for Town of Northborough bonds. The absence of a rational, long-term planning instrument would weigh against the bond rating assigned to Northborough by rating agencies and the result would be higher interest rates on bond issues and more tax dollars going to pay for the interest on loans. Northborough currently enjoys a superior credit rating of Aa1 by Moody's Investor Service. This places Northborough within the same rating tier and just slightly below obligations of the United States Government. Thus, very real and tangible cost savings result from the use of our Capital Improvement Program.

Another financial benefit from the capital programming process is the avoidance of poorly timed projects. Good planning can ensure that capital improvement efforts are coordinated and costly duplication is avoided. In addition, significant savings can accrue to taxpayers when major capital financing is coordinated so that bond issues are sold infrequently, but at good times during the economic cycle to take advantage of low interest rates. The development of a Capital Improvement Program ensures sound fiscal and capital planning.

**VII. How are Capital Projects financed?**

An annual appropriation is typically included in the Operating Budget for capital expenditures as one of several funding sources to finance select capital projects. Other financing sources for Northborough's capital projects include state and federal grants, corporate donations, free cash, and debt. The single largest source of financing for capital projects is borrowing through the issuance of general obligation bonds. Much like mortgaging a house, borrowing allows the Town of Northborough to purchase expensive capital assets and spread the costs over the useful life of the asset, thus eliminating the need to temporarily raise taxes every time a large capital asset is acquired. In addition, debt allows current and future beneficiaries to share the cost of long-term capital improvements such as new schools, libraries or roads. All borrowing is done strictly in accordance with the Town Charter and Massachusetts General Laws (MGLs).

### **VIII. How is the CIP developed?**

The process for preparing the FY2024-2029 Capital Improvement Program and its associated FY2024 Capital Budget is essentially the same as in past years. It involves active participation by Department Heads working in conjunction with the Financial (Capital) Planning Committee. The Capital Budget is prepared in the context of a six-year determination of need by Departments, in conjunction with the Town's overall financial capacity to affordably accommodate the required debt service payments. Projected debt service payments and budgetary impacts are forecast annually to help ensure affordability and sustainability of the Capital Improvement Program. Preparation for the FY2024 Capital and Operating Budget was slightly delayed this year due to a turnover in the Governor's House at the state level. Given the transition, the incoming Governor is awarded additional time in developing their budget for the upcoming cycle, which delays the Town's development of its own capital and operating budgets. Despite these delays, we were still able to collaboratively assemble this CIP for consideration at the Spring Town Meeting.

Proposed projects are reviewed and prioritized based upon commonly used criteria such as health and safety factors, legal obligations and mandates, fiscal impact, environmental impact, community economic effects, and aesthetic and social effects on the quality of life experienced by Northborough residents. Projects are also examined in terms of their relationship to other projects, the Master Plan of Development, and their compatibility with Town-wide goals and objectives.

The process can be described as an iterative cycle with several distinct procedural steps. These steps and the approximate time frame in which they typically occur are described below. The process is also graphically illustrated in the Capital Projects Flow Chart following this introduction.

- *Autumn*—Following Town Meeting after the approval of that year's Capital Budget, Departments are provided with their previously submitted six-year requests for review, update and the addition of the next sixth year. While requests generally remain the same as in the initial request, there are occasionally changed circumstances which necessitate alterations to the requests. This information is returned to the Town Administrator for General Government projects and to the School Superintendent for initial review.
- *Early Winter* —The Financial Planning Committee meets to receive the compiled information and begin scheduling meetings with the various Departments to evaluate the projects. The Financial Planning Committee and the Town Administrator meet to review the requests of specific Departments and the needs of the overall Town organization. The preliminary debt schedules are updated and various financial forecasts completed in order to provide context to the Capital Budget as well as the six-year Capital Improvement Program.
- *February/March*—The Capital Budget is finalized within the parameters of the established funding target plus any available funds such as free cash or previously approved but unexpended bond proceeds. In making final decisions, the



## ***CAPITAL IMPROVEMENT PROGRAM***

---

process includes a determination of actual needs and the prioritization of need based upon legal mandate, public safety, and the effect of deferral. Projects not approved for funding are typically deferred into the next budget year.

- *March/April*—The Proposed Capital Budget is presented to the Board of Selectmen and Appropriations Committee.
- *April*—The Capital Budget is presented to Town Meeting for approval; and the process begins again.

Throughout the ensuing fiscal year, Town staff monitors all the approved projects and the following fall the Financial Planning Committee reconvenes to update the CIP all over again.

### **IX. Why must the CIP be continually updated?**

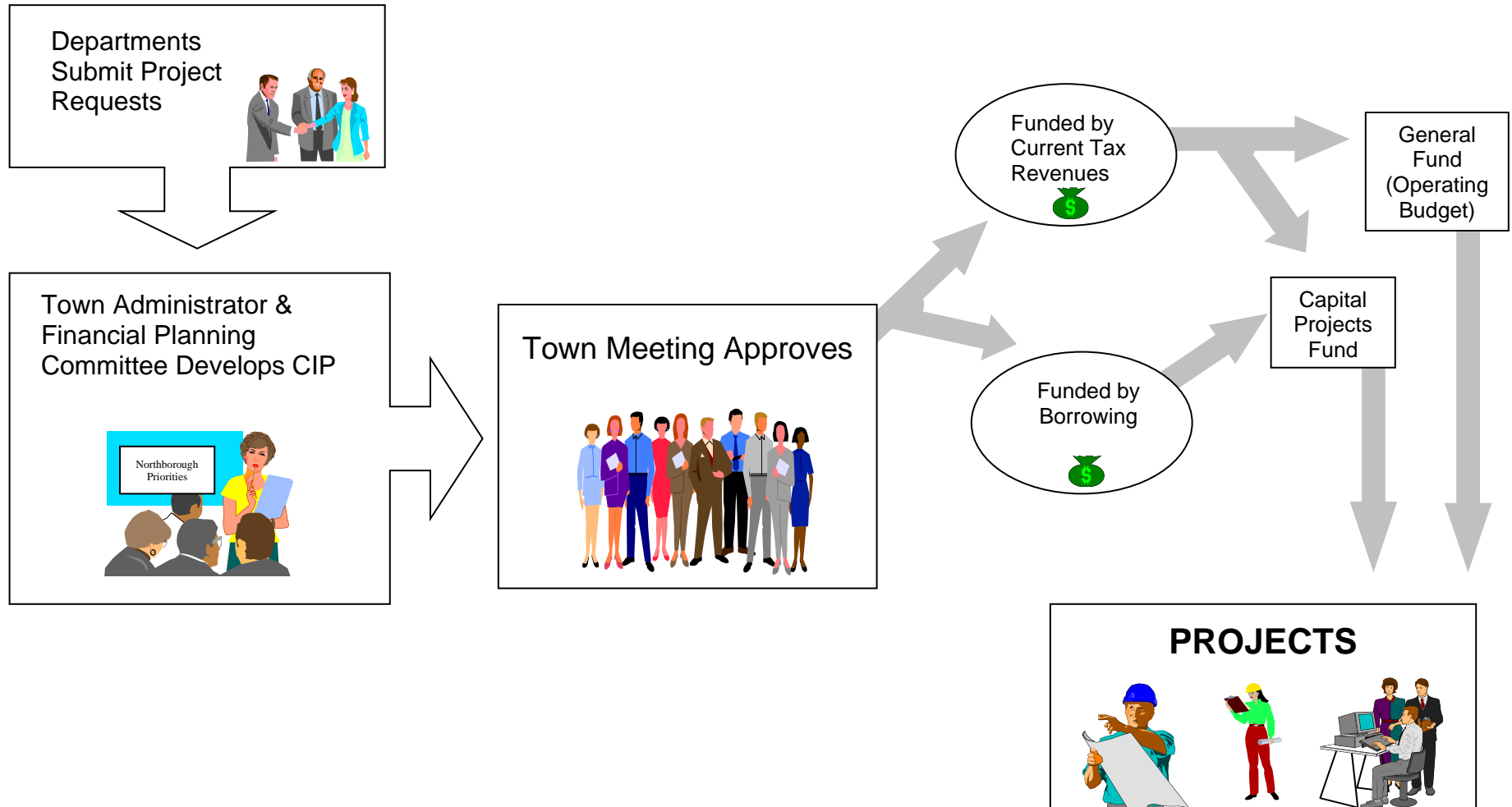
The CIP must be reviewed annually by Town departments and citizens to ensure its effectiveness as a flexible, mid-range strategic plan that links the annual budget with our multi-year financial forecasts and the more static long-range Master Plan of Development. Each year, Town Meeting reviews the capital projects recommended by the Financial Planning Committee and the Town Administrator through the CIP development process and approves a Capital Budget. Unfunded projects and those slated for subsequent years in the plan are acknowledged on a planning basis only and do not receive ultimate expenditure authority until they are incorporated into a Capital Budget and approved by Town Meeting. In this respect, the CIP can be thought of as a “rolling” process because unfunded projects and those farther out in years typically move up after each year of review. However, it is important to note that each project contained in the CIP must be recommended every subsequent year and as priorities and monetary constraints change, projects may be moved up, moved back, or even eliminated from the plan. This comprehensive annual review is critical to maintaining fiscal responsibility as well as ensuring the future education, safety, and welfare of Northborough residents.

## CAPITAL PROJECTS FLOW CHART

### DEVELOPMENT

### REVIEW & APPROVAL

### IMPLEMENTATION



# **Part I**

## **Capital Improvement Program Summary Fiscal Years 2024-2029**



This Page Intentionally Blank

**Town of Northborough  
Capital Improvement Program Summary  
Fiscal Years 2024-2029**

PROJECTS BY DEPARTMENT	Page #	Source of Funds	Six-Year Total	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
<b>Fire</b>									
Engine 1 Replacement		2/6	900,000	900,000					
Fire Station Addition/Renovation		2	18,500,000		18,500,000				
Rescue 1 Replacement		2/6	970,000		970,000				
Ambulance Replacement		5	450,000			450,000			
Squad 4 Replacement		2/6	300,000					300,000	
Tower 1 Replacement		2/6	1,900,000						1,900,000
<b>Fire Subtotal</b>			<b>\$23,020,000</b>	<b>\$900,000</b>	<b>\$19,470,000</b>	<b>\$450,000</b>	<b>\$0</b>	<b>\$300,000</b>	<b>\$1,900,000</b>
<b>Police</b>									
Police Cruiser Replacements		6	967,500	190,000	127,000	190,500	130,000	195,000	135,000
Police Station Painting		6	70,000	70,000					
Emergency Generator Replacement		6	90,000		90,000				
Communications Center Upgrades		6	90,000		90,000				
Multi-Band Portable Radio Replacement		6	145,000			145,000			
Police Station Feasibility Study		6	100,000						100,000
<b>Police Subtotal</b>			<b>\$1,462,500</b>	<b>\$260,000</b>	<b>\$307,000</b>	<b>\$335,500</b>	<b>\$130,000</b>	<b>\$195,000</b>	<b>\$235,000</b>
<b>Town Administration</b>									
Downtown Revitalization Project Phases I-III		2/6	8,825,000	TBD	2,500,000	275,000	2,750,000	300,000	3,000,000
Town Offices Building Project		2/6	0		TBD	TBD			
<b>Town Administration Subtotal</b>			<b>\$8,825,000</b>	<b>\$0</b>	<b>\$2,500,000</b>	<b>\$275,000</b>	<b>\$2,750,000</b>	<b>\$300,000</b>	<b>\$3,000,000</b>

**Town of Northborough  
Capital Improvement Program Summary  
Fiscal Years 2024-2029**

PROJECTS BY DEPARTMENT	Page #	Source of Funds	Six-Year Total	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
<b>DPW: Highway/Parks/Cemetery Division</b>									
Roadway Improvements/Maintenance		6	1,890,000	300,000	310,000	310,000	320,000	320,000	330,000
20-Ton Dump Truck w/ Spreader & Plow		6	1,105,000	355,000		450,000		300,000	
Highway Garage Tight Tank Installation		2/6	475,000	475,000					
One-Ton Pick Up Truck w/Plow		6	360,000	150,000			100,000		110,000
Enclosed Public Health Trailer		6	90,000		90,000				
Town Building Assessment		6	60,000		60,000				
One-Ton Dump Truck w/Plow		6	630,000		190,000		280,000		160,000
Culvert & Drainage Replacement Program		2/6	975,000		300,000		325,000		350,000
Bucket Truck		2/6	380,000		380,000				
Cemetery Niches		6	100,000		100,000				
Sidewalk Plow Replacement		2/6	290,000		290,000				
Hook Lift Truck		6	140,000		140,000				
Utility Tractor		6	100,000		100,000				
Street Sweeper		2/6	280,000			280,000			
Dog Park Construction		6	500,000			500,000			
Memorial Field Pedestrian & Parking Improvements		6	0			TBD			
Sidewalk/Pedestrian Improvements		2/6	450,000			200,000		250,000	
Mini-Excavator		6	150,000			150,000			
Stump Grinder		6	80,000				80,000		
Brush Disposal Area Design & Permitting		6	100,000				100,000		
Roadside Mower		6	125,000				125,000		
Loader		6	320,000					320,000	
Backhoe		6	240,000					240,000	
Ellsworth MacAfee Lavatories			500,000						500,000
<b>Highway/Parks/Cemetery Subtotal</b>			<b>\$9,340,000</b>	<b>\$1,280,000</b>	<b>\$1,960,000</b>	<b>\$1,890,000</b>	<b>\$1,330,000</b>	<b>\$1,430,000</b>	<b>\$1,450,000</b>

**Town of Northborough  
Capital Improvement Program Summary  
Fiscal Years 2024-2029**

PROJECTS BY DEPARTMENT	Page #	Source of Funds	Six-Year Total	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
<b>DPW: Sewer Enterprise Fund</b>									
SCADA Phase II (grant match)		7	125,000	125,000					
Inflow & Infiltration (I&I) Mitigation		7	805,000		380,000			425,000	
One-ton Utility Body Truck w/Plow		7/8	100,000			100,000			
<b>Sewer Enterprise Fund Subtotal</b>			<b>\$1,030,000</b>	<b>\$125,000</b>	<b>\$380,000</b>	<b>\$100,000</b>	<b>\$0</b>	<b>\$425,000</b>	<b>\$0</b>
<b>DPW: Water Enterprise Fund</b>									
15-Ton Dump Truck		7/8	225,000	225,000					
Reservoir Dam Compliance		6/8	800,000		800,000				
One Ton Utility Truck w/Plow		7/8	250,000		120,000			130,000	
Repair/Replace Water Mains and Services		8	450,000			50,000	400,000		
<b>Water Enterprise Fund Subtotal</b>			<b>\$1,725,000</b>	<b>\$225,000</b>	<b>\$920,000</b>	<b>\$50,000</b>	<b>\$400,000</b>	<b>\$130,000</b>	<b>\$0</b>
<b>TOTAL GENERAL GOVERNMENT (NON-SCHOOL)</b>									
Fire Subtotal			\$23,020,000	\$900,000	\$19,470,000	\$450,000	\$0	\$300,000	\$1,900,000
Police Subtotal			\$1,462,500	\$260,000	\$307,000	\$335,500	\$130,000	\$195,000	\$235,000
Town Offices Subtotal			\$8,825,000	\$0	\$2,500,000	\$275,000	\$2,750,000	\$300,000	\$3,000,000
DPW: Highway/Parks/Cemetery Subtotal			\$9,340,000	\$1,280,000	\$1,960,000	\$1,890,000	\$1,330,000	\$1,430,000	\$1,450,000
DPW: Sewer Enterprise Fund Subtotal			\$1,030,000	\$125,000	\$380,000	\$100,000	\$0	\$425,000	\$0
DPW: Water Enterprise Fund Subtotal			\$1,725,000	\$225,000	\$920,000	\$50,000	\$400,000	\$130,000	\$0
<b>TOTAL GENERAL GOVERNMENT</b>			<b>\$45,402,500</b>	<b>\$2,790,000</b>	<b>\$25,537,000</b>	<b>\$3,100,500</b>	<b>\$4,610,000</b>	<b>\$2,780,000</b>	<b>\$6,585,000</b>

**Town of Northborough  
Capital Improvement Program Summary  
Fiscal Years 2024-2029**

PROJECTS BY DEPARTMENT	Page #	Source of Funds	Six-Year Total	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
<b>Northborough K-8 Public Schools Summary of School projects</b>									
Proctor Elementary									
Parking Lot Mill & Overlay		2/6	72,000		72,000				
Lower Retention Walls, Stairway & Repaving		2/3/6	105,000			105,000			
Zeh Elementary									
Rear Entrance Walkway Replacement		6	40,000	40,000					
Parking Lot Mill & Overlay		2/6	94,000		94,000				
Pitched Roof Area Replacement		2/3/6	2,000,000		2,000,000				
Peaslee Elementary									
Feasibility Study		2/3	800,000		800,000				
Architectural Fees & Construction		2/3	TBD				TBD		
**Parking Lot/Walkway Paving		2/6	245,000		245,000				
**Design / Fire & Sprinkler Systems		2/3	480,000			480,000			
Melican Middle School									
Tennis Court Resurfacing/Fencing		6	242,000		242,000				
Parking Lot Mill & Overlay		2/6	125,000		125,000				
Feasibility Study		2/3	800,000					800,000	
Architect Fees/Renovation (TBD)		2/3	0						TBD
<b>Northborough K-8 Public Schools Subtotal</b>			<b>\$5,003,000</b>	<b>\$40,000</b>	<b>\$3,578,000</b>	<b>\$585,000</b>	<b>\$0</b>	<b>\$800,000</b>	<b>\$0</b>

\*\*If Peaslee School renovation projects does not move forward, these projects will need to be included in the capital plan for funding.

<b>Source of Funds Legend</b>			
(1) Operating Revenues	(3) State Aid	(5) EMS Revolving Fund	(7) Sewer Enterprise Fund
(2) Municipal GO Bonds	(4) Trust Funds	(6) Free Cash / Other	(8) Water Enterprise Fund




## **Part II**

Projects Detail Sheets by Department  
FY2024-2029




This Page Intentionally Blank


## PROJECT DETAIL SHEET

<b>Project Title: ENGINE 1 REPLACEMENT</b>								
<b>Department: Fire</b>				<b>Category: Equipment Replacement</b>				
<b>Description and Justification:</b> <p>This request seeks to replace a 2005 Engine 1. At the time of replacement it will have exceeded its expected useful life, including approximately 10 years of front-line service, 5 years back up service and 5 years reserve. The Insurance Services Office (ISO) requires Northborough to maintain 3 pumping apparatus in order to sustain its current ISO rating, which residential and commercial fire insurance rates are based upon. Engine 1 is currently the back-up reserve pumper. The 2016 Engine 2 will become the reserve back-up pumper once the new replacement is purchased and takes over as the new front-line pumper. Due to ongoing maintenance and mechanical issues, this equipemnet is recommended for replacement in FY2024. A debt issuance will be requested at the 2023 Town Meeting to fund this replacement.</p>								
<b>RECOMMENDED FINANCING</b>								
	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction								
E. Furnishings/Equipment								
F. Departmental Equipment	2	\$900,000	\$900,000					
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$900,000</b>	<b>\$900,000</b>					
<b>Source of Funds Legend</b> <div style="display: flex; flex-wrap: wrap; padding: 0;"> <div style="width: 25%;">(1) Operating Revenues</div> <div style="width: 25%;">(2) Municipal GO Bonds</div> <div style="width: 25%;">(3) State Aid</div> <div style="width: 25%;">(4) Trust Funds</div> <div style="width: 25%;">(5) EMS Revolving Fund Fees</div> <div style="width: 25%;">(6) Free Cash / Other</div> <div style="width: 25%;">(7) Sewer Enterprise Fund Fees</div> <div style="width: 25%;">(8) Water Enterprise Fund Fees</div> </div>								

## PROJECT DETAIL SHEET

<b>Project Title: FIRE STATION ADDITION/RENOVATION PROJECT - PHASE II</b>								
<b>Department: Fire</b>				<b>Category: Facility Improvements</b>				
<b>Description and Justification:</b> This project provides for the relocation of the existing fire station located at 11 Pierce Street. Built in 1974, the station's main systems are all in need of replacement and updating, including HVAC, roof, electrical and plumbing. More importantly, the operational areas lack the appropriate space and accommodations needed for today's staff and equipment. A Feasibility Study was completed and in FY2020 \$3.5 million in funding was approved for land aquisition, Owner's Project Manager services and design development. The Town entered into a Purchase & Sale agreement for property located at 61&65 West Main Street that required the seller to remove all structures and perform any requisite remediation work on the former gas station. Following final test results, the Town closed on the property in September 2022. The Town then acquired the abutting 10 Monroe Street parcel in November 2022. The project is moving into design development, with an updated schedule and cost estimate to follow.								
<b>RECOMMENDED FINANCING</b>								
	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction	2	18,500,000		18,500,000				
E. Furnishings/Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$18,500,000</b>		<b>\$18,500,000</b>				
<b>Source of Funds Legend</b>								
(1) Operating Revenues	(3) State Aid	(5) EMS Revolving Fund Fees		(7) Sewer Enterprise Fund Fees				
(2) Municipal GO Bonds	(4) Trust Funds	(6) Free Cash / Other		(8) Water Enterprise Fund Fees				

## PROJECT DETAIL SHEET

Project Title: <b>RESCUE 1 REPLACEMENT</b>	
Department: <b>Fire</b>	Category: <b>Equipment Replacement</b>
<div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> <p><u>Description and Justification:</u></p> <p>This request seeks to replace a 2004 Rescue Pumper. This is a multi-purpose vehicle, designed and equipped to respond to motor vehicle accidents, hazardous materials calls, building fires, water rescues, technical rescues and other service calls. At the time of replacement this vehicle will be beyond its expected useful life for front-line service.</p> </div> <div style="width: 35%; text-align: center;">  </div> </div>	


### RECOMMENDED FINANCING

	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction								
E. Furnishings/Equipment								
F. Departmental Equipment	2/6	970,000		970,000				
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$970,000</b>		<b>\$970,000</b>				


#### Source of Funds Legend

(1) Operating Revenues	(3) State Aid	(5) EMS Revolving Fund Fees	(7) Sewer Enterprise Fund Fees
(2) Municipal GO Bonds	(4) Trust Funds	(6) Free Cash / Other	(8) Water Enterprise Fund Fees

## PROJECT DETAIL SHEET


Project Title: <b>AMBULANCE REPLACEMENT</b>								
Department: <b>Fire</b>				Category: <b>Equipment Replacement</b>				
<b>Description and Justification:</b> <p>The Town operates an Advanced Life Support (ALS) ambulance service, which is physically housed at the Fire Station at 11 Pierce Street. There are three ambulances associated with this service, a front line ambulance, a second due ambulance and a back-up ambulance. Current call volume necessitates having two ambulances available for response whenever possible. The newest ambulance operates as the front-line unit and the older ambulance serves as the second due. The oldest ambulance serves as a back-up for when one of the two primary units are out of service. This request seeks to replace the 2016 ambulance in FY2026, at which time the 2022 ambulance would become the second due and the 2019 would become the back-up. Purchase of new ambulances are funded entirely by EMS user fees. The planned, regularly scheduled replacement of emergency ambulances is critical to ensuring public safety.</p>								
<b>RECOMMENDED FINANCING</b>								
	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction								
E. Furnishings/Equipment								
F. Departmental Equipment	5	450,000			450,000			
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$450,000</b>			<b>\$450,000</b>			
<b>Source of Funds Legend</b>								
(1) Operating Revenues		(3) State Aid		(5) EMS Revolving Fund Fees		(7) Sewer Enterprise Fund Fees		
(2) Municipal GO Bonds		(4) Trust Funds		(6) Free Cash / Other		(8) Water Enterprise Fund Fees		

## PROJECT DETAIL SHEET

Project Title: <b>SQUAD 4 REPLACEMENT</b>								
Department: <b>Fire</b>				Category: <b>Equipment Replacement</b>				
<u>Description and Justification:</u>  This request seeks to replace the 2015 Squad. In 2028 the vehicle will be 13 years old which is the useful life of this type of apparatus. The vehicle is the busiest in the department as it runs on almost every medical call, brush fire, service call, and various other incidents. The idea of this operational model is to reduce the wear and tear on the department's more expensive apparatus, thereby extending their service life.								
<b>RECOMMENDED FINANCING</b>								
	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction								
E. Furnishings/Equipment								
F. Departmental Equipment	2/6	300,000					300,000	
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$300,000</b>					<b>\$300,000</b>	
<u>Source of Funds Legend</u>								
(1) Operating Revenues		(3) State Aid		(5) EMS Revolving Fund Fees		(7) Sewer Enterprise Fund Fees		
(2) Municipal GO Bonds		(4) Trust Funds		(6) Free Cash / Other		(8) Water Enterprise Fund Fees		




## PROJECT DETAIL SHEET


Project Title: <b>TOWER 1 REPLACEMENT</b>								
Department: <b>Fire</b>				Category: <b>Equipment Replacement</b>				
<u>Description and Justification:</u>  This project seeks to replace the 2009 Tower Truck. In 2029 the vehicle will be 20 years old which is the expected useful life of this type of apparatus, which is typically about 20 years for front-line service. The Insurance Services Office (ISO) requires Northborough to maintain 1 aerial apparatus in order to sustain its current ISO rating, which residential and commercial fire insurance rates are based upon. The intent is to purchase a 100" Platform Truck (see photo to the right) similar to the current tower but much less complicated and more practical. Our existing Tower 1 will be traded-in to offset the price of the new Platform.								
<b>RECOMMENDED FINANCING</b>								
	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction								
E. Furnishings/Equipment								
F. Departmental Equipment	2/6	1,900,000						1,900,000
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$1,900,000</b>						<b>\$1,900,000</b>
<u>Source of Funds Legend</u>								
(1) Operating Revenues		(3) State Aid		(5) EMS Revolving Fund Fees		(7) Sewer Enterprise Fund Fees		
(2) Municipal GO Bonds		(4) Trust Funds		(6) Free Cash / Other		(8) Water Enterprise Fund Fees		




## PROJECT DETAIL SHEET

Project Title: <b>POLICE CRUISER REPLACEMENTS</b>								
Department: <b>Police</b>			Category: <b>Equipment Replacement</b>					
<u>Description and Justification:</u>  This request seeks to replace police vehicles on the following schedule: 2 patrol vehicles and 1 detective vehicle in FY2024; 2 patrol vehicles in FY2025; 2 patrol vehicles and 1 detective vehicle in FY2026; 2 patrol vehicles in FY2027; 3 vehicles in FY2028; and 2 vehicles in FY2029. Patrol vehicles are typically used for four years/100,000 miles, while detective and administrative vehicles have about a six to eight year/ 100,000 expected useful life. Included in the funding request is the cost of outfitting the vehicles with equipment, including radar, emergency warning lights, prisoner transport cages and radio consoles. Whenever possible, emergency equipment is moved from the old vehicles to the new ones.								
<b>RECOMMENDED FINANCING</b>								
	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction								
E. Furnishings/Equipment								
F. Departmental Equipment	6	967,500	190,000	127,000	190,500	130,000	195,000	135,000
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$967,500</b>	<b>\$190,000</b>	<b>\$127,000</b>	<b>\$190,500</b>	<b>\$130,000</b>	<b>\$195,000</b>	<b>\$135,000</b>
<u>Source of Funds Legend</u>								
(1) Operating Revenues		(3) State Aid		(5) EMS Revolving Fund Fees		(7) Sewer Enterprise Fund Fees		
(2) Municipal GO Bonds		(4) Trust Funds		(6) Free Cash / Other		(8) Water Enterprise Fund Fees		


## PROJECT DETAIL SHEET

Project Title: <b>POLICE STATION PAINTING</b>								
Department: <b>Police</b>			Category: <b>Facility Maintenance</b>					
<u>Description and Justification:</u>  This project consists of painting (staining) and minor repairs and carpentry, as necessary, to the exterior of the Northborough Police Station, located at 211 Main Street. The last time the exterior was painted was approximately 10 years ago through the Worcester County Sheriff's Inmate Community Service Program (ICSP), which provides free labor to municipalities and nonprofit organizations by nonviolent, non-sex offender inmates. Unfortunately, due to the pandemic the ICSP has been suspended indefinitely. The estimated cost is based upon state mandated prevailing wage rates.								
<b>RECOMMENDED FINANCING</b>								
	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction								
E. Furnishings/Equipment								
F. Departmental Equipment	6	70,000	70,000					
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$70,000</b>	<b>\$70,000</b>					
<u>Source of Funds Legend</u> (1) Operating Revenues                      (3) State Aid                      (5) EMS Revolving Fund Fees                      (7) Sewer Enterprise Fund Fees (2) Municipal GO Bonds                      (4) Trust Funds                      (6) Free Cash / Other                      (8) Water Enterprise Fund Fees								


## PROJECT DETAIL SHEET

Project Title: <b>EMERGENCY GENERATOR REPLACEMENT</b>								
Department: <b>Police</b>				Category: <b>Equipment Replacement</b>				
<u>Description and Justification:</u>  This request seeks funding for a replacement emergency back-up generator for the police station and the Town's emergency 911 communications center. The current generator is twenty-nine years old. Recent repairs to its water pump and block heater were completed and it is anticipated that ongoing maintenance costs will soon outweigh its value as the generator reaches the end of its useful life. The existing generator pictured to the right is located inside the building and current building codes require it be relocated outside of the building upon replacement.								
<b>RECOMMENDED FINANCING</b>								
	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction								
E. Furnishings/Equipment								
F. Departmental Equipment	6	90,000		90,000				
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$90,000</b>		<b>\$90,000</b>				
<u>Source of Funds Legend</u>								
(1) Operating Revenues	(3) State Aid	(5) EMS Revolving Fund Fees	(7) Sewer Enterprise Fund Fees					
(2) Municipal GO Bonds	(4) Trust Funds	(6) Free Cash / Other	(8) Water Enterprise Fund Fees					


## PROJECT DETAIL SHEET

Project Title: <b>COMMUNICATIONS CENTER UPGRADES</b>								
Department: <b>Police</b>				Category: <b>Equipment Replacement</b>				
<u>Description and Justification:</u>  The previously approved communication center radio upgrade was completed in 2016. This project seeks to replace the original 1980s vintage console and cabinets with streamlined, ergonomic modern consoles. This includes replacement of the thirty years worth of add-on equipment and computers necessary for handling next generation 911 technologies and equipment. The current console is a patchwork of old and new technology. Dispatchers must manage and monitor six computer screens, the communications screen and 911 monitors, which are scattered over the length of the console. This project will reduce inefficiencies and enhance the ability of staff to effectively manage the multitasking required of today's modern dispatch center.								
<b>RECOMMENDED FINANCING</b>								
	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction								
E. Furnishings/Equipment								
F. Departmental Equipment	6	90,000		90,000				
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$90,000</b>		<b>\$90,000</b>				
<u>Source of Funds Legend</u> (1) Operating Revenues                      (3) State Aid                      (5) EMS Revolving Fund Fees                      (7) Sewer Enterprise Fund Fees (2) Municipal GO Bonds                      (4) Trust Funds                      (6) Free Cash / Other                      (8) Water Enterprise Fund Fees								

## PROJECT DETAIL SHEET


Project Title: <b>MULTI-BAND PORTABLE RADIO REPLACEMENT</b>								
Department: <b>Police</b>				Category: <b>Equipment Replacement</b>				
<u>Description and Justification:</u>  This project proposes to replace 23 existing single band radios with multi-band APX 8000 radio capabilities. Currently officers are restricted to portable radio communication with Northborough and Shrewsbury as both agencies are on the VHF High band. Area communities and the State Police operate on UHF and 800 MHz bands. The new portable radios will allow our officers to communicate with surrounding communities, the State Police and will provide for statewide interoperability wherever our officers go. It will also facilitate communications with area mutual aid departments that respond to Northborough to assist us. This project greatly enhances communications capabilities as well as officer safety as they are also capable of GPS location and officer down alarms.								
<b>RECOMMENDED FINANCING</b>								
	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction								
E. Furnishings/Equipment								
F. Departmental Equipment	6	145,000			145,000			
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$145,000</b>			<b>\$145,000</b>			
<u>Source of Funds Legend</u>								
(1) Operating Revenues		(3) State Aid		(5) EMS Revolving Fund Fees		(7) Sewer Enterprise Fund Fees		
(2) Municipal GO Bonds		(4) Trust Funds		(6) Free Cash / Other		(8) Water Enterprise Fund Fees		

## PROJECT DETAIL SHEET


Project Title: <b>STATION FEASIBILITY STUDY</b>								
Department: <b>Police</b>				Category: <b>Facility Maintenance</b>				
<u>Description and Justification:</u>  <p>In FY2029 the Police Station will be 40 years old. The facility requires a comprehensive assessment of the systems and review of the physical space to determine if the structure still meets the programmatic needs of a modern police department.</p>				 <p style="text-align: center; margin-top: 5px;">211 MAIN STREET</p>				
<b>RECOMMENDED FINANCING</b>								
	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study	6	100,000						100,000
B. Design								
C. Land Acquisition								
D. Construction								
E. Furnishings/Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$100,000</b>						<b>\$100,000</b>
<u>Source of Funds Legend</u>								
(1) Operating Revenues		(3) State Aid	(5) EMS Revolving Fund Fees		(7) Sewer Enterprise Fund Fees			
(2) Municipal GO Bonds		(4) Trust Funds	(6) Free Cash / Other		(8) Water Enterprise Fund Fees			



## PROJECT DETAIL SHEET


Project Title: <b>Downtown Revitalization Project Phases</b>								
Department: <b>Town Administrator</b>				Category: <b>Design</b>				
<b>Description and Justification:</b> <p>The Town finalized its Master Plan Update in 2020 after nearly a year long process which included extensive public participation and review. The Master Plan includes a comprehensive baseline assessment describing the Town's existing resources and conditions, and projects future needs and goals of the community. In the Fall of 2020, the Board of Selectmen established a Master Plan Implementation Committee that is charged with the evaluation and prioritization of the various goals and tasks set forth in the Master Plan document. The Master Plan Implementation Committee formally voted to make downtown revitalization its top priority and developed a scope of work for a Downtown Master Plan Study to be funded in FY2023 using Free Cash. Results from the study point to a multi-phase, multi-million dollar downtown revitalization project leveraging funds from various grant programs, as well as town funds.</p>								
<b>RECOMMENDED FINANCING</b>								
	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction	2/6	8,825,000		\$2,500,000	\$ 275,000	\$ 2,750,000	\$ 300,000	\$ 3,000,000
E. Furnishings/Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$8,825,000</b>		<b>\$2,500,000</b>	<b>\$275,000</b>	<b>\$2,750,000</b>	<b>\$300,000</b>	<b>\$3,000,000</b>
<b>Source of Funds Legend</b>								
(1) Operating Revenues	(3) State Aid	(5) EMS Revolving Fund Fees	(7) Sewer Enterprise Fund Fees					
(2) Municipal GO Bonds	(4) Trust Funds	(6) Free Cash / Other	(8) Water Enterprise Fund Fees					

## PROJECT DETAIL SHEET


Project Title: <b>TOWN OFFICES BUILDING PROJECT</b>								
Department: <b>Town Administrator</b>					Category: <b>Facility Improvements</b>			
Description and Justification: Previous architectural and engineering studies of the Town Offices building noted many deficiencies, some of which have been addressed over the years. At this point in time, it is appropriate to determine if significant resources should be invested into the existing building at 63 Main Street, or if it would be more advantageous to relocate or build new. Options include moving back to the old Town Offices building at 4 West Main Street, which returns to the Town in 2023, or building a new facility at the recently acquired White Cliffs site. The Feasibility Study will begin in the Summer of 2023 and should continue through the Fall with recommendations and estimates for design prepared for the FY2025 Capital Budget planning process. Amounts for design and construction will be clear once the Feasibility Study is complete.								
<b>RECOMMENDED FINANCING</b>								
	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design	2/6			TBD				
C. Land Acquisition								
D. Construction	2/6				TBD			
E. Furnishings/Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
<b>TOTAL</b>								
<u>Source of Funds Legend</u> (1) Operating Revenues                      (3) State Aid                      (5) EMS Revolving Fund Fees                      (7) Sewer Enterprise Fund Fees (2) Municipal GO Bonds                      (4) Trust Funds                      (6) Free Cash / Other                      (8) Water Enterprise Fund Fees								



## PROJECT DETAIL SHEET

Project Title: <b>ROADWAY IMPROVEMENTS/MAINTENANCE</b>								
Department: <b>DPW - Highway</b>				Category: <b>Infrastructure Improvement</b>				
Description and Justification: The Town's initial pavement management plan inventory and assessment was first completed in 2013 which measured an average Town-wide Pavement Condition Index (PCI) of 71. In FY2015 the Legislature authorized a \$300 million Chapter 90 program; however, subsequent years' funding levels have been reduced to \$200 million. Annual spending of \$1.1 million is necessary to maintain or slightly improve our current pavement conditions. Under that standard, the Town's Annual Chapter 90 allocation of approximately \$500,000 plus a local appropriation of \$300,000 results in a \$300,000 funding gap, which would be filled if the statewide Chapter 90 funding were released at \$300 million. Instead, \$300,000 in FY2024 Free Cash is needed. Our recent update to the pavement management assessment completed in 2022 found that, through implementation of our pavement management plan, the Town-wide PCI increased to 76.								
<b>RECOMMENDED FINANCING</b>								
	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction	2/6	1,890,000	300,000	310,000	310,000	320,000	320,000	330,000
E. Furnishings/Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$1,890,000</b>	<b>\$300,000</b>	<b>\$310,000</b>	<b>\$310,000</b>	<b>\$320,000</b>	<b>\$320,000</b>	<b>\$330,000</b>
<u>Source of Funds Legend</u>								
(1) Operating Revenues	(3) State Aid	(5) EMS Revolving Fund Fees	(7) Sewer Enterprise Fund Fees					
(2) Municipal GO Bonds	(4) Trust Funds	(6) Free Cash / Other	(8) Water Enterprise Fund Fees					

## PROJECT DETAIL SHEET

<b>Project Title:</b> <b>20-TON DUMP TRUCK WITH SPREADER &amp; PLOW</b>	
<b>Department:</b> <b>DPW - Highway</b>	<b>Category:</b> <b>Equipment Replacement</b>
<b>Description and Justification:</b> <p>This request will replace a 2005 truck in FY2024 with a 4-wheel drive, a 1999 in FY2026 that includes a catch basin attachment, and a 2007 in FY2028. All new trucks will come with plows and spreaders. As part of each capital item an existing vehicle will be repurposed to extend its useful life. These trucks have useful life expectancy of between 15 and 20 years. Due to the caustic nature of the salt and chemical additives used in snow removal operations, the metal bodies of these vehicles disintegrate much sooner than the total number of hours or miles would typically indicate, in spite of being washed after every salting event. Not only are these trucks used for snow removal operations but also for hauling materials during the construction season. The picture to the right represents an example of a similar 6-wheel dump truck. The Town currently has ten 20-ton trucks in service and has a schedule to replace one every other year, resulting in a 20-year replacement cycle.</p>	
	

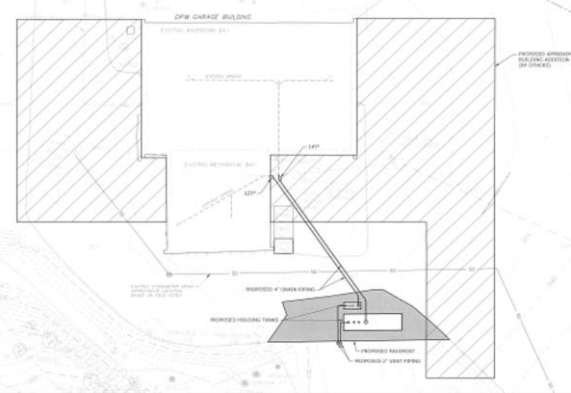
### RECOMMENDED FINANCING

	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction								
E. Furnishings/Equipment								
F. Departmental Equipment	6	1,105,000	355,000		450,000		300,000	
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$1,105,000</b>	<b>\$355,000</b>		<b>\$450,000</b>		<b>\$300,000</b>	

#### Source of Funds Legend

(1) Operating Revenues	(3) State Aid	(5) EMS Revolving Fund Fees	(7) Sewer Enterprise Fund Fees
(2) Municipal GO Bonds	(4) Trust Funds	(6) Free Cash / Other	(8) Water Enterprise Fund Fees

## PROJECT DETAIL SHEET

Project Title: <b>HIGHWAY GARAGE TIGHT TANK INSTALLATION</b>	
Department: <b>DPW - Highway</b>	Category: <b>Facility Improvements</b>
<p><u>Description and Justification:</u></p> <p>This request seeks to fund installation of a tight tank system at the highway garage located at 190 Main Street. The existing garage was built in 1984 and no longer complies with State environmental regulations. The building is served by an onsite septic system which cannot accept discharge of truck wash water. In accordance with MassDEP requirements, an underground holding tank is required for this wastewater. This requires interior plumbing changes as well as locating the tank in such a manner that it does preclude future building expansion/reconfiguration. This project is proposed to be funded with a debt issuance which will go before Town Meeting in April of 2023 for authorization.</p>	


### RECOMMENDED FINANCING

	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction	2/6	475,000	475,000					
E. Furnishings/Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$475,000</b>	<b>\$475,000</b>					


#### Source of Funds Legend

(1) Operating Revenues	(3) State Aid	(5) EMS Revolving Fund Fees	(7) Sewer Enterprise Fund Fees
(2) Municipal GO Bonds	(4) Trust Funds	(6) Free Cash / Other	(8) Water Enterprise Fund Fees


## PROJECT DETAIL SHEET

Project Title: <b>ONE-TON DUMP TRUCK WITH PLOW</b>								
Department: <b>DPW - Highway</b>				Category: <b>Equipment Replacement</b>				
<u>Description and Justification:</u>  This request funds the purchase of an F600 in FY2024. The existing 2012 and 2016 trucks will be replaced in FY2027 and FY2029 with similar models. As part of each capital item an existing truck will be repurposed to further its useful life. These trucks are the most used equipment in the fleet. The Public Works employees use these vehicles to perform their everyday tasks including moving materials and equipment that is carried and towed by these vehicles. These trucks are also responsible for snow removal at the municipal buildings during the winter months. The useful life of these vehicles is 10 to 12 years.								
<b>RECOMMENDED FINANCING</b>								
	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction								
E. Furnishings/Equipment								
F. Departmental Equipment	6	360,000	150,000			100,000		110,000
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$360,000</b>	<b>\$150,000</b>			<b>\$100,000</b>		<b>\$110,000</b>
<u>Source of Funds Legend</u>								
(1) Operating Revenues		(3) State Aid		(5) EMS Revolving Fund Fees		(7) Sewer Enterprise Fund Fees		
(2) Municipal GO Bonds		(4) Trust Funds		(6) Free Cash / Other		(8) Water Enterprise Fund Fees		

## PROJECT DETAIL SHEET


Project Title: <b>ENCLOSED PUBLIC HEALTH TRAILER</b>								
Department: <b>DPW - Highway</b>				Category: <b>Equipment Replacement</b>				
<u>Description and Justification:</u>  This request is to fund the purchase of a new enclosed trailer. The current enclosed trailer serves as an emergency facility with power, temperature control, cabinetry, and lighting. The new trailer will provide improved service for community events and activities such as elections, Applefest, vaccination clinics, and other Town events.								
<b>RECOMMENDED FINANCING</b>								
	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction								
E. Furnishings/Equipment								
F. Departmental Equipment	6	90,000		90,000				
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$90,000</b>		<b>\$90,000</b>				
<u>Source of Funds Legend</u>								
(1) Operating Revenues		(3) State Aid		(5) EMS Revolving Fund Fees		(7) Sewer Enterprise Fund Fees		
(2) Municipal GO Bonds		(4) Trust Funds		(6) Free Cash / Other		(8) Water Enterprise Fund Fees		

## PROJECT DETAIL SHEET

Project Title: <b>TOWN BUILDING ASSESSMENT</b>								
Department: <b>DPW - Facilities</b>				Category: <b>Facility Improvement</b>				
<u>Description and Justification:</u>  This request seeks to fund a facilities condition assessment (FCA) of several town facilities. The buildings to be included in the assessment are Town Hall, Senior Center, DPW garage, Public Library, Police Station, and 4 West Main Street. This FCA will collect data on major facility assets, as well as provide narratives that summarize assessment observations and comments. An inventory of equipment as well as a forecast of upcoming replacements will be utilized for work & asset management, and capital forecasting through facility specific software solutions. By completing this assessment, not only will we have a “live” look at our current conditions, but we will be able to make informed decisions on repairs and replacements and develop detailed capital improvement plans.								
<b>RECOMMENDED FINANCING</b>								
	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction								
E. Furnishings/Equipment								
F. Departmental Equipment	6	60,000		60,000				
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$60,000</b>		<b>\$60,000</b>				
<u>Source of Funds Legend</u> (1) Operating Revenues                      (3) State Aid                      (5) EMS Revolving Fund Fees                      (7) Sewer Enterprise Fund Fees (2) Municipal GO Bonds                      (4) Trust Funds                      (6) Free Cash / Other                      (8) Water Enterprise Fund Fees								



## PROJECT DETAIL SHEET

Project Title: <b>ONE TON PICKUP TRUCK WITH PLOW</b>	
Department: <b>DPW - Highway</b>	Category: <b>Equipment Replacement</b>
Description and Justification:  This request seeks to replace a 2012 F350 in FY2025, a 2012 F550 in FY2027, and one 2016 F550 in FY2029 with F600 model trucks. As part of each capital item an existing vehicle will be repurposed to extend its useful life. Allocation for each of these vehicles includes funding toward repurposing an existing vehicle. The one-ton dump trucks are one of the most versatile pieces of equipment in the fleet. Employees use these vehicles to perform their everyday tasks including moving materials and equipment that is carried and towed. These trucks are paired with 20-ton trucks to perform snow removal operations. The useful life of these vehicles is 10 to 12 years. At the time of replacement, the existing trucks will have reached the end of their useful lives. The Town currently has 7 one-ton dump body trucks in service and has a program to replace one every other year, resulting in a 14-year replacement cycle.	
	


### RECOMMENDED FINANCING

	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction								
E. Furnishings/Equipment								
F. Departmental Equipment	6	630,000		190,000		280,000		160,000
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$630,000</b>		<b>\$190,000</b>		<b>\$280,000</b>		<b>\$160,000</b>

#### Source of Funds Legend

(1) Operating Revenues	(3) State Aid	(5) EMS Revolving Fund Fees	(7) Sewer Enterprise Fund Fees
(2) Municipal GO Bonds	(4) Trust Funds	(6) Free Cash / Other	(8) Water Enterprise Fund Fees

## PROJECT DETAIL SHEET

<b>Project Title:</b> <b>CULVERT/DRAINAGE REPLACEMENT PROGRAM</b>	
<b>Department:</b> <b>DPW - Highway</b>	<b>Category:</b> <b>Infrastructure Improvement</b>
<b>Description and Justification:</b>  In 2019, the Town completed a culvert inventory and condition assessment of approximately 75 culverts town-wide. Several culverts have been found to be in need of replacement due to deteriorated pipes and end treatments. Drainage systems in town are aging and many have surpassed their functional life. The Town video inspects those systems where repeated repairs have been needed to identify and prioritize the replacement projects. This request seeks funds to systematically replace/rehabilitate culverts and failing drainage systems. The Town actively seeks appropriate grant funding through a variety of programs to assist with funding this critical infrastructure work. The picture to the right depicts the failed Lincoln Street culvert, which was replaced in FY2023.	

### RECOMMENDED FINANCING


	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction	2/6	975,000		300,000		325,000		350,000
E. Furnishings/Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$975,000</b>		<b>\$300,000</b>		<b>\$325,000</b>		<b>\$350,000</b>

#### Source of Funds Legend

(1) Operating Revenues	(3) State Aid	(5) EMS Revolving Fund Fees	(7) Sewer Enterprise Fund Fees
(2) Municipal GO Bonds	(4) Trust Funds	(6) Free Cash / Other	(8) Water Enterprise Fund Fees



## PROJECT DETAIL SHEET

<b>Project Title:</b> <b>BUCKET TRUCK REPLACEMENT</b>	
<b>Department:</b> <b>DPW - Highway</b>	<b>Category:</b> <b>Equipment Replacement</b>
<b>Description and Justification:</b> <p>This request is to fund replacement of a 2010 model 30,000 pound GVW bucket truck that is used by the Highway Division. As part of this capital item the existing vehicle chassis will be repurposed to extend its useful life. This vehicle is used for trimming and removal of hazardous town trees, as well as a variety of other aerial tasks. The useful life of these vehicles is 10 to 12 years. The picture to the right is the existing vehicle when new.</p>	
	


### RECOMMENDED FINANCING

	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction								
E. Furnishings/Equipment								
F. Departmental Equipment	2/6	380,000		380,000				
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$380,000</b>		<b>\$380,000</b>				

#### Source of Funds Legend

- |                        |                 |                             |                                |
|------------------------|-----------------|-----------------------------|--------------------------------|
| (1) Operating Revenues | (3) State Aid   | (5) EMS Revolving Fund Fees | (7) Sewer Enterprise Fund Fees |
| (2) Municipal GO Bonds | (4) Trust Funds | (6) Free Cash / Other       | (8) Water Enterprise Fund Fees |

## PROJECT DETAIL SHEET

<b>Project Title: CEMETERY NICHES</b>	
<b>Department: DPW - Cemetery</b>	<b>Category: Facility Improvement</b>
<b>Description and Justification:</b> <p>A cemetery (cremation) niche is an above-ground burial space, in which a decedent's urn, containing their cremated remains, is placed and sealed. Similar to a mausoleum, there is structure with recessed compartments for placing cremation urns permanently. This request is to fund design and construction of the Town's first cemetery niche. Municipal cemetery space is a limited supply and the addition of cemetery niches is an affordable way to extend the supply of accommodations without additional land acquisition.</p>	
	


### RECOMMENDED FINANCING

	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design	6	20,000		20,000				
C. Land Acquisition								
D. Construction	6	80,000		80,000				
E. Furnishings/Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$100,000</b>		<b>\$100,000</b>				

#### Source of Funds Legend

- |                        |                 |                             |                                |
|------------------------|-----------------|-----------------------------|--------------------------------|
| (1) Operating Revenues | (3) State Aid   | (5) EMS Revolving Fund Fees | (7) Sewer Enterprise Fund Fees |
| (2) Municipal GO Bonds | (4) Trust Funds | (6) Free Cash / Other       | (8) Water Enterprise Fund Fees |

## PROJECT DETAIL SHEET

<b>Project Title:      SIDEWALK PLOW REPLACEMENT</b>	
<b>Department:      DPW - Highway</b>	<b>Category:      Equipment Replacement</b>
<b>Description and Justification:</b>  This request is to replace an existing 2012 sidewalk machine. As part of this capital item the 2016 sidewalk machine will have body repair and paint work completed. This vehicle will supplement the Town's other (2016) sidewalk machine. These vehicles are used to clear snow from various sidewalks throughout Town. This machine will be purchased with a flail mower attachment to assist with vegetation management. The sidewalk machine is exposed to many different environments including corrosive materials which cause disintegration of the Public Works equipment. As the equipment ages, it requires additional mechanical and body work to keep it operational. Sidewalk machines are expected to last approximately 10 years.	
	


### RECOMMENDED FINANCING

	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction								
E. Furnishings/Equipment								
F. Departmental Equipment	2/6	290,000		290,000				
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$290,000</b>		<b>\$290,000</b>				

#### Source of Funds Legend

- |                        |                 |                             |                                |
|------------------------|-----------------|-----------------------------|--------------------------------|
| (1) Operating Revenues | (3) State Aid   | (5) EMS Revolving Fund Fees | (7) Sewer Enterprise Fund Fees |
| (2) Municipal GO Bonds | (4) Trust Funds | (6) Free Cash / Other       | (8) Water Enterprise Fund Fees |

## PROJECT DETAIL SHEET

Project Title: <b>HOOK LIFT TRUCK</b>	
Department: <b>DPW - Highway</b>	Category: <b>Equipment Replacement</b>
<div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> <p><u>Description and Justification:</u></p> <p>This request seeks to purchase a new fleet vehicle. The needs of the Department are shifting and require a more diverse vehicle fleet. Obtaining a hook lift truck will allow the Department to utilize multiple bodies on a single chassis. Examples of bodies that are available include but are not limited to standard dump, rock dump, flatbed, catch basin cleaner, vacuum, etc. The useful life for this vehicle is between 15 and 20 years.</p> </div> <div style="width: 35%; text-align: center;">  </div> </div>	


### RECOMMENDED FINANCING

	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction								
E. Furnishings/Equipment								
F. Departmental Equipment	6	140,000		140,000				
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$140,000</b>		<b>\$140,000</b>				

#### Source of Funds Legend

- |                        |                 |                             |                                |
|------------------------|-----------------|-----------------------------|--------------------------------|
| (1) Operating Revenues | (3) State Aid   | (5) EMS Revolving Fund Fees | (7) Sewer Enterprise Fund Fees |
| (2) Municipal GO Bonds | (4) Trust Funds | (6) Free Cash / Other       | (8) Water Enterprise Fund Fees |

## PROJECT DETAIL SHEET

<b>Project Title: ALL-PURPOSE TRACTOR</b>	
<b>Department: DPW - Highway</b>	<b>Category: Equipment Replacement</b>
<b>Description and Justification:</b>  This request is for a compact tractor to be used by the DPW at the cemetery for backfilling of graves and general clean-up that is inaccessible by the larger machines. It will also be used to mow the large areas in town that are only done 2-3 times a year (conservation areas, easements, etc.) The tractor will also be used by the Northborough K-8 schools. This tractor will replace the existing 2014 all purpose tractor that has exceeded its useful life. The picture to the right is an example of the new tractor to be purchased.	


### RECOMMENDED FINANCING

	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction								
E. Furnishings/Equipment								
F. Departmental Equipment	6	100,000		100,000				
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$100,000</b>		<b>\$100,000</b>				

#### Source of Funds Legend


- |                        |                 |                             |                                |
|------------------------|-----------------|-----------------------------|--------------------------------|
| (1) Operating Revenues | (3) State Aid   | (5) EMS Revolving Fund Fees | (7) Sewer Enterprise Fund Fees |
| (2) Municipal GO Bonds | (4) Trust Funds | (6) Free Cash / Other       | (8) Water Enterprise Fund Fees |

## PROJECT DETAIL SHEET

<b>Project Title: STREET SWEEPER</b>								
<b>Department: DPW - Highway</b>				<b>Category: Equipment Replacement</b>				
<b>Description and Justification:</b>  This request is to replace the existing 2011 Elgin Pelican street sweeper. The useful life of a sweeper is approximately 10-12 years. As it ages, the repairs become more costly. Using the department's two sweepers, it takes staff approximately 10 weeks to sweep the entire Town between early March and late June. If one sweeper were to go down, it would take the remaining sweeper into Fall to do it alone. Renting sweepers has not been feasible because every town needs to sweep at the same time. Additionally, the new National Pollutant Discharge Elimination Systems (NPDES) permit requires two town-wide sweeping cycles per year.								
<b>RECOMMENDED FINANCING</b>								
	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction								
E. Furnishings/Equipment								
F. Departmental Equipment	2/6	280,000			280,000			
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$280,000</b>			<b>\$280,000</b>			
<b>Source of Funds Legend</b> (1) Operating Revenues                      (3) State Aid                      (5) EMS Revolving Fund Fees                      (7) Sewer Enterprise Fund Fees (2) Municipal GO Bonds                      (4) Trust Funds                      (6) Free Cash / Other                      (8) Water Enterprise Fund Fees								



## PROJECT DETAIL SHEET

Project Title: <b>DOG PARK</b>	
Department: <b>DPW - Parks</b>	Category: <b>Facility Improvement</b>
<p><u>Description and Justification:</u></p> <p>The community has expressed interest through both the Master Plan and the Open Space Plan in the development of a municipal dog park in Northborough. Planning and design for this facility is well underway and was previously funded with an FY2023 CPA appropriation. The location will be on Boundary Street with the image to the right presenting the current design layout. The Town was recently awarded a \$25,000 grant from the Stanton Foundation which will fund the remainder of the design work. FY2026 will fund project bidding and construction, although the Town will continue to seek alternate funding outside of free cash including CPA, and both private and public grants.</p>	
	


### RECOMMENDED FINANCING

	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction	2/3/6	500,000			500,000			
E. Furnishings/Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$500,000</b>			<b>\$500,000</b>			

#### Source of Funds Legend

(1) Operating Revenues	(3) State Aid	(5) EMS Revolving Fund Fees	(7) Sewer Enterprise Fund Fees
(2) Municipal GO Bonds	(4) Trust Funds	(6) Free Cash / Other	(8) Water Enterprise Fund Fees

## PROJECT DETAIL SHEET

Project Title: <b>MEMORIAL FIELD PEDESTRIAN AND PARKING IMPROVEMENTS</b>	
Department: <b>DPW - Parks</b>	Category: <b>Facility Improvement</b>
<div style="display: flex;"> <div style="flex: 1; padding-right: 10px;"> <p><b>Description and Justification:</b></p> <p>This request seeks to fund the design and construction of improvements to the parking and pedestrian circulation for both upper and lower Memorial Field. Work will include new parking configuration, spectator viewing areas, and pedestrian circulation to both fields as well as the recently renovated field building. This project is a good candidate for potential funding using Community Preservation Act Funds and will be submitted to the Committee for consideration once the project scope is better defined.</p> </div> <div style="flex: 1;">  </div> </div>	

### RECOMMENDED FINANCING


	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction	6	TBD			TBD			
E. Furnishings/Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>TBD</b>			<b>TBD</b>			

#### Source of Funds Legend

(1) Operating Revenues	(3) State Aid	(5) EMS Revolving Fund Fees	(7) Sewer Enterprise Fund Fees
(2) Municipal GO Bonds	(4) Trust Funds	(6) Free Cash / Other	(8) Water Enterprise Fund Fees



## PROJECT DETAIL SHEET

Project Title: <b>SIDEWALK/PEDESTRIAN IMPROVEMENTS</b>	
Department: <b>DPW - Highway</b>	Category: <b>Infrastructure Improvement</b>
<p><u>Description and Justification:</u></p> <p>This request seeks to fund sidewalk and accessibility improvements at various town owned locations. Northborough identified sidewalk and pedestrian improvements as a priority in the 2020 Master Plan, and as a result has become a MassDOT Complete Streets community. This program requires design services to be funded by the community in order for projects to be eligible for construction grants. These funds will support those design services as well as other physical improvements. In December of 2022 the Board of Selectmen approved Northborough's Complete Streets Prioritization List which includes 25 projects at an estimated cost of \$3.5-\$4.5 million. In addition, the recently completed sidewalk master plan identified \$2.1 million in existing sidewalk repairs. Without a dedicated funding source, these costs will continue to grow.</p>	
 <p style="text-align: center;">Complete Streets Prioritization Plan Northborough, Massachusetts</p>	


### RECOMMENDED FINANCING

	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction	2/6	450,000			200,000		250,000	
E. Furnishings/Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$450,000</b>			<b>\$200,000</b>		<b>\$250,000</b>	


#### Source of Funds Legend

- |                        |                 |                             |                                |
|------------------------|-----------------|-----------------------------|--------------------------------|
| (1) Operating Revenues | (3) State Aid   | (5) EMS Revolving Fund Fees | (7) Sewer Enterprise Fund Fees |
| (2) Municipal GO Bonds | (4) Trust Funds | (6) Free Cash / Other       | (8) Water Enterprise Fund Fees |

## PROJECT DETAIL SHEET

Project Title: <b>MINI-EXCAVATOR</b>								
Department: <b>DPW - Highway</b>					Category: <b>Equipment Replacement</b>			
<u>Description and Justification:</u>  This request is to replace the 2015 mini excavator which is used by the DPW crews at the cemetery and for various road projects (e.g. drainage projects) throughout Town. As more of the cemetery land is being used, it becomes difficult to maneuver the larger backhoe between the graves. The mini excavator is also useful to the highway division staff in dealing with maintaining and installing drains (catch basins, manholes, culverts, swales, etc.) that are inaccessible by the larger machines (backhoes). The picture to the right represents an example of a new mini-excavator.								
<b>RECOMMENDED FINANCING</b>								
	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction								
E. Furnishings/Equipment								
F. Departmental Equipment	6	150,000			150,000			
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$150,000</b>			<b>\$150,000</b>			
<u>Source of Funds Legend</u>								
(1) Operating Revenues		(3) State Aid		(5) EMS Revolving Fund Fees		(7) Sewer Enterprise Fund Fees		
(2) Municipal GO Bonds		(4) Trust Funds		(6) Free Cash / Other		(8) Water Enterprise Fund Fees		

## PROJECT DETAIL SHEET

<b>Project Title: STUMP GRINDER</b>	
<b>Department: DPW - Highway</b>	<b>Category: Equipment Replacement</b>
<b>Description and Justification:</b> <p>This request is to replace the Department's 1996 Vermeer stump grinder. This piece of equipment is used to grind the stumps flush after tree removal. The picture to the right represents an example of a new replacement stump grinder. The estimated cost to contract for these services is approximately \$200 per stump which represents an annual cost of approximately \$12,000, an equipment payback period of less than 6-years.</p>	
	


### RECOMMENDED FINANCING

	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction								
E. Furnishings/Equipment								
F. Departmental Equipment	6	80,000				80,000		
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$80,000</b>				<b>\$80,000</b>		

#### Source of Funds Legend

- |                        |                 |                             |                                |
|------------------------|-----------------|-----------------------------|--------------------------------|
| (1) Operating Revenues | (3) State Aid   | (5) EMS Revolving Fund Fees | (7) Sewer Enterprise Fund Fees |
| (2) Municipal GO Bonds | (4) Trust Funds | (6) Free Cash / Other       | (8) Water Enterprise Fund Fees |

## PROJECT DETAIL SHEET

<b>Project Title:</b> <b>BRUSH DISPOSAL AREA DESIGN &amp; PERMITTING</b>	
<b>Department:</b> <b>DPW - Highway</b>	<b>Category:</b> <b>Facility Improvement</b>
<b>Description and Justification:</b>  The current brush and lawn debris area is located at the Highway Garage and is approximately 7,500 square feet in area. The small size requires the material to be trucked away no less than two times per year at an annual cost of between \$80,000 and \$120,000. The typical size for this type of facility in a similar size municipality is between 3 and 5 acres and allows for on-site processing. This request is to fund design, permitting, and preparation of a town brush and lawn debris disposal site adequately sized for on-site processing and available for use by the residents of Northborough.	
	


### RECOMMENDED FINANCING

	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design	6	100,000				100,000		
C. Land Acquisition								
D. Construction	6							TBD
E. Furnishings/Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$100,000</b>				<b>\$100,000</b>		

#### Source of Funds Legend

(1) Operating Revenues	(3) State Aid	(5) EMS Revolving Fund Fees	(7) Sewer Enterprise Fund Fees
(2) Municipal GO Bonds	(4) Trust Funds	(6) Free Cash / Other	(8) Water Enterprise Fund Fees

## PROJECT DETAIL SHEET

<b>Project Title:      ROADSIDE MOWER REPLACEMENT</b>	
<b>Department:      DPW - Highway</b>	<b>Category:      Equipment Replacement</b>
<b>Description and Justification:</b> <p>This request will replace the existing 2015 John Deere tractor with a side boom mower and articulating arm. This mower is used to cut back brush along the edges of the roadway. The useful life of this equipment is 10-15 years. As part of this capital item the existing tractor will be repurposed to extend its useful life. The picture to the right represents a similar new model.</p>	
	


### RECOMMENDED FINANCING

	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction								
E. Furnishings/Equipment								
F. Departmental Equipment	6	125,000				125,000		
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$125,000</b>				<b>\$125,000</b>		

#### Source of Funds Legend

- |                        |                 |                             |                                |
|------------------------|-----------------|-----------------------------|--------------------------------|
| (1) Operating Revenues | (3) State Aid   | (5) EMS Revolving Fund Fees | (7) Sewer Enterprise Fund Fees |
| (2) Municipal GO Bonds | (4) Trust Funds | (6) Free Cash / Other       | (8) Water Enterprise Fund Fees |

## PROJECT DETAIL SHEET

<b>Project Title:     LOADER</b>	
<b>Department:     DPW - Highway</b>	<b>Category:   Equipment Replacement</b>
<b>Description and Justification:</b>  The Town has two front end loaders, a 2014 model and a 2022 model. This request is to replace the 2014 John Deere loader in FY2028. At the Public Works Garage, the loader is regularly used to transfer materials, rotate the compost piles and load the spreaders with salt for snow removal operations. Off-site, it is used throughout town on various construction projects as well as during snow removal operations. The loader is exposed to many different environments including corrosive materials which cause disintegration of the equipment. As the equipment ages, it requires additional mechanical and body work to keep it operational. The project costs are net of the trade-in and include funds to refurbish the 2022 model year loader to extend its useful life. The picture to the right represents an example of a new replacement loader.	

### RECOMMENDED FINANCING


	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction								
E. Furnishings/Equipment								
F. Departmental Equipment	6	320,000					320,000	
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$320,000</b>					<b>\$320,000</b>	

#### Source of Funds Legend

(1) Operating Revenues	(3) State Aid	(5) EMS Revolving Fund Fees	(7) Sewer Enterprise Fund Fees
(2) Municipal GO Bonds	(4) Trust Funds	(6) Free Cash / Other	(8) Water Enterprise Fund Fees



## PROJECT DETAIL SHEET

<b>Project Title: BACKHOE REPLACEMENT</b>	
<b>Department: DPW - Highway</b>	<b>Category: Equipment Replacement</b>
<b>Description and Justification:</b> <p>This request is to replace a 2015 model backhoe that is used by the Highway Division. As part of this capital request the 2022 backhoe will undergo refurbishing work completed to extend its useful life. This backhoe is used for drainage and roadway repairs, plowing of streets throughout Town and digging graves in the cemeteries. The long reach of a backhoe is necessary to properly excavate (repair, maintain and install) drain pipes and structures (catch basins, manholes, culverts, swales, etc.) throughout Town. The useful life of these vehicles is 10 to 12 years, the existing backhoe is a 2015 model year and will be at least 13 years old when it is replaced. The project costs are net of the trade-in. The picture to the right represents an example of new similar model backhoe.</p>	
	


### RECOMMENDED FINANCING

	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction								
E. Furnishings/Equipment								
F. Departmental Equipment	6	240,000					240,000	
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$240,000</b>					<b>\$240,000</b>	

#### Source of Funds Legend

- |                        |                 |                             |                                |
|------------------------|-----------------|-----------------------------|--------------------------------|
| (1) Operating Revenues | (3) State Aid   | (5) EMS Revolving Fund Fees | (7) Sewer Enterprise Fund Fees |
| (2) Municipal GO Bonds | (4) Trust Funds | (6) Free Cash / Other       | (8) Water Enterprise Fund Fees |

## PROJECT DETAIL SHEET

Project Title: <b>ELLSWORTH MACAFEE PARK BUILDING</b>	
Department: <b>DPW - Highway</b>	Category: <b>Facilities</b>
<div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> <p><u>Description and Justification:</u></p> <p>This request is to replace the existing building at the Ellsworth MacAfee Park. The original structure was built over 30-years ago and was repaired after a fire which occurred approximately 20 years ago. It does not provide sanitary facilities for the park which has substantially grown in both amenities and use over those years. The building size is inadequate resulting in park equipment being stored in the irrigation shed which was built to only house irrigation facilities. The new building will be larger and provide adequate space for full lavatory facilities, storage, utility room, cold kitchen, and service area. The project will require new utility connections, site work, as well as building construction and outfitting.</p> </div> <div style="width: 35%; text-align: center;">  </div> </div>	

### RECOMMENDED FINANCING

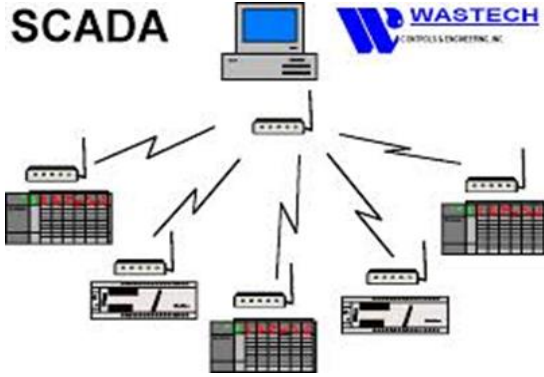
	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design	6	75,000						75,000
C. Land Acquisition								
D. Construction	6	425,000						425,000
E. Furnishings/Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$500,000</b>						<b>\$500,000</b>

#### Source of Funds Legend

- |                        |                 |                             |                                |
|------------------------|-----------------|-----------------------------|--------------------------------|
| (1) Operating Revenues | (3) State Aid   | (5) EMS Revolving Fund Fees | (7) Sewer Enterprise Fund Fees |
| (2) Municipal GO Bonds | (4) Trust Funds | (6) Free Cash / Other       | (8) Water Enterprise Fund Fees |



## PROJECT DETAIL SHEET

Project Title: <b>SCADA SYSTEM</b>	
Department: <b>Sewer Enterprise</b>	Category: <b>Infrastructure Improvement</b>
<div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> <p><u>Description and Justification:</u></p> <p>A fully encompassing SCADA (Supervisory Control And Data Acquisition) system is needed to monitor and efficiently manage the Town's utility infrastructure. Remote features to ensure adequate alarm response is critical to the health and well being of the residents. Currently, the water tank, MWRA connection, and sewer pump stations are not technologically connected to a main point of contact/computer. This project consists of three phases. Phase 1 entailed the completion of a feasibility assessment in FY2015. Phase 2, in FY2022, consisted of the construction and implementation of the major system components. Phase 3 will provide connectivity of the remaining sewer pump stations. Northborough recieved an 80% Federal earmark (\$491,000) to fund this Phase. This request seeks to fund the balance of the cost. The picture to the right is an example of how a SCADA system communicates to a main point of</p> </div> <div style="width: 35%; text-align: center;">  <p>The diagram illustrates a SCADA system architecture. At the top center is a computer monitor and tower. Below it, a central hub or router is connected to several remote units. Each remote unit consists of a small computer monitor and a control panel. The units are connected to the central hub via a network, represented by lines and lightning bolts. The word 'SCADA' is written in large letters to the left of the central computer. To the right of the central computer is the 'WASTECH' logo, which includes the text 'WASTECH' and 'A CONTROLS &amp; ENGINEERING, INC.' below it.</p> </div> </div>	

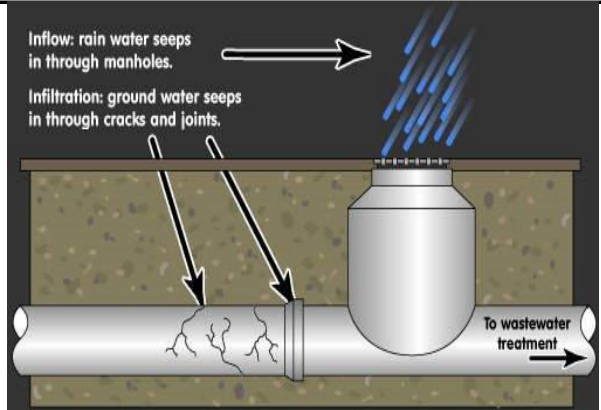
### RECOMMENDED FINANCING

	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction	7	125,000	125,000					
E. Furnishings/Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$125,000</b>	<b>\$125,000</b>					

#### Source of Funds Legend

(1) Operating Revenues	(3) State Aid	(5) EMS Revolving Fund Fees	(7) Sewer Enterprise Fund Fees
(2) Municipal GO Bonds	(4) Trust Funds	(6) Free Cash / Other	(8) Water Enterprise Fund Fees

## PROJECT DETAIL SHEET

Project Title: <b>INFLOW AND INFILTRATION (I&amp;I) MITIGATION</b>	
Department: <b>Sewer Enterprise</b>	Category: <b>Infrastructure Improvement</b>
<b>Description and Justification:</b> <p>This request is to continue the implementation of our detailed Operations and Maintenance (O&amp;M) Plan to mitigate inflow and infiltration into the Town's sanitary sewer system. Inflow is from stormwater making its way into manhole covers and from illicit connections. Infiltration is the seeping of groundwater into the system through pipe connections, cracks in the manholes or other small openings in the system. Mitigating I&amp;I greatly reduces the volumes of 'clean' water sent to the wastewater treatment plant for processing. As required by State mandate (314 CMR 12.04) municipalities need to implement a detailed O&amp;M Plan to address I&amp;I.</p>	
	


### RECOMMENDED FINANCING

	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction	7	805,000		380,000			425,000	
E. Furnishings/Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$805,000</b>		<b>\$380,000</b>			<b>\$425,000</b>	

#### Source of Funds Legend

(1) Operating Revenues	(3) State Aid	(5) EMS Revolving Fund Fees	(7) Sewer Enterprise Fund Fees
(2) Municipal GO Bonds	(4) Trust Funds	(6) Free Cash / Other	(8) Water Enterprise Fund Fees

## PROJECT DETAIL SHEET

<b>Project Title:</b> <b>ONE TON PICK UP TRUCK WITH PLOW</b>	
<b>Department:</b> <b>Sewer Enterprise</b>	<b>Category:</b> <b>Equipment Replacement</b>
<b>Description and Justification:</b>  <p>This request is to replace a 2016 pick up truck. This vehicle is used daily to perform the regular inspections and general maintenance of the Town's water and sewer system. It is a general response vehicle to all calls throughout the water and sewer division. The new truck will also be used as a plow vehicle throughout Town. The useful life of these vehicles is 10-12 years. The picture to the right represents an example of a replacement truck. Cost for this vehicle will be divided 60% Water and 40% Sewer.</p>	


### RECOMMENDED FINANCING

	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction								
E. Furnishings/Equipment								
F. Departmental Equipment	7/8	100,000			100,000			
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$100,000</b>			<b>\$100,000</b>			

#### Source of Funds Legend

(1) Operating Revenues	(3) State Aid	(5) EMS Revolving Fund Fees	(7) Sewer Enterprise Fund Fees
(2) Municipal GO Bonds	(4) Trust Funds	(6) Free Cash / Other	(8) Water Enterprise Fund Fees

## PROJECT DETAIL SHEET

<b>Project Title: 15-TON DUMP TRUCK</b>	
<b>Department: Water Enterprise</b>	<b>Category: Equipment Replacement</b>
<b>Description and Justification:</b> <p>This request is to purchase a 30,000 pound GVW dump truck for use by the water and sewer divisions. The current fleet of vehicles are smaller daily task vehicles. This truck is large enough to tow the department excavator and will alleviate the need to use the highway department large dump truck when needed to move equipment and materials. Cost for this vehicle will be divided 60% Water and 40% Sewer.</p>	
	


### RECOMMENDED FINANCING

	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction								
E. Furnishings/Equipment								
F. Departmental Equipment	7/8	225,000	225,000					
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$225,000</b>	<b>\$225,000</b>					

#### Source of Funds Legend


- |                        |                 |                             |                                |
|------------------------|-----------------|-----------------------------|--------------------------------|
| (1) Operating Revenues | (3) State Aid   | (5) EMS Revolving Fund Fees | (7) Sewer Enterprise Fund Fees |
| (2) Municipal GO Bonds | (4) Trust Funds | (6) Free Cash / Other       | (8) Water Enterprise Fund Fees |

## PROJECT DETAIL SHEET

Project Title: <b>RESERVOIR DAM COMPLIANCE</b>								
Department: <b>Water Enterprise</b>				Category: <b>Infrastructure Improvement</b>				
<u>Description and Justification:</u>  Reservoir Dam is owned by Northborough and located between Shrewsbury and Boylston. This structure is a significant hazard, poor condition dam. The Office of Dam Safety has ordered Northborough to either bring the dam into compliance or permanently breach the dam. This request is for construction in FY2025 to permanently breach the dam. The Town received a grant to fund 75% (\$150,000) of the design and permitting, and will again seek grant funding to support the construction phase of the project.								
<b>RECOMMENDED FINANCING</b>								
	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction	6/8	800,000		800,000				
E. Furnishings/Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$800,000</b>		<b>\$800,000</b>				
<u>Source of Funds Legend</u>								
(1) Operating Revenues		(3) State Aid		(5) EMS Revolving Fund Fees		(7) Sewer Enterprise Fund Fees		
(2) Municipal GO Bonds		(4) Trust Funds		(6) Free Cash / Other		(8) Water Enterprise Fund Fees		



## PROJECT DETAIL SHEET

<b>Project Title: ONE TON UTILITY BODY TRUCK WITH PLOW</b>	
<b>Department: Water Enterprise</b>	<b>Category: Equipment Replacement</b>
<b>Description and Justification:</b> <p>This request replaces an existing 2014 model year in FY2025 and 2016 model year in FY2028. As part of the FY2025 capital item the existing utility truck will be repurposed to further its useful life. Pickup trucks are the most used equipment in the fleet. The Water and Sewer employees use these vehicles to perform their everyday tasks including moving materials and equipment that is carried and towed by these vehicles including the replacement utility trailer. These trucks are also responsible for snow removal at the municipal pump stations and assist with the municipal buildings during the winter months. The useful life of these vehicles is 10 to 12 years. The cost for these vehicles will be divided 60% Water and 40% Sewer.</p>	
	

### RECOMMENDED FINANCING

	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction								
E. Furnishings/Equipment								
F. Departmental Equipment	7/8	250,000		120,000			130,000	
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$250,000</b>		<b>\$120,000</b>			<b>\$130,000</b>	

#### Source of Funds Legend

(1) Operating Revenues	(3) State Aid	(5) EMS Revolving Fund Fees	(7) Sewer Enterprise Fund Fees
(2) Municipal GO Bonds	(4) Trust Funds	(6) Free Cash / Other	(8) Water Enterprise Fund Fees

## PROJECT DETAIL SHEET

Project Title: <b>WATER MAIN &amp; SERVICE LINE REPAIR REPLACEMENT PROGRAM</b>	
Department: <b>Water Enterprise</b>	Category: <b>Infrastructure Improvement</b>
<b>Description and Justification:</b> <p>This request is to fund a Water Main and Service Replacement Program as part of an ongoing commitment to provide quality water services to the residents of Northborough. This project focuses on replacing old undersized mains and services with reliable new materials which will significantly improve reliability, flow and fire protection while reducing the likelihood of breaks or leaks in the system. The 2026/2027 improvements are specifically to eliminate system restrictions and dead ends.</p>	

### RECOMMENDED FINANCING

	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design	8	50,000			50,000			
C. Land Acquisition								
D. Construction	8	400,000				400,000		
E. Furnishings/Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$450,000</b>			<b>\$50,000</b>	<b>\$400,000</b>		

#### Source of Funds Legend


- |                        |                 |                             |                                |
|------------------------|-----------------|-----------------------------|--------------------------------|
| (1) Operating Revenues | (3) State Aid   | (5) EMS Revolving Fund Fees | (7) Sewer Enterprise Fund Fees |
| (2) Municipal GO Bonds | (4) Trust Funds | (6) Free Cash / Other       | (8) Water Enterprise Fund Fees |

# Town of Northborough K-8 Schools

## Project Detail Sheets



## PROJECT DETAIL SHEET

Project Title: <b>REAR ENTRANCE REPAIRS--ZEH ELEMENTARY SCHOOL</b>	
Department: <b>Northborough Public Schools</b>	Category: <b>Facility Improvements</b>
<u>Description and Justification:</u>  <div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> <p>The cement area leading to the rear entrance of the Zeh Elementary School has deteriorated. The area has been patched numerous times, however, the patches have not sustained during the severe temperature changes. It has been advised that the current footprint be excavated and prepared for properly pinned cement slabs with expansion joints to hold up to harsh winter conditions. The other benefit of this project would be to improve the transition to the parking lot, allowing for a smoother transition and easier access for all visitors.</p> </div> <div style="width: 35%; text-align: center;">  </div> </div>	


### RECOMMENDED FINANCING

	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction	6	\$ 40,000	\$ 40,000					
E. Furnishings/Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$40,000</b>	<b>\$40,000</b>					


#### Source of Funds Legend

- |                        |                 |                             |                                |
|------------------------|-----------------|-----------------------------|--------------------------------|
| (1) Operating Revenues | (3) State Aid   | (5) EMS Revolving Fund Fees | (7) Sewer Enterprise Fund Fees |
| (2) Municipal GO Bonds | (4) Trust Funds | (6) Free Cash / Other       | (8) Water Enterprise Fund Fees |

## PROJECT DETAIL SHEET

Project Title: <b>PARKING LOT/WALKWAY PAVING - ZEH SCHOOL</b>								
Department: <b>Northborough Public Schools</b>				Category: <b>Facility Improvements</b>				
Description and Justification: This request seeks funding to complete a mill and overlay of the parking lot at the Zeh School. The asphalt has been patched and crack sealed multiple times in recent years and is nearing the end of its useful life. The estimated cost is \$94,000.								
<b>RECOMMENDED FINANCING</b>								
	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction	2/6	\$ 94,000		\$ 94,000				
E. Furnishings/Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$94,000</b>		<b>\$94,000</b>				
<u>Source of Funds Legend</u> (1) Operating Revenues                      (3) State Aid                      (5) EMS Revolving Fund Fees                      (7) Sewer Enterprise Fund Fees (2) Municipal GO Bonds                      (4) Trust Funds                      (6) Free Cash / Other                      (8) Water Enterprise Fund Fees								

## PROJECT DETAIL SHEET

Project Title: <b>ROOF REPAIRS - ZEH SCHOOL</b>	
Department: <b>Northborough Public Schools</b>	Category: <b>Facility Improvements</b>
<u>Description and Justification:</u>  <div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> <p>This project entails the replacement of the pitched asphalt shingled roof at the Zeh School. The existing roof is approximately 20 years old and has experienced multiple repairs over the past several years due to high wind events and quality of current shingles. The shingles are also beginning to display thermal cracking. This project is slated for FY2025 and represents the replacement of approximately 20,000 square feet of shingle pitched roof with a metal roofing system carrying a warranty of 30 years and a projected lifespan of 50 years.</p> </div> <div style="width: 35%; text-align: center;">  </div> </div>	


### RECOMMENDED FINANCING

	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction	2/3/6	2,000,000		2,000,000				
E. Furnishings/Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$2,000,000</b>		<b>\$2,000,000</b>				

#### Source of Funds Legend

- |                        |                 |                             |                                |
|------------------------|-----------------|-----------------------------|--------------------------------|
| (1) Operating Revenues | (3) State Aid   | (5) EMS Revolving Fund Fees | (7) Sewer Enterprise Fund Fees |
| (2) Municipal GO Bonds | (4) Trust Funds | (6) Free Cash / Other       | (8) Water Enterprise Fund Fees |

## PROJECT DETAIL SHEET

Project Title: <b>TENNIS COURT RESURFACING &amp; FENCING - MELICAN MIDDLE SCHOOL</b>	
Department: <b>Northborough Public Schools</b>	Category: <b>Facility Improvements</b>
<div style="display: flex;"> <div style="flex: 1;"> <p><u>Description and Justification:</u></p> <p>This project seeks funding to resurface the tennis courts at the Melican Middle School, repair or replace the nets as needed and to install new fencing around the courts. The tennis courts were last milled and resurfaced in 1996 and are in need of a planned resurfacing to ensure continued safe usage.</p> </div> <div style="flex: 1; text-align: center;">  </div> </div>	


### RECOMMENDED FINANCING

	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction	2/6	\$ 242,000		\$ 242,000				
E. Furnishings/Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$242,000</b>		<b>\$242,000</b>				


#### Source of Funds Legend

(1) Operating Revenues	(3) State Aid	(5) EMS Revolving Fund Fees	(7) Sewer Enterprise Fund Fees
(2) Municipal GO Bonds	(4) Trust Funds	(6) Free Cash / Other	(8) Water Enterprise Fund Fees

## PROJECT DETAIL SHEET


Project Title: <b>PARKING LOT/WALKWAY PAVING - PEASLEE SCHOOL</b>								
Department: <b>Northborough Public Schools</b>				Category: <b>Facility Improvements</b>				
Description and Justification: This request seeks funding to complete a mill and overlay of the parking lot at Peaslee School. The asphalt has been patched and crack sealed multiple times in recent years and is nearing the end of its useful life. The estimated cost is \$125,000.								
<b>RECOMMENDED FINANCING</b>								
	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction	2/6	\$ 125,000		\$ 125,000				
E. Furnishings/Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$125,000</b>		<b>\$125,000</b>				
<u>Source of Funds Legend</u> (1) Operating Revenues                      (3) State Aid                      (5) EMS Revolving Fund Fees                      (7) Sewer Enterprise Fund Fees (2) Municipal GO Bonds                      (4) Trust Funds                      (6) Free Cash / Other                      (8) Water Enterprise Fund Fees								

## PROJECT DETAIL SHEET


Project Title: <b>ADDITION/RENOVATION PROJECT - MELICAN MIDDLE SCHOOL</b>								
Department: <b>Northborough Public Schools</b>				Category: <b>Facility Improvements</b>				
<u>Description and Justification:</u>  This project entails the feasibility study, design and construction for an addition/renovation of the Melican Middle School. The goal of the project is to modernize and expand Melican Middle School to a condition that rectifies current deficiencies and satisfies projected future requirements for educational programs and student enrollment. A Statement of Interest (SOI) for this project will be submitted to the Massachusetts School Building Authority (MSBA) at the appropriate time. To qualify for funding, the district must follow MSBA statutes and regulations which require MSBA collaboration and approval at each step of the process. While a placeholder for this project has been included in FY2027, were the MSBA to move forward with the Peaslee School addition/renovation feasibility study project proposed in FY2025, the Melican Middle School project would likely be pushed out.								
<b>RECOMMENDED FINANCING</b>								
	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study	2/3	800,000					800,000	
B. Design								
C. Land Acquisition								
D. Construction	2/3	TBD						TBD
E. Furnishings/Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$800,000</b>					<b>\$800,000</b>	
<u>Source of Funds Legend</u>								
(1) Operating Revenues		(3) State Aid	(5) EMS Revolving Fund Fees		(7) Sewer Enterprise Fund Fees			
(2) Municipal GO Bonds		(4) Trust Funds	(6) Free Cash / Other		(8) Water Enterprise Fund Fees			



## PROJECT DETAIL SHEET


Project Title: <b>PARKING LOT/WALKWAY PAVING - PEASLEE SCHOOL</b>								
Department: <b>Northborough Public Schools</b>				Category: <b>Facility Improvements</b>				
Description and Justification: This request seeks funding to repave the parking lot and asphalt walkways at the Peaslee Elementary School. The asphalt has been patched and crack sealed multiple times in recent years and is nearing the end of its useful life. The estimated cost is \$245,000. However, the decision to repave must be weighed against the likelihood that the Massachusetts School Building Authority (MSBA) may approve a cost-sharing grant for the comprehensive renovation/addition of the school in the coming years, similar to the Lincoln Street Elementary School project. If a comprehensive project is undertaken, it is inevitable that significant reconfiguration of the building parking lot and circulation would occur. The Town plans to request MSBA's assistance with this important project, but limited funding at the State level will impact how quickly grant funding is approved and the Town may need to take action if State assistance is delayed too long.								
<b>RECOMMENDED FINANCING</b>								
	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction	2/6	\$ 245,000		\$ 245,000				
E. Furnishings/Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$245,000</b>		<b>\$245,000</b>				
<u>Source of Funds Legend</u> (1) Operating Revenues                      (3) State Aid                      (5) EMS Revolving Fund Fees                      (7) Sewer Enterprise Fund Fees (2) Municipal GO Bonds                      (4) Trust Funds                      (6) Free Cash / Other                      (8) Water Enterprise Fund Fees								

## PROJECT DETAIL SHEET


Project Title: <b>ADDITION/RENOVATION PROJECT - PEASLEE SCHOOL</b>								
Department: <b>Northborough Public Schools</b>					Category: <b>Facility Improvements</b>			
<u>Description and Justification:</u>  This project entails the feasibility study, design and construction for an renovation/addition of the Peaslee Elementary School. The goal of the project is to modernize and expand Peaslee School to a condition that rectifies current deficiencies and satisfies projected future requirements for educational programs and student enrollment. A Statement of Interest (SOI) for this project will be submitted to the Massachusetts School Building Authority (MSBA) at the appropriate time. To qualify for funding, the district must follow MSBA statutes and regulations which require MSBA collaboration and approval at each step of the process.								
<b>RECOMMENDED FINANCING</b>								
	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study	2/3	800,000		800,000				
B. Design								
C. Land Acquisition								
D. Construction	2/3	TBD				TBD		
E. Furnishings/Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$800,000</b>		<b>\$800,000</b>				
<u>Source of Funds Legend</u> (1) Operating Revenues                      (3) State Aid                      (5) EMS Revolving Fund Fees                      (7) Sewer Enterprise Fund Fees (2) Municipal GO Bonds                      (4) Trust Funds                      (6) Free Cash / Other                      (8) Water Enterprise Fund Fees								




## PROJECT DETAIL SHEET

Project Title: <b>FIRE/SPRINKLER SYSTEM - PEASLEE SCHOOL</b>								
Department: <b>Northborough Public Schools</b>				Category: <b>Facility Improvements</b>				
<u>Description and Justification:</u>  In the event that the Peaslee School renovation project does not take place, the district should be proactive in building safety systems. This project would fund the design and installation of a new fire alarm and sprinkler system for the Peaslee School as recommended by the Fire Department. However, the decision to replace the systems must be weighed against the likelihood that the Massachusetts School Building Authority (MSBA) may approve a cost-sharing grant for the comprehensive renovation/addition of the school in the coming years, similar to the Lincoln Street Elementary School project.								
<b>RECOMMENDED FINANCING</b>								
	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design	2/3	\$ 80,000			\$ 80,000			
C. Land Acquisition								
D. Construction	2/3	\$ 400,000			\$ 400,000			
E. Furnishings/Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$480,000</b>			<b>\$480,000</b>			
<u>Source of Funds Legend</u> (1) Operating Revenues                      (3) State Aid                      (5) EMS Revolving Fund Fees                      (7) Sewer Enterprise Fund Fees (2) Municipal GO Bonds                      (4) Trust Funds                      (6) Free Cash / Other                      (8) Water Enterprise Fund Fees								

## PROJECT DETAIL SHEET

Project Title: <b>PARKING LOT/WALKWAY PAVING - PROCTOR SCHOOL</b>																
Department: <b>Northborough Public Schools</b>					Category: <b>Facility Improvements</b>											
<u>Description and Justification:</u>  All asphalt areas, including parking lots, playground areas, and sidewalks, must be milled and replaced.																
<b>RECOMMENDED FINANCING</b>																
	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year													
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029								
A. Feasibility Study																
B. Design																
C. Land Acquisition																
D. Construction	2/6	\$ 72,000		72,000												
E. Furnishings/Equipment																
F. Departmental Equipment																
G. Contingency																
H. Other																
<b>TOTAL</b>		<b>\$72,000</b>		<b>\$72,000</b>												
<u>Source of Funds Legend</u> <table style="width: 100%; border: none;"> <tr> <td style="width: 25%;">(1) Operating Revenues</td> <td style="width: 25%;">(3) State Aid</td> <td style="width: 25%;">(5) EMS Revolving Fund Fees</td> <td style="width: 25%;">(7) Sewer Enterprise Fund Fees</td> </tr> <tr> <td>(2) Municipal GO Bonds</td> <td>(4) Trust Funds</td> <td>(6) Free Cash / Other</td> <td>(8) Water Enterprise Fund Fees</td> </tr> </table>									(1) Operating Revenues	(3) State Aid	(5) EMS Revolving Fund Fees	(7) Sewer Enterprise Fund Fees	(2) Municipal GO Bonds	(4) Trust Funds	(6) Free Cash / Other	(8) Water Enterprise Fund Fees
(1) Operating Revenues	(3) State Aid	(5) EMS Revolving Fund Fees	(7) Sewer Enterprise Fund Fees													
(2) Municipal GO Bonds	(4) Trust Funds	(6) Free Cash / Other	(8) Water Enterprise Fund Fees													

## PROJECT DETAIL SHEET

Project Title: <b>RETAINING WALLS - PROCTOR SCHOOL</b>								
Department: <b>Northborough Public Schools</b>					Category: <b>Facility Improvements</b>			
<u>Description and Justification:</u>  The retaining walls, stairways, and parking lot on the Northeast side of the building need to be replaced. The retaining walls have deteriorated due to water infiltration. Proper drainage must be engineered and installed so that the retaining walls, stairways, and parking lot can be replaced.								
<b>RECOMMENDED FINANCING</b>								
	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction	2/3/6	\$ 105,000			\$ 105,000			
E. Furnishings/Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
<b>TOTAL</b>		<b>\$105,000</b>			<b>\$105,000</b>			
<u>Source of Funds Legend</u> (1) Operating Revenues                      (3) State Aid                      (5) EMS Revolving Fund Fees                      (7) Sewer Enterprise Fund Fees (2) Municipal GO Bonds                      (4) Trust Funds                      (6) Free Cash / Other                      (8) Water Enterprise Fund Fees								

## **Part III**

Report of the Financial Planning Committee  
FY2024-2029

## Report of the Financial Planning Committee

The Financial Planning Committee consists of six members. Three members are appointed by the Town Moderator, and one each by the Northborough School Committee, the Appropriations Committee and the Planning Board. The role of the Financial Planning Committee is to serve in a research, study and advisory capacity to the Board of Selectmen, the Appropriations Committee and the Annual Town Meeting on short and long-range financial planning matters, and to assist in the development of a Capital Improvement Program. During Fiscal Year 2023 the Committee was composed of the following members:

Member	Appointed By	Term Expires
David DeVries, Chair	Town Moderator	April 2023
Michael Hodge, Vice-Chair	Town Moderator	April 2025
John Rapa	Town Moderator	April 2023
William Peterson, Jr.	Northborough K-8 School Committee	April 2024
Thomas Spataro	Planning Board	April 2025

### Committee Activities

Meeting Date	Meeting Topics
12/15/2022	Joint Meeting with Board of Selectmen, Financial Planning Committee, Appropriations Committee and K-8 School Committee; Financial Trend Monitoring System Presentation and Five-Year Financial Projections
01/26/2023	Election of Officers; Preliminary Free Cash Plan; DPW Project Updates; Discussion of ARPA Funds; Review of Meeting Schedule
02/02/2023	Review of FY2024 Preliminary Capital Budget; Police Department Capital Requests; Fire Department Capital Requests
02/09/2023	Review of FY2024 DPW, Water & Sewer Capital Requests; K-8 Schools and ARHS Capital Requests.
02/16/2023	Final Review of FY2024 Capital Budget; Discussion of Financial Planning Committee Recommendations and Draft Report; Review of Community Preservation Committee Project Requests; Discussion of Recommendations and Draft Report
2/23/2023	Review and Approval of Committee Report to Town Meeting
03/27/2023	Board of Selectmen – Budget Hearing (Charter 6-5) (FPC Optional)
4/24/2023	6 pm at ARHS Auditorium prior to Town Meeting

## Committee General Comments

The major role of the Financial Planning Committee is to review all submitted projects included in the Capital Improvement Program, comment upon their viability and make its final recommendations, which includes consideration of the guidelines set forth under the Debt Policy adopted by the Board of Selectmen in September 2000. These guidelines were developed to assist the Town in determining how much debt can safely be incurred, and are consistent with those recommended by the Massachusetts Department of Revenue, namely:

- Determine debt that can be incurred without jeopardizing the Town's credit standing and causing financial hardship;
- Incorporate affordability guidelines for expenditures;
- Include review of the Capital Improvement Program; and
- Indicate appropriate uses for and acceptable amounts of debt.

The Committee has reviewed the projects included in the six-year Capital Improvement Program at meetings held with the various departments proposing these projects. At these meetings, department heads presented information and data to justify the need, cost, and implementation timeframe for the projects. It is the strong opinion of the Committee that in order for the Capital Improvement Program to be an effective tool for managing the Town's capital investment, department heads must have confidence that their submitted projects will be implemented within the timeframe planned in the Program. The Committee recognizes that the municipal and school administrations have worked hard to anticipate capital needs, submit projects into the Plan, and distribute those projects over the six-year planning period so as to comply with the constraints of the Town's Debt Policy.

### Free Cash Policy

The FY2024 budget year marks the thirteenth implementation of the Town's Free Cash Policy. Under this policy, one defined use of available Free Cash is to pay for capital projects. Examples of suitable projects include DPW and Public Safety vehicles and equipment; building infrastructure components (heating, cooling, electrical, plumbing, etc.); office and technology equipment; and capital project design fees, feasibility studies, and needs analyses. In the past, the Town funded projects of this scale with debt, a practice discouraged by bond rating agencies. Under the Free Cash Policy, such capital items are now primarily funded from Free Cash and other available one-time revenues. Debt capacity is reserved for larger projects such as building construction and renovation, major roadway construction and repair, water/sewer infrastructure, and land acquisition for municipal use or to preserve open space. In FY2023, there was a significant increase in the amount of Free Cash available to fund the Capital Plan. Due to state and federal financial support provided directly to the Town through the CARES Act and FEMA reimbursements, as well as other one-time economic effects of the pandemic, the Town realized a significant Free Cash certification which allowed it to fund some of

PROPOSED FY2024 FREE CASH PLAN			
Free Cash Certification as of 7/1/2022		2,440,073	100%
FY2024	Appropriated Reserve	-175,000	7.2%
FY2024	Operating Budget	-500,000	20.5%
FY2024	Stabilization Fund	-200,000	8.2%
FY2024	Capital Projects	-1,105,000	45.3%
Available Free Cash after FY2024 Plan		460,073	18.9%

the previously delayed projects in FY2023. In FY2024, the Town has approximately \$1 million less in Free Cash available to fund capital projects. As a result, fewer projects are proposed to be funded, making the allocation of ARPA funds for those projects that would otherwise require debt issuance even more critical in the upcoming year.

From the \$2,440,073 certified free cash balance, \$1,105,000 is allocated under the Capital Budget to finance the FY2024 pay-as-you-go capital investments with no additional tax impact.

### **FY2024 American Rescue Plan Act Funding Considerations**

Preparation for the FY2024 budget was impacted by delays at the State level. Prior to the outbreak of the COVID-19 virus, typically the State would have presented preliminary information about the status of the State's revenue collections at the Revenue Consensus Hearing in early December. This information forecasts upcoming state aid figures and overall economic health of the State, which impacts the budget preparation for the upcoming year. Since the pandemic, this process has been consistently delayed one to two months, leaving the town with less time to prepare a budget for consideration at Town Meeting. Town Meeting is the Legislative Body of the Town of Northborough and the final decision of approval or disapproval of each warrant article is ultimately up to you, the voters. The change in administration in the Governor's Office further delays this process moving into FY2024, as there is additional time granted to an incoming Governor to submit their budget for the upcoming year. That deadline is March 1, and as of this writing, we still do not have an FY2024 budget from the State.

In addition to delays at the State level, Northborough has been placed in a unique position with the award of \$4.5 million from the American Rescue Plan Act (ARPA) funds. These funds are treated as a grant from the Federal Government, and the Board of Selectmen has exclusive control over the expenditure of the funds. Prior to the start of the FY2024 budgeting process, the Board of Selectmen allocated \$191,000 in ARPA funds, leaving \$4,325,184 still to be committed. In preparing the FY2024 Capital Improvement Budget, this committee strongly recommended to the Board of Selectmen that they allocate ARPA funds for three major capital projects requiring funding in the upcoming year: the Proctor School Flat Roof Area Replacement for \$1.7 million, the replacement of the Fire Department's Engine 1 for \$900,000 and the Highway Garage Tight Tank replacement for \$475,000. The Board of Selectmen voted to allocate the funding needed for the Proctor School Roof Replacement but chose not to allocate ARPA funding for the Fire Engine replacement or the Highway Garage Tight Tank. A narrative of the two projects follow:

- **Fire Engine 1 Replacement \$900,000:**

This request seeks to replace a 2005 Fire Engine. At the time of replacement, the apparatus will have exceeded its expected useful life, including approximately 10 years of front-line service, 5 years back up service and 5 years reserve. The Insurance Services Office (ISO) requires Northborough to maintain 3 pumping apparatus in order to sustain its current ISO rating, which residential and commercial fire insurance rates are based upon. Due to ongoing maintenance and mechanical issues, this apparatus must be replaced in FY2024. Recent escalation has increased the cost of the new apparatus to \$900,000 and due to supply chain disruptions, it may take up to two years for delivery following placement of the order. If ARPA funds are not released, the project will require authorization for the issuance of \$900,000 in debt at the April 2023 Annual Town Meeting.

- **Highway Garage Tight Tank Facility Improvements \$475,000:**

This request seeks to fund installation of a tight tank system at the highway garage located at 190 Main Street. The existing garage was built in 1984 and no longer complies with State environmental regulations. The building is served by an onsite septic system which cannot accept discharge of truck wash water. In accordance with MassDEP requirements, an underground holding tank is required for this wastewater. This requires interior plumbing changes as well as locating the tank in such a manner that it does not preclude future building expansion/reconfiguration. The updated construction cost estimate is now \$475,000. If ARPA funds are not used for this project, it will require authorization for the issuance of \$475,000 in debt at the April 2023 Annual Town Meeting.

Since the Board chose not to fund the Fire Engine or the DPW Tight Tank with ARPA, this will result in a Town Meeting request to fund each of these projects using debt. If approved, the debt for these projects is estimated to cost the average single-family home in Northborough \$27 per year, or \$270 in total over 10 years, and will begin to impact tax bills in FY2025. As a community, we are anticipating several major building projects over the next 5 years, including a Fire Station Building Project, Town Hall Building/Renovation Project, and the Peaslee Elementary School Building Project. All these projects are in addition to a major downtown revitalization initiative stemming from the work of the Master Plan Implementation Committee, and ongoing road and sidewalk repairs in conjunction with Northborough's recent Complete Streets designation. In a time of rising inflation, this Committee believes that the Town should endeavor to reduce the tax burden where possible, and fund major capital projects using one-time money where available.

The Committee continues to recommend the release of ARPA funding for the Fire Engine and the Tight Tank, which would result in no additional tax impact to residents. The Committee also recognizes that the ARPA funds were designed to be used quickly during the pandemic, which is why they may be released solely by vote of the Board of Selectmen and do not require Town Meeting approval. However, given that the state of emergency is over, it is concerning that the Board of Selectmen has chosen to ignore the unanimous votes of both the Financial Planning Committee and the Appropriations Committee with regard to how ARPA funds are used. The Committee is concerned that the Selectmen's actions are essentially forcing Town Meeting to authorize debt for public safety and environmental compliance projects for which there is no discretion, while at the same time holding \$2.62 million in available ARPA funds for some future discretionary projects that Town Meeting will not be required to vote on. If the Fire Engine and Tight Tank projects were funded with ARPA, it would still leave \$1.25 million in remaining ARPA funds for grant seed funding or other discretionary projects. The Committee believes the financially conservative approach would be to use ARPA funds for projects that are immediately needed and ask the voters to support future discretionary projects once they are known and appropriately defined.

The Committee extends its appreciation to Town Administrator John Coderre and his Financial Team -- Assistant Town Administrator Becca Meekins and Finance Director Jason Little -- for their input and assistance throughout the Committee's process. Special thanks to Diane Wackell and Lynda LePoer for their capable administrative support.



## Capital Projects for FY2024

The Committee has reviewed and prioritized the projects in the Capital Improvement Program for Fiscal Year 2024 as follows:

Priority	Description
1	Projects that involve correcting a current Safety or Health issue, and/or to meet a Federal or State legal requirement.
2	Projects that are necessary to maintain the Town's current buildings, equipment and infrastructure: <i>Buildings</i> - Projects necessary to maintain existing Town buildings, not including projects to expand or modernize facilities. <i>Equipment</i> - Projects necessary to replace old existing equipment, which is no longer cost effective to repair with similar equipment.
3	Projects that are required to increase capacity of existing facilities in order to accommodate the increase in growth of the Town.
4	Projects that are designed to modernize and upgrade existing Town facilities.

The Committee considers all the proposed capital projects, which have been in the Capital Improvement Plan for many years. From those proposals, the Committee recommends the capital projects below be included in this year's FY2024 Capital Budget warrant articles. The Committee votes are shown in parentheses. Numerical votes are shown in Yes-No-Abstain order relative to a motion to recommend approval. Fewer than six total votes reflect the absence of one or more members at the time of the vote. Planned sources of funding are noted in the comments for each project.

### Municipal Departments

Article 15	Sponsor	Cost	Priority	Recommend Approval?
Police Cruiser Replacement	Police	\$190,000	2	Unanimously YES
<ul style="list-style-type: none"> <li>Requested funding of \$190,000 for the purchase of three new police vehicles. This article supports the continued annual replacement of police cruisers on an established schedule of three vehicles one year, then two the next.</li> <li>Funded from Free Cash with no additional tax impact.</li> </ul>				

Article 16	Sponsor	Cost	Priority	Recommend Approval?
Police Station Exterior Painting	Police	\$70,000	2	Unanimously YES
<ul style="list-style-type: none"> <li>Funds needed to repair and paint the exterior of the Northborough Police Station. The last time the exterior was painted was approximately 10 years ago. The Town is required to pay prevailing wages under state procurement laws which significantly adds to project costs.</li> <li>Funded from Free Cash with no additional tax impact.</li> </ul>				
Article 17	Sponsor	Cost	Priority	Recommend Approval?

Engine Replacement	Fire	\$900,000	2	Unanimously YES
<ul style="list-style-type: none"> <li>Request to replace a 2005 Fire Engine. At the time of replacement, it will have exceeded its expected useful life, including approximately 10 years of front-line service, 5 years back-up service and 5 years reserve. Due to supply chain disruptions, it may take up to two years for delivery following placement of the order.</li> <li>Committee recommended use of available ARPA grant funds; if not funded with ARPA, will require debt issuance and will have an additional tax impact.</li> </ul>				

Article 18	Sponsor	Cost	Priority	Recommend Approval?
Road Improvements & Maintenance	Public Works - Highway	\$300,000	2	Unanimously YES
<ul style="list-style-type: none"> <li>Funds needed to supplement the Pavement Management Plan due to limited State Chapter 90 Transportation Funding. The Town's Pavement Management Plan requires a minimum spending level of \$1.1 million annually to maintain pavement conditions.</li> <li>Funded from Free Cash with no additional tax impact.</li> </ul>				

Article 19	Sponsor	Cost	Priority	Recommended Approval?
20-Ton Dump Truck with Plow	Public Works - Highway	\$355,000	2	Unanimously YES
<ul style="list-style-type: none"> <li>Request to replace a 2005 truck used for salting and sanding during snow events. These trucks have a useful life of between 15 and 20 years.</li> <li>Funded from Free Cash with no additional tax impact.</li> </ul>				

Article 20	Sponsor	Cost	Priority	Recommended Approval?
Highway Garage Tight Tank	Public Works – Highway	475,000	1	Unanimously YES
<ul style="list-style-type: none"> <li>Request to fund the installation of a tight tank at the highway garage located at 190 Main Street. The existing garage was built in 1984 and no longer complies with State environmental regulations. The building is served by an onsite septic system which cannot accept discharge of truck wash. In accordance with MassDEP requirements, an underground holding tank is required for this wastewater.</li> <li>Committee recommended use of available ARPA grant funds; if not funded with ARPA, will require debt issuance and will have an additional tax impact.</li> </ul>				

Article 21	Sponsor	Cost	Priority	Recommend Approval?
One-Ton Truck with Plow	Public Works – Highway	\$150,000	2	Unanimously YES
<ul style="list-style-type: none"> <li>Request to replace a 2012 F350 with an F600 model truck. The 2012 truck will be past its useful life at the time of replacement.</li> <li>Funded from Free Cash with no additional tax impact.</li> </ul>				

Article 22	Sponsor	Cost	Priority	Recommend Approval?
15-Ton Dump Truck	Water/Sewer Commission	\$225,000	3	Unanimously YES
<ul style="list-style-type: none"> <li>Request to purchase a new 30,000-pound GVW dump truck for use by the water and sewer divisions. The current fleet of vehicles are smaller daily task vehicles. This truck is large enough to move water and sewer department equipment and materials which will alleviate the need to use the highway dump truck for towing.</li> <li>Costs for this vehicle will be divided 60% from the Water Enterprise Fund and 40% from the Sewer Enterprise Fund Free Cash. No additional tax or rate impact.</li> </ul>				

Article 23	Sponsor	Cost	Priority	Recommend Approval?
SCADA Phase 2	Water/Sewer Commission	\$125,000	4	Unanimously YES
<ul style="list-style-type: none"> <li>Final phase of a 2-phase project to efficiently monitor and manage the Town's infrastructure. The overall objective of this project is to provide operators with the ability to remotely monitor and collect data from the town's critical water and sewer facilities.</li> <li>Northborough recently received an 80% Federal earmark (\$491,000) to fund this Phase. The request seeks to fund the required 20% grant match from the Sewer Enterprise Fund Free Cash. The project will add the remaining sewer pump stations to the SCADA system. No additional tax or rate impact.</li> </ul>				

Article 24	Sponsor	Cost	Priority	Recommend Approval?
Zeh School Rear Entrance Repairs	Northborough School Committee	\$40,000	2	Unanimously YES
<ul style="list-style-type: none"> <li>Funds needed to repair the cement rear entrance of the Zeh Elementary School which has deteriorated.</li> <li>Funded from Free Cash with no additional tax impact.</li> </ul>				

### Community Preservation Act Projects

Certain projects to be funded with Community Preservation Act monies may be presented at Town Meeting. Although often capital in nature, these projects are not necessarily incorporated into the Capital Improvement Plan. Nevertheless, the Financial Planning Committee, in its financial advisory capacity, strives to review projects approved by the CPC and offer its recommendations at Town Meeting. Because CPA projects do not compete for funding with Capital Improvement Plan projects, no Priority is assigned. The Committee has decided not to review or make recommendations on projects not meeting the \$25,000 minimum definition of a Capital Project for purposes of the Capital Improvement Plan, or projects that are not municipal facilities.

Article 30	Sponsor	Cost	Priority	Recommend Approval?
White Cliffs Bond Payment	Community Preservation	\$188,000	N/A	Unanimously YES
<ul style="list-style-type: none"> <li>Funds the sixth of ten payments required for the bond on the White Cliffs purchase.</li> </ul>				

Article 33	Sponsor	Cost	Priority	Recommend Approval?
Construction of Northborough Dog Park	Northborough Recreation Department	\$347,500	N/A	Unanimously YES
<ul style="list-style-type: none"> <li>Funds for the construction phase of this project, which also covers the minimum 10% allocation required for open space and recreation. It is anticipated that the Town will apply for a Stanton Foundation Grant for approximately \$200,000 to be added to the CPC funds.</li> </ul>				

Article 34	Sponsor	Cost	Priority	Recommend Approval?
Construction of ADA Accessible Trail at Senior Center	Northborough Trails Committee	\$370,000	N/A	Unanimously YES
<ul style="list-style-type: none"> <li>Funds for the construction phase of this project, which will add an ADA accessible trail around the Senior Center property.</li> </ul>				

### **Algonquin Regional High School Athletic Complex Project**

Algonquin Regional High School Athletic Complex is a project that the Northborough Regional School Committee is proposing. This request is being made because the current conditions of the fields, tracks, courts and lighting are beyond their useful life. There are health and safety issues which require ADA accessible upgrades for the existing stadium, grandstand and amenities. The District engaged Gale Associates and the estimated project cost is \$7,960,393. Based on the bid phase estimate, Northborough's apportionment is 62.33% and estimated to cost \$4,961,333, exclusive of financing costs. Southborough's apportionment is 37.67% and estimated to cost \$2,999,060. It is the intention of the Regional School Committee to bond this project and if approved by both towns, Northborough will pay an annual debt assessment until the project is paid off.

Article 25	Sponsor	Cost	Priority	Recommend Approval?
Algonquin Regional High School Athletic Complex project	Regional School Committee	\$4,961,333	2	3 YES ; 1 Abstention
<ul style="list-style-type: none"> <li>Authorization for the Algonquin Regional High School Athletic Complex project</li> <li>Funded from ARHS issued debt that will be apportioned and assessed to Northborough each year per the Regional Agreement.</li> </ul>				

Respectfully submitted,

Northborough Financial Planning Committee  
February 22, 2023

Financial Planning Committee Recommendations for FY2024 Capital Project Warrant Articles  
Northborough Annual Town Meeting April 24, 2023

Article	Project	Amount	Funding Source	**Priority	*Vote	Recommend Approval?
15	Police: 3 Cruiser Replacements	\$190,000	Free Cash	2	4-0-0	YES
16	Police: Police Station Exterior Painting	\$70,000	Free Cash	2	4-0-0	YES
17	Fire: Engine 1 Replacement	\$900,000	Debt (ARPA recommended)	2	4-0-0	YES
18	DPW: Road Improvements & Maintenance	\$300,000	Free Cash	2	4-0-0	YES
19	DPW: 20-Ton Dump Truck with Plow & Spreader	\$355,000	Free Cash	2	4-0-0	YES
20	DPW: Highway Garage Tight Tank	\$475,000	Debt (ARPA recommended)	1	4-0-0	YES
21	DPW: One-Ton Truck with Plow	\$150,000	Free Cash	2	4-0-0	YES
22	Water/Sewer: 15-Ton Dump Truck	\$225,000	Water/Sewer Enterprise Fund Free Cash	3	4-0-0	YES
23	Sewer: SCADA Phase II	\$125,000	Sewer Enterprise Fund Free Cash	4	4-0-0	YES
24	School: Zeh School Rear Entrance Repairs	\$40,000	Free Cash	2	4-0-0	YES
30	CPC: White Cliffs Bond	\$188,000	CPA Fund	N/A	4-0-0	YES
33	CPC: Construction of Northborough Dog Park	\$347,500	CPA Fund	N/A	4-0-0	YES
34	CPC: Construction of ADA Trail at Senior Center	\$370,000	CPA Fund	N/A	4-0-0	YES
25	Algonquin Regional High School Athletic Complex project	\$4,699,259.51	Debt Assessment	2	3-0-1	YES

\* Numerical votes shown in Yes-No-Abstain order relative to a motion to recommend approval. Fewer than five total votes reflects absence of one or more members.

\*\* No capital project priority is assigned to CPA-funded projects.

**\*\* THIS PAGE IS INTENTIONALLY BLANK \*\***

# **APPENDIX A**

## **FINANCIAL POLICIES AND OBJECTIVES**

Originally adopted by Board of Selectmen on November 23, 2009

Revised November 8, 2010 (Free Cash Policy Added)

# **TOWN OF NORTHBOROUGH FINANCIAL MANAGEMENT POLICIES**

## **I. OVERVIEW**

It is the policy of the Town of Northborough that financial management is conducted with the objectives of providing municipal service in an efficient, effective and consistent manner that aligns with public policy goals as set forth by the Board of Selectmen.

To help ensure the Town's financial stewardship, an established program of managing the Town's finances is essential. To this end, the Board of Selectmen promulgates policies and procedures that are financially prudent and in the Town's best economic interest.

In adherence to this policy, the Town shall pursue the following objectives:

- To set forth operational principles that minimize the cost of government to the extent consistent with services desired by the public and that minimize financial risk;
- To continue effective financial management within the Town that conforms to generally accepted accounting principles;
- To simplify, clarify and modernize the financial systems of the Town as the need occurs;
- To provide increased public confidence in public financial management;
- To protect and enhance the Town's credit rating and prevent default on any municipal debts;
- And to provide safeguards to ensure the quality and integrity of the financial systems.

In order to attain the above objectives, the Board of Selectmen adopts the following policies.

## **II. ACCOUNTING, AUDITING AND FINANCIAL REPORTING**

- A. The Town will utilize accounting practices that conform to generally accepted accounting principles (GAAP) as set forth by the Government Accounting Standards Board (GASB), including compliance with GASB Statements 34, 40 and 45.
- B. An annual audit will be performed by an independent public accounting firm.
- C. A Management Letter shall be provided by the independent public accounting firm as a companion document to the annual audit.

## **III. GENERAL FUND**

- A. Budget Goals and Objectives shall be determined annually by the Board of Selectmen in consultation with the Town Administrator. However, the annual operating budget as submitted to the Town must be balanced with the estimate of proposed expenditures for a given period less than or equal to the proposed means of financing these expenditures



(from various sources of funds or revenues). In short, for a budget to be balanced, proposed expenditures shall not exceed projected resources for the given period.

- B. The Town will carefully and routinely monitor all amounts due the Town. An aggressive policy of collection will be followed for all receivables, including property taxes. An average collection rate of at least 95% of current levy shall be maintained.
- C. Charges for services and other revenues shall be reviewed on a regular on-going basis at least every three years. Charges shall be adjusted as necessary to respond to changes in the cost of providing services. The Board of Selectmen may set specific cost recovery goals for individual departments or services as appropriate.
  - 1. Recreation Department—Recreational user charges and fees will be set to recover approximately 100% of the total direct costs associated with recreational programs.
- D. Reserves reflect a community's ability to react to unforeseen circumstances and to minimize or avoid borrowing for capital expenditures. Reserves should normally average between 5% and 10% of the Town's General Fund (operating budget) Expenditures. The Town will endeavor to continue its policy of maintaining reserves at 10% of General Fund Expenditures. Reserves are defined to include the Town's Stabilization Fund and Free Cash.

The Stabilization Fund is the Town's main reserve fund designed to provide financial stability for the Town while improving the Town's credit worthiness and flexibility. The provisions of this fund are dictated by Massachusetts General Law, Chapter 40, Section 5B. The Stabilization Fund may be appropriated for any lawful purpose. However, at no time can an appropriation placed into the fund exceed 10% of the previous year's real property tax levy, nor can the fund itself exceed 10% of the equalized value of the Town.

Free Cash reserves are the remaining, unrestricted funds from operations of the previous fiscal year; these include unexpended Free Cash from the previous year, actual receipts in excess of revenue estimates and unspent amounts in budget line-items. Once certified, monies held in this reserve may be appropriated during the current budget year and may also be used as a source of revenues for the ensuing budget year.

The Town has historically used some portion of its Free Cash to subsidize the ensuing year's annual operating budget. However, it is the Town's goal to limit the amount of Free Cash used in the operating budget to a sustainable level and to use these available funds for non-recurring one-time expenses, such as capital items.

For purposes of this policy, the following are deemed to be appropriate uses of Free Cash:

- Appropriated Reserve – an amount to provide for extraordinary or unforeseen expenditures as authorized by MGL Chapter 40, Section 6.

- Operating Budget – in order to pursue a gradual transition from using Free Cash to fund recurring operational expenses, the Town will reduce its annual appropriation by \$100,000 each year until such time as the annual appropriation from Free Cash for the operating budget is lowered to \$500,000.
- Stabilization Fund – to fund or replenish the Stabilization Fund.
- Capital Improvement Program – to fund capital projects that would otherwise incur borrowing costs associated with the issuance of debt.
- Special Use – to augment the trust funds related to fringe benefits and unfunded liabilities related to employee fringe benefits.
- Extraordinary Deficits – to fund any potential deficits that would otherwise be carried over to the following fiscal year.
- Emergency Appropriations – to allow for fiscal flexibility.

The overall level of Financial Reserves is critical to maintaining the Town's Bond Rating and ensuring sufficient funds to manage unanticipated needs. Funds shall be allocated from Reserves only after an analysis has been prepared by the Town Administrator and presented to the Board of Selectmen. The analysis shall provide sufficient evidence to establish that the remaining balance is adequate to offset potential downturns in revenue sources and provide sufficient cash balance for daily financial needs.

#### IV. CAPITAL IMPROVEMENTS

- A. The Town shall continue to prepare a six-year Capital Improvement Program (CIP) updated on an annual basis.
- B. Definitions of Capital Improvement Program/Project:
  1. Capital Improvement Program: A comprehensive list of major public improvement projects that are proposed for the Town's expenditure within the next six years. The CIP shall be reviewed annually.
  2. Capital Improvement Project: Items included within the Capital Improvement Program will involve the improvement or betterment of the physical plant of the Town of a non-recurring nature as differentiated from ordinary repairs or maintenance of a recurring nature. Projects include acquisition of land, improvement of facilities and the replacement/purchase of equipment with a useful life of at least five (5) years and a cost of \$25,000 or more.

## V. DEBT MANAGEMENT

A. A critical measure for bond rating agencies is the ratio of debt service payments to total expenditures. The Town recognizes that maintaining debt levels within industry standards allows the Town to more easily maintain its credit standing. Bond rating agencies consider individual community needs and circumstances (including emergencies) when evaluating the fiscal health of a community. Thus, while exceeding such limits could translate into a decrease in bond rating, such a decrease is not necessarily a totally negative factor in every case in a particular community. The Town's consideration of doing so, however, should be reserved for extraordinary or unforeseeable circumstances.

B. The Town will endeavor to manage debt so as not to exceed the following ratios, which are reflective of municipal bonding standards:

- |  |         |
|--|---------|
| 1. Gross General Fund debt service/General Fund expenditures | 15%     |
| and  |         |
| 2. Net General Fund debt service/General Fund expenditures   | 8 – 10% |

C. Definitions of Gross/Net Debt Service:

1. General Fund Gross Debt Service: Annual debt payments (principal and interest) for which the Town is held accountable; inclusive of assessments from Regional School Districts, Town and K-8 School appropriations and debt exclusions. Excluded are Water and Sewer Utility Funds.
2. General Fund Net Debt Service: After State reimbursement and State aid, the annual debt payments (principal and interest) for which the Town is held accountable; inclusive of assessments from Regional School Districts, Town and K-8 School appropriations and debt exclusions (i.e., Gross Debt Service less reimbursements/aid). Excluded are Water and Sewer Utility Funds.

D. When considering the use of debt, the Town shall be guided by the following:

1. Borrowing versus Cash—The Town will endeavor to finance Capital Improvement Projects with a total cost of less than \$50,000 through cash appropriation rather than borrowing.
2. Useful Life—When borrowing, the Town will ensure that the term of bonds issued will not exceed the useful life of the project.
3. Capital Expenditure versus Capital Improvement Project—Capital expenditures not meeting the definition of "Capital Improvement Projects" should be financed through inclusion within operating budgets.

E. When considering debt financing strategies, the Town shall be guided by the following:

#### Exclusions from Proposition 2-1/2 Limits

The maximum amount a community can collect in taxes in a given year is its levy limit. Proposition 2½ (Massachusetts General Laws, Chapter 59, Section 21C) restricts growth in the levy limit from one year to the next by limiting the growth to an increase of not more than 2½% over the prior fiscal year plus any increase in valuation due to new growth in the community.

There are provisions that allow a community to exceed the limits of Proposition 2½. The “debt exclusion” option is a temporary tax increase used to raise additional taxes to fund capital projects for which the community may borrow as defined in Massachusetts General Laws, Chapter 44, Sections 7 and 8. The additional amount is added to the levy limit only during the life of the debt.

A community may also temporarily exceed the levy limit by raising additional taxes for a capital improvement in order to finance the purchase with cash. Such a “capital outlay expenditure exclusion” is used for the year in which the capital item is acquired.

The Town will continue its policy to raise appropriations for large projects, such as school or municipal buildings, outside the limits of Proposition 2½, in order to retain budget capacity within the limits of Proposition 2½.

#### State, Federal and Other Sources of Funding

State, Federal and other sources of funding including grants and reimbursements, will be aggressively sought for eligible Town and School capital projects.

## **VI. ENTERPRISE FUND MANAGEMENT**

Enterprise funds (Water, Sewer and Solid Waste) should be fully self-sufficient operationally with user charges and fees set to recover all costs associated with the activities of these funds including capital expenditures. Enterprise Funds are governed by Massachusetts General Law, Ch. 44 §53F½.

## **VII. GIFTS AND GRANTS**

- A. All grants shall be managed to comply with the laws, regulations and guidance of the grantor, and all gifts and donations shall be managed and expended according to the wishes and instructions of the donor.
- B. All gifts and grants shall be evaluated for suitability and consistency with Town policies. They shall be formally accepted by the Board of Selectmen after review and recommendation by the Town Administrator. Gifts and grants of funds are governed by Massachusetts General Law Ch. 44 §53A. Gifts of tangible property are governed by Massachusetts General Law Ch. 44 §53A½.

## VIII. TRUST FUND MANAGEMENT

Trust Fund management shall be consistent with the legal requirements and spirit of each respective trust document and, to the maximum extent possible, realize the purpose the trusts were intended to achieve. All Trust Funds shall be invested in accordance with Section X of these policies.

## IX. INVESTMENT POLICY FOR GENERAL FUNDS, SPECIAL REVENUE FUNDS, ENTERPRISE FUNDS AND CAPITAL PROJECTS FUNDS

- A. **Scope**—Section IX of this policy applies only to short term operating funds such as general funds, special revenue funds, enterprise funds, bond proceeds and capital project funds. Section X will deal with trust funds and any other funds with special circumstances such as stabilization funds. Massachusetts Teachers Retirement Board and the Worcester Regional Retirement Board are responsible for the investment of the pension funds.
- B. **Objectives**—Massachusetts General Laws, Chapter 44, Section 55B requires the Treasurer to invest all public funds except those required to be kept uninvested for purposes of immediate distribution.

The state law further requires that invested funds are to be placed at the highest possible rate of interest reasonably available, taking account of safety, liquidity and yield. Therefore, these guidelines are intended to further the objective of securing the highest return that is consistent with safety of principal while meeting the daily cash requirements for the operation of the Town's business.

1. Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital through the mitigation of credit risk and interest rate risk. These risks shall be mitigated by the diversification and prudent selection of investment instruments, and choice of depository.
  - i. Credit risk is the risk of loss due to the failure of the security issuer or backer.
  - ii. Interest rate risk is the risk that the market value of the security will fall due to changes in general interest rates.
2. Liquidity is the next most important objective. The overall investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. Since all possible cash demands cannot be anticipated, the Treasurer shall carry out investment activities in a manner that provides for meeting unusual cash demands without the liquidation of investments that could result in forfeiture of accrued interest earnings, and loss of principal in some cases.

3. Yield is the third, and last, objective. Investments shall be undertaken so as to achieve a fair market average rate of return, taking into account safety and liquidity constraints as well as all legal requirements.

**C. Investment Instruments**—Public investments in Massachusetts are not protected through provisions in State law. Therefore, they are largely uncollateralized. Many banking institutions are willing to put up collateral, albeit at a cost to the entity of a lower interest rate. The Treasurer negotiates for the highest rates possible, consistent with safety principles. **The Treasurer may legally invest in the following instruments:**

1. Massachusetts State Pooled Fund: Unlimited amounts (Pool is liquid)—The Massachusetts Municipal Depository Trust (MMDT), an investment pool for state, local, county and other independent governmental authorities, is under the auspices of the State Treasurer and currently managed by Fidelity Investments. It invests in Bankers Acceptances, Commercial Paper of high quality, Bank Certificates of Deposit, Repurchase agreements (Repos) and U.S. Treasury Obligations. It has Federal Deposit Insurance Corporation (F.D.I.C.) pass-through insurance on the C.D.'s and takes delivery on the Repos and Treasuries.
2. U. S. Treasuries that will be held to maturity: Unlimited amounts (Up to one year maturity from date of purchase).
3. U.S. Agency obligations that will be held to maturity: Unlimited amounts (Up to one year maturity from date of purchase).
4. Bank accounts or Certificates of Deposit, hitherto termed C.D.'s. (Up to one year) which are fully collateralized through a third party agreement: Unlimited amounts.
5. Bank accounts and C.D.'s (Up to one year) insured by F.D.I.C. up to at present a \$250,000 limit. All bank accounts and C.D.'s in one institution are considered in the aggregate to receive the \$250,000 insurance coverage. In some cases banking institutions carry additional insurance, Depository Insurance Fund of Massachusetts (D.I.F.M).
6. Unsecured bank deposits of any kind such as other checking, savings, money market, or Certificates of Deposit accounts at banks that do not fit the above categories. These investments are subject to the following limitations: No more than 5% of an institution's assets and no more than 25% of a municipality's cash may be composed of unsecured bank deposits. This percentage may be increased for not more than 30 days during times of heavy collection or in anticipation of large payments that will be made by the Town in the near future. These payments may be for such items as debt service payment or regional school assessments. They will be diversified as much as possible.

D. **Authorization**—The Treasurer has authority to invest municipal funds, subject to the statutes of the Commonwealth Massachusetts General Law Chapter 44 Section 55, 55A, & 55B.

E. **Restrictions**—Chapter 44, Section 55 set forth the several restrictions that the Treasurer must be aware of when making investment selections for short term operating funds.

1. A Treasurer shall not at any one time have on deposit in a bank or trust company an amount exceeding 60% of the capital and surplus of such bank or trust company, or banking company, unless satisfactory security is given to it by such bank or trust company, or banking company for such excess.
2. The Treasurer shall not make a deposit in any bank, trust company or banking company that he is associated with as an officer or employee or has been the same for any time during the three years immediately preceding the date of any such deposit.
3. All securities shall have a maturity from date of purchase of one year or less.
4. Purchases under an agreement with a trust company, national bank or banking company for repurchase at not less than original purchase price of said securities on a fixed date, for a term that shall not exceed ninety days.

## **X. INVESTMENT POLICY FOR TRUST FUNDS, STABILIZATION FUNDS AND COMMUNITY PRESERVATION ACT**

A. **Scope**—Section X of this policy applies to funds that could be invested long term and includes accounts that are designated as Trust Funds, Stabilization Funds, Conservation Fund and Community Preservation Funds. These funds include all accounts that are received as scholarships and perpetual care receipts.

All accounts will be maintained separately receiving their proportionate interest allocation and any realized and unrealized gains or losses. The account will be established as a pooled investment portfolio unless otherwise stated. Any additional amounts added to such accounts will be maintained in this same manner.

B. **Authorization**—Massachusetts General Law Chapter 44, Section 54 pertains to the investment of Trust Funds. All trust funds shall fall under the control of the Treasurer unless otherwise provided or directed by the donor.

C. **Objectives**—Massachusetts General Laws, Chapter 44, Section 55B requires the Treasurer to invest all public funds except those required to be kept uninvested for purposes of immediate distribution.

This section also requires that invested funds are to be placed at the highest possible rate of interest reasonably available, taking into account safety, liquidity and yield. Therefore, these guidelines are intended to further the objective of securing the highest return that is consistent with the safety of principal while meeting the daily cash requirements for the operation of the Town's business.

1. Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital through the mitigation of credit risk and interest rate risk. These risks shall be mitigated by the diversification and prudent selection of investment instruments, and choice of depository.
  - i. Credit risk is the risk of loss due to the failure of the security issuer or backer.
  - ii. Interest rate risk is the risk that the market value of the security will fall due to changes in general interest rates.
2. Liquidity is the next most important objective. The overall investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. Since all possible cash demands cannot be anticipated, the Treasurer shall carry out investment activities in a manner that provides for meeting unusual cash demands without the liquidation of investments that could result in forfeiture of accrued interest earnings, and loss of principal in some cases.
3. Yield is the third, and last, objective. Investments shall be undertaken so as to achieve a fair market average rate of return, taking into account safety and liquidity constraints as well as all legal requirements.

D. **Investment Instruments**—Massachusetts General Laws, Chapter 44 Section 54 states that money should be deposited into savings banks, trust companies incorporated under the laws of the commonwealth, banking companies incorporated under the laws of the commonwealth which are members of the Federal Deposit Insurance Corporation, or national banks, or invested in participation units in a combined investment fund under Chapter 29, Section 38A, or in a paid-up shares and accounts of and in co-operative banks, or in shares of savings and loan associations or in share or savings deposits of federal savings and loan associations doing business in the Commonwealth.

Additionally the Treasurer may invest such funds in securities, other than mortgages or collateralized loans, which are legal for the investment of funds of savings banks under the laws of the Commonwealth; provided, that not more than fifteen percent of any such trust funds shall be invested in bank stocks and insurance company stocks, nor shall more than one and one-half percent of such funds be invested in the stock of any one bank or insurance company. **The Treasurer may invest in the following instruments:**

1. U. S. Treasuries that may be sold prior to maturity: Unlimited amounts (With no limit to the length of maturity from date of purchase).



2. U.S. Agency obligations that may be sold prior to maturity: Unlimited amounts (With no limit to the length of maturity from date of purchase).
3. Bank accounts or Certificates of Deposit, hitherto termed C.D.'s: Unlimited amounts (With no limit to the length of maturity from date of purchase), which is fully collateralized through a third party agreement.
4. Bank accounts and C.D.'s (With no limit to the length of maturity from date of purchase), fully insured by F.D.I.C. and in some cases also Depository Insurance Fund of Massachusetts (D.I.F.M) presently with a \$250,000 limit. All bank accounts and C.D.'s in one institution are considered in the aggregate to receive the \$250,000 insurance coverage.
5. Unsecured bank deposits of any kind such as other checking, savings, money market, or Certificates of Deposit accounts at Banks that do not fit the above categories. These investments are subject to the following limitations: No more than 5% of an institution's assets and no more than 25% of a municipality's cash may be composed of unsecured bank deposits. This percentage may be increased for not more than 30 days during times of heavy collection or in anticipation of large payments that will be made by the Town in the near future. These payments may be for such items as debt service payment or regional school assessments. They will be diversified as much as possible.
6. Common and preferred stocks that are listed in the List of Legal Investments. Massachusetts General Law Chapter 44 Section 54 sets forth that Treasurers may invest in instruments that are legal for savings banks. This list of investments is included in the Commonwealth of Massachusetts List of Legal Investments, Massachusetts General Law, Chapter 167 Section 15A.
7. Investment Funds that are listed in the List of Legal Investments, Massachusetts General Law, Chapter 167 Section 15A.
8. List of Legal Investments—All other items not separately identified here that are listed in the List of Legal Investments, Massachusetts General Law, Chapter 167 Section 15A.

Trust Funds may be co-mingled and invested in any instruments allowed by the Commonwealth of Massachusetts List of Legal Investments issued by the Banking Commissioner each July. Each Trust Fund must be accounted for separately.

## **XI. INVESTMENT POLICY—OVERALL PROVISIONS**

- A. **Diversification**—Diversification should be interpreted in two ways: 1) in terms of maturity, and 2) in terms of instrument type and issuer. The diversification concept should include prohibition against over concentration of maturities, as well as

concentration in a specific institution, with the exception of U.S. Treasury obligations and agencies or investments fully collateralized.

- B. **Ethics**—The Treasurer and Assistant Treasurer shall refrain from any personal activity that may conflict with the proper execution of the investment program or which could impair or appear to impair ability to make impartial investment decisions. Said individuals shall disclose to the Town Administrator any material financial interest they may have in financial institutions that do business with the Town. They shall also disclose any large personal financial investment positions or loans that they have which could be related to the performance of the Town's investments. All municipal employees shall comply with the State Conflict of Interest Law, Massachusetts General Laws, Chapter 268A.
- C. **Standards of Care**—The standard of prudence to be used by the Treasurer shall be the “prudent person” standard set forth in Massachusetts General Laws Chapter 203C and shall be applied in the context of managing an overall portfolio. The Treasurer acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided the purchases and sale of securities is carried out in accordance with the terms of this policy.

The “prudent person” standard states that, “Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well the probable income to be derived.”

- D. **Reporting Requirements**—On an annual basis, a report containing the following information will be prepared by the Treasurer and distributed to the Town Administrator. The report will include as a minimum requirement, the following information:
1. A listing of the individual accounts and individual securities held at the end of the reporting period.
  2. A listing of the short-term investment portfolio by security type and maturity to ensure compliance with the diversification and maturity guidelines established in the "Diversification" section of this Investment Policy.
  3. A summary of the income earned on a monthly basis and on a year to date basis.
  4. The Treasurer shall include in the report a brief statement of general market and economic conditions and other factors that may affect the Town's cash position.
  5. The report should demonstrate the degree of compliance with the tenets set forth in the Investment Policy.

# **APPENDIX B**

## **FUND DESCRIPTIONS & BALANCES**

## Fund Descriptions

The financial operations of the Town are organized into funds and account groups, each of which is a separate fiscal and accounting entity. All revenues received or expenditures made by the Town are accounted for through one of the funds or account groups listed below.

### Governmental Funds

Most Town functions are financed through what are called Governmental Funds. These are the activities generally supported by “non-exchange” revenue, such as taxes. There are four types of governmental funds maintained by the Town: General Fund, Special Revenue Funds, Permanent Funds, and Capital Project Funds.

**General Fund:** The General Fund is the major operating fund of the Town government and it encompasses a majority of Town operations, and it is defined as covering all resources that are not required to be accounted for elsewhere. The General Fund is supported by revenues from real estate & personal property taxes, state aid, excise taxes, investment income, fines & forfeitures, and fees & charges. Most of the Town’s departments including the Schools are supported in whole or in part by the General Fund.

**Special Revenue Funds:** Special Revenue Funds are used to account for revenues that are legally restricted to specific purposes, with the exception of major capital projects and permanent funds. These revenues must be accounted for separately from the General Fund for a variety of reasons, and often span multiple fiscal years. The Town’s Special Revenue Funds are grouped into five categories:

1. **Revolving Funds:** Revolving Funds allow the Town to raise revenues from a specific program and use those revenues to support the program without appropriation. Revolving Funds are established by statute or by-law and may require reauthorization each year at Town Meeting. The Town maintains revolving funds for a number of purposes including Council on Aging, Family and Youth Services Department, Fire Department, Recreation Department, Library Lost Books, School Department Student Activities, and the School Lunch Program.
2. **Receipts Reserved for Appropriation:** The funds in this grouping are restricted to a specific use by statute and also require appropriation by Town Meeting. These funds include property insurance claims greater than \$100,000, monies from Cemetery sale of lots and graves, Net Premiums on Debt, Conservation Wetland Protection fees, and Cable Access Television.
3. **School Grants:** The School Grant Funds account for specially financed education programs using revenue from grants received from the Federal or State government. These include the State Special Education Revolving Fund (Circuit Breaker), and Federal Title I grants.

4. **Other Intergovernmental Funds:** These funds account for revenues received by the Town from the Federal or State government for specific purposes other than education. These include a variety of grants such as the Chapter 90 Highway Program, State Election Grants, State Library Aid, and the Elderly Formula Grant.
5. **Other Special Revenue Funds:** These funds account for any other miscellaneous special revenues not included in the previous categories. These include private donations for specific purposes, such as grants received from private or non-profit foundations, and gifts made to specific departments. This category also includes the Community Preservation Fund and the Conservation Fund.

**Permanent Funds:** Permanent Funds are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used to support the government and its citizens. Many times such funds are referred to as ‘Trust’ funds, and the acceptance of such funds generally involves acceptance by Town Meeting for each fund’s individual requirements. There are two accounts associated with each permanent fund, the expendable income, and the non-expendable principal.

1. **Expendable Trust Funds:** This heading accounts for the expendable income portion of the permanent funds. This heading is also used to account for funds received by the Town in a trustee capacity where both the principal and earnings of the fund may be expended on a restricted basis for the benefit of the Town or its Citizens. This includes the Scholarship Tax Check-off Fund and the Elderly/Disabled Fund.
2. **Non-expendable Trust Funds:** are used to account for trusts where the principal must remain intact. Generally, income earned on the non-expendable trust principal may be expended in accordance with the conditions of a trust instrument or statute and is accounted for in the previous category. An example is the Cemetery Department’s Perpetual Care Trust.

**Capital Project Funds:** The Capital Project Funds are used to account for monies used for the acquisition or construction of major capital facilities (buildings, roads, etc.) other than those financed by other dedicated funds, such as the Community Preservation Act Fund or Chapter 90 Highway Funds. In addition to “projects,” the Town’s Capital Project Funds also account for capital outlay for items purchased pursuant to the town’s capital plan, such as Departmental Equipment. The source of funding for these funds are primarily proceeds from the Town’s issuance of bonds, but may also be derived from private sources, grants, or transfers from other Town funds.

## **Proprietary (Enterprise) Funds**

Proprietary Funds cover the town's "business-type" activities and are referred to as such in the financial statements. These statements comprise the Water and Sewer Enterprise Funds of the Town. All direct and indirect costs including overhead of each service are intended to be captured by user fees and/or general fund subsidies. These funds account for their own fixed assets and long-term liabilities. Although the long-term debt of the funds is ultimately the legal obligation of the general fund, it is budgeted and paid for by the Enterprise Fund for which the project was approved. Town Meeting has approved the use of the Enterprise Fund accounting for the Water, Sewer, and Solid Waste utilities. However, for the purposes of the financial statements only the Water and Sewer Funds are considered "business-type" activities.

## **Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. The Town is the trustee, or fiduciary, and the government and its citizenry do not benefit directly from such funds. This means that the Town is responsible for assets in a purely custodial manner that can be used only for the trust beneficiaries and Agency Funds. Under this heading the Town maintains only Agency Funds, such funds for "special detail" for overtime labor billed to outside parties, collection of Deputy Fees payable to the Deputy Collector, firearms licenses payable to the Commonwealth, and fees derived from and expenses related to the use of school facilities by outside parties.

## **Account Groups**

The last category of fund account entities maintained by the Town is the Account Groups. For which there are two, the General Long-term Debt Account Group and the General Fixed Assets Account Group.

The first of these groups is the General Long-term Debt Account Group which accounts for the balances due on long-term debt that the Town has approved. The liabilities accounted for in this fund extend to future years, versus those that affect the current year alone shown in other funds. When borrowing is approved the liability is increased in this fund, and when debt is paid down or rescinded the liability is reduced.

The second of these groups is the General Fixed Asset Account Group. As infrastructure is developed, construction completed, and capital outlays are made, the Town's inventory of Fixed Assets is increased. The value of these assets is then depreciated on a fixed schedule annually.

## **Basis of Accounting**

By necessity the Town produces financial reports that have different bases of accounting. Since the goal of financial reporting is to provide useful information to its users, the measurement focuses of reporting must change with respect to the needs of the audience.

The day-to-day method of accounting used by the Town is UMAS, the Commonwealth of Massachusetts' Universal Municipal Accounting System. This accounting system is prescribed by the Commonwealth of Massachusetts Department of Revenue and is intended to demonstrate compliance with state statutes and local near-term decisions (e.g. budget). This system prescribes the use of the modified accrual basis of accounting, which is the basis used by all governmental fund types. Under the modified accrual basis, revenues are recognized when susceptible to accrual (i.e. when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Town considers that property taxes are available if they are collected within 60 days after year-end. Expenditures are recorded when the liability is incurred. Principal and interest on general long-term debt are recorded as liabilities in the fiscal years that the payments are due.

The full accrual basis of accounting is used for the Town's financial statements, which are produced based on generally accepted accounting principles (GAAP). The statements report information about the Town with a broad overview. The statements use accounting methods most similar to those used by a private-sector business and are typically used to demonstrate the long-term financial position of the Town. The users of this information are often bond rating agencies and others seeking information consistent with entities in other states. The Government Accounting Standards Board (GASB) issues guidance for how GAAP based financial statements should be prepared for government entities. The accrual basis of accounting is utilized by the proprietary and agency funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

## Budgeting

An annual budget is adopted for the Town's General and Enterprise Funds. Although legislative approval is required for capital projects, borrowing authorizations, and other warrant articles, annual budgets are not prepared for any other fund. Note however that although there are informational budgets presented for capital spending with regard to the Capital Improvement Plan and also by the Community Preservation Committee for spending from the Community Preservation Act Fund, the related spending for such purposes is approved article by article versus the adoption of an annual consolidated budget.

The Town's annual budget is adopted on a statutory basis, specific to the Commonwealth of Massachusetts, and it differs in some respects from GAAP. The major differences between the budget and GAAP basis are that:

1. Budgeted revenues are recorded when cash is received, except for real estate and personal property taxes, which are recorded as revenue when levied (budget), as opposed to when susceptible to accrual (GAAP).
2. For the budget, encumbrances are treated as expenditures in the year the commitment is made. Also, certain appropriations, known as special articles, do not lapse and are treated as budgetary expenditures in the year they are authorized as opposed to when the liability is actually incurred (GAAP).
3. The depreciation of Fixed Assets is not recognized as a current expense on a budgetary basis, except to the extent that actual maintenance costs are included in departmental budgets.

Following are three tables which are excerpted from the Town's financial statements prepared on a GAAP basis. These tables display the results of operations for the fiscal year ending June 30, 2022. There's one table for Governmental Funds and one for Proprietary Funds. Since Fiduciary funds do not involve the measurement of operations, there is no corresponding table for that grouping. For reference, you may access a complete version of the Town's audited financial statements online at: [http://www.town.northborough.ma.us/Pages/NorthboroughMA\\_Accounting](http://www.town.northborough.ma.us/Pages/NorthboroughMA_Accounting) Hardcopies of the financial statements from each year are filed with the Town Clerk's office.

Under GASB Statement 34, and further by Statement 54, "Major Funds" are defined as individual funds that have reached a significant threshold with respect to total fund balance and have dedicated revenue sources. "Major Funds" must be shown separately from the general fund. The remaining individual funds are aggregated in the "Nonmajor" category for the purposes of the financial statements. The third and final table displayed is the statement for the "Nonmajor" Governmental Funds.



**TOWN OF NORTHBOROUGH, MASSACHUSETTS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022**

	General Fund	Fire Station Design and Land Fund	ARPA Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues:</b>					
Property Taxes	\$ 55,577,536	\$ -	\$ -	\$ 671,189	\$ 56,248,725
Intergovernmental	5,915,673	-	83,486	5,067,988	11,067,147
Excise and Other Taxes	3,048,843	-	-	-	3,048,843
Charges for Services	-	-	-	3,099,814	3,099,814
Licenses, Permits, Fees	1,384,328	-	-	-	1,384,328
Interest and Penalties on Taxes	183,028	-	-	1,048	184,076
Investment Income	(70,101)	-	-	(125,474)	(195,575)
Gifts and Donations	-	-	-	23,076	23,076
Other	-	-	-	635,864	635,864
Intergovernmental - "On-behalf" Payments	3,923,632	-	-	-	3,923,632
<b>Total Revenues</b>	<b>69,962,939</b>	<b>-</b>	<b>83,486</b>	<b>9,373,505</b>	<b>79,419,930</b>
<b>Expenditures:</b>					
<b>Current:</b>					
General Government	3,489,072	-	83,486	701,851	4,274,409
Public Safety	5,300,674	18,939	-	1,047,805	6,367,418
Public Works	2,828,638	-	-	2,080,523	4,909,161
Education	40,723,778	-	-	2,626,647	43,350,425
Health and Human Services	712,719	-	-	702,923	1,415,642
Culture and Recreation	1,169,934	-	-	1,462,164	2,632,098
Employee Benefits and Insurance	12,787,806	-	-	-	12,787,806
State Assessments	281,806	-	-	-	281,806
<b>Debt Service:</b>					
Principal	1,475,325	-	-	300,000	1,775,325
Interest	560,086	-	-	24,989	585,075
<b>Total Expenditures</b>	<b>69,329,838</b>	<b>18,939</b>	<b>83,486</b>	<b>8,946,902</b>	<b>78,379,165</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>633,101</b>	<b>(18,939)</b>	<b>-</b>	<b>426,603</b>	<b>1,040,765</b>
<b>Other Financing Sources (Uses):</b>					
Operating Transfers In	708,898	-	-	2,361,160	3,070,058
Operating Transfers Out	(2,361,160)	-	-	(708,898)	(3,070,058)
Bond Premium	-	-	-	27,684	27,684
Proceeds from Issuance of Bonds and Notes	-	10,000	-	195,000	205,000
<b>Total Other Financing Sources (Uses)</b>	<b>(1,652,262)</b>	<b>10,000</b>	<b>-</b>	<b>1,874,946</b>	<b>232,684</b>
<b>Net Change in Fund Balances</b>	<b>(1,019,161)</b>	<b>(8,939)</b>	<b>-</b>	<b>2,301,549</b>	<b>1,273,449</b>
<b>Fund Balances, Beginning of Year</b>	<b>12,681,538</b>	<b>1,369,711</b>	<b>-</b>	<b>10,005,661</b>	<b>24,056,910</b>
<b>Fund Balances, End of Year</b>	<b>\$ 11,662,377</b>	<b>\$ 1,360,772</b>	<b>\$ -</b>	<b>\$ 12,307,210</b>	<b>\$ 25,330,359</b>

The Notes to the Financial Statements are an integral part of this Statement.

**TOWN OF NORTHBOROUGH, MASSACHUSETTS**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

	Business-Type Activities Enterprise Funds		
	Sewer Fund	Water Fund	Total
<b>Operating Revenues:</b>			
Charges for Services	\$ 2,428,404	\$ 2,507,607	\$ 4,936,011
Special Assessments	28,488	38,259	66,747
<b>Total Operating Revenues</b>	<b>2,456,892</b>	<b>2,545,866</b>	<b>5,002,758</b>
<b>Operating Expenses:</b>			
Salaries & Wages	206,048	308,522	514,570
Operating Expenses	1,407,327	2,212,557	3,619,884
Depreciation	255,001	528,399	783,400
<b>Total Operating Expenses</b>	<b>1,868,376</b>	<b>3,049,478</b>	<b>4,917,854</b>
<b>Operating Income (Loss)</b>	<b>588,516</b>	<b>(503,612)</b>	<b>84,904</b>
<b>Non-Operating Revenues (Expenses):</b>			
Investment Income	22,701	2,257	24,958
Interest Expense	(86,115)	(33,653)	(119,768)
<b>Total Non-Operating Revenues (Expenses)</b>	<b>(63,414)</b>	<b>(31,396)</b>	<b>(94,810)</b>
<b>Income (Loss) Before Operating Transfers</b>	<b>525,102</b>	<b>(535,008)</b>	<b>(9,906)</b>
<b>Operating Transfers:</b>			
Transfer In	-	130,810	130,810
Transfers (Out)	(130,810)	-	(130,810)
<b>Total Operating Transfers</b>	<b>(130,810)</b>	<b>130,810</b>	<b>-</b>
<b>Change in Net Position</b>	<b>394,292</b>	<b>(404,198)</b>	<b>(9,906)</b>
<b>Net Position at Beginning of Year</b>	<b>8,736,535</b>	<b>8,148,534</b>	<b>16,885,069</b>
<b>Net Position at End of Year</b>	<b>\$ 9,130,827</b>	<b>\$ 7,744,336</b>	<b>\$ 16,875,163</b>

The Notes to the Financial Statements are an integral part of this Statement.

**TOWN OF NORTHBOROUGH, MASSACHUSETTS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

	Fund Balances July 1, 2021	Revenues	Expenditures	Other Financing Sources (Uses)	Fund Balances June 30, 2022
<b>Special Revenue:</b>					
<b>Federal and State Grants:</b>					
School Grants	\$ 4,167	\$ 401,713	\$ 372,349	\$ -	\$ 33,531
Arts Lottery Council Grant	11,300	8,487	12,249	-	7,538
Board of Health Grants	15,362	510,960	429,646	-	96,676
Community Compact Grant	40,000	-	8,600	-	31,400
Council on Aging Grants	2,119	31,836	32,816	-	1,139
Dam Removal Grant	168,750	-	128,750	-	40,000
Emergency Management Grants (COVID)	(485,879)	1,024,480	156,111	-	382,490
Green Communities Grant	-	149,601	149,601	-	-
Highway Grants	54,809	496,841	545,538	-	6,112
Library Grants	32,743	32,607	21,966	-	43,384
Other Grants and Programs	-	100,000	80,914	-	19,086
Public Safety Grants	544	336,909	331,233	-	6,220
Recycling Grants	18,787	7,800	21,141	-	5,446
Town Clerk Grant	12,914	-	1,985	-	10,929
<b>Schools:</b>					
School Lunch Program	48,896	936,495	707,326	-	278,065
School Lunch Commodities	-	71,622	71,622	-	-
School Revolving Funds	148,935	106,643	130,661	-	124,917
State Special Education Reimbursement	1,326,035	1,219,176	1,326,035	-	1,219,176
<b>Other:</b>					
Amazon Traffic Mitigation	67,959	5,000	40,141	-	32,818
Cable Access Television	456,279	206,676	-	(233,348)	429,607
Community Affairs Revolving	7,661	12,500	4,311	-	15,850
Community Preservation Fund	2,168,919	857,865	1,149,654	(205,000)	1,672,130
Conservation Revolving	29,358	3,077	-	(8,523)	23,912
Council on Aging Revolving	182,062	67,510	102,941	-	146,631
<b>Special Revenue Funds Page 77</b>	<b>\$ 4,311,720</b>	<b>\$ 6,587,798</b>	<b>\$ 5,825,590</b>	<b>\$ (446,871)</b>	<b>\$ 4,627,057</b>

**TOWN OF NORTHBOROUGH, MASSACHUSETTS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

	Fund Balances July 1, 2021	Revenues	Expenditures	Other Financing Sources (Uses)	Fund Balances June 30, 2022
<b>Continued from Page 77</b>	<b>\$ 4,311,720</b>	<b>\$ 6,587,798</b>	<b>\$ 5,825,590</b>	<b>\$ (446,871)</b>	<b>\$ 4,627,057</b>
<b>Other (continued):</b>					
Council on Aging WRTA Program	119,800	96,110	60,134	-	155,776
Deputy Collector Fees	1,059	23,993	24,005	-	1,047
Dog Control Revolving	37,344	37,680	210	(27,461)	47,353
Family Youth Services Revolving	4,253	-	-	-	4,253
Fire Emergency Medical Services	588,135	1,051,034	478,044	(351,240)	809,885
Gifts and Donations	112,384	23,076	25,866	-	109,594
Insurance Reimbursements	83,691	44,613	43,304	-	85,000
Medicare Part D Subsidy	39,040	50,733	-	(39,039)	50,734
Parks and Recreation Revolving	268,164	638,166	491,113	-	415,217
Planning Board Revolving	210	3,801	3,800	-	211
Police Drug Task Force	1,073	(28)	-	-	1,045
Premium on Sale of Bonds	123,256	-	34,636	17,849	106,469
Public Safety Outside Detail Funds	27,986	242,892	241,182	-	29,696
Sale of Cemetery Lots	27,250	15,500	-	(12,000)	30,750
Sale of Land (Reserved)	12,435	-	-	-	12,435
Solid Waste Funds	422,959	546,360	892,552	337,160	413,927
Tax Title Registry of Deeds Fee	580	1,618	1,365	-	833
Transportation Network Surcharge	5,351	2,278	-	(3,587)	4,042
Veterans Cost of Living	-	3,792	2,291	-	1,501
Conservation Funds	361,795	(11,996)	42,781	400,000	707,018
Elderly Funds	47,446	9,549	24,372	-	32,623
Scholarship Funds	1,324	758	1,800	-	282
<b>Total Special Revenue Funds</b>	<b>\$ 6,597,255</b>	<b>\$ 9,367,727</b>	<b>\$ 8,193,045</b>	<b>\$ (125,189)</b>	<b>\$ 7,646,748</b>

**TOWN OF NORTHBOROUGH, MASSACHUSETTS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

	Fund Balances July 1, 2021	Revenues	Expenditures	Other Financing Sources (Uses)	Fund Balances June 30, 2022
<b>Capital Projects:</b>					
Assabet Park improvements	\$ 102,775	\$ -	\$ 102,775	\$ -	\$ -
Fire Department vehicles	156,000	-	69,666	-	86,334
Highway culvert and drainage improvements	-	-	-	300,000	300,000
Highway equipment	729	-	134	289,405	290,000
Highway generator	35,000	-	-	-	35,000
Highway vehicles	-	-	8,097	665,000	656,903
Highway vehicles	206,896	-	191,421	(12,975)	2,500
Management Information System (MIS) network	26,741	-	-	-	26,741
Master Plan (Downtown)	-	-	-	150,000	150,000
Middle School green repairs	102,533	-	-	-	102,533
MIS/GIS Aerial Photo	114,828	-	56,102	-	58,726
Police vehicles	-	-	-	165,000	165,000
Police vehicles	161,000	-	41,119	-	119,881
Road maintenance	-	-	-	454,000	454,000
Road maintenance	559,044	-	242,890	-	316,154
Senior Center construction	50,000	-	14,210	-	35,790
Town Hall feasibility study	100,000	-	-	-	100,000
Town Offices' improvements	764,738	-	7,133	-	757,605
<b>Total Capital Projects Fund</b>	<b>\$ 2,380,284</b>	<b>\$ -</b>	<b>\$ 733,547</b>	<b>\$ 2,010,430</b>	<b>\$ 3,657,167</b>

**TOWN OF NORTHBOROUGH, MASSACHUSETTS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

	Fund Balances July 1, 2021	Revenues	Expenditures	Other Financing Sources (Uses)	Fund Balances June 30, 2022
<b>Perpetual Permanent Funds:</b>					
Assabet Park Funds	\$ 7,959	\$ -	\$ -	\$ -	\$ 7,959
Cemetery Funds	612,715	21,700	-	5,250	639,665
Library Fund	81,509	-	-	-	81,509
Miscellaneous Funds	14,022	-	-	-	14,022
<b>Total Perpetual Permanent Funds</b>	<b>716,205</b>	<b>21,700</b>	<b>-</b>	<b>5,250</b>	<b>743,155</b>
<b>Permanent Funds:</b>					
Assabet Park Funds	2,304	(290)	2,000	-	14
Cemetery Funds	33,751	(18,152)	-	(15,545)	54
Library Fund	262,488	3,296	18,310	-	247,474
Miscellaneous Funds	13,374	(776)	-	-	12,598
<b>Total Permanent Funds</b>	<b>311,917</b>	<b>(15,922)</b>	<b>20,310</b>	<b>(15,545)</b>	<b>260,140</b>
<b>Total - Non-Major Governmental Funds</b>	<b>\$ 10,005,661</b>	<b>\$ 9,373,505</b>	<b>\$ 8,946,902</b>	<b>\$ 1,874,946</b>	<b>\$ 12,307,210</b>

## Changes in Fund Balance

### General Fund

It is important to note that while the General Fund's fund balance shown on the preceding GAAP based statements is a measure of resources that are available to the Town on a long-term basis, the full amount is not available for appropriation in its entirety on a statutory basis. Under Massachusetts General Law, the Massachusetts Department of Revenue (DOR) certifies the amount available, which is referred to as "Free Cash." This certified amount is available for appropriation by the legislative body. The amount certified by the DOR at the close of FY2022 is \$3,399,259 while the GAAP based Fund financial statements reflect an Unassigned Fund Balance of \$10,762,694, which also includes the Town's Stabilization Fund Balance of \$5,129,896.

Within the Town's Financial Policies (See Appendix A), is a reserve policy which defines reserves as being the combination of Free Cash & Stabilization Fund Balances. This reserve policy requires that the Town maintain reserves at a level of between 5 to 10% of the Town's General Fund expenditures. Under the Free Cash plan for the proposed FY2024 budget, the amount of \$500,000 will be used for the operating budget, \$200,000 will be transferred to the Stabilization Fund, \$175,000 will be used to fund the Appropriations Committee Reserve Fund, and \$1,105,000 will be used to fund capital expenditures, therefore use of Free Cash in the total amount of \$1,980,000 is proposed.

The following schedule demonstrates the Town's compliance with its fiscal policies, and that the proposed use of Free Cash for the current year will not yield a significant change in Fund Balance from the budget proposed in the prior year. The figures shown below reflect the amounts that are contemplated at the time of Town Meeting:

PROPOSED BUDGET	FY2023	FY2024
Certified Free Cash as of June 30 prior year	\$3,399,259	\$2,440,073
Proposed use for budget	(\$2,899,000)	(\$1,980,000)
Unappropriated Free Cash	\$500,259	\$460,073
Stabilization Fund Balance as of June 30	\$5,129,896	\$4,984,476
Investment Income/(Loss) as of December 31	\$31,736	\$23,647
Proposed transfer(s) into Stabilization*	\$200,000	\$400,000
Stabilization Fund Balance	\$5,361,632	\$5,408,124
Total Reserves	\$5,861,891	\$5,868,197
Proposed Expenditure Budget	\$71,252,642	\$73,691,740
Reserves as Percentage of Budget	8.23%	7.96%

\*\$400,000 reflects actual \$200,000 transfer made in FY2023 and proposed \$200,000 to be transferred in FY2024

Free Cash will be recalculated for June 30, 2022 once FY2023 is closed and the Town has submitted its balance sheet to the DOR. While the amount voted for use in FY2024 will reduce the amount, as shown in the preceding calculation, it should be noted that positive results from unspent appropriations and revenues above budget in FY2023 will add to the balance. Note that the figure for the adopted budget is determined when the Town's tax rate is set later during the current fiscal year (Tax Recapitulation). The adopted budget changes from the proposed due to a number of factors, primarily assessments that are estimated at the time of Town Meeting, and

finalized when the property tax rate is set and approved by the DOR. The following table shows the Town's reserves as calculated following the adoption of the budget and most recent Free Cash certifications (at close of prior fiscal year):

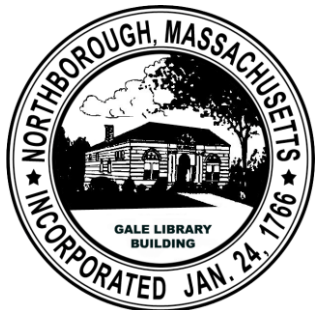
ADOPTED BUDGET	FY2022	FY2023
Certified Free Cash as of June 30	\$3,399,259	\$2,440,073
Stabilization Fund Balance as of June 30	\$5,129,896	\$5,184,476
Total Reserves	\$8,529,155	\$7,624,549
Adopted Budget	\$67,671,657	\$71,218,073
Reserves as Percentage of Budget	12.60%	10.71%

The preceding two tables demonstrate the Town's approach to maintain sufficient reserves through conservative fiscal policies, and they show the approach that is used to develop its Free Cash Plan. For FY2024 the amount of Free Cash certified at June 30, 2022 allows for amounts to be appropriated for capital in addition to the limited amount used for the operating budget. In the case of FY2023, \$2,024,000 in capital expenditures were approved, and for FY2024 \$1,105,000 is proposed for capital expenditures. This approach allows for sufficient reserves to be maintained, while at the same time reserves can be used to fund one-time expenses such as capital purchases.

Additionally, for the purposes of long term trend analysis, the level of the Town's reserves are compared to "Operating Revenues" as an indicator in its Financial Trend Monitoring System (FTMS) rather than the expenditure budget (see Appendix C for further information). "Operating Revenues" reflect the actual cash received in the General Fund during the fiscal year and does not include the use of Free Cash or other "one-time revenues", or accruals. The indicator compares the percentage of reserves remaining at the close of the year to actual revenue. The indicator also seeks to reflect allocations or reservations subsequently made, to reflect spending decisions made after balances are certified. The table below shows the data excerpted for the most recently closed two years included in the analysis:

RESERVES VS. OPERATING REVENUES	FY2021	FY2022
Certified Free Cash as of June 30	\$3,399,259	\$2,440,073
Stabilization Fund Balance as of June 30	\$5,129,896	\$5,184,476
Total Reserves	\$8,529,155	\$7,624,549
Total Revenues	\$65,386,519	\$66,600,625
Reserves as % of Operating Revenues	13.04%	11.45%
Reserves Subsequently Used (Proposed*)	(\$2,699,000)	(\$1,780,000)
Total Adjusted Reserves	\$5,830,155	\$5,844,549
Total Revenues	\$65,386,519	\$66,600,625
Reserves as % of Operating Revenues	8.92%	8.78%

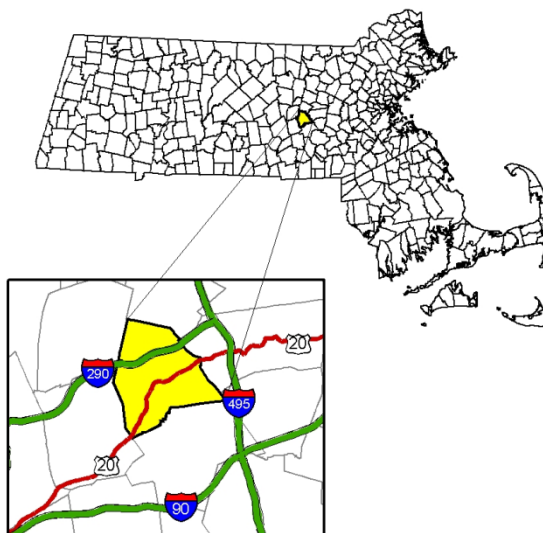
\*Amounts Subsequently Used reduced by \$200,000 to reflect transfer from Free Cash to Stabilization in both years



# **Town of Northborough, MA**

## **Financial Trend Monitoring Report**

### **Fiscal Year 2023**



**FTM Report covers the period July 1, 2012 (FY2013) through June 30, 2023 (FY2023)**

# Agenda

Purpose of the meeting is to “set the table” for the FY2024 budget process by:

- Reviewing Final FY2022 Budget Results
- Providing Status update on the FY2023 Budget
- Reviewing Financial Indicators for significant changes
- Reviewing Five-Year Financial Projections
- Analyzing Multiple-year Projected Tax Impacts
- Developing consensus amongst the policy making Boards & Committees about budget assumptions, opportunities and areas of concern



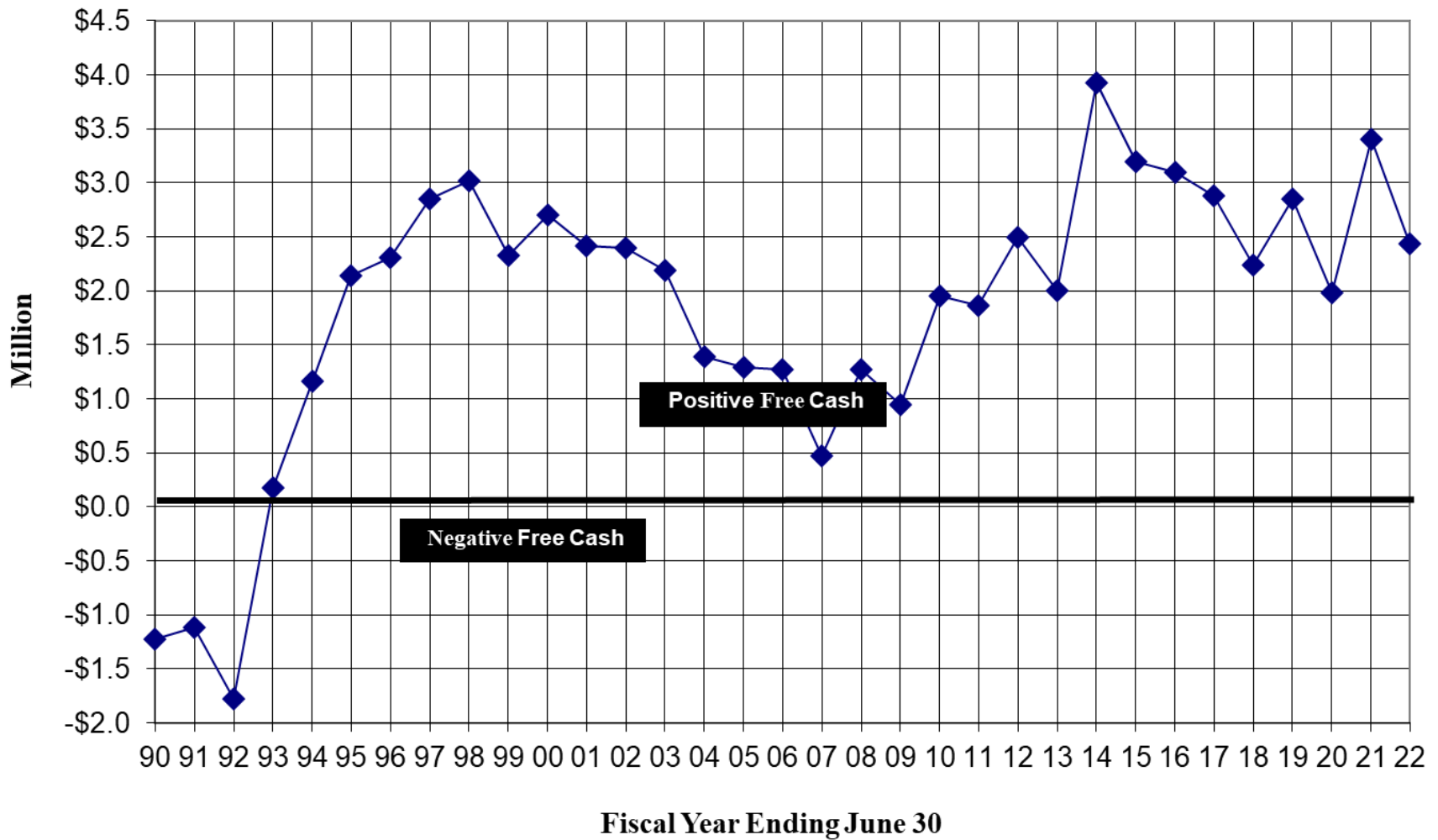
# FY2022 Year-end Revenues

Town of Northborough						
Town Accountant's Budgetary Comparison Schedule - General Fund (Unaudited)						
For the Year Ended June 30, 2022						
as of 11/17/2022						
		ORIGINAL	FINAL	YTD	VAR TO	VS
		BUDGET	BUDGET	ACTUAL	BUDGET	BDGT
<b>REVENUE (INFLOWS)</b>						
	<b>TAXES (Property Taxes)</b>	\$ 55,402,449	\$ 55,402,449	\$ 55,266,567	\$ (135,882)	-0.25%
	<b>STATE AID (Intergovernmental)</b>	\$ 5,527,531	\$ 5,527,531	\$ 5,545,126	\$ 17,595	0.32%
	<b>Excise Taxes</b>	\$ 2,799,000	\$ 2,799,000	\$ 3,048,843	\$ 249,843	8.93%
	<b>Interest &amp; Fees on Property &amp; Excise Taxes</b>	\$ 191,000	\$ 191,000	\$ 183,029	\$ (7,971)	-4.17%
	<b>Payment in Lieu of Taxes</b>	\$ 112,000	\$ 112,000	\$ 103,467	\$ (8,533)	-7.62%
	<b>Departmental Charges for Service</b>	\$ 231,000	\$ 231,000	\$ 312,566	\$ 81,566	35.31%
	<b>Licenses &amp; Permits</b>	\$ 491,000	\$ 491,000	\$ 657,410	\$ 166,410	33.89%
	<b>Fines</b>	\$ 56,000	\$ 56,000	\$ 66,077	\$ 10,077	17.99%
	<b>Investment Income</b>	\$ 20,000	\$ 20,000	\$ 75,319	\$ 55,319	276.60%
	<b>Other</b>	\$ 271,000	\$ 271,000	\$ 633,324	\$ 362,324	133.70%
	<b>LOCAL RECEIPTS (Subtotal)</b>	\$ 4,171,000	\$ 4,171,000	\$ 5,080,034	\$ 909,034	21.79%
	<b>TOTAL REVENUE</b>	\$ 65,100,980	\$ 65,100,980	\$ 65,891,727	\$ 790,747	1.21%
	<b>OTHER FUNDS (Transfers in)</b>	\$ 733,933	\$ 733,933	\$ 708,898	\$ (25,035)	-3.41%
	<b>TOTAL REVENUE &amp; TRANSFERS IN</b>	\$ 65,834,913	\$ 65,834,913	\$ 66,600,625	\$ 765,712	1.16%

# FY2022 Year-end Expenditures

Town of Northborough						
Town Accountant's Budgetary Comparison Schedule - General Fund (Unaudited)						
For the Year Ended June 30, 2022						
as of 11/17/2022						
		<b>ORIGINAL</b>	<b>FINAL</b>	<b>YTD</b>	<b>VAR TO</b>	<b>VS</b>
		<b>BUDGET</b>	<b>BUDGET</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>BDGT</b>
<b><u>EXPENDITURES (OUTFLOWS)</u></b>						
	<b>General Government</b>	\$ 3,484,526	\$ 3,480,228	\$ 3,353,414	\$ 126,814	3.64%
	<b>Public Safety</b>	\$ 5,507,291	\$ 5,509,791	\$ 5,389,557	\$ 120,234	2.18%
	<b>Education</b>	\$ 40,559,382	\$ 40,559,382	\$ 40,434,356	\$ 125,026	0.31%
	<b>Public Works</b>	\$ 2,726,376	\$ 2,841,585	\$ 2,830,834	\$ 10,751	0.38%
	<b>Human Services</b>	\$ 792,630	\$ 794,219	\$ 711,109	\$ 83,110	10.46%
	<b>Cultural &amp; Recreation</b>	\$ 1,183,606	\$ 1,183,606	\$ 1,157,266	\$ 26,340	2.23%
	<b>Debt Service</b>	\$ 2,130,726	\$ 2,130,726	\$ 2,035,411	\$ 95,315	4.47%
	<b>Employee Benefits</b>	\$ 9,226,961	\$ 9,111,961	\$ 8,569,682	\$ 542,279	5.95%
	<b>Insurance</b>	\$ 283,557	\$ 283,557	\$ 281,617	\$ 1,940	0.68%
	<b>Intergovernmental</b>	\$ 277,698	\$ 277,698	\$ 265,121	\$ 12,577	4.53%
	<b>TOTAL EXPENDITURES</b>	<b>\$ 66,172,753</b>	<b>\$ 66,172,753</b>	<b>\$ 65,028,367</b>	<b>\$ 1,144,386</b>	<b>1.73%</b>
	<b>Transfers to Other Funds</b>	\$ 337,160	\$ 2,361,160	\$ 2,361,160	\$ -	<b>0.00%</b>
	<b>TOTAL EXPENSE &amp; TRANSFERS OUT</b>	<b>\$ 66,509,913</b>	<b>\$ 68,533,913</b>	<b>\$ 67,389,527</b>	<b>\$ 1,144,386</b>	<b>1.67%</b>

## Certified Free Cash FY1990-2022



\*Source: Massachusetts Department of Revenue

## PRELIMINARY FY2024 FREE CASH PLAN

Free Cash Certification as of 7/1/2022		2,440,073	100%
FY2024	Appropriated Reserve	-175,000	7.2%
FY2024	Operating Budget	-500,000	20.5%
FY2024	Stabilization Fund	-200,000	8.2%
FY2024	Capital Projects	-1,065,073	43.6%
Available Free Cash after FY2024 Plan		500,000	20.5%

# FY2023 Status Update

- Final State FY2023 Budget signed July 28, 2022 resulting in \$145,143 above budget; ARHS Assessment came \$81,469 in lower; Market Adjustments and Growth helped off-set projected tax impact
- Final Town FY2023 Budget and tax rate approved November 21, 2022 resulting in average Single Family Home tax bill increase of \$380
- FY2023 Revenues continue to track projections and no issues to report at this stage

# Single Family Homes

- Estimated FY2023 Tax impact \$513
- Market Adjustments & Growth (\$110)
- Change to Tax Levy due to:
  - \$145,143 Net Increase in State Aid (\$21)
  - \$81,469 Decrease to ARHS Assessment (\$12)
  - \$20,412 Other Minor Changes/Adjustments \$10
- **Final FY2023 Tax Impact \$380**

# What is Financial Condition?

Financial condition is broadly defined as the ability of a Town to:

- Maintain existing service levels,
- Withstand local and regional economic disruptions, and
- Meet the demands of natural growth, decline, and change.

**\*\*The FTMS Report is designed to objectively  
measure Financial Condition\*\***

# Aspects of Financial Condition

- Cash Solvency: The Town's ability to pay immediate obligations during the next 30-60 days
- Budgetary Solvency: Its ability to pay financial obligations within the current fiscal period (balanced Fiscal Year)
- Long-Run Solvency: Its ability to continue paying obligations in future fiscal periods (debt, pensions, etc.)
- Service-Level Solvency: The Town's ability to continue providing the level of services expected by its residents



# Financial Trend Monitoring System

- Key financial indicators are analyzed in order to assess the financial direction of the Town. Many of the same benchmarks used by the credit rating industry.
- The full report is designed to bring issues and opportunities to the attention of decision-makers through a systematic method of trend analysis.
- Report developed using the ICMA manual entitled Evaluating Financial Condition, A Handbook for Local Government.

# Purpose of the FTMS

- Gain understanding of the Town's financial condition
- Identify hidden or emerging problems before they reach serious proportions
- Present a straightforward picture of strengths and weaknesses to Town Officials and citizens
- Reinforce the need for long-range considerations in the budget process
- Provide a starting place for reviewing and updating financial policies that guide decision-making

# Objectives of the FTMS

- Predict: so that the Town can be prepared to deal with fiscal distress before it becomes fiscal crisis
- Avert: and take action to avoid fiscal crisis
- Mitigate: through corrective action and/or policy changes, regain sound financial footing, or at least contain the problem
- Prevent: a recurrence of fiscal distress after the Town addresses the current issue or crisis (e.g., reliance on one-time revenues or health insurance increases)

# Fiscal Distress vs. Fiscal Crisis

- Fiscal Distress: temporary imbalance between the level of financial resources the Town has committed and its potential available resources
- Fiscal Crisis: occurs when the local government can no longer pay its bills or provide existing levels of service
- Goal is to protect our policy-making ability by ensuring that important decisions are not controlled by financial problems or emergencies.

# Executive Summary

## Financial Indicator

FY2023

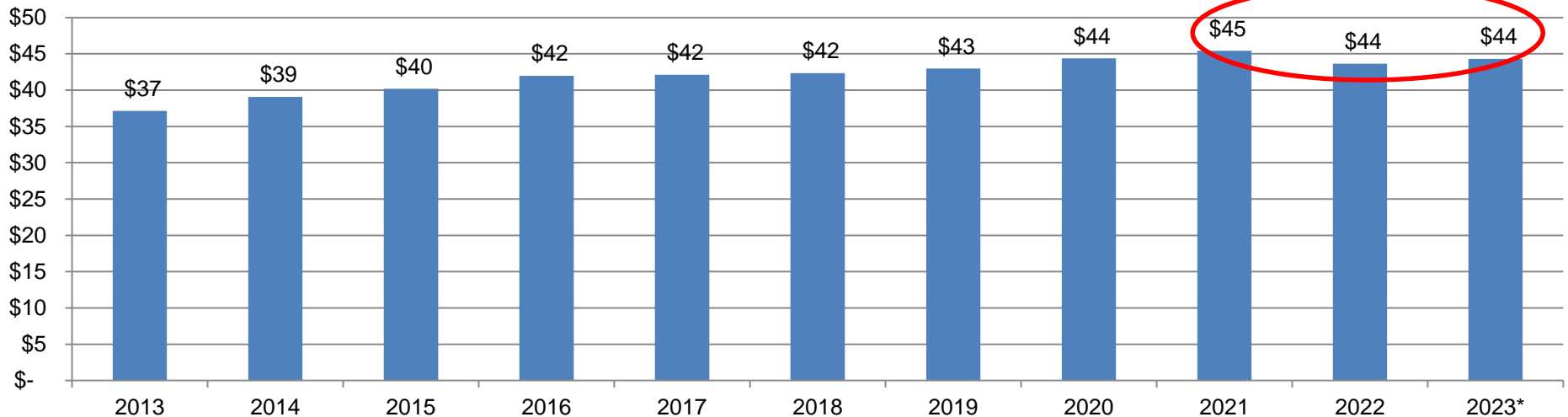
1	Property Tax Revenues	Favorable
2	Uncollected Property Taxes	Favorable
3	Revenues & Expenditures per Capita	Favorable
4	State Aid (Intergovernmental Revenues)	Unfavorable
5	Economic Growth Revenues	Stable / Uncertain
6	Use of One-Time Revenues	Favorable
7	Personnel Costs	Stable
8	Employee Benefits	Stable
9	Pension Liability	Favorable
10	Other Post Employment (OPEB) Liability	Unfavorable / Improving
11	Debt Service Expenditures	Favorable
12	Financial Reserves/Fund Balance	Favorable
13	Capital Investment—Overall fixed asset values	Favorable
14	Capital Investment—Pavement Management	Favorable



## Town of Northborough Financial Indicators

### Indicator 1: Property Tax Revenue

#### Net Property Tax Revenues (constant dollars, in millions)



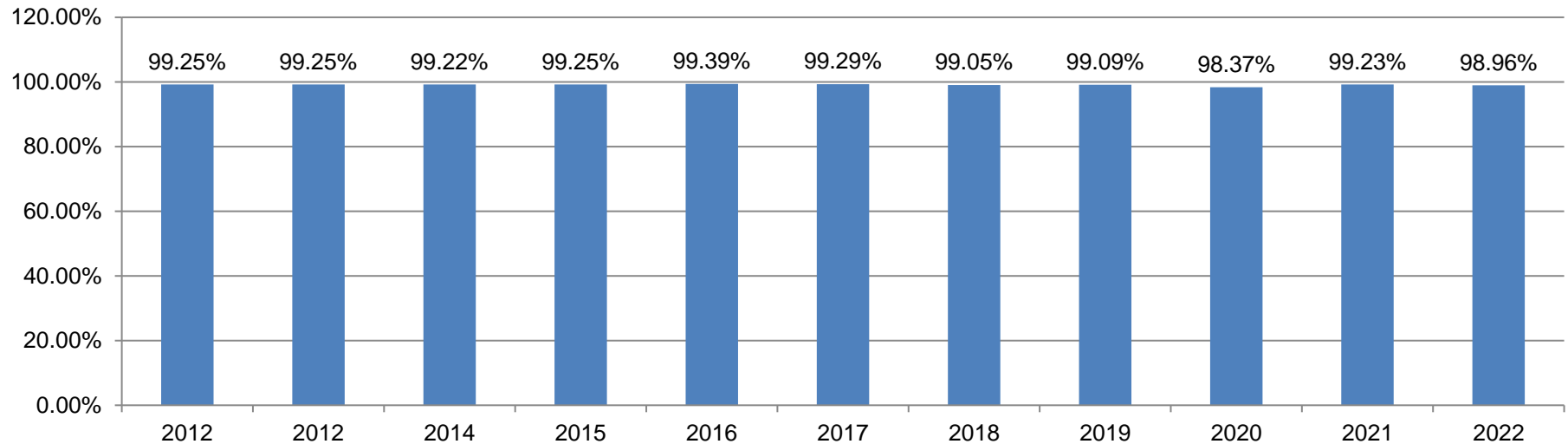
- Formula: Property Tax Revenues in constant dollars
- Warning: Declining tax revenues
- Trend: **Favorable**
- Comments: Taxes represent approximately 80% of the Town's revenue, growth has exceeded the rate of inflation by 1.8% annually on average (ranging from -4% to 5%), depending on amounts of new growth, operational overrides and remaining unused levy capacity



## Town of Northborough Financial Indicators

### Indicator 2: Uncollected Property Tax Revenue

#### Percentage of Property Taxes Collected in Current Year



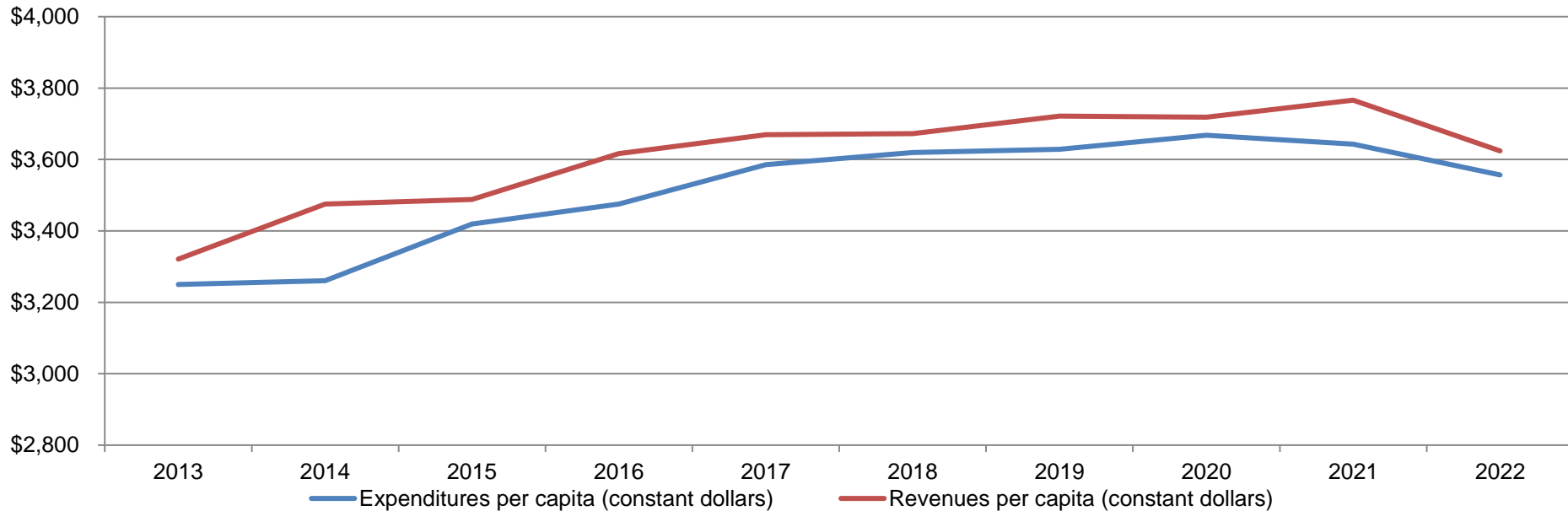
- Formula: Uncollected Property Taxes as % of Net Tax Levy
- Warning: Increasing uncollected property taxes
- Trend: **Favorable**
- Comments: Collection rates below 95% are considered negative by bond rating agencies; Northborough's collection rates are consistently between 98-99%



## Town of Northborough Financial Indicators

### Indicator 3: Revenues & Expenditures per Capita

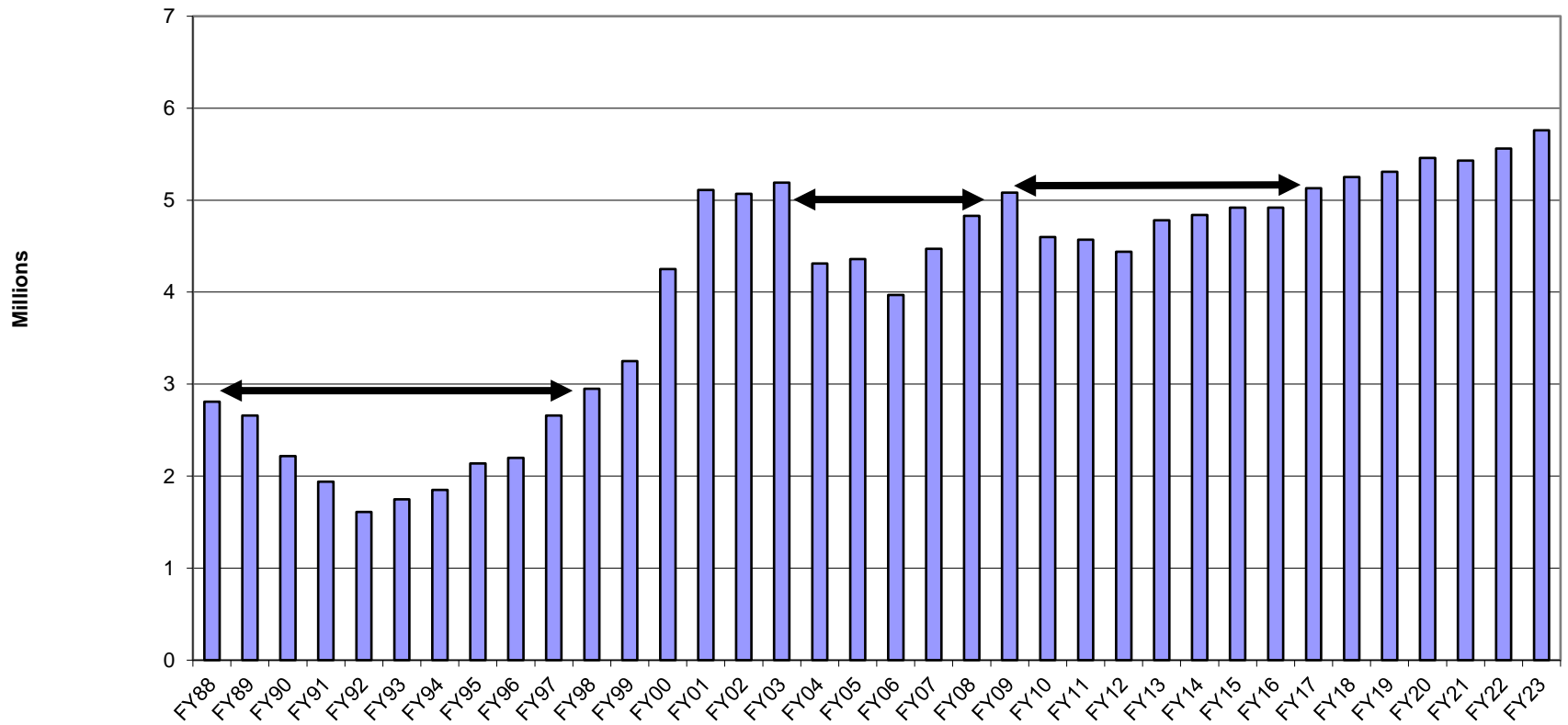
#### Operating Revenues & Expenditures Per Capita (constant dollars)



- Formula: Revenues & Expenditures divided by population
- Warning: Expenditures per capita in excess of revenues per capita
- Trend: **Favorable**
- Comments: Since FY10 revenues per capita have exceeded expenditures per capita, although the gap fluctuates based upon economic conditions.



## Northborough State Aid FY1988-2023

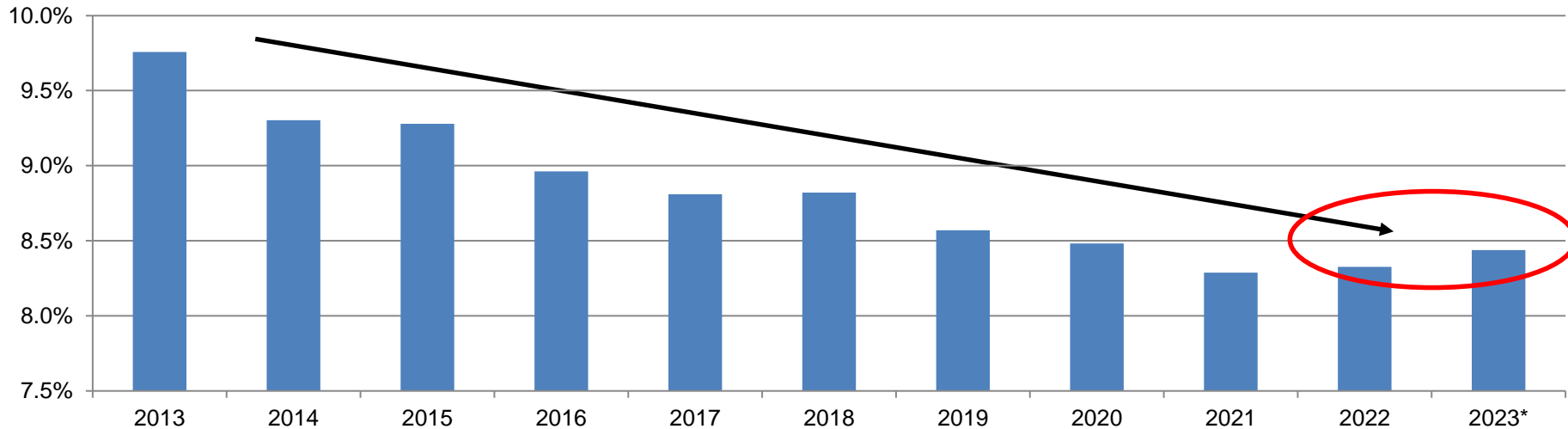




**Town of Northborough**  
Financial Indicators

**Indicator 4: State Aid (Intergovernmental Revenues)**

**State Aid as a % of Operating Revenues (constant dollars)**



- Formula: State Aid as a percentage of operating revenues
- Warning: Significant increase or decrease as % operating revenues
- Trend: **Unfavorable**
- Comments: State Aid went from a high of 13.1% of revenues in FY03 to 8.4% in FY23. Future aid remains uncertain given economic conditions and the State's commitment to fund the Student Opportunity Act benefitting low-income districts

# FY2024 State Aid Forecasts

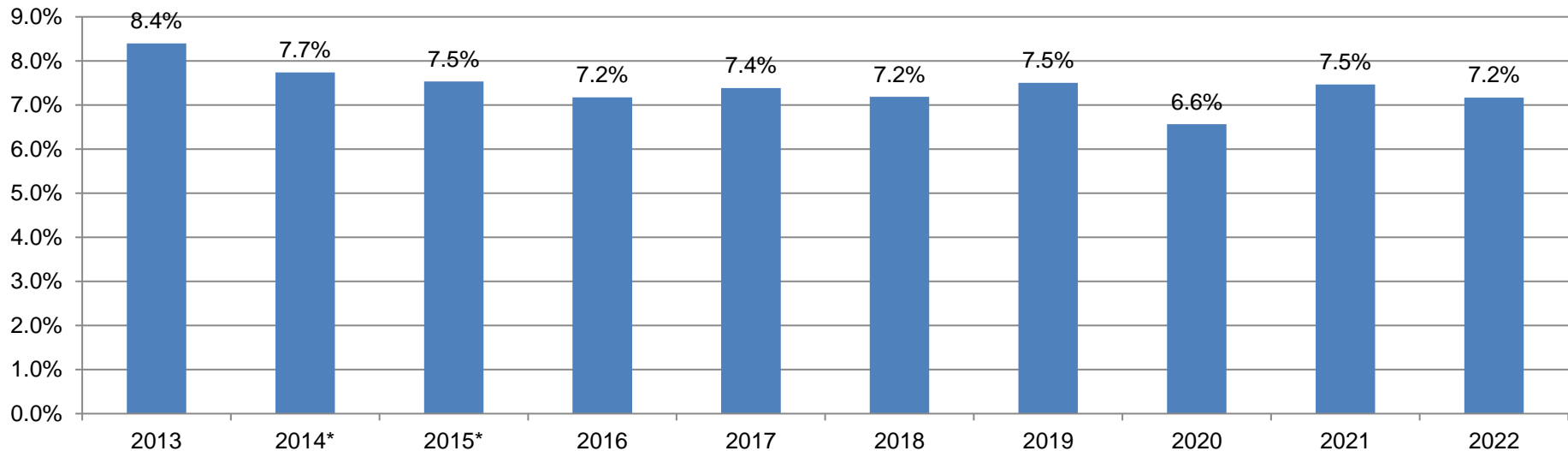
- Legislature was unable to complete their Economic Development Bill prior to July 31, 2022 expiration of the formal session due to State law Chapter 62F that caps growth in tax collections resulting in nearly \$3B in taxes being returned
- Gov. Baker subsequently signed a \$3.7B spending package on Nov. 10<sup>th</sup> that is a combination of an Economic Development bill using ARPA funds and FY2022 supplemental budget but no bonding authorization
- Thus far, FY2023 State tax collections have surpassed budget year-to-date benchmarks by 5.7%

# FY2024 State Aid Forecasts

- Under State law new Governor's FY2024 Budget deadline is pushed from third week in January to March 1<sup>st</sup>
- State Revenue Consensus Hearing typically held in December has not been announced
- Assuming FY2024 State Aid will increase 1% based upon trends
- Any State Aid received above the Town's estimate can only be used to reduce taxes
- State Aid is a political process and not a math exercise



### Economic Growth Revenues as a % of Operating Revenues



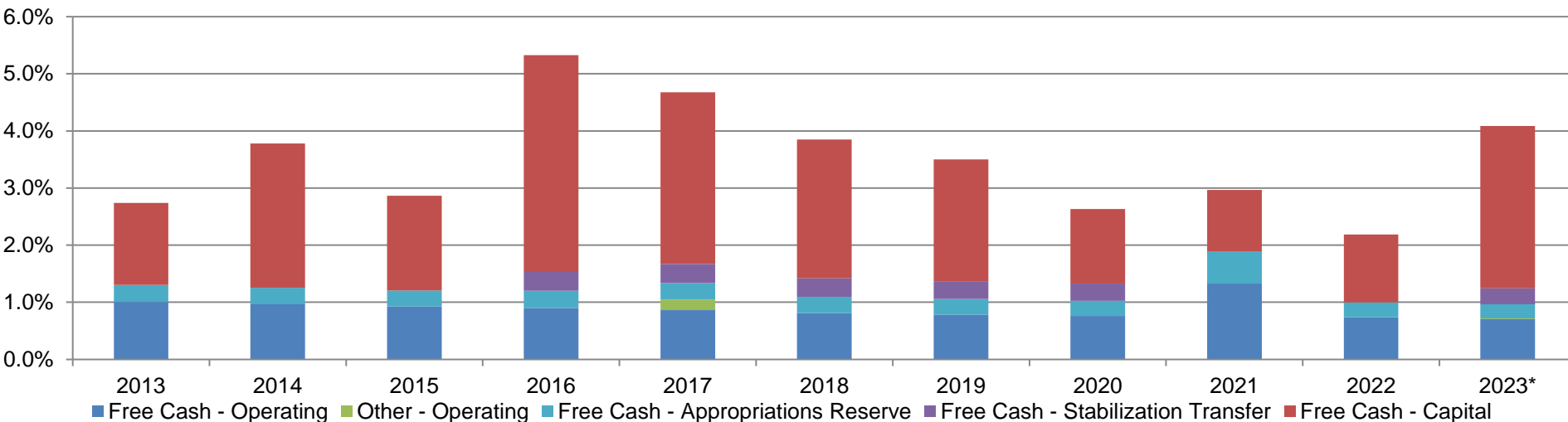
- Formula: Economic Growth Revenues divided by net revenues
- Warning: Decreasing Economic Growth Revenues as % revenues
- Trend: **Stable / Uncertain**
- Comments: Economic Growth Revenues went from stable to unfavorable overnight with the impacts of the COVID-19 pandemic. This indicator has improved and stabilized back near pre-pandemic levels. Long-term, as Town approaches buildout new growth & permits likely to decline.

# FY2024 Local Receipts

- FY2023 Local Receipts are level budgeted at \$4.2M
- FY2024 Local Receipts forecasted at \$4M
  - Approximate \$230,000 ARHS legal settlement payment from Town of Southborough ended in FY2023 (\$1.7M plus interest over 8 years)
  - Meal taxes are strong and back to pre-pandemic estimates
  - One of Northborough's two hotels remains offline with no anticipated return date
  - Motor Vehicle Excise will not be known until receipt of major commitment in February. Supply chain disruptions and computer chip shortages remain a concern looking forward
  - Building Permits were above target in recent years due to large project fees; however, no large projects are anticipated



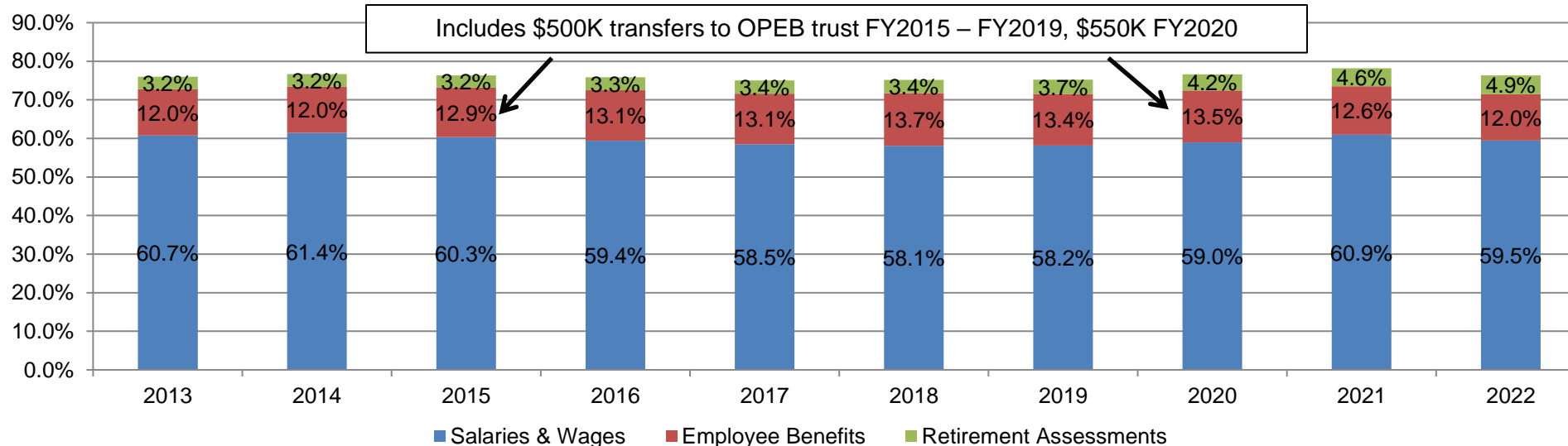
### One Time Revenues as a % of Expenditure Budget



- Formula: One-Time Revenues as % of Operating Budget
- Warning: Increasing amount of one-time revenues in the budget
- Trend: **Favorable**
- Comments: Free Cash Policy reduced reliance on one-time revenues from a high of \$1.5 million (4.1%) in FY05 to \$500,000 (.8%) in FY23. Free Cash was diverted to finance \$14.89 million pay-as-you-go capital investments since FY12.



## Personnel, Wages, and Benefits as a % of Operating Expenditures

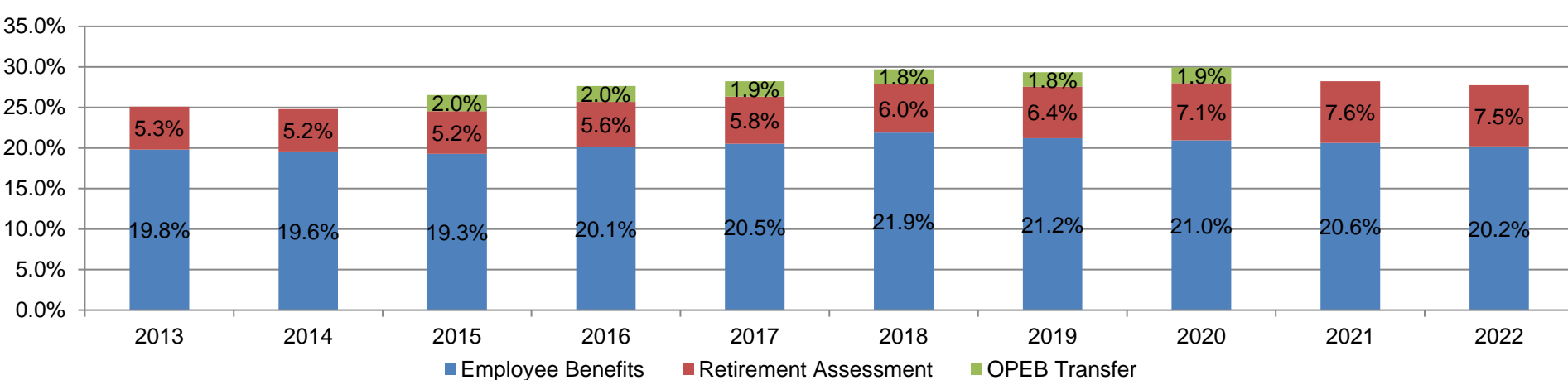


- Formula: Personnel expenses as % of Budget
- Warning: Salaries & wages increasing as % of expenditures
- Trend: **Stable**
- Comments: Personnel wages & benefits represent approximately 76% of the Town's operating budget net of ARHS & Assabet school assessments and remain relatively stable due to health insurance benefit changes, sustainable staffing and wage increases





## Employee Benefits Spending as a % of Wages & Salaries



- Formula: Employee benefit costs as % of salaries & wages
- Warning: Increasing employee benefits as % of salaries & wages
- Trend: **Stable**
- Comments: Overall, employee benefits as a % of wages & salaries increased 2.63% from FY13-FY22. FY15 includes the first annual \$500k transfer to the OPEB trust fund. Due to economic impacts of the pandemic Trust Fund contributions were postponed in FY2021, FY2022 and limited to \$300K in FY2023. The retirement assessment is increasing by approximately 10% annually to address the unfunded pension liability by 2036.

# FY2024 Health Insurance

- FY2010 Plan Design Changes and adoption of MGL c.32B, Section 18
- FY2012 Teacher contributions increased 5%
- FY2017 Plan Design Changes
- FY2018 Plan Design Changes but still experienced an 8.33% increase
- FY2019 Negotiated Carrier Consolidation resulted in a 3.8% budget increase
- FY2023 Went out to bid with joint procurement with ARHS & Southborough

Health Insurance Budget Increases	
FY2010	0.72%
FY2011	2.99%
FY2012	4.49%
FY2013	3.34%
FY2014	2.00%
FY2015	1.00%
FY2016	3.00%
FY2017	3.00%
FY2018	8.33%
FY2019	3.80%
FY2020	2.00%
FY2021	2.60%
FY2022	2.10%
FY2023	1.00%
Average	2.88%

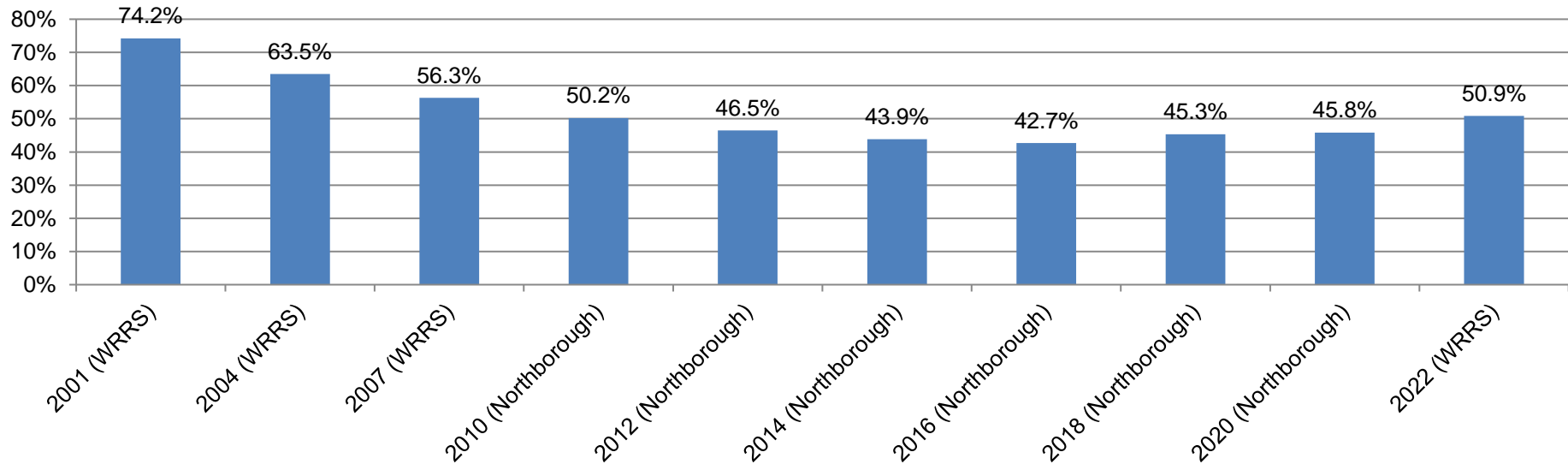
# FY2024 Health Insurance

## **Why is the Health Insurance budget increase so critical?**

- 10% increase on \$6.2 million health budget is \$620,000
- 3.5% increase on the Total General Government Budget is approximately \$858,000
- Health Insurance would consume 72% of all new FY2024 revenues for non-school departments. It swamps all other budget considerations
- Town intends to continue the joint procurement with ARHS and Southborough as part of the FY2024 Health Insurance renewals



### Pension Liability - % Funded



- Formula: Pension Assets divided by Pension Liabilities
- Warning: Unfunded liability or increase in unfunded liability
- Trend: **Favorable**
- Comments: Northborough is part of Worcester Regional Retirement System which is on schedule to be fully funded by 2036—four years before the 2040 deadline; the new funding schedule, recent pension reform and improving economy are all forces for future improvement. Northborough's share of the current unfunded liability is approx. \$30M.



## Town of Northborough Financial Indicators

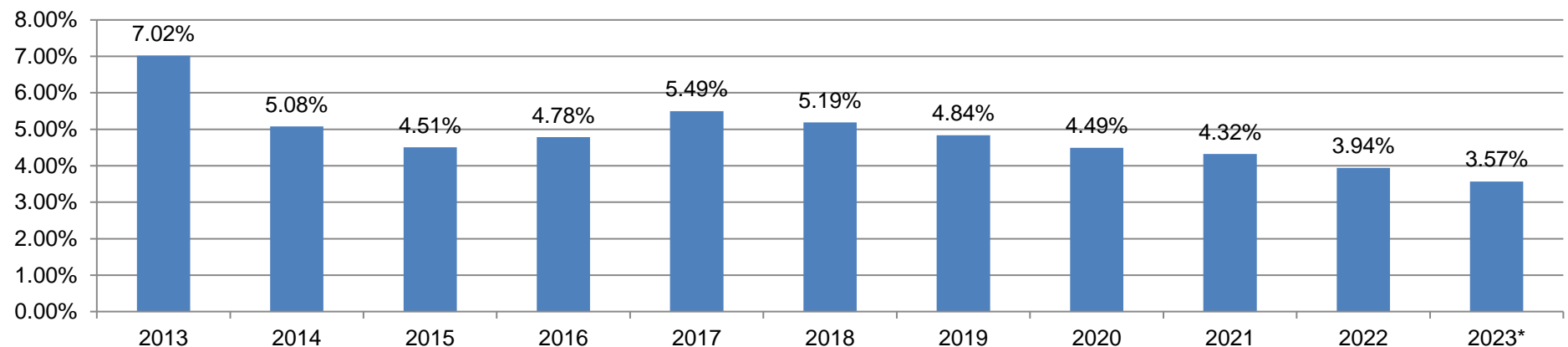
### Indicator 10: Other Post-Employment Benefits

Reporting Period	FY2009	FY2009	FY2011	FY2013	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
In Millions	Original	Revised										
Total OPEB Liability	\$90.44	\$34.29	\$28.07	\$32.64	\$35.38	\$36.57	\$39.14	\$47.33	\$37.75	\$40.05	\$45.94	\$49.02
Actuarial Value of Assets	-	-	-	-	\$0.50	\$1.05	\$1.73	\$2.44	\$3.11	\$3.74	\$4.83	\$4.65
Net OPEB Liability	\$90.44	\$34.29	\$28.07	\$32.64	\$34.88	\$35.52	\$37.41	\$44.89	\$34.64	\$36.32	\$41.11	\$44.36
Discount Rate	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	6.00%	5.25%	6.25%	6.25%	6.25%	6.19%
Funded Ratio	0.00%	0.00%	0.00%	0.00%	1.43%	2.87%	4.43%	5.15%	8.25%	9.33%	10.52%	9.49%

- Formula: Other Post-Employment Assets divided by Liabilities
- Warning: Unfunded liability or increase in unfunded liability
- Trend: **Unfavorable / Improving**
- Comments: \$500K in planned annual contributions to the OPEB Trust Fund beginning in FY15 started to improve the Town's funding ratio. As of 10/31/2022 the Fund has \$4.8M. Positive investment income marginally improved the funding ratio despite pandemic impacts preventing financial contributions in FY2021 & FY2022. Reinstatement of the full \$550K annual contributions will be a priority in FY2024 and beyond.



## Debt Service as a % of General Fund Expenditures



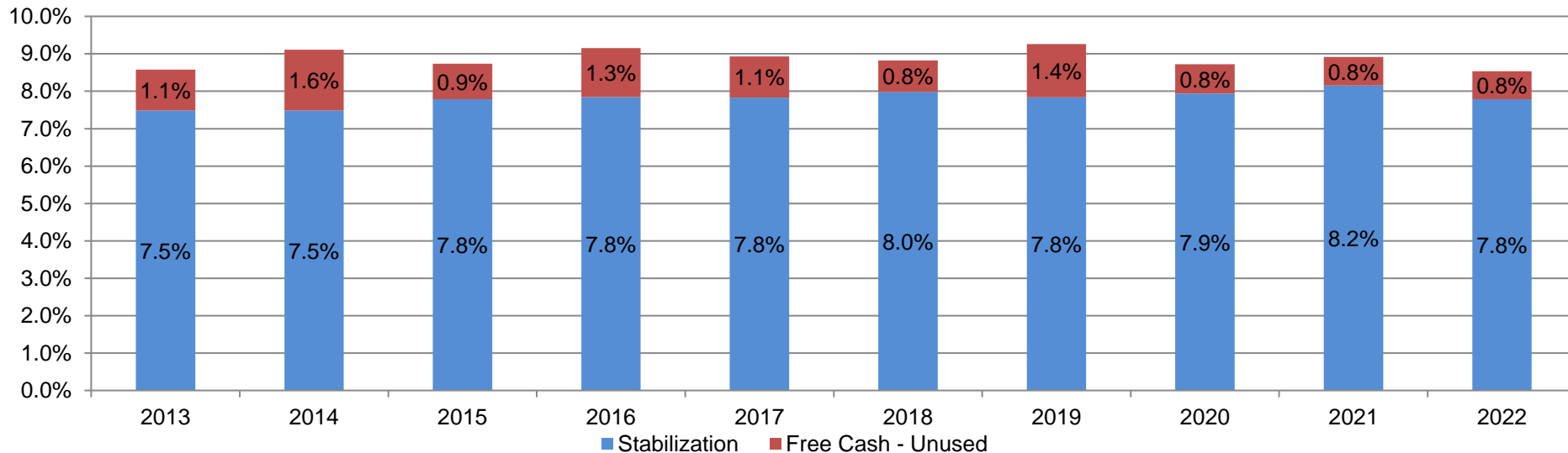
- Formula: Debt Service as % of General Fund Expenditures
- Warning: Increasing debt service as % of operating expenditures
- Trend: **Favorable**
- Comments: Overall, the Town's level of debt service is below the 5% to 10% suggested by the debt policy due to the delay of several large building projects during the pandemic. FY16 & FY17 included \$14.2 million in debt for the Lincoln St. School building project. The Town remains well positioned to finance upcoming building projects, including the new Fire Station planned to move forward next year.



## Town of Northborough Financial Indicators

## Indicator 12: Reserves/Fund Balance

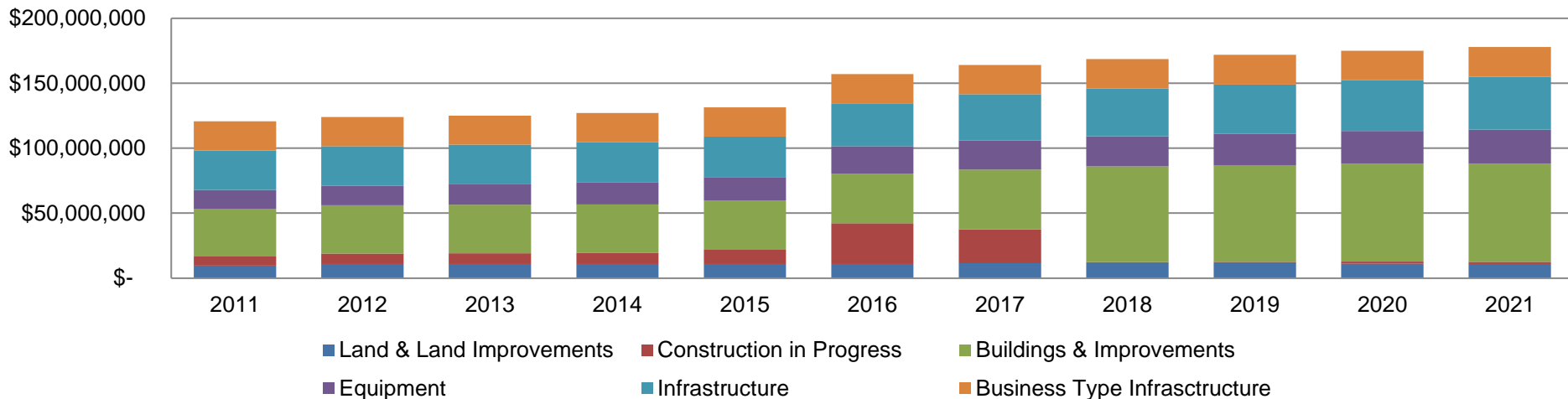
### Reserves as a % of Operating Revenue (after subsequent spending)



- Formula: Financial Reserves as % of operating revenues
- Warning: Declining reserves as % of operating revenues
- Trend: **Favorable**
- Comments: Northborough's financial policy provides for reserves to average between 5% and 10% of the Town's General Fund (Operating Budget) expenditures. FY15-FY20 included \$200K in annual contributions to the Stabilization fund; however, no contributions were made in FY21 or FY22 due to the pandemic. Reinstatement of annual contributions began in FY2023 to maintain ratios as operating budgets increase.



## Gross Fixed Asset Value Nominal Dollars - Governmental & Business-Type Activities

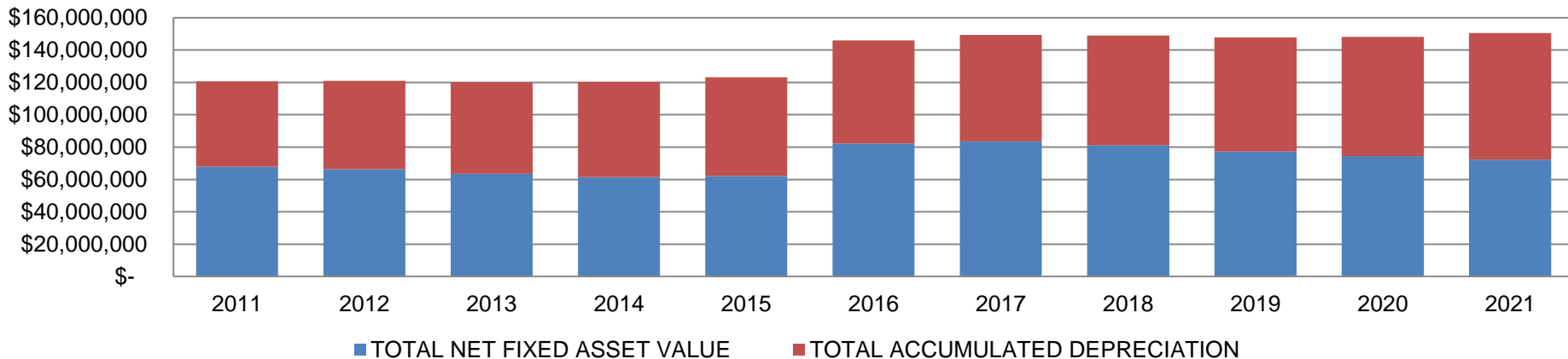


- Formula: Value of assets in service before depreciation
- Warning: Declining value of assets
- Trend: **Favorable** (Note FY2022 data is still pending)
- Comments: Reflects Northborough's overall investment in the various categories of capital assets. However, the above chart is not adjusted for inflation and does not reflect routine depreciation of assets.





## Fixed Asset Values Constant Dollars - Governmental & Business-Type Activities



- Formula: Total fixed asset values adjusted for inflation
- Warning: Declining values
- Trend: **Favorable** (Note FY2022 data is still pending)
- Comments: Reflects Northborough's continued effort to maintain its fixed asset values even after adjusting for the effects of inflation and depreciation. The blue portion of the bar graph above shows relatively constant asset value indicating regular capital investment.



## Town of Northborough Financial Indicators

### Indicator 14: Capital Investment–Pavement Management



- Formula: Average Road Surface Rating (RSR, formerly PCI)
- Warning: Declining overall average RSR
- Trend: **Favorable**
- Comments: The minimum annual investment needed to maintain the current average RSR is \$1.1 million. The target was met in FY20 with \$300K in the operating budget, \$300K in the capital plan, and \$518K in State Chapter 90 Funds. The RSR improved from 71 to 73.9 over the last five years but reduced in FY2020 due to needed culvert work. The RSR rating is routinely updated and is expected to remain stable, but without increased investment will decline in the future.

# Executive Summary

	<b>Financial Indicator</b>	<b>FY2023</b>
1	Property Tax Revenues	<b>Favorable</b>
2	Uncollected Property Taxes	<b>Favorable</b>
3	Revenues & Expenditures per Capita	<b>Favorable</b>
4	State Aid (Intergovernmental Revenues)	<b>Unfavorable</b>
5	Economic Growth Revenues	<b>Stable / Uncertain</b>
6	Use of One-Time Revenues	<b>Favorable</b>
7	Personnel Costs	<b>Stable</b>
8	Employee Benefits	<b>Stable</b>
9	Pension Liability	<b>Favorable</b>
10	Other Post Employment (OPEB) Liability	<b>Unfavorable / Improving</b>
11	Debt Service Expenditures	<b>Favorable</b>
12	Financial Reserves/Fund Balance	<b>Favorable</b>
13	Capital Investment—Overall fixed asset values	<b>Favorable</b>
14	Capital Investment—Pavement Management	<b>Favorable</b>

# FTMS Summary

## **Current Financial Condition**

- Northborough is in relatively good financial condition
- Tax base is strong with good diversification
- Financial Reserves are healthy at 8.2%
- Debt service is manageable at less than 4% of operating budget with preferred Aa1 bond rating
- Reliance on one-time revenues in the operating budget is at the policy target of \$500,000, or less than 1%
- Capital investments were strong leading up to pandemic which allowed for temporary project postponements

# FTMS Summary

## **Potential Emerging Concerns**

- Postponement of OPEB funding in FY21 and FY22 requires reassessment and commitment to future investment plans
- Postponement of capital investments in FY21 and FY22, coupled with new large projects must be balanced with tax impacts
- Uncertainty surrounding future levels of State Aid
- Reduced future economic development (new growth) revenues as Town approaches buildout

# FY2024 Budget Assumptions

- Taxes include additional increase of \$250K for OPEB to return annual trust fund contribution to \$550K
- State Aid increases 1% over FY2023 Actual
- Local Receipts level funded, less Southborough legal payment
- No additional Free Cash in the operating budget beyond \$500K policy limit
- \$200K Stabilization Fund contribution from Free Cash
- General Government increases 3.5%
- K-8 Schools increase 3.5%
- ARHS Assessment increases 3.5%
- All decisions must be made while maintaining compliance with the Town's adopted Comprehensive Financial Policies (Appendix A of the Budget)

# Financial Projections

## Overview

- Five-Year Projections
- Assumptions Used for Projections
- Future Tax Impact
- Financial Outlook

# Financial Projections

## Methodology

- Revenue driven model
  - Based upon the existing revenue sharing model
  - Establishes a revenue ceiling based upon Proposition 2 ½ and backs into the allowable annual budget growth
  - Uses FY2023 as the base and looks out 5 years
- Focuses on the top three revenue sources, or 95%
  - Taxes 82%, State Aid 8%, Motor Vehicle Excise 5%)
- Minimum goal is to maintain level service budget
  - Can we protect and maintain what we have now?
  - Will we be able to address future wants and needs?



# Financial Projections

## Assumptions

- Taxes increase by allowable Proposition 2 ½
  - New growth \$40 million in value (\$592K in new taxes) for FY2024, \$30 million from FY2025-FY2028
  - Existing unused levy capacity is available for use
- State Aid increases 1% annually
- MVE and other local receipts, projected to increase 2.5% per year from FY2024-FY2028
- Adhere to adopted Financial Policies
  - No one-time revenue gimmicks
  - Maintain financial reserves
  - Continue to invest in Capital Improvement Plan (CIP)

# Financial Projections

## Assumptions (con't)

- OPEB funding returned to budget in FY2024 at \$550,000 and assumes \$600,000-\$650,000 annually from FY2025-FY2028
- Debt service for major capital projects included
  - Fire Station Project \$25M
  - Proctor Roof \$1.7M
  - Fire Engine \$900K
  - DPW Tight Tank \$400K
  - ARHS Athletic Complex \$4.77M (61% of \$7.82M project)
  - Peaslee Feasibility \$800K
- Key budget increases
  - NB K-8 Schools, ARHS Assessments & General Government 3.5% annually
  - Assabet 5% increase FY2024, then 3.5% annually
  - Attempt is to maintain level services

### Does Not include:

- Town Offices Project
- Downtown Master Plan Projects
- Sidewalk Plan/Complete Streets
- White Cliffs

# Five-Year Expense Projections

		FY2024 Projection	FY2025 Projection	FY2026 Projection	FY2027 Projection	FY2028 Projection
<u>General Fund Expenses</u>						
<u>Education</u>						
	Northborough K-8	27,627,206	28,594,159	29,594,954	30,630,778	31,702,855
	Algonquin 9-12 Operating	13,282,669	13,747,563	14,228,728	14,726,733	15,242,169
	ARHS Ad/Ren Debt	653,069	660,000	660,000	660,000	-
	ARHS Athletic Complex Debt	-	715,975	692,109	668,244	644,378
	Assabet	1,247,984	1,291,663	1,336,872	1,383,662	1,432,090
	Assabet Debt Service	126,176	122,348	118,520	115,458	113,161
	Education Subtotal	42,937,105	45,131,707	46,631,182	48,184,874	49,134,652
<u>Town Budget</u>						
	General Government Budget	25,359,532	26,247,115	27,165,764	28,116,566	29,100,646
<u>Debt for major projects</u>						
	Other Debt Excluded Debt Service	605,560	580,605	560,810	525,820	504,685
	Lincoln St Sch Bldg Debt Exclusion	973,975	949,275	924,575	901,725	878,875
	Proctor School Roof	-	255,000	246,500	238,000	229,500
	Peaslee School Renovation	-	4,000	36,000	186,000	815,000
	Fire Station Debt Service	325,500	2,804,500	2,731,500	2,658,500	2,585,500
	Fire Engine	-	135,000	130,500	126,000	121,500
	DPW Tight Tank	-	60,000	58,000	56,000	54,000
<u>Other Funds</u>		860,000	860,000	860,000	860,000	860,000
<u>OPEB Trust</u>		550,000	600,000	600,000	650,000	650,000
<u>Stabilization Fund</u>		200,000	200,000	200,000	200,000	200,000
<u>Reserve Fund</u>		175,000	175,000	175,000	175,000	175,000
<u>Free Cash Capital Articles</u>		1,065,073	-	-	-	-
<u>ARPA Funded</u>		TBD				
Total General Fund Expenses		73,051,743	78,002,203	80,319,831	82,878,485	85,309,358
Net Excess/(Deficit)		0	0	0	0	0

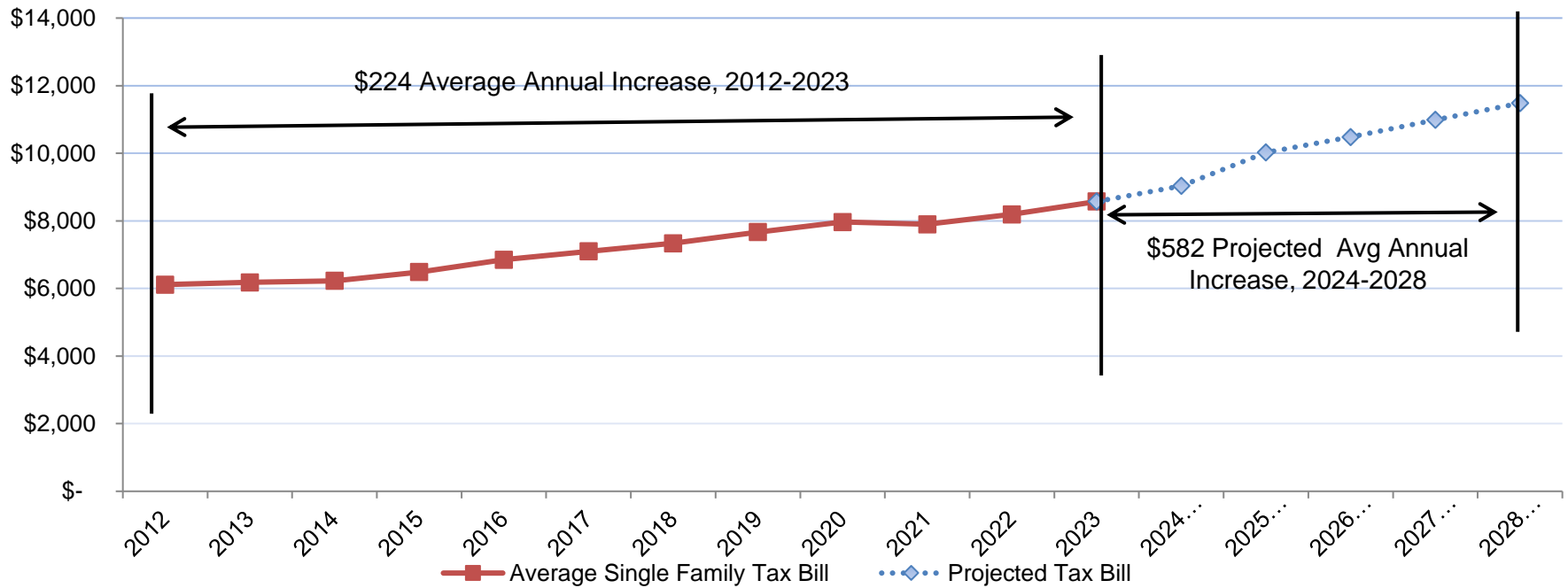
# Five-Year Revenue Projections

		FY2024 Projection	FY2025 Projection	FY2026 Projection	FY2027 Projection	FY2028 Projection
<u>General Fund Revenues</u>						
	Prior Year Levy Limit	60,232,198	62,329,603	64,333,055	66,425,831	68,583,069
	2.5%	1,505,805	1,558,240	1,608,326	1,660,646	1,714,577
	New Growth	591,600	445,212	484,451	496,591	510,296
	Levy Limit	62,329,603	64,333,055	66,425,831	68,583,069	70,807,941
	Other Debt Exclusions	542,756	580,605	560,810	525,820	504,685
	ARHS Addition/Renovation	641,488	660,000	660,000	660,000	-
	Lincoln St Sch Bldg Debt Exclusion	973,476	948,821	924,167	901,357	878,546
	Peaslee School Renovation	-	4,000	36,000	186,000	815,000
	Fire Station Debt Exclusion	314,312	2,804,500	2,731,500	2,658,500	2,585,500
	Maximum Levy	64,801,635	69,330,981	71,338,308	73,514,745	75,591,673
	Unused Levy Capacity	(4,367,399)	(3,039,387)	(2,887,841)	(2,664,968)	(2,470,960)
Total Tax Levy		60,434,236	66,291,594	68,450,467	70,849,777	73,120,713
Federal Aid	ARPA	TBD				
State Aid	Cherry Sheet	5,817,434	5,875,608	5,934,364	5,993,708	6,053,645
Local Receipts		4,000,000	4,100,000	4,200,000	4,300,000	4,400,000
Fund Balance Allocations & Transfers						
	Free Cash - Operating Budget	500,000	500,000	500,000	500,000	500,000
	Free Cash - Appropriated Reserve	175,000	175,000	175,000	175,000	175,000
	Free Cash - Transfer to Stabilization	200,000	200,000	200,000	200,000	200,000
	Free Cash - Capital/Other	1,065,073	-	-	-	-
	Other Available Funds	860,000	860,000	860,000	860,000	860,000
Total General Fund Revenues		73,051,743	78,002,202	80,319,832	82,878,485	85,309,358

# Projected Tax Impact

		FY2024	FY2025	FY2026	FY2027	FY2028
		Projection	Projection	Projection	Projection	Projection
<u>Projected Tax Impact</u>						
	Tax Base / Valuation	4,072,280,231	4,105,160,956	4,135,218,570	4,165,219,723	4,195,219,746
	Avg Single Fam	608,789	620,965	633,384	646,052	658,973
	Tax Rate	14.84	16.15	16.55	17.01	17.43
	Avg Tax Bill	9,035	10,028	10,484	10,989	11,486
	Increase (\$)	459	993	457	505	496
	Increase (%)	5.4%	11.0%	4.6%	4.8%	4.5%
Note: Tax Impact assumes a 5% increase in FY24, 2% increase in Single Family Home Values annually FY2025-FY2028; Valuation reflects \$40M						
New Growth in FY2024 and \$30M from FY2025-2028 and corresponding growth in residential values						

# Historic & Projected Tax Bills



# Financial Projections

## Financial Outlook

- Budgets increase minimally to maintain services
  - No significant staffing or service level increases
- Existing \$4.79M unused levy capacity drawn down to maintain level services
- Taxes increase between 4.5% to 11.0% annually
  - FY2024 assumes 5% increase in single family home valuations
- Assumes no major budget “surprises”

# Conclusion

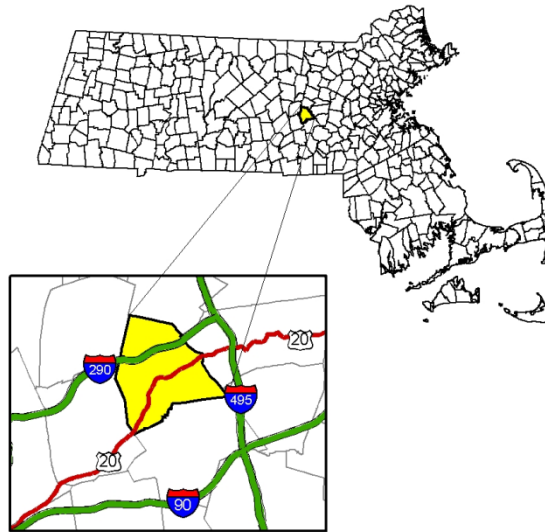
- Postponement of OPEB funding will require reassessment of future investment plans
- Large capital projects and Master Plan priorities will require reassessment of future Capital Improvement Plans
- Continue to monitor Health Insurance costs
- Continue assessing our Financial Condition, work collaboratively to address Town-wide issues, and strive to balance departmental needs with the impact on the taxpayer





# Financial Trend Monitoring Report

## QUESTIONS?



FTM Report covers the period July 1, 2012 (FY2013) through June 30, 2023 (FY2023)

# **APPENDIX D**

## **GLOSSARY OF TERMS**

## Glossary of Terms

**Abatement:** A reduction or elimination of a real or personal property tax, motor vehicle excise, a fee, charge, or special assessment imposed by a governmental unit. Granted only on application of the person seeking the abatement and only by the committing governmental unit.

**Accounting System:** The total structure of records and procedures that identify record, classify, and report information on the financial position and operations of a governmental unit or any of its funds, account groups, and organizational components.

**Accrued Interest:** The amount of interest that has accumulated on the bond since the date of the last interest payment, and in the sale of a bond, the amount accrued up to but not including the date of delivery (settlement date). (See Interest)

**Amortization:** The gradual repayment of an obligation over time and in accordance with a predetermined payment schedule.

**Appellate Tax Board (ATB):** Appointed by the governor, the ATB has jurisdiction to decide appeals from local decisions relating to property taxes, motor vehicle excises, state owned land (SOL) valuations, exemption eligibility, property classification, and equalized valuations.

**Appropriation:** An authorization granted by a town meeting, city council or other legislative body to expend money and incur obligations for specific public purposes. An appropriation is usually limited in amount and as to the time period within which it may be expended. (See Encumbrance, Free Cash)

**Arbitrage:** As applied to municipal debt, the investment of tax-exempt bonds or note proceeds in higher yielding, taxable securities. Section 103 of the Internal Revenue Service (IRS) Code restricts this practice and requires (beyond certain limits) that earnings be rebated (paid) to the IRS.

**Assessed Valuation:** A value assigned to real estate or other property by a government as the basis for levying taxes. In Massachusetts,

assessed valuation is based on the property's full and fair cash value as set by the Assessors. (See Full and Fair Cash Value)

**Audit:** An examination of a community's financial systems, procedures, and data by a certified public accountant (independent auditor), and a report on the fairness of financial statements and on local compliance with statutes and regulations. The audit serves as a valuable management tool for evaluating the fiscal performance of a community.

**Audit Report:** Prepared by an independent auditor, an audit report includes: (a) a statement of the scope of the audit; (b) explanatory comments as to application of auditing procedures; (c) findings and opinions; (d) financial statements and schedules; and (e) statistical tables, supplementary comments, and recommendations. It is almost always accompanied by a management letter.

**Available Funds:** Balances in the various fund types that represent non-recurring revenue sources. As a matter of sound practice, they are frequently appropriated to meet unforeseen expenses, for capital expenditures or other onetime costs. Examples of available funds include free cash, stabilization funds, overlay surplus, water surplus, and enterprise net assets unrestricted (formerly retained earnings).

**Balance Sheet:** A statement that discloses the assets, liabilities, reserves and equities of a fund or governmental unit at a specified date.

**Betterments (Special Assessments):** Whenever a specific area of a community receives benefit from a public improvement (e.g., water, sewer, sidewalk, etc.), special property taxes may be assessed to reimburse the governmental entity for all or part of the costs it incurred. Each parcel receiving benefit from the improvement is assessed for its proportionate share of the cost of such improvements. The proportionate share may be paid in full or the property owner may request that the assessors apportion the betterment over 20 years. Over the life of the betterment, one year's apportionment along with one year's committed interest computed from October 1 to October 1

## Glossary of Terms

is added to the tax bill until the betterment has been paid.

**Bond:** A means to raise money through the issuance of debt. A bond issuer/borrower promises in writing to repay a specified sum of money, alternately referred to as face value, par value or bond principal, to the buyer of the bond on a specified future date (maturity date), together with periodic interest at a specified rate. The term of a bond is always greater than one year. (See Note)

**Bond and Interest Record:** (Bond Register) – The permanent and complete record maintained by a treasurer for each bond issue. It shows the amount of interest and principal coming due each date and all other pertinent information concerning the bond issue.

**Bond Anticipation Note (BAN):** Short-term debt instrument used to generate cash for initial project costs and with the expectation that the debt will be replaced later by permanent bonding. Typically issued for a term of less than one year, BANs may be re-issued for up to five years, provided principal repayment begins after two years (MGL Ch. 44 §17). Principal payments on school related BANs may be deferred up to seven years (increased in 2002 from five years) if the community has an approved project on the Massachusetts School Building Authority (MSBA) priority list. BANs are full faith and credit obligations.

**Bond Authorization:** The action of town meeting or a city council authorizing the executive branch to raise money through the sale of bonds in a specific amount and for a specific purpose. Once authorized, issuance is by the treasurer upon the signature of the mayor, or selectmen. (See Bond issue)

**Bonds Authorized and Unissued:** Balance of a bond authorization not yet sold. Upon completion or abandonment of a project, any remaining unissued authorizations must be rescinded by town meeting or the city council to be removed from community's books.

**Bond Issue:** Generally, the sale of a certain number of bonds at one time by a governmental unit.

**Bond Rating (Municipal):** A credit rating assigned to a municipality to help investors assess the future ability, legal obligation, and willingness of the municipality (bond issuer) to make timely debt service payments. Stated otherwise, a rating helps prospective investors determine the level of risk associated with a given fixed-income investment. Rating agencies, such as Moody's and Standard and Poors, use rating systems, which designate a letter or a combination of letters and numerals where AAA is the highest rating and C1 is a very low rating.

**Budget:** A plan for allocating resources to support particular services, purposes and functions over a specified period of time. (See Performance Budget, Program Budget)

**Budget Message:** A statement that, among other things, offers context by summarizing the main points of a budget, explains priorities, describes underlying policies that drive funding decisions, and otherwise justifies the expenditure plan and provides a vision for the future.

**Budget Unit:** A board or department to which the municipality's legislative body appropriates funds.

**Capital Assets:** All tangible property used in the operation of government, which is not easily converted into cash, and has an initial useful life extending beyond a single financial reporting period. Capital assets include land and land improvements; infrastructure such as roads, bridges, water and sewer lines; easements; buildings and building improvements; vehicles, machinery and equipment. Communities typically define capital assets in terms of a minimum useful life and a minimum initial cost. (See Fixed Assets)

**Capital Budget:** An appropriation or spending plan that uses borrowing or direct outlay for capital or fixed asset improvements. Among other information, a capital budget should identify the method of financing each

## Glossary of Terms

recommended expenditure, i.e., tax levy or rates, and identify those items that were not recommended. (See Capital Assets, Fixed Assets)

**Capital Improvements Program:** A blueprint for planning a community's capital expenditures that comprises an annual capital budget and a five-year capital program. It coordinates community planning, fiscal capacity and physical development. While all of the community's needs should be identified in the program, there is a set of criteria that prioritizes the expenditures.

**Capital Outlay Expenditure Exclusion:** A temporary increase in the tax levy to fund a capital project or make a capital acquisition. Exclusions require two-thirds vote of the selectmen or city council (sometimes with the mayor's approval) and a majority vote in a community-wide referendum. The exclusion is added to the tax levy only during the year in which the project is being funded and may increase the tax levy above the levy ceiling.

**Cash:** Currency, coin, checks, postal and express money orders and bankers' drafts on hand or on deposit with an official or agent designated as custodian of cash and bank deposits.

**Cash Management:** The process of monitoring the ebb and flow of money in an out of municipal accounts to ensure cash availability to pay bills and to facilitate decisions on the need for short-term borrowing and investment of idle cash.

**Cemetery Perpetual Care:** These funds are donated by individuals for the care of grave sites. According to Ch. 114, s 25, funds from this account must be invested and spent as directed by perpetual care agreements. If no agreements exist, interest (but not principal) may be used as directed by the cemetery commissioners for the purpose of maintaining cemeteries.

**Certification:** Verification of authenticity. Can refer to the action of a bank, trust company, or DOR's Bureau of Accounts (BOA) in the

issuance of State House Notes, to confirm the genuineness of the municipal signatures and seal on bond issues. The certifying agency may also supervise the printing of bonds and otherwise safeguard their preparation against fraud, counterfeiting, or overissue. Also refers to the certification by the Bureau of Local Assessment (BLA) that a community's assessed values represent full and fair cash value (FFCV). (See Triennial Certification)

**Certificate of Deposit (CD):** A bank deposit evidenced by a negotiable or non-negotiable instrument, which provides on its face that the amount of such deposit plus a specified interest payable to a bearer or to any specified person on a certain specified date, at the expiration of a certain specified time, or upon notice in writing.

**Cherry Sheet:** Named for the cherry colored paper on which they were originally printed, the Cherry Sheet is the official notification to cities, towns and regional school districts of the next fiscal year's state aid and assessments. The aid is in the form of distributions, which provide funds based on formulas and reimbursements that provide funds for costs incurred during a prior period for certain programs or services. Links to the Cherry Sheets are located on the DLS website at [www.mass.gov/dls](http://www.mass.gov/dls). (See Cherry Sheet Assessments, Estimated Receipts)

**Cherry Sheet Assessments:** Estimates of annual charges to cover the cost of certain state and county programs.

**Cherry Sheet Offset Items:** Local aid that may be spent without appropriation in the budget, but which must be spent for specific municipal and regional school district programs. Current offset items include racial equality grants, school lunch grants, and public libraries grants. (See Offset Receipts)

**Classification of Real Property:** Assessors are required to classify all real property according to use into one of four classes: residential, open space, commercial, and industrial. Having classified its real properties, local officials are permitted to determine locally, within limitations established by statute and the Commissioner of Revenue, what percentage of

## Glossary of Terms

the tax burden is to be borne by each class of real property and by personal property owners. (see Classification of the Tax Rate).

**Classification of the Tax Rate:** Each year, the selectmen or city council vote whether to exercise certain tax rate options. Those options include choosing a residential factor (MGL Ch. 40 §56), and determining whether to offer an open space discount, a residential exemption (Ch. 59, §5C), and/or a small commercial exemption (Ch. 59, §5I) to property owners.

**Collective Bargaining:** The process of negotiating workers' wages, hours, benefits, working conditions, etc., between an employer and some or all of its employees, who are represented by a recognized labor union. regarding wages, hours and working conditions.

**Community Preservation Act (CPA):** Enacted as MGL Ch. 44B in 2000, CPA permits cities and towns accepting its provisions to establish a restricted fund from which monies can be appropriated only for a) the acquisition, creation and preservation of open space; b) the acquisition, preservation, rehabilitation, and restoration of historic resources; and c) the acquisition, creation and preservation of land for recreational use; d) the creation, preservation and support of community housing; and e) the rehabilitation and restoration of open space, land for recreational use and community housing that is acquired or created using monies from the fund. Acceptance requires town meeting or city council approval or a citizen petition, together with referendum approval by majority vote. The local program is funded by a local surcharge up to 3 percent on real property tax bills and matching dollars from the state generated from registry of deeds fees. (See DOR IGR 00-209 as amended by IGR 01-207 and IGR 02-208)

**Community Preservation Fund:** A special revenue fund established pursuant to MGL Ch. 44B to receive all monies collected to support a community preservation program, including but not limited to, tax surcharge receipts, proceeds from borrowings, funds received from the Commonwealth, and proceeds from the sale of certain real estate.

**Compensating Balance Agreement:** An alternative to the payment of direct fees for banking services. In this case, a bank specifies a minimum balance that the municipality must maintain in non-interest bearing accounts. The bank can then lend this money (subject to a reserve requirement) and earn interest, which will at least cover the cost of services provided to the municipality. Compensating balance agreements are permitted under MGL Ch. 44 §53F and must be approved annually by town meeting or the city council.

**Conservation Fund:** A city or town may appropriate money to a conservation fund. This money may be expended by the conservation commission for lawful conservation purposes as described in MGL Ch. 40 §8C. The money may also be expended by the conservation commission for damages arising from an eminent domain taking provided that the taking was approved by a two-thirds vote of city council or town meeting.

**Consumer Price Index:** The statistical measure of changes, if any, in the overall price level of consumer goods and services. The index is often called the "cost-of-living index."

**Cost-Benefit Analysis:** A decision-making tool that allows a comparison of options based on the level of benefit derived and the cost to achieve the benefit from different alternatives.

**Debt Authorization:** Formal approval by a two thirds vote of town meeting or city council to incur debt, in accordance with procedures stated in MGL Ch. 44 §§1, 2, 3, 4a, 6-15.

**Debt Burden:** The amount of debt carried by an issuer usually expressed as a measure of value (i.e., debt as a percentage of assessed value, debt per capita, etc.). Sometimes debt burden refers to debt service costs as a percentage of the total annual budget.

**Debt Exclusion:** An action taken by a community through a referendum vote to raise the funds necessary to pay debt service costs for a particular project from the property tax levy, but outside the limits under Proposition 2½. By

## Glossary of Terms

approving a debt exclusion, a community calculates its annual levy limit under Proposition 2½, then adds the excluded debt service cost. The amount is added to the levy limit for the life of the debt only and may increase the levy above the levy ceiling.

**Debt Limit:** The maximum amount of debt that a municipality may authorize for qualified purposes under state law. Under MGL Ch. 44 §10, debt limits are set at 5 percent of EQV. By petition to the Municipal Finance Oversight Board, cities and towns can receive approval to increase their debt limit to 10 percent of EQV.

**Debt Service:** The repayment cost, usually stated in annual terms and based on an amortization schedule, of the principal and interest on any particular bond issue.

**Encumbrance:** A reservation of funds to cover obligations arising from purchase orders, contracts, or salary commitments that is chargeable to, but not yet paid from, a specific appropriation account.

**Enterprise Funds:** An enterprise fund, authorized by MGL Ch. 44 §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 costs 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. Enterprise accounting also enables communities to reserve the "surplus" or net assets unrestricted generated by the operation of the enterprise rather than closing it out to the general fund at year-end. Services that may be treated as enterprises include, but are not limited to, water, sewer, hospital, and airport services. (See DOR IGR 08-101)

**Equalized Valuations (EQVs):** The determination of the full and fair cash value of all property in the commonwealth that is subject to local taxation. EQVs have historically been

used as variables in distributing certain state aid accounts and for determining county assessments and certain other costs. The Commissioner of Revenue, in accordance with M.G.L. Ch. 58 s 10C, is charged with the responsibility of bi-annually determining an equalized valuation for each town and city in the Commonwealth.

**Estimated Receipts:** A term that typically refers to anticipated local revenues listed on page three of the Tax Recapitulation Sheet. Projections of local revenues are often based on the previous year's receipts and represent funding sources necessary to support a community's annual budget. (See Local Receipts)

**Excess and Deficiency (E&D):** Also called the "surplus revenue" account, this is the amount by which cash, accounts receivable, and other assets exceed a regional school district's liabilities and reserves as certified by the Director of Accounts. The calculation is based on a year-end balance sheet, which is submitted to DOR by the district's auditor, accountant, or comptroller as of June 30. The regional school committee must apply certified amounts exceeding five percent of the district's prior year operating and capital costs to reduce the assessment on member cities and towns. Important: E&D is not available for appropriation until certified by the Director of Accounts.

**Excess Levy Capacity:** The difference between the levy limit and the amount of real and personal property taxes actually levied in a given year. Annually, the board of selectmen or council must be informed of excess levying capacity and evidence of such acknowledgment must be submitted to DOR when setting the tax rate.

**Exemptions:** A discharge, established by statute, from the obligation to pay all or a portion of a property tax. The exemption is available to particular categories of property or persons upon the timely submission and approval of an application to the assessors. Properties exempt from taxation include hospitals, schools, houses of worship, and

## Glossary of Terms

cultural institutions. Persons who may qualify for exemptions include disabled veterans, blind individuals, surviving spouses, and seniors.

**Expenditure:** An outlay of money made by municipalities to provide the programs and services within their approved budget.

**Fiduciary Funds:** Repository of money held by a municipality in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and other funds. These include pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and agency funds.

**Fiscal Year (FY):** Since 1974, the Commonwealth and municipalities have operated on a budget cycle that begins July 1 and ends June 30. The designation of the fiscal year is that of the calendar year in which the fiscal year ends. Since 1976, the federal government fiscal year has begun on October 1 and ended September 30.

**Fixed Assets:** Long-lived, tangible assets such as buildings, equipment and land obtained or controlled as a result of past transactions or circumstances.

**Fixed Costs:** Costs that are legally or contractually mandated such as retirement, FICA/Social Security, insurance, debt service costs or interest on loans.

**Float:** The difference between the bank balance for a local government's account and its book balance at the end of the day. The primary factor creating float is clearing time on checks and deposits. Delays in receiving deposit and withdrawal information also influence float.

**Foundation Budget:** The spending target imposed by the Education Reform Act of 1993 for each school district as the level necessary to provide an adequate education for all students.

**Free Cash:** (Also Budgetary Fund Balance) Remaining, unrestricted funds from operations of the previous fiscal year including unexpended free cash from the previous year, actual receipts in excess of revenue estimates shown on the tax

recapitulation sheet, and unspent amounts in budget line-items. Unpaid property taxes and certain deficits reduce the amount that can be certified as free cash. The calculation of free cash is based on the balance sheet as of June 30, which is submitted by the community's auditor, accountant, or comptroller. Important: free cash is not available for appropriation until certified by the Director of Accounts. (See Available Funds)

**Full and Fair Cash Value (FFCV):** Fair cash value has been defined by the Massachusetts Supreme Judicial Court as "fair market value, which is the price an owner willing but not under compulsion to sell ought to receive from one willing but not under compulsion to buy. It means the highest price that a normal purchaser not under peculiar compulsion will pay at the time, and cannot exceed the sum that the owner after reasonable effort could obtain for his property. A valuation limited to what the property is worth to the purchaser is not market value. The fair cash value is the value the property would have on January first of any taxable year in the hands of any owner, including the present owner." (Boston Gas Co. v. Assessors of Boston, 334 Mass. 549, 566 (1956))

**Full Faith and Credit:** A pledge of the general taxing powers for the payment of governmental obligations. Bonds carrying such pledges are usually referred to as general obligation or full faith and credit bonds.

**Fund:** An accounting entity with a self balancing set of accounts that is segregated for the purpose of carrying on identified activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations.

**Fund Accounting:** Organizing the financial records of a municipality into multiple, segregated locations for money. A fund is a distinct entity within the municipal government in which financial resources and activity (assets, liabilities, fund balances, revenues, and expenditures) are accounted for independently in accordance with specific regulations, restrictions or limitations. Examples of funds include the general fund and enterprise funds. Communities



## Glossary of Terms

whose accounting records are organized according to the Uniform Municipal Accounting System (UMAS) use multiple funds.

**GASB 34:** A major pronouncement of the Governmental Accounting Standards Board that establishes new criteria on the form and content of governmental financial statements. GASB 34 requires a report on overall financial health, not just on individual funds. It requires more complete information on the cost of delivering value estimates on public infrastructure assets, such as bridges, road, sewers, etc. It also requires the presentation of a narrative statement the government's financial performance, trends and prospects for the future.

**GASB 45:** This is another Governmental Accounting Standards Board major pronouncement that each public entity account for and report other postemployment benefits in its accounting statements. Through actuarial analysis, municipalities must identify the true costs of the OPEB earned by employees over their estimated years of actual service.

**General Fund:** The fund used to account for most financial resources and activities governed by the normal town meeting/city council appropriation process.

**General Obligation Bonds:** Bonds issued by a municipality for purposes allowed by statute that are backed by the full faith and credit of its taxing authority.

**Governing Body:** A board, committee, commission, or other executive or policymaking body including the school committee of a municipality.

**Government Finance Officers Association (GFOA):** This organization provides leadership to the government finance profession through education, research and the promotion and recognition of best practices.

**Governmental Accounting Standards Board (GASB):** The ultimate authoritative accounting and financial reporting standard-setting body for state and local governments.

**Indirect Cost:** Costs of a service not reflected in the operating budget of the entity providing the service. An example of an indirect cost of providing water service would be the value of time spent by non-water department employees processing water bills. A determination of these costs is necessary to analyze the total cost of service delivery. The matter of indirect costs arises most often in the context of enterprise funds.

**Interest:** Compensation paid or to be paid for the use of money, including amounts payable at periodic intervals or discounted at the time a loan is made. In the case of municipal bonds, interest payments accrue on a day-to-day basis, but are paid every six months.

**Interest Rate:** The interest payable, expressed as a percentage of the principal available for use during a specified period of time. It is always expressed in annual terms.

**Investments:** Securities and real estate held for the production of income in the form of interest, dividends, rentals or lease payments. The term does not include fixed assets used in governmental operations.

**Law Enforcement Trust Fund:** A revolving fund established to account for a portion of the proceeds from the sale of property seized from illegal drug-related activities. Funds may be expended to defray certain qualified law enforcement costs as outlined in MGL Ch. 94C, s 47. Funds from this account may be expended by the police chief without further appropriation.

**Levy Ceiling:** A levy ceiling is one of two types of levy (tax) restrictions imposed by MGL Ch. 59 §21C (Proposition 2½). It states that, in any year, the real and personal property taxes imposed may not exceed 2½ percent of the total full and fair cash value of all taxable property. Property taxes levied may exceed this limit only if the community passes a capital exclusion, a debt exclusion, or a special exclusion. (See Levy Limit)

**Levy Limit:** A levy limit is one of two types of levy (tax) restrictions imposed by MGL Ch. 59 §21C (Proposition 2½). It states that the real and

## Glossary of Terms

personal property taxes imposed by a city or town may only grow each year by 2½ percent of the prior year's levy limit, plus new growth and any overrides or exclusions. The levy limit can exceed the levy ceiling only if the community passes a capital expenditure exclusion, debt exclusion, or special exclusion. (See Levy Ceiling)

**Line Item Budget:** A budget that separates spending into categories, or greater detail, such as supplies, equipment, maintenance, or salaries, as opposed to a program budget.

**Local Aid:** Revenue allocated by the Commonwealth to cities, towns, and regional school districts. Estimates of local aid are transmitted to cities, towns, and districts annually by the "Cherry Sheets." Most Cherry Sheet aid programs are considered general fund revenues and may be spent for any purpose, subject to appropriation.

**Local Appropriation Authority:** In a town, the town meeting has the power to appropriate funds, including the authorization of debt. In a city, the city council has the power upon the recommendation of the mayor.

**Local Receipts:** Locally generated revenues, other than real and personal property taxes. Examples include motor vehicle excise, investment income, hotel/motel tax, fees, rentals, and charges. Annual estimates of local receipts are shown on the tax rate recapitulation sheet. (See Estimated Receipts)

**Massachusetts School Building Authority (MSBA):** A quasi-independent government authority that partners with Massachusetts communities to support the design and construction of educationally-appropriate, flexible, sustainable and cost-effective public school facilities.

**Maturity Date:** The date that the principal of a bond becomes due and payable in full.

**Massachusetts Municipal Depository Trust:** An investment program, founded in 1977 under the supervision of the State Treasurer, in which

municipalities may pool excess cash for investment.

**Minimum Required Local Contribution:** The minimum that a city or town must appropriate from property taxes and other local revenues for the support of schools (Education Reform Act of 1993).

**Municipal(s):** (As used in the bond trade) "Municipal" refers to any state or subordinate governmental unit. "Municipals" (i.e., municipal bonds) include not only the bonds of all political subdivisions, such as cities, towns, school districts, special districts, but also bonds of the state and agencies of the state.

**Municipal Revenue Growth Factor (MRGF):** An estimate of the percentage change in a municipality's revenue growth for a fiscal year. It represents the combined percentage increase in the following revenue components: automatic 2 1/2 percent increase in the levy limit, estimated new growth, the change in selected unrestricted state aid categories and the change in selected unrestricted local receipts.

**M.G.L.:** Massachusetts General Laws.

**Net School Spending (NSS):** School budget and municipal budget amounts attributable to education, excluding long-term debt service, student transportation, school lunches and certain other specified school expenditures. A community's NSS funding must equal or exceed the NSS Requirement established annually by the Department of Education (DOE). (See Education Reform Act of 1993) Includes both school budget and municipal budget amounts attributable to education, excluding long-term debt service, student transportation, school lunches and certain other specified school expenditures. A community's NSS funding must equal or exceed the NSS Requirement established annually by the Department of Education.

**New Growth:** The additional tax revenue generated by new construction, renovations and other increases in the property tax base during a calendar year. It does not include value increases

## Glossary of Terms

caused by normal market forces or by revaluations. New growth is calculated by multiplying the assessed value associated with new construction, renovations and other increases by the prior year tax rate. The additional tax revenue is then incorporated into the calculation of the next year's levy limit. For example, new growth for FY07 is based on new construction, etc. that occurred between January and December 2005 (or July 2005 and June 2006 for accelerated new growth communities). In the fall of 2006, when new growth is being determined to set the FY07 levy limit, the FY06 tax rate is used in the calculation.

**Note:** A short-term loan, typically with a maturity date of a year or less.

**Objects of Expenditures:** A classification of expenditures that is used for coding any department disbursement, such as "personal services," "expenses," or "capital outlay."

**Official Statement:** A document prepared for potential investors that contains information about a prospective bond or note issue and the issuer. The official statement is typically published with the notice of sale. It is sometimes called an offering circular or prospectus.

**Offset Receipts:** A local option that allows estimated receipts of a particular department to be earmarked for use of the department and appropriated to offset its annual operating budget. If accepted, MGL Ch. 44 §53E limits the amount of offset receipts appropriated to no more than the actual receipts collected for the prior fiscal year. The Director of Accounts must approve use of a higher amount before appropriation. Actual collections greater than the amount appropriated close to the general fund at year-end. If actual collections are less, the deficit must be raised in the next year's tax rate.

**Operating Budget:** A plan of proposed expenditures for personnel, supplies, and other expenses for the coming fiscal year.

**Other Amounts to be Raised:** (Tax Recapitulation Sheet) Amounts not appropriated but raised through taxation. Generally, these are locally generated expenditures (e.g., overlay, teacher pay deferral, deficits) as well as state,

county and other special district charges. Because they must be funded in the annual budget, special consideration should be given to them when finalizing the budget recommendations to the city council or town meeting.

**Overlapping Debt:** A community's proportionate share of the debt incurred by an overlapping government entity, such as a regional school district, regional transit authority, etc.

**Overlay:** (Overlay Reserve or Allowance for Abatements and Exemptions) An account established annually to fund anticipated property tax abatements, exemptions and uncollected taxes in that year. The overlay reserve need not be funded by the normal appropriation process, but rather is raised on the tax rate recapitulation sheet.

**Overlay Deficit:** A deficit that occurs when the amount of overlay raised in a given year is insufficient to cover abatements, statutory exemptions, and uncollected taxes for that year.

**Overlay Surplus:** Any balance in the overlay account of a given year in excess of the amount remaining to be collected or abated can be transferred into this account. Within 10 days of a written request by the chief executive officer of a city or town, the assessors must provide a certification of the excess amount of overlay available to transfer. Overlay surplus may be appropriated for any lawful purpose. At the end of each fiscal year, unused overlay surplus is "closed" to surplus revenue, i.e., it becomes a part of free cash.

**Override:** A vote by a community at an election to permanently increase the levy limit. An override vote may increase the levy limit no higher than the levy ceiling. The override question on the election ballot must state a purpose for the override and the dollar amount. (See Underride.)

**Override Capacity:** The difference between a community's levy ceiling and its levy limit. It is the maximum amount by which a community may override its levy limit.

## Glossary of Terms

**Performance Budget:** A budget that stresses output both in terms of economy and efficiency.

**Principal:** The face amount of a bond, exclusive of accrued interest.

**Program:** A combination of activities to accomplish an end.

**Program Budget:** A budget that relates expenditures to the programs they fund. The emphasis of a program budget is on output.

**Proposition 2½:** A state law enacted in 1980, Proposition 2½ regulates local property tax administration and limits the amount of revenue a city or town may raise from local property taxes each year to fund municipal operations.

**Purchased Services:** The cost of services that are provided by a vendor.

**Refunding of Debt:** Transaction where one bond issue is redeemed and replaced by a new bond issue under conditions generally more favorable to the issuer.

**Reserve for Abatements and Exemptions:** (See Overlay)

**Reserve Fund:** An amount set aside annually within the budget of a city (not to exceed 3 percent of the tax levy for the preceding year) or town (not to exceed 5 percent of the tax levy for the preceding year) to provide a funding source for extraordinary or unforeseen expenditures. In a town, the finance committee can authorize transfers from this fund for "extraordinary or unforeseen" expenditures. Other uses of the fund require budgetary transfers by town meeting. In a city, transfers from this fund may be voted by the city council upon recommendation of the mayor.

**Revaluation:** The assessors of each community are responsible for developing a reasonable and realistic program to achieve the fair cash valuation of property in accordance with constitutional and statutory requirements. The nature and extent of that program will depend on the assessors' analysis and consideration of

many factors, including, but not limited to, the status of the existing valuation system, the results of an in-depth sales ratio study, and the accuracy of existing property record information. Every three years, assessors must submit property values to the DOR for certification. Assessors must also maintain fair cash values in the years between certifications so that each taxpayer in the community pays his or her share of the cost of local government in proportion to the value of his property. (See Triennial Certification)

**Revenue Anticipation Borrowing:** Cities, towns and districts may issue temporary notes in anticipation of taxes (TANs) or other revenue (RANs). The amount of this type of borrowing is limited to the total of the prior year's tax levy, the net amount collected in motor vehicle and trailer excise in the prior year and payments made by the Commonwealth in lieu of taxes in the prior year. According to MGL Ch. 44 s 4, cities, towns and districts may borrow for up to one year in anticipation of such revenue.

**Revenue Anticipation Note (RAN):** A short-term loan issued to be paid off by revenues, such as tax collections and state aid. RANs are full faith and credit obligations. (See Bond Anticipation Note)

**Revenue Bond:** A bond payable from and secured solely by specific revenues and thereby not a full faith and credit obligation.

**Revolving Fund:** Allows a community to raise revenues from a specific service and use those revenues without appropriation to support the service. For departmental revolving funds, MGL Ch. 44 §53E½ stipulates that each fund must be authorized by bylaw by the legislative body, and that a limit on the total amount that may be spent from each fund must be established annually. Wages or salaries for full-time employees may be paid from the revolving fund only if the fund is also charged for all associated fringe benefits.

**Sale of Cemetery Lots Fund:** A fund established to account for proceeds of the sale of cemetery lots. The proceeds may only be appropriated to pay for the cost of the land, its

## Glossary of Terms

care and improvement or the enlargement of the cemetery under provisions of MGL Ch. 114 §15.

**Sale of Real Estate Fund:** A fund established to account for the proceeds of the sale of municipal real estate other than proceeds acquired through tax title foreclosure. MGL Chapter 44 s 63 states that such proceeds shall be applied first to the retirement of debt on the property sold. In the absence of such debt, funds may generally be used for purposes for which the town or city is authorized to borrow for a period of five years or more.

**Security:** For Massachusetts municipalities, bonds or notes evidencing a legal debt on the part of the issuer.

**Special Assessments:** (See Betterments)

**Special Exclusion:** For a few limited capital purposes, a community may exceed its levy limit or levy ceiling without voter approval. Presently, there are two special expenditure exclusions: 1) water and sewer project debt service costs which reduce the water and sewer rates by the same amount; and 2) a program to assist homeowners to repair or replace faulty septic systems, remove underground fuel storage tanks, or remove dangerous levels of lead paint to meet public health and safety code requirements. In the second special exclusion, homeowners repay the municipality for the cost plus interest apportioned over a period of time, not to exceed 20 years (similar to betterments).

**Stabilization Fund:** A fund designed to accumulate amounts for capital and other future spending purposes, although it may be appropriated for any lawful purpose (MGL Ch. 40 §5B). Communities may establish one or more stabilization funds for different purposes. A majority vote of town meeting or city council is required to establish, amend the purpose of, or appropriate money into the stabilization fund. Appropriation from the stabilization fund requires a two-thirds majority vote. (See DOR IGR 04-201)

**Surplus Revenue:** The amount by which cash, accounts receivable, and other assets exceed liabilities and reserves.

**Tax Rate:** The amount of property tax stated in terms of a unit of the municipal tax base; for example, \$14.80 per \$1,000 of assessed valuation of taxable real and personal property.

**Tax Rate Recapitulation Sheet (Recap Sheet):** A document submitted by a city or town to the DOR in order to set a property tax rate. The recap sheet shows all estimated revenues and actual appropriations that affect the property tax rate. The recap sheet should be submitted to the DOR by September 1 (in order to issue the first-half semiannual property tax bills before October 1) or by December 1 (in order to issue the third quarterly property tax bills before January 1).

**Tax Title (or Tax Taking):** A collection procedure that secures a city or town's lien on real property and protects the municipality's right to payment of overdue property taxes. Otherwise, the lien expires if five years elapse from the January 1 assessment date and the property has been transferred to another owner. If amounts remain outstanding on the property after issuing a demand for overdue property taxes and after publishing a notice of tax taking, the collector may take the property for the city or town. After properly recording the instrument of taking, the collector transfers responsibility for collecting the overdue amounts to the treasurer. After six months, the treasurer may initiate foreclosure proceedings.

**Tax Title Foreclosure:** The procedure initiated by a city or town treasurer in Land Court or through land of low value to obtain legal title to real property already in tax title and on which property taxes are over due. The treasurer must wait at least six months from the date of a tax taking to initiate Land Court foreclosure proceedings (MGL Ch. 60 §65).

**Trust Fund:** In general, a fund for money donated or transferred to a municipality with specific instructions on its use. As custodian of trust funds, the treasurer invests and expends such funds as stipulated by trust agreements, as directed by the commissioners of trust funds or by town meeting. Both principal and interest may be used if the trust is established as an

## Glossary of Terms

expendable trust. For nonexpendable trust funds, only interest (not principal) may be expended as directed.

**Uncollected Funds:** Recently deposited checks included in an account's balance but drawn on other banks and not yet credited by the Federal Reserve Bank or local clearinghouse to the bank cashing the checks. (These funds may not be loaned or used as part of the bank's reserves and they are not available for disbursement.)

**Underride:** A vote by a community to permanently decrease the tax levy limit. As such, it is the opposite of an override. (See Override)

**Undesignated Fund Balance:** Monies in the various government funds as of June 30 that are neither encumbered nor reserved, and are therefore available for expenditure once certified as part of free cash.

**Uniform Municipal Accounting System (UMAS):** UMAS succeeds the so-called Statutory System (STAT) and is regarded as the professional standard for municipal accounting in Massachusetts. As a uniform system for local governments, it conforms to Generally Accepted Accounting Principles (GAAP), offers increased consistency in reporting and record keeping, as well as enhanced comparability of data among cities and towns.

**Unreserved Fund Balance (Surplus Revenue Account):** The amount by which cash, accounts receivable, and other assets exceed liabilities and restricted reserves. It is akin to a "stockholders' equity" account on a corporate balance sheet. It is not, however, available for appropriation in full because a portion of the assets listed as "accounts receivable" may be taxes receivable and uncollected. (See Free Cash)

**Valuation (100 Percent):** The legal requirement that a community's assessed value on property must reflect its market, or full and fair cash value.

**Warrant:** An authorization for an action. For example, a town meeting warrant establishes the matters that may be acted on by that town meeting. A treasury warrant authorizes the

treasurer to pay specific bills. The assessors' warrant authorizes the tax collector to collect taxes in the amount and from the persons listed, respectively.



This Page Intentionally Blank