

Town of Holliston, Massachusetts

Report of the

**FINANCE
COMMITTEE**

for the

October 26, 2009 Special Town Meeting

To the Citizens of the Town of Holliston:

The Finance Committee respectfully submits this Warrant and associated articles for your consideration.

Financial Overview

In May, the Finance Committee reported that the budget outlook for fiscal 2010 was highly uncertain due to the deterioration in the global economy and, more importantly for Holliston, the deterioration in revenue collection at the state level. The fiscal picture was quite unsettled and the state budgeting process for FY10 was significantly behind schedule. As a committee our advice back then was to maintain a posture of fiscal conservatism given that there was a clear downward trend in state revenue with no sign of revenue stability. Over the last several months we have received “final” state aid figures that were slightly more optimistic than we estimated in May. However, the revenue picture at the state level has still shown no sign of stabilization, and the state legislature and the governor are already discussing cuts to local aid for FY10 due to a shortfall of more than \$200 million in revenue collection for the month of September. For Holliston, this means that the small favorability we have currently will likely be eroded by cuts in local aid that are expected over the coming months. Therefore, we must continue to be vigilant about monitoring and controlling the Town’s finances. The recommendations in this warrant reflect a balance between the need to conserve funds and the need to support and maintain the Town’s services and equipment.

Committee Objectives for October Town Meeting

With the current highly volatile economic climate, the Finance Committee recommends use of available monies for only the most pressing needs of the Town. In Article 2, we are recommending several budget adjustments to address operating shortfalls or overages based on new information received since May. We are recommending several capital purchases described in Articles 7 and 9. These purchases are required to maintain the Town’s infrastructure in order to minimize ongoing equipment operating expenses.

Capital Reserve/Stabilization Funds/Capital Spending

Over the past two fiscal years, the Finance Committee has worked to build approximately \$350,000 into the annual budget to support the ongoing capital needs of the Town. At the May town meeting this amount was placed in the Capital Expenditure Fund for this purpose. The capital purchases recommended in Articles 7 and 9 will be funded out of this set-aside and available monies.

The Finance Committee recommends that a portion of the surplus, \$84,493, be placed in the Stabilization Fund. This increases the Town's fiscal reserves in light of the uncertain future of the state economy.

As always, the Finance Committee is indebted to the many Town officials and employees whose efforts make this process and report possible. We also would like to commend the other elected and appointed committees with whom the Finance Committee interacts on an ongoing basis for all their cooperative efforts. We would especially like to thank our secretary, Faith Antonioli, for her support through our many meetings.

Respectfully submitted,

HOLLISTON FINANCE COMMITTEE

Kenneth S. Szajda, Chairman

Gordon W. Johnson, Jr., Vice-Chairman

Pamula Zicko, Secretary

James Crews

Thomas Meehan

Mark J. Schultz

John D. (Jay) Leary, Jr.

Faith Antonioli, Clerk

Fund balances available prior to the Finance Committee recommendations:

Available for Appropriation (estimate)	\$ 327,110	Free Cash (estimate)	\$ 400,000
Overlay Reserve	\$ 0	Water Surplus	\$1,428,600
Capital Expenditure Fund	\$1,233,888	Conservation Fund	\$ 20,013
Stabilization Fund	\$ 857,733	Open Space Fund	\$ 39,173
Ambulance Fund	\$ 472,433	Golf Course Capital	\$ 0

Commonwealth of Massachusetts

Middlesex, ss.

Town of Holliston

To any Constable of the Town of Holliston, Greetings:

In the name of the Commonwealth you are hereby required to notify and warn the inhabitants of the Town of Holliston who are qualified to vote in Town Affairs to meet in the High School Auditorium on:

MONDAY, OCTOBER 26, 2009

at 7:30 p.m. to act on the following Articles, to wit:

ARTICLE 1. To see if the Town will vote to raise and appropriate or transfer from available funds a sum of money for unpaid bills from prior years; or take any action relative thereto. **(Board of Selectmen)**

THE FINANCE COMMITTEE RECOMMENDS THAT THE TOWN RAISE AND APPROPRIATE THE SUM OF \$5,110.37 FOR THE PURPOSE OF PAYING INVOICES FOR SERVICES FROM PRIOR FISCAL YEARS (UNANIMOUS).

ARTICLE 2. To see if the Town will vote to raise and appropriate or transfer from available funds a sum of money for the purpose of supplementing various accounts of the Town's fiscal year 2010 annual budget, previously voted by the Town under Article 14 of the Warrant for the 2009 Annual Town Meeting; or take any action relative thereto. **(Board of Selectmen)**

THE FINANCE COMMITTEE RECOMMENDS THAT THE TOWN TRANSFER \$2,858 FROM THE TOWN ACCOUNTANT BUDGET TO THE BOARD OF SELECTMEN BUDGET; RAISE AND APPROPRIATE \$34,935 TO THE RESERVE FOR TRANSFERS BUDGET; RAISE AND APPROPRIATE \$4,333 TO THE POLICE BUDGET; RAISE AND APPROPRIATE \$191,994 TO THE SCHOOL BUDGET; REDUCE THE SOLID WASTE BUDGET BY \$26,121; REDUCE THE MOTOR VEHICLE FUELS BUDGET BY \$23,000; RAISE AND APPROPRIATE \$599,525 TO THE DEBT SERVICE BUDGET (POLICE STATION PROJECT); AND APPROPRIATE \$185,215 FROM WATER SURPLUS TO THE WATER DEPARTMENT BUDGET, ALL AS SHOWN IN THE RECOMMENDED CHANGE COLUMN BELOW (FIVE IN FAVOR; MS. ZICKO AND MR. CREWS ABSENT). The Finance Committee may make additional budget recommendations at Town Meeting based on financial information that was pending at the time this report was prepared.

DEPARTMENT	CURRENT FY10 BUDGET	RECOMMENDED CHANGE	NEW FY10 BUDGET
BOARD OF SELECTMEN ACCOUNT 52000	41,600	2,858	44,458
TOWN ACCOUNTANT ACCOUNT 51000	77,877	(2,858)	75,019
RESERVE FOR TRANSFERS ACCOUNT 57810	235,000	34,935	269,935
POLICE DEPARTMENT ACCOUNT 51000	2,129,860	4,333	2,134,193
SCHOOL DEPARTMENT ACCOUNT 51000	20,309,598	191,994	20,501,592
SOLID WASTE ACCOUNT 52120	1,029,334	(26,121)	1,003,213
MOTOR VEHICLE FUELS ACCOUNT 54000	133,000	(23,000)	110,000
DEBT SERVICE ACCOUNT 57600	5,163,143	599,525	5,762,668
WATER DEPARTMENT ACCOUNT 57000	632,925	185,215	818,140

ARTICLE 3. To see if the Town will vote to transfer from available funds a sum of money for the purpose of reducing the amount of money to be raised through property taxes for fiscal year 2010; or take any action relative thereto. **(Board of Selectmen)**

THE FINANCE COMMITTEE WILL MAKE A RECOMMENDATION AT TOWN MEETING. Final figures were not available prior to the printing deadline for this Report. The Finance Committee expects to recommend a transfer of Free Cash of approximately \$400,000; the final, exact amount of Free Cash will be available at the time of Town Meeting.

ARTICLE 4. To see if the Town will vote to raise and appropriate or transfer from available funds a sum of money for the Stabilization Fund; or take any action relative thereto. **(Board of Selectmen)**

THE FINANCE COMMITTEE RECOMMENDS THAT THE TOWN RAISE AND APPROPRIATE \$84,493 (FIVE IN FAVOR; MS. ZICKO AND MR. CREWS ABSENT).

ARTICLE 5. To see if the Town will vote to raise and appropriate or transfer from available funds a sum of money for the Capital Expenditure Fund; or take any action relative thereto. **(Board of Selectmen)**

THE FINANCE COMMITTEE RECOMMENDS INDEFINITE POSTPONEMENT (UNANIMOUS).

ARTICLE 6. To see if the Town will vote to authorize the Board of Selectmen to hold a public auction for the purpose of disposing of surplus departmental equipment; or take any action relative thereto. **(Board of Selectmen)**

ARTICLE 7. To see if the Town will vote to raise and appropriate, transfer from available funds, or borrow a sum of money for the purpose of capital expenditures, including replacement and new vehicles and equipment, for the Town Clerk, Highway, Police, School, Water and Fire departments, and authorize the Board of Selectmen to trade or sell used equipment toward part of the purchase price; or take any action relative thereto. **(Board of Selectmen)**

THE FINANCE COMMITTEE RECOMMENDS THAT THE TOWN RAISE AND APPROPRIATE THE SUM OF \$1,625 FOR PHOTOGRAPHY EQUIPMENT FOR THE TOWN CLERK; RAISE AND APPROPRIATE \$28,000 FOR ONE POLICE DEPARTMENT VEHICLE, APPROPRIATE \$298,115 FROM THE CAPITAL EXPENDITURE FUND FOR COMPUTER EQUIPMENT FOR THE SCHOOL DEPARTMENT, RAISE AND APPROPRIATE \$14,115 AND APPROPRIATE \$51,885 FROM THE CAPITAL EXPENDITURE FUND FOR TWO HIGHWAY DEPARTMENT VEHICLES, AND APPROPRIATE \$185,000 FROM THE AMBULANCE REVOLVING ACCOUNT FOR A REPLACEMENT AMBULANCE (FIVE IN FAVOR; MS. ZICKO AND MR. CREWS ABSENT).

ARTICLE 8. To see if the Town will vote to act on the report of the Community Preservation Committee on the fiscal year 2010 Community Preservation budget and to appropriate or reserve for later appropriation monies from the Community Preservation Fund annual revenues or available funds for the administrative expenses of the Community Preservation Committee, the payment of debt service, the undertaking of community preservation projects and all other necessary and proper expenses for the year; or take any action relative thereto. **(Community Preservation Committee)**

THE FINANCE COMMITTEE WILL MAKE A RECOMMENDATION AT TOWN MEETING.

ARTICLE 9. To see if the Town will vote to raise and appropriate or transfer from available funds a sum of money for the Town's matching funds for a state provided handicapped accessible van; or take any action relative thereto. **(Council on Aging)**

THE FINANCE COMMITTEE RECOMMENDS THAT THE TOWN RAISE AND APPROPRIATE A SUM NOT TO EXCEED \$10,000 FOR THE TOWN'S TWENTY PERCENT SHARE FOR A TYPE C MINIBUS PROVIDED THAT THE EXECUTIVE OFFICE OF TRANSPORTATION AWARDS A GRANT IN THE AMOUNT OF \$47,362 (FIVE IN FAVOR, MS. ZICKO AND MR. CREWS ABSENT).

ARTICLE 10. To see if the Town will vote to amend the Town's previous vote under Article 11 of the Warrant for the October 27, 2008 Special Town Meeting by changing the date on which unexpended funds will transfer to the Water Surplus account; or take any action relative thereto. **(Board of Water Commissioners)**

THE FINANCE COMMITTEE RECOMMENDS THAT THE WATER DEPARTMENT BE GRANTED AN EXTENSION TO MAY 31, 2010 (UNANIMOUS).

ARTICLE 11. To see if the Town will vote to raise and appropriate, transfer from available funds, or borrow a sum of money for the purpose of complying with the DEP requirement of investigating corrective actions for public water supply well number 2; or take any action relative thereto. **(Board of Water Commissioners)**

THE FINANCE COMMITTEE RECOMMENDS THAT THE TOWN APPROPRIATE THE SUM OF \$25,000 FROM WATER SURPLUS FOR CORRECTIVE ACTIONS AT PUBLIC WATER SUPPLY WELL NUMBER 2 (UNANIMOUS).

ARTICLE 12. To see if the Town will vote to raise and appropriate, transfer from available funds, or borrow a sum of money for the purpose of constructing a water distribution booster station on Turner Road, and to acquire an easement or other interest in real property on the premises known as 147 Turner Road; or take any action relative thereto. **(Board of Water Commissioners)**

THE FINANCE COMMITTEE RECOMMENDS THAT THIS ARTICLE BE INDEFINITELY POSTPONED (UNANIMOUS).

ARTICLE 13. To see if the Town will vote to raise and appropriate, transfer from available funds, or borrow a sum of money for the purpose of reactivating public water supply well number 4 by establishing cluster wells adjacent to public water supply wells, number 3 and 4, and modifying the treatment processes for said wells; or take any action relative thereto. **(Board of Water Commissioners)**

THE FINANCE COMMITTEE WILL MAKE A RECOMMENDATION AT TOWN MEETING.

ARTICLE 14. To see if the Town will vote to authorize the Board of Selectmen to acquire by purchase, accept by donation, take by eminent domain or otherwise acquire rights in land or easements necessary for the Highland Street sidewalk project on property shown as Lots 2, 3, 68 and 69 of Block 6 on Assessors' Map 8 and shown as 850, 860, 878 and 892 Highland Street respectively; or take any action relative thereto. **(Board of Selectmen)**

ARTICLE 15. To see if the Town will vote to authorize the Board of Selectmen to petition the Town's State Representative and State Senator, either or both as the case may be, to file any and all special legislation deemed necessary for the purpose of authorizing and directing the Division of Capital Planning, or any other department of the Commonwealth of Massachusetts laying claim to or in the title to the real estate described herein; to deed, to the Town of Holliston, or its designee, any and all interest which the Commonwealth of Massachusetts has acquired, or is from this date forward, judicially determined to have acquired in any of the real estate located in the Town of Holliston which real estate is a portion of the property shown on a certain plan of land entitled: Plan of Land at the Former Andrews School, Holliston, Massachusetts (Middlesex County), prepared by Beals and Thomas, Inc., dated September 8, 2009; or to take any action relative thereto. (**Board of Selectmen**)

ARTICLE 16. To see if the Town will vote to authorize the Board of Selectmen to petition the Senate and House of Representatives in the General Court to enact a Home Rule Petition authorizing the Board of Selectmen to accept a perpetual Conservation Restriction as defined in Massachusetts General Laws Chapter 184, section 31, and as approved by the Secretary of Environmental Affairs as required under section 32 on the land presently owned by the Bullard Memorial Farm Association, said land being a portion of that real estate located at 7 Bullard Lane and shown as Lot 1 of Block 1 on Assessors' Map 9, Lot 38 of Block 4 on Assessors' Map 9, and Lot 102 of Block 6 on Assessors' Map 9, and in consideration for the acceptance of the said perpetual Conservation Restriction to further authorize the Town of Holliston to exempt the real estate described in and made subject to the perpetual Conservation Restriction, from all real estate taxes; or to take any action relative thereto. (**Open Space Committee**)

ARTICLE 17. To see if the Town will vote to accept as a public way, Quail Run (Sta. 0+00 to 4+45.65), as shown on the following plan: "Roadway Acceptance Plan of Quail Run in Holliston, MA" dated December, 1999 (revised March 2000 and September 30, 2009) prepared by GLM Engineering Consultants, Inc., Holliston, MA 01746, such way having been laid out as a Town way by the Board of Selectmen; or take any action relative thereto. (**Planning Board**)

REVENUE ASSUMPTIONS FOR FISCAL YEAR 2010

PROPERTY TAX LEVY

Base levy	\$30,392,279
New growth	200,000
Excluded debt	2,980,915
Override	N/A
TOTAL PROPERTY TAX LEVY	33,573,194

STATE AID

General	8,208,049
Offsets	641,178
School Building Assistance	2,334,971
TOTAL STATE AID	11,184,198

LOCAL RECEIPTS

MV excise	1,825,000
Interest	175,000
Water	2,057,772
Other	1,527,011
TOTAL RECEIPTS	5,584,783

AVAILABLE FUNDS

Free Cash	400,000
Capital Expenditure Fund	0
Water Surplus	710,215
Community Preservation	67,650
Ambulance Fund	491,649
Other	350,000
TOTAL AVAILABLE FUNDS	2,119,514

TOTAL REVENUES	\$52,361,689
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