

Town of Holliston, Massachusetts

Report of the

**FINANCE
COMMITTEE**

for the

October 24, 2011 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, as in the prior two years, the budget outlook for FY12 continued to remain somewhat uncertain, although revenue at the state level was slowly rising (albeit after a significant drop). In the months since May, the economic outlook has been “rocky” at best. Increased state revenue collection was originally thought to indicate a strengthening recovery; however, the economic indicators have weakened somewhat over the summer months and there is now even a concern of a “double dip” recession. For Holliston, the final budget numbers from the state were slightly better than our estimates originally predicted, largely due to increased collections near the end of FY11 that allowed the state to avoid additional expected cuts in local aid. A significant portion of this money will be used to increase our reserves back to a level that is considered fiscally healthy, as presented at the May Town Meeting. Using the additional funding in this way will improve our standing with credit rating agencies which may help reduce Holliston’s debt costs. Therefore, the Finance Committee is recommending only one significant change to the operating budget: In Article 9 we are recommending the appropriation of \$12,500 at the request of the Tree Warden. This recommendation is a result of a recent inspection of the trees throughout Holliston, as well as issues uncovered during Tropical Storm Irene. As has become the standard operating procedure, the recommendations for the Fall Special Town Meeting are centered on capital expenditures as outlined below. As always, the recommendations in this warrant reflect a balance between the need to monitor operating expenses while at the same time maintaining the town’s services and capital equipment.

Committee Objectives for Fall Special Town Meeting

With the continuing economic uncertainty, the Finance Committee recommends, in Article 9,

only one addition to the operating budget - an appropriation of \$12,500 to support the removal of dangerous trees and limbs from town owned property (mostly along public roads). The adjustments in Article 2 reflect adjustments due to the differences between preliminary and final numbers received after the May Town Meeting. In Article 7, we are recommending a series of capital purchases, in line with the Committee's commitment to implement a regular capital replacement program (funding for which has been set-aside annually as part of the May budgeting process).

Capital Reserve/Stabilization Funds

For several fiscal years, the Finance Committee has set aside approximately \$350,000 of the annual omnibus budget to support the ongoing capital needs of the town. At the May town meeting, this amount was placed in the Capital Reserve Fund for this purpose.

As outlined above, the Finance Committee sees a slight surplus in the budget at this time and will be making a recommendation at Town Meeting to appropriate monies to the stabilization fund. The exact amount will be presented at Town Meeting when final figures are available.

Capital Spending

At this time, the Finance Committee, in Article 7, is recommending the following purchases; all are part of the town's long-term capital plan:

- \$130,000 for the purchase of a sidewalk snowblower and plow for the Highway Department;
- \$3,500 for emergency roof repairs at the Library;
- \$90,000 for Police Department vehicles; and
- \$126,500 for School Department equipment.

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 with 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
Mark J. Schultz, Vice-Chairman
Pamula Zicko, Secretary
Faith Antonioli, Clerk

Thomas F. Meehan
Kathleen A. White
Michelle F. Zeamer

Fund balances available prior to the Finance Committee recommendations:

Available for Appropriation (estimate)	\$ 62,322	Free Cash (estimate)	\$ 200,000
Overlay Reserve	\$ 0	Water Surplus	\$ 807,555
Capital Expenditure Fund	\$1,593,713	Conservation Fund	\$ 20,698
Stabilization Fund	\$1,049,490	Open Space Fund	\$ 178,869
Ambulance Funds	\$ 299,365	Golf Course Capital	\$ 2,676

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 24, 2011

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 \$7,776.60 FOR THE PURPOSE OF PAYING INVOICES FOR SERVICES FROM PRIOR FISCAL YEARS (SIX IN FAVOR).

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 2012 annual budget, previously voted by the Town under Articles 15 of the Warrant for the 2011 Annual Town Meeting; or take any action relative thereto. **(Board of Selectmen)**

THE FINANCE COMMITTEE RECOMMENDS THAT THE TOWN RAISE AND APPROPRIATE \$8,500 TO THE RESERVE FOR TRANSFERS ACCOUNT; RAISE AND APPROPRIATE \$666 TO THE PARK COMMISSION BUDGET; RAISE AND APPROPRIATE \$10,566 TO THE DEBT SERVICE BUDGET; AND REDUCE THE WATER DEPARTMENT BUDGET BY \$5,270, ALL AS SHOWN IN THE RECOMMENDED CHANGE COLUMN BELOW (SIX IN FAVOR). The Finance Committee may make additional budget recommendations or revise these recommendations at Town Meeting based on financial information that was pending at the time this report was prepared.

DEPARTMENT	CURRENT FY12 BUDGET	RECOMMENDED CHANGE	NEW FY12 BUDGET
RESERVE FOR TRANSFERS ACCOUNT 57810	204,175	8,500	212,675
PARK COMMISSION ACCOUNT 51000	87,918	666	88,584
DEBT SERVICE ACCOUNT 57600	5,537,317	10,566	5,547,883
WATER DEPARTMENT ACCOUNT 57000	998,106	(5,270)	992,836

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 2012; 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 \$200,000; 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 WILL MAKE A RECOMMENDATION AT TOWN MEETING.

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 (SIX IN FAVOR).

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 Highway, Police, School, Park, Technology, Town Hall, Council on Aging 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 APPROPRIATE \$90,000 FROM THE CAPITAL EXPENDITURE FUND FOR THREE POLICE DEPARTMENT VEHICLES; APPROPRIATE \$130,000 FROM THE CAPITAL EXPENDITURE FUND FOR A SNOWBLOWER AND PLOW FOR THE HIGHWAY DEPARTMENT; APPROPRIATE \$3,500 FROM THE CAPITAL EXPENDITURE FUND FOR REPAIRS TO THE PUBLIC LIBRARY ROOF; AND APPROPRIATE \$126,500 FROM THE CAPITAL EXPENDITURE FUND FOR SCHOOL DEPARTMENT CAPITAL (FIVE IN FAVOR, MR. MEEHAN OPPOSED).

ARTICLE 8. To see if the Town will vote to act on the report of the Community Preservation Committee on the fiscal year 2012 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 purpose of contracted tree removal services; or take any action relative thereto. (**Tree Warden**)

THE FINANCE COMMITTEE RECOMMENDS THAT THE TOWN RAISE AND APPROPRIATE THE SUM OF \$12,500 FOR CONTRACTED TREE REMOVAL SERVICES (SIX IN FAVOR).

ARTICLE 10. 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 completing the construction of Well #7 by installing pumping facilities including variable frequency drives, electrical controls, well house and pipeline to the Dopping Brook water treatment facility including any necessary modifications to accommodate the connection; or to take any other action relative thereto. (**Board of Water Commissioners**)

THE FINANCE COMMITTEE WILL MAKE A RECOMMENDATION AT TOWN MEETING.

ARTICLE 11. To see if the Town will vote to raise and appropriate or transfer from available funds a sum of money for the purpose of conducting a pilot pipe condition assessment survey of asbestos cement water pipes; 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 (SIX IN FAVOR).

ARTICLE 12. To see if the Town will vote to raise and appropriate or transfer from available funds a sum of money for the purpose of conducting an independent compensation, benefits and human resources study to cover all town employees; or take any action relative thereto. (**Finance Committee**)

THE FINANCE COMMITTEE WILL MAKE A RECOMMENDATION AT TOWN MEETING.

ARTICLE 13. To see if the Town will vote to raise and appropriate or transfer from available funds a sum of money for the purpose of maintenance and improvements to the Pinecrest golf course; or take any action relative thereto. (**Golf Course Advisory Committee**)

THE FINANCE COMMITTEE WILL MAKE A RECOMMENDATION AT TOWN MEETING.

ARTICLE 14. To see if the Town will vote to accept the provisions of section 20 of Chapter 32B of the General Laws of the Commonwealth to provide for a separate Other Post

Employment Benefits Liability Trust Fund and a funding schedule for the fund; or take any action relative thereto. **(Board of Selectmen)**

THE FINANCE COMMITTEE WILL MAKE A RECOMMENDATION AT TOWN MEETING.

ARTICLE 15. To see if the Town will vote to transfer a sum of money from Ambulance Receipts Reserved for Appropriation to the General Fund; or take any action relative thereto. **(Town Accountant)**

THE FINANCE COMMITTEE RECOMMENDS THAT THE TOWN APPROPRIATE THE SUM OF \$17,850 FROM AMBULANCE RECEIPTS RESERVED FOR APPROPRIATION (SIX IN FAVOR).

ARTICLE 16. To see if the Town will vote to transfer a certain parcel of property, acquired by the Town through tax title foreclosure, to the Housing Trust, said property being shown as lot 8B of block 2 on Assessors' Map 8 and located at 44 Burnap Road, Unit 3; or take any action relative thereto. **(Board of Selectmen)**

ARTICLE 17. To see if the Town will vote to transfer a certain parcel of property, acquired by the Town through tax title foreclosure, to the Conservation Commission, said property being shown as lot 98B of block 5 on Assessors' Map 9 and located off of Shaw Farm Road; or take any action relative thereto. **(Board of Selectmen)**

ARTICLE 18. To see if the Town will vote to accept as a public way Springdale Circle (Sta. 0+00 to end), as shown on the plan entitled "Acceptance Plan of Springdale Circle, Deer Creek, Holliston, MA (Middlesex County)" dated August 23, 2011 (revised through September 6, 2011), prepared by Beals and Thomas, Inc., such way having been laid out as a Town way by the Board of Selectmen; or take any action relative thereto. **(Planning Board)**

ARTICLE 19. To see if the Town will vote to accept as a public way Indian Ridge South (Sta. 0+00 to end), as shown on the plan entitled "Acceptance Plan of Indian Ridge Road South, Clearview Estates II, Holliston, MA (Middlesex County)" dated September 30, 2011, prepared by GLM Engineering Consultants, Inc., including easements shown on said plan, such way having been laid out as a Town way by the Board of Selectmen; or take any action relative thereto. **(Planning Board)**

And you are directed to serve this Warrant by posting true copies thereof, attested, on and within the Town Hall fourteen days at least before the date of said meeting. Hereof fail not and make return of this Warrant with your doings thereon at the time and place of said meeting.

Given under our hands this third day of October A.D. 2011.

Joseph P. Marsden, Chairman
John D. Leary, Jr., Vice-Chairman
Kevin P. Conley, Clerk

**BOARD OF
SELECTMEN**

REVENUE ASSUMPTIONS FOR FISCAL YEAR 2012

PROPERTY TAX LEVY

Base levy	\$33,619,594
New growth	200,000
Excluded debt	2,807,588
TOTAL PROPERTY TAX LEVY	36,627,182

STATE AID

General	7,853,980
Offsets	707,419
School Building Assistance	2,263,760
TOTAL STATE AID	10,825,159

LOCAL RECEIPTS

MV excise	1,560,529
Interest	25,000
Water	2,385,796
Other	1,280,000
TOTAL RECEIPTS	5,251,325

AVAILABLE FUNDS

Free Cash	200,000
Capital Expenditure Fund	0
Water Surplus	0
Community Preservation	0
Ambulance Fund	20,609
Other	0
TOTAL AVAILABLE FUNDS	220,609

TOTAL REVENUES	\$52,924,275
-----------------------	---------------------