

March 21, 2023

FY2024 Select Board Recommended Budget

On Monday, March 20, 2023, the Select Board deliberated on its recommended budget by reviewing the Town Administrator recommended budget, updated budget information, and the Select Board priorities. The Select Board is dedicated to maintaining the quality of life of its residents while looking to further invest in the community. The recommended budget was approved unanimously by the board (3-0).

Changes to the Town Administrator Budget

Emergency Management (01291) – An increased stipend to the Emergency Manager from \$5,000 to \$10,000 for the ongoing work associated with the federal (FEMA) filings of COVID-19 related financial aid as well as the normal workload of the Hazard Mitigation Plan and responsibilities of the position, as compared to the compensation of similar roles in neighboring communities.

Building Inspector (01241) – Turnover of the Building Department staff (Office Manager) in Q3 of FY23 after the Town Administrator's budget was finalized resulted in an increase of \$2,133 to the Building Inspector's budget for personnel.

Fire/Ambulance – Changing the new Assistant Fire Chief Position to be split 50-50 between each department (previously it was 100% in Ambulance in Departmental Request and Town Administrator Recommendation). No change to salary request.

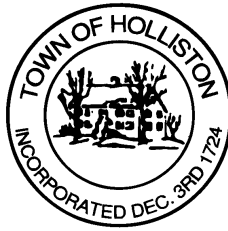
Facilities (01422) – Adding \$7,857 to the computer license line to include the schools in the inventory management software (Brightly, former Dude Solutions). This is related to the final stages of the development of the Facilities Manager position, created in FY21.

Benefits (01914) – Increase \$7,147 for the benefits budget for the OPEB Contribution, as the Town Administrator brought a correction to the Select Board – specifically, the Departmental Request and Town Administrator budget incorrectly apportioned out the costs of OPEB at \$1.5 million, based on past years, whereas the OPEB Trust Committee and Town Administrator are recommending a reduction in the OPEB contribution to \$1.25 million for FY24 (and a corresponding increase in the contribution to the Pension Stabilization Fund to \$250,000 within the 01914 Benefits budget).

Motor Vehicle Fuels (01499) – Decrease of \$8,500 to the budget due to market normalization. This results in \$176,500 recommendation for this budget line, down from the proposed \$185,000, which is still a 30%+ increase from the FY23 budget of \$135,000.

Energy & Utilities (various departments) – Decrease the energy and utilities estimates by \$13,751 because of market normalization. This change moves the estimate from an increase of 47% to E&U to an increase of 35%. Impacts five (5) budgets, including Police, DPW, Facilities, Wastewater, and Council on Aging.

Water Enterprise (61450) – Decrease the OPEB allocation by \$4,221. The original allocation was based on \$1.5M in OPEB contribution, and the Town Administrator budget included \$1.25M.



Net of the changes described above is a \$114 reduction from the Town Administrator's FY2024 Recommended Operating Budget, and a \$4,221 reduction in the Water Enterprise Fund Budget.

Changes to the Town Administrator Budget – Capital Set Aside / CapEx Contribution (May, 2023)

Furthermore, the Select Board is looking to increase the capital set-aside to progress toward a larger capital budget for future infrastructure projects, as discussed with a Working Group of the Select Board, School Committee and Finance Committee.

Specifically, the Board is in favor of making a significant stride in FY24 for the CapEx contribution (increasing from the FY23 amount of \$1.875M to \$2.35M for FY24) as part of a collaborative Working Group approach to planning two significant borrowings; (1) the DPW Facility being split between excluded and non-excluded to limit tax-payer impacts, and (2) a "bundle" borrowing authorization to move forward the three priority infrastructure projects from the Stantec reports on Pedestrian Accessibility and Water Modernization, namely Norfolk Street, Central Street and Goulding Street. To accomplish this, the Board recommends:

DPW Highway – removing \$30,000 in grounds equipment and moving it to the capital budget (separate funding mechanism).

County Retirement – decreasing the additional contribution recommended by the Town Administrator by \$120,000, by choosing to address the main liability other than OPEB/Pension: the management of debt. The money does not change the annual contribution to the retirement system – MCRS – which is mandated by law.

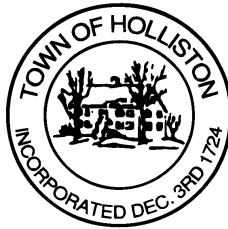
Conclusion

The Select Board is committed to investing in the community through infrastructure and personnel to ensure the community stakeholders see their needs met. We are proud of this budget and it expresses the priorities and intentions of the town in the years to come.

Process Recap

The Holliston Select Board appreciates the work to-date by Town and School finance staff towards presenting Town Meeting with a comprehensive FY2024 Operating budget. The process begins in the fall after setting the tax rate in November, with budget documents going to departments in November / December. Department requests are submitted in January and reviewed by the Town Administrator and the Select Board, when applicable. These department requests are "Level 1"

On March 2, 2023, the Town Administrator released his recommended operating budget for FY2024 ("Level 2"). The report is detailed and explains the various budget drivers and challenges in laymen's terms. The Town Administrator's recommended budget shared a comprehensive list of changes that balance departmental requests and goals against available revenue.



The Select Board's budget represents a "Level 3" budget and will be submitted to the Finance Committee for consideration during their budget deliberations. Their recommendations are "Level 4" and the basis for discussion at Town Meeting that is the ultimate appropriating authority. No money can be appropriated without Town Meeting approval.

Summary of Changes

Dept.	Line	Dept. Req.	BOS Rec	+/-
Emergency Management	Admin Salaries	\$ 5,000	\$ 10,000	\$ 5,000
Building Inspector	Clerical Salaries	\$ 63,976	\$ 66,109	\$ 2,133
Fire	Asst. Fire Chief / EMS Director	\$ -	\$ 51,000	\$ 51,000
Ambulance	Asst. Fire Chief / EMS Director	\$ 102,000	\$ 51,000	\$ (51,000)
Facilities	Computer License (Dude)	\$ 13,200	\$ 21,057	\$ 7,857
Benefits	OPEB Contrib.	\$ 1,204,276	\$ 1,211,423	\$ 7,147
Motor Vehicle Fuels	Fuels	\$ 185,000	\$ 176,500	\$ (8,500)
PD	Energy & Utilities	\$ 70,400	\$ 64,658	\$ (5,742)
DPW Hwy	Energy & Utilities	\$ 7,530	\$ 6,885	\$ (645)
Facilities	Energy & Utilities - TH	\$ 48,900	\$ 47,250	\$ (1,650)
Facilities	Energy & Utilities - 1750 Washington	\$ 4,900	\$ 4,725	\$ (175)
Facilities	Energy & Utilities - Golf	\$ 24,000	\$ 22,275	\$ (1,725)
WWTP	Energy & Utilities	\$ 22,100	\$ 20,250	\$ (1,850)
COA	Energy & Utilities	\$ 22,889	\$ 20,925	\$ (1,964)
subtotal Energy & Utilities				\$ (13,751)
Total +/- from TA Recommendation				\$ (114)
Water Ent	Benefits - OPEB	\$ 28,165	\$ 23,944	\$ (4,221)
Getting to \$2.35M for CapEx - Options:				
DPW Hwy	Grounds Equipment	\$ 30,000	\$ -	\$ (30,000)
County Retirement	MCRS - Additional Contrib.	\$ 120,000	\$ -	\$ (120,000)
Subtotal				\$ (150,000)

FY2024 Expenditures/Budget Tracking - Dept. Request (Level 1) & TA Recommendation (Level 2) & BOS (Level 3)
May 15, 2023 - Annual Town Meeting (Level 5)

FY2024 Expenditures/Budget Tracking - Dept. Request (Level 1) & TA Recommendation (Level 2) & BOS (Level 3) May 15, 2023 - Annual Town Meeting (Level 5)							4		5		Level 1			FY23-24 +/-			Level 2			Level 3			Level 3
							Actual	Actual	Budget	Dept. Req.	Chg.	Chg.	TA Rec.	Chg.	BOS Req.	Chg.	Level 3						
							Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	FY2023 to	FY2023 to	Fiscal Year	Dept. Req.	Fiscal Year	BOS Rec.	Chg (%)						
							2021	2022	2023	2024	FY2024 (\$)	FY2024 (%)	2024	to TA Rec	2024	to TA Rec	From FY23						
GG	01122	SELECT BOARD (01122)		430,164	388,796	402,971	426,726	23,755	5.89%	426,726	-	426,726	-	426,726	-	5.9%							
GG	01152	HUMAN RESOURCES (01152)		-	101,606	146,843	151,186	4,343	2.96%	151,186	-	151,186	-	151,186	-	3.0%							
GG	01131	FINANCE COMMITTEE (01131)		210	2,406	2,664	4,210	1,546	58.03%	4,210	-	4,210	-	4,210	-	58.0%							
GG	01132	RESERVE FUND (01132)		195,112	125,316	325,000	325,000	-	0.00%	325,000	-	325,000	-	325,000	-	0.0%							
GG	01135	TOWN ACCOUNTANT (01135)		174,577	179,935	188,023	195,708	7,685	4.09%	200,661	4,953	200,661	-	200,661	-	6.7%							
GG	01141	BOARD OF ASSESSORS (01141)		219,533	241,551	261,225	309,141	47,916	18.34%	295,141	(14,000)	295,141	-	295,141	-	13.0%							
GG	01145	TREASURER/COLLECTOR (01145)		361,901	336,598	371,696	386,814	15,118	4.07%	386,814	-	386,814	-	386,814	-	4.1%							
GG	01155	TECHNOLOGY (01155)		254,452	247,743	313,551	323,030	9,479	3.02%	323,333	303	323,333	-	323,333	-	3.1%							
GG	01161	TOWN CLERK (01161)		152,009	161,220	174,788	180,053	5,265	3.01%	180,053	-	180,053	-	180,053	-	3.0%							
GG	01162	ELECTIONS (01162)		35,938	9,541	47,231	41,789	(5,442)	-11.52%	41,789	-	41,789	-	41,789	-	-11.5%							
LU	01171	CONSERVATION COMMISSION (01171)		54,436	53,360	64,046	66,246	2,200	3.44%	66,246	-	66,246	-	66,246	-	3.4%							
LU	01175	PLANNING BOARD		100,080	105,330	111,438	114,747	3,309	2.97%	114,747	-	114,747	-	114,747	-	3.0%							
LU	01176	ZONING BOARD OF APPEALS (01176)		8,478	9,678	11,151	11,088	(63)	-0.56%	11,088	-	11,088	-	11,088	-	0.6%							
LU	01182	ECONOMIC DEVELOPMENT (01182)		788	4,056	14,000	51,000	37,000	264.29%	51,000	-	51,000	-	51,000	-	264.3%							
GG	01192	PUBLIC BUILDINGS (01192)		332,600	-	-	-	-	0.00%	-	-	-	-	-	-	0.0%							
GG	01199	SUSTAINABILITY COORDINATOR (01199)		47,738	47,520	50,000	51,500	1,500	3.00%	51,500	-	51,500	-	51,500	-	3.0%							
PS	01210	POLICE (01210)		2,931,610	3,080,716	3,396,687	3,582,914	186,227	5.48%	3,582,914	-	3,577,172	(5,742)	3,577,172	-	5.3%							
PS	01211	AUXILIARY POLICE (01211)		13,517	3,534	16,002	16,002	-	0.00%	16,002	-	16,002	-	16,002	-	0.0%							
PS	01220	FIRE (01220)		799,340	878,362	978,937	972,535	(6,402)	-0.65%	972,535	-	1,023,535	51,000	1,023,535	-	4.6%							
PS	01231	AMBULANCE (01231)		394,805	482,953	812,738	957,502	144,764	17.81%	957,502	-	906,502	(51,000)	906,502	-	11.5%							
LU	01241	BUILDING INSPECTION (01241)		144,289	162,844	221,199	231,956	10,757	4.86%	231,256	(700)	233,389	2,133	233,389	-	5.5%							
PS	01291	EMERGENCY MANAGEMENT (01291)		11,276	16,453	17,061	17,061	-	0.00%	17,061	-	22,061	5,000	22,061	-	29.3%							
PS	01292	ANIMAL CONTROL OFFICER (01292)		38,000	38,000	38,000	38,000	-	0.00%	38,000	-	38,000	-	38,000	-	0.0%							
PW	01420	DPW - HIGHWAY (01420)		1,291,983	1,358,778	1,665,477	1,746,281	80,804	4.85%	1,746,281	-	1,715,636	(30,645)	1,715,636	-	3.0%							
FAC	01422	FACILITIES MAINTENANCE (01422)		215,726	270,261	285,224	314,990	29,766	10.44%	314,990	-	319,297	4,307	319,297	-	11.9%							
PW	01423	SNOW AND ICE REMOVAL (01423)		395,814	421,035	250,000	250,000	-	0.00%	250,000	-	250,000	-	250,000	-	0.0%							
PW	01424	STREET LIGHTING (01424)		67,112	76,553	99,170	99,820	650	0.66%	99,820	-	99,820	-	99,820	-	0.7%							
SW	01433	SOLID WASTE (01433)		1,274,518	1,234,435	1,376,118	1,474,188	98,070	7.13%	1,474,188	-	1,474,188	-	1,474,188	-	7.1%							
PW	01440	WASTEWATER TREATMENT (01440)		85,302	100,853	97,700	108,125	10,425	10.67%	108,125	-	106,275	(1,850)	106,275	-	8.8%							
PW	01499	MOTOR VEHICLE FUELS (01499)		80,181	109,299	135,000	185,000	50,000	37.04%	185,000	-	176,500	(8,500)	176,500	-	30.7%							
HS	01512	BOARD OF HEALTH (01512)		158,273	166,749	169,494	173,541	4,047	2.39%	173,541	-	173,541	-	173,541	-	2.4%							
HS	01541	COUNCIL ON AGING (01541)		236,057	251,740	273,977	287,025	13,048	4.76%	287,025	-	285,061	(1,964)	285,061	-	4.0%							
HS	01542	YOUTH SERVICES (01542)		158,815	160,869	165,325	174,143	8,818	5.33%	173,493	(650)	173,493	-	173,493	-	4.9%							
HS	01543	VETERANS' SERVICES (01543)		88,973	91,048	94,489	97,207	2,718	2.88%	97,207	-	97,207	-	97,207	-	2.9%							
	01610	LIBRARY (01610)		514,201	529,670	552,462	624,769	72,307	13.09%	608,659	(16,110)	608,659	-	608,659	-	10.2%							
	01650	PARKS & RECREATION (01650)		125,993	141,880	147,111	153,948	6,837	4.65%	153,948	-	153,948	-	153,948	-	4.6%							
GG	01660	RAIL TRAIL (01660)		1,000	293	5,000	5,000	-	0.00%	5,000	-	5,000	-	5,000	-	0.0%							
GG	01692	CELEBRATIONS (01692)		2,000	2,000	2,300	2,500	200	8.70%	2,500	-	2,500	-	2,500	-	8.7%							
	01710	DEBT SERVICE (01710)		3,012,553	2,400,638	627,574	377,650	(249,924)	-39.82%	377,650	-	377,650	-	377,650	-	-39.8%							
	01911	COUNTY RETIREMENT (01911)		2,144,455	2,375,731	2,607,227	2,491,009	(116,218)	-4.46%	2,611,009	120,000	2,491,009	(120,000)	2,491,009	-	-4.5%							
INS	01912	WORKERS' COMPENSATION (01912)		283,171	302,068	360,200	380,969	20,769	5.77%	380,969	-	380,969	-	380,969	-	5.8%							
INS	01913	UNEMPLOYMENT (01913)		41,438	41,662	50,000	50,000	-	0.00%	50,000	-	50,000	-	50,000	-	0.0%							
INS	01914	EMPLOYEE BENEFITS (01914)		7,274,235	7,426,875	7,999,027	8,340,143	341,116	4.26%	8,364,143	24,000	8,371,290	7,147	8,371,290	-	4.7%							
INS	01945	LIABILITY INSURANCE (01945)		245,831	365,486	336,306	391,710	55,404	16.47%	391,710	-	391,710	-	391,710	-	16.5%							
	01990	TRANSFERS - TAX SUPPORTED (01990)**		2,243,740	1,988,500	1,875,000	2,200,000	325,000	17.33%	2,200,000	-	2,350,000	150,000	2,350,000	-	25.3%							
Subtotal GF, Less School				26,642,224	26,493,941	27,139,432	28,382,226	1,242,794	4.58%	28,500,022	117,796	28,499,908	(114)	28,499,908	-	5.0%							
ED	01300	SCHOOLS		35,139,715	37,098,523	38,845,279	40,529,934	1,684,655	4.34%	40,529,934	-	40,529,934	-	40,529,934	-	4.3%							
ED	01371	KEEFE TECH. VOCATIONAL		1,214,357	1,421,995	1,471,091	1,529,189	58,098	3.95%	1,529,189	-	1,529,189	-	1,529,189	-	3.9%							
TOTAL				62,996,296	65,014,459	67,455,802	70,441,349	2,985,547	4.43%	70,559,145	117,796	70,559,031	(114)	70,559,031	-	4.6%							
**Tax supported articles are not part of Omnibus Budget, but must balance within Tax Levy; this includes the "set aside" for the Capital Expenditure fund																							
61450	WATER ENTERPRISE*			2,312,475	2,504,266	3,107,052	3,572,477	465,425	14.98%	3,399,681	(172,796)	3,395,460	(4,221)	3,395,460	-	9.3%							