



Annual Budget

For the Fiscal Year
beginning July 1, 2018 and ending June 30, 2019

Town Manager

Anthony L. Marino - Acting

Finance Director

Lincoln D. Heineman

Board of Selectmen

David R. Delaney, Chair

John C. Tuzik, Vice Chair

Brian E. Barthelmes

Emmanuel J. Dockter

Jocelyn R. Keegan





Reader's Guide

The purpose of this document is to communicate the Town of Hanover's fiscal year (FY) 2019 recommended budget in a useful format for citizens, elected officials, staff, and any other interested parties. The information is presented in a user-friendly format that allows all readers to obtain answers to specific funding questions. The Budget Message should assist the reader with understanding the major aspects of the budget.

Document Organization

This budget document describes how the Town attempts to identify the community's needs for public services and the strategies by which it tries to meet those needs. We have organized this document so that the readers can obtain essential information in a quick, accessible, and digestible format. For those who wish to inquire in greater depth, we have provided greater detail.

Readers can find explanations about all appropriated funds, as well as the budget adoption process and timeline. Financial summaries are presented to reflect all sources and uses of funds. The reader can identify where all monies come from and how those dollars are used by each fund. Additionally, information is provided showing the level of fund balance maintained and the annual impact of the budget to those balances.

The Expenditure Budget Summary section contains information about the various funds at the department level, including the budget appropriation for all Town departments.

The Town Departments section should help you identify by department the following:

- mission statements
- goals and objectives
- accomplishments
- funded positions comparison for three years
- fiscal plan

The Capital Improvements sections include information on capital projects and their financing methods.

Finally, the Appendices include supplemental data for the budget document. Included in the section are items such as Reserves, Fund Descriptions and Balances, position summary, statistics, table of abbreviations, and a glossary of terms.

How to Read Financial Data

Most data within this document is presented in fiscal year terms. The Town of Hanover operates on a fiscal year that runs July 1 through June 30. Therefore, FY2019 is the period from July 1, 2018 through June 30, 2019. All information is presented using a three year comparison, that includes FY17 actual revenues and expenditures and FY18 and FY19 budgeted revenues and expenditures. Anyone interested in obtaining additional information concerning the Town of Hanover's Budget is encouraged to contact the Finance Director's Office at (781) 826-5000 x 1000 or visit the Town's website at

<http://www.hanover-ma.gov/>.

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

Town of Hanover

Massachusetts

For the Fiscal Year Beginning

July 1, 2017

Christopher P. Morill

Executive Director

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INTRODUCTION



"Hanover, Honoring Yesterday As We Build For Tomorrow"

***Town Manager's
Budget Message***



Town Manager

Memo

To: Board of Selectmen, Advisory Committee

From: Anthony Marino, Acting Town Manager

CC: All Departments

Date: 01/18/18

Re: Fiscal Year 2019 Budget

It is with great pleasure that I submit to you the proposed operating budget for Fiscal Year (FY) 2019 for the Town of Hanover. This is the first time I have the honor to submit our proposed revenues and expenses as our communities' CEO. It has been my honor to work with the Board of Selectmen, Advisory Committee and all of the department heads to prepare this budget for the Town of Hanover's consideration.

According to the Hanover Town Manager Act, the Town Manager must, "prepare and submit at a public meeting to the board of selectmen and advisory committee, not later than 90 days prior to the annual town meeting, a written proposed balanced budget for town government, including the school department, for the ensuing fiscal year." This budget is indeed balanced, and, as in past years, honors the Board of Selectmen's theme and mandate of a conservative approach to both revenues and expenses, while continuing our multi-year commitment to consolidation, honoring a long-standing commitment to education, public safety and public works, all of which fit within the Board's strategic goals and still maintain a commitment to responsible spending.

The Act also requires that the budget submission "detail all estimated revenues from all sources, and all expenditures, including debt service for the previous, current, and ensuing year." This budget message fulfills those requirements, and goes well beyond, honoring the Selectmen's goal of improving communication with the public. In addition to those required sections, this budget message also looks forward, providing insight into our long-term budget planning, and identifies emerging issues that may impact spending and municipal operations in the coming years.

Therefore, this budget is separated into five major categories: Revenues, Expenses, Capital Spending, Long-Term Financial Planning, and Emerging Issues. It represents a collaborative effort of all departments. As you know, last year's budget was a winner as a 'Distinguished Budget' from the Government Finance Officers' Association (GFOA) for the second year in a row. We are proud to submit this budget as it represents hours of work by all of our department heads and staff members.

REVENUES

The fiscal Year 2019's revenues are forecasted responsibly and conservatively, including local receipts, which are estimated at levels designed to support continuous free cash. Revenue projections are provided in a detailed manner in this budget proposal, including multi-year trending, and an explanation and analysis of each revenue category. Our staff and Department Heads meet annually before the revenue estimates are finalized and review each category and local receipt individually, discussing market trends, past performance, and anticipated activity, making each year's revenue projections both a collaborative effort and produces a true and accurate estimate. Decision makers and the public continue to have a window through which to review, analyze, and question all categories of revenues and local receipts, continuing the practice of providing detail and 'numbers behind the numbers'. This budget is also posted and indexed on the town's website, providing further access to our projected spending of the peoples' resources.

As in past years, our projection for state aid will not increase and is estimated level with this year's actual aid figure. This practice serves to insulate the town and our municipal operations from any fluctuations in the state budget and local aid changes. Recently, Governor Baker committed to increasing local aid by at least 3.5%. However, our budget projection will remain constant, staying true to our fiscally conservative values.

Overall property tax revenue is projected to increase by the allowable 2 ½ percent in FY19, with an increase in the estimate for new growth, the tax revenue that comes from new construction. The new growth estimate of \$400,000 is consistent with the increase in new commercial construction that we have experienced. The next three years will see some of the most prolific commercial growth since Route 53 was laid out as a state numbered route, with over \$150 million of private investment slated to take place in the coming months. This new growth will result in an estimated increase of more than \$1 million in new tax revenue over the next five to six years, fulfilling the Selectmen's goal of the commercial properties in town assuming a greater share of the overall tax burden. The town plans to form a "Growth Task Force" during this fiscal year comprised of residents and financial professionals to help guide our efforts in investing and wisely appropriating this additional revenue.

Ambulance receipt transfers to support operating expenses are projected to increase in FY19, and we have increased our revenue projection based upon this increase. Our collections now exceed \$1 million annually, and we are proposing to the Board of Selectmen to increase ambulance fees, which have been unchanged since 2012.

These collections continue to enable us to take a long-term approach to capital replacement. The projected figure of total transfers from this reserve account, \$1,200,000, will cover both debt payments and a portion of the Fire and Rescue operating expenses while leaving enough to continue to accumulate cash in the reserve account for future capital purchases.

Local receipts are projected to remain relatively consistent in most categories, with a slight increase in automobile excise taxes. These figures are developed in detailed consultation with our department heads and reflect an analysis of industry trends as well as historic performance here in Hanover. They will continue to be forecast well below actual proceeds, providing a large portion of the cushion that helps create a sustainable annual free cash figure.

This budget captures and fulfills the goals and requirements of the conservative policies approved by the Board of Selectmen in December of 2011 for both revenues and expenses. It continues the practice of eschewing free cash as a funding source for the operating budget, an approach that has drawn praise from both our auditor and financial advisor. This practice ensures a balanced budget that is funded with recurring and not one-time revenues and is lauded by analysts and municipal finance professionals alike.

EXPENSES

This budget reflects the Selectmen's policy of a budget that, "preserve(s) our quality of life by providing and maintaining adequate financial resources necessary to sustain a sufficient level of municipal services, and to respond to changes in the economy, the priorities of governmental and non-governmental organizations, and other changes that may affect our financial well-being." It fulfills the core values of supporting education, public safety, and public works while working toward a balance between fiscal responsibility and fulfillment of the Board's strategic goals.

The FY19 budget:

- Continues to work within sustainable revenue sources and is balanced;
- Keeps legal services spending funded at \$155,000 per year. Although demands for legal opinions continue to increase with significant permitting and construction on Route 53, labor law demands persist with the settlement of union contracts, and the ongoing Fireworks Site Cleanup project also challenges our legal resources, we continue to utilize professional and capable in-house resources to reduce the burden on our legal budget;
- This budget includes the addition of four new firefighters utilizing the SAFER grant that was awarded to the Fire Department. The addition of these firefighters allows for additional staffing during peak call volume and to fill a vacancy in shifts to minimize overtime usage. The increase in ambulance billing due to increased call volume and raising the rates is anticipated to cover these expenses when the grant expires in three years.

- Restores the funding for a full-time Conservation Agent in accordance with the vote of the Board of Selectmen after last year's reorganization of the Department of Municipal Inspections was not approved;
- Continues to provide unwavering support to public education through fulfilling the funding request of our partners at the Hanover School Department, including continuing to address the pressures of special education funding and continuing support for technology improvements;
- Reflects increased short-term interest costs to cover the temporary borrowing expenses for the construction of the Center School addition;
- The monies that were allotted in the Parks and Recreation budget for field maintenance were moved to the DPW Public Grounds to ensure that the fields are cut by our DPW personnel rather than using sub-contractors;
- Reduces Fire Department overtime spending, continuing the commitment to an efficient and nimble department now that full staffing has been achieved;
- Includes a ten percent (10%) increase for health insurance through the Mayflower Municipal Health Group (MMHG), providing funding for the 'benchmark' and 'rate saver' plans offered through MMHG via a memorandum of understanding negotiated with the town's unions steering employees to lower-cost plans;
- Increases expenses in the DPW Highway budget by \$95,000 to cover the cost of the engineering work and draft action plans to meet the Environmental Protection Agency's (EPA) Stormwater Law requirements for the Town of Hanover.

CAPITAL SPENDING

Included in this proposal are the capital requests for FY19, as required in the Act, as well as the updated five-year capital plan. Each capital proposal includes a detailed project sheet outlining the specifics of each proposed purchase. This year's capital items are routine operational items and are requested to be funded mostly with free cash, along with borrowing, and other available sources such as water use fees and ambulance receipts. With the reduced reliance on free cash to support the operating budget, the undesignated fund balance is projected to remain at healthy levels.

The capital plan continues to invest in our buildings and infrastructure, continuing a commitment that began when the town commissioned the DRA Architects study years ago.

Planned capital improvements for the new Fire Station continue to be in our plans but have been postponed again to provide the citizens and staff members working on this important project more time to develop detailed and thoughtful proposals, and to finalize the tax title acquisition of the proposed property.

LONG-TERM FINANCIAL PLANNING

Through the adoption of financial policies, the Board of Selectmen continues to make long-term financial stability and sustainability a priority. In addition to their updated strategic goals, the Board has made great strides in drafting and voting policies to tighten the town's oversight of its financial practices and reduce fraud, waste, and abuse. Here is a sampling of their recent policy achievements:

- Donations and Sponsorships - The Board has implemented an extensive policy on donations and sponsorships that will guide non-profit organizations wishing to partner with the town and setting forth clear policy guidelines on the acceptance of donations that may have long-term operational or maintenance costs;
- Ambulance Billing – The Board has approved a policy updating the town's approach to ambulance billing, now a critical financial underpinning of our capital program for the Fire Department, generating more than \$1 million in annual revenue. This policy provides clear guidelines on the collection and abatement of ambulance fees and establishes a committee of professionals to consider abatement requests, thus widening the circle of accountability for this function. The Town of Hanover will look to increase ambulance billing rates for the upcoming fiscal year to ensure we remain competitive in the marketplace and ensure we have the necessary funding to meet the increased demand for medical services in the town;
- PILOT – The Board set as a clear and measurable goal for the Town Manager the development of a Payment in Lieu of Taxes (PILOT) program and policy, seeking deeper partnership with and financial contributions from our non-profit partners in the community.

Also, the senior management team continues to work toward long-term financial viability through the pursuit of expansion of the commercial tax base and development of the town's commercial corridor on Rte. 53, another stated strategic goal of the town.

In the last year, the growth in activity on Rte. 53 has increased significantly, with both commercial and residential construction activity at unprecedented levels, ensuring tax stability for years to come.

EMERGING ISSUES

Over the next year, several emerging issues will impact the town's ability to continue on the firm and sustainable financial path upon which it currently rests. These include:

- Commercial development – As noted earlier in this memo, the anticipated increase of commercial tax revenue in the coming years, conservatively estimated at more than \$1 million, demands a measured and careful approach to this new revenue source, resulting in the formation of the ‘Growth Task Force’ noted earlier;
- Balancing development and costs – With commercial development increasing at its greatest pace in memory, the pressures of providing roadways, clean water, and other municipal services, including education, will become more acute. It will be important to have a funding and service delivery program and plan to insulate the town from rising service delivery costs; the Town will need to look at ways to reduce water consumption to ensure we have enough water for growth projections;
- Infrastructure – With rising populations, the planning and implementation of infrastructure amenities like sidewalks, walking trails, and other non-traditional methods of transportation, including expanding bus service, will be a critical planning issue. The Town was just awarded a Complete Streets grant to look at installing sidewalks and will also look at potential funding sources;
- Transparency – The Town’s ambitious effort to open its books and provide detailed, accessible information, along with the state’s requirement to have an open checkbook in the coming years, will continue to test our ability to provide information in the most accessible way, challenging our technology and our staff to be at their best. To that end, we have contracted with VisiGov, to provide a visual snapshot of how residents taxes are being spent;
- Continued Green Communities commitment – The Town of Hanover continues to be one of the Commonwealth’s premier ‘Green Communities,’ implementing over \$2 million in improvements resulting in lower energy costs and more sustainable practices. The Town’s continued commitment to this state-funded improvement program should yield further and ongoing benefits.
- Health Insurance Costs continue to increase at an average of 10-15% per year and Hanover will need to look into more creative cost-effective plans and engage the Mayflower Municipal Health Group to ensure we are offering health insurance that provides quality coverage through sustainable health plans for our employees.

CONCLUSION

This budget represents many hours of hard work by several dedicated public servants and volunteers. Many thanks to our department heads, finance staff, and numerous volunteers who collaborated on this important work.

I look forward to detailed and engaging discussions with the Board of Selectmen and Advisory Committee.

*Guide to the
FY2019 Budget*



Guide to the FY2019 Budget

OVERVIEW OF THE ANNUAL BUDGET PROCESS

The Town of Hanover operates on a fiscal year period of July 1st to June 30th each year. The process of preparing the annual budget takes place over a period of 7 months each year. Below is a table of the major events that help shape the budget:

November	<ul style="list-style-type: none">• Operating & Capital Department budgets requested
December & January	<ul style="list-style-type: none">• Department budgets reviewed by Town Manager• Budget review meetings held by Town Manager with departments; Advisory Committee• Town Manager and Finance Director evaluate project requests from the department for the capital budget.• Debt schedules and financial forecasts are updated to provide context to capital budget and the five year capital improvement plan.
January - February	<ul style="list-style-type: none">• Town Manager and School Superintendent recommend budgets• Operating budgets posted to website• Capital budget finalized
February	<ul style="list-style-type: none">• Selectmen, School Committee, and Advisory Committee review budgets• Proposed capital budget is presented to the Board of Selectmen
March - May	<ul style="list-style-type: none">• Town Meeting Warrant approved by the Selectmen• Budget, Warrant & Annual Town Report posted to the website• Budget completed and voted by the Advisory Committee & School Committee
May	<ul style="list-style-type: none">• Annual (and Special) Town Meetings• Capital & operating budgets presented to Town Meeting for approval

November - Departments are provided with their previously submitted five year capital requests for review, update and the addition of the next fifth 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 Manager.

December/January - Departmental operating budgets are submitted to the Town Manager. Meetings are held between the Town Manager, Finance Director and Department Heads to discuss the details of the operating budget requests.

The Town Manager and Finance Director receive the compiled information and begin scheduling meetings with the various Department Heads to evaluate the projects for the Capital Budget. The preliminary debt schedules are updated and various financial forecasts are completed in order to provide context to the Capital Budget as well as the five year capital improvement program.

January/February - The School Superintendent presents his recommended operating budget to the School Committee; the Town Manager presents his recommended operating budget and financing plan for all departmental budgets, including the Schools, to the Board of Selectmen. Weekly meetings of the Advisory Committee commence to review each department's budget and continue until Town Meeting. These meetings are all open to the public.



Guide to the FY2019 Budget

January/February - The Capital Budget is finalized within the parameters of the established funding target. In making final decisions, the process includes a determination of actual needs and the prioritization of need based upon legal mandate, public safety, and the effect of deferral. Any projects not approved for funding are typically deferred into the next budget year. In February, the proposed capital budget is presented to the Board of Selectmen.

February-May - the Advisory Committee meets with Department Heads to review their capital requests and conducts site visits to view the buildings, land or equipment.

March/April - By the end of April, the Advisory Committee and School are ready to vote on the operating budget they will recommend to the Town Meeting.

April –May - The Board of Selectmen votes on the items they will recommend to Town Meeting for approval including a vote to approve the “warrant” or agenda of all items to be considered for approval by Town Meeting. This includes the annual operating budget, capital spending requests, Community Preservation Act (CPA) spending requests, and any general bylaw, zoning bylaw changes, or other matters to be considered.

Annual Town Meeting - Hanover’s Annual Town Meeting is held on the first Monday in May of each year in accordance with Section 3-1 of the Hanover General bylaws. The Town Meeting is the legislative body of the town, and approves all expenditures and bylaw changes. The Town Meeting is presided over by the Moderator, who is elected by the voters of Hanover and is responsible for the conduct of Town Meeting, according to Section 3-3 of the Hanover bylaw and Chapter 39, section 15 of the MA General Laws. The Moderator also appoints several boards and committees, providing a wide and significant impact on the community and its government.

WHAT IS TOWN MEETING?

The legislative body of the Town of Hanover is an Open Town Meeting comprised of all registered voters, conducted under the leadership of the elected Moderator. Town Meeting has the sole authority to appropriate funds for the operating budget and capital projects. Approval of most spending requires a simple majority vote in favor, but capital projects, if they involve borrowing, must be approved by a two-thirds majority. Any amendments to appropriations require Town Meeting vote at either a regular or Special Town Meeting. The procedures for Town Meeting are specified in the Town of Hanover General Bylaws.



Guide to the FY2019 Budget

HOW ARE TAXES CALCULATED?

In Hanover, the tax rate is a function not only of the total revenues to be raised by real estate taxes (Levy Limit), but also levy exclusions.

What is a Levy Limit?

Proposition 2 ½ was enacted in 1980 to limit the reliance on the property tax and give the voters a greater say in approving property tax increases. With inflation and certain costs routinely pushing the cost of government beyond 2 ½ % increases, the legislature provided voters the authority to approve increases greater than 2 ½%, enabling them to consider and determine what kind of community they want and can afford. A general override to Proposition 2 ½ supports the operating budget and requires a majority vote by ballot at the Town Election to pass. Town leaders are mindful of the tax burden and do everything possible to avoid or limit general overrides while maintaining essential services.

There are two components to the law:

1. A levy ceiling, or the maximum levy limit, is 2.5% of the full and fair cash value of taxable real and personal property, as determined by the Town's assessors. This changes as properties are added or removed from the tax roll and as market values change, but Hanover's Annual Tax Levy cannot exceed the Levy Ceiling.
2. The levy limit for a particular year is calculated by increasing the previous year's limit by 2.5% and adding certified new growth and overrides. The new limit cannot exceed the levy ceiling.

$$\begin{aligned}\text{Hanover's Annual Tax Levy} &= \text{Levy Limit} + \text{Exclusions} \\ \text{The Levy Limit} &= \text{Prior Year Levy Limit} + 2.5\% \\ &\quad + (\text{voter approved override}) + \text{New Growth}\end{aligned}$$

New Growth includes the additional property tax from new construction and additions to properties, exempt real property returned to the tax roll, and new personal property. In Hanover, we do estimate New Growth for the upcoming year, very conservatively.

This then becomes the base for calculating the levy limit for the next year. The Town's actual levy can be any amount up to the limit. If in one year, the levy is below the limit, the levy increase in the following year could not exceed 2.5%. The difference between the levy and the levy limit is called the excess levy capacity.

What are Exclusions?

Taxpayers may vote to fund debt for projects and choose to exclude these payments from the calculation of the levy limit and, therefore, from the base upon which the levy limit is calculated for future years. Unlike overrides, these Debt Exclusions or Capital Exclusions are temporary increases to the tax levy, lasting the life of the debt or the duration of the capital project. Exclusions require a majority vote on the ballot and may increase the levy above the levy ceiling. Hanover has approved a number of debt exclusions for municipal building projects.



Guide to the FY2019 Budget

What is the Community Preservation Act (CPA) Surcharge?

Hanover voters approved the adoption of the State's Community Preservation Act (MGL Chapter 44B), which authorizes the Town to charge 3% (after \$100,000 assessment exemption) quarterly on top of the tax payment. Thus:

$$\text{Funds for the Community Preservation Act Surcharge} = (\text{New Levy Limit} + \text{Debt Exclusions}) \times 3\%$$

This money is matched, in part, by the State for the purpose of enabling cities and towns to fund the acquisition and preservation of open space, the creation and support of affordable housing, and the acquisition and preservation of historic buildings and landscapes. The adoption of the CPA reflects the value Hanover citizens place on these issues and has enabled the town to maintain the rural character and mix of housing that has defined Hanover. To learn more about the CPA in Hanover, visit the town's award winning website at: www.hanover-ma.gov.

The Community Preservation Committee is charged with studying the needs, possibilities, and resources of the Town regarding community preservation and with making recommendations to Town Meeting regarding the appropriation of CPA funds.

Sustainability

In an effort to reduce costs and paper, this FY2017 Budget document is being made available online through the Town of Hanover website. Copies of the FY2017 Budget document, Annual Town Report and the Town Meeting Warrant can always be obtained at Town Hall, Senior Center and the John Curtis Free Library.

Community Profile



Community Profile

Community Profile

The government of Hanover consists of an elected Board of Selectmen, which appoints a Town Manager, who is responsible for the overall operation of the town. Other elected officials are Town Clerk, Board of Public Works, Board of Assessors, School Committee, Board of Health, Trustees of the Public Library, Planning Board, and a Town Moderator.

During the Annual Meeting, all registered voter residents of the town may vote for or against articles in the warrant. The Town Manager is responsible for appointing a Police Chief, Fire Chief, and other department managers. The Board of Selectmen appoints citizens to fill positions on various committees and commissions vital to the operation of the town. The Town Moderator makes appointments to several other vital committees, including the Advisory Committee.

Responsibility for the educational needs of Hanover children rests with the elected School Committee. Day-to-day operational responsibility is delegated to the School Superintendent. Hanover maintains an excellent school system which ranks high in both state and national levels. Sixty-five to seventy percent of graduates from the Hanover schools typically pursue college careers.

There are nearly 1,000 business and professional establishments in Hanover, many of which are small businesses. The Cardinal Cushing School & Training Center, a non-profit organization, is one of the largest employers in Hanover. Their staff of 300+ educate a student body of 550 youths. The majority of banking, professional, retail and service establishments are located on the four-mile stretch of Route 53 which runs north and south between the adjoining towns of Norwell and Pembroke. The two east and west main roads, Route 139 and Route 123, support a wide variety of business and professional establishments. Light industry firms in Hanover are located mostly in West Hanover off Route 139. State Highway Route 3, one of the major links to Cape Cod and Boston, runs through the northeast corner of Hanover where it affords travelers easy access to the town. The availability of Boston's Logan International Airport via Route 3 and the Southeast Expressway greatly enhances Hanover's attractiveness as a business or residential site.

Community Statistics

Incorporated: 1727

County: Plymouth

Land Area: 15.61 Sq. Miles

Public Roads: 86 Miles

Population (estimated): 14,332

Source: 2012-2016 American Community Survey 5-Year Estimates

Workforce: 8,052

Source: 2012-2016 American Community Survey 5-Year Estimates Population Age 20-64

FY2018 Tax Rate per Thousand:

\$16.28 – Residential

\$17.05 – Commercial & Industrial

Form of Government:

Town Manager, Five-Member Board of Selectmen, Open Town Meeting

FY2018 Avg. Assessed Single Home Value:

\$491,543.00

FY2018 Avg. Single Family Tax Bill:

\$7,993.48



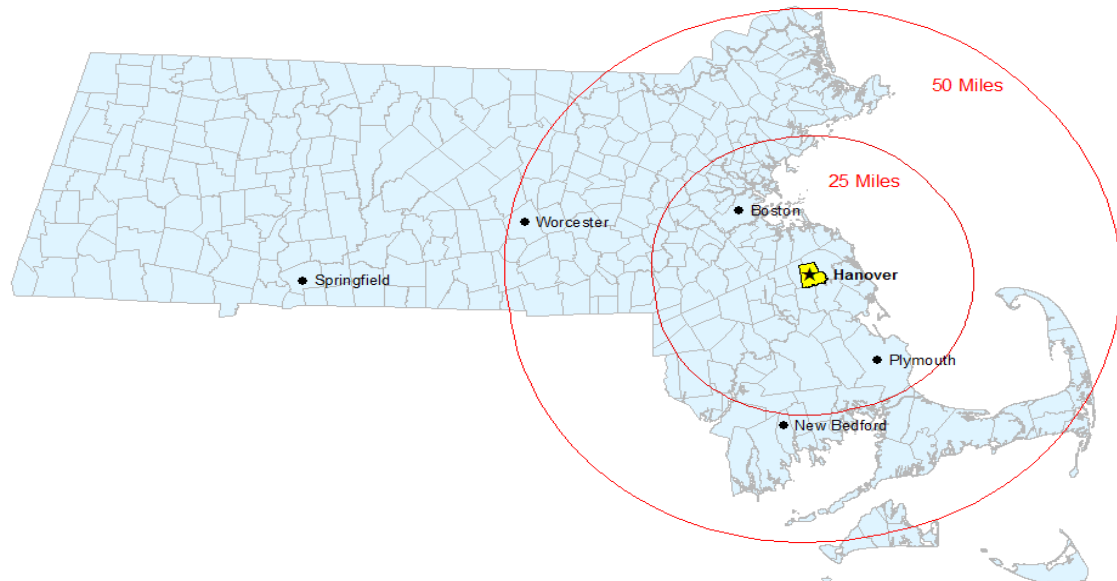
Community Profile

Geography and Demographics

The town of Hanover is a suburban community that is 15 square miles in size. Hanover benefits from being centrally located between Boston and Cape Cod and in close proximity to route 3, I-93, and the MBTA Commuter Rail. Due to its location it is a desirable area for travelers heading to Boston, Plymouth, and Cape Cod.

Hanover's population has grown steadily from just 3,389 residents according to the 1950 census to an estimated 14,332 residents across 5,001 households. 72.7% of Hanover residents are above the age of 18, with an equal gender composition of 53.6% female and 46.4% male.

The median income of Hanover is \$105,635 for a household and \$133,422 for a family.
Source: 2012-2016 American Community Survey 5-Year Estimates





Community Profile

Employment and Payrolls

Hanover's wholesale/retail trade sector employed the greatest percentage of people, followed by the services sector. The following table lists the major categories of income and employment from 2014 through 2016.

Industry	2014	2015	2016
Construction	558	625	621
Manufacturing	519	553	546
Trade, Transportation, and Utilities	2,630	2,540	2,552
Information	79	91	77
Financial Activities	302	264	304
Professional and Business Services	841	832	943
Education and Health Services	1,088	1,062	1,129
Leisure and Hospitality	848	836	878
Other Services	870	849	855
Total Employment	7,735	7,652	7,905
Number of Establishments	685	691	700
Average Weekly Wages	\$813	\$858	\$881
Total Wages	\$309,375,058	\$341,089,541	\$358,810,185

Source: Massachusetts Department of Unemployment Assistance. Data based upon place of employment, not place of residence. Due to reclassification the U.S. Department of Labor now uses the North American Industry Classification System (NAICS) as the basis for the assignment and tabulation of economic data by industry.

Largest Employers

Name	Product/Function	Approx. Number of Employees
Cardinal Cushing School & Training Center	Health Care and Social Assistance	300+
YMCA	Exercise/Family Facility	300
PA Landers, Inc.	Construction	225
Macy's	Retail Store	200
Target	Retail Store	150
Walmart	Retail Store	150
South Shore Vocational School	School	125
Direct Finance Corporation	Finance and Insurance	100
McGee Toyota	Automotive	100
Shaw's Supermarket	Retail Store	100



Community Profile

Budget Comparison

	Fiscal 2016	Fiscal 2017	Fiscal 2018
General Government	\$1,118,635	\$1,314,130	\$1,310,244
Public Safety	\$6,300,486	\$6,511,517	\$6,842,426
Schools	\$25,662,155	\$26,490,521	\$27,962,919
Public Works (1)	\$6,539,121	\$6,651,003	\$6,648,154
Community Services(2)	\$1,686,329	\$1,908,061	\$1,886,151
Debt and Interest	\$5,872,705	\$5,474,530	\$5,013,619
Unclassified (3)	\$7,274,455	\$7,723,909	\$7,970,189
Total Expenditures	\$54,453,886	\$56,073,671	\$57,633,702

1. Includes transfer station, water operations, school facility maintenance & related debt service.
2. Includes library and council on aging.
3. Includes insurance and other employee benefits.

Revenues

Property Taxes: Property taxes are a major source of revenue for the Town. The total amount levied is subject to certain limits prescribed by law.

State Aid Distributions: In addition to grants for specified capital purposes (some of which are payable over the life of the bonds issued for the projects), the Commonwealth provides financial assistance to cities and towns for current purposes. Payments to cities and towns are derived primarily from a percentage of the State's personal income, sales and use, and corporate excise tax receipts, together with the net receipts from the State Lottery. A municipality's state aid entitlement is based on a number of different formulas, of which the "schools" and "lottery" formulas are the most important.

Community Preservation Fund Revenues

The Town accepted the community preservation fund act in 2004 and set the rate at 3% minus certain exemptions. The Town implemented the program in fiscal year 2006. The CPA fund balance projected as June 30, 2017 was \$3,094,377.

Fiscal Year	Property Tax	State Contribution	Total
2017	\$ 984,616	\$ 237,598	\$ 1,222,214
2016	\$ 952,313	\$ 318,073	\$ 1,270,386
2015	\$ 881,623	\$ 320,797	\$ 1,202,420



Community Profile

History

"William Barstow was the first white man to settle within the present bounds of Hanover" according to the historian John Barry. Barstow constructed the first bridge to span the North River and kept this bridge "in repair sufficient for the transportation of passengers, horses and cattle" until he died in 1668. The historian Jedediah Dwelley reports that the so-called Barstow Bridge "was the first to span an important stream in the Colony." The present bridge on Washington St. is the fourth located on this early site.

In William Barstow's time this area was part of Scituate, but as mills were built, villages were settled, the town of Hanover was incorporated in 1727. In 1728 the first meeting house (church) was constructed, and a minister and school master were procured. Later settlements were located near Luddam's Ford and the dam at the Indian Head River, (South Hanover), by the Drinkwater River (West Hanover), near the Third Herring Brook (Assinippi), along Long Water Brook (North Hanover), and in Center Hanover. Soon each village had its own district school, general store and later post office.

Shipyards were early located on the banks of the North River and became well known for the many ships launched in the Four Corners area. Near the smaller streams early mills ground corn, sawed lumber, forged iron, and later used the water power for tack factories. At the end of the 1800's the Clapp Rubber Mill and shoe factories employed many of the former farmers. In the first part of the 20th century, the National Fireworks was the largest employer in West Hanover.

Hanover sent its men to the Revolution in 1776, Col. John Bailey, who served with Washington, being the most famous. Men volunteered for the later Civil War and the First and Second World Wars, and memorials have been erected honoring its veterans.

The early settlers built their sturdy houses and barns to shelter their families and livestock, and many old capes and colonial homes can be found on the old main roads. Open space is valued and help preserve the small town image that Hanover projects.

Most of the manufacturing and farming are part of the past, and Hanover has grown into a fine residential town, which is proud of its schools, library, churches and its involved citizens who serve on committees to maintain Hanover as a fine town to live in.

Barbara Barker - Hanover Historical Commission

Editor's Note: Sadly Barbara Barker Kemp passed away on November 27, 2016. Barbara was a tireless volunteer and touched the lives of many in our community. We are grateful to have had her, and are very thankful for her many years of dedicated service to the Town.



OUR GOVERNMENT



"Hanover, Honoring Yesterday As We Build For Tomorrow"

*Form of
Government*



Form of Government

CHAPTER 67 OF THE ACTS OF 2009 AN ACT ESTABLISHING A TOWN MANAGER FORM OF GOVERNMENT FOR THE TOWN OF HANOVER, INCLUDING THE APPROVED AMENDMENTS OF CHAPTER 141 OF THE ACTS OF 2013

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. CONTINUATION OF EXISTING GOVERNMENT

(A) Continuation of Existing Laws

All laws, by-laws, rules and regulations of or pertaining to the town of Hanover which are in force on the effective date of this act and which are not inconsistent with the provisions of this act, shall continue in full force and effect until amended or repealed. Elected and appointed officers, boards, commissions and committees shall have all of the powers, duties and responsibilities, which are in force on the effective date of this act that are not inconsistent with this act, which are given to the respective officers, boards, commissions and committees by law, this act, town by-law or by vote of town meeting.

If any provision of this act conflicts with any provision of any law, by-law, rule or regulation of the town of Hanover, this act shall govern.

(B) Continuation of Personnel

Any office or position in the administrative service of the town of Hanover and incumbents in such offices, on the effective date of this act shall continue to function as the office, position or incumbent did previously until a change in such office, position or incumbent is effected in accordance with the provisions of this act.

SECTION 2. BOARD OF SELECTMEN

(A) Composition

There shall be a board of selectmen consisting of 5 members elected for terms of 3 years each, so arranged that the term of office of as nearly an equal number of members as is possible shall expire each year.

(B) Vacancy in Office

Vacancies in the office of selectmen shall be filled by a special election in accordance with the provisions of the General Laws.



Form of Government

(C) Executive Powers

The executive powers of the town shall be vested in the board of selectmen which shall serve as the chief policy making body of the town.

(1) The board of selectmen shall have all of the executive powers given to boards of selectmen by the General Laws except for those granted to the town manager. The board of selectmen shall be authorized to enter into intergovernmental or public or private agreements on such terms as it deems beneficial to the citizens of the town of Hanover.

(2) The board of selectmen shall be responsible for the formulation and promulgation of policy directives and guidelines to be followed by all town agencies serving under it, and in conjunction with other elected town officers and multiple member bodies to develop and promulgate policy guidelines designed to bring the operation of all town agencies into harmony; provided, however, that nothing in this section shall be construed to authorize any member of the board of selectmen, or a majority of such members, to become involved in the day-to-day administration of any town agency. It is the intention of this provision that the board of selectmen shall act only through the adoption of broad policy guidelines, which are to be implemented by officers and employees serving under it.

(3) The board of selectmen shall cause the by-laws, rules and regulations for the government of the town to be enforced and shall cause an up-to-date record of all its official acts to be kept.

(4) The board of selectmen shall appoint the town manager and town counsel, and approve the hire of the town audit firm, which shall be chosen by the town manager.

(5) The board of selectmen shall be the licensing board of the town and shall have the power to issue licenses, to make all necessary rules and regulations regarding the issuance of such licenses, and to attach such conditions and restrictions thereto as it deems to be in the public interest. The board of selectmen shall enforce the laws relating to all businesses for which it issues such licenses. The board of selectmen under this act may delegate or reorganize any local licensing authority or process notwithstanding any general laws relating to local governance to the contrary.

(6) The board of selectmen shall be responsible for providing timely audits as required by law. The audits shall be made by a certified public accountant, or firm of such accountants, who have no personal interests, direct or indirect, in the fiscal affairs of the town government of the town of Hanover or any of its officers.

(7) The board of selectman, in consultation with the town manager, shall develop a personnel system to include, but not be limited to, classifications and pay schedules, benefit programs, personnel and hiring policies and practices and regulations for town employees.



Form of Government

SECTION 3. TOWN MANAGER

(A) Appointments, Qualifications, Terms of Office and Employment

(1) Appointment

After the establishment of the 5-member board of selectmen, there shall be established in the town of Hanover the office of town manager, who shall be appointed by the board of selectmen for a term not to exceed 3 years, as the board may determine, and may be appointed for successive terms of office.

(2) Qualifications

The town manager shall be a person of demonstrated ability with administrative experience in public management or business administration and who is qualified by reason of education and experience.

(3) Terms of Office

The town manager shall devote full-time to the duties of said office and shall not engage in any other business or occupation during such employment by the town. The town manager shall hold no elective office in the town while serving as town manager, but the board of selectmen may appoint the town manager to any non-elective office or position consistent with the responsibilities of the town manager. Before entering upon his duties, the town manager shall be sworn to the faithful and impartial performance thereof by the town clerk. The town manager shall not have served in an elected office for the town of Hanover for at least 24 months prior to his appointment.

(4) Terms of Employment

(a) Additional Qualifications

The board of selectmen may, from time to time, establish additional qualifications for the position of town manager. To the extent permitted by law, the terms of the town manager's employment may be the subject of a written agreement between the parties setting forth the length of service, compensation, annual review, vacation, sick leave, benefits and such other matters, excluding tenure, as are customarily included in an employment contract.

(b) Compensation

The board of selectmen shall set the compensation of the town manager, not to exceed the amount appropriated by the town meeting.



Form of Government

SECTION 4. TOWN MANAGER - POWERS AND DUTIES

The town manager shall be the chief executive officer of the town. The town manager shall be responsible to the board of selectmen for the effective management of all town affairs placed in the town manager's charge by this act, the board of selectmen or vote of the town meeting. The town manager shall be responsible for the implementation of town policies established by the board of selectmen. The functions and duties of the town manager shall include, but not be limited to, the functions and duties in subsections (A), (B) and (C).

(A) Powers of Appointment

(1) The town manager shall appoint and remove all non-elected department heads and approve the appointment and removal of all other town employees except employees of the school department. The town manager shall consult with the appropriate elected or appointed board, commission, committee or official and the board of selectmen prior to making department head appointments or removals. Prior to finalizing a department head appointment, the town manager shall provide notice to the board of selectmen of the anticipated appointment and the terms and conditions of employment for the appointment. The board of selectmen shall approve or disapprove the appointment and the terms and conditions of employment within 20 days of notice to the board of selectmen. A failure of the board of selectman to act in this 20 day period shall be considered approval. Any adjustment to the terms and conditions of employment of department heads or the termination or removal of department heads shall be subject to the same notice and approval requirements as set forth above for appointments.

(2) Department heads shall, in accordance with the personnel system developed pursuant to paragraph (7) of subsection (C) of section 2 of this act and subject to the consent and approval of the town manager, appoint or remove assistant department heads, officers, subordinates and employees, including employees serving under elected and appointed boards, commissions, committees and officials for whom no other method of selection is provided in this act, except employees of the school department; provided, however, that the department head shall consult with the appropriate elected or appointed board, commission, committee or official prior to making such appointments or removals. The town manager may transfer personnel between departments as needed.

(3) All appointments under this section shall be based on merit and fitness alone.

(4) Copies of notices of job opportunities and appointments shall be posted on the town bulletin board.

(B) Administrative Duties



Form of Government

The town manager shall:

- (1) be responsible for the day-to-day supervision of all town departments and direction of the operations of the town; provided, however, that this section shall not apply to employees of the school department and to the statutory responsibilities and functions of the school committee;
- (2) supervise, direct and be responsible for the efficient administration of all officers appointed by the town manager and their representative departments, and of all functions for which the town manager is given responsibility, authority or control by this act, by-law, town meeting vote, or vote of the board of selectmen;
- (3) reorganize, consolidate or establish any department or position under the town manager's direction or supervision, at the town manager's discretion and with the board of selectmen's approval. With the approval of both the board of selectmen and advisory committee, the town manager may transfer all or part of any unexpended appropriation of a reorganized or consolidated department, board or office to any other town department, board or office;
- (4) administer, either directly or through a person that the town manager appoints, all provisions of general and special laws applicable to the town including federal and Massachusetts emergency management agencies' requirements, by-laws, votes of the town within the scope of the town manager's duty, and all policy rules and regulations made by the board of selectmen;
- (5) establish control and data systems appropriate to monitoring expenditures by town boards and departments to enable the town manager to make periodic reports to the board of selectmen and the advisory committee on the status of the town's finances;
- (6) administer the personnel system developed by the board of selectmen pursuant to paragraph (7) of subsection (C) of section 2 of this act;
- (7) manage and be responsible for all town buildings, properties and facilities, except those under the control of the school committee, parks and recreation department and conservation commission; provided, however, that the town manager may only maintain and repair school committee, parks and recreation department, open space committee and conservation commission buildings, properties and facilities to the extent the school committee, parks and recreation department or conservation commission may request and authorize same;
- (8) attend and participate in all regular and special board of selectmen meetings and town meetings, unless excused therefrom by the board of selectmen;
- (9) cause full and complete records of meetings of the board of selectmen to be taken and maintained, and compile reports of the meetings as requested by the board of selectmen;
- (10) act as the liaison with, and represent the board of selectmen before, state, federal and regional



Form of Government

authorities;

(11) subject to policies established by the board of selectmen, approve all warrants or vouchers, including payroll warrants, for payment of town funds submitted by the town accountant; provided, that any warrants generated by the town manager shall be signed by the board of selectmen;

(12) be responsible for approving all grants submitted on behalf of the town; and

(13) perform any other duties consistent with the office of the town manager as may be required by by-law or vote of the town or by vote of the board of selectmen.

(C) Financial Powers and Duties

(1) Budget

(a) The town manager shall prepare and submit at a public meeting to the board of selectmen and advisory committee, not later than 90 days prior to the annual town meeting, a written proposed balanced budget for town government, including the school department, for the ensuing fiscal year.

(b) The proposed budget shall detail all estimated revenues from all sources, and all expenditures, including debt service for the previous, current and ensuing year.

(c) It shall include proposed expenditures for both current operations and capital during the ensuing year, together with estimated revenues and free cash available at the close of the fiscal year, including estimated balances in special accounts.

(d) The town may, by by-law, establish additional financial reports to be provided by the town manager.

(e) To assist said town manager in preparing the proposed annual budget of revenues and expenditures, all boards, officers, and committees of the town, including the school committee shall, within the time frame requested by the town manager, furnish all relevant information in their possession and submit to the town manager, in writing and in such form as the town manager shall establish, a detailed estimate of the appropriations required and available funds.

(2) Collective Bargaining

(a) The town manager shall negotiate collective bargaining contracts on behalf of the board of selectmen, which contracts shall be subject to approval, ratification and execution by the board. The board of selectmen may authorize use of additional counsel, as requested by the town manager to assist the town manager in the negotiations at its discretion.

(b) The town manager shall administer and enforce collective bargaining agreements, personnel rules and regulations, and by-laws adopted by the town.



Form of Government

(3) Procurement

(a) The town manager shall act as the chief procurement officer under the provisions of chapter 30B of the General Laws, and be responsible for the purchasing of all supplies, materials, and equipment for the town, including the bidding and awarding of all contracts, except for the school department.

SECTION 5. TOWN MANAGER - VACANCY

(A) Permanent Vacancy

The board of selectmen shall fill any permanent vacancy in the office of the town manager as soon as feasible in accordance with section 3 of this act. Pending the appointment of a town manager or filling of a vacancy, the board of selectmen shall, within a reasonable period of time, not to exceed 14 days, appoint some other qualified person to temporarily perform the duties of the town manager until a permanent replacement is appointed.

(B) Temporary Absence or Disability

(1) The town manager may designate by letter filed with the town clerk and board of selectmen a qualified officer of the town to perform the duties of town manager during a temporary absence or disability.

(2) If the absence or disability exceeds 30 days, any designation by the town manager shall be subject to approval by the board of selectmen. If the town manager fails to make such a designation, or if the person so designated is unable to serve, the board of selectmen may designate some other qualified person to perform the duties of town manager.

(3) Powers and Duties - The powers and duties of the acting town manager, under A and B (1) and B (2) above, shall be limited to matters not permitting of delay and shall include authority to make temporary, emergency appointments or designations to town office or employment, but not to make permanent appointments or designations unless authorized by the board of selectmen.

SECTION 6. TOWN MANAGER – REMOVAL; SUSPENSION

The board of selectmen may terminate and remove or suspend the town manager by a majority vote of the entire board of selectmen. Prior to any termination or removal, or a suspension exceeding 5 days, notice shall be given and reasons for the proposed action shall be provided in writing to the town manager, and an opportunity shall be provided for the town manager to meet with the board of selectmen and respond to those reasons. After such meeting, if any, the board of selectmen may act by majority vote of the entire board of selectmen to terminate, remove or suspend the town manager.



Form of Government

SECTION 7. DEPARTMENT OF PUBLIC WORKS

There shall remain an elected board of public works consisting of 3 members serving 3-year staggered terms.

The superintendent of public works and town manager shall consult with the board of public works for the purpose of receiving advice and assistance in the development of policy guidelines for the operation of the department of public works, and the board of public works shall perform such other advisory functions related to the department of public works as the town manager or superintendent may request.

The authority of the special act, chapter 39 of the acts of 1930 creating the water commissioners, is hereby assumed by the town manager, except that changes in water rates shall be approved by the board of selectmen. The vote of the town of Hanover at the 1972 town election adopting the provisions of sections 69C to 69F, inclusive of chapter 41 of the General Laws, is hereby rescinded.

SECTION 8. TRANSITION PROVISIONS

(A) Addition to Board of Selectmen

At an annual election following the effective date of this act, 2 additional selectmen shall be elected 1 to a term expiring at the town election in the third year following the election at which this act was approved and 1 to a term expiring at the town election in the second year following the election at which this act was approved. Thereafter, as the terms of selectmen expire, a successor shall be elected for terms of 3 years.

(B) Town Administrator

The position of town administrator shall be abolished upon the assumption of office by the town manager. Should the position become vacant prior to the town manager assuming the duties of the office, the board of selectmen may appoint an acting town administrator to serve until the assumption of the duties of office by the town manager.

SECTION 9. This act shall take effect upon its passage.

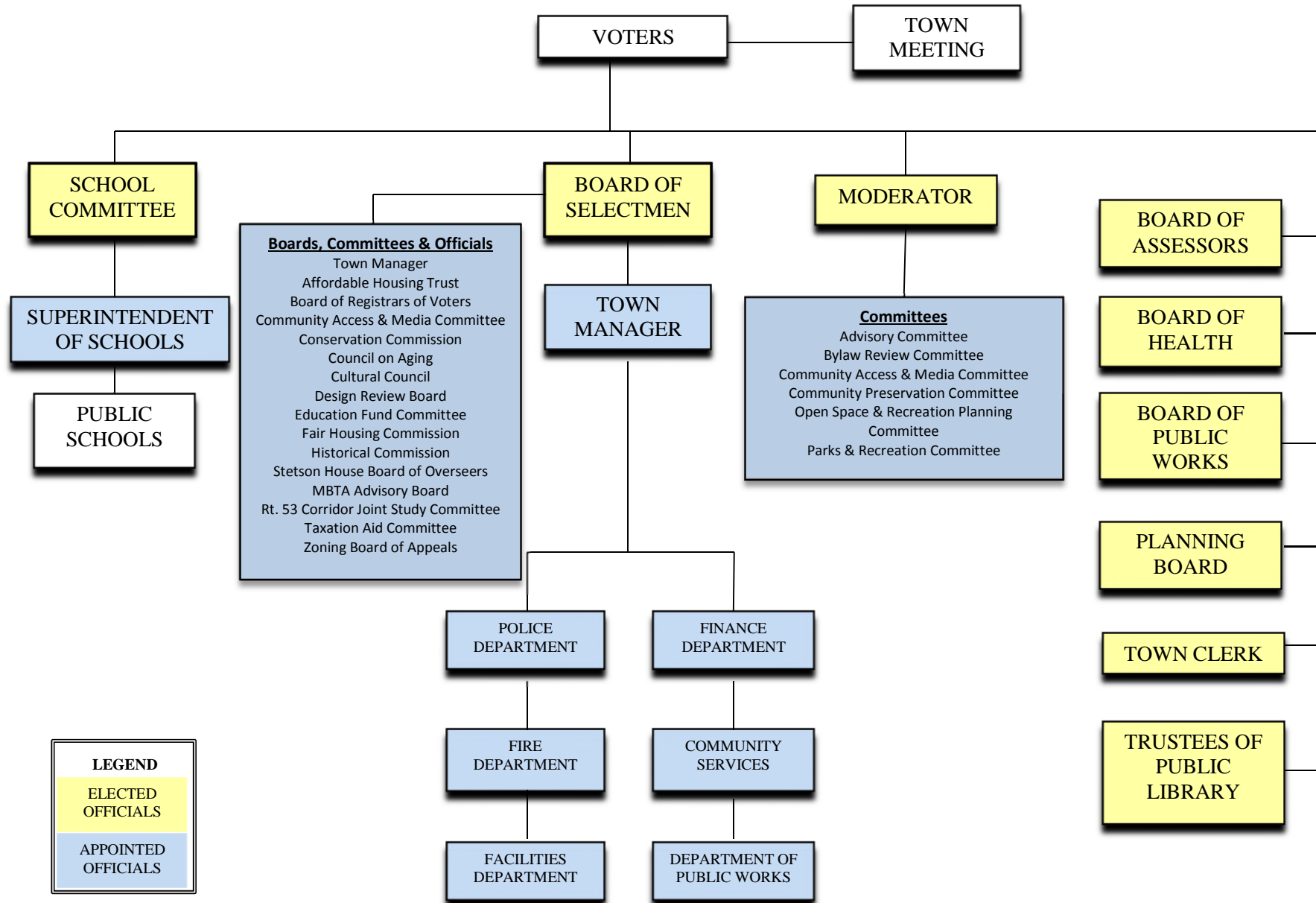
Passed at the May 2009 Annual Town Meeting and approved August 20, 2009.

Amended at the May 2013 Annual Town Meeting and approved November 22, 2013.

Town Organization Chart



Town Organization Chart



*Boards, Committees,
And Elected Officials*



Boards, Committees and Elected Officials

Voters **Elect**

Board of Selectmen
Board of Assessors
Board of Health
Board of Public Works
Town Moderator
Planning Board
School Committee
Town Clerk
Trustees of Public Library

Moderator **Appoints**

Advisory Committee
Bylaw Review Committee
Community Access & Media Committee
Community Preservation Committee
Open Space & Recreation Planning Com.
Parks & Recreation Committee
Multi-Use Rec. Facility Study Com.
Information Tech. Study Committee
Town Manger Act Review Committee
Veterans Memorial Committee

Board of Selectmen **Appoints**

Town Manager
Affirmative Action Committee
Affordable Housing Trust
Board of Registrars of Voters
Board of Trust Fund Commissioners
Community Access & Media Committee
Council on Aging
Cultural Council
Design Review Board
Education Fund Committee
Fireworks Site Committee
Historical Commission
Information Tech. Study Committee
MBTA Advisory Board
Sylvester/Salmond Redevelopment Com.
Taxation Aid Committee
Town Manger Act Review Committee
Town Counsel
Veterans Memorial Committee
Veterans Service Officer
Zoning Board of Appeals

Town Manager **Appoints**

Director of Community Services/
Assistant Town Manager
Police Chief
Fire Chief
Finance Director
DPW Director
Facilities Manager
Executive Assistant
Conservation Commission
EMG. Management Agency Director
EMG. Mngt. Agency Deputy Director
Sexual Harassment Complaint Officers
Local EMG. Planning Com. - Director
Sworn Weighers Hanover Trans. Sta

BOARD OF SELECTMEN



"Hanover, Honoring Yesterday As We Build For Tomorrow"



Board of Selectmen



Rear: Brian Barthelmes and Emmanuel Dockter

Front: John Tuzik - Vice Chair, David Delaney - Chairman, and Jocelyn Keegan

AN ACT ESTABLISHING A TOWN MANAGER FORM OF GOVERNMENT FOR THE TOWN OF HANOVER.

SECTION 2. BOARD OF SELECTMEN

(C) Executive Powers

The executive powers of the town shall be vested in the Board of Selectmen which shall serve as the chief policy making body of the town.



Board of Selectmen

- (1) The Board of Selectmen shall have all of the executive powers given to boards of selectmen by the General Laws except for those granted to the Town Manager. The Board of Selectmen shall be authorized to enter into intergovernmental or public or private agreements on such terms as it deems beneficial to the citizens of the town of Hanover.
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Vision Statement
&
Mission Statement



Vision Statement & Mission Statement

VISION STATEMENT

Building on over 280 years of experience Hanover continues to balance the preservation of its natural resources with evolving needs of our community. Through positive partnerships, careful planning, and professional management we are committed to the highest level of responsive and equitable service and fiscal responsibility.

MISSION STATEMENT

Provide high-quality, innovative and cost effective services that enhance the lives of our citizens and the vitality of our Business Districts through teamwork, integrity and continuous improvement.

To achieve our mission, we will uphold the following values:

1. We will be open, encourage involvement, and be accountable to our citizens.
2. We will attract and retain the best employees possible and invest in their personal and professional growth.
3. We will be honest, ethical and diligent. Our actions will comply with local, state and federal laws.
4. We will treat everyone with dignity, respect, and fairness.
5. We will achieve the best results through effective teamwork, strategic partnerships and community participation.
6. We will provide outstanding customer service that is polite, friendly, and responsive.
7. We value growth that balances desired service levels, economic benefits, and continued stability for our community.
8. We are cost conscious. We spend public funds responsibly and effectively to ensure the Town's short and long term financial strength.
9. We are committed to proactive, comprehensive planning to guide the future of our community.
10. We will preserve and protect our environment. We will be good stewards of our resources.

Strategic Goals



Strategic Goals



TOWN OF HANOVER
BOARD OF SELECTMEN
550 HANOVER STREET, SUITE 29
HANOVER, MASSACHUSETTS 02339
781-826-5000 ext. 1084

David Delaney, Chairman
John Tuzik, Vice-Chair
Brian Barthelmes
Emmanuel Dockter
Jocelyn Keegan

BOARD OF SELECTMEN GOALS

WATER QUALITY

- ☐ Improve quality
- ☐ Inform Public
 - Reports
 - Timeframe
- ☐ Continue infrastructure progress
- ☐ Master Plan for Distribution Center
- ☐ Administrative Consent Order (ACO) Timeline
- ☐ Town Meeting Articles
- ☐ Compliance with Consent Order
- ☐ Timeline for water department infrastructure improvements with regular updates by Town Manager or Department Head with at least one appearance before the Board to provide the public with a chance to learn about progress and ask questions.

DEVELOP PROJECT PAGES – *Provide Report to Board Monthly*

- ☐ Water
- ☐ Sylvester School Project
- ☐ Town Hall Project
- ☐ Fireworks Site

FIREWORKS SITE

- ☐ Inform Public
- ☐ Provide Timeline
- ☐ Provide Updates



Strategic Goals

EMPLOYEE TRAINING

- ☐ Schedule & Report to Board
- ☐ Human Resource
- ☐ Administration
- ☐ Better Communication
- ☐ Log Hours
- ☐ Develop On-Line Training Program

WEBSITE

- ☐ Develop Project Outline
 - Schedules
 - Updates
 - Documents
 - Drawings

BUDGET

- ☐ Health Insurance Costs
- ☐ Capital
 - Planning & Prioritization
- ☐ Joint Meeting with Board of Selectmen, Advisory Committee and Facilities Director prior to February
- ☐ Impact of Levy Limit Reduced to 2% (September Agenda)
 - Spending Reduction
 - Budget Scenarios
 - True Impact Analysis
 - Benefits
 - Total Impact
- ☐ Explore ways to reduce spending and/or increase revenues. Solicit suggestions from residents and Town employees.

REGIONALIZATION PLAN

- ☐ Identify Fire
- ☐ 911 Communication Center
- ☐ Regulatory
- ☐ Finance
- ☐ Identify and prioritize areas for regionalization of services including but not limited to: Veterans services, Regional Dispatch, etc.
- ☐ Explore available grant opportunities
- ☐ Explore support services available through DLS
- ☐ Expectation is that Town Manager would provide mid-year report on opportunity and Board to provide feedback on options for further investigation...i.e. feasibility studies, grant applications, or securing services of DLS.



Strategic Goals

HOUSING

- ❑ Senior Options
- ❑ Board Communication/Collaboration
- ❑ Determine Need
- ❑ Plan and Timeline

ROUTE 53

- ❑ Sewer
- ❑ Zoning Changes
- ❑ Plans – Cost Estimates
- ❑ Review & Decide
- ❑ Develop Mixed Use Plan
- Present to Board of Selectmen, Zoning Board of Appeals, Planning Board, and Affordable Housing Trust

PLAN SYNERGY

- ❑ Master Plan and Parks and Recreation Plan

TAXES

- ❑ Develop Payment in Lieu of Taxes (PILOT) program/Policy.
- ❑ Objective of the program is to offset the costs of providing services to entities that are tax exempt from paying property taxes. The program would encourage these groups to make voluntary donations of money or services back to the community.
- ❑ As part of the goal the Town Manger would:
 - Develop a report that would contain, at a minimum:
 - ❖ listing of all tax exempt properties with assessed value and estimated taxes if properties were non-exempt.
 - ❖ current benefits Town of Hanover receives, if any, from these entities
- examples of other Pilot Programs within the Commonwealth

COMMUNICATION

- ❑ Enhance Communication with Board by Developing & Implementing Monthly Department Head Reports. Intended to supplement Town Manager weekly updates.
- ❑ Develop format, and how communicated.
- ❑ Educate residents on the Town Meeting process.

TOWN WIDE STRATEGIC INFORMATION TECHNOLOGY PLAN

- ❑ Develop a Town-wide Strategic Information Technology Plan, which will include:
 - an inventory and assessment of the existing technology infrastructure and related organizational structure of all Town of Hanover departments, including the School System;
 - an assessment of each department's current and future technology related needs, identifying various challenges, emerging issues, and potential approaches;
 - a review of the current organizational structure of centralized IT with recommendations in regards to staffing requirements for effective and efficient operations;



Strategic Goals

- recommendations for areas of process improvement; and
- a five-year strategic implementation plan based on results of above assessments/reviews, including projected costs and recommendations on various options for capital and operational funding.

FINANCE

- The Finance Department be organized in an optimal way to maximize efficiency and that all functions meet generally accepted accounting practices and business standards. This goal could be measured by next years audit report.

***Operational and Financial
Management Policies***



Operational and Financial Management Policies

The Board of Selectmen has worked with both the Town Manager and the Finance Director to develop a comprehensive set of policies that aim to shelter the Town from external conditions while ensuring that the Town government is operating efficiently and effectively.

By agreeing on both process and procedure before issues arise, clear direction and guidelines are set forth for which to be followed during not only the development of the budget, but also in the day to day operations of the Town.

These policies are reviewed and revisited periodically to make certain that the language and goals set forth in the policies continues to represent the Town's current and future needs.

Board of Selectmen Operating Policies and Procedures

Adopted by: Board of Selectmen

POLICY #: 15-03

Approved: April 27, 2015

1. Purpose

The Board of Selectmen of the Town of Hanover, recognizing the need to codify the traditional and accepted working relationships among the members of the Board, between the Board and the Town Manager, and between the Board, other Town Boards, committees, officials, employees, and citizens, hereby creates the Board of Selectmen Operating Policies and Procedures.

2. Election and Qualification

The Board shall consist of five duly elected members. Before assuming official duties, each newly elected member shall be sworn to faithful performance of official duties and responsibilities by the Town Clerk.

3. Organization

The Chairman shall be elected annually at the first regular meeting following the Annual Town Election. The Board at any time may remove the Chairman by a majority vote. The immediate past Chairman shall preside as Chairman pro temp until the Chairman is elected. If there is no immediate past Chairman, the immediate past Vice-Chairman shall preside. If there is no immediate past Vice-Chairman the member with the most seniority on the Board shall preside.

If a vacancy occurs in the office of Chairman, the Board shall elect a successor. The Board shall further appoint a Vice-Chairman under the same provisions stated for the Chairman.

4. Chairmanship

Although the Board of Selectmen retains the right to reorganize at their discretion, this Policy establishes the guideline of an annual rotation of the Chairman position. It is also the intent of this Policy to not have a Board member serve as Chairman in the final year of their term. However, the Board retains the right to elect any member of the Board to serve as Chairman.

5. Responsibilities of the Chairman

The Chairman of the Board shall:

- a. Be responsible for calling regular, emergency and Executive Session meetings of the Board of Selectmen, as needed.
- b. Preside at all meetings of the Board of Selectmen. In doing so, he/she shall maintain order in the meeting room, recognize speakers, call for votes and preside over the discussion of agenda items.
- c. Sign official documents that require the signature of the Chairman.
- d. Represent the Board at meetings, conferences and other events determined by the Board or delegate to another Board member.
- e. Serve as spokesperson of the Board at Town Meetings and present the Board's position unless otherwise determined by the Board or delegated to another member.
- f. Recommend liaison assignments and assigns overview responsibilities for projects and tasks to Board members. The final decision on liaison assignments is by a majority of the Board members.

- g. Nominate Board members to Board Sub-Committees. Final appointment is by a majority of the Board members.

6. Responsibilities of the Vice-Chairman

The Vice-Chairman of the Board shall:

- a. Act in the place of the Chairman during his/her absence at meetings.
- b. Should the Chairman leave office, the Vice-Chairman shall assume the duties and responsibilities of the Chairman until the Board elects a new Chairman.

7. Board of Selectmen Liaisons

The purpose of establishing Board of Selectmen liaisons to the various Departments is to maintain good communication and effective working relationships between other Boards, Committees and Commissions and the Board of Selectmen.

Liaison assignments shall be established by the Board of Selectmen on a yearly basis.

It is the Board of Selectmen's intention that every Board, Committee or Commission will have an assigned Board of Selectmen liaison each year.

Board of Selectmen Liaisons shall:

- a. Attend as many meetings of the Board, Committee and Commission as possible.
- b. Assist the Board, Committee or Commission where there is a problem with attendance of any member.
- c. Act as a resource person for the liaison Board, Committee or Commission regarding Selectmen's issues.
- d. To particularly understand and communicate to the full Board of Selectmen issues which affect budgets and other areas of concern of the Board, Committee or Commission.

Board of Selectmen as a whole, by majority vote shall:

- a. Approve overall goals, objectives and policy setting for the Town to be discharged by the Town Manager within the constraints of the Hanover Town Manager Act, another applicable local Bylaws and Federal and State statutes and regulations.
- b. Select the Town Manager and establishes the rate and manner of compensation. The Town Manager serves as the equivalent of the Chief Executive Officer for the Board of Selectmen with the ultimate authority and responsibility for the operation and the management of the Town, under the direction and control of the Board of Selectmen. Except for actions contrary to decisions or written policies made by the Board of Selectmen as a whole, the Town Manager is authorized to take whatever actions are required to operate and manage the Town. The Town Manager is the designated representative for the Board of Selectmen regarding collective bargaining negotiations. The Town Manager may utilize other Town personnel as needed to carry out these responsibilities.
- c. Serve as an appeal body for residents on matters arising from the Board of Selectmen's operations.

- d. Approve:
 - 1. The Annual Report of the Board of Selectmen.
 - 2. All correspondence on Board of Selectmen letterhead that is written by the Board to other elected or appointed Boards or Committees.
 - 3. All collective bargaining agreements. Also establishes the goals and objectives for the Town Manager to meet in bargaining new or amended collective bargaining agreements.
 - 4. All presentations made by the Board of Selectmen to other elected Boards or Committees.
 - 5. Initiation of litigation or its settlement.
 - 6. The appointment of members to Boards, Committees or Commissions under the jurisdiction of the Board of Selectmen or as authorized by Town Bylaws or the Town Manager Act.
- e. Board of Selectmen Subcommittees: Subcommittees serve as a mechanism for the Board to review and consider specific issues. Subcommittees may recommend, but not approve, a course of action to the Board.

8. Town Manager Evaluation

A comprehensive performance evaluation will take place at least annually. The annual evaluation may be used as the basis in determining any merit based increase or bonus for the Town Manager. However, the result of the annual performance review does not obligate the Board to grant a merit increase or bonus.

- a. The performance evaluation period will run from April 1st to March 31st.
 - 1. If a Town Manager is hired during the performance evaluation period the evaluation will still be conducted by March 31st provided the Town Manager has been in the position a minimum of six months.
- b. The Board of Selectmen will establish a schedule to complete the Town Manager Evaluation and vote on any salary increase or bonus prior to the annual Town election.
- c. Prior to June 30th, the Board shall:
 - 1. Review & update the Board of Selectmen and Town Manager goals for the next fiscal year.
 - 2. Review and update the criteria that the Town Managers performance will be evaluated on for the next fiscal year.

9. General Operating Policies

It is the policy of the Board of Selectmen:

- a. To operate in accordance with the spirit, as well as the letter of all laws affecting its business and its employees.
- b. All Board members, members of Boards, Committees and Commissions appointed by the Board of Selectmen, Town staff and employees are required to act with the highest level of integrity, business ethics and objectivity in any transaction where a Selectman or employee represents the Board of Selectmen. No Selectman or employee is allowed to misuse the authority or influence of their position.
- c. To operate in a businesslike and efficient manner in all aspects of operating and managing the Board of Selectmen.

- d. To be supportive of a good working relationship between management and employees including Unions.
- e. To hold regular open and public meetings to allow residents to provide direct input on any open session matter before the Board and to offer the opportunity at all regular sessions of the Board of Selectmen for residents to comment upon any issue that is on the agenda for that meeting.
- f. To affirmatively and courteously respond to all requests for public information. All requests will be arranged through the Town Manager.
- g. To advocate for the use of technology, training, personnel and flexible work and administrative processes to maintain an efficient municipal government serving the best interests of residents.
- h. To operate in the best interests of the Town in all matters.
- i. Refrain from the use of texting, emailing, and phone calls during meetings.

10. Regular Board Meetings

Regular Board meetings are held on Mondays. The Board shall not meet on days designated as legal holidays. The Board may establish an alternative schedule by a majority vote.

11. Special Meetings

A meeting called for any time other than the regular meetings shall be known as a “Special Meeting”. The same rules as those established for regular meetings will apply. Special meetings may be called provided that a majority of the members agree to meet and all Board members who are available are notified.

12. Workshop Meetings

The Board may conduct informal “workshops” from time to time as the situation warrants. At such meetings, which will be posted in accordance with the Open Meeting Law, no official action will be taken.

13. Executive Session

If practicable, Executive Sessions, other than a few minutes in duration will be scheduled only at the end of the open meeting. Only items clearly allowed under the Open Meeting Law shall be included in Executive Session. The mover must specify in the motion to enter Executive Session the reason the session is sought.

A majority of the members present must vote to enter Executive Session by roll call vote. The Chairman must state whether or not the Board will reconvene into open session.

14. Limit of Hours for Regular Meetings

The regularly scheduled meetings of the Board of Selectmen shall be limited by having discussion limited to agenda items taken up or tabled prior to 11:00 p.m. All remaining items will be deferred to a subsequent meeting. In order to facilitate the above policy efficiently, the Chairman will:

- a. Limit the time of speakers from the floor especially during public hearings.
- b. Call for votes on major issues or policy changes prior to 11:00 p.m., or defer final votes to subsequent meetings.
- c. Request staff to prepare motions for Board action in advance.

15. Minutes

The Selectmen's secretary is responsible for preparing minutes of all Board meetings. Minutes shall contain a full statement of all actions taken by the Board and of the disposition of all proposals for action.

16. Declassifying Confidential Executive Session Minutes

In accordance with the provisions of the Open Meeting Law, Chapter 39, Section 23, the Town Manager, acting as clerk to the Board of Selectmen, will review approved confidential minutes of the Board of Selectmen's Executive Sessions on a regular basis. It is the intent of the Board of Selectmen to withhold minutes only for as long as the publication of the record would defeat the original purpose of a lawfully convened Executive Session.

At least once a month, the Town Manager will review all approved minutes still in confidential status, and will release for publication those segments that need not be confidential any longer.

This action will be part of a report on the "Town Manager Update" of the Board of Selectmen's meeting agenda.

17. Identification of a Person Addressing the Board of Selectmen

Each person appearing before the Board of Selectmen who wishes to speak will, upon recognition by the Chairman of the Board, identify him/herself by name and address of residence. Failure to identify him/herself will result in the Chair withdrawing permission for that individual to speak to the Board of Selectmen.

18. Continuity of Business

It shall be the policy of the Board of Selectmen to conduct the business on its agenda at the meeting for which it is listed, unless a particular member of the Board is essential to the topic of discussion by virtue of special background or expertise, and is not able to be present at the meeting for which that item is listed.

19. Board of Selectmen Communication

It is important to the public and to the Board of Selectmen itself to make it clear when an individual member is speaking for the Board as a whole, or when he/she is speaking for him/herself as an individual. In order to ensure this clarity of communication, the following shall be the policy of the Board of Selectmen:

- a. Members of the Board of Selectmen shall be given a Town email account for their use. Board members shall use their Town email account for correspondence relative to Town business or matters. Correspondence of this type shall be copied to all of the other members of the Board of Selectmen and to the Town Manager. Any such correspondence shall state that the views expressed are those of that member of the Board of Selectmen only.
- b. The Board of Selectmen stationery, naming all five members of the Board, will be used only for correspondence from the full Board of Selectmen. This will be used to communicate positions of the full Board of Selectmen based on consensus of the full Board or based upon actually voted positions of the Board.
- c. The Board of Selectmen may take votes on recommendations on Warrant Articles appearing before Town Meeting, and the Chairman of the Board of Selectmen or his/her designee will be responsible for communicating those recommendations to Town Meeting based on votes of the Board.
- d. If a Board member rises to speak at Town Meeting, he/she shall identify whether he/she is speaking for the full Board or as an individual.

In today's society, much of the correspondence to the Board of Selectmen is electronic, and often is copied to all members of the Board. The Board of Selectmen acknowledges that correspondence in electronic form that is made and/or received by it and its individual members are "public records". Additionally, the Board of Selectmen acknowledges that the manner in which it deals with electronic correspondence may raise concerns relative to the Open Meeting Law. The Board also feels it is important to ensure that a proper response is given to an email request.

Electronic correspondence will be handled in the following manner:

- a. Correspondence about a particular service that needs attention from Town staff. The Town Manager will respond to this electronic correspondence, with an electronic copy to all members of the Board of Selectmen, and this correspondence will be listed on the next Board of Selectmen agenda.
- b. Correspondence addressed to the Board of Selectmen expressing an opinion or comment on a matter before the Board of Selectmen. The Town Manager will respond to acknowledge this electronic correspondence, with an electronic copy to all members of the Board of Selectmen, and this correspondence will be listed on the next Board of Selectmen agenda.
- c. Correspondence addressed to the Board of Selectmen asking the Board for action on a particular matter. The Secretary to the Board of Selectmen (or designee) will draft a form letter, acknowledging the receipt of the correspondence, outlining that the Open Meeting Law prohibits the Board of Selectmen as a whole from commenting on the matter outside of a public meeting, and that the Board will consider at a future meeting whether to schedule agenda time on that matter.
- d. Acknowledging that it is possible that private one on one electronic communications may reach a quorum of members without the knowledge of all participants, members of the Board of Selectmen shall only comment in electronic form on any correspondence received by referring the matter to the Town Manager.
- e. Members of the Board of Selectmen may communicate electronically on housekeeping matters such as the scheduling, cancellation and time of meetings and requests to put matters on its agenda.
- f. Documents may be distributed via email from the Board of Selectmen to all members of the Town's boards, commissions and committees to permit advance review of materials to be discussed at upcoming meetings.
- g. The Board shall have as a resource an "Executive Dashboard" which is an electronic repository for all information provided by the Town Manager, including updates on weekly activities, personnel actions, and legal developments.

Budget and Financial Management Policies

Adopted by: Board of Selectmen

POLICY #: 11-03

Approved: December 12, 2011

I. Introduction

The Town of Hanover has an important responsibility to carefully account for public funds, to manage municipal finances wisely, and to plan and provide for the adequate funding of services desired by the public and as required by laws, rules, or regulations, including the provision and maintenance of public facilities and improvements. The budget and financial goals and policies set forth by the Board of Selectmen in this document are intended to establish guidelines for the continued financial strength and stability of the Town of Hanover.

II. Goals

Goals are broad, fairly timeless statements of the financial position the Town seeks to attain. The financial goals for the Town of Hanover are:

- To provide full value to the residents and business owners of Hanover for each tax dollar by delivering quality services efficiently and on a cost-effective basis.
- To preserve our quality of life by providing and maintaining adequate financial resources necessary to sustain a sufficient level of municipal services, and to respond to changes in the economy, the priorities of governmental and non-governmental organizations, and other changes that may affect our financial well-being.
- To maintain our existing credit rating and strive for a top level bond rating.
- To guide Town decision makers on management and policy decisions that will have significant fiscal importance.
- To set forth operating principles that minimizes the cost of government and financial risk.
- To employ balanced and fair revenue policies that provides adequate funding for desired programs.
- To maintain appropriate financial capacity for present and future needs.
- To promote sound financial management by providing accurate and timely information on the Town's financial condition.
- To ensure the legal use of financial resources through an effective system of internal controls.
- To achieve these goals, the Board of Selectmen adopts the following policies.

III. Operating Budget Policy

Sound financial practice and the desire to maintain a strong credit rating dictate that our budgets be balanced, constantly monitored, and responsive to changes in service demands. With these concepts in mind, the Town of Hanover has adopted the following budget policy statements:

- On or before October 1 of each year, the Town Manager will submit to the Board of Selectmen and Advisory Board a budget overview and calendar for the next fiscal year.
- The Town Manager will prepare a comprehensive budget for the Town of Hanover, covering all major cost centers, all spending plans and all anticipated revenues. This comprehensive budget will be submitted to the Advisory Board and to the Board of Selectmen 90 days prior to Town Meeting or earlier if circumstances warrant.

- The annual operating budgets will be appropriated on a balanced basis, where operating revenues (estimated revenues) are used to fund operating expenditures/expenses (appropriations).
- Operating revenues include property taxes, motor vehicle excises, charges for services, interest earnings, license and permit fees, fines and forfeitures, regularly recurring governmental aid, and transfers in from other funds established for operating purposes.
- Operating expenditures/expenses include salaries and wages, employee benefits, materials, supplies, and contractual costs.
- The Town will avoid relying on one-time revenues (Free Cash) to fund on-going operating expenses.
- To the extent possible, one-time revenues that are not required by law or agreement to be expended for a particular purpose will only be used for capital purposes, augmenting of Town reserves or emergency expenditures/expense.
- The Town Manager will annually estimate the costs of the Town's obligations for providing benefits for Town and Hanover Public School employees as part of the preparation of the annual operating budget.
- The operating budget will not be subsidized by the Stabilization Fund.

IV. Revenue Policy

Revenues determine the capacity of the Town to provide services. To ensure that revenues for the Town are balanced and capable of supporting desired levels of services, the Town of Hanover has adopted the following revenue policy statements:

- The Town Manager and Finance Director are responsible for estimating revenues for the upcoming fiscal year. They will consult with other officials of the town as well as state officials and others with knowledge of state and local finance.
- Revenue forecasts for local receipts and state aid shall be conservative, using generally accepted forecasting techniques and appropriate data. Revenue deficits will be avoided at all costs. To avoid any potential for such a deficit, estimates for local receipts will be budgeted conservatively.
- The Town Manager and Finance Director will project revenues for the next three years as part of a three year financial forecast.
- Each year and whenever appropriate, existing revenues will be re-examined and possible new sources of revenues will be explored to ensure that we are maximizing our revenue potential.
- Legally restricted revenues will be avoided when they adversely affect the short or long-term financial health of our government.
- The Town will strive to be informed and aware of all grants and other aid that may be available to us. All potential grants and other aid shall be carefully examined for matching requirements (both dollar and level-of-effort) and restrictive covenants, to ensure that our participation in such grants will be beneficial and cost-effective.
- Each year and whenever appropriate, intergovernmental revenues will be reviewed to determine their short and long-term stability, to minimize the impact of any adverse changes. Intergovernmental revenues shall be used as legally prescribed or otherwise set forth by policy.
- A balance will be sought in the revenue structure between elastic and inelastic revenues, to minimize any adverse effects caused by inflationary or economic changes.
- One-time revenues will be used for capital improvements, additions to reserves or as legally restricted to a specific purpose.
- 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.

- Recreational user charges and fees will be set to recover approximately 100% of total direct and indirect costs generated by revolving fund recreation programs.
- Enterprise fund user charges and fees will be set to recover all direct costs and associated with the activities of these funds as well as the indirect costs.

V. Expenditure/Expense Policy

Expenditure/expenses are a rough measure of a local government's service output. While many expenditures/expenses can be easily controlled, emergencies, unfunded mandates, and unanticipated service demands may strain our ability to maintain a balanced budget. To ensure the proper control of expenditures/expenses and provide for a quick and effective response to adverse financial situations, the Town of Hanover has adopted the following expenditure/ expense policy statements:

- Expenditures/expenses and purchase commitments will be made in a form and process that is legal, appropriate, funded, authorized and sufficiently documented.
- Expenditures/expenses and will be recorded in an accurate and timely fashion.
- The balances in appropriation accounts will be monitored regularly to ensure that the total of expenditures/expenses and in any account do not exceed the authorized budget for that account.
- Requests for competitive bids, proposals, formal and informal quotes, and other methods of seeking and encouraging vendor competition will be obtained as required by law and as otherwise established by the Town Manager or Town Counsel.
- Arrangements will be encouraged with other governments, private individuals, and firms, to contract out or cooperatively deliver services, in a manner that reduces cost and/or improves efficiency and effectiveness while maintaining service quality.
- The full direct and indirect costs will be calculated for any service provided for a fee or charge, or where there is a potential for the reimbursement of such costs.
- All appropriations shall lapse at the close of the fiscal year to the extent that they shall not have been expended or encumbered.

VI. Reserves and Risk Management Policy

A municipality's fiscal policies should include a plan for maintaining reserves. Operating reserves (or fund balance) are a prudent fiscal management tool and an important credit factor in the analysis of financial flexibility.

The Town of Hanover will maintain a level of reserves that protect the Town from emergency conditions that require financial flexibility, contribute to sufficient liquidity to pay all Town expenses without short-term borrowing, and contribute to the high credit rating that the Town currently holds and leads to the highest rating possible.

To provide for adequate levels of reserves to protect the Town's financial condition over the long-term, the Town of Hanover has adopted the following financial reserves policy statements.

A. Risk Management

- The Town will maintain an effective risk management program that provides adequate coverage, minimizes losses, and reduces costs.
- The Town will annually work with the Town's insurance carrier to update all listings of Town owned assets and the value of such covered assets.
- As the Town is self-insured for some of the benefits programs it offers, the Town will maintain adequate reserves for its Workers Compensation and Unemployment Compensation.

B. Stabilization Fund

- The Town will maintain a general purpose stabilization fund as its main financial reserve in the event of an emergency or a (one time) extraordinary financial need.
- The Town will strive to maintain a stabilization fund balance that is approximately 5% of the Town's operating revenues.
- Interest earned on Stabilization Fund balances will be retained in the Stabilization Fund.
- The excess overlay reserve shall be a dedicated funding source for the stabilization fund.
- The Town Manager, with Advisory Committee approval, will consider an amount to be appropriated into the stabilization fund after the annual budget process is completed.

VII. Capital Budgeting and Planning Policy

Capital assets include land, improvements to land, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, construction in progress and all other tangible and intangible assets that are used in operations and have initial useful lives extending beyond a single reporting period. Infrastructure assets are long-lived capital assets that normally are stationary in nature and can be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure assets owned by the Town of Hanover include roads, bridges, tunnels, dams and drainage systems.

The Town of Hanover has a capital planning and budget bylaw and process that require the following:

- The Town Manager will submit a capital program to the Capital Improvement Planning Committee 90 days prior to Town Meeting or earlier if circumstances warrant.
- The proposed program will detail each capital project, the estimated cost, description and funding source.
- The Town will update and readopt annually a five-year capital improvement plan ("CIP"), including the upcoming annual capital improvement budget ("CIB") and a four year projection of capital needs and expenditures which details the estimated cost, description and anticipated funding sources for capital projects.
- The first year of the five year CIP will be the basis of formal fiscal year appropriation request during the annual budget process.
- Per the Town's capital bylaw, the capital improvement budget and plan will generally address those capital assets with a value of more than \$10,000 and a useful life of over five (5) years.
- The Town will emphasize preventive maintenance as a cost-effective approach to infrastructure maintenance. Exhausted capital goods will be replaced as necessary.
- The capital improvements plan should be tied to the Town's master facilities study to ensure that the capital items requested meet the future growth needs for the Town.
- Capital items will be funded with one time revenues.

VIII. Debt Management Policy

Debt is an effective way to finance capital improvements or to even out short-term revenue flows. Properly managed debt preserves our credit rating, provides flexibility in current and future operating budgets, and provides us with long-term assets that maintain or improve our quality of life. To provide for the appropriate issuance and responsible use of debt, the Board of Selectmen of the Town of Hanover have adopted the following debt management policies.

- Long-term debt will be issued only for objects or purposes authorized by state law under Chapter 44, section 7 and 8.

- The Town will maintain good communications with bond rating agencies, bond counsel, banks, financial advisors and others involved in debt issuance and management.
- The Town will strive to maintain level debt service as to not drastically increase the tax levy in any given year. When debt decreases new debt will be issued, either short or long term, in order to achieve a level debt service goal.
- The Town's annual Town Report, Town Manager's budget request and Annual Town Meeting Warrant will give comprehensive summaries of the debt obligations of the Town.
- The Town will attempt to vote all significant debt questions (over \$500,000) exempt from the limits of Proposition 2 ½.

IX. Protection of Credit Rating Policy

Maintenance of the highest level credit rating possible is important to the continued financial health of Hanover as it reduces the costs of issuing debt. Credit rating firms consider management practices to be very important factors. There are several management practices that can inadvertently jeopardize the financial health of a local government. To be proactive in assuring the Town of Hanover does not engage in these practices, the Board of Selectmen of the Town of Hanover has adopted the following credit rating protection policies.

- The Town will not rely on reserves to sustain operating deficits. Use of such reserves will be limited to helping the Town deal with short-term or emerging financial stress, but then the Town will either reduce spending to within the limits of recurring revenues, or seek approval for additional revenues from the voters of the Town.
- As part of the budget process the Town will account for their unfunded liability and address future funding.
- The Town will analyze the full-life costs of multi-year decisions. For example, acquiring or construction of new buildings will be conducted with an assessment of the operating costs of the building. Lease agreements will be conducted with an assessment of future budgets and the ability to make annual payments.
- The Town will follow the policies as outlined in this policy statement.

This policy was approved by the Board of Selectmen on December 12, 2011 and is effective immediately.

Cash/Receipt Handling Policy

Adopted by: Board of Selectmen

POLICY #: 13-02

Approved: December 11, 2013

Effective: Immediately

Purpose:

This document is intended to provide clear procedural guidelines for the Treasurer/Collector staff when they are opening their cash drawer for the day, receiving and processing receipts and proving out their work for the closing of their cash drawer.

Applies to:

- Treasurer/Collector senior clerk
- Assistant Treasurer
- Deputy Collector

Access to Cash Drawers

Each cash drawer is unique and each employee is expected to retain their key on their person at all times. The cash drawers are to be locked when leaving the office. The duplicate key will be kept by the Finance Director. The Finance Director does not have unlimited access to enter the Treasurer/Collector's office.

In addition, all employees **MUST** lock their PC when they are out of view of their cash drawer.

Cash Drawer Funds – Overnight Storage

Each employee will store their cash/checks in a disposable sealed bank bag overnight in the safe. This will provide security so that no one can access anyone else's bank.

Emergency Cash Drawer Closing

If any employee needs to leave as a result of an emergency (sick or other), they are to communicate with the Treasurer/Collector their need to leave. The Treasurer/Collector will, in the presence of another employee, count the cash and checks, perform the close out process and post the packet. The funds will be prepared for bank deposit as usual.

Beginning Bank for Cash Drawer

Each drawer will begin with a bank that consists of one hundred dollars (\$100) broken down as follows (when possible):

- \$20 in coin
 - \$10 - one roll of quarters
 - \$5 – one roll of dimes
 - \$4 – two rolls of nickels
 - \$1 – two rolls of pennies
- \$25 in ones
- \$25 in fives
- \$30 in tens

Cash Worksheet

The attached cash worksheet will be used by each employee to document and verify their beginning \$100 bank and to close out their cash drawer.

Maintaining cash drawer during workday

On days that transactions are larger or there is a higher volume of activity, employees should prepare their drawer for close out as much as possible. While there are no customers, or through coordination between staff, employees should count out their cash and bundle when possible according to the following:

\$20's = bundles of \$500
\$10's = bundles of \$250
\$5's = bundles of \$100
\$1's = bundles of \$25

Also, checks can be tallied up, banded together and attached to the calculator tape so that at the end of the day the totals of each bundle may be added together.

This should significantly speed up the close out process.

Cash Drawer Close Out

The attached cash worksheet will be used by each employee to document and tally the cash and checks within their cash drawer. This worksheet is to accompany the "daily work" and SoftRight reports required in order to have a bank deposit prepared. If the total cash and total checks do not agree between the cash worksheet and SoftRight reports, the bank deposit is prepared with funds in hand. The employee that entered the payments will be asked to review the processing documents so that the error will not continue in daily processing. If the error continues, it will be addressed accordingly as a performance issue and progressive disciplinary action will be taken.

Monthly Audits

At least once a month, the Treasurer/Collector and Finance Director will conduct an audit of the cash drawer close out procedure. The employee will be asked to watch as the funds are counted and the daily work is tallied up. This will be done in a manner so that each employee within the office will be audited at least once every three months.

Cash Drawer Overage/Shortage

Each employee will be responsible for maintaining a balanced cash drawer. In the event that the cash drawer for the day is either over or under when compared to the daily work, a copy of the cash out worksheet and SoftRight report "Cash Register Deposit Report" will be provided to the Treasurer/Collector. The Treasurer/Collector will generate a receipt to be posted to the liability account "Cash Over/Short".

Each employee is to be held accountable for their cash drawer and daily work. When variances occur, employees can expect the following to take place based on either the threshold or the frequency of mistakes.

Up to \$25

- 1st error - Review of cash counting and use of currency counting equipment in office
- 2nd error – Verbal warning and review of cash counting and use of currency counting equipment
- 3rd error – Written warning
- 4th error – Written warning with disciplinary action to be taken including possible termination

\$25-\$100

- 1st error - Review of cash counting and use of currency counting equipment in office
- 2nd error – Verbal warning and review of cash counting and use of currency counting equipment
- 3rd error – Written warning with disciplinary action to be taken including possible termination

\$100 or more

- 1st error - Review of cash counting and use of currency counting equipment in office
- 2nd error – Verbal warning and review of cash counting and use of currency counting equipment
- 3rd error – Written warning with disciplinary action to be taken including possible termination

Frequency of errors

Each employee will be allowed no more than a total of \$200 annually in over and short errors. If this threshold is exceeded they may receive verbal, written or disciplinary action.

Schedule for cash drawer close out

The cash drawers should be closed out, as assigned, and daily worked prepared for transition to the Assistant Treasurer.

Process at the Treasurer/Collector's window

The Senior Clerk will be the position primarily responsible for receiving both tax payments and departmental turnovers at the Treasurer/Collector window.

The Deputy Collector will be the secondary.

The Assistant Treasurer will be the last option. The Assistant Treasurer will prepare all bank deposits (other than their own – this will be done by Deputy Collector) and therefore encouraged not to handle receipts unless absolutely necessary.

The person delivering the bag needs to stay at the window until the entire transaction has been completed. The secured bag will be opened by the Treasurer/Collector staff at the window and all funds, whether cash or check, will be verified.

If the Treasurer/Collector's staff agrees with the total on the turnover sheet the information will then be entered into the Town's financial software system. Once this has been completed, the Treasurer/Collector's staff will sign all three copies of the turnover. This serves as the receipt to the department. The Treasurer/Collector's office will keep their copy of the turnover and return two copies back to the department so that they can deliver the Accounting copy to the Accounting office. The Accounting copy is not to be left with the Treasurer/Collector's office.

If the Treasurer/Collector's staff does not agree with the total on the turnover sheet, the person that delivered the funds will be asked to recount the funds. The turnover will be updated and signed by the person delivering the funds and the Treasurer's office, if necessary. The rest of the process outlined above will be followed.

Types of transactions and how to process:

- All departmental turnovers and tax payments (including water bills) received over the counter are to be entered into a single cash drawer receipt packet and funds are to be secured in cash drawer.
 - Water bills are to be provided to the Assistant Treasurer and entered throughout the day into the old system so that too is kept up to date and the bills may be returned to the daily work of the person that entered the activity into SoftRight. The batch worksheet will be used to verify the entry throughout the day.
- Electronic transactions – advice of credit from bank, wire transfers, credit card payments and Unibank should be entered into a separate packet either through a desktop receipt packet in the collectors module or with a treasury receipts packet since there are no cash/checks associated with the transaction.

- Mail – the Assistant Treasurer or Deputy Collector will open the office mail and organize it for entry to be done by Senior Clerk.
- Student Activity Funds/Cultural Council – a separate cash drawer packet will need to be opened because these funds are deposited into a separate bank account.

Manual Process if System is Down for All

If in the event that SoftRight is not available for anyone in the office, payments will need to be accepted and a handwritten receipt will be provided. These receipts are to be from the pre-numbered receipt books. A copy of the receipt is given to the customer (tax payer or department) and a copy is to be retained with the work taken in. Each employee will need to manually open their cash drawer with their key to secure the funds until cashing out. The cash out worksheet will be used and verified against the daily work. Once the system is available, the processing of the payments will take place.

ACKNOWLEDGEMENT

I, _____, have received, read and understand the Treasurer/Collector
Office cash/receipt handling procedure implemented by the Finance Department on October 17, 2013.

Signature

Date

Receipt/Turnover Policy

Adopted by: Board of Selectmen

POLICY #: 13-03

Approved: December 11, 2013

Effective: Immediately

Purpose:

This document is intended to provide guidelines to assist all Town departments when handing receipts of any kind to properly safeguard, promptly deposit, and accurately record all receipts into the SoftRight financial system. This will shorten the period of movement from cash collection to investment and will provide sound internal controls over cash. In addition, it will help to prevent the mishandling of Town funds and to protect town employees from inappropriate charges or accusations of mishandling funds.

Applies to:

- All department heads, managers and staff responsible for collecting funds, cash or check.
- All department heads, managers and staff responsible for delivering funds, cash or check, to the Treasurer/Collector's office

Cash Handling within Offices

When receiving cash or checks for payment employees must give the customer a pre-numbered receipt, permit, ticket or invoice form and retain a duplicate for the department records. This must include the date, individual or business making the payment, type of payment (cash or check) and employee that took in the funds. A log must be maintained that keeps track of all sequentially numbered receipts. If a receipt is not needed or an error is made, it should be signed by the manager or department head with a notation as to why the receipt is being voided. Checks or money orders need to be made payable for the amount due. No cash back is allowed at any time. Postdated checks should not be accepted. All checks should be stamped with the restrictive endorsement for "The Town of Hanover – For Deposit Only". These stamps are provided by the Treasurer/Collector's office and should not be ordered by individual offices. Each office must identify a secure place, not accessible to unauthorized office staff, to keep funds until they are turned over to the Treasurer/Collector's office. Funds should never be kept in an unlocked draw.

Frequency of Turnovers

Funds must be turned over or deposited to the Treasurer/Collector's office daily if funds on hand exceed \$100 or once a week if the \$100 daily threshold is not met. (See separate procedure for School Lunch)

Secured Bags

The Treasurer/Collector's office will supply secured bags to each department transporting turnovers to the Treasurer/Collector's office. This may be in the form of a locked deposit bag or disposable deposit bag.

Departmental Turnover Sheets (see attached example)

The Accounting department will issue to each department a turnover sheet that is to be used whenever funds are being brought to the Treasurer/Collector's office. No funds will be taken by the Treasurer/Collector's office without a completed turnover sheet.

Three (3) Copies of the turnover sheet need to be completed.

- Department copy
- Accounting copy
- Treasurer/Collector copy

When preparing the turnover sheet please follow these steps:

- Fill in the date you are bringing the turnover to the Treasurer/Collector's office
- Keep a log of your turnovers so that you can assign a number to each one
- Fill in from whom the funds were received
- For each category fill in the total collected in the amount column
 - For items that had several people you should attach a list as back up documentation to the turnover sheet with the detail.
- The totals for cash and check should be segregated where indicated
- Two individuals need to count the cash in the deposit and sign the turnover sheets before they are placed into the secured bag for delivery to the Treasurer/Collector's office.

Process at the Treasurer/Collector's window

The person delivering the bag needs to stay at the window until the entire transaction has been completed. The secured bag will be opened by the Treasurer/Collector staff at the window and all funds, whether cash or check, will be verified.

If the Treasurer/Collector's staff agrees with the total on the turnover sheet the information will then be entered into the Town's financial software system. Once this has been completed, the Treasurer/Collector's staff will sign all three copies of the turnover. This serves as the receipt to the department. The Treasurer/Collector's office will keep their copy of the turnover and the department should deliver the Accounting copy to the Accounting office. The Accounting copy is not to be left with the Treasurer/Collector's office.

If the Treasurer/Collector's staff does not agree with the total on the turnover sheet, the person that delivered the funds will be asked to recount the funds. The turnover will be updated and signed by the person delivering the funds and the Treasurer's office, if necessary. The rest of the process outlined above will be followed.

Departmental reconciliation of revenue to turnover sheets

On a monthly basis, departments will receive revenue reports and be asked to verify that all activity got posted to the general ledger correctly. The department should use their office copy of the turnovers to compare receipts posted to the accounting system.

If errors have occurred, the Accounting office should be contacted so that a correction can be made.

ACKNOWLEDGEMENT

I, _____, have received, read and understand the receipt/turnover procedure implemented by the Finance Department on October 1, 2013.

Signature

Date

PROCUREMENT CARD (PCARD) POLICY AND PROCEDURES

Adopted by: Board of Selectmen

POLICY #: 14-02

Approved: June 16, 2014

Purpose and Scope

The Town of Hanover has established a procurement card program. This program will allow the designated users to make purchases by phone, fax, online or in person and relieve employees of the financial burden of paying for work related expenses and subsequently seeking reimbursement. The purpose of these cards is principally for use in the purchase of lodging, transportation and travel expenses, and conference registration costs. These cards may also be used when it is the only acceptable form of payment by the vendor.

The Town of Hanover has contracted with Bank of America to provide Mastercard credit cards, called procurement cards. The procurement cards are to be used solely to purchase goods and services for the Town of Hanover.

The purpose of these policy and procedures is to establish guidelines to govern the issuance and use of procurement cards.

Policy

It is the policy of the Town of Hanover to allow the issuance and use of procurement cards to Department Heads. Procurement cards are to be issued at the discretion of the Town Manager in accordance with this policy.

Procedures

Issuance of Procurement Cards and Established Credit Limits

The authorized cards as of the adoption of this policy are as follows:

<u>Issued to:</u>	<u>Credit Limit</u>	<u>Issued to:</u>	<u>Credit Limit</u>
Town Manager	\$5,000	Community Services Director	\$1,000
Chief of Police	\$2,500	Fire Chief	\$2,500
Director of Public Works	\$2,500	Facilities Manager	\$2,500
Finance Director	\$2,500	School Positions*	

*School Positions will require a future vote of the Board of Selectmen as voted June 16, 2014.

All cards will be mailed to the Town Manager for distribution.

The Town Manager shall not issue any additional cards, nor increase the credit limits of any existing cards, without first notifying the Board of Selectmen in writing.

Use of a Procurement Card

Allowable Uses

- Cards are to be used for Town of Hanover business only.
- Reservation and payment of travel arrangements

- Conference registrations that are required to be done via the internet
- Payment for goods/services via internet
- Payment for goods/services from vendor that does not accept other forms of payment
- Emergency purchases related to storm or catastrophic events

Prohibited Uses

- Personal charges – at no time are personal charges allowed on Town card
 - Cash advances
 - Alcoholic beverages
 - Entertainment of any kind
1. Authorized use of a procurement card – Only the authorized cardholder may use the procurement card. Under no circumstances may a cardholder give his/her card to another person.
 2. At the time of a transaction, the cardholder should advise the vendor of the Town's tax exempt status and provide the vendor with the Town's tax ID# embossed on the card.
 3. At the time of transaction, the cardholder must obtain an original, detailed transaction receipt that is marked by the vendor as "paid". The receipt should include the following information: vendor's name, date of transaction, description of each item purchased, unit cost and extension, the cardholder name and the signature of the cardholder.

Food or restaurant receipts must be itemized and detailed with reason for the purchase. Restaurant receipts must include a detailed slip of the food served, along with the signed transaction receipt. Alcoholic beverages may not be charged to the procurement card.

Purchase over the Internet: If the procurement card is used to purchase a good or service over the internet, the card user must print the confirmation page from the website showing the details of the order. In the case of a good purchased, upon receipt of the good, the packing slip should be attached to the confirmation page before transmittal to the program manager.

Purchase by Phone: If the procurement card is used to purchase a good or service over the phone, the card user should ask for a confirmation of the order by fax. In addition, the vendor should be asked to include an original, detailed receipt with the packing slip that accompanies the good at delivery.

Payment of Credit Card Statement

A cardholder must turn in original receipts to the Accounting office weekly. The cardholder is responsible for ensuring receipt of materials and services purchased with the card. The credit card statement will be mailed directly to the Finance Director. Once the statement has been received, the Town Accountant will match up all receipts to the statement activity. The statement will be paid within 25 days of receipt in full as to avoid all late fees and penalties on the account.

The cardholder is responsible for initially working with vendors on any erroneous charges, disputed items or returns. These issues may be brought to the Finance Director for assistance in resolving.

Card Security

All employees authorized to possess a Town card shall always treat the card with a level of care that will secure the card and the account number to help prevent fraudulent use.

Storage of Credit Card – The card should be kept in an accessible but secure location at all times.

Card account number – The account number should be guarded carefully and should not be written down or posted within the office.

Lost or stolen cards – In the event that a card is lost or stolen, the employees shall immediately notify both the Town Manager and the Finance Director so that the appropriation action may be taken with the credit card company.

Penalty for Wrongful Use

Any employee who violates the provisions of this policy shall be subject to disciplinary action up to, and including, dismissal, and may be subject to civil or criminal action.

The Finance Director reserves the right to conduct random audits of the procurement card program to ensure compliance with this policy.

The Town reserves the right to suspend or cancel any employee's card without warning at any time.

OPEB TRUST INVESTMENT POLICY STATEMENT

Adopted by: Board of Selectmen

POLICY #: 15-01

Approved: March 16, 2015

The primary purpose of this Investment Policy Statement (the “IPS”) is to provide a clear understanding regarding the Town of Hanover’s (the “Town”) OPEB Trust’s (the “Trust”) investment objectives, performance goals, and risk tolerance.

A. Scope

This IPS applies to all funds that are separately designated as long-term OPEB funds for the Town or any of its separately identified enterprises. Any additional contributions to the Trust will be maintained in the same manner.

B. Authority

Massachusetts General Law Chapter 32B, Section 20 allows a city, town, district, county or municipal lighting plant to set up a special trust fund, the Other Post Employment Benefits (OPEB) Liability Trust Fund. The governmental unit’s treasurer is the custodian of the fund or in the case of a light plant, an officer designated by the board. Investment of fund monies by the custodian must be consistent with the prudent person standard set forth in Massachusetts General Law Chapter 203C for private trust funds. Interest earned on the investment of fund monies belongs to the fund.

C. Diversification

The following asset classes can be included in the Trust in order to construct a diversified investment portfolio that is both prudent and appropriate given the Town’s actuarial assumed discount rate, target rate of return, investment objective, and risk tolerance. The investment parameters and asset allocation definitions that will govern the Investment Manager of the diversified portfolio are included in the addendums to this IPS.

Equities

The primary objective of the Trust’s equity allocation is to provide long-term total returns that are, at a minimum, consistent with appropriate broad market indexes through full market cycles.

The Investment Manager of the diversified portfolio can purchase and manage the equity allocation using individual equities, such as domestic common stocks, preferred stocks, and/or American-Depository Receipts (ADRs).

The Investment Manager can also utilize other investments such as, mutual funds, exchange traded funds, closed-end funds, etc. Total equity exposure is able to include, both domestic and international equities, both developed and emerging countries and geographic regions, as well as large-, mid-, and small-market capitalization weighted companies. Direct holdings of common stock, preferred stock, and/or ADRs in any one company should not exceed 5% of the market value of the invested portfolio.

Investing directly in real estate, private placements, letter stock, or initial public offerings is strictly prohibited. The Investment Manager of the diversified portfolio shall not engage directly in margin transactions, short sales, or any other leveraged or inverse investment vehicles. Mutual funds, exchange-traded funds, and closed-end funds, however, may engage in margin, leverage, and/or short sales. Investing directly in unit-investment trusts (UITs) and business development companies (BDCs) are strictly prohibited.

Fixed Income

The primary objectives of the Trust's fixed income allocation are to preserve capital and generate a reasonable level of cash flow. The secondary objective is to provide price returns that exhibit lower correlation to the broad global equity markets in order to reduce the overall risk of the portfolio.

The Investment Manager of the diversified portfolio can purchase and manage the fixed income allocation using individual bonds that are United States Dollar denominated only. Issuer selection can include domestic corporate bonds and any obligations of the United States Government and/or its agencies.

The Investment Manager can also utilize other investment vehicles such as, mutual funds, exchange traded funds, closed-end funds, etc. Total fixed income exposure is able to include, both domestic and international bonds, both developed and emerging countries and geographic regions. Direct holdings of individual corporate bonds in any one company should not exceed 5% of the market value of the invested portfolio; however, this is not applicable to the United States Government and/or its agencies. Lower-quality investments may only be held through diversified vehicles, such as mutual funds or exchange-traded funds.

Investing directly in real estate, mortgages, collateral or non-collateral loans, private placements, fixed income or interest rate futures, or any other specialized fixed income ventures is strictly prohibited. Investing directly in unit-investment trusts (UITs) and business development companies (BDCs) are strictly prohibited.

Alternative Investments

The primary objective of the Trust's alternative allocation is to provide long-term capital appreciation that is less correlated to broad global equity and fixed income indexes.

The Investment Manager of the diversified portfolio can only purchase those strategies that are deemed to be alternative through daily-liquid diversified investment vehicles such as, mutual funds, exchange-traded funds, closed-end funds, etc.

Investing directly in unit-investment trusts (UITs) and business development companies (BDCs) are strictly prohibited.

Cash and Cash Equivalents

Cash will be maintained to provide periodic cash distributions, if and when necessary. Cash will not normally be held as a strategic investment asset, although the Investment Manager may seek to allow cash to build to the maximum level in times of market uncertainty.

D. Specific Risks

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

The Town will manage credit risk several ways. There will be no limit to the amount of United States Treasury and United States Government Agency obligations.

In regards to fixed-income investments, the Town will only purchase investment grade securities. Lower-quality investments may only be held through diversified vehicles, such as mutual funds or exchange-traded funds. Investments in fixed income securities will be made primarily for income and capital preservation.

Custodial Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

The Town will review the financial institution's financial statements and the background of the sales representative. The intent of this qualification is to limit the Town's exposure to only those institutions with a proven financial strength, Capital adequacy of the firm, and overall affirmative reputation in the municipal industry.

Further, all securities not held directly by the Town, will be held in the Town's name and tax identification number by a third party custodian approved by the Treasurer and evidenced by safekeeping receipts showing individual CUSIP numbers for each security.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer.

The Town will minimize Concentration of Credit Risk by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized. As stated above, securities of a single corporate issuer (with the exception of the United States Government and its Agencies) will not exceed 5% of the portfolio value.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

The Town will manage interest rate risk by managing duration in the Trust.

Foreign Currency Risk

Foreign currency risk is the risk that changes in foreign monetary exchange rates will adversely affect the fair value of an investment or a deposit.

The Town will, as much as feasible, mitigate foreign currency risk.

E. Standards of Care

The standard of prudence to be used by the Treasurer shall be the "Prudent Person" standard and shall be applied in the context of managing an overall portfolio. The Treasurer acting in accordance with written procedures and this IPS, and exercising reasonable 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 IPS.

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 as the probable income to be derived.

In addition this section would also apply to M.G.L. Chapter 44 Section 55A which refers to the liability of the Treasurer for losses due to bankruptcy.

F. 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. The Treasurer shall disclose to the Town Manager any material financial interest in financial institutions that do business with the Town. They shall also disclose any large personal financial investment positions or loans that could be related to the performance of the Town's investments.

G. Relationship with Financial Institutions

Financial institutions should be selected first and foremost with regard to their financial soundness and stability. Brokers should be recognized, reputable dealers. All cash and securities shall be held in either a bank that is allowable for the deposit of public funds, provided funds on deposit are insured by the Federal Deposit Insurance Corporation (FDIC), or in an Investment Brokerage Account that is insured by the Securities Investor Protection Corporation (SIPC). If a banking institution is selected as manager, the Town will subscribe to Veribanc[®], a recognized bank rating service.

The Treasurer shall require any brokerage houses and broker/dealers, wishing to do business with the Town, to supply the following information to the Treasurer:

- Annual financial statements
- If acting as a Registered Investment Adviser, Form ADV Part II report
- Errors & Omissions insurance amounting to, at a minimum, the total fair market value of the Trust Funds Portfolio.
- A statement that the Advisor has read the Town's IPS and will comply with it on an annual basis
- Annual review all advisors through www.finra.org: Broker Check

H. Reporting Requirements

On a quarterly basis, a report containing the following information will be prepared by the Treasurer and distributed to the Town Manager, as appropriate. The quarterly report will include the following information, as a minimum requirement:

- A listing of the individual accounts and individual securities held at the end of the reporting period.
- 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 IPS.
- A summary of the income earned on a monthly basis and year-to-date basis shall be reported.
- 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.
- The report should demonstrate the degree of compliance with the tenets set forth in the IPS.

I. Performance Measurement and Evaluation

- The individual and custom benchmarks that will be monitored for performance reporting and analysis of the Trust's portfolio are stated and described in the addendums to this IPS.
- It is expected that the respective asset classes of the Trust's diversified portfolio will outperform their respective benchmarks, net of fees and expenses, on a long term (market cycle) basis.

J. Supervision

- The Treasurer will meet with the investment manager(s) as frequently as semi-annually to monitor the performance of the funds and the investment manager(s) compliance with these guidelines. The Treasurer will receive and review portfolio management reports quarterly.

- The Treasurer will review this Investment Policy Statement at least once a year to ensure that it remains appropriate and complete.
- The Treasurer has the option to put the management of funds out for bid periodically, and may consider such option not less frequently than every five years, through a request for information, request for proposal, or similar process as required by law or town policy.

K. Legal References

- Massachusetts General Law Chapter 32B, Section 20
- Massachusetts General Law Chapter 203C, Section 1 through 11

I _____, Treasurer of the Town of Hanover have reviewed this IPS and will manage the Town's OPEB Trust under my control in accordance with this IPS and any attached Addendums.

Treasurer's Signature

Date

ADDENDUM #1
INVESTMENT PARAMETERS
AS OF 1/1/2014

The information contained herein shall dictate the long-term asset allocation targets as well as minimum and maximum parameters, when applicable, that will govern the management of the investable portion of the Trust. The methodology for determining specific security and investment strategy definitions is detailed in Addendum #2.

<i>Category</i>	<i>Min</i>	<i>Target</i>	<i>Max</i>
Equity	35%	45%	55%
Domestic Equity	20%	30%	40%
International Equity	5%	15%	25%
Preferred Equity	0%	0%	10%
Balanced	0%	0%	10%
Fixed Income	25%	35%	45%
Domestic Bonds	15%	25%	35%
International Bonds	0%	10%	20%
Alternatives	10%	20%	30%
Cash	0%	0%	10%
Total	---	100%	---

Treasurer's Signature

Date

ADDENDUM #2
ASSET ALLOCATION DEFINITIONS
AS OF 1/1/2014

<i>Asset Class</i>	<i>Asset Category</i>	<i>Morningstar Category</i>	
Domestic Equity	Large Cap	Large-Cap Blend	Energy
		Large-Cap Growth	Financial
		Large-Cap Value	Healthcare
		Communications	Industrials
		Consumer Cyclical	Technology
		Consumer Defensive	Utilities
		Consumer Staples	Miscellaneous Sector
	Mid Cap	Mid-Cap Blend	Mid-Cap Value
	Small Cap	Mid-Cap Growth	
		Small-Cap Blend	Small-Cap Value
	Preferred Equity	Small-Cap Growth	
		Preferred Stock	
International Equity	Developed	Foreign Large-Cap Blend	Foreign Small/Mid Blend
		Foreign Large-Cap Growth	Foreign Small/Mid Growth
		Foreign Large-Cap Value	Foreign Small/Mid Value
		World Stock	Japan
		Europe	
	Emerging Markets	Emerging Markets	Pacific/Asia
		India	Pacific/Asia ex-Japan
		Latin America	Miscellaneous Region
		China	
Balanced	Balanced	Aggressive Allocation	World Allocation
		Moderate Allocation	Target Date
		Conservative Allocation	Retirement Income
		Tactical Allocation	
Domestic Bond	Investment Grade	Corporate Bond	Muni National Intermediate
		Inflation Protected Bond	Muni National Long-Term
		Intermediate Gov't Bond	Muni National Short-Term
		Intermediate Term Bond	Muni Single State
		Long-Term Bond	Short-Term Bond
		Long-Term Gov't	Short-Term Gov't Bond
		Stable Value	Ultrashort Bond
	Multisector	Multisector Bond	
	High Yield	High-Yield Bond	Bank Loans
		High-Yield Muni	
International Bond	World Bond	World Bond	
	Emerging Markets Bond	Emerging Markets Bond	
Alternatives	Equity Alternatives	Long/Short Equity	Market Neutral
		Private Equity	
	Bond Alternatives	Nontraditional Bond	
	Real Estate	Real Estate	Global Real Estate
		Direct Property	
	Managed Futures	Managed Futures	Currency
	Other Alternatives	Arbitrage	Precious Metals
		Hedge Funds	Commodities
		Multi-Alternative	Natural Resources
		Trading/Tactical	Bear Market

Treasurer's Signature _____

Date _____

ADDENDUM #3
PERFORMANCE REPORTING
AS OF 1/1/2014

The information contained herein shall dictate the individual and blended benchmark(s), when applicable, to be utilized in monitoring the performance of the investable assets of the Trust.

<i>Category</i>	<i>Index</i>	<i>Percentage</i>
Equity	MSCI AC World Index	45%
Domestic Equity	---	
International Equity	---	
Preferred Equity	---	
Balanced	---	0%
Fixed Income	Barclays Capital Global Aggregate Bond	35%
Domestic Bonds	---	
International Bonds	---	
Alternatives	HFRI Fund of Funds Composite	20%
Cash	---	0%
Total		100%

Investment Policy Statement

Adopted by: Board of Selectmen

POLICY #: 15-02

Approved: March 16, 2015

The primary purpose of this Investment Policy Statement (IPS) is to provide a clear understanding regarding the Town of Hanover's (the "Town") Long Term Funds and, General Fund objectives, goals, risk tolerance, and investment guidelines established for the investment of town funds.

I. The Investment of General Funds, Special Revenue Funds, Enterprise Funds, and Capital Projects Funds.

A. Scope

This section of the IPS applies only to short term operating funds such as general funds, special revenue funds, enterprise funds, bond proceeds and capital project funds. A separate Contributory Retirement Board, either local or county, is responsible for the investment of the pension funds.

B. Investment Instruments

Note: Public investments in Massachusetts are not protected through provisions in State law.

The Treasurer may invest in the following instruments:

- 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. 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 CD's up to the standard limits and takes delivery on the Repos and Treasuries. Under Government Accounting Standards Board Regulation (GASB III), it is not considered an uncollateralized product.
- U. S. Treasuries that will be held to maturity: Unlimited amounts (Up to one year maturity from date of purchase)
- U.S. Agency obligations that will be held to maturity. Unlimited amounts (Up to one year maturity from date of purchase)
- Bank accounts or Certificates of Deposit ("CDs") (Up to one year) which are fully collateralized through a third party agreement: Unlimited Amounts
- Bank accounts and CDs (Up to one year) insured by F.D.I.C. up to the coverage limit. All bank accounts and CDs in one institution are considered in the aggregate for the insurance coverage limit. In some cases Banking Institutions carry additional insurance, Depository Insurance Fund (D.I.F.): Contact banking representative for amounts of coverage.
- 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 comprised 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 entity in the near future. For example, these payments may be for such items as debt service payment or regional school assessments. Their credit worthiness will be tracked by Veribanc, or other bank credit worthiness reporting systems. They will be diversified as much as possible. CDs will be purchased for no more than one year and will be reviewed frequently.

- Money Market Mutual Funds that are registered with the Securities and Exchange Commission that have received the highest possible rating from at least one nationally recognized statistical rating organization and as otherwise referenced in the Massachusetts General Law Chapter 44 Section 55.

C. Diversification

Diversification should be interpreted in two ways: in terms of maturity as well as 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 or investments fully collateralized by U.S. Treasuries or agencies, and State pools (MMDT), no more than 25% of the Community's investments shall be invested in a single financial institution.

D. Authorization

The Treasurer has authority to invest entity 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 several restrictions that the Treasurer must be aware of when making investment selections.

- 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.
- The treasurer shall not make a deposit in any bank, trust company or banking company with which he is, or for any time during the three years immediately preceding the date of any such deposit was, associated as an officer or employee.
- All securities shall have a maturity from date of purchase of one year or less.
- Purchases under an agreement with a trust company, national bank or Banking Company to repurchase at not less than original purchase price of said securities on a fixed date shall not exceed ninety days.

F. Legal References

Massachusetts General Law Chapter 44, Section 55
Massachusetts General Law Chapter 44, Section 55A
Massachusetts General Law Chapter 44; Section 55B

II. The Investment of Long Term Funds

A. Scope

This section of the IPS applies only to funds that are designated as long term, i.e. trust funds, stabilization funds, cemetery perpetual care, community preservation act and other funds the town may have set aside for long term use.

All accounts will be maintained separately receiving their proportionate interest and any realized and unrealized gains or losses. The account may be established as a pooled investment portfolio unless otherwise stated. Any additional accounts will be maintained in this same manner.

B. Authority

Massachusetts General Law Chapter 44, section 54 pertains to the investment of Trust Funds, Chapter 40 Section 5B pertains to the investment of Stabilization Funds and, Chapter 44B section 7

pertains to the investments of Community Preservation Funds. All trust funds shall fall under the control of the entity's Treasurer unless otherwise provided or directed by the donor.

If the trust fund results from a gift, grant or bequest from a private donor, and the private donor specifies how the trust shall be invested; the trust fund shall be invested in accordance with the terms of the gift, grant or bequest. If there is a conflict between such donor terms and this Section II, the donor terms shall govern, subject to the general principles of prudence set forth in the Policy.

C. Investment Instruments

M.G.L. Chapter 44 section 54 states that money should be deposited into savings bank, 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 section thirty-eight A of chapter twenty-nine, 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 Community may invest such funds in securities, other than mortgages or collateral 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 (15%) of any such trust funds shall be invested in bank stocks and insurance company stocks, nor shall more than one and one-half percent (1 ½%) of such funds be invested in the stock of any one bank or insurance company.

The Treasurer may invest in the following instruments:

- U. S. Treasuries that maybe sold prior to maturity: Unlimited amounts (With no limit to the length of maturity from date of purchase)
- U.S. Agency obligations that maybe sold prior to maturity. Unlimited amounts (With no limit to the length of maturity from date of purchase)
- Bank accounts or Certificates of Deposit ("CDs") Unlimited amounts (With no limit to the length of maturity from date of purchase), which is fully collateralized through a third party agreement:
- Bank accounts and CDs (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.): All bank accounts and CDs in one institution are considered in the aggregate to receive the insurance coverage limit.
- 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: These investments will be limited to no more than 5% of an institution's assets and no more than 25% of a municipality's cash. This percentage may be increase for not more than 30 days during times of heavy collection or in anticipation of large payments that will be made by the Community in the near future. These payments maybe for such items as debt service payment or regional school assessments. Their credit worthiness will be tracked by Veribanc, or other bank credit worthiness reporting systems. They will be diversified as much as possible. CDs will be purchased with no limit to the length of maturity from the date of purchase and will be reviewed frequently.
- Common and preferred stock that are listed in the List of Legal Investments.
- Investment Funds that are listed in the List of Legal Investments.
- All other items not separately identified here that are listed in the List of Legal Investments.

D. Standards of Care

The standard of prudence to be used by the Treasurer shall be the "Prudent Person" standard and shall be applied in the context of managing an overall portfolio. The Treasurer acting in accordance

with written procedures and this IPS, and exercising reasonable 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 IPS and the associated Massachusetts General Laws.

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 as the probable income to be derived.

In addition this section would also apply to M.G.L. Chapter 44 Section 55A which refers to the liability of the Treasurer for losses due to bankruptcy.

E. Diversification

Diversification should be interpreted in two ways: in terms of maturity as well as 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 or investments fully collateralized by U.S. Treasuries or agencies.

F. Legal References

Massachusetts General Law Chapter 40, Section 5B
Massachusetts General Law Chapter 44, Section 54
Massachusetts General Law Chapter 44, Section 55A
Massachusetts General Law Chapter 44, Section 55B
Massachusetts General Law Chapter 44B, Section 7

Trust Funds may be co-mingled and invested in any instruments allowed by the Commonwealth of Massachusetts list of Legal Investments Legal issued by the Banking Commissioner each July. Each trust fund must be accounted for separately. 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, Chapter 167 Section 15A.

III. General Provisions

A. Objective

Massachusetts General Laws, Chapter 44, section 55B requires the Entity's 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 the acceptable levels of safety, liquidity and yield. Therefore, these guidelines are intended to further the objective of securing the highest reasonable return available that is consistent with safety of principal while meeting the daily cash requirements for the operation of the entity's business.

- Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to preserve 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. Credit risk is the risk of loss due to the failure of the security issuer or backer. Interest rate risk is the risk that the market value of the security will fall due to changes in general interest rates.
- 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 attempt to carry out

investment activities in a manner that provides for meeting unusual or unexpected cash demands without requiring the liquidation of investments that could result in forfeiture of accrued interest earnings, and loss of principal in some cases.

- 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.

B. Risk Tolerance

- **Credit Risk**

“Credit risk” is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

The Community will manage credit risk several ways. There will be no limit to the amount of United States Treasury and United States Government Agency obligations. In regards to other investments, the Community will only purchase investment grade securities with a high concentration in securities rated A or better. The Community may invest in the Massachusetts Municipal Depository Trust (MMDT) with no limit to the amount of funds placed in the fund. The Community may place funds in banking institutions as stated in Section C of this IPS.

- **Custodial Risk**

The “custodial credit risk” for deposits is the risk that, in the event of the failure of a depository financial institution, a municipality will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a municipality will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

The Community will review the financial institution’s financial statements and the background of the Advisor. The intent of this qualification is to limit the Community’s exposure to only those institutions with a proven financial strength, Capital adequacy of the firm, and overall affirmative reputation in the municipal industry. Further, all securities not held directly by the Community, will be held in the Community’s name and tax identification number by a third-party custodian approved by the Treasurer and evidenced by safekeeping receipts showing individual CUSIP numbers for each security.

- **Concentration of Credit Risk**

“Concentration of credit risk” is the risk of loss attributed to the magnitude of a government’s investment in a single issuer.

The Community will minimize concentration of credit risk by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized.

- **Interest Rate Risk**

“Interest rate risk” is the risk that changes in interest rates will adversely affect the fair value of an investment.

The Community will manage interest rate risk by managing duration in the account.

- **Foreign Currency Risk**

“Foreign currency risk” is the risk that changes in foreign monetary exchange rates will adversely affect the fair value of an investment or a deposit.

The Community will limit investment in any instrument exposed to foreign currency risk.

C. 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 Finance Director any material financial interest in financial institutions that do business with the Community. They shall also disclose any large personal financial investment positions or loans that could be related to the performance of the Community's investments.

D. Relationship with Financial Institutions

Financial institutions should be selected first and foremost with regard to their financial soundness and stability. The Community may subscribe to the Veribanc Rating Service to evaluate the banking institutions with which it chooses to establish relationships. Brokers should be recognized, reputable dealers and members of the Financial Industry Regulatory Authority (FINRA).

In instances where the Community does not purchase the Veribanc Rating Service, the Treasurer should request the banking institution's Veribanc rating from all of the banking institutions that are working with the Community on a quarterly basis.

When using the Veribanc Rating Service the Treasurer may invest in such banks that show a green rating in a particular quarter. If a rating is yellow the Treasurer should contact the appropriate banking institution and request in writing an explanation of the change in rating and the expected time table for it to be changed to green. If for a second quarter such rating is not green, the Treasurer should consider removing all funds that are not collateralized, or carries some form of depositors insurance. If a rating moves to red all money should be immediately collateralized or covered by some form of depositors insurance or be removed from the banking institution.

The Treasurer shall require any brokerage houses and broker/dealers wishing to do business with the municipality to supply the following information to the Treasurer on an annual basis:

- Annual Financial statements
- If acting as a Registered Investment Advisor, copy of their most recent Form ADV Part II report
- Errors & Omissions insurance amounting to, at a minimum, the total fair market value of the Trust Fund Portfolio
- A statement that the Advisor has read the municipality's IPS and will comply with it on an annual basis
- Annual review all advisors through www.finra.org: Broker Check

E. Reporting Requirements

On a quarterly basis, a report containing the following information will be prepared by the Treasurer and distributed to the Finance Director, as appropriate. The quarterly report will include the following information, as a minimum requirement:

- A listing of the individual accounts and individual securities held at the end of the reporting period.
- 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 IPS.

- A summary of the income earned on a monthly basis and year-to-date basis shall be reported.
- The Treasurer shall include in the report a brief statement of general market and economic conditions and other factors that may affect the entity's cash position.
- The report should demonstrate the degree of compliance with the tenets set forth in the IPS.

I _____, Treasurer of the Town of Hanover have reviewed this IPS and will manage the Town's funds under my control in accordance with this IPS.

Treasurer's Signature

Date

Tax Title Policy & Procedure

Adopted by: Board of Selectmen

POLICY #: 15-05

Approved: September 21, 2015

Purpose

This policy and procedure will clearly define when and how the Town of Hanover will transition unpaid real estate taxes into the tax title status. The creation of a tax title has proven to be the most effective remedy for enforcement of the collection of taxes on real property. The foreclosure process constitutes a very effective payment enforcement tool available to the Town. Through utilizing this tool, a Treasurer/Collector can either induce a delinquent taxpayer to redeem a tax title by paying the necessary tax and charges or to forfeit title to the property by action of the Land Court.

Time of Taking

The Treasurer/Collector will process the initial tax taking for each levy year during April of the following year. The Town has the option of initiating the process as early as 14 days after the demand has been issued, but must complete the taking within 3½ years from the end of the fiscal year for which the taxes were assessed.

Collection Efforts Prior to Taking

The Town of Hanover issues a demand two weeks after the fourth quarter due date each fiscal year. The demand notice is sent out to property owners during the middle of May. The Town accepts payments for another two weeks through the Treasurer/Collector's office. After 30 days have passed, the listing of delinquent accounts is given to the Deputy Collector. The Deputy Collector, at that point, takes over the collection of funds on behalf of the Town. However, not all outstanding taxes are collected.

Procedure for Tax Taking

Courtesy letters will be sent out by the Treasurer/Collector to property owners in February reminding them of the previous year's unpaid taxes and informing them that if the taxes remain unpaid that the tax title process will take place in April.

Before moving forward with preparing for the tax taking, the Treasurer/Collector's office confirms that a demand notice has been issued to the property owner at least 14 days before preparing the Notice of Taking. The Town of Hanover does not begin the tax taking process until ten (10) months after the demand has been sent allowing taxpayers a greater amount of time to satisfy the tax obligation.

The Treasurer/Collector will prepare a Notice of Tax Advertising for each parcel. The Notice of Tax Advertising includes the names of all owners known, property location, bill number, parcel number and book/page. If the owner of the parcel as shown by the Assessor's records at the time of the taking is different from the owner who was assessed for the delinquent taxes, the name of that subsequent owner should be included in the notice of intent to take. This communication makes the property owner aware of when the legal notice of parcels with outstanding taxes for the levy year approaching tax title will be published in the Hanover Mariner. The letter also lists the total amount due and the acceptable forms of payment.

At least 14 days before the tax taking, the Notice of Tax Advertising will be published in a local newspaper and two or more convenient and public places. Hanover posts the notice on the Treasurer/Collector webpage, Town Hall bulletin board and at the John Curtis Free Library.

During the 14 day notice period, partial payments cannot be accepted. Any payments made in full must be made by either: cash, certified check or bank check during the notice period.

At the designated time and place, the Treasurer/Collector announces that he/she takes the property for the Town.

After the taking announcement, an Instrument of Taking is prepared for each parcel. The Instrument must be recorded at the Registry of Deeds within 60 days of the date of taking. The date of the Instrument of Taking should be the date of the actual taking, not the date in which the form is being prepared or recorded. Land identified with a certificate or document number, rather than a book and page, is registered land and must be recorded in the land court section of the Registry of Deeds.

The Treasurer/Collector will prepare a list of Recorded Takings. A copy is provided to the Town Accountant and a copy is filed in the office.

The Treasurer/Collector will work with the law offices of the Town's attorney to prepare the parcels that went into tax title status for foreclosure. A copy of each Instrument of Taking is provided to the attorney for review and research. The attorney's office sends out letters to the taxpayers as well for collection.

A listing of all individuals in tax title status will be provided to all Departments, Boards and Committees which issue licenses or permits pursuant to Massachusetts General Laws (hereinafter "MGL") Chapter 40, Section 57 and Hanover By-Laws 4-7 Section 5. The Departments, Boards and Committees shall review the list and to implement provisions of the above referenced statute and by-law against any delinquent taxpayers to whom they have issued or are in the process of issuing a license or permit.

Additional Fees and Interest on Tax Title Account

The tax title obligation will include the original tax, interest accrued to the date of taking, legal fees, advertising fees, certified mailing costs and the fee amount to record the Instrument of Taking.

Payment Plans

The Treasurer/Collector will consider payment plans only after a parcel has been placed into tax title. The lien that is recorded protects the Town's interest and allows the Town at some future time to collect the taxes owed or take ownership of the property. The Town's attorney assists in communicating with the taxpayer to arrange the details of the payment plan. All payment plans require a good faith payment of 25% of taxes owed as well as a commitment to keep the current year's taxes up to date. In collaboration with the taxpayer, a monthly payment amount will then be determined. The goal of payment plans is to assist the tax payer to become current on taxes owed. The monthly amount needs to be an amount that the taxpayer can afford. It should not be set at such a level where the payment plan is doomed to fail.

Certification of Subsequent Tax Takings

The Treasurer/Collector by September 1st will certify all unpaid taxes and assessments for parcels of real estate taken into tax title for nonpayment of taxes in prior year(s) and not yet redeemed.

The Treasurer/Collector prepares a list of Subsequent Tax Takings. A copy is provided to the Town Accountant and a copy is filed in the office.

Payment of Tax Title Obligation

Upon payment of the amount outstanding on a tax title property, the Treasurer/Collector will prepare a Certificate of Redemption. This will be filed with the Registry of Deeds and removes the lien that was originally placed on the property. Payment of the tax title obligation may only be made up until the point that a petition to foreclose has been filed in the Land Court.

Foreclosure Proceedings

The law offices of the Town's attorney will mail letters to all the delinquent taxpayers and present owners of properties that were placed in tax title informing them of the importance of redeeming the property and that the next step if the obligation remains unpaid is to begin foreclosure proceedings. The payment amount changes on a daily basis and an exact amount should be obtained before coming to Town Hall.

Fraud Risk Assessment Policy

Adopted by: Board of Selectmen

POLICY #: 15-07

Approved: November 9, 2015

Introduction

Like all municipalities, ours is faced with the risks from wrongdoing, misconduct, dishonesty and fraud. We must be prepared to manage these risks and their potential impact in a professional manner. The impact of misconduct and dishonesty may include:

- Financial loss
- Damage to the reputation of our Town and our employees
- Negative publicity
- Cost of investigation
- Loss of employees
- Loss of public confidence
- Damaged relationships with our contractors and suppliers
- Damage to employee morale
- Litigation

Our goal is to establish and maintain an environment of fairness, ethics and honesty for our employees, our citizens, our suppliers and anyone else with whom we have a relationship. To maintain such an environment requires the active assistance of every employee and manager every day.

Our municipality is committed to the deterrence, detection and correction of misconduct and dishonesty. The discovery, reporting and documentation of such acts provides a sound foundation for the protection of innocent parties, the taking of disciplinary action against offenders up to and including dismissal where appropriate, the referral to law enforcement agencies when warranted by the facts, and the recovery of assets.

Purpose

The purpose of this document is to communicate municipal policy regarding the deterrence and investigation of suspected misconduct and dishonesty by employees and others, and to provide specific instructions regarding appropriate action in case of suspected violations.

Definition of Misconduct and Dishonesty

For purposes of this policy, misconduct and dishonesty include but are not limited to:

- Theft or other misappropriations of assets, including assets of the Town, our citizens, suppliers or others with whom we have a business relationship
- Misstatement and other irregularities in municipal records, including the misstatement of the results of operations
- Wrongdoing
- Forgery
- Alteration of documents

The municipality strictly prohibits these and any other illegal activities in the actions of its employees, managers, administrators and others responsible for carrying out the Town's activities.

POLICY AND RESPONSIBILITIES:

Reporting

It is the responsibility of every employee, supervisor, manager and administrator to immediately report suspected misconduct or dishonesty to their supervisor or those that exercise authority over the supervisor. Supervisors, when made aware of such potential acts by subordinates, must immediately report such acts to the Town Manager or his/her designee. Any reprisal against any employee or other reporting individual because that individual, in good faith, reported a violation is strictly forbidden.

Due to the important yet sensitive nature of the suspected violations, effective professional follow up is critical. Managers should not in any circumstances perform and investigate or other follow up on their own. All relevant matters, including suspected but unproved matters, should be referred immediately to the Town Manager or direct supervisor.

Additional Responsibilities of Supervisors

All employees have a responsibility to report suspected violations, however employees with supervisory and review responsibilities at any level have additional deterrence and detection duties. Specifically, personnel with supervisory or review authority have three additional responsibilities.

First, you must become aware of what can go wrong in your area of authority.

Second, you must put into place and maintain effective monitoring, review and control procedures which will prevent acts of wrongdoing.

Third, you must put into place and maintain effective monitoring, review and control procedures which will detect acts of wrongdoing promptly should prevention efforts fail.

Authority to carry out these additional responsibilities may not be delegated to subordinates.

Assistance in effectively carrying out these responsibilities is available upon request through the Finance Director and Town Manager.

Responsibility and Authority for Follow Up and Investigations

The Police Department and/or Town Manager have the primary responsibility for all investigations involving the Town and all Departments. The Police Department and/or Town Manager may request the assistance of the Finance Director in any investigation, including access to periodic examinations and evaluations of internal controls.

Property designated members of the investigative team will have:

- Free and unrestricted access to all municipal records
- The authority to examine, copy and/or remove all or any portion of contents of files, desks, cabinets and other storage facilities (whether in electronic or other form) without the prior knowledge or consent of any individual who might use or have custody of any such items or facilities when it is within the scope of the investigative or related follow up procedures

All investigations of alleged wrongdoing will be conducted in accordance with applicable laws and Town procedures.

Reported Incident Follow Up Procedures

Care must be taken in the follow up of suspected misconduct and dishonesty to avoid acting on incorrect or unsupported accusations, to avoid alerting suspected individuals that follow up and investigation is underway, and to avoid making statements which could adversely affect the Town, employee, or other parties.

Accordingly, the general procedures for follow up and investigation of reported incidents are as follows:

1. Employees and others must immediately report all factual details as indicated above under Policy.
2. The Police Department and/or Town Manager have the responsibility to follow up and, if appropriate, investigate all reported incidents.
3. All records related to the reported incident will be retained wherever they reside.
4. No communication with the suspected individuals or organizations should occur while the matter is under investigation.
5. The Police Department and/or Town Manager will also notify the Finance Director of all reported incidents so that it may be determined whether this matter should be brought to the attention of the Auditors.
6. The Police Department and/or Town Manager may also obtain legal advice at any time throughout the course of an investigation or other follow up activity on any matter related to the report, investigation or other follow up activity on any matter related to the report, investigation steps, proposed disciplinary action or any anticipated litigation.
7. Neither the existence nor the results of investigations or other follow up activity will be disclosed or discussed with anyone other than those persons who have a legitimate need to know in order to perform their duties and responsibilities effectively.
8. All inquiries from an attorney or any other contacts from outside of the municipal government, including those from other law enforcement agencies or from the employee under investigation, should be referred to the Police Department and/or Town Manager.

Investigative or other follow up activity will be carried out without regards to the suspected individual's position or level, or relationship with the municipality.

Questions or Clarifications Related to this Policy

All questions or other clarifications of this policy and its related responsibilities should be address to the Town Manager, who shall be responsible for the administration, revision, interpretation, and application of this policy.

Acknowledgement

My signature signifies that I have read the Policy on Fraud Risk and that I understand my responsibilities related to the prevention, detection and reporting of suspected misconduct and dishonesty.

Signature: _____

Printed Name: _____

Date Signed: _____

TRAVEL & EXPENSE POLICY

Adopted by: Board of Selectmen

POLICY #: 17-02

Approved: May 1, 2017

I. Purpose:

It is the purpose of this policy to provide the Town Manager's direction to Department Heads regarding what employee expenses are reimbursable, under what circumstances, and the procedures to request such reimbursement.

It is the responsibility of the traveler to make prudent travel decisions in compliance with the policy, to keep costs within reasonable limits, and to report expenses according to established expense reporting policy. Failure to comply with these policies may result in the employee incurring personal charges and/or reduced reimbursement, and may lead to disciplinary action, up to and including termination. Employees need to submit documentation when necessary.

It is the responsibility of each manager to review expenses, authorize expenditures and exceptions under this policy.

II. Allowed Reimbursable Expenses

- A. Generally, allowed reimbursable expenses are those that employees must incur as a result of completing their normally assigned duties and responsibilities for the Town, including conferences, meetings and seminars, and shall be conducted in the most reasonable, cost-efficient manner possible.
- B. Such expenses may include meeting refreshments, postage, copying, auto mileage, conference registration fees, airplane tickets, food and beverages while at professional meetings, parking charges, tolls, valet services, customary tips, taxi charges, rental cars, internet connection fees or similar incidental expenses.
- C. Reimbursements should be made only for charges reasonably needed to conduct Town business and not for the purpose of personal convenience.

III. Prohibited Expenses

Expenditures of a personal nature, unreasonable or excessive expenses, and those not specifically related to the Town are not reimbursable. The following are examples of the type of expenditures which are prohibited:

- A. Payment of spouse or personal guest travel
- B. Excessive or extravagant costs (exclusive restaurants, first class travel)
- C. Personal entertainment
- D. Fines for traffic or parking violations
- E. Unexplained or undocumented expenses
- F. Personal expenses such as alcohol, room service, movies, laundry, dry cleaning, gym fees

IV. Procedures to Request Reimbursement

- A. An original itemized receipt, invoice, or bill is required.
- B. The invoice or receipt must state a minimum of the following:
 - The provider of the service or goods
 - Dates of service and/or invoice date
 - Itemized list of what was purchased
 - Itemized amount of what is owed
- C. It is recognized that in rare circumstances it may not always be possible to obtain such a receipt, e.g., a “fast lane” toll. In that case, the timing, reasonableness and setting of the requested reimbursement will be considered.
- D. Reimbursements which are not validated with a receipt will be paid only if deemed reasonable by the Town Accountant.
- E. If it is not clear from the receipt/invoice documentation who actually paid the bill, then additional documentation, such as a charge card statement, will be required.
- F. When a credit card payment is being reimbursed:
 - If the receipt displays the last 4 digits of the card used, then submit a legible copy of the credit card showing the name and matching 4 digits.
 - If the receipt does not display the credit card number, then submit a copy of the credit card statement showing the charge to be reimbursed.
- G. The Town cannot legally, and will not, reimburse or pay sales tax. It can, however, pay meals and hotel/motel excise taxes.
- H. The reimbursement requests shall be submitted and approved within **60 days** via a submitted signed receipt that contains:
 - Authorized signature (Department Head or a majority of the related Board)
 - Department to be charged
 - Vendor to be paid
 - Invoice date, invoice number and due date
 - Appropriate accounts and amounts to charge
 - Description field completed for each line item

V. Guidelines

- A. Mileage reimbursement for use of private vehicles will be made at the current IRS rate. Mileage shall be reimbursed only if a Town-owned vehicle is not available on the day of travel. Mileage shall be calculated from the employee’s office location to the destination points. Mileage to or from an employee’s place of residence is not reimbursable. Expenses for tolls and parking shall not be included in this mileage rate, but may be submitted for reimbursement according to the provisions of section II. B of this policy. A completed Town mileage reimbursement form shall be submitted as supporting documentation for the miles being reimbursed for.
 - 1. The Town of Hanover will reimburse personal car use when, in the opinion of the employee's manager, this mode of travel is more efficient and more cost effective than air, rail travel, town share vehicle or other ground transportation.

2. Use of alternative transportation (air, rail travel, car rental, town share vehicle) should always be considered for longer distances or travel times since these alternatives are typically more cost effective. The most economical transportation that achieves the required business result should be chosen.
- B. Food reimbursements, including tips, will not exceed the United States General Services Administration daily per diem guidelines (M&IE Rate) for the county or city in which the expense was incurred. Please note the individual meal allowances.

Meal	Maximum Allowance	Applicable Period
Breakfast	\$ 7.00	On work status before 8:00 a.m.
Lunch	\$11.00	On work status from 8:00 a.m. to 4:00 p.m.
Dinner	\$18.00	On work status after 4:00 p.m.

- C. If charges for meals exceed this guideline it will be reimbursed in full, only if the meals charges are required as a part of a professional meeting.
- D. Employee should not claim reimbursement when meal(s) are included as part of a conference fee.
- E. Reimbursement rates shall be consistent with collective bargaining agreements.
- F. If conference sponsored hotel lodging rate exceeds amounts listed below the conference rate will be accepted.
- G. Lodging selected must not exceed the maximum nightly rates listed below (before taxes) without prior approval from the Town Manager:

United States: **\$275** - New York City
 \$250 - Washington D.C.
 \$150 - All other U.S. locations, except Seattle
 \$180 - Seattle

- H. At times, when demand is high and hotels are sold out, the hotel rooms still available are priced higher than the foundation's stated maximum rate. In this case, employees shall book the most reasonable option and retain a record of why the maximum rate was exceeded.

EFFECTIVE DATE: This policy was approved by the Board of Selectmen on May 1, 2017 and is effective immediately.

PROCUREMENT CARD (PCARD) POLICY AND PROCEDURES

Adopted by: Board of Selectmen
POLICY #: 14-02 (revised 9-18-17)
Approved: May 1, 2017

Purpose and Scope

The Town of Hanover has established a procurement card program. This program will allow the designated users to make purchases by phone, fax, online or in person and relieve employees of the financial burden of paying for work related expenses and subsequently seeking reimbursement. The purpose of these cards is principally for use in the purchase of lodging, transportation and travel expenses, and conference registration costs. These cards may also be used when it is the only acceptable form of payment by the vendor.

The Town of Hanover has contracted with Bank of America to provide Mastercard credit cards, called procurement cards. The procurement cards are to be used solely to purchase goods and services for the Town of Hanover.

The purpose of these policy and procedures is to establish guidelines to govern the issuance and use of procurement cards.

Policy

It is the policy of the Town of Hanover to allow the issuance and use of procurement cards to Department Heads. Procurement cards are to be issued at the discretion of the Town Manager in accordance with this policy.

Procedures

Issuance of Procurement Cards and Established Credit Limits

The authorized cards as of the adoption of this policy are as follows:

<u>Issued to:</u>	<u>Credit Limit</u>	<u>Issued to:</u>	<u>Credit Limit</u>
Town Manager	\$5,000	Community Services Director	\$1,000
Chief of Police	\$2,500	Fire Chief	\$2,500
Director of Public Works	\$2,500	Facilities Manager	\$2,500
Finance Director	\$2,500	School Positions	\$2,500

All cards will be mailed to the Town Manager for distribution.

The Town Manager shall not issue any additional cards, nor increase the credit limits of any existing cards, without first notifying the Board of Selectmen in writing.

Use of a Procurement Card

Allowable Uses

- Cards are to be used for Town of Hanover business only.
- Reservation and payment of travel arrangements
- Conference registrations that are required to be done via the internet
- Payment for goods/services via internet
- Payment for goods/services from vendor that does not accept other forms of payment
- Emergency purchases related to storm or catastrophic events

Prohibited Uses

- Personal charges – at no time are personal charges allowed on Town card
 - Cash advances
 - Alcoholic beverages
 - Entertainment of any kind
1. Authorized use of a procurement card – Only the authorized cardholder may use the procurement card. Under no circumstances may a cardholder give his/her card to another person.
 2. At the time of a transaction, the cardholder should advise the vendor of the Town's tax exempt status and provide the vendor with the Town's tax ID# embossed on the card.
 3. At the time of transaction, the cardholder must obtain an original, detailed transaction receipt that is marked by the vendor as "paid". The receipt should include the following information: vendor's name, date of transaction, description of each item purchased, unit cost and extension, the cardholder name and the signature of the cardholder.

Food or restaurant receipts must be itemized and detailed with reason for the purchase. Restaurant receipts must include a detailed slip of the food served, along with the signed transaction receipt. Alcoholic beverages may not be charged to the procurement card.

Purchase over the Internet: If the procurement card is used to purchase a good or service over the internet, the card user must print the confirmation page from the website showing the details of the order. In the case of a good purchased, upon receipt of the good, the packing slip should be attached to the confirmation page before transmittal to the program manager.

Purchase by Phone: If the procurement card is used to purchase a good or service over the phone, the card user should ask for a confirmation of the order by fax. In addition, the vendor should be asked to include an original, detailed receipt with the packing slip that accompanies the good at delivery.

Payment of Credit Card Statement

A cardholder must turn in original receipts to the Accounting office weekly. The cardholder is responsible for ensuring receipt of materials and services purchased with the card. The credit card statement will be mailed directly to the Finance Director. Once the statement has been received, the Town Accountant will match up all receipts to the statement activity. The statement will be paid within 25 days of receipt in full as to avoid all late fees and penalties on the account.

The cardholder is responsible for initially working with vendors on any erroneous charges, disputed items or returns. These issues may be brought to the Finance Director for assistance in resolving.

Card Security

All employees authorized to possess a Town card shall always treat the card with a level of care that will secure the card and the account number to help prevent fraudulent use.

Storage of Credit Card – The card should be kept in an accessible but secure location at all times.

Card account number – The account number should be guarded carefully and should not be written down or posted within the office.

Lost or stolen cards – In the event that a card is lost or stolen, the employees shall immediately notify both the Town Manager and the Finance Director so that the appropriation action may be taken with the credit card company.

Penalty for Wrongful Use

Any employee who violates the provisions of this policy shall be subject to disciplinary action up to, and including, dismissal, and may be subject to civil or criminal action.

The Finance Director reserves the right to conduct random audits of the procurement card program to ensure compliance with this policy.

The Town reserves the right to suspend or cancel any employee's card without warning at any time.

EFFECTIVE DATE: This policy was approved by the Board of Selectmen on September 18, 2017 and is effective immediately.

FEDERAL AWARDS POLICY

Adopted by: Board of Selectmen

POLICY #: 17-04

Approved: November 20, 2017

Introduction

This manual sets forth the policies and procedures used by Town of Hanover to administer federal funds. The manual contains the internal controls and grant management standards used by the Town to ensure that all federal funds are lawfully expended. It describes in detail the Town's financial management system, including cash management procedures, procurement policies; inventory management protocols; procedures for determining the allowability of expenditures; time and effort reporting; record retention; and sub-recipient monitoring responsibilities. New employees of the Town, as well as incumbent employees, are expected to review this manual to gain familiarity and understanding of the Town's rules and practices.

I. Financial Management System

The Town maintains a proper financial management system in order to receive both direct and state-administered grants and to expend funds associated with a grant award. Certain fiscal controls and procedures must be in place to ensure that all financial management system requirements are met. Failure to meet a requirement may result in return of funds or termination of the award.

A. Financial Management Standards

Identification

The Town must identify, in its accounts, all federal awards received and expended and the federal programs under which they were received. Federal program and award identification must include, as applicable, the CFDA title and number, federal award identification number and year, name of the federal agency, and, if applicable, name of the pass-through entity.

Financial Reporting

Accurate, current, and complete disclosure of the financial results of each federal award or programs must be made.

Accounting Records

The Town must maintain records which adequately identify the source and application of funds provided for federally-assisted activities. These records must contain information pertaining to grant or subgrant awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation.

Internal Controls

Effective control and accountability must be maintained for all funds, real and personal property, and other assets. The Town must adequately safeguard all such property and must assure that it is used solely for authorized purposes.

“Internal controls” are tools to help program and financial managers achieve results and safeguard the integrity of their program. Internal controls should be designed to provide reasonable assurance that the following objectives are achieved:

- Effectiveness and efficiency of operations;
- Adequate safeguarding of property;
- Assurance property and money is spent in accordance with grant program and to further the selected objectives; and
- Compliance with applicable laws and regulations.

Budget Control

Actual expenditures or outlays must be compared with budgeted amounts for each federal award.

Cash Management

The Town must maintain written procedures to implement cash management requirements.

Please see page 9 for these written cash management procedures.

Allowable Costs

The Town must maintain written procedures for determining allowability of costs.

Please see page 6 for these written allowability procedures.

B. Overview of the Financial Management/Accounting System

The Town of Hanover utilizes SoftRight Financial Management software. SoftRight is the primary system for purchasing; budget and accounting; and fixed assets. Separate inventory systems exist for payroll; information technology; and instructional materials. Payroll is managed by the Payroll & Benefits Supervisor in conjunction with the Finance Director and School Business Manager. The Director of Technology is responsible for the inventory of all hardware and software Town-wide. Inventory for instructional materials is the responsibility of the respective Department Head. Grant managers are responsible for the inventory of items purchased with grant funds from the time of purchase through their disposal.

Once a grant award notice (GAN) is received, the Town Manager and grant manager meet to review the planned expenditures in light of the approval. The Town Accountant will assign the appropriate account codes and provide a copy to the Department Head and grant manager. The Town must track the CFDA title and number, federal award identification number and year, name of the federal agency, and, if applicable, name of the pass-through entity. Once the Town Accountant establishes the account codes in SoftRight, the grant budget is posted and is available for use. All grant expenditures must be within the dates of the grant award (start and end dates). Budgeted amounts in SoftRight must match the current grant award notice.

C. Budgeting

The Planning Phase: Meetings and Discussions

Before Receiving the Grant Award Notice (GAN): Once a grant opportunity has been identified, the Town Manager is notified of the potential grant funds. A memo should be sent with the following information:

1. Source of funds;
2. Purpose of grant;
3. Benefits and pitfalls of the grant for Town of Hanover;
4. Benefits to the residents;
5. Identification of grant manager;
6. Timeline for application and approval;
7. Match requirements, if applicable; and
8. Potential amount and length of funds.

The Town Manager must review and approve all grant applications. If the concept of applying for the grant is approved, the grant manager should meet with the Finance Director. These meetings are designed to review the timeline, match requirements, grant reporting requirements, budget development/projections and potential concerns. If the grant could impact other departments, a list of individuals is developed for the grant manager to have a follow-up discussion with. For instance, if an application could result in technology purchases, the Director of Technology would be involved in the planning process.

Grant funds can supplement the Town of Hanover budget but cannot supplant budgeted funds. Therefore, when possible, it is critical that the grant application be developed in conjunction with the Town's annual budget.

Reviewing and Approving the Budget: Before the grant application is completed (preferably 14 days in advance of the grant application deadline), the Finance Director and the grant manager reviews the items in the budget to ensure allowability. See Section I for a discussion on performing allowability determinations. If it is determined that a cost is not allowable, then the grant application is returned to the grant manager noting the items that are ineligible and suggestions for modification. The grant manager, in conjunction with the Finance Director, will collaboratively revise the grant budget to ensure all items meet the allowability determination.

Once it is determined that all budgeted items are allowable and the budget is approved, the grant application is forwarded to the Town Manager for final approval. A copy of the full grant application is submitted to the Town Accountant once signed by the Town Manager. The application is filed in the Department's grant binder for the appropriate fiscal year.

After Receiving the GAN

After receiving the GAN, the approved budget can be loaded into SoftRight. If the GAN mirrors the grant submission budget, the GAN amounts are loaded into SoftRight without additional discussions. If the GAN amounts vary from the submission (whether increased or decreased), the grant manager and Finance Director meet to review the differences and implications for the variance. A revised budget is developed based on the GAN and program objectives. The revised amounts, in sync with the GAN, are then loaded into SoftRight by the Town Accountant.

Amending the Budget

The Town ensures grant amendments are submitted and approved in advance of the needs. Grant amendments can be made for financial and/or programmatic purposes. Grant amendments must be submitted in advance of need; implementation of the amendment (either financial or programmatic) is reliant on the amendment approval date.

Budget Control

The Town monitors its financial performance by comparing and analyzing actual results with budgeted results. The Town Accountant runs year-to-date budget reports for all grant funds on a monthly basis. If significant variances exist between the grant manager's records and the year-to-date budget reports, or a trend that may lead to a significant variance is determined, the Finance Director or School Business Manager and grant manager are notified. The grant manager and / or the Finance Director or School Business Manager will determine if an amendment is appropriate.

D. Accounting Records

Accounting records are kept in hard copy. The Accounting Office is responsible for the maintenance of all related accounting records in conformance with the Municipal Records Retention Schedule. The web address for the retention schedule is:

http://www.sec.state.ma.us/arc/arcpdf/MA_Municipal_Records_Retention_Manual.pdf.

Relevant definitions in this section include the following:

- An asset is: anything owned by an individual or a business, which has commercial or exchange value. Assets may consist of specific property or claims against others, in contrast to obligations due others.
- A liability is: a loan, expense, or any other form of claim on the assets of an entity that must be paid or otherwise honored by that entity.
- Revenue is: the inflows of assets from selling goods and providing services to customers; including the reduction of liabilities from selling goods and providing services to customers.
- An expense is: the amount of assets or services used during a period.

If an error is found while reviewing the grant tracking sheet, the individual will notify the Town Accountant. The Town Accountant will research the potential error, and if necessary, generate a journal entry with supporting documentation. The Town Accountant then enters the information into SoftRight. The journal entry is then reviewed by the Finance Director. Upon approval, the journal entry document is forwarded to the Town Accountant to be finalized.

The Chart of Accounts for the grant fund organization codes was set up so that an individual could track expenses by fund, fiscal year, award year, and source of funds. Below is an outline detailing the structure of the organization codes for grant funds:

Grant Fund Code	Fiscal Year	Fund Code
2 Digits	4 Digits	3 Digits

Town Grant Fund:

This two-digit code designates the account as a Town federal grant. The Town grant fund is "20."

Fiscal Year:

The four-digit code designates fiscal year representing the year the grant was awarded. All grants awarded in FY'18 would be 2018.

Fund Code:

The three-digit code designates the fund code of the grantor.

Object Codes:

The object codes are the same used by the general fund accounts.

E. Spending Grant Funds

As the recipient of federal funds, Town of Hanover is responsible for administering the grant consistent with the grantors terms and conditions.

Although each grant may have specific allowable and unallowable costs, Town of Hanover adheres to the federal cost principles when developing and administering the budget. Federal cost principles require costs to be allowable, reasonable, and allocable.

To meet the definition of “allowable,” a cost must be:

1. Be necessary and reasonable to carry out the grant;
2. Be consistent with the policies and procedures that apply uniformly to federal and non-federally financed expenses;
3. Not be included as part of a match of federal funds; and
4. Be adequately documented.

To meet the definition of “reasonable,” the cost of the good or service does not exceed the amount a prudent person would spend on an item at the time the decision was made to incur the cost. Reasonable is further defined as:

1. Use of sound business practices, adherence to federal, state and local laws and regulations; and the terms and conditions of the Federal award.
2. Use of market prices in the geographic area for comparing the costs of goods and services.

To meet the definition of “allocable,” the cost of the goods or services involved are chargeable or assignable to that Federal award or cost objective in accordance with relative benefits received. Allocable is further defined as:

1. Costs are incurred specifically for the Federal award.
2. Costs can be distributed in proportions that may be approximated using reasonable methods.
3. Costs necessary to the overall operation of the non-Federal entity.

These definitions are copied from the Code of Federal Regulations (CFR).

While developing and reviewing the grant budget, the Finance Director should keep in mind the difference between direct costs and indirect costs.

Direct and Indirect Costs

Determining Whether a Cost is Direct or Indirect: Direct costs are those costs that can be identified specifically with a particular final cost objective, such as a federal award, or other internally or externally funded activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy. Indirect costs are those that have been incurred for a

common or joint purpose benefiting more than one cost objective, and not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved. Costs incurred for the same purpose in like circumstances must be treated consistently as either direct or indirect costs.

Identification with the federal award rather than the nature of the goods and services involved is the determining factor in distinguishing direct from indirect costs of Federal awards. Typical costs charged directly to a Federal award are the compensation of employees who work on that award, their related fringe benefit costs, the costs of materials and other items of expense incurred for the Federal award. The salaries of administrative and clerical staff should normally be treated as indirect costs. Direct charging of these costs may be appropriate only if all of the following conditions are met:

- Administrative or clerical services are integral to a project or activity;
- Individuals involved can be specifically identified with the project or activity;
- Such costs are explicitly included in the budget or have the prior written approval of the federal awarding agency; and
- The costs are not also recovered as indirect costs.

Determining Allowability of Costs

Expenditures must be aligned with approved budgeted items. Any changes or variations from the state-approved budget and grant application need prior approval from the state.

When determining how the Town will spend its grant funds, the Finance Director will review the proposed cost to determine whether it is an allowable use of federal grant funds *before* obligating and spending those funds on the proposed good or service.

Be Necessary and Reasonable for the performance of the federal award. Town of Hanover staff must consider these elements when determining the reasonableness of a cost. A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision to incur the cost was made. For example, reasonable means that sound business practices were followed, and purchases were comparable to market prices.

When determining reasonableness of a cost, consideration must be given to:

- ❖ Whether the cost is a type generally recognized as ordinary and necessary for the operation of the Town or the proper and efficient performance of the federal award.
- ❖ The restraints or requirements imposed by factors, such as: sound business practices; arm's-length bargaining; federal, state and other laws and regulations; and terms and conditions of the federal award.
- ❖ Market prices for comparable goods or services for the geographic area.
- ❖ Whether the individuals concerned acted with prudence in the circumstances considering their responsibilities to the Town, its employees, its residents, the public at large, and the federal government.

Necessary is determined based on the needs of the program. Specifically, the expenditure must be necessary to achieve an important program objective. A key aspect in determining whether a cost is necessary is whether the district can demonstrate that the cost addresses an existing need, and

can prove it. For example, the district may deem a language skills software program necessary for a limited English proficiency program.

When determining whether a cost is necessary, consideration may be given to:

- ❖ Whether the cost is needed for the proper and efficient performance of the grant program.
- ❖ Whether the cost is identified in the approved budget or application.
- ❖ Whether there is an educational benefit associated with the cost.
- ❖ Whether the cost aligns with identified needs based on results and findings from a needs assessment.
- ❖ Whether the cost addresses program goals and objectives and is based on program data.

Necessary is determined based on the needs of the program. Specifically, the expenditure must be necessary to achieve an important program objective. A key aspect in determining whether a cost is necessary is whether the Town can demonstrate that the cost addresses an existing need, and can prove it.

When determining whether a cost is necessary, consideration may be given to:

- ❖ Whether the cost is needed for the proper and efficient performance of the grant program.
- ❖ Whether the cost is identified in the approved budget or application.
- ❖ Whether there is an educational benefit associated with the cost.
- ❖ Whether the cost aligns with identified needs based on results and findings from a needs assessment.
- ❖ Whether the cost addresses program goals and objectives and is based on program data.

Allocable to the federal award. A cost is allocable to the federal award if the goods or services involved are chargeable or assignable to the federal award in accordance with the relative benefit received. This means that the federal grant program derived a benefit in proportion to the funds charged to the program. For example, if 50% of an employee's salary is paid with grant funds, then that teacher must spend at least 50% of his or her time on the grant program.

Consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the Town.

Conform to any limitations or exclusions set forth as cost principles in Part 200 or in the terms and conditions of the federal award.

Consistent treatment. A cost cannot be assigned to a federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been assigned as an indirect cost under another award.

Adequately documented. All expenditures must be properly documented.

Be determined in accordance with general accepted accounting principles (GAAP).

Not included as a match or cost-share, unless the specific federal program authorizes federal costs to be treated as such. Some federal program statutes require the non-federal entity to contribute a certain amount of non-federal resources to be eligible for the federal program.

Be the net of all applicable credits. The term “applicable credits” refers to those receipts or reduction of expenditures that operate to offset or reduce expense items allocable to the federal award. Typical examples of such transactions are: purchase discounts; rebates or allowances; recoveries or indemnities on losses; and adjustments of overpayments or erroneous charges. To the extent that such credits accruing to or received by the state relate to the federal award, they shall be credited to the federal award, either as a cost reduction or a cash refund, as appropriate.

Purchases for goods and services paid for with grant funds shall be net of all applicable credits. To avoid the earning of “credits” where the benefits are not reimbursable or credited to the federal grant, personal reimbursements are discouraged for purchases made with federal grant funds. The district will take advantage of all prompt pay discounts. All payments from federal grants shall be processed through the Town’s accounting system either through the invoice payment process or Town credit card.

Frequent Types of Costs

Travel: Travel costs are the expenses for transportation, lodging, subsistence, and related items incurred by employees who are in travel status on official business of a grant recipient. Such costs may be charged on an actual cost basis, on a per diem or mileage basis in lieu of actual costs incurred, or on a combination of the two, provided the method used is applied to an entire trip and not selected days of the trip, and results in charges consistent with those normally allowed in like circumstances in the recipient’s non-federally funded activities and in accordance with the recipient’s written travel reimbursement policies.

Costs incurred by employees and officers for travel, including costs of lodging, other subsistence, and incidental expenses, must be considered reasonable and otherwise allowable only to the extent such costs do not exceed charges normally allowed by the Town in its regular operations as the result of its written travel policy. In addition, if these costs are charged directly to the federal award, documentation must be maintained that justifies that (1) participation of the individual is necessary to the federal award; and (2) the costs are reasonable and consistent with the Town’s established policy.

In addition to the federal guidelines regarding travel, employees and officers must adhere to the Town of Hanover’s travel policy. The travel policy covers single day travel, overnight travel, and out-of-state travel. The policy can be found on the Town’s website.

Helpful Questions for Determining Whether a Cost is Allowable

In addition to the cost principles and standards described above, this section can be referred to for a useful framework when performing an allowability analysis. In order to determine whether federal funds may be used to purchase a specific cost, it is helpful to ask the following questions:

- Is the proposed cost allowable under the relevant program?
- Is the proposed cost consistent with an approved program plan and budget?
- Is the proposed cost consistent with program specific fiscal rules?
- For example, the Town may be required to use federal funds only to supplement the amount of funds available from nonfederal (and possibly other federal) sources.
- Is the proposed cost consistent with specific conditions imposed on the grant (if applicable)?

As a practical matter, the Finance Director and the grant manager should also consider whether the proposed cost is consistent with the underlying needs of the program. The recipients cannot use federal funds to supplant nonfederal funds that would otherwise have been used for the expenditure in question.

Also, funds should be targeted to address areas of weakness, as necessary. To make this determination, the department should review data when making purchases to ensure that federal funds to meet these areas of concern.

F. Federal Cash Management Policy/Procedures

The Town will comply with applicable methods and procedures for payment that minimize the time elapsing between the transfer of funds and disbursement by the Town. Generally, the Town receives payment on a reimbursement basis. However, if the Town receives an advance in federal grant funds, the Town will remit interest earned on the advanced payment quarterly to the federal agency. The Town may retain interest amounts up to \$500 per year for administrative expenses.

G. Timely Obligation of Funds

When Obligations are Made

Obligations are orders placed for property and services, contracts and subawards made, and similar transactions during a given period that require payment by the non-Federal entity during the same or a future period.

The following table illustrates when funds are determined to be obligated under federal regulations:

If the obligation is for:	The obligation is made:
Acquisition of property	On the date which the Town makes a binding written commitment to acquire the property
Personal services by an employee of the Town	When the services are performed
Personal services by a contractor who is not an employee of the Town	On the date which the Town makes a binding written commitment to obtain the services
Public utility services	When the Town receives the services
Travel	When the travel is taken
Rental of property	When the Town uses the property

Period of Performance of Federal Funds

All obligations must occur on or between the beginning and ending dates of the grant project. This period of time is known as the period of performance. The period of performance is dictated by statute and will be indicated in the GAN. Further, certain grants have specific requirements for carryover funds that must be adhered to.

State-Administered Grants: As a general rule, state-administered federal funds are available for obligation within the year that Congress appropriates the funds for.

Direct Grants: In general, the period of availability for funds authorized under direct grants is identified in the GAN.

For both state-administered and direct grants, regardless of the period of availability, the Town must liquidate all obligations incurred under the award not later than 90 days after the end of the funding period unless an extension is authorized. Any funds not obligated within the period of availability or liquidated within the appropriate timeframe are said to lapse and must be returned to the awarding agency. Consequently, the Town closely monitors grant spending throughout the grant cycle.

H. Program Income

Definition

Program income means gross income earned by a grant recipient that is directly generated by a supported activity or earned as a result of the federal award during the grant's period of performance.

Program income includes, but is not limited to, income from fees for services performed, the use or rental of real or personal property acquired under federal awards, the sale of commodities or items fabricated under a federal award, license fees and royalties on patents and copyrights, and principal and interest on loans made with federal award funds. Interest earned on advances of federal funds is not program income. Except as otherwise provided in federal statutes, regulations, or the terms and conditions of the federal award, program income does not include rebates, credits, discounts, and interest earned on any of them. Additionally, taxes, special assessments, levies, fines, and other such revenues raised by a recipient are not program income unless the revenues are specifically identified in the federal award or federal awarding agency regulations as program income. Finally, proceeds from the sale of real property, equipment, or supplies are not program income.

II. Procurement System

The Town maintains the following purchasing procedures.

A. Responsibility for Purchasing

The Department Head is the purchasing agent for each Town department. As such, the Department Head retains the authority to review and approve all purchases. Once purchases are approved for payment, they are submitted to the Accounting department so the invoices may be paid.

B. Purchase Methods

The type of purchase procedures required depends on the cost of the item(s) being purchased.

In addition to these rules, subrecipients must also follow both state and local procurement rules. State and local procurement rules are often stricter than federal requirements. Accordingly, this section should be revised to account for the appropriate thresholds and purchasing procedures within each threshold amount in accordance with any state and local procurement rules.

Purchases \$9,999 or less (Sound Business Practices)

Procurement of supplies and services under \$10,000 are governed by Massachusetts General Law, Chapter 30B. The procurement procedure for purchasing supplies and services under \$10,000 require sound business practices. This is defined as ensuring the receipts of favorable prices by periodically soliciting price lists or quotes. No formal advertising is required. The contract is awarded to the vendor offering the best price. Software licenses can only be purchased for one-year at a time. A written contract is no required. A contract cannot exceed three years unless Town Meeting authorizes a longer contract period.

Purchases between \$10,000 and \$50,000 (Solicit Quotes)

Procurement of supplies and services between \$10,000 and \$50,000 are governed by Massachusetts General Law, Chapter 30B. The procurement procedure for purchasing supplies and services between \$10,000 and \$50,000 requires soliciting three written or oral quotes.

Weston Public Schools recommends a written description / terms be provided to all vendors to ensure an 'apples to apples' comparison of prices. No formal advertising is required. The contract is awarded to the responsible and responsive person offering the best price. A responsible vendor is defined as a person who has the capability to perform fully the contract requirements, and the integrity and reliability which assures good faith performance. A responsive bidder is defined as a person who has submitted a bid or proposal which conforms in all respects to the invitation for bids or requests for proposals. A written contract is required. A contract cannot exceed three years unless Town Meeting authorizes a longer contract period.

Purchases over \$50,000 (Sealed Bids or Proposals)

Sealed Bids (Formal Advertising): For purchases over \$50,000, bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. If a Request for Proposal is issued, the most advantageous proposal from a responsible and responsive proposer taking into consideration price and no-price proposals. The sealed bid method is the preferred method for procuring construction, if the following conditions apply:

- A complete, adequate, and realistic specification or purchase description is available;
- Two or more responsible bidders are willing and able to compete effectively for the business; and
- The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

If sealed bids are used, the following requirements apply:

- Bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids, for state, local, and tribal governments, the invitation for bids must be publically advertised;
- The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond;
- All bids will be opened at the time and place prescribed in the invitation for bids, and for local and tribal governments, the bids must be opened publicly;
- A firm fixed price contract award must be made in writing to the lowest responsive and responsible bidder.

Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of. Any or all bids may be rejected if there is a sound documented reason.

Advertising is required once in a newspaper of general circulation and on Town of Hanover web site at least two weeks before bids or proposals are due. If \$100,000 or more, advertise once in the *Goods and Service Bulletin* maintained by the Massachusetts Secretary of State's Office.

Competitive Proposals: The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:

- Requests for proposals must be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals must be considered to the maximum extent practical;
- Proposals must be solicited from an adequate number of qualified sources; and
- Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered.

The Town may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.

Massachusetts General Law, Chapter 30B has additional requirements regarding Requests for Proposals (RFP). Below are the RFP requirements:

1. The procurement office shall determine in writing that the selection of the most advantageous offer requires comparative judgement of factors in addition to price.
2. Bidders must submit separate price and non-price proposals.
3. Comparative criteria reflect those factors for which Hanover would be willing to pay more money, and are used to further evaluate the relative merits of all proposals that meet the quality requirements.
4. Quality requirements establish standards of acceptability for the supplies and services you are purchasing.

5. Comparative criteria rating factors include: highly advantageous, advantageous, not advantageous, and unacceptable.

(Information copied from the Massachusetts Inspector General's Office, Chapter 30B training materials).

In addition, all Invitation for Bid (IFB) and Request for Proposal (RFP) require vendors submitting bids to sign and submit a non-collusion and tax compliance forms.

Noncompetitive Proposals (Sole Sourcing)

Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:

- The item is available only from a single source;
- The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
- The federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the Town; or
- After solicitation of a number of sources, competition is determined inadequate.

Under M.G.L. Chapter 30B, a sole source procurements of any supply or service under \$50,000 is allowable when a reasonable investigation shows that there is only one practicable source for the required supply or service.

Sole source contracts in excess of \$50,000 are only allowable for the following purchases:

1. Software maintenance, library books, school textbooks and educational materials; and
2. Utilities.

All sole source procurements must include a memo that details the basis for determining that there was only one practicable source for the purchase. The memo should be sent to the Finance Director. The memo will provide the contractor's name, amount of the contract, and a listing of supplies or services procured. The Finance Director will ensure each sole source contract is appropriate and properly documented.

C. Purchase Cards

The Town of Hanover has credit cards that have been issued by the Town of Hanover to each Department Head. The credit limit is \$2,500 for Department Heads and \$5,000 for the Town Manager.

All detailed receipts must be retained and attached to the invoice prior to payment. When the invoice is received, the information is provided to the Town Accountant's office and the statement is paid with all receipts kept as back-up.

D. Full and Open Competition

All procurement transactions must be conducted in a manner providing full and open competition. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for

bids or requests for proposals must be excluded from competing for such procurements. Some of the situations considered to be restrictive of competition include but are not limited to:

- Placing unreasonable requirements on firms in order for them to qualify to do business;
- Requiring unnecessary experience and excessive bonding;
- Noncompetitive pricing practices between firms or between affiliated companies;
- Noncompetitive contracts to consultants that are on retainer contracts;
- Organizational conflicts of interest;
- Specifying only a “brand name” product instead of allowing “an equal” product to be offered and describing the performance or other relevant requirements of the procurement; and
- Any arbitrary action in the procurement process.

Geographical Preferences Prohibited

The Town must conduct procurements in a manner that prohibits the use of statutorily or administratively imposed state, local, or tribal geographical preferences in the evaluation of bids or proposals, except in those cases where applicable federal statutes expressly mandate or encourage geographic preference. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

Prequalified Lists

The Town must ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, the Town must not preclude potential bidders from qualifying during the solicitation period.

Solicitation Language

The Town must ensure that all solicitations incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description must not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured and, when necessary, must set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible.

When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a “brand name or equivalent” description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offers must be clearly stated; and identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.

E. Federal Procurement System Standards

Avoiding Acquisition of Unnecessary or Duplicative Items

The Town must avoid the acquisition of unnecessary or duplicative items. Additionally, consideration is given to consolidating or breaking out procurements to obtain a more economical purchase. And, where appropriate, an analysis must be made of leases versus purchase alternatives, and another appropriate analysis to determine the most economical approach.

These considerations are given as part of the process to determine the allowability of each purchase made with federal funds. Please see page 9 for written procedures on determining allowability.

Use of Intergovernmental Agreements

To foster greater economy and efficiency, the Town enters into state and local intergovernmental agreements where appropriate for procurement or use of common or shared goods and services.

Use of Federal Excess and Surplus Property

The Town considers the use of federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.

Debarment and Suspension

The Town awards contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

The Town may not subcontract with or award subgrants to any person or company who is debarred or suspended. For all contracts over \$25,000 the Town verifies that the vendor with whom the Town intends to do business with is not excluded or disqualified.

Maintenance of Procurement Records

The Town must maintain records sufficient to detail the history of all procurements. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, the basis for the contract price (including a cost or price analysis), and verification that the contractor is not suspended or debarred.

Time and Materials Contracts

The Town may use a time and materials type contract only (1) after a determination that no other contract is suitable; and (2) if the contract includes a ceiling price that the contractor exceeds at its own risk. Time and materials type contract means a contract whose cost to the Town is the sum of: the actual costs of materials, and direct labor hours charged at fixed hourly rates that reflect wages, general and administrative expenses, and profit.

Since this formula generates an open-ended contract price, a time-and-materials contract provides no positive profit incentive to the contractor for cost control or labor efficiency. Therefore, each contract must set a ceiling price that the contractor exceeds at its own risk. Further, the Town must assert a high degree of oversight in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.

Settlements of Issues Arising Out of Procurements

The Town alone is responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims. These standards do not relieve the Town of any contractual responsibilities under its

contracts. Violations of law will be referred to the local, state, or federal authority having proper jurisdiction.

Protest Procedures to Resolve Dispute

The Town maintains protest procedures to handle and resolve disputes relating to procurements and, in all instances, discloses information regarding the protest to the awarding agency. Contract disputes arise from a belief the procurement process was not conducted properly. A vendor has three options to seek a remedy:

1. Contact the local jurisdiction;
2. Contact the state agency in charge of enforcing the law (i.e. Inspector General's Office for Chapter 30B contracts); and/or
3. Superior Court.

If a vendor contacts the Town with a complaint regarding the procurement or award of contract, the complaint should be forwarded to the Town Manager. The Town Manager, Finance Director, and the individual responsible for contract will offer to meet with the vendor. The meeting should seek all information as to the complaint of the vendor. Once the meeting has concluded, and the concerns reviewed, the Town Manager will issue a written report to the complainant with a determination.

If there is a potential error in the way the procurement was conducted, or the district seeks advice on correcting the error, the Finance Director will ask the advice of the applicable state agency. If the vendor files a complaint in Superior Court, the district will seek the advice of legal counsel.

F. Conflict of Interest Requirements

Standards of Conduct

The Town maintains the following standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts.

No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.

The officers, employees, and agents of the Town may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts, unless the gift is an unsolicited item of nominal value. Massachusetts General Law, Chapter 268A, governs the state's conflict of interest law. There are three main provisions of the law:

- Public employees are prohibited from seeking or accepting anything of substantial value for or because of their official acts or any act within their official responsibilities.
- Public employees are prohibited from using or attempting to use their position to obtain for themselves or others unwarranted privileges of substantial value that are not properly available to similarly situated individuals.

- The conflict of interest law will require public employees to disclose to their appointing authority the gift and their relationship to the giver.

The Massachusetts State Ethics Commission interprets the conflict of interest law and publishes advisories. The Ethics Commission interprets substantial value to mean anything with a value of \$50 or more. Gifts less than \$50 that may have an appearance of a conflict of interest should be disclosed. Disclosures should be made in writing and given to their appointing authority.

Massachusetts defines “immediate family” as spouse, parent, brother, sister, child or a spouse of your parent, brother, sister, or child. The financial disclosure law which, like the conflict of interest law, is interpreted and enforced civilly by the State Ethics Commission. Chapter 268B, of the Massachusetts General Law, is the financial disclosure law. This statute requires public officials, political candidates and certain public employees to disclose their and their immediate family member's private business associations and other financial interests on their Statements of Financial Interests or SFIs. The law covers all elected state and county officials and candidates for these positions as well as all state and county employees who are designated as holding major policymaking positions.

Every municipal employee (with few exceptions) must complete the Ethic Commission's online training program once every two years. New employees must complete the online training program within 30 days of becoming such an employee, and once every two years thereafter.

Organizational Conflicts

Town of Hanover will comply with Massachusetts General Law, Chapter 268A conflict of interest law and disclosure. Additionally, the Town may not be operated for the benefit of an affiliated or unaffiliated organization or an individual in his or her own private capacity or individuals related to any employee of Town of Hanover or members of its management, unless the private benefit is considered merely incidental. The private benefit preclusion will extend to the following:

- The sale, exchange or leasing of property between the district and an affiliated or unaffiliated organization or a private or related individual.
- Lending money or other extension of credit between an agency and an affiliated or unaffiliated organization or a private or related individual.
- Furnishing of goods, services, or facilities between the district and an affiliated or unaffiliated organization or a private or related individual except for the rental of district facilities as specified in the Town of Hanover policy manual.
- Payment of compensation, unless authorized by the Board of Selectmen, by the district to an affiliated or unaffiliated organization or a private or related individual.
- The transfer to, use by or for the benefit of a private or related individual of the income of assets of Town of Hanover unless specifically voted by the Board of Selectmen.
- Thus, the Town of Hanover will be guided by the principle of arms-length standards with all affiliated or unaffiliated organizations or with a private or related individual(s). Related party transactions shall include transactions between a school/district and members of the Hanover School Committee, administration, employees, related individuals and affiliated companies. Related individuals within the scope of this definition include spouses, parents, children, spouses of children, grandchildren, siblings, fathers-in-law, mothers-in-law sisters-in-law and brothers-in-law of a committee member or Town employee.

Disciplinary Actions

All associated entities must comply with the policies and procedures of the Town.

Mandatory Disclosure

Upon discovery of any potential conflict, the Town will disclose in writing the potential conflict to the federal awarding agency in accordance with applicable federal awarding agency policy.

G. Contract Administration

The Town maintains the following oversights to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders. See the Property Management section on page 22.

The contract manager for the Town of Hanover varies based on the type of contract. For example, facility related contracts are overseen by the Director of Facilities. When a contract does not clearly fall within a department, Assistant Town Manager will act as the contract manager. The contract manager is responsible for the following:

1. Coordinate communications with the vendor;
2. Evaluate the qualifications of contract personnel for compliance with contract requirements;
3. Determine acceptability of reports and deliverables produced by the contractor;
4. Approve or reject contractor payment requests; and

The accounting office maintains all contract files.

III. Property Management Systems

A. Property Classifications

Equipment means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the Town for financial statement purposes, or \$10,000.

Supplies means all tangible personal property other than those described in Equipment. A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by the Town for financial statement purposes or \$10,000, regardless of the length of its useful life.

Computing devices means machines used to acquire, store, analyze, process, and publish data and other information electronically, including accessories (or “peripherals”) for printing, transmitting and receiving, or storing electronic information.

Capital assets means tangible or intangible assets used in operations having a useful life of more than one year which are capitalized in accordance with GAAP. Capital assets include:

- Land, buildings (facilities), equipment, and intellectual property (including software) whether acquired by purchase, construction, manufacture, lease-purchase, exchange, or through capital leases; and
- Additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations or alterations to capital assets that materially increase their value or useful life (not ordinary repairs and maintenance).

B. Inventory Procedure

Inventory will be maintained on all information technology hardware and software; and fixed assets. The department placing an order will add the appropriate ship to address. At the time of receipt, the package is inspected to ensure the ordered materials were received in good order and the items mirror the order placed through the purchase order system. Items are inventoried at the time they are unpacked. Inventory records are inputted by a member of the technology staff (hardware and software), and the accounting office (fixed assets).

C. Inventory Records

For each equipment and computing device purchased with federal funds, the following information is maintained by the grant manager in a spreadsheet:

- Date of purchase;
- Serial number or other identification number;
- Source of funding for the property;
- Who holds title;
- Acquisition date and cost of the property;
- Percentage of federal participation in the project costs for the federal award under which the property was acquired;
- Location, use and condition of the property; and
- Any ultimate disposition data including the date of disposal and sale price of the property.

On an annual basis, the grant manager will review the inventory list and note changes. Changes to the inventory based on property being sold, lost, stolen or broken will be noted. If the item was stolen, a copy of the police report should be included in the file. The updated inventory spreadsheet should be printed annually and provided to the Finance Director.

D. Physical Inventory

A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years. Prior to the start of the school year in odd numbered years, a physical inventory will be conducted. If there is a discrepancy between the previous physical inventory and the current inventory, a report detailing the discrepancies will be provided to the accounting office.

E. Maintenance

The Town maintains adequate maintenance procedures to ensure that property is kept in good condition. The Town does not place restrictions on computer devices for employees. Employees who are issued a device(s) are responsible for maintaining and securing the equipment. When a device is not working properly, the employee will submit a help desk ticket. A member of the technology staff will work with the employee to identify and repair the computer as quickly as possible. A loaner computer is available for faculty upon request.

F. Lost or Stolen Items

The Town maintains a control system that ensures adequate safeguards are in place to prevent loss, damage, or theft of the property. Employees are required to file a police report when equipment is determined to be missing. A copy of the report must be provided to the Director of Technology and the Town Manager within 24 hours of filing the police report. In the next physical inventory the item is listed as missing with the date of the police report. If the item continues to be missing on the second inventory, the item is removed from the list.

G. Use of Equipment

Equipment must be used in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by the federal award, and the District will not encumber the property without prior approval of the federal awarding agency and the pass-through entity.

During the time equipment is used on the project or program for which it was acquired, the equipment will also be made available for use on other projects or programs currently or previously supported by the federal government, provided that such use will not interfere with the work on the projects or program for which it was originally acquired. First preference for other use must be given to other programs or projects supported by the federal awarding agency that financed the equipment. Second preference is given to programs or projects under federal awards from other federal awarding agencies. Use for non-federally funded programs or projects is also permissible.

When no longer needed for the original program or project, the equipment may be used in other activities supported by the federal awarding agency, in the following order of priority: (1) activities under a federal award from the federal awarding agency which funded the original program or project; then (2) activities under federal awards from other federal awarding agencies.

H. Disposal of Equipment

When it is determined that original or replacement equipment acquired under a federal award is no longer needed for the original project or program or for other activities currently or previously supported by a federal awarding agency, the grant manager will contact the awarding agency (or pass-through for a state-administered grant) for disposition instructions. Generally, disposition of equipment is dependent on its fair market value (FMV) at the time of disposition. If the item has a current FMV of \$5,000 or less, it may be retained, sold, or otherwise disposed of with no further obligation to the federal awarding agency. If the item has a current FMV of more than \$5,000, the federal awarding agency is entitled to the federal share of the current market value or sales proceeds.

If acquiring replacement equipment, the Town may use the equipment to be replaced as a trade-in or sell the property and use the proceeds to offset the cost of the replacement property.

IV. Written Compensation Policies

A. Time and Effort

Time and Effort Standards

All employees who are paid in full or in part with federal funds must keep specific documents to demonstrate the amount of time they spent on grant activities. This includes an employee whose salary is paid with state or local funds but is used to meet a required “match” in a federal program. These documents, known as time and effort records, are maintained in order to charge the costs of personnel compensation to federal grants.

Charges to federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must:

- Be supported by a system of internal controls which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;
- Be incorporated into official records;
- Reasonably reflect total activity for which the employee is compensated, not exceeding 100% of compensated activities;
- Encompass both federally assisted and all other activities compensated by the District on an integrated basis;
- Comply with the established accounting policies and practices of the District and
- Support the distribution of the employee’s salary or wages among specific activities or costs objectives.

Reconciliation and Closeout Procedures

It is critical for payroll charges to match the actual distribution of time recorded on the monthly certification documents. Budget estimates or other distribution percentages determined before the services are performed do not qualify as support for charges to federal awards, but may be used for interim accounting purposes provided that the system for establishing the estimates produces reasonable approximations of the activity actually performed.

The reconciliation process is conducted by the Administrative Assistant to the Department Head in conjunction with the Town Accountant. At the beginning of each grant year, the grant manager creates a spreadsheet with the following information:

1. Federal grant name;
2. Federal grant account number;
3. Employee’s name;
4. Employee’s number;
5. Position Title;
6. Days schools are in session by month;
7. Budgeted number of hours by month; and
8. Variance (number of hours and percent).

On a quarterly basis, the federal grant timesheets are collected and scanned into a folder on the shared directory. The Administrative Assistant enters in the number of hours worked into the spreadsheet. The completed sheet is provided to the grant manager quarterly.

Annual adjustments will be made only if (1) the quarterly comparisons show the differences between budgeted amounts and actual costs are less than ten percent; and (2) the budget estimates or other distribution percentages are revised at least quarterly, if necessary, to reflect changed circumstances. If not performed annually, quarterly adjustments should be made. All necessary adjustments must be made such that the final amount charged to the federal award is accurate, allowable, and properly allocated.

B. Human Resources Policies

The allowability of various types of personnel compensation costs is dependent on whether they are spent in accordance with written policies and procedures. For example, the cost of fringe benefits in the form of regular compensation paid to employees during periods of authorized absences from the job, such as annual leave, sick leave, or holidays, is allowable if, among other criteria, the costs are provided under established written leave policies. Therefore, ensure that the Town has human resource policies which at least cover (1) how employees are hired; (2) the extent to which employees may provide professional services outside the Town; (3) the provision of fringe benefits, including leave and insurance; (4) the use of recruiting expenses to attract personnel; and (5) reimbursement for relocations costs.

V. Record Keeping

A. Record Retention

The Town maintains all records that fully show (1) the amount of funds under the grant or subgrant; (2) how the subgrantee uses those funds; (3) the total cost of each project; (4) the share of the total cost of each project provided from other sources; (5) other records to facilitate an effective audit; and (6) other records to show compliance with federal program requirements. The Town also maintains records of significant project experiences and results. These records and accounts must be retained and made available for financial audit.

At the state level, records retention is overseen by the Massachusetts Secretary of State's Office (www.mass.gov/sec). The department head of any office that creates, receives or stores public records must designate a custodian of records. The custodian of records is the point of contact for all public records requests; ensures record security, and follows proper destruction of records protocol.

Maintaining an inventory of records will allow for the identification of records that may be at the end of the retention period. Prior to the destruction of records, a written request must be made to the Supervisor of Records. Once the written request is approved, each district can choose a method of destruction or recycling. Districts are advised to choose the method of destruction carefully especially if employee or student records are involved. The municipal records retention schedule is available on the website at:

https://www.sec.state.ma.us/arc/arcpdf/Municipal_Retention_Schedule_20161109.pdf.

B. Collection and Transmission of Records

Most records may be maintained in either paper or electronic form, based on the current practices in the Town. Electronic storage will provide an easier means to share documents upon request i.e. auditors, records inquires, etc. In either case, care must be taken to ensure the materials chosen to create the record will last through the records retention period. Minutes of governmental bodies must be maintained in a paper format. Proper storage of the records is the responsibility of the district. The municipal records retention schedule provides recommended storage standards.

C. Access to Records

The Town provides the awarding agency, Inspectors General, the Comptroller General of the United States, and the pass-through entity, or any of their authorized representatives the right of access to any documents, papers, or other records of the Town which are pertinent to the Federal award, in order to make audits, examinations, excerpts, and transcripts. The right also includes timely and reasonable access to the Town's personnel for the purpose of interview and discussion related to such documents.

D. Privacy

The Town of Hanover must follow guidelines put forth in the Public Records Guide when it comes to public records requests or requests for information. The Guide can be found here:
<https://www.sec.state.ma.us/pre/prepdf/guide.pdf>.

VI. Subrecipient Monitoring

In the event that the Town awards subgrants to other entities, it is responsible for monitoring those grant subrecipients to ensure compliance with federal, state, and local laws. Monitoring is the regular and systematic examination of all aspects associated with the administration and implementation of a program. Each program office that awards a subgrant must have its own monitoring policy. This policy must ensure that any monitoring findings are corrected.

EFFECTIVE DATE: This policy was approved by the Board of Selectmen on November 20, 2017 and is effective immediately.





BUDGET SUMMARIES



"Hanover, Honoring Yesterday As We Build For Tomorrow"

***Balanced Budget
Summary***



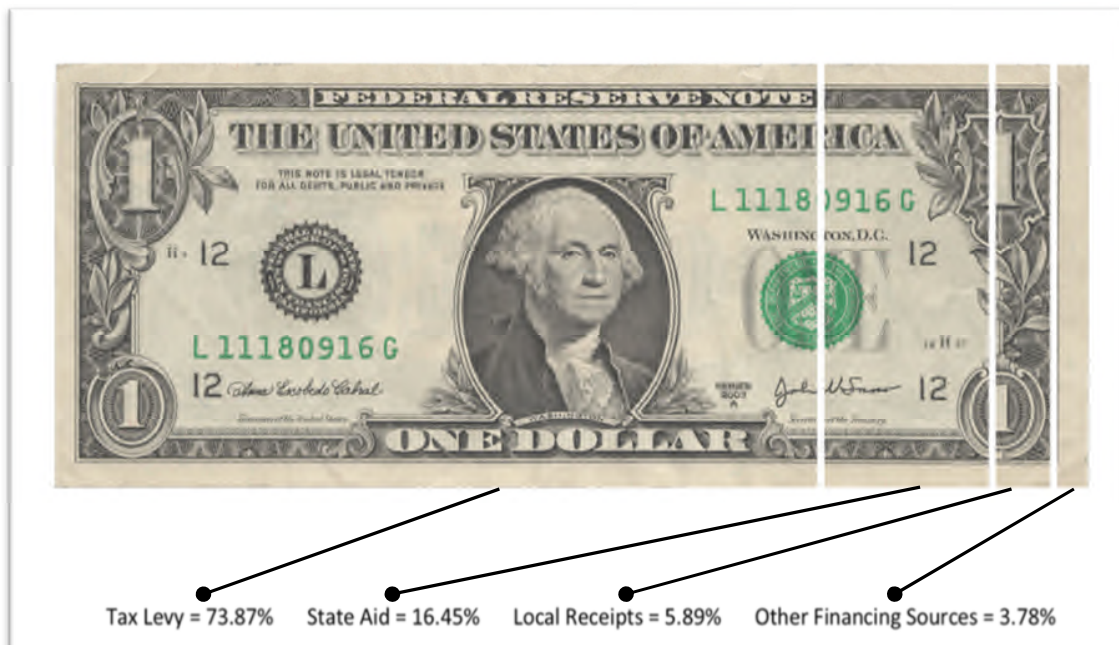
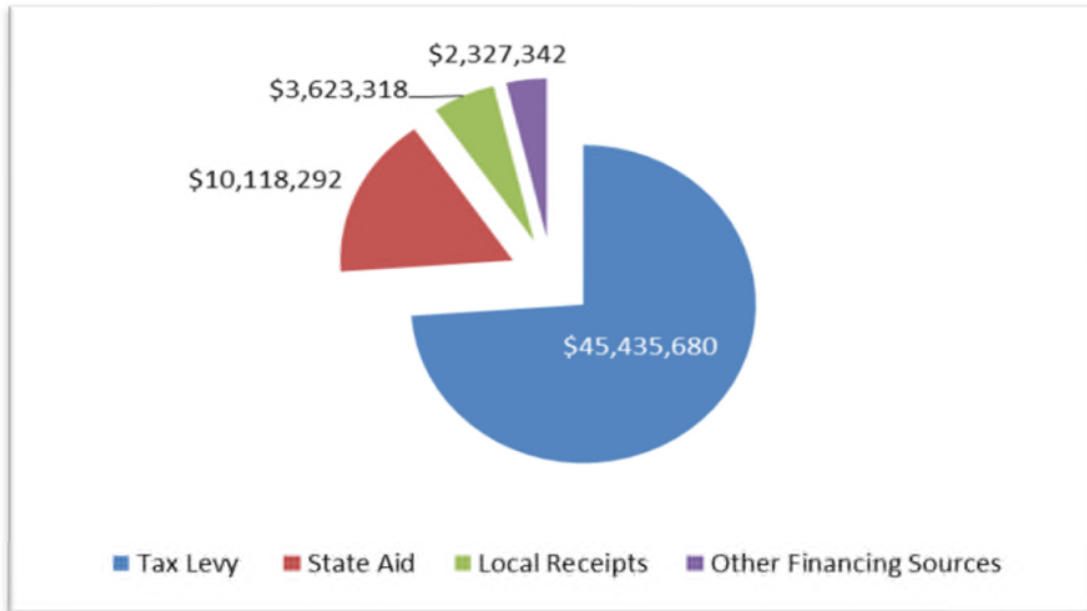
Balanced Budget Summary

Estimated Revenues

TAX LEVY			
	FY17	FY18	FY19
FY Levy Limit	36,980,861	38,161,303	39,600,831
Add 2.5%	924,522	954,033	990,021
Add Estimated FY New Growth	340,000	340,000	400,000
	38,245,383	39,455,336	40,990,852
FY Excluded Debt			
Scheduled Net Excludable principal and interest payments	4,352,976	4,036,135	4,444,828
Adjusted Levy Limit	42,598,359	43,491,471	45,435,680
STATE AID			
	FY17	FY18	FY19
Net of Public Libraries/School Lunch Direct Expenditure	8,817,141	9,054,539	9,229,710
MSBA School Project	888,582	888,582	888,582
Total State Aid	9,705,723	9,943,121	10,118,292
LOCAL RECEIPTS			
	FY17	FY18	FY19
Motor Vehicle	2,350,000	2,330,000	2,357,658
Other Excise - Boat	835	750	750
Penalties & Interest on Taxes and Excises	90,000	130,000	120,000
Fees	285,823	291,640	305,922
Rentals/Leases	35,000	36,150	36,150
Licenses and Permits	415,485	448,420	530,675
Fines and Forfeits	90,775	91,870	87,163
Investment Income	50,000	58,725	60,000
Miscellaneous - Recurring	-	-	125,000
Total Local Receipts	3,317,918	3,387,555	3,623,318
OTHER FINANCING SOURCES			
	FY17	FY18	FY19
Indirect Costs - Water Enterprise	358,739	463,395	463,395
Cemetery Graves & Foundations Account	65,000	16,000	65,000
Sale of Cemetery Lots	10,000	10,000	10,000
Title V Receipts Reserved Account	39,810	38,947	38,947
Ambulance Receipts Reserved Account	915,295	933,095	1,200,000
Community Preservation Fund - Debt Service	-	-	-
Undesignated Fund Balance/Free Cash	-	-	550,000
Total OFS	1,388,844	1,461,437	2,327,342
TOTAL ESTIMATED REVENUES	57,010,844	58,283,584	61,504,632



Balanced Budget Summary





Balanced Budget Summary

Appropriations

OTHER AMOUNTS TO BE RAISED			
	FY19	FY18	FY17
Assessor's Annual Overlay Reserve	450,000	350,000	350,000
Total Other Amounts	450,000	350,000	350,000
STATE & COUNTY CHARGES			
	FY19	FY18	FY17
County Assessments	54,191	52,707	51,422
State Assessments	82,700	77,668	71,404
Transportation Assessments	94,533	94,167	93,592
Tuition Assessments	414,428	411,184	370,755
Total Assessments	645,852	635,726	587,173
GENERAL GOVERNMENT			
	FY19	FY18	FY17
Town Manager	345,950	338,935	315,792
Legal Services	155,000	155,000	125,000
Central Office Supply - Town Hall	30,000	30,000	30,000
Total General Government	530,950	523,935	470,792
FINANCE DEPARTMENT			
	FY19	FY18	FY17
Accounting	162,534	155,454	113,893
Assessors	175,962	136,015	153,916
Treasurer/Collector	316,774	298,501	316,505
Payroll/Benefits	168,233	167,732	177,498
Advisory Committee	3,205	3,025	4,564
Town Clerk	128,906	117,952	111,627
Elections & Town Meeting	52,817	20,130	52,765
Registrars	42,700	42,500	35,800
Total Finance Department	1,051,131	941,309	966,568
COMMUNITY SERVICES			
	FY19	FY18	FY17
Municipal Inspections	753,145	656,009	715,295
Visiting Nurse Association	143,966	144,629	121,868
Council on Aging	225,417	219,824	204,969
Veterans Services	174,512	152,266	150,778
John Curtis Library	608,810	559,862	563,011
Parks & Recreation	80,106	153,561	152,140
Total Community Services	1,985,956	1,886,151	1,908,061



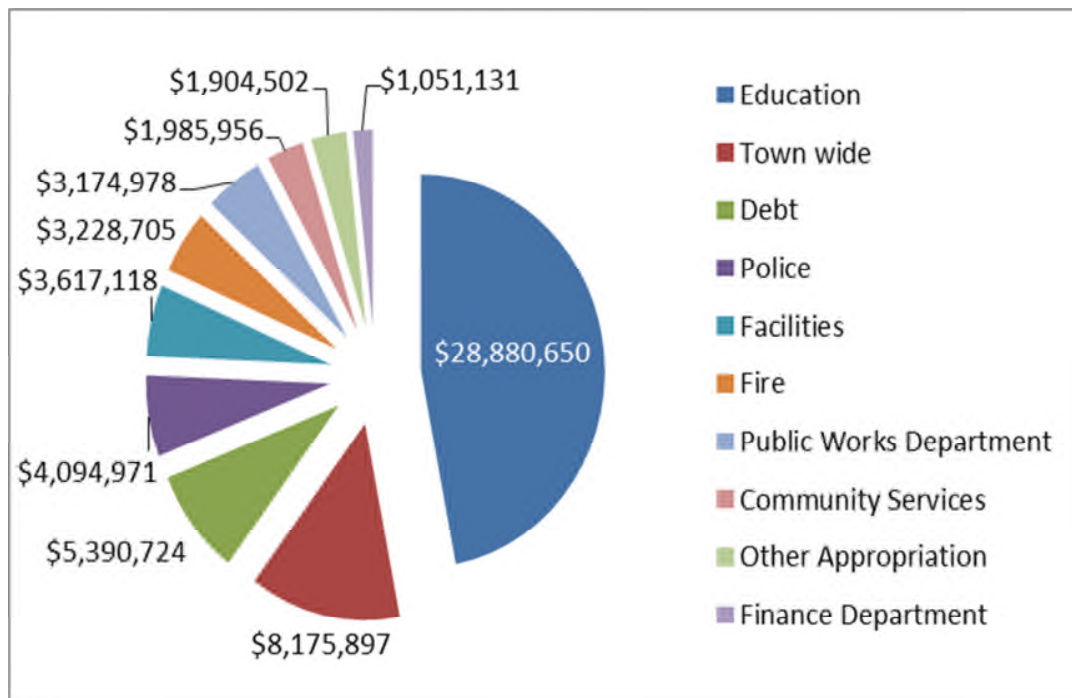
Balanced Budget Summary

POLICE			
	FY19	FY18	FY17
Police	3,388,231	3,190,117	2,997,304
Animal Control	4,761	4,761	4,761
Communications	701,979	651,819	632,773
Total Police	4,094,971	3,846,697	3,634,838
FIRE			
	FY19	FY18	FY17
Fire	3,225,705	2,990,739	2,868,179
Emergency Management	3,000	5,000	8,500
Total Fire	3,228,705	2,995,739	2,876,679
EDUCATION			
	FY19	FY18	FY17
Hanover Public Schools	28,082,846	27,165,115	25,765,115
South Shore Vocational School	797,804	797,804	794,915
Total Education	28,880,650	27,962,919	26,560,030
FACILITIES DEPARTMENT			
	FY19	FY18	FY17
Facilities Department	3,617,118	3,673,150	3,802,686
Total Facilities	3,617,118	3,673,150	3,802,686
PUBLIC WORKS DEPARTMENT			
	FY19	FY18	FY17
DPW Administration	272,600	285,593	279,946
Highway	726,895	612,700	594,615
Snow & Ice	387,000	387,000	387,000
Street Lighting	64,000	64,000	61,000
Public Grounds	501,578	407,853	399,311
Transfer Station	1,030,405	991,208	983,445
Town Gas Pump	192,500	226,650	266,400
Total Public Works Department	3,174,978	2,975,004	2,971,717
DEBT			
	FY19	FY18	FY17
Long Term Principal	3,643,449	3,570,568	3,795,568
Long Term Interest	1,244,518	1,393,051	1,651,551
Short Term Interest	492,757	40,000	17,411
Issuance Costs	10,000	10,000	10,000
Total Debt	5,390,724	5,013,619	5,474,530



Balanced Budget Summary

TOWN WIDE			
	FY19	FY18	FY17
Pension/Retirement	3,650,375	3,544,053	3,404,748
Workers Compensation	228,000	190,000	195,314
Unemployment	85,000	85,000	125,000
Health Insurance	3,857,022	3,506,384	3,188,288
Life Insurance	10,000	10,000	5,480
Education Benefits	6,500	6,500	3,000
Employee Medical	25,000	25,000	25,000
Risk Management	259,900	238,800	233,440
Town Audit	54,100	41,750	37,500
Total Town wide	8,175,897	7,647,487	7,217,770
TRANSFERS			
	FY19	FY18	FY17
Advisory Committee Reserve Fund	177,700	167,702	190,000
Transfer to Sick Leave Buyback Fund	100,000	-	-
Total Transfers	277,700	167,702	190,000
TOTAL APPROPRIATIONS	61,504,632	58,619,438	57,010,844



*Revenue Budget
Summary*



Revenue Summary

Revenue Summary

There are four major categories of revenue that help fund the General Fund operating budget. They are: property taxes, local receipts, state aid and other financing sources. Within these categories, overall available revenue is expected to increase by \$3,221,049 from \$58,283,583 to \$61,504,632 or 5.53%.

Property Taxes

The property tax levy is revenue a community can raise through real and personal property taxes. This is the largest and most reliable source of revenue for a municipality. The estimated tax levy for FY19 represents approximately 75% of the revenue used to fund the budget. Property taxes are levied on real property (land and buildings) and personal property (equipment). Statutorily the Town is required to update the property values every three years and obtain certification from the Department of Revenue that such values represent full and fair cash value. The Town completed this process in FY15.

Proposition 2 ½ established two types of levy limits. The first is the levy ceiling. This is the amount equal to 2.5% of the Town's full and fair cash value of all taxable real and personal property. The second is the levy limit. This is the amount the Town can levy in a given year. The levy limit can be equal to or less than the levy ceiling.

The levy limit is calculated annually by the Department of Revenue. First, the previous year's levy limit is increased by 2.5%. Then an amount is added to represent new development in the tax base based on the increased value. This is known as new growth. If an override amount has been voted this too would be added to the prior year levy limit. Once the levy limit has been determined, the debt exclusions already voted and approved by the community are added for the current year. This determines the maximum allowable levy. (See table below)

Description	FY15	FY16	FY17	FY18	FY19
Prior Year Levy Limit	34,450,915	35,747,973	36,980,861	38,161,303	39,600,831
ADD Amended Prior Year Growth	-	-	-	-	-
ADD 2.5%	861,273	893,699	924,522	954,033	990,021
ADD Current Year New Growth	435,785	339,189	255,920	485,495	340,000
ADD Current Year Override	-	-	-	-	-
Levy Limit	35,747,973	36,980,861	38,161,303	39,600,831	40,930,852
Fiscal Year Debt Exclusions	3,522,771	4,577,190	4,235,786	4,275,070	3,981,260
Maximum Allowable Levy	39,270,744	41,558,051	42,397,089	43,875,901	44,912,112



Revenue Summary

New growth can include increases in a property's assessed value since the prior year due to development or improvements, exempt real property returning to the tax roll, new personal property and new subdivision parcels and condominium conversions. The value of the new growth is calculated by multiplying the increase in the assessed valuation of qualifying property by the prior year's tax rate. It has been the Town's practice to conservative estimate new growth during the development of estimated revenues. The table below shows the amounts used in the budgeted process versus the amount of new growth certified by the Department of Revenue for the last five years.

	FY15	FY16	FY17	FY18	FY19
Estimated New Growth	240,000	340,000	340,000	340,000	450,000
Actual New Growth Certified	435,785	339,189	255,920	485,495	TBD
Actual Over Estimated	195,785	(811)	(84,080)	145,495	TBD

A debt exclusion assesses additional taxes in excess of the levy limit for the payment of specific debt service costs related to capital projects. This exclusion requires a two-thirds vote of the Board of Selectmen in order to be presented to the voters. A majority vote is required. The ballot must state the purpose or purposes in which the monies from the debt issue will be used. The additional amount for the payment of debt service is added to the levy limit for the life of the debt only and therefore is considered temporary. The exclusions do not become part of the levy limit for which future years are calculated. A detailed listing of projects is shown below.

Date of Ballot Vote	Purpose of Exclusion Vote	Date of Original Note/Bond	Original Issue Amount	Temporary or Permanent	FY19		
					Gross Debt Service Excludable	Reimb/Adjust	Net Excluded Debt Service
5/9/2008	Senior Center	5/15/2009	3,000,000.00	P	152,250	-	152,250
9/16/2008	High School	5/15/2009	16,000,000.00	P	798,000	-	798,000
5/10/1997	Police Station	5/15/1998	1,181,000.00	P	-	-	-
2/26/1996	Library	6/15/2001	1,160,000.00	P	112,800	-	112,800
9/15/1998	Middle School	6/15/2001	12,770,000.00	P	1,114,350	373,840	740,510
5/9/2008	Senior Center	9/14/2011	900,000.00	P	70,369	3,946	66,423
9/16/2008	High School	9/14/2011	8,000,000.00	P	625,500	35,076	590,424
5/7/2011	Road Reconstruction	9/14/2011	3,000,000.00	P	284,288	17,439	266,849
9/16/2008	High School	9/11/2014	6,000,000.00	P	497,250	58,423	438,827
9/16/2008	High School II	9/11/2014	210,000.00	P	16,575	2,028	14,547
5/7/2011	Road Reconstruction	9/11/2014	4,600,000.00	P	485,950	54,838	431,112
5/10/2008	Senior Center - Ref	6/24/2016	1,758,000.00	P	58,470	-	58,470
9/16/2008	High School - Ref	6/24/2016	9,362,500.00	P	311,050	-	311,050
	Sylv School Proj			T	463,568	-	463,568
TOTALS					4,990,420	545,591	4,444,828

As noted above, the levy limit may be less than or equal to the levy ceiling. If the amount appropriated by the community is less than the levy limit, there is excess levy capacity. This is an additional amount that could have been raised in taxes but was not. Below is the excess levy capacity for the last five years.



Revenue Summary

Fiscal Year	Maximum Allowable Levy	Excess Capacity	Tax Levy
2018	\$ 43,875,901	\$ 614,610	\$ 43,261,291
2017	\$ 42,397,089	\$ 1,738	\$ 42,395,351
2016	\$ 41,558,051	\$ 52,649	\$ 41,505,402
2015	\$ 39,270,745	\$ 596,383	\$ 38,674,362
2014	\$ 37,974,529	\$ 1,018,561	\$ 36,955,968

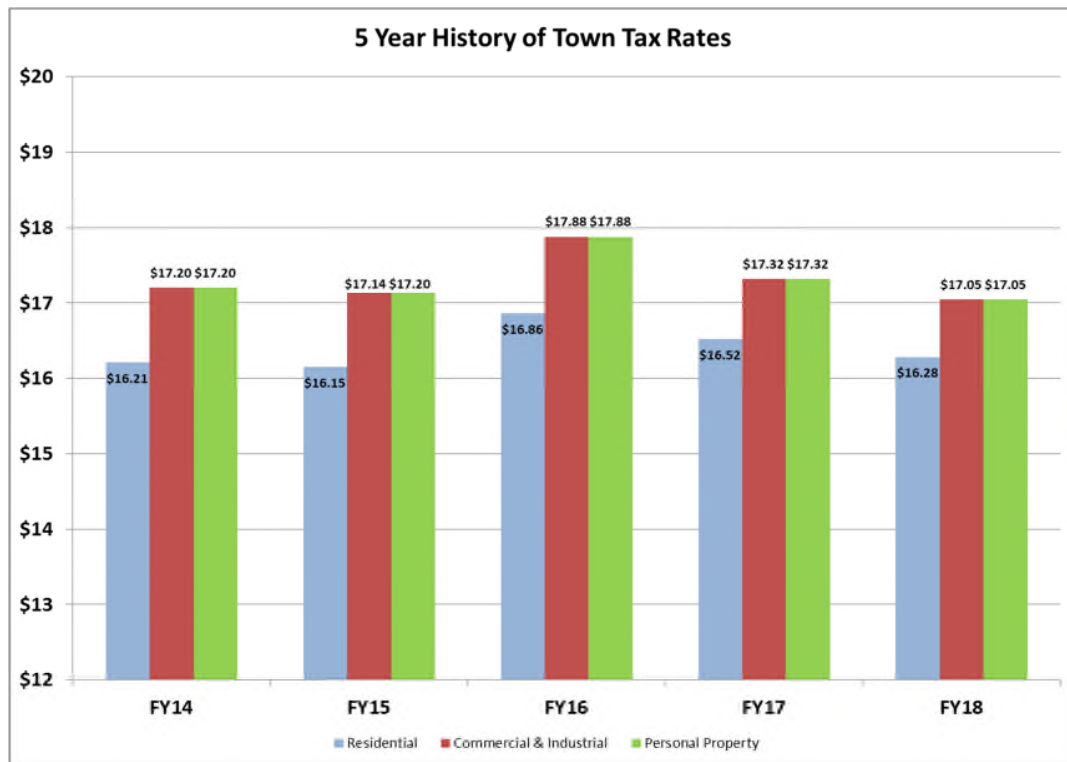
The Board of Selectmen has three options to shift the tax levy between property classes which affect tax rates. They are a classified tax rate which will shift a portion of the tax levy from the residential class to the CIP class (commercial, industrial and personal), a residential exemption which exempts a portion of primary residents assessed value from taxation and a small business exemption. The adoption of these options can affect the tax rates for each class of property.

The chart below reflects the changes in the tax rate for the past five years for each class of property in town. This year, the CIP had a slight reduction in the rate. The rate is dependent upon three components: (a) the amount of the tax levy; (b) the valuation of the town and (c) Board of Selectmen shifting decisions. A change in town-wide property valuation does not change the Town's revenue stream from property taxes, which is controlled by Proposition 2½. It correlates into a change in the tax rate only. Since the tax rate is the result of the tax levy divided by total property value, the tax rate will decline if the denominator within the equation (property value) grows at a faster percentage rate than the numerator (tax levy).

Class	Tax Rate				
	FY14	FY15	FY16	FY17	FY18
Residential	16.21	16.15	16.86	16.52	16.28
Commercial	17.20	17.14	17.88	17.32	17.05
Industrial	17.20	17.14	17.88	17.32	17.05
Personal Property	17.20	17.14	17.88	17.32	17.05



Revenue Summary



The above graph depicts the last five years of the Town's tax rates including Residential, Commercial/Industrial and Personal Property.

The Town has experienced excellent collection rates in the past, as shown below. This provides for predictable cash flow during the fiscal year.

Fiscal Year	Real Estate & Personal Property Commitments	Abatements Approved	Tax Deferrals Granted	Net Tax Levy	Net Collections	% Collected
2017	42,395,351	193,982	16,453	42,184,916	41,822,837	99.14%
2016	41,505,402	177,821	19,113	41,308,468	40,805,132	98.78%
2015	38,674,374	196,645	19,199	38,458,530	37,967,782	98.72%
2014	36,537,954	151,788	21,314	36,364,852	36,304,877	99.84%
2013	35,998,407	64,567	16,993	35,916,847	35,225,237	98.07%

Local Receipts

The category of revenue considered local receipts includes such items as motor vehicle excise, boat excise, departmental fees, rental income, licenses and permits, fines and forfeitures, investment income and miscellaneous income. During the development of the estimated revenue for the ensuing year, each of these groupings is reviewed. The first step in the analysis includes comparing the actual amounts collected over the last three completed years, the amount calculated as the five year average and the amount calculated at 85% of the last completed year's collections. The next step includes highlighting any receipts that have fluctuation over the years or that appear to be not on target for the current fiscal year. The final step includes a detailed



Revenue Summary

discussion with the Town Manager and all department heads to determine as a whole if these estimated are reasonable and attainable.

Motor Vehicle Excise

Motor vehicle excise tax is authorized by Massachusetts General Law. The excise rate is \$25 per thousand and is assessed on 90% of the vehicle's value in the first year, 60% in the second year, 40% in the third year, 25% in the fourth year and 10% for all remaining years. The value is determined by the RMV using a formula based on a manufacturer's list price and year of manufacture. The Town in which a vehicle is principally garaged at the time of registration is entitled to the motor vehicle excise tax. The commitments are prepared by the Registry of Motor Vehicles and transmitted to the Town for printing and mailing.

The Registry of Motor Vehicles utilizes a tracking system that helps to ensure payment of the motor vehicle excise tax. Individuals that do not pay the excise tax will be flagged and will not be allowed to renew registrations and driver's licenses until the tax has been paid. The Town, through its Deputy Collector, notifies the RMV of the delinquent taxpayers.

This revenue is dependable in its collection and for this budget is being estimated higher than in past years. We have seen an increase in collections and feel this will continue based on the current economy.

Description	ACTUAL REVENUE			Estimated	Estimated
	FY15	FY16	FY17	FY18	FY19
Motor Vehicle Excise	2,513,982	2,594,384	2,773,715	2,330,000	2,357,658

Boat Excise

The boat excise tax is a very small piece of the Town's revenue. Only 50% of this revenue remains in the General Fund with the remainder being credited to the Municipal Waterways Improvement and Maintenance Fund. The rate is set at \$10 per \$1,000 of valuation by the state. The state sets the value based upon the vessel's age and length.

This revenue was estimated based on a percentage of the actual amount collected in fiscal year 2016. The Town has only a certain amount of boat excise bills and the collection of them is predictable.

Description	ACTUAL REVENUE			Estimated	Estimated
	FY15	FY16	FY17	FY18	FY19
Boat Excise	982	873	873	750	750



Revenue Summary

Penalties & Interest

There are penalties and interest paid on all overdue taxes and excise bills. Interest rates for overdue real and personal property taxes are 14%. If taxes remain unpaid and the account is placed in a tax title status, the interest is increased and set at 16%. The interest rate for delinquent excise taxes is set at 12% from the due date. State law sets the interest rates for the above taxes.

If real and personal property taxes are not paid by May 1, in the year of the tax, a demand for payment notice (\$10) is sent to all delinquent taxpayers. Delinquent motor vehicle taxpayers are sent a demand (\$10), a warrant (\$10), and notices from the deputy tax collector for a warrant to collect (\$12) and a fee if the collection process progresses to posting a notice at the residence (\$17). The deputy tax collector's earnings come solely from delinquent penalty charges. There is no expense for the Town. Once a delinquent real estate account goes into a tax title status there are numerous other fees added to the tax that is owed. Some of these costs include legal fees, publishing costs and filing fees at the Registry of Deeds.

This is an area of receipts that we estimate conservatively to help create a surplus at year end. This will assist in the creation of free cash for the following fiscal year.

Description	ACTUAL REVENUE			Estimated FY18	Estimated FY19
	FY15	FY16	FY17		
Penalties & Interest on Taxes and Excise	113,656	156,097	137,254	130,000	120,000

Departmental Fees

Departmental fees include a variety of fees, permits, fines and licensing revenue that the Town receives. Fees may include such items as copy fees, accident report fees, administrative fees charged on police and fire details, transfer station fees, municipal lien certificate fees, passport fees, planning board and conservation fees.



Revenue Summary

Description	ACTUAL REVENUE			Estimated FY18	Estimated FY19
	FY15	FY16	FY17		
Town Clerk Fees	1,560	934	1,250	795	1,063
Municipal Lien Certificate	21,950	26,500	27,900	22,525	23,715
Treasurer Demands and Fees	52,575	49,310	41,330	41,900	35,131
Sealer of Weights	7,890	6,165	9,155	5,240	7,782
Transfer Station	94,778	106,392	111,058	90,435	94,400
Board of Health	23,625	26,606	31,182	22,615	26,504
Deputy Tax Collector Fees	386	-	29	-	-
Street Openings	5,500	2,450	4,550	2,085	3,868
Off Duty Detail Admin Fees	32,987	46,544	37,576	39,500	31,939
Passport Fees	38,115	45,570	41,830	38,735	38,735
Selectmen Fees	216	-	20,000	-	-
Treasurer/Collector Fees	901	-	1,116	-	-
Board of Assessors	1,178	1,095	-	-	-
Conservation Fees	13,216	10,544	17,608	8,950	13,139
Planning Board	19,129	15,009	25,450	12,750	21,632
Board of Appeals	6,720	4,655	5,230	3,950	4,446
Police Department Fees	7,037	7,351	7,645	-	-
School Department Fees	-	170	265	-	-
Animal Control Fees	1,050	-	800	-	-
DPW Fees	-	180	1,829	-	-
Building Department Fees	3,143	2,541	4,198	2,160	3,568
Flu Clinic Fees	-	-	-	-	-
Subtotal	331,957	352,015	390,001	291,640	305,922

Rental Receipts

The Town has one lease agreement in which it receives monthly rental payments from Sprint Spectrum Realty Company, L.P. This is for space located on the tower behind the Police Station.

Description	ACTUAL REVENUE			Estimated FY18	Estimated FY19
	FY15	FY16	FY17		
Lease Receipts	35,095	36,148	37,232	36,150	36,150
Subtotal	35,095	36,148	37,232	36,150	36,150



Revenue Summary

Licenses & Permits

License revenue arises from the Town's regulation of certain activities (e.g., selling alcoholic beverages). A person or organization pays a license fee to engage in the activity for a specified period. The primary licensing agency in the Town is the Board of Selectmen. All fees are set by one of three methods: State law or Town Meeting.

Permits are also required when a person or business wants to perform a municipally regulated activity (e.g., building, electrical, or plumbing services). The bulk of the permit revenue is brought in through building permits, collected by the Department of Municipal Inspections. All construction and development in the Town must be issued a building permit based on the cost of construction. The most common licenses and permits are briefly described on the following pages.

Liquor Licenses - Under Chapter 138 of the General Laws of Massachusetts, the Town is empowered to grant licenses regulating the sale of alcoholic beverages. License fees vary depending upon the type of establishment, closing hours, number of days open, and whether the license is for all alcohol or beer and wine. All licenses issued by the Board of Selectmen, with the exception of short-term and seasonal liquor licenses, have a maximum fee set by State statute.

Common Victualer - The common victualer license allows food to be made and sold on the premises.

Entertainment - Entertainment licenses are issued for live performances, movie theaters, automatic amusement machines, billiard tables, bowling alleys, and several other forms of entertainment.

Building Permits – Building permits are issued to qualified individuals and companies to do repairs, alterations, new construction or demolitions in the Town. The cost of permits is based on the estimated cost of the project or by a set fee.

Electrical Permits – Electrical permits are issued to licensed electricians to perform specific electrical work. The cost of the permit is dependent on the number of switches, lights, alarms and other electrical components included in the job.

Plumbing Permits – Plumbing permits are issued to licensed plumbers to install and repair piping for a specific job. The fee is based on the amount and type of work being done.

Weights & Measurers – Weights and Measures permits are issued for scales, gas pumps and other measuring devices.

Town Clerk Licenses & Permits – The Town Clerk issues licenses and permits primarily relating to marriages, births, deaths, business certificates and dog registrations.



Revenue Summary

The departmental fees have been estimated at generally the same amount as last year. We have made slight adjustments based on an analysis of construction activity and collaboration between department heads related to ongoing building projects in Town.

Description	ACTUAL REVENUE			Estimated FY18	Estimated FY19
	FY15	FY16	FY17		
Alcoholic Beverage Licenses	51,190	51,975	46,225	44,175	42,000
Selectmen Licenses	22,897	14,600	15,600	12,400	13,260
Dog Licenses	7,735	11,420	11,145	9,700	8,518
Board of Health Licenses	4,050	3,750	4,400	3,185	3,740
Town Clerk Licenses	14,500	23,610	18,050	20,000	15,343
Police Permits	3,163	5,513	4,375	4,500	3,719
Fire Permits	17,974	20,527	20,730	17,450	17,621
Building Permits	184,328	379,298	367,207	205,000	285,202
Plumbing Permits	23,773	34,040	40,273	20,000	30,278
Gas Permits	11,371	19,060	13,906	16,200	11,820
Wiring Permits	40,007	50,740	65,574	43,125	48,462
Board of Health Permits	61,352	61,983	59,662	52,685	50,712
Selectmen Permits	-	-	50	-	-
Subtotal	442,337	676,515	667,198	448,420	530,675

Fines and Forfeits

District Court Fines – These are fines assessed as a result of civil infractions and criminal offenses. Subject to State law, a portion of motor vehicle violations fines resulting from criminal convictions are collected by the Hingham District Court and forwarded to the Town of Hanover.

Surcharge R.M.V. - This is the fee that is collected by the deputy collector to remove the flag from the Registry of Motor Vehicle system so that an individual may register a car or renew a license once a delinquent motor vehicle tax has been paid in full. The deputy collector turns these funds over to the Town. The state then charges the Town an assessment to recoup the funds.

Moving Violations - Non-parking offenses result in moving violation fines. Among the violations included in this category are speeding, passing in the wrong lane, and failing to stop at the traffic signal. These fines, collected by the District Court are distributed to the Town on a monthly basis.



Revenue Summary

Description	ACTUAL REVENUE			Estimated FY18	Estimated FY19
	FY15	FY16	FY17		
District Court	11,706	10,379	9,795	8,800	8,326
Parking Clerk	6,612	115	195	100	166
Surcharge R.M.V.	13,100	12,420	11,860	10,550	10,081
Dog Fines	725	3,235	380	-	-
Library Fines	9,267	9,141	-	7,750	-
Motor Vehicle	58,441	70,143	81,698	59,625	62,102
By Law Violations	-	1,900	-	-	-
Marijuana Citations	1,000	700	2,600	-	500
False Alarms - Public Safety	5,935	9,720	7,045	5,045	5,988
Subtotal	106,786	117,752	113,573	91,870	87,163

Earnings on Investment

The investment of general town revenue is limited. The law requires that all funds of the Town which are not required to be kept liquid for purposes of immediate distribution shall be invested at the highest possible rate reasonably available while meeting the daily cash requirements for the operation of the Town's business. The law limits investment options to Certificates of Deposit (CDs) with a maturity of less than one year, Money Market Deposit Accounts, Repurchase Agreement with a maturity of less than 90 days, Pooled Investment Fund operated under the authority of the State Treasurer, and U.S. Treasury instruments or U. S. Government Agency obligation with a maturity of less than one year. The investment decision must take into account safety, liquidity and yield.

Description	ACTUAL REVENUE			Estimated FY18	Estimated FY19
	FY15	FY16	FY17		
Earnings on Investments	27,207	69,087	101,440	58,725	60,000
Subtotal	27,207	69,087	101,440	58,725	60,000



Revenue Summary

Miscellaneous Revenue

The miscellaneous revenue estimated for next Fiscal Year is related to a community betterment agreement with Curaleaf, a local medical marijuana facility located in Hanover. The estimated revenue are the fees to be collected from Curaleaf as outlined in the agreement.

Description	ACTUAL REVENUE			Estimated FY18	Estimated FY19
	FY15	FY16	FY17		
Miscellaneous - Recurring					125,000

Summary of Local Receipts

Description	ACTUAL REVENUE			Estimated FY18	Estimated FY19
	FY15	FY16	FY17		
Motor Vehicle Excise	2,513,982	2,594,384	2,773,715	2,330,000	2,357,658
Boat Excise	982	873	873	750	750
Penalties & Interest on Taxes and Excise	113,656	156,097	137,254	130,000	120,000
PILOT payments	-	-	31,332	-	-
Urban Redevelopment	94,582	-	66,484	-	-
Subtotal	2,723,201	2,751,355	3,009,658	2,460,750	2,478,408
Town Clerk Fees	1,560	934	1,250	795	1,063
Municipal Lien Certificate	21,950	26,500	27,900	22,525	23,715
Treasurer Demands and Fees	52,575	49,310	41,330	41,900	35,131
Sealer of Weights	7,890	6,165	9,155	5,240	7,782
Transfer Station	94,778	106,392	111,058	90,435	94,400
Board of Health	23,625	26,606	31,182	22,615	26,504
Deputy Tax Collector Fees	386	-	29	-	-
Street Openings	5,500	2,450	4,550	2,085	3,868
Off Duty Detail Admin Fees	32,987	46,544	37,576	39,500	31,939
Passport Fees	38,115	45,570	41,830	38,735	38,735
Selectmen Fees	216	-	20,000	-	-



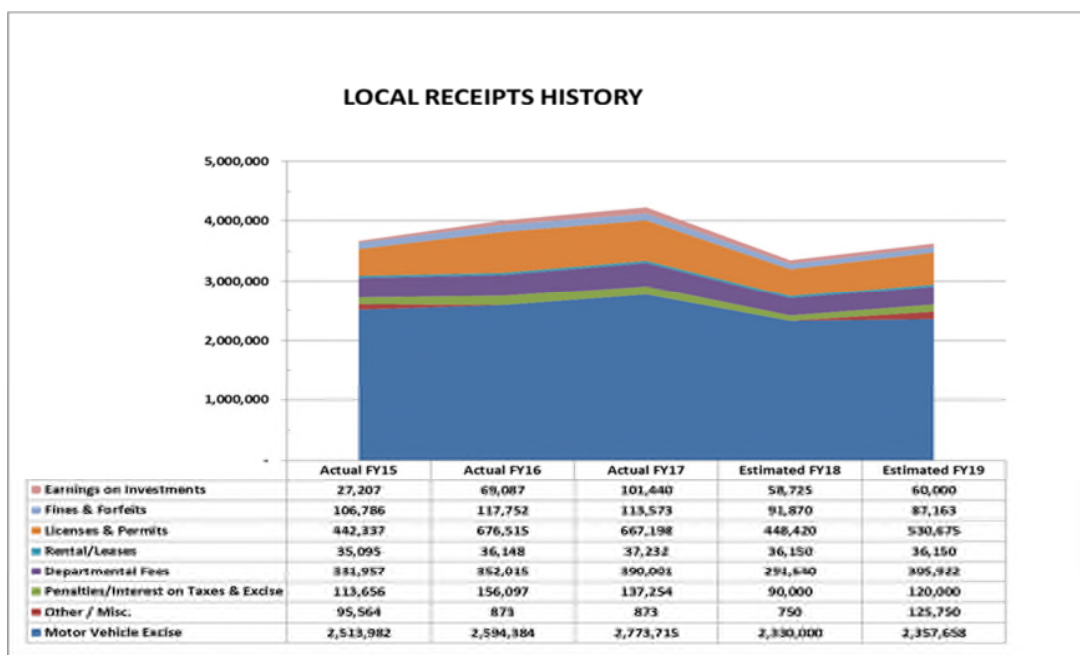
Revenue Summary

Treasurer/Collector Fees	901		1,116	-	-
Board of Assessors	1,178	1,095	-	-	-
Conservation Fees	13,216	10,544	17,608	8,950	13,139
Planning Board	19,129	15,009	25,450	12,750	21,632
Board of Appeals	6,720	4,655	5,230	3,950	4,446
Police Department Fees	7,037	7,351	7,645	-	-
School Department Fees	-	170	265	-	-
Animal Control Fees	1,050	-	800	-	-
DPW Fees	-	180	1,829	-	-
Building Department Fees	3,143	2,541	4,198	2,160	3,568
Flu Clinic Fees	-	-	-	-	-
Subtotal	331,957	352,015	390,001	291,640	305,922
Lease Receipts	35,095	36,148	37,232	36,150	36,150
Subtotal	35,095	36,148	37,232	36,150	36,150
Alcoholic Beverage Licenses	51,190	51,975	46,225	44,175	42,000
Selectmen Licenses	22,897	14,600	15,600	12,400	13,260
Dog Licenses	7,735	11,420	11,145	9,700	8,518
Board of Health Licenses	4,050	3,750	4,400	3,185	3,740
Town Clerk Licenses	14,500	23,610	18,050	20,000	15,343
Police Permits	3,163	5,513	4,375	4,500	3,719
Fire Permits	17,974	20,527	20,730	17,450	17,621
Building Permits	184,328	379,298	367,207	205,000	285,202
Plumbing Permits	23,773	34,040	40,273	20,000	30,278
Gas Permits	11,371	19,060	13,906	16,200	11,820
Wiring Permits	40,007	50,740	65,574	43,125	48,462
Board of Health Permits	61,352	61,983	59,662	52,685	50,712
Selectmen Permits	-	-	50	-	-
Subtotal	442,337	676,515	667,198	448,420	530,675
District Court	11,706	10,379	9,795	8,800	8,326
Parking Clerk	6,612	115	195	100	166
Surcharge R.M.V.	13,100	12,420	11,860	10,550	10,081
Dog Fines	725	3,235	380	-	-
Library Fines	9,267	9,141	-	7,750	-
Motor Vehicle	58,441	70,143	81,698	59,625	62,102
By Law Violations	-	1,900	-	-	-
Marijuana Citations	1,000	700	2,600	-	500
False Alarms - Public Safety	5,935	9,720	7,045	5,045	5,988
Subtotal	106,786	117,752	113,573	91,870	87,163



Revenue Summary

Earnings on Investments	27,207	69,087	101,440	58,725	60,000
Dividends	-	-	-	-	-
Subtotal	27,207	69,087	101,440	58,725	60,000
Miscellaneous	1,310,462	-	336,835	-	-
Miscellaneous - Recurring	-	-	-	-	125,000
Subtotal					125,000
Total Local Receipts	4,977,045	4,002,872	4,655,937	3,387,555	3,623,318



The chart above shows the history of local receipts over the last five years.

State Aid

The state aid in which the Town receives is reported by the State on the Cherry Sheet. This is named for the pink colored paper on which it was originally printed. The Cherry Sheet has two parts. The first itemizes the revenues in which the Town will receive including direct school aid, local aid and specific reimbursements and distributions such as aid to public libraries, veterans' benefits and a number of school related items. The second itemizes the charges or assessments. This will be explained in more detail under the appropriation section. For the FY19 budget process, the Town forecasted no increase over the reported amount for FY18.



Revenue Summary

School Aid (Chapter 70) – Chapter 70 school aid is based on a complex formula that takes into account: (1) statewide average cost per pupil; (2) local district pupil counts, with weighing factors to reflect varying costs among programs such as special education or vocational education, and (3) municipal fiscal “ability to pay” for education, as measured by equalized valuation per capita as a percent of statewide averages. This revenue is received monthly.

Description	ACTUAL REVENUE			Cherry Sheet FY18	Estimated FY19
	FY15	FY16	FY17		
School Aid (Ed Reform) Ch.70	6,590,764	6,654,914	6,795,549	6,871,449	6,871,449

Unrestricted General Government Aid – These funds are unrestricted and can therefore be used by the municipality for any municipal purpose. This revenue is received monthly.

Description	ACTUAL REVENUE			Cherry Sheet FY18	Estimated FY19
	FY15	FY16	FY17		
Unrestricted Gov't Aid	1,884,963	1,952,822	2,036,793	2,116,228	2,116,228

Charter Tuition Reimbursement – This is a reimbursement for the Town for the student tuition and the capital facilities tuition component they pay to Commonwealth charter schools. The capital facilities tuition component includes interest and principal payments, for the construction, renovation, purchase, acquisition, or improvement of school buildings and land. This revenue is received monthly beginning in December.

Description	ACTUAL REVENUE			Cherry Sheet FY18	Estimated FY19
	FY15	FY16	FY17		
Charter School Assessment Reimbursement	41,414	45,142	22,720	68,292	68,292

Veterans' Benefits – Under M.G.L. Chapter 115 Section 6, municipalities receive a seventy-five (75) percent State reimbursement on the total expenditures made on veterans' benefits. This revenue is received quarterly.

Description	ACTUAL REVENUE			Cherry Sheet FY18	Estimated FY19
	FY15	FY16	FY17		
Veterans' Benefits	82,514	88,919	79,796	88,978	88,978



Revenue Summary

Exemptions: Veterans, Blind Person, Surviving Spouse - To reimburse the municipality for property tax exemptions granted to qualifying veterans, blind person, surviving spouse and elder person. This revenue is received annually after filing the required information with the State.

Description	ACTUAL REVENUE			Cherry Sheet FY18	Estimated FY19
	FY15	FY16	FY17		
Exemptions: Vets, Blind & Surviving Spouse & Elderly	68,409	68,409	143,118	77,917	77,917

State Owned Land – To reimburse the municipality for foregone tax revenue due to certain types of tax exempt state-owned land. This revenue is received monthly.

Description	ACTUAL REVENUE			Cherry Sheet FY18	Estimated FY19
	FY15	FY16	FY17		
State Owned Land	6,935	6,935	6,852	6,846	6,846

School Building Assistance – In 2004, the State Legislature created the Massachusetts School Building Authority (MSBA) as an independent public authority, charged with reforming the former school building program that had amassed \$11 billion in outstanding obligations with no clear funding source and that had built up a list of 428 projects that were waiting for state reimbursement. The MSBA assists school districts with planning and financing school construction and renovation projects. Funding to assist communities is provided from a dedicated sales tax revenue account. The receipts are kept in a separate fund known as the School Modernization and Reconstruction Trust Fund.

Prior to the creation of the MSBA the Town of Hanover had three projects for which it was receiving annual assistance from the State to help pay off the bonds associated with the construction. The MSBA continued with funding this annual obligation and it is expected that the Town will receive the assistance until the bonds expire on the last project in FY2021. Assistance received under this program is credited to the tax levy raised for debt exclusions every year as described. The aid received under this category totals \$888,582 annually. All three projects will have debt ending in FY2021. The chart below shows the reimbursements the Town will receive in the upcoming fiscal years through FY2021.

Project	FY19	FY20	FY21
Cedar School	259,765	259,765	259,765
Center School	254,977	254,977	254,977
Middle School	373,840	373,840	373,840
Total State Aid	888,582	888,582	888,582



Revenue Summary

Summary of State Aid

Description	ACTUAL REVENUE			Cherry Sheet FY18	Estimated FY19
	FY15	FY16	FY17		
School Aid (Ed Reform) Ch.70	6,590,764	6,654,914	6,795,549	6,871,449	6,871,449
School Transportation	-	-	-	-	-
Charter School Assessment Reimbursement	41,414	45,142	22,720	68,292	68,292
Medicaid Reimbursements	-	-	-	-	-
Subtotal	6,632,178	6,700,056	6,818,269	6,939,741	6,939,741
Unrestricted Gov't Aid	1,884,963	1,952,822	2,036,793	2,116,228	2,116,228
Police Career Incentive	-	-	-	-	-
Election Polling	3,654	-	3,584	-	-
Veterans' Benefits	82,514	88,919	79,796	88,978	88,978
Exemptions: Vets, Blind & Surviving Spouse & Elderly	68,409	68,409	143,118	77,917	77,917
State Owned Land	6,935	6,935	6,852	6,846	6,846
Subtotal	2,046,475	2,117,085	2,270,143	2,289,969	2,289,969
State Aid available for budget purposes	8,678,653	8,817,141	9,088,412	9,229,710	9,229,710
MSBA School Project	888,582	888,582	888,582	888,582	888,582
Total State Revenue	9,567,235	9,705,723	9,976,994	10,118,292	10,118,292

Other Financing Sources/Inter-Fund Operating Transfers In

These transfers are made to the General Fund from other funds such as Special Revenue Funds, Trust Funds and the Enterprise Fund.

Ambulance Receipts Ch. 40 Section 5F – A transfer is requested from the Ambulance Receipt Reserve Fund to help support ambulance related costs in the operating budget which includes an increase in ambulance billing services over last year. Such expenses include purchasing, hiring, maintaining and operating ambulances and can be found in both the Fire Department budget and the debt section of the budget.



Revenue Summary

Description	ACTUAL REVENUE				Estimated FY19
	FY15	FY16	FY17	FY18	
Ambulance Receipts:					
Salaries	511,695	642,895	642,895	642,895	837,250
Expenses	89,850	108,050	208,050	228,050	293,050
Debt	73,550	64,350	64,350	62,150	69,700

Sale of Cemetery Lots Ch. 114 Section 15 and Graves & Foundations – fees charged for purchase of cemetery lot, foundation and grave markers. The proceeds of such sales shall be kept separate from other funds and be appropriated to reimburse the town for the cost of the land, its care, improvement and embellishment, or the enlargement of the cemetery. These costs are carried in the grounds and maintenance portion of the Department of Public Works budget.

Description	ACTUAL REVENUE				Estimated FY19
	FY15	FY16	FY17	FY18	
Cemetery Graves & Foundations	65,000	65,000	65,000	65,000	65,000
Cemetery Sale of Lots	10,000	10,000	10,000	10,000	10,000

Title V Receipts – The Massachusetts Water Pollution Abatement Trust (MWPAT) has a program that allows the Town to receive up to \$500,000 in interest-free loans to be re-loaned to residents for repairs to septic systems. A separate fund is created to account for the repayment of the loans by residents. These funds are then transferred to the General Fund for the principal payments obligations on the bond.

Description	ACTUAL REVENUE				Estimated FY19
	FY15	FY16	FY17	FY18	
Title V Septic Betterment	32,851	40,865	39,810	38,947	38,947

Community Preservation Fund Receipts – A portion of the revenue generated by the Community Preservation Act (CPA) surcharge on real estate bills is transferred into the General Fund to cover debt obligations related to CPA projects. The administrative budget of the Community Preservation Committee was budgeted for within the General Fund through FY13. Beginning in FY14 the administrative budget is reported with the Community Preservation Fund itself and a transfer is no longer necessary. Beginning with the FY16 budget, the CPA related debt obligations became accounted for within the CPA fund itself and no longer budgeted or paid from the General Fund.



Revenue Summary

Description	ACTUAL REVENUE				Estimated FY19
	FY15	FY16	FY17	FY18	
Community Preservation Fund					
Administrative budget					
Indirect					
Debt	466,375				

Water Indirect Costs – The Water Enterprise Fund is financed by water related fees and user charges. The enterprise fund reimburses the General Fund for costs associated with a variety of the Town services, including those offered by Technology, Accounting, Town Manager, Treasurer/Collector and Town Clerk. Additionally, the enterprise fund provides reimbursement for employee benefits costs, retirement costs, property and casualty insurance and workers compensation costs.

Description	ACTUAL REVENUE				Estimated FY19
	FY15	FY16	FY17	FY18	
Water Enterprise Indirect Costs	358,739	358,739	358,739	463,395	463,395



Revenue Summary

Summary of Other Financing Sources

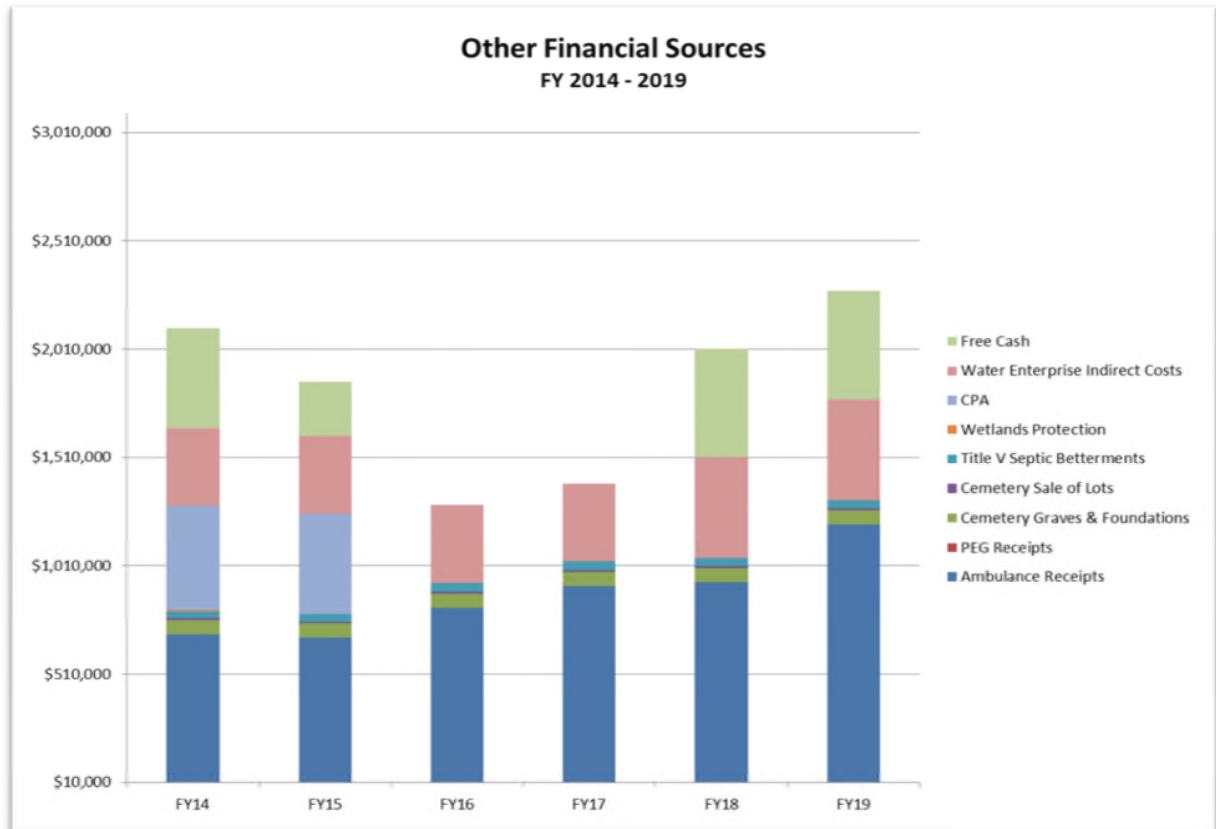
Description	ACTUAL REVENUE			FY18	Estimated FY19
	FY15	FY16	FY17		
Ambulance Receipts:					
Salaries	511,695	642,895	642,895	642,895	837,250
Expenses	89,850	108,050	208,050	228,050	293,050
Debt	73,550	64,350	64,350	62,150	69,700
Cemetery Graves & Foundations	65,000	65,000	65,000	65,000	65,000
Cemetery Sale of Lots	10,000	10,000	10,000	10,000	10,000
Waterways Improvement Fund	-	-	-		-
Title V Septic Betterment	32,851	40,865	39,810	38,947	38,947
Recreation Revolving Fund	-	-	-		-
Community Preservation Fund					
Administrative budget					
Indirect					
Debt	466,375				
Water Enterprise Indirect Costs	358,739	358,739	358,739	463,395	463,395
Overlay Surplus	-	-	-	-	-
Undesignated F/B	250,000	-	-	500,000.00	550,000.00
Totals	1,858,060	1,289,899	1,388,844	2,010,437	2,327,342

Notes:

- The PEG access receipts are no longer used to help fund the General Fund operating budget. A revolving fund has been established.
- The Wetland Protection Fund has not had a sufficient balance to fund the General Fund operating budget for conservation related expenses.
- The Community Preservation Fund debt will not be budgeted for in the General Fund, therefore a transfer is not necessary.



Revenue Summary



This graph shows the six year history of the use of other financing sources.

*Expenditure Budget
Summaries*



Expenditure Budget Summaries

Expenditure Budget Summaries

The following are the key changes of significance:

General Government

Selectmen/Town Manager's Office

The FY 2019 budget for the Town Manager's office remains generally constant, despite the change in leadership which occurred in the fall of 2017. The salary for the Executive Assistant and the Administrative Assistant reflects a 2% increase.

Legal

The legal budget remains level from last year's allocation, continuing the recent practice of performing routine document preparation in-house, an initiative that continues to save significant sums.

Central Office Supply

The centralization of the purchase and distribution of office supplies was initiated recently. This budget request reflects the continuation of this effort.

GENERAL GOVERNMENT SUMMARY							
Office	FY2016 Expended	FY2017 Expended	FY2018 Budget	FY2018 Expended	FY2019 Town Manager Rec	\$ Change	% Change
Town Manager/BOS	\$ 321,532	\$ 321,703	\$ 386,935	\$ 259,606	\$ 345,950	\$ (40,985)	-10.59%
Legal Services	\$ 139,929	\$ 155,448	\$ 155,000	\$ 77,526	\$ 155,000	\$ -	0.00%
Central Office Supply/Town Hall	\$ 24,324	\$ 28,038	\$ 30,000	\$ 6,568	\$ 30,000	\$ -	0.00%
General Government Total	\$ 485,785	\$ 505,189	\$ 571,935	\$ 343,700	\$ 530,950	\$ (40,985)	-7.17%



Expenditure Budget Summaries

Finance Department

Accounting

The FY19 request includes a 35 hours a week Senior Clerk position for Accounts Payable and a 21 hours a week Senior Clerk position. There is also an increase representing the annualization of a pay adjustment for the Town Accountant, granting parity with similar positions in Town government. Finally, there is a decrease due to the other post-employment benefits (OPEB) study not being needed in FY19.

Assessors

The FY19 request continues to include an increase in hours for the Senior Clerk from 28 to 35 per week.

Treasurer-Collector

The FY19 request includes positions for both an Assistant Treasurer and Assistant Collector which allows staff members to gain professional certifications within those particular areas.

Payroll/Benefits

No major changes.

Town Clerk

No major changes, outside the appropriate funding of a pay increase under the newly-signed agreement with HMEL.

Elections & Town Meeting

The increase in this budget is directly related to the larger number of elections which will take place in FY19, compared to FY18. The state primary and general elections, in September and November 2018 respectively, will take place in FY19.

Registrars

The increase in this budget is to annualize an effort undertaken in FY18 to provide better pay parity for the Registrars.



Expenditure Budget Summaries

FINANCE DEPARTMENT SUMMARY							
Office	FY2016 Expended	FY2017 Expended	FY2018 Budget	FY2018 Expended	FY2019 Town Manager Rec	\$ Change	% Change
Accounting	\$ 107,165	\$ 119,509	\$ 155,454	\$ 91,885	\$ 162,534	\$ 7,080	4.55%
Assessors	\$ 129,965	\$ 138,052	\$ 136,015	\$ 56,887	\$ 175,962	\$ 39,947	29.36%
Treasurer/Collector	\$ 354,598	\$ 285,247	\$ 298,501	\$ 130,190	\$ 316,774	\$ 18,273	6.12%
Payroll/Benefits	\$ -	\$ 144,258	\$ 167,732	\$ 77,571	\$ 168,233	\$ 501	0.29%
Advisory Committee	\$ 2,135	\$ 3,361	\$ 3,025	\$ 348	\$ 3,205	\$ 180	5.95%
Town Clerk	\$ 107,378	\$ 115,055	\$ 117,952	\$ 61,057	\$ 128,906	\$ 10,954	9.28%
Elections & Town Meeting	\$ 46,752	\$ 75,823	\$ 20,130	\$ 2,152	\$ 52,817	\$ 32,687	162.37%
Registrars	\$ 35,086	\$ 49,826	\$ 42,500	\$ 23,415	\$ 42,700	\$ 200	0.47%
Finance Department Total	\$ 783,079	\$ 931,131	\$ 941,309	\$ 443,505	\$ 1,051,131	\$ 109,822	11.67%

Community Services

Changes to the Community Services budget are reflected below:

- Moved funding to maintain the fields at Forge Pond Park from the Parks & Recreation budget to the DPW Public Grounds budget, the DPW will cut the lawn and fertilize these fields rather than hiring an outside contractor.
- Funded a full time Conservation Agent based upon the vote of the Board of Selectmen.
- Increased the hours for the Veterans Service Officer (VSO) to full time to be in compliance with Massachusetts General Laws Ch. 115.

COMMUNITY SERVICES DEPARTMENT SUMMARY							
Office	FY2016 Expended	FY2017 Expended	FY2018 Budget	FY2018 Expended	FY2019 Town Manager Rec	\$ Change	% Change
Municipal Inspections	\$ 683,475	\$ 733,125	\$ 656,009	\$ 371,512	\$ 797,145	\$ 141,136	21.51%
Visiting Nurse Association	\$ 113,627	\$ 123,162	\$ 144,629	\$ 56,026	\$ 143,966	\$ (663)	-0.45%
Council on Aging	\$ 192,226	\$ 207,116	\$ 219,824	\$ 93,298	\$ 225,417	\$ 5,593	2.54%
Veterans Services	\$ 130,763	\$ 131,710	\$ 152,266	\$ 71,715	\$ 174,512	\$ 22,246	14.61%
John Curtis Library	\$ 537,332	\$ 547,790	\$ 559,862	\$ 295,700	\$ 608,810	\$ 48,948	8.74%
Parks & Recreation	\$ -	\$ 107,153	\$ 153,561	\$ 83,294	\$ 80,106	\$ (73,455)	-47.83%
Community Services Department Total	\$ 1,657,423	\$ 1,850,056	\$ 1,886,151	\$ 971,545	\$ 2,029,956	\$ 143,805	7.62%



Expenditure Budget Summaries

Police Department

There were no significant changes to the Police Department's budget request for FY19, other than adjustments to accommodate the settlement of the Collective Bargaining Agreement. The proposed capital request will allow the department to replace aging vehicles from the police department fleet consistent with the long standing vehicle replacement schedule included in the department's capital planning forecast.

POLICE DEPARTMENT SUMMARY							
Office	FY2016 Expended	FY2017 Expended	FY2018 Budget	FY2018 Expended	FY2019 Town Manager Rec	\$ Change	% Change
Police	\$ 2,866,196	\$ 2,960,244	\$ 3,190,117	\$ 1,584,847	\$ 3,388,231	\$ 198,114	6.21%
Animal Control	\$ 25,682	\$ 2,003	\$ 4,761	\$ 735	\$ 4,761	\$ -	0.00%
Communications	\$ 583,260	\$ 600,274	\$ 651,819	\$ 355,809	\$ 701,979	\$ 50,160	7.69%
Police Department Total	\$ 3,475,138	\$ 3,562,521	\$ 3,846,697	\$ 1,941,391	\$ 4,094,971	\$ 248,274	6.45%

Fire Department

This budget includes the addition of four new firefighters utilizing the SAFER grant that was awarded to the Fire Department. The addition of these firefighters allows for additional staffing during peak call volume and to fill a vacancy in shifts to minimize overtime usage. There were no other significant changes to the Fire Department's budget request for FY19, other than adjustments to accommodate the settlement of the relevant Collective Bargaining Agreement.

FIRE DEPARTMENT SUMMARY							
Office	FY2016 Expended	FY2017 Expended	FY2018 Budget	FY2018 Expended	FY2019 Town Manager Rec	\$ Change	% Change
Fire	\$ 2,680,570	\$ 2,854,086	\$ 2,990,739	\$ 1,434,558	\$ 3,225,705	\$ 234,966	7.85%
Emergency Management	\$ 4,957	\$ 7,804	\$ 5,000	\$ 1,197	\$ 3,000	\$ (2,000)	-40.00%
Fire Department Total	\$ 2,685,527	\$ 2,861,890	\$ 2,995,739	\$ 1,435,755	\$ 3,228,705	\$ 232,966	7.78%



Expenditure Budget Summaries

Public Education

For detailed information regarding the Town of Hanover's Public Schools budget, please see the Superintendent's Fiscal Year 2019 budget, which can be found on the Hanover Public Schools website (www.hanoverschools.org).

EDUCATION SUMMARY							
Office	FY2016 Expended	FY2017 Expended	FY2018 Budget	FY2018 Expended	FY2019 Town Manager Rec	\$ Change	% Change
Hanover Public Schools	\$ 24,910,807	\$ 25,868,727	\$ 27,165,115	\$ 8,887,184	\$ 28,082,846	\$ 917,731	3.38%
South Shore Vocational School	\$ 741,712	\$ 725,406	\$ 797,804	\$ 397,421	\$ 797,804	\$ -	0.00%
Education Total	\$ 25,652,519	\$ 26,594,133	\$ 27,962,919	\$ 9,284,605	\$ 28,880,650	\$ 917,731	3.28%

Facilities Department

There were no significant changes to the Facilities Department budget for the fiscal year.

FACILITIES DEPARTMENT SUMMARY							
Office	FY2016 Expended	FY2017 Expended	FY2018 Budget	FY2018 Expended	FY2019 Town Manager Rec	\$ Change	% Change
Facilities	\$ 3,568,391	\$ 3,552,276	\$ 3,673,150	\$ 1,781,233	\$ 3,617,118	\$ (56,032)	-1.52%
Facilities Department Total	\$ 3,568,391	\$ 3,552,276	\$ 3,673,150	\$ 1,781,233	\$ 3,617,118	\$ (56,032)	-1.52%

Public Works Department

Changes to the Public Works Department budget include adjustments to accommodate the settlement of the relevant Collective Bargaining Agreement and monies which were moved from the Parks and Recreation budget to Public Grounds to ensure that fields are maintained by DPW personnel rather than sub-contractors. The budget also increases expenses in the Highway budget to cover the cost of engineering work and draft action plans to meet the Environmental Protection Agency's (EPA) Stormwater Law requirements for the Town of Hanover.



Expenditure Budget Summaries

PUBLIC WORKS DEPARTMENT SUMMARY							
Office	FY2016 Expended	FY2017 Expended	FY2018 Budget	FY2018 Expended	FY2019 Town Manager Rec	\$ Change	% Change
DPW Administration	\$ 279,367	\$ 279,471	\$ 285,593	\$ 136,201	\$ 272,600	\$ (12,993)	-4.54%
Highway	\$ 602,709	\$ 635,301	\$ 612,700	\$ 282,876	\$ 726,895	\$ 114,195	18.63%
Snow & Ice	\$ 552,131	\$ 597,001	\$ 387,000	\$ 250,669	\$ 387,000	\$ -	0.00%
Street Lighting	\$ 62,867	\$ 58,162	\$ 64,000	\$ 26,420	\$ 64,000	\$ -	0.00%
Public Grounds	\$ 471,124	\$ 405,004	\$ 407,853	\$ 210,628	\$ 501,578	\$ 93,725	22.98%
Transfer Station	\$ 787,574	\$ 841,911	\$ 991,208	\$ 418,604	\$ 1,030,405	\$ 39,197	3.95%
Town Gas Pump	\$ 136,481	\$ 138,667	\$ 226,650	\$ 67,609	\$ 192,500	\$ (34,150)	-15.06%
Public Works Department Total	\$ 2,892,253	\$ 2,955,517	\$ 2,975,004	\$ 1,393,007	\$ 3,174,978	\$ 199,974	6.72%

Water Enterprise

The only significant changes are adjustments to accommodate the settlement of the relevant Collective Bargaining Agreement, and minor increases in the amount for chemicals used for water treatment.

WATER ENTERPRISE							
Office	FY2016 Expended	FY2017 Expended	FY2018 Budget	FY2018 Expended	FY2019 Town Manager Rec	\$ Change	% Change
Water	\$ 443,307	\$ 395,130	\$ 416,303	\$ 131,013	\$ 415,072	\$ (1,231)	-0.30%
Water Treatment	\$ 1,495,497	\$ 1,353,256	\$ 1,674,756	\$ 443,001	\$ 1,717,031	\$ 42,275	2.52%
Water Distribution	\$ 764,390	\$ 814,157	\$ 807,859	\$ 319,544	\$ 882,341	\$ 74,482	9.21%
Debt	\$ 551,853	\$ 501,350	\$ 343,552	\$ 36,776	\$ 391,228	\$ 47,676	13.88%
Water Enterprise Total	\$ 3,255,047	\$ 3,063,893	\$ 3,242,470	\$ 930,334	\$ 3,405,672	\$ 163,202	5.03%

Debt

The increase for the FY19 debt budget request is due to increased short-term interest costs from borrowing for the Center School Project.



Expenditure Budget Summaries

DEBT SUMMARY							
Office	FY2016 Expended	FY2017 Expended	FY2018 Budget	FY2018 Expended	FY2019 Town Manager Rec	\$ Change	% Change
Long Term Principal	\$ 3,788,101	\$ 3,792,494	\$ 3,570,568	\$ 672,903	\$ 3,643,449	\$ 72,881	2.04%
Long Term Interest	\$ 2,022,938	\$ 1,503,350	\$ 1,393,051	\$ 703,391	\$ 1,244,518	\$ (148,533)	-10.66%
Short Term Interest	\$ 19,673	\$ 27,686	\$ 40,000	\$ -	\$ 448,757	\$ 408,757	1021.89%
Issuance Costs	\$ -	\$ -	\$ 10,000	\$ -	\$ 10,000	\$ -	0.00%
Debt Total	\$ 5,830,712	\$ 5,323,530	\$ 5,013,619	\$ 1,376,294	\$ 5,346,724	\$ 333,105	6.64%

Town-Wide Expenses

The largest increase in this portion of the budget is seen from health insurance. The Town was budgeted for a 10% increase over existing rates, based on preliminary projections from the Mayflower Municipal Health Group.

TOWN WIDE SUMMARY							
Office	FY2016 Expended	FY2017 Expended	FY2018 Budget	FY2018 Expended	FY2019 Town Manager Rec	\$ Change	% Change
Pension/Retirement	\$ 3,341,164	\$ 3,472,947	\$ 3,544,053	\$ 3,332,591	\$ 3,650,375	\$ 106,322	3.00%
Workers Compensation	\$ 182,801	\$ 261,263	\$ 190,000	\$ 229,037	\$ 228,000	\$ 38,000	20.00%
Unemployment	\$ 68,197	\$ 53,960	\$ 85,000	\$ 9,129	\$ 85,000	\$ -	0.00%
Health Insurance	\$ 2,886,475	\$ 3,250,065	\$ 3,506,384	\$ 1,964,429	\$ 3,857,022	\$ 350,638	10.00%
Life Insurance	\$ 6,342	\$ 11,514	\$ 10,000	\$ 3,454	\$ 10,000	\$ -	0.00%
Education Benefits	\$ 6,200	\$ 2,500	\$ 6,500	\$ -	\$ 6,500	\$ -	0.00%
Medical	\$ 29,885	\$ 19,082	\$ 25,000	\$ 14,710	\$ 25,000	\$ -	0.00%
Risk Management	\$ 246,661	\$ 241,795	\$ 238,800	\$ 233,984	\$ 259,900	\$ 21,100	8.83%
Town Audit	\$ 53,600	\$ 36,000	\$ 41,750	\$ 9,500	\$ 54,100	\$ 12,350	29.58%
Town Wide Total	\$ 6,821,325	\$ 7,349,126	\$ 7,647,487	\$ 5,796,834	\$ 8,175,897	\$ 528,410	6.91%

Non-Appropriated Expenses

There are no significant changes anticipated in this category.



Expenditure Budget Summaries

NONAPPROPRIATED EXPENSE SUMMARY							
Office	FY2016 Expended	FY2017 Expended	FY2018 Budget	FY2018 Expended	FY2019 Town Manager Rec	\$ Change	% Change
State Assessments	\$ 532,369	\$ 517,636	\$ 583,019	\$ 246,571	\$ 591,661	\$ 8,642	1.48%
County Taxes	\$ 51,422	\$ 52,707	\$ 52,707	\$ 27,095	\$ 54,191	\$ 1,484	2.82%
Nonappropriated Expenses Total	\$ 583,791	\$ 570,343	\$ 635,726	\$ 273,666	\$ 645,852	\$ 10,126	1.59%



TOWN DEPARTMENTS



"Hanover, Honoring Yesterday As We Build For Tomorrow"

*Management
Team*



Management Team

Town Manager



Anthony Marino,
Acting Town Manager

Anthony Marino has been the Acting Town Manager since November of 2017. He serves as the chief executive officer of the Town. Anthony is accountable to the Board of Selectmen (BoS) for the effective management of all town affairs, including the implementation of town policies established by the BoS. Anthony is also responsible for day-to-day supervision of all Town departments and the direction of operations of the Town as well as the supervision of the Department of Community Services during his tenure as Acting Town Manager.

***550 Hanover Street
Hanover, MA 02339
Phone: (781) 826-5000 Ext 1084
anthony.marino@hanover-ma.gov***

Department of Community Service



Anthony Marino,
Asst. Town Manager /
Director

Anthony Marino, Assistant Town Manager / Director of Community Services leads the departments of Planning / Zoning, Conservation, Health, Building and Veterans services. Mr. Marino is also responsible for the Visiting Nurse, Council on Aging, Parks & Recreation, PEG TV Access, and John Curtis Library. In addition, he serves as Building Commissioner and Health Agent for the Town.

***550 Hanover Street
Hanover, MA 02339
Phone: (781) 826-5000 Ext 1007
anthony.marino@hanover-ma.gov***

Police Department



Walter Sweeney,
Chief

Walter Sweeney has been the Hanover Police Chief for the past seven years. The Hanover Police department is made up of eight commanding officers, two detectives, and twenty patrolmen.

***129 Rockland Street
Hanover, MA 02339
Phone: (781) 826-3231
wsweeney@hanoverpolice.org***

Fire Department



Jeffrey Blanchard,
Chief

Jeffrey Blanchard is Hanover's Fire Chief. The Hanover Fire Department also includes a Deputy Chief, five fire captains and thirteen firefighters.

***32 Center Street
Hanover, MA 02339
Phone: (781) 826-3151
jblanchard@hanoverfiredept.com***



Management Team

Department of Public Works



Victor Diniak,
Superintendent

The Department of Public Works is led by Superintendent Victor Diniak. The DPW maintains the public ways and utilities in Hanover. The mission of the Hanover Department of Public Works is to protect, preserve, improve, and manage the Town's infrastructure and related assets.

***40 Pond Street
Hanover, MA 02339
Phone: (781) 826-3189
vdiniak@hanoverdpw.org***

Finance Department



Lincoln Heineman,
Director

The Director of Finance Lincoln Heineman manages the Town's finances. The Director of Finance advises the Town Manager, Board of Selectmen, and Advisory Committee on financial matters, and oversees the preparation of all government budget materials and State and Federal financial reporting. Mr. Heineman also leads the operations of the Treasurer-Collector, Accounting, and Assessing Offices, oversees the Town Clerk's and Registrars' Offices, and has joint oversight with the Schools' Business Manager of the Town's Payroll/Benefits Office.

***550 Hanover Street
Hanover, MA 02339
Phone: (781) 826-5000 Ext. 1000
lincoln.heineman@hanover-ma.gov***

Facilities Department



Robert Murray,
Facilities Engineering
Manager

The Facilities Department is responsible for maintenance and custodial services in all Town and School buildings, including taking care of all school grounds. The department is led by Robert Murray and has a full time staff of 4 maintenance personnel and 23 custodial personnel, 6 part time personnel, a Deputy and an Administrative Assistant.

***273 Cedar Street
Hanover, MA 02339
Phone: (781) 857-5706
robert.murray@hanover-ma.gov***

EXECUTIVE OFFICE



"Hanover, Honoring Yesterday As We Build For Tomorrow"



Executive Office

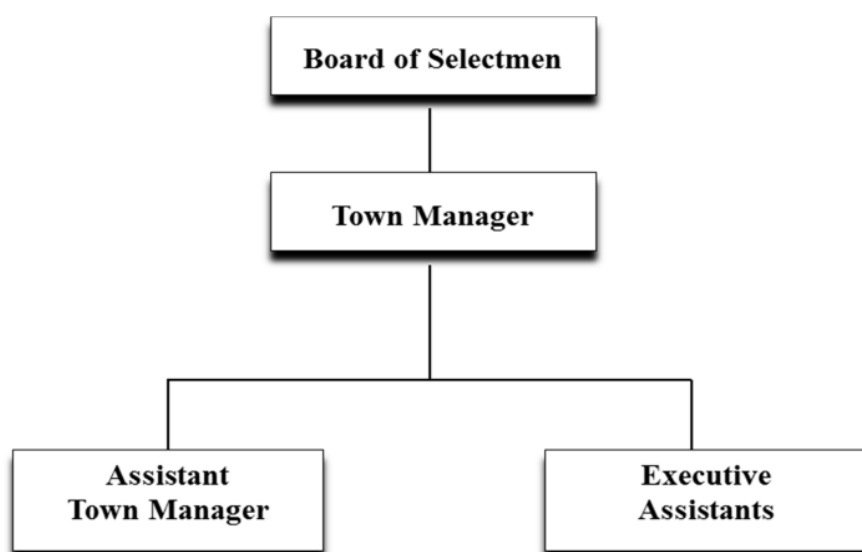
Executive Office Department Statement

The Executive Office of the Town of Hanover is made up of the Board of Selectmen and the Town Manager. The Board of Selectmen is recognized by the General Laws of the Commonwealth of Massachusetts as the chief elected officials with the authority to enact rules and regulations establishing Town policies not otherwise governed by bylaw 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 Manager and various boards, committees and commissions, in addition to ratifying Town Manager appointments for Department Heads.

The Board of Selectmen also issue certain licenses and permits such as alcohol, car dealerships, and entertainment; enforce special sections of the Town Code; and regulate the public ways. The Town Manager is appointed by the Board of Selectmen and is the Chief Executive Officer of the community.

The Town Manager is responsible for managing the day-to-day operations of municipal government as outlined in Section 4 of The Town Manager Act. The Town Manager 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 Manager works closely with the Board of Selectmen to develop and implement policies and goals for the efficient and effective administration of Town government.

Organizational Chart





Executive Office

Goals and Objectives

- Develop Payment in Lieu of Taxes (PILOT) Program/Policy
- Continue to look at regionalization opportunities
- Improve water quality (Ongoing)
- Develop a town-wide strategic information technology plan

Accomplishments

- Implemented a performance dashboard
- Awarded GFOA – Distinguished Budget Award (2nd year)
- Continue to expand partnerships in the business and nonprofit communities
- Fostered over \$150 million private investments in Route 53

Significant Budget Changes or Initiatives

Selectmen/Town Manager's Office

The FY 2019 budget for the Town Manager's office remains generally constant. The salary for the Town Manager includes, as in past years, the fulfillment of the requirements of the anticipated employment contract with the new Town Manager. The salary for the Executive Assistant and the Administrative Assistant reflects a 2% increase consistent with the budget initiatives.

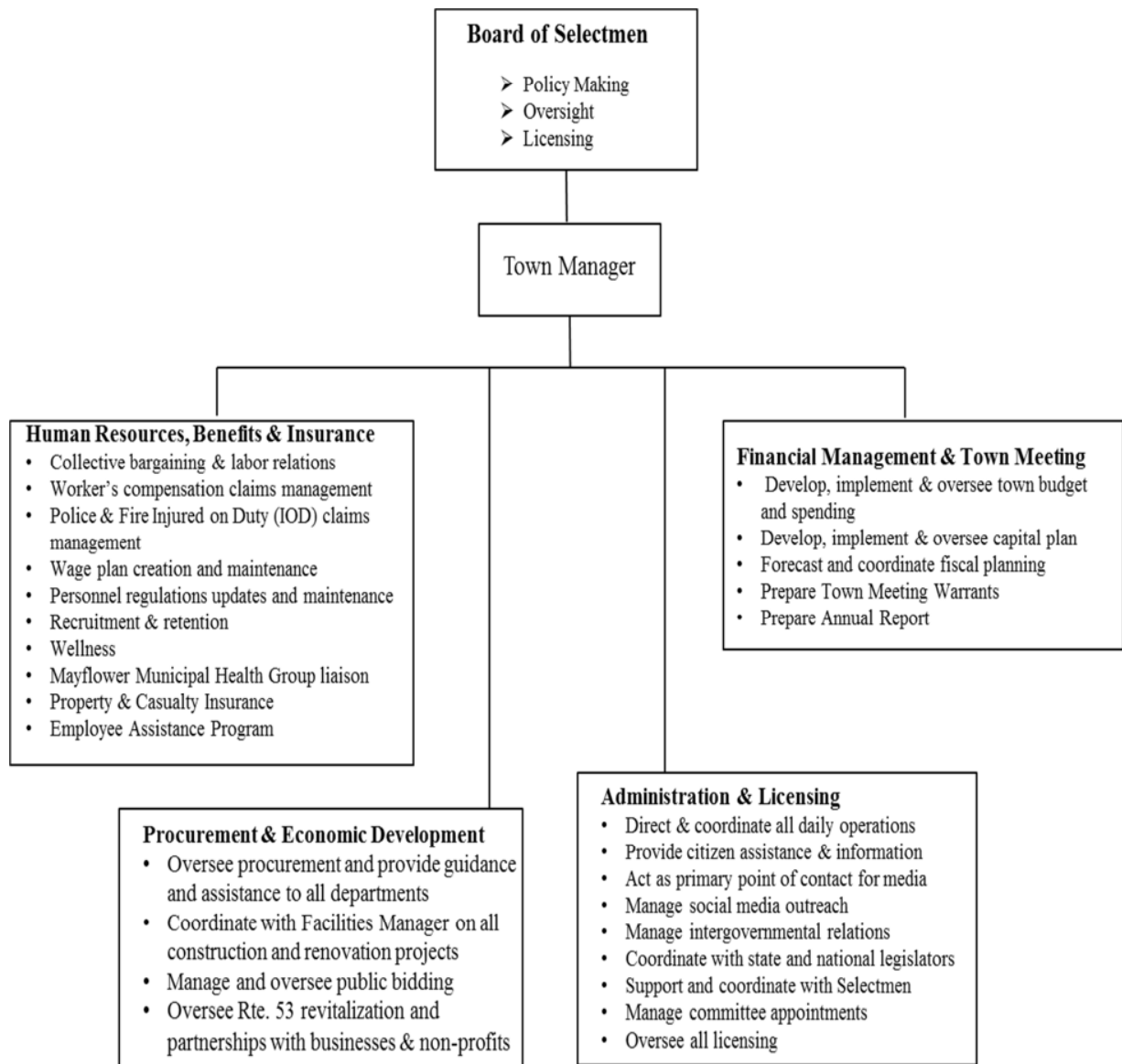
Legal

The legal budget remains level from last year's allocation, and includes a \$30,000 increase to cover the increased legal expenses for the Fire Works Site cleanup. We continue to minimize the use of town counsel services by performing much of the contract work and research in house.



Executive Office

Programs and Services





Executive Office

Performance Measures

BOARD OF SELECTMEN													
2017 GOALS													
	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	
IMPROVE WATER QUALITY	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	
MAJOR PROJECT UPDATES	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	
FIREWORKS SITE COMMUNICATION	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	
EMPLOYEE TRAINING	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	
PROJECT WEBSITE IMPROVEMENTS	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	
BUDGET REFINEMENTS	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	
REGIONALIZATION PLAN	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	
PERCENT COMPLETE - COLOR KEY	◆	In Progress	◆	1% - 59%	◆	60% - 79%	◆	80% - 100%					

BOARD OF SELECTMEN													
2017 GOALS													
	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	
HOUSING STRATEGY	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	
ROUTE 53 DEVELOPMENT	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	
PLAN SYNERGY	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	
TAXES - PILOT PROGRAM	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	
ENHANCE COMMUNICATION	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	
TOWN-WIDE TECHNOLOGY PLAN	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	
FINANCE DEPARTMENT - CONTINUOUS IMPROVEMENT	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	
PERCENT COMPLETE - COLOR KEY	◆	In Progress	◆	1% - 59%	◆	60% - 79%	◆	80% - 100%					



Executive Office

Water Quality, Continue Infrastructure Progress - The town continues to improve its water treatment facilities by installing new filtering systems and updating an aging infrastructure. Commitment to improving the distribution system has resulted in replacing older water mains and increased flushing activity. The Town's phased approach to improving the water treatment facilities has allowed us to pay for the projects out of the water enterprise fund with additional projects scheduled over the next few years as we work towards improving water quality while staying in compliance with DEP rules and regulations.

Fireworks Site – A newsletter recently was sent to every home in Hanover, with updates on the Fireworks Site cleanup and the munitions explosions schedule. A public meeting was held in December 2017 with representatives of DEP and Tetra Tech to update the residents of work that has been completed and what the next phase of the cleanup will entail. The Town continues to work closely with DEP to ensure that the momentum for the cleanup continues and we continue to engage with the Potentially Responsible Parties (PRP's) to make sure that the financial resources are there to complete the cleanup project.

Town Wide Strategic Information Technology Plan – The Town of Hanover is committed to improving its technology infrastructure. With the creation of the Information Technology Study Committee along with the Town wide technology department in place, the technology needs of the entire town are being assessed with a plan to update older technology and have a plan in place to replace computers and peripheral devices on a scheduled ongoing basis.

Finance Department – The Finance Department continues to transform as it strives to find efficiencies in the day to day operations. With the creation of the combined payroll benefits office for the Town and School offices along with the reorganization of the Finance department, this department continues to find savings and look for ways to create a more transparent government. This year the Town was awarded the Government Finance Officers Association Distinguished Budget Award for the 2nd year in row.

Personnel Summary

GENERAL GOVERNMENT				
Position	FY2017 FTE	FY2018 FTE	FY2019 FTE	Change
Town Manager	1.00	1.00	1.00	-
Executive Assistants	2.00	2.00	2.00	-
Total Full-time Equivalents	3.00	3.00	3.00	-

FY19 Personnel Notes

Executive Office FTE's are on a 35-hour work week except the Town Manager, whose salary is based on a 40-hour work week.

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

122 - SELECTMEN		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-122-5110	SALARIES-APPOINTED	\$136,096.86	\$135,360.16	\$145,156.00	\$108,391.00	\$150,023.00	\$4,867.00	3.35
01-122-5113	SALARIES-CLERICAL	\$126,831.36	\$118,815.30	\$117,379.00	\$63,866.25	\$119,527.00	\$2,148.00	1.82
01-122-5121	WAGES-TEMPORARY EMPLOYEES	\$7,924.78	\$0.00	\$5,000.00	\$736.40	\$5,000.00	\$0.00	0.00
01-122-5149	OTHER PAY	\$5,400.00	\$5,493.55	\$7,500.00	\$1,800.00	\$7,500.00	\$0.00	0.00
PERSONNEL SUB-TOTAL:		\$276,253.00	\$259,669.01	\$275,035.00	\$174,793.65	\$282,050.00	\$7,015.00	2.55
01-122-5319	OTHER CONTRACTED SERVICES	\$14,224.53	\$26,960.30	\$73,000.00	\$66,597.39	\$25,000.00	\$-48,000.00	-65.75
01-122-5344	ADVERTISING	\$389.94	\$572.20	\$400.00	\$602.10	\$400.00	\$0.00	0.00
01-122-5345	POSTAGE & MAIL PERMITS	\$399.90	\$510.92	\$350.00	\$237.93	\$350.00	\$0.00	0.00
01-122-5420	OFFICE SUPPLIES	\$0.00	\$0.00	\$0.00	\$18.62	\$0.00	\$0.00	0.00
01-122-5590	MATERIAL & SUPPLIES - PUBLIC	\$24,076.36	\$28,826.56	\$30,000.00	\$12,502.81	\$30,000.00	\$0.00	0.00
01-122-5710	MILEAGE REIMBURSEMENT	\$0.00	\$0.00	\$150.00	\$0.00	\$150.00	\$0.00	0.00
01-122-5720	REGISTRATION FEES	\$2,837.84	\$2,300.36	\$5,000.00	\$1,655.00	\$5,000.00	\$0.00	0.00
01-122-5730	DUES	\$2,800.00	\$2,864.00	\$3,000.00	\$2,679.00	\$3,000.00	\$0.00	0.00
01-122-5860	EQUIPMENT PURCHASE	\$550.00	\$0.00	\$0.00	\$519.86	\$0.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$45,278.57	\$62,034.34	\$111,900.00	\$84,812.71	\$63,900.00	\$-48,000.00	-42.89
122 SELECTMEN SUB-TOTAL:		\$321,531.57	\$321,703.35	\$386,935.00	\$259,606.36	\$345,950.00	\$-40,985.00	-10.59

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

138 - CENTRAL OFFICE SUPPLY		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-138-5420	OFFICE SUPPLIES	\$24,323.73	\$28,038.40	\$30,000.00	\$6,568.24	\$30,000.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$24,323.73	\$28,038.40	\$30,000.00	\$6,568.24	\$30,000.00	\$0.00	0.00
138 CENTRAL OFFICE SUPPLY SUB-TOTAL:		\$24,323.73	\$28,038.40	\$30,000.00	\$6,568.24	\$30,000.00	\$0.00	0.00

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

151 - LEGAL SERVICES		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-151-5305	LEGAL SRVCS	\$0.00	\$0.00	\$155,000.00	\$0.00	\$155,000.00	\$0.00	0.00
01-151-5305-0122	LEGAL SRVCS - BOARD OF SELECTMAN	\$15,515.21	\$65,334.61	\$0.00	\$39,122.47	\$0.00	\$0.00	0.00
01-151-5305-0133	LEGAL SRVCS - FINANCE	\$13,131.94	\$4,666.02	\$0.00	\$6,963.04	\$0.00	\$0.00	0.00
01-151-5305-0161	LEGAL SRVCS - TOWN CLERK	\$4,076.93	\$3,018.03	\$0.00	\$1,856.83	\$0.00	\$0.00	0.00
01-151-5305-0162	LEGAL SRVCS - ELECTIONS & TOWN	\$4,305.00	\$11,811.08	\$0.00	\$87.50	\$0.00	\$0.00	0.00
01-151-5305-0171	LEGAL SRVCS - CONSERVATION COMM	\$4,371.00	\$490.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-151-5305-0175	LEGAL SRVCS - PLANNING BOARD	\$13,955.93	\$19,197.48	\$0.00	\$4,189.53	\$0.00	\$0.00	0.00
01-151-5305-0192	LEGAL SRVCS - FACILITIES	\$0.00	\$4,462.50	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-151-5305-0210	LEGAL SRVCS - POLICE	\$22,046.94	\$30,070.91	\$0.00	\$7,132.32	\$0.00	\$0.00	0.00
01-151-5305-0220	LEGAL SRVCS - FIRE	\$2,040.00	\$382.50	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-151-5305-0241	LEGAL SRVCS - BUILDING	\$36,382.19	\$11,729.02	\$0.00	\$17,263.53	\$0.00	\$0.00	0.00
01-151-5305-0422	LEGAL SRVCS - BOARD OF PUBLIC	\$11,092.03	\$4,286.23	\$0.00	\$910.72	\$0.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$139,928.84	\$155,448.38	\$155,000.00	\$77,525.94	\$155,000.00	\$0.00	0.00
151 LEGAL SERVICES SUB-TOTAL:		\$139,928.84	\$155,448.38	\$155,000.00	\$77,525.94	\$155,000.00	\$0.00	0.00



FINANCE DEPARTMENT



"Hanover, Honoring Yesterday As We Build For Tomorrow"

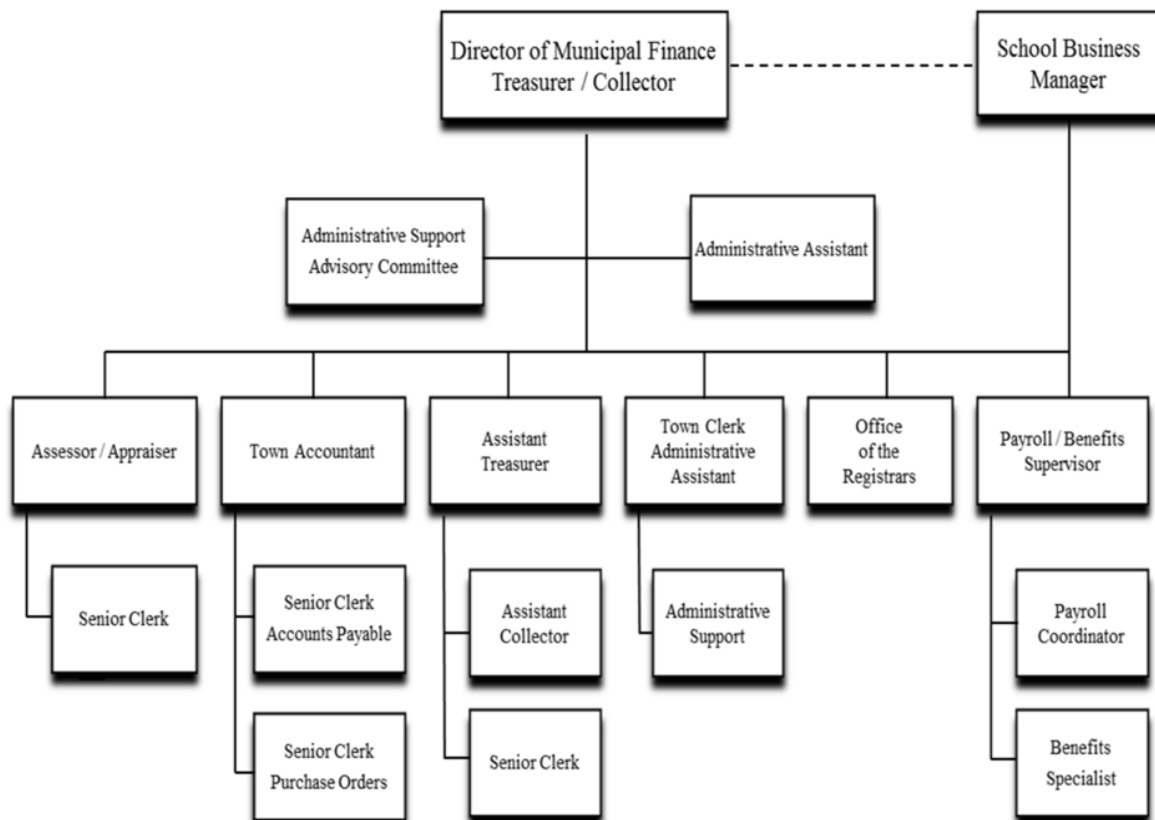


Finance Department

Finance Department Mission

The Finance Department's mission is to safeguard the financial assets of the Town of Hanover through the use of professional financial practices, thereby preserving and enhancing the Town's financial integrity. The department consists of six offices that work closely with the Town Manager's office to prepare information needed to reach essential management decisions and formulate fiscal policies. The Director of Finance/Treasurer-Collector is responsible for the management and supervision of the six finance offices, consisting of the Treasurer-Collector, Town Accountant, Assessors, Registrars, Town Clerk, and Payroll/Benefits.

Organizational Chart





Finance Department

Goals and Objectives

- Move forward with technology advances in all Finance offices to assist with processing and communication.
- Create a plan to service all residents by offering E-billing for taxes on a voluntary basis.
- Continue to develop financial policies to improve financial procedures and expand internal controls to efficiently manage the Town's financial resources.
- Support and encourage staff development and advancement to better serve the public. Create a new shared sense of teamwork in the Finance Department.
- More aggressively pursue tax title cases, turning these existing receivables into a needed revenue stream for the Town while also returning land parcels to their highest and best use.
- Support Town Manager's goal to develop a Payment in Lieu of Taxes (PILOT) Program for Hanover.

Accomplishments

- Continued the successful consolidation of the Payroll and Benefits offices, forming a townwide office that services all employees, from both the Town and School sides, as well as retirees.
- Received G.F.O.A. FY17 Distinguished Budget Award.
- Accurately and efficiently collected large and unexpected influx of real estate tax payments at the end of Calendar Year 2017, due to a sudden change in federal tax law.



Finance Department

Significant Budget Changes or Initiatives

Accounting

Most of the increase represents the annualization of a pay adjustment for the Town Accountant, granting parity with similar positions in Town government.

Assessors

The FY19 request is larger primarily because of the expense of the periodic and required revaluation of the Town's real estate.

Treasurer-Collector

With the hiring of the new Director of Finance/Treasurer-Collector, there is a significant decrease in "other contracted services" from the amount projected to be spent in FY18, since significantly less of these outside services will now be needed.

Payroll/Benefits

No major changes.

Town Clerk

No major changes, outside the appropriate annualized funding of a pay increase under the newly-signed agreement with HMEL.

Elections & Town Meeting

The increase in this budget is directly related to the larger number of elections which will take place in FY19, compared to FY18. The state primary and general elections, in September and November 2018 respectively, will take place in FY19.

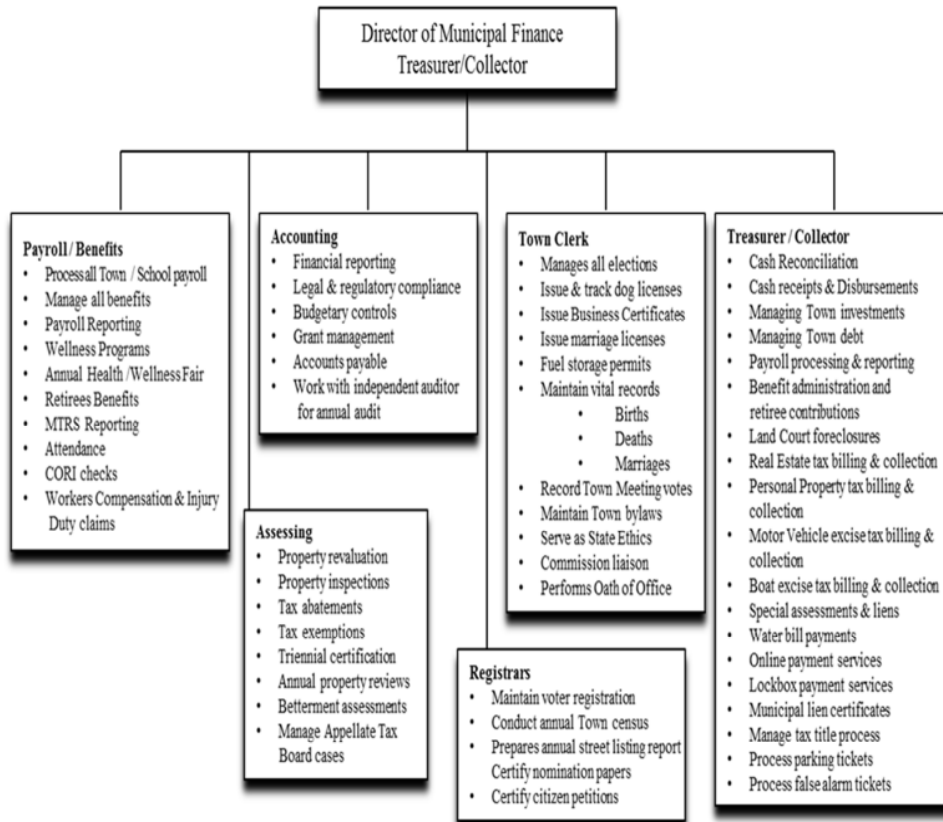
Registrars

The increase in this budget is to annualize an effort undertaken in FY18 to provide better pay parity for the Registrars.



Finance Department

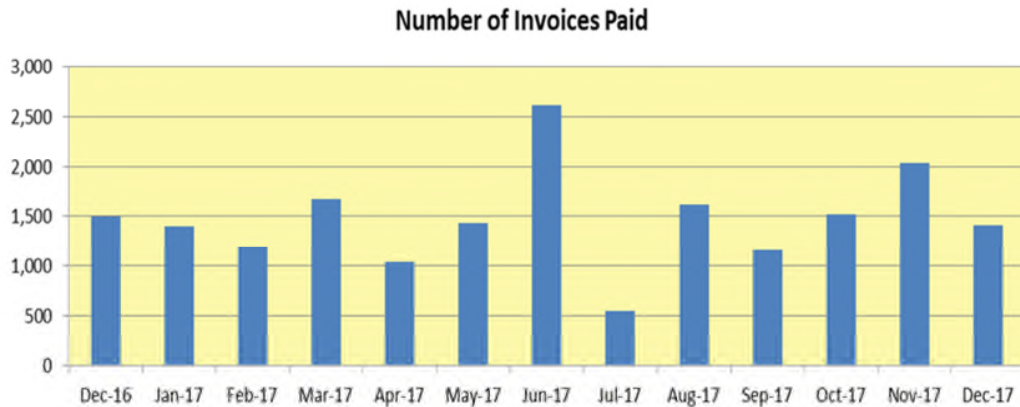
Programs and Services





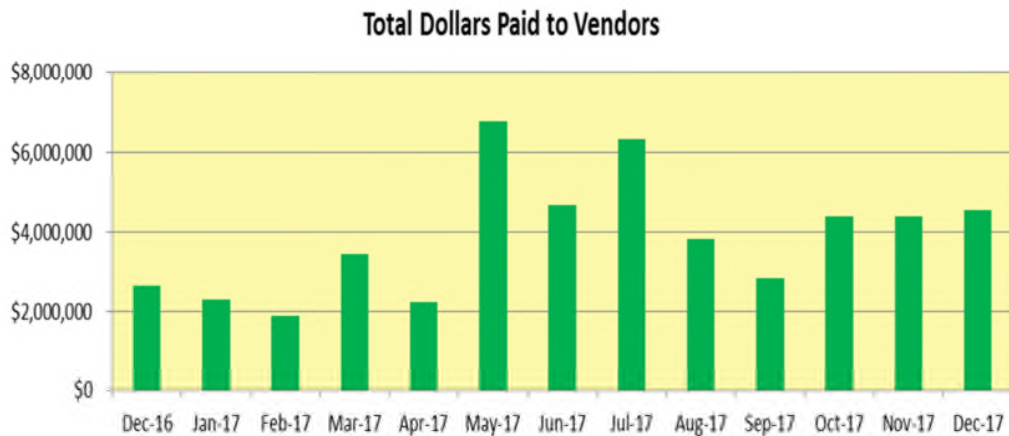
Finance Department

Performance Measures



This indicator includes invoices for all Town departments including the Hanover Public Schools.

There is a large spike in invoices paid in June. This is due to the end of the fiscal year. Departments needed to submit all Fiscal Year 2017 invoices to be paid by the end of June



This indicator shows the dollars spent by all Town departments including the Hanover Public Schools.

The spike in May is due to annual debt payments. The majority of the Town's debt payments are due in May. The spike in July is due to expenses from the beginning of the Fiscal Year, such as annual dues, subscriptions, etc.



Finance Department

Personnel Summary

FINANCE DEPARTMENT				
Personnel Summary				
Position	FY2017 FTE	FY2018 FTE	FY2019 FTE	Change
Director of Finance/Treasurer-Collector	1.00	1.00	1.00	-
Administrative Assistant	1.00	1.00	-	(1.00)
Administrative Assistant to Adv Comm	0.50	0.50	0.50	-
Assessor				-
Assessor/Appraiser	1.00	1.00	1.00	-
Senior Clerk	1.00	1.00	1.00	-
Treasurer/Collector				-
Treasurer/Collector	-	-	-	-
Assistant Treasurer	1.00	1.00	1.00	-
Assistant Collector	-	1.00	1.00	-
Senior Deputy Collector	1.00	-	-	-
Senior Clerk	1.00	1.00	1.00	-
Senior Clerk - PR	-	-	-	-
Senior Clerk - Water	1.00	-	-	-
Accounting				-
Town Accountant	1.00	1.00	1.00	-
Senior Clerk - Accounts Payable	1.00	1.00	1.00	-
Senior Clerk - Purchase Orders	1.00	1.00	1.00	-
Payroll/Benefits				-
Payroll/Benefits Supervisor	1.00	1.00	1.00	-
Benefits Specialist	1.00	1.00	1.00	-
Payroll Coordinator	1.00	1.00	1.00	-
Town Clerk				-
Town Clerk	1.00	1.00	1.00	-
Administrative Assistant	1.00	1.00	1.00	-
Registrars				-
Part-time Registrars (3)	1.50	1.50	1.50	-
Administrative Support	-	0.50	-	(0.50)
Total Full-time Equivalents	18.00	17.50	16.00	(1.50)

Personnel Notes

The only significant change is the elimination of funding for administrative support for both the Finance Director and Registrars. These positions continue to be needed, but in recognition of the Town's financial position they have been eliminated from the FY19 budget request.

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

131 - ADVISORY COMMITTEE		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-131-5113	SALARIES - CLERICAL	\$1,930.60	\$3,156.79	\$2,500.00	\$347.76	\$2,500.00	\$0.00	0.00
PERSONNEL SUB-TOTAL:		\$1,930.60	\$3,156.79	\$2,500.00	\$347.76	\$2,500.00	\$0.00	0.00
01-131-5720	REGISTRATION FEES	\$0.00	\$0.00	\$300.00	\$0.00	\$500.00	\$200.00	66.66
01-131-5730	DUES	\$204.00	\$204.00	\$225.00	\$0.00	\$205.00	\$-20.00	-8.88
EXPENSES SUB-TOTAL:		\$204.00	\$204.00	\$525.00	\$0.00	\$705.00	\$180.00	34.28
131 ADVISORY COMMITTEE SUB-TOTAL:		\$2,134.60	\$3,360.79	\$3,025.00	\$347.76	\$3,205.00	\$180.00	5.95

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

133 - FINANCE		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-133-5110	SALARIES-APPOINTED	\$62,138.31	\$72,546.16	\$64,932.00	\$52,615.84	\$76,500.00	\$11,568.00	17.81
01-133-5113	SALARIES-CLERICAL	\$25,493.52	\$26,725.87	\$64,122.00	\$34,551.09	\$71,634.00	\$7,512.00	11.71
01-133-5148	STIPENDS	\$0.00	\$2,000.00	\$5,000.00	\$2,000.00	\$4,000.00	\$-1,000.00	-20.00
PERSONNEL SUB-TOTAL:		\$87,631.83	\$101,272.03	\$134,054.00	\$89,166.93	\$152,134.00	\$18,080.00	13.48
01-133-5319	EMPLOYEE TRAINING	\$1,784.20	\$695.00	\$2,500.00	\$93.00	\$1,750.00	\$-750.00	-30.00
01-133-5342	OTHER CONTRACTED SERVICES	\$10,462.77	\$11,199.85	\$11,600.00	\$612.95	\$1,750.00	\$-9,850.00	-84.91
01-133-5345	POSTAGE & MAIL PERMITS	\$6,627.68	\$6,117.11	\$6,500.00	\$1,902.09	\$6,500.00	\$0.00	0.00
01-133-5710	MILEAGE REIMBURSEMENT	\$250.60	\$0.00	\$300.00	\$0.00	\$175.00	\$-125.00	-41.66
01-133-5720	REGISTRATION FEES	\$298.00	\$115.00	\$300.00	\$0.00	\$115.00	\$-185.00	-61.66
01-133-5730	DUES	\$110.00	\$110.00	\$200.00	\$110.00	\$110.00	\$-90.00	-45.00
EXPENSES SUB-TOTAL:		\$19,533.25	\$18,236.96	\$21,400.00	\$2,718.04	\$10,400.00	\$-11,000.00	-51.40
133 FINANCE SUB-TOTAL:		\$107,165.08	\$119,508.99	\$155,454.00	\$91,884.97	\$162,534.00	\$7,080.00	4.55

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

141 - ASSESSORS		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-141-5110	SALARIES APPOINTED	\$73,773.39	\$75,440.64	\$77,081.00	\$44,261.12	\$76,500.00	\$-581.00	-0.75
01-141-5113	SALARIES-CLERICAL	\$32,112.08	\$31,311.28	\$41,564.00	\$7,524.34	\$58,592.00	\$17,028.00	40.96
01-141-5148	STIPENDS	\$0.00	\$2,000.00	\$2,500.00	\$500.00	\$2,000.00	\$-500.00	-20.00
PERSONNEL SUB-TOTAL:		\$105,885.47	\$108,751.92	\$121,145.00	\$52,285.46	\$137,092.00	\$15,947.00	13.16
01-141-5319	OTHER CONTRACTED SERVICE	\$21,987.75	\$15,511.34	\$10,000.00	\$2,493.34	\$15,000.00	\$5,000.00	50.00
01-141-5342	BINDING SERVICES	\$220.00	\$36.50	\$1,460.00	\$0.00	\$1,460.00	\$0.00	0.00
01-141-5344	ADVERTISING	\$0.00	\$0.00	\$310.00	\$0.00	\$310.00	\$0.00	0.00
01-141-5345	POSTAGE & MAIL PERMITS	\$167.89	\$1,008.69	\$1,000.00	\$183.75	\$1,200.00	\$200.00	20.00
01-141-5710	MILEAGE REIMBURSEMENT	\$224.07	\$342.58	\$300.00	\$269.72	\$600.00	\$300.00	100.00
01-141-5720	REGISTRATION FEES	\$1,210.05	\$2,489.38	\$1,500.00	\$1,365.15	\$4,000.00	\$2,500.00	166.66
01-141-5730	DUES	\$270.00	\$30.00	\$300.00	\$290.00	\$300.00	\$0.00	0.00
01-141-5780	REVALUATION EXPENSES	\$0.00	\$9,881.19	\$0.00	\$0.00	\$16,000.00	\$16,000.00	100.00
EXPENSES SUB-TOTAL:		\$24,079.76	\$29,299.68	\$14,870.00	\$4,601.96	\$38,870.00	\$24,000.00	161.39
141 ASSESSORS SUB-TOTAL:		\$129,965.23	\$138,051.60	\$136,015.00	\$56,887.42	\$175,962.00	\$39,947.00	29.36

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

145 - TREASURER		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-145-5110	SALARIES - APPOINTED	\$164,908.01	\$123,609.55	\$171,156.00	\$37,651.06	\$167,000.00	\$-4,156.00	-2.42
01-145-5113	SALARIES - CLERICAL	\$91,566.52	\$83,347.90	\$86,357.00	\$44,530.66	\$96,004.00	\$9,647.00	11.17
01-145-5121	WAGES - TEMPORARY EMPLOYEES	\$2,815.22	\$1,747.50	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-145-5130	OVERTIME	\$473.33	\$0.00	\$1,000.00	\$0.00	\$1,000.00	\$0.00	0.00
01-145-5148	STIPENDS	\$0.00	\$4,000.00	\$5,000.00	\$2,000.00	\$4,000.00	\$-1,000.00	-20.00
PERSONNEL SUB-TOTAL:		\$259,763.08	\$212,704.95	\$263,513.00	\$84,181.72	\$268,004.00	\$4,491.00	1.70
01-145-5250	EQUIPMENT MAINTENANCE	\$705.00	\$107.49	\$0.00	\$114.00	\$0.00	\$0.00	0.00
01-145-5271	EQUIPMENT LEASE - PITNEY BOWES	\$1,319.00	\$2,263.50	\$2,500.00	\$1,117.50	\$2,500.00	\$0.00	0.00
01-145-5302	FINANCIAL SERVICES	\$0.00	\$105.00	\$0.00	\$90.00	\$0.00	\$0.00	0.00
01-145-5319	EMPLOYEE TRAINING	\$1,583.58	\$395.20	\$2,135.00	\$400.50	\$3,070.00	\$935.00	43.79
01-145-5342	OTHER CONTRACTED SERVICES	\$86,572.39	\$69,343.10	\$26,500.00	\$42,629.33	\$36,660.00	\$10,160.00	38.33
01-145-5345	POSTAGE & MAIL PERMITS	\$523.18	\$-3,033.91	\$1,168.00	\$753.87	\$2,500.00	\$1,332.00	114.04
01-145-5405	BANK & PAYMENT SUPPLIES	\$225.74	\$688.76	\$475.00	\$0.00	\$1,675.00	\$1,200.00	252.63
01-145-5421	PRINTING & STATIONARY	\$1,702.59	\$1,061.41	\$1,750.00	\$567.79	\$1,750.00	\$0.00	0.00
01-145-5710	MILEAGE REIMBURSEMENT	\$193.20	\$127.05	\$195.00	\$0.00	\$350.00	\$155.00	79.48
01-145-5720	REGISTRATION FEES	\$85.00	\$145.00	\$0.00	\$95.00	\$0.00	\$0.00	0.00
01-145-5730	DUES	\$265.00	\$395.00	\$265.00	\$240.00	\$265.00	\$0.00	0.00
01-145-5780	OTHER EXPENSES	\$1,660.39	\$944.11	\$0.00	\$0.00	\$0.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$94,835.07	\$72,541.71	\$34,988.00	\$46,007.99	\$48,770.00	\$13,782.00	39.39
145 TREASURER SUB-TOTAL:		\$354,598.15	\$285,246.66	\$298,501.00	\$130,189.71	\$316,774.00	\$18,273.00	6.12

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

148 - PAYROLL/BENEFITS		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-148-5110	SALARIES - APPOINTED	\$0.00	\$93,546.43	\$95,152.00	\$51,044.47	\$98,133.00	\$2,981.00	3.13
01-148-5121	WAGES - TEMPORARY EMPLOYEES	\$0.00	\$0.00	\$3,600.00	\$0.00	\$3,600.00	\$0.00	0.00
01-148-5130	OVERTIME	\$0.00	\$0.00	\$1,000.00	\$536.26	\$1,000.00	\$0.00	0.00
PERSONNEL SUB-TOTAL:		\$0.00	\$93,546.43	\$99,752.00	\$51,580.73	\$102,733.00	\$2,981.00	2.98
01-148-5303	PAYROLL SERVICES	\$0.00	\$39,184.05	\$50,000.00	\$19,396.85	\$50,000.00	\$0.00	0.00
01-148-5319	EMPLOYEE TRAINING	\$0.00	\$68.35	\$1,000.00	\$99.00	\$1,000.00	\$0.00	0.00
01-148-5420	OFFICE SUPPLIES	\$0.00	\$3,348.50	\$3,000.00	\$1,164.51	\$3,000.00	\$0.00	0.00
01-148-5777	WELLNESS PROGRAM	\$0.00	\$498.46	\$5,480.00	\$0.00	\$3,000.00	\$-2,480.00	-45.25
01-148-5780	OTHER CHARGES	\$0.00	\$7,612.20	\$8,500.00	\$5,330.20	\$8,500.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$0.00	\$50,711.56	\$67,980.00	\$25,990.56	\$65,500.00	\$-2,480.00	-3.64
148 PAYROLL/BENEFITS SUB-TOTAL:		\$0.00	\$144,257.99	\$167,732.00	\$77,571.29	\$168,233.00	\$501.00	0.29

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

161 - TOWN CLERK		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-161-5111	SALARIES-ELECTED OFFICIALS	\$59,271.39	\$61,949.92	\$63,929.00	\$32,809.59	\$65,208.00	\$1,279.00	2.00
01-161-5113	SALARIES-CLERICAL	\$43,840.25	\$45,045.47	\$46,673.00	\$26,363.80	\$51,018.00	\$4,345.00	9.30
01-161-5121	WAGES - TEMPORARY EMPLOYEES	\$300.00	\$1,147.50	\$0.00	\$0.00	\$3,600.00	\$3,600.00	100.00
01-161-5130	OVERTIME	\$689.42	\$1,466.85	\$750.00	\$0.00	\$1,300.00	\$550.00	73.33
PERSONNEL SUB-TOTAL:		\$104,101.06	\$109,609.74	\$111,352.00	\$59,173.39	\$121,126.00	\$9,774.00	8.77
01-161-5250	EQUIPMENT MAINTENANCE	\$0.00	\$0.00	\$200.00	\$0.00	\$200.00	\$0.00	0.00
01-161-5342	BINDING	\$495.60	\$505.00	\$540.00	\$0.00	\$600.00	\$60.00	11.11
01-161-5345	POSTAGE & MAIL PERMITS	\$875.01	\$517.85	\$1,150.00	\$408.39	\$1,400.00	\$250.00	21.73
01-161-5421	PRINTING & STATIONARY	\$90.00	\$0.00	\$400.00	\$0.00	\$200.00	\$-200.00	-50.00
01-161-5710	MILEAGE REIMBURSEMENT	\$94.28	\$135.75	\$300.00	\$175.56	\$500.00	\$200.00	66.66
01-161-5720	REGISTRATION FEES	\$925.39	\$2,482.10	\$3,210.00	\$979.22	\$3,360.00	\$150.00	4.67
01-161-5730	DUES	\$355.00	\$345.00	\$300.00	\$320.00	\$520.00	\$220.00	73.33
01-161-5780	OTHER EXPENSES	\$197.10	\$1,460.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-161-5860	EQUIPMENT PURCHASE	\$144.50	\$0.00	\$500.00	\$0.00	\$1,000.00	\$500.00	100.00
EXPENSES SUB-TOTAL:		\$3,276.88	\$5,445.70	\$6,600.00	\$1,883.17	\$7,780.00	\$1,180.00	17.87
161 TOWN CLERK SUB-TOTAL:		\$107,377.94	\$115,055.44	\$117,952.00	\$61,056.56	\$128,906.00	\$10,954.00	9.28

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

162 - ELECTIONS & TOWN MEETINGS		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-162-5121	WAGES-TEMPORARY EMPLOYEES	\$27,338.46	\$45,299.18	\$8,500.00	\$807.26	\$25,000.00	\$16,500.00	194.11
PERSONNEL SUB-TOTAL:		\$27,338.46	\$45,299.18	\$8,500.00	\$807.26	\$25,000.00	\$16,500.00	194.11
01-162-5345	POSTAGE & MAIL PERMITS	\$0.00	\$539.56	\$50.00	\$0.46	\$567.00	\$517.00	1034.00
01-162-5421	PRINTING & STATIONARY	\$0.00	\$0.00	\$4,800.00	\$0.00	\$4,950.00	\$150.00	3.12
01-162-5780	OTHER EXPENSES	\$13,218.32	\$16,687.41	\$3,280.00	\$633.60	\$17,000.00	\$13,720.00	418.29
01-162-5783	BALLOT EXPENSES	\$6,195.55	\$13,297.07	\$3,500.00	\$711.00	\$5,300.00	\$1,800.00	51.42
EXPENSES SUB-TOTAL:		\$19,413.87	\$30,524.04	\$11,630.00	\$1,345.06	\$27,817.00	\$16,187.00	139.18
162 ELECTIONS & TOWN MEETINGS		\$46,752.33	\$75,823.22	\$20,130.00	\$2,152.32	\$52,817.00	\$32,687.00	162.37

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

163 - REGISTRARS		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-163-5112	SALARIES-APPOINTED OFFICIALS	\$28,040.96	\$44,220.00	\$35,200.00	\$19,626.83	\$36,000.00	\$800.00	2.27
PERSONNEL SUB-TOTAL:		\$28,040.96	\$44,220.00	\$35,200.00	\$19,626.83	\$36,000.00	\$800.00	2.27
01-163-5345	POSTAGE & MAIL PERMITS	\$4,760.97	\$1,842.60	\$4,800.00	\$189.86	\$3,000.00	\$-1,800.00	-37.50
01-163-5421	PRINTING & STATIONARY	\$419.94	\$-600.00	\$2,500.00	\$0.00	\$3,700.00	\$1,200.00	48.00
01-163-5425	DATA PROCESSING SUPPLIES	\$1,863.66	\$4,275.41	\$0.00	\$3,598.26	\$0.00	\$0.00	0.00
01-163-5710	MILEAGE REIMBURSEMENT	\$0.00	\$88.14	\$0.00	\$0.00	\$0.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$7,044.57	\$5,606.15	\$7,300.00	\$3,788.12	\$6,700.00	\$-600.00	-8.21
163 REGISTRARS SUB-TOTAL:		\$35,085.53	\$49,826.15	\$42,500.00	\$23,414.95	\$42,700.00	\$200.00	0.47



COMMUNITY SERVICES



"Hanover, Honoring Yesterday As We Build For Tomorrow"



Community Services Department

Community Services Department Mission

The mission of the Community Services Department is to provide quality services, activities, programs and facilities for all of those who live, learn, work and play in the Town of Hanover. We do this by operating and supporting the following divisions:

Department of Municipal Inspections (DMI)

The mission of the Department of Municipal Inspections is to ensure that all projects, both planned and constructed in the Town of Hanover move through the permitting and inspection process with ease, and all residents and business owners are treated with respect and are provided superior customer service. Service is our primary function, and to that end we try to help every applicant do what they would like to do within all Codes, Ordinances, Rules and Regulations that we are charged with enforcing to ensure that our residents and business owners are adequately protected.

John Curtis Library

The John Curtis Free Library provides residents with the resources for lifelong learning; provides public space for meeting and gathering; and provides resources for patrons to gain a better understanding of their personal heritage and the cultural heritage of others.

Council on Aging (COA)

The mission of the Council on Aging is to provide services, educational programs and activities which enhance and promote the highest quality of life for each individual.

Visiting Nurses Association (VNA)

The Hanover VNA believes that all persons living in our community deserve to be treated with dignity and respect. It is our role to promote health and to the extent possible prevent and control disease. We provide care that is clinically competent and compassionate and recognize the need to coordinate medical, spiritual and social services with other private and public agencies when deemed necessary to improve the health of our community. We include our patients and their families as part of our team approach to allow individuals to live as independently as possible.

PEG Cable TV Access

Hanover Community Televisions mission is to help all Hanover Citizens and institutions realize their full potential through community communication, and to encourage and facilitate their fullest participation in communicating their message. Hanover Community Television (HCTV) exists to give the public access to the communication medium of digital media. The public includes all individual who live, work or have tax payer's status in Hanover, and to all organized groups with offices in Hanover. Hanover Community Television accepts various types of information and expression and welcomes a diversity of views.

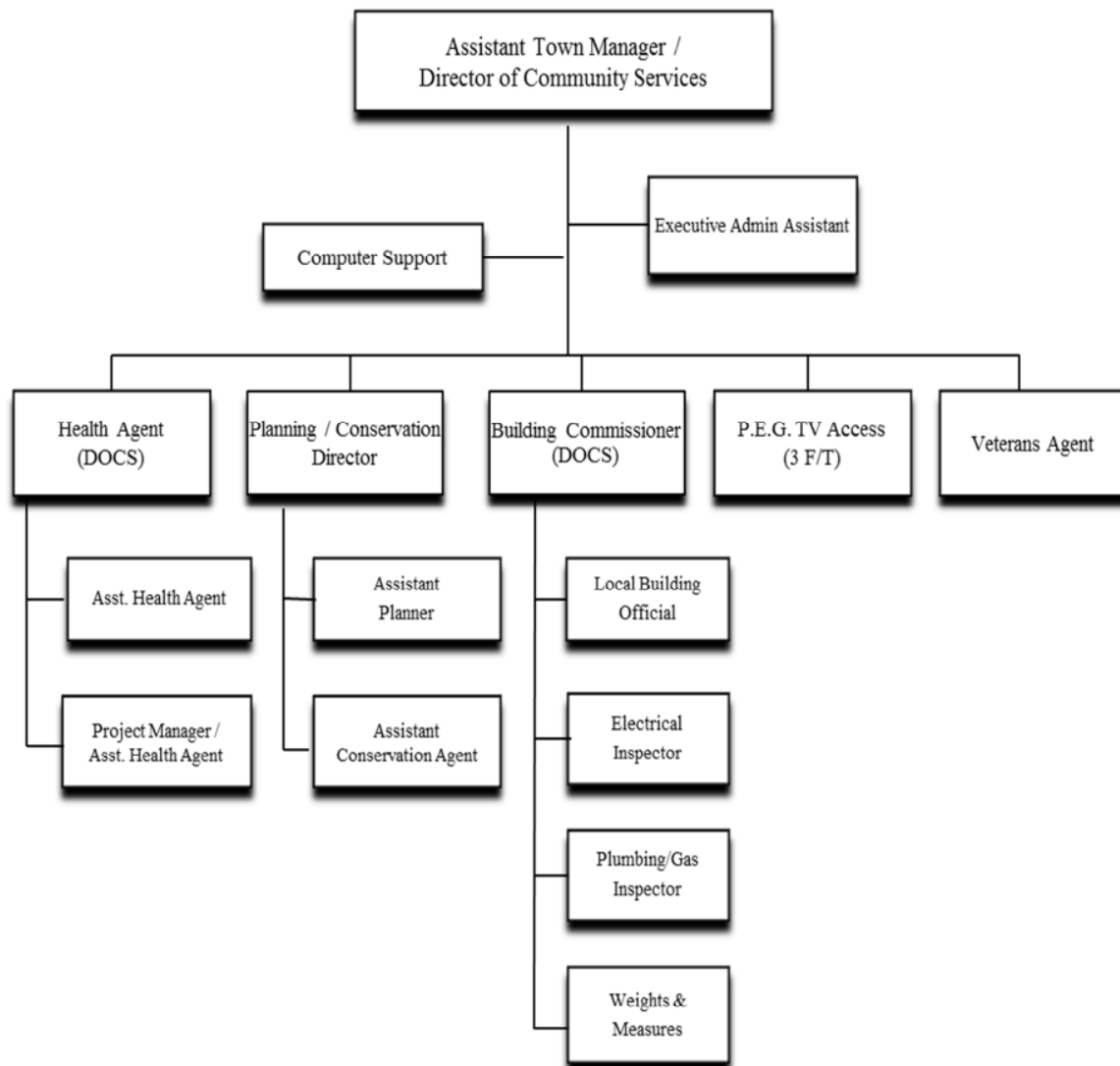
Park & Recreation

The mission of Parks and Recreation Department is to provide the citizens of Hanover recreation programs and services, including bandstand activities, and to assist the Department of Public Works with oversight of the long term maintenance and improvements of the recreation facilities under its jurisdiction.



Community Services Department

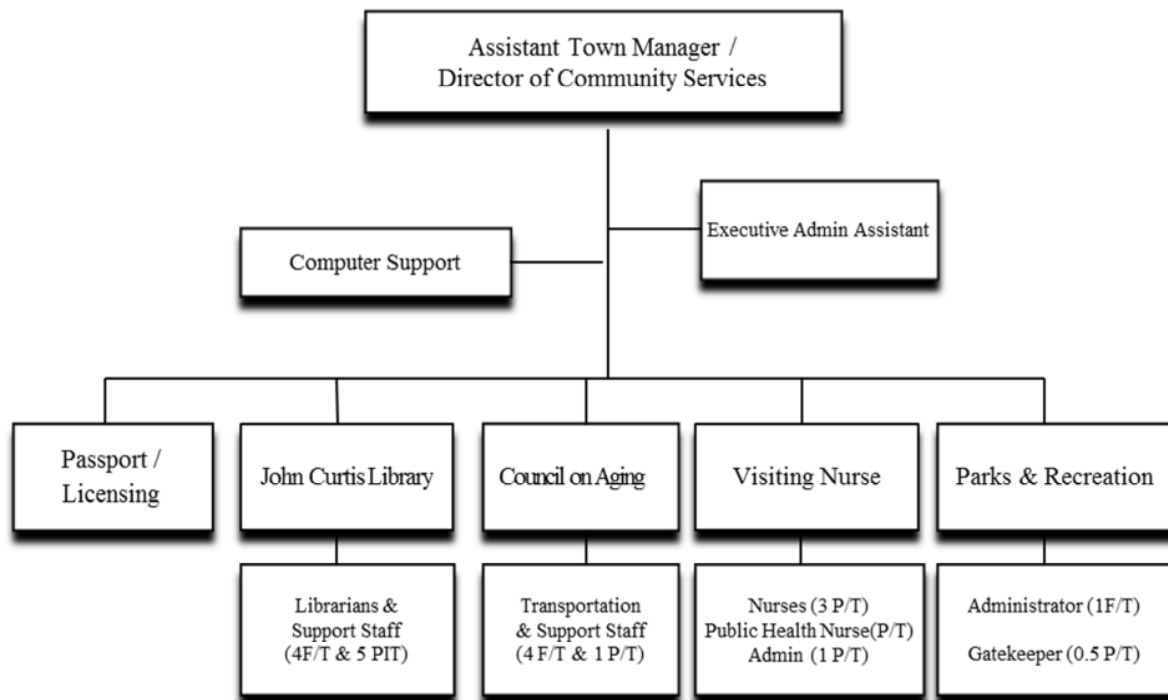
Organizational Chart





Community Services Department

Organizational Chart cont'd



Goals and Objectives

- Create more programming at the John Curtis Library under the direction of the new Library Director
- Finalize a five year strategic plan for the Council on Aging and reorganize staff duties in anticipation of new COA Director to meet the growing needs of our senior citizens.
- Work towards a resolution of the Veterans Agent duties and work hours. Also look to create a local district with a neighboring town to meet Department of Veterans Services requirements.
- Update the Town of Hanover Zoning Bylaws to include provisions to allow for cluster zoning for over 55 housing developments.
- Continue to explore further FACE/Parks and Recreation collaboration on events and activities.



Community Services Department

Accomplishments

- Finished Master Plan update with staff and community volunteers and will use this revised document to create new initiatives and projects for the next five years.
- Increased Clinical visits and outreach in the Visiting Nurses Office using interns from local nursing schools
- Finalized a five year strategic plan for the Council on Aging and reorganized staffing under the direction and leadership of new Council on Aging Director.
- Updated and reviewed six different Board of Health policies and initiatives
- Increased outreach services at the Council of Aging to help our seniors in need.

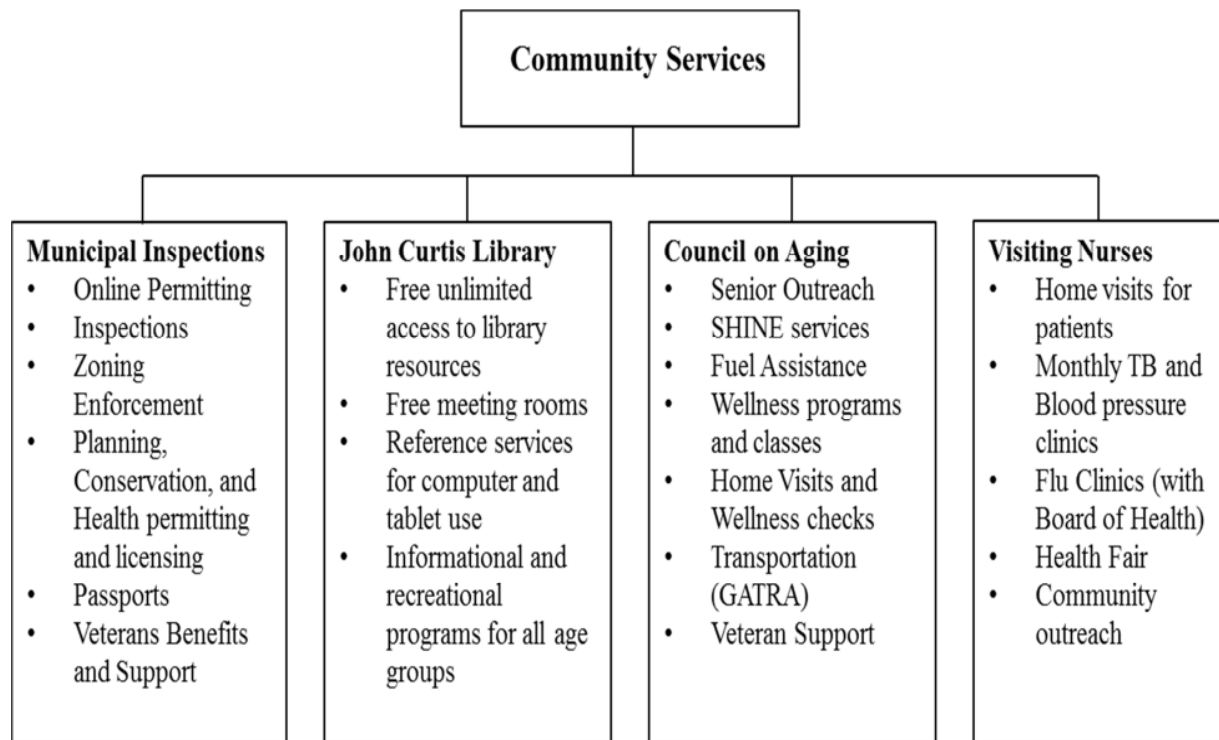
Significant Budget Changes or Initiatives

- Restored the full time Conservation Agent position to the budget
- Removed field maintenance line item from Park and Recreation budget and placed those funds in the Public Works budget to maintain Forge Pond Park
- Increased Veterans Service Officer hours to full time and increased budget line item accordingly
- Included additional training funds to cross train computer support position to obtain Soil Evaluator license

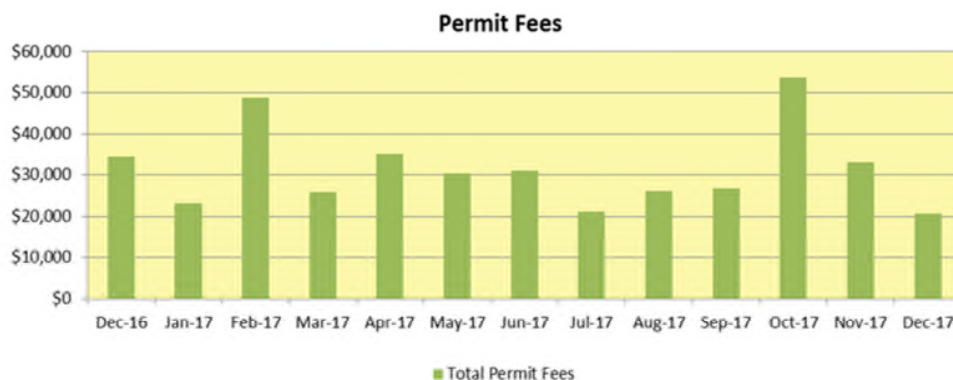


Community Services Department

Programs and Services



Performance Measures

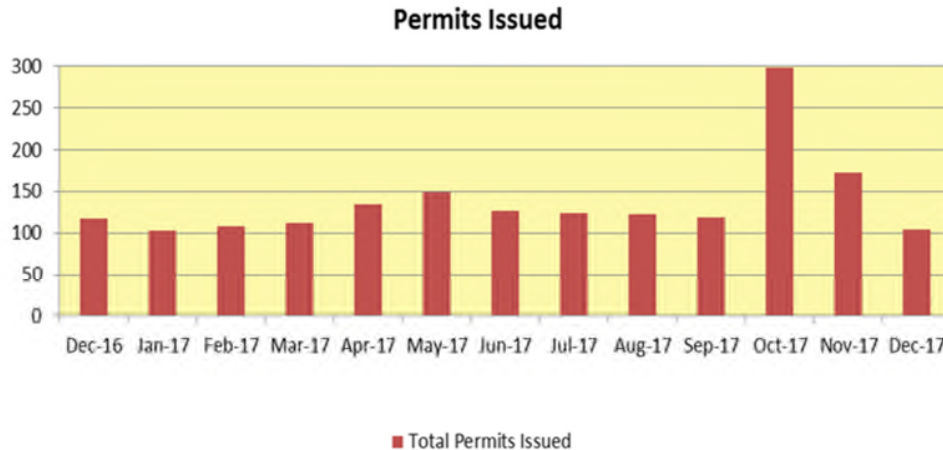


Building Permits fees are an indicator of how the local economy is doing and they tend to be stronger during the spring and summer months as that is the best weather to perform work on your home. Building permit revenue remains strong as we have seen increased activity along Route 53 and with the Hanover Mall set to start construction along with Merchants Row plaza we expect a strong finish for the 2018 fiscal year which ends June 30.



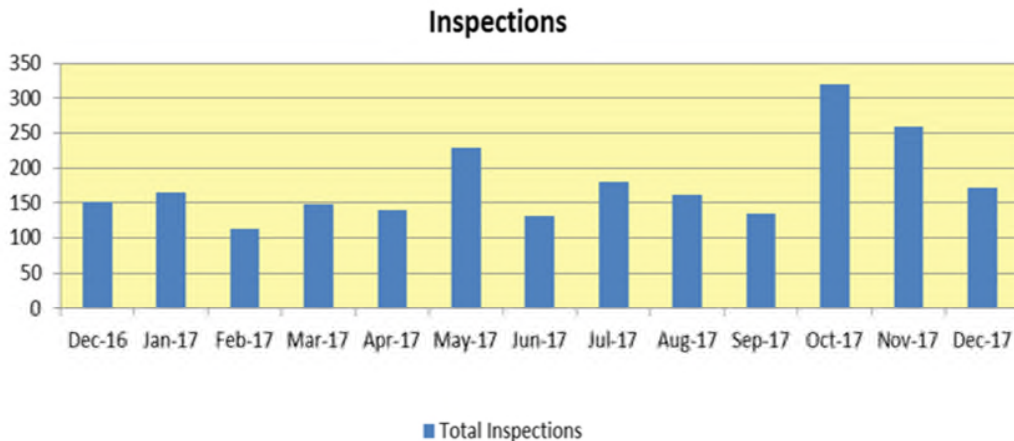
Community Services Department

Performance Measures cont'd.



The economy remains strong and we have issued over 370 building permits through December 31, 2017. This number is up slightly from the same time period last year and we will continue to monitor as the year progresses.

The number of building permits issued is up from last year and we continue to see an uptick as the commercial corridor continues to be developed with over \$150 million dollars of construction work being completed. Several large projects are expected over the next six months which will continue the brisk pace.



Total inspections continue to remain strong as we have two large residential projects (over 200 units) being constructed. The office is also busy with the safety inspections that are required annually of our restaurants and places of assembly. The trend for inspections from all of our disciplines is on the rise as we issue permits for larger residential & commercial projects. We also continue to get requests for more inspections/site visits with homeowners and contractors as properties are redeveloped.



Community Services Department

Personnel Summary

COMMUNITY SERVICES				
Personnel Summary				
Position	FY2017 FTE	FY2018 FTE	FY2019 FTE	Change
Director Community Services/Assistant Town Manager	1.00	1.00	1.00	-
Municipal Inspections				-
Project Manager	0.33	0.33	0.33	-
Program Support	1.00	1.00	-	(1.00)
Town Planner	1.00	1.00	1.00	-
Assistant Town Planner	1.00	1.00	1.00	-
Building Official	1.00	1.00	1.00	-
Conservation Agent	1.00	-	1.00	1.00
Assistant Conservation Agent	1.00	1.00	1.00	-
Health Agent	1.00	-	1.00	1.00
Assistant Health Agent	1.00	1.00	1.00	-
Sealer Weights & Measures	0.50	0.50	0.50	-
Inspectors	2.50	2.50	2.50	-
Executive Assistant	1.00	1.00	1.00	-
Passports/Licensing	1.00	1.00	1.00	-
Visiting Nurse Association				-
Nurse Administrator	1.00	1.00	1.00	-
Public Health Nurse	0.50	0.50	0.50	-
Nurses	1.50	1.50	1.50	-
Administrative Assistant	0.50	0.50	0.50	-
Council on Aging				-
Director	1.00	1.00	1.00	-
Outreach Coordinator	1.00	1.00	1.00	-
Administrative Assistant	1.50	2.00	2.00	-
Van Drivers	1.50	1.50	1.50	-
Veterans' Services				-
Director of Veterans' Services	0.50	0.50	0.50	-
John Curtis Free Library				-
Library Director	1.00	1.00	1.00	-
Librarians	3.00	3.00	3.00	-
Library Technician	2.00	3.00	3.00	-
Library Assistants	1.50	1.00	1.00	-
Page	0.50	1.00	1.00	-
Parks & Recreation				-
Recreation Director	1.00	1.00	1.00	-
Gate Keeper	0.50	0.50	0.50	-
Public Education Government (PEG) Access				-
Director	1.00	1.00	1.00	-
Programming Coordinators	1.00	2.00	2.00	-
Total Full-time Equivalents	34.83	35.33	36.33	1.00



Community Services Department

Personnel Notes

FTEs are based on a 35-hour work week and are benefit eligible. The change in FTEs represents the restoration of funding for a full-time Conservation Agent, in accordance with a vote of the Board of Selectmen, and a re-organization of the Health Department, changing the Program Support position to an Assistant Health Agent position.

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

255 - MUNICIPAL INSPECTIONS		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-255-5110	SALARIES - APPOINTED OFFICIALS	\$358,577.59	\$358,766.84	\$335,858.00	\$200,792.40	\$453,786.00	\$117,928.00	35.11
01-255-5113	SALARIES - CLERICAL	\$247,443.00	\$268,976.16	\$268,478.00	\$134,994.08	\$255,859.00	\$-12,619.00	-4.70
01-255-5120	SALARIES - PERMANENT P/T	\$899.13	\$1,603.18	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-255-5121	SALARIES - TEMPORARY EMPLOYEES	\$32,880.36	\$31,561.61	\$7,673.00	\$18,022.93	\$0.00	\$-7,673.00	-100.00
PERSONNEL SUB-TOTAL:		\$641,053.54	\$660,907.79	\$612,009.00	\$353,809.41	\$709,645.00	\$97,636.00	15.95
01-255-5240	VEHICLE MAINTENANCE & REPAIR	\$145.90	\$1,440.52	\$1,000.00	\$1,123.49	\$1,000.00	\$0.00	0.00
01-255-5250	EQUIPMENT MAINTENANCE	\$359.98	\$0.00	\$500.00	\$0.00	\$500.00	\$0.00	0.00
01-255-5310	ENGINEERING	\$1,200.00	\$0.00	\$500.00	\$600.00	\$500.00	\$0.00	0.00
01-255-5315	MEDICAL	\$2,999.78	\$3,473.08	\$3,000.00	\$1,065.02	\$3,000.00	\$0.00	0.00
01-255-5317	EMPLOYEE TRAINING	\$6,002.21	\$7,093.35	\$6,500.00	\$1,659.23	\$6,500.00	\$0.00	0.00
01-255-5319	OTHER CONTRACTED SERVICES	\$8,310.68	\$28,455.09	\$5,500.00	\$3,166.67	\$5,500.00	\$0.00	0.00
01-255-5341	CELL PHONE	\$6,192.71	\$6,344.65	\$7,500.00	\$2,959.60	\$7,000.00	\$-500.00	-6.66
01-255-5342	PRINTING	\$21.00	\$100.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-255-5344	ADVERTISING	\$925.39	\$2,313.98	\$1,000.00	\$288.11	\$1,000.00	\$0.00	0.00
01-255-5345	POSTAGE	\$2,655.29	\$3,955.02	\$3,000.00	\$1,341.42	\$3,000.00	\$0.00	0.00
01-255-5348	POSTAGE - PASSPORTS	\$1,228.88	\$1,193.65	\$1,200.00	\$508.19	\$1,200.00	\$0.00	0.00
01-255-5420	OFFICE SUPPLIES	\$35.00	\$62.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-255-5530	LABORATORY SUPPLIES	\$0.00	\$350.00	\$200.00	\$0.00	\$200.00	\$0.00	0.00
01-255-5590	FIELD MATERIALS AND SUPPLIES	\$1,808.72	\$2,347.15	\$2,000.00	\$388.91	\$2,000.00	\$0.00	0.00
01-255-5710	MILEAGE REIMBURSEMENT	\$6,132.91	\$5,720.08	\$7,000.00	\$1,593.96	\$7,000.00	\$0.00	0.00
01-255-5720	REGISTRATION FEES	\$925.00	\$1,015.00	\$1,500.00	\$1,155.00	\$1,500.00	\$0.00	0.00
01-255-5730	DUES	\$1,810.67	\$1,707.50	\$1,500.00	\$1,853.00	\$1,500.00	\$0.00	0.00
01-255-5860	EQUIPMENT PURCHASE	\$1,667.43	\$6,646.22	\$2,100.00	\$0.00	\$2,100.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$42,421.55	\$72,217.29	\$44,000.00	\$17,702.60	\$43,500.00	\$-500.00	-1.13
255 MUNICIPAL INSPECTIONS SUB-TOTAL:		\$683,475.09	\$733,125.08	\$656,009.00	\$371,512.01	\$753,145.00	\$97,136.00	14.80

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

522 - VISITING NURSE ASSOCIATION		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-522-5110	SALARIES-APPOINTED OFFICIALS	\$74,507.84	\$84,460.51	\$76,862.00	\$47,164.78	\$70,525.00	\$-6,337.00	-8.24
01-522-5121	WAGES-TEMPORARY EMPLOYEES	\$37,619.04	\$37,201.95	\$66,267.00	\$7,360.92	\$71,941.00	\$5,674.00	8.56
PERSONNEL SUB-TOTAL:		\$112,126.88	\$121,662.46	\$143,129.00	\$54,525.70	\$142,466.00	\$-663.00	-0.46
01-522-5319	OTHER CONTRACTED SERVICE	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$0.00	0.00
522 VISITING NURSE ASSOCIATION		\$113,626.88	\$123,162.46	\$144,629.00	\$56,025.70	\$143,966.00	\$-663.00	-0.45

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

541 - COUNCIL ON AGING		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-541-5110	SALARIES-APPOINTED OFFICIALS	\$121,375.93	\$133,609.52	\$148,458.00	\$64,823.76	\$175,731.00	\$27,273.00	18.37
01-541-5120	SALARIES & WAGES-PERMANENT	\$20,660.76	\$28,090.16	\$23,960.00	\$11,279.00	\$0.00	\$-23,960.00	-100.00
01-541-5121	WAGES-TEMPORARY EMPLOYEES	\$0.00	\$489.72	\$0.00	\$0.00	\$0.00	\$0.00	0.00
PERSONNEL SUB-TOTAL:		\$142,036.69	\$162,189.40	\$172,418.00	\$76,102.76	\$175,731.00	\$3,313.00	1.92
01-541-5230	MAINTENANCE-BLDG & GROUNDS	\$4,355.39	\$6,007.89	\$5,253.00	\$94.13	\$4,123.00	\$-1,130.00	-21.51
01-541-5240	VEHICLE MAINT.-MINIBUS EXPENSE	\$2,492.58	\$954.18	\$2,101.00	\$1,716.58	\$2,101.00	\$0.00	0.00
01-541-5295	REFUSE REMOVAL SERVICE	\$1,487.65	\$1,682.28	\$1,628.00	\$834.53	\$2,828.00	\$1,200.00	73.71
01-541-5319	OTHER CONTRACTED SERVICE	\$27,296.65	\$27,265.49	\$27,684.00	\$7,892.18	\$28,900.00	\$1,216.00	4.39
01-541-5345	POSTAGE & MAIL PERMITS	\$8,945.37	\$5,824.48	\$5,150.00	\$2,718.17	\$5,253.00	\$103.00	2.00
01-541-5420	OFFICE SUPPLIES	\$2,262.09	\$1,320.10	\$2,100.00	\$2,937.16	\$2,101.00	\$1.00	0.04
01-541-5421	PRINTING & STATIONARY	\$1,679.30	\$748.59	\$1,050.00	\$744.32	\$1,000.00	\$-50.00	-4.76
01-541-5710	MILEAGE REIMBURSEMENT	\$434.60	\$291.72	\$440.00	\$258.21	\$500.00	\$60.00	13.63
01-541-5720	REGISTRATION FEES	\$135.36	\$75.00	\$630.00	\$0.00	\$630.00	\$0.00	0.00
01-541-5730	DUES	\$0.00	\$0.00	\$220.00	\$0.00	\$250.00	\$30.00	13.63
01-541-5860	EQUIPMENT PURCHASE	\$1,100.00	\$756.52	\$1,150.00	\$0.00	\$2,000.00	\$850.00	73.91
EXPENSES SUB-TOTAL:		\$50,188.99	\$44,926.25	\$47,406.00	\$17,195.28	\$49,686.00	\$2,280.00	4.80
541 COUNCIL ON AGING SUB-TOTAL:		\$192,225.68	\$207,115.65	\$219,824.00	\$93,298.04	\$225,417.00	\$5,593.00	2.54

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

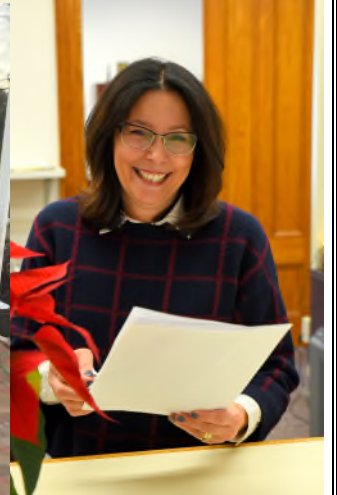
543 - VETERANS SERVICES		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-543-5110	SALARIES-APPOINTED OFFICIALS	\$20,323.70	\$20,338.50	\$22,316.00	\$11,438.28	\$44,762.00	\$22,446.00	100.58
PERSONNEL SUB-TOTAL:		\$20,323.70	\$20,338.50	\$22,316.00	\$11,438.28	\$44,762.00	\$22,446.00	100.58
01-543-5319	OTHER CONTRACTED SERVICES	\$3,792.76	\$2,152.16	\$3,200.00	\$0.00	\$3,000.00	\$-200.00	-6.25
01-543-5345	POSTAGE & MAIL PERMITS	\$10.19	\$0.00	\$50.00	\$0.00	\$50.00	\$0.00	0.00
01-543-5710	MILEAGE REIMBURSEMENT	\$352.92	\$0.00	\$500.00	\$0.00	\$500.00	\$0.00	0.00
01-543-5770	VETERANS' BENEFITS - SUBSISTENCE	\$106,283.77	\$109,219.32	\$126,000.00	\$60,276.94	\$126,000.00	\$0.00	0.00
01-543-5860	EQUIPMENT PURCHASE	\$0.00	\$0.00	\$200.00	\$0.00	\$200.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$110,439.64	\$111,371.48	\$129,950.00	\$60,276.94	\$129,750.00	\$-200.00	-0.15
543 VETERANS SERVICES SUB-TOTAL:		\$130,763.34	\$131,709.98	\$152,266.00	\$71,715.22	\$174,512.00	\$22,246.00	14.60

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

610 - JOHN CURTIS LIBRARY		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-610-5110	SALARIES-APPOINTED OFFICIALS	\$87,089.88	\$96,859.53	\$91,127.00	\$49,586.03	\$82,648.00	\$-8,479.00	-9.30
01-610-5113	SALARIES-CLERICAL	\$216,877.11	\$217,500.49	\$229,526.00	\$122,687.23	\$250,043.00	\$20,517.00	8.93
01-610-5120	SALARIES - PERM P/T	\$28,738.67	\$66,634.14	\$72,161.00	\$36,146.04	\$78,471.00	\$6,310.00	8.74
01-610-5121	WAGES-TEMPORARY EMPLOYEES	\$45,353.29	\$1,505.00	\$0.00	\$808.44	\$0.00	\$0.00	0.00
01-610-5141	SHIFT DIFFERENTIALS	\$5,998.25	\$12,016.69	\$0.00	\$2,485.72	\$0.00	\$0.00	0.00
01-610-5148	STIPENDS	\$0.00	\$0.00	\$10,000.00	\$0.00	\$18,476.00	\$8,476.00	84.76
PERSONNEL SUB-TOTAL:		\$385,057.20	\$394,515.85	\$402,814.00	\$211,713.46	\$429,638.00	\$26,824.00	6.65
01-610-5230	MAINTENANCE-BLDG & GROUNDS	\$3,024.00	\$6,796.66	\$6,000.00	\$900.00	\$8,500.00	\$2,500.00	41.66
01-610-5250	EQUIPMENT MAINTENANCE	\$9,564.38	\$1,547.68	\$6,000.00	\$4,050.68	\$8,500.00	\$2,500.00	41.66
01-610-5318	OCS - PROGRAMS	\$543.55	\$1,188.00	\$1,000.00	\$2,260.36	\$4,000.00	\$3,000.00	300.00
01-610-5319	OCS - OLD COLONY NETWORK	\$24,561.95	\$26,061.28	\$29,720.00	\$25,360.58	\$30,772.00	\$1,052.00	3.53
01-610-5344	ADVERTISING	\$2,333.89	\$432.33	\$1,500.00	\$0.00	\$500.00	\$-1,000.00	-66.66
01-610-5345	POSTAGE & MAIL PERMITS	\$980.00	\$1,061.91	\$2,100.00	\$980.00	\$2,100.00	\$0.00	0.00
01-610-5420	OFFICE SUPPLIES	\$7,401.73	\$5,811.92	\$10,000.00	\$1,723.80	\$9,800.00	\$-200.00	-2.00
01-610-5425	DATA PROCESSING SUPPLIES	\$148.95	\$106.58	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-610-5510	BOOKS	\$47,164.46	\$48,411.33	\$45,528.00	\$26,438.09	\$49,750.00	\$4,222.00	9.27
01-610-5511	REFERENCE BOOKS	\$13,282.43	\$21,061.97	\$15,000.00	\$7,455.31	\$19,250.00	\$4,250.00	28.33
01-610-5512	PERIODICALS & JOURNALS	\$5,368.29	\$9,318.74	\$10,000.00	\$1,833.92	\$14,500.00	\$4,500.00	45.00
01-610-5515	AUDIO-VISUAL SUPPLIES	\$17,145.46	\$25,679.32	\$20,000.00	\$11,927.63	\$22,000.00	\$2,000.00	10.00
01-610-5710	MILEAGE REIMBURSEMENT	\$293.64	\$456.40	\$1,000.00	\$341.42	\$750.00	\$-250.00	-25.00
01-610-5720	REGISTRATION FEES	\$331.00	\$183.05	\$1,200.00	\$100.00	\$850.00	\$-350.00	-29.16
01-610-5730	DUES	\$357.00	\$290.00	\$1,500.00	\$100.00	\$1,400.00	\$-100.00	-6.66
01-610-5860	EQUIPMENT PURCHASE	\$16,515.39	\$4,867.34	\$6,500.00	\$515.15	\$6,500.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$152,275.03	\$153,274.51	\$157,048.00	\$83,986.94	\$179,172.00	\$22,124.00	14.08
610 JOHN CURTIS LIBRARY SUB-TOTAL:		\$537,332.23	\$547,790.36	\$559,862.00	\$295,700.40	\$608,810.00	\$48,948.00	8.74

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

630 - PARKS & RECREATION		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-630-5110	SALARIES - APPOINTED OFFICIALS	\$0.00	\$56,271.60	\$57,386.00	\$29,805.30	\$58,775.00	\$1,389.00	2.42
01-630-5120	SALARY - PERMANENT P/T	\$0.00	\$324.55	\$15,975.00	\$4,052.23	\$17,931.00	\$1,956.00	12.24
PERSONNEL SUB-TOTAL:		\$0.00	\$56,596.15	\$73,361.00	\$33,857.53	\$76,706.00	\$3,345.00	4.55
01-630-5230	FIELD MAINTENANCE	\$0.00	\$49,758.26	\$76,000.00	\$49,258.75	\$0.00	\$-76,000.00	-100.00
01-630-5318	OTHER CONTRACTED SERVICES	\$0.00	\$0.00	\$2,000.00	\$0.00	\$1,500.00	\$-500.00	-25.00
01-630-5420	OFFICE SUPPLIES	\$0.00	\$0.00	\$500.00	\$0.00	\$200.00	\$-300.00	-60.00
01-630-5710	MILEAGE REIMBURSEMENT	\$0.00	\$500.00	\$500.00	\$177.77	\$500.00	\$0.00	0.00
01-630-5780	OTHER EXPENSES	\$0.00	\$299.00	\$1,000.00	\$0.00	\$1,000.00	\$0.00	0.00
01-630-5860	EQUIPMENT PURCHASE	\$0.00	\$0.00	\$200.00	\$0.00	\$200.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$0.00	\$50,557.26	\$80,200.00	\$49,436.52	\$3,400.00	\$-76,800.00	-95.76
630 PARKS & RECREATION SUB-TOTAL:		\$0.00	\$107,153.41	\$153,561.00	\$83,294.05	\$80,106.00	\$-73,455.00	-47.83



POLICE DEPARTMENT



"Hanover, Honoring Yesterday As We Build For Tomorrow"

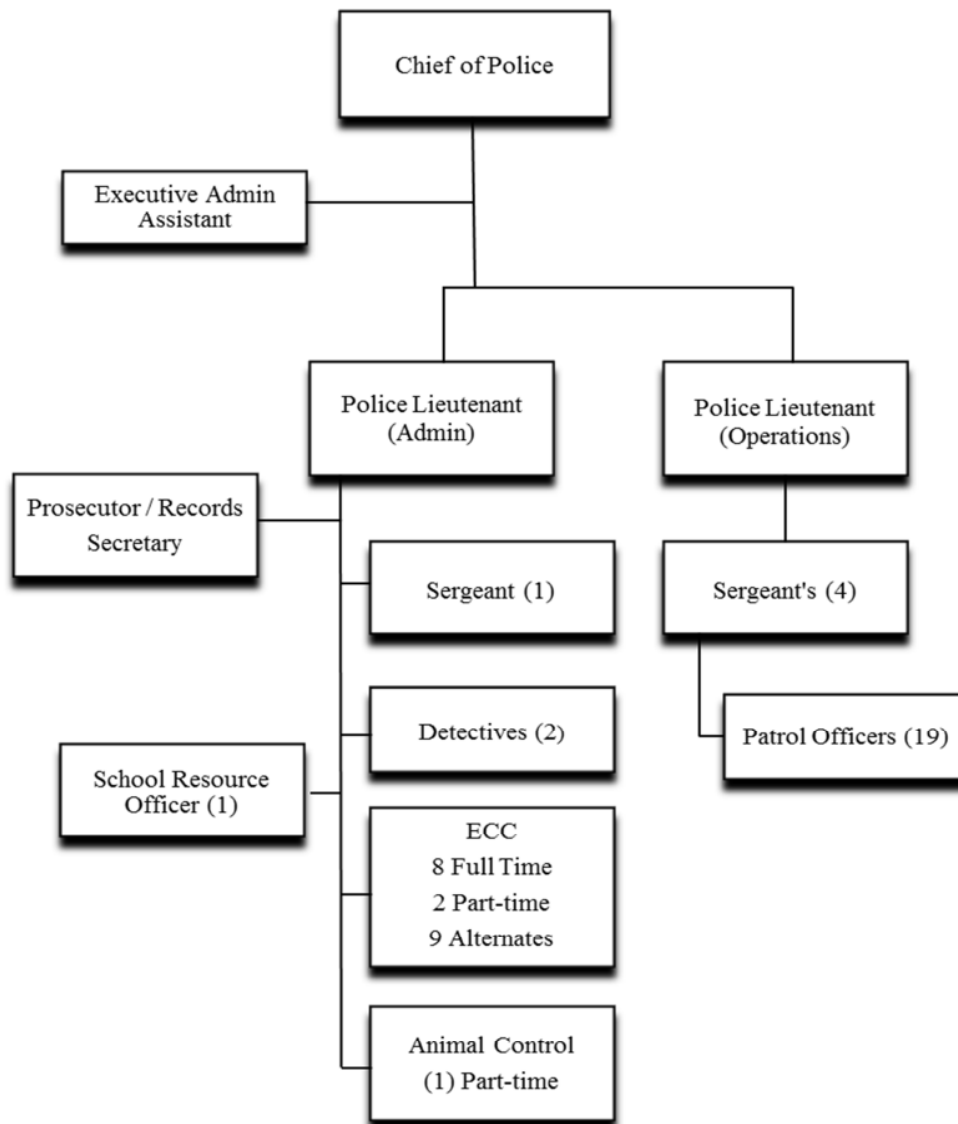


Police Department

Police Department Mission

The Mission of the Hanover Police Department is to prevent crime, preserve order, and to protect the rights, lives and property of the citizens of Hanover. We will cultivate partnerships within our community to identify and effectively respond to the diverse, ever-changing social and cultural demands. Together we will accomplish this with emphasis on integrity, fairness and professionalism.

Organizational Chart





Police Department

Goals and Objectives

- The department will continue to provide the Hanover Public School District with a full-time School Resource Officer. The goal for 2017 – 2018 is for the School Resource Officer to become more involved in instruction of Law Enforcement related subject matter.
- The HPD will meet the Commonwealth's recommended training requirements.
- The department will continue its role in a strong community oriented policing philosophy. Actively supporting the Traffic Study Committee by addressing problem traffic areas and other motor vehicular public safety issues. This included working with our partner at OCPC (Old Colony Planning Council).
- Continuation of the ALICE (alert, lockdown, inform, counter, evacuate) Program in the Hanover Public School and the South Shore Voc – Tech. This program prepares staff and students to respond to the unlikely event of a school shooting. This program is an emergency preparedness planning, training, and collaboration between the schools, and Hanover Police & Fire Departments.

Accomplishments

- Provided A.L.I.C.E. training to all faculty and staff of Hanover Public Schools and conducted live drills in each school building.
- Partnered with Hanover Fire Department and conducted an Active Shooter Drills at Hanover High School. The drill included dynamic response to an active shooter. Staff and students from Hanover High School participated.
- The Department partnered with Hanover Public Schools in sponsoring Alcohol and Drug Awareness training programs to staff, students, and the community.
- The Emergency Communications Center was funded for State E-911 grants and those funds were utilized to further the professional development for each dispatcher. Dispatch employees completed the mandatory 16 hours of continuing education.

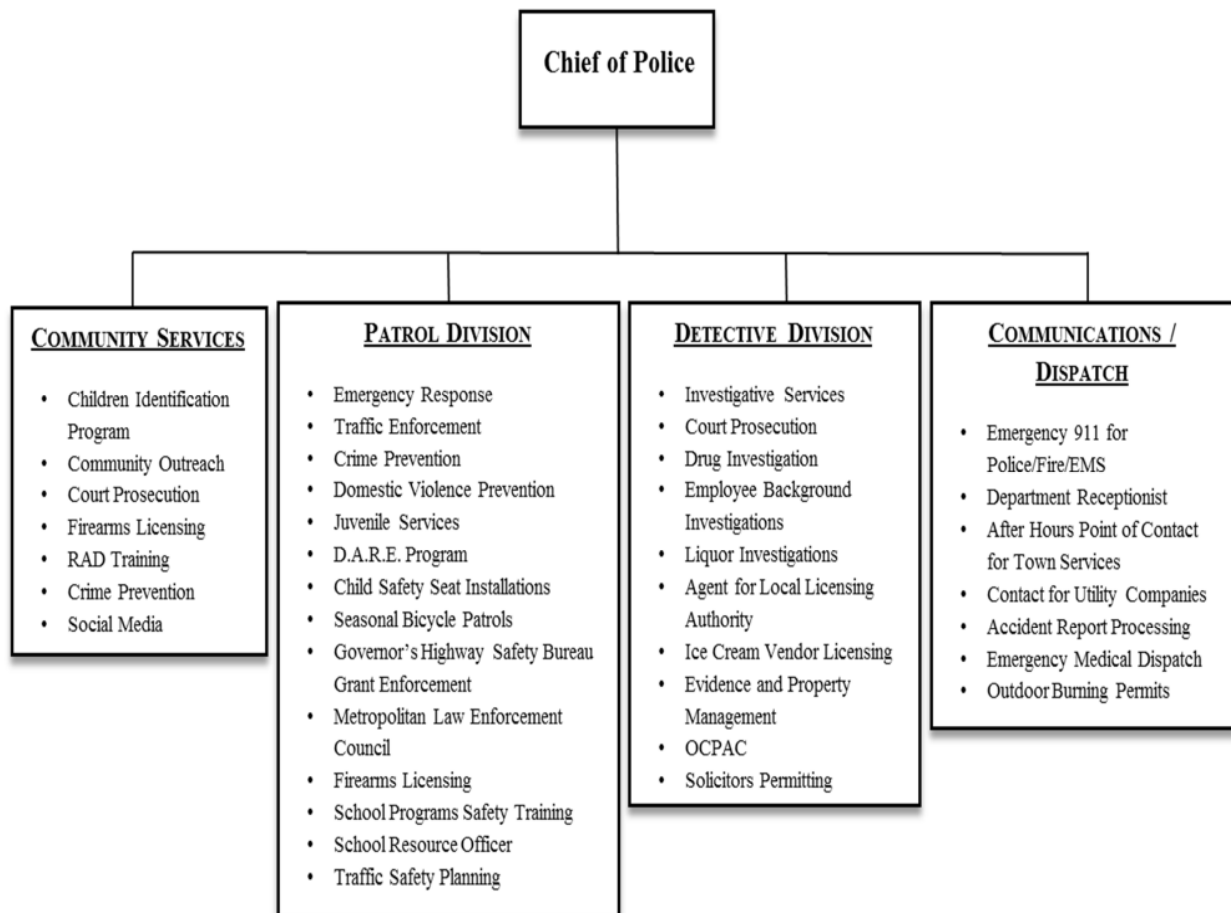


Police Department

Significant Budget Changes or Initiatives

There were no significant changes to the Police Department budget for the fiscal year.

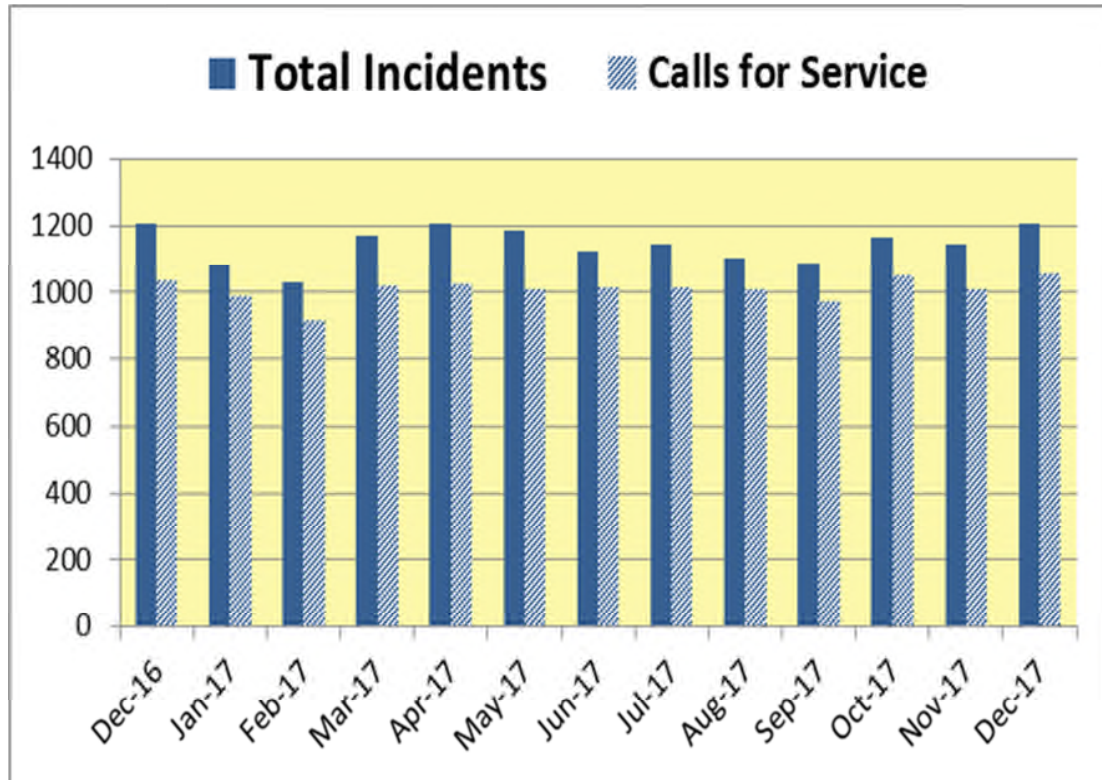
Programs and Services





Police Department

Performance Measures



The total number of incidents reflects actions taken by the police department in response to a request or need for service. One police response often times requires multiple police actions.

Fourth Quarter 2017 has shown an overall increase monthly in the calls for service.

During this quarter the police department activity reflects a considerable amount of community policing and proactive activity. Large scale events requiring assignment of police department members included the Touch a Truck in September, The combined middle school cross country meet at Forge Pond Park in November, and Christmas in the Four Corners in December. These community events require a significant amount of planning and performance by Hanover Police Officers before and during the event. The department believes the collaboration with other town departments and members of the community is the core of its mission.

Traffic enforcement and traffic safety were major initiatives during fourth quarter. Intersection redesign on Woodland Drive offered an opportunity to improve traffic safety and the department spent considerable time in that location educating motorists about the change in traffic rules, specifically the addition of Stop signs on the street



Police Department

Personnel Summary

POLICE DEPARTMENT				
Personnel Summary				
Position	FY2017 FTE	FY2018 FTE	FY2019 FTE	Change
Chief of Police	1.00	1.00	1.00	-
Police				
Lieutenants	2.00	2.00	2.00	-
Sergeants	5.00	5.00	5.00	-
Detectives	2.00	2.00	2.00	-
Police officers	20.00	20.00	20.00	-
Executive Assistant	1.00	1.00	1.00	-
Secretary	1.00	1.00	1.00	-
Communications				
Dispatch Supervisor	1.00	1.00	1.00	-
FT Dispatcher	7.00	7.00	7.00	-
PT Dispatcher	1.00	1.00	1.00	-
Alternates	1.00	1.00	1.00	-
Animal Control				
Animal Control Officer	0.50	0.50	0.50	-
Total Full-time Equivalents	42.50	42.50	42.50	-

Personnel Notes

FTEs are based on a 35 hour work week and are benefit eligible.

- Communications Exceptions;
 - 2 part-time employees who are each assigned 1 shift (8 Hours) per week. Those positions have been carried as .50 FTE's because they have no benefits.
 - 9 alternative employees. These employees are not regularly scheduled and work on an as needed basis (sick time, vacation and emergency call-in coverages). Collectively they have been carried as 1 FTE however, there are no benefits.

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

210 - POLICE		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-210-5110	SALARIES-APPOINTED OFFICIALS	\$350,550.52	\$361,805.15	\$369,038.00	\$197,531.60	\$385,894.00	\$16,856.00	4.56
01-210-5113	SALARIES-CLERICAL	\$85,590.43	\$93,699.63	\$97,810.00	\$51,832.49	\$99,726.00	\$1,916.00	1.95
01-210-5114	SALARIES & WAGES PERM F/T	\$1,491,297.15	\$1,542,991.07	\$1,691,358.00	\$876,813.33	\$1,868,172.00	\$176,814.00	10.45
01-210-5121	WAGES-TEMPORARY EMPLOYEES	\$4,747.19	\$5,259.90	\$6,386.00	\$2,396.94	\$6,386.00	\$0.00	0.00
01-210-5130	OVERTIME	\$376,919.72	\$353,139.92	\$298,802.00	\$161,939.26	\$299,000.00	\$198.00	0.06
01-210-5132	COURT TIME	\$22,871.54	\$41,662.44	\$46,471.00	\$19,696.97	\$48,330.00	\$1,859.00	4.00
01-210-5141	SHIFT DIFFERENTIALS	\$109,070.89	\$113,556.14	\$133,842.00	\$61,708.09	\$125,282.00	\$-8,560.00	-6.39
01-210-5142	HOLIDAY PAY	\$58,575.48	\$60,660.76	\$68,674.00	\$35,611.33	\$80,483.00	\$11,809.00	17.19
01-210-5143	EDUCATIONAL PAY	\$201,366.50	\$207,636.71	\$294,438.00	\$118,155.61	\$277,960.00	\$-16,478.00	-5.59
PERSONNEL SUB-TOTAL:		\$2,700,989.42	\$2,780,411.72	\$3,006,819.00	\$1,525,685.62	\$3,191,233.00	\$184,414.00	6.13
01-210-5240	VEHICLE MAINTENANCE	\$18,142.00	\$23,262.40	\$23,500.00	\$11,520.56	\$23,500.00	\$0.00	0.00
01-210-5250	EQUIPMENT MAINTENANCE	\$2,613.87	\$2,780.07	\$5,000.00	\$593.00	\$5,000.00	\$0.00	0.00
01-210-5292	UNIFORM CLEANING	\$10,860.59	\$11,266.07	\$26,080.00	\$4,183.06	\$27,530.00	\$1,450.00	5.55
01-210-5317	PROFESSIONAL DEVELOPMENT	\$10,149.53	\$5,919.78	\$10,000.00	\$2,323.86	\$10,000.00	\$0.00	0.00
01-210-5318	OCS-MATRONS (CONTRACTED)	\$4,052.21	\$3,145.21	\$3,000.00	\$886.25	\$3,000.00	\$0.00	0.00
01-210-5340	TELEPHONE - LAPTOPS	\$5,593.42	\$8,507.98	\$8,400.00	\$3,384.96	\$8,400.00	\$0.00	0.00
01-210-5341	PAGERS	\$3,602.85	\$3,623.37	\$3,100.00	\$1,561.85	\$3,100.00	\$0.00	0.00
01-210-5345	POSTAGE & MAIL PERMITS	\$1,015.51	\$1,341.63	\$1,400.00	\$539.34	\$1,400.00	\$0.00	0.00
01-210-5420	OFFICE SUPPLIES	\$5,918.80	\$7,645.07	\$7,000.00	\$1,260.95	\$8,000.00	\$1,000.00	14.28
01-210-5485	TIRES	\$4,040.80	\$5,524.71	\$5,500.00	\$0.00	\$5,500.00	\$0.00	0.00
01-210-5512	PERIODICALS & JOURNALS	\$2,585.50	\$2,882.86	\$3,000.00	\$1,244.70	\$3,000.00	\$0.00	0.00
01-210-5525	AMMUNITION	\$6,158.00	\$6,766.00	\$7,500.00	\$458.50	\$7,500.00	\$0.00	0.00
01-210-5585	UNIFORMS	\$34,740.15	\$42,221.95	\$36,700.00	\$14,912.57	\$39,600.00	\$2,900.00	7.90
01-210-5665	MASS CJTC POLICE RECRUIT TRAINING	\$9,000.00	\$6,000.00	\$3,000.00	\$3,000.00	\$0.00	\$-3,000.00	-100.00
01-210-5710	MILEAGE REIMBURSEMENT	\$194.47	\$479.22	\$425.00	\$232.23	\$425.00	\$0.00	0.00
01-210-5713	MEALS REIMBURSEMENT	\$940.00	\$1,280.00	\$1,600.00	\$1,079.95	\$2,100.00	\$500.00	31.25
01-210-5720	REGISTRATION FEES	\$7,087.86	\$7,170.72	\$7,000.00	\$2,537.28	\$7,000.00	\$0.00	0.00
01-210-5730	DUES	\$6,265.00	\$7,210.00	\$8,150.00	\$6,095.00	\$9,000.00	\$850.00	10.42
01-210-5780	OTHER EXPENSES	\$751.91	\$0.00	\$0.00	\$0.00	\$10,000.00	\$10,000.00	100.00
01-210-5860	EQUIPMENT PURCHASE	\$23,644.16	\$32,805.08	\$22,943.00	\$3,347.37	\$22,943.00	\$0.00	0.00

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

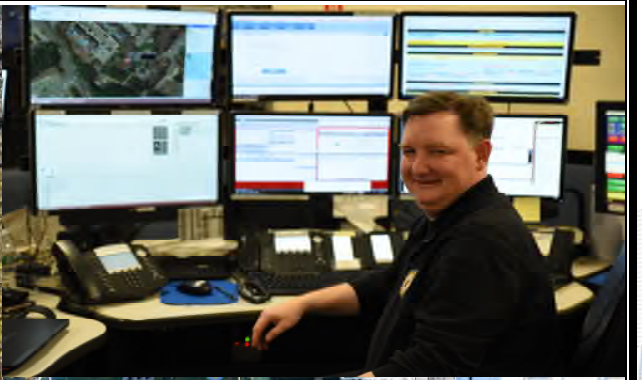
210 - POLICE		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
EXPENSES SUB-TOTAL:		\$165,206.63	\$179,832.12	\$183,298.00	\$59,161.43	\$196,998.00	\$13,700.00	7.47
210	POLICE SUB-TOTAL:	\$2,866,196.05	\$2,960,243.84	\$3,190,117.00	\$1,584,847.05	\$3,388,231.00	\$198,114.00	6.21

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

292 - ANIMAL CONTROL		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
PERSONNEL SUB-TOTAL:		\$23,790.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-292-5240	VEHICLE MAINTENANCE & REPAIR	\$580.03	\$109.95	\$681.00	\$35.00	\$681.00	\$0.00	0.00
01-292-5315	MEDICAL	\$0.00	\$47.00	\$860.00	\$0.00	\$860.00	\$0.00	0.00
01-292-5340	TELEPHONE	\$265.81	\$319.74	\$1,080.00	\$146.70	\$1,080.00	\$0.00	0.00
01-292-5345	POSTAGE & MAIL PERMITS	\$0.00	\$2.00	\$570.00	\$6.59	\$570.00	\$0.00	0.00
01-292-5385	KENNEL SERVICES	\$825.45	\$1,035.83	\$1,420.00	\$546.33	\$1,420.00	\$0.00	0.00
01-292-5420	OFFICE SUPPLIES	\$220.85	\$488.78	\$150.00	\$0.00	\$150.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$1,892.14	\$2,003.30	\$4,761.00	\$734.62	\$4,761.00	\$0.00	0.00
292 ANIMAL CONTROL SUB-TOTAL:		\$25,682.14	\$2,003.30	\$4,761.00	\$734.62	\$4,761.00	\$0.00	0.00

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

299 - COMMUNICATIONS		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-299-5114	SALARIES & WAGES PERM F/T	\$301,547.27	\$367,235.09	\$385,331.00	\$212,646.05	\$434,856.00	\$49,525.00	12.85
01-299-5120	SALARIES & WAGES PERM P/T	\$103,937.23	\$47,362.11	\$42,821.00	\$33,684.08	\$44,301.00	\$1,480.00	3.45
01-299-5130	OVERTIME	\$91,359.93	\$97,352.29	\$106,262.00	\$62,473.99	\$114,848.00	\$8,586.00	8.08
01-299-5141	SHIFT DIFFERENTIALS	\$31,981.21	\$24,113.91	\$34,577.00	\$13,454.32	\$39,582.00	\$5,005.00	14.47
01-299-5148	STIPENDS	\$0.00	\$0.00	\$16,000.00	\$0.00	\$0.00	\$-16,000.00	-100.00
PERSONNEL SUB-TOTAL:		\$528,825.64	\$536,063.40	\$584,991.00	\$322,258.44	\$633,587.00	\$48,596.00	8.30
01-299-5270	OFFICE EQUIPMENT RENTAL/LEASE	\$10,767.44	\$15,246.61	\$11,136.00	\$11,799.95	\$11,650.00	\$514.00	4.61
01-299-5271	EQUIPMENT MAINTENANCE	\$26,970.53	\$36,422.55	\$42,542.00	\$17,203.37	\$43,342.00	\$800.00	1.88
01-299-5317	EMPLOYEE TRAINING	\$1,943.00	\$1,106.00	\$2,000.00	\$129.00	\$2,000.00	\$0.00	0.00
01-299-5345	POSTAGE & MAIL PERMITS	\$0.00	\$0.00	\$100.00	\$0.00	\$100.00	\$0.00	0.00
01-299-5420	OFFICE SUPPLIES	\$10,196.32	\$6,668.90	\$5,300.00	\$2,608.17	\$5,500.00	\$200.00	3.77
01-299-5585	UNIFORMS	\$4,464.39	\$2,267.84	\$2,550.00	\$1,791.69	\$2,600.00	\$50.00	1.96
01-299-5710	MILEAGE REIMBURSEMENT	\$92.93	\$175.06	\$200.00	\$18.51	\$200.00	\$0.00	0.00
01-299-5860	EQUIPMENT PURCHASE	\$0.00	\$2,323.73	\$3,000.00	\$0.00	\$3,000.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$54,434.61	\$64,210.69	\$66,828.00	\$33,550.69	\$68,392.00	\$1,564.00	2.34
299 COMMUNICATIONS SUB-TOTAL:		\$583,260.25	\$600,274.09	\$651,819.00	\$355,809.13	\$701,979.00	\$50,160.00	7.69





FIRE DEPARTMENT



"Hanover, Honoring Yesterday As We Build For Tomorrow"

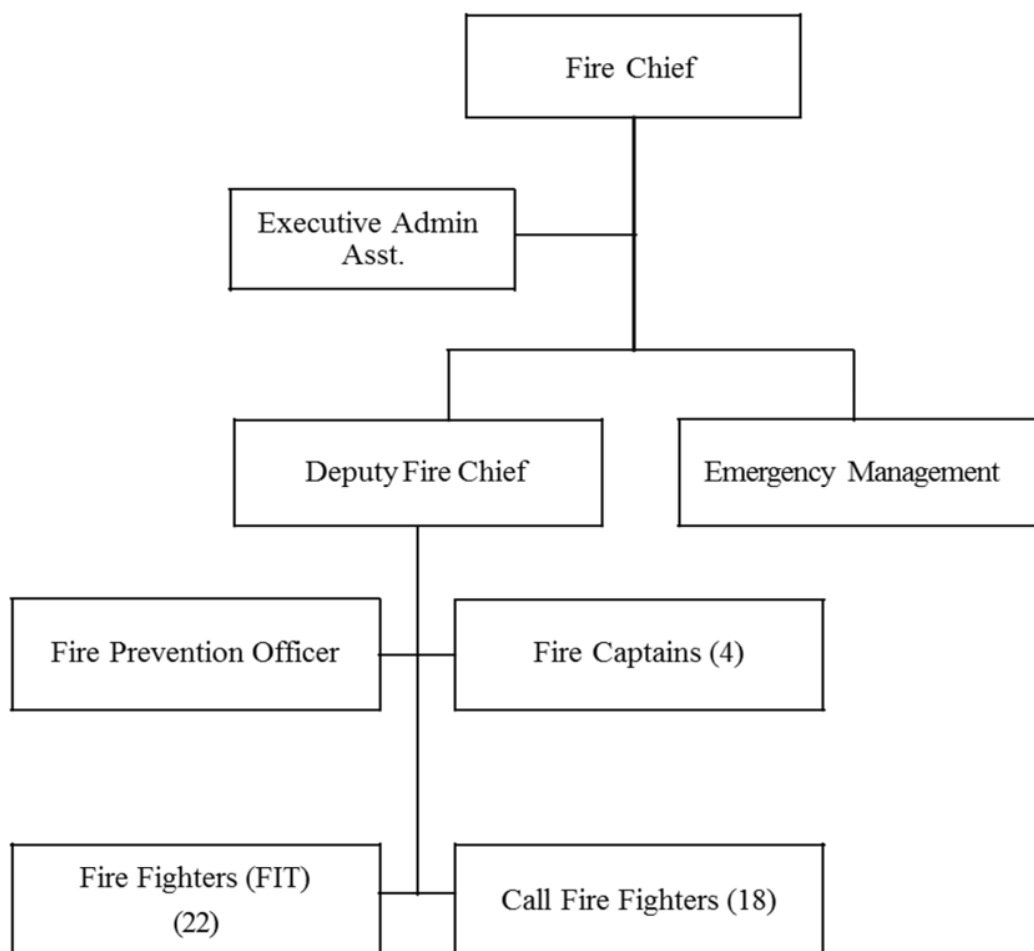


Fire Department

Fire Department Mission

The Fire Department of the Town of Hanover is charged with the protection of life, property, and the natural environment. To this end, its responsibilities include the prevention, suppression, and investigation of fires, the provision of Emergency Medical Services, public assistance in the event of natural, accidental, or intentional disasters, and the enforcement of all codes and regulations pertaining thereto. The Department is committed to the provision of these and other public services to all persons within the Town's corporate limits in the most compassionate and professional manner possible.

Organizational Chart





Fire Department

Goals and Objectives

- Aggressively pursue grant opportunities to help defray the cost of equipping and staffing the department.
- Identify ways for the Fire Department to improve service delivery by increasing the percentage of calls that meet the national response time standard of six minutes or less.
- Continue working to develop plans for consolidating Station 3, located in West Hanover, with Fire Headquarters to improve the efficiency of the Department's callback system.
- Continue to develop and create training opportunities that foster multi-agency cooperation and participation.

Accomplishments

- Developed specifications for and ordered a new aerial tower to replace the Town's 1989 aerial apparatus. The cost of the new aerial tower was reduced greatly by a Federal Aid to Firefighters Grant in the amount of \$932,381. The new truck was placed in service during December of 2017
- Awarded a Federal Staffing for Adequate Fire and Emergency Response (SAFER) grant in the amount of \$712,427. These funds will be applied over a period of four fiscal years (2018 – 2021) to defray the cost of hiring 4 additional firefighters.
- Acquired new software to creating electronic patient care reports for ambulance calls. The new software allows paramedics to complete reports faster reducing hospital turnaround times. This translates into our ambulances being available for the next call sooner. Improved turnaround times reduces the departments reliance on mutual aid, improves response times and reduces the need for callback (overtime). The new software also allows the department to use less expensive tablets in place of laptop computers.
- Obtained a new software to organize and manage the Department's Operational Policies and Procedures. The new program allows existing policies to be easily updated and new policies to be created. Department members are now able to reference policies and procedures in the field, enhancing safety and compliance.
- Prioritized training and numerous training opportunities for members through funding provided by the Public Safety Training account.
- The Hanover Emergency Management Agency continued to strengthen its ability to open and adequately staff the Town's emergency shelter.

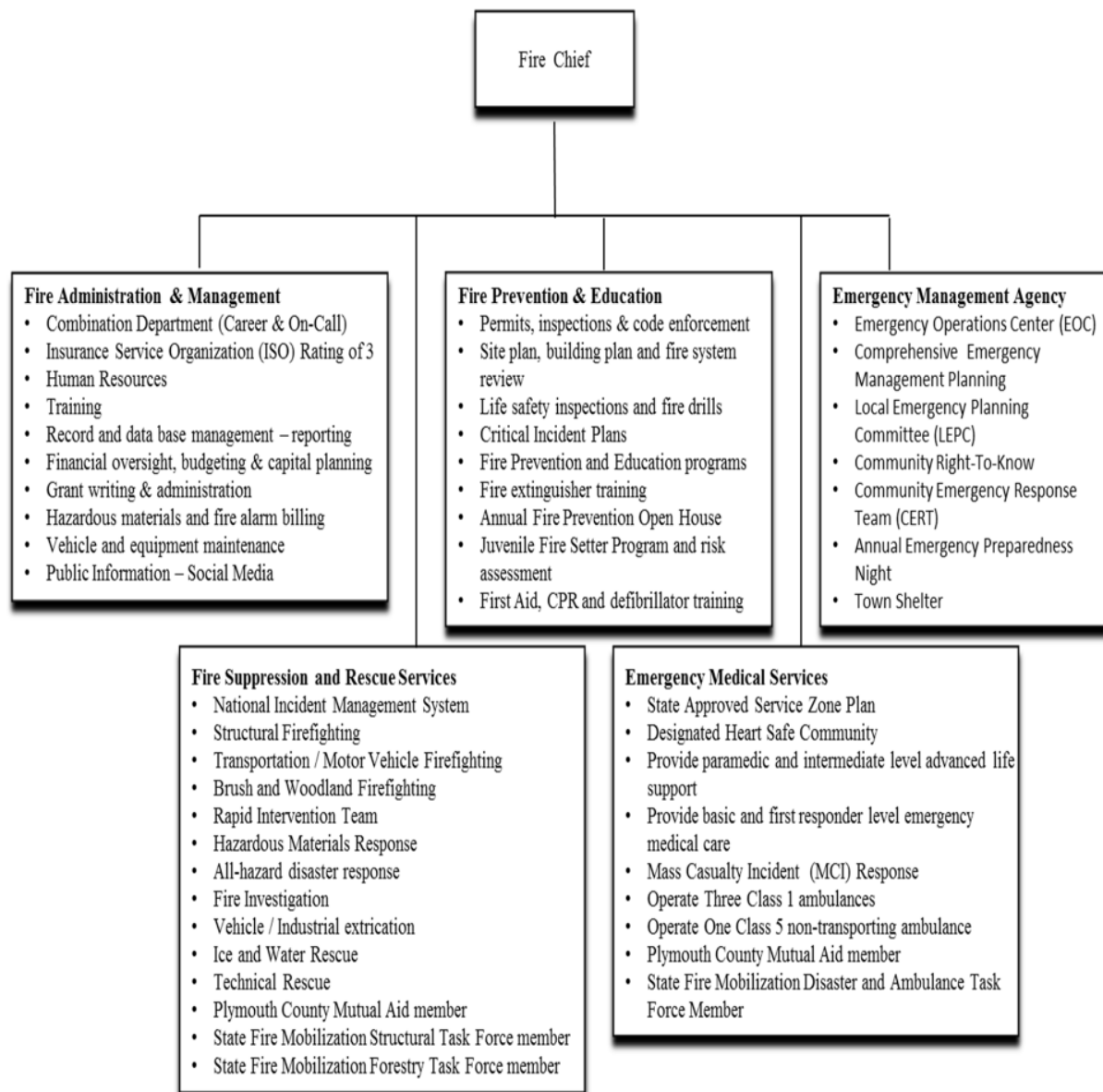


Fire Department

Significant Budget Changes or Initiatives

- Four new firefighters hired with assistance from a Federal SAFER Grant.

Programs and Services

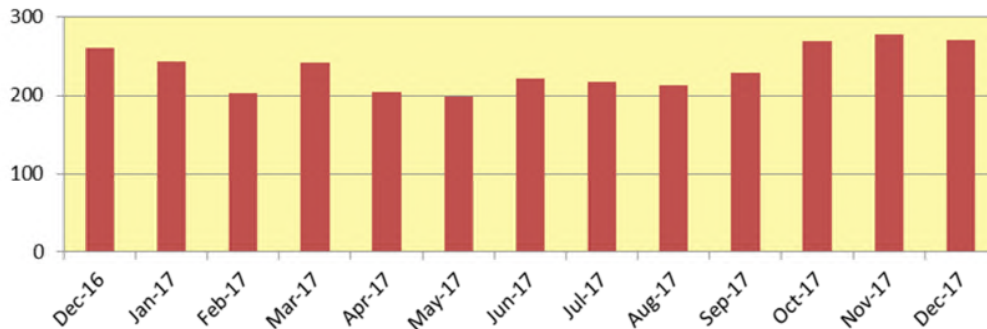




Fire Department

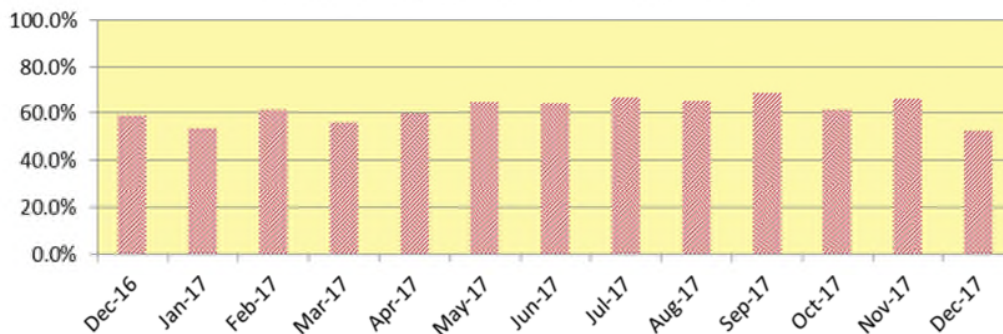
Performance Measures

Emergency Calls Answered



The Fire Department responded to 2790 emergency calls between Jan 1 and Dec 31, 2017. Over the past few years 60% of the emergency calls have been medical related and 40% of calls have been fire related. This past year was no exception. During 2017 the split was 59.8% medical related and 40.2% fire related. Fire related calls include all types of fires, false alarms, hazardous material releases, and other non-medical related emergencies. Weather extremes can generate hundreds of additional calls over the course of a year. We did not see a spike in calls due to weather related issues during 2017.

% Calls Responded - Under 6 Minutes



The time is measured from when the 911 phone is answered at the Emergency Communications Center until the first fire department unit arrives on scene. In 2005 the Fire Department reached 86% of in Town emergencies in 6 minutes or less. By 2010 the number had dropped to 65%. During 2017 the Department reached 62.0% of in-town emergency calls in fewer than 6 minutes. The addition of four new firefighters, funded in part through the Adequate Fire & Emergency Response (SAFER) Grant, will increase the Department's around the clock staffing to 6. Once the new members are trained and are working their shifts (Fall of 2018) we expect to see a slight increase in the percentage of calls reached in less than 6 minutes. The greatest reduction in response times will be achieved once a new substation is constructed in North Hanover. This is because most of that area cannot be reached from Fire Headquarters in less than 6 minutes.



Fire Department

Personnel Summary

FIRE DEPARTMENT				
Personnel Summary				
Position	FY2017 FTE	FY2018 FTE	FY2019 FTE	Change
Fire Chief	1.00	1.00	1.00	-
Deputy Fire Chief	1.00	1.00	1.00	-
Captains/EMT	5.00	5.00	5.00	-
Firefighters/EMT	18.00	18.00	22.00	4.00
Executive Assistant	1.00	1.00	1.00	-
Call Firefighters	1.00	1.00	1.00	-
Total Full-time Equivalents	27.00	27.00	31.00	4.00

Personnel Notes

The FTEs in this department are made up of the Chief, Deputy Chief, career firefighters, call firefighters and an executive assistant. The career firefighters work a 42-hour week and are all full-time positions. There are 20 on-call firefighters who work as needed. These are non-benefit eligible positions and are represented collectively above as a single FTE. The executive assistant works a 35-hour work week.

The budget includes the addition of four new firefighters utilizing the SAFER grant that was awarded to the Fire Department. The addition of these firefighters allows for additional staffing during peak call volume and fills a vacancy in shifts to minimize overtime usage.

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

220 - FIRE								
Account Number	Account Description	FY2016 Expended	FY2017 Expended	FY2018 Budget	FY2018 Expended	FY2019 Town Manager Rec	\$ Change	% Change
01-220-5110	FIRE APPOINTED SALARY	\$233,541.39	\$261,247.95	\$257,717.00	\$137,199.62	\$275,921.00	\$18,204.00	7.06
01-220-5113	SALARIES-CLERICAL	\$48,310.35	\$50,535.71	\$50,334.00	\$27,379.13	\$51,341.00	\$1,007.00	2.00
01-220-5114	SALARIES & WAGES PERM FULL TIME	\$1,503,812.48	\$1,540,053.14	\$1,670,216.00	\$847,048.78	\$1,851,594.00	\$181,378.00	10.85
01-220-5120	SUPPRESSION OF FIRES PAYROLL	\$33,909.00	\$37,743.66	\$54,372.00	\$13,769.89	\$54,372.00	\$0.00	0.00
01-220-5121	WAGES-TEMPORARY EMPLOYEES	\$0.00	\$92.70	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-220-5130	OVERTIME	\$459,890.24	\$569,170.57	\$450,000.00	\$197,920.47	\$434,813.00	\$-15,187.00	-3.37
01-220-5132	COURT TIME	\$1,572.15	\$585.00	\$1,767.00	\$0.00	\$1,736.00	\$-31.00	-1.75
01-220-5135	FIRE INVESTIGATIONS	\$211.54	\$0.00	\$1,662.00	\$0.00	\$1,707.00	\$45.00	2.70
01-220-5142	HOLIDAY PAY	\$81,040.56	\$82,201.36	\$89,346.00	\$40,442.52	\$120,121.00	\$30,775.00	34.44
01-220-5143	EDUCATIONAL PAY	\$43,369.95	\$37,443.05	\$64,245.00	\$32,043.04	\$74,373.00	\$10,128.00	15.76
01-220-5147	VACATION BUYOUT	\$12,214.51	\$2,473.60	\$5,046.00	\$0.00	\$5,582.00	\$536.00	10.62
01-220-5149	OTHER PAY(TRAINING)	\$39,679.13	\$37,814.54	\$80,280.00	\$17,983.25	\$80,354.00	\$74.00	0.09
PERSONNEL SUB-TOTAL:		\$2,457,551.30	\$2,619,361.28	\$2,724,985.00	\$1,313,786.70	\$2,951,914.00	\$226,929.00	8.32
01-220-5230	MAINTENANCE-BLDG & GROUNDS	\$744.36	\$1,746.68	\$1,800.00	\$762.50	\$1,800.00	\$0.00	0.00
01-220-5240	VEHICLE MAINTENANCE	\$58,505.30	\$40,005.28	\$36,365.00	\$24,466.02	\$39,865.00	\$3,500.00	9.62
01-220-5250	EQUIPMENT MAINTENANCE	\$8,500.83	\$12,937.39	\$10,600.00	\$7,881.85	\$10,600.00	\$0.00	0.00
01-220-5256	REPAIR/MAINT AMBULANCE	\$5,992.60	\$7,502.00	\$14,771.00	\$0.00	\$9,121.00	\$-5,650.00	-38.25
01-220-5265	SOFTWARE MAINTENANCE	\$14,763.15	\$17,375.60	\$16,255.00	\$20,107.54	\$26,355.00	\$10,100.00	62.13
01-220-5270	EQUIPMENT RENTALS/LEASES	\$2,029.04	\$82.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-220-5304	AMBULANCE BILLING SERVICES	\$17,638.00	\$16,400.50	\$40,000.00	\$6,855.00	\$20,000.00	\$-20,000.00	-50.00
01-220-5317	EMPLOYEE TRAINING	\$16,246.95	\$17,967.79	\$18,100.00	\$4,768.93	\$18,100.00	\$0.00	0.00
01-220-5316	ASSESSMENT CENTER	\$7,803.18	\$2,931.62	\$4,388.00	\$2,000.00	\$6,400.00	\$2,012.00	45.85
01-220-5319	OTHER CONTRACTED SERVICE	\$7,075.82	\$8,374.44	\$8,400.00	\$4,672.82	\$8,400.00	\$0.00	0.00
01-220-5345	POSTAGE & MAIL PERMITS	\$288.02	\$296.25	\$440.00	\$122.82	\$440.00	\$0.00	0.00
01-220-5420	OFFICE SUPPLIES	\$6,214.88	\$5,528.94	\$3,000.00	\$4,384.32	\$3,000.00	\$0.00	0.00
01-220-5505	AMBULANCE SUPPLIES	\$18,114.76	\$24,743.20	\$22,100.00	\$17,151.23	\$27,600.00	\$5,500.00	24.88
01-220-5520	PUBLIC SAFETY SUPPLIES	\$2,868.01	\$756.31	\$5,650.00	\$1,322.99	\$5,650.00	\$0.00	0.00
01-220-5540	FIRE SAFETY EDUCATION MATERIALS	\$0.00	\$0.00	\$500.00	\$14.00	\$500.00	\$0.00	0.00
01-220-5585	UNIFORMS	\$42,736.12	\$63,343.15	\$57,450.00	\$16,902.47	\$72,225.00	\$14,775.00	25.71
01-220-5594	IT EXPENSES	\$1,806.74	\$90.89	\$2,000.00	\$0.00	\$2,000.00	\$0.00	0.00

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

220 - FIRE								
Account Number	Account Description	FY2016 Expended	FY2017 Expended	FY2018 Budget	FY2018 Expended	FY2019 Town Manager Rec	\$ Change	% Change
01-220-5710	MILEAGE REIMBURSEMENT	\$0.00	\$233.00	\$200.00	\$35.00	\$200.00	\$0.00	0.00
01-220-5720	REGISTRATION FEES	\$1,700.00	\$1,700.00	\$1,800.00	\$500.00	\$2,400.00	\$600.00	33.33
01-220-5730	DUES	\$3,865.35	\$3,005.96	\$3,635.00	\$2,014.00	\$3,835.00	\$200.00	5.50
01-220-5860	EQUIPMENT PURCHASE	\$400.00	\$0.00	\$600.00	\$0.00	\$600.00	\$0.00	0.00
01-220-5862	OFFICE EQUIPMENT	\$1,603.02	\$829.98	\$4,500.00	\$0.00	\$4,500.00	\$0.00	0.00
01-220-5867	PUBLIC SAFETY EQUIPMENT	\$2,325.49	\$5,607.77	\$10,200.00	\$6,720.46	\$7,200.00	\$-3,000.00	-29.41
01-220-5872	AMBULANCE EQUIPMENT	\$1,797.31	\$3,265.68	\$3,000.00	\$88.89	\$3,000.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$223,018.93	\$234,724.43	\$265,754.00	\$120,770.84	\$273,791.00	\$8,037.00	3.02
220 FIRE SUB-TOTAL:		\$2,680,570.23	\$2,854,085.71	\$2,990,739.00	\$1,434,557.54	\$3,225,705.00	\$234,966.00	7.85

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

291 - EMERGENCY MANAGEMENT		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-291-5590	MATERIALS & SUPPLIES	\$4,957.38	\$7,804.00	\$2,500.00	\$1,197.00	\$3,000.00	\$500.00	20.00
01-291-5860	EQUIPMENT PURCHASE	\$0.00	\$0.00	\$2,500.00	\$0.00	\$0.00	\$-2,500.00	-100.00
EXPENSES SUB-TOTAL:		\$4,957.38	\$7,804.00	\$5,000.00	\$1,197.00	\$3,000.00	\$-2,000.00	-40.00
291 EMERGENCY MANAGEMENT		\$4,957.38	\$7,804.00	\$5,000.00	\$1,197.00	\$3,000.00	\$-2,000.00	-40.00



PUBLIC EDUCATION



"Hanover, Honoring Yesterday As We Build For Tomorrow"

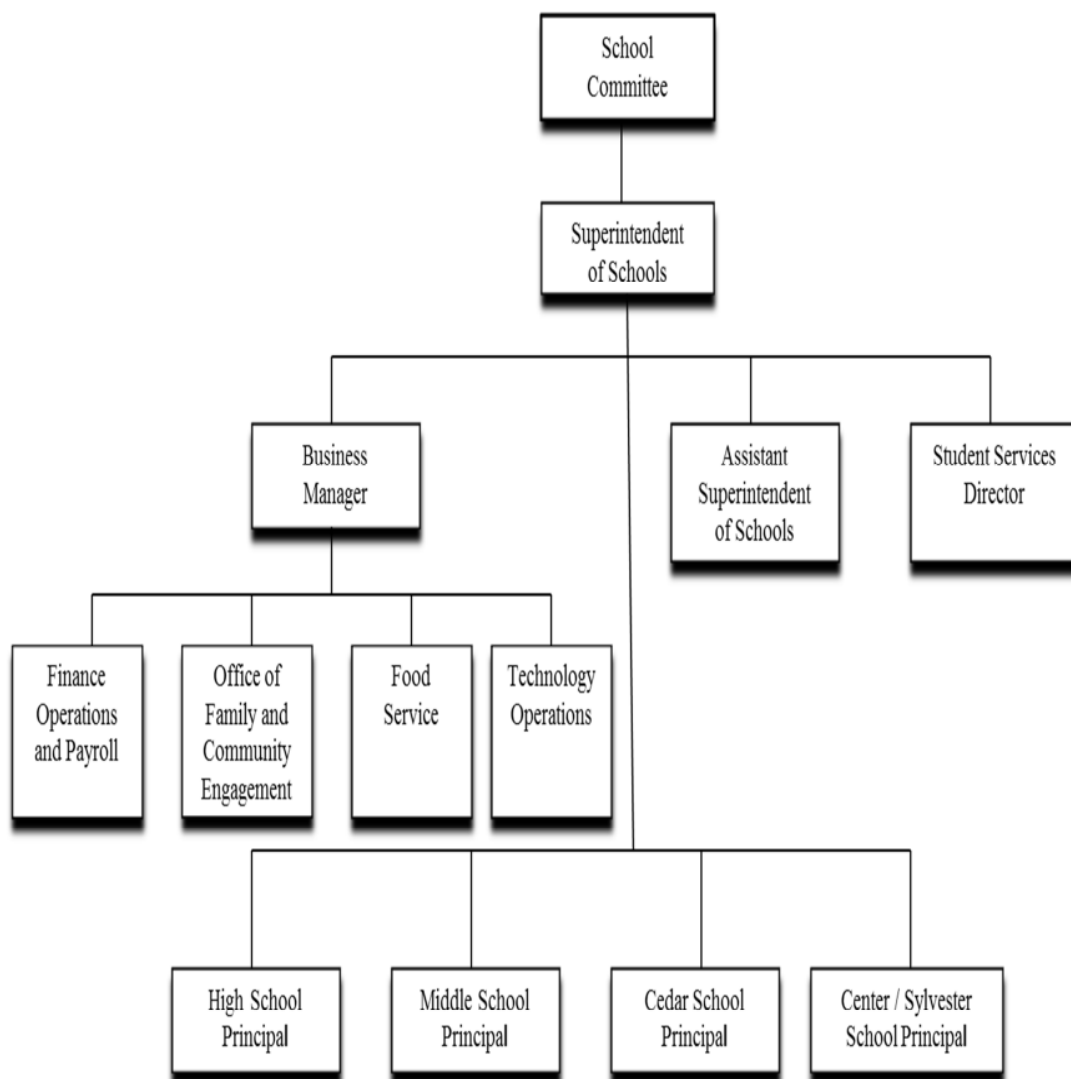


Public Education

Hanover Public Schools Mission

The mission of the Hanover Public Schools is to guide each and every student to thrive in a global society.

Organizational Chart





Public Education

Hanover K-12 Public Schools

The Hanover School Committee consists of five (5) members elected by the voters of the Town of Hanover. The Hanover Public School system serves children in grades Pre-K through Grade 12. There are three elementary schools: the Cedar School, the Center School and the Sylvester School. The Cedar School serves children from pre-school and Kindergarten (part and full time), through Grade 4. The Center School serves children from Kindergarten (part and full time), through Grade 2. The Sylvester School serves children in Grades 3 and 4. There is also the Hanover Middle School, which serves Grade 5 through Grade 8 and the Hanover High School, grades 9-12.

As of October 1, 2017, a total of 2,610 students attend the Hanover schools

School	Grades	Enrollment
Cedar School	PreK - 4	414
Center School	K - 2	335
Sylvester School	3 - 4	229
Hanover Middle School	5 - 8	831
Hanover High School	9 - 12	801
Total		2,610

In FY2019, the Town Manager recommended budget for Hanover Public Schools is an increase of \$825,000 or 3% from \$27,165,115 to \$27,990,115. For detailed information regarding the Town of Hanover Public School budget, please see the Superintendent's FY2019 budget. This can be found on the Hanover Public Schools website www.hanoverschools.org.

Goals and Objectives

- Continue to develop and implement a multi-year strategy for technology integration to enhance teaching and learning and provide for advanced planning and budgeting.
- To redesign educational experiences at Hanover High School and enhance curriculum to capitalize on teacher expertise and provide greater student choice. This year, we will further out pursuit and development of innovation academies. Focusing on curriculum design and course selection to personalize the high school experience for all students, we will work with the faculty at the high school to design effective and rigorous standards-based units of instruction that reflect high expectations regarding content and effort of work.
- Sustain sufficient funding to support educational initiatives and community engagement while maintaining competitive salaries and employee benefits to recruit and retain talented and experienced staff at all levels.
- Develop a comprehensive Program of Studies for Hanover Middle School, to identify opportunities for alignment with the Innovation Academy design at HHS, and to explore opportunities for personalized learning at HMS.



Public Education

Accomplishments

- We've worked to develop and implement a strategy for community outreach regarding the impact of social media, media addiction, and overall "screen time" that will address the psychological, emotional, and physiological challenges related to these issues. Calling our campaign, "Choose Presence" many activities have been accomplished in the 2017-2018 school year. We held an evening presentation of "Screenagers" and showed the film to all students grades 6-12 during school hours to emphasize the importance of the Choose Presence Campaign. We developed and implemented a "SMART" presentation for student athletes, coaches, and parents to inform students on the impact social media may have on college athletics and college admissions.
- Continued successful consolidation of School and Town Payroll Functions to provide for more efficient and cost effective service for all town employees.
- Successful integration of the school and town technology departments into one townwide technology department under the supervision of the School Department. The new structure has allowed for seamless technology support and integration townwide.
- Consistent two-way communication with families and community members regarding district news, events, and accomplishments.

South Shore Vocational Technical High School

South Shore Vocational Technical High School serves the surrounding towns of Abington, Cohasset, Hanover, Hanson, Norwell, Rockland, Scituate, and Whitman. The technical high school is dedicated to providing students with personal, technical, academic and life skills. Teachers and staff members pride themselves to take extra care to instill and help develop the technical skills in students that guide them to make well-considered informed choices about careers, further education and training.

As of January 1, 2018, Hanover had total of 44 students attending the school.

Grades	Enrollment
9	12
10	12
11	9
12	11
Total	44

For more information regarding the South Shore Vocational High School budget, initiatives and goals, please see the South Shore Vocational High School Superintendent's FY2019 budget on the school website www.ssvotech.org.



Public Education

Norfolk County Agricultural High School

Norfolk County Agricultural High School (NCAHS) is a public high school that offers academic and vocational training to 489 students from the 27 towns and one city of Norfolk County and more than 40 out of county (tuition) towns. The school is situated on 365 acres in Walpole, a suburb of Boston, and offers specialty training to students who are interested in pursuing careers in Animal and Marine Science (veterinarian science, canine grooming and obedience, marine science, dairy and livestock management, research animal technology and equine studies), Plant and Environmental Science (floral design, urban forestry, landscaping, horticulture and natural resources), and Diesel and Mechanical Technology (diesel and heavy equipment operation and repair, construction, carpentry, welding and small engine repair). The school is one of four such schools in Massachusetts charged with promoting agriscience and agribusiness opportunities.

As of January 1, 2018, Hanover had total of 1 student attending the school. The FY '18 tuition was \$22,149 per student.

Grades	Enrollment
9	0
10	0
11	0
12	1
Total	1

For more information regarding the Norfolk County Agricultural High School budget, initiatives and goals, please see the Norfolk County Agricultural High School website www.norfolkaggie.org.

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

300 - HANOVER PUBLIC SCHOOLS		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-300-5000	HANOVER SCHOOLS	\$0.00	\$0.00	\$0.00	\$0.00	\$28,082,846.00	\$28,082,846.00	100.00
EXPENSES SUB-TOTAL:		\$0.00	\$0.00	\$0.00	\$0.00	\$28,082,846.00	\$28,082,846.00	100.00
300 HANOVER PUBLIC SCHOOLS		\$0.00	\$0.00	\$0.00	\$0.00	\$28,082,846.00	\$28,082,846.00	100.00

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

390 - SOUTH SHORE VOCATIONAL		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-390-5690	SOUTH SHORE REGIONAL ASSESSMEN	\$741,712.00	\$725,406.00	\$797,804.00	\$397,420.67	\$797,804.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$741,712.00	\$725,406.00	\$797,804.00	\$397,420.67	\$797,804.00	\$0.00	0.00
390 SOUTH SHORE VOCATIONAL		\$741,712.00	\$725,406.00	\$797,804.00	\$397,420.67	\$797,804.00	\$0.00	0.00



FACILITIES DEPARTMENT



"Hanover, Honoring Yesterday As We Build For Tomorrow"

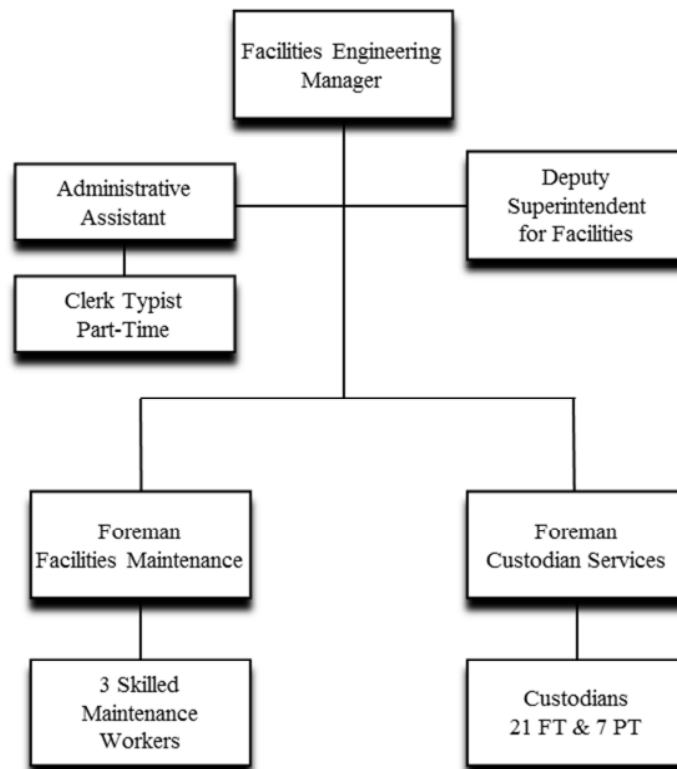


Facilities Department

Facilities Department Mission

To maintain the buildings of the town and the equipment therein at a high level of appearance and condition while extending each to its optimal life cycle design. At the same time, provide professional, cordial and trustworthy custodial and support services to the students and staff in every school, the staffs in municipal buildings, and the visiting public, while supplying sanitary and comfortable building conditions for education and work. Other services include maintenance of all school grounds and preparation of school ball fields for school and town sports, as well as snow and ice control. We constantly pursue energy savings, operating new Building Management Systems to control HVAC, obtaining economical third party contracts for electricity and natural gas, and annually replacing inefficient HVAC and lighting systems with high efficiency equipment funded through the state's Green Communities grants.

Organizational Chart





Facilities Department

Goals and Objectives

- Provide input and oversight to the Center School addition/renovation project. Assure effective commissioning of all systems upon turnover, incorporate effective operation of new building systems, and institute effective custodial operations for the renovated school.
- Complete the effort to finish capital projects funded prior to FY18.
- Streamline the Preventive Maintenance program by improving scheduling and management.
- Continue Green Communities program seeking an additional \$200,000+ in grants for energy saving measures.

Accomplishments

MAINTENANCE

Throughout the year the Maintenance Division staff, consisting of one Foreman and three Skilled Maintenance Workers, skillfully performed a myriad of maintenance activities throughout our schools and municipal buildings. They routinely cleared (and cleaned up) backed up waste drains, serviced HVAC and plumbing systems, repaired door hardware, fixed roof leaks, painted classrooms and town offices, ran cabling for the IT department, mowed and maintained school grounds and school ballfields, plowed snow and sanded lots, to name just a few. At times, they performed special projects, such as building and installing large sound absorbing panels to line the walls of the Sylvester School Gym to reduce noise for the Score program and provided support services for the Center School addition project.

CUSTODIAL

The Custodial Division staff, consisting of one Foreman, 21 full time custodians and several part time custodians, continued to exemplify the department's motto of *Facilities Pride*, maintaining the appearance and sanitary conditions of our schools and municipal buildings. They began in the summer with a thorough cleaning of all rooms in schools, removing most furniture to clean carpets and "wax" floors, and then performed daily cleaning of every room during the rest of the year, while providing on-call support services to their building communities every day.

In its ongoing effort to combat the spread of illness in schools and town buildings, the department invested in a Chlorox disinfection machine which uses an ionizing technology to disperse a fog of disinfectant that quickly coats large surface areas with disinfectant in seconds. All custodians have been trained in use of the machine and, at the first sign of an illness outbreak or at the request of a principal or building manager, custodians disinfect entire classrooms or offices in minutes. Should a large outbreak occur, the custodial team can disinfect an entire building in a few hours.

In a further effort to prevent the spread of germs, the department also installed wall dispensers, dispersing Purell foam hand sanitizer, in common areas in all schools.

CAPITAL PROJECTS

Largely through the project management and facilities expertise of the Department's new Deputy Superintendent and the restructuring of the Deputy's responsibilities to focus on projects, the Department accomplished the following:

1. Middle School Floor Tile: During the 2017 summer, we completed work funded by ATM 2012 article 13. (ATM 2016 had reduced the original \$490,000 appropriation to \$302,000). Due to the short window of the school summer vacation, the project had been split into 2 projects performed during 2 summers. Phase 1 had been completed during summer 2015 and phase 2 during summer 2017. The work was primarily focused on the first floor to address the problem of vapor pressure beneath the concrete floor slab causing black adhesive to seep up between the seams in the floor tile. The second purpose was to replace the asbestos floor tile in the school with



Facilities Department

vinyl composition tile (VCT). Each phase entailed abating the asbestos floor tile, sealing the concrete floor slab, and installing new VCT, as well as abating/replacing other discrete areas of worn asbestos tile elsewhere in the school. Credit goes to the custodians who moved all of the furniture (instead of hiring a mover) and for “waxing” the new floors in the short time window available at the end of the project before the start of school.

2. Kitchen Improvements in Middle and Cedar Schools (ATM 2017 article 25, \$64,000): In the Middle School a new stainless steel serving line was installed to replace the existing deteriorated serving line. In Cedar School, the walk-in Refrigerator and Freezer unit was gutted and then upgraded with new insulation, flooring, interior siding and other miscellaneous components.

3. High School Storage Room (ATM 2017 article 24, \$27,000): Completed at the end of 2017, the purpose of this project was to utilize the large enclosed void space beneath the sloped seating of the High School auditorium to create a storage room for the school’s drama programs and other activities. Hiring several different contractors, the Facilities Department installed a new double door into the space, then relocated an imposing drain pipe, installed lighting, extended the fire sprinkler system into the space, and sealed the concrete floor slab.

4. Town Hall and Middle School Door Hardware Upgrades (funding: ATM 2015 article 34, \$70,000): This work was separated into 2 projects, Town Hall having been completed in 2016 and the Middle School completed in 2017. Each entailed replacing old door lock systems with new door hardware, while implementing a keyway master design that had been set up for all town buildings. The upgrade at Middle School also implemented a design for classroom doors permitting locking of the doors from the inside without requiring teachers to insert a key on the corridor side to lock the door, as had been the case.

5. Town Hall Security Systems (funding ATM 2015 article 31, \$35,000): Completed in 2017, this work involved installation of a network of security cameras plus a new burglar alarm system where previously there had been no security system in the building. The new camera system is monitored at the police department ECC. To reduce the Town’s cost for the project, we obtained a grant of \$10,000 from our insurance company (MIAA). We also received support from the South Shore Votech which provided students from their electrician program to install all of the cabling for the cameras, thus reducing the contractor’s bid price.

6. Town Hall Fire Alarm Upgrade (ATM 2014 article 53, \$18,000): Completed in 2017, the outdated fire alarm panel and other system devices were replaced with a new system, including an addressable fire alarm panel that informs the monitoring company of the location in the building of the sensor that reports the alarm so that the fire department is more informed on arrival.

7. John Curtis Library Curtain Wall Re-Sealing (ATM 2015 article 33, \$30,000): Correcting a problem that had existed almost since the Library’s new addition was completed, our contractor removed the caulking in the window curtain wall system on the rear elevation of the Library and installed new caulking to stop the seepage of rain water through the window system. Repairs to water damaged areas inside the Library will be performed early in 2018.

8. Town Hall Restoration (ATM 2015, article 41, \$1,085,000): Management of this project was performed under the purview of the Town Manager, the Director of Community Services and the Town Planner, along with the invaluable assistance of a consulting group of residents expert in this field. With a focus on historic preservation, the project restored the exterior of the historic 1863 front section of the Town Hall, including reconstruction of the cupola (dislodged during heavy weather in 2015), and upgrading the cupola’s structural support below in the attic. The project also included new insulation, exterior siding and windows, reconstruction of the front portico, and replacement of deteriorated wood trim and other wood features in various locations.

ENERGY CONSERVATION

In our ongoing effort to minimize our cost of utilities, the Town Manager and Facilities Department working together accomplished the following:

1. Electricity Rates: Working with a national utilities broker, the Department obtained a fixed price contract for electricity with Direct Energy, locking our electricity supply price for all schools and town buildings at a highly



Facilities Department

competitive rate for the next 4 years.

2. Off-Site Solar Photovoltaic Electricity: During this year, we participated in several large-scale solar projects being constructed in the southeastern Massachusetts (SEMAS) region which, through the net-metering program, will result in discounts of 15 to 22% off our electricity supply cost for approximately 1.5 million kWh of our electricity consumption. Each of these solar developments are projected to come on-line during CY2018, ultimately resulting in the application of cash credits appearing on many of our monthly utility invoices.

3. Green Communities: Again this year we obtained a sizeable grant (\$226,772) from the Commonwealth's Green Communities Program (DOER) which, combined with an additional \$45,266 in cash incentives from the utility companies, funded 6 energy conservation measures (ECMs) projected to achieve an estimated annual savings of at least \$31,000 in our budget for electricity and natural gas, through reductions in our annual electricity consumption by 180,000 kWh and our natural gas usage by 3,500 therms. These ECMs consisted of the following: replacement of fluorescent light fixtures with new LED light fixtures throughout the Police Station and Fire Headquarters, as well as in the Middle School Cafeteria, Kitchen and Lobby; installation of new storm windows throughout Salmond School; phase one of an HVAC retro-commissioning project at the Middle School; and installation of an energy analytics program and new building management system (BMS) for the High School's HVAC system. The grant also appropriated approximately \$10,000 to the Town to reimburse the Department for its staff time to manage the program.

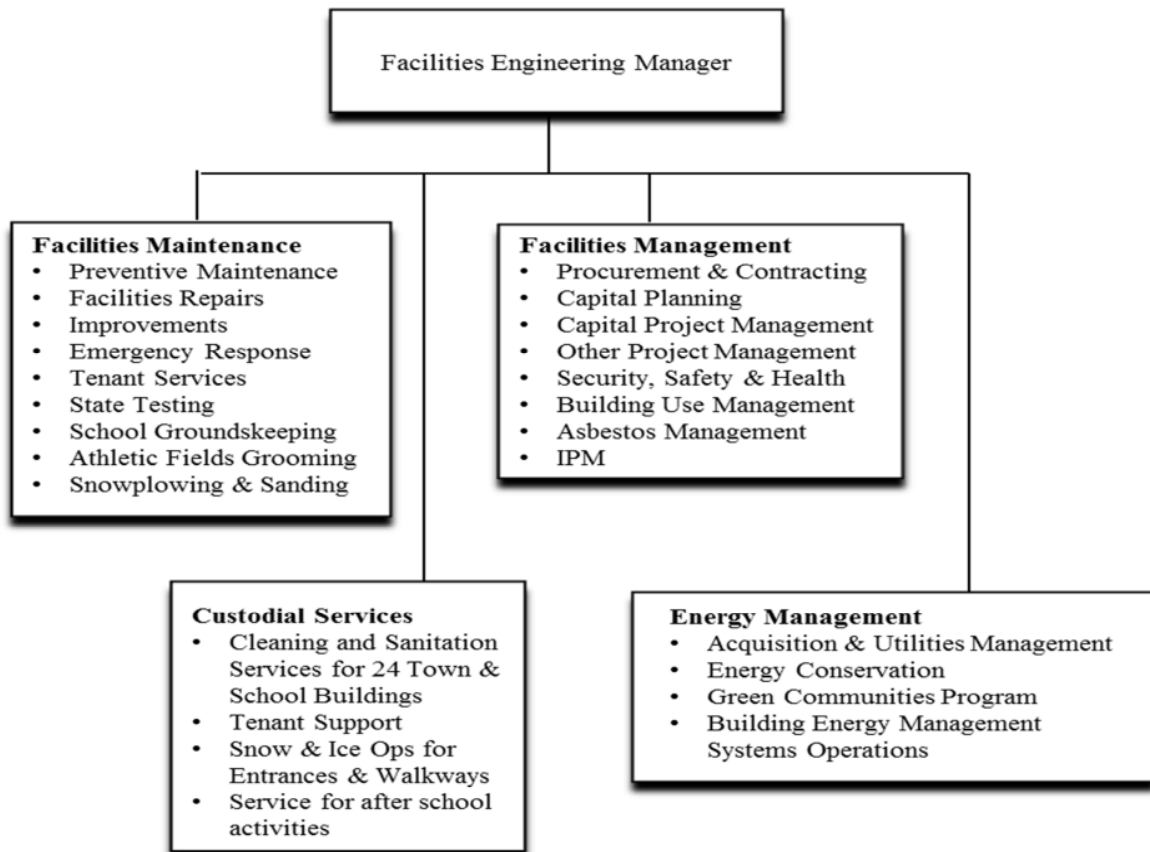
Significant Budget Changes or Initiatives

- A. Improvements in energy conservation, primarily resulting from Green Communities projects and participation in regional solar net-metering projects, resulted in a utilities budget reduction of approximately \$40,000.
- B. The sale of Fire Station 2 (207 Broadway) reduces the cost of utilities and services in Fire Department accounts.



Facilities Department

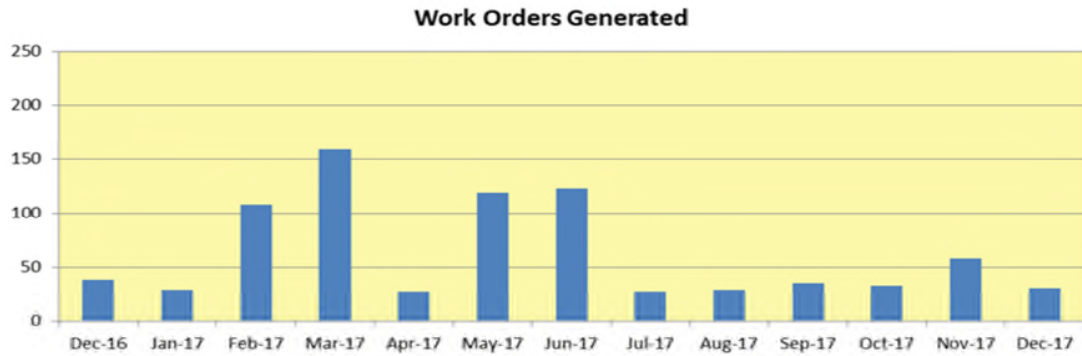
Programs and Services



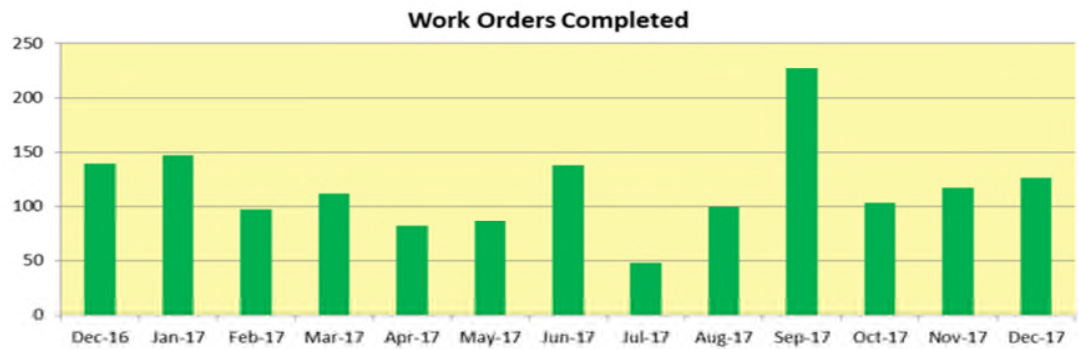
Performance Measures



Facilities Department



New work orders are corrective actions or general maintenance drivers, generated by staff requests, deficiencies detected by the department, scheduled PMs, grounds maintenance activity, and government regulations. An increase during winter generally reflects issues related to the heating season, while those in May/June reflect end of school activities and teacher requests submitted before their summer vacations.



Generally average around 100 per month. The low number in July reflects the impact of staff vacations and a tendency to perform tasks at this time that generally take more time to complete. The spike in September reflects the many shorter duration tasks typically needed once school resumes. Many work orders are an aggregation of tasks performed throughout one year, such as elevator services.



Outstanding work orders climb in June when teachers submit requests to be addressed during the vacation. During summer, the Facilities staff is often engaged in work that can only be performed during vacations, e.g. painting classrooms; so the teacher requests are often deferred to late in the summer.

Personnel Summary



Facilities Department

FACILITIES DEPARTMENT				
Personnel Summary				
Position	FY2017 FTE	FY2018 FTE	FY2019 FTE	Change
Facilities Manager	1.00	1.00	1.00	-
Deputy Superintendent - Facilities	1.00	1.00	1.00	-
Administrative Assistant	1.00	1.00	1.00	-
Temporary Assistant	0.50	0.50	0.50	-
Project Manager	0.34	0.34	0.34	-
Custodial Foreman	1.00	1.00	1.00	-
Maintenance Foreman	1.00	1.00	1.00	-
Skilled Maintenance Workers	2.00	3.00	3.00	-
Skilled Equipment Operator	1.00	-	-	-
Custodians	24.20	24.20	24.20	-
Total Full-time Equivalents	33.04	33.04	33.04	-

Personnel Notes

FTE numbers are calculated based on a 40 hour work week with the exception of the Administrative Assistant and clerical positions (35 hours/wk and 12 hours/wk respectively) and of the Project Manager position which is a shared position budgeted in thirds to the Facilities, Community Services, and Public Works Departments. Within the custodian positions tally there are 7 part-time positions (three at the JC Library (12, 9 & 9 hours/wk); one at the Senior Center (24 hours/wk), one at the Police Station (4 hours/wk on weekends), one at the High School (8 hours/wk); and one at the DPW/Pond Street WTP (15 hours/wk).

One full-time custodian position is eliminated, which was the permanent FT Substitute Custodian position established for FY18.

The budget also reflects the salary of the Animal Control Officer whose budget was transferred from the Police Department budget to the Facilities Department budget for FY18.

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

192 - PUBLIC BUILDINGS		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-192-5110	SALARIES APPOINTED OFFICIALS	\$196,713.92	\$197,724.19	\$219,282.00	\$111,499.03	\$216,200.00	\$-3,082.00	-1.40
01-192-5113	SALARIES CLERICAL	\$49,778.30	\$53,540.57	\$57,551.00	\$28,366.13	\$62,942.00	\$5,391.00	9.36
01-192-5114	SALARIES PERMANENT FULL TIME	\$277,643.80	\$271,719.34	\$287,280.00	\$148,661.24	\$301,946.00	\$14,666.00	5.10
01-192-5115-11	SALARIES CUSTODIAN - TOWN HALL	\$50,783.71	\$67,095.32	\$66,540.00	\$36,897.29	\$70,428.00	\$3,888.00	5.84
01-192-5115-21	SALARIES CUSTODIAN - POLICE	\$61,108.14	\$59,892.53	\$56,582.00	\$32,311.09	\$59,345.00	\$2,763.00	4.88
01-192-5115-32	SALARIES CUSTODIAN - CEDAR	\$153,496.62	\$159,590.84	\$155,884.00	\$87,831.29	\$171,675.00	\$15,791.00	10.12
01-192-5115-33	SALARIES CUSTODIAN - CENTER	\$152,275.37	\$152,146.90	\$156,614.00	\$83,786.16	\$170,172.00	\$13,558.00	8.65
01-192-5115-34	SALARIES CUSTODIAN - SYLVESTER	\$102,492.36	\$96,154.00	\$103,266.00	\$53,956.53	\$109,662.00	\$6,396.00	6.19
01-192-5115-35	SALARIES CUSTODIAN - MIDDLE	\$271,022.89	\$278,308.40	\$308,166.00	\$149,579.51	\$288,081.00	\$-20,085.00	-6.51
01-192-5115-36	SALARIES CUSTODIAN - HIGH SCHOOL	\$261,919.29	\$269,858.40	\$269,248.00	\$147,205.72	\$299,411.00	\$30,163.00	11.20
01-192-5115-37	SALARIES CUSTODIAN - SALMOND	\$46,315.78	\$50,345.62	\$50,613.00	\$29,132.78	\$54,184.00	\$3,571.00	7.05
01-192-5115-41	SALARIES CUSTODIAN - DPW FACILITY	\$0.00	\$109.50	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-192-5115-51	SALARIES CUSTODIAN - SR CENTER	\$30,842.61	\$32,455.13	\$56,670.00	\$16,586.63	\$33,350.00	\$-23,320.00	-41.15
01-192-5115-61	SALARIES CUSTODIAN - LIBRARY	\$33,740.57	\$34,553.62	\$38,298.00	\$18,603.25	\$41,521.00	\$3,223.00	8.41
01-192-5116	CUSTODIAL DETAILS	\$0.00	\$0.00	\$0.00	\$7,148.24	\$0.00	\$0.00	0.00
01-192-5121	PART TIME SEASONAL	\$18,439.14	\$15,829.93	\$16,000.00	\$5,043.58	\$16,000.00	\$0.00	0.00
01-192-5130	OVERTIME - MAINTENANCE	\$53,096.47	\$33,240.96	\$40,000.00	\$24,921.61	\$50,000.00	\$10,000.00	25.00
01-192-5130-11	OVERTIME - TOWN HALL	\$46.40	\$13,358.59	\$14,450.00	\$6,657.67	\$14,450.00	\$0.00	0.00
01-192-5130-21	OVERTIME - POLICE STATION	\$995.15	\$2,071.68	\$3,500.00	\$748.40	\$3,500.00	\$0.00	0.00
01-192-5130-22	OVERTIME - FIRE STATION	\$876.11	\$0.00	\$4,000.00	\$0.00	\$2,000.00	\$-2,000.00	-50.00
01-192-5130-32	OVERTIME - CEDAR	\$3,159.11	\$14,400.11	\$5,000.00	\$2,378.86	\$9,500.00	\$4,500.00	90.00
01-192-5130-33	OVERTIME - CENTER	\$5,035.86	\$4,680.79	\$10,000.00	\$2,704.73	\$10,000.00	\$0.00	0.00
01-192-5130-34	OVERTIME - SYLVESTER	\$2,489.82	\$4,819.19	\$5,000.00	\$594.23	\$2,500.00	\$-2,500.00	-50.00
01-192-5130-35	OVERTIME - MIDDLE SCHOOL	\$1,272.31	\$15,090.02	\$10,000.00	\$9,819.23	\$17,000.00	\$7,000.00	70.00
01-192-5130-36	OVERTIME - HIGH SCHOOL	\$4,101.85	\$19,660.23	\$12,000.00	\$7,950.68	\$22,000.00	\$10,000.00	83.33
01-192-5130-37	OVERTIME - SALMOND	\$621.76	\$172.38	\$2,330.00	\$1,827.66	\$3,100.00	\$770.00	33.04
01-192-5130-51	OVERTIME - SR CENTER	\$917.17	\$93.23	\$2,500.00	\$238.36	\$1,000.00	\$-1,500.00	-60.00
01-192-5130-61	OVERTIME - LIBRARY	\$476.70	\$0.00	\$1,500.00	\$0.00	\$1,000.00	\$-500.00	-33.33
PERSONNEL SUB-TOTAL:		\$1,783,147.29	\$1,846,911.47	\$1,952,274.00	\$1,014,449.90	\$2,030,967.00	\$78,693.00	4.03

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

192 - PUBLIC BUILDINGS		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-192-5211	ELECTRICITY	\$0.00	\$0.00	\$0.00	\$7.86	\$0.00	\$0.00	0.00
01-192-5211-11	ELECTRICITY - TOWN HALL	\$17,555.01	\$19,512.29	\$18,500.00	\$11,875.69	\$20,500.00	\$2,000.00	10.81
01-192-5211-21	ELECTRICITY - POLICE STATION	\$34,520.55	\$39,989.32	\$41,505.00	\$19,878.60	\$32,238.00	\$-9,267.00	-22.32
01-192-5211-22	ELECTRICITY - FIRE STATION	\$17,690.58	\$18,741.29	\$19,600.00	\$9,389.81	\$15,289.00	\$-4,311.00	-21.99
01-192-5211-23	ELECTRICITY - NEXTEL TOWER	\$0.00	\$0.00	\$1,000.00	\$0.00	\$1,000.00	\$0.00	0.00
01-192-5211-32	ELECTRICITY - CEDAR	\$53,190.05	\$55,562.38	\$59,000.00	\$18,802.84	\$59,000.00	\$0.00	0.00
01-192-5211-33	ELECTRICITY - CENTER	\$40,567.83	\$41,927.58	\$7,900.00	\$17,518.31	\$50,000.00	\$42,100.00	532.91
01-192-5211-34	ELECTRICITY - SYLVESTER	\$16,413.34	\$16,573.81	\$17,900.00	\$7,402.83	\$12,000.00	\$-5,900.00	-32.96
01-192-5211-35	ELECTRICITY - MIDDLE SCHOOL	\$109,815.23	\$112,657.06	\$110,500.00	\$42,862.19	\$101,192.00	\$-9,308.00	-8.42
01-192-5211-36	ELECTRICITY - HIGH SCHOOL	\$228,116.99	\$213,658.22	\$209,500.00	\$94,348.75	\$220,500.00	\$11,000.00	5.25
01-192-5211-37	ELECTRICITY - SALMOND	\$8,299.42	\$8,069.06	\$13,350.00	\$4,217.56	\$9,500.00	\$-3,850.00	-28.83
01-192-5211-41	ELECTRICITY - DPW FACILITY	\$8,747.23	\$8,416.73	\$10,500.00	\$2,895.77	\$10,500.00	\$0.00	0.00
01-192-5211-42	ELECTRICITY - CEMETERY GARAGE	\$1,282.18	\$1,089.93	\$1,000.00	\$419.60	\$1,000.00	\$0.00	0.00
01-192-5211-51	ELECTRICITY - SR CENTER	\$13,072.01	\$13,501.88	\$14,800.00	\$6,428.69	\$14,800.00	\$0.00	0.00
01-192-5211-61	ELECTRICITY - LIBRARY	\$27,362.33	\$27,011.71	\$27,347.00	\$12,462.60	\$22,712.00	\$-4,635.00	-16.94
01-192-5211-72	ELECTRICITY - STETSON HOUSE	\$708.11	\$963.19	\$1,000.00	\$798.35	\$1,035.00	\$35.00	3.50
01-192-5212-11	GAS - TOWN HALL	\$9,761.29	\$11,464.62	\$14,210.00	\$1,707.91	\$13,000.00	\$-1,210.00	-8.51
01-192-5212-21	GAS - POLICE STATION	\$11,231.53	\$13,565.82	\$16,200.00	\$1,868.53	\$16,000.00	\$-200.00	-1.23
01-192-5212-22	GAS - FIRE STATION	\$14,391.04	\$13,816.63	\$16,000.00	\$2,097.47	\$15,000.00	\$-1,000.00	-6.25
01-192-5212-32	GAS - CEDAR	\$46,355.74	\$44,766.38	\$60,300.00	\$5,544.32	\$57,000.00	\$-3,300.00	-5.47
01-192-5212-33	GAS - CENTER	\$42,515.42	\$41,307.40	\$47,700.00	\$4,443.59	\$55,000.00	\$7,300.00	15.30
01-192-5212-34	GAS - SYLVESTER	\$17,500.74	\$20,307.51	\$25,000.00	\$2,385.25	\$12,000.00	\$-13,000.00	-52.00
01-192-5212-35	GAS - MIDDLE SCHOOL	\$48,411.54	\$47,544.74	\$58,000.00	\$5,908.21	\$50,000.00	\$-8,000.00	-13.79
01-192-5212-36	GAS - HIGH SCHOOL	\$43,741.16	\$35,131.25	\$50,000.00	\$4,310.38	\$50,000.00	\$0.00	0.00
01-192-5212-37	GAS - SALMOND	\$15,232.17	\$15,545.55	\$22,833.00	\$1,998.65	\$17,000.00	\$-5,833.00	-25.54
01-192-5212-41	GAS - DPW FACILITY	\$3,733.63	\$4,590.57	\$10,325.00	\$877.70	\$7,000.00	\$-3,325.00	-32.20
01-192-5212-42	GAS - CEMETERY	\$1,478.94	\$1,432.64	\$2,580.00	\$190.31	\$2,400.00	\$-180.00	-6.97
01-192-5212-51	GAS - SR CENTER	\$2,970.62	\$3,139.83	\$4,420.00	\$611.96	\$3,900.00	\$-520.00	-11.76
01-192-5212-61	GAS - LIBRARY	\$8,646.19	\$9,991.46	\$14,275.00	\$1,394.29	\$12,500.00	\$-1,775.00	-12.43
01-192-5212-72	GAS - STETSON HOUSE	\$159.21	\$987.62	\$3,000.00	\$187.50	\$1,215.00	\$-1,785.00	-59.50
01-192-5230-11	BLDG MAINT - TOWN HALL	\$25,423.71	\$51,293.10	\$20,030.00	\$15,847.76	\$20,090.00	\$60.00	0.29

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

192 - PUBLIC BUILDINGS		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-192-5230-21	BLDG MAINT - POLICE STATION	\$64,344.10	\$18,143.51	\$10,010.00	\$5,684.43	\$10,010.00	\$0.00	0.00
01-192-5230-22	BLDG MAINT - FIRE STATION	\$59,922.98	\$30,976.04	\$12,380.00	\$9,193.90	\$14,860.00	\$2,480.00	20.03
01-192-5230-32	BLDG MAINT - CEDAR	\$50,919.29	\$41,537.91	\$27,240.00	\$18,552.01	\$27,240.00	\$0.00	0.00
01-192-5230-33	BLDG MAINT - CENTER	\$28,509.30	\$30,924.21	\$26,500.00	\$18,056.67	\$10,730.00	\$-15,770.00	-59.50
01-192-5230-34	BLDG MAINT - SYLVESTER	\$10,199.99	\$7,296.98	\$24,570.00	\$11,855.55	\$11,355.00	\$-13,215.00	-53.78
01-192-5230-35	BLDG MAINT - MIDDLE SCHOOL	\$47,920.48	\$72,218.49	\$65,200.00	\$37,837.15	\$58,100.00	\$-7,100.00	-10.88
01-192-5230-36	BLDG MAINT - HIGH SCHOOL	\$98,442.41	\$99,989.11	\$80,030.00	\$60,184.15	\$80,030.00	\$0.00	0.00
01-192-5230-37	BLDG MAINT - SALMOND	\$16,405.00	\$15,016.75	\$15,590.00	\$8,454.34	\$14,450.00	\$-1,140.00	-7.31
01-192-5230-41	BLDG MAINT - DPW FACILITY	\$39,303.85	\$9,831.76	\$5,145.00	\$2,396.74	\$5,645.00	\$500.00	9.71
01-192-5230-42	BLDG - MAINT CEMETERY GARAGE	\$177.25	\$94.46	\$640.00	\$286.84	\$600.00	\$-40.00	-6.25
01-192-5230-51	BLDG MAINT - SR CENTER	\$9,808.97	\$14,805.51	\$12,625.00	\$9,834.67	\$13,785.00	\$1,160.00	9.18
01-192-5230-61	BLDG MAINT - LIBRARY	\$9,732.92	\$1,845.89	\$13,080.00	\$3,670.78	\$10,890.00	\$-2,190.00	-16.74
01-192-5230-63	BLDG MAINT - RECREATION FACILITIES	\$0.00	\$0.00	\$0.00	\$0.00	\$500.00	\$500.00	100.00
01-192-5230-72	BLDG MAINT - STETSON	\$1,359.97	\$1,336.54	\$5,000.00	\$441.90	\$5,000.00	\$0.00	0.00
01-192-5230-74	BLD MAINT-SCHOOLS	\$33,770.49	\$15,655.93	\$33,700.00	\$11,302.80	\$33,700.00	\$0.00	0.00
01-192-5240	VEHICLE MAINT	\$17,580.83	\$18,275.22	\$18,000.00	\$3,673.82	\$19,000.00	\$1,000.00	5.55
01-192-5250-11	EQUIP MAINT - TOWN HALL	\$2,369.85	\$6,607.31	\$10,450.00	\$1,602.25	\$10,450.00	\$0.00	0.00
01-192-5250-21	EQUIP MAINT - POLICE STATION	\$3,376.63	\$22,396.09	\$5,920.00	\$4,377.46	\$6,620.00	\$700.00	11.82
01-192-5250-22	EQUIP MAINT - FIRE STATION	\$2,193.04	\$1,664.61	\$3,966.00	\$427.00	\$4,600.00	\$634.00	15.98
01-192-5250-32	EQUIP MAINT - CEDAR	\$2,772.32	\$3,981.84	\$12,530.00	\$1,309.10	\$12,530.00	\$0.00	0.00
01-192-5250-33	EQUIP MAINT - CENTER	\$3,589.09	\$3,979.43	\$19,230.00	\$12,096.35	\$14,800.00	\$-4,430.00	-23.03
01-192-5250-34	EQUIP MAINT - SYLVESTER	\$760.59	\$1,403.55	\$4,510.00	\$694.45	\$3,000.00	\$-1,510.00	-33.48
01-192-5250-35	EQUIP MAINT - MIDDLE SCHOOL	\$2,389.14	\$7,918.45	\$16,460.00	\$3,272.04	\$19,850.00	\$3,390.00	20.59
01-192-5250-36	EQUIP MAINT - HIGH SCHOOL	\$29,376.23	\$33,408.79	\$20,300.00	\$9,436.95	\$27,900.00	\$7,600.00	37.43
01-192-5250-37	EQUIP MAINT - SALMOND	\$255.00	\$1,843.50	\$3,000.00	\$1,731.75	\$3,000.00	\$0.00	0.00
01-192-5250-41	EQUIP MAINT - DPW FACILITY	\$0.00	\$287.25	\$500.00	\$0.00	\$500.00	\$0.00	0.00
01-192-5250-51	EQUIP MAINT - SR CENTER	\$1,962.19	\$2,817.32	\$3,255.00	\$369.05	\$4,400.00	\$1,145.00	35.17
01-192-5250-61	EQUIP MAINT - LIBRARY	\$1,159.20	\$1,340.22	\$5,350.00	\$2,341.20	\$4,850.00	\$-500.00	-9.34
01-192-5250-74	EQUIP MAINT - SCHOOLS	\$6,409.89	\$3,758.73	\$7,200.00	\$0.00	\$6,200.00	\$-1,000.00	-13.88
01-192-5319	OTHER CONTRACTED SERVICE	\$7,797.63	\$0.00	\$0.00	\$19,419.35	\$0.00	\$0.00	0.00
01-192-5319-11	OTHER CONTRACTED SERVICE - TH	\$2,309.67	\$4,138.00	\$4,000.00	\$15,907.19	\$4,000.00	\$0.00	0.00

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

192 - PUBLIC BUILDINGS		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-192-5319-21	OTHER CONTRACTED SERVICE -	\$15,107.02	\$2,721.00	\$2,500.00	\$485.00	\$2,500.00	\$0.00	0.00
01-192-5319-22	OTHER CONTRACTED SERVICE - FIRE	\$3,484.62	\$1,465.80	\$5,000.00	\$0.00	\$3,800.00	\$-1,200.00	-24.00
01-192-5319-32	OTHER CONTRACTED SERVICE - CEDAR	\$4,213.58	\$17,686.02	\$4,800.00	\$560.00	\$4,800.00	\$0.00	0.00
01-192-5319-33	OTHER CONTRACTED SERVICE -	\$4,360.19	\$6,524.00	\$4,300.00	\$1,849.00	\$4,000.00	\$-300.00	-6.97
01-192-5319-34	OTHER CONTRACTED SERVICE - SYLV	\$2,182.34	\$1,905.00	\$3,300.00	\$330.00	\$1,600.00	\$-1,700.00	-51.51
01-192-5319-35	OTHER CONTRACTED SERVICE - MS	\$7,583.86	\$3,597.83	\$5,900.00	\$1,128.00	\$2,400.00	\$-3,500.00	-59.32
01-192-5319-36	OTHER CONTRACTED SERVICE - HS	\$23,626.37	\$15,916.15	\$7,155.00	\$4,867.00	\$7,900.00	\$745.00	10.41
01-192-5319-37	OTHER CONTRACTED SERVICE -	\$3,073.00	\$3,957.34	\$2,400.00	\$4,820.00	\$2,400.00	\$0.00	0.00
01-192-5319-41	OTHER CONTRACTED SERVICE - HW	\$1,180.50	\$540.00	\$0.00	\$315.00	\$0.00	\$0.00	0.00
01-192-5319-43	OTHER CONTRACTED SERVICE - ADMIN	\$11,506.66	\$23,492.56	\$12,200.00	\$10,663.23	\$11,450.00	\$-750.00	-6.14
01-192-5319-51	OTHER CONTRACTED SERVICE - COA	\$3,029.00	\$2,647.19	\$2,670.00	\$793.00	\$3,200.00	\$530.00	19.85
01-192-5319-61	OTHER CONTRACTED SERVICE - LIB	\$1,293.36	\$1,545.00	\$700.00	\$698.00	\$3,400.00	\$2,700.00	385.71
01-192-5319-72	OTHER CONTRACTED SERVICE -	\$922.50	\$359.00	\$500.00	\$0.00	\$500.00	\$0.00	0.00
01-192-5319-74	OTHER CONTRACTED	\$7,598.00	\$0.00	\$1,400.00	\$204.00	\$2,300.00	\$900.00	64.28
01-192-5319-75	OTHER CONTRACTED SERVICE - HS	\$64,122.22	\$45,662.24	\$45,000.00	\$38,129.68	\$44,500.00	\$-500.00	-1.11
01-192-5340	TELEPHONE-CENTREX SYSTEM	\$58,252.28	\$67,735.54	\$67,900.00	\$31,000.66	\$0.00	\$-67,900.00	-100.00
01-192-5340-41	TELEPHONE - DPW FACILITY	\$382.03	\$416.76	\$630.00	\$173.65	\$630.00	\$0.00	0.00
01-192-5340-42	TELEPHONE - CEMETERY GARAGE	\$858.80	\$947.51	\$720.00	\$295.58	\$950.00	\$230.00	31.94
01-192-5340-43	TELEPHONE - DPW ADMINISTRATION	\$6,625.22	\$6,593.92	\$6,691.00	\$2,896.40	\$0.00	\$-6,691.00	-100.00
01-192-5340-51	TELEPHONE-SENIOR CENTER	\$5,494.66	\$6,705.41	\$7,224.00	\$3,333.58	\$0.00	\$-7,224.00	-100.00
01-192-5423	SUPPLIES (COPIER)	\$41.32	\$96.45	\$7,000.00	\$0.00	\$0.00	\$-7,000.00	-100.00
01-192-5450-11	CUSTODIAL SUPPLIES - TH	\$100.00	\$0.00	\$2,500.00	\$0.00	\$2,100.00	\$-400.00	-16.00
01-192-5450-21	CUSTODIAL SUPPLIES - POLICE	\$184.40	\$0.00	\$2,000.00	\$0.00	\$2,000.00	\$0.00	0.00
01-192-5450-22	CUSTODIAL SUPPLIES - FIRE	\$89.24	\$0.00	\$800.00	\$338.97	\$800.00	\$0.00	0.00
01-192-5450-34	MAINTENANCE SUPPLIES - SYLV	\$0.00	\$0.00	\$0.00	\$25.35	\$0.00	\$0.00	0.00
01-192-5450-37	MAINTENANCE SUPPLIES - SALMOND	\$1,593.00	\$1,707.05	\$0.00	\$780.57	\$0.00	\$0.00	0.00
01-192-5450-43	CUSTODIAL SUPPLIES - ADMIN	\$5,535.11	\$4,615.57	\$2,500.00	\$695.08	\$5,000.00	\$2,500.00	100.00
01-192-5450-51	CUSTODIAL SUPPLIES - COA	\$0.00	\$1,379.81	\$1,000.00	\$386.43	\$1,000.00	\$0.00	0.00
01-192-5450-61	CUSTODIAL SUPPLIES - LIB	\$0.00	\$22.52	\$800.00	\$0.00	\$400.00	\$-400.00	-50.00
01-192-5450-74	CUSTODIAL SUPPLIES - SCHOOLS SW	\$106,955.10	\$95,314.73	\$100,875.00	\$69,949.63	\$98,800.00	\$-2,075.00	-2.05
01-192-5585-11	UNIFORMS - TH	\$797.36	\$784.26	\$800.00	\$508.08	\$800.00	\$0.00	0.00

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

192 - PUBLIC BUILDINGS		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-192-5585-21	UNIFORMS - POLICE	\$844.00	\$627.53	\$800.00	\$348.24	\$800.00	\$0.00	0.00
01-192-5585-32	UNIFORMS - CEDAR	\$2,280.95	\$2,780.14	\$2,400.00	\$1,878.82	\$2,400.00	\$0.00	0.00
01-192-5585-33	UNIFORMS - CENTER	\$2,139.68	\$2,908.76	\$2,400.00	\$1,811.38	\$2,400.00	\$0.00	0.00
01-192-5585-34	UNIFORMS - SYLV	\$1,420.42	\$984.46	\$1,600.00	\$391.71	\$1,600.00	\$0.00	0.00
01-192-5585-35	UNIFORMS - MS	\$4,812.69	\$3,751.00	\$4,000.00	\$1,704.80	\$4,000.00	\$0.00	0.00
01-192-5585-36	UNIFORMS - HS	\$2,956.74	\$3,420.46	\$4,000.00	\$3,106.37	\$4,000.00	\$0.00	0.00
01-192-5585-37	UNIFORMS - SALMOND	\$791.19	\$455.12	\$800.00	\$791.65	\$800.00	\$0.00	0.00
01-192-5585-43	UNIFORMS - ADMIN	\$536.40	\$759.85	\$1,500.00	\$0.00	\$1,300.00	\$-200.00	-13.33
01-192-5585-51	UNIFORMS - COA	\$125.00	\$0.00	\$480.00	\$0.00	\$480.00	\$0.00	0.00
01-192-5585-61	UNIFORMS - LIB	\$0.00	\$0.00	\$800.00	\$0.00	\$800.00	\$0.00	0.00
01-192-5585-74	UNIFORMS - MAINT	\$4,140.85	\$4,181.86	\$4,175.00	\$3,089.85	\$4,175.00	\$0.00	0.00
01-192-5860-43	EQUIPMENT PURCHASE - ADMIN	\$203.87	\$126.95	\$4,000.00	\$0.00	\$4,000.00	\$0.00	0.00
01-192-5860-61	EQUIPMENT PURCHASE - LIB	\$0.00	\$0.00	\$0.00	\$0.00	\$200.00	\$200.00	100.00
01-192-5861	FURNISHINGS	\$0.00	\$4,977.05	\$10,000.00	\$5,340.73	\$10,000.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$1,785,243.83	\$1,705,364.81	\$1,720,876.00	\$766,782.61	\$1,586,151.00	\$-134,725.00	-7.82
192 PUBLIC BUILDINGS SUB-TOTAL:		\$3,568,391.12	\$3,552,276.28	\$3,673,150.00	\$1,781,232.51	\$3,617,118.00	\$-56,032.00	-1.52



PUBLIC WORKS



"Hanover, Honoring Yesterday As We Build For Tomorrow"

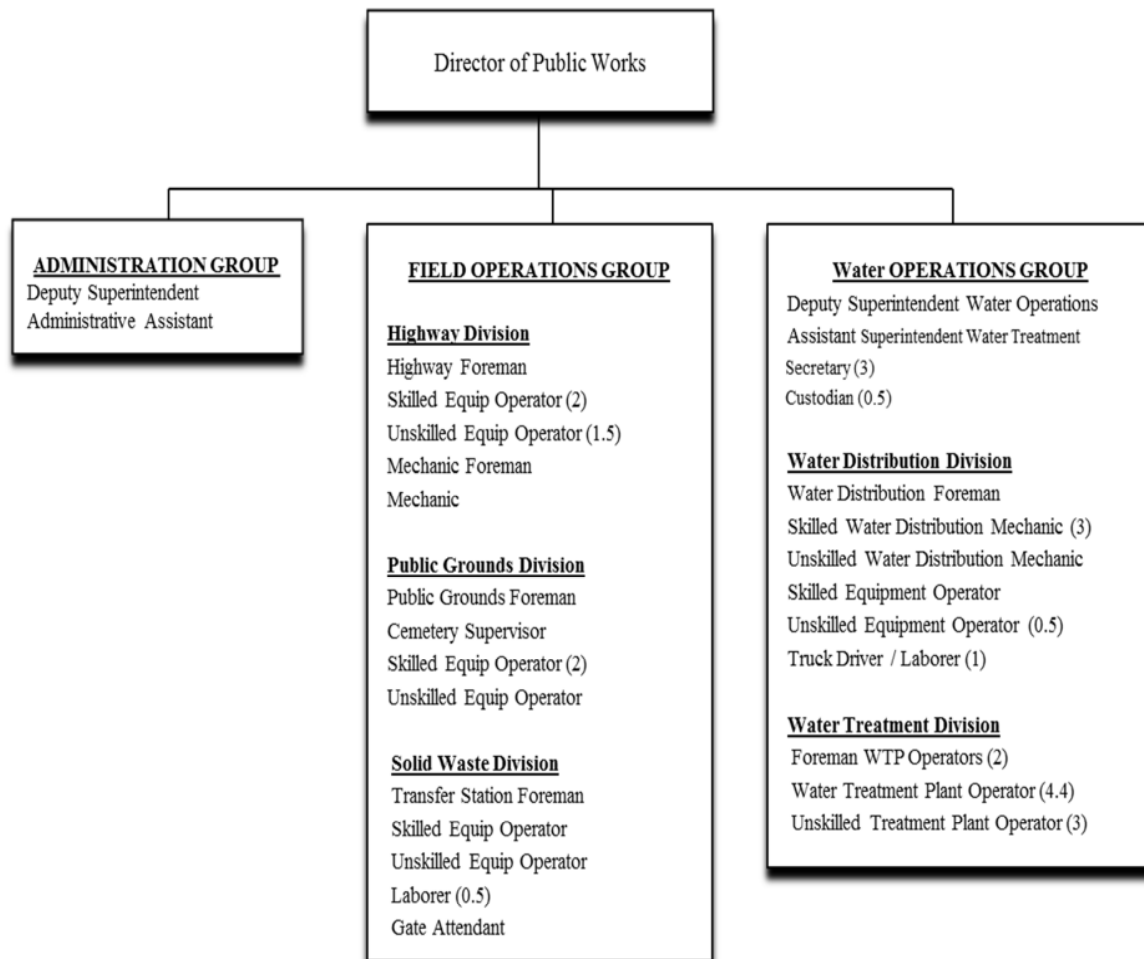


Public Works Department

Public Works Department Mission

The mission of the Hanover Public Works Department is to protect, preserve, improve and manage the Town's infrastructure and related assets. Infrastructure includes the Town's roadway and drainage network, dams, bridges, cemeteries, parks, transfer station, water distribution system, and drinking water treatment plants. In addition the DPW manages and provides snow removal services for all roads and facilities as well as support services for other Town departments. Public works employees are either working or on-call 24 hours a day, 365 days a year to respond to any infrastructure related challenge that may arise.

Organizational Chart





Public Works Department

Goals and Objectives

- Perform Chapter 90 funded street resurfacing.
- Perform Phase 2 inspection of the Forge Pond Dam and advance the design of necessary repairs to bring the structure up to current state dam safety standards.
- Complete the update of the stormwater management plan to comply with changes to federal stormwater regulations and perform outfall sampling in accordance with the plan.
- Integrate solid waste operational data and water quality data into appropriate pages on the Town website and develop project management web pages for capital projects on the website in accordance with Board of Selectmen goals.
- Develop strategies to control electronic waste costs in the solid waste budget.

Accomplishments

- Resurfaced Walnut Street, Circuit Street (Hanover St to Myrtle Street), Meeting Hill Lane, Indian Brook Lane, King Street (School Street 2000 feet south), and a 600 foot length of Main Street near the intersection of Cedar Street.
- Performed periodic 10-year Phase 1 inspections of the Curtis Crossing Dam and Forge Pond Dam. Began the design of repairs to the Forge Pond Dam. In addition, worked with the Massachusetts Office of Dam Safety to remove the Indian Head Dam from the state's list of jurisdictional dams, eliminating the Town's long term liability for this structure.
- Processed and transferred 7,357 tons of solid waste and recyclables.
- Updated townwide street condition inventory and developed street repair priority list.
- Commenced the update to the Town's Stormwater Management Plan.
- Commenced near real-time reporting of solid waste operational data into public works databases for reporting on the town website in an open data format and in accordance with Board of Selectmen goals

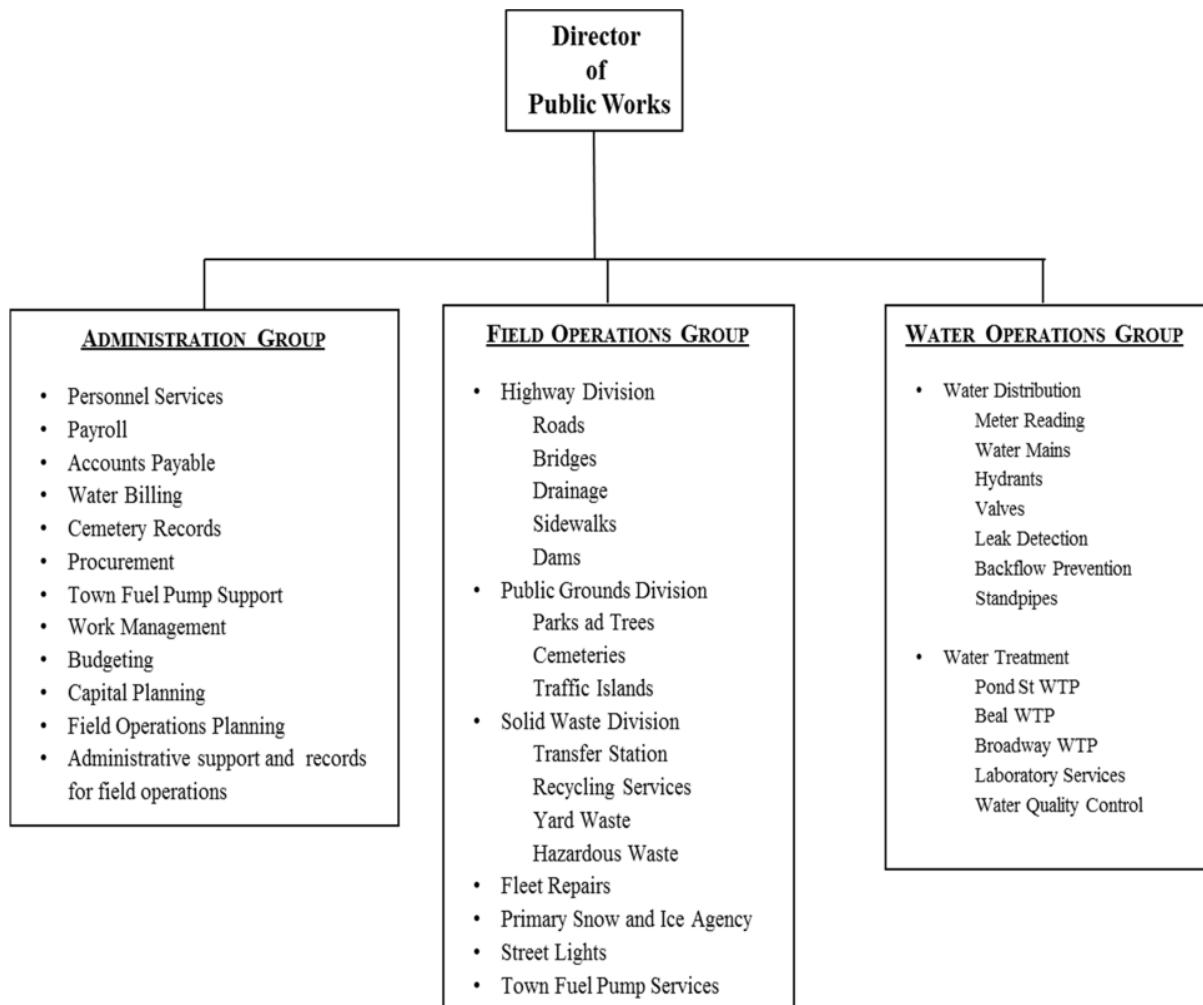


Public Works Department

Significant Budget Changes or Initiatives

The FY 19 budget contains \$100,000 to fund outsourced activities to comply with changes to Federal stormwater regulations. The budget also contains funding for one additional unskilled equipment operator in the Public Grounds division. Finally, the budget funds negotiated increases for union personnel.

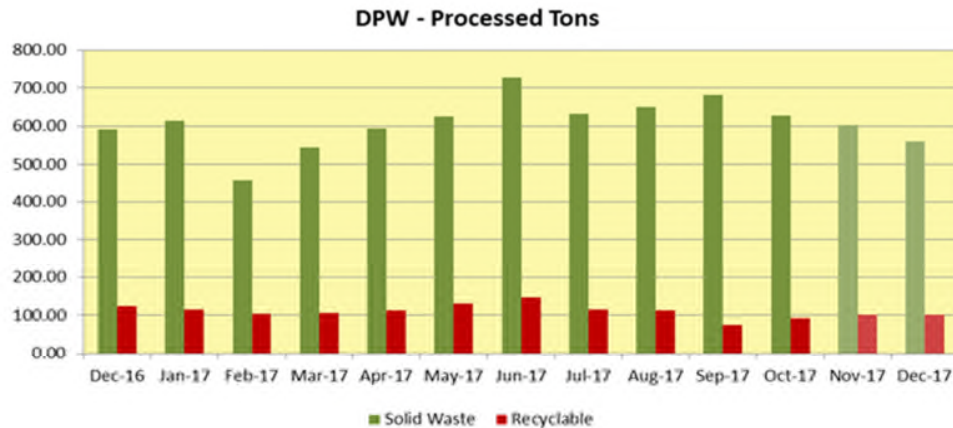
Programs and Services





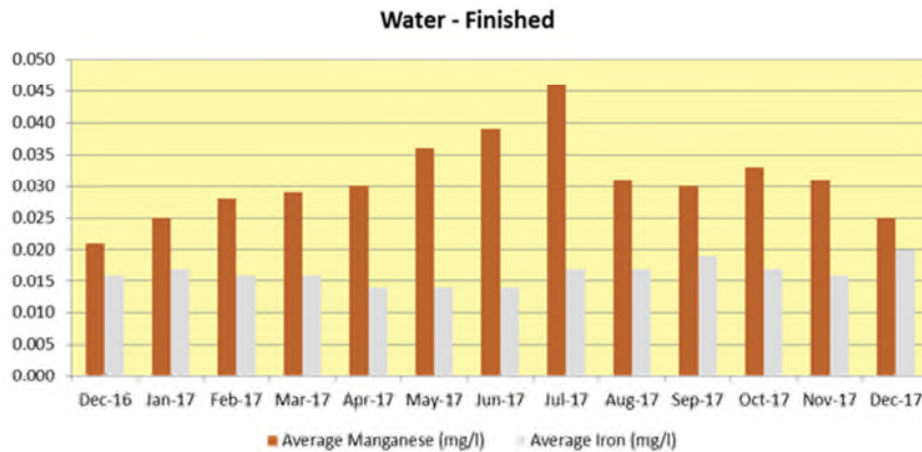
Public Works Department

Performance Measures



Note: November and December 2017 are estimated

Total solid waste numbers for the first quarter of 2017 are up 4% over 2016. MSW is up 5.1%, Construction and demolition debris is up 20.5%, bulky waste is up 70% and recyclables down 18.4%.



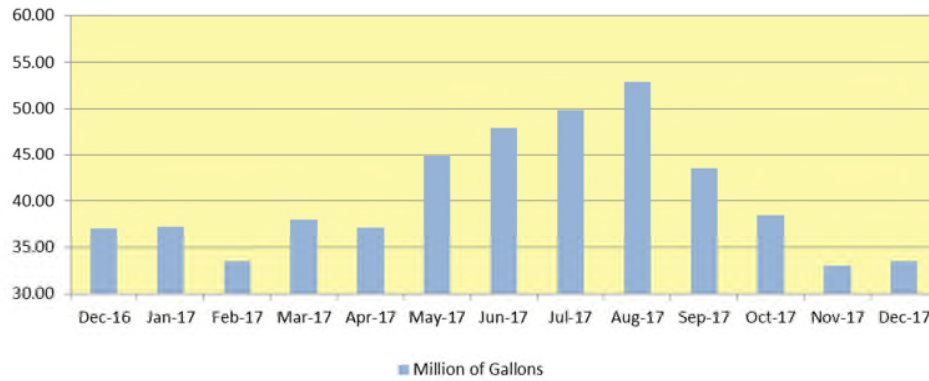
Finished water quality remains strong at all three treatment plants with iron and manganese levels well within our treatment goals. Thorough system flushing in the spring and fall of 2017 has reduced water quality complaints.



Public Works Department

Performance Measures cont'd.

Water - Finished Pumped



Water quantity pumped for January thru November is 9% lower than the same period in 2016. The drop is thought to be the result of fewer water breaks in the winter of 2017 as well as the repair of leaks found in 2016 through the department's aggressive leak detection and repair efforts.



Public Works Department

Personnel Summary

DEPARTMENT OF PUBLIC WORKS				
Personnel Summary				
Position	FY2017 FTE	FY2018 FTE	FY2019 FTE	Change
Director of Public Works	1.00	1.00	1.00	-
Administration				
Project Manager	0.33	0.33	0.33	-
Deputy Superintendent	1.00	1.00	1.00	-
Administrative Assistant	1.00	1.00	1.00	-
Highway				
Highway Foreman	1.00	1.00	1.00	-
Mechanic Foreman	1.00	1.00	1.00	-
Skilled Equipment Operator	2.00	2.00	2.00	-
Mechanic	1.00	1.00	1.00	-
Unskilled Equipment Operator	1.50	1.50	1.50	-
Public Grounds				
Foreman	1.00	1.00	1.00	-
Cemetery Supervisor	1.00	1.00	1.00	-
Skilled Equipment Operator	1.00	2.00	2.00	-
Unskilled Equipment Operator	2.00	1.00	2.00	1.00
Transfer Station				
Foreman	1.00	1.00	1.00	-
Skilled Equipment Operator	1.00	1.00	1.00	-
Unskilled Equipment Operator	-	1.00	1.00	-
Truck Driver/Laborer	1.00	-	-	-
Laborer	0.50	0.50	0.50	-
Gate Attendant	1.00	1.00	1.00	-
Water Division				
Deputy Superintendent Water Operations	1.00	1.00	1.00	-
Assistant Superintendent Water Operation	-	1.00	1.00	-
Secretary	1.00	3.00	3.00	-
Custodian	0.50	0.50	0.50	-
Chief WTP Operator	2.00	-	-	-
Foreman WTP Operator	-	2.00	2.00	-
Water Treatment Plant Operator	5.40	4.40	4.40	-
Unskilled Treatment Plant Operator	1.00	3.00	3.00	-
Water Distribution Foreman	1.00	1.00	1.00	-
Skilled Water Distribution Mechanic	2.00	3.00	3.00	-
Unskilled Water Distribution Mechanic	1.00	-	-	-
Skilled Equipment Operator	1.00	1.00	1.00	-
Unskilled Equipment Operator	0.50	0.50	0.50	-
Truck Driver/Laborer	2.00	2.00	2.00	-
Total Full-time Equivalents	37.73	41.73	42.73	1.00



Public Works Department

Personnel Notes

FTEs are based on a 35 hour work week and are benefit eligible.

The FY 2019 budget proposes the addition of one unskilled equipment operator in the Public Grounds division, to be partially funded through the transfer of funds from the recreation budget that are currently earmarked for outsourced mowing at Forge Pond Park. This change will bring the mowing in-house and will provide additional man hours for infield and general public grounds maintenance activities.

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

421 - DPW ADMINISTRATION		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-421-5110	SALARIES-APPOINTED OFFICIALS	\$169,761.09	\$183,581.99	\$178,135.00	\$101,844.81	\$177,444.00	\$-691.00	-0.38
01-421-5113	SALARIES-CLERICAL	\$41,909.88	\$40,310.53	\$44,041.00	\$8,053.85	\$43,043.00	\$-998.00	-2.26
01-421-5130	OVERTIME	\$0.00	\$0.00	\$917.00	\$2,331.04	\$3,013.00	\$2,096.00	228.57
PERSONNEL SUB-TOTAL:		\$215,157.05	\$223,892.52	\$223,093.00	\$112,229.70	\$223,500.00	\$407.00	0.18
01-421-5250	EQUIPMENT MAINTENANCE	\$1,356.13	\$9,914.63	\$1,000.00	\$0.00	\$2,000.00	\$1,000.00	100.00
01-421-5310	ENGINEERING	\$18,305.00	\$9,309.75	\$20,000.00	\$5,875.00	\$15,000.00	\$-5,000.00	-25.00
01-421-5319	OTHER CONTRACTED SERVICE	\$15,717.51	\$9,751.74	\$14,200.00	\$8,322.58	\$10,000.00	\$-4,200.00	-29.57
01-421-5340	TELEPHONE	\$9,933.66	\$11,768.78	\$12,300.00	\$6,789.35	\$5,600.00	\$-6,700.00	-54.47
01-421-5344	ADVERTISING	\$724.01	\$1,660.91	\$1,200.00	\$424.49	\$1,200.00	\$0.00	0.00
01-421-5345	POSTAGE & MAIL PERMITS	\$3,184.51	\$-63.45	\$2,100.00	\$0.00	\$2,100.00	\$0.00	0.00
01-421-5420	OFFICE SUPPLIES	\$8,332.37	\$8,528.82	\$7,000.00	\$1,146.47	\$8,500.00	\$1,500.00	21.42
01-421-5421	PRINTING & STATIONARY	\$5,056.73	\$2,651.80	\$2,300.00	\$383.58	\$2,300.00	\$0.00	0.00
01-421-5585	UNIFORMS	\$512.84	\$933.86	\$800.00	\$0.00	\$800.00	\$0.00	0.00
01-421-5710	MILEAGE REIMBURSEMENT	\$0.00	\$2.80	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-421-5720	REGISTRATION FEES	\$0.00	\$0.00	\$400.00	\$30.00	\$400.00	\$0.00	0.00
01-421-5730	DUES	\$1,087.50	\$1,118.75	\$1,200.00	\$1,000.00	\$1,200.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$64,210.26	\$55,578.39	\$62,500.00	\$23,971.47	\$49,100.00	\$-13,400.00	-21.44
421 DPW ADMINISTRATION SUB-TOTAL:		\$279,367.31	\$279,470.91	\$285,593.00	\$136,201.17	\$272,600.00	\$-12,993.00	-4.54

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

422 - DPW HIGHWAY		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-422-5114	SALARIES & WAGES PERM F/T	\$367,402.72	\$373,017.82	\$381,440.00	\$193,613.95	\$398,460.00	\$17,020.00	4.46
01-422-5130	OVERTIME	\$37,258.20	\$42,778.82	\$18,100.00	\$26,187.65	\$19,000.00	\$900.00	4.97
01-422-5140	OTHER PAY	\$0.00	\$0.00	\$25,475.00	\$0.00	\$26,750.00	\$1,275.00	5.00
PERSONNEL SUB-TOTAL:		\$404,660.92	\$415,796.64	\$425,015.00	\$219,801.60	\$444,210.00	\$19,195.00	4.51
01-422-5230	BUILDING MAINTENANCE	\$0.00	\$69.72	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-422-5240	VEHICLE MAINTENANCE	\$37,993.85	\$34,500.38	\$24,500.00	\$15,445.14	\$24,500.00	\$0.00	0.00
01-422-5241	VEHICLE MAINT. - GENERAL	\$18,023.50	\$10,496.81	\$0.00	\$290.27	\$0.00	\$0.00	0.00
01-422-5242	VEHICLE MAINT. - STREET SWEEPING	\$2,143.67	\$2,458.04	\$4,000.00	\$338.90	\$4,000.00	\$0.00	0.00
01-422-5250	EQUIPMENT MAINTENANCE	\$24,647.80	\$11,269.02	\$3,000.00	\$2,857.31	\$3,000.00	\$0.00	0.00
01-422-5280	SAFETY PROGRAMS	\$671.66	\$2,176.16	\$3,700.00	\$642.03	\$3,700.00	\$0.00	0.00
01-422-5281	DETAILS-CONTRACT OFFICERS	\$15,283.17	\$12,056.60	\$15,000.00	\$1,827.40	\$15,000.00	\$0.00	0.00
01-422-5318	OCS - GENERAL	\$68,200.31	\$86,298.25	\$85,080.00	\$19,967.86	\$180,080.00	\$95,000.00	111.65
01-422-5470	ASPHALT - GENERAL	\$8,891.77	\$10,458.70	\$14,400.00	\$6,064.54	\$14,400.00	\$0.00	0.00
01-422-5585	UNIFORMS	\$6,317.77	\$6,180.69	\$6,400.00	\$1,964.73	\$6,400.00	\$0.00	0.00
01-422-5590	MATERIALS & SUPPLIES	\$8,586.07	\$21,971.60	\$15,000.00	\$1,943.47	\$15,000.00	\$0.00	0.00
01-422-5715	LICENSE RENEWALS	\$504.95	\$300.00	\$740.00	\$150.00	\$740.00	\$0.00	0.00
01-422-5720	REGISTRATION FEES	\$390.00	\$600.00	\$890.00	\$60.00	\$890.00	\$0.00	0.00
01-422-5855	SIGNS	\$6,194.00	\$20,668.73	\$14,975.00	\$11,522.97	\$14,975.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$198,048.52	\$219,504.70	\$187,685.00	\$63,074.62	\$282,685.00	\$95,000.00	50.61
422 DPW HIGHWAY SUB-TOTAL:		\$602,709.44	\$635,301.34	\$612,700.00	\$282,876.22	\$726,895.00	\$114,195.00	18.63

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

423 - SNOW & ICE REMOVAL		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-423-5130	OVERTIME	\$97,972.02	\$130,750.93	\$71,000.00	\$59,187.99	\$71,000.00	\$0.00	0.00
PERSONNEL SUB-TOTAL:		\$97,972.02	\$130,750.93	\$71,000.00	\$59,187.99	\$71,000.00	\$0.00	0.00
01-423-5250	EQUIPMENT MAINTENANCE	\$82,946.70	\$32,817.63	\$46,200.00	\$33,905.54	\$46,200.00	\$0.00	0.00
01-423-5275	VEHICLE & MACHINERY RENT	\$187,520.50	\$247,458.20	\$107,000.00	\$19,750.00	\$107,000.00	\$0.00	0.00
01-423-5476	ROAD SALT	\$183,108.18	\$185,974.33	\$162,800.00	\$137,825.32	\$162,800.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$454,159.05	\$466,250.16	\$316,000.00	\$191,480.86	\$316,000.00	\$0.00	0.00
423 SNOW & ICE REMOVAL SUB-TOTAL:		\$552,131.07	\$597,001.09	\$387,000.00	\$250,668.85	\$387,000.00	\$0.00	0.00

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

424 - STREET LIGHTING		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-424-5211	ELECTRICITY	\$62,867.25	\$58,162.01	\$61,000.00	\$26,420.36	\$61,000.00	\$0.00	0.00
01-424-5590	OTHER EXPENSES	\$0.00	\$0.00	\$3,000.00	\$0.00	\$3,000.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$62,867.25	\$58,162.01	\$64,000.00	\$26,420.36	\$64,000.00	\$0.00	0.00
424 STREET LIGHTING SUB-TOTAL:		\$62,867.25	\$58,162.01	\$64,000.00	\$26,420.36	\$64,000.00	\$0.00	0.00

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

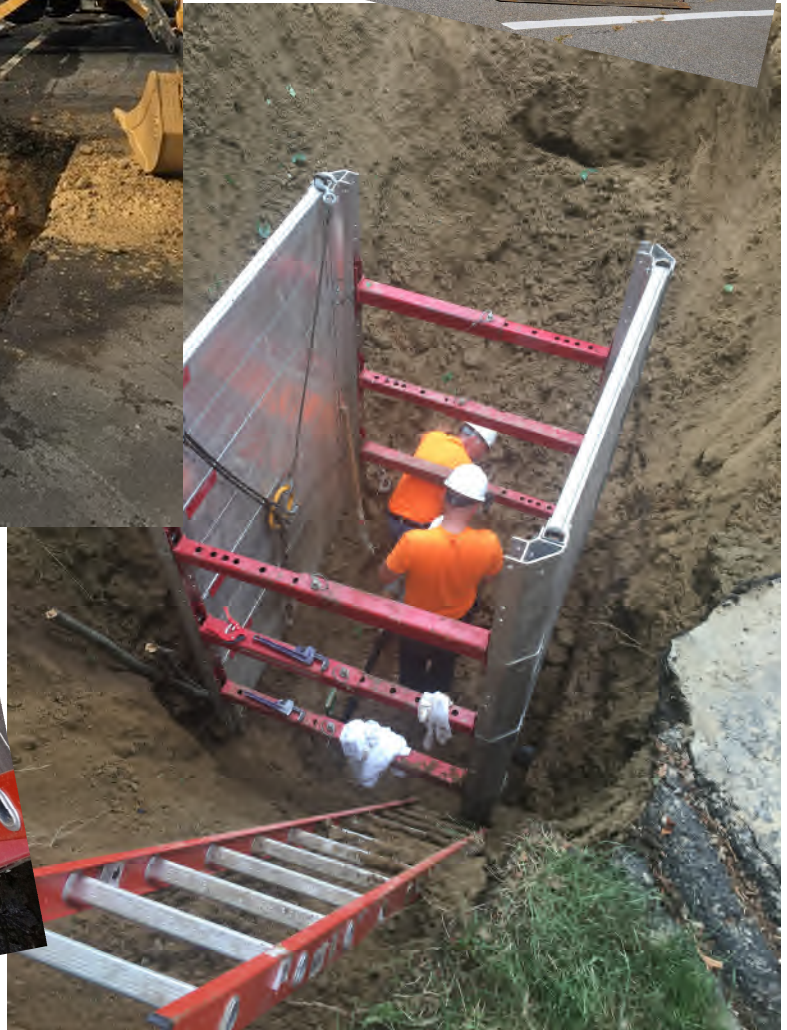
425 - DPW PUBLIC GROUNDS		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-425-5114	SALARIES & WAGES PERM F/T	\$271,613.48	\$255,112.12	\$284,323.00	\$149,805.21	\$358,057.00	\$73,734.00	25.93
01-425-5121	WAGES-TEMPORARY EMPLOYEES	\$23,511.48	\$25,574.88	\$32,600.00	\$13,341.25	\$27,600.00	\$-5,000.00	-15.33
01-425-5130	OVERTIME	\$30,346.75	\$37,348.49	\$25,750.00	\$12,829.46	\$25,750.00	\$0.00	0.00
PERSONNEL SUB-TOTAL:		\$329,818.19	\$318,035.49	\$342,673.00	\$175,975.92	\$411,407.00	\$68,734.00	20.05
01-425-5211	PUBLIC GROUNDS - ELECTRICITY	\$8,804.54	\$4,272.04	\$5,570.00	\$1,895.60	\$5,570.00	\$0.00	0.00
01-425-5240	VEHICLE MAINTENANCE	\$2,334.05	\$1,152.87	\$3,300.00	\$2,692.93	\$3,300.00	\$0.00	0.00
01-425-5241	PUBLIC GROUNDS-GENERAL	\$4,262.10	\$26.41	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-425-5241-60	PUBLIC GROUNDS-FORGE POND PARK	\$0.00	\$0.00	\$0.00	\$0.00	\$18,071.00	\$18,071.00	100.00
01-425-5241-62	PUBLIC GROUNDS-CEMETERY	\$640.48	\$0.00	\$0.00	\$53.92	\$0.00	\$0.00	0.00
01-425-5241-64	PUBLIC GROUNDS-HALL	\$0.00	\$0.00	\$925.00	\$0.00	\$925.00	\$0.00	0.00
01-425-5241-65	PUBLIC GROUNDS-ELLIS	\$0.00	\$0.00	\$1,280.00	\$0.00	\$1,280.00	\$0.00	0.00
01-425-5241-66	PUBLIC GROUNDS-MYRTLE	\$0.00	\$0.00	\$400.00	\$0.00	\$400.00	\$0.00	0.00
01-425-5241-68	PUBLIC GROUNDS-BRIGGS	\$0.00	\$0.00	\$240.00	\$0.00	\$240.00	\$0.00	0.00
01-425-5250	EQUIPMENT MAINTENANCE	\$33,078.82	\$29,448.44	\$12,110.00	\$9,806.25	\$13,610.00	\$1,500.00	12.38
01-425-5280	SAFETY PROGRAMS	\$410.46	\$292.98	\$570.00	\$125.00	\$570.00	\$0.00	0.00
01-425-5282	POLICE DETAILS - TREE	\$5,148.00	\$2,530.00	\$4,340.00	\$844.80	\$4,340.00	\$0.00	0.00
01-425-5319	OTHER CONTRACTED SERVICES -	\$70,894.86	\$43,304.95	\$24,390.00	\$12,249.91	\$29,810.00	\$5,420.00	22.22
01-425-5585	UNIFORMS	\$3,806.67	\$3,255.71	\$4,400.00	\$2,589.30	\$4,400.00	\$0.00	0.00
01-425-5590	MATERIALS & SUPPLIES	\$11,263.77	\$2,099.88	\$6,950.00	\$4,232.07	\$6,950.00	\$0.00	0.00
01-425-5715	LICENSE RENEWALS	\$661.81	\$550.00	\$605.00	\$162.35	\$605.00	\$0.00	0.00
01-425-5720	REGISTRATION FEES	\$0.00	\$34.86	\$100.00	\$0.00	\$100.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$141,305.56	\$86,968.14	\$65,180.00	\$34,652.13	\$90,171.00	\$24,991.00	38.34
425 DPW PUBLIC GROUNDS SUB-TOTAL:		\$471,123.75	\$405,003.63	\$407,853.00	\$210,628.05	\$501,578.00	\$93,725.00	22.98

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

433 - DPW TRANSFER STATION		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-433-5114	SALARIES & WAGES PERM F/T	\$144,470.48	\$168,067.55	\$160,722.00	\$91,796.77	\$182,583.00	\$21,861.00	13.60
01-433-5120	SALARIES & WAGES PERM P/T	\$22,082.11	\$16,364.20	\$51,304.00	\$7,615.72	\$31,270.00	\$-20,034.00	-39.04
01-433-5130	OVERTIME	\$25,268.02	\$32,167.33	\$22,600.00	\$19,747.26	\$27,600.00	\$5,000.00	22.12
01-433-5141	SHIFT DIFFERENTIAL	\$0.00	\$0.00	\$6,292.00	\$0.00	\$6,292.00	\$0.00	0.00
PERSONNEL SUB-TOTAL:		\$191,820.61	\$216,599.08	\$240,918.00	\$119,159.75	\$247,745.00	\$6,827.00	2.83
01-433-5211	ELECTRICITY	\$16,022.56	\$16,587.68	\$18,650.00	\$6,511.95	\$18,650.00	\$0.00	0.00
01-433-5230	BUILDING MAINTENANCE	\$3,998.37	\$1,913.16	\$3,700.00	\$1,348.31	\$3,700.00	\$0.00	0.00
01-433-5240	VEHICLE MAINTENANCE	\$2,877.36	\$0.00	\$3,940.00	\$0.00	\$3,940.00	\$0.00	0.00
01-433-5250	EQUIPMENT MAINTENANCE	\$36,662.07	\$22,794.99	\$61,800.00	\$11,771.18	\$61,800.00	\$0.00	0.00
01-433-5280	SAFETY PROGRAMS	\$0.00	\$0.00	\$800.00	\$180.00	\$800.00	\$0.00	0.00
01-433-5281	SITE SECURITY	\$3,097.83	\$3,297.83	\$6,450.00	\$2,150.00	\$6,450.00	\$0.00	0.00
01-433-5294	RECYCLING SERVICES	\$33,946.17	\$48,749.53	\$45,500.00	\$27,752.53	\$56,300.00	\$10,800.00	23.73
01-433-5295	REFUSE REMOVAL SERVICE	\$323,617.69	\$424,923.99	\$507,500.00	\$213,182.88	\$528,370.00	\$20,870.00	4.11
01-433-5296	HAZARDOUS WASTE REMOVAL	\$8,459.92	\$7,456.22	\$10,000.00	\$2,829.52	\$10,000.00	\$0.00	0.00
01-433-5297	SPECIAL WASTE SERVICES	\$0.00	\$0.00	\$2,000.00	\$0.00	\$2,000.00	\$0.00	0.00
01-433-5318	CONTRACT TESTING	\$12,517.42	\$20,100.00	\$16,000.00	\$1,200.00	\$16,000.00	\$0.00	0.00
01-433-5319	OTHER CONTRACTED SERVICES	\$12,565.00	\$11,280.00	\$18,000.00	\$5,567.58	\$18,000.00	\$0.00	0.00
01-433-5330	TRANSPORTATION EXPENSE	\$131,120.00	\$59,117.00	\$42,590.00	\$18,655.00	\$44,870.00	\$2,280.00	5.35
01-433-5340	TELEPHONE	\$897.97	\$908.62	\$2,660.00	\$385.58	\$1,080.00	\$-1,580.00	-59.39
01-433-5585	UNIFORMS	\$2,472.07	\$3,078.99	\$3,200.00	\$1,382.35	\$3,200.00	\$0.00	0.00
01-433-5590	MATERIALS & SUPPLIES	\$2,998.93	\$603.46	\$2,200.00	\$1,677.74	\$2,200.00	\$0.00	0.00
01-433-5715	LICENSE RENEWALS	\$0.00	\$0.00	\$200.00	\$0.00	\$200.00	\$0.00	0.00
01-433-5720	REGISTRATION FEES	\$4,500.00	\$4,500.00	\$5,100.00	\$4,850.00	\$5,100.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$595,753.36	\$625,311.47	\$750,290.00	\$299,444.62	\$782,660.00	\$32,370.00	4.31
433 DPW TRANSFER STATION SUB-TOTAL:		\$787,573.97	\$841,910.55	\$991,208.00	\$418,604.37	\$1,030,405.00	\$39,197.00	3.95

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

499 - DPW TOWN GAS PUMP		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-499-5250	EQUIPMENT MAINTENANCE	\$3,877.20	\$2,267.80	\$4,000.00	\$3,154.30	\$4,000.00	\$0.00	0.00
01-499-5411	GASOLINE	\$98,838.01	\$93,465.74	\$135,800.00	\$44,544.77	\$119,600.00	\$-16,200.00	-11.92
01-499-5412	DIESEL FUEL	\$33,765.91	\$42,933.54	\$86,350.00	\$19,909.97	\$68,400.00	\$-17,950.00	-20.78
01-499-5590	MATERIALS & SUPPLIES	\$0.00	\$0.00	\$500.00	\$0.00	\$500.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$136,481.12	\$138,667.08	\$226,650.00	\$67,609.04	\$192,500.00	\$-34,150.00	-15.06
499 DPW TOWN GAS PUMP SUB-TOTAL:		\$136,481.12	\$138,667.08	\$226,650.00	\$67,609.04	\$192,500.00	\$-34,150.00	-15.06



TOWN-WIDE EXPENSES



"Hanover, Honoring Yesterday As We Build For Tomorrow"



Town Wide Expenses

Town Wide Expenses

The Town budgets certain overhead costs in the aggregate rather than distributing costs by department or program. These overhead costs include employee benefits such as health and life insurance, workers' compensation, unemployment and contributions to Plymouth County Retirement. Within this budget are also education benefits offered to employees, medical benefits-related claims for police officers and firefighters who have been injured on duty, comprehensive building and liability insurance, town audit costs and debt service.

Employee Benefits and Insurance Statement

The employee benefits and insurance provided to employees of the Town of Hanover, including those working for the Hanover 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 service to the Town. Employee benefits represent the cost of providing health and life insurance for the Town as a whole as well as for workers' compensation, unemployment and the FICA/Medicare tax.

Health Insurance

The Town of Hanover belongs to the Mayflower Municipal Health Group, a joint purchase group consisting of 33 municipalities, school districts, and other governmental organizations who join together to take advantage of collective purchasing power. Mayflower is among the more successful joint purchasing groups in New England, having provided its subscribers and member organizations with 0% increases for many years, thereby saving millions of dollars for the Town and other entities it serves. In FY19, a proposed increase of 10% has been budgeted, although actual final rates may fluctuate from this.

When the Legislature made sweeping changes to municipal health insurance laws in 2010 concerning the implementation of plan and benefit changes, the Selectmen reached an agreement with all unions that required benefit-eligible employees to enroll in less expensive plans. Employees and retirees from the Town of Hanover pay 50% of health insurance costs, which is the maximum amount allowed by law.

Pursuant to MGL Chapter 32B, as a benefit of employment, any active, permanent employee of the Town who works in excess of twenty (20) hours per week is eligible for group health insurance coverage.



Town Wide Expenses

The Town also adopted MGL Chapter 32B at a previous Annual Town Meeting. The adoption of this section requires Medicare eligible retirees to migrate from the HMO active health plans and into Medicare supplemental or “Senior Plans” which are specifically designed for the medical needs of seniors. This change effectively shifts a portion of retirees’ health care costs to the Federal Medicare program.

The Town offers the choice of four health insurance plans to its active employees: Network Blue Rate Saver, Network Blue Benchmark, Harvard Pilgrim Rate Saver and Harvard Pilgrim Benchmark. As a benefit of retirement, former Town employees are also eligible for group health insurance coverage. Retirees under the age of 65 are covered on the active employee plans with the same contributions as the Town employees. The Town offers two senior plans for Medicare eligible retirees: Blue Cross Blue Shield Medex and Harvard Pilgrim Medicare Enhance.

The following **estimated** rate schedule was used in preparing the FY19 budget request:

Plan Name	Type	# Enrolled	7/1/18 Estimated Monthly Rates	Employee's Monthly Expenses	Town's Monthly Expenses	Town's Annual Expenses Per Employee
BC Elect PPO Benchmark	Ind	2	\$1,137	\$569	\$569	\$6,824
	Fam	0	\$2,697	\$1,349	\$1,349	\$16,183
BC Elect PPO Rate Saver	Ind	15	\$1,219	\$609	\$609	\$7,313
	Fam	8	\$2,891	\$1,445	\$1,445	\$17,345
Network Blue Benchmark	Ind	11	\$803	\$402	\$402	\$4,818
	Fam	5	\$2,138	\$1,069	\$1,069	\$12,830
Network Blue Rate Saver	Ind	79	\$838	\$419	\$419	\$5,029
	Fam	94	\$2,233	\$1,117	\$1,117	\$13,398
Harvard Pilgrim Benchmark	Ind	3	\$867	\$433	\$433	\$5,201
	Fam	0	\$2,308	\$1,154	\$1,154	\$13,847
Harvard Pilgrim Rate Saver	Ind	43	\$904	\$452	\$452	\$5,425
	Fam	50	\$2,407	\$1,203	\$1,203	\$14,441
Blue Cross Blue Shield Medex	Ind	219	\$515	\$257	\$257	\$3,089
Harvard Pilgrim Medicare Enhance	Ind	51	\$568	\$284	\$284	\$3,406
Totals		580				

Life Insurance

The Town provides a life insurance program available to all eligible employees. Rather than issuing policies, beginning in FY18 the Town became self-insured, paying a \$5,000 death benefit directly to the family of an active employee.



Town Wide Expenses

Additional voluntary life insurance is available to employees at their own expense. These policies are paid for entirely through payroll deductions and range from \$10,000 to \$100,000 in coverage.

Workers' Compensation

Workers' compensation is available to those employees injured on the job who do not fall under MGL Chapter 111f, which specifically covers police officers and firefighters injured in the line of duty. The Town is insured through the Massachusetts Interlocal Insurance Agency (MIIA) which is owned and operated by the municipalities of Massachusetts. Employees injured on the job receive 60% of their pay with no tax deductions. The Town is responsible for 100% of associated medical bills.

This is somewhat of an unknown when budgeting since it is not possible to know which or how many employees will be injured in a fiscal year.

Unemployment Costs

The Town does not pay unemployment insurance, but rather has chosen to operate on a "pay as you go" basis. The State Division of Unemployment Assistance (DUA) assesses the cost of any and all benefits actually paid to former Town and School employees. The Town can be liable for up to 50 weeks of benefits per claimant – up to 30 weeks of regular benefits and up to 20 weeks of additional federally-legislated "extended benefits". Claimants receive a weekly benefit amount that is typically about half of their average weekly wage, up to a maximum benefit of \$625 a week, plus a dependency allowance of \$25 per week for each dependent child. The Town is responsible for reimbursing the State for 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, a claimant may be subject to partial benefits if they have other earnings, and claimants who become unemployed more than once during a benefit year may reactive a prior claim and resume collecting benefits. The Town has engaged the services of an outside vendor, Unemployment Tax Management Corporation (UTMC), to process and review unemployment claims, including all associated appeals. These costs are also charged to this budget.

The Town has no plans to reduce the workforce in FY19.



Town Wide Expenses

Plymouth County Retirement/FICA Tax

The Town participates in the Plymouth County Retirement System which is a contributory retirement system comprised of 23 member towns and 28 member school districts and other government entities in Plymouth 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 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 until the year 2040. The source of funding is the annual Town assessment, together with employee contributions from each member unit.

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 pay-as-you-go funding to keep pace with 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 compensation over \$30,000 to the retirement system. This employee, if retired with 25 years of creditable service, and if the investment return assumption is met, will effectively pay for their entire pension. The Town's assessment together with the employee contributions are intended to meet the pension costs for all Town and School (non-teaching position) retirees, as well as amortize over time the previous unfunded pension liability created by insufficient contributions by member units over a number of years. In 2012, a change in the benefit formula for those employees hired after April 2, 2012 was implemented.

It's also important to note that Hanover Public School teachers are not part of the Plymouth County Retirement System, but are instead covered by the Massachusetts Teachers' Retirement System which is governed by Chapter 32 of the Massachusetts General Laws. Teacher retirement costs are funded directly with an appropriation by the Commonwealth of Massachusetts and employee contributions.

The budget request reflects the annual assessment with a 2% discount, as the Town takes advantage of a prompt pay discount.

Federal Insurance Contribution 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 or MQGE and are required to be covered under the Medicare program.



Town Wide Expenses

The Town is responsible for matching Medicare payroll tax of 1.45% on all these employees. Annual increases in this tax liability are a reflection of the rise in total Town payroll which subject to this tax.

Based on estimates from the Plymouth County Retirement System, this line has been increased by 3% in the Town Manager's FY19 budget request.

Education Benefits

Several collective bargaining agreements, personnel regulations and individual contracts contain clauses that allow employees, with the approval and the availability of funding, to complete courses in job related subjects. These courses are taken outside of working hours, but do provide a benefit to both the employee and the Town. After successful completion of the course, the employee becomes eligible for reimbursement of costs such as tuition, registration and books.

Medical

The Town has an insurance policy through Boston Mutual Insurance to cover full-time, part-time and volunteer (call) employees in both the Police and Fire Departments. The Town is responsible for the first \$25,000 in incurred claims. These medical expenses are charged to this portion of the budget. All claims over the threshold are covered by the insurance policy. The policy premiums are budgeted and paid for from the Risk Management budget.

Risk Management

This budget includes premiums paid for property and liability coverage for all Town-owned property, professional liability coverage for all elected and appointed Town officials, and individual employee bonds required by state law.

Town Audit

The Town conducts an audit on an annual basis, in accordance with MGL Ch. 44 Section 40. A municipal audit is an independent review of a town's financial position to determine its reasonableness and completeness. The audit reports also include a management letter from the firm conducting the audit commenting on any material weakness in the management process. In



Town Wide Expenses

addition, an audit of major federal program compliance is performed. This is a requirement for municipalities that receive more than \$500,000 in federal grants. Last, an audit of the School End of Year Report is completed to ensure that proper classification of School expenditures has been reported to the Department of Elementary and Secondary Education.

Reserve Fund

As allowed under Massachusetts General Laws Ch. 40 S.6, in order to provide for extraordinary or unforeseen expenditures during a fiscal year, the Town may appropriate funds for the purpose of a reserve fund. This fund does not have direct expenditures, meaning no invoices may be paid directly from it, but rather budget transfers may be voted by the Advisory Committee to supplement other budget line(s) from which invoices may then be paid.

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

135 - TOWN AUDIT		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-135-5301	TOWN AUDIT	\$30,500.00	\$36,000.00	\$41,750.00	\$9,500.00	\$54,100.00	\$12,350.00	29.58
EXPENSES SUB-TOTAL:		\$53,600.00	\$36,000.00	\$41,750.00	\$9,500.00	\$54,100.00	\$12,350.00	29.58
135 TOWN AUDIT SUB-TOTAL:		\$53,600.00	\$36,000.00	\$41,750.00	\$9,500.00	\$54,100.00	\$12,350.00	29.58

Town of Hanover
Town Manager Recommended Budget
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911 - PENSION/RETIREMENT		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-911-5171	PLYMOUTH COUNTY RETIREMENT	\$2,850,513.65	\$2,961,848.00	\$3,069,053.00	\$3,069,053.00	\$3,161,125.00	\$92,072.00	3.00
01-911-5172	FICA-MEDICARE/TOWN CONTRIBUTION	\$490,650.66	\$511,099.44	\$475,000.00	\$263,537.51	\$489,250.00	\$14,250.00	3.00
EXPENSES SUB-TOTAL:		\$3,341,164.31	\$3,472,947.44	\$3,544,053.00	\$3,332,590.51	\$3,650,375.00	\$106,322.00	3.00
911 PENSION/RETIREMENT SUB-TOTAL:		\$3,341,164.31	\$3,472,947.44	\$3,544,053.00	\$3,332,590.51	\$3,650,375.00	\$106,322.00	3.00

Town of Hanover
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912 - WORKERS COMPENSATION		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-912-5177	WORKERS' COMPENSATION	\$182,800.61	\$261,263.00	\$190,000.00	\$229,036.79	\$228,000.00	\$38,000.00	20.00
EXPENSES SUB-TOTAL:		\$182,800.61	\$261,263.00	\$190,000.00	\$229,036.79	\$228,000.00	\$38,000.00	20.00
912 WORKERS COMPENSATION SUB-TOTAL:		\$182,800.61	\$261,263.00	\$190,000.00	\$229,036.79	\$228,000.00	\$38,000.00	20.00

Town of Hanover
Town Manager Recommended Budget
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913 - UNEMPLOYMENT		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-913-5178	UNEMPLOYMENT COMPENSATION	\$68,196.55	\$53,959.93	\$85,000.00	\$9,129.04	\$85,000.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$68,196.55	\$53,959.93	\$85,000.00	\$9,129.04	\$85,000.00	\$0.00	0.00
913 UNEMPLOYMENT SUB-TOTAL:		\$68,196.55	\$53,959.93	\$85,000.00	\$9,129.04	\$85,000.00	\$0.00	0.00

Town of Hanover
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914 - HEALTH INSURANCE		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-914-5175	GROUP HEALTH INSURANCE	\$2,886,474.65	\$3,250,065.31	\$3,506,384.00	\$1,964,429.43	\$3,857,022.00	\$350,638.00	9.99
EXPENSES SUB-TOTAL:		\$2,886,474.65	\$3,250,065.31	\$3,506,384.00	\$1,964,429.43	\$3,857,022.00	\$350,638.00	9.99
914 HEALTH INSURANCE SUB-TOTAL:		\$2,886,474.65	\$3,250,065.31	\$3,506,384.00	\$1,964,429.43	\$3,857,022.00	\$350,638.00	9.99

Town of Hanover
Town Manager Recommended Budget
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915 - LIFE INSURANCE		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-915-5176	GROUP LIFE INSURANCE	\$5,680.82	\$11,513.56	\$10,000.00	\$3,454.39	\$10,000.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$6,341.85	\$11,513.56	\$10,000.00	\$3,454.39	\$10,000.00	\$0.00	0.00
915 LIFE INSURANCE SUB-TOTAL:		\$6,341.85	\$11,513.56	\$10,000.00	\$3,454.39	\$10,000.00	\$0.00	0.00

Town of Hanover
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916 - EDUCATION BENEFITS		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-916-5317	EMPLOYEE TRAINING - MUNICIPAL	\$6,200.00	\$2,500.00	\$6,500.00	\$0.00	\$6,500.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$6,200.00	\$2,500.00	\$6,500.00	\$0.00	\$6,500.00	\$0.00	0.00
916 EDUCATION BENEFITS SUB-TOTAL:		\$6,200.00	\$2,500.00	\$6,500.00	\$0.00	\$6,500.00	\$0.00	0.00

Town of Hanover
Town Manager Recommended Budget
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919 - MEDICAL								
Account Number	Account Description	FY2016 Expended	FY2017 Expended	FY2018 Budget	FY2018 Expended	FY2019 Town Manager Rec	\$ Change	% Change
01-919-5180	EMPLOYEE MEDICAL	\$29,885.39	\$19,082.23	\$25,000.00	\$14,709.85	\$25,000.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$29,885.39	\$19,082.23	\$25,000.00	\$14,709.85	\$25,000.00	\$0.00	0.00
919 MEDICAL SUB-TOTAL:		\$29,885.39	\$19,082.23	\$25,000.00	\$14,709.85	\$25,000.00	\$0.00	0.00

Town of Hanover
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945 - RISK MANAGEMENT		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-945-5740	PROPERTY & CASUALTY	\$195,826.20	\$183,488.00	\$195,000.00	\$195,011.92	\$210,000.00	\$15,000.00	7.69
01-945-5742	GENERAL INSURANCES	\$34,379.00	\$49,162.00	\$36,000.00	\$36,250.00	\$41,400.00	\$5,400.00	15.00
01-945-5743	INSURANCE DEDUCTIBLES	\$0.00	\$319.24	\$0.00	\$1,000.00	\$500.00	\$500.00	100.00
01-945-5745	PUBLIC OFFICIAL BONDS	\$2,695.00	\$3,376.00	\$2,800.00	\$322.00	\$3,000.00	\$200.00	7.14
01-945-5746	FINGERPRINTING	\$7,295.00	\$5,450.00	\$5,000.00	\$1,400.00	\$5,000.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$246,660.69	\$241,795.24	\$238,800.00	\$233,983.92	\$259,900.00	\$21,100.00	8.83
945 RISK MANAGEMENT SUB-TOTAL:		\$246,660.69	\$241,795.24	\$238,800.00	\$233,983.92	\$259,900.00	\$21,100.00	8.83

Town of Hanover
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990 - INTERFUND TRANSFERS		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-990-5968	TRANSFER TO STABILIZATION	\$0.00	\$153,515.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-990-5968-23	TRANSFER TO TOWN SICK LEAVE	\$0.00	\$0.00	\$0.00	\$0.00	\$50,000.00	\$50,000.00	100.00
01-990-5968-24	TRANSFER TO SCHOOL SICK LEAVE	\$0.00	\$0.00	\$0.00	\$0.00	\$50,000.00	\$50,000.00	100.00
TRANSFERS OUT SUB-TOTAL:		\$0.00	\$153,515.00	\$0.00	\$0.00	\$100,000.00	\$100,000.00	100.00
990 INTERFUND TRANSFERS SUB-TOTAL:		\$0.00	\$153,515.00	\$0.00	\$0.00	\$100,000.00	\$100,000.00	100.00

Town of Hanover
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999 - OTHER								
Account Number	Account Description	FY2016 Expended	FY2017 Expended	FY2018 Budget	FY2018 Expended	FY2019 Town Manager Rec	\$ Change	% Change
01-999-5790	RESERVE FUND TRANSFERS	\$0.00	\$0.00	\$119,702.00	\$0.00	\$177,700.00	\$57,998.00	48.45
EXPENSES SUB-TOTAL:		\$0.00	\$0.00	\$119,702.00	\$0.00	\$177,700.00	\$57,998.00	48.45
999 OTHER SUB-TOTAL:		\$0.00	\$0.00	\$119,702.00	\$0.00	\$177,700.00	\$57,998.00	48.45
GENERAL FUND TOTAL:		\$28,941,861.66	\$29,770,823.39	\$30,472,597.00	\$15,880,684.87	\$60,408,780.00	\$29,936,183.00	98.23
GRAND TOTAL:		\$28,941,861.66	\$29,770,823.39	\$30,472,597.00	\$15,880,684.87	\$60,408,780.00	\$29,936,183.00	98.23

NON-APPROPRIATED EXPENSES



"Hanover, Honoring Yesterday As We Build For Tomorrow"



Non-Appropriated Expenses

Non-Appropriated Expenses

Beyond the specific appropriations contained within the Budget Article, the Town must account for those expenses which do not require an appropriation vote. This category of mandated expenditures and assessments are automatically added to the tax rate. Such costs include various state assessments for services such as charter schools, county services, prior year budget overdrafts caused by snow and ice removal costs, court judgments, and an amount estimated for tax abatements and exemptions referred to as the Assessor's Overlay.

These items are budgeted for the upcoming fiscal year at the current year level.

County Tax

This is an assessment to municipalities for the cost of county government and county services.

State Assessments

Four categories of State assessments account for approximately 87% of the expenses, Mosquito Control Projects, Massachusetts Bay Transportation Authority (MBTA), Regional Transit, and Charter School tuition. Below is a description of all assessments charged to the Town of Hanover:

1. Mosquito Control Projects

Pursuant to MGL Ch. 252 s.5A (Ch.2, s.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.

2. Air Pollution Control Projects

To assess municipalities for a portion of the costs incurred by the Department of Environmental Protection in monitoring air pollution levels and enforcing air quality standards at industrial, commercial, and institutional facilities.

3. Metropolitan Area Planning Council

To assess municipalities in order to finance a Metropolitan Boston area planning district to promote urban planning and respond to the common urban problems of Boston and outlying municipalities.

4. Old Colony Planning Council

To assess municipalities in order to finance a regional planning body for the Brockton Metropolitan area to promote social and economic improvement.



Non-Appropriated Expenses

5. RMV Non-renewal Surcharge

To reimburse the Registry of Motor Vehicles for "marking" a license or registration for non-renewal due to nonpayment of parking violations, motor vehicle excise tax or costs associated with abandoned vehicles. The municipality collects a surcharge per violation for nonpayment of excise from individual violators. This surcharge enables the Town to offset the amount assessed by the Registry of Motor Vehicles.

6. Massachusetts Bay Transportation Authority (MBTA)

An assessment is administered to the MBTA's member cities and towns, in order to maintain and operate this regional public transportation network.

7. Regional Transit

To assess municipalities in order to provide for a system of regional transportation authorities to develop, finance, and contract for the operation of transportation facilities and service outside the Metropolitan Boston area.

7. School Choice

This is an assessment on the sending municipality for pupils attending another school district under school choice.

8. Charter School

This is an assessment on the sending municipality for pupils attending charter schools. Charter schools receive per-pupil payments from sending districts equal to the average cost per student in that district, plus a capital funding share equal to the state average of what districts pay per pupil in principal and interest for land and buildings.

Reserve for Abatements (Assessor's Overlay)

The Reserve or Allowance for Abatements and Exemptions, or Assessor's 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 worksheet.

The Board of Assessors processes 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 abatements are funded by the Overlay Reserve for Abatements and Exemptions.



Non-Appropriated Expenses

Cherry Sheet Offset Items

Cherry Sheet Offset Items are local aid that may be spent without appropriation in the budget, but which must be spent for specific municipal and school programs.

Town of Hanover
Town Manager Recommended Budget
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820 - STATE ASSESSMENTS								
Account Number	Account Description	FY2016 Expended	FY2017 Expended	FY2018 Budget	FY2018 Expended	FY2019 Town Mgr Rec	\$ Change	% Change
01-820-5632	CHARTER SCHOOL TUITION	\$ 348,678.00	\$ 1,700.00	\$ 390,784.00	\$ 159,222.00	\$ 382,130.00	\$ (8,654.00)	-2.21
01-820-5633	SCHOOL CHOICE	\$ 13,700.00	\$ 6,800.00	\$ 20,400.00	\$ 13,484.00	\$ 32,298.00	\$ 11,898.00	58.32
01-820-5639	MOSQUITO CONTROL PROJECTS	\$ 49,840.00	\$ 21,205.00	\$ 50,880.00	\$ 22,020.00	\$ 52,842.00	\$ 1,962.00	3.86
01-820-5640	AIR POLLUTION CONTROL PROJECTS	\$ 4,879.00	\$ 2,085.00	\$ 5,001.00	\$ 2,090.00	\$ 5,010.00	\$ 9.00	0.18
01-820-5641	METRO AREA PLANNING COUNCIL	\$ 7,065.00	\$ 3,020.00	\$ 7,242.00	\$ 3,075.00	\$ 7,369.00	\$ 127.00	1.75
01-820-5642	OLD COLONY PLANNING COUNCIL	\$ 4,995.00	\$ 2,055.00	\$ 4,925.00	\$ 2,175.00	\$ 5,219.00	\$ 294.00	5.97
01-820-5646	MOTOR VEHICLE SURCHARGE	\$ 9,620.00	\$ 4,596.00	\$ 9,620.00	\$ 5,110.00	\$ 12,260.00	\$ 2,640.00	27.44
01-820-5661	MBTA	\$ 23,706.00	\$ 4,390.00	\$ 10,534.00	\$ 3,675.00	\$ 8,809.00	\$ (1,725.00)	-16.38
01-820-5662	REGIONAL TRANSIT AUTHORITY	\$ 69,886.00	\$ 34,850.00	\$ 83,633.00	\$ 35,720.00	\$ 85,724.00	\$ 2,091.00	2.50
EXPENSES SUBTOTAL:		\$ 532,369.00	\$ 80,701.00	\$ 583,019.00	\$ 246,571.00	\$ 591,661.00	\$ 8,642.00	1.48
820 - STATE ASSESSMENTS SUBTOTAL:		\$ 532,369.00	\$ 80,701.00	\$ 583,019.00	\$ 246,571.00	\$ 591,661.00	\$ 8,642.00	1.48

Town of Hanover
Town Manager Recommended Budget
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830 - COUNTY TAX								
Account Number	Account Description	FY2016 Expended	FY2017 Expended	FY2018 Budget	FY2018 Expended	FY2019 Town Mgr Rec	\$ Change	% Change
01-830-5621	COUNTY TAX	\$ 51,421.62	\$ 26,353.58	\$ 52,707.00	\$ 27,095.46	\$ 54,191.00	\$ 1,484.00	2.82
EXPENSES SUBTOTAL:		\$ 51,421.62	\$ 26,353.58	\$ 52,707.00	\$ 27,095.46	\$ 54,191.00	\$ 1,484.00	2.82
830 COUNTY TAX SUBTOTAL:		\$ 51,421.62	\$ 26,353.58	\$ 52,707.00	\$ 27,095.46	\$ 54,191.00	\$ 1,484.00	2.82

DEBT



"Hanover, Honoring Yesterday As We Build For Tomorrow"



Debt

Debt Service

Debt service appropriations provide for the payment of principal and interest costs for long and short term bonds issued by the Town for capital projects for General Fund purposes. The debt service appropriations for both Community Preservation and the Water Enterprise appear in their respective budgets.

Typically, larger projects such as the construction of buildings are bonded for twenty years or more, while the financing for other projects and equipment is retired within five to ten years. The Town's goal is to finance capital projects for the shortest possible term over the useful life of the project or equipment in accordance with the terms outlined in the Massachusetts General Laws. This ensures that our debt burden will remain manageable. Additionally, in our most recent rating review, Moody's Investors Service indicated their expectation that our debt position should remain manageable given amortization of principal and plans for a large portion to be excluded from Proposition 2 ½.

The last Bond Anticipation Note (BAN) was issued in June of 2016 in the amount of \$1,388,159 for capital items that are in progress. This BAN was awarded a rating of MIG 1 which incorporates the town's long-term credit strength, satisfactory refinancing risk and strong liquidity.

The total FY19 requested debt service budget is \$5,802,199.

Statutory Debt Limit

The aggregate level of the Town's outstanding debt obligations is limited by State law. The statutory debt limit is established at 5% of the Town's total Equalized Valuation (EQV). This figure represents the full and fair cash value of all taxable real and personal property as of January 1. The EQV is determined every other year by the Massachusetts' Department of Revenue.

Hanover's Finalized 2016 EQV	\$2,595,375,300
5% of EQV Debt Limit	\$129,768,765

Hanover's total issued and outstanding long-term debt principal, both inside and outside the debt limit, as of June 30, 2017 is \$41,581,336, significantly below the statutory debt limit and \$4,545,568 lower than on the same date in 2016.




Debt

Bond Rating

In order to comply with complex tax regulations, secure access to municipal bond markets, 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 bond anticipation notes or bonds.

The credit rating agency Moody's Investors Service recently affirmed Hanover's Aa2 rating for the Town's most recent bond issue in June of 2016. The Town has maintained this rating since FY10. In FY10, the rating increased from Aa3. Bonds that are rated Aa are judged to be of high quality; together with the Aaa group they comprise what are generally known as high-grade bonds.

BOND RATING SYMBOLS	
<u>Moody's Investor Services</u>	
	Aaa
	Aa1
	Aa2
	Aa3
	A1
	A2
	A3
	Baa1
	Baa2
	Baa3
	Ba1
	Ba2
	Ba3
	B1
	B2
	B3



Debt

Total Long-Term Debt Service – All Funds

The total long-term annual debt service from FY2018 through FY2035, including both principal and interest, is shown below.

Town of Hanover, Massachusetts
Total Long-Term Debt Outstanding as of June 30, 2017

Aggregate Debt Service

Date	Principal	Interest	Total P+I
06/30/2017	-	-	-
06/30/2018	4,165,568.00	1,567,810.38	5,733,378.38
06/30/2019	4,125,568.00	1,395,477.88	5,521,045.88
06/30/2020	4,154,700.00	1,225,958.85	5,380,658.85
06/30/2021	4,099,700.00	1,056,094.46	5,155,794.46
06/30/2022	2,989,700.00	892,131.26	3,881,831.26
06/30/2023	3,029,700.00	760,956.26	3,790,656.26
06/30/2024	3,044,700.00	634,181.26	3,678,881.26
06/30/2025	2,739,700.00	515,331.26	3,255,031.26
06/30/2026	2,654,700.00	407,187.50	3,061,887.50
06/30/2027	2,464,700.00	303,625.00	2,768,325.00
06/30/2028	2,394,700.00	232,225.00	2,626,925.00
06/30/2029	2,409,700.00	165,400.00	2,575,100.00
06/30/2030	794,700.00	106,325.00	901,025.00
06/30/2031	769,700.00	78,225.00	847,925.00
06/30/2032	769,700.00	51,125.00	820,825.00
06/30/2033	324,700.00	24,025.00	348,725.00
06/30/2034	324,700.00	14,531.25	339,231.25
06/30/2035	324,700.00	4,843.75	329,543.75
Total	\$41,581,336.00	\$9,435,454.11	\$51,016,790.11

Par Amounts Of Selected Issues

October 25 2000 MWPAT 97-1140 (OE).....	21,736.00
August 25 2004 MWPAT CW-01-25 (I).....	65,000.00
May 15 2008 Noncalled -Middle School Lighting (I).....	10,000.00
May 15 2008 Noncalled -Middle School Elevator (I).....	10,000.00
May 15 2008 Noncalled -Sylvester School Windows (I).....	25,000.00
May 15 2008 Noncalled -Land Acquisition (I) CPA.....	75,000.00
May 15 2008 Noncalled -Bridge Repair (I).....	25,000.00
May 15 2008 Noncalled -Water Main (OSS).....	10,000.00
May 15 2009 Noncalled -Senior Center (IE).....	280,000.00
May 15 2009 Noncalled -High School (IE).....	1,490,000.00
May 15 2009 Noncalled -Recreational Fields (I) CPA.....	130,000.00
March 1 2010 -Cur Ref of 5 15 00 - School (I).....	20,000.00
March 1 2010 -Cur Ref of 5 15 00 - Landfill (O).....	75,000.00
March 1 2010 -Adv Ref of 6 15 01 - Library (IE).....	375,000.00
March 1 2010 -Adv Ref of 6 15 01 - Middle School (IE)*.....	4,125,000.00
September 14 2011 -Alternative Energy (I).....	525,000.00
September 14 2011 -Senior Center Construction (IE).....	675,000.00
September 14 2011 -Outdoor Recreational Facilities (I) - CPA.....	400,000.00
September 14 2011 -High School Construction (IE).....	6,000,000.00
September 14 2011 -Ambulance Replacement (I).....	165,000.00
September 14 2011 -King Street Recreational Complex (I) - CPA.....	975,000.00
September 14 2011 -Roads (IE).....	1,925,000.00
September 11 2014 -High School Construction I (OE).....	5,400,000.00
September 11 2014 -High School Construction II (OE).....	180,000.00
September 11 2014 -Street Construction (IE).....	3,940,000.00
January 7 2015 MCWT T5-97-1140-A (OE).....	264,600.00
June 24 2016 -Cur Ref 6 15 04 - Water Mains (OSS).....	81,500.00
June 24 2016 -Cur Ref 6 15 04 - Water Treatment Plant (OSS).....	1,634,300.00
June 24 2016 -Cur Ref 6 15 04 - Water Mains 3 (O).....	31,200.00
June 24 2016 -Cur Ref 6 15 04 - Equipment 2 (I).....	9,500.00
June 24 2016 -Cur Ref 6 15 04 - Equipment 3 (I).....	9,500.00
June 24 2016 -Adv Ref 5 15 08 - Middle School Lighting (I).....	84,000.00
June 24 2016 -Adv Ref 5 15 08 - Middle School Elevator (I).....	42,500.00
June 24 2016 -Adv Ref 5 15 08 - Sylvester School Windows (I).....	210,000.00
June 24 2016 -Adv Ref 5 15 08 - Land Acquisition (I) CPA.....	590,000.00
June 24 2016 -Adv Ref 5 15 08 - Bridge Repair (I).....	187,500.00
June 24 2016 -Adv Ref 5 15 08 - Water Main (OSS).....	84,300.00
June 24 2016 -Adv Ref 5 15 09 - Senior Center (IE).....	1,758,000.00
June 24 2016 -Adv Ref 5 15 09 - High School (IE).....	9,362,500.00
June 24 2016 -Adv Ref 5 15 09 - Recreational Fields (I) CPA.....	310,200.00
TOTAL.....	41,581,336.00

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

710 - DEBT SERVICE - PRINCIPAL		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-710-5910	PRINC-SHORT TERM DEBT	\$0.00	\$0.00	\$0.00	\$0.00	\$104,881.00	\$104,881.00	100.00
01-710-5910-0701	PRINC-2000 WPAT LOAN	\$10,868.00	\$10,408.97	\$10,868.00	\$10,868.00	\$10,868.00	\$0.00	0.00
01-710-5910-0703	PRINC-2004 WPAT TITLE V	\$7,532.99	\$7,385.46	\$10,000.00	\$7,334.53	\$10,000.00	\$0.00	0.00
01-710-5910-0713	PRINC-2003 HIGH SCHOOL GENERATOR	\$20,000.00	\$15,000.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-710-5910-0714	PRINC-2006 SYLVESTER SCHOOL	\$35,000.00	\$35,000.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-710-5910-0716	PRINC-2006 FIRE STATION ROOF	\$5,000.00	\$5,000.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-710-5910-0717	PRINC-2006 DPW DUMP TRUCK	\$10,000.00	\$10,000.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-710-5910-0719	PRINC-2008 MIDDLE SCHOOL LIGHTING	\$15,000.00	\$10,000.00	\$10,000.00	\$0.00	\$0.00	\$-10,000.00	-100.00
01-710-5910-0720	PRINC-2008 MIDDLE SCHOOL	\$10,000.00	\$10,000.00	\$10,000.00	\$0.00	\$0.00	\$-10,000.00	-100.00
01-710-5910-0721	PRINC-2008 SYLVESTER SCHOOL	\$25,000.00	\$25,000.00	\$25,000.00	\$0.00	\$0.00	\$-25,000.00	-100.00
01-710-5910-0722	PRINC-2008 BRIDGE REPAIR	\$25,000.00	\$25,000.00	\$25,000.00	\$0.00	\$0.00	\$-25,000.00	-100.00
01-710-5910-0723	PRINC-2008 TRACTOR	\$10,000.00	\$10,000.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-710-5910-0724	PRINC-2008 DPW TRANSFER TRAILERS	\$25,000.00	\$25,000.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-710-5910-0725	PRINC-2008 MOWER	\$10,000.00	\$10,000.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-710-5910-0726	PRINC-2010 SEPTIC SEWER	\$10,000.00	\$4,500.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-710-5910-0729	PRINC-2010 SCHOOL 206K	\$20,000.00	\$20,000.00	\$20,000.00	\$0.00	\$0.00	\$-20,000.00	-100.00
01-710-5910-0730	PRINC-2010 LANDFILL	\$75,000.00	\$75,000.00	\$75,000.00	\$0.00	\$0.00	\$-75,000.00	-100.00
01-710-5910-0731	PRINC-2011 ALTERNATIVE ENERGY	\$45,000.00	\$45,000.00	\$45,000.00	\$0.00	\$45,000.00	\$0.00	0.00
01-710-5910-0733	PRINC-2011 AMBULANCE	\$60,000.00	\$55,000.00	\$55,000.00	\$0.00	\$55,000.00	\$0.00	0.00
01-710-5910-0740	PRINC - EQUIP \$14.5K 6.24.16	\$0.00	\$5,000.00	\$5,000.00	\$0.00	\$4,500.00	\$-500.00	-10.00
01-710-5910-0741	PRINC - EQUIP \$14.5K 6.24.16	\$0.00	\$5,000.00	\$5,000.00	\$0.00	\$4,500.00	\$-500.00	-10.00
01-710-5910-0742	PRINC - MS LIGHTING 6.24.16	\$0.00	\$0.00	\$0.00	\$0.00	\$9,000.00	\$9,000.00	100.00
01-710-5910-0743	PRINC - MS ELEVATOR 6.24.16	\$0.00	\$0.00	\$0.00	\$0.00	\$5,000.00	\$5,000.00	100.00
01-710-5910-0744	PRINC - SYLV WINDOWS 6.24.16	\$0.00	\$0.00	\$0.00	\$0.00	\$25,000.00	\$25,000.00	100.00
01-710-5910-0745	PRINC - BRIDGE REPAIR 6.24.16	\$0.00	\$0.00	\$0.00	\$0.00	\$25,000.00	\$25,000.00	100.00
01-710-5910-0798	PRINC-1998 POLICE STATION DEBT	\$175,000.00	\$175,500.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-710-5910-0801	PRINC-2001 SCHOOL PROJCTS DEBT	\$905,000.00	\$940,000.00	\$980,000.00	\$0.00	\$1,020,000.00	\$40,000.00	4.08
01-710-5910-0802	PRINC-2001 LIBRARY DEBT EXCLUSION	\$125,000.00	\$120,000.00	\$115,000.00	\$0.00	\$105,000.00	\$-10,000.00	-8.69
01-710-5910-0809	PRINC-2009 SENIOR CENTER DEBT EXCL	\$125,000.00	\$130,000.00	\$135,000.00	\$0.00	\$145,000.00	\$10,000.00	7.40
01-710-5910-0810	PRINC-2009 NEW HIGH SCHL DEBT	\$670,000.00	\$700,000.00	\$730,000.00	\$0.00	\$760,000.00	\$30,000.00	4.10
01-710-5910-0811	PRINC-2011 NEW HIGH SCHL DEBT	\$400,000.00	\$400,000.00	\$400,000.00	\$0.00	\$400,000.00	\$0.00	0.00

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

710 - DEBT SERVICE - PRINCIPAL		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-710-5910-0812	PRINC-2011 SENIOR CENTER DEBT EXCL	\$45,000.00	\$45,000.00	\$45,000.00	\$0.00	\$45,000.00	\$0.00	0.00
01-710-5910-0813	PRINC-2011 ROAD RECONSTR DEBT	\$215,000.00	\$215,000.00	\$215,000.00	\$0.00	\$215,000.00	\$0.00	0.00
01-710-5910-0815	PRINC - 2015 TITLE V T5-97-1140-A	\$14,700.00	\$14,700.00	\$14,700.00	\$14,700.00	\$14,700.00	\$0.00	0.00
01-710-5910-0911	PRINC - 2014 HS CONST I 6M	\$300,000.00	\$300,000.00	\$300,000.00	\$300,000.00	\$300,000.00	\$0.00	0.00
01-710-5910-0912	PRINC - 2014 HS CONST II 201K	\$15,000.00	\$15,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$0.00	0.00
01-710-5910-0913	PRINC - 2014 ROADS 4.6M	\$330,000.00	\$330,000.00	\$330,000.00	\$330,000.00	\$330,000.00	\$0.00	0.00
DEBT SERVICE SUB-TOTAL:		\$3,788,100.99	\$3,792,494.43	\$3,570,568.00	\$672,902.53	\$3,643,449.00	\$72,881.00	2.04
710 DEBT SERVICE - PRINCIPAL SUB-TOTAL:		\$3,788,100.99	\$3,792,494.43	\$3,570,568.00	\$672,902.53	\$3,643,449.00	\$72,881.00	2.04

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

751 - DEBT SERVICE - INTEREST		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-751-5915-0701	INT-2000 WPAT LOAN PURPOSE BOND	\$0.00	\$0.00	\$815.00	\$0.00	\$272.00	\$-543.00	-66.62
01-751-5915-0703	INT-2004 WPAT TITLE V	\$829.94	\$694.60	\$2,564.00	\$555.26	\$2,375.00	\$-189.00	-7.37
01-751-5915-0713	INT-2003 HIGH SCHOOL GENERATOR	\$1,000.00	\$300.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-751-5915-0714	INT-2006 SYVLESTER SCHOOL BOILER	\$2,100.00	\$700.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-751-5915-0716	INT-2006 FIRE STATION ROOF	\$300.00	\$100.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-751-5915-0717	INT-2006 DPW DUMP TRUCK	\$600.00	\$200.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-751-5915-0719	INT-2008 MIDDLE SCHOOL LIGHTING	\$5,000.00	\$800.00	\$400.00	\$200.00	\$0.00	\$-400.00	-100.00
01-751-5915-0720	INT-2008 MIDDLE SCHOOL ELEVATOR	\$3,000.00	\$800.00	\$400.00	\$200.00	\$0.00	\$-400.00	-100.00
01-751-5915-0721	INT-2008 SYLVESTER SCHOOL	\$12,000.00	\$2,000.00	\$1,000.00	\$500.00	\$0.00	\$-1,000.00	-100.00
01-751-5915-0722	INT-2008 BRIDGE REPAIR	\$11,000.00	\$2,000.00	\$1,000.00	\$500.00	\$0.00	\$-1,000.00	-100.00
01-751-5915-0723	INT-2008 TRACTOR	\$800.00	\$400.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-751-5915-0724	INT-2008 DPW TRANSFER TRAILERS	\$2,000.00	\$1,000.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-751-5915-0725	INT-2008 MOWER	\$800.00	\$400.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-751-5915-0726	INT-2010 SEPTIC SEWER	\$580.00	\$180.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-751-5915-0729	INT-2010 SCHOOL 206K	\$2,400.00	\$800.00	\$800.00	\$400.00	\$0.00	\$-800.00	-100.00
01-751-5915-0730	INT-2010 LANDFILL	\$9,000.00	\$6,000.00	\$3,000.00	\$1,500.00	\$0.00	\$-3,000.00	-100.00
01-751-5915-0731	INT-2011 ALTERNATIVE ENERGY	\$24,850.00	\$23,050.00	\$21,250.00	\$10,625.00	\$19,450.00	\$-1,800.00	-8.47
01-751-5915-0733	INT-2011 AMBULANCE REPLACEMENT	\$11,750.00	\$9,350.00	\$7,150.00	\$3,575.00	\$4,950.00	\$-2,200.00	-30.76
01-751-5915-0740	INT - EQUIP \$14.5K 6.24.16	\$0.00	\$472.58	\$380.00	\$190.00	\$180.00	\$-200.00	-52.63
01-751-5915-0741	INT - EQUIP \$14.5K 6.24.16	\$0.00	\$472.58	\$380.00	\$190.00	\$180.00	\$-200.00	-52.63
01-751-5915-0742	INT - MS LIGHTING 6.24.16	\$0.00	\$2,906.83	\$3,260.00	\$1,630.00	\$3,260.00	\$0.00	0.00
01-751-5915-0743	INT - MS ELEVATOR 6.24.16	\$0.00	\$1,471.25	\$1,650.00	\$825.00	\$1,650.00	\$0.00	0.00
01-751-5915-0744	INT - SYL WINDOWS 6.24.16	\$0.00	\$7,222.50	\$8,100.00	\$4,050.00	\$8,100.00	\$0.00	0.00
01-751-5915-0745	INT - BRIDGE REPAIR 6.24.16	\$0.00	\$6,464.58	\$7,250.00	\$3,625.00	\$7,250.00	\$0.00	0.00
01-751-5915-0798	INT-1998 POLICE STATION DEBT EXCL	\$14,020.00	\$7,020.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-751-5915-0801	INT-2001 SCHOOL PROJECTS DEBT EXCL	\$207,350.00	\$171,950.00	\$133,550.00	\$66,775.00	\$94,350.00	\$-39,200.00	-29.35
01-751-5915-0802	INT-2001 LIBRARY DEBT EXCLUSION	\$22,200.00	\$17,200.00	\$12,400.00	\$6,200.00	\$7,800.00	\$-4,600.00	-37.09
01-751-5915-0809	INT-2009 SENIOR CENTER DEBT EXCL	\$98,307.50	\$17,850.00	\$12,650.00	\$6,325.00	\$7,250.00	\$-5,400.00	-42.68
01-751-5915-0810	INT-2009 NEW HIGH SCHOOL DEBT	\$523,922.50	\$95,200.00	\$67,200.00	\$33,600.00	\$38,000.00	\$-29,200.00	-43.45
01-751-5915-0811	INT-2011 NEW HIGH SCHOOL DEBT	\$273,500.00	\$257,500.00	\$241,500.00	\$120,750.00	\$225,500.00	\$-16,000.00	-6.62
01-751-5915-0812	INT-2011 SENIOR CENTER DEBT EXCL	\$30,768.76	\$28,968.76	\$27,169.00	\$13,584.38	\$25,369.00	\$-1,800.00	-6.62

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

751 - DEBT SERVICE - INTEREST		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-751-5915-0813	INT-2011 ROAD RECONSTR DEBT EXCL	\$95,087.50	\$86,487.50	\$77,888.00	\$38,943.75	\$69,287.00	\$-8,601.00	-11.04
01-751-5915-0816	INT - SR CENTER 6.24.16	\$0.00	\$52,135.75	\$58,470.00	\$29,235.00	\$58,470.00	\$0.00	0.00
01-751-5915-0817	INT - NEW HS 6.24.16	\$0.00	\$277,352.92	\$311,050.00	\$155,525.00	\$311,050.00	\$0.00	0.00
01-751-5915-0911	INT - 2014 HS CONST I 6M	\$354,354.17	\$227,250.00	\$212,250.00	\$109,875.00	\$197,250.00	\$-15,000.00	-7.06
01-751-5915-0912	INT - 2014 HS CONST II 210K	\$12,325.69	\$7,700.00	\$7,075.00	\$3,662.50	\$6,575.00	\$-500.00	-7.06
01-751-5915-0913	INT - 2014 ROADS 4.6M	\$299,947.22	\$188,950.00	\$172,450.00	\$90,350.00	\$155,950.00	\$-16,500.00	-9.56
DEBT SERVICE SUB-TOTAL:		\$2,022,938.28	\$1,503,349.85	\$1,393,051.00	\$703,390.89	\$1,244,518.00	\$-148,533.00	-10.66
751 DEBT SERVICE - INTEREST SUB-TOTAL:		\$2,022,938.28	\$1,503,349.85	\$1,393,051.00	\$703,390.89	\$1,244,518.00	\$-148,533.00	-10.66

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

752 - DEBT - SHORT TERM INTEREST		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-752-5925	INT-SHORT TERM DEBT	\$19,672.72	\$27,686.06	\$40,000.00	\$0.00	\$492,757.00	\$452,757.00	1131.89
DEBT SERVICE SUB-TOTAL:		\$19,672.72	\$27,686.06	\$40,000.00	\$0.00	\$492,757.00	\$452,757.00	1131.89
752 DEBT - SHORT TERM INTEREST		\$19,672.72	\$27,686.06	\$40,000.00	\$0.00	\$492,757.00	\$452,757.00	1131.89

Town of Hanover
Town Manager Recommended Budget
FY19 Operating Budget

755 - DEBT SERVICE - ISSUANCE COSTS		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-755-5939	BOND/NOTE ISSUE EXPENSES	\$0.00	\$0.00	\$10,000.00	\$0.00	\$10,000.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$0.00	\$0.00	\$10,000.00	\$0.00	\$10,000.00	\$0.00	0.00
755 DEBT SERVICE - ISSUANCE COSTS		\$0.00	\$0.00	\$10,000.00	\$0.00	\$10,000.00	\$0.00	0.00



ENTERPRISE FUND



"Hanover, Honoring Yesterday As We Build For Tomorrow"



Water Enterprise Fund

The DPW's Water Operations Group operates and maintains the Town's public water system. The system is operated as an enterprise fund, authorized under MGL Chapter 44, section 53F1/2. The fund is a separate accounting and financial reporting mechanism for municipal services for which a fee is charged in exchange for goods and services. The fund allows the community to demonstrate to the public the portion of total costs for drinking water that are recovered through user charges and the portion that is subsidized by the tax levy, if any. All costs of service delivery are identified including direct, indirect, and capital costs.

Enabling Legislation

The Town of Hanover's water supply was created by special legislation, Chapter 39 of the Acts of 1930. This legislation authorized the Town "to supply itself and its inhabitants with water for the extinguishment of fires and for domestic and other purposes." The act spelled out the limits of authority of the Town in establishing and managing the water supply. The act also created a Board of Water Commissioners to be elected by the residents to oversee the operation of said system. The Hanover Town Manager Act subsequently transferred the powers and responsibilities of the Board of Water Commissioners to the Town Manager, with the exception of the rate setting authority which was moved from the Board of Water Commissioners to the Board of Selectmen.

Operating Structure

The Town's water supply is operated by the Department of Public Works. Day to day operations are managed by the Town Manager through the Director of Public Works, Deputy Superintendent of Public Works for Water Operations, and Water Operations Group's field level staff.

Description of Hanover's Water Supply

The Town of Hanover receives its water through seven gravel packed wells and two bedrock wells. The wells are located in four well fields located in the east and southeast side of town. All nine wells are treated before being discharged into the water distribution system.

The Pond Street water treatment plant, located on Pond Street, treats the three gravel packed wells of the Pond Street well field for high levels of iron, manganese, organic color, and turbidity. The Town of Hanover shares the Pond Street well field with the Town of Norwell. The Pond Street WTP is a conventional water treatment plant and has been in operation since 1973. It has been incrementally upgraded several times.

The Beal water treatment plant, located on Riverside Drive, treats two bedrock wells for high levels of iron and manganese. The wells are located in the Philip C. Beal bedrock well field. The Beal WTP is a manganese-greensand treatment plant and has been in operation since 1994.

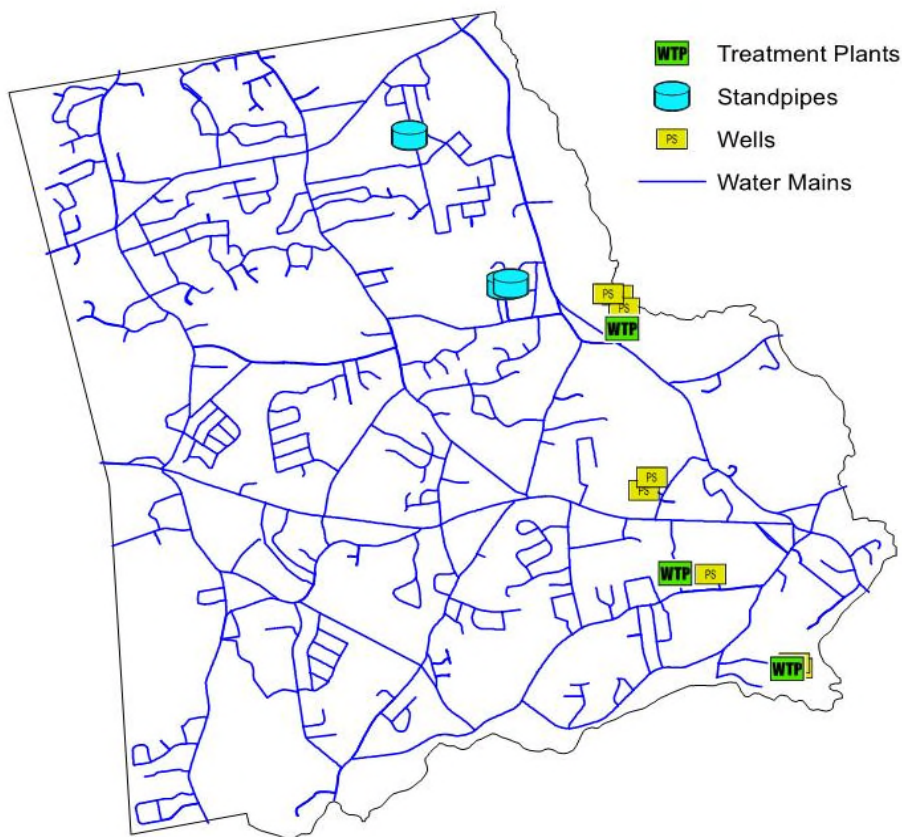
The Broadway water treatment plant, located on Broadway, treats four gravel packed wells for low levels of iron, manganese, organic color, and turbidity. Two of the wells are located in the Broadway well field and the other two wells are located in the Hanover Street well field. The Broadway WTP is a manganese-greensand treatment plant and has been in operation since 2003.



Water Enterprise Fund

Water is pumped from the treatment plant to a network of approximately 100 miles of water mains to feed approximately 5,000 water services. The system has three standpipes that maintain system pressure and store 3.75 million gallons of water. The entire system is one pressure zone. The system has emergency interconnections with the Towns of Norwell, Pembroke, and Hanson.

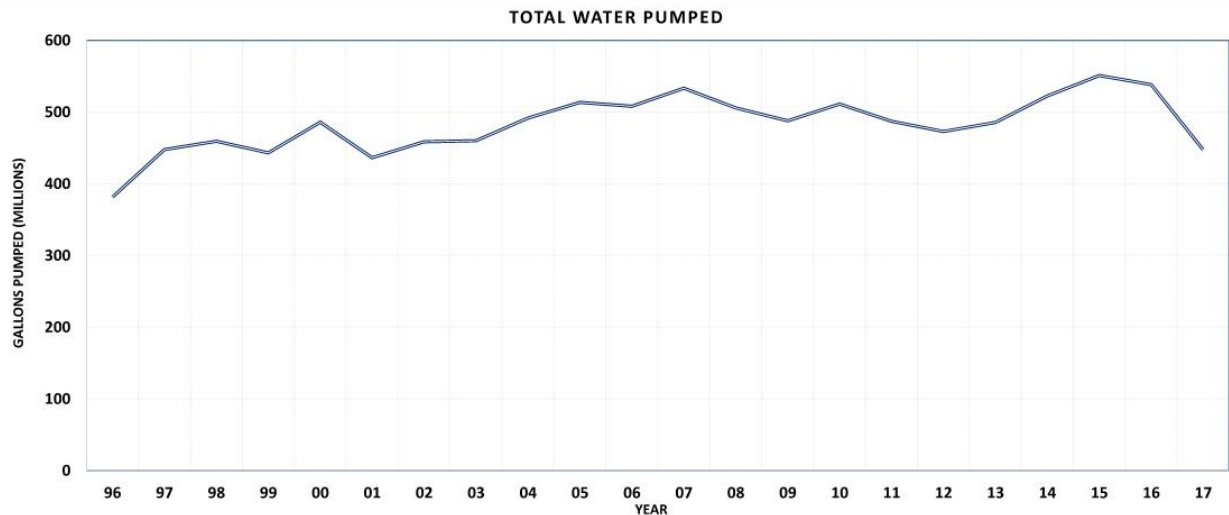
Hanover Water System





Water Enterprise Fund

Overall, the Town pumps approximately 500 million gallons of water annually with the heaviest consumption in the summer months.



Rate Structure

The Town of Hanover bills each account quarterly. The water rate has a fixed charge based on the size of the meter and a variable charge depending on the amount of water consumed for the quarter. The variable charge is an increasing block rate, designed to encourage conservation. The current fixed rate (minimum charge) is as defined in the following table

Meter Size	Price per quarter
5/8 inch x 3/4 inch	\$38.00
3/4 inch	\$63.80
1 inch	\$101.28
1.5 inch	\$202.50
2 inch	\$304.90
Greater than 2 inch	\$632.88

The current variable rate (usage charge) is defined as follows

Usage	Price per 100 cubic feet
0 – 500 cubic feet	\$2.80
501 to 3,000 cubic feet	\$5.27
3,000 to 4,000 cubic feet	\$8.69
Greater than 4,000 cubic feet	\$11.07

The average quarterly water bill for a family of four (assuming 3,000 cubic feet) is \$183.75.



Water Enterprise Fund

Organizational Chart

<u>WATER OPERATIONS GROUP</u>
Deputy Superintendent Water Operations
Assistant Deputy Superintendent Water Treatment
Secretary (3)
Custodian (0.5)
<u>WATER DISTRIBUTION DIVISION</u>
Water Distribution Foreman
Skilled Water Distribution Mechanic (3)
Unskilled Water Distribution Mechanic
Skilled Equipment Operator
Unskilled Equipment Operator (0.5)
Truck Driver / Laborer (1)
<u>WATER TREATMENT DIVISION</u>
Foreman WTP Operators (2)
Water Treatment Plant Operator (4.4)
Unskilled Treatment Plant Operator (3)

Goals and Objectives

- Pump, treat, and supply 500 million gallons of drinking water to residents and businesses.
- Construct and commission changes to water treatment systems to reduce disinfection byproducts in the water distribution system to below Federal Tier 2 standards
- Advance near real-time reporting of water operational data on website in accordance with Board of Selectmen goals
- Replace 500 water meters with radio read metering equipment.



Water Enterprise Fund

Accomplishments

- Treated and supplied 507.8 million gallons of drinking water to residents and businesses.
- Reduced finished water demand by approximately 50 million gallons through aggressive leak detection.
- Advanced the design of changes to all three treatment plants to reduce disinfection byproducts to below Federal Tier 2 standards
- Managed disinfection byproducts to below Federal action levels through source water selection and chemical feed optimization
- Replaced 595 water meters with radio read metering equipment.

Significant Budget Changes or Initiatives

- The FY19 budget includes modest increases in the chemical feed budgets at all three water treatment plants to account for expected increased costs of new chemicals associated with the disinfection byproduct systems that are expected to be on-line in FY 19.
- Increases in the labor line items reflect negotiated increases in wages with union and non-union personnel.
- The meter replacement line item in the water distribution budget has been increased to provide sufficient funds to replace up to 600 meters. While the goal is 10 percent of the total meter count or 500 meters, the department has shown that higher numbers are possible. Accelerating the replacement schedule will open opportunities for more frequent meter reading as well as opportunities to perform periodic leak detection on customer plumbing systems.



Water Enterprise Fund

Programs and Services

**Director
of
Public Works**

WATER OPERATIONS GROUP

Water Distribution

- Meter Reading
- Water Mains
- Hydrants
- Valves
- Leak Detection
- Backflow Prevention
- Standpipes

Water Treatment

- Pond St WTP
- Beal WTP
- Broadway WTP
- Laboratory Services
- Water Quality Control



Water Enterprise Fund

Personnel Summary

DEPARTMENT OF PUBLIC WORKS - WATER DIVISION ONLY				
Personnel Summary				
Position	FY2017 FTE	FY2018 FTE	FY2019 FTE	Change
Water Division				
Deputy Superintendent Water Operations	1.00	1.00	1.00	-
Assistant Superintendent Water Operations	-	1.00	1.00	-
Secretary	1.00	3.00	3.00	-
Custodian	0.50	0.50	0.50	-
Chief WTP Operator	2.00	-	-	-
Foreman WTP Operator	-	2.00	2.00	-
Water Treatment Plant Operator	5.40	4.40	4.40	-
Unskilled Treatment Plant Operator	1.00	3.00	3.00	-
Water Distribution Foreman	1.00	1.00	1.00	-
Skilled Water Distribution Mechanic	2.00	3.00	3.00	-
Unskilled Water Distribution Mechanic	1.00	-	-	-
Skilled Equipment Operator	1.00	1.00	1.00	-
Unskilled Equipment Operator	0.50	0.50	0.50	-
Truck Driver/Laborer	2.00	2.00	2.00	-
Total Full-time Equivalents	18.40	22.40	22.40	-

Personnel Notes

FTEs are based on a 40 hour work week and are benefit eligible.

The FY2019 budget does not propose any new positions in the water operation.

Negotiated changes in the union contract elevated one truck driver/labor in the water distribution division to an unskilled water distribution mechanic position on July 1, 2017. The FY2018 and FY2019 numbers reflect this change.



Water Enterprise Fund

Balanced Budget

	ESTIMATED REVENUES		
	FY19	FY18	FY17
Water User Charges	3,877,967	3,705,865	3,651,515
TOTAL ESTIMATED REVENUE	3,877,967	3,705,865	3,651,515

	DIRECT APPROPRIATIONS		
	FY19	FY18	FY17
Water Administration	423,972	416,303	404,540
Water Treatment	1,717,031	1,674,756	1,561,804
Water Distribution	882,341	807,859	782,579
Water Debt Service	391,228	343,552	543,853
Total Direct Appropriations	3,414,572	3,242,470	3,292,776
	INDIRECT APPROPRIATIONS		
	FY19	FY18	FY17
Indirect Costs - Water Enterprise	463,395	463,395	358,739
Total OFS	463,395	463,395	358,739
TOTAL APPROPRIATIONS	3,877,967	3,705,865	3,391,815

Town of Hanover
Town Manager Recommended Budget
FY19 Water Enterprise

450 - WATER		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
60-450-5110	SALARIES - APPOINTED OFFICIALS	\$147,039.71	\$151,030.12	\$154,610.00	\$53,698.00	\$158,499.00	\$3,889.00	2.51
60-450-5113	SALARIES - CLERICAL	\$129,787.37	\$135,438.75	\$134,958.00	\$48,210.38	\$138,083.00	\$3,125.00	2.31
60-450-5115	SALARIES - CUSTODIAN P/T	\$24,960.21	\$25,661.80	\$26,234.00	\$10,175.39	\$25,709.00	\$-525.00	-2.00
60-450-5130	SALARIES - CLERICAL OVERTIME	\$3,563.62	\$2,838.89	\$4,261.00	\$626.94	\$4,261.00	\$0.00	0.00
60-450-5148	STIPEND	\$3,486.08	\$0.00	\$3,500.00	\$0.00	\$0.00	\$-3,500.00	-100.00
PERSONNEL SUB-TOTAL:		\$308,836.99	\$314,969.56	\$323,563.00	\$112,710.71	\$326,552.00	\$2,989.00	0.92
60-450-5250	EQUIPMENT MAINTENANCE	\$9,158.66	\$6,101.52	\$14,360.00	\$991.98	\$14,360.00	\$0.00	0.00
60-450-5271	OFFICE EQUIPMENT RENTAL	\$0.00	\$0.00	\$1,200.00	\$0.00	\$1,200.00	\$0.00	0.00
60-450-5310	ENGINEERING	\$79,486.00	\$0.00	\$28,000.00	\$750.00	\$15,000.00	\$-13,000.00	-46.42
60-450-5318	OTHER CONTRACTED SERVICES	\$9,480.91	\$28,310.67	\$8,590.00	\$4,298.45	\$21,370.00	\$12,780.00	148.77
60-450-5340	TELEPHONE - ADMINISTRATION	\$4,328.59	\$12,113.78	\$7,500.00	\$3,921.69	\$3,500.00	\$-4,000.00	-53.33
60-450-5342	PRINTING & STATIONARY	\$1,981.01	\$2,704.00	\$3,500.00	\$0.00	\$3,500.00	\$0.00	0.00
60-450-5345	POSTAGE & MAIL PERMITS	\$10,792.23	\$13,336.60	\$13,600.00	\$2,052.43	\$13,600.00	\$0.00	0.00
60-450-5450	MATERIALS & SUPPLIES	\$10,718.57	\$11,193.02	\$9,380.00	\$5,489.90	\$9,380.00	\$0.00	0.00
60-450-5585	UNIFORMS	\$666.29	\$217.86	\$800.00	\$247.45	\$800.00	\$0.00	0.00
60-450-5715	LICENSE RENEWALS	\$126.00	\$0.00	\$110.00	\$0.00	\$110.00	\$0.00	0.00
60-450-5720	REGISTRATION FEES	\$425.00	\$1,270.00	\$400.00	\$25.00	\$400.00	\$0.00	0.00
60-450-5730	DUES	\$642.00	\$650.00	\$700.00	\$525.00	\$700.00	\$0.00	0.00
60-450-5735	GOVERNMENT FEES	\$4,064.40	\$4,262.65	\$4,600.00	\$0.00	\$4,600.00	\$0.00	0.00
60-450-5961	TRANSFER TO GENERAL FUND	\$358,739.00	\$358,739.00	\$0.00	\$463,395.00	\$0.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$493,208.66	\$438,899.10	\$92,740.00	\$481,696.90	\$88,520.00	\$-4,220.00	-4.55
450 WATER SUB-TOTAL:		\$802,045.65	\$753,868.66	\$416,303.00	\$594,407.61	\$415,072.00	\$-1,231.00	-0.29

Town of Hanover
Town Manager Recommended Budget
FY19 Water Enterprise

451 - WATER TREATMENT		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
60-451-5114	SALARIES & WAGES PERM F/T	\$501,581.52	\$456,647.03	\$592,042.00	\$152,056.18	\$613,951.00	\$21,909.00	3.70
60-451-5121	WAGES-TEMPORARY EMPLOYEES	\$29,057.47	\$17,116.71	\$26,207.00	\$11,333.26	\$26,207.00	\$0.00	0.00
60-451-5130	OVERTIME	\$59,421.66	\$61,826.11	\$15,000.00	\$26,589.14	\$15,000.00	\$0.00	0.00
60-451-5141	SHIFT DIFFERENTIAL	\$330.88	\$0.00	\$22,473.00	\$0.00	\$22,473.00	\$0.00	0.00
60-451-5142	HOLIDAY PAY	\$0.00	\$0.00	\$12,749.00	\$0.00	\$13,343.00	\$594.00	4.65
60-451-5146	STANDBY PAY	\$0.00	\$0.00	\$24,850.00	\$0.00	\$26,007.00	\$1,157.00	4.65
PERSONNEL SUB-TOTAL:		\$590,455.25	\$535,589.85	\$693,321.00	\$189,978.58	\$716,981.00	\$23,660.00	3.41
60-451-5211-0052	ELECTRICITY - POND STREET	\$112,133.64	\$120,623.11	\$119,000.00	\$28,173.75	\$125,000.00	\$6,000.00	5.04
60-451-5211-0053	ELECTRICITY - BEAL	\$116,597.69	\$104,851.75	\$116,000.00	\$34,070.34	\$122,000.00	\$6,000.00	5.17
60-451-5211-0054	ELECTRICITY - BROADWAY	\$93,974.93	\$73,470.09	\$99,000.00	\$24,206.36	\$99,000.00	\$0.00	0.00
60-451-5211-0056	ELECTRICITY - STANDPIPES	\$1,219.88	\$1,474.93	\$1,350.00	\$289.50	\$1,600.00	\$250.00	18.51
60-451-5212-0052	NATURAL GAS - POND STREET	\$13,803.91	\$15,523.64	\$14,300.00	\$1,310.94	\$16,300.00	\$2,000.00	13.98
60-451-5212-0053	NATURAL GAS - BEAL	\$2,536.15	\$3,668.93	\$4,000.00	\$550.32	\$4,400.00	\$400.00	10.00
60-451-5212-0054	NATURAL GAS - BROADWAY	\$8,011.93	\$7,930.20	\$11,000.00	\$1,301.85	\$11,000.00	\$0.00	0.00
60-451-5212-0055	NATURAL GAS - UNION STREET	\$0.00	\$965.25	\$800.00	\$0.00	\$800.00	\$0.00	0.00
60-451-5230-0052	BUILDING MAINTENANCE - POND	\$5,652.81	\$4,126.49	\$16,500.00	\$313.28	\$16,500.00	\$0.00	0.00
60-451-5230-0053	BUILDING MAINTENANCE - BEAL	\$578.55	\$106.97	\$3,200.00	\$0.00	\$3,200.00	\$0.00	0.00
60-451-5230-0054	BUILDING MAINTENANCE -	\$658.51	\$39.96	\$4,000.00	\$11.96	\$4,000.00	\$0.00	0.00
60-451-5240	VEHICLE MAINTENANCE	\$733.70	\$2,642.72	\$1,200.00	\$209.66	\$1,200.00	\$0.00	0.00
60-451-5250-0051	EQUIPMENT MAINTENANCE - GENERAL	\$401.19	\$438.14	\$0.00	\$0.00	\$0.00	\$0.00	0.00
60-451-5250-0052	EQUIPMENT MAINTENANCE - POND	\$127,234.07	\$80,305.64	\$100,075.00	\$34,304.44	\$100,075.00	\$0.00	0.00
60-451-5250-0053	EQUIPMENT MAINTENANCE - BEAL	\$15,269.96	\$16,259.51	\$26,300.00	\$7,643.83	\$26,300.00	\$0.00	0.00
60-451-5250-0054	EQUIPMENT MAINTENANCE -	\$42,690.46	\$91,841.79	\$42,385.00	\$3,383.44	\$42,385.00	\$0.00	0.00
60-451-5250-0056	EQUIPMENT MAINTENANCE - STORAGE	\$7,279.97	\$539.51	\$5,400.00	\$0.00	\$5,400.00	\$0.00	0.00
60-451-5250-0057	EQUIPMENT MAINTENANCE -	\$21,567.96	\$23,125.66	\$11,775.00	\$2,827.54	\$13,260.00	\$1,485.00	12.61
60-451-5280	SAFETY PROGRAMS	\$7,485.57	\$802.26	\$500.00	\$0.00	\$500.00	\$0.00	0.00
60-451-5295-0052	SLUDGE DISPOSAL - POND STREET	\$51,421.00	\$40,063.75	\$55,000.00	\$0.00	\$55,000.00	\$0.00	0.00
60-451-5295-0054	SLUDGE DISPOSAL - BROADWAY	\$0.00	\$0.00	\$25,000.00	\$0.00	\$25,000.00	\$0.00	0.00
60-451-5317	EMPLOYEE TRAINING (EDUCATION	\$4,103.00	\$1,640.00	\$4,000.00	\$1,160.00	\$4,000.00	\$0.00	0.00
60-451-5318-0052	OTHER CONTRACTED SERVICES - POND	\$8,943.38	\$7,192.87	\$7,200.00	\$3,664.56	\$9,600.00	\$2,400.00	33.33

Town of Hanover
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451 - WATER TREATMENT		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
60-451-5318-0053	OTHER CONTRACTED SERVICES - BEAL	\$6,403.27	\$4,545.63	\$5,400.00	\$2,341.46	\$6,000.00	\$600.00	11.11
60-451-5318-0054	OTHER CONTRACTED SERVICES -	\$8,386.99	\$8,959.87	\$8,200.00	\$2,398.92	\$9,100.00	\$900.00	10.97
60-451-5319-0051	TESTING - GENERAL	\$16,694.00	\$14,705.00	\$18,000.00	\$7,690.00	\$18,000.00	\$0.00	0.00
60-451-5319-0052	TESTING - POND STREET	\$3,070.00	\$0.00	\$3,000.00	\$0.00	\$3,000.00	\$0.00	0.00
60-451-5319-0053	TESTING - BEAL	\$1,400.00	\$20.00	\$0.00	\$0.00	\$500.00	\$500.00	100.00
60-451-5319-0054	TESTING - BROADWAY	\$4,590.00	\$2,785.00	\$1,900.00	\$585.00	\$1,900.00	\$0.00	0.00
60-451-5340-0052	TELEPHONE - POND STREET	\$2,418.61	\$2,453.71	\$2,400.00	\$779.17	\$2,400.00	\$0.00	0.00
60-451-5470-0051	MATERIALS & SUPPLIES - GENERAL	\$542.00	\$398.06	\$0.00	\$483.77	\$0.00	\$0.00	0.00
60-451-5470-0052	MATERIALS & SUPPLIES - POND STREET	\$4,024.57	\$3,931.02	\$3,225.00	\$15,561.25	\$3,225.00	\$0.00	0.00
60-451-5470-0053	MATERIALS & SUPPLIES - BEAL	\$0.00	\$359.00	\$500.00	\$100.66	\$500.00	\$0.00	0.00
60-451-5470-0054	MATERIALS & SUPPLIES - BROADWAY	\$221.93	\$584.13	\$950.00	\$75.67	\$950.00	\$0.00	0.00
60-451-5470-0057	MATERIALS & SUPPLIES -	\$475.66	\$243.37	\$9,000.00	\$0.00	\$4,200.00	\$-4,800.00	-53.33
60-451-5477-0052	CHEMICALS - POND STREET	\$145,029.65	\$133,802.19	\$170,875.00	\$62,095.20	\$180,600.00	\$9,725.00	5.69
60-451-5477-0053	CHEMICALS - BEAL	\$9,018.40	\$8,600.00	\$13,900.00	\$6,000.00	\$15,900.00	\$2,000.00	14.38
60-451-5477-0054	CHEMICALS - BROADWAY	\$52,872.95	\$23,667.21	\$66,500.00	\$8,470.35	\$57,655.00	\$-8,845.00	-13.30
60-451-5585	UNIFORMS	\$5,580.06	\$6,373.97	\$8,000.00	\$1,755.22	\$8,000.00	\$0.00	0.00
60-451-5715	LICENSE RENEWALS	\$522.00	\$214.00	\$600.00	\$0.00	\$600.00	\$0.00	0.00
60-451-5720	REGISTRATION FEES	\$0.00	\$872.00	\$600.00	\$0.00	\$600.00	\$0.00	0.00
60-451-5730	DUES	\$535.00	\$362.00	\$400.00	\$0.00	\$400.00	\$0.00	0.00
60-451-5787	WIND TURBINE EXPENSES	\$0.00	\$7,157.22	\$0.00	\$1,263.86	\$0.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$905,042.03	\$817,666.55	\$981,435.00	\$253,022.30	\$1,000,050.00	\$18,615.00	1.89
CAPITAL OUTLAY SUB-TOTAL:		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
451 WATER TREATMENT SUB-TOTAL:		\$1,495,497.28	\$1,353,256.40	\$1,674,756.00	\$443,000.88	\$1,717,031.00	\$42,275.00	2.52

Town of Hanover
Town Manager Recommended Budget
FY19 Water Enterprise

452 - WATER DISTRIBUTION		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
60-452-5113	SALARIES-CLERICAL	\$0.00	\$0.00	\$0.00	\$47.78	\$0.00	\$0.00	0.00
60-452-5114	SALARIES & WAGES PERM F/T	\$402,588.84	\$409,296.57	\$423,056.00	\$149,058.76	\$448,271.00	\$25,215.00	5.96
60-452-5121	WAGES-TEMPORARY EMPLOYEES	\$0.00	\$3,593.75	\$8,640.00	\$6,232.50	\$8,640.00	\$0.00	0.00
60-452-5130	OVERTIME	\$136,027.50	\$119,770.84	\$61,488.00	\$51,785.37	\$61,488.00	\$0.00	0.00
60-452-5133	FLUSHING PAY	\$0.00	\$0.00	\$30,000.00	\$0.00	\$30,000.00	\$0.00	0.00
60-452-5146	STANDBY PAY	\$0.00	\$0.00	\$24,850.00	\$0.00	\$26,417.00	\$1,567.00	6.30
PERSONNEL SUB-TOTAL:		\$538,616.34	\$532,661.16	\$548,034.00	\$207,124.41	\$574,816.00	\$26,782.00	4.88
60-452-5211-0058	ELECTRICITY - 219 WINTER ST	\$19,449.35	\$11,648.98	\$11,800.00	\$2,625.57	\$11,800.00	\$0.00	0.00
60-452-5212	GAS	\$115.84	\$5,676.48	\$11,900.00	\$79.28	\$8,800.00	\$-3,100.00	-26.05
60-452-5230-0058	BUILDING MAINTENANCE - 219 WINTER	\$1,590.30	\$12,914.87	\$2,000.00	\$2,084.34	\$2,300.00	\$300.00	15.00
60-452-5240	VEHICLE MAINTENANCE	\$11,712.47	\$4,776.61	\$7,000.00	\$1,480.11	\$5,000.00	\$-2,000.00	-28.57
60-452-5250-0051	EQUIPMENT MAINTENANCE - GENERAL	\$1,280.69	\$5,829.72	\$2,300.00	\$1,084.92	\$2,300.00	\$0.00	0.00
60-452-5250-0058	EQUIPMENT MAINTENANCE - 219	\$324.00	\$2,046.84	\$0.00	\$87.72	\$0.00	\$0.00	0.00
60-452-5250-0060	EQUIPMENT MAINTENANCE -	\$8,390.34	\$12,069.31	\$13,100.00	\$269.23	\$13,100.00	\$0.00	0.00
60-452-5250-0061	EQUIPMENT MAINTENANCE - MAINS &	\$15,617.95	\$16,389.46	\$28,000.00	\$4,003.43	\$28,000.00	\$0.00	0.00
60-452-5250-0062	EQUIPMENT MAINTENANCE - SERVICES	\$20,631.11	\$1,576.65	\$7,000.00	\$6,321.42	\$7,000.00	\$0.00	0.00
60-452-5250-0063	EQUIPMENT MAINTENANCE - METERS	\$68,733.21	\$134,271.38	\$111,500.00	\$56,174.18	\$162,500.00	\$51,000.00	45.73
60-452-5250-0065	EQUIPMENT MAINTENANCE -	\$3,600.94	\$645.02	\$2,000.00	\$821.85	\$2,000.00	\$0.00	0.00
60-452-5280	SAFETY PROGRAMS	\$790.42	\$1,696.31	\$1,600.00	\$907.94	\$1,600.00	\$0.00	0.00
60-452-5281	DETAILS-CONTRACT OFFICERS	\$28,137.49	\$17,899.75	\$25,000.00	\$11,870.10	\$25,000.00	\$0.00	0.00
60-452-5317	EMPLOYEE TRAINING (EDUCATION	\$1,455.00	\$3,923.46	\$1,800.00	\$50.00	\$2,800.00	\$1,000.00	55.55
60-452-5340	TELEPHONE	\$2,696.15	\$3,919.68	\$4,800.00	\$1,457.92	\$4,800.00	\$0.00	0.00
60-452-5470-0051	MATERIALS & SUPPLIES - GENERAL	\$3,797.27	\$3,567.05	\$2,000.00	\$62.23	\$2,000.00	\$0.00	0.00
60-452-5470-0058	MATERIALS & SUPPLIES - 219 WINTER S	\$0.00	\$8,918.56	\$500.00	\$0.00	\$1,000.00	\$500.00	100.00
60-452-5470-0061	MATERIALS & SUPPLIES - MAINS &	\$15,699.18	\$14,322.08	\$0.00	\$9,673.75	\$0.00	\$0.00	0.00
60-452-5470-0062	MATERIALS & SUPPLIES - SERVICES	\$0.00	\$489.80	\$0.00	\$0.00	\$0.00	\$0.00	0.00
60-452-5470-0063	MATERIALS & SUPPLIES - METERS	\$0.00	\$275.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
60-452-5585	UNIFORMS	\$4,204.77	\$4,751.70	\$4,800.00	\$1,188.91	\$4,800.00	\$0.00	0.00
60-452-5715	LICENSE RENEWALS	\$668.00	\$190.00	\$575.00	\$186.53	\$575.00	\$0.00	0.00
60-452-5720	REGISTRATION FEES	\$209.00	\$120.00	\$400.00	\$0.00	\$400.00	\$0.00	0.00

Town of Hanover
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452 - WATER DISTRIBUTION		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
60-452-5730	DUES	\$175.00	\$125.00	\$250.00	\$0.00	\$250.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$217,198.48	\$268,043.71	\$238,325.00	\$100,429.43	\$286,025.00	\$47,700.00	20.01
60-452-5318	LEAK DETECTION	\$8,575.00	\$13,452.00	\$20,000.00	\$11,990.00	\$20,000.00	\$0.00	0.00
60-452-5319	BACK FLOW PREVENTION INSPECTION	\$0.00	\$0.00	\$1,500.00	\$0.00	\$1,500.00	\$0.00	0.00
CAPITAL OUTLAY SUB-TOTAL:		\$8,575.00	\$13,452.00	\$21,500.00	\$11,990.00	\$21,500.00	\$0.00	0.00
452 WATER DISTRIBUTION SUB-TOTAL:		\$764,389.82	\$814,156.87	\$807,859.00	\$319,543.84	\$882,341.00	\$74,482.00	9.21

Town of Hanover
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710 - DEBT SERVICE - PRINCIPAL		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
60-710-5910-0903	PRINCIPAL-WATER MAIN REHAB	\$25,000.00	\$25,000.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
60-710-5910-0904	PRINCIPAL-WINTER ST FACILITY	\$85,000.00	\$100,000.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
60-710-5910-0905	PRINCIPAL-RT 53 OVERPASS WATER	\$10,000.00	\$10,000.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
60-710-5910-0906	PRINCIPAL-WATER MAIN	\$15,000.00	\$10,000.00	\$10,000.00	\$0.00	\$0.00	\$-10,000.00	-100.00
60-710-5910-0907	PRINCIPAL-WATER FILTERS	\$5,000.00	\$5,000.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
60-710-5910-0908	PRINCIPAL-CHEMICAL FEED	\$5,000.00	\$5,000.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
60-710-5910-0914	PRIN - WATER MAIN \$96.5K 6.24.16	\$0.00	\$15,000.00	\$15,000.00	\$0.00	\$15,000.00	\$0.00	0.00
60-710-5910-0915	PRINCIPAL - WTP 6.24.16	\$0.00	\$250,000.00	\$240,000.00	\$0.00	\$240,000.00	\$0.00	0.00
60-710-5910-0916	PRINC - WATER MAIN \$36.2K 6.24.16	\$0.00	\$5,000.00	\$5,000.00	\$0.00	\$2,000.00	\$-3,000.00	-60.00
60-710-5910-0917	PRINC - WATER MAIN \$84.3K 6.24.16	\$0.00	\$0.00	\$0.00	\$0.00	\$10,000.00	\$10,000.00	100.00
DEBT SERVICE SUB-TOTAL:		\$425,000.00	\$425,000.00	\$270,000.00	\$0.00	\$267,000.00	\$-3,000.00	-1.11
710 DEBT SERVICE - PRINCIPAL SUB-TOTAL:		\$425,000.00	\$425,000.00	\$270,000.00	\$0.00	\$267,000.00	\$-3,000.00	-1.11

Town of Hanover
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751 - DEBT SERVICE - INTEREST		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
60-751-5915-0903	INTEREST-WATER MAIN REHAB 285K	\$1,500.00	\$500.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
60-751-5915-0904	INTEREST-WINTER ST FACILITY	\$5,700.00	\$2,000.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
60-751-5915-0905	INTEREST-RT 53 OVERPASS WATER	\$600.00	\$200.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
60-751-5915-0906	INTEREST-WATER MAIN 230K	\$5,000.00	\$800.00	\$400.00	\$200.00	\$0.00	\$-400.00	-100.00
60-751-5915-0907	INTEREST-WATER FILTER 50K	\$400.00	\$200.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
60-751-5915-0908	INTEREST-CHEMICAL FEED EQUIP 60K	\$400.00	\$200.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
60-751-5915-0914	INT - WATER MAIN \$96.5K 6.24.16	\$0.00	\$3,308.08	\$3,260.00	\$1,630.00	\$2,660.00	\$-600.00	-18.40
60-751-5915-0915	INT - WTP 6.24.16	\$0.00	\$64,977.53	\$65,372.00	\$32,686.00	\$55,772.00	\$-9,600.00	-14.68
60-751-5915-0916	INT - WATER MAIN \$36.2K 6.24.16	\$0.00	\$1,246.55	\$1,248.00	\$624.00	\$1,048.00	\$-200.00	-16.02
60-751-5915-0917	INT - WATER MAIN \$84.3K 6.24.16	\$0.00	\$2,917.53	\$3,272.00	\$1,636.00	\$3,272.00	\$0.00	0.00
DEBT SERVICE SUB-TOTAL:		\$126,852.50	\$76,349.69	\$73,552.00	\$36,776.00	\$62,752.00	\$-10,800.00	-14.68
751 DEBT SERVICE - INTEREST SUB-TOTAL:		\$126,852.50	\$76,349.69	\$73,552.00	\$36,776.00	\$62,752.00	\$-10,800.00	-14.68

Town of Hanover
Town Manager Recommended Budget
FY19 Water Enterprise

752 - DEBT - SHORT TERM INTEREST		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
60-752-5925	INTEREST-SHORT TERM DEBT	\$0.00	\$0.00	\$0.00	\$0.00	\$61,476.00	\$61,476.00	100.00
DEBT SERVICE SUB-TOTAL:		\$0.00	\$0.00	\$0.00	\$0.00	\$61,476.00	\$61,476.00	100.00
752 DEBT - SHORT TERM INTEREST		\$0.00	\$0.00	\$0.00	\$0.00	\$61,476.00	\$61,476.00	100.00

Town of Hanover
Town Manager Recommended Budget
FY19 Water Enterprise

755 - DEBT SERVICE - ISSUANCE COSTS		FY2016	FY2017	FY2018	FY2018	FY2019 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
DEBT SERVICE SUB-TOTAL:		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
755 DEBT SERVICE - ISSUANCE COSTS		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
WATER ENTERPRISE FUND TOTAL:		\$3,613,785.25	\$3,422,631.62	\$3,242,470.00	\$1,393,728.33	\$3,405,672.00	\$163,202.00	5.03
GRAND TOTAL:		\$3,613,785.25	\$3,422,631.62	\$3,242,470.00	\$1,393,728.33	\$3,405,672.00	\$163,202.00	5.03

COMMUNITY PRESERVATION



"Hanover, Honoring Yesterday As We Build For Tomorrow"



Community Preservation

THE COMMUNITY PRESERVATION ACT IN HANOVER

Massachusetts General Law, Chapter 44B, allows Massachusetts cities and towns to raise funds through a surcharge of up to 3% of the real estate tax levy on real property. These funds may then be used to address three core community concerns:

- Acquisition and preservation of open space
- Creation and support of community housing
- Acquisition and preservation of historic buildings and landscapes

A minimum of 10% of the annual revenues of the fund must be used for each of the three core community concerns. The remaining 70% can be allocated for any combination of the allowed uses, or for land for recreational use. This gives each community the opportunity to determine its priorities, plan for its future, and have the funds to bring projects into fruition.

UNDERSTANDING THE PROPERTY TAX SURCHARGE:

Property taxes traditionally fund the day-to-day operating needs of safety, health, schools, roads, maintenance - and more. But until the CPA, there was no steady funding source for preserving and improving a community's recreational infrastructure, historical fabric and the creation of affordable housing opportunities.

The CPA was approved by the Town of Hanover at the Annual Town Election on November, 2004 and the Community Preservation Committee was formed at the May 2005 Town Meeting. Voters elected to fund the CPA account through a 3% surcharge on all real estate property tax bills beginning in fiscal year 2006 with two exemptions:

- Residential property owned and occupied by any person who qualifies for low-income housing, or low- or moderate-income senior housing
- \$100,000 of taxable value of residential real property

Since adoption, the Town of Hanover has raised close to \$10 million in CPA funds, including the annual distributions from the state's Community Preservation Trust Fund.

The following example illustrates the amount of this surcharge for an average priced home in Hanover fiscal year 2018:

Average Price of a House in Hanover*	\$491,543.00
Residential Tax Rate	\$16.28
Estimated Average Annual Tax	\$8,002.32
Estimated Annual CPA Surcharge for Average Priced Home	\$191.23

***First \$100,000 of residential value is exempt from the Community Preservation Act (CPA) surcharge.**



Community Preservation

THE COMMUNITY PRESERVATION COMMITTEE

The Hanover General Bylaws Section 4-19 establishes the Community Preservation Committee. The Committee is made up of nine members. Three at-large members are appointed by the Moderator and one member from each of the following Committees: Planning Board, Conservation Commission, Open Space Committee, Historical Commission, Affordable Housing Trust and Parks and Recreation Commission who are appointed by their respective Committees. Each year the Committee accepts applications and makes recommendations for the uses of Community Preservation funds.

The Committee is obliged by the Hanover CPA Bylaw to study the needs, possibilities, and resources of the town regarding community preservation. The Committee consults with existing municipal boards as it formulates its recommendations. The Committee will make an ongoing effort to meet with the many interested groups and town departments, committees, and boards as it goes forward. This document outlines the processes by which the Committee will solicit, review, and recommend proposals for CPA funding.

The Community Preservation Committee depends upon input from residents on their ideas for future uses of CPA funds. The CPC can be reached by emailing the Community Preservation Coordinator, Peter Matchak (peter.matchak@hanover-ma.gov) or calling 781-826-5000 Ext: 1026. Applications are available at the Town Hall in the second floor Community Preservation/Planning Office, or online at the town's website. Applications for CPC funding shall be submitted prior to the Commission's annual November meeting in order to have articles ready for Town Meeting in May.

Copies of the state legislation are available on the state's web site:

<http://www.mass.gov/legis/laws/mgl/gl-44b-toc.h>

<http://www.communitypreservation.org/>

CPA FUNDING REQUIREMENTS

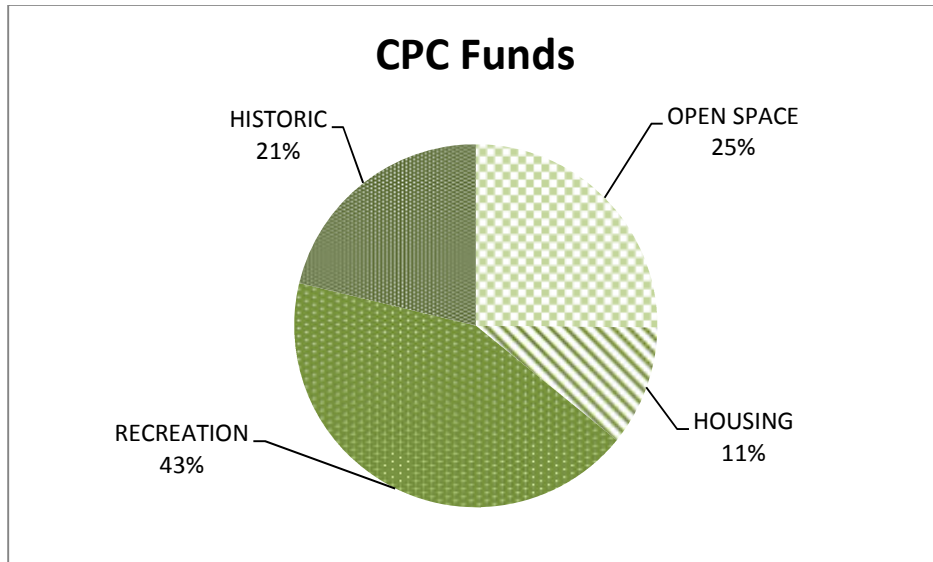
The CPA mandates that each fiscal year Hanover must spend, or set aside for later spending, at least 10% of the annual revenues in the Town of Hanover Community Preservation Fund. The Fund is used for each of three CPA target areas: open space/recreation, historic resources, and community housing. The remaining 70% may be appropriated at the Town's discretion as long as it is used for the three target areas or recreation. The statute also permits the Town to appropriate up to 5% of the fund for the administrative expenses of the Committee. Any CPA funds not used in any given year, including the current year administrative budget, stay within the CPA Fund, and can be used for approved projects in the future. A recommendation by the Committee and an appropriation by Town Meeting are both required to spend any CPA funds for particular community preservation purposes. Appropriations from the CPA Fund, except borrowing, are made by a simple majority vote of Town Meeting. Borrowing money for CPA purposes requires a two-thirds majority vote of Town Meeting. In its deliberations, Town Meeting may approve, reduce, or reject any amount of spending appropriation recommended by the Committee. Town Meeting may not, however, increase any recommended appropriation or reservation. In addition, Town Meeting



Community Preservation

may not appropriate any fund on its own initiative without a prior recommendation by the Committee and may not amend a recommended project so as to render it no longer the recommended project.

The chart below shows the percentage of CPA funds which have been allocated to each category from the beginning of the program through the 2017 Annual Town Meeting:



FY18 ESTIMATED REVENUES

Estimated Revenues:	
Gross Surcharge for FY18	\$1,041,360
Estimated abatements/exemptions	\$ (32,000)
2.5% Tax Increase	\$25,234
Estimated Surcharge for FY19	\$1,034,594
Estimated State Match (20%)	\$196,573
Total Estimated FY19 Revenue	\$1,231,166

The above chart shows the estimated revenues for FY19. In calculating the estimation, we begin with the gross surcharge for the current fiscal year (FY17), add an estimation of abatements/exemptions that may be granted and therefore lessening the actual revenue and lastly forecasting the state match.



Community Preservation

The surcharge is explained earlier in this section of the document in detail. The second source of revenue for this fund is the state matching funds provided by a surcharge on recording fees charged at the Registry of Deeds.

FY19 APPROPRIATIONS & SET ASIDES

Estimated Revenues:	
Gross Surcharge for FY18	\$1,041,360
Estimated abatements/exemptions	\$ (32,000)
2.5% Tax Increase	\$25,234
Estimated Surcharge for FY19	\$1,034,594
Estimated State Match (20%)	\$196,573
Total Estimated FY19 Revenue	\$1,231,166
Appropriations & Set Asides:	
5% Administrative Budget	\$61,558
10% Open Space Reserve	\$123,117
10% Historic Preservation Reserve	\$123,117
10% Affordable Housing Reserve	\$123,117
FY19 Debt Obligations:	
Land Acquisition \$1,380,000	\$92,400
Recreational Fields \$1,000,000	\$68,250
Recreational Fields \$1,000,000	\$12,408
Outdoor Recreational Facility \$700,000	\$74,750
King St. Recreational Complex \$1,600,000	\$160,400
	\$408,208
Budgeted Reserve	\$392,050
Total Appropriations & Set Asides	\$1,231,166

The budgeted reserve shown above is an annual reserve created by appropriation from estimated annual fund revenues for community preservation purposes during the fiscal year. At the end of the fiscal year, if these funds remain unappropriated they are closed out to fund balance. Appropriations or reservations may be made from estimated annual revenues until the tax rate is set.



Community Preservation

SOURCES OF FUNDING – OTHER THAN ANNUAL ESTIMATED REVENUES

The reserves that are created from year to year are either used to fund projects or accumulate balances that may be used in future years.

The undesignated fund balance may be used to fund any community preservation project throughout the year once it is certified by the Department of Revenue. The preliminary balance that may be available for use is \$1,668,284.

The following chart shows the amounts available for use at the Annual Town Meeting for the three categories of reserves.

Reserve	FY17 6/30/17	FY18 Set Aside	FY18 Appropriations	Current Balance	FY19 Set Aside	Total Available for ATM
Historic	\$ 138,296	\$ 116,399	\$ (16,240)	\$ 238,455	\$ 123,117	\$ 361,572
Community Housing	\$ 195,793	\$ 116,399	\$ -	\$ 312,192	\$ 123,117	\$ 435,309
Open Space	\$ 270,569	\$ 116,399	\$ (75,000)	\$ 311,968	\$ 123,117	\$ 435,085

HOW COMMUNITY PRESERVATION ACT FUNDS CAN BE USED

Community Preservation Act funds must be used for public community preservation purposes. Community preservation is defined by the CPA as, "the acquisition, creation and preservation of open space, the acquisition, creation and preservation of historic structures and landscapes, and the creation and preservation of community housing." Preservation is defined as, "the protection of personal or real property from injury, harm or destruction, but not including maintenance." As detailed by the CPA, funds may be spent to undertake the following primary community preservation purposes:

- The acquisition, creation and preservation of open space. Open space, as defined by the CPA, "shall include, but not be limited to, land to protect existing and future well fields, aquifers and recharge areas, watershed land, agricultural land, grasslands, fields, forest land, fresh water marshes and other wetlands, river, stream, lake and pond frontage, lands to protect scenic vistas, land for wildlife or nature preserve and land for recreational use."
- The creation, preservation and support of community housing. The CPA defines community housing as, "low and moderate income housing for individuals and families, including low or moderate income senior housing."
- The acquisition and preservation of historic resources. The CPA recognizes historic resources as, "historical structures and landscapes," including "a building, structure, vessel or real property that is listed or eligible for listing on the state register of historic places or has been determined by the local historic preservation commission to be



Community Preservation

significant in the history, archeology, architecture or culture of a city or town." For CPA purposes, the local historic preservation commission is the Town of Hanover Historical Commission.

- The acquisition, creation, and preservation of land for recreational use. The CPA defines recreational use as, "active or passive recreational use including, but not limited to, the use of land for community gardens, trails, and noncommercial youth and adult sports, and the use of land as a park, playground or athletic field. 'Recreational use' shall not include horse or dog racing or the use of land for a stadium, gymnasium, or similar structure.

Community Preservation Act funds may also be used for the following (and possibly other) purposes:

- The "rehabilitation or restoration of open space, historic resources, land for recreational use and community housing that is acquired or created" using money from the Fund.
- A community may "set aside" revenues for "later spending."
- Annual "administrative and operating expenses" of the Committee.
- Annual principal and interest payments, preparation, issuance and marketing costs for bonds or notes for borrowings for community preservation purposes.
- Damages payable to property owners for real estate interests taken by the Town by eminent domain for community preservation purposes.
- "Local share for state and federal grants" for allowable community preservation purposes.
- Property acquisition-related expenses including appraisal costs, expenses for title searches, and closing fees.

Community Preservation Act funds may not be spent for the following purposes:

- "Replace existing operating funds, only augment them." The Fund is a supplementary funding source intended to increase available resources for community preservation acquisitions and initiatives.
- Pay for routine maintenance, defined as, "the upkeep of any real or personal property."
- Gymnasiums, stadiums, or any similar structure.
- Projects without a public purpose or public benefit.

DEFINITIONS:

Open Space – Open space is defined to include, but is not limited to: agricultural land, well fields, aquifers, recharge areas, and other watershed lands, grasslands, fields, or forest lands, fresh and salt water marshes and other wetlands, ocean, river, stream, lake and pond frontage beaches, dunes, and other coastal lands, scenic vistas, land for wildlife habitat or biodiversity or nature preserves.

Historic Resources – A historic resource is defined to include a building, a structure, vessel, or other real property that is either listed or eligible for listing on the State Register of Historic Places or determined by



Community Preservation

the local Historic Commission to be significant in the history, archeology, architecture, or culture of the city or town.

Recreational Land – Land for active or passive recreational use including but not limited to the use of land for community gardens, trails and non-commercial youth and adult sports and the use of land as a park, playground or athletic field. Does not include horse or dog racing, or the use of land for a stadium, gymnasium or similar structure.

Community Housing - Housing for low and moderate income individuals and families, including low or moderate income seniors. Moderate income is less than 100% and low income is less than 80% of U.S. HUD Area Wide Median Income.

Below is a chart outlining the allowable uses of CPA funds:

	Open Space	Historic Resources	Recreational Land	Community Housing
Acquire	Yes	Yes	Yes	Yes
Create	Yes	No	Yes	Yes
Preserve	Yes	Yes	Yes	Yes
Support	No	No	No	Yes
Rehabilitate/Restore	Yes*	Yes	Yes*	Yes*

*Yes, if acquired or created with CPA funds.

GENERAL REVIEW:

To be eligible for review, a project must meet the statutory requirements. It is the responsibility of the applicant to demonstrate to the Committee that a project meets the minimum statutory requirements. The Committee will, to the extent that it is prudent, assist the applicant in that determination. The purpose of the factors for consideration is to provide guidance to the applicant, to the Committee and to the town in evaluating funding eligibility, priorities, and timing. It is recognized that not every factor will apply to every project and the



Hanover Cemetery

failure to meet any specific factor, other than the minimum statutory requirements, does not require rejection of a project. The following factors for consideration are intentionally not weighted nor listed in order of preference or importance. The Committee reserves the discretion to reject or accept a project that does not meet or address any or all of the factors for consideration. The factors for consideration may be clarified, amended or replaced from time to time as experience dictates.



Community Preservation

Any proposal to change any factor will be placed on the Committee agenda for public discussion at a duly noticed meeting. Evaluation of projects submitted for consideration by the Committee will include consideration of several factors including but not limited to the following:

- The project is consistent with the goals of the Town of Hanover Community Preservation Plan.
- The project is economically or otherwise reasonably feasible to implement and operate on a long term basis.
- The project satisfies federal, state and local laws to the extent applicable.
- The project preserves, protects, increases or enhances Town-owned open space, recreation, historic and/or housing assets.
- A project that benefits privately owned resources shall include permanent restrictions to ensure a public benefit.
- Awarding funds for the project is consistent with prudent long-term management of CPA funds.
- The applicant has site control, or the written consent by the property owner (or relevant Town agency or board) to submit an application.
- CPA funding will enable the project.

OPEN SPACE & RECREATION

The Town of Hanover is a community that resonates with character from its history, open spaces, scenic views and the people who live here. Maintaining the original character and ensuring that open space, natural resources and recreation continues to stay on the forefront of residents minds as the town continues to manage its growth is essential to those who live in Hanover. As a semi-rural suburban community in the metro Boston region, Hanover is an attractive community for both residential and commercial development. Land is a finite resource, so competing needs of the development community and the efforts of planning projects such as the Open Space and Recreation Plan (OSRP) update become evident. Continuing to manage and guide growth while protecting open space and natural resources and providing meaningful recreational opportunities will continue to be a challenge in the future. Although the town has continued to experience significant residential development over the last five years, Hanover retains certain natural and scenic resources, including wetlands, diverse wildlife, conservation areas, ponds, rivers and open space. These resources contribute to making the Town a desirable place to live, fueling its continued residential growth.



Community Preservation



Forge Pond Park, opened in 2014

The Town of Hanover has numerous open space properties including, but not limited to; Forge Pond Park, the Colby Philips Property, Luddam's Ford Park and the Merry Property. Since 2006, Hanover has used CPA funding to purchase four open space properties, which amounts to an additional 374 acres of protected land in Hanover. Some of these properties were acquired in an effort to further the Hanover Greenway Project, which was initiated in 1999. The Hanover Greenway Project seeks to link numerous town, state and privately owned properties throughout Hanover to create a long, continuous walking trail.

The following is a comprehensive list of existing trails in Hanover as of FY2015:

Legion Drive Trail	Tindale Bog Trail	Morrill Allen Philip's Loop Trail
Cross Street Trail	Myrtle Street Trail	Luddam's Ford Railroad Bed Trail
Fireworks Loop Trail	Pine Island Trails	Waterford Canoe Launch Trail
French's Stream Trail	Colby Philips Trail	High School Connector Trail
Whiton Court Trail	Wildland's Trust Trail	Middle School Connector Trail
Willow Road Trail	King Street Trail	Power Line Connector Trail
Clark Bog Loop Trail	Forge Pond Trail	Indian Head Canoe Launch Trail



Community Preservation

The Community Preservation Committee has adopted the following open space and recreation goals and objectives (Goals as excerpted from the 2008-2012 Town of Hanover Open Space and Recreation Plan).

GOAL 1: *Preserve and protect open space and natural areas in Hanover because they provide linkages between the history of the Town and the present conditions.*

OBJECTIVES:

- Identify, preserve and protect those historic, cultural, and natural resources that contribute to the character of the Town.
- Continue to implement projects which heighten public awareness of Hanover's unique natural and cultural resources (such as designating additional Scenic Roads).
- Protect and enhance the quality of Hanover's surface and groundwater as a source of municipal drinking water and for wildlife and recreation use.
- Obtain open space through a variety of methods such as, but not limited to, acquiring development rights, outright purchasing potentially developable land, and encouraging property owners to protect and/or preserve their land as open space through conservation restrictions or other means.
- Enhance appropriate public access to and uses of existing conservation land and continue to work towards establishing a continuous greenbelt.

GOAL 2: *Enhance, maintain and preserve passive and active recreational opportunities for Hanover residents and visitors of all ages, abilities and interests.*

OBJECTIVES:

- Provide diverse, year-round recreational resources (active and passive) for all ages and capabilities.
- Focus on trail creation, maintenance and information outreach.
- Repair and maintain existing sports fields.
- Promote a healthy and livable community that encourages non-vehicular transportation and passive recreation opportunities.
- Better inform residents of the location of open space and recreation amenities are located, how they can be utilized and why they are important to the community.



Community Preservation

The following are short and long-term goals identified by the Hanover Open Space Commission and the Hanover Park and Recreation Commission:

Open Space Short and Long-Term Goals:

- Preserve and protect natural areas that contribute to the public health and character of the Town. Special interests are: areas that abut other conservation properties; that are adjacent to critical habitats or watersheds; or that satisfy a local un-met need for passive recreation. A high priority is the conservation and protection of Cardinal Cushing property adjacent to the Third Herring Brook.
- Improve public access to conserve properties through trail improvement and extension projects:
 - Bridge over Torrey Brook to connect Senior Center trail system.
 - Trail and bog-bridge system on Shingle Mill (Webster Street) property.
- Secure complete "Rail Trail" transformation of abandon Hanover rail bed for the development and implantation of a passive recreational walking and biking paths.
 - First segment: West Hanover town line to Ellis Field

Park and Recreation Commission Short and Long-Term Goals:

- Create and improve recreational spaces and fields in the community.
- Improve existing playground facilities under Park and Reaction jurisdiction, while planning for new playground areas.
- Implementation of a splash pad (outdoor water facility) at the B. Everett Hall Field.
- Creation of a scenic community common at the entrance of the B. Everett Hall facility.

Evaluation of projects submitted for consideration by the Committee will include consideration of several factors, including but not limited to the following:

- Preservation of large tracts of undeveloped land
- Acquisition or control of additional open space and development of additional public open spaces and parklands
- Linkage and connection to preserved open space resources by providing or improving trail and wildlife corridors
- Protection of the quality and quantity of Hanover's water supply
- Protection of wildlife habitat and wildlife corridors

The requests for additional recreation facilities has increased as activities have grown to include younger participants and senior adults, all genders, longer or multiple seasons, and a greater number and variety of sports and activities. It is important to plan now for both short- and long-term solutions to this growth of demand. The Town's permanently protected open space includes a network of foot trails that provide opportunities for passive recreation, such as hiking, cross-country skiing, and access to ponds.



Community Preservation

The following projects have been appropriated by the Hanover Community Preservation Committee under the area of Open Space and Recreation:

APPROVAL DATE	PROJECT NAME	AMOUNT
2006	King Street Property Purchase	\$1,430,000
2006	Open Space & Recreation Plan	\$35,000
2006	King Street Park & Ball Field Study/Plans	\$35,000
2007	645 Center Street Land Purchase	\$800,000
2008	Trail Improvements on Conservation Parcels	\$13,410
2008	553 Center Street Purchase	\$700,000
2008	King Street Engineering & Construction	\$2,500,000
2009	Open Space Administrative Funding	\$10,000
2010	Open Space Administrative Funding	\$20,000
2010	King Street Construction	\$1,600,000
2011	120 Circuit Street Property Purchase	\$580,000
2013	Webster Street Open Space Acquisition	\$325,000
2013	Open Space Walking Map	\$10,600
2013	King Street Recreation Fields	\$240,000
2014	Trail Feasibility Study	\$25,000
2016	Open Space and Recreation Plan	\$20,000
2016	Trail Improvements on Conservation Parcels	\$9,200

For more information on the Hanover Greenway Project visit:

<http://www.hanover-ma.gov/sites/hanoverma/files/file/file/greenway-project.pdf>

COMMUNITY HOUSING

The CPA provides that community preservation funds may be expended "for the creation, preservation and support of community housing and for the rehabilitation or restoration ... of community housing," but not including maintenance. Hanover's community housing resources and needs are currently detailed in the 2013 Hanover Affordable Housing Plan. The average price of homes and rental units in Hanover has risen far beyond what many moderate-income families, Town employees and people who work in Hanover are able to afford. Community housing opportunities help attract and retain, among others, low and moderate-income families, the elderly on fixed incomes, the disabled, young persons and public and private employees upon whom the Town depends to provide high quality services in and for the Town.



645 Center Street Habitat for Humanity House – September 2014



Community Preservation

The Massachusetts Department of Housing and Community Development lists 575 affordable housing units in the current state-approved Subsidized Housing Inventory, 11.9% of the total year-round housing stock in Hanover. Build-out projections estimate that Hanover can support about 6,740 units of housing based on current zoning, 1,908 above the 4,832 existing households. Hanover has recently made significant progress on meeting the states mandated 10% affordable housing threshold which can be appreciated in the development of the Kennedy Building now renamed the Bethany Apartments located at the Cardinal Cushing School which created thirty-seven (37) units of 1, 2, and 3 bedroom apartments through a partnership with Planning Office of Urban Affairs of the Archdiocese of Boston and Mass Housing.

The Affordable Housing Trust Fund since its adoption in 2009 has helped finance the creation of affordable housing units resulting in affordable options ranging from elderly housing units and single family homes. Soon after the adoption, the Affordable Housing Trust granted \$275,000 to the development of Barstow village a 66 unit, 62 years or older senior housing development. Recently, the Trust has invested in two more noteworthy projects. First, the Trust has voted to support at the amount of \$240,500 the redevelopment of the historic Kennedy Building on the Cardinal Cushing campus creating 37 affordable units. Additionally, in 2015 the Trust granted \$35,000 to the funding efforts championed by South Shore Habitat for Humility to develop two affordable single family homes. Since the adoption of the Affordable Housing Trust, over a half of a million dollars has been allocated to support the creation of 105 affordable housing units.

The Community Preservation Committee along with the Affordable Housing Trust Fund has adopted the following community housing goals and objectives (Goals as excerpted from the 2013 Town of Hanover Master Plan).

GOAL 1: *To build local knowledge, capacity and public support for affordable housing initiatives.*

OBJECTIVES:

- Continue to engage the community in discussions on affordable housing to present information on the issue needed to dispel myths and negative stereotypes and to help galvanize local support for new production.
- Meet local housing needs along the full range of incomes, promoting social and economic diversity and the stability of individuals and families living in Hanover
- Leverage other public and private resources to the greatest extent possible
- Promote smart growth development

GOAL 2: *To meet or exceed the state mandate of 10% affordable housing stock pursuant to Massachusetts General Laws, Chapter 40B, in order to provide sufficient affordable housing to meet the Town's current and future needs.*



Community Preservation

OBJECTIVES:

- Work with non-profit and for profit developers, as well as with abutters of vacant land, to develop new infill housing on available vacant sites scattered throughout town.
- Identify and redevelop abandoned, underutilized, or obsolete non-residential property for residential [affordable housing] use.
- Provide a wide range of housing alternatives to meet diverse housing needs
- Maintain the quantity and quality of existing affordable housing.
- Expand the total number of affordable housing units within Hanover.

Evaluation of projects submitted for consideration by The Committee will include consideration of several factors, including but not limited to the following:

- Contribute to the goal of achieving 10 percent affordable housing
- Promote a socioeconomic environment that encourages diversity
- Is consistent with and assures fair housing practices
- Provide housing that is harmonious in design and scale with the surrounding community
- Ensure long-term affordability
- Promote use of existing buildings or construction on previously-developed or Town-owned sites
- Give priority to local residents, Town employees, and employees of local businesses to the extent allowed by law

The following projects have been appropriated by the Hanover Community Preservation Committee under the area of Community Housing:

APPROVAL DATE	PROJECT	AMOUNT
2006	Affordable Housing Plan	\$35,000
2007	Legion Drive Feasibility & Site Study	\$32,000
2007	645 Center Street Property Purchase	\$800,000
2009	Affordable Housing Trust Funds Transfer	\$350,000
2010	Affordable Housing Trust Funds Transfer	\$180,000
2010	Walnut Street Habitat for Humanity Home	\$30,000
2011	Affordable Housing Trust Funds Transfer	\$100,000
2012	Affordable Housing Trust Funds Transfer	\$250,000
2013	Affordable Housing Trust Funds Transfer	\$100,000
2014	Affordable Housing Trust Funds Transfer	\$100,000
2015	Affordable Housing Trust Funds Transfer	\$100,000
2016	Affordable Housing Trust Funds Transfer	\$110,091



Community Preservation

HISTORICAL PRESERVATION

The Town of Hanover, which was incorporated in 1727, takes great pride in its rich historical and cultural heritage. As represented by the Town Seal, Hanover's early economy revolved around agriculture and shipbuilding. Shipyards were located on the banks of the North River, and early mills that ground corn, sawed lumber, and forged iron were located on smaller streams around town. By the end of the 1800's, industries such as the Clapp Rubber Mill and the Goodrich Shoe Company, employed many of the former farmers. Hanover has a considerable number of historic assets, including municipal buildings, burial grounds, and historic monuments. These resources offer residents and visitors opportunities to learn about their heritage and the history of the town. There are numerous architectural styles represented in Hanover, including Colonial Cape Cod, Georgian, Federal, Greek Revival, Queen Anne, Italianate Second Empire and Shingle Style. Some of the oldest structures in town include the Daniel Turner House built c.1693,

the Col. John Bailey House built in 1712 and the Stetson House built c.1716.



The Town of Hanover has one listing on the National Register of Historic Places and ten on the Massachusetts State Register of Historic Places. The Hanover Center Historic District, which encompasses the Town Hall, the John Curtis Free Library, the First Congregational Church, the Stetson House and the Hanover Cemetery, was listed on the National Register in 1996. The following are listed on the State Register of Historic Places:

- Hanover Center Historic District
- Hanover Town Hall
- Town Hall Memorial Flagpole
- Hanover Cemetery
- Hanover Center Cannons/Cannonballs
- First Congregational Church
- John Curtis Free Library
- Soldier's and Sailor's Monument
- Stetson House
- Edmund Q. Sylvester School

As development pressures have dramatically increased in recent years, the Town has become increasingly aware of the need to actively preserve its historic resources. Section 2 of the CPA statute defines historic resources as "a building, structure, vessel, real property, document, or artifact that is listed or eligible for listing on the state register of historic places or has been determined by the local historic preservation commission to be significant in the history, archeology, architecture or culture of a city or town." CPA

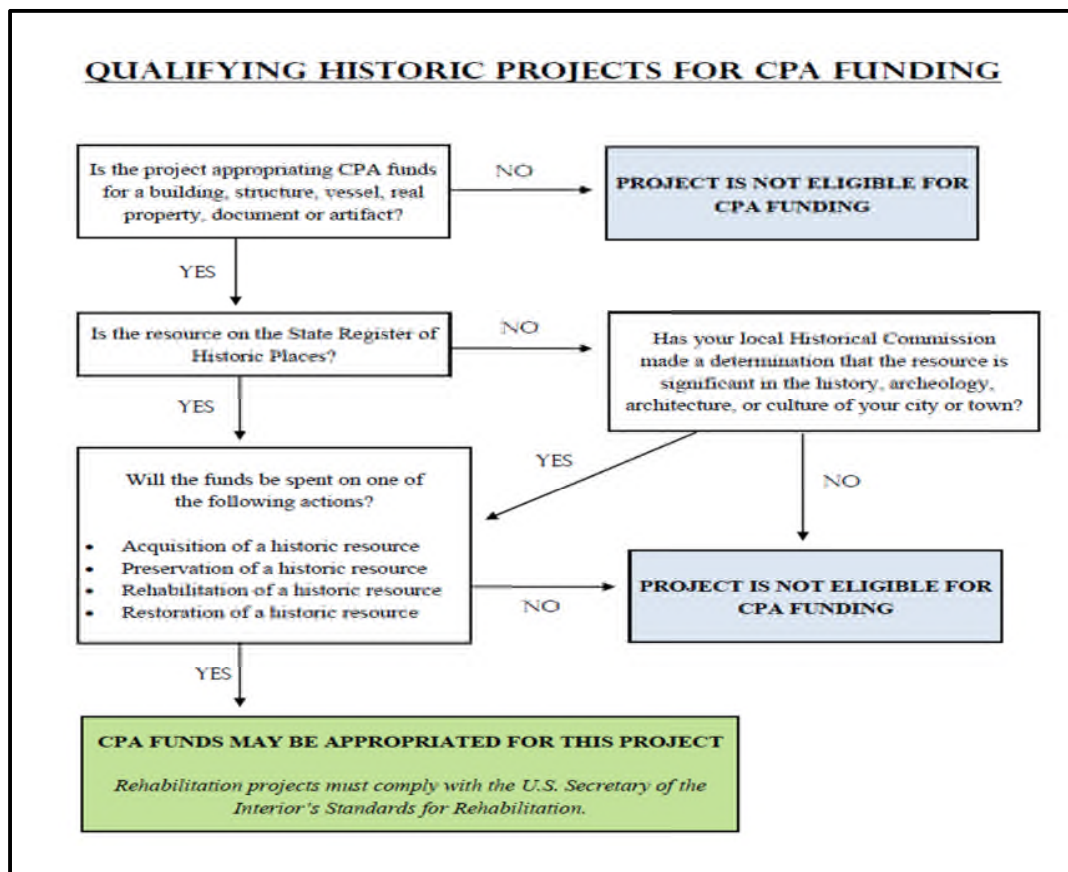


Community Preservation

funds are allowed to be used for the ". . . acquisition, preservation, rehabilitation, and restoration of historic resources." Recognition and protection of the Town's historic resources can help preserve the character of the Town for future generations and serve as an educational resource.

Furthermore, within the definition of "rehabilitation," CPA is allowed to fund improvements to make historic resources functional for its intended use, including improvements to comply with the Americans with Disabilities Act and other building or access codes. All rehabilitation work with respect to historic resources is required to comply with the Standards for Rehabilitation stated in the US Secretary of the Interior's Standards for the Treatment of Historic Properties (codified in 36 C.F.R. Part 68).

The following flow chart details the steps to determine whether a historic preservation project qualifies for CPA funding:



The Community Preservation Committee has adopted the following historic preservation goals and objectives (Goals as excerpted from the 2007 Hanover Historic Preservation Plan).

GOAL 1: *Protecting historic buildings and landscapes to prevent the loss of important historic resources and preserve those resources for the future.*



Community Preservation

OBJECTIVES:

- Preserve, restore, and rehabilitate significant historical structures, sites and artifacts.
- Support possible reuse of buildings slated to be demolished.
- Work with the Hanover Historical Commission to:
 - Review and endorse historical proposals.
 - Certify that a CPC application for a historic project is locally significant.
 - Ensure work on historic resources complies with the United States Secretary of the Interior's Standards for Rehabilitation.
 - Assist in the development of preservation restrictions for historic projects.

GOAL 2: Improving, increasing and maintaining the community's knowledge of and access to Hanover's historic resources.

OBJECTIVES:

- Work with the Hanover Historical Commission to support greater public access to information on historic properties using the Town's website and Geographic Information System (GIS).
- Support National Register nominations for significant historic properties and sites.

Short-Term and Long-Term Goals Identified by the Hanover Historical Commission:

- Update the Town's existing historic property inventory and prepare grant applications to the Massachusetts Historical Commission to assist with funding (50% match required).
- Develop an archival storage plan for the Hanover Historical Commission records that are currently located in the Stetson House. The Commission wishes to catalogue the existing collection, move its contents to an environmentally appropriate storage location, and implement a plan to make these records accessible to the public.
- Engage a historic landscape consultant to aide in the elaboration and implementation of the improvements recommended in the 2010 Hanover Cemeteries Preservation Plan, focusing on enhancing and conserving the historic landscapes, plantings, roadways.
- Conduct a full inventory of the location and condition of Town-owned historic artifacts and make recommendations for appropriate conservation and care that is in line with current archival standards.
- Conduct a feasibility study to determine the suitability, scope, and process for establishing one or several local historic districts within the residential areas of Town.
- Identify the most significant historic buildings and spaces in Hanover (based on the updated inventory and consultation with Town residents). Develop and implement plans to conserve these important pieces of Hanover's historic character.



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Evaluation of projects submitted for consideration by The Committee will include review of several factors, including but not limited to the following:

- The property or site is on a State or National Historic Register or is eligible for placement on such a register
- The property, site, document or artifact has been determined by the Hanover Historical Commission to be significant in the history, archaeology, architecture or culture of the Town.
- Preserves and protects historic and cultural properties and sites to the extent allowed under the CPA.
- Demonstrates a public benefit to preserve historic resources. Town owned facilities may be preferred in The Committee's evaluation process.
- Incorporates the remodeling, reconstruction and making of extraordinary repairs to historic resources, such as improvements intended to make historic facilities functional for their intended use, including but not limited to, handicapped accessibility and building code requirements.

The following projects have been appropriated by the Hanover Community Preservation Committee under the area of Historic Preservation:

APPROVAL DATE	PROJECT	AMOUNT
2006	Historic Preservation Plan & Inventory	\$20,000
2007	John Curtis Free Library Columns	\$10,260
2008	Stetson House Cobbler Shop Roof	\$1,250
2008	Historical Society Collection & Care	\$15,400
2008	Sylvester School Tiling / Asbestos Abatement	\$275,000
2009	Town Building Needs Study	\$60,000
2009	Historic Cemetery Assessment Study	\$40,000
2009	Town Document Preservation	\$45,000
2009	Historical Society Collection & Care	\$13,040
2010	Hackett's Pond Preservation	\$50,000
2010	Stetson House Restoration	\$20,300
2010	Restoration of Monuments & Flagpoles	\$50,000
2010	Salmond School Boiler	\$120,000
2010	Salmond School ADA Bathroom	\$85,000
2010	Sylvester School Roof Repairs	\$15,000
2010	Sylvester School ADA Design	\$55,500
2011	Historic Cemetery Preservation	\$80,000
2012	Stetson House Roof Preservation	\$2,875
2012	Historical Society Collection & Care	\$16,500
2012	Historic Cemetery Preservation	\$80,000
2013	Historic Cemetery Preservation	\$160,000
2013	Stetson House Climate Control	\$18,000
2013	Hackett's Pond Preservation	\$120,000
2014	Stetson House Archive/Preserve Collections	\$5,000
2015	Town Hall Historical Restoration	\$1,085,500
2015	Restore Horse Drawn Fire Wagon	\$5,000
2015	Veteran's Database	\$1,000



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2015	Frist Congregational Church Window Replacement	\$80,450
2016	Stetson House Barn Foundation Wall Repair	\$10,000
2016	WWII Roll of Honor Restoration	\$8,960
2016	Veteran's Honor Garden	\$50,000
2017	Restoration Town Hall	\$202,200
2017	Veteran's Honor Garden	\$75,000
2017	Historical & Cultural Resources	\$16,240

REVIEW OF APPROVED COMMUNITY PRESERVATION PROJECTS

Since the publication of the previous Community Preservation Plan in 2010, the Hanover Community Preservation Committee has appropriated funding for eight of the fifteen recommendations that were made for future projects. These projects include:

- Affordable Housing Trust Funds Transfer
- Debt Service Payment on King Street Fields
- Restoration of Town Historic Cemeteries
- Preservation of Town Documents
- Hanover Historical Society Collection Care and Restoration
- Further Development of 645 Center Street
- Trail Improvements
- Open Space Acquisitions

Restoration of Town Historic Cemeteries – The CPC's investment in Hanover's Historic Burial Grounds began in 2009 with the appropriation of \$40,000 for the development of a comprehensive assessment of the Town's historic cemeteries. The *Hanover Cemeteries Preservation Plan*, created by Martha Lyon Landscape Architecture, LLC was completed in 2010, and includes an extensive assessment of Hanover's three historic cemeteries (Hanover Center Cemetery, Union Assinippi Cemetery and West Hanover Cemetery). Between the years 2011 and 2013, three more CPC appropriations were made for the restoration and preservation of the town's historic cemeteries, totaling \$320,000. This funding was used for a multi-phase headstone conservation project that was completed in the fall of 2015 by Monument Conservation Collaborative LLC. The project included the re-setting of tilted headstones, structural repairs, cleaning and the filling, pinning and consolidation of 411 historic gravestones within the three town-owned cemeteries.

Further Development of 645 Center Street – In 2007, the Hanover Community Preservation Committee purchased the property at 645 Center Street with the intention of renovating the historic farmhouse and barn into two affordable housing units. However, after the project was found to be not economically feasible, the committee voted to allow the demolition of the house and the dismantling of the barn, so that two new Habitat for Humanity houses could be built on the property. The English style post and beam barn, built during the 1700's, was carefully disassembled by students and staff of the North Bennett Street School, in September of 2010. Each piece of the structure was documented and labeled for storage so that the barn can be reconstructed when an appropriate site has been located. Construction on the two single-



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family Habitat for Humanity Houses began in February of 2014, and two families moved into the homes in June of 2015.

Trail Improvements & Open Space Acquisitions – Since the town adopted the Community Preservation Act in 2006, CPC funding has been used to purchase over 370 acres of open space and conservation land in Hanover. The CPC's most recent appropriations towards open space funded the purchase of two properties in town, including 23 acres of land on Circuit Street in 2011 and 42 acres of open space on Webster Street in 2013. In that same year, \$10,600 was appropriated from CPC's budget for the creation of a map of the town's conservation areas, walking trails and historic sites. In 2014, CPC appropriated \$25,000 for a trail feasibility study, which will evaluate the viability of developing a recreational trail along the former West Hanover Branch of the Old Colony Railroad, commonly known as a "Rails to Trails" project.

APPROVED COMMUNITY PRESERVATION COMMITTEE PROJECT

YEAR	PROJECT	AMOUNT	CATEGORY	STATUS
2006	King Street/Cervelli Purchase	\$1,430,000	Open Space & Recreation	Completed
2006	Affordable Housing Plan	\$35,000	Community Housing	Completed
2006	Open Space & Recreation Plan	\$35,000	Open Space & Recreation	Completed
2006	Historic Preservation Plan	\$20,000	Historic Preservation	Completed
2007	645 Center Street Purchase	\$800,000	Community Housing	Completed
2007	Housing Authority Legion Drive Feasibility Study	\$32,000	Community Housing	Completed
2007	John Curtis Free Library Column Repair	\$10,260	Historic Preservation	Completed
2008	King Street Recreation Fields Development	\$2,500,000	Open Space & Recreation	Completed
2008	553 Center Street Purchase	\$700,000	Open Space & Recreation	Completed
2008	Sylvester School Retiling and Asbestos Abatement	\$275,000	Historic Preservation	Completed
2008	Stetson House Collection Care and Restoration	\$15,400	Historic Preservation	Completed
2008	Conservation Parcels Trail Improvements	\$13,410	Open Space & Recreation	Completed
2008	Stetson House Cobbler Shop Roof Repair	\$1,250	Historic Preservation	Completed
2009	Affordable Housing Trust Funds Transfer	\$350,000	Community Housing	Completed
2009	Town Owned Historical Buildings Study	\$60,000	Historic Preservation	Completed
2009	Town Document Preservation	\$45,000	Historic Preservation	Completed
2009	Historic Cemetery Assessment	\$40,000	Historic Preservation	Completed
2009	Historical Society Collection Care & Restoration	\$13,040	Historic Preservation	Completed
2009	Open Space Appraisals, Surveys & Legal Assistance	\$10,000	Open Space & Recreation	Completed
2010	King Street Construction	\$1,600,000	Open Space & Recreation	Completed
2010	Affordable Housing Trust Funds Transfer	\$180,000	Community Housing	Completed
2010	Salmond School Boiler	\$120,000	Historic Preservation	Completed
2010	Salmond School ADA Bathroom	\$85,000	Historic Preservation	Completed
2010	Sylvester School ADA Design	\$55,500	Historic Preservation	Completed
2010	Hackett's Pond Preservation	\$50,000	Historic Preservation	Completed



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2010	Restoration of Monuments & Flagpoles	\$50,000	Historic Preservation	Completed
2010	Walnut Street Habitat for Humanity Home	\$30,000	Community Housing	Completed
2010	Stetson House Restoration	\$20,300	Historic Preservation	Completed
2010	Open Space Administrative Funding	\$20,000	Open Space & Recreation	Completed
2010	Sylvester School Roof Repairs	\$15,000	Historic Preservation	Completed
2011	120 Circuit Street Property Purchase	\$550,000	Open Space & Recreation	Completed
2011	Affordable Housing Trust Funds Transfer	\$100,000	Community Housing	Completed
2011	Historic Cemetery Preservation	\$80,000	Historic Preservation	Completed
2012	Affordable Housing Trust Funds Transfer	\$250,000	Community Housing	Completed
2012	Historic Cemetery Preservation	\$80,000	Historic Preservation	Completed
2012	Historical Society Collection & Care	\$16,500	Historic Preservation	Completed
2012	Stetson House Roof Preservation	\$2,875	Historic Preservation	Completed
2013	Webster Street Open Space Acquisition	\$325,000	Open Space & Recreation	Completed
2013	King Street Recreation Fields	\$240,000	Open Space & Recreation	Completed
2013	Historic Cemetery Preservation	\$160,000	Historic Preservation	Completed
2013	Hackett's Pond Preservation	\$120,000	Historic Preservation	Completed
2013	Affordable Housing Trust Funds Transfer	\$100,000	Community Housing	Completed
2013	Stetson House Climate Control	\$18,000	Historic Preservation	Completed
2013	Open Space Walking Map	\$10,600	Open Space & Recreation	Completed
2014	Affordable Housing Trust Funds Transfer	\$100,000	Community Housing	Completed
2014	Trail Feasibility Study	\$25,000	Open Space & Recreation	In Progress
2014	Stetson House Archive/Preserve Collections	\$5,000	Historic Preservation	In Progress
2015	Affordable Housing Trust Funds Transfer	\$100,000	Community Housing	Completed
2015	Town Hall Historical Restoration	\$1,085,500	Historic Preservation	In Progress
2015	First Congregational Church of Hanover Window Replacement	\$80,450	Historic Preservation	In Progress
2015	Hanover Fire Wagon	\$5,000	Historic Preservation	Completed
2015	Hanover Veterans Oral History Project	\$1,000	Historic Preservation	In Progress
2016	Affordable Housing Trust Fund Transfer	\$110,091	Community Housing	Completed
2016	Open Space and Recreational Plan	\$20,000	Open Space & Recreation	In Progress
2016	Foundation Wall Stetson House Barn	\$10,000	Historical Preservation	In Progress
2016	Open Space Trail Development	\$9,200	Open Space & Recreation	In Progress
2016	World War II Roll of Honor Restoration	\$8,960	Historical Preservation	Completed
2016	Veterans Honor Garden	\$50,000	Historical Preservation	In Progress
2017	Restoration Town Hall	\$202,200	Historical Preservation	In Progress
2017	Veteran's Honor Garden	\$75,000	Historical Preservation	Completed
2017	Historical & Cultural Resources	\$16,240	Historical Preservation	In Progress



Community Preservation

Recommendations for Future Projects:

PROJECT	YEAR	AMOUNT	CATEGORY
Creation of Historic Preservation Trust Fund			
Creation of Open Space Trust Fund			
Explore Support of Equity Conversion Homeownership Program or Affordable Deed Restriction Program			
Adaptive Re-use of Sylvester, Salmond or Curtis School			
Protection of Areas of Critical Environmental			

THE INTERIOR'S STANDARDS FOR REHABILITATION

The Standards (Department of Interior regulations, 36 CFR 67) pertain to historic buildings of all materials, construction types, sizes, and occupancy and encompass the exterior and the interior, related landscape features and the building's site and environment as well as attached, adjacent, or related new construction. The Standards are to be applied to specific rehabilitation projects in a reasonable manner, taking into consideration economic and technical feasibility.

1. A property shall be used for its historic purpose or be placed in a new use that requires minimal change to the defining characteristics of the building and its site and environment.
2. The historic character of a property shall be retained and preserved. The removal of historic materials or alteration of features and spaces that characterize a property shall be avoided.
3. Each property shall be recognized as a physical record of its time, place, and use. Changes that create a false sense of historical development, such as adding conjectural features or architectural elements from other buildings, shall not be undertaken.
4. Most properties change over time; those changes that have acquired historic significance in their own right shall be retained and preserved.
5. Distinctive features, finishes, and construction techniques or examples of craftsmanship that characterize a property shall be preserved.
6. Deteriorated historic features shall be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature shall match the old in design, color, texture, and other visual qualities and, where possible, materials. Replacement of missing features shall be substantiated by documentary, physical, or pictorial evidence.
7. Chemical or physical treatments, such as sandblasting, that cause damage to historic materials shall not be used. The surface cleaning of structures, if appropriate, shall be undertaken using the gentlest means possible.



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8. Significant archeological resources affected by a project shall be protected and preserved. If such resources must be disturbed, mitigation measures shall be undertaken.

9. New additions, exterior alterations, or related new construction shall not destroy historic materials that characterize the property. The new work shall be differentiated from the old and shall be compatible with the massing, size, scale, and architectural features to protect the historic integrity of the property and its environment.

10. New additions and adjacent or related new construction shall be undertaken in such a manner that if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired.

TOWN OF HANOVER GENERAL BYLAWS

4-19 COMMUNITY PRESERVATION COMMITTEE

Section 1. Established

There is hereby established a Community Preservation Committee, in accordance with Chapter 267 of the Acts of 2000, Massachusetts Community Preservation Act, consisting of nine (9) voting members pursuant to M.G.L. Chapter 44B.

Section 2. Membership

The composition of the Committee, the appointment authority and the term of office for the Committee members shall be as follows:

A. One (1) member of the Conservation Commission as designated by the Commission for a term of three (3) years.

B. One (1) member of the Historical Commission as designated by the Commission for an initial term of two (2) years, and thereafter for a term of three (3) years.

C. One (1) member of the Affordable Housing Trust Fund as designated by the Authority for an initial term of two (2) years, and thereafter for a term of three (3) years.

D. One (1) member of the Parks and Recreation Committee as designated by the Committee for an initial term of one (1) year and thereafter for a term of three (3) years.

E. One (1) member of the Open Space Committee as designated by the Committee for a term of three (3) years.

F. One (1) member of the Planning Board as designated by the Board for an initial term of one (1) year and thereafter for a term of three (3) years.



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G. Three (3) members of the general public to be appointed by the Town Moderator, subject to approval by a majority vote of the Board of Selectman, one member to be appointed for a term of one (1) year and thereafter for a term of three (3) years, one member to be appointed for a term of two (2) years and thereafter for a term of three (3) years, and one member to be appointed for a term of three (3) years.

The Commissions, Boards, or persons who have appointment authority under this Article shall appoint such Committee Members within 45 days of the effective date of this Bylaw.

Should there be a vacancy or resignation in any of the Community Preservation Committee positions, the Commissions, Boards, or persons who have appointment authority under this Article shall appoint a new Committee Member within 45 days of the first date of vacancy or resignation.

Should any of the Commissions, Boards, or persons who have appointment authority under this Article be no longer in existence for any reason, the appointment authority for that Commission, Board, or person shall become the responsibility of the Town Moderator, subject to approval by a majority vote of the Board of Selectmen.

Section 3. Powers and Duties

A summary of powers and duties is as follows:

(1). The community preservation committee shall study the needs, possibilities, and resources of the town regarding community preservation. The committee shall consult with existing municipal boards, including the conservation commission, the historical commission, the planning board, the recreation council and the housing authority, or persons acting in those capacities or performing like duties, in conducting such studies. As part of its study, the committee shall hold one or more public informational hearings on the needs, possibilities and resources of the town regarding community preservation possibilities and resources, notice of which shall be posted publicly and published for each of two weeks preceding a hearing in a newspaper of general circulation in the town.

(2). The community preservation committee shall make recommendations to the legislative body for the acquisition, creation and preservation of open space; for the acquisition, preservation, rehabilitation and restoration of historic resources; for the acquisition, creation and preservation of land for recreational use; for the creation, preservation and support of community housing; and for the rehabilitation or restoration of open space, land for recreational use and community housing that is acquired or created as provided in this section. With respect to community housing, the community preservation committee shall recommend, wherever possible, the reuse of existing buildings or construction of new buildings on previously developed sites.

(3). The Community Preservation Committee may include, in its recommendation to the Town Meeting, a recommendation to set aside for later spending funds for specific purposes that are consistent with community preservation but for which sufficient revenues are not then available in the Community Preservation Fund to accomplish that specific purpose or to set aside for later spending for general purposes that are consistent with community preservation. The Community Preservation Committee may



Community Preservation

recommend the issuance of general obligation bonds or notes in anticipation of revenues to be raised pursuant to section 3 of the Act, the proceeds of which shall be deposited in the Community Preservation Fund. Bonds or notes so issued may be at such rates of interest as shall be necessary and shall be repaid as soon after such revenues are collected as is expedient. The Town shall make every effort to limit the administrative costs of issuing such bonds by cooperating with other cities and towns using methods including, but not limited to, common issuance of bonds or common retention of bond counsel. Except as otherwise provided in this chapter, bonds or notes issued pursuant to this section shall be subject to the applicable provisions of Chapter 44. The maturities of each issue of bonds or notes issued under this chapter may be arranged so that for each issue the amounts payable in the several years for principal and interest combined shall be as nearly equal as practicable in the opinion of the officers authorized to issue bonds or notes or, in the alternative, in accordance with a schedule providing for a more rapid amortization of principal.

(4). The Committee shall have at least one public meeting each year at which time any Town Department, public or private agency, business, non-profit organization, or member of the general public may submit proposals for the use of Community Preservation Funds. The Committee shall also schedule a public hearing on its current and proposed activities, to be held at least 21 days prior to any Town Meeting in which it submits an article.

Notice of the time and place of such public hearing and the general purpose of such meeting shall be published in a newspaper of general circulation in the Town once in each of two successive weeks, the first publication to be not less than fourteen days before the date of said hearing, and by posting such notice in a conspicuous place in Town Hall for a period of not less than fourteen days before the date of said hearing.

The Committee shall establish submission requirements for the proper and consistent review of all project proposals. The Committee shall make recommendations to Town Meeting for the appropriate use of Community Preservation Funds for any such project proposals or initiatives undertaken by the Committee itself.

As provided in the Massachusetts Community Preservation Act, no expenditures shall be made from the Community Preservation Fund without the approval of Town Meeting.

The Community Preservation Committee will submit an annual administrative and operating budget for the Community Preservation Committee, which cannot exceed five percent (5%) of the annual revenues in the Community Preservation Fund, to Town Meeting for approval.

Section 5(b) of M.G.L. Chapter 44B, "Community Preservation" enumerates the powers and duties of the Community Preservation Committee and are incorporated herein by reference.

Section 4. Rules and Regulations

By majority vote of the members of the Committee, the Committee may adopt and promulgate rules and regulations for the conduct of its business on any matter within the Committee's jurisdiction under the



Community Preservation

Massachusetts Constitution, Massachusetts General or Special Laws, the Code of Massachusetts Regulations (CMR), Bylaw, or other legal right or authority granted to or conferred upon the Committee.

The proposed rule or regulation shall be submitted to all Committee members at least 48 hours prior to any vote to adopt the same; provided, however, the Committee may make such amendments to the proposed rules or regulations as it deems appropriate at the said meeting. Upon approval of any rule or regulation by the Committee, a copy of the same shall be filed with the Town Clerk and become effective as of the date of filing thereof unless the specific vote of the Committee establishes a later effective date.

Section 5. Amendments

This Chapter may be amended from time to time by a majority vote of the Town Meeting, provided that the amendments would not cause a conflict to occur with M.G.L., Chapter 44B.

Section 6. Severability

In case any section, paragraph or part of this Article is for any reason declared invalid or unconstitutional by any court of last resort, every other section, paragraph or part shall continue in full force and effect.

(Accepted May 2, 2005), (Approved by the Attorney General, July 14, 2005)



CAPITAL IMPROVEMENTS



"Hanover, Honoring Yesterday As We Build For Tomorrow"

Introduction



Town Manager

Memo

To: Board of Selectmen, Advisory Committee

From: Anthony Marino, Acting Town Manager

CC: All Departments

Date: 01/12/18

Re: Fiscal Year 2019 Capital Plan

It is my pleasure to submit herewith the Proposed FY2019-2023 Capital Improvement Plan (CIP), the first year of which constitutes the requested FY2019 Capital Budget. Each year, The Selectmen, Advisory Committee, and Town Meeting review the proposals to make improvements to the town's buildings, equipment and infrastructure. Initiatives that require an exclusion (additional debt) from Proposition 2 ½ also require a ballot vote.

In the last few years, the CIP has been funded to a greater extent than in the past, largely due to the town's dwindling reliance on free cash to support the operating budget, making precious resources available for capital improvements. In addition, we continue to make an annual contribution to the Capital Stabilization Fund, saving additional resources for use in future years. This document includes both the overall capital plan and individual project request sheets for each of the FY 19 requests, continuing the effort toward a more detailed, transparent, and complete budget document.

The Free Cash Benefit

The weaning of free cash to support the operating budget has its roots in financial policies adopted by the Board of Selectmen in 2011. Since then, the town has reduced the use of free cash to support the budget from over \$1 million to \$500,000 in just four years. This is due to the conservative and austere spending by

departments and continued attention to detail and meticulous oversight by our Finance Department.

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 30th 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 FY2017 (June 30, 2017) is available for use in the FY2019 (July 1, 2018) Capital Budget.

In addition to using free cash to fund capital requests, FY19, like the year before, includes some 'levy limit' debt, which allows the town to fund capital projects within the operating budget without additional impact on property taxes. In other words, the town is borrowing, but within regular budgetary limits, and repaying the debt for equipment and facility improvements within regular operating funds. This practice is conducted in collaboration with First Southwest, our finance consultant, and is also a recommended and sustainable fiscal practice.

Individual Project Requests

Each capital item for FY 19 includes a detailed project request sheet, which details the need for the item or project, provides a cost estimate, and provides a narrative supporting the purchase. Each item has been vetted through the approval process, passing through departmental and executive review. Next, each item is provided with an identified funding source, ensuring that the entirety of the capital plan is financially sustainable.

This plan is presented as a collaborative effort between all departments. We look forward to working with the Selectmen, Advisory Committee and voters at Town Meeting to review and discuss this group effort.



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 Hanover. The following questions and answers define terms, describe processes, and detail the needs and benefits of Hanover’s capital planning activities.

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 improvement and equipment needs of the Town of Hanover. It contains a list of capital projects and needs proposed for the Town within the next five years and reflects the recommendations of the Town Manager. The CIP identifies each proposed project and presents a summary description, estimate of cost and a method of financing. The CIP constitutes a rational plan for preserving, as well as adding to the capital assets of the Town.

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 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 \$10,000 in value to qualify for inclusion in the Town of Hanover’s Capital Improvement Program.

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 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.



Capital Improvement Program

How is the Operating Budget related to the Capital Budget?

The Town of Hanover 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 local receipts. 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 and Federal grants or can be supported by one-time funding sources such as 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 new Hanover High School, have an impact on the operating costs of the facility once opened. Maintenance and repair costs may be lower in a new facility, but it may cost more to run a larger facility. In addition, since some capital projects are financed through municipal debt, repayment of that debt must be factored into the operating budget.

Why do we need a CIP?

The CIP provides a means of coordinating and centralizing the capital project requests of various departments thus eliminating wasteful overlap, duplication and delay. It focuses attention on Hanover's goals and financial capability by comprehensively considering not only what capital projects Hanover 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.



Capital Improvement Program

How does having a Capital Program save the Town money?

Investors and bond rating agencies stress the value of a CIP for a municipality seeking to borrow funds. The absence of a rational, long-term planning instrument would weigh against the bond rating assigned to Hanover 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 the borrowings. Hanover currently holds a superior credit rating of Aa2 by Moody's Investor Services. Very real and tangible cost savings result from the use of our CIP.

Another financial benefit from the capital program 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 CIP ensures sound fiscal and capital planning.

How are Capital Projects financed?

Financing sources for Hanover's capital projects include the use of free cash, state and federal grants and borrowing. The most commonly used funding source is free cash. The larger projects will be supported by debt and the issuance of general obligation bonds. Much like mortgaging a house, borrowing allows Hanover 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 and roads. All borrowing is done strictly in accordance with Massachusetts General Laws.

How is the CIP developed?

The process for preparing the Capital Improvement Program and its associated Capital Budget is the same as in years past. It involves active participation by Department Heads working in conjunction with the Town Manager. The Capital Budget is prepared in the context of a five year determination of need by Departments, in conjunction with the Town's overall financial capacity to affordably accommodate the required needs.



Capital Improvement Program

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 as well as social effects on the quality of life experienced by Hanover residents. Projects are also examined in terms of their relationship and 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.

- *Late Summer/Early Fall* – following Town Meeting after the approval of that year's Capital Budget, departments are provided with their previously submitted five year requests for review, update and the addition of the next fifth 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 Manager.
- *Late Fall/Early Winter* – the Town Manager and Finance Director receive the compiled information and begin scheduling meetings with the various Department Heads to evaluate the projects. The preliminary debt schedules are updated and various financial forecasts are completed in order to provide context to the Capital Budget as well as the five year capital improvement program.
- *January* – the Capital Budget is finalized within the parameters of the established funding target. In making final decisions, the process includes a determination of actual needs and the prioritization of need based upon legal mandate, public safety, and the effect of deferral. Any projects not approved for funding are typically deferred into the next budget year.
- *February* – the proposed Capital Budget is presented to the Board of Selectmen.
- *February – May* – the Advisory Committee meets with Department Heads to review their capital requests and conducts site visits to view the buildings, land or equipment.
- *May* – the Capital Budget is presented to Town Meeting for approval and then the process begins again.

Throughout the ensuing fiscal year, the Town Accountant monitors all the approved projects and the following fall the process to update the CIP begins again.



Capital Improvement Program

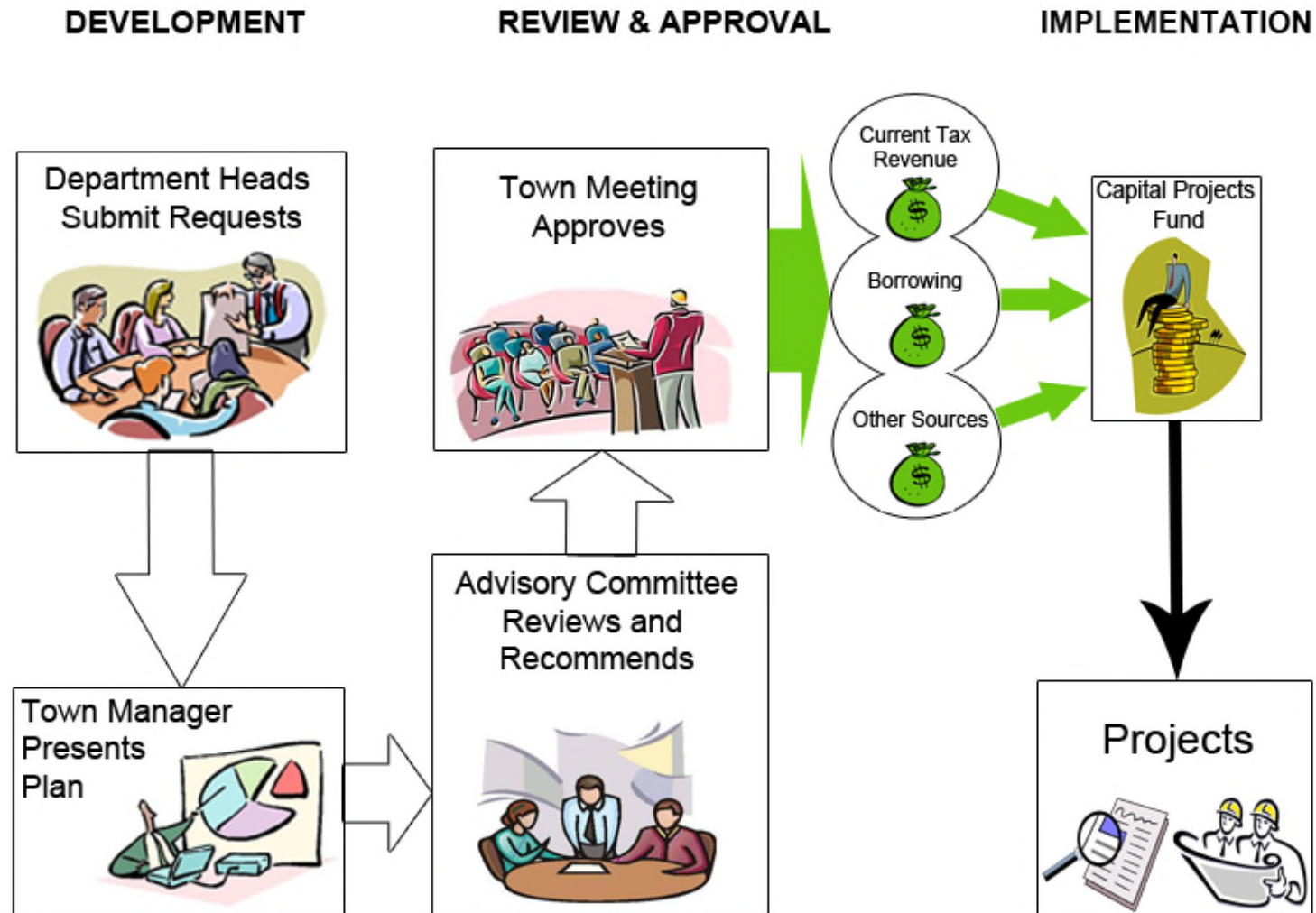
Why must the CIP be continually updated?

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. Each year, Town Meeting reviews the capital projects recommended by the Advisory Committee and the Town Manager 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 in maintaining fiscal responsibility as well as ensuring the future education, safety and welfare of Hanover residents.

Flow Chart



Capital Improvement Plan



*Summary of
Projects Requested*



Capital Improvement Program

Town of Hanover 5 Year Capital Plan Summary by Category						
Category						Total
	FY19	FY20	FY21	FY22	FY23	
Infrastructure	500,000	500,000	500,000	500,000	500,000	2,500,000
Municipal Buildings	325,000	600,000	305,000	50,000	102,000	1,382,000
School Buildings	1,050,000	490,000	515,000	1,800,000	300,000	4,155,000
DPW	394,000	624,000	975,000	362,000	775,000	3,130,000
Fire	-	425,000	660,000	105,000	300,000	1,490,000
Police	90,000	106,100	125,000	130,000	130,000	581,100
Community Services	-	25,000	-		-	25,000
Finance	-	400,000	-	-	-	400,000
School - Town Wide Technology	65,000	100,000	100,000	100,000	100,000	465,000
Total Municipal	2,424,000	3,270,100	3,180,000	3,047,000	2,207,000	14,128,100
Water Enterprise	438,000	200,000	738,000	379,000	354,000	2,109,000
Total Enterprise	438,000	200,000	738,000	379,000	354,000	2,109,000
Total Capital Requests	2,862,000	3,470,100	3,918,000	3,426,000	2,561,000	16,237,100



Capital Improvement Program

Capital Project Requests	FY19 Request	FY20 Request	FY21 Request	FY22 Request	FY23 Request	Total
Municipal Infrastructure						
Road Improvement Projects (Ch. 90)	500,000	500,000	500,000	500,000	500,000	2,500,000
Category Subtotal	500,000	500,000	500,000	500,000	500,000	2,500,000
Municipal Buildings						
Streetlights - Purchase and Conversion to LED	190,000					190,000
Town Hall siding - share w/ CPC	75,000					75,000
Senior Center Generator	60,000					60,000
Fire HQ rear addition with new emergency operations center including elevator		500,000				500,000
Police Station - Replace Toilets in Jail Cells		20,000				20,000
Police Station - Replace 2 Air Conditioning Condensers		60,000				60,000
Replace 2001 Ford F350 One Ton dump/plow/sander		20,000				20,000
Replace 2006 Ford High Top Van			10,000			10,000
Replace Unit Ventilators at Fire Headquarters			45,000			45,000
Interior renovations at Town Hall			250,000			250,000
Replace 2008 Ford Taurus Sedan				10,000		10,000
Replace 2006 GMC Box truck with lift gate				15,000		15,000
Replace 1994 Ford tractor				25,000		25,000
John Curtis Library - replace carpet and repair interior finishes					90,000	90,000
Town Hall - phased exterior finishes maintenance plan					12,000	12,000
Category Subtotal	325,000	600,000	305,000	50,000	102,000	1,382,000
School Buildings						
Middle & Cedar - Camera Security System	150,000					150,000
Cedar - Replace Tar & Gravel Roof (MSBA shared)	900,000					900,000
Salmond School - Exterior paint, trim, cupola		60,000				60,000
MS & Cedar School phased replacement plan for kitchen equipment		80,000				80,000
Repave Cedar parking lot areas and vicinity		350,000				350,000
Middle School - replace rooftop ventilation units			200,000			200,000
Cedar - Replace masterclock and intercom system			75,000			75,000
MS - Repave parking lot			190,000			190,000
MS & Cedar School phased replacement plan for kitchen equipment			50,000			50,000
MS Roof Replacement (MSBA Shared)				1,500,000		1,500,000
Cedar - Replace carpet asbestos flooring with VCT tile				300,000		300,000
Replace HVAC units at Cedar School					150,000	150,000
Middle School - Electric panel upgrades					150,000	150,000
Category Subtotal	1,050,000	490,000	515,000	1,800,000	300,000	4,155,000



Capital Improvement Program

DPW						
Replace 1998 Intl 2500 Dump Truck	190,000					190,000
Towed Air Compressor	25,000					25,000
Replace 2006 Ford F-450 4x4 DRW Dump (Green)	63,000					63,000
Replace One Ton Dump Truck - Cemetery	53,000					53,000
Replace One Ton 4x4 Dump Truck	63,000					63,000
Replace Ford F450 truck		65,000				65,000
Replace 2014 Ford F250 4x4 pickup truck		44,000				44,000
Stormwater Improvements		75,000				75,000
Dam Repairs - Forge Pond and Curtis Crossings		250,000				250,000
Replace 1997 GMC 7500 truck		190,000				190,000
Replace 2000 Intl 4900 Dump truck			200,000			200,000
Replace 2008 Ford F450 Dump truck			75,000			75,000
Road improvements			400,000			400,000
Replace 2003 John Deere 644H Loader			300,000			300,000
Replace 2001 International 4900 dump truck sander				200,000		200,000
Replace 2015 Ford F250 4x4 pickup				42,000		42,000
Replace 2005 CAT 430 DIT backhoe				120,000		120,000
Dam Repairs					175,000	175,000
Large Dump Truck					200,000	200,000
Pavement Management					400,000	400,000
Category Subtotal	394,000	624,000	975,000	362,000	775,000	3,130,000
Fire						
Ambulance		275,000				275,000
Cardiac monitors		150,000				150,000
Command vehicle			60,000			60,000
Pumper/rescue pumper			600,000			600,000
Forest Truck/service vehicle				75,000		75,000
Utility terrain vehicle				30,000		30,000
Ambulance					300,000	300,000
Category Subtotal	-	425,000	660,000	105,000	300,000	1,490,000



Capital Improvement Program

Police						
Replace and equip cruisers	90,000					90,000
Replace and equip cruisers		106,100				106,100
Replace and equip cruisers			125,000			125,000
Replace and equip cruisers				130,000		130,000
Replace and equip cruisers					130,000	130,000
Category Subtotal	90,000	106,100	125,000	130,000	130,000	581,100
Community Services						
Building - Ford F-150 4x4		25,000				25,000
Category Subtotal	-	25,000	-	-	-	25,000
Finance						
New financial software	-	400,000	-	-	-	400,000
Category Subtotal	-	400,000	-	-	-	400,000
School - Town wide Technology						
Technology upgrades	65,000					65,000
Technology upgrades		100,000				100,000
Technology upgrades			100,000			100,000
Technology upgrades				100,000		100,000
Technology upgrades					100,000	100,000
Category Subtotal	65,000	100,000	100,000	100,000	100,000	465,000
Water						
Water Treatment Plant - Pond Street generator replacement	200,000					200,000
Water Main Improvements	200,000					200,000
Replace 2009 Water Service Van	38,000					38,000
Water Main Improvements		200,000				200,000
Water Main Improvements			200,000			200,000
Water tank rehabilitation			500,000			500,000
Replace 2013 Water Service Van			38,000			38,000
Water Main Improvements				300,000		300,000
Replace 2015 water service van				38,000		38,000
Replace 2007 water treatment pickup truck				41,000		41,000
Media Replacement - Beal WTP					70,000	70,000
Water Main Upgrades					200,000	200,000
F250 4x4 Pickup w/ plow					42,000	42,000
F250 4x4 Pickup - meter reader					42,000	42,000
Category Subtotal	438,000	200,000	738,000	379,000	354,000	2,109,000
Total 5 Year Capital Requests - All Departments						
	2,862,000	3,470,100	3,918,000	3,426,000	2,561,000	16,237,100



Capital Improvement Program

Town of Hanover - Capital Requests by Fiscal Year					
Department	Request	Cost	Fiscal Year	Category	Funding Source
DPW	Various road projects	500,000	FY19	INFRASTRUCTURE	Ch. 90
DPW	Highway - Replace 1998 Intl 2500 Dump Truck	190,000	FY19	DPW	Free Cash
DPW	Towed Air Compressor	25,000	FY19	DPW	Free Cash
DPW	Highway - Replace 2006 Ford F-450 4x4 DRW Dump (Green)	63,000	FY19	DPW	Free Cash
DPW	One Ton Dump Truck Replace - Cemetery	53,000	FY20	DPW	Free Cash
DPW	One ton 4x4 Dump Truck Replace	63,000	FY19	DPW	Free Cash
DPW	WTP Pond Street - Generator Replacement	200,000	FY19	DPW	Borrow - Water
DPW	Water Main Improvements	200,000	FY19	DPW	Water
DPW	Replace 2009 Water Service Van	38,000	FY19	WATER	Water
Facilities	Streetlights - Purchase and Conversion to LED	190,000	FY19	BLDG	Free Cash
Facilities	Middle & Cedar - Camera Security System	150,000	FY19	SCHOOL BLDG	Free Cash
Facilities	Cedar - Replace Tar & Gravel Roof (MSBA shared)	900,000	FY19	SCHOOL BLDG	Borrow
Town Manager	Cedar Elementary School Playground	175,000	FY19	SCHOOL BLDG	Borrow
Town Manager	Town Hall HVAC Project	125,000	FY19	BLDG	Free Cash
Town Manager	Senior Center Generator	60,000	FY19	BLDG	Free Cash
School	Upgrade & Replace obsolete servers	65,000	FY19	SCHOOL	Free Cash
Police	Vehicle Replacement	90,000	FY19	POLICE	Free Cash
Subtotal		3,087,000			

Community Services	Replace Ford F-150 4x4 (Building)	25,000	FY20	COMM SVC	Free Cash
DPW	Various road projects	500,000	FY20	INFRASTRUCTURE	Ch. 90
DPW	Replace Ford F450 Truck	65,000	FY20	DPW	Free Cash
DPW	Replace 2014 Ford F250 4x4 pickup truck	44,000	FY20	DPW	Free Cash
DPW	Stormwater Improvements	75,000	FY20	DPW	Free Cash
DPW	Dam Repairs (Forge Pond and Curtis Crossing)	250,000	FY20	DPW	Free Cash
DPW	Replace 1997 GMC 7500 Truck	190,000	FY20	DPW	Borrow - Equip
DPW	Water Main Improvements	200,000	FY20	DPW	Water
Facilities	Police Station - Replace Toilets in Jail Cells	20,000	FY20	BLDG	Free Cash
Facilities	Police Station - Replace 2 Air Conditioning Condensers	60,000	FY20	BLDG	Free Cash
Facilities	Replace 2001 Ford F350 One ton dump/plow/sander	20,000	FY20	BLDG	Free Cash
Facilities	Salmond School - Exterior Paint, Trim and Cupola	60,000	FY20	SCHOOL BLDG	Free Cash
Facilities	MS & Cedar School Phased Replacement Plan for Kitchen Equipment	80,000	FY20	SCHOOL BLDG	Free Cash
Facilities	Repave Cedar Parking Lot Areas and Vacinity - Phase II	350,000	FY20	SCHOOL BLDG	Free Cash
Facilities	Fire HQ rear addition with new emergency operations center including elevator	500,000	FY20	BLDG	Borrow - Bldg
Finance	New financial software	400,000	FY20	FINANCE	Borrow
Fire	Ambulance	275,000	FY20	FIRE	Ambulance
Fire	Cardiac monitors	150,000	FY20	FIRE	Free Cash
Police	Vehicle Replacement	106,100	FY20	POLICE	Free Cash
School	Technology Upgrades	100,000	FY20	SCHOOL	Free Cash
Subtotal		3,470,100			



Capital Improvement Program

Facilities	Replace Unit Ventilators at Fire Headquarters	45,000	FY21	BLDG	Free Cash
Facilities	Replace 2006 Ford High Top Van	10,000	FY21	BLDG	Free Cash
Facilities	MS & Cedar School Phased Replacement Plan for Kitchen Equipment	50,000	FY21	SCHOOL BLDG	Free Cash
Facilities	Interior Renovations at Town Hall	250,000	FY21	BLDG	Borrow - Bldg
Facilities	Cedar - Replace master clock and intercom system	75,000	FY21	SCHOOL BLDG	Free Cash
Facilities	Middle - Repave parking lot	190,000	FY21	SCHOOL BLDG	Free Cash
Facilities	Middle School - replace rooftop ventilation units	200,000	FY21	SCHOOL BLDG	Borrow - Bldg
DPW	Water Main Improvements	200,000	FY21	DPW	Water
DPW	Water Tank Rehabilitation	500,000	FY21	DPW	Borrow - Water
DPW	Replace 2013 Water Service Van	38,000	FY21	DPW	Water
DPW	Replace 2000 Intl 4900 Dump Truck	200,000	FY21	DPW	Borrow
DPW	Replace 2008 Ford F450 Dump Truck	75,000	FY21	DPW	Free Cash
DPW	Various road projects	500,000	FY21	DPW	Ch. 90
DPW	Road Improvements	400,000	FY21	DPW	Borrow
DPW	Replace 2003 John Deere 644H Loader	300,000	FY21	DPW	Borrow
Fire	Pumper/Rescue Pumper	600,000	FY21	FIRE	Ambulance
Fire	Command Vehicle	60,000	FY21	FIRE	Free Cash
Police	Vehicle Replacement	125,000	FY21	POLICE	Free Cash
School	Technology Upgrades	100,000	FY21	SCHOOL	Free Cash

Subtotal **3,918,000**

DPW	Replace 2001 International 4900 Dump Truck with Sander	200,000	FY22	DPW	Borrow - Equip
DPW	Various road projects	500,000	FY22	DPW	Ch. 90
DPW	Replace 2015 Ford F250 4x4 Pickup	42,000	FY22	DPW	Free Cash
DPW	Replace 2005 CAT 430 DIT Backhoe	120,000	FY22	DPW	Borrow - Equip
DPW	Water Main Improvements	300,000	FY22	DPW	Water
DPW	Replace 2015 Water Service Van	38,000	FY22	DPW	Water
DPW	Replace 2007 Water Treatment Pickup Truck	41,000	FY22	DPW	Water
Facilities	Replace 2008 Ford Taurus sedan	10,000	FY22	BLDG	Free Cash
Facilities	Replace 1994 Ford Tractor	25,000	FY22	BLDG	Free Cash
Facilities	Replace 2006 GMC Box Truck with Lift Gate	15,000	FY22	BLDG	Free Cash
Facilities	MS Roof Replacement (MSBA shared)	1,500,000	FY22	SCHOOL BLDG	Borrow
Facilities	Cedar - Replace carpet asbestos flooring with VCT tile	300,000	FY22	SCHOOL BLDG	Borrow
School	Technology Upgrades	100,000	FY22	SCHOOL	Free Cash
Fire	Forest Truck/Service Vehicle	75,000	FY22	FIRE	Free Cash
Fire	Utility Terrain Vehicle	30,000	FY22	FIRE	Free Cash
Police	Vehicle Replacement (3)	130,000	FY22	POLICE	Free Cash

Subtotal **3,426,000**



Capital Improvement Program

DPW	Various Road Projects	500,000	FY 23	DPW	Ch 90
DPW	Media Replacement - Beal WTP	70,000	FY 23	DPW	Water
DPW	Water Main Upgrades	200,000	FY 23	DPW	Water
DPW	F250 4x4 Pickup w/ Plow	42,000	FY 23	DPW	Water
DPW	F250 4x4 Pickup - Meter Reader	42,000	FY 23	DPW	Water
DPW	Dam Repairs	175,000	FY 23	DPW	Free Cash
DPW	Large Dump Truck	200,000	FY 23	DPW	Free Cash
DPW	Pavement Management	400,000	FY 23	DPW	Borrow
Facilities	John Curtis Library - replace carpet and repair interior finishes	90,000	FY 23	BLDG	Free Cash
Facilities	Town Hall Phased Exterior Finishes Maintenance Plan	12,000	FY 23	BLDG	Free Cash
Facilities	Replace HVAC Units at Cedar School	150,000	FY 23	BLDG	Free Cash
Police	Vehicle Replacement	130,000	FY 23	POLICE	Free Cash
School	Technology Upgrades	100,000	FY 23	SCHOOL	Free Cash
Facilities	Middle - Electric panel upgrades	150,000	FY 23	SCHOOL BLDG	Borrow - Bldg
Fire	Ambulance	300,000	FY 23	FIRE	Ambulance
Subtotal		2,561,000			
Grant total of all requested projects		16,462,100			

Proposed Funding Source


Funding Source	FY19	FY20	FY21	FY22	FY23	Totals
Free Cash	\$ 1,024,000	\$ 1,405,100	\$ 730,000	\$ 427,000	\$ 857,000	\$ 4,443,100
Capital Exclusion	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Excluded Debt - Proposed	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Levy Limit Debt - New	\$ 900,000	\$ 1,090,000	\$ 1,350,000	\$ 2,120,000	\$ 550,000	\$ 6,010,000
Ambulance Receipt Reserve Fund	\$ -	\$ 275,000	\$ 600,000	\$ -	\$ 300,000	\$ 1,175,000
Chapter 90	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 2,500,000
Community Preservation Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Water Enterprise Fund Retained Earnings	\$ 238,000	\$ 200,000	\$ 238,000	\$ 379,000	\$ 354,000	\$ 1,409,000
Water Enterprise - new debt	\$ 200,000	\$ -	\$ 500,000	\$ -	\$ -	\$ 700,000
Water Enterprise - State Revolving Fund Debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total of All Requests	\$ 2,862,000	\$ 3,470,100	\$ 3,918,000	\$ 3,426,000	\$ 2,561,000	\$ 16,237,100

***Detailed Capital
Project Requests***



Capital Improvements

PROJECT DETAIL SHEET

<p>Fiscal Year: 2019</p> <p>Department: DPW</p> <p>Project Title: Chapter 90 Road Work</p> <p>Requested Amount: To be determined by State formula: anticipated amount \$500,000</p>	
<p>Description:</p> <p>This project will accept Chapter 90 road funds provided by the Commonwealth of Massachusetts and perform appropriate road work with said funds.</p>	
<p>Project Overview:</p> <p>The project will perform appropriate road maintenance including crack sealing, engineering, pavement preservation, and road overlays using state allocations and in accordance the rules and regulations of the Chapter 90 program of the Massachusetts Department of Transportation (MassDOT).</p>	
<p>Financial impact of this project on the department's operating budget:</p> <p>Failure to accept the Chapter 90 funds will force the town to perform road repairs out of general operating funds.</p>	



Capital Improvements

PROJECT DETAIL SHEET

Fiscal Year: 2019

Department: DPW

Project Title: Large Dump Truck and Sander Replacement

Requested Amount: \$ 190,000



Description:

This project will purchase and equip a large 37,000 GVW dump truck/sander, replacing a 21 year old vehicle that is at the end of its useful life.

Project Overview:

This project is a planned replacement of a 21 year old International 2500 37,000 GVW dump truck/sander with an equivalent vehicle. The vehicle is one of the larger DPW dump trucks used to haul material to and from job sites. It supports the repair of water breaks and is a front line sander and heavy plow used extensively for snow and ice removal. The vehicle in question has significant corrosion to the body and frame.


Financial impact of this project on the department's operating budget:

The loss of the vehicle would require additional outsourcing and or an emergency purchase of a used vehicle and would reduce the department's ability to perform emergency work in the winter months. Keeping the existing vehicle in service will impact the department's operating budget by requiring costly repairs on a vehicle that has outlived its useful life.



Capital Improvements


PROJECT DETAIL SHEET

<p>Fiscal Year: 2019</p> <p>Department: DPW - Water</p> <p>Project Title: Towed air compressor</p> <p>Requested Amount: \$ 25,000</p>	
<p>Description:</p> <p>This project will purchase and equip a towed air compressor for the water division, replacing a PTO driven compressor in an existing 2007 dump truck that is scheduled for replacement.</p>	
<p>Project Overview:</p> <p>This project is a planned purchase of a towed compressor to replace a PTO driven air compressor on a dump truck that is scheduled for replacement. This purchase is a departure from the Town's historic use of air compressors that are built in to vehicles. The decoupling of the compressor from the vehicle will provide greater flexibility in vehicle and compressor replacement and should result in the purchase of less expensive support vehicles over time. The air compressor runs jack hammers that are used on all water breaks or whenever pavement needs to be cut. This work includes adjustments to water valve boxes, new service installations and the repair of fire hydrants. In addition, the vehicle is a front line snow plow.</p>	
<p>Financial impact of this project on the department's operating budget:</p> <p>The loss of the compressor on the existing vehicle would require additional outsourcing and would significantly hamper the department's ability to perform emergency work on the water distribution system.</p>	



Capital Improvements

PROJECT DETAIL SHEET

<p>Fiscal Year: 2019</p> <p>Department: DPW</p> <p>Project Title: One-ton 4x4 Dump Truck Replacement</p> <p>Requested Amount: \$ 63,000</p>	
<p>Description:</p> <p>This project will purchase and equip a one-ton dump truck for the field operations group, replacing an existing 2006 dump truck with an equivalent vehicle.</p>	
<p>Project Overview:</p> <p>This project is a planned replacement of an existing 12 year old Ford 4x4 F450 one-ton dump truck. The vehicle is one of the smaller DPW dump trucks used daily to maintain roadways and parks. In addition, the vehicle is a front line snow plow.</p>	
<p>Financial impact of this project on the department's operating budget:</p> <p>Failure to replace the vehicle would require additional repair costs as the vehicle is reaching the end of its life. Loss of the vehicle would reduce the Town's snow removal and daily maintenance capabilities.</p>	



Capital Improvements

PROJECT DETAIL SHEET

Fiscal Year: 2019

Department: DPW - Water

**Project Title: One-ton 4x4
Dump Truck Replacement**

Requested Amount: \$ 63,000



Description:

This project will purchase and equip a one-ton dump truck for the water division, replacing an existing 2007 dump truck. The existing truck has a built in air compressor. A separate capital request is being made for a towed air compressor.

Project Overview:

This project is a planned replacement of an 11 year old Ford one-ton dump truck with compressor with an equivalent one ton dump truck. A second capital request is being made for a towed air compressor. Decoupling the vehicle from the compressor will allow for the purchase of less expensive replacement trucks over time. The vehicle is one of the smaller DPW dump trucks used to maintain the water distribution system. This work includes adjustments to water valve boxes, new service installations and the repair of fire hydrants. In addition, the vehicle is a front line snow plow.

Financial impact of this project on the department's operating budget:

The loss of the vehicle would require additional outsourcing and or an emergency purchase of a used vehicle and would reduce the department's ability to perform emergency work on the water distribution system.



Capital Improvements

PROJECT DETAIL SHEET

Fiscal Year: 2019

Department: DPW

Project Title: One Dump Truck Replacement - Cemetery

Requested Amount: \$ 53,000



Description:

This project will purchase and equip a one ton dump truck for the Cemetery, replacing a 14 year old vehicle that is at the end of its useful life.

Project Overview:

This project is a planned replacement of a 14 year old Ford F350 dump truck with an equivalent vehicle. The vehicle is use daily by the cemetery staff to maintain the Town's three cemeteries.


Financial impact of this project on the department's operating budget:

Keeping the existing vehicle in service will impact the department's operating budget by requiring costly repairs on a vehicle that is reaching the end of its useful life.



Capital Improvements


PROJECT DETAIL SHEET

<p>Fiscal Year: 2019</p> <p>Department: DPW</p> <p>Project Title: Generator Replacement – Pond Street WTP</p> <p>Requested Amount: \$ 200,000</p>	
<p>Description:</p> <p>This project will replace the existing 45 year old natural gas fired generator and automatic transfer switch at the Pond Street water treatment plant with a pad mounted diesel generator, sound enclosure, and transfer switch.</p>	
<p>Project Overview:</p> <p>This project will replace the standby generator at the Pond Street water treatment plant with an equivalent diesel powered unit. The generator will be located on a pad inside a sound enclosure adjacent to the treatment plant. Related work will include the replacement of the automatic transfer switch, supporting electrical work, and removal and disposal of the existing generator. The existing unit is no longer manufactured and parts are becoming difficult to locate. Switching from natural gas to diesel will reduce the replacement cost and will diversify the standby energy capacity. The Town maintains adequate reserves of diesel fuel allowing the Pond Street plant to continue to operate in the event of a power failure with a disruption of the natural gas supply.</p>	
<p>Financial impact of this project on the department's operating budget:</p> <p>The impact of not funding the work will require the operating budget to rent standby equipment if the existing unit fails.</p>	



Capital Improvements

PROJECT DETAIL SHEET

<p>Fiscal Year: 2019</p> <p>Department: DPW</p> <p>Project Title: Water Main Replacement – Phase 2</p> <p>Requested Amount: \$ 200,000</p>	
<p>Description:</p> <p>This project is the second phase of a multi-year project to reinforce the water main on Main Street from Plain Street to the center of Town.</p>	
<p>Project Overview:</p> <p>This project will continue the process of reinforcing the existing water mains on Main Street with a 12-inch ductile iron water main, directly linking the Town Hall and school buildings in the center of Town with the Union Street standpipes, providing increased fire flow capacity to protect these buildings. This work was recommended in the 2001 Water Master Plan and will be performed in advance of a planned overlay of Main Street.</p>	
<p>Financial impact of this project on the department's operating budget:</p> <p>The impact of not funding the work will require the operating budget to pick up the full cost of said work at some point.</p>	



Capital Improvements

PROJECT DETAIL SHEET

Fiscal Year: 2019

Department: DPW - water

Project Title: Replacement of Service Van

Requested Amount: \$ 38,000



Description:

This project will purchase and equip a new service van for the water distribution division.

Project Overview:

This purchase will continue the practice of replacing water service vans on a scheduled basis.

The existing van, a 2009 Econoline van, is used daily in support of maintenance to the water distribution system.

Financial impact of this project on the department's operating budget:

Failure to purchase and equip this vehicle will require the DPW to keep an existing truck beyond its scheduled life, resulting in higher maintenance costs over time.



Capital Improvements

Fiscal Year: 2019

Department: FACILITIES

Project Title: Purchase NGRID Streetlights and Convert them to LED Lights

Requested Amount: \$ 191,620 (subsequently offset by grants and incentives as described below)



Description: Presently, the Town leases from National Grid (NGRID) a system of approximately 512 High Pressure Sodium (HPS) roadway streetlights, 49 HPS parking lot floodlights, and 7 HPS post top lights, paying a set monthly fee for each light amounting to an annual cost of approximately \$84,000. Recent legislation allows municipalities to purchase these lights from NGRID and then convert them to LED lights that operate at wattages approximately 1/3 of the existing HPS lights (the poles remain property of NGRID.) Cities and towns across the Commonwealth have been undertaking this conversion, motivated by 3 major reasons: lower budgets, better/safer light, and environmental benefit. Currently this is further incentivized by MA DOER which, for CY2018, is offering a grant of 30% of the cost to convert to LED lights; and also by NGRID which also offers a similar monetary incentive.

This article's funding will be used to purchase the existing 528 lights from NGRID (priced by NGRID at \$17,467), purchase replacement LED lights off MA state contract, and hire an electrical contractor to replace the existing lights with the new LED lights. In preparation for this proposal for Town Meeting, the Town participated in an MAPC procurement obtaining Tanko Streetlighting to provide consulting services to assist in the entire purchase/conversion process.

Project Overview: (Step 1) Purchase the 528 lights from NGRID, thereby assuming full ownership of the lights. (Step 2) Conduct a competitive procurement to obtain an electrical contractor to replace them with new LED lights. (Step 3) Concurrent with Step 2, purchase new LED lights from manufacturer on MA state contract. (Step 4) Electrical contractor replaces former NGRID lights with new LED lights procured by Town. (Step 5) Submit to DOER nlt 12/31/18 documentation for above expenditures to receive grant for 30% of materials and labor.

Financial impact of this project on the department's operating budget: Per analysis by MAPC, the Total Project cost will be \$191,620. Offsetting this cost will be a NGRID incentive of \$36,843 and a DOER grant of \$32,074, leaving a projected cost to Hanover of approximately \$120,000. Our savings in our electricity budget is projected to be \$31,191/yr, yielding a payback of 3.1 years and an ultimate budget savings of \$624,000 over the projected 20 year life of these LED lights (based on zero increase in electricity rates). (This projected savings incorporates the contract cost of an on-call electrical contractor providing 24/7 maintenance service for these lights, thereby requiring no maintenance by the Town.) In addition, in March the Town will apply for a Green Communities grant of \$50,000 for this project which, if approved, would further reduce the Town's cost and lower the payback to 1.5 years. (Green Communities grant awards are announced in June each year.) As all grants and incentives would be reimbursed to Hanover after the project is completed and paid, this article requests an appropriation of \$191,620. However the Town's ultimate project cost after receipt of grants and incentives would be as described above.



Capital Improvements

Fiscal Year: 2019

Department: FACILITIES

Project Title: Camera Security Systems for Middle School and Cedar School

Requested Amount: \$ 150,000



Description: In present times, camera security systems are regarded as standard and necessary equipment in municipal schools, providing a window for the administration and potential security forces to areas throughout the building as well as a resource for later investigation. While the High School has an extensive system of interior and exterior cameras and Center School will soon have one, neither the Middle School nor Cedar School have camera systems other than a couple of cameras at entrance doors. A recent incident at Middle School highlighted the lack of camera resources and prompted the School Department to urgently request that funds for new camera systems for the two schools be requested at next Town Meeting. This proposal requests funding for camera system installations at both schools. In August 2017, we obtained a quote of \$70,000 from BCM Controls Corp. for a 23-camera system (interior and exterior) for Middle School. Allowing for escalation and likely requests for one or more additional cameras, and envisioning a slightly smaller but similar installation at Cedar School, we request an appropriation of \$150,000 for this project.

Project Overview: BCM Controls is a leader in state of the art security systems, is on state contract, and has already installed and maintains the camera systems at the High School and Town Hall. (BCM also installed and maintains the access control systems in all Hanover schools.) These camera systems are integrated and monitored in real time by the Hanover Police Department and the added camera systems at Middle and Cedar would also be integrated into this network, providing a single system of camera coverage for all Hanover schools that has real-time access by both the school department and the police department.

Financial impact of this project on the department's operating budget: The camera system network operates on a software platform called Milestone which requires ongoing licensing fees estimated at \$1400 per school annually. Camera systems also require ongoing hardware maintenance which will increase progressively after the one-year warranty elapses.



Capital Improvements

Fiscal Year: 2019

Department: FACILITIES

Project Title: Cedar School – Replace EPDM/Tar and Gravel Roof

Requested Amount: \$ 900,000 (net cost \$200,000 after ATM 2015 art. 27 rescinded and with MSBA grant)



Description: Hanover Town Meeting 2015 article 27 appropriated \$350,000 for roof repairs on Cedar School. To better define the scope of repairs, a consultant was hired to investigate particular problem areas in the roof. The consultant performed 34 test cuts through the roofing material, revealing that the roof above the structure of the original school (light gray area in photo) actually consists of two layers of roof. The original roof consists of a tar and gravel roof lying on 2-inch homasote lying against the metal roof deck. Above that roof is a second roof consisting of black EPDM (commonly called rubber roof) above a 2-inch layer of polyisocyanurate (ISO) insulation. The EPDM membrane is covered with a layer of loose crushed stone. The contractor's report also identified many areas where water has been infiltrating the roof and also that a prior modification to the roof resulted in the roof near the outside edge having a reverse pitch such that water flows back from the edge and towards the middle of the roof, a condition that creates ponding water and water penetration through the roof. As a result of these findings, it was concluded that the roof above the original school section (approximately 36,000 sf) should be replaced rather than undergo general repairs. It is anticipated that this replacement will qualify for MSBA funding under the Green Repair Program, a special MSBA program for repair or replacement of deficient roofs, windows and boilers. Appropriation ATM 2015 article 27 will also be rescinded and those funds re-applied to this project, resulting in a net added cost of approximately \$200,000.


Project Overview: Obtain contractor, following public procurement regulations, to strip off the existing roof material consisting of an EPDM and insulation overlay of an older tar & gravel roof in areas of the original school building and install a new membrane roof, including R44 insulation to comply with latest Building Code. Contractor will also modify the slope of the lower roof in areas where the slope is currently reversed.

Financial impact of this project on the department's operating budget: Operating costs will be reduced due to elimination of costly service visits by roofing contractors. The higher R-value of the new roof will also result in a reduction of heating costs.




Capital Improvements

PROJECT DETAIL SHEET

Fiscal Year: 2019 Department: School Department-Technology Project Title: Consolidated Server Requested Amount: \$ 65,000	
Description: Funds to replace multiple obsolete servers and consolidate into a single server running a current server operating system (i.e. Windows Server 2016) and able to expand to include additional town department servers to further consolidate once a town-wide network is complete.	
Project Overview: Grand Total	\$65,000
Financial impact of this project on the department's operating budget: Allows preservation of funds in the FY '19 operating budget.	



Capital Improvements

<p>Fiscal Year: 2019</p> <p>Department: Police</p> <p>Project Title: Replace-Equip Police Cruisers</p> <p>Requested Amount: \$ 90,000</p>	
<p>Description:</p> <p>Purchase two (2) 2018 marked police cruisers for \$45,000 total \$90,000 (Qualified Bid)</p>	
<p>Project Overview:</p> <p>Replacement of cruisers on a scheduled basis to defray repair costs. Replacement of older fleet vehicles on a yearly basis ensures that the vehicles are on-line and available for police use and emergencies. This purchase will allow the department to upgrade the present fleet to utility style all-wheel drive marked cruisers. The vehicles require the initial purchase of equipment specific to the body style. The equipment is anticipated to be removed and reinstalled in subsequent vehicles.</p>	
<p>Financial impact of this project on the department's operating budget:</p> <p>Decreased repair costs, less mileage on other cruisers when existing cruisers are down for repair. Ensures rotation of vehicles for future years. This fleet purchase will allow for the front line emergency response vehicles readiness. This scheduled replacement program has been in place for a significant number of years and has served the department well.</p>	

APPENDICES



"Hanover, Honoring Yesterday As We Build For Tomorrow"

*Table of
Abbreviations
&
Acronyms*



Table of Abbreviations and Acronyms

Admin	Administrative
Asst or Assist	Assistant
AFSCME	American Federation of State, County and Municipal Employees
AP	Accounts Payable
ATB	Appellate Tax Board
BAN	Bond Anticipation Note
BLA	Bureau of Local Assets
BOA	Bureau of Accounts
BoS or BOS	Board of Selectmen
CD	Certificate of Deposit
CPA	Community Preservation Act
CERT	Community Emergency Response Team
CI&P	Commercial, Industrial & Personal
CIP	Capital Improvement Program
COA	Council on Aging
CORI	Criminal Offender Record Information
CPA	Community Preservation Act
CPR	Cardiopulmonary Resuscitation
DET	Department of Employment and Training
DLS	Division of Local Services
DMI	Department of Municipal Inspections
DOCS	Director of Community Services
DOE	Department of Education
DOER	Department of Energy Resources
DOR	Department of Revenue
DPW	Department Public Works
DRA	Library, as noted in the DRA Building Study
DUA	Division of Unemployment Assistance
ECC	Emergency Communication Center
E&D	Excess and Deficiency
EMA	Emergency Management Agency
EMD	Emergency Medical Dispatch
EOC	Emergency Operations Center
Equip	Equipment
EQV	Equalized Valuation
F/T	Full Time
FBI	Federal Bureau of Investigation
FEMA	Federal Emergency Management Agency
FFCV	Full and Fair Cash Value
FICA	Federal Insurance Contributions Act



Table of Abbreviations and Acronyms

FTE	Full Time Equivalent
FY	Fiscal Year
GAAP	Generally Accepted Accounting Principles
GASB	Government Accounting Standards Board
GATRA	Greater Attleboro-Taunton Regional Transit Authority
GFOA	Government Finance Officers Association
GIS	Geographic Information System
GVW	Gross Vehicle Weight
HMEL	Hanover Municipal Employees League
HMEP	Hazardous Materials Emergency Preparedness
HMO	Health Maintenance Organization
HMS	Hanover Middle School
HPS	Hanover Public School
HYAA	Hanover Youth Athletic Association
HQ	Headquarters
IGR	Informational Guideline Release
IOD	Injured On Duty
ISO	Insurance Service Organization
ISR	Internal Revenue Service
LEPC	Local Emergency Planning Committee
MassDOT	Massachusetts Department of Transportation
MBTA	Massachusetts Bay Transit Authority
MCI	Mass Casualty Incident
MGL	Massachusetts General Law
MHD	Massachusetts Highway Department
MIIA	Massachusetts Interlocal Insurance Association
MMHG	Mayflower Municipal Health Group
MQGE	Medicare Qualified Government Employees
MS4	Municipal Separate Stormwater System
MSBA	Massachusetts School Building Authority
MTRS	Massachusetts Teachers Retirement System
MWPAT	Massachusetts Water Pollution Abatement Trust
NSS	Net School Spending
OCPAC	Old Colony Police Anti-Crime Task Force
OPEB	Other Post-Employment Benefits
Ops	Operations
P/T	Part Time
PEG	Public, Educational, Government
PERAC	Public Employee Retirement Administrative Commission
PM	Preventive Maintenance
PPO	Preferred Provider Organization



Table of Abbreviations and Acronyms

PRG	Program
PVC	Poly Vinyl Chloride
RMV	Registry of Motor Vehicles
ROPS	Roll Over Protection Structure
SHINE	Serving the Health Insurance Needs of Everyone- state health insurance assistance program
SOL	State Owned Land
SPED	Special Education
STAS	Statutory System
UAAL	Unfunded Actuarial Accrued Liability
UMAS	Uniform Massachusetts Accounting System
UTMC	Unemployment Tax Management Corporation
UTV	Utility Task Vehicle
VAT	Vinyl Asbestos Tile
VCT	Vinyl Composition Tile
VNA	Visiting Nurses Association
WTP	Water Treatment Protection Plant

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. (See Commitment)
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)
Adopted Budget	The version of the budget that has been approved by a vote of Town Meeting.
Additional Assistance	This state aid program provides unrestricted, general fund revenue to a certain number of communities through the Cherry Sheet. Additional Assistance evolved from the old resolution aid formula of the 1980s, but following state budget cuts, it was level funded beginning in FY92 and then subsequently reduced.
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 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.
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 Management Letter	An independent auditor's written communication to government officials, separate from the community's audit. It generally identifies areas of deficiency, if any, and presents recommendations for improvements in accounting procedures, internal controls and other matters.



Glossary of Terms

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.
Balanced Budget	A budget in which estimated receipts are greater than or equal to proposed appropriations. This is a requirement for all Massachusetts cities and towns.
Betterments (Special Assessments)	Whenever part of a community benefits from a public improvement, or betterment (<i>e.g.</i> , water, sewer, sidewalks, etc.), special property taxes may be assessed to the property owners of that area to reimburse the governmental entity for all, or part, of the costs it incurred in completing the project. Each property parcel receiving the benefit is assessed a proportionate share of the cost which may be paid in full, or apportioned over a period of up to 20 years. In this case, one year's apportionment along with one year's committed interest computed from October 1 to October 1 is added to the tax bill until the betterment has been paid.
Boat Excise	In accordance with MGL Chapter 60B, this is an amount levied on boats and ships in lieu of a personal property tax for the privilege of using the Commonwealth's waterways. Assessed annually as of July 1, the excise is paid to the community where the boat or ship is usually moored or docked.
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 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)



Glossary of Terms

Bond Counsel	An attorney or law firm engaged to review and submit an opinion on the legal aspects of a municipal bond or note issue.
Bond Issue	The actual sale of the entire, or a portion of, the bond amount authorized by a town meeting or city council.
Bond Premium	The difference between the market price of a bond and its face value (when the market price is higher). A premium will occur when the bond's stated interest rate is set higher than the true interest cost (the market rate). Additions to the levy limit for a Proposition 2 1/2 debt exclusion are restricted to the true interest cost incurred to finance the excluded project. Premiums received at the time of sale must be offset against the stated interest cost in computing the debt exclusion. If receipt of the premium and the payment of interest at maturity of an excluded debt occur in different fiscal years, reservation of the premium for future year's debt service is required at the end of the fiscal year when the premium was received. (See DOR Bulletin 2003-20B)
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.
Bonds Authorized and Unissued	Balance of a bond authorization not yet sold. Upon completion or abandonment of a project, any remaining balance of authorized and unissued bonds may not be used for other purposes, but must be rescinded by town meeting or the city council to be removed from community's books.
Budget	A plan for allocating resources to support particular services, purposes and functions over a specified period of time.
Budget Calendar	The schedule of key dates or milestones which a government follows in the preparation and adoption of the 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 Asset)



Glossary of Terms

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 recommended expenditure, i.e., tax levy or rates, and identify those items that were not recommended. (See Capital Asset, Fixed Asset)
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 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	Funds donated by individuals for the care of gravesites. According to MGL Ch. 114 §25, funds from this account must be invested and spent as directed by perpetual care agreements. If no agreements exist, the 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 over-issue. 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 Revaluation)
Certificate of Deposit (CD)	A bank deposit evidenced by a negotiable or non-negotiable instrument that provides on its face that the amount of such deposit, plus a specified interest, is payable to the bearer or to any specified person on a certain date specified in the instrument, at the expiration of a certain specified time, or upon notice in writing.
Chapter 70 School Aid	Chapter 70 refers to the school funding formula created under the Education Reform Act of 1993 by which state aid is distributed through the Cherry Sheet to help establish educational equity among municipal and regional school districts.



Glossary of Terms

Chapter 90 Highway Funds	State funds derived from periodic transportation bond authorizations and apportioned to communities for highway projects based on a formula under the provisions of MGL Ch. 90 §34. The Chapter 90 formula comprises three variables: local road mileage (58.33 percent) as certified by the Massachusetts Highway Department (MHD), local employment level (20.83 percent) derived the Department of Employment and Training (DET), and population estimates (20.83 percent) from the US Census Bureau. Local highway projects are approved in advance. Later, on the submission of certified expenditure reports to MHD, communities receive cost reimbursements to the limit of the grant.
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 . (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 property, local officials are permitted to determine locally, within limits established by statute and the Commissioner of Revenue, what percentage of 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.
Commitment	This establishes the liability for individual taxpayers. For example, the assessors' commitment of real estate taxes fixes the amount that the collector will bill and collect from property owners.



Glossary of Terms

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.
Compensated Absences	Time off, with pay, made available to employees for vacation leave, sick leave, and similar benefits. For financial reporting purposes, compensated absences are strictly limited to leave that is attributable to services already rendered, and is not contingent on a specific event (such as illness) that is outside the control of the employer and employee.
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.
Cyclical Inspection Program	A cyclical reinspection program involves completing an interior and exterior inspection of all property over a multi-year period, not exceeding nine years.
Data Collection	Process of inspecting real and personal property and recording its attributes, quality, and condition.
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.



Glossary of Terms

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 2 ^{1/2} . By approving a debt exclusion, a community calculates its annual levy limit under Proposition 2 ^{1/2} , 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.
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.
Debt Statement	Reference to a report, which local treasurers are required to file with the DOR, showing authorized and issued debt, debt retired and interest paid by a community during the prior fiscal year, as well as authorized but unissued debt at year-end. Also known as the "Statement of Indebtedness."
Deficit	The excess of expenditures over revenues during an accounting period. Also refers to the excess of the liabilities of a fund over its assets.
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 Fund	An enterprise fund, authorized by MGL Ch. 44 §53F ^{1/2} , 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 <u>IGR 08-101</u>
Equalized Valuations (EQVs)	The determination of an estimate of the full and fair cash value (FFCV) of all property in the Commonwealth as of a certain taxable date. EQVs have historically been used as a variable in distributing some state aid accounts and for determining county assessments and other costs. The Commissioner of Revenue, in accordance with MGL Ch. 58 §10C, is charged with the responsibility of biannually determining an equalized valuation for each city and town in the Commonwealth.



Glossary of Terms

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 city council must be informed of excess levy capacity and their acknowledgment must be submitted to DOR when setting the tax rate.
Exemption	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 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.
Financial Advisor	An individual or institution that assists municipalities in the issuance of tax exempt bonds and notes. The public finance department of a commercial bank or a non-bank advisor usually provides this service.



Glossary of Terms

Financial Statement	A presentation of the assets and liabilities of a community as of a particular date and most often prepared after the close of the fiscal year.
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.
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 Obligations	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.
Full-time equivalent	A unit that indicates the <u>workload</u> of an <u>employed</u> person in a way that makes workloads comparable across various contexts.
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.



Glossary of Terms

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 whose accounting records are organized according to the Uniform Municipal Accounting System (UMAS) use multiple funds.
General Fund	The fund used to account for most financial resources and activities governed by the normal town meeting/city council appropriation process.
General Ledger	The accountant's record of original entry, which is instrumental in forming a paper trail of all government financial activity.
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)	A nationwide association of public finance professionals.
Governmental Accounting Standards Board (GASB)	The ultimate authoritative accounting and financial reporting standard-setting body for state and local governments.
Governmental Funds	Funds generally used to account for tax-supported activities. There are five different types of governmental funds: the general fund, special revenue funds, capital projects funds, debt service funds, and permanent funds.
Hanover Municipal Employees League	The labor union which represents most of the Town of Hanover's clerical workers, as well as its emergency dispatchers and most Council on Aging employees.
Hotel/Motel Excise	A local option since 1985 that allows a community to assess a tax on short-term room occupancy. The community may levy up to 4 percent of the charge for stays of less than 90 days at hotels, motels and lodging houses. The convention center legislation imposed an additional 2.75 percent charge in Boston, Cambridge, Springfield and Worcester.
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.



Glossary of Terms

Judgment	An amount to be paid or collected by a governmental unit as a result of a court decision, including a condemnation award in payment for private property taken for public use.
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 §47. Funds from this account may be expended by the police chief without further appropriation.
Levy	The amount a community raises through the property tax. The levy can be any amount up to the levy limit, which is re-established every year in accordance with Proposition 2 ^{1/2} provisions.
Levy Ceiling	A levy ceiling is one of two types of levy (tax) restrictions imposed by MGL Ch. 59 §21C (Proposition 2 ^{1/2}). It states that, in any year, the real and personal property taxes imposed may not exceed 2 ^{1/2} 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 2 ^{1/2}). It states that the real and personal property taxes imposed by a city or town may only grow each year by 2 ^{1/2} 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)
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 Appropriating 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)
Lock Box Service	A service typically offered by a financial institution for a fee to receive, process, and deposit payments made to municipalities for property taxes, motor vehicle excise, boat excise, and/or utility payments. At the end of each processing day, the community receives payment information on disk or other medium, which can be automatically posted to the collectors' cash receipts software. Printed reports are also provided.
Long-Term Debt	Community borrowing, or outstanding balance at any given time, involving loans with a maturity date of 12 months or more. (See Permanent Debt)
Maturity Date	The date that the principal of a bond becomes due and payable in full.



Glossary of Terms

Massachusetts School Building Authority (MSBA)	Administers the state program that reimburses cities, towns, and regional school districts varying percentages of their school construction costs depending on the wealth of the community or district and the category of reimbursement. Projects that received their first reimbursement payment prior to July 26, 2004 will continue to get annual state payments to offset the related annual debt service. Thereafter, cities, towns, and regional school districts will receive a lump sum amount representing the state's share of the eligible project costs. (See DOR <u>IGR 06-101</u>)
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).
Modified Accrual Basis of Accounting	A method of accounting that recognizes revenues in the accounting period in which they become available and measurable.
Motor Vehicle Excise (MVE)	A locally imposed annual tax assessed to owners of motor vehicles registered to an address within the community, in accordance with MGL Chapter 60A. The excise tax rate is set by statute at \$25.00 per \$1000 of vehicle value. Owner registration and billing information is maintained by the State Registry of Motor Vehicles and is made available to a city or town, or to the Deputy Collector who represents it.
Municipal(s)	(As used in the bond trade) "Municipal" refers to any state or subordinate governmental unit. "Municipals" (<i>i.e.</i> , 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 2½ 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 (Education Reform Act of 1993).
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)
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 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.



Glossary of Terms

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.
OPEB (Other Postemployment Benefits)	Employees of state and local governments may be compensated in a variety of forms in exchange for their services. In addition to a salary, many employees earn benefits over their years of service that will not be received until after their employment with the government ends. The most common type of these postemployment benefits is a pension. Postemployment benefits other than pensions generally take the form of health insurance and dental, vision, prescription, or other healthcare benefits provided to eligible retirees, including in some cases their beneficiaries. They may also include some type of life insurance. As a group, these are referred to as OPEB. (See GASB 45)
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 (<i>e.g.</i> , 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.
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 deficits must be provided for in the next fiscal 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 ten 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, if any. Overlay surplus may be appropriated for any lawful purpose. At the end of each fiscal year, unused overlay surplus is "closed" to surplus revenue; in other words, it becomes a part of free cash.



Glossary of Terms

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.
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.
Payments in Lieu of Taxes	An agreement between a municipality and an entity not subject to taxation, such as charitable or educational organizations, in which the payer agrees to make a voluntary payment to the municipality. By law, a city or town must make such a payment to any other community in which it owns land used for public purposes.
Permanent Debt	Borrowing by a community typically involving a debt service amortization period of greater than one year. (See Long-Term Debt)
Permanent Funds	A fiduciary fund type used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs, that is, for the benefit of the government for its citizenry. An example is a cemetery perpetual care fund.
Personal Property	Movable items not permanently affixed to, or part of the real estate. It is assessed separately from real estate to certain businesses, public utilities, and owners of homes that are not their primary residences.
Personnel Costs	The cost of salaries, wages and related employment benefits.
Preliminary Tax	The tax bill for the first two quarters of the fiscal year sent, no later than July 1, by communities on a quarterly tax billing cycle. The tax due on a preliminary tax bill can be no greater than the amount due in the last two quarters of the previous fiscal year.
Principal	The face amount of a bond, exclusive of accrued interest.
Private-Purpose Trust Funds	A fiduciary trust fund type used to report all trust arrangements, other than those properly reported in pension trust funds or investment trust funds, under which principal and income benefits individuals, private organizations, or other governments. An example is a scholarship fund.
Proposition 2^{1/2}	A state law enacted in 1980, Proposition 2 ^{1/2} 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.
Proprietary Funds	Funds that account for government's business-type activities (e.g., activities that receive a significant portion of their funding through user charges). The fund types included in proprietary funds are the enterprise fund and the internal service fund.
Purchase Order	An official document or form authorizing the purchase of products and services.
Purchased Services	The cost of services that are provided by a vendor.
Raise and Appropriate	A phrase used to identify a funding source for an expenditure or expenditures, which refers to money generated by the tax levy or other local receipt.
Real Property	Land, buildings and the rights and benefits inherent in owning them.



Glossary of Terms

Receipts Reserved for Appropriation	Proceeds that are earmarked by law and placed in separate accounts for appropriation for particular purposes. For example, parking meter proceeds may be appropriated to offset certain expenses for parking meters and the regulation of parking and other traffic activities.
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 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)
Revenues	All monies received by a governmental unit from any source.
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 §53E ^{1/2} stipulates that each fund must be reauthorized each year at annual town meeting or by city council action, and that a limit on the total amount that may be spent from each fund must be established at that time. The aggregate of all revolving funds may not exceed ten percent of the amount raised by taxation by the city or town in the most recent fiscal year, and no more than one percent of the amount raised by taxation may be administered by a single fund. 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 care and improvement or the enlargement of the cemetery under provisions of MGL Ch. 114 §15.
Short-Term Debt	Outstanding balance, at any given time, on amounts borrowed with a maturity date of 12 months or less. (See Note)
Sick Leave Buyback	A community's obligation, under collective bargaining agreements or personnel board policies, to compensate retiring employees for the value of all, or a percentage of, sick time earned, but not used.



Glossary of Terms

Special Revenue Fund	Funds, established by statute only, containing revenues that are earmarked for and restricted to expenditures for specific purposes. Special revenue funds include receipts reserved for appropriation, revolving funds, grants from governmental entities, and gifts from private individuals or organizations.
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 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 or city council is required to establish, amend the purpose of, or appropriate money into or from the stabilization fund. (See DOR IGR 04-201)
Surcharge	An additional sum added to a particular, already existing charge such as a tax, a fee, a fine or penalty.
Surety Bond	A performance bond that protects the municipality against any financial loss arising from a breach of public trust by an employee who collects money on behalf of the community.
Surplus Revenue	The amount by which cash, accounts receivable, and other assets exceed liabilities and reserves.
Temporary Debt	Borrowing by a community in the form of notes and for a term of one year or less. (See Short-Term Debt)
Triennial Certification	The Commissioner of Revenue, through the Bureau of Local Assessment, is required to review local assessed values every three years and to certify that they represent full and fair cash value (FFCV). Refer to MGL Ch. 40 §56 and Ch. 59 §2A(c).
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 expendable trust. For non-expendable trust funds, only interest (not principal) may be expended as directed.
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).



Glossary of Terms

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 overdue. 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).
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.
Unfunded OPEB Liability	This is the difference between the value assigned to the benefits (other than retirement) already earned by a municipality's employees and the assets the local government will have on hand to meet these obligations. While there is no requirement in Massachusetts to fund this liability, GASB 45 requires that the dollar value of the unfunded OPEB liability is determined every two years. (See GASB 45; OPEB)
Unfunded Pension Liability	Unfunded pension liability is the difference between the value assigned to the retirement benefits already earned by a municipality's employees and the assets the local retirement system will have on hand to meet these obligations. The dollar value of the unfunded pension liability is predetermined every three years and is driven by assumptions about interest rates at which a retirement system's assets will grow and the rate of future costs of living increases to pensioners.
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.



Glossary of Terms

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.
Waterways Improvement Fund	An account into which fifty percent of boat excise tax and mooring fees imposed under MGL Chapter 91 §10A receipts are deposited. Use of these proceeds is limited to certain waterway expenses as outlined in MGL Ch. 40 §5G.
Zero Based Budget	A budget building technique where each department begins at zero and adds the cost of essential programs up to an established funding limit. Each year the process begins again at zero prompting close scrutiny and prioritization of costs annually.

Position Comparison



Position Comparison

Department	FY2017 FTE	FY2018 FTE	FY2019 FTE	Change
Executive Office	3.00	3.00	3.00	-
Finance Department	18.00	17.50	16.00	(1.50) ¹
Community Services	34.83	35.33	36.33	1.00 ²
Police Department	42.50	42.50	42.50	-
Fire Department	27.00	27.00	31.00	4.00 ³
Facilities Department	33.04	33.04	33.04	-
Public Works Department	19.33	19.33	20.33	1.00 ⁴
Water Division	18.40	22.40	22.40	-
Total	196.10	200.10	204.60	4.50

1 Finance Department

The only significant change is the elimination of funding for administrative support for both the Finance Director and Registrars. These positions continue to be needed, but in recognition of the Town's financial position they have been eliminated from the FY19 budget request.

2 Community Services

FTEs are based on a 35-hour work week and are benefit eligible. The change in FTEs represents the restoration of funding for a full-time Conservation Agent, in accordance with a vote of the Board of Selectmen, and a re-organization of the Health Department, changing the Program Support position to an Assistant Health Agent position.

3 Fire Department

The FTEs in this department are made up of the Chief, Deputy Chief, career firefighters, call firefighters and an executive assistant. The career firefighters work a 42-hour week and are all full-time positions. There are 20 on-call firefighters who work as needed. These are non-benefit eligible positions and are represented collectively above as a single FTE. The executive assistant works a 35-hour work week.

The budget includes the addition of four new firefighters utilizing the SAFER grant that was awarded to the Fire Department. The addition of these firefighters allows for additional staffing during peak call volume and fills a vacancy in shifts to minimize overtime usage.

4 Public Works Department

FTEs are based on a 35 hour work week and are benefit eligible.

The FY 2019 budget proposes the addition of one unskilled equipment operator in the Public Grounds division, to be partially funded through the transfer of funds from the recreation budget that are currently earmarked for outsourced mowing at Forge Pond Park. This change will bring the mowing in-house and will provide additional man hours for infield and general public grounds maintenance activities.

Measuring Up...
How Hanover Compares
to Other Communities

Measuring Up...



How Hanover Compares to Other Communities

This Community Comparison report compares Hanover's expenditures by category with a select group of towns. All expenditure data was obtained from the Massachusetts Department of Revenue (DOR) using the most recent data available.

More detailed information, including the Town's FY19 financial plan can be found at:

<http://www.hanover-ma.gov/acting-director-of-finance/pages/budget-information>

Town of Hanover
550 Hanover Street
Hanover, MA
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January 17, 2018

This Community Comparison report compares the Town of Hanover expenditures by category with a select group of towns. All expenditure data was obtained from the Massachusetts Department of Revenue (DOR) using the most recent records available. The list of comparable towns was selected based on four metrics:

- Population
- Average Single Family Tax Bill
- Income per-capita
- Equalized Valuation per-capita

In the first screening only municipalities that were between 90 and 110% of Hanover's value for each economic metric were selected. To increase the sampling; municipalities with three metrics falling within that range were included. This produced a **Core-Group** of four towns:

1. Holliston
2. Ipswich
3. Medway
4. Northborough

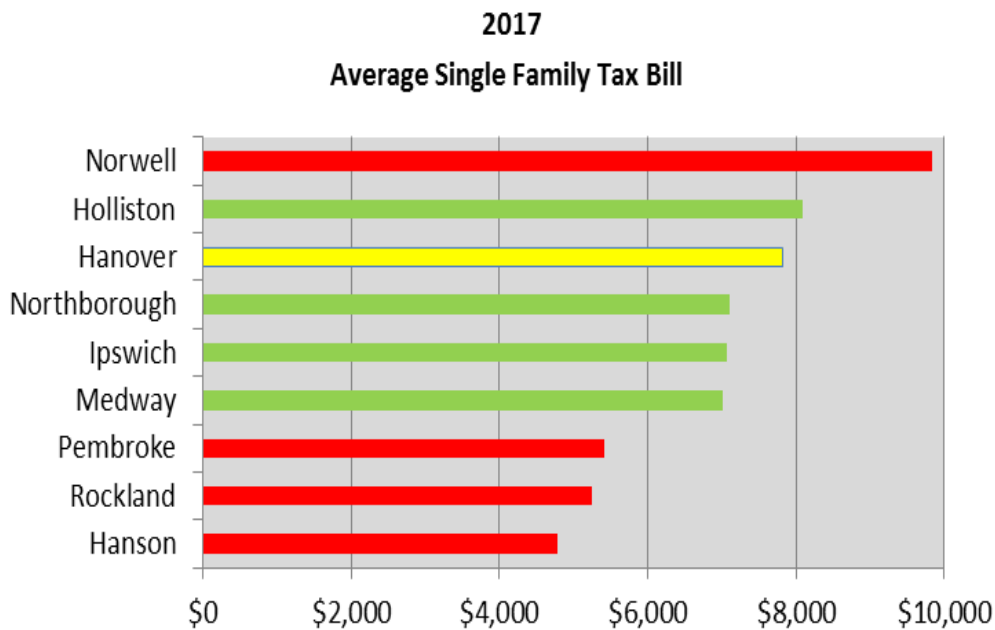
In addition to the core-group, we added the remaining towns which directly **border** Hanover to see how we compare with our neighbor;

1. Hanson
2. Norwell
3. Pembroke
4. Rockland

Municipality	2014 Population	2017 Average Single Family Tax Bill	2014 DOR Income Per Capita	2016 EQV Per Capita
Hanover	14,349	7,815	52,184	180,875
Holliston	14,392	8,092	52,184	167,265
Ipswich	13,673	7,065	52,684	194,297
Medway	13,194	7,022	47,826	143,264
Northborough	14,914	7,098	51,955	182,339
Hanson	10,434	4,792	33,065	118,200
Norwell	10,870	9,838	80,442	233,974
Pembroke	18,183	5,420	37,782	141,643
Rockland	17,747	5,242	27,519	110,660

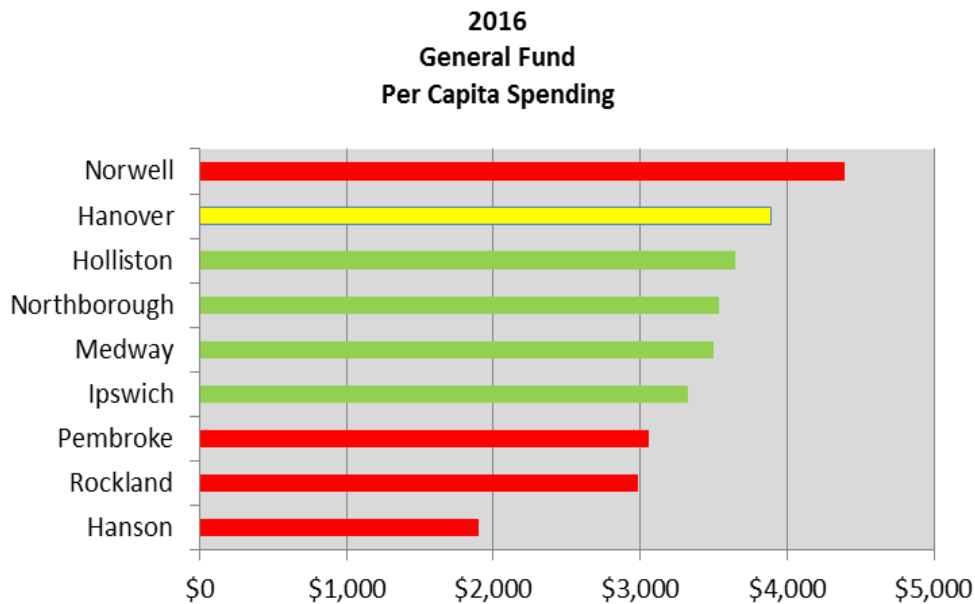
Core-Group Communities = Green

Border Communities = Red



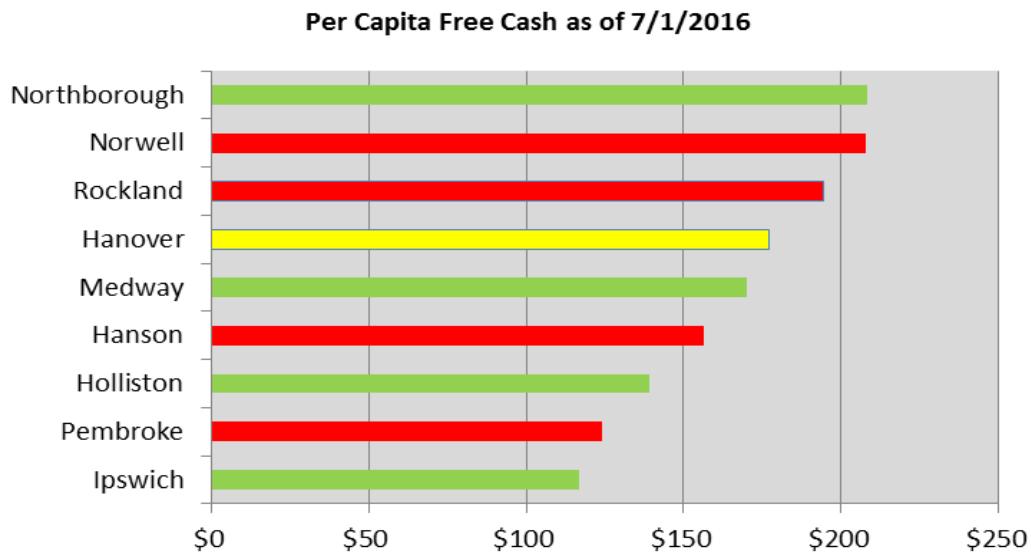
The **Average Single Family Tax Bill** is the average home value in a community multiplied by that community's property tax rate. While individual tax bills may vary according to individual home value, the Average Tax Bill is a good indicator of what the property tax burden is on residential taxpayers.

Hanover is in the top third in terms of its comparable communities, and is significantly lower than neighboring Norwell.



Per Capita Spending is calculated from the Town's total expenditures budget divided by its population, which provides a point of comparison for how much the Town spends proportionate to its size. This makes it possible to compare spending between Towns while accounting for population.

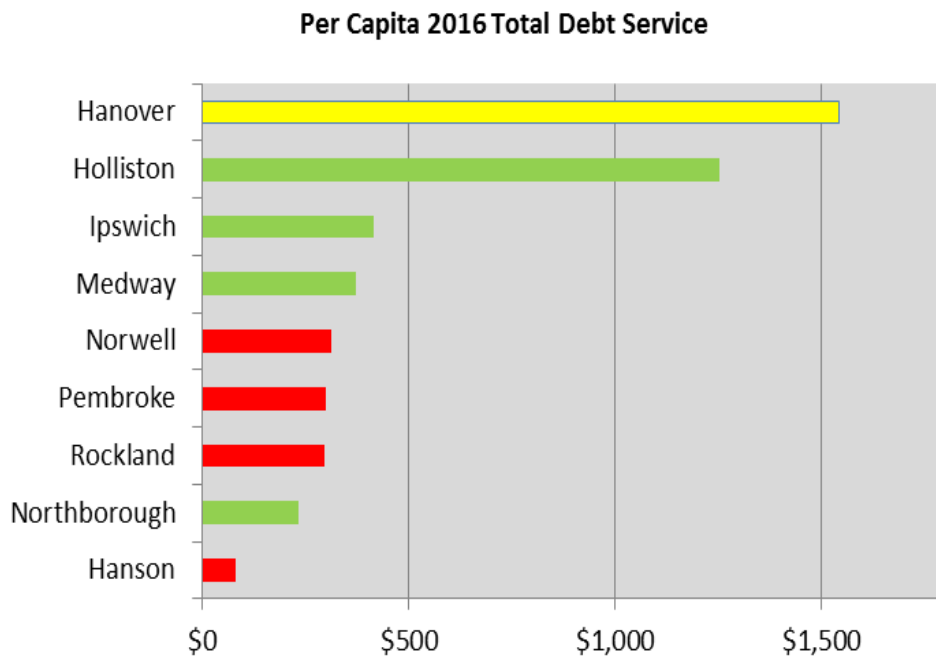
Hanover is in the top third of *per capita spending* relative to its Core-Group communities. It is also higher than the state average of \$3,135.



Hanover ranks 4th of nine communities in its total **Free Cash** *per capita* amount.

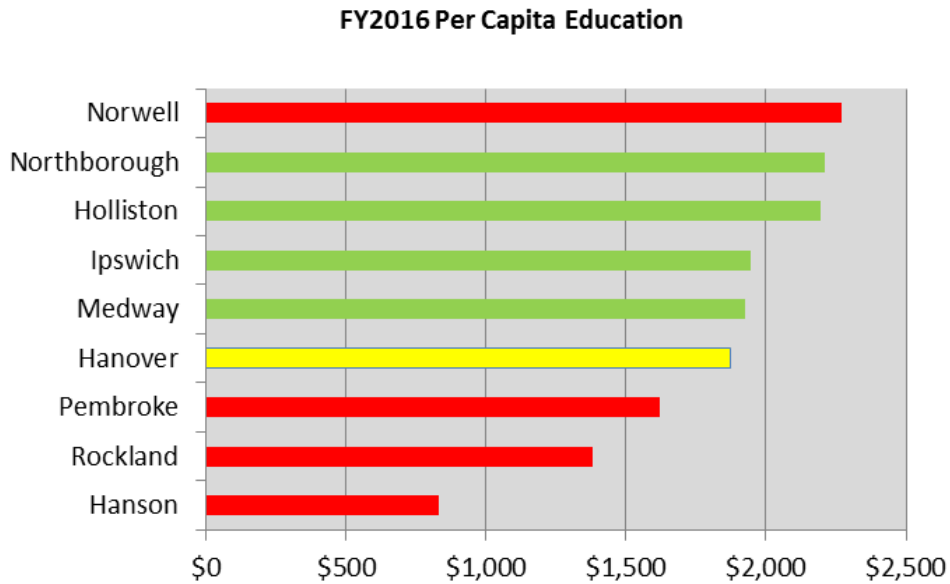
Hanover ranks 3rd of five in Free Cash *per capita* when compared to the neighboring communities.

Hanover's \$177 per capita is lower than the state average of \$278.



For **Debt Services** Hanover's *per capita expenses* of \$1,544 ranks 1st of nine communities.

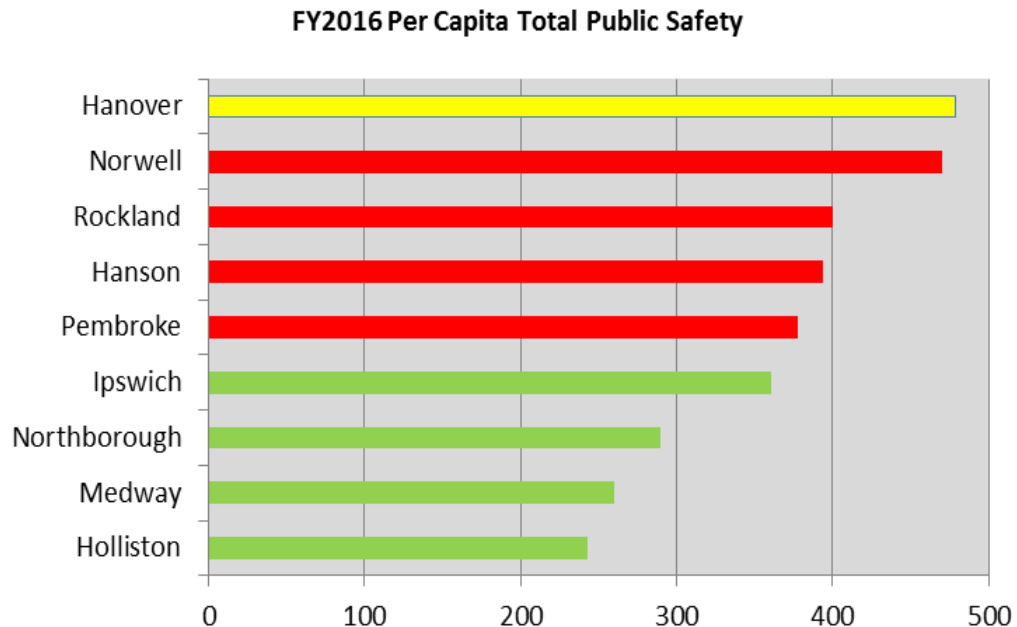
The state average for Debt Services per capita is \$305.



Hanover's *total spending* on **Education** ranks 4th of nine and 2nd among neighboring communities.

Hanover's *per capita spending* on education ranks 6th of nine and 2nd of five among neighboring communities.

The state average for per capita spending on education is \$1,583



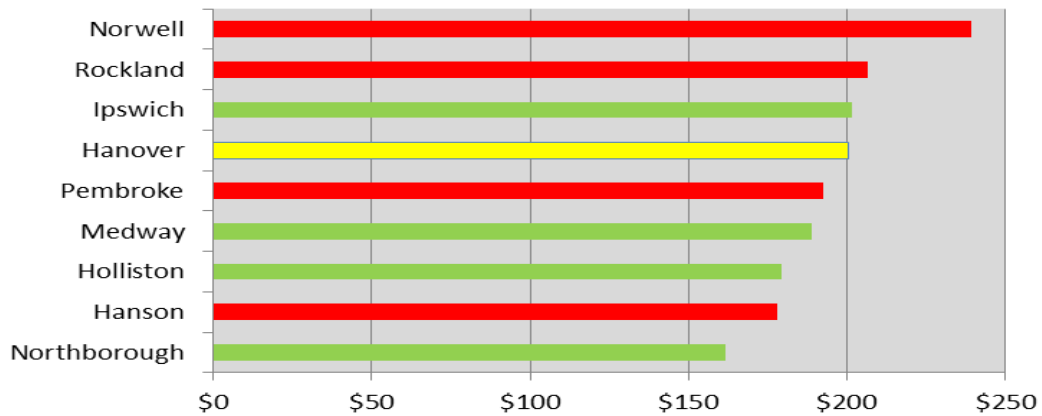
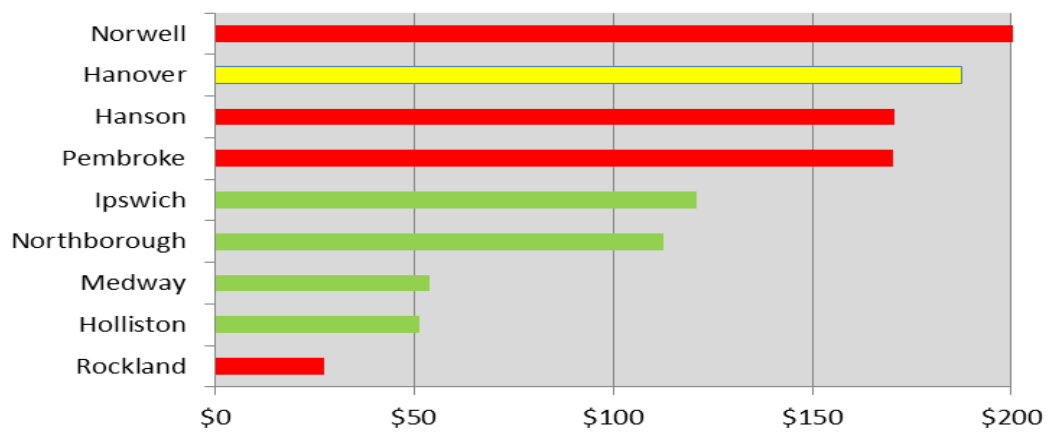
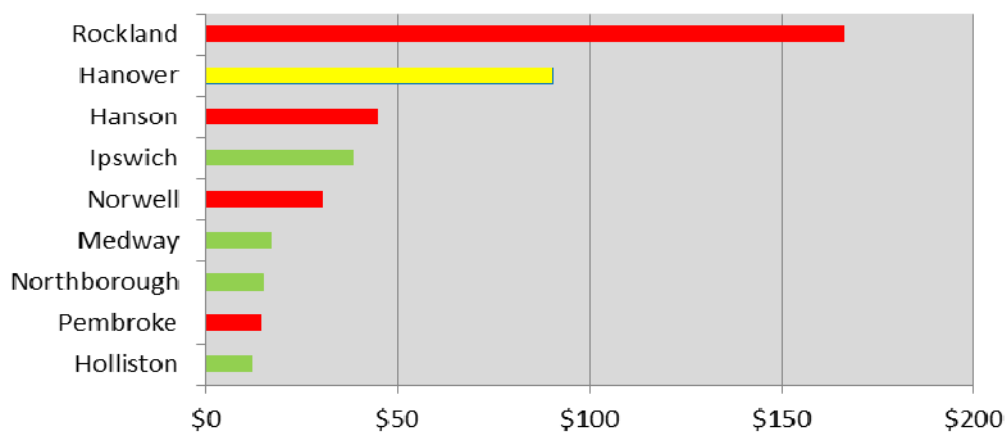
Hanover's *per capita spending* on **Total Public Safety** ranks 1st among the nine communities.

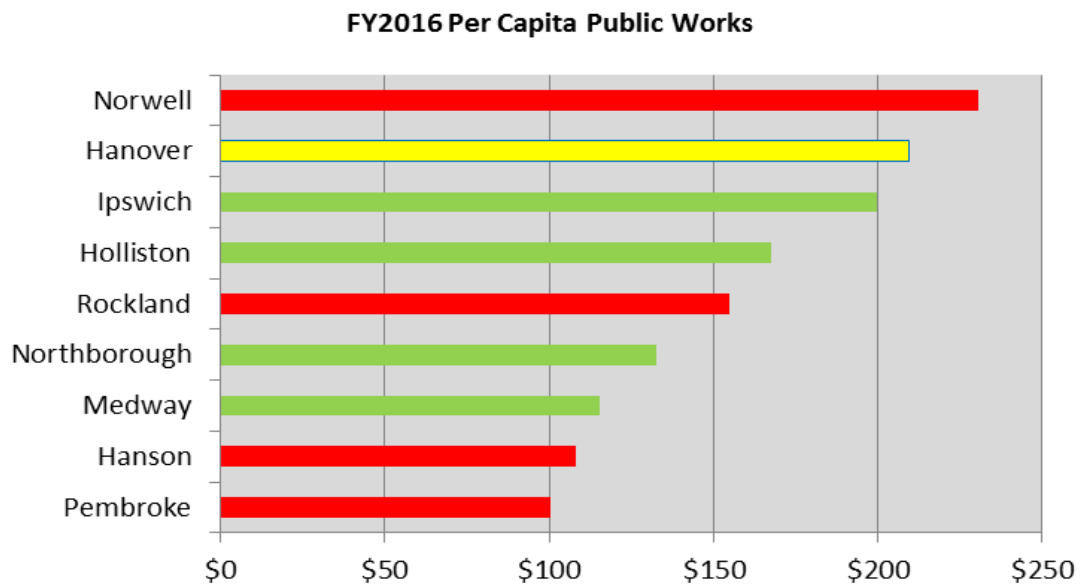
Hanover's *total spending* on **Police** ranks 3rd of nine communities. Hanover's *per capita spending* for Police ranks 4th of nine and 3rd of five among neighboring communities.

The state average for per capita spending on police is \$194.

Hanover's **Fire** *total spending* ranks 2nd of nine communities. Hanover's *per capita spending* for Fire ranks 2nd of communities.

The state average for per capita spending on fire is \$126

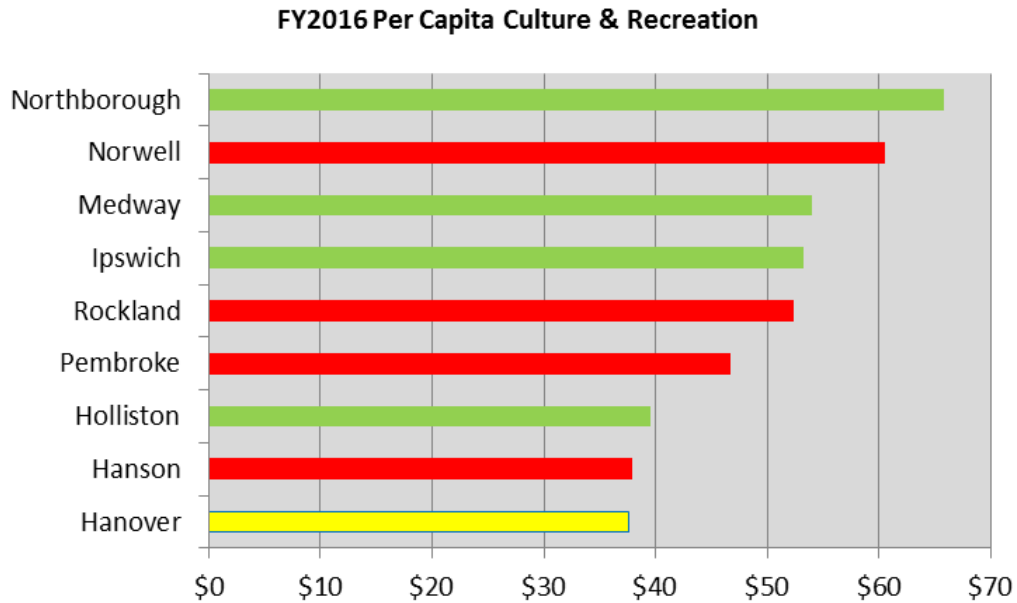
FY2016 Per Capita Police**FY2016 Per Capita Fire****FY2016 Per Capita Other Public Safety**



Hanover's *total spending* on **Public Works** ranks 1st of nine communities.

Hanover's *per capita spending* ranks 2nd of nine communities.

The state average for per capita public works spending is \$226.



Hanover's *total spending* on **Culture and Recreation** ranks 8th of nine and 4th of five among neighboring communities.

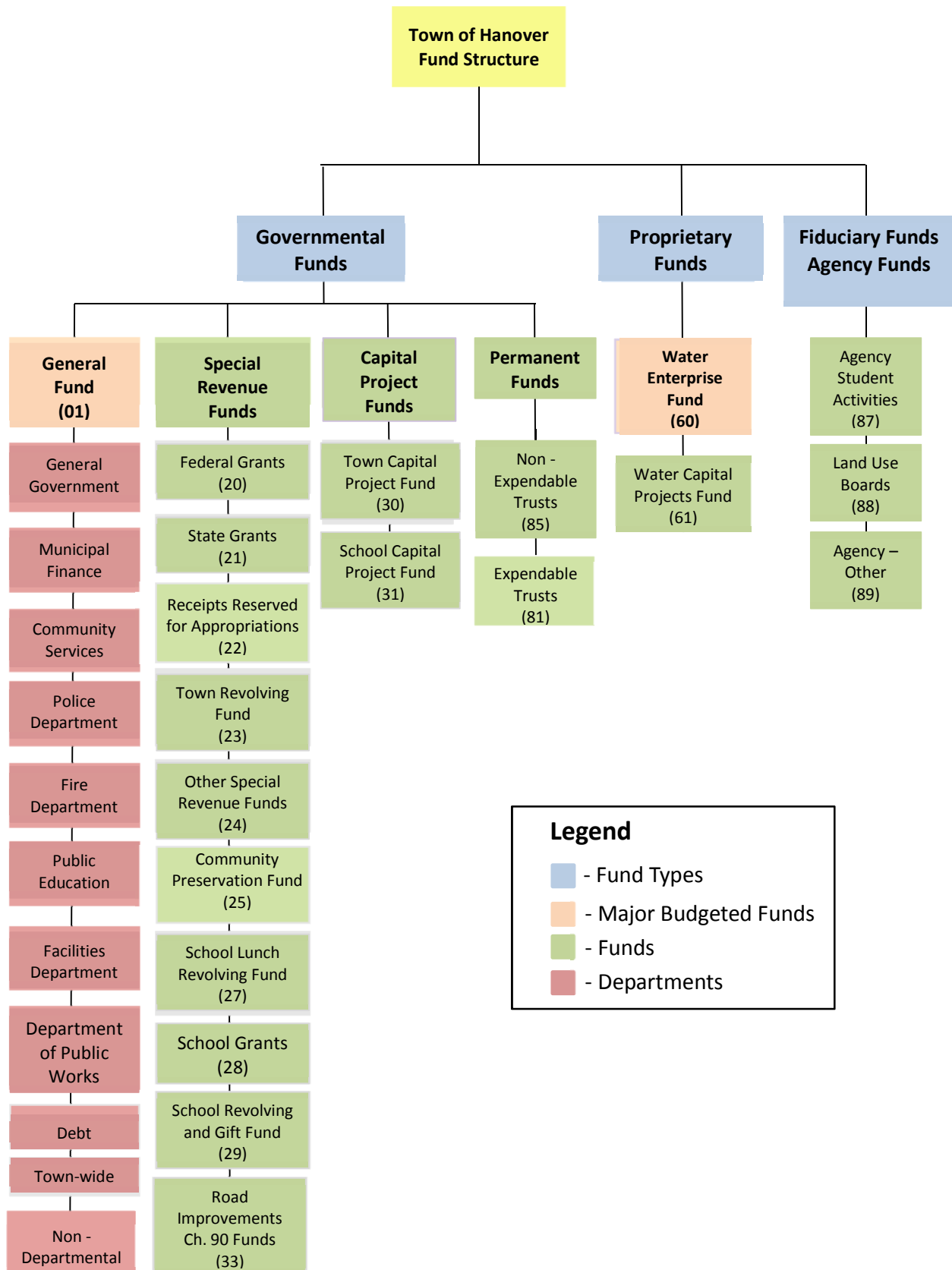
Hanover's *per capita spending* ranks 9th of nine and 5th of five among neighboring communities.

The state average for per capita Culture and Recreation spending is \$62.

***Fund Descriptions
and Balances***



Fund Structure





Fund Relationship

Fund to Department Relationship

Department	GOVERNMENTAL				PROPRIETARY	FIDUCIARY & AGENCY		
	General Fund	Special Revenue	Capital Project	Permanent	Water Enterprise	Student Activities	Land Use Boards	Other Agency
General Government	<input checked="" type="checkbox"/>							
Town Manager		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>					
Legal Services								
Central Office Supply								
Municipal Finance	<input checked="" type="checkbox"/>							
Accounting								
Assessors								
Treasurer/Collector		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>				<input checked="" type="checkbox"/>
Payroll/Benefits								
Town Clerk								
Registrars								
Community Services	<input checked="" type="checkbox"/>							
Municipal Inspections		<input checked="" type="checkbox"/>					<input checked="" type="checkbox"/>	
Visiting Nurse Association								
Council on Aging		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>					
Veterans' Services								
John Curtis Library		<input checked="" type="checkbox"/>						
Parks & Recreation		<input checked="" type="checkbox"/>						
Police Department	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>					<input checked="" type="checkbox"/>
Animal Control								
Communications		<input checked="" type="checkbox"/>						
Fire Department	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>					<input checked="" type="checkbox"/>
Emergency Management		<input checked="" type="checkbox"/>						
Public Education	<input checked="" type="checkbox"/>							
Hanover Public Schools		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>		
South Shore Vocational								
Facilities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>					
Public Works	<input checked="" type="checkbox"/>							
Administration								
Highway			<input checked="" type="checkbox"/>					
Snow & Ice								
Street Lighting								
Public Grounds			<input checked="" type="checkbox"/>					
Transfer Station								
Town Gas Pump								
Water					<input checked="" type="checkbox"/>			

Fund Descriptions

Governmental accounting systems should be organized and operated on a fund basis. Individual resources are allocated to, and accounted for, in separate accounting entities. These entities are funds and are based upon the purposes for which they are to be spent and the means by which spending activities are legally controlled.

Governmental units should establish and maintain those funds required by law and sound financial administration. Only the minimum number of funds consistent with legal and operating requirements should be established because unnecessary funds result in inflexibility, undue complexity, and inefficient financial administration.

All of the funds can be divided into three categories: governmental funds, proprietary funds and fiduciary funds. The Town of Hanover utilizes all of these fund types.

Governmental Fund Types

Governmental Fund Types are subdivided into four sections: ***General Fund, Special Revenue Funds, Capital Projects Funds and Permanent Funds.***

General Fund -The General Fund is the major operating fund of the Town and is used to account for most financial resources and activities governed by the normal Town Meeting appropriation process. The General Fund is supported by revenues from real estate and personal property taxes, state aid, excise taxes, investment income, fines and forfeitures, and fees and charges. All Town departments, including the Hanover Public Schools, are supported in whole or in part by the General Fund.

Special Revenue Funds - Special Revenue Funds account for revenues that are legally restricted to specific purposes. These revenues are accounted for separately from the General Fund for both legal and practical purposes, as the accounts often span multiple fiscal years.

Capital Project Fund - The Capital Projects Fund is used to account for expenditures on the acquisition or construction of major capital facilities as well as items related to the Town's Capital plan. The fund does not include projects funded by other dedicated funds, such as the Community Preservation Fund or Chapter 90 Highway Funds. This fund is generally funded through the issuance of bonds.

Permanent Funds – Permanent Funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used to support the government and its citizens. The acceptance of such funds generally involves action by the Board of Selectmen for each fund's individual specifications and/or requirements. There are two accounts associated with each permanent fund: the expendable income and the non-expendable principal.

- **Fund 01: General Fund**

The General Fund of a municipal organization serves as the primary reporting mechanism for day to day governmental operations. The General Fund is supported by revenues from real estate and personal property taxes, state aid, excise taxes, investment income, fines and forfeitures, and fees and charges. The departments funded within the General Fund include: General Government, Department of Municipal Finance, Department of Community Services, Police Department, Fire Department, Hanover Public Schools, South Shore Vocation School, Facilities Department, Department of Public Works, Debt Service, Town Wide Expenses and Non-departmental expenses such as State and County assessments.

- **Fund 20: Federal Grants**

This fund accounts for all Federal Grants received for the municipal side of the Town of Hanover. The Town has received grants from various Federal Agencies for various purposes.

- Federal Emergency Management Agency (FEMA) grant to assist with the costs of recovery from the severe winter storms in January and February of 2015.
- Assistance to Firefighters grant for the installation of a sprinkler system in the Fire Headquarters building.
- Hazardous Materials Emergency Preparedness (HMEP) grant allows the fire department to buy supplies and equipment to support the local Emergency Planning Committee.
- Citizen Corp Program grant funds are used for purchase of equipment and to help in training the Community Emergency Response Team.
- Emergency Management Performance grant for purchase of equipment to support emergency situations. Some items that have been purchased with this grant are electronic displays, communications and monitoring equipment.
- Bulletproof Vest grant helps provide bulletproof vests, a critical resource, to local law enforcement.
- Governor's Highway Safety Bureau grant helps the police department to focus on specific types of enforcement in order to increase highway safety in areas such as impaired driving, texting while driving, seatbelt compliance and aggressive driving.

- **Fund 21: State Grants**

This fund accounts for all State Grants received for the municipal side of the Town of Hanover. The Town has received grants for various reasons.

- Formula grant monies allow for a wide variety of costs to promote, enhance and/or support the health, well-being and independence of seniors

in the community. Funds may be used for salary, direct services such as outreach, transportation, health screening and fitness instruction, site and program operating costs, equipment/furnishings, volunteer development, newsletters, web-site development and other related items.

- E-911 Training Grant for the continued operation of an E-911 Emergency Dispatch and Emergency Medical Dispatch (EMD) Center. The funds are applied for and awarded based on compliance with state regulations and the quality assurance mandates of this service. The grant funding is generated from the mandatory surcharge on cellular phone services.
- Support & Incentive Grant for the continued operation of an E-911 Emergency Dispatch and Emergency Medical Dispatch (EMD) Center. The funds are applied for and awarded to assist the Town with support of the operation of the E-911 Center. The grant funding is generated from the mandatory surcharge on cellular phone services.
- Bulletproof Vest grant helps provide bulletproof vests, a critical resource, to local law enforcement.
- Clean Energy Grant is a state funded competitive grant awarded to communities who pursue renewable energy improvements.
- Green Communities Grant is a program through the State Department of energy resources that provides funding for communities for sustainable improvements to facilities and vehicles through a competitive grant process. Hanover has been one of the most successful communities in the commonwealth for pursuing these grants and has made more than two million dollars of improvements, upgrading our buildings and facilities, setting the stage for significant future savings in energy costs.
- MEG Grant is awarded to encourage municipalities to maintain minimum levels of public library services and resources.
- Cultural Council Grant is used to support community-based projects in the arts, humanities and sciences. Individuals, schools and cultural organizations are eligible to apply for project support from the local Cultural Council.

- **Fund 22: Receipts Reserved for Appropriation**

This fund accounts for revenue that is generated by specific fees and restricted to a specific use by statute and require appropriation by Town Meeting.

- Insurance Proceeds Greater than \$20,000 accounts for all insurance claims received in excess of \$20,000. Any costs for the replacement or repair of items damaged are appropriated in the General Fund and a transfer is

voted by Town Meeting to move the funds to the General Fund to support the appropriation.

- Waterways Improvement accounts for 50% of the boat excise tax collected by the Town. These funds may be used for maintenance, dredging, cleaning and improvement of harbors, inland waters and great ponds of the commonwealth, the public access thereto, the breakwaters, retaining walls, piers, wharves and moorings thereof and the law enforcement and fire prevention.
- Wetlands Protection receipts collected in this fund may only be used for the costs associated with the review and approval of requests under General Law Chapter 131 Section 40 related to the removal, fill, dredging or altering of land bordering waters.
- Ambulance receipts collected in this fund may only be used for purchasing, hiring, maintaining, and operating ambulances. This includes maturing debt and interest related to the ambulance operation.
- Sale of cemetery lots receipts collected in this fund are for the purchase of a numbered burial lot and may be used to reimburse the Town for the cost of the land, its care, improvement and embellishment, or the enlargement of the cemetery.
- Graves and foundation receipts are funds collected for the installation of the numbered marker for each burial lot. These funds may be used to reimburse the Town for the cost of the land, its care, improvement and embellishment, or the enlargement of the cemetery.

- **Fund 23: Town Revolving Funds**

Revolving Funds allow the Town to raise revenues from a specific Town function and use those revenues to support that function without appropriation. Revolving Funds are established by statute and may require reauthorization each year at Town Meeting.

- Insurance Proceeds Under \$20,000 accounts for all insurance claims that are under \$20,000 in total. The proceeds may be used for the replacement or repair of the damaged items.
- Police State Forfeiture accounts for the funds awarded to the police department upon the successful completion of civil proceedings brought by the Commonwealth of Massachusetts on proceeds which are forfeited from illegal drug activity.
- Police Federal Forfeiture accounts for the receipts awarded to the police department under the equitable sharing program for local police departments based on the proceeds which are forfeited from illegal drug activity.

- Recreation Revolving Fund accounts for the receipts collected for program fees. The funds are then used for salaries, benefits, facility upkeep and all other related expenses in direct support of the recreation programs.
- Cable Services Revolving Fund accounts for the fees related to the cable license agreements. These funds may be used for salaries, benefits, facility upkeep and all other related expenses in direct support of Public, Educational and Government (PEG) access and programs.
- Forge Pond Park Revolving Fund accounts for the fees collected from the Hanover Youth Athletic Association (HYAA) for use of the fields, concessions revenue and tournament fees. These funds may be used for salaries, benefits, facility upkeep and all other related expenses in direct support of maintaining Forge Pond Park.
- Flu Clinic Revolving Fund accounts for the receipts received from the Flu Clinic Medicare/Medicaid billing. These funds may be used for salaries, benefits, facility upkeep and all other related expenses in direct support of what is needed to run the flu clinic.
- GATRA Revolving Fund accounts for fees collected from the transportation program and funds may be used for salaries, benefits, facility upkeep and all other related expenses in direct support of the GATRA program.

- **Fund 24: 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, gifts made to specific departments, and payments from developers for infrastructure improvements related to proposed projects.

- **Fund 25: Community Preservation Fund**

This fund is established by a vote of the legislative body of the Town and approved by the votes at referendum as allowed under M.G.L. Chapter 44B. The fund has three purposes: the purchase of open space, the preservation of historic resources and the establishment of affordable housing. The primary source of revenue is a property tax surcharge of 3% which is assessed on each parcel of taxable real estate. A second source of revenue is state matching funds provided by a surcharge on recording fees at the Registry of Deeds.

- **Fund 27: School Lunch Revolving Fund**

This fund accounts for the operation and maintenance of the school lunch programs. The revenue for this fund is derived from three principal sources: meal charges (lunch receipts), state grants and federal grants. The charges to this fund are for both personnel and items needed to support the lunch program.

- **Fund 28: School Grants**

This fund accounts for both federal and state grants received by the Hanover School District.

- Improving Educator Quality grant, also known as Title IIa, is used to increase academic achievement by improving teacher quality. The program provides funding toward teacher salaries to minimize class size.
- SPED IDEA is an entitlement grant that provides funds to ensure that eligible students receive a free and appropriate public education that includes special education and related service designed to meet their individual needs.
- SPED Early Childhood grant provides funds to school districts to build capacity and to ensure that eligible 3, 4 and 5 year-old children with disabilities are appropriately identified as eligible for special education and receive developmentally appropriate special education and related services designed to meet their individual needs in accordance with the Individuals with Disabilities Education Act of 2004 and Massachusetts Special Education laws and regulations.
- SPED Program Improvements grant supports preschool district activities to ensure that eligible children with disabilities, ages 3-5, receive a free and appropriate public education that includes special education and related services designed to meet their individual needs, and that is provided in natural/least restrictive environments. It is intended to further district-level early childhood special education practices that align with priorities identified by the Department of Elementary and Secondary Education and the Department of Early Education and Care.
- Title I grant provides financial assistance to districts and schools with high numbers or high percentages of children from low-income families to help ensure that all children meet challenging state academic standards. These funds are allocated based on statutory formulas that are based primarily on census poverty estimates and the cost of education in each state.
- Academic Support Services grant enhances academic support services so that all eligible students will meet the state's competency determination required for high school graduation.

- SPED Circuit Breaker grant is the state special education reimbursement program to provide additional state funding to districts for high-cost special education students. The threshold for eligibility is tied to four times that state average foundation budget per pupil as calculated under the Chapter 70 program, with the state paying 75% of the costs above that threshold.

- **Fund 29: School Revolving & Gift Funds**

This fund accounts for all school revolving funds allowed by statute and gifts donated to the Hanover School District for specific purposes and use.

- Athletic Revolving Fund accounts for participation fees and entrance fees to sporting events. These funds may be spent on any School Committee sponsored athletic and extracurricular program, award, equipment and facilities.
- School Building Rental Revolving Fund accounts for fees associated with the rental of school property and supports the costs of the facility upkeep, custodial costs, utilities and routine repairs and maintenance.
- Library Revolving Fund accounts for the proceeds from the annual Scholastic Book fair conducted in each of the schools. These funds are used to support the libraries at each level.
- Drama Revolving Fund accounts for the ticket sales and concession proceeds generated from the after school enrichment drama program. The program offers a theatrical presentation at each level 1-12. Students are able to participate in all aspects of the drama production including lights, sounds, stage management and acting roles. The funds collected directly support the productions.
- Preschool Revolving Fund accounts for the preschool tuitions received. The Hanover Schools special education preschool program for children ages 3-5 encourages typical children to join on a tuition basis. The tuitions partially offset the salaries of the preschool staff and provide for routine preschool expenses.
- Full Day Kindergarten Revolving Fund accounts for the Full Day Kindergarten programs at Cedar and Center Schools. Parents pay tuition to allow their kindergarten age students to remain for the full day. Tuition proceeds are used to support the salaries of the Full Day teachers and staff as well routine expenses for the program.

- Enrichment Program Revolving Fund accounts for the year round academic, creative and recreational programs offered to students across the district by the Office of Family & Community Engagement. The programs are fees based and facilitated by a blend of HPS teachers and staff, community business partners and state and local vendors. All funds collected directly support the programs.
- Before & After School Program Revolving Fund accounts for the fees collected for the optional extended day care. These programs are designed to assist families with before and/or after school care for students Kindergarten through Grade 8 on a regular basis. In addition to care, these programs provide students with positive social peer interactions and extended learning opportunities beyond the traditional school day. The funds collect are used directly to support these programs.
- Special Education (SPED) Revolving Fund accounts for the revenue collected in the form of specialized parent arrangements and rebates from Special Education providers depending on the situation. Expenses are incurred through unanticipated Special Education expenses that are not accounted for in the regular operating budget.

- **Fund 30: Town Capital Projects Fund**

This fund accounts for all Town capital projects approved by Town Meeting as part of the capital plan and is generally funded by the issuance of bonds.

- **Fund 31: School Capital Projects Fund**

This fund accounts for all School capital projects approved by Town Meeting as part of the capital plan and is generally funded by the issuance of bonds. The current activity in this fund is the feasibility study voted related to the Center/Sylvester School.

- **Fund 81: Expendable Trust Fund**

This fund accounts for the expendable income portion of the trust fund. This fund also is used to account for funds received by the Town in a trustee capacity where both the principal and earnings of the fund may be spent on a restricted basis for the benefit of the Town or its citizens.

- **Fund 85: Non-Expendable Trust Fund**

This fund accounts 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.

Proprietary Funds (Enterprise)

Proprietary Funds refer to the Town's "business-type" activities and are used to separate them from Governmental Funds in financial statements. This fund is financed and operating in a manner similar to private business enterprises. The intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. These funds account for their own fixed assets and long term liabilities. Although long term debt of these enterprise funds is ultimately the legal obligation of the general fund, it is budgeted and paid for by the Water Enterprise Fund.

- **Fund 60: Water Enterprise Fund**

This fund accounts for the daily operation and maintenance of the Town's public water system.

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. These funds are referred to as *Agency Funds*.

Agency Fund – This fund accounts for and reports the resources where the Town is acting as an agent for the funds. These funds are not part of the government and are not considered revenue or expenses of the Town.

- **Fund 87: Student Activities Funds**

This fund accounts for receipts collected as fees for participation in student activity sponsored events. The School Committee authorizes principals to receive funds and deposit them into the agency fund. The principal, when bonded, establishes a checking account for expenditures. The School Committee imposes a maximum balance on deposits into the checking account. Through the warrant process, the principal requests transfers from the initial funds from the agency fund into the checking account.

- **Fund 88: Land Use Boards Funds**

The fund accounts for receipts collected as insurance that the requirements of the Land Use Boards are met. If the applicant fails to meet any requirement, the Town may use the funds to complete the work.

- **Fund 89: Other Agency Funds**

This fund accounts for all other agency funds including police and fire details, amounts owed to the Deputy Collector and unclaimed funds. The unclaimed funds are payroll and vendor checks that have not been cashed within a reasonable amount of time and have been reclassified to this account.

Basis of Accounting

The day to day method of accounting used by the Town of Hanover is the Uniform Massachusetts Accounting System (UMAS). This accounting system is prescribed by the Commonwealth of Massachusetts Department of Revenue for local government entities and is intended to demonstrate compliance with state statutes and local near term decisions (e.g. the budget). This system prescribes the use of the modified accrual basis of accounting, which is the basis used by all governmental fund types. Modified accrual accounting combines accrual-basis accounting with cash-basis accounting and recognizes revenues when they become available and measurable and recognizes expenditures when liabilities are incurred.

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. These 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. 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 funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Basis of Budgeting

The Town adopts an annual budget for the General Fund and the Water Enterprise Fund. Although Town Meeting approval is required for capital projects, borrowing authorizations, and other special warrant articles, annual budgets are not prepared for any other fund. The spending for purposes related to the Capital Plan and the Community Preservation Fund are presented as articles separate from the annual consolidated budget at Town Meeting.

The Town's annual budget is adopted on a statutory basis, specific to the Commonwealth of Massachusetts, and differs in some aspects 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 deferred revenue when levied (budgeted), as opposed to when susceptible to accrual (GAAP).
2. For the budget, encumbrances are treated as expenditures in the year the commitment is made. In addition, 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.

Under GASB Statement 34, and further under 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 "Non-major" category for the purpose of financial statements.

TOWN OF HANOVER, MASSACHUSETTS
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
 FOR THE YEAR ENDED JUNE 30, 2017

	Business-Type Activities Enterprise Funds
	Water Fund
Operating Revenues:	
Charges for services	\$ 3,764,266
Other	<u>54,623</u>
Total Operating Revenues	3,818,889
Operating Expenses:	
Public works	186,805
Salaries and benefits	1,485,152
Other operating expenses	1,535,879
Depreciation	<u>431,056</u>
Total Operating Expenses	<u>3,638,892</u>
Operating Income (Loss)	179,997
Nonoperating Revenues (Expenses):	
Investment income	76
Interest expense	<u>(79,399)</u>
Total Nonoperating Revenues (Expenses), Net	<u>(79,323)</u>
Income (Loss) Before Transfers	100,674
Transfers:	
Transfers in	<u>154,607</u>
Change in Net Position	255,281
Net Position at Beginning of Year	<u>6,202,264</u>
Net Position at End of Year	<u><u>\$ 6,457,545</u></u>

TOWN OF HANOVER, MASSACHUSETTS
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2017

	General Fund	School Capital Project Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:				
Property taxes	\$ 42,312,291	\$ -	\$ 984,616	\$ 43,296,907
Excises	2,774,589	-	43,859	2,818,448
Penalties, interest, and other taxes	622,506	-	60	622,566
Charges for services	395,374	-	4,137,600	4,532,974
Licenses and permits	667,197	-	-	667,197
Fines and forfeitures	114,448	-	-	114,448
Intergovernmental	16,809,518	710,577	3,284,350	20,804,445
Investment income	187,603	-	62,009	249,612
Miscellaneous	264,888	-	948,823	1,213,711
Total Revenues	64,148,414	710,577	9,461,317	74,320,308
Expenditures:				
Current:				
General government	2,451,503	-	1,066,701	3,518,204
Public safety	7,613,482	-	135,022	7,748,504
Education	36,275,984	1,830,411	4,841,383	42,947,778
Public works	2,735,064	-	1,378,333	4,113,397
Health and human services	539,534	-	139,727	679,261
Culture and recreation	732,924	-	300,216	1,033,140
Employee benefits	7,313,201	-	-	7,313,201
Miscellaneous	-	-	375,293	375,293
Debt service	5,255,483	-	435,437	5,690,920
Intergovernmental	570,343	-	-	570,343
Total Expenditures	63,487,518	1,830,411	8,672,112	73,990,041
Excess (deficiency) of revenues over expenditures	660,896	(1,119,834)	789,205	330,267
Other Financing Sources (Uses):				
Transfers in	1,192,964	-	220,091	1,413,055
Transfers out	(264,607)	-	(1,303,055)	(1,567,662)
Total Other Financing Sources (Uses)	928,357	-	(1,082,964)	(154,607)
Change in fund balance	1,589,253	(1,119,834)	(293,759)	175,660
Fund Balance, at Beginning of Year, as restated	11,190,191	898,168	9,695,245	21,783,604
Fund Balance, at End of Year	\$ 12,779,444	\$ (221,666)	\$ 9,401,486	\$ 21,959,264



Changes in Fund Balance

General Fund

It is important to note that while the General Fund's fund balance 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 Department of Revenue recommends that under sound financial practices the Town should strive to generate free cash in an amount equal to 3-5% of its annual budget. Further, free cash should not be fully depleted in any year and as a non-recurring revenue source it should be used for one-time expenditures, a capital purpose, or to replenish other reserves.

The Town of Hanover has been successful in maintaining its free cash within the recommendations set forth above. The last certified amount was \$3,219,470, which was 5.00% of the total budget.

The historic use of free cash is shown below:

Amount Available	FY Budget	Amount in Operating Budget	% Used in Budget
\$ 3,219,470.00	FY19	\$ 550,000.00	17%
\$ 2,543,589.00	FY18	\$ 500,000.00	20%
\$ 1,734,005.00	FY17	\$ -	0%
\$ 2,784,497.00	FY16	\$ -	0%
\$ 2,074,285.00	FY15	\$ 250,000.00	12%
\$ 3,049,716.00	FY14	\$ 460,166.00	15%
\$ 2,204,388.00	FY13	\$ 840,682.00	38%
\$ 2,394,387.00	FY12	\$ 1,447,366.00	60%
\$ 1,710,066.00	FY11	\$ 1,598,827.00	93%
\$ 1,546,768.00	FY10	\$ 1,248,929.00	81%
\$ 2,739,686.00	FY09	\$ 1,557,020.00	57%

Since FY14, the Town has not formally adopted, but has practiced and adhered to using no more than approximately 75% of free cash in any given year. The FY19 budget has free cash being utilized to fund capital purchases and other town meeting articles which will include allocations to other reserve funds.



Changes in Fund Balance

The following schedule depicts the free cash amounts certified and the percentage used for each of the fiscal years shown. The Town has demonstrated that it adheres to its practice of not using more than approximately 75% of its free cash in any given year. The proposed use of free cash for FY19 will not result in a significant change in fund balance from the previous year.

Proposed Budget	FY17	FY18	FY19
Certified Free Cash as of June 30 prior year	1,734,005	2,543,589	3,219,470
Proposed use for upcoming year	1,270,962	1,938,335	1,988,679
Unappropriated Certified Free Cash	463,043	605,254	1,230,791
% of Free Cash Used	73%	76%	62%

The Town, through conservative fiscal policies, has been able to remain consistent in its ability to produce free cash and preserve a healthy free cash level as compared to the total budget. As mentioned above, the Department of Revenue recommends maintaining between 3-5% of free cash as compared to total budget, as shown below.

Total Budget Year	Total Budget	Free Cash Certified	Free Cash as a % of Total Budget
2010	\$ 52,567,918	\$ 1,710,066	3.25%
2011	\$ 51,927,923	\$ 2,394,387	4.61%
2012	\$ 54,974,075	\$ 2,204,388	4.01%
2013	\$ 55,922,763	\$ 3,049,716	5.45%
2014	\$ 57,315,304	\$ 2,074,285	3.62%
2015	\$ 59,046,245	\$ 2,784,497	4.72%
2016	\$ 62,934,759	\$ 1,734,005	2.76%
2017	\$ 62,438,196	\$ 2,543,589	4.07%
2018	\$ 64,391,616	\$ 3,219,470	5.00%



Changes in Fund Balance

Enterprise Fund

For an Enterprise Fund, the retained earnings are the portion of Net Assets Unrestricted that is certified by the Department of Revenue as available for appropriation. Certification requires submission of a June 30 balance sheet. Once certified, retained earnings may be appropriated through the following June 30.

Retained earnings may be appropriated to:

1. Fund direct costs of the enterprise for the current fiscal year;
2. Fund costs appropriated in the General Fund operating budget and allocated to the enterprise fund for the current fiscal year;
3. Reimbursement to the General or other funds for subsidized capital costs of the enterprise not already reimbursed for the two full, immediately prior, fiscal years.

The Town has upheld its practice of not utilizing retained earnings to fund the Enterprise Fund budget as it has with free cash for the General Fund and has remained well under the threshold of utilizing 75% of retained earnings in any given year. This is shown below.

Proposed Budget	FY17	FY18	FY19
Certified Retained Earnings as of June 30 prior year	359,550	191,007	759,282
Proposed use for upcoming year	235,000	-	263,000
Unappropriated Certified Retained Earnings	124,550	191,007	496,282
% of Retained Earnings Used	65%	0%	35%

Reserves



Reserves

Free Cash

This reserve provides for the temporary financing of unforeseen opportunities or needs and as a funding source for the Town's capital plan. It is generated from actual receipts exceeding estimated amounts and unspent appropriations within departmental budgets at the end of the fiscal year plus the amount of remaining free cash from the previous year. The Department of Revenue recommends that under sound financial practices the Town should strive to generate free cash in an amount equal to 3-5% of its annual budget. Further, free cash should not be fully depleted in any year and as a non-recurring revenue source it should be used for one-time expenditures, a capital purpose, or to replenish other reserves.

The Town of Hanover has been successful in maintaining its free cash within the recommendations set forth above:

Total Budget Year	Total Budget	Free Cash Certified	Free Cash as a % of Total Budget
2010	\$ 52,567,918	\$ 1,710,066	3.25%
2011	\$ 51,927,923	\$ 2,394,387	4.61%
2012	\$ 54,974,075	\$ 2,204,388	4.01%
2013	\$ 55,922,763	\$ 3,049,716	5.45%
2014	\$ 57,315,304	\$ 2,074,285	3.62%
2015	\$ 59,046,245	\$ 2,784,497	4.72%
2016	\$ 62,934,759	\$ 1,734,005	2.76%
2017	\$ 62,438,196	\$ 2,543,589	4.07%
2018	\$ 64,391,616	\$ 3,219,470	5.00%

Amount Available	FY Budget	Amount in Operating Budget	% Used in Budget	Amount in Annual Articles	Amount in Special Articles	Total Used	Overall % Used
\$ 3,219,470.00	FY19	\$ 550,000.00	17%	\$ 836,000.00	\$ 602,679.00	\$ 1,988,679.00	62%
\$ 2,543,589.00	FY18	\$ 500,000.00	20%	\$ 1,147,700.00	\$ 290,635.00	\$ 1,938,335.00	76%
\$ 1,734,005.00	FY17	\$ -	0%	\$ 1,075,612.00	\$ 195,350.00	\$ 1,270,962.00	73%
\$ 2,784,497.00	FY16	\$ -	0%	\$ 1,977,100.00	\$ 164,650.00	\$ 2,141,750.00	77%
\$ 2,074,285.00	FY15	\$ 250,000.00	12%	\$ 956,923.43	\$ 320,000.00	\$ 1,526,923.55	74%
\$ 3,049,716.00	FY14	\$ 460,166.00	15%	\$ 1,022,960.00	\$ 441,295.00	\$ 1,924,421.15	63%
\$ 2,204,388.00	FY13	\$ 840,682.00	38%	\$ 1,226,556.00		\$ 2,067,238.38	94%
\$ 2,394,387.00	FY12	\$ 1,447,366.00	60%	\$ 947,021.00	\$ -	\$ 2,394,387.60	100%
\$ 1,710,066.00	FY11	\$ 1,598,827.00	93%	\$ 111,239.00	\$ -	\$ 1,710,066.93	100%
\$ 1,546,768.00	FY10	\$ 1,248,929.00	81%	\$ 227,647.00	\$ 30,578.00	\$ 1,507,154.81	97%
\$ 2,739,686.00	FY09	\$ 1,557,020.00	57%	\$ 405,096.00	\$ 38,515.00	\$ 2,000,631.57	73%



Reserves

Stabilization

This fund is governed by Chapter 40 Section 5B of the Massachusetts General Laws and may be used for any lawful purpose. This fund requires a two-thirds affirmative vote by Town Meeting to appropriate from it. The purpose of this fund is to provide long term financial stability for the Town while improving the Town's credit worthiness and flexibility.

Total Budget Year	Total Budget	Stabilization Year	Stabilization Balance	Stabilization as a % of Total Budget
2011	\$ 51,927,923	2010	\$ 1,666,319	3.21%
2012	\$ 54,974,075	2011	\$ 1,676,753	3.05%
2013	\$ 55,922,763	2012	\$ 1,696,777	3.03%
2014	\$ 57,315,304	2013	\$ 1,864,218	3.25%
2015	\$ 59,046,245	2014	\$ 1,897,839	3.21%
2016	\$ 62,934,759	2015	\$ 1,868,785	2.97%
2017	\$ 62,438,196	2016	\$ 2,093,950	3.35%
2018	\$ 64,391,616	2017	\$ 2,114,363	3.28%

Capital Stabilization

The FY14 Annual Town Meeting established a Capital Stabilization Fund allowed under Chapter 40 Section 5B of the Massachusetts General Laws and appropriated \$100,000 to it. The creation of this fund encourages the Town to think long-term for its capital needs. It also helps the Town manage its debt. A plan to accumulate cash over time and pay outright for moderate range capital expenditures helps preserve debt capacity for major, high dollar purchases and projects. An approach that balances debt with pay-as-you-go practices, and protects against unforeseen costs, is viewed in a positive light by credit rating agencies. This fund gives residents assurance that the money appropriated for a particular purpose will be used for only that purpose. This fund requires a two-thirds affirmative vote by Town Meeting to appropriate from it.

The goal is to accumulate at least \$500,000 in the fund before using it as a funding source for the Capital Plan.



Reserves

Fiscal Year	Appropriation	Interest	Expenditures	Balance
2015	\$ 200,000	\$ 404	\$ -	\$ 200,404
2016	\$ 300,000	\$ 2,681	\$ -	\$ 503,085
2017	\$ -	\$ 4,905	\$ -	\$ 507,990
2018	\$ -	\$ 1,690	\$ -	\$ 509,680
2019	\$ 200,000	\$ -	\$ -	\$ 709,680

Special Education Stabilization

As a means to address the unpredictable and continuing pressures of special education expenses, the Town established a special education stabilization fund that provides an ongoing buffer for annual fluctuations in this state-mandated expense. This fund is allowed under Chapter 40 Section 5B of the Massachusetts General Laws.

OPEB Liability Trust Fund

The purpose of this fund is to provide for funding the other post-employment benefit liability. The State Legislature authorized a local meals tax of 0.75 percent as part of its FY11 budget. The fund, here in Hanover, was established formerly at the May 2014 Special Town Meeting. Prior to that, the Town had intended to create the fund during the 2013 Annual Town Meeting when the adoption of the local meals excise tax was passed. The meals tax revenue received from the State is the dedicated revenue source to fund this reserve. The taxes are collected by each affected establishment and remitted to the State. The State then distributes each community's taxes on a quarterly basis. The following calendar is used for the tax collections and payments:

FY Quarter	Quarter Start Date	Months Tax Assessed by Establishment	Months Tax Revenue Collected by Department of Revenue	Distribution Date
1	July 1st	May, Jun, Jul	Jun, Jul, Aug	Sep 30th
2	October 1st	Aug, Sep, Oct	Sep, Oct, Nov	Dec 31st
3	January 1st	Nov, Dec, Jan	Dec, Jan, Feb	Mar 31st
4	April 1st	Feb, Mar, Apr	Mar, Apr, May	Jun 30th



Reserves

The following chart shows the contributions received and the interest and dividends earned by fiscal year. The FY2018 amounts reflect activity through December 31st:

Fiscal Year	Meals Tax Contributions	Interest Earned	Balance
			\$ -
FY2013	\$ 257,667	\$ -	\$ 257,667
FY2014	\$ 315,789	\$ 9,892	\$ 583,348
FY2015	\$ 317,526	\$ 29,497	\$ 930,371
FY2016	\$ 339,341	\$ 21,237	\$ 1,290,949
FY2017	\$ 387,436	\$ 48,004	\$ 1,726,389
FY2018	\$ 184,624	\$ 152,582	\$ 2,063,595

Town and School Sick Leave Buyback Funds

The purpose of these funds is to set aside money for the future payment of accrued liabilities for compensated absences due to any employee upon their retirement from the Town or School. The creation of these funds is permissible under Chapter 40 Section 13D of the Massachusetts General Laws.

School Sick Leave Buyback Fund

This is a summary of activity for the School Sick Leave Buyback Fund by fiscal year:

Fiscal Year	Appropriation	Expenditures	Balance
			\$ 372,040
2012	\$ 124,000	\$ (217,569)	\$ 278,471
2013	\$ 124,000	\$ (167,768)	\$ 234,703
2014	\$ 110,000	\$ (104,337)	\$ 240,366
2015	\$ 100,000	\$ (129,169)	\$ 211,197
2016	\$ 200,000	\$ (54,337)	\$ 356,860
2017	\$ 100,000	\$ (64,114)	\$ 392,746
2018	\$ 255,000	\$ (170,390)	\$ 477,356
2019	\$ 50,000	\$ -	\$ 527,356



Reserves

Town Sick Leave Buyback Fund

This is a summary of activity for the Town Sick Leave Buyback Fund by fiscal year:

Fiscal Year	Appropriation	Expenditures	Balance
			\$ 453,339
2012	\$ 175,000	\$ (141,424)	\$ 486,915
2013	\$ 175,000	\$ (70,102)	\$ 591,813
2014	\$ 100,000	\$ (79,321)	\$ 612,492
2015	\$ 100,000	\$ (112,576)	\$ 599,916
2016	\$ 75,000	\$ (63,798)	\$ 611,118
2017	\$ 10,000	\$ (45,461)	\$ 575,657
2018	\$ 155,000	\$ (97,130)	\$ 633,527
2019	\$ 50,000	\$ -	\$ 683,527

Municipal Building Insurance Fund

At the 2013 Annual Town Meeting, the Town voted to create a Municipal Building Insurance Fund permissible under Chapter 40 Section 13 of the Massachusetts General Laws. Property damaged, destroyed or lost by fire, lightning, vandalism, burglary, theft or otherwise may be repaired, rebuilt or replaced with expenditures from the fund:

Fiscal Year	Appropriation	Expenditures	Balance
2013	\$ 20,000	\$ -	\$ 20,000
2014	\$ 10,000	\$ -	\$ 30,000
2015	\$ 10,000	\$ -	\$ 40,000
2016	\$ -	\$ -	\$ 40,000
2017	\$ -	\$ -	\$ 40,000
2018	\$ -	\$ -	\$ 40,000
2019	\$ -	\$ -	\$ 40,000

