

Town of Hanover

MASSACHUSETTS



Annual Budget
For the Fiscal Year
Beginning July 1, 2015 and ending June 30, 2016

Town Manager

Troy B.G. Clarkson

Finance Director

Janine Smith

Board of Selectmen

Harold L. Dunn, Chair

Susan M. Setterland, Vice Chair

Brian E. Barthelmes

Robert S. O'Rourke

Joseph R. Salvucci

TABLE OF CONTENTS

<u>SECTION</u>		<u>PAGE</u>
INTRODUCTION	Guide to the Budget Town Organizational Chart Boards, Committees and Elected Officials Community Profile Town Manager's Budget Message	4
BUDGET SUMMARIES	Balanced Budget Summary Revenue Budget Summaries Expenditure Budget Summaries	21
GENERAL GOVERNMENT	Board of Selectmen / Town Manager Central Office Supply Legal Services	60
FINANCE DEPARTMENT	Treasurer/Collector Assessing Accounting Town Clerk Elections & Town Meeting Registrars	67
COMMUNITY SERVICES	Municipal Inspections John Curtis Library Council on Aging Visiting Nurses Veteran Services	83
POLICE DEPARTMENT	Police Communications Animal Control	96
FIRE DEPARTMENT	Fire Emergency Management	105
EDUCATION	Hanover Public Schools South Shore Voc - Tech	113
FACILITIES DEPARTMENT		118

TABLE OF CONTENTS

<u>SECTION</u>		<u>PAGE</u>
PUBLIC WORKS	DPW Administration Highway Snow & Ice Removal Street Lighting Public Grounds Transfer Station Town Gas Pump	127
TOWN WIDE EXPENSES	Pension / Retirement Worker's Compensation Unemployment Health Insurance Life Insurance Education Benefits Employee Medical Risk Management Advisory Committee Reserve Fund	139
NON-APPROPRIATED EXPENSES	County Tax State Assessments Reserve for Abatements Cherry Sheet Offset	156
DEBT	Long Term Principal Long Term Interest Short Term Interest Issuance Costs	162
ENTERPRISE FUND	Water Enterprise Fund	173
CAPITAL IMPROVEMENTS	Introduction Flow Chart Summary of Projects Requested Detailed Capital Project Requests	189
APPENDICES	A. Reserves B. Budget and Financial Management Policies C. Fund Descriptions and Balances D. Town Manager Act E. Glossary of Terms	

INTRODUCTION



"Hanover, Honoring Yesterday As We Build For Tomorrow"

***Guide to the
FY2016 Budget***



Guide to the FY2016 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">• Financial Summit• 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
February	<ul style="list-style-type: none">• Town Manager and School Superintendent recommend budgets• Budgets posted to website
February	<ul style="list-style-type: none">• Selectmen, School Committee, and Advisory Committee review budgets
March - May	<ul style="list-style-type: none">• Budget completed and voted by the Advisory Committee & School Committee
March – May	<ul style="list-style-type: none">• Town Meeting Warrant approved by the Selectmen• Budget, Warrant & Annual Town Report posted to the website
May	<ul style="list-style-type: none">• Annual (and Special) Town Meetings

Fall – A financial “summit” is held, which is a meeting between the Board of Selectmen, School Committee, and Advisory Committee to review a series of financial indicators providing data about the Town’s financial condition and discuss the challenges of the upcoming budget cycle. This meeting is open to the public.

December – Departmental 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 budget requests.

January/February – The School Superintendent presents his recommended budget to the School Committee; the Town Manager presents his recommended 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.

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

April – 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.



Guide to the FY2016 Budget

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.

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.

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

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.



Guide to the FY2016 Budget

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.

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 FY2016 Budget document is being made available online through the Town of Hanover website. Copies of the FY2016 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.

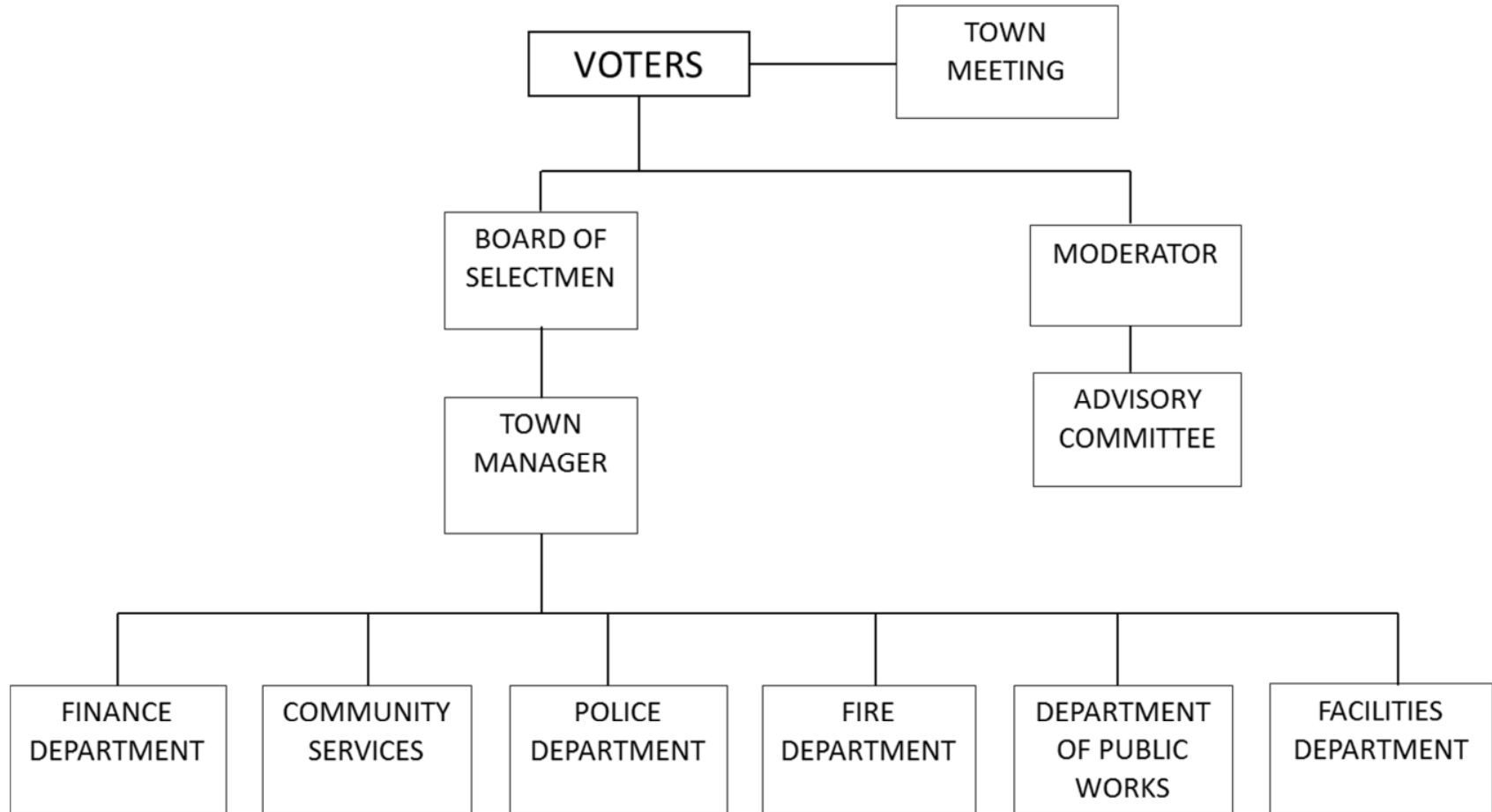
Further Questions?

For any further questions, please contact the Town Manager's Office at (781)-826-5000.

Town Organization Chart

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TOWN OF HANOVER ORGANIZATION



***Boards, Committees,
and Elected Officials***



Boards, Committees and Elected Officials

Hanover **Voters Elect**

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

Board of Selectmen **Appoints**

Town Manager
Affordable Housing Trust
Board of Registrars of Voters
Community Access & Media Committee
Council on Aging
Cultural Council
Design Review Board
Education Fund Committee
Fair Housing Commission
Historical Commission
Stetson House Board of Overseers
MBTA Advisory Board
Rt. 53 Corridor Joint Study Committee
Taxation Aid Committee

Moderator **Appoints**

Advisory Committee
Bylaw Review Committee
Community Preservation Committee
Open Space & Recreation
Planning Committee
Parks & Recreation Committee
Zoning Board of Appeals

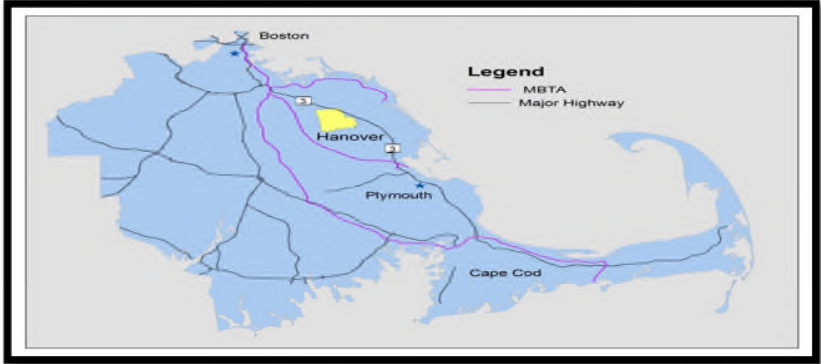
Town Manager **Appoints**

Director of Community Services/
Assistant Town Manager
Police Chief
Fire Chief
Finance Director
DPW Director
Facilities Manager
Executive Assistant

Community Profile



Community Profile

Our Town	<p>The Town of Hanover is a suburban community which offers classic New England charm while providing access to educational opportunities, a mix of retail establishments and restaurants, a variety of housing options, and a stable and prospering business environment. These attributes make Hanover an attractive community in which to live, work, and shop.</p> <p>Hanover is centrally located between Boston and Cape Cod and in close proximity to Route 3, I-93 and the MBTA Commuter Rail. It is a desirable area for travelers heading to Boston, Plymouth and Cape Cod.</p> 
Community Statistics	<p>Incorporated: 1727</p> <p>Land Area: 15.61 Sq. Miles</p> <p>Public Roads: 86 Miles</p> <p>County: Plymouth</p> <p>2013 Population: 14,333</p> <p>2012 Labor Force: 7,550</p> <p>Form of Government: Town Manager Five-member Board of Selectmen Open Town Meeting</p> <p>FY2015 Tax Rate per Thousand: \$16.15 – Residential \$17.14 – Commercial & Industrial \$17.14 – Personal Property</p> <p>2015 Average Single Family Home Value: \$435,797</p> <p>2015 Average Single Family Tax Bill: \$7,038</p>
Contact Us	<p>Town Hall 550 Hanover Street Hanover, MA 02339 Phone: (781) 826-5000 visit: www.hanover-ma.gov</p>

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



Town Manager

Memo

To: Board of Selectmen, Advisory Committee

From: Troy B.G. Clarkson, Town Manager

CC: All Departments

Date: 1/29/2015

Re: Fiscal Year 2016 Budget

It is with great pleasure and enthusiasm that I hereby submit to you my proposed operating budget for Fiscal Year (FY) 2016 for the Town of Hanover.

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 honors the Board of Selectmen’s theme and mandate of a conservative approach to both revenues and expenses, while proposing some consolidation, honoring a long-standing commitment to education public safety and public works, and recommending new initiatives that fit with 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.” The document attached to this budget message fulfills those requirements, and goes well beyond, honoring the Selectmen’s goal of improving communication with the public. This budget document provides an unprecedented level of detail, and represents a transparent and inclusive approach to appropriation of the peoples’ money.

This budget is separated into three major categories: Revenues, Expenses, and Capital Spending, and represents a collaborative effort of all departments. Particular recognition goes to Finance Director Janine Smith, whose attention to detail and commitment to quality are represented throughout this volume of information.

REVENUES

Projected revenues for FY16 include a continuation of the recent trend of austere growth and plentiful reserves. 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 document, continuing the practice established last year of a more detailed and transparent budget document. This year, thanks to the leadership of the Board of Selectmen and the dedication of Finance Director and Project Manager Art Ceurvels, we are pleased and proud to present a budget fully compliant with the tenets of the Government Finance Officers Association (GFOA). Decision makers and the public continue to have a window through which to review, analyze, and question all categories of revenues and local receipts, representing a level of transparency heretofore not seen. This budget will be posted tomorrow on the town's award winning website, and will be submitted for the GFOA's distinguished budget award.

These revenues include a static amount projected in local aid for both schools and municipal services. Consistent with that information and communication with our legislators, we are keeping our local aid estimate constant for next year. In keeping with our conservative approach, however, we will not count on any additional funding unless and until it is approved by the legislature, a process that will likely conclude after Town Meeting.

Overall property tax revenue is projected to increase by the allowable 2 ½ percent in FY16, with a reasonable estimate for new growth, the tax revenue from new construction. The new growth estimate of \$340,000 is a small increase from last year's modest allocation, representing positive trends in commercial and residential construction, most notably along Rte. 53. This follows both our analysis of recent trending and continued robust building permit activity.

Ambulance receipts are projected to continue their strong performance, with last year's total of nearly \$1 million providing a strong foundation for the operational and debt service uses from this important fund. For FY16, we are projecting a more robust use of this fund, sharing the financial burden of ambulance operations between the general fund and this recurring revenue source. The vote of the Selectmen to bring ambulance charges more in line with South Shore communities is enabling us to take a long-term approach to capital replacement. We have conducted a detailed analysis of projected long-term revenues, and will be able to fulfill the Fire Department's capital plan while supporting operational needs for the next decade or more. Comstar, our ambulance billing company, has suggested a modest increase in ambulance billing rates in the coming year.

Local receipts are projected to remain relatively consistent in most categories, although a slight increase in motor vehicle excise tax receipts is projected, consistent with collections from the past several years. 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.

Consistent with the financial policies approved by the Board of Selectmen in December of 2011, this budget continues the practice of weaning the town off of free cash as a funding source for the operating budget. This year, the allocation of free cash has been reduced to zero, a reduction of nearly \$2 million from just a few years ago. This is an historic financial development and an important criteria used by rating agencies when looking at Hanover's bond rating. This budget also captures and fulfills the goals and requirements of these policies for both revenues and expenses.

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 FY16 budget:

- Continues to work within sustainable revenue sources and is balanced;
- Continues to augment the recently established Capital Stabilization Fund as a way to begin to fund annual capital needs through a responsible allocation of free cash and other available funds. This fund is proposed to be further funded with \$100,000 from certified free cash
- Includes a proposed transfer of \$200,000 from accumulated overlay funds to the Stabilization fund, further increasing town reserves. This is not a budget allocation, but will be presented at Town Meeting. It is, however, worthy of mention in this budget document as it represents further fulfillment of the Selectmen's financial policies;
- Continues to seek efficiency and modernization in our daily operations. The requested budget for Community Services includes the establishment of a support position to assist in the ongoing implementation of ViewPermit, the town's online permitting software. As of January 1, 2015, all permitting is completely electronic, representing an operational milestone. This position will update reports for revenue and permit tracking, and will continue to implement and allow for additional online permitting platforms, such as Fire, Public Works, and possibly liquor licensing. This position will also assist in maintaining the website and social media presence and will assist the

Planning Department in modernizing and updating the town's Geographic Information Systems (GIS) platform;

- Keeps our legal spending budget at \$125,000, continuing the savings realized last year through increased internal work;
- Includes the establishment of a School Resource Officer in the Police Department. The creation of this position is the result of extensive and ongoing coordination and collaboration with the School Department, and will fulfill a goal established by the Board of Selectmen in 2013. The addition of one officer will bring the Police Department back to 1999 staffing levels;
- Includes the reduction of 1 FTE in the Finance Department as part of the ongoing process improvement efforts in that department. This will continue the temporary job assignments of Acting Town Accountant and Treasurer, and will save approximately \$25,000 in salary costs and save benefit costs as well;
- Includes a profound and significant contribution and commitment to public education in Hanover. This budget proposes an increase of \$800,000 to the school's operating budget, and commits another \$1.1 million in Town Meeting articles to address special education expenses and the advent of a new math curriculum;
- Accommodates recent agreement on three year collective bargaining agreements for our unions ratified by the Board of Selectmen, implementing a responsible wage and benefit package including annual increases of 2% for most employees; and
- Funds proposed increases in health insurance coverage through the Mayflower Municipal Health Group (MMHG). An increase of between 3-4% is anticipated for FY16, continuing the trend of limited increases, with a four year average of 1%.

CAPITAL SPENDING

Included in this proposal are the capital requests for FY16, as required in the Act, and an update of the entire five year capital plan in accordance with GFOA guidelines. This year's capital items are routine operational items and are all requested to be funded through free cash or existing operational reserves, or borrowing within the levy limit. Each project proposed for FY16 has a detailed project request included in this document.

Our elimination of reliance on free cash to balance the budget and the continued pledge of funds to the capital stabilization fund will allow the town to fulfill its capital needs with minimal impact on property taxes. This sound financial practice provides

a sustainable resource for vehicle and equipment replacement and building maintenance.

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.

This GFOA consistent document is the result of hundreds of hours of work by Finance Director Janine Smith and Project Manager Art Ceurvels. Their dedication and support in the quest for more transparent and open government is remarkable.

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

BUDGET SUMMARIES



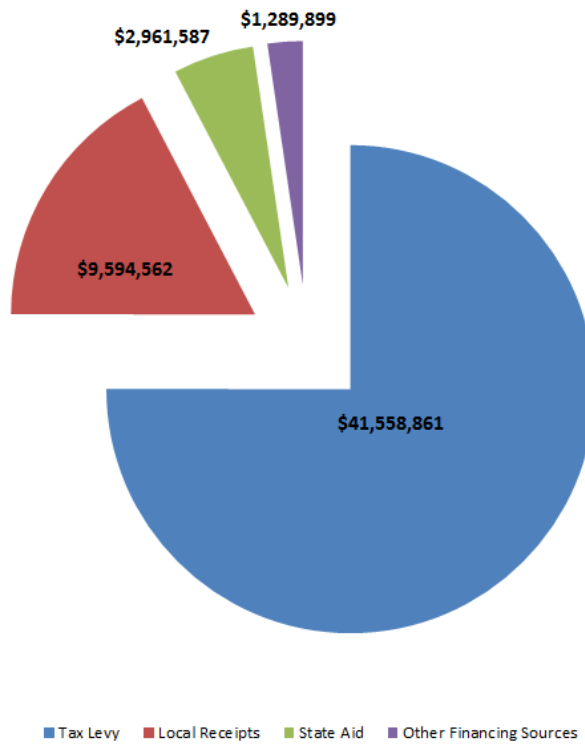
"Hanover, Honoring Yesterday As We Build For Tomorrow"

*Balanced Budget
Summary*

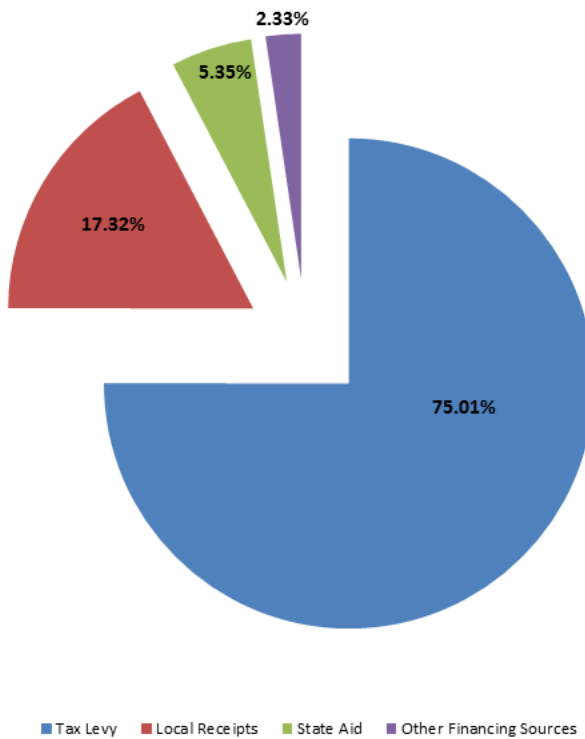
Estimated Revenues

TAX LEVY			
	FY16	FY15	FY14
FY Levy Limit	35,747,973	34,450,915	33,158,341
Add 2.5%	893,699	861,273	828,959
Add Estimated FY New Growth	340,000	240,000	240,000
	36,981,672	35,552,188	34,227,300
FY Excluded Debt			
Scheduled Net Excludable principal and interest payments	4,577,189	3,522,771	2,973,959
Adjusted Levy Limit	41,558,861	39,074,959	37,201,259
STATE AID			
	FY16	FY15	FY14
Net of Public Libraries/School Lunch Direct Expenditure	8,705,980	8,553,514	8,445,510
MSBA School Project	888,582	888,582	888,582
Total State Aid	9,594,562	9,442,096	9,334,092
LOCAL RECEIPTS			
	FY16	FY15	FY14
Motor Vehicle	1,982,228	1,755,525	1,575,000
Other Excise - Boat	860	1,000	1,000
Penalties & Interest on Taxes and Excises	90,000	90,000	90,000
Urban Redevelopment	-	-	67,500
Fees	313,043	312,671	395,400
Rentals/Leases	35,000	27,500	27,500
Licenses and Permits	417,886	447,588	348,500
Fines and Forfeits	87,570	84,250	62,000
Investment Income	35,000	35,000	35,000
Miscellaneous - Recurring	-	30,000	30,000
Total Local Receipts	2,961,587	2,783,534	2,631,900
OTHER FINANCING SOURCES			
	FY16	FY15	FY14
Indirect Costs - Water Enterprise	358,739	358,739	358,739
Cemetery Graves & Foundations Account	65,000	65,000	65,000
Sale of Cemetery Lots	10,000	10,000	10,000
Title V Receipts Reserved Account	40,865	32,851	28,288
Conservation Receipts Reserved Account	-	-	10,000
Ambulance Receipts Reserved Account	815,295	675,095	675,095
Community Preservation Fund - Debt Service	-	466,375	481,650
Undesignated Fund Balance/Free Cash	-	250,000	460,166
Total OFS	1,289,899	1,858,060	2,088,938
TOTAL ESTIMATED REVENUES	55,404,909	53,158,649	51,256,189

**FY 2016
Estimated Revenue**



**FY 2016
% of Estimated Revenue**

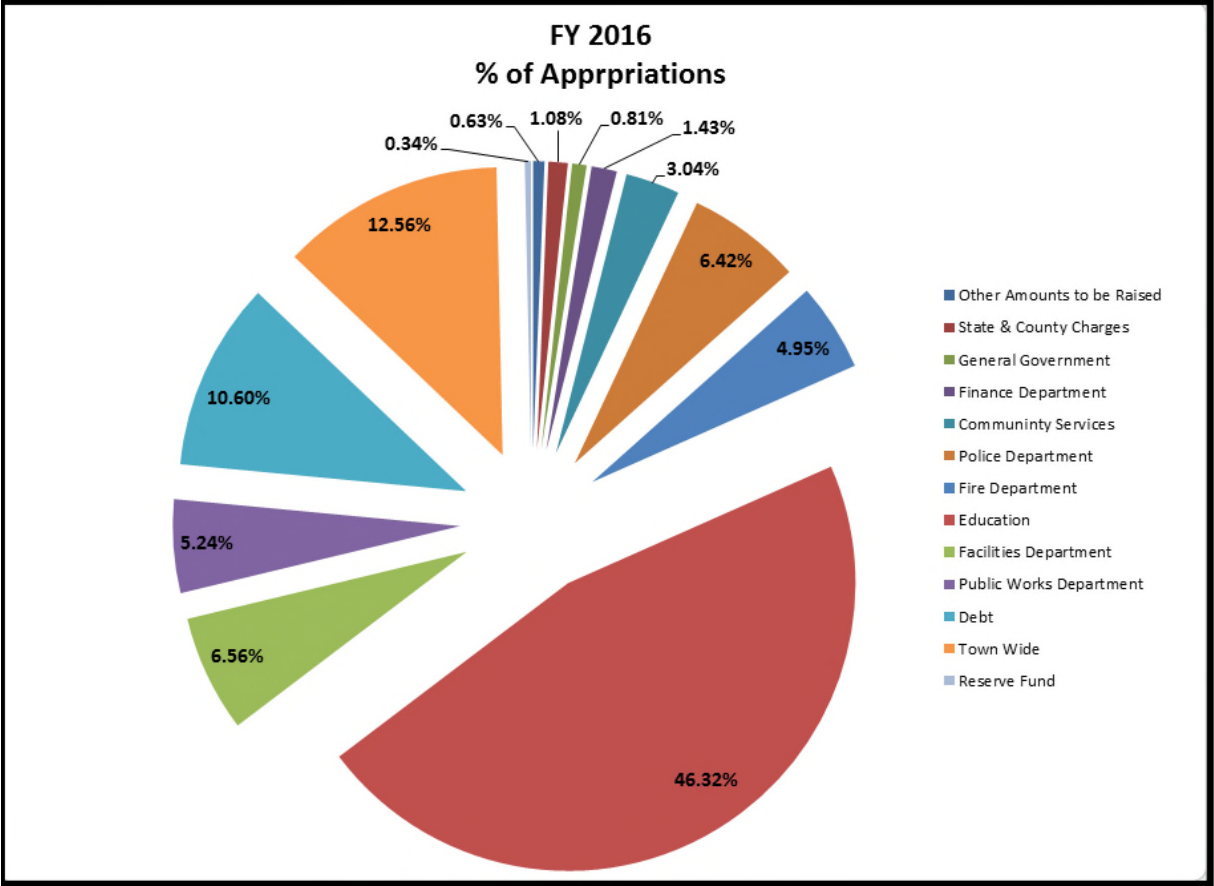
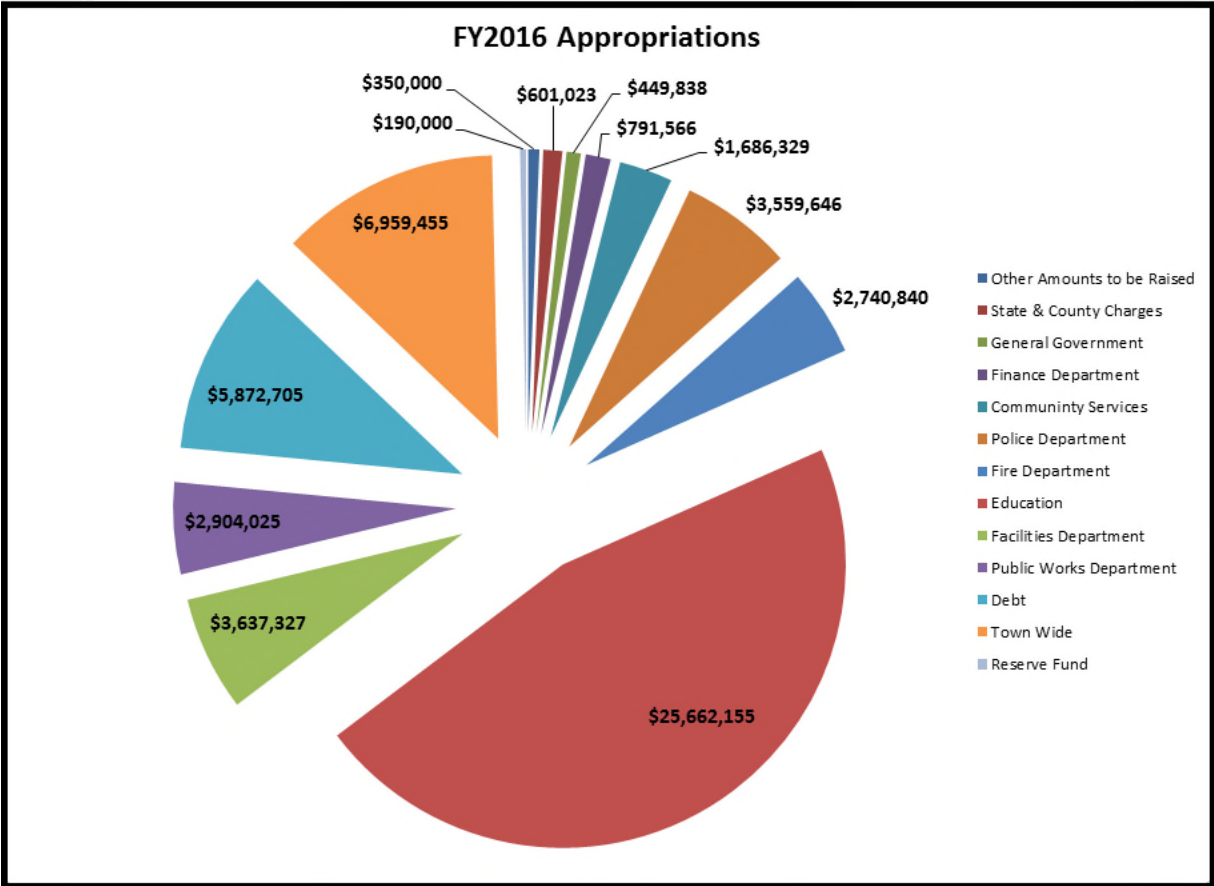


Appropriations

OTHER AMOUNTS TO BE RAISED			
	FY16	FY15	FY14
Assessor's Annual Overlay Reserve	350,000	350,000	250,000
Total Other Amounts	350,000	350,000	250,000
STATE & COUNTY CHARGES			
	FY16	FY15	FY14
County Assessments	49,656	48,445	48,445
State Assessments	69,868	66,687	72,099
Transportation Assessments	92,280	90,864	90,864
Tuition Assessments	389,219	362,950	362,202
Total Assessments	601,023	568,946	573,610
GENERAL GOVERNMENT			
	FY16	FY15	FY14
Town Manager	294,838	292,744	282,461
Legal Services	125,000	125,000	134,900
Central Office Supply - Town Hall	30,000	20,275	-
Total General Government	449,838	438,019	417,361
FINANCE DEPARTMENT			
	FY16	FY15	FY14
Accounting	164,318	170,232	178,199
Assessors	136,839	159,853	179,913
Treasurer/Collector	328,584	308,963	307,664
Information Technology	0	0	270,368
Advisory Committee	4,254	4,250	5,000
Town Clerk	103,416	107,121	95,408
Elections & Town Meeting	25,155	27,872	27,300
Registrars	29,000	38,200	58,419
Total Finance Department	791,566	816,491	1,122,271
COMMUNITY SERVICES			
	FY16	FY15	FY14
Municipal Inspections	715,219	636,170	616,376
Visiting Nurse Association	105,509	102,400	110,267
Council on Aging	195,936	201,102	194,369
Veterans Services	149,360	127,712	111,781
John Curtis Library	520,305	518,597	514,942
Total Community Services	1,686,329	1,585,981	1,547,735
POLICE			
	FY16	FY15	FY14
Police	2,936,195	2,822,272	2,722,269
Animal Control	28,551	27,756	18,154
Communications	594,900	597,432	571,431
Total Police	3,559,646	3,447,460	3,311,854
FIRE			
	FY16	FY15	FY14
Fire	2,735,840	2,659,070	2,554,439
Emergency Management	5,000	5,000	5,100
Total Fire	2,740,840	2,664,070	2,559,539

Appropriations

EDUCATION			
	FY16	FY15	FY14
Hanover Public Schools	24,920,443	24,092,579	22,725,422
South Shore Vocational School	741,712	719,259	685,008
Total Education	25,662,155	24,811,838	23,410,430
FACILITIES DEPARTMENT			
	FY16	FY15	FY14
Facilities Department	3,637,327	3,445,080	3,309,274
Total Facilities	3,637,327	3,445,080	3,309,274
PUBLIC WORKS DEPARTMENT			
	FY16	FY15	FY14
DPW Administration	273,370	259,963	233,800
Highway	570,833	543,000	526,810
Snow & Ice	387,000	387,000	387,000
Street Lighting	61,000	61,000	61,000
Nextel	-	-	11,500
Public Grounds	398,303	375,400	362,624
Transfer Station	931,519	886,601	914,500
Town Gas Pump	282,000	282,000	282,000
Total Public Works Department	2,904,025	2,794,964	2,779,234
DEBT			
	FY16	FY15	FY14
Long Term Principal	3,790,568	3,455,868	3,415,872
Long Term Interest	2,027,411	1,584,965	1,677,260
Short Term Interest	44,726	132,481	105,955
Issuance Costs	10,000	-	-
Total Debt	5,872,705	5,173,314	5,199,087
TOWN WIDE			
	FY16	FY15	FY14
Pension/Retirement	3,279,033	3,055,267	2,836,018
Workers Compensation	177,558	191,134	203,699
Unemployment	125,000	150,000	220,000
Health Insurance	3,092,532	2,983,348	2,984,764
Life Insurance	5,480	10,500	14,900
Education Benefits	3,000	3,000	6,000
Employee Medical	25,000	37,945	37,945
Risk Management	217,352	206,645	243,468
Town Audit	34,500	34,500	39,000
Total Town wide	6,959,455	6,672,339	6,585,794
TRANSFERS			
	FY16	FY15	FY14
Advisory Committee Reserve Fund	190,000	190,000	190,000
Total Transfers	190,000	190,000	190,000
TOTAL APPROPRIATIONS	55,404,909	52,958,502	51,256,189



*Revenue Budget
Summaries*

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 \$2,246,260 from \$53,158,649 to \$55,404,909 or 4.23%.

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 FY16 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 has just concluded 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.

Description	FY12	FY13	FY14	FY15	FY16
Prior Year Levy Limit	30,841,185	31,914,258	33,158,341	34,450,915	35,747,973
ADD Amended Prior Year Growth	-	-	-	-	-
ADD 2.5%	771,030	797,856	828,959	861,273	893,699
ADD Current Year New Growth	302,043	446,227	463,615	435,785	340,000
ADD Current Year Override	-	-	-	-	-
Levy Limit	31,914,258	33,158,341	34,450,915	35,747,973	36,981,672
Fiscal Year Debt Exclusions	2,187,354	2,975,508	3,523,614	3,522,771	4,577,189
Maximum Allowable Levy	34,101,612	36,133,849	37,974,529	39,270,744	41,558,861

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.

	FY12	FY13	FY14	FY15	FY16
Estimated New Growth	240,000	240,000	240,000	240,000	340,000
Actual New Growth Certified	302,043	446,227	463,615	435,785	TBD
Actual Over Estimated	62,043	206,227	223,615	195,785	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.

Date of Ballot Vote	Purpose of Exclusion Vote	Date of Original Note/Bond	Original Issue Amount	Temporary or Permanent	FY16		Net Excluded Debt Service
					Gross Debt Service Excludable	Reimb/Adjust	
2/26/1996	Library	6/15/2001	1,160,000.00	P	147,200	-	147,200
5/10/1997	Police Station	5/15/1998	1,181,000.00	P	189,020	-	189,020
9/15/1998	Middle School	6/15/2001	12,770,000.00	P	1,112,350	373,840	738,510
5/9/2008	Senior Center	5/15/2009	3,000,000.00	P	223,308	3,596	219,711
5/9/2008	Senior Center	9/15/2011	900,000.00	P	75,769	4,249	71,520
9/16/2008	High School	9/15/2011	8,000,000.00	P	673,500	37,768	635,732
9/16/2008	High School	5/15/2009	16,000,000.00	P	1,193,923	19,232	1,174,691
9/16/2008	High School	9/11/2014	6,000,000.00	P	654,354	104,956	549,398
9/16/2008	High School II	9/11/2014	210,000.00	P	27,326	3,802	23,524
9/16/2008	High School	9/12/2014	1,476,698.00	T	14,726	2,383	12,343
5/7/2011	Road Reconstruction	9/15/2011	3,000,000.00	P	310,088	19,022	291,066
5/7/2011	Road Reconstruction	9/11/2014	4,600,000.00	P	629,947	105,473	524,474
TOTALS					5,251,509	674,321	4,577,189

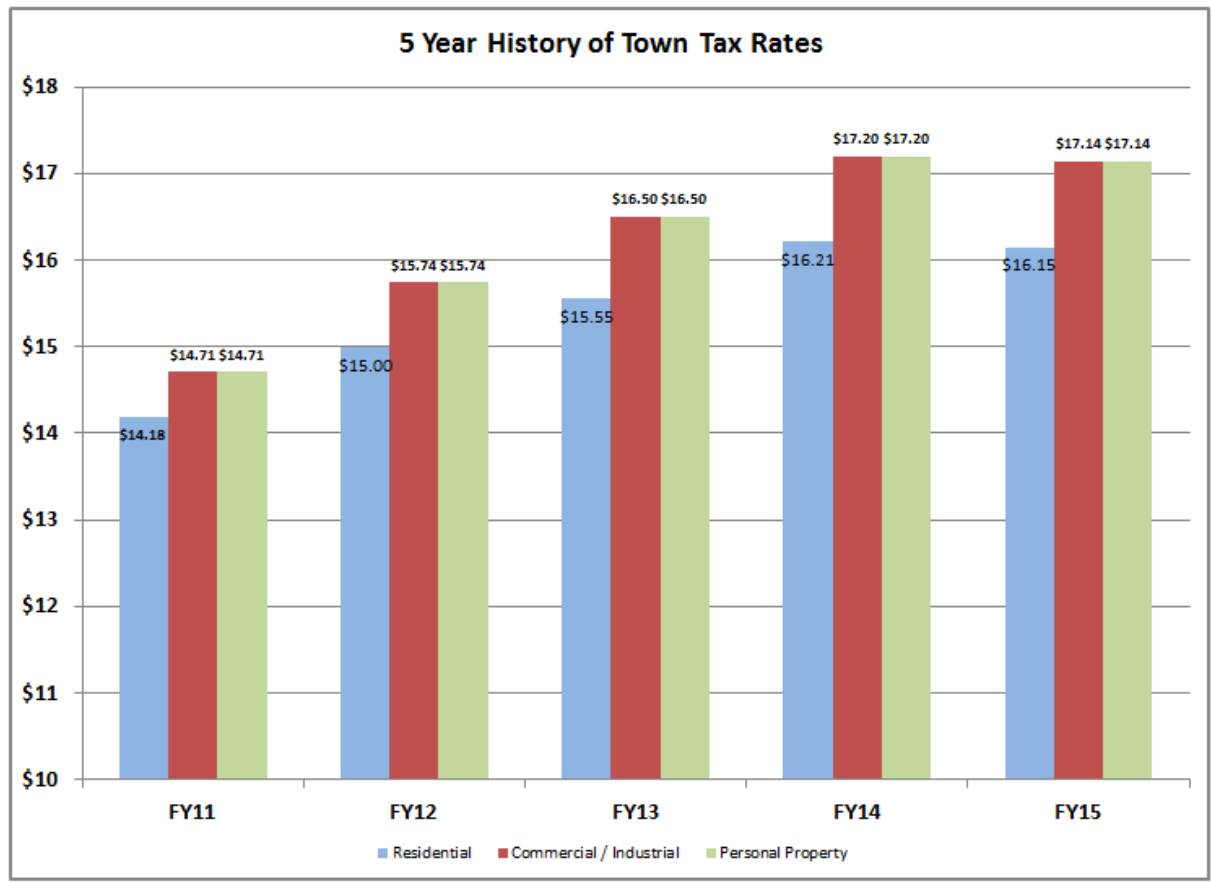
As noted above, the levy limit may be less than or equal to the levy ceiling. If the amount appropriated by the community is less than the levy limit, there is excess levy capacity. This is an additional amount that could have been raised in taxes but was not. Below is the excess levy capacity for the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

Fiscal Year	Maximum Allowable Levy	Excess Capacity	Tax Levy
2015	\$ 39,270,745	\$ 596,383	\$ 38,674,362
2014	\$ 37,974,529	\$ 1,018,561	\$ 36,955,968
2013	\$ 36,133,849	\$ 134,439	\$ 35,999,410
2012	\$ 34,101,612	\$ 2,852	\$ 34,098,760
2011	\$ 32,414,154	\$ 29,490	\$ 32,384,664

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. As this chart illustrates, the Town's tax rate has increased from the FY11 rates for all categories through FY14. 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				
	FY11	FY12	FY13	FY14	FY15
Residential	14.18	15.00	15.55	16.21	16.15
Commercial	14.71	15.74	16.50	17.20	17.14
Industrial	14.71	15.74	16.50	17.20	17.14
Personal Property	14.71	15.74	16.50	17.20	17.14



The Town has experienced excellent collection rates in the past. 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
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%
2012	34,098,760	60,954	11,181	34,026,625	33,473,640	98.37%

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 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.

Description	ACTUAL REVENUE			Estimated FY15	Estimated FY16
	FY12	FY13	FY14		
Motor Vehicle Excise	1,875,441	1,930,714	2,332,033	1,785,525	1,982,228

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.

Description	ACTUAL REVENUE			Estimated FY15	Estimated FY16
	FY12	FY13	FY14		
Boat Excise	1,115	1,149	860	1,000	860

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.

Description	ACTUAL REVENUE			Estimated FY15	Estimated FY16
	FY12	FY13	FY14		
Penalties & Interest on Taxes and Excise	152,694	121,678	128,712	90,000	90,000

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.

Description	ACTUAL REVENUE			Estimated FY15	Estimated FY16
	FY12	FY13	FY14		
Town Clerk Fees	9,078	5,365	2,659	4,560	2,250
Municipal Lien Certificate Fees	33,400	-	19,800	20,185	19,800
Treasurer Demands and Fees	35,899	62,571	50,552	53,719	42,950
Sealer of Weights	6,970	4,585	7,232	4,000	6,150
Transfer Station	144,844	122,736	103,670	104,326	100,000
Board of Health	20,074	16,608	20,972	20,000	17,826
Deputy Tax Collector Fees	26,581	24,375	929	-	-
Street Openings	4,600	3,450	3,850	2,933	3,273
Off Duty Detail Admin Fees	34,112	25,756	39,587	31,893	33,649
Passport Fees	2,545	36,382	36,415	35,000	35,000
Selectmen Fees	415	1,297	-	-	-
Treasurer/Collector Fees	3,704	1,985	1,036	1,687	1,000
Board of Assessors	1,815	1,551	1,296	1,318	1,100
Conservation Fees	14,009	12,186	12,138	10,358	10,300
Planning Board	32,848	21,079	40,970	27,917	28,000
Board of Appeals	4,100	2,259	4,319	1,920	3,675
Police Department Fees	14,531	4,460	5,678	3,791	4,825
School Department Fees	97	214	567	-	-
Animal Control Fees	-	-	1,225	-	-
DPW Fees	-	100	-	-	-
Building Department Fees	2,334	10,664	3,819	9,064	3,245
Flu Clinic Fees	9,723	2,530	-	-	-
Subtotal	401,678	360,153	356,714	332,671	313,043

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. The monthly amount increases each September by 3%. The current amount per month is \$2,938.84 which will result in an increase to \$3,027 for ten (10) months of FY16.

Description	ACTUAL REVENUE			Estimated FY15	Estimated FY16
	FY12	FY13	FY14		
Lease Receipts	32,117	27,540	34,073	27,500	35,000

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.

Description	ACTUAL REVENUE			Estimated FY15	Estimated FY16
	FY12	FY13	FY14		
Alcoholic Beverage Licenses	49,075	46,560	46,625	41,500	41,500
Selectmen Licenses	35,100	28,225	17,815	16,000	15,000
Dog Licenses	3,135	3,710	8,580	3,154	7,275
Board of Health Licenses	150	2,010	5,025	1,709	4,271
Town Clerk Licenses	800	5,230	16,150	4,446	13,725
Police Permits	4,188	6,800	4,838	5,780	4,115
Fire Permits	18,705	20,644	19,408	16,000	14,450
Building Permits	232,356	321,847	173,331	205,000	205,000
Plumbing Permits	34,010	29,676	23,629	22,000	20,000
Gas Permits	13,905	16,160	15,405	13,000	13,000
Wiring Permits	37,000	44,564	41,424	32,000	32,000
Board of Health Permits	70,721	79,240	55,997	67,000	47,550
Selectmen Permits	425	-	-	-	-
Subtotal	499,569	604,666	428,227	427,588	417,886

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.

Description	ACTUAL REVENUE			Estimated FY15	Estimated FY16
	FY12	FY13	FY14		
District Court	15,736	17,649	13,921	15,001	11,800
Parking Clerk	3,591	2,337	4,837	2,500	4,100
Surcharge R.M.V.	10,100	11,798	11,790	10,028	10,000
Dog Fines	1,600	1,925	1,225	-	-
Library Fines	11,325	11,324	10,079	10,000	8,500
Motor Vehicle	51,888	47,215	53,013	40,133	45,000
By Law Violations	125	-	-	-	-
Marijuana Citations		2,100	1,700	1,785	1,445
False Alarms - Public Safety	5,455	5,650	7,910	4,803	6,725
Subtotal	99,819	99,998	104,475	84,250	87,570

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.

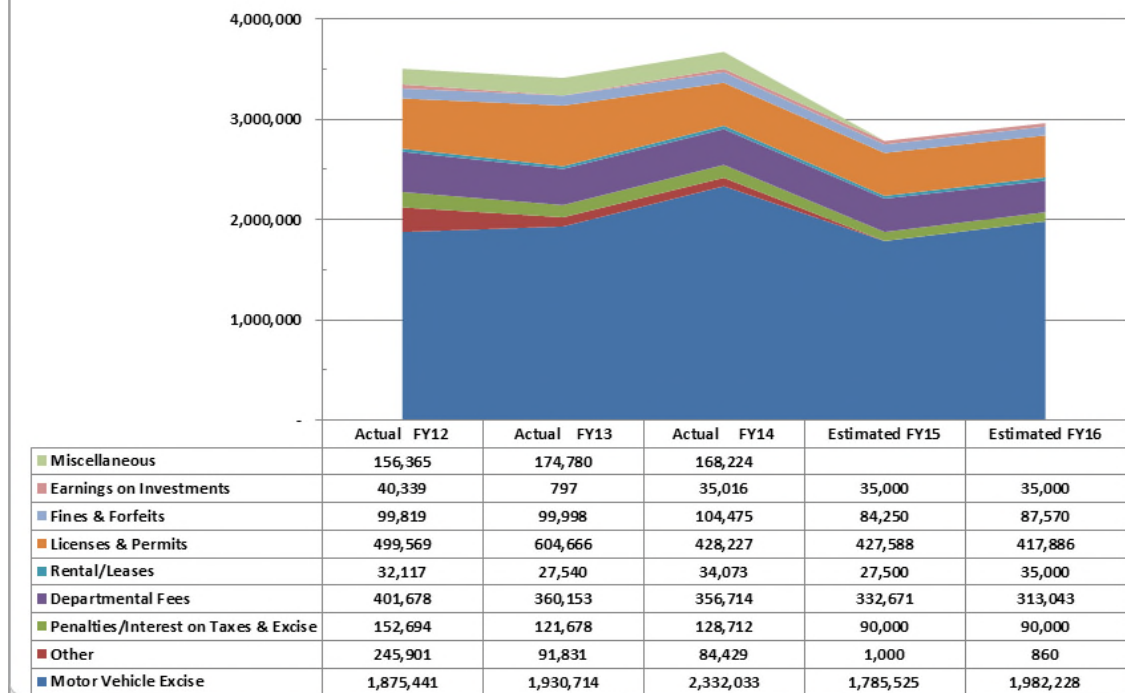
Description	ACTUAL REVENUE			Estimated FY15	Estimated FY16
	FY12	FY13	FY14		
Earnings on Investments	40,174	797	35,016	35,000	35,000
Earnings on Investments - Stab	165	-	-	-	-
Dividends	106,127	-	-	-	-
Subtotal	146,466	797	35,016	35,000	35,000

Summary of Local Receipts

Description	ACTUAL REVENUE			Estimated FY15	Estimated FY16
	FY12	FY13	FY14		
Motor Vehicle Excise	1,875,441	1,930,714	2,332,033	1,785,525	1,982,228
Boat Excise	1,115	1,149	860	1,000	860
Penalties & Interest on Taxes and Excise	152,694	121,678	128,712	90,000	90,000
PILOT payments	94,371	28,390	-	-	-
Urban Redevelopment	150,415	62,292	83,569	-	-
Subtotal	2,274,035	2,144,223	2,545,174	1,876,525	2,073,088
Town Clerk Fees	9,078	5,365	2,659	4,560	2,250
Municipal Lien Certificate Fees	33,400	-	19,800	20,185	19,800
Treasurer Demands and Fees	35,899	62,571	50,552	53,719	42,950
Sealer of Weights	6,970	4,585	7,232	4,000	6,150
Transfer Station	144,844	122,736	103,670	104,326	100,000
Board of Health	20,074	16,608	20,972	20,000	17,826
Deputy Tax Collector Fees	26,581	24,375	929	-	-
Street Openings	4,600	3,450	3,850	2,933	3,273
Off Duty Detail Admin Fees	34,112	25,756	39,587	31,893	33,649
Passport Fees	2,545	36,382	36,415	35,000	35,000
Selectmen Fees	415	1,297	-	-	-
Treasurer/Collector Fees	3,704	1,985	1,036	1,687	1,000
Board of Assessors	1,815	1,551	1,296	1,318	1,100
Conservation Fees	14,009	12,186	12,138	10,358	10,300
Planning Board	32,848	21,079	40,970	27,917	28,000
Board of Appeals	4,100	2,259	4,319	1,920	3,675
Police Department Fees	14,531	4,460	5,678	3,791	4,825
School Department Fees	97	214	567	-	-
Animal Control Fees	-	-	1,225	-	-
DPW Fees	-	100	-	-	-
Building Department Fees	2,334	10,664	3,819	9,064	3,245
Ftu Clinic Fees	9,723	2,530	-	-	-
Subtotal	401,678	360,153	356,714	332,671	313,043

Description	ACTUAL REVENUE			Estimated FY15	Estimated FY16
	FY12	FY13	FY14		
Lease Receipts	32,117	27,540	34,073	27,500	35,000
Alcoholic Beverage Licenses	49,075	46,560	46,625	41,500	41,500
Selectmen Licenses	35,100	28,225	17,815	16,000	15,000
Dog Licenses	3,135	3,710	8,580	3,154	7,275
Board of Health Licenses	150	2,010	5,025	1,709	4,271
Town Clerk Licenses	800	5,230	16,150	4,446	13,725
Police Permits	4,188	6,800	4,838	5,780	4,115
Fire Permits	18,705	20,644	19,408	16,000	14,450
Building Permits	232,356	321,847	173,331	205,000	205,000
Plumbing Permits	34,010	29,676	23,629	22,000	20,000
Gas Permits	13,905	16,160	15,405	13,000	13,000
Wiring Permits	37,000	44,564	41,424	32,000	32,000
Board of Health Permits	70,721	79,240	55,997	67,000	47,550
Selectmen Permits	425	-	-	-	-
Subtotal	499,569	604,666	428,227	427,588	417,886
District Court	15,736	17,649	13,921	15,001	11,800
Parking Clerk	3,591	2,337	4,837	2,500	4,100
Surcharge R.M.V.	10,100	11,798	11,790	10,028	10,000
Dog Fines	1,600	1,925	1,225	-	-
Library Fines	11,325	11,324	10,079	10,000	8,500
Motor Vehicle	51,888	47,215	53,013	40,133	45,000
By Law Violations	125	-	-	-	-
Marijuana Citations		2,100	1,700	1,785	1,445
False Alarms - Public Safety	5,455	5,650	7,910	4,803	6,725
Subtotal	99,819	99,998	104,475	84,250	87,570
Earnings on Investments	40,339	797	35,016	35,000	35,000
Dividends	106,127	-	-	-	-
Subtotal	146,466	797	35,016	35,000	35,000
Miscellaneous	50,238	174,780	168,224	-	-
Total Local Receipts	3,503,923	3,412,157	3,671,903	2,783,534	2,961,587

LOCAL RECEIPTS HISTORY



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 FY16 budget process, the Town forecasted no increase over the reported amount for FY15.

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			FY15 Per Cherry Sheet	Estimated FY16
	FY12	FY13	FY14		
School Aid (Ed Reform) Ch.70	5,967,516	6,460,514	6,526,114	6,590,764	6,590,764

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			FY15 Per Cherry Sheet	Estimated FY16
	FY12	FY13	FY14		
Unrestricted Gov't Aid	1,791,747	1,791,747	1,834,100	1,884,963	1,884,963

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			FY15 Per Cherry Sheet	Estimated FY16
	FY12	FY13	FY14		
Charter School Assessment Reimbursement	41,770	35,255	47,282	73,591	73,591

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			FY15 Per Cherry Sheet	Estimated FY16
	FY12	FY13	FY14		
Veterans' Benefits	46,153	57,293	63,304	82,334	82,334

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			FY15 Per Cherry Sheet	Estimated FY16
	FY12	FY13	FY14		
Exemptions: Vets, Blind & Surviving Spouse & Elderly	66,130	14,072	67,393	67,393	67,393

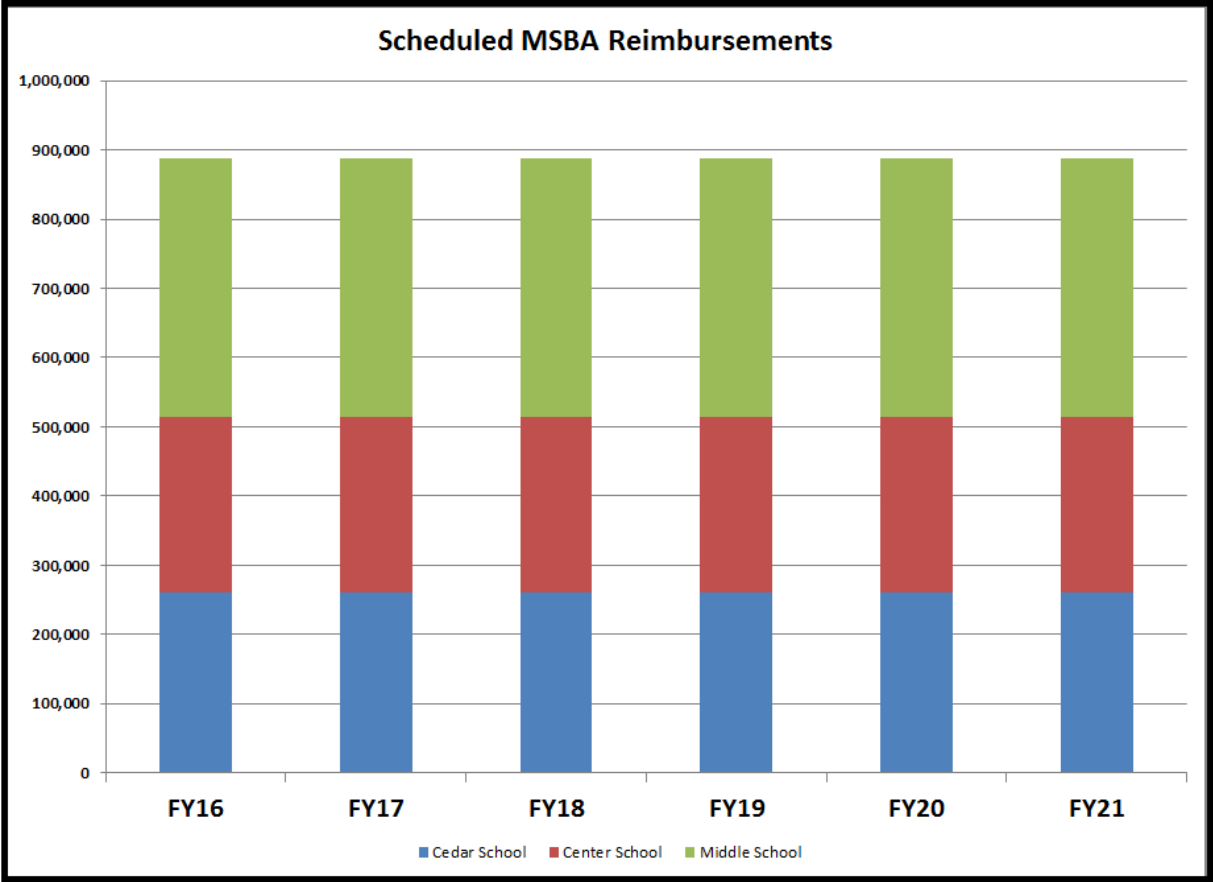
State Owned Land – To reimburse the municipality for foregone tax revenue due to certain types of tax exempt state-owned land. This revenue is received monthly.

Description	ACTUAL REVENUE			FY15 Per Cherry Sheet	Estimated FY16
	FY12	FY13	FY14		
State Owned Land	6,535	6,537	6,666	6,935	6,935

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.

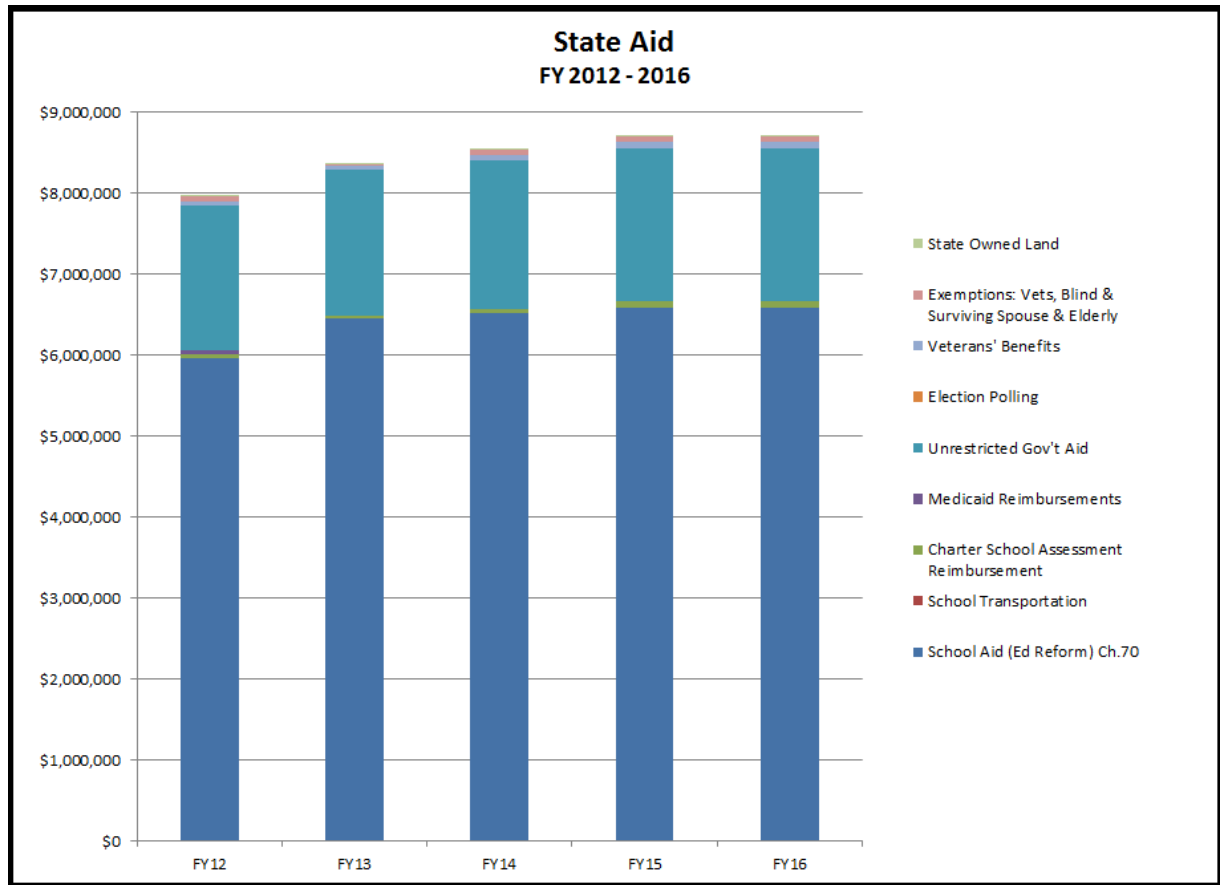
Prior to the creation of the MSBA the Town of Hanover had three projects for which it was receiving annual assistance from the State to help pay off the bonds associated with the construction. The MSBA continued with funding this annual obligation and it is expected that the Town will receive the assistance 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.

Project	FY16	FY17	FY18	FY19	FY20	FY21
Cedar School	(259,765)	(259,765)	(259,765)	(259,765)	(259,765)	(259,765)
Center School	(254,977)	(254,977)	(254,977)	(254,977)	(254,977)	(254,977)
Middle School	(373,840)	(373,840)	(373,840)	(373,840)	(373,840)	(373,840)
Total State Aid	(888,582)	(888,582)	(888,582)	(888,582)	(888,582)	(888,582)



Summary of State Aid

Description	ACTUAL REVENUE			FY15 Per Cherry Sheet	Estimated FY16
	FY12	FY13	FY14		
School Aid (Ed Reform) Ch.70	5,967,516	6,460,514	6,526,114	6,590,764	6,590,764
School Transportation		1,972	-	-	-
Charter School Assessment Reimbursement	41,770	35,255	47,282	73,591	73,591
Medicaid Reimbursements	46,908				
Subtotal	6,056,194	6,497,741	6,573,396	6,664,355	6,664,355
Unrestricted Gov't Aid	1,791,747	1,791,747	1,834,100	1,884,963	1,884,963
Police Career Incentive	-	-	-	-	-
Election Polling	1,688	3,376	-	-	-
Veterans' Benefits	46,153	57,293	63,304	82,334	82,334
Exemptions: Vets, Blind & Surviving Spouse & Elderly	66,130	14,072	67,393	67,393	67,393
State Owned Land	6,535	6,537	6,666	6,935	6,935
Subtotal	1,912,253	1,873,025	1,971,463	2,041,625	2,041,625
<i>State Aid available for budget purposes</i>	<i>7,968,447</i>	<i>8,370,766</i>	<i>8,544,859</i>	<i>8,705,980</i>	<i>8,705,980</i>
MSBA School Project	888,582	888,582	888,582	888,582	888,582
Total State Revenue	8,857,029	9,259,348	9,433,441	9,594,562	9,594,562



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. 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.

Description	ACTUAL REVENUE			Budget FY15	Estimated FY16
	FY12	FY13	FY14		
Ambulance Receipts:					
Salaries	375,000	387,700	511,695	511,695	642,895
Expenses	88,050	88,050	105,050	89,850	108,050
Debt	65,275	77,150	75,350	73,550	64,350
Subtotal	528,325	552,900	692,095	675,095	815,295

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			Budget FY15	Estimated FY16
	FY12	FY13	FY14		
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
Subtotal	75,000	75,000	75,000	75,000	75,000

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			Budget FY15	Estimated FY16
	FY12	FY13	FY14		
Title V Septic Betterment	10,872	10,872	28,288	32,851	40,865

Wetland Protection Fees Ch.131 Section 40 – A fee related to filing a notice of intent to remove, fill, dredge or alter certain conservation areas. Such fee is determined on a sliding scale basis after consultation with the secretary of environmental affairs. Fifty percent of the filing fee in excess of twenty-five dollars shall be sent to the department of environmental protection. The remainder of the fee is retained by the Town and may be used for the performance of their duties under this chapter of the law. The Conservation expenses for the Town are within the Department of Municipal Inspections budget.

Description	ACTUAL REVENUE			Budget FY15	Estimated FY16
	FY12	FY13	FY14		
Wetlands Protection Fund					
Salaries	9,000	9,000	9,000		
Expenses	1,000	1,000	1,000		
Subtotal	10,000	10,000	10,000		

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, CPA related debt obligations will also be accounted for within the CPA fund itself and no longer budgeted or paid from the General Fund.

Description	ACTUAL REVENUE			Budget FY15	Estimated FY16
	FY12	FY13	FY14		
Community Preservation Fund					
Administrative budget	45,564	45,755			
Indirect	2,803	2,890			
Debt	354,681	491,831	481,650	466,375	
Subtotal	403,048	540,476	481,650	466,375	

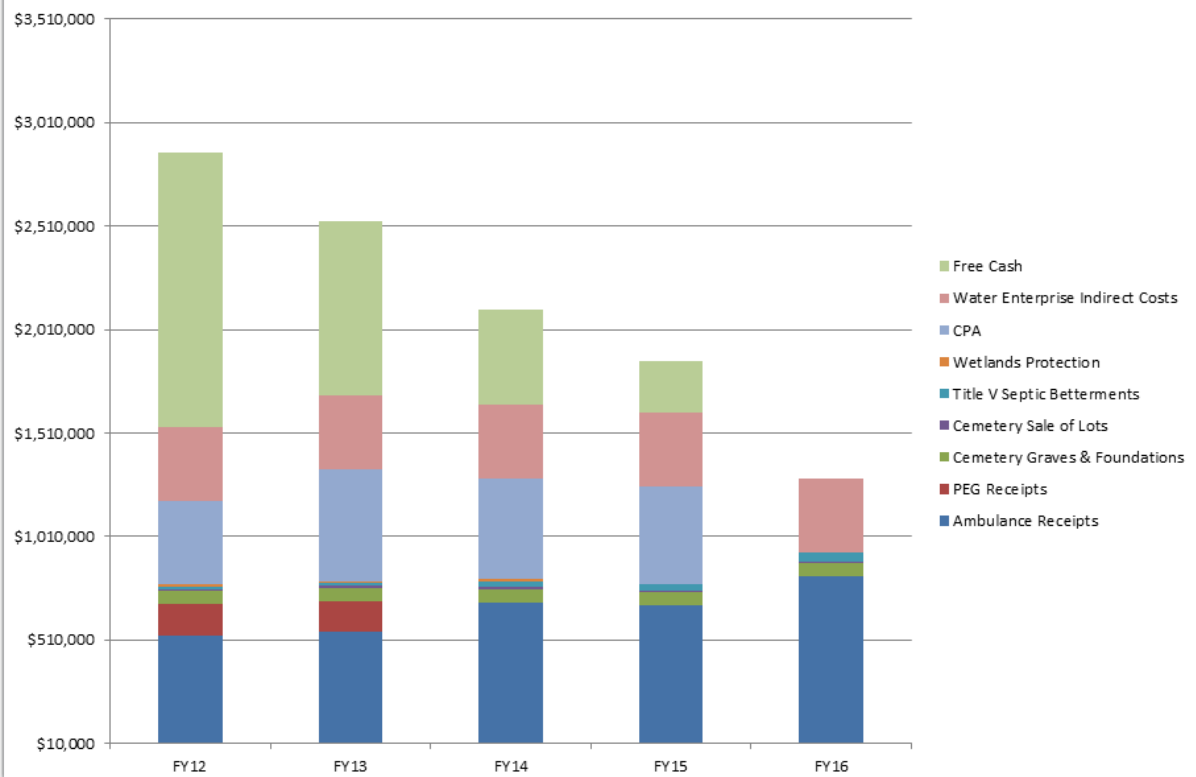
Water Indirect Costs – The Water Enterprise Fund is financed by water related fees and user charges. The enterprise fund reimburses the General Fund for costs associated with a variety of the Town services, including those offered by Technology, Accounting, Town Manager, Treasurer/Collector and Town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

Description	FY12	FY13	FY14	FY15	FY16
Water Enterprise Indirect Costs	358,416	358,739	358,739	358,739	358,739

Summary of Other Financing Sources

Description	ACTUAL REVENUE			Budget FY15	Estimated FY16
	FY12	FY13	FY14		
Ambulance Receipts:					
Salaries	375,000	387,700	511,695	511,695	642,895
Expenses	88,050	88,050	105,050	89,850	108,050
Debt	65,275	77,150	75,350	73,550	64,350
PEG Access Receipts:					
Salaries	59,448	91,369			
Expenses	85,900	43,800			
Indirect	8,781	9,415			
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	10,872	10,872	28,288	32,851	40,865
Wetlands Protection Fund					
Salaries	9,000	9,000	9,000		
Expenses	1,000	1,000	1,000		
Community Preservation Fund					
Administrative budget	45,564	45,755			
Indirect	2,803	2,890			
Debt	354,681	491,831	481,650	466,375	
Water Enterprise Indirect Costs	358,416	358,739	358,739	358,739	358,739
Overlay Surplus					
Undesignated F/B	1,327,366	840,682	460,166	250,000	-
Totals	2,867,156	2,533,253	2,105,938	1,858,060	1,289,899

Other Financial Sources FY 2012 - 2016



***Expenditure Budget
Summaries***

Expenditure Budget Summaries

The following are the key changes of significance:

General Government	<p><u>Selectmen/Town Manager's Office</u> The FY 2016 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 employment contract, and a performance bonus granted at the discretion of the Board of Selectmen. The salary for the Executive Assistant has been adjusted to reflect a greater and more detailed role in the town's human resource function and oversight of the daily activities in the Selectmen's Office, as well as overall responsibility for maintenance of the Executive portions of the town's website.</p> <p><u>Legal</u> The legal budget remains level from last year's allocation, continuing the recent practice of performing routine document preparation in-house, an initiative that saved more than \$25,000 last fiscal year.</p> <p><u>Central Office Supply</u> The centralization of the purchase and distribution of office supplies was initiated last year. This budget request reflects the continuation of this effort.</p>
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GENERAL GOVERNMENT SUMMARY							
Office	FY2013 Expended	FY2014 Expended	FY2015 Budget	FY2015 Expended	FY2016 Town Manager Rec	\$ Change	% Change
Town Manager/BOS	\$280,985	\$ 295,174	\$292,744	\$ 138,878	\$ 294,838	\$ 2,094	0.71%
Legal Services	\$ 83,386	\$ 86,723	\$125,000	\$ 40,986	\$ 125,000	\$ -	0.00%
Central Office Supply/Town Hall	\$ -	\$ -	\$ 20,275	\$ 11,273	\$ 30,000	\$ 9,725	47.96%
General Government Total	\$364,371	\$381,897	\$438,019	\$ 191,137	\$ 449,838	\$ 11,819	2.70%

Finance Department	<p><u>Accounting</u> The Accounting office budget for the first time is representing only 50% of the Director of Finance position's salary. It is also increasing the hours of the Accounts Payable clerk from 20 to 35. The combination of the two changes is resulting in a net decrease of -5.54% in salaries. The assumption was made that postage will most likely rise again over the next year. The budgeted amount increased from \$4,000 to \$6,000.</p>
	<p><u>Assessors</u> The triennial revaluation took place during FY15 and the majority of costs were carried in the Other Contracted Services line of this budget. There is a drastic reduction in this line of \$28,000.</p>
	<p><u>Treasurer/Collector</u> The Treasurer/Collector budget for the first time is representing 50% of the Director of Finance position's salary. This position is also the Acting Treasurer/Collector. The clerical salary line denotes an additional salary this year.</p>
	<p><u>Town Clerk</u> The slight reduction in salaries is due to the presentation of positions in this budget versus last year.</p>
	<p><u>Elections & Town Meetings</u> This budget is slightly down from the FY15 request based on the experience of the recent elections. The man power needed is more accurate and other expenses were reduced based on actual expenditures in FY15.</p>
	<p><u>Registrars</u> There is a sizable reduction in expenses compared to last year. The FY15 budget represented \$15,000 in funds to outsource certain tasks. These tasks will remain within the office and be completed by the current staff. The funding is not needed this year.</p>

FINANCE DEPARTMENT SUMMARY							
Office	FY2013 Expended	FY2014 Expended	FY2015 Budget	FY2015 Expended	FY2016 Town Manager Rec	\$ Change	% Change
Accounting	\$516,308	\$ 175,077	\$170,232	\$ 71,481	\$ 164,318	\$ (5,914)	-3.47%
Assessors	\$151,461	\$ 138,581	\$159,853	\$ 65,975	\$ 136,839	\$ (23,014)	-14.39%
Treasurer/Collector	\$ -	\$ 266,891	\$308,963	\$ 158,479	\$ 328,584	\$ 19,621	6.35%
Advisory Committee	\$ -	\$ 3,194	\$ 4,250	\$ 671	\$ 4,254	\$ 4	0.09%
Town Clerk	\$ 95,846	\$ 97,354	\$107,121	\$ 51,315	\$ 103,416	\$ (3,705)	-3.45%
Elections & Town Meeting	\$ 33,007	\$ 24,404	\$ 27,872	\$ 24,996	\$ 25,155	\$ (2,717)	-9.74%
Registrars	\$ 46,453	\$ 27,376	\$ 38,200	\$ 15,762	\$ 29,000	\$ (9,200)	-24.08%
Finance Department Total	\$843,074	\$ 732,877	\$816,491	\$ 388,678	\$ 791,566	\$ (24,925)	-3.05%

<p>Community Services</p>	<p><u>DMI</u></p> <p>The FY2016 budget for Community Services largely remains unchanged. We continue to provide a high level of services and a variety of functional areas while continuously looking for new initiatives to increase services to the public while reducing costs. One of those initiatives has been the launching of View Permit, an online web based permitting software that enables a contractor, resident or business owner to apply, pay for and obtain permits online. As of January 1, 2015 the Town ceased taking paper applications and went completely electronic. This online permitting application will have benefits for citizens and town agencies alike, including building, zoning, conservation, health and planning. Future expansions include fire, public works and perhaps even local licensing. We seek the addition of a full time position to assist in the coordination and ongoing implementation of this important tool. While important that this new position have technology skills, it is a regulatory position. The incumbent will need to be skilled in permitting, land use, and local regulations.</p> <p><u>Library</u></p> <p>The John Curtis Library budget has an increase in its FY16 budget request to allow for additional hours to a PT benefits position intended to accommodate the increased demand for internet user support. The library continues to provide a valuable service to the community and is always looking for ways to improve the services it provides to its residents.</p> <p><u>COA</u></p> <p>In the Council on Aging (COA), the recent retirement of the Assistant COA Director provided the opportunity for restructuring. Consistent with the goals of the Board of Selectmen, this year's budget includes such a shift in duties and responsibilities, resulting in the elimination of one position, and the reduction of costs, both in salaries and in health insurance. With the increased volume and use of the COA this budget reflects a part time front desk administrative position and more outreach and services provided to the seniors with the existing staff.</p> <p><u>Visiting Nurses</u></p> <p>Under the direction of the new Nurse Administrator the Visiting Nurses department continues to provide an invaluable service to the residents of Hanover, the Visiting Nurses are taking advantage of nursing internship programs and part time nurse to provide exceptional services to the residents of Hanover</p>
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COMMUNITY SERVICES DEPARTMENT SUMMARY							
Office	FY2013 Expended	FY2014 Expended	FY2015 Budget	FY2015 Expended	FY2016 Town Manager Rec	\$ Change	% Change
Municipal Inspections	\$ 522,136	\$ 571,931	\$ 636,170	\$ 293,535	\$ 715,219	\$ 79,049	12.42%
Visiting Nurse Association	\$ 97,295	\$ 98,566	\$ 102,400	\$ 51,787	\$ 105,509	\$ 3,109	3.03%
Council on Aging	\$ 155,135	\$ 178,303	\$ 201,102	\$ 89,922	\$ 195,936	\$ (5,166)	-2.56%
Veterans Services	\$ 113,024	\$ 128,679	\$ 127,712	\$ 69,450	\$ 149,360	\$ 21,648	16.95%
John Curtis Library	\$ 475,792	\$ 484,639	\$ 518,597	\$ 273,237	\$ 520,305	\$ 1,708	0.32%
Community Services Department Total	\$ 1,363,381	\$ 1,462,118	\$ 1,585,981	\$ 777,931	\$ 1,686,329	\$ 100,348	6.33%

Police Department	<p>The Hanover Police Union will be in the second year of a settled contract in FY16. Modest adjustments in salaries and expenses reflect that negotiated contract. In addition, the Police Chief has been working closely with the Town Manager and School Superintendent to implement a School Resource Officer. The costs of that initiative are also reflected in this proposed budget. The increase in the recruit training and issued equipment purchase request is to accommodate both the School Resource Office initiative and a planned retirement in the department.</p> <p>In the Emergency Communications Center budget, the proposed wages reflect the anticipated settlement of a new three year contract. The current budget reflects a proposed shift to a 4-2 schedule which was not approved during the collective bargaining process. As a result, the overall wage proposal for FY16 is a slight reduction from the current year.</p> <p>Animal control services continue to be provided under the auspices of the Police Department, utilizing a shared position with the Facilities Department. The Animal Control officer performs his duties providing both on-call and scheduled administrative functions.</p>
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POLICE DEPARTMENT SUMMARY							
Office	FY2013 Expended	FY2014 Expended	FY2015 Budget	FY2015 Expended	FY2016 Town Manager Rec	\$ Change	% Change
Police	\$ 2,558,847	\$ 2,679,414	\$2,822,272	\$ 1,357,561	\$ 2,936,195	\$ 113,923	4.03%
Animal Control	\$ 17,425	\$ 20,848	\$ 27,756	\$ 11,994	\$ 28,551	\$ 795	2.86%
Communications	\$ 544,626	\$ 528,561	\$ 597,432	\$ 293,981	\$ 594,900	\$ (2,532)	-0.42%
Police Department Total	\$ 3,120,898	\$ 3,228,823	\$3,447,460	\$ 1,663,536	\$ 3,559,646	\$ 112,186	3.25%

<p>Fire Department</p>	<p>The Professional Firefighters of Hanover have entered into a new three year contract with the Town. It includes a modest annual wage increase of 2% per year, as well as reasonable increases in stipends and training. The FY15 budget reflected a proposed, but not approved initiative which contemplated an increase in staffing and associated reduction in overtime.</p> <p>The FY16 budget returns to the previous proposed manning levels, but reflects the increases approved by the Board of Selectmen in the new contract resulting in the increase in salaries of \$76,885.</p> <p>The FY16 budget also reflects reductions in educational pay and holiday pay due to the retirement of veteran officers and firefighters, while providing for contractually approved step increases for newer members of the department.</p> <p>The Hanover Fire Department continues to operate successfully and efficiently as a combination department, consisting of both dedicated career and on-call firefighters. In order to continue to be able to recruit and retain committed call firefighters, this budget provides for an increase in the hourly wage paid to these valuable employees.</p> <p>The reduction of \$4,100 in vehicle maintenance is reflective of the anticipated approval of a new pumping engine to replace two aging pumping engines. The requested increase in employee training seeks to fulfill a long standing agreement in the employee contract which obligates the Town to pay for paramedic training. The reduction in uniform costs is related to an anticipated reduction in new hires in the coming year.</p>
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FIRE DEPARTMENT SUMMARY							
Office	FY2013 Expended	FY2014 Expended	FY2015 Budget	FY2015 Expended	FY2016 Town Manager Rec	\$ Change	% Change
Fire	\$ 2,309,246	\$ 2,524,348	\$2,659,070	\$ 1,312,061	\$ 2,735,840	\$ 76,770	2.88%
Emergency Management	\$ 2,490	\$ 1,571	\$ 5,000	\$ 530	\$ 5,000	\$ -	0.00%
Fire Department Total	\$ 2,311,736	\$ 2,525,918	\$2,664,070	\$ 1,312,591	\$ 2,740,840	\$ 76,770	2.88%

Education	<p>The Hanover Public Schools enjoy a strong and abiding partnership with all town agencies, particularly with the Executive Office and the Town Manager. The Superintendent and Town Manager meet regularly to discuss current issues and events of mutual interest and strategize on how to strengthen the bond between the town and schools. Both the Board of Selectmen and School Committee have identified public education in Hanover as a funding priority. The FY16 budget moves forward toward fulfillment of that goal, with a proposed increase of more than \$827,864 an increase of 3.43%. That allocation of operating resources is further augmented with a commitment of \$500,000 to address ongoing special education mandates, and \$600,000 to modernize and update the School's math curriculum and interactive technology that will benefit all students in Kindergarten through grade eight beginning next year and continuing for years into the future.</p> <p>The Schools and town will continue to work closely together to provide a sustainable and high quality educational system for the people of Hanover.</p>
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EDUCATION SUMMARY							
Office	FY2013 Expended	FY2014 Expended	FY2015 Budget	FY2015 Expended	FY2016 Town Manager Rec	\$ Change	% Change
Hanover Public Schools	\$21,832,371	\$ 22,725,422	\$ 24,092,579	\$ 11,245,617	\$ 24,920,443	\$ 827,864	3.43%
South Shore Vocational School	\$ 844,581	\$ 681,124	\$ 719,259	\$ 370,856	\$ 741,712	\$ 22,453	3.12%
Education Total	\$22,676,952	\$ 23,406,546	\$ 24,811,838	\$ 11,616,473	\$ 25,662,155	\$ 850,317	3.42%

Facilities Department	<p>There are two items of significance influencing this budget:</p> <ul style="list-style-type: none"> • Labor: The proposed budget fully funds increases in wages and benefits for DPW unionized employees (AFSCME) negotiated by the Board of Selectmen effective 7/1/14. • Utilities: New 3-year fixed rate supply contracts for electricity and natural gas raise the overall cost of utilities by approximately 4%.
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FACILITIES DEPARTMENT SUMMARY							
Office	FY2013 Expended	FY2014 Expended	FY2015 Budget	FY2015 Expended	FY2016 Town Manager Rec	\$ Change	% Change
Facilities	\$ 2,888,161	\$ 3,406,440	\$ 3,445,080	\$ 1,687,915	\$ 3,637,327	\$ 192,247	5.58%
Facilities Department Total	\$ 2,888,161	\$ 3,406,440	\$ 3,445,080	\$ 1,687,915	\$ 3,637,327	\$ 192,247	5.58%

Department of Public Works	<p>The proposed budget fully funds increases in wages and benefits for DPW unionized employees negotiated by the Board of Selectmen. The administrative budget includes continuing financial support for the on-line initiatives started in FY 15. With the pending expiration of the current disposal contracts for municipal solid waste in June 2015, the transfer station budget reflects expected increases in the disposal costs for such waste. Proposed modest reductions in other areas of the solid waste budget moderate the expected increase.</p>
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PUBLIC WORKS DEPARTMENT SUMMARY							
Office	FY2013 Expended	FY2014 Expended	FY2015 Budget	FY2015 Expended	FY2016 Town Manager Rec	\$ Change	% Change
DPW Administration	\$ 229,054	\$ 257,724	\$ 259,963	\$ 125,385	\$ 273,370	\$ 13,407	5.15%
Highway	\$ 493,675	\$ 507,658	\$ 543,000	\$ 323,607	\$ 570,833	\$ 27,833	5.12%
Snow & Ice	\$ 520,852	\$ 687,000	\$ 387,000	\$ 141,052	\$ 387,000	\$ -	0.00%
Street Lighting	\$ 50,421	\$ 50,174	\$ 61,000	\$ 20,747	\$ 61,000	\$ -	0.00%
Public Grounds	\$ 339,673	\$ 406,693	\$ 375,400	\$ 233,345	\$ 398,303	\$ 22,903	6.10%
Transfer Station	\$ 707,953	\$ 739,770	\$ 886,601	\$ 354,648	\$ 931,519	\$ 44,918	5.06%
Town Gas Pump	\$ 256,749	\$ 259,565	\$ 282,000	\$ 76,668	\$ 282,000	\$ -	0.00%
Public Works Department Total	\$ 2,598,377	\$ 2,908,584	\$2,794,964	\$1,275,451	\$ 2,904,025	\$ 109,061	3.90%

DEBT	<p>The overall debt budget has increased by 13.52%. In September of 2014, the Town issued permanent bonds in the amount of \$10,810,000 related to the building of the new High School and road work. The principal and interest payments on these bonds will begin in FY16. The short term interest decreased significantly due to the temporary funds borrowed becoming permanent. The Town only has a small amount of short term debt outstanding for FY16.</p>
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DEBT SUMMARY							
Office	FY2013 Expended	FY2014 Expended	FY2015 Budget	FY2015 Expended	FY2016 Town Manager Rec	\$ Change	% Change
Long Term Principal	\$ 3,408,489	\$ 3,360,872	\$3,455,868	\$ 113,535	\$ 3,790,568	\$ 334,700	9.68%
Long Term Interest	\$ 1,762,132	\$ 1,642,294	\$1,584,965	\$ 791,241	\$ 2,027,411	\$ 442,446	27.91%
Short Term Interest	\$ 71,292	\$ 105,955	\$ 132,481	\$ 132,481	\$ 44,726	\$ (87,755)	-66.23%
Issuance Costs	\$ -	\$ -	\$ -	\$ -	\$ 10,000	\$ 10,000	100.00%
Debt Total	\$ 5,241,912	\$ 5,109,121	\$5,173,314	\$1,037,257	\$ 5,872,705	\$ 699,391	13.52%

TOWN WIDE EXPENSES	Retirement costs are projected to increase to meet the goal of having the PCRA fully funded by 2034, ahead of the Commonwealth's public employee retirement system. The Town helps minimize this cost by taking advantage of a 2% discount offered for full payment of the annual assessment in July. The health insurance rates offered through Mayflower Municipal Health Group are expected to remain at the current premium level. The Town does not expect any significant layoffs given the its strong financial position and as a result this budget was decreased for the upcoming year. The Town has entered into a policy to cover police officers and firefighters that are injured on duty. The Town is only responsible for the first \$25,000 in medical costs. The budget request reflects this amount.
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TOWN WIDE SUMMARY							
Office	FY2013 Expended	FY2014 Expended	FY2015 Budget	FY2015 Expended	FY2016 Town Manager Rec	\$ Change	% Change
Pension/Retirement	\$ 2,747,309	\$ 2,867,567	\$3,055,267	\$ 2,834,783	\$ 3,279,033	\$ 223,766	7.32%
Workers Compensation	\$ 194,573	\$ 124,859	\$ 191,134	\$ 149,790	\$ 177,558	\$ (13,576)	-7.10%
Unemployment	\$ 131,427	\$ 79,789	\$ 150,000	\$ 54,325	\$ 125,000	\$ (25,000)	-16.66%
Health Insurance	\$ 2,864,227	\$ 2,777,830	\$2,983,348	\$ 1,713,267	\$ 3,092,532	\$ 109,184	3.65%
Life Insurance	\$ 7,200	\$ 7,247	\$ 10,500	\$ 4,060	\$ 5,480	\$ (5,020)	-47.80%
Education Benefits	\$ 250	\$ 535	\$ 3,000	\$ 119	\$ 3,000	\$ -	0.00%
Medical	\$ 8,081	\$ 49,493	\$ 37,945	\$ 5,723	\$ 25,000	\$ (12,945)	-34.11%
Risk Management	\$ 179,992	\$ 172,116	\$ 206,645	\$ 207,729	\$ 217,352	\$ 10,707	5.18%
Town Audit	\$ 49,100	\$ 45,099	\$ 34,500	\$ 31,300	\$ 34,500	\$ -	0.00%
Town Wide Total	\$ 6,182,159	\$ 6,124,534	\$6,672,339	\$ 5,001,096	\$ 6,959,455	\$ 287,116	4.30%

NON-APPROPRIATED EXPENSES	This category represents that State and County assessments that the Town is charged by way of the Cherry Sheet. The Town does not need to have Town Meeting vote these appropriations. Rather, during the setting of the tax rate these amounts are factored into the total appropriations on the tax rate recapitulation worksheet. The Town does, however, need to consider these amounts when determining estimated revenue available for departmental needs. The Assessor's overlay also is the other portion of non-appropriated expenses. This is the amount that the Town feels it may grant in abatements and exemptions resulting in less tax revenues for that year. This too must be considered when identifying what is available for spending.
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NONAPPROPRIATED EXPENSE SUMMARY							
Office	FY2013 Expended	FY2014 Expended	FY2015 Budget	FY2015 Expended	FY2016 Town Manager Rec	\$ Change	% Change
State Assessments	\$ 481,511	\$ 499,164	\$ 551,367	\$ 133,593	\$ 551,367	\$ -	0.00%
County Taxes	\$ 47,658	\$ 48,445	\$ 49,656	\$ 24,828	\$ 49,656	\$ -	0.00%
Nonappropriated Expenses Total	\$ 529,169	\$ 547,609	\$ 601,023	\$ 158,421	\$ 601,023	\$ -	0.00%

GENERAL GOVERNMENT



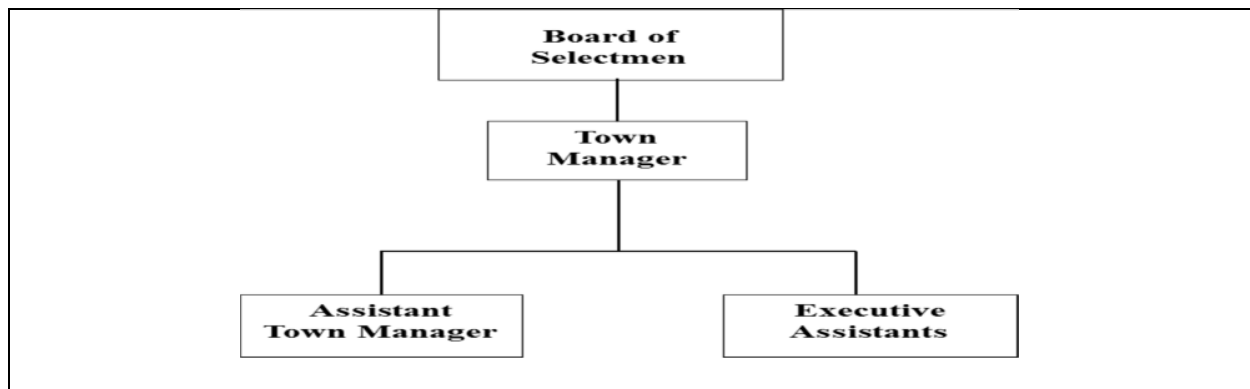
"Hanover, Honoring Yesterday As We Build For Tomorrow"



General Government

Executive Office Department Statement	<p>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.</p> <p>The Board of Selectmen also issue certain licenses and permits such as alcohol, car dealerships, common victualler, and entertainment; enforce special sections of the Town Code; and regulate the public ways. The Town Manager is appointed by the Board of Selectmen and is the Chief Executive Officer of the community.</p> <p>The Town Manager is responsible for managing the day-to-day operations of municipal government as outlined in Section 4 of the 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.</p>
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Organizational Chart





General Government

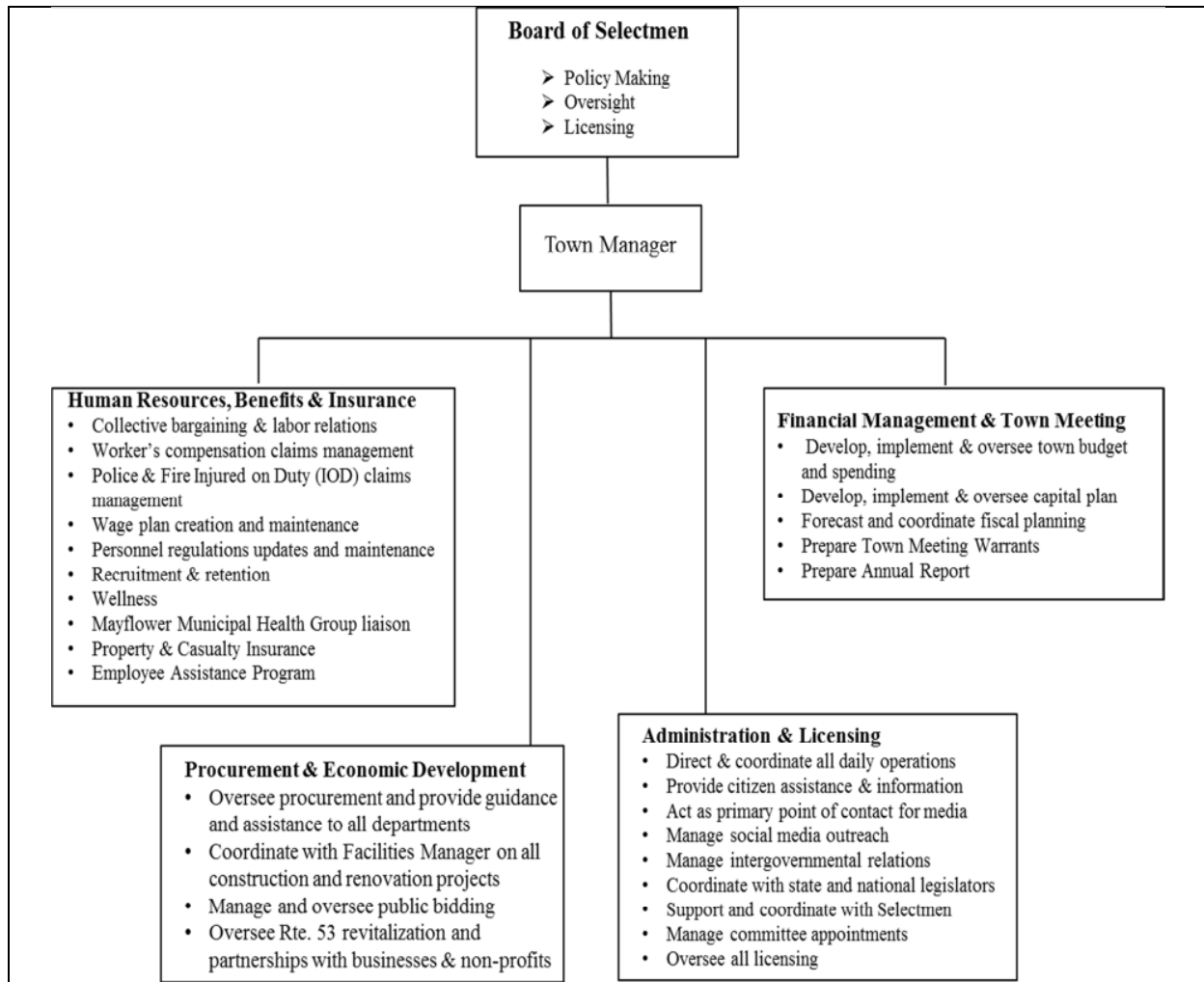
FY2015 Accomplishments	<ul style="list-style-type: none">• Began a strategic planning initiative, setting forth goals for the Town Manager and town agencies• Led the implementation of Selectmen's transparency initiative, resulting in creation of updated website, awarded by the Massachusetts Municipal Association as the top municipal website in MA for communities with a population 15,000• Saved over \$30,000 in legal costs using internal resources• Held 'State of the Town' Breakfast in cooperation with the Hanover Chamber of Commerce• Held "Community Cookout" celebrating Hanover's veterans and volunteers. Seven WWII era veterans were honored with recognition for their service
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Significant Budget Changes or Initiatives	<p><u>Selectmen/Town Manager's Office</u></p> <p>The FY 2016 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 employment contract, and a performance bonus granted at the discretion of the Board of Selectmen. The salary for the Executive Assistant has been adjusted to reflect a greater and more detailed role in the town's human resource function and oversight of the daily activities in the Selectmen's Office, as well as overall responsibility for maintenance of the Executive portions of the town's website.</p> <p><u>Legal</u></p> <p>The legal budget remains level from last year's allocation, continuing the recent practice of performing routine document preparation in-house, an initiative that saved more than \$25,000 last fiscal year.</p> <p><u>Central Office Supply</u></p> <p>The centralization of the purchase and distribution of office supplies was initiated last year. This budget request reflects the continuation of this effort.</p>
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General Government

Programs and Services



Personnel Summary

Position	FY2015 FTE	FY2016 FTE	Change
Town Manager	1.00	1.00	-
Executive Assistants	2.00	2.00	-
Total Full-time Equivalents	3.00	3.00	-

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

122 - SELECTMEN		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-122-5110	SALARIES-APPOINTED	\$155,709.20	\$131,300.07	\$147,396.00	\$65,459.80	\$136,824.00	\$-10,572.00	-7.17
01-122-5113	SALARIES-CLERICAL	\$89,631.08	\$97,108.02	\$90,798.00	\$47,594.12	\$103,464.00	\$12,666.00	13.94
01-122-5149	OTHER PAY	\$0.00	\$8,635.00	\$0.00	\$2,790.00	\$0.00	\$0.00	0.00
PERSONNEL SUB-TOTAL:		\$245,340.28	\$237,043.09	\$238,194.00	\$115,843.92	\$240,288.00	\$2,094.00	0.87
01-122-5319	OTHER CONTRACTED SERVICES	\$24,401.53	\$21,975.76	\$25,000.00	\$6,630.90	\$25,000.00	\$0.00	0.00
01-122-5344	ADVERTISING	\$774.71	\$891.26	\$400.00	\$232.24	\$400.00	\$0.00	0.00
01-122-5345	POSTAGE & MAIL PERMITS	\$225.00	\$669.04	\$350.00	\$205.51	\$350.00	\$0.00	0.00
01-122-5420	OFFICE SUPPLIES	\$2,161.68	\$4,679.65	\$0.00	\$422.22	\$0.00	\$0.00	0.00
01-122-5590	MATERIAL & SUPPLIES - PUBLIC	\$3,509.51	\$25,161.58	\$24,400.00	\$9,182.45	\$24,400.00	\$0.00	0.00
01-122-5710	MILEAGE REIMBURSEMENT	\$15.00	\$138.33	\$150.00	\$0.00	\$150.00	\$0.00	0.00
01-122-5720	REGISTRATION FEES	\$1,954.44	\$1,389.31	\$1,500.00	\$3,535.80	\$1,500.00	\$0.00	0.00
01-122-5730	DUES	\$2,602.50	\$3,226.00	\$2,750.00	\$2,825.00	\$2,750.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$35,644.37	\$58,130.93	\$54,550.00	\$23,034.12	\$54,550.00	\$0.00	0.00
122 SELECTMEN SUB-TOTAL:		\$280,984.65	\$295,174.02	\$292,744.00	\$138,878.04	\$294,838.00	\$2,094.00	0.71

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

138 - CENTRAL OFFICE SUPPLY		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-138-5420	OFFICE SUPPLIES	\$0.00	\$0.00	\$20,275.00	\$11,273.14	\$30,000.00	\$9,725.00	47.96
EXPENSES SUB-TOTAL:		\$0.00	\$0.00	\$20,275.00	\$11,273.14	\$30,000.00	\$9,725.00	47.96
138 CENTRAL OFFICE SUPPLY SUB-TOTAL:		\$0.00	\$0.00	\$20,275.00	\$11,273.14	\$30,000.00	\$9,725.00	47.96

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

151 - LEGAL SERVICES		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-151-5305	LEGAL SRVCS	\$0.00	\$0.00	\$125,000.00	\$0.00	\$125,000.00	\$0.00	0.00
01-151-5305-0122	LEGAL SRVCS - BOARD OF SELECTMAN	\$23,136.98	\$13,703.80	\$0.00	\$9,544.02	\$0.00	\$0.00	0.00
01-151-5305-0133	LEGAL SRVCS - FINANCE	\$2,161.50	\$1,597.90	\$0.00	\$1,284.56	\$0.00	\$0.00	0.00
01-151-5305-0161	LEGAL SRVCS - TOWN CLERK	\$0.00	\$210.00	\$0.00	\$105.00	\$0.00	\$0.00	0.00
01-151-5305-0162	LEGAL SRVCS - ELECTIONS & TOWN	\$0.00	\$5,297.39	\$0.00	\$262.50	\$0.00	\$0.00	0.00
01-151-5305-0171	LEGAL SRVCS - CONSERVATION COMM	\$105.00	\$735.00	\$0.00	\$254.50	\$0.00	\$0.00	0.00
01-151-5305-0175	LEGAL SRVCS - PLANNING BOARD	\$3,239.07	\$4,221.91	\$0.00	\$1,907.50	\$0.00	\$0.00	0.00
01-151-5305-0176	LEGAL SRVCS - BOARD OF APPEALS	\$11,852.80	\$12,449.81	\$0.00	\$7,140.00	\$0.00	\$0.00	0.00
01-151-5305-0210	LEGAL SRVCS - POLICE	\$23,677.46	\$19,986.66	\$0.00	\$15,242.75	\$0.00	\$0.00	0.00
01-151-5305-0220	LEGAL SRVCS - FIRE	\$4,642.50	\$7,735.00	\$0.00	\$1,190.00	\$0.00	\$0.00	0.00
01-151-5305-0241	LEGAL SRVCS - BUILDING	\$700.80	\$2,718.59	\$0.00	\$1,272.60	\$0.00	\$0.00	0.00
01-151-5305-0300	LEGAL SRVCS - HANOVER PUBLIC	\$7,074.09	\$6,469.01	\$0.00	\$1,085.00	\$0.00	\$0.00	0.00
01-151-5305-0422	LEGAL SRVCS - BOARD OF PUBLIC	\$6,796.10	\$11,545.35	\$0.00	\$1,697.73	\$0.00	\$0.00	0.00
01-151-5305-0510	LEGAL SRVCS - BOARD OF HEALTH	\$0.00	\$52.50	\$0.00	\$0.00	\$0.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$83,386.30	\$86,722.92	\$125,000.00	\$40,986.16	\$125,000.00	\$0.00	0.00
151 LEGAL SERVICES SUB-TOTAL:		\$83,386.30	\$86,722.92	\$125,000.00	\$40,986.16	\$125,000.00	\$0.00	0.00

FINANCE DEPARTMENT



"Hanover, Honoring Yesterday As We Build For Tomorrow"



Finance Department

Mission	<p>Finance Department Statement</p> <p>The Finance Department's mission is to safeguard the financial assets of the Town of Hanover through the use of professional financial practices in order to preserve and enhance the Town's financial integrity. The department consists of five main offices that work closely with the Town Manager's office to prepare the information needed to reach essential management decisions and formulate fiscal policies. The Director of Municipal Finance/Acting Treasurer & Collector is responsible for the management and supervision of the finance offices that include the Treasurer/Collector, Town Accountant, Assessors, Registrars and Town Clerk.</p> <p>Treasurer/Collector</p> <p>The Treasurer/Collector's Office is responsible for billing and collection of real estate and personal property taxes, motor vehicle and boat excise taxes, and various departmental receipts. In addition, the office is responsible for reconciliation of bank accounts, warrants, long and short-term investments, long and short-term borrowing, payroll processing, income tax reporting, and benefit administration for active and retired employees (health, dental, disability, and life insurance). The Treasurer/Collector's office receives, manages and disperses all funds of the Town in accordance with Massachusetts General Laws. The Finance Director also serves as the Acting Treasurer/Collector in addition to the position's other responsibilities.</p> <p>Town Accountant's Office</p> <p>The Accounting Office is responsible for record keeping of all financial transactions of the Town; processing of all bills, warrants, receipts, payroll and ledgers; keeps records of all contracts and grants and supplies departments with financial reports and payroll information. The Accounting Office ensures the Town is in compliance with Generally Accepted Accounting Principles, Federal and State laws, and Town Meeting authorizations.</p>
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Finance Department

Mission (cont'd)	<p>Assessing Division</p> <p>The primary role of the Assessor's Office, under the direction of the Director of Municipal Finance and the support of the Board of Assessors, is the valuation of all real and personal property in the Town. The State Department of Revenue (DOR) requires that all property be valued at full and fair cash value which ensures that all property owners pay their fair share of the yearly tax burden. The Assessor's Office is responsible for meeting and adhering to strict certification requirements of the DOR. To meet these requirements, the Assessors are obligated to revalue all properties yearly and, once every three years, undergo a state recertification audit. In addition to appraisal duties, the Assessor's Office is responsible for the processing of statutory tax exemptions; tax abatement filings for real estate, personal property and motor vehicle excise taxes; maintaining and updating records of deeds received from the Registry of Deeds; processing of Title V betterments; maintaining records of exempt property, and defending Appellate Tax Board cases.</p> <p>Town Clerk's Office</p> <p>The Town Clerk's Office is responsible for maintaining vital public records and information so that they are easy to locate, up-to-date, accurate and preserved for future generations. The Town Clerk is also the chief election official and supervises the Town's election activities including the development of the ballots, managing election equipment and set-up, hiring and training election officials, certifying, reporting, and recording election results. The Town Clerk is an ex officio member of the Board of Registrars.</p> <p>.</p>
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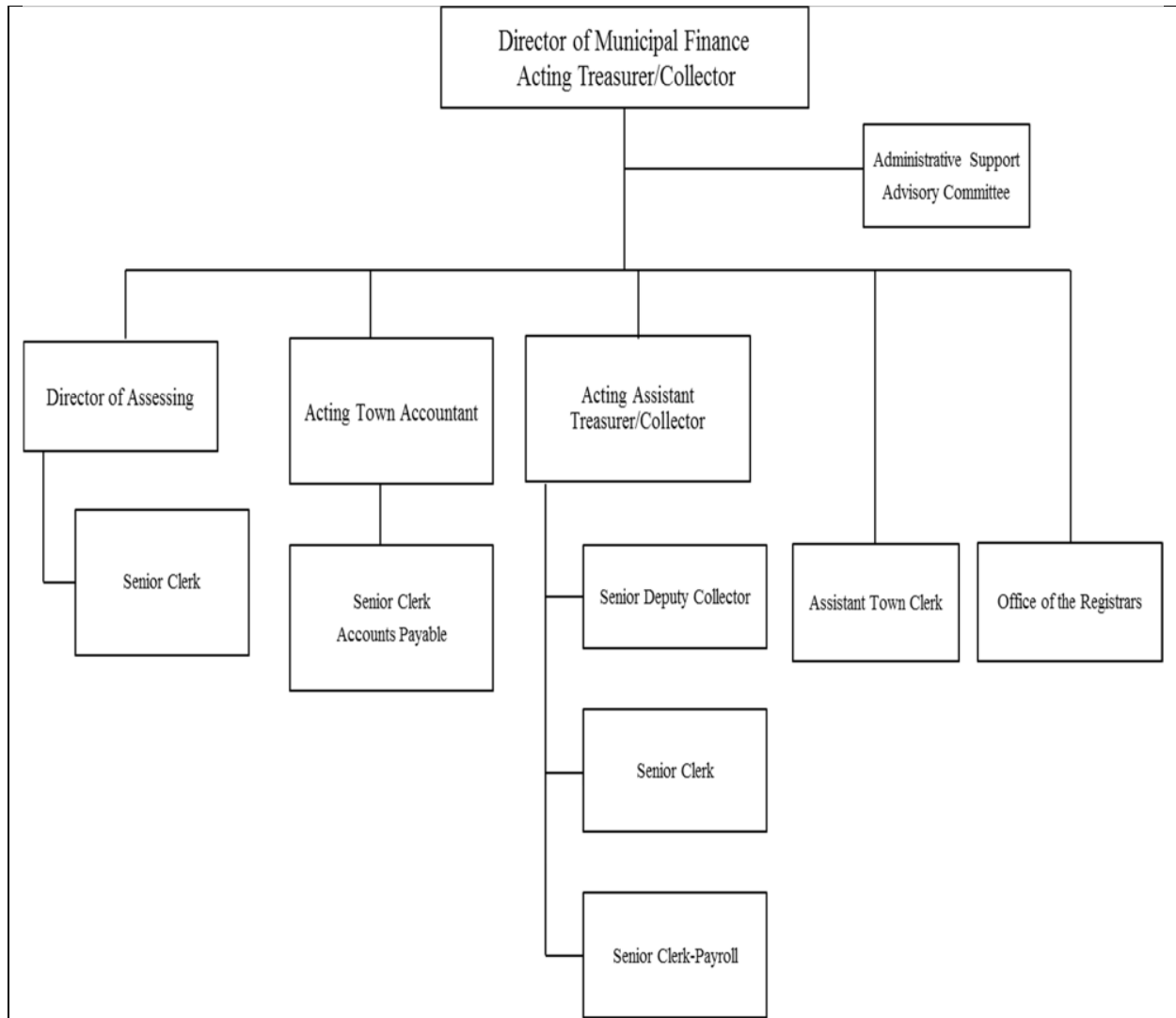
Finance Department

Mission (cont'd)	<p>Registrar's Office</p> <p>The Board of Registrar consists of three members appointed by the Board of Selectmen to three year terms. The members of the Board of Registrars of Voters shall represent the two leading political parties, and in no case shall an appointment be made so as to cause the Board to have more than two members, including the Town Clerk, of the same political party. The Board of Registrars of Voters supervises the qualification of persons to vote; certifies the names of voters on nomination papers and petition forms; and holds hearings and decides all disputes relating to these matters, coordinates the annual census including the printing and mailing, reviews returned forms, reports information to the State and prepares the annual street listing book.</p> <p>Advisory Committee</p> <p>The Advisory Committee is a committee of nine registered voters appointed by the Moderator in accordance with Section 4-1 of the Hanover General By-laws. The committee advises Town Meeting on the budget and the Town Meeting articles and reviews the Town's capital plan.</p>
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Finance Department

Organizational Chart





Finance Department

<p>FY2015 Accomplishments</p>	<p>Finance Initiatives and Accomplishments</p> <ul style="list-style-type: none"> • Implemented new cash book to assist in the process of reconciling Treasurer/Collector cash to bank statements • Implemented new departmental turnover procedures to accompany Cashing Handling Policy voted by the Board of Selectmen • Implemented use of individual cash drawers in both the Treasurer/Collector office and Town Clerk office • Change in Open Meeting Law posting policy • Implemented both the Budget and Fixed Asset module within the Accounting software • Completed triennial certification process • Initiated new procedure to add owner's deed and plans to parcel information maintained in Assessor's software • Designed and implemented new procedure to assist in fulfilling Department of Revenue requirement to visit each parcel at least once in a 9 year period • Proposed departmental reorganization, reducing staffing and becoming more cost effective
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<p>Significant Budget Changes or Initiatives</p>	<p><u>Accounting</u> The Accounting office budget for the first time is representing only 50% of the Director of Finance position's salary. It is also increasing the hours of the Accounts Payable clerk from 20 to 35. The combination of the two changes is resulting in a net decrease of -5.54% in salaries. The assumption was made that postage will most likely rise again over the next year. The budgeted amount increased from \$4,000 to \$6,000.</p> <p><u>Assessors</u> The triennial revaluation took place during FY15 and the majority of costs were carried in the Other Contracted Services line of this budget. There is a drastic reduction in this line of \$28,000.</p> <p><u>Treasurer/Collector</u> The Treasurer/Collector budget for the first time is representing 50% of the Director of Finance position's salary. This position is also the Acting Treasurer/Collector. The clerical salary line denotes an additional salary this year.</p> <p><u>Town Clerk</u> The slight reduction in salaries is due to the presentation of positions in this budget versus last year.</p>
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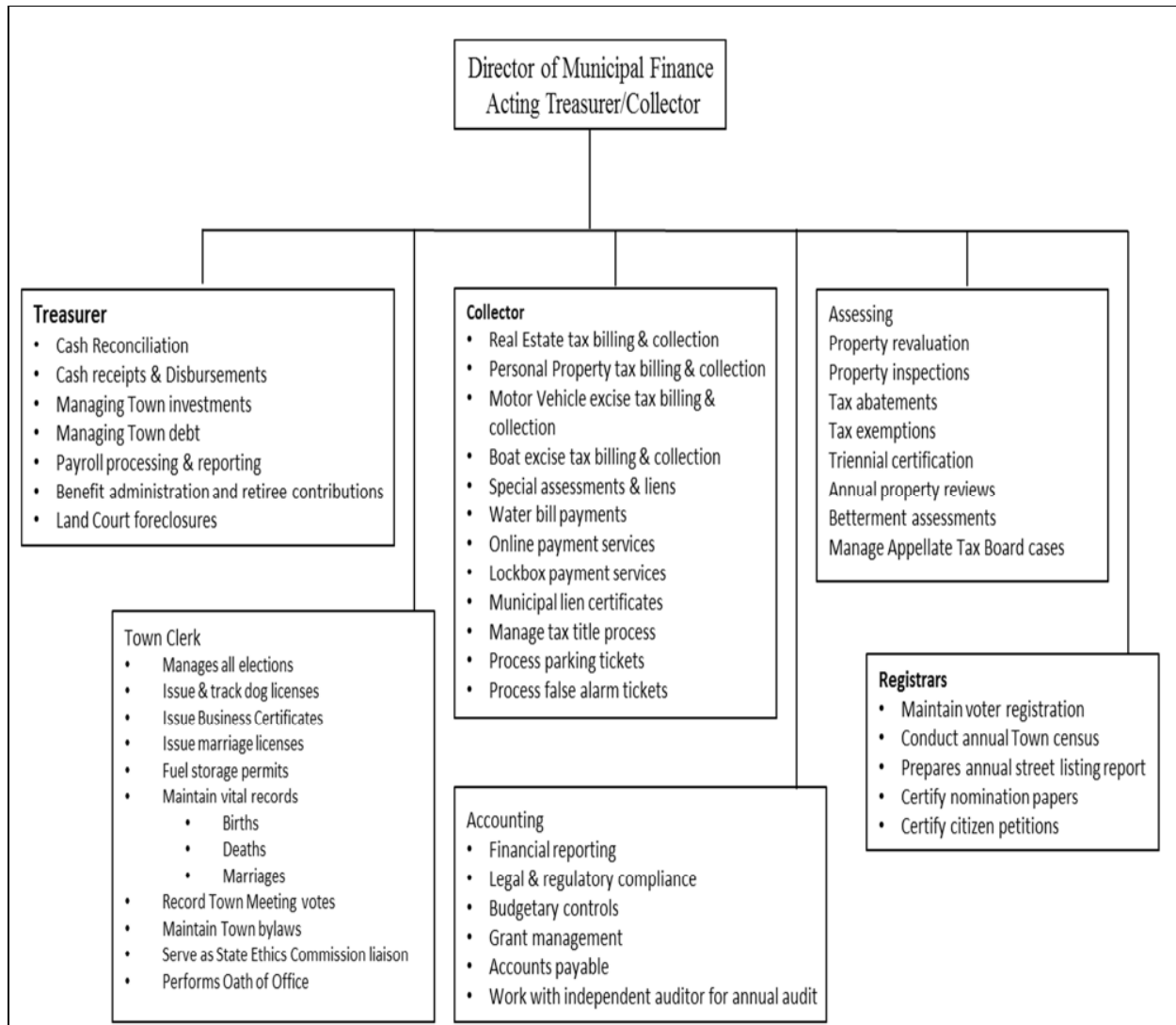
Finance Department

Significant Budget Changes or Initiatives (cont'd)	<p><u>Elections & Town Meetings</u> This budget is slightly down from the FY15 request based on the experience of the recent elections. The man power needed is more accurate and other expenses were reduced based on actual expenditures in FY15.</p> <p><u>Registrars</u> There is a sizable reduction in expenses compared to last year. The FY15 budget represented \$15,000 in funds to outsource certain tasks. These tasks will remain within the office and be completed by the current staff. The funding is not needed this year.</p>
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Finance Department

Programs and Services





Finance Department

Personnel Summary

Position	FY2015 FTE	FY2016 FTE	Change
Director of Municipal Finance	1.00	1.00	-
Administrative Assistant to Adv Comm	0.50	0.50	-
Assessor			
Director of Assessing	1.00	1.00	-
Senior Clerk	1.00	1.00	-
Treasurer/Collector			
Treasurer/Collector	1.00	-	(1.00)
Acting Assistant			
Treasurer/Collector	1.00	1.00	-
Senior Deputy Collector	1.00	1.00	-
Senior Clerk	1.00	1.00	-
Senior Clerk - PR	1.00	1.00	-
Accounting			
Acting Town Accountant	1.00	1.00	-
Senior Clerk - Accounts Payable	1.00	1.00	-
Town Clerk			
Town Clerk (Elected)	1.00	1.00	-
Assistant Town Clerk	1.00	1.00	-
Registrars			
Part-time Registrars (3)	1.50	1.50	-
Total Full-time Equivalents	14.00	13.00	(1.00)

Personnel Notes:

FTEs are based on a 35 hour work week and are benefit eligible. All 0.50 FTE are not benefit eligible.

- The Town Clerk is an elected official.
- The Administrative Assistant to the Advisory Committee works as needed during the budget season with hours in a single week not to exceed 19.
- The Registrars work is related to and focused around town meetings, elections and conducting the annual census.

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

145 - TREASURER		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-145-5110	SALARIES - APPOINTED	\$0.00	\$142,739.75	\$150,110.00	\$89,685.79	\$117,574.00	\$-32,536.00	-21.67
01-145-5113	SALARIES - CLERICAL	\$0.00	\$65,481.42	\$78,906.00	\$41,214.72	\$123,660.00	\$44,754.00	56.71
01-145-5121	WAGES - TEMPORARY EMPLOYEES	\$0.00	\$296.21	\$0.00	\$2,135.84	\$0.00	\$0.00	0.00
01-145-5130	Overtime	\$0.00	\$0.00	\$0.00	\$3,334.27	\$2,000.00	\$2,000.00	100.00
01-145-5140	LONGEVITY	\$0.00	\$0.00	\$0.00	\$1,000.00	\$0.00	\$0.00	0.00
01-145-5147	VACATION BUYBACK	\$0.00	\$1,539.20	\$0.00	\$0.00	\$0.00	\$0.00	0.00
PERSONNEL SUB-TOTAL:		\$0.00	\$210,056.58	\$229,016.00	\$137,370.62	\$243,234.00	\$14,218.00	6.20
01-145-5250	EQUIPMENT MAINTENANCE	\$0.00	\$0.00	\$200.00	\$0.00	\$0.00	\$-200.00	-100.00
01-145-5271	EQUIPMENT LEASE - PITNEY BOWES	\$0.00	\$671.00	\$1,317.00	\$856.50	\$920.00	\$-397.00	-30.14
01-145-5319	EMPLOYEE TRAINING	\$0.00	\$1,214.35	\$2,400.00	\$618.24	\$2,000.00	\$-400.00	-16.66
01-145-5342	OTHER CONTRACTED SERVICES	\$0.00	\$35,026.24	\$57,000.00	\$15,124.34	\$65,000.00	\$8,000.00	14.03
01-145-5345	POSTAGE & MAIL PERMITS	\$0.00	\$12,337.46	\$12,000.00	\$1,267.66	\$12,000.00	\$0.00	0.00
01-145-5405	BANK & PAYMENT SUPPLIES	\$0.00	\$0.00	\$1,600.00	\$0.00	\$0.00	\$-1,600.00	-100.00
01-145-5420	OFFICE SUPPLIES	\$0.00	\$6,721.51	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-145-5421	PRINTING & STATIONARY	\$0.00	\$0.00	\$5,000.00	\$2,620.81	\$5,000.00	\$0.00	0.00
01-145-5710	MILEAGE REIMBURSEMENT	\$0.00	\$0.00	\$200.00	\$134.94	\$200.00	\$0.00	0.00
01-145-5720	REGISTRATION FEES	\$0.00	\$0.00	\$0.00	\$435.63	\$0.00	\$0.00	0.00
01-145-5730	DUES	\$0.00	\$155.00	\$230.00	\$50.00	\$230.00	\$0.00	0.00
01-145-5745	PUBLIC OFFICIALS BONDS	\$0.00	\$709.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$0.00	\$56,834.56	\$79,947.00	\$21,108.12	\$85,350.00	\$5,403.00	6.75
145 TREASURER SUB-TOTAL:		\$0.00	\$266,891.14	\$308,963.00	\$158,478.74	\$328,584.00	\$19,621.00	6.35

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

141 - ASSESSORS		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-141-5110	SALARIES APPOINTED	\$67,272.36	\$69,837.86	\$75,000.00	\$36,572.62	\$75,000.00	\$0.00	0.00
01-141-5113	SALARIES-CLERICAL	\$63,987.99	\$49,679.69	\$39,153.00	\$15,290.75	\$37,494.00	\$-1,659.00	-4.23
01-141-5141	SHIFT DIFFERENTIAL	\$0.00	\$119.38	\$0.00	\$0.00	\$0.00	\$0.00	0.00
PERSONNEL SUB-TOTAL:		\$131,260.35	\$119,636.93	\$114,153.00	\$51,863.37	\$112,494.00	\$-1,659.00	-1.45
01-141-5250	EQUIPMENT MAINTENANCE	\$62.98	\$39.70	\$1,000.00	\$18.00	\$0.00	\$-1,000.00	-100.00
01-141-5310	ENGINEERING SERVICES	\$0.00	\$0.00	\$0.00	\$0.00	\$700.00	\$700.00	100.00
01-141-5319	OTHER CONTRACTED SERVICE	\$6,319.04	\$3,928.24	\$37,000.00	\$9,823.50	\$9,000.00	\$-28,000.00	-75.67
01-141-5342	BINDING SERVICES	\$0.00	\$0.00	\$200.00	\$0.00	\$1,250.00	\$1,050.00	525.00
01-141-5344	ADVERTISING	\$0.00	\$0.00	\$0.00	\$224.64	\$245.00	\$245.00	100.00
01-141-5345	POSTAGE & MAIL PERMITS	\$0.00	\$1,166.05	\$600.00	\$927.71	\$1,400.00	\$800.00	133.33
01-141-5420	OFFICE SUPPLIES	\$0.00	\$520.81	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-141-5710	MILEAGE REIMBURSEMENT	\$1,398.95	\$235.54	\$1,500.00	\$54.99	\$500.00	\$-1,000.00	-66.66
01-141-5720	REGISTRATION FEES	\$1,565.02	\$2,538.95	\$3,000.00	\$1,813.25	\$3,000.00	\$0.00	0.00
01-141-5730	DUES	\$385.00	\$250.00	\$400.00	\$50.00	\$250.00	\$-150.00	-37.50
01-141-5780	REVALUATION EXPENSES	\$10,470.07	\$10,265.00	\$2,000.00	\$1,200.00	\$8,000.00	\$6,000.00	300.00
	Due # 1 - membership to National Assessors Org							
	Due # 2 - ANother membership							
EXPENSES SUB-TOTAL:		\$20,201.06	\$18,944.29	\$45,700.00	\$14,112.09	\$24,345.00	\$-21,355.00	-46.72
141 ASSESSORS SUB-TOTAL:		\$151,461.41	\$138,581.22	\$159,853.00	\$65,975.46	\$136,839.00	\$-23,014.00	-14.39

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

133 - FINANCE		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-133-5110	SALARIES-APPOINTED	\$332,899.50	\$141,866.28	\$139,816.00	\$55,299.91	\$111,607.00	\$-28,209.00	-20.17
01-133-5113	SALARIES-CLERICAL	\$96,115.63	\$23,073.96	\$23,591.00	\$11,980.71	\$42,732.00	\$19,141.00	81.13
PERSONNEL SUB-TOTAL:		\$432,455.41	\$164,940.24	\$163,407.00	\$67,280.62	\$154,339.00	\$-9,068.00	-5.54
01-133-5319	EMPLOYEE TRAINING	\$2,957.77	\$1,728.46	\$2,050.00	\$495.00	\$2,500.00	\$450.00	21.95
01-133-5342	OTHER CONTRACTED SERVICES	\$42,717.87	\$40.00	\$0.00	\$448.41	\$654.00	\$654.00	100.00
01-133-5345	POSTAGE & MAIL PERMITS	\$22,733.65	\$5,472.74	\$4,000.00	\$2,531.71	\$6,000.00	\$2,000.00	50.00
01-133-5420	OFFICE SUPPLIES	\$8,431.55	\$1,521.94	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-133-5710	MILEAGE REIMBURSEMENT	\$285.56	\$130.53	\$300.00	\$0.00	\$300.00	\$0.00	0.00
01-133-5720	REGISTRATION FEES	\$0.00	\$818.55	\$50.00	\$258.84	\$115.00	\$65.00	130.00
01-133-5730	DUES	\$1,075.00	\$425.00	\$425.00	\$375.00	\$410.00	\$-15.00	-3.52
01-133-5780	OTHER EXPENSES	\$1,645.49	\$0.00	\$0.00	\$91.16	\$0.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$83,852.11	\$10,137.22	\$6,825.00	\$4,200.12	\$9,979.00	\$3,154.00	46.21
133 FINANCE SUB-TOTAL:		\$516,307.52	\$175,077.46	\$170,232.00	\$71,480.74	\$164,318.00	\$-5,914.00	-3.47

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

161 - TOWN CLERK		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-161-5111	SALARIES-ELECTED OFFICIALS	\$54,563.08	\$54,563.62	\$55,655.00	\$28,573.89	\$56,769.00	\$1,114.00	2.00
01-161-5113	SALARIES-CLERICAL	\$38,658.40	\$39,896.43	\$46,432.00	\$20,735.58	\$41,022.00	\$-5,410.00	-11.65
01-161-5130	OVERTIME	\$598.79	\$267.88	\$891.00	\$362.42	\$750.00	\$-141.00	-15.82
PERSONNEL SUB-TOTAL:		\$93,820.27	\$94,727.93	\$102,978.00	\$49,671.89	\$98,541.00	\$-4,437.00	-4.30
01-161-5250	EQUIPMENT MAINTENANCE	\$427.98	\$198.00	\$0.00	\$0.00	\$200.00	\$200.00	100.00
01-161-5342	BINDING	\$0.00	\$154.90	\$175.00	\$225.00	\$445.00	\$270.00	154.28
01-161-5345	POSTAGE & MAIL PERMITS	\$102.07	\$186.12	\$250.00	\$179.39	\$450.00	\$200.00	80.00
01-161-5420	OFFICE SUPPLIES	\$649.27	\$690.73	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-161-5421	PRINTING & STATIONARY	\$0.00	\$0.00	\$0.00	\$0.00	\$200.00	\$200.00	100.00
01-161-5710	MILEAGE REIMBURSEMENT	\$0.00	\$0.00	\$300.00	\$145.84	\$300.00	\$0.00	0.00
01-161-5720	REGISTRATION FEES	\$546.00	\$1,016.00	\$2,182.00	\$957.87	\$2,300.00	\$118.00	5.40
01-161-5730	DUES	\$100.00	\$280.00	\$280.00	\$135.00	\$280.00	\$0.00	0.00
01-161-5745	PUBLIC OFFICIAL BONDS	\$200.00	\$100.00	\$200.00	\$0.00	\$200.00	\$0.00	0.00
01-161-5860	EQUIPMENT PURCHASE	\$0.00	\$0.00	\$756.00	\$0.00	\$500.00	\$-256.00	-33.86
EXPENSES SUB-TOTAL:		\$2,025.32	\$2,625.75	\$4,143.00	\$1,643.10	\$4,875.00	\$732.00	17.66
161 TOWN CLERK SUB-TOTAL:		\$95,845.59	\$97,353.68	\$107,121.00	\$51,314.99	\$103,416.00	\$-3,705.00	-3.45

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

162 - ELECTIONS & TOWN MEETINGS		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-162-5121	WAGES-TEMPORARY EMPLOYEES	\$21,854.12	\$9,743.99	\$11,799.00	\$15,033.47	\$13,510.00	\$1,711.00	14.50
PERSONNEL SUB-TOTAL:		\$21,854.12	\$9,743.99	\$11,799.00	\$15,033.47	\$13,510.00	\$1,711.00	14.50
01-162-5780	OTHER EXPENSES	\$0.00	\$4,618.01	\$10,873.00	\$6,788.35	\$5,905.00	\$-4,968.00	-45.69
01-162-5781	ODWD - ADMINISTRATIVE FEE	\$11,153.05	\$10,041.92	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-162-5783	BALLOT EXPENSES	\$0.00	\$0.00	\$5,200.00	\$3,173.90	\$5,740.00	\$540.00	10.38
EXPENSES SUB-TOTAL:		\$11,153.05	\$14,659.93	\$16,073.00	\$9,962.25	\$11,645.00	\$-4,428.00	-27.54
162 ELECTIONS & TOWN MEETINGS		\$33,007.17	\$24,403.92	\$27,872.00	\$24,995.72	\$25,155.00	\$-2,717.00	-9.74

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

163 - REGISTRARS		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-163-5112	SALARIES-APPOINTED OFFICIALS	\$29,616.76	\$23,097.55	\$23,000.00	\$11,917.37	\$23,000.00	\$0.00	0.00
PERSONNEL SUB-TOTAL:		\$29,616.76	\$23,097.55	\$23,000.00	\$11,917.37	\$23,000.00	\$0.00	0.00
01-163-5319	OTHER CONTRACTED SERVICES	\$0.00	\$0.00	\$15,000.00	\$0.00	\$0.00	\$-15,000.00	-100.00
01-163-5345	POSTAGE & MAIL PERMITS	\$11,952.87	\$912.54	\$200.00	\$2,366.56	\$4,000.00	\$3,800.00	1900.00
01-163-5420	OFFICE SUPPLIES	\$0.00	\$214.52	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-163-5421	PRINTING & STATIONARY	\$0.00	\$29.96	\$0.00	\$1,477.96	\$2,000.00	\$2,000.00	100.00
01-163-5425	DATA PROCESSING SUPPLIES	\$4,339.20	\$3,121.34	\$0.00	\$0.00	\$0.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$16,835.87	\$4,278.36	\$15,200.00	\$3,844.52	\$6,000.00	\$-9,200.00	-60.52
163 REGISTRARS SUB-TOTAL:		\$46,452.63	\$27,375.91	\$38,200.00	\$15,761.89	\$29,000.00	\$-9,200.00	-24.08

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

131 - ADVISORY COMMITTEE		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-131-5113	SALARIES - CLERICAL	\$0.00	\$2,825.40	\$3,750.00	\$466.65	\$3,750.00	\$0.00	0.00
PERSONNEL SUB-TOTAL:		\$0.00	\$2,825.40	\$3,750.00	\$466.65	\$3,750.00	\$0.00	0.00
01-131-5420	OFFICE SUPPLIES	\$0.00	\$17.10	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-131-5720	REGISTRATION FEES	\$0.00	\$0.00	\$300.00	\$0.00	\$300.00	\$0.00	0.00
01-131-5730	DUES	\$0.00	\$204.00	\$200.00	\$204.00	\$204.00	\$4.00	2.00
01-131-5780	OTHER EXPENSES	\$0.00	\$147.35	\$0.00	\$0.00	\$0.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$0.00	\$368.45	\$500.00	\$204.00	\$504.00	\$4.00	0.80
131 ADVISORY COMMITTEE SUB-TOTAL:		\$0.00	\$3,193.85	\$4,250.00	\$670.65	\$4,254.00	\$4.00	0.09

COMMUNITY SERVICES



"Hanover, Honoring Yesterday As We Build For Tomorrow"



Community Services

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. Services 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 helps patrons gain a better understanding of their personal heritage and the cultural heritage of others.

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.

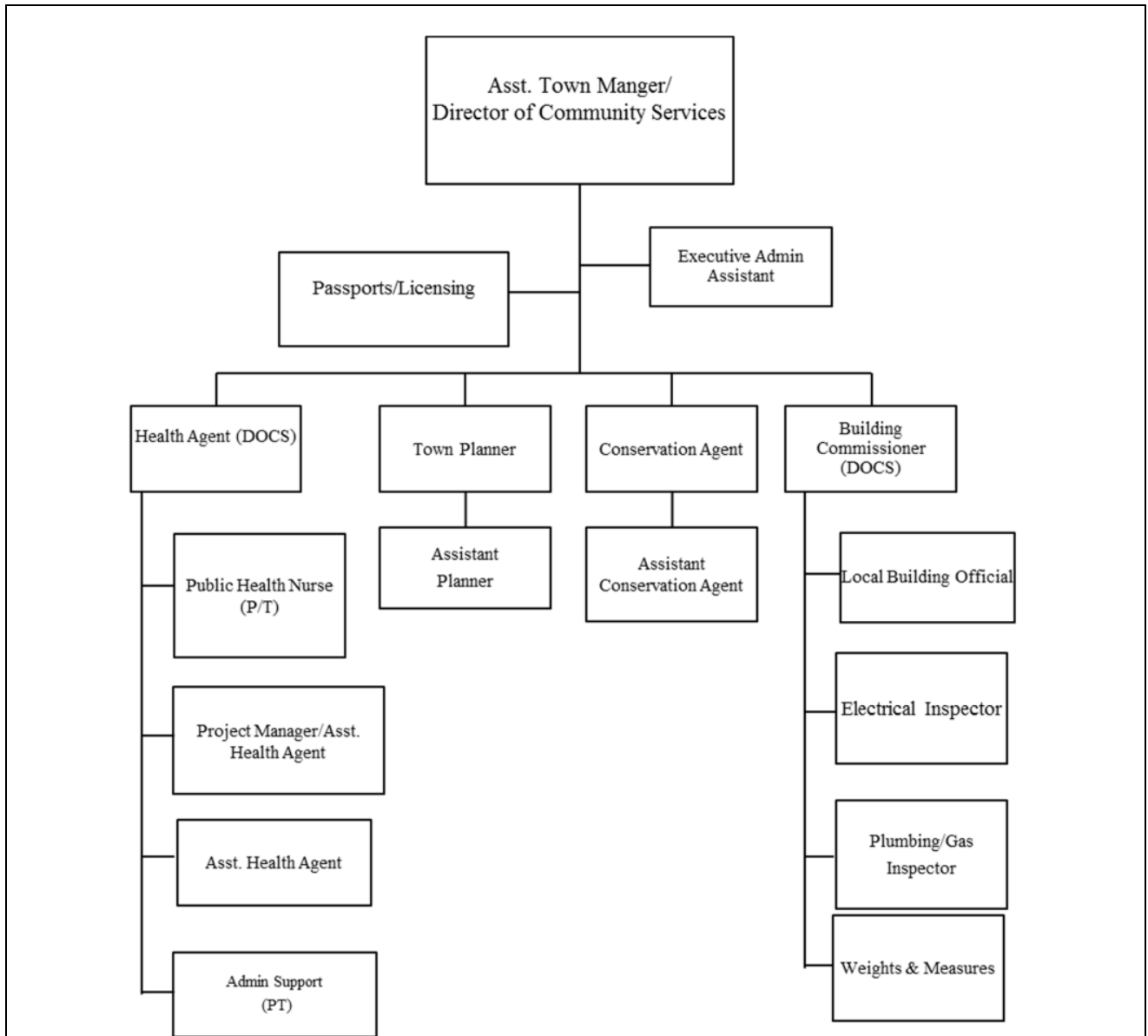
Visiting Nurses Association (VNA)

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.



Community Services

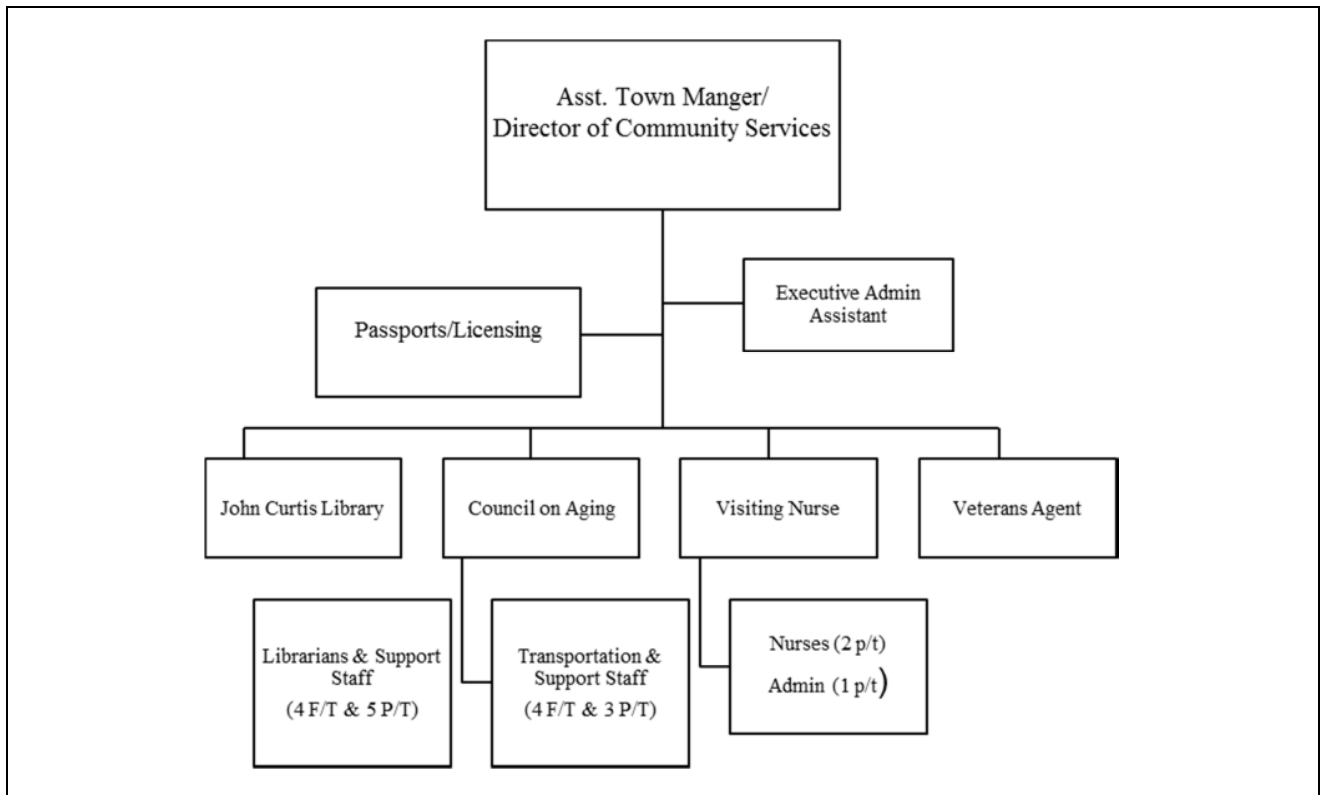
Organizational Chart





Community Services

Organizational Chart (cont'd)



FY2015 Accomplishments

Department of Municipal Inspections (DMI)

- Began using View Permit online software as we prepared to go paperless in January 2015
- Filled vacant Town Planner and Assistant Town Planner positions and continue to work with local businesses to revitalize Route 53 and work on the Board of Selectmen's measurable goals
- Started utilizing new tablets with all of our field inspectors Works with our View Permit software and has GIS capabilities
- Hired a full time local building official to address increased permit volume and deal with ongoing zoning issues
- Completed second reorganization of the department by creating the following new positions:
 1. Assistant Health Agent
 2. Executive Administrative Assistant
 3. Assistant Conservation Agent

These positions were posted and filled with existing staff creating a more nimble and efficient department.



Community Services

FY2015 Accomplishments (cont'd)	<p><u>Library</u></p> <ul style="list-style-type: none">• Increased hours for Internet and computer support for the patrons• Purchased and installed a people counter at the main library entrance• Maintained library operations while servicing 36,405 visitors throughout the year <p><u>COA</u></p> <ul style="list-style-type: none">• Added a new GATRA van to increase transportation service to the residents of Hanover• Reorganized department to allow for more outreach and offering additional wellness programs• Increased the number of hours for the SHINE, home visits and Food Stamp program resulting in a dramatic increase in services offered <p><u>Visiting Nurses (VNA)</u></p> <ul style="list-style-type: none">• Increased collaboration with the Council on Aging, Hanover School Nurses and other departments to increase services offered• Provide varied wellness clinics and other services to patients and families in need• With the assistance of the VNA, we offered holiday assistance to over 100 families <p><u>Veterans Services</u></p> <ul style="list-style-type: none">• Increased enrollment for Veterans benefits through outreach and informational seminars• Honored Hanover's World War II veterans at two different community events
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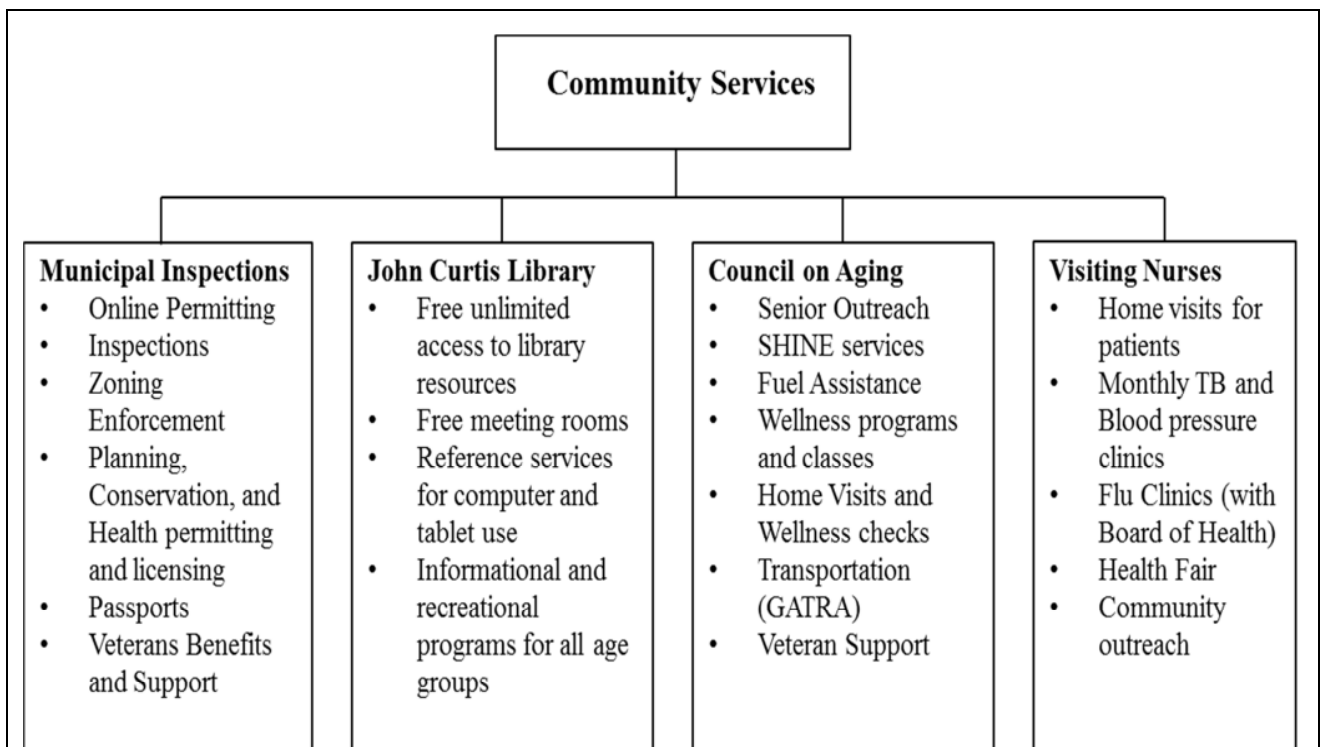
Significant Budget Changes or Initiatives	<p><u>DMI</u></p> <p>The FY2016 budget for Community Services largely remains unchanged. We continue to provide a high level of services and a variety of functional areas while continuously looking for new initiatives to increase services to the public while reducing costs. One of those initiatives has been the launching of View Permit, an online web based permitting software that enables a contractor, resident or business owner to apply, pay for and obtain permits online. As of January 1, 2015 the Town ceased taking paper applications and went completely electronic. This online permitting application will have benefits for citizens and town agencies alike, including building, zoning, conservation, health and planning. Future expansions include fire, public works and perhaps even local licensing. We seek the addition of a full time position to assist in the coordination and ongoing implementation of this important tool. While important that this new position have technology skills, it is a regulatory position. The incumbent will need to be skilled in permitting, land use, and local regulations.</p>
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Community Services

<p>Significant Budget Changes or Initiatives (cont'd)</p>	<p><u>Library</u> The John Curtis Library budget has an increase in its FY16 budget request to allow for additional hours to a PT benefits position intended to accommodate the increased demand for internet user support. The library continues to provide a valuable service to the community and is always looking for ways to improve the services it provides to its residents.</p> <p><u>COA</u> In the Council on Aging (COA), the recent retirement of the Assistant COA Director provided the opportunity for restructuring. Consistent with the goals of the Board of Selectmen, this year's budget includes such a shift in duties and responsibilities, resulting in the elimination of one position, and the reduction of costs, both in salaries and in health insurance. With the increased volume and use of the COA this budget reflects a part time front desk administrative position and more outreach and services provided to the seniors with the existing staff.</p> <p><u>Visiting Nurses</u> Under the direction of the new Nurse Administrator the Visiting Nurses department continues to provide an invaluable service to the residents of Hanover, the Visiting Nurses are taking advantage of nursing internship programs and part-time nurse to provide exceptional services to the residents of Hanover.</p>
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Community Services Programs and Services





Community Services

Position	FY2015 FTE	FY2016 FTE	Change
Director Community Services/Assistant Town Manager	1.00	1.00	-
Municipal Inspections			
Project Manager	0.33	0.33	-
Program Support	-	1.00	1.00
Town Planner	1.00	1.00	-
Assistant Town Planner	1.00	1.00	-
Building Official	1.00	1.00	-
Conservation Agent	1.00	1.00	-
Assistant Conservation Agent	1.00	1.00	-
Health Agent	1.00	1.00	-
Assistant Health Agent	1.00	1.00	-
Public Health Nurse	0.50	0.50	-
Sealer Weights & Measures	0.50	0.50	-
Inspectors	2.50	2.50	-
Executive Assistant	1.00	1.00	-
Passports/Licensing	1.00	1.00	-
Visiting Nurse Association			
Nurse Administrator	1.00	1.00	-
Nurses	1.50	1.50	-
Council on Aging			
Director	1.00	1.00	-
Assistant Director	1.00	-	(1.00)
Outeach Coordinator	-	1.00	1.00
Administrative Assistant	1.00	1.50	0.50
Veterans' Services			
Director of Veterans' Services	0.50	0.50	-
John Curtis Free Library			
Library Director	1.00	1.00	-
Librarians	2.50	2.50	-
Library Technician	2.00	2.00	-
Library Assistants	1.50	1.50	-
Page	0.50	0.50	-
Total Full-time Equivalents	27.33	28.83	1.50



Community Services

Personnel Notes:

FTEs are based on a 35 hour work week and are benefit eligible.

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

255 - MUNICIPAL INSPECTIONS		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-255-5110	SALARIES - APPOINTED OFFICIALS	\$222,839.81	\$282,903.52	\$376,124.00	\$156,935.55	\$431,670.00	\$55,546.00	14.76
01-255-5113	SALARIES - CLERICAL	\$241,723.31	\$218,519.05	\$205,616.00	\$97,160.83	\$227,830.00	\$22,214.00	10.80
01-255-5121	SALARIES - TEMPORARY EMPLOYEES	\$19,789.09	\$28,861.81	\$16,500.00	\$15,750.94	\$17,219.00	\$719.00	4.35
01-255-5130	OVERTIME	\$0.00	\$108.10	\$2,130.00	\$0.00	\$0.00	\$-2,130.00	-100.00
01-255-5141	SHIFT DIFFERENTIALS	\$141.61	\$1.25	\$0.00	\$0.00	\$0.00	\$0.00	0.00
PERSONNEL SUB-TOTAL:		\$484,493.82	\$530,393.73	\$600,370.00	\$269,847.32	\$676,719.00	\$76,349.00	12.71
01-255-5240	VEHICLE MAINTENANCE & REPAIR	\$1,456.79	\$195.29	\$1,000.00	\$726.71	\$500.00	\$-500.00	-50.00
01-255-5250	EQUIPMENT MAINTENANCE	\$0.00	\$32.00	\$500.00	\$0.00	\$500.00	\$0.00	0.00
01-255-5310	ENGINEERING	\$0.00	\$0.00	\$500.00	\$0.00	\$500.00	\$0.00	0.00
01-255-5315	MEDICAL	\$4,386.04	\$3,468.89	\$3,500.00	\$2,264.38	\$3,000.00	\$-500.00	-14.28
01-255-5317	EMPLOYEE TRAINING	\$2,839.47	\$4,149.61	\$4,000.00	\$4,927.94	\$5,000.00	\$1,000.00	25.00
01-255-5319	OTHER CONTRACTED SERVICES	\$5,119.40	\$4,136.70	\$5,500.00	\$1,740.16	\$5,500.00	\$0.00	0.00
01-255-5341	CELL PHONE	\$2,928.43	\$3,809.62	\$3,000.00	\$2,471.82	\$5,000.00	\$2,000.00	66.66
01-255-5344	ADVERTISING	\$282.33	\$558.17	\$1,000.00	\$31.37	\$1,000.00	\$0.00	0.00
01-255-5345	POSTAGE	\$0.00	\$2,291.40	\$2,000.00	\$2,007.79	\$2,200.00	\$200.00	10.00
01-255-5348	POSTAGE - PASSPORTS	\$0.00	\$1,194.37	\$500.00	\$501.57	\$1,000.00	\$500.00	100.00
01-255-5420	OFFICE SUPPLIES	\$7,661.70	\$5,988.52	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-255-5530	LABORATORY SUPPLIES	\$0.00	\$38.38	\$200.00	\$0.00	\$200.00	\$0.00	0.00
01-255-5590	FIELD MATERIALS AND SUPPLIES	\$1,137.93	\$3,145.42	\$2,000.00	\$2,081.25	\$2,000.00	\$0.00	0.00
01-255-5710	MILEAGE REIMBURSEMENT	\$5,912.31	\$7,062.74	\$7,000.00	\$2,106.72	\$7,000.00	\$0.00	0.00
01-255-5720	REGISTRATION FEES	\$2,491.65	\$1,290.00	\$1,500.00	\$924.00	\$1,500.00	\$0.00	0.00
01-255-5730	DUES	\$1,835.30	\$2,488.00	\$1,500.00	\$1,804.00	\$1,500.00	\$0.00	0.00
01-255-5860	EQUIPMENT PURCHASE	\$1,383.20	\$1,687.93	\$2,100.00	\$2,100.00	\$2,100.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$37,642.55	\$41,537.04	\$35,800.00	\$23,687.71	\$38,500.00	\$2,700.00	7.54
255 MUNICIPAL INSPECTIONS SUB-TOTAL:		\$522,136.37	\$571,930.77	\$636,170.00	\$293,535.03	\$715,219.00	\$79,049.00	12.42

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

610 - JOHN CURTIS LIBRARY		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-610-5110	SALARIES-APPOINTED OFFICIALS	\$234,811.37	\$242,188.24	\$84,173.00	\$129,800.47	\$86,698.00	\$2,525.00	2.99
01-610-5113	SALARIES-CLERICAL	\$0.00	\$0.00	\$170,477.00	\$0.00	\$195,071.00	\$24,594.00	14.42
01-610-5121	WAGES-TEMPORARY EMPLOYEES	\$29,983.01	\$57,369.86	\$90,283.00	\$43,436.92	\$69,116.00	\$-21,167.00	-23.44
01-610-5140	LONGEVITY	\$0.00	\$0.00	\$0.00	\$2,740.10	\$0.00	\$0.00	0.00
01-610-5141	SHIFT DIFFERENTIALS	\$56,032.87	\$29,564.22	\$3,100.00	\$9,654.85	\$4,000.00	\$900.00	29.03
PERSONNEL SUB-TOTAL:		\$320,827.25	\$329,122.32	\$348,033.00	\$185,632.34	\$354,885.00	\$6,852.00	1.96
01-610-5230	MAINTENANCE-BLDG & GROUNDS	\$11,616.31	\$6,311.96	\$10,000.00	\$2,948.72	\$10,000.00	\$0.00	0.00
01-610-5250	EQUIPMENT MAINTENANCE	\$6,551.59	\$2,315.50	\$10,000.00	\$1,400.00	\$10,000.00	\$0.00	0.00
01-610-5318	OCS - PROGRAMS	\$213.49	\$366.25	\$750.00	\$539.67	\$2,000.00	\$1,250.00	166.66
01-610-5319	OCS - OLD COLONY NETWORK	\$26,319.79	\$25,735.95	\$29,720.00	\$23,066.00	\$29,720.00	\$0.00	0.00
01-610-5344	ADVERTISING	\$515.84	\$921.08	\$1,500.00	\$0.00	\$1,500.00	\$0.00	0.00
01-610-5345	POSTAGE & MAIL PERMITS	\$960.81	\$1,410.00	\$1,500.00	\$491.61	\$2,000.00	\$500.00	33.33
01-610-5420	OFFICE SUPPLIES	\$8,750.08	\$5,711.04	\$10,000.00	\$1,710.51	\$10,000.00	\$0.00	0.00
01-610-5421	PRINTING & STATIONARY	\$0.00	\$31.60	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-610-5510	BOOKS	\$38,791.54	\$51,578.21	\$42,770.00	\$35,006.67	\$41,500.00	\$-1,270.00	-2.96
01-610-5511	REFERENCE BOOKS	\$18,273.86	\$14,062.49	\$15,000.00	\$7,226.95	\$15,000.00	\$0.00	0.00
01-610-5512	PERIODICALS & JOURNALS	\$4,744.57	\$5,945.48	\$10,000.00	\$4,571.90	\$10,000.00	\$0.00	0.00
01-610-5515	AUDIO-VISUAL SUPPLIES	\$15,975.93	\$20,232.16	\$15,000.00	\$9,092.40	\$20,000.00	\$5,000.00	33.33
01-610-5516	LIBRARY FINES	\$12,523.95	\$10,724.70	\$11,324.00	\$0.00	\$0.00	\$-11,324.00	-100.00
01-610-5710	MILEAGE REIMBURSEMENT	\$247.85	\$302.91	\$1,000.00	\$348.69	\$1,000.00	\$0.00	0.00
01-610-5720	REGISTRATION FEES	\$360.00	\$80.00	\$1,000.00	\$125.00	\$1,200.00	\$200.00	20.00
01-610-5730	DUES	\$80.00	\$198.00	\$1,000.00	\$217.00	\$1,500.00	\$500.00	50.00
01-610-5860	EQUIPMENT PURCHASE	\$8,935.63	\$9,589.57	\$10,000.00	\$859.55	\$10,000.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$154,964.57	\$155,516.90	\$170,564.00	\$87,604.67	\$165,420.00	\$-5,144.00	-3.01
610 JOHN CURTIS LIBRARY SUB-TOTAL:		\$475,791.82	\$484,639.22	\$518,597.00	\$273,237.01	\$520,305.00	\$1,708.00	0.32

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

541 - COUNCIL ON AGING		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-541-5110	SALARIES-APPOINTED OFFICIALS	\$103,512.67	\$123,385.62	\$143,699.00	\$57,314.77	\$133,845.00	\$-9,854.00	-6.85
01-541-5120	SALARIES & WAGES-PERMANENT	\$3,593.01	\$14,816.86	\$14,375.00	\$14,586.04	\$16,861.00	\$2,486.00	17.29
01-541-5121	WAGES-TEMPORARY EMPLOYEES	\$416.00	\$0.00	\$1,583.00	\$0.00	\$0.00	\$-1,583.00	-100.00
PERSONNEL SUB-TOTAL:		\$122,061.50	\$138,202.48	\$159,657.00	\$71,900.81	\$150,706.00	\$-8,951.00	-5.60
01-541-5230	MAINTENANCE-BLDG & GROUNDS	\$6,122.83	\$6,582.39	\$5,100.00	\$2,546.40	\$5,250.00	\$150.00	2.94
01-541-5240	VEHICLE MAINT.-MINIBUS EXPENSE	\$1,073.47	\$2,229.59	\$2,000.00	\$34.95	\$1,000.00	\$-1,000.00	-50.00
01-541-5295	REFUSE REMOVAL SERVICE	\$1,038.60	\$1,145.18	\$1,550.00	\$761.41	\$1,550.00	\$0.00	0.00
01-541-5319	OTHER CONTRACTED SERVICE	\$11,826.30	\$19,947.68	\$17,500.00	\$8,859.60	\$21,700.00	\$4,200.00	24.00
01-541-5345	POSTAGE & MAIL PERMITS	\$7,843.46	\$5,040.88	\$8,600.00	\$3,592.88	\$8,800.00	\$200.00	2.32
01-541-5420	OFFICE SUPPLIES	\$1,912.07	\$2,471.02	\$2,900.00	\$934.43	\$3,000.00	\$100.00	3.44
01-541-5421	PRINTING & STATIONARY	\$0.00	\$0.00	\$1,125.00	\$0.00	\$1,150.00	\$25.00	2.22
01-541-5450	CUSTODIAL SUPPLIES	\$1,357.42	\$1,100.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-541-5710	MILEAGE REIMBURSEMENT	\$409.88	\$449.06	\$400.00	\$118.97	\$420.00	\$20.00	5.00
01-541-5720	REGISTRATION FEES	\$0.00	\$109.57	\$1,020.00	\$136.21	\$1,050.00	\$30.00	2.94
01-541-5730	DUES	\$378.56	\$25.00	\$200.00	\$0.00	\$210.00	\$10.00	5.00
01-541-5860	EQUIPMENT PURCHASE	\$1,110.75	\$1,000.00	\$1,050.00	\$1,036.40	\$1,100.00	\$50.00	4.76
EXPENSES SUB-TOTAL:		\$33,073.34	\$40,100.37	\$41,445.00	\$18,021.25	\$45,230.00	\$3,785.00	9.13
541 COUNCIL ON AGING SUB-TOTAL:		\$155,134.84	\$178,302.85	\$201,102.00	\$89,922.06	\$195,936.00	\$-5,166.00	-2.56

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

522 - VISITING NURSE ASSOCIATION		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-522-5110	SALARIES-APPOINTED OFFICIALS	\$67,842.98	\$68,646.01	\$70,991.00	\$37,240.10	\$73,120.00	\$2,129.00	2.99
01-522-5121	WAGES-TEMPORARY EMPLOYEES	\$27,951.72	\$28,419.77	\$29,909.00	\$14,547.20	\$30,889.00	\$980.00	3.27
PERSONNEL SUB-TOTAL:		\$95,794.70	\$97,065.78	\$100,900.00	\$51,787.30	\$104,009.00	\$3,109.00	3.08
01-522-5319	OTHER CONTRACTED SERVICE	\$1,500.00	\$1,500.00	\$1,500.00	\$0.00	\$1,500.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$1,500.00	\$1,500.00	\$1,500.00	\$0.00	\$1,500.00	\$0.00	0.00
522 VISITING NURSE ASSOCIATION		\$97,294.70	\$98,565.78	\$102,400.00	\$51,787.30	\$105,509.00	\$3,109.00	3.03

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

543 - VETERANS SERVICES		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-543-5110	SALARIES-APPOINTED OFFICIALS	\$16,597.28	\$17,098.20	\$16,762.00	\$9,759.87	\$19,410.00	\$2,648.00	15.79
PERSONNEL SUB-TOTAL:		\$16,597.28	\$17,098.20	\$16,762.00	\$9,759.87	\$19,410.00	\$2,648.00	15.79
01-543-5319	OTHER CONTRACTED SERVICES	\$2,100.50	\$1,645.50	\$3,200.00	\$200.00	\$3,200.00	\$0.00	0.00
01-543-5345	POSTAGE & MAIL PERMITS	\$0.00	\$10.12	\$50.00	\$0.00	\$50.00	\$0.00	0.00
01-543-5420	OFFICE SUPPLIES	\$0.00	\$75.99	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-543-5710	MILEAGE REIMBURSEMENT	\$0.00	\$0.00	\$500.00	\$0.00	\$500.00	\$0.00	0.00
01-543-5770	VETERANS' BENEFITS - SUBSISTENCE	\$89,895.89	\$108,275.24	\$95,000.00	\$59,490.06	\$106,000.00	\$11,000.00	11.57
01-543-5771	VETERANS' BENEFITS - MEDICAL	\$4,429.98	\$1,497.92	\$12,000.00	\$0.00	\$20,000.00	\$8,000.00	66.66
01-543-5860	EQUIPMENT PURCHASE	\$0.00	\$75.99	\$200.00	\$0.00	\$200.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$96,426.37	\$111,580.76	\$110,950.00	\$59,690.06	\$129,950.00	\$19,000.00	17.12
543 VETERANS SERVICES SUB-TOTAL:		\$113,023.65	\$128,678.96	\$127,712.00	\$69,449.93	\$149,360.00	\$21,648.00	16.95

POLICE DEPARTMENT



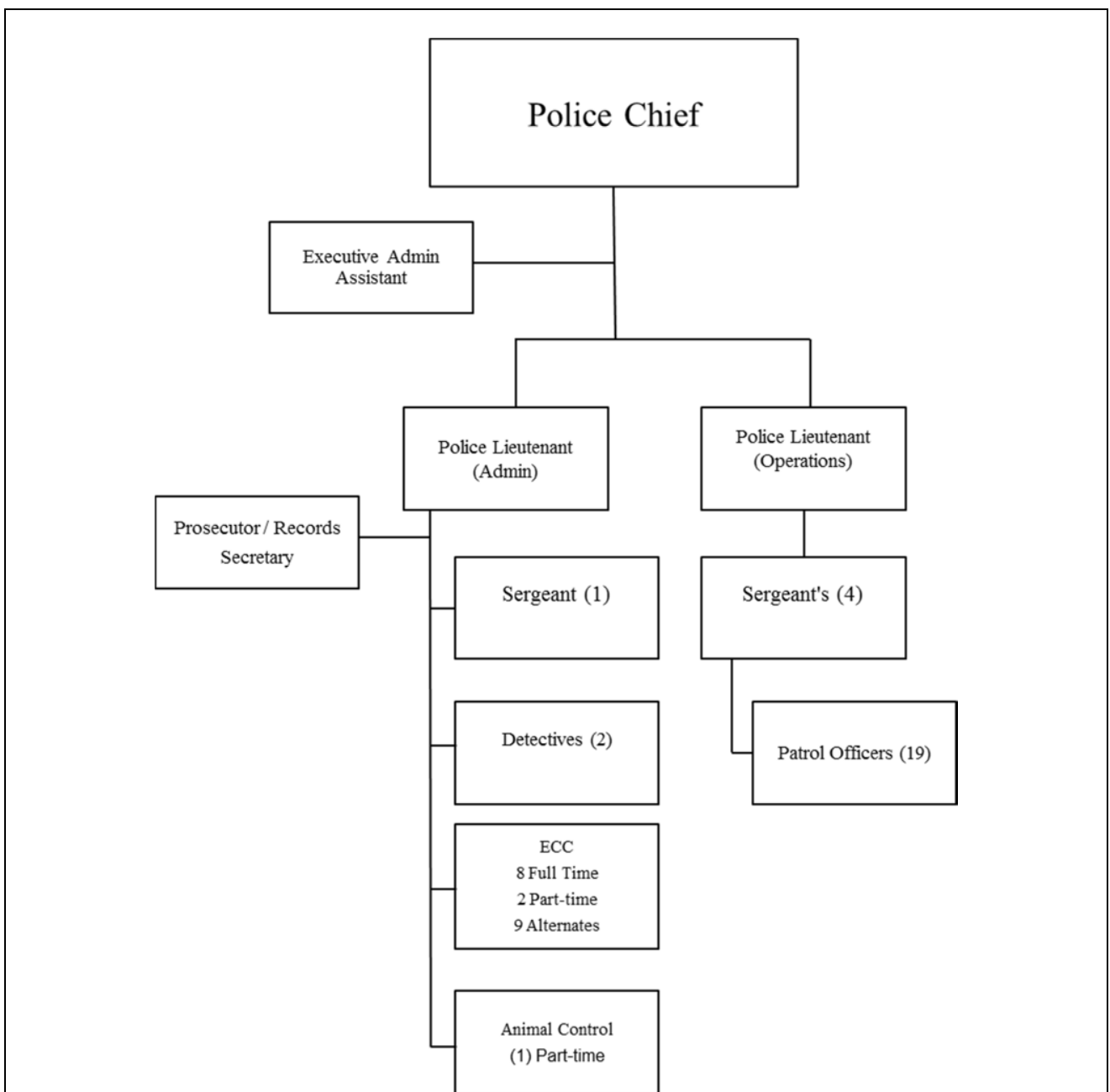
"Hanover, Honoring Yesterday As We Build For Tomorrow"



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.
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Organizational Chart





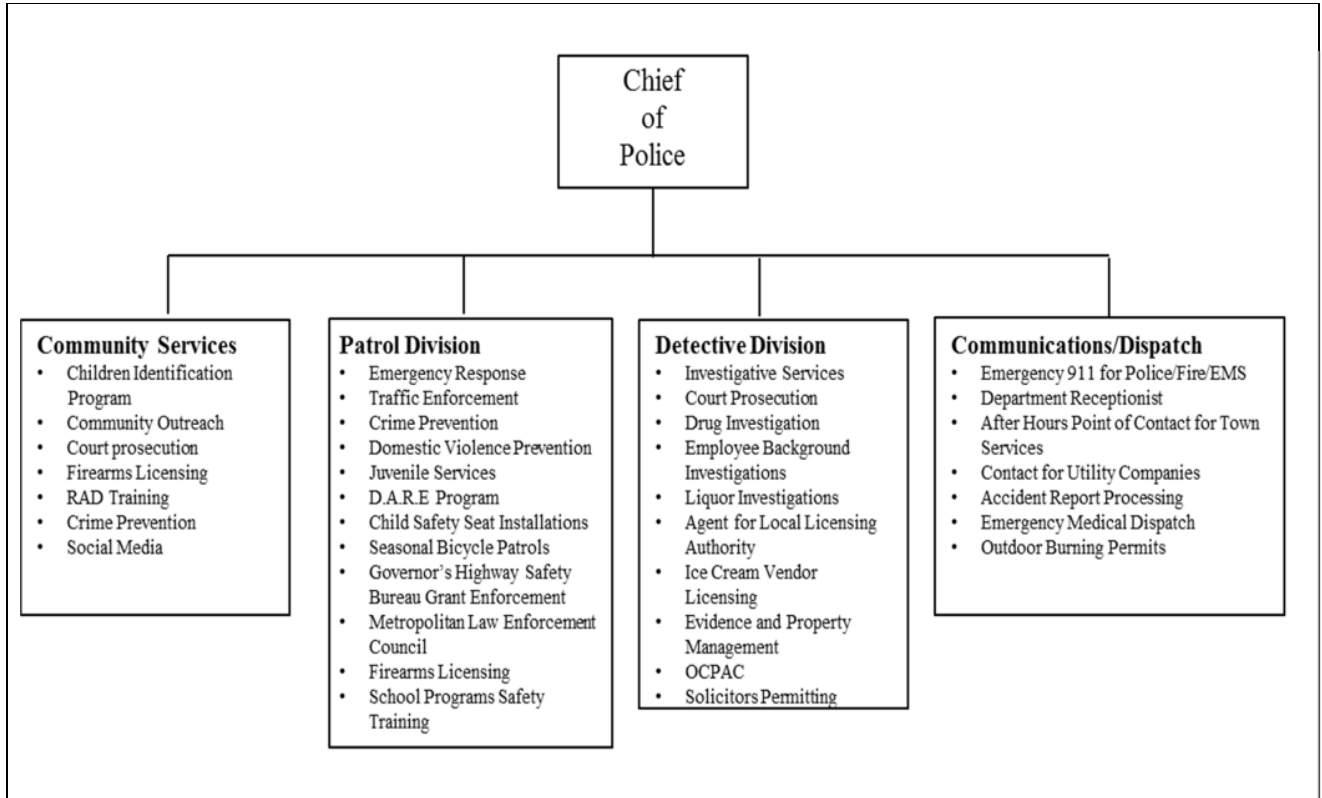
Police Department

FY2015 Accomplishments	<ul style="list-style-type: none">• Implementation and training of officers in the use of Naloxone; every police officer has been trained and each cruiser is equipped with this opioid antidote.• A joint training exercise was conducted at the Hanover Mall in May 2014, this was a national training exercise involving federal, state, and local first responders simulating a complex attack at a shopping mall. This training was led by the FBI and coordinated with Hanover Police and Fire Chiefs. The exercise was made possible as a result of the Town's strong and abiding relationship with the management of the Hanover Mall.• Implementation of ALICE (alert, lockdown, inform, counter, evacuate) in the Hanover Schools, this program prepares staff and students to respond to the unlikely event of a school shooting. This program is a continuation of emergency preparedness planning, training, and collaboration between the schools, and Police & Fire Departments.
Significant Budget Changes or Initiatives	<p>The Hanover Police Union will be in the second year of a settled contract in FY16. Modest adjustments in salaries and expenses reflect that negotiated contract. In addition, the Police Chief has been working closely with the Town Manager and School Superintendent to implement a School Resource Officer. The costs of that initiative are also reflected in this proposed budget. The increase in the recruit training and issued equipment purchase request is to accommodate both the School Resource Officer initiative and an anticipated retirement in the department.</p> <p>In the Emergency Communications Center budget, the proposed wages reflect the anticipated settlement of a new three year contract. The current budget reflects a proposed shift to a 4-2 schedule which was not approved during the collective bargaining process. As a result, the overall wage proposal for FY16 is a slight reduction from the current year.</p> <p>Animal control services continue to be provided under the auspices of the Police Department, utilizing a shared position with the Facilities Department. The Animal Control officer performs his duties providing both on-call and scheduled administrative functions.</p>



Police Department

Programs and Services





Police Department

Personnel Summary

Position	FY2015 FTE	FY2016 FTE	Change
Chief of Police	1.00	1.00	-
Police			
Lieutenants	2.00	2.00	-
Sergeants	5.00	5.00	-
Detectives	2.00	2.00	-
Police officers	19.00	20.00	1.00
Executive Assistant	1.00	1.00	-
Secretary	1.00	1.00	-
Communications			
Dispatch Supervisor	1.00	1.00	-
FT Dispatcher	7.00	7.00	-
PT Dispatcher	1.00	1.00	-
Alternates	1.00	1.00	-
Animal Control			
Animal Control Officer	0.50	0.50	-
Total Full-time Equivalents	41.50	42.50	1.00

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
FY16 Operating Budget

210 - POLICE		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-210-5110	SALARIES-APPOINTED OFFICIALS	\$318,471.00	\$331,745.00	\$335,728.00	\$172,355.64	\$343,799.00	\$8,071.00	2.40
01-210-5113	SALARIES-CLERICAL	\$76,054.92	\$84,128.47	\$86,771.00	\$43,701.83	\$89,096.00	\$2,325.00	2.67
01-210-5114	SALARIES & WAGES PERM F/T	\$1,435,073.28	\$1,463,858.85	\$1,557,512.00	\$765,546.47	\$1,631,393.00	\$73,881.00	4.74
01-210-5121	WAGES-TEMPORARY EMPLOYEES	\$4,107.44	\$4,757.34	\$6,200.00	\$3,321.52	\$6,386.00	\$186.00	3.00
01-210-5130	OVERTIME	\$223,259.99	\$275,666.25	\$245,370.00	\$118,168.55	\$250,277.00	\$4,907.00	1.99
01-210-5132	COURT TIME	\$23,399.57	\$32,345.33	\$44,006.00	\$18,619.65	\$44,886.00	\$880.00	1.99
01-210-5141	SHIFT DIFFERENTIALS	\$88,961.51	\$83,620.99	\$118,036.00	\$52,733.83	\$119,456.00	\$1,420.00	1.20
01-210-5142	HOLIDAY PAY	\$57,798.87	\$58,248.60	\$63,160.00	\$26,957.40	\$66,001.00	\$2,841.00	4.49
01-210-5143	EDUCATIONAL PAY	\$180,256.89	\$193,919.10	\$197,719.00	\$98,705.24	\$201,822.00	\$4,103.00	2.07
01-210-5147	VACATION BUYOUT	\$0.00	\$0.00	\$7,042.00	\$8,237.06	\$6,931.00	\$-111.00	-1.57
PERSONNEL SUB-TOTAL:		\$2,407,383.47	\$2,528,289.93	\$2,661,544.00	\$1,308,347.19	\$2,760,047.00	\$98,503.00	3.70
01-210-5240	VEHICLE MAINTENANCE	\$22,363.74	\$14,764.66	\$23,500.00	\$4,606.97	\$23,500.00	\$0.00	0.00
01-210-5250	EQUIPMENT MAINTENANCE	\$10,103.18	\$2,563.50	\$7,000.00	\$2,031.02	\$7,000.00	\$0.00	0.00
01-210-5292	UNIFORM CLEANING	\$11,269.54	\$10,608.30	\$22,260.00	\$4,518.59	\$24,630.00	\$2,370.00	10.64
01-210-5317	PROFESSIONAL DEVELOPMENT	\$3,826.08	\$4,625.75	\$8,000.00	\$2,006.52	\$8,000.00	\$0.00	0.00
01-210-5318	OCS-MATRONS (CONTRACTED)	\$1,355.00	\$1,159.16	\$1,500.00	\$255.75	\$1,500.00	\$0.00	0.00
01-210-5340	TELEPHONE - LAPTOPS	\$8,114.83	\$7,420.35	\$8,400.00	\$3,155.86	\$8,400.00	\$0.00	0.00
01-210-5341	PAGERS	\$2,979.06	\$3,163.68	\$3,100.00	\$1,682.28	\$3,100.00	\$0.00	0.00
01-210-5345	POSTAGE & MAIL PERMITS	\$381.76	\$1,553.37	\$1,400.00	\$0.00	\$1,400.00	\$0.00	0.00
01-210-5420	OFFICE SUPPLIES	\$7,596.68	\$7,398.20	\$5,300.00	\$3,193.13	\$6,000.00	\$700.00	13.20
01-210-5485	TIRES	\$3,595.12	\$3,922.80	\$4,000.00	\$2,239.88	\$4,000.00	\$0.00	0.00
01-210-5512	PERIODICALS & JOURNALS	\$2,301.80	\$2,558.20	\$2,750.00	\$1,279.40	\$2,750.00	\$0.00	0.00
01-210-5525	AMMUNITION	\$3,841.18	\$7,171.00	\$6,000.00	\$2,786.00	\$6,000.00	\$0.00	0.00
01-210-5585	UNIFORMS	\$27,255.78	\$35,549.49	\$33,100.00	\$10,246.90	\$36,450.00	\$3,350.00	10.12
01-210-5665	MASS CJTC POLICE RECRUIT TRAINING	\$2,500.00	\$6,000.00	\$3,000.00	\$0.00	\$6,000.00	\$3,000.00	100.00
01-210-5710	MILEAGE REIMBURSEMENT	\$159.64	\$327.70	\$425.00	\$288.42	\$425.00	\$0.00	0.00
01-210-5713	MEALS REIMBURSEMENT	\$942.06	\$850.00	\$1,300.00	\$289.00	\$1,300.00	\$0.00	0.00
01-210-5720	REGISTRATION FEES	\$5,397.00	\$4,620.48	\$4,000.00	\$779.00	\$4,000.00	\$0.00	0.00
01-210-5730	DUES	\$7,300.00	\$6,095.00	\$6,750.00	\$5,150.00	\$6,750.00	\$0.00	0.00
01-210-5860	EQUIPMENT PURCHASE	\$26,648.76	\$30,772.46	\$18,943.00	\$4,705.42	\$24,943.00	\$6,000.00	31.67

Town of Hanover

Town Manager Recommended Budget

FY16 Operating Budget

210 - POLICE		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
EXPENSES SUB-TOTAL:		\$151,463.83	\$151,124.10	\$160,728.00	\$49,214.14	\$176,148.00	\$15,420.00	9.59
210 POLICE SUB-TOTAL:		\$2,558,847.30	\$2,679,414.03	\$2,822,272.00	\$1,357,561.33	\$2,936,195.00	\$113,923.00	4.03

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

299 - COMMUNICATIONS		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-299-5114	SALARIES & WAGES PERM F/T	\$348,116.41	\$354,225.77	\$426,486.00	\$197,035.13	\$394,338.00	\$-32,148.00	-7.53
01-299-5120	SALARIES & WAGES PERM P/T	\$57,240.82	\$52,187.03	\$26,731.00	\$15,955.90	\$39,945.00	\$13,214.00	49.43
01-299-5130	OVERTIME	\$83,101.51	\$65,750.36	\$86,182.00	\$55,113.20	\$101,519.00	\$15,337.00	17.79
PERSONNEL SUB-TOTAL:		\$488,458.74	\$472,163.16	\$539,399.00	\$268,104.23	\$535,802.00	\$-3,597.00	-0.66
01-299-5270	OFFICE EQUIPMENT RENTAL/LEASE	\$4,549.31	\$5,174.03	\$3,951.00	\$3,959.74	\$4,888.00	\$937.00	23.71
01-299-5271	EQUIPMENT MAINTENANCE	\$38,405.97	\$39,212.87	\$42,147.00	\$18,554.53	\$41,710.00	\$-437.00	-1.03
01-299-5317	EMPLOYEE TRAINING	\$129.00	\$865.00	\$1,935.00	\$1,397.00	\$2,000.00	\$65.00	3.35
01-299-5345	POSTAGE & MAIL PERMITS	\$8.97	\$0.00	\$100.00	\$0.00	\$100.00	\$0.00	0.00
01-299-5420	OFFICE SUPPLIES	\$4,887.39	\$5,977.48	\$5,000.00	\$1,182.43	\$5,200.00	\$200.00	4.00
01-299-5585	UNIFORMS	\$1,194.88	\$1,799.75	\$1,800.00	\$782.91	\$2,000.00	\$200.00	11.11
01-299-5710	MILEAGE REIMBURSEMENT	\$439.12	\$1,434.38	\$100.00	\$0.00	\$200.00	\$100.00	100.00
01-299-5860	EQUIPMENT PURCHASE	\$6,552.22	\$1,934.41	\$3,000.00	\$0.00	\$3,000.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$56,166.86	\$56,397.92	\$58,033.00	\$25,876.61	\$59,098.00	\$1,065.00	1.83
299 COMMUNICATIONS SUB-TOTAL:		\$544,625.60	\$528,561.08	\$597,432.00	\$293,980.84	\$594,900.00	\$-2,532.00	-0.42

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

292 - ANIMAL CONTROL		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-292-5110	SALARIES-APPOINTED OFFICIALS	\$14,907.84	\$19,206.72	\$22,995.00	\$11,225.95	\$23,790.00	\$795.00	3.45
PERSONNEL SUB-TOTAL:		\$14,907.84	\$19,206.72	\$22,995.00	\$11,225.95	\$23,790.00	\$795.00	3.45
01-292-5240	VEHICLE MAINTENANCE & REPAIR	\$714.94	\$0.00	\$681.00	\$0.00	\$681.00	\$0.00	0.00
01-292-5315	MEDICAL	\$172.99	\$40.00	\$860.00	\$110.24	\$860.00	\$0.00	0.00
01-292-5345	POSTAGE & MAIL PERMITS	\$61.35	\$0.00	\$570.00	\$0.00	\$570.00	\$0.00	0.00
01-292-5385	KENNEL SERVICES	\$1,568.22	\$1,295.00	\$2,500.00	\$650.00	\$2,500.00	\$0.00	0.00
01-292-5420	OFFICE SUPPLIES	\$0.00	\$306.57	\$150.00	\$7.99	\$150.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$2,517.50	\$1,641.57	\$4,761.00	\$768.23	\$4,761.00	\$0.00	0.00
292 ANIMAL CONTROL SUB-TOTAL:		\$17,425.34	\$20,848.29	\$27,756.00	\$11,994.18	\$28,551.00	\$795.00	2.86

FIRE DEPARTMENT



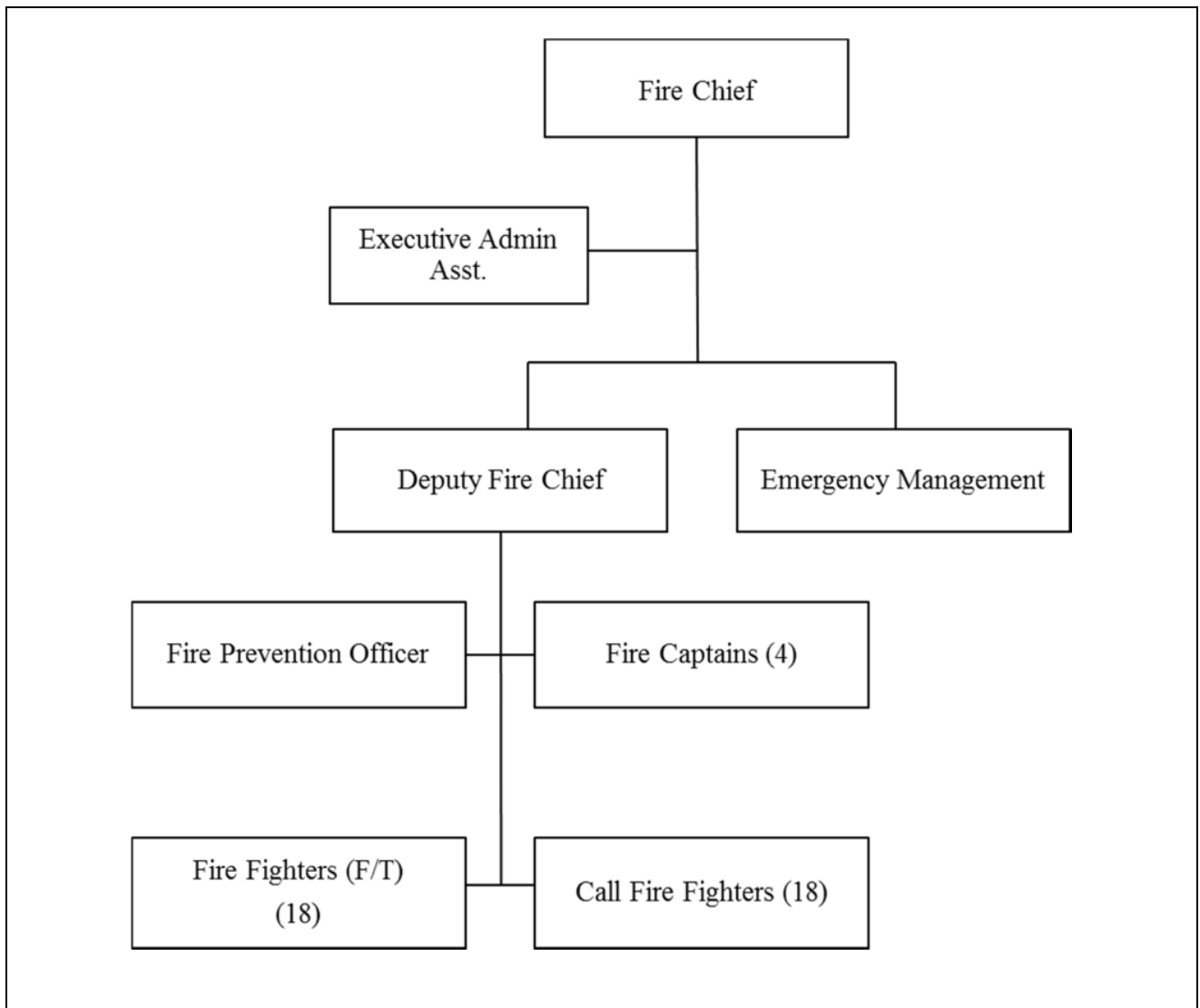
"Hanover, Honoring Yesterday As We Build For Tomorrow"



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.
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Organizational Chart





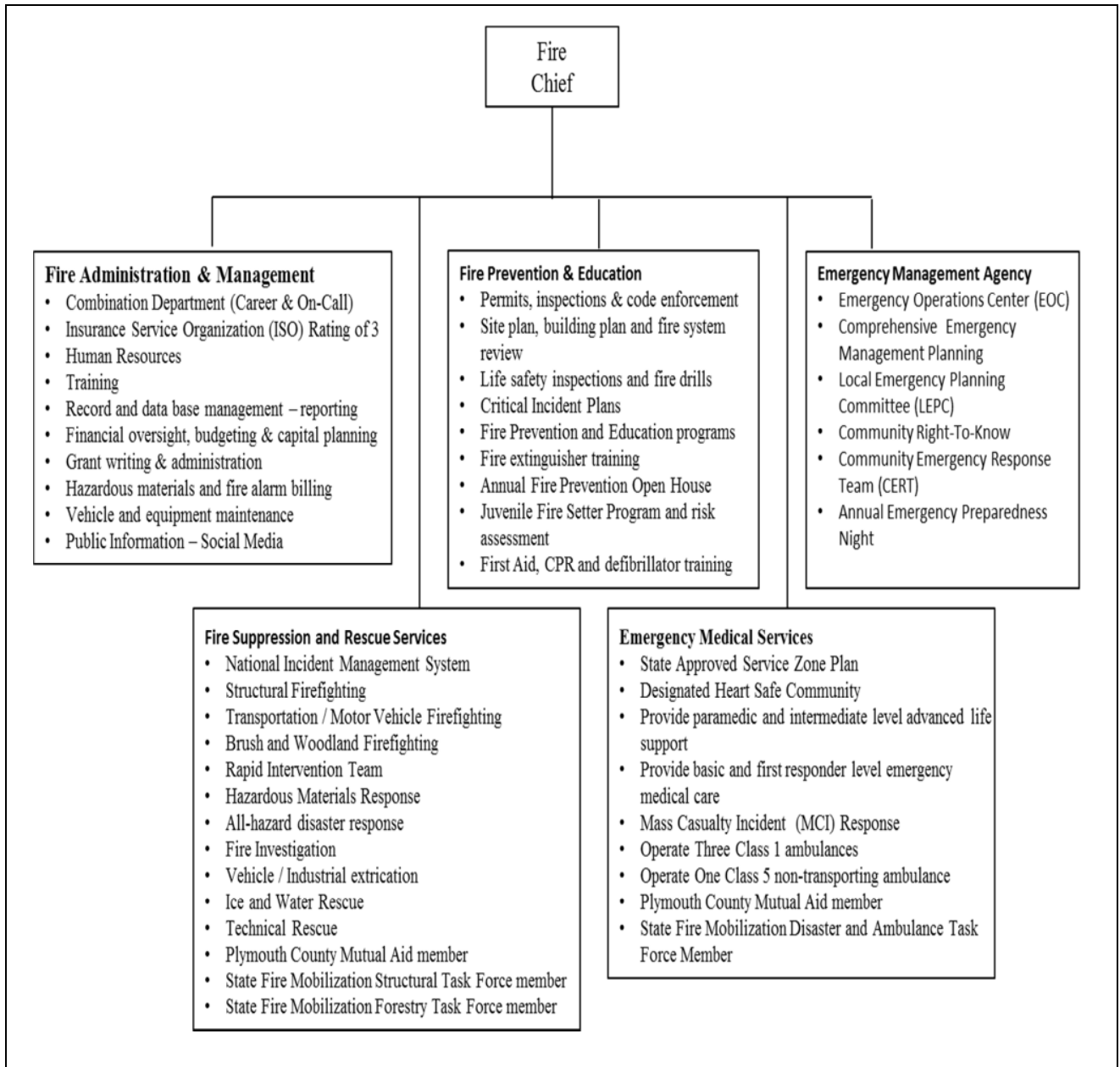
Fire Department

FY2015 Accomplishments	<ul style="list-style-type: none">• Responded to 2715 emergency calls• Completed 672 inspections• Added two career firefighters to work the Monday thru Friday day shift. These firefighters will supplement the rotating shifts during the time that the department receives the greatest demand for service.• Maintained On-Call firefighter staffing sufficient to operate two engine companies• Participated in a large scale exercise with the FBI, State Police and Hanover Police to test our emergency response capabilities to a critical incident.• Received Assistance to Firefighters Grant award of \$95,000 to defray the cost of the installation of fire sprinklers at Fire Headquarters.• Achieved Full State of Massachusetts Certification for Hanover's Local Emergency Planning Committee, and held First Annual Community Emergency Preparedness Night• Provided training for and graduated 30 Community Emergency Response Team members. Thirteen of those were students who received their training as a result of a partnership between the Department and the Hanover High School Internship Program.
Significant Budget Changes or Initiatives	<p>The Professional Firefighters of Hanover have entered into a new three year contract with the Town. It includes a modest annual wage increase of 2% per year, as well as reasonable increases in stipends and training. The FY15 budget reflected a proposed, but not approved initiative which contemplated an increase in staffing and associated reduction in overtime.</p> <p>The FY16 budget returns to the previous proposed manning levels, but reflects the increases approved by the Board of Selectmen in the new contract resulting in the increase in salaries of \$76,885</p> <p>The FY16 budget also reflects reductions in educational pay and holiday pay due to the retirement of veteran officers and firefighters, while providing for contractually approved step increases for newer members of the department.</p> <p>The Hanover Fire Department continues to operate successfully and efficiently as a combination department, consisting of both dedicated career and on-call firefighters. In order to continue to be able to recruit and retain committed call firefighters, this budget provides for an increase in the hourly wage paid to these valuable employees.</p> <p>The reduction of \$4,100 in vehicle maintenance is reflective of the anticipated approval of a new pumping engine to replace two aging pumping engines. The requested increase in employee training seeks to fulfill a long standing agreement in the employee contract which obligates the Town to pay for paramedic training. The reduction in uniform costs is related to an anticipated reduction in new hires in the coming year.</p>



Fire Department

Programs and Services





Fire Department

Personnel Summary

Position	FY2015 FTE	FY2016 FTE	Change
Fire Chief	1.00	1.00	-
Deputy Fire Chief	1.00	1.00	-
Captains/EMT	5.00	5.00	-
Firefighters/EMT	18.00	18.00	-
Executive Assistant	1.00	1.00	-
Call Firefighters	1.00	1.00	-
Total Full-time Equivalents	27.00	27.00	-

Personnel Notes:

The FTEs in this department are made up by 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 that work as needed. These are non-benefit eligible positions are represented collectively above as a single FTE. The executive assistant works a 35 hour work week.

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

220 - FIRE								
Account Number	Account Description	FY2013 Expended	FY2014 Expended	FY2015 Budget	FY2015 Expended	FY2016 Town Manager Rec	\$ Change	% Change
01-220-5110	FIRE APPOINTED SALARY	\$201,807.84	\$217,490.15	\$224,712.00	\$115,907.94	\$231,453.00	\$6,741.00	2.99
01-220-5113	SALARIES-CLERICAL	\$39,011.70	\$43,700.00	\$46,500.00	\$24,033.97	\$47,910.00	\$1,410.00	3.03
01-220-5114	SALARIES & WAGES PERM FULL TIME	\$1,216,850.34	\$1,290,321.91	\$1,649,783.00	\$779,707.37	\$1,592,324.00	\$-57,459.00	-3.48
01-220-5120	SUPPRESSION OF FIRES PAYROLL	\$33,565.50	\$31,783.00	\$31,756.00	\$13,756.74	\$38,216.00	\$6,460.00	20.34
01-220-5130	OVERTIME	\$465,154.15	\$560,008.14	\$264,551.00	\$176,324.91	\$408,472.00	\$143,921.00	54.40
01-220-5132	COURT TIME	\$350.94	\$310.30	\$1,759.00	\$171.50	\$1,795.00	\$36.00	2.04
01-220-5135	FIRE INVESTIGATIONS	\$105.78	\$142.85	\$1,100.00	\$204.41	\$1,122.00	\$22.00	2.00
01-220-5142	HOLIDAY PAY	\$66,519.94	\$68,313.98	\$94,491.00	\$34,991.71	\$83,025.00	\$-11,466.00	-12.13
01-220-5143	EDUCATIONAL PAY	\$34,660.00	\$39,961.00	\$59,565.00	\$39,971.90	\$42,137.00	\$-17,428.00	-29.25
01-220-5149	OTHER PAY(TRAINING)	\$34,350.90	\$41,535.82	\$38,141.00	\$19,279.23	\$42,789.00	\$4,648.00	12.18
PERSONNEL SUB-TOTAL:		\$2,110,231.33	\$2,293,567.15	\$2,412,358.00	\$1,204,349.68	\$2,489,243.00	\$76,885.00	3.18
01-220-5230	MAINTENANCE-BLDG & GROUNDS	\$15,730.52	\$5,042.62	\$1,800.00	\$2,821.26	\$1,800.00	\$0.00	0.00
01-220-5240	VEHICLE MAINTENANCE	\$56,897.95	\$49,446.02	\$63,880.00	\$21,824.66	\$59,780.00	\$-4,100.00	-6.41
01-220-5250	EQUIPMENT MAINTENANCE	\$12,162.55	\$17,021.08	\$7,300.00	\$3,551.69	\$7,800.00	\$500.00	6.84
01-220-5256	REPAIR/MAINT AMBULANCE	\$0.00	\$6,693.98	\$8,271.00	\$495.00	\$8,271.00	\$0.00	0.00
01-220-5265	SOFTWARE MAINTENANCE	\$0.00	\$14,738.08	\$14,400.00	\$20,384.21	\$15,200.00	\$800.00	5.55
01-220-5270	EQUIPMENT RENTALS/LEASES	\$0.00	\$3,455.64	\$3,808.00	\$1,761.73	\$3,808.00	\$0.00	0.00
01-220-5304	AMBULANCE BILLING SERVICES	\$0.00	\$16,370.50	\$20,000.00	\$7,591.00	\$20,000.00	\$0.00	0.00
01-220-5317	EMPLOYEE TRAINING	\$16,470.34	\$12,427.23	\$13,200.00	\$3,640.64	\$18,600.00	\$5,400.00	40.90
01-220-5316	ASSESSMENT CENTER	\$-375.00	\$6,474.91	\$4,388.00	\$500.00	\$4,388.00	\$0.00	0.00
01-220-5319	OTHER CONTRACTED SERVICE	\$0.00	\$7,349.26	\$7,200.00	\$2,699.59	\$7,200.00	\$0.00	0.00
01-220-5345	POSTAGE & MAIL PERMITS	\$291.74	\$340.15	\$440.00	\$121.06	\$440.00	\$0.00	0.00
01-220-5420	OFFICE SUPPLIES	\$65,466.71	\$8,449.24	\$3,000.00	\$2,958.19	\$3,000.00	\$0.00	0.00
01-220-5505	AMBULANCE SUPPLIES	\$0.00	\$13,771.46	\$21,000.00	\$13,377.02	\$21,000.00	\$0.00	0.00
01-220-5520	PUBLIC SAFETY SUPPLIES	\$0.00	\$2,363.08	\$5,650.00	\$461.15	\$5,650.00	\$0.00	0.00
01-220-5540	FIRE SAFETY EDUCATION MATERIALS	\$0.00	\$161.95	\$500.00	\$0.00	\$500.00	\$0.00	0.00
01-220-5585	UNIFORMS	\$24,474.86	\$51,238.99	\$56,175.00	\$15,043.32	\$50,925.00	\$-5,250.00	-9.34
01-220-5594	IT EXPENSES	\$0.00	\$2,811.04	\$2,000.00	\$4,876.45	\$2,000.00	\$0.00	0.00
01-220-5710	MILEAGE REIMBURSEMENT	\$187.50	\$1,346.79	\$200.00	\$174.97	\$200.00	\$0.00	0.00
01-220-5720	REGISTRATION FEES	\$2,000.00	\$1,500.00	\$1,800.00	\$1,500.00	\$1,800.00	\$0.00	0.00

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

220 - FIRE								
Account Number	Account Description	FY2013 Expended	FY2014 Expended	FY2015 Budget	FY2015 Expended	FY2016 Town Manager Rec	\$ Change	% Change
01-220-5730	DUES	\$2,225.00	\$2,247.31	\$3,100.00	\$1,435.98	\$3,635.00	\$535.00	17.25
01-220-5860	EQUIPMENT PURCHASE	\$3,482.77	\$336.00	\$600.00	\$1,079.98	\$600.00	\$0.00	0.00
01-220-5862	OFFICE EQUIPMENT	\$0.00	\$0.00	\$2,000.00	\$0.00	\$2,000.00	\$0.00	0.00
01-220-5867	PUBLIC SAFETY EQUIPMENT	\$0.00	\$6,376.17	\$3,000.00	\$0.00	\$5,000.00	\$2,000.00	66.66
01-220-5872	AMBULANCE EQUIPMENT	\$0.00	\$818.86	\$3,000.00	\$1,413.87	\$3,000.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$199,014.94	\$230,780.36	\$246,712.00	\$107,711.77	\$246,597.00	\$-115.00	-0.04
220 FIRE SUB-TOTAL:		\$2,309,246.27	\$2,524,347.51	\$2,659,070.00	\$1,312,061.45	\$2,735,840.00	\$76,770.00	2.88

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

291 - EMERGENCY MANAGEMENT		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-291-5420	OFFICE SUPPLIES	\$0.00	\$66.76	\$0.00	\$529.96	\$0.00	\$0.00	0.00
01-291-5590	MATERIALS & SUPPLIES	\$0.00	\$0.00	\$5,000.00	\$0.00	\$5,000.00	\$0.00	0.00
01-291-5860	EQUIPMENT PURCHASE	\$2,489.82	\$1,504.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$2,489.82	\$1,570.76	\$5,000.00	\$529.96	\$5,000.00	\$0.00	0.00
291 EMERGENCY MANAGEMENT		\$2,489.82	\$1,570.76	\$5,000.00	\$529.96	\$5,000.00	\$0.00	0.00

EDUCATION



"Hanover, Honoring Yesterday As We Build For Tomorrow"



Education

Hanover K-12 Public Schools

The mission of the Hanover Public Schools is to guide each and every student to thrive in a global society.

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.

As of December 1, 2014, a total of 2,587 students attend the Hanover schools.

School	Grades	Enrollment
Cedar School	K-4	366
Center School	K-2	323
Sylvester School	3 & 4	234
Middle School	5-8	878
High School	9-12	786
Total Enrollment		2,587

In FY2016, the Town Manager recommended budget for Hanover Public Schools is an increase of \$827,864 or 3.43%.

For detailed information regarding the Town of Hanover Public School budget, initiatives and goals, please see the Superintendent's FY2016 budget. This can be found on the Hanover Public Schools website www.hanoverschools.org.



Education

South Shore Vocational High School

South Shore Vocational High School is a vocational school comprised of the member communities of Abington, Cohasset, Hanover, Hanson, Norwell, Rockland, Scituate and Whitman. Hanover's assessment is based upon the number of students from Town attending the school. The total FY2016 budget is \$741,712 which is a \$22,453 or 3.12% increase.

As of December 1, 2014, Hanover had total of 45 students attending the school. This was a decrease of two students compared to the previous year.

Grades	Enrollment
9	11
10	15
11	9
12	10
Total	45

**For more information regarding the South Shore Vocational High School budget, initiatives and goals, please see the South Shore Vocational High School Superintendent's FY2016 budget on the school website www.ssvotech.org.

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

300 - HANOVER PUBLIC SCHOOLS		FY2013	FY2014	FY2015	FY2015	FY2016 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	\$24,920,443.00	\$24,920,443.00	100.00
EXPENSES SUB-TOTAL:		\$0.00	\$0.00	\$0.00	\$0.00	\$24,920,443.00	\$24,920,443.00	100.00
300 HANOVER PUBLIC SCHOOLS		\$0.00	\$0.00	\$0.00	\$0.00	\$24,920,443.00	\$24,920,443.00	100.00

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

390 - SOUTH SHORE VOCATIONAL		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-390-5690	SOUTH SHORE REGIONAL ASSESSMENT	\$844,581.00	\$681,124.00	\$719,259.00	\$370,855.83	\$741,712.00	\$22,453.00	3.12
EXPENSES SUB-TOTAL:		\$844,581.00	\$681,124.00	\$719,259.00	\$370,855.83	\$741,712.00	\$22,453.00	3.12
390 SOUTH SHORE VOCATIONAL		\$844,581.00	\$681,124.00	\$719,259.00	\$370,855.83	\$741,712.00	\$22,453.00	3.12

FACILITIES DEPARTMENT



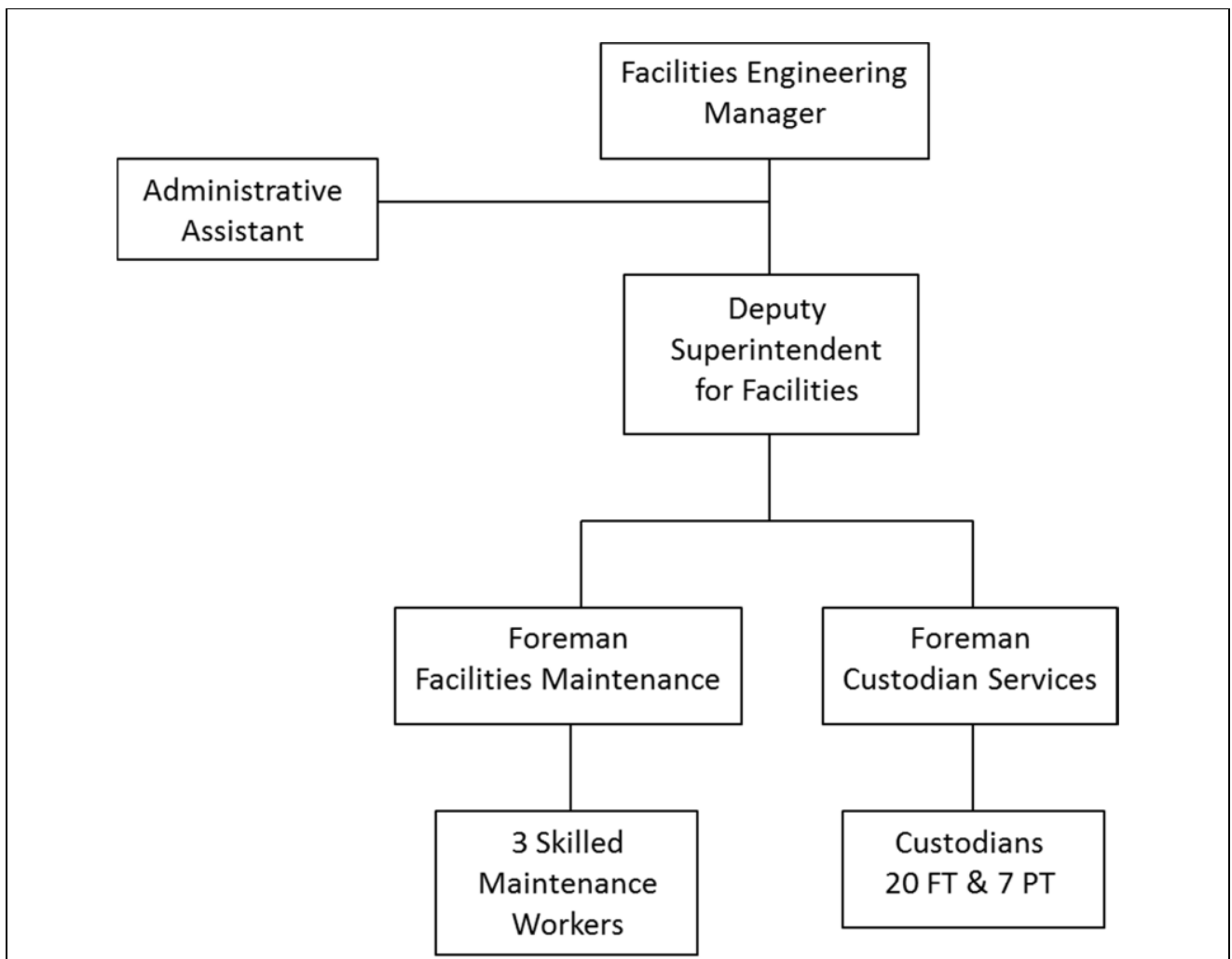
"Hanover, Honoring Yesterday As We Build For Tomorrow"



Facilities Department

Mission	In 2012, Hanover consolidated the maintenance operations for school and town buildings into a new Facilities Department reporting to the Town Manager. The consolidation merged personnel from the school department's maintenance organization and custodians in town buildings under the management of a newly hired Facilities Engineering Manager. Two additional positions were also added, namely an additional skilled maintenance worker and an administrative assistant. The consolidation has been widely regarded as a seamless transition and a full success, with building maintenance being managed by a professional in place of school and town executives managing their building's maintenance as a collateral responsibility.
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Organizational Chart

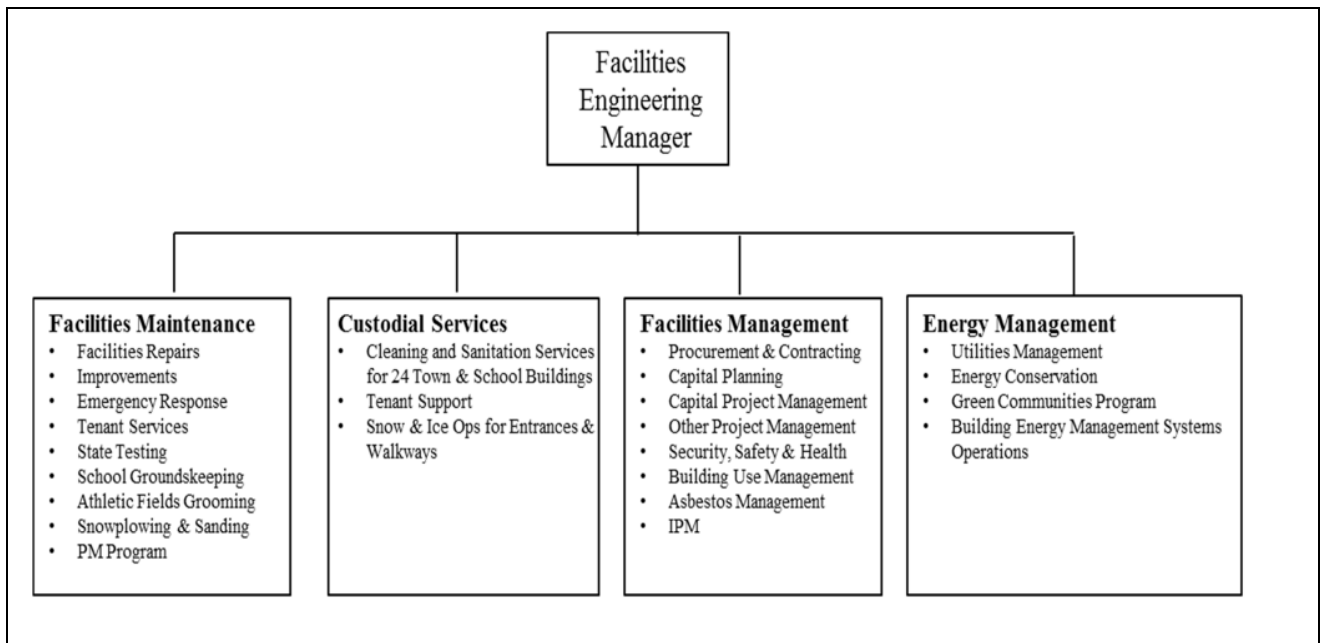




Facilities Department

FY2015 Accomplishments	<ul style="list-style-type: none">• MA DOER (Green Communities) awarded Hanover a \$250,000 grant award for 7 ECMs (Energy Conservation Measures), combined with \$102,000 in utility company cash incentives, for engineering improvements to reduce utility consumption in Hanover school buildings• Completed exterior painting of the Center Elementary School• Completed school building security upgrade involving installation of electronic access controls on school exterior doors, replacing key usage with proximity cards issued to all teachers and staff, permitting uninterrupted lockage of exterior doors• Improvements to custodial cleaning program, with upgrades to microfiber cleaning materials and improved antibacterial cleaning procedures
Significant Budget Changes or Initiatives	<p>There are two items of significance influencing this budget:</p> <ul style="list-style-type: none">• Labor: The proposed budget fully funds increases in wages and benefits for DPW unionized employees (AFSCME) negotiated by the Board of Selectmen effective 7/1/14.• Utilities: New 3-year fixed rate supply contracts for electricity and natural gas raise the overall cost of utilities by approximately 4%.

Facilities Programs and Services





Facilities Department

Position	FY2015 FTE	FY2016 FTE	Change
Facilities Manager	1.00	1.00	-
Deputy Superintendent - Facilities	1.00	1.00	-
Administrative Assistant	1.00	1.00	-
Project Manager	0.34	0.34	-
Custodial Foreman	1.00	1.00	-
Maintenance Foreman	1.00	1.00	-
Skilled Maintenance Workers	2.00	2.00	-
Skilled Equipment Operator	1.00	1.00	-
Custodians	22.48	22.48	-
Total Full-time Equivalents	30.82	30.82	-

Personnel Notes:

FTE numbers are calculated based on a 40 hour work week with the exception of the Project Manager position. This is a shared position and is budgeted in the Facilities Department, Community Services Department and Public Works Department. Within the custodian positions listed there is one 0.10 FTE for a custodian at the Police station that works 4 hours per week, one 0.75 FTE for a custodian at the Sylvester School that works 30 hours per week, one 0.20 FTE for a custodian at the High School that works 8 hours per week, one 0.60 FTE for a custodian at the Senior Center that works 24 hours per week and three benefit ineligible custodians at the library comprise a FTE of .83.

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

192 - PUBLIC BUILDINGS		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-192-5110	SALARIES APPOINTED OFFICIALS	\$176,448.27	\$160,473.02	\$194,675.00	\$98,150.18	\$198,571.00	\$3,896.00	2.00
01-192-5113	SALARIES CLERICAL	\$0.00	\$21,668.50	\$38,203.00	\$19,516.00	\$39,119.00	\$916.00	2.39
01-192-5114	SALARIES PERMANENT FULL TIME	\$175,529.94	\$236,460.45	\$258,345.00	\$128,183.98	\$277,984.00	\$19,639.00	7.60
01-192-5115-11	SALARIES CUSTODIAN - TOWN HALL	\$40,894.84	\$43,992.10	\$42,945.00	\$27,027.02	\$48,816.00	\$5,871.00	13.67
01-192-5115-21	SALARIES CUSTODIAN - POLICE	\$47,443.36	\$48,276.01	\$47,286.00	\$24,180.51	\$54,597.00	\$7,311.00	15.46
01-192-5115-32	SALARIES CUSTODIAN - CEDAR	\$136,706.54	\$140,027.92	\$141,743.00	\$71,769.04	\$152,448.00	\$10,705.00	7.55
01-192-5115-33	SALARIES CUSTODIAN - CENTER	\$128,905.37	\$133,684.14	\$136,037.00	\$68,690.71	\$148,448.00	\$12,411.00	9.12
01-192-5115-34	SALARIES CUSTODIAN - SYLVESTER	\$75,201.60	\$81,625.77	\$80,730.00	\$42,276.27	\$87,003.00	\$6,273.00	7.77
01-192-5115-35	SALARIES CUSTODIAN - MIDDLE	\$209,711.98	\$225,722.60	\$228,699.00	\$111,862.13	\$248,079.00	\$19,380.00	8.47
01-192-5115-36	SALARIES CUSTODIAN - HIGH SCHOOL	\$222,486.81	\$238,094.06	\$241,270.00	\$124,137.85	\$259,280.00	\$18,010.00	7.46
01-192-5115-37	SALARIES CUSTODIAN - SALMOND	\$41,396.44	\$44,766.88	\$45,406.00	\$23,012.32	\$48,816.00	\$3,410.00	7.51
01-192-5115-51	SALARIES CUSTODIAN - SR CENTER	\$22,533.77	\$23,656.70	\$23,672.00	\$11,905.95	\$30,370.00	\$6,698.00	28.29
01-192-5115-61	SALARIES CUSTODIAN - LIBRARY	\$26,785.66	\$26,546.80	\$33,452.00	\$14,556.76	\$40,603.00	\$7,151.00	21.37
01-192-5116	CUSTODIAL DETAILS	\$0.00	\$0.00	\$0.00	\$460.51	\$0.00	\$0.00	0.00
01-192-5121	PART TIME SEASONAL	\$9,540.22	\$15,003.22	\$12,664.00	\$12,507.30	\$13,000.00	\$336.00	2.65
01-192-5130	OVERTIME - MAINTENANCE	\$32,440.18	\$39,693.48	\$40,000.00	\$22,870.94	\$40,000.00	\$0.00	0.00
01-192-5130-11	OVERTIME - TOWN HALL	\$565.12	\$2,672.18	\$2,055.00	\$555.88	\$2,033.00	\$-22.00	-1.07
01-192-5130-21	OVERTIME - POLICE STATION	\$2,133.32	\$1,480.41	\$2,514.00	\$1,934.17	\$2,567.00	\$53.00	2.10
01-192-5130-22	OVERTIME - FIRE STATION	\$859.41	\$735.39	\$4,000.00	\$504.37	\$4,000.00	\$0.00	0.00
01-192-5130-32	OVERTIME - CEDAR	\$15,680.89	\$12,943.32	\$9,256.00	\$6,251.92	\$11,000.00	\$1,744.00	18.84
01-192-5130-33	OVERTIME - CENTER	\$9,214.00	\$6,677.63	\$10,962.00	\$1,883.90	\$11,000.00	\$38.00	0.34
01-192-5130-34	OVERTIME - SYLVESTER	\$6,359.24	\$4,261.92	\$7,970.00	\$1,300.81	\$8,008.00	\$38.00	0.47
01-192-5130-35	OVERTIME - MIDDLE SCHOOL	\$33,405.41	\$12,099.47	\$22,299.00	\$13,189.80	\$22,317.00	\$18.00	0.08
01-192-5130-36	OVERTIME - HIGH SCHOOL	\$15,818.64	\$19,641.75	\$25,728.00	\$8,113.19	\$26,232.00	\$504.00	1.95
01-192-5130-37	OVERTIME - SALMOND	\$748.41	\$378.81	\$2,594.00	\$415.74	\$2,141.00	\$-453.00	-17.46
01-192-5130-51	OVERTIME - SR CENTER	\$770.59	\$2,800.25	\$2,028.00	\$2,324.04	\$2,020.00	\$-8.00	-0.39
01-192-5130-61	OVERTIME - LIBRARY	\$0.00	\$1,951.24	\$1,047.00	\$1,219.59	\$1,520.00	\$473.00	45.17
01-192-5148	STIPEND	\$0.00	\$0.00	\$3,500.00	\$1,796.67	\$3,500.00	\$0.00	0.00
PERSONNEL SUB-TOTAL:		\$1,431,580.01	\$1,545,334.02	\$1,659,080.00	\$840,597.55	\$1,783,472.00	\$124,392.00	7.49

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

192 - PUBLIC BUILDINGS		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-192-5211-11	ELECTRICITY - TOWN HALL	\$14,777.84	\$14,832.96	\$20,000.00	\$27,662.48	\$20,000.00	\$0.00	0.00
01-192-5211-21	ELECTRICITY - POLICE STATION	\$44,831.63	\$34,300.04	\$57,500.00	\$17,903.60	\$52,200.00	\$-5,300.00	-9.21
01-192-5211-22	ELECTRICITY - FIRE STATION	\$17,741.39	\$16,042.89	\$19,000.00	\$9,115.50	\$19,800.00	\$800.00	4.21
01-192-5211-23	ELECTRICITY - NEXTEL TOWER	\$0.00	\$0.00	\$11,500.00	\$0.00	\$5,000.00	\$-6,500.00	-56.52
01-192-5211-32	ELECTRICITY - CEDAR	\$44,760.98	\$49,048.83	\$64,200.00	\$23,035.28	\$64,200.00	\$0.00	0.00
01-192-5211-33	ELECTRICITY - CENTER	\$33,893.82	\$35,310.35	\$46,950.00	\$17,182.98	\$46,950.00	\$0.00	0.00
01-192-5211-34	ELECTRICITY - SYLVESTER	\$12,223.92	\$12,061.36	\$16,900.00	\$6,276.90	\$16,900.00	\$0.00	0.00
01-192-5211-35	ELECTRICITY - MIDDLE SCHOOL	\$119,164.57	\$112,621.80	\$135,000.00	\$52,575.08	\$128,500.00	\$-6,500.00	-4.81
01-192-5211-36	ELECTRICITY - HIGH SCHOOL	\$148,548.87	\$202,619.97	\$163,000.00	\$89,682.43	\$195,000.00	\$32,000.00	19.63
01-192-5211-37	ELECTRICITY - SALMOND	\$8,555.20	\$7,373.45	\$13,350.00	\$3,586.00	\$13,350.00	\$0.00	0.00
01-192-5211-41	ELECTRICITY - DPW FACILITY	\$8,756.52	\$7,986.04	\$9,900.00	\$3,447.80	\$10,500.00	\$600.00	6.06
01-192-5211-42	ELECTRICITY - CEMETERY GARAGE	\$863.04	\$789.43	\$1,000.00	\$427.50	\$1,000.00	\$0.00	0.00
01-192-5211-51	ELECTRICITY - SR CENTER	\$8,596.53	\$12,241.43	\$12,900.00	\$6,360.36	\$12,900.00	\$0.00	0.00
01-192-5211-61	ELECTRICITY - LIBRARY	\$22,663.29	\$22,758.91	\$26,550.00	\$13,399.73	\$26,550.00	\$0.00	0.00
01-192-5211-72	ELECTRICITY - STETSON HOUSE	\$0.00	\$0.00	\$0.00	\$0.00	\$2,000.00	\$2,000.00	100.00
01-192-5212-11	GAS - TOWN HALL	\$10,300.72	\$12,335.49	\$15,375.00	\$1,855.76	\$13,620.00	\$-1,755.00	-11.41
01-192-5212-21	GAS - POLICE STATION	\$11,595.67	\$19,695.68	\$15,725.00	\$1,643.05	\$16,200.00	\$475.00	3.02
01-192-5212-22	GAS - FIRE STATION	\$15,942.59	\$20,909.27	\$19,800.00	\$2,641.15	\$18,450.00	\$-1,350.00	-6.81
01-192-5212-32	GAS - CEDAR	\$62,220.62	\$73,742.49	\$61,640.00	\$7,550.84	\$62,775.00	\$1,135.00	1.84
01-192-5212-33	GAS - CENTER	\$48,216.03	\$42,824.16	\$45,050.00	\$5,708.58	\$47,100.00	\$2,050.00	4.55
01-192-5212-34	GAS - SYLVESTER	\$20,991.84	\$36,074.84	\$26,900.00	\$2,092.48	\$28,575.00	\$1,675.00	6.22
01-192-5212-35	GAS - MIDDLE SCHOOL	\$73,237.70	\$79,249.33	\$81,100.00	\$7,291.47	\$78,800.00	\$-2,300.00	-2.83
01-192-5212-36	GAS - HIGH SCHOOL	\$33,708.07	\$57,560.07	\$44,100.00	\$6,504.36	\$65,100.00	\$21,000.00	47.61
01-192-5212-37	GAS - SALMOND	\$14,591.05	\$19,352.24	\$26,050.00	\$2,147.48	\$22,375.00	\$-3,675.00	-14.10
01-192-5212-41	GAS - DPW FACILITY	\$8,838.76	\$11,611.19	\$10,325.00	\$1,158.06	\$10,325.00	\$0.00	0.00
01-192-5212-42	GAS - CEMETERY	\$1,669.19	\$1,838.87	\$2,580.00	\$226.98	\$2,580.00	\$0.00	0.00
01-192-5212-51	GAS - SR CENTER	\$2,928.40	\$3,949.67	\$4,700.00	\$725.82	\$5,150.00	\$450.00	9.57
01-192-5212-61	GAS - LIBRARY	\$9,340.36	\$11,911.96	\$14,275.00	\$1,436.89	\$14,275.00	\$0.00	0.00
01-192-5212-72	GAS - STETSON HOUSE	\$0.00	\$0.00	\$0.00	\$96.60	\$3,000.00	\$3,000.00	100.00
01-192-5230	BLD MAINT	\$0.00	\$711.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-192-5230-11	BLDG MAINT - TOWN HALL	\$23,791.37	\$34,601.48	\$10,300.00	\$18,008.26	\$10,300.00	\$0.00	0.00

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

192 - PUBLIC BUILDINGS		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-192-5230-21	BLDG MAINT - POLICE STATION	\$7,830.41	\$11,396.08	\$7,130.00	\$4,409.04	\$7,130.00	\$0.00	0.00
01-192-5230-22	BLDG MAINT - FIRE STATION	\$903.71	\$38,496.92	\$10,200.00	\$49,569.52	\$10,200.00	\$0.00	0.00
01-192-5230-32	BLDG MAINT - CEDAR	\$7,920.65	\$24,009.96	\$28,390.00	\$16,728.09	\$28,390.00	\$0.00	0.00
01-192-5230-33	BLDG MAINT - CENTER	\$6,949.42	\$21,747.59	\$35,800.00	\$10,766.54	\$35,800.00	\$0.00	0.00
01-192-5230-34	BLDG MAINT - SYLVESTER	\$714.95	\$33,140.59	\$26,700.00	\$11,127.64	\$26,700.00	\$0.00	0.00
01-192-5230-35	BLDG MAINT - MIDDLE SCHOOL	\$15,625.51	\$93,912.09	\$65,000.00	\$34,343.03	\$65,000.00	\$0.00	0.00
01-192-5230-36	BLDG MAINT - HIGH SCHOOL	\$22,725.44	\$108,189.25	\$79,000.00	\$92,892.51	\$80,250.00	\$1,250.00	1.58
01-192-5230-37	BLDG MAINT - SALMOND	\$6,679.67	\$16,130.03	\$17,200.00	\$9,212.74	\$17,200.00	\$0.00	0.00
01-192-5230-41	BLDG MAINT - DPW FACILITY	\$12,299.90	\$5,242.06	\$5,645.00	\$180.95	\$5,645.00	\$0.00	0.00
01-192-5230-42	BLDG - MAINT CEMETERY GARAGE	\$5,174.43	\$581.64	\$500.00	\$19.38	\$500.00	\$0.00	0.00
01-192-5230-51	BLDG MAINT - SR CENTER	\$562.93	\$14,696.96	\$9,425.00	\$5,130.51	\$9,425.00	\$0.00	0.00
01-192-5230-61	BLDG MAINT - LIBRARY	\$2,696.48	\$9,512.30	\$11,400.00	\$4,013.92	\$11,400.00	\$0.00	0.00
01-192-5230-72	BLDG MAINT - STETSON	\$0.00	\$1,105.00	\$5,000.00	\$2,375.00	\$5,000.00	\$0.00	0.00
01-192-5230-74	BLD MAINT-SCHOOLS	\$5,053.31	\$24,412.64	\$62,000.00	\$24,689.36	\$62,000.00	\$0.00	0.00
01-192-5240	VEHICLE MAINT	\$17,573.17	\$5,894.04	\$9,500.00	\$5,254.87	\$9,500.00	\$0.00	0.00
01-192-5250-11	EQUIP MAINT - TOWN HALL	\$1,024.43	\$1,890.00	\$11,500.00	\$468.30	\$11,500.00	\$0.00	0.00
01-192-5250-21	EQUIP MAINT - POLICE STATION	\$417.72	\$1,061.75	\$5,920.00	\$0.00	\$5,920.00	\$0.00	0.00
01-192-5250-22	EQUIP MAINT - FIRE STATION	\$100.00	\$3,635.92	\$2,000.00	\$0.00	\$2,000.00	\$0.00	0.00
01-192-5250-32	EQUIP MAINT - CEDAR	\$4,951.15	\$6,595.78	\$12,070.00	\$874.09	\$12,070.00	\$0.00	0.00
01-192-5250-33	EQUIP MAINT - CENTER	\$3,891.75	\$8,457.25	\$19,000.00	\$4,824.33	\$19,000.00	\$0.00	0.00
01-192-5250-34	EQUIP MAINT - SYLVESTER	\$792.42	\$3,387.25	\$8,600.00	\$0.00	\$8,600.00	\$0.00	0.00
01-192-5250-35	EQUIP MAINT - MIDDLE SCHOOL	\$5,332.12	\$5,602.53	\$41,000.00	\$1,122.38	\$41,000.00	\$0.00	0.00
01-192-5250-36	EQUIP MAINT - HIGH SCHOOL	\$11,279.53	\$18,668.49	\$25,000.00	\$3,531.86	\$26,300.00	\$1,300.00	5.20
01-192-5250-37	EQUIP MAINT - SALMOND	\$1,897.00	\$1,569.50	\$3,400.00	\$347.52	\$3,400.00	\$0.00	0.00
01-192-5250-41	EQUIP MAINT - DPW FACILITY	\$163.25	\$996.40	\$0.00	\$276.00	\$0.00	\$0.00	0.00
01-192-5250-42	EQUIP MAINT - CEMETERY GARAGE	\$0.00	\$37.50	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-192-5250-51	EQUIP MAINT - SR CENTER	\$792.76	\$3,308.16	\$3,500.00	\$0.00	\$3,500.00	\$0.00	0.00
01-192-5250-61	EQUIP MAINT - LIBRARY	\$658.20	\$700.00	\$5,350.00	\$0.00	\$5,350.00	\$0.00	0.00
01-192-5250-74	EQUIP MAINT - SCHOOLS	\$7,560.08	\$11,337.40	\$7,200.00	\$7,302.24	\$7,200.00	\$0.00	0.00
01-192-5319	OTHER CONTRACTED SERVICE	\$245,240.18	\$-129.92	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-192-5319-11	OTHER CONTRACTED SERVICE - TH	\$0.00	\$12,885.27	\$3,000.00	\$16,252.09	\$3,000.00	\$0.00	0.00

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

192 - PUBLIC BUILDINGS		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-192-5319-21	OTHER CONTRACTED SERVICE -	\$0.00	\$6,425.54	\$2,500.00	\$7,102.90	\$2,500.00	\$0.00	0.00
01-192-5319-22	OTHER CONTRACTED SERVICE - FIRE	\$0.00	\$4,920.56	\$2,000.00	\$12,109.53	\$2,000.00	\$0.00	0.00
01-192-5319-32	OTHER CONTRACTED SERVICE - CEDAR	\$0.00	\$3,734.59	\$1,800.00	\$13,454.62	\$1,800.00	\$0.00	0.00
01-192-5319-33	OTHER CONTRACTED SERVICE -	\$0.00	\$9,986.59	\$3,300.00	\$14,953.18	\$3,300.00	\$0.00	0.00
01-192-5319-34	OTHER CONTRACTED SERVICE - SYLV	\$0.00	\$3,491.48	\$2,300.00	\$2,619.35	\$2,300.00	\$0.00	0.00
01-192-5319-35	OTHER CONTRACTED SERVICE - MS	\$0.00	\$13,144.01	\$2,400.00	\$13,872.16	\$2,400.00	\$0.00	0.00
01-192-5319-36	OTHER CONTRACTED SERVICE - HS	\$0.00	\$70,495.57	\$3,400.00	\$24,228.12	\$5,980.00	\$2,580.00	75.88
01-192-5319-37	OTHER CONTRACTED SERVICE -	\$0.00	\$1,707.00	\$1,400.00	\$16,076.08	\$1,400.00	\$0.00	0.00
01-192-5319-41	OTHER CONTRACTED SERVICE - HW	\$0.00	\$0.00	\$0.00	\$415.00	\$0.00	\$0.00	0.00
01-192-5319-42	OTHER CONTRACTED SERVICE - CEM	\$0.00	\$295.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-192-5319-43	OTHER CONTRACTED SERVICE - ADMIN	\$0.00	\$11,566.00	\$10,500.00	\$339.77	\$12,700.00	\$2,200.00	20.95
01-192-5319-51	OTHER CONTRACTED SERVICE - COA	\$0.00	\$2,878.70	\$3,200.00	\$5,440.85	\$3,200.00	\$0.00	0.00
01-192-5319-61	OTHER CONTRACTED SERVICE - LIB	\$0.00	\$2,965.00	\$500.00	\$1,510.18	\$500.00	\$0.00	0.00
01-192-5319-72	OTHER CONTRACTED SERVICE -	\$0.00	\$0.00	\$0.00	\$0.00	\$500.00	\$500.00	100.00
01-192-5319-74	OTHER CONTRACTED	\$0.00	\$5,557.00	\$1,400.00	\$8,555.00	\$1,400.00	\$0.00	0.00
01-192-5319-75	OTHER CONTRACTED SERVICE - HS	\$0.00	\$75,821.87	\$65,000.00	\$0.00	\$65,000.00	\$0.00	0.00
01-192-5340	TELEPHONE-CENTREX SYSTEM	\$45,410.71	\$52,809.32	\$41,000.00	\$27,721.70	\$54,000.00	\$13,000.00	31.70
01-192-5340-41	TELEPHONE - DPW FACILITY	\$1,007.99	\$382.03	\$630.00	\$173.65	\$630.00	\$0.00	0.00
01-192-5340-42	TELEPHONE - CEMETERY GARAGE	\$58.32	\$794.48	\$720.00	\$406.98	\$720.00	\$0.00	0.00
01-192-5340-43	TELEPHONE - DPW ADMINISTRATION	\$0.00	\$5,436.18	\$8,200.00	\$3,286.62	\$8,200.00	\$0.00	0.00
01-192-5340-51	TELEPHONE-SENIOR CENTER	\$4,073.31	\$4,919.64	\$3,840.00	\$2,024.88	\$3,840.00	\$0.00	0.00
01-192-5423	SUPPLIES (COPIER)	\$3,833.17	\$3,811.00	\$7,000.00	\$246.96	\$7,000.00	\$0.00	0.00
01-192-5450-11	CUSTODIAL SUPPLIES - TH	\$0.00	\$306.31	\$2,500.00	\$0.00	\$2,500.00	\$0.00	0.00
01-192-5450-21	CUSTODIAL SUPPLIES - POLICE	\$0.00	\$12.98	\$2,000.00	\$0.00	\$2,000.00	\$0.00	0.00
01-192-5450-22	CUSTODIAL SUPPLIES - FIRE	\$0.00	\$0.00	\$800.00	\$0.00	\$800.00	\$0.00	0.00
01-192-5450-32	MAINTENANCE SUPPLIES - CEDAR	\$0.00	\$1,807.17	\$0.00	\$672.02	\$0.00	\$0.00	0.00
01-192-5450-33	MAINTENANCE SUPPLIES - CENTER	\$0.00	\$3,517.70	\$0.00	\$1,389.45	\$0.00	\$0.00	0.00
01-192-5450-34	MAINTENANCE SUPPLIES - SYLV	\$0.00	\$1,707.18	\$0.00	\$832.03	\$0.00	\$0.00	0.00
01-192-5450-35	MAINTENANCE SUPPLIES - MS	\$0.00	\$11,020.15	\$0.00	\$2,841.22	\$0.00	\$0.00	0.00
01-192-5450-36	MAINTENANCE SUPPLIES - HS	\$0.00	\$15,393.74	\$0.00	\$4,332.55	\$0.00	\$0.00	0.00
01-192-5450-37	MAINTENANCE SUPPLIES - SALMOND	\$0.00	\$2,003.55	\$0.00	\$1,229.31	\$0.00	\$0.00	0.00

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

192 - PUBLIC BUILDINGS		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-192-5450-43	CUSTODIAL SUPPLIES - ADMIN	\$0.00	\$14,271.24	\$2,500.00	\$11,079.48	\$2,500.00	\$0.00	0.00
01-192-5450-51	CUSTODIAL SUPPLIES - COA	\$0.00	\$154.75	\$1,000.00	\$0.00	\$1,000.00	\$0.00	0.00
01-192-5450-61	CUSTODIAL SUPPLIES - LIB	\$0.00	\$53.30	\$800.00	\$0.00	\$800.00	\$0.00	0.00
01-192-5450-74	CUSTODIAL SUPPLIES - SCHOOLS SW	\$0.00	\$49,731.24	\$100,875.00	\$28,837.98	\$100,875.00	\$0.00	0.00
01-192-5585-11	UNIFORMS - TH	\$0.00	\$1,687.46	\$725.00	\$393.20	\$800.00	\$75.00	10.34
01-192-5585-21	UNIFORMS - POLICE	\$0.00	\$725.00	\$725.00	\$0.00	\$800.00	\$75.00	10.34
01-192-5585-32	UNIFORMS - CEDAR	\$0.00	\$470.64	\$900.00	\$600.00	\$2,400.00	\$1,500.00	166.66
01-192-5585-33	UNIFORMS - CENTER	\$0.00	\$817.00	\$900.00	\$286.76	\$2,400.00	\$1,500.00	166.66
01-192-5585-34	UNIFORMS - SYLV	\$0.00	\$699.92	\$600.00	\$0.00	\$1,400.00	\$800.00	133.33
01-192-5585-35	UNIFORMS - MS	\$0.00	\$1,526.88	\$1,500.00	\$1,163.40	\$4,000.00	\$2,500.00	166.66
01-192-5585-36	UNIFORMS - HS	\$0.00	\$1,650.92	\$1,500.00	\$1,240.32	\$4,000.00	\$2,500.00	166.66
01-192-5585-37	UNIFORMS - SALMOND	\$0.00	\$300.00	\$300.00	\$298.92	\$800.00	\$500.00	166.66
01-192-5585-43	UNIFORMS - ADMIN	\$0.00	\$1,655.20	\$1,500.00	\$0.00	\$1,500.00	\$0.00	0.00
01-192-5585-51	UNIFORMS - COA	\$0.00	\$434.17	\$435.00	\$182.66	\$480.00	\$45.00	10.34
01-192-5585-61	UNIFORMS - LIB	\$0.00	\$0.00	\$725.00	\$0.00	\$800.00	\$75.00	10.34
01-192-5585-74	UNIFORMS - MAINT	\$0.00	\$4,323.07	\$4,525.00	\$1,911.12	\$4,175.00	\$-350.00	-7.73
01-192-5860-11	EQUIPMENT PURCHASE - TH	\$0.00	\$511.75	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-192-5860-32	EQUIPMENT PURCHASE - CEDAR	\$0.00	\$1,088.77	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-192-5860-36	EQUIPMENT PURCHASE - HS	\$0.00	\$12,825.84	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-192-5860-41	EQUIPMENT PURCHASE - DPW	\$0.00	\$3,150.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-192-5860-43	EQUIPMENT PURCHASE - ADMIN	\$0.00	\$2,915.72	\$4,000.00	\$33.96	\$4,000.00	\$0.00	0.00
01-192-5860-74	EQUIPMENT PURCHASE - MAINT	\$0.00	\$2,377.42	\$0.00	\$0.00	\$0.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$1,456,581.43	\$1,861,106.26	\$1,786,000.00	\$847,317.24	\$1,853,855.00	\$67,855.00	3.79
192 PUBLIC BUILDINGS SUB-TOTAL:		\$2,888,161.44	\$3,406,440.28	\$3,445,080.00	\$1,687,914.79	\$3,637,327.00	\$192,247.00	5.58

PUBLIC WORKS



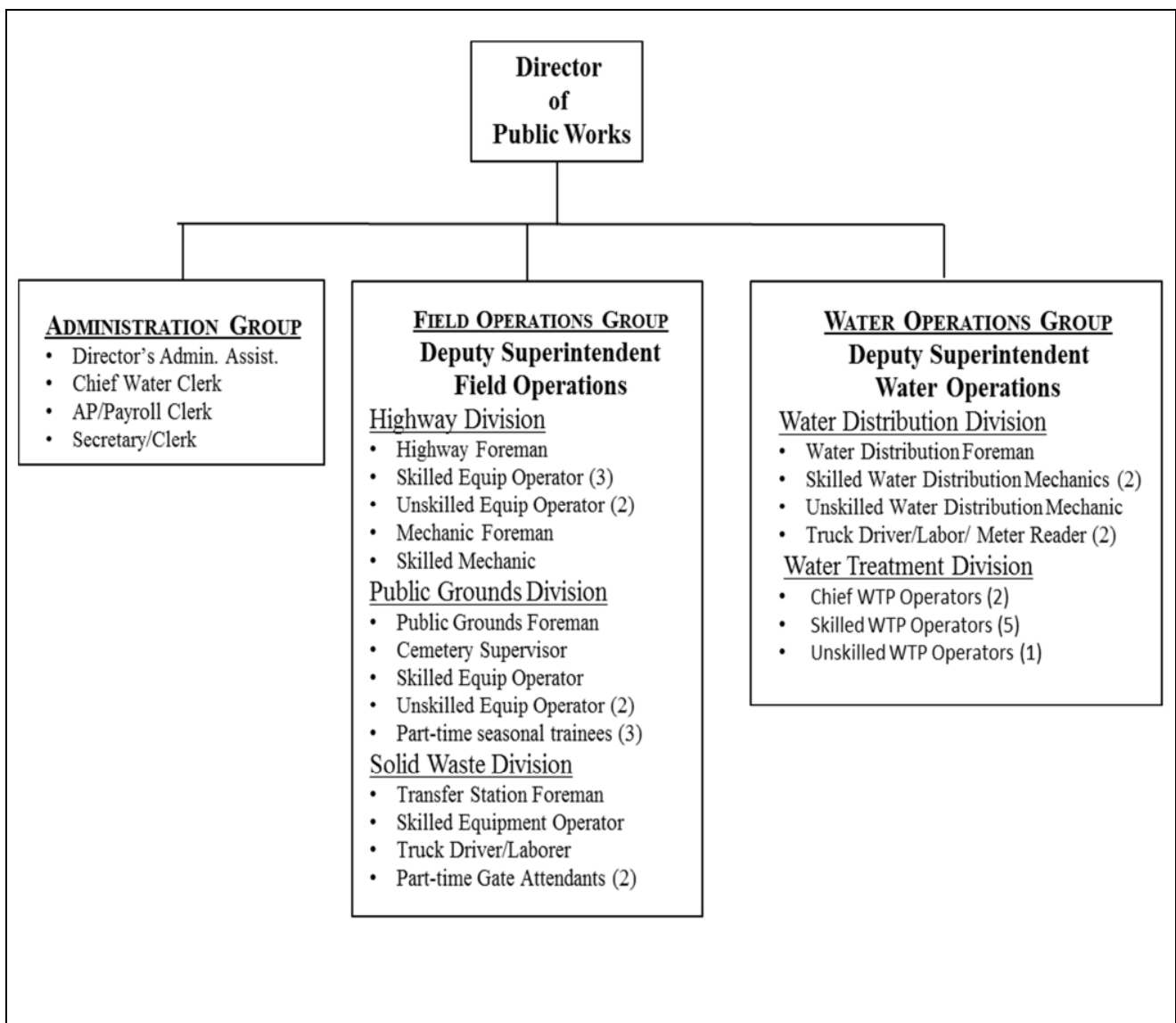
"Hanover, Honoring Yesterday As We Build For Tomorrow"



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.
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Organizational Chart





Public Works Department

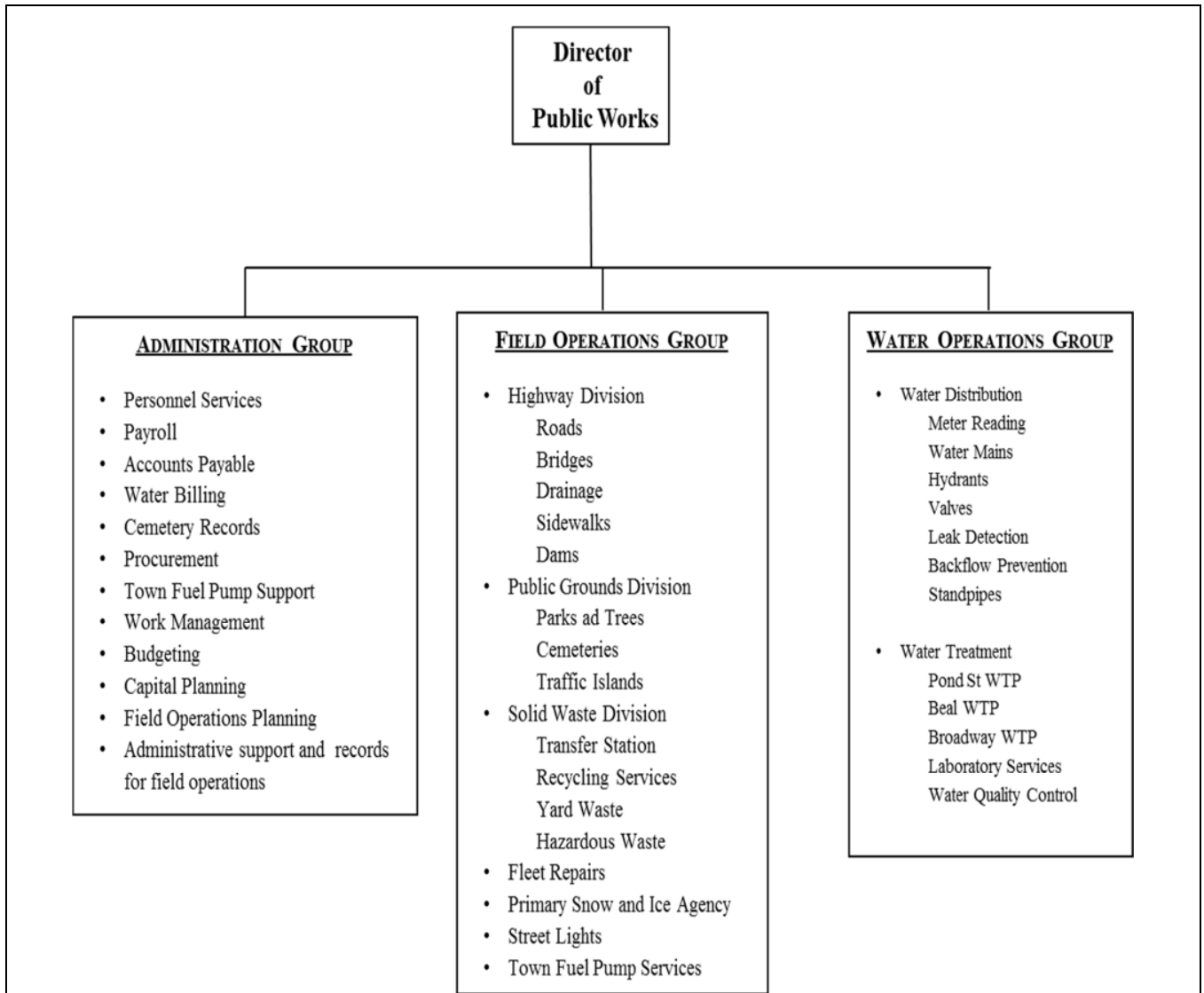
FY2015 Accomplishments	<ul style="list-style-type: none">• Completed the reconstruction of Birchwood Road, Larchmont Lane, and Maplewood Drive. Resurfaced Hearthstone Way, Fieldstone Lane, Cobblestone Lane, Adam Lane, Pondbrook Drive, Great Rock Road, Shingle Mill Lane, Old Icehouse Road, Hackett's Pond Drive, Wade Way, and portions of Broadway.• Assisted in the completion of construction and landscape activities at Forge Pond Park.• Treated and supplied 500 million gallons of drinking water to residents and businesses.• Connected Wade Way to a PVC water main, thereby eliminating long standing water quality issues on the street.• Transferred for recycling and or disposal 7,100 tons of solid waste from residents.• Advanced the design and permitting of repairs to the Factory Pond Dam to bring the structure up to State dam safety standards.• Further developed the Department's website and social media feeds to enhance transparency in operations, provide improved access to services, and provide open data.
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Significant Budget Changes or Initiatives	<p style="text-align: center;"><u>Department of Public Works</u></p> <p>The proposed budget fully funds increases in wages and benefits for DPW unionized employees negotiated by the Board of Selectmen. The administrative budget includes continuing financial support for the on-line initiatives started in FY 15. With the pending expiration of the current disposal contracts for municipal solid waste in June 2015, the transfer station budget reflects expected increases in the disposal costs for such waste. Proposed modest reductions in other areas of the solid waste budget moderate the expected increase.</p>
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Public Works Department

Programs and Services





Public Works Department

Personnel Summary

Position	FY2015 FTE	FY2016 FTE	Change
Director of Public Works	1.00	1.00	-
Administration			
Project Manager	0.33	0.33	-
Deputy Superintendent	1.00	1.00	-
Administrative Assistant	1.00	1.00	-
Highway			
Highway Foreman	1.00	1.00	-
Mechanic Foreman	1.00	1.00	-
Skilled Equipment Operator	2.00	2.00	-
Mechanic	1.00	1.00	-
Unskilled Equipment Operator	1.50	1.50	-
Public Grounds			
Foreman	1.00	1.00	-
Cemetery Supervisor	1.00	1.00	-
Skilled Equipment Operator	1.00	1.00	-
Unskilled Equipment Operator	2.00	2.00	-
Transfer Station			
Foreman	1.00	1.00	-
Skilled Equipment Operator	1.00	1.00	-
Truck Driver/Laborer	1.00	1.00	-
Laborer	0.50	0.50	-
Gate Attendant	1.00	1.00	-
Water Division			
Deputy Superintendent Water Operations	1.00	1.00	-
Secretary	3.00	3.00	-
Custodian	0.50	0.50	-
Chief WTP Operator	2.00	2.00	-
Water Treatment Plant Operator	5.40	5.40	-
Unskilled Treatment Plant Operator	1.00	1.00	-
Water Distribution Foreman	1.00	1.00	-
Skilled Water Distribution Mechanic	2.00	2.00	-
Unskilled Water Distribution Mechanic	1.00	1.00	-
Skilled Equipment Operator	1.00	1.00	-
Unskilled Equipment Operator	0.50	0.50	-
Truck Driver/Laborer	2.00	2.00	-
Total Full-time Equivalents	39.73	39.73	-

Personnel Notes: FTEs are based on a 35 hour work week and are benefit eligible

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

421 - DPW ADMINISTRATION		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-421-5110	SALARIES-APPOINTED OFFICIALS	\$141,208.08	\$132,510.78	\$165,793.00	\$84,573.29	\$169,240.00	\$3,447.00	2.07
01-421-5113	SALARIES-CLERICAL	\$33,182.38	\$41,727.06	\$38,724.00	\$20,597.44	\$41,632.00	\$2,908.00	7.50
01-421-5130	OVERTIME	\$0.00	\$0.00	\$946.00	\$0.00	\$918.00	\$-28.00	-2.95
01-421-5148	STIPEND	\$0.00	\$0.00	\$3,500.00	\$1,796.67	\$3,500.00	\$0.00	0.00
PERSONNEL SUB-TOTAL:		\$174,390.46	\$174,237.84	\$208,963.00	\$106,967.40	\$215,290.00	\$6,327.00	3.02
01-421-5250	EQUIPMENT MAINTENANCE	\$2,654.32	\$1,394.90	\$600.00	\$0.00	\$600.00	\$0.00	0.00
01-421-5310	ENGINEERING	\$21,115.36	\$29,984.05	\$25,000.00	\$3,500.00	\$20,000.00	\$-5,000.00	-20.00
01-421-5319	OTHER CONTRACTED SERVICE	\$9,688.00	\$23,691.06	\$8,180.00	\$7,197.50	\$16,680.00	\$8,500.00	103.91
01-421-5340	TELEPHONE	\$4,799.50	\$11,149.77	\$7,560.00	\$5,357.86	\$9,900.00	\$2,340.00	30.95
01-421-5344	ADVERTISING	\$2,797.39	\$1,030.96	\$1,200.00	\$314.82	\$1,200.00	\$0.00	0.00
01-421-5345	POSTAGE & MAIL PERMITS	\$66.15	\$1,520.49	\$600.00	\$0.00	\$1,100.00	\$500.00	83.33
01-421-5420	OFFICE SUPPLIES	\$4,028.33	\$9,205.74	\$5,100.00	\$279.22	\$5,100.00	\$0.00	0.00
01-421-5421	PRINTING & STATIONARY	\$208.50	\$3,752.42	\$1,100.00	\$52.00	\$1,100.00	\$0.00	0.00
01-421-5585	UNIFORMS	\$403.20	\$258.00	\$560.00	\$479.88	\$800.00	\$240.00	42.85
01-421-5710	MILEAGE REIMBURSEMENT	\$0.00	\$0.00	\$50.00	\$0.00	\$0.00	\$-50.00	-100.00
01-421-5720	REGISTRATION FEES	\$1,399.00	\$518.04	\$400.00	\$324.00	\$400.00	\$0.00	0.00
01-421-5730	DUES	\$992.50	\$980.50	\$650.00	\$912.50	\$1,200.00	\$550.00	84.61
EXPENSES SUB-TOTAL:		\$54,663.31	\$83,485.93	\$51,000.00	\$18,417.78	\$58,080.00	\$7,080.00	13.88
421 DPW ADMINISTRATION SUB-TOTAL:		\$229,053.77	\$257,723.77	\$259,963.00	\$125,385.18	\$273,370.00	\$13,407.00	5.15

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

422 - DPW HIGHWAY		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-422-5114	SALARIES & WAGES PERM F/T	\$338,482.44	\$326,121.54	\$341,939.00	\$190,807.13	\$365,599.00	\$23,660.00	6.91
01-422-5130	OVERTIME	\$30,755.91	\$30,809.25	\$21,943.00	\$18,405.92	\$18,029.00	\$-3,914.00	-17.83
01-422-5140	OTHER PAY	\$0.00	\$0.00	\$19,118.00	\$0.00	\$24,360.00	\$5,242.00	27.41
PERSONNEL SUB-TOTAL:		\$369,238.35	\$356,930.79	\$383,000.00	\$209,213.05	\$407,988.00	\$24,988.00	6.52
01-422-5240	VEHICLE MAINTENANCE	\$20,327.19	\$22,897.18	\$24,500.00	\$6,264.51	\$24,500.00	\$0.00	0.00
01-422-5241	VEHICLE MAINT. - GENERAL	\$8,384.75	\$6,666.45	\$0.00	\$7,053.66	\$0.00	\$0.00	0.00
01-422-5242	VEHICLE MAINT. - STREET SWEEPING	\$4,000.96	\$0.00	\$4,500.00	\$0.00	\$4,000.00	\$-500.00	-11.11
01-422-5250	EQUIPMENT MAINTENANCE	\$6,339.78	\$4,713.28	\$3,000.00	\$8,568.08	\$3,000.00	\$0.00	0.00
01-422-5280	SAFETY PROGRAMS	\$109.00	\$2,405.81	\$3,700.00	\$1,137.05	\$3,700.00	\$0.00	0.00
01-422-5281	DETAILS-CONTRACT OFFICERS	\$6,449.30	\$11,742.23	\$10,960.00	\$8,439.20	\$10,960.00	\$0.00	0.00
01-422-5318	OCS - GENERAL	\$0.00	\$66,984.97	\$82,480.00	\$40,121.44	\$81,980.00	\$-500.00	-0.60
01-422-5470	ASPHALT - GENERAL	\$0.00	\$12,073.38	\$8,680.00	\$9,508.05	\$10,000.00	\$1,320.00	15.20
01-422-5585	UNIFORMS	\$5,751.15	\$4,535.51	\$5,875.00	\$2,410.65	\$6,400.00	\$525.00	8.93
01-422-5590	MATERIALS & SUPPLIES	\$2,101.20	\$16,536.85	\$8,700.00	\$13,194.09	\$10,700.00	\$2,000.00	22.98
01-422-5715	LICENSE RENEWALS	\$210.00	\$848.60	\$740.00	\$150.00	\$740.00	\$0.00	0.00
01-422-5720	REGISTRATION FEES	\$2,000.00	\$450.00	\$890.00	\$240.00	\$890.00	\$0.00	0.00
01-422-5855	SIGNS	\$5,891.09	\$872.52	\$5,975.00	\$17,307.46	\$5,975.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$124,436.74	\$150,726.78	\$160,000.00	\$114,394.19	\$162,845.00	\$2,845.00	1.77
422 DPW HIGHWAY SUB-TOTAL:		\$493,675.09	\$507,657.57	\$543,000.00	\$323,607.24	\$570,833.00	\$27,833.00	5.12

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

423 - SNOW & ICE REMOVAL		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-423-5130	OVERTIME	\$127,540.27	\$145,225.49	\$71,000.00	\$9,868.88	\$71,000.00	\$0.00	0.00
01-423-5300	DETAILS-HANOVER POLICE OFFICERS	\$721.60	\$1,170.68	\$0.00	\$0.00	\$0.00	\$0.00	0.00
PERSONNEL SUB-TOTAL:		\$128,261.87	\$146,396.17	\$71,000.00	\$9,868.88	\$71,000.00	\$0.00	0.00
01-423-5250	EQUIPMENT MAINTENANCE	\$57,123.10	\$60,394.23	\$46,200.00	\$20,160.39	\$46,200.00	\$0.00	0.00
01-423-5275	VEHICLE & MACHINERY RENT	\$234,676.69	\$270,054.00	\$107,000.00	\$11,768.00	\$107,000.00	\$0.00	0.00
01-423-5476	ROAD SALT	\$100,790.70	\$210,155.60	\$162,800.00	\$99,254.62	\$162,800.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$392,590.49	\$540,603.83	\$316,000.00	\$131,183.01	\$316,000.00	\$0.00	0.00
423 SNOW & ICE REMOVAL SUB-TOTAL:		\$520,852.36	\$687,000.00	\$387,000.00	\$141,051.89	\$387,000.00	\$0.00	0.00

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

424 - STREET LIGHTING		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-424-5211	ELECTRICITY	\$50,420.89	\$50,174.49	\$61,000.00	\$20,747.03	\$61,000.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$50,420.89	\$50,174.49	\$61,000.00	\$20,747.03	\$61,000.00	\$0.00	0.00
424 STREET LIGHTING SUB-TOTAL:		\$50,420.89	\$50,174.49	\$61,000.00	\$20,747.03	\$61,000.00	\$0.00	0.00

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

425 - DPW PUBLIC GROUNDS		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-425-5114	SALARIES & WAGES PERM F/T	\$229,461.14	\$248,065.37	\$262,026.00	\$133,836.85	\$282,183.00	\$20,157.00	7.69
01-425-5121	WAGES-TEMPORARY EMPLOYEES	\$24,580.50	\$28,733.82	\$29,000.00	\$15,101.69	\$31,700.00	\$2,700.00	9.31
01-425-5130	OVERTIME	\$21,123.36	\$22,998.82	\$21,974.00	\$8,555.05	\$22,250.00	\$276.00	1.25
PERSONNEL SUB-TOTAL:		\$275,165.00	\$299,798.01	\$313,000.00	\$157,493.59	\$336,133.00	\$23,133.00	7.39
01-425-5211	PUBLIC GROUNDS - ELECTRICITY	\$3,660.15	\$2,943.42	\$3,875.00	\$3,114.27	\$4,140.00	\$265.00	6.83
01-425-5240	VEHICLE MAINTENANCE	\$5,002.81	\$2,222.35	\$3,300.00	\$1,269.56	\$3,300.00	\$0.00	0.00
01-425-5241	PUBLIC GROUNDS-GENERAL	\$0.00	\$47,429.97	\$0.00	\$34,892.07	\$0.00	\$0.00	0.00
01-425-5241-62	PUBLIC GROUNDS-CEMETERY	\$0.00	\$0.00	\$0.00	\$400.00	\$0.00	\$0.00	0.00
01-425-5241-64	PUBLIC GROUNDS-HALL	\$0.00	\$2,453.75	\$1,475.00	\$0.00	\$1,475.00	\$0.00	0.00
01-425-5241-65	PUBLIC GROUNDS-ELLIS	\$0.00	\$0.00	\$2,000.00	\$0.00	\$1,650.00	\$-350.00	-17.50
01-425-5241-66	PUBLIC GROUNDS-MYRTLE	\$0.00	\$0.00	\$1,320.00	\$0.00	\$1,320.00	\$0.00	0.00
01-425-5241-68	PUBLIC GROUNDS-BRIGGS	\$0.00	\$0.00	\$520.00	\$0.00	\$520.00	\$0.00	0.00
01-425-5241-69	PUBLIC GROUNDS-SALMOND	\$0.00	\$0.00	\$520.00	\$0.00	\$0.00	\$-520.00	-100.00
01-425-5250	EQUIPMENT MAINTENANCE	\$16,250.87	\$8,670.00	\$13,310.00	\$7,056.80	\$13,310.00	\$0.00	0.00
01-425-5280	SAFETY PROGRAMS	\$499.99	\$120.00	\$570.00	\$784.90	\$570.00	\$0.00	0.00
01-425-5282	POLICE DETAILS - TREE	\$2,300.10	\$1,844.70	\$4,500.00	\$1,548.80	\$4,500.00	\$0.00	0.00
01-425-5319	OTHER CONTRACTED SERVICES -	\$25,081.22	\$29,676.64	\$19,330.00	\$24,075.08	\$19,330.00	\$0.00	0.00
01-425-5585	UNIFORMS	\$3,471.87	\$4,023.49	\$4,025.00	\$2,423.55	\$4,400.00	\$375.00	9.31
01-425-5590	MATERIALS & SUPPLIES	\$7,862.22	\$7,080.56	\$6,950.00	\$35.99	\$6,950.00	\$0.00	0.00
01-425-5715	LICENSE RENEWALS	\$250.00	\$430.00	\$605.00	\$250.00	\$605.00	\$0.00	0.00
01-425-5720	REGISTRATION FEES	\$25.00	\$0.00	\$100.00	\$0.00	\$100.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$64,508.17	\$106,894.88	\$62,400.00	\$75,851.02	\$62,170.00	\$-230.00	-0.36
425 DPW PUBLIC GROUNDS SUB-TOTAL:		\$339,673.17	\$406,692.89	\$375,400.00	\$233,344.61	\$398,303.00	\$22,903.00	6.10

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

433 - DPW TRANSFER STATION		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-433-5114	SALARIES & WAGES PERM F/T	\$152,917.13	\$158,552.92	\$153,831.00	\$68,011.96	\$162,395.00	\$8,564.00	5.56
01-433-5120	SALARIES & WAGES PERM P/T	\$27,971.11	\$29,438.46	\$44,478.00	\$15,128.16	\$42,919.00	\$-1,559.00	-3.50
01-433-5130	OVERTIME	\$22,336.39	\$39,958.04	\$30,400.00	\$33,748.79	\$32,600.00	\$2,200.00	7.23
01-433-5141	SHIFT DIFFERENTIAL	\$0.00	\$0.00	\$6,292.00	\$0.00	\$6,305.00	\$13.00	0.20
PERSONNEL SUB-TOTAL:		\$203,224.63	\$227,949.42	\$235,001.00	\$116,888.91	\$244,219.00	\$9,218.00	3.92
01-433-5211	ELECTRICITY	\$12,308.24	\$12,658.32	\$15,050.00	\$4,820.68	\$15,050.00	\$0.00	0.00
01-433-5230	BUILDING MAINTENANCE	\$2,018.03	\$523.35	\$3,700.00	\$0.00	\$3,700.00	\$0.00	0.00
01-433-5240	VEHICLE MAINTENANCE	\$5,361.65	\$558.32	\$4,440.00	\$0.00	\$4,440.00	\$0.00	0.00
01-433-5250	EQUIPMENT MAINTENANCE	\$23,136.41	\$30,054.00	\$48,100.00	\$21,562.35	\$57,800.00	\$9,700.00	20.16
01-433-5280	SAFETY PROGRAMS	\$165.00	\$0.00	\$800.00	\$0.00	\$800.00	\$0.00	0.00
01-433-5281	SITE SECURITY	\$4,926.16	\$6,016.25	\$6,450.00	\$3,508.30	\$6,450.00	\$0.00	0.00
01-433-5294	RECYCLING SERVICES	\$13,664.41	\$15,199.13	\$29,700.00	\$9,586.28	\$20,000.00	\$-9,700.00	-32.65
01-433-5295	REFUSE REMOVAL SERVICE	\$297,906.44	\$304,658.42	\$360,600.00	\$140,226.13	\$403,100.00	\$42,500.00	11.78
01-433-5296	HAZARDOUS WASTE REMOVAL	\$9,870.35	\$7,276.81	\$15,500.00	\$4,730.15	\$10,500.00	\$-5,000.00	-32.25
01-433-5297	SPECIAL WASTE SERVICES	\$0.00	\$0.00	\$5,000.00	\$0.00	\$2,000.00	\$-3,000.00	-60.00
01-433-5318	CONTRACT TESTING	\$21,350.00	\$20,500.00	\$19,000.00	\$2,500.00	\$20,000.00	\$1,000.00	5.26
01-433-5319	OTHER CONTRACTED SERVICES	\$14,829.35	\$5,775.00	\$13,400.00	\$5,708.25	\$13,400.00	\$0.00	0.00
01-433-5330	TRANSPORTATION EXPENSE	\$88,995.01	\$99,475.00	\$116,700.00	\$39,278.00	\$116,700.00	\$0.00	0.00
01-433-5340	TELEPHONE	\$757.25	\$819.67	\$2,660.00	\$414.68	\$2,660.00	\$0.00	0.00
01-433-5585	UNIFORMS	\$2,423.13	\$2,607.80	\$2,900.00	\$0.00	\$3,200.00	\$300.00	10.34
01-433-5590	MATERIALS & SUPPLIES	\$2,516.54	\$1,123.47	\$2,200.00	\$924.09	\$2,200.00	\$0.00	0.00
01-433-5715	LICENSE RENEWALS	\$0.00	\$75.00	\$300.00	\$0.00	\$200.00	\$-100.00	-33.33
01-433-5720	REGISTRATION FEES	\$4,500.00	\$4,500.00	\$5,100.00	\$4,500.00	\$5,100.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$504,727.97	\$511,820.54	\$651,600.00	\$237,758.91	\$687,300.00	\$35,700.00	5.47
433 DPW TRANSFER STATION SUB-TOTAL:		\$707,952.60	\$739,769.96	\$886,601.00	\$354,647.82	\$931,519.00	\$44,918.00	5.06

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

499 - DPW TOWN GAS PUMP		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-499-5250	EQUIPMENT MAINTENANCE	\$3,858.90	\$4,565.41	\$4,000.00	\$0.00	\$4,000.00	\$0.00	0.00
01-499-5411	GASOLINE	\$139,659.90	\$173,195.27	\$182,000.00	\$57,466.32	\$182,000.00	\$0.00	0.00
01-499-5412	DIESEL FUEL	\$113,229.88	\$81,804.56	\$95,500.00	\$19,201.39	\$95,500.00	\$0.00	0.00
01-499-5590	MATERIALS & SUPPLIES	\$0.00	\$0.00	\$500.00	\$0.00	\$500.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$256,748.68	\$259,565.24	\$282,000.00	\$76,667.71	\$282,000.00	\$0.00	0.00
499 DPW TOWN GAS PUMP SUB-TOTAL:		\$256,748.68	\$259,565.24	\$282,000.00	\$76,667.71	\$282,000.00	\$0.00	0.00

TOWN WIDE EXPENSES



"Hanover, Honoring Yesterday As We Build For Tomorrow"



Town Wide Expenses

In its operation the Town budgets certain overhead costs in the aggregate rather than distributing costs by department or program. These overhead costs include employee benefits such as health and life insurance, workers compensation, unemployment and contributions to Plymouth County Retirement. Within this budget also are education benefits offered to employees, medical benefits related claims for police officers and firefighters that have been injured on duty, comprehensive building and liability insurance and town audit costs..

Employee Benefits and Insurance Statement

The employee benefits and insurance provided to the employees of the Town of Hanover, which includes 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 37 municipalities, school districts, and other governmental organizations who join together to take advantage of collective purchasing power. Mayflower is among the more successful joint purchase groups in New England, having provided its subscribers and member organizations with three straight years of 0% increases saving millions of dollars for the Towns it serve. For FY16, a modest increase of 3% has been budgeted, although actual rates may be lower.

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 in 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.

The Town also adopted MGL Chapter 32B Section 18 at the (insert date) Annual Town Meeting. The adoption of this section requires Medicare eligible retirees to migrate from the HMO active health plans and into Medicare supplement or "Senior Plans" which are specifically designed for



Town Wide Expenses

Health Insurance (cont'd)

the medical needs of seniors and will effectively share these health care costs with 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 FY16 budget request.

Plan Name	Type	# Enrolled	7/1/15 Est. Monthly Rates	Employee Monthly Expenses	Town Monthly Expenses	Town Annual Expenses Per Employee	Town Annual Expense
BC Elect PPO Benchmark	Ind	1	849	424	424	5,092	5,092
	Fam	1	2,013	1,006	1,006	12,076	12,076
BC Elect PPO Rate Saver	Ind	17	909	455	455	5,457	92,769
	Fam	12	2,157	1,078	1,078	12,941	155,291
Network Blue Benchmark	Ind	7	598	299	299	3,591	25,134
	Fam	1	1,595	798	798	9,573	9,573
Network Blue Rate Saver	Ind	100	625	313	313	3,751	375,132
	Fam	94	1,667	833	833	9,999	939,929
Harvard Pilgrim Benchmark	Ind	2	633	317	317	3,801	7,602
	Fam	1	1,687	844	844	10,123	10,123
Harvard Pilgrim Rate Saver	Ind	37	661	331	331	3,968	146,800
	Fam	59	1,761	881	881	10,568	623,500
Blue Cross Blue Shield Medex	Ind	210	422	211	211	2,534	532,098
Harvard Pilgrim Medicare Enhance	Ind	50	452	226	226	2,713	135,654
Proposed New Employees		2	1,813	907	907	10,880	21,760
Totals		594					3,092,532



Town Wide Expenses

Life Insurance

The Town provides a group life insurance program available to all employees and contracts with Boston Mutual Life. The Town covers 50% of the premium for a basic life policy of \$2,000 for those who choose to enroll. This is available to both active employees and retirees. Employee payroll deductions and retiree contributions fund the balance of the premium. The Town covers 100% of the premium for a policy of \$5,000 for those who belong to collective bargaining units or have individual contracts that negotiated this as part of their agreement.

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.

Plan Name	Coverage	# Enrolled	7/1/15 Est. Monthly Rates	Emp/Retiree Monthly Expenses	Town Monthly Expenses	Town Annual Expenses Per Emp/Retiree	Town Annual Expense
Basic Life & AD&D	2,000.00	372	1.54	0.77	0.77	9.24	3,437
Municipal Life & AD&D	5,000.00	74	2.30	-	2.30	27.60	2,042
Totals		446					5,480

Workers' Compensation

Workers' compensation is available to those employees injured on the job that 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 employees will be injured or how many employees in a fiscal year. An average of the last five year's expenditures was used with an increase of 14%. This represents a 2% increase for each fiscal year since FY10. The cost of the workers' compensation insurance policy is represented in the Risk Management portion of the budget.



Town Wide Expenses

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. Presently, the Town is 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 benefits amount of \$625/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 benefits “benefit year” may cross fiscal years, 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 service 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.

This request has a reduction of approximately (16%). The Town has no plans of reducing the workforce in FY16. Based on expenses to date in FY15, the requested amount will be adequate.

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 30 member school districts and other government organizations from 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 total source of funding is the annual Town assessment together with employee contributions for each member unit.



Town Wide Expenses

Plymouth County Retirement/FICA Tax ((cont'd)

In recent years there have been changes to Massachusetts pension benefits brought about by various pension reform legislation, in an attempt to reign in pension liability costs. The liability had increased due to lack of performance in investments and the inability of the pay-as-you-go funding to keep pace with the defined benefits. It is important to note that a municipal employee hired after 1996 will contribute 9% of their total compensation plus another 2% of any regular compensation over \$30,000 to the retirement system. This employee, if retired with 25 years of creditable service and the investment return assumption is met, will effectively pay for their entire pension.⁵ The Town's assessment together with the employee contributions are intended to meet the pension costs for all Town and School (non-teaching positions) retirees covered by this retirement system, 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.

Also note that the 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 MGL, Chapter 32. 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 saving \$56,456.

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. The Town is responsible for matching Medicare payroll tax of 1.45% on all these employees. Annual increases in this tax liability have been reflected of a rise in total Town payroll subject to this tax.

⁵ Information from Actuary, James R. Lamenzo of the Public Employee Retirement Administration (PERAC)."



Town Wide Expenses

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. Although this benefit has not been fully utilized in years past, the Town feels it is important to have some budgetary funds available to further educate the employees that choose to take advantage of this benefit.

Medical

The Town has an insurance policy through Pan-American Life Insurance and 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 that threshold are covered by the policy. The policy premiums are budgeted and paid for from the Risk Management budget.

The amount requested is approximately (34%) less than the current year budget. This is directly related to the new policy in force.

Risk Management

This budget includes premiums paid for property and liability coverage for all Town owned property, injured on duty policy, professional liability coverage for all elected and appointed Town officials and individual employee bonds required by state law.

Based on the loss runs and frequency in claims for the property coverage that produced a loss ratio of 93.42% for FY14, MIIA recommends estimating a 10% increase in this premium. The professional liability policy had a loss ratio of \$513.92% in FY14. Based on this, MIIA recommends estimating a 12.5% increase in this premium. The Town however does take advantage of the prompt pay discount of 4% which helps mitigate the estimated increase. The premiums amounts related to the injured on duty policies is not expected to rise.



Town Wide Expenses

Town Audit

The Town conducts an audit on a yearly 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 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 will be completed to ensure that proper classification of School expenditures has been reported to the Department of Elementary and Secondary Education. The Town has engaged the services of Melanson Heath & Company, PC for the FY15 audit. This audit is conducted during FY16.

Reserve Fund

As allowed under MGL Ch. 40 S.6, in order to provide for extraordinary or unforeseen expenditures during a fiscal year, the Town may appropriate funds for the purposes of a reserve fund. This fund does not have direct expenditures, meaning no invoices may be paid from it, but rather budget transfers may be voted by the Advisory Committee of the Town to fund a budget to which the invoices will be paid.

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

911 - PENSION/RETIREMENT		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-911-5171	PLYMOUTH COUNTY RETIREMENT	\$2,331,038.00	\$2,426,018.00	\$2,637,067.00	\$2,637,067.00	\$2,849,033.00	\$211,966.00	8.03
01-911-5172	FICA-MEDICARE/TOWN CONTRIBUTION	\$416,270.69	\$441,548.71	\$418,200.00	\$197,715.98	\$430,000.00	\$11,800.00	2.82
EXPENSES SUB-TOTAL:		\$2,747,308.69	\$2,867,566.71	\$3,055,267.00	\$2,834,782.98	\$3,279,033.00	\$223,766.00	7.32
911 PENSION/RETIREMENT SUB-TOTAL:		\$2,747,308.69	\$2,867,566.71	\$3,055,267.00	\$2,834,782.98	\$3,279,033.00	\$223,766.00	7.32

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

912 - WORKERS COMPENSATION		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-912-5177	WORKERS' COMPENSATION	\$194,572.95	\$124,859.00	\$191,134.00	\$149,789.89	\$177,558.00	\$-13,576.00	-7.10
EXPENSES SUB-TOTAL:		\$194,572.95	\$124,859.00	\$191,134.00	\$149,789.89	\$177,558.00	\$-13,576.00	-7.10
912 WORKERS COMPENSATION SUB-TOTAL:		\$194,572.95	\$124,859.00	\$191,134.00	\$149,789.89	\$177,558.00	\$-13,576.00	-7.10

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

913 - UNEMPLOYMENT		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-913-5178	UNEMPLOYMENT COMPENSATION	\$131,427.32	\$79,789.04	\$150,000.00	\$54,324.96	\$125,000.00	\$-25,000.00	-16.66
EXPENSES SUB-TOTAL:		\$131,427.32	\$79,789.04	\$150,000.00	\$54,324.96	\$125,000.00	\$-25,000.00	-16.66
913 UNEMPLOYMENT SUB-TOTAL:		\$131,427.32	\$79,789.04	\$150,000.00	\$54,324.96	\$125,000.00	\$-25,000.00	-16.66

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

914 - HEALTH INSURANCE		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-914-5175	GROUP HEALTH INSURANCE	\$2,864,226.68	\$2,777,829.82	\$2,983,348.00	\$1,713,266.91	\$3,092,532.00	\$109,184.00	3.65
EXPENSES SUB-TOTAL:		\$2,864,226.68	\$2,777,829.82	\$2,983,348.00	\$1,713,266.91	\$3,092,532.00	\$109,184.00	3.65
914 HEALTH INSURANCE SUB-TOTAL:		\$2,864,226.68	\$2,777,829.82	\$2,983,348.00	\$1,713,266.91	\$3,092,532.00	\$109,184.00	3.65

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

915 - LIFE INSURANCE		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-915-5176	GROUP LIFE INSURANCE	\$7,200.36	\$7,232.91	\$8,000.00	\$4,060.08	\$5,480.00	\$-2,520.00	-31.50
01-915-5777	WELLNESS PROGRAM	\$0.00	\$14.48	\$2,500.00	\$0.00	\$0.00	\$-2,500.00	-100.00
EXPENSES SUB-TOTAL:		\$7,200.36	\$7,247.39	\$10,500.00	\$4,060.08	\$5,480.00	\$-5,020.00	-47.80
915 LIFE INSURANCE SUB-TOTAL:		\$7,200.36	\$7,247.39	\$10,500.00	\$4,060.08	\$5,480.00	\$-5,020.00	-47.80

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

916 - EDUCATION BENEFITS		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-916-5317	EMPLOYEE TRAINING - MUNICIPAL	\$250.00	\$535.00	\$3,000.00	\$119.00	\$3,000.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$250.00	\$535.00	\$3,000.00	\$119.00	\$3,000.00	\$0.00	0.00
916 EDUCATION BENEFITS SUB-TOTAL:		\$250.00	\$535.00	\$3,000.00	\$119.00	\$3,000.00	\$0.00	0.00

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

919 - MEDICAL		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-919-5180	EMPLOYEE MEDICAL	\$8,081.13	\$49,492.97	\$37,945.00	\$5,722.89	\$25,000.00	\$-12,945.00	-34.11
EXPENSES SUB-TOTAL:		\$8,081.13	\$49,492.97	\$37,945.00	\$5,722.89	\$25,000.00	\$-12,945.00	-34.11
919 MEDICAL SUB-TOTAL:		\$8,081.13	\$49,492.97	\$37,945.00	\$5,722.89	\$25,000.00	\$-12,945.00	-34.11

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

945 - RISK MANAGEMENT		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-945-5740	PROPERTY & CASUALTY	\$142,970.35	\$145,674.00	\$180,208.00	\$173,297.82	\$185,372.00	\$5,164.00	2.86
01-945-5742	GENERAL INSURANCES	\$36,086.00	\$26,441.71	\$26,437.00	\$34,431.61	\$29,180.00	\$2,743.00	10.37
01-945-5745	PUBLIC OFFICIAL BONDS	\$0.00	\$0.00	\$0.00	\$0.00	\$2,800.00	\$2,800.00	100.00
EXPENSES SUB-TOTAL:		\$179,992.35	\$172,115.71	\$206,645.00	\$207,729.43	\$217,352.00	\$10,707.00	5.18
945 RISK MANAGEMENT SUB-TOTAL:		\$179,992.35	\$172,115.71	\$206,645.00	\$207,729.43	\$217,352.00	\$10,707.00	5.18

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

999 - OTHER		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-999-5790	RESERVE FUND TRANSFERS	\$0.00	\$0.00	\$190,000.00	\$0.00	\$190,000.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$0.00	\$0.00	\$190,000.00	\$0.00	\$190,000.00	\$0.00	0.00
999 OTHER SUB-TOTAL:		\$0.00	\$0.00	\$190,000.00	\$0.00	\$190,000.00	\$0.00	0.00

NON-APPROPRIATED EXPENSES



"Hanover, Honoring Yesterday As We Build For Tomorrow"



Non-Appropriated Expenses

Beyond the specific appropriations contained with 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.

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 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.



Non-Appropriated Expenses

4. 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.

5. Massachusetts Bay Transportation Authority (MBTA)

For services rendered to those cities and towns within the Authority, as assessment will be administered in order to maintain and operate regional public transportation.

6. 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

To assess the sending municipality for pupils attending another school district under school choice.

8. Charter School

To assess the sending municipality for pupils attending charter schools. Charter schools shall receive per-pupil payments from sending districts equal to the average cost per student in that district, plus a capital funding share equal to the state average of what districts pay per pupil in principal and interest for land and buildings.



Non-Appropriated Expenses

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 process a variety of statutory exemption applications for elderly, veteran, blind and hardship taxpayers. If approved, the exemptions are funded by the Overlay Reserve for Abatements and Exemptions.

Additionally, the taxpayers may file for an abatement of their property taxes. If approved, the abatements are funded by the Overlay Reserve for Abatements and Exemptions.

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.

Current offset items for FY16 include \$13,996 for school lunch grants and \$16,515 for public library grants.

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

820 - STATE ASSESSMENTS										
Account Number	Account Description	FY2013 Expended	FY2014 Expended	FY2015 Budget	FY2015 Expended	FY2016 Town Manager Rec	\$ Change	% Change		
01-820-5632	CHARTER SCHOOL TUITION	\$ 325,965.00	\$ 337,600.00	\$ 384,219.00	\$ 50,176.00	\$ 384,219.00	\$ -	0.00		
01-820-5633	SCHOOL CHOICE	\$ -	\$ 5,000.00	\$ 5,000.00	\$ 2,745.00	\$ 5,000.00	\$ -	0.00		
01-820-5639	MOSQUITO CONTROL PROJECTS	\$ 45,682.00	\$ 46,793.00	\$ 48,358.00	\$ 24,182.00	\$ 48,358.00	\$ -	0.00		
01-820-5640	AIR POLLUTION CONTROL PROJECTS	\$ 4,744.00	\$ 4,805.00	\$ 4,814.00	\$ 2,408.00	\$ 4,814.00	\$ -	0.00		
01-820-5641	METRO AREA PLANNING COUNCIL	\$ 4,372.00	\$ 4,482.00	\$ 7,076.00	\$ 3,125.00	\$ 7,076.00	\$ -	0.00		
01-820-5646	MOTOR VEHICLE SURCHARGE	\$ 10,600.00	\$ 9,620.00	\$ 9,620.00	\$ 4,812.00	\$ 9,620.00	\$ -	0.00		
01-820-5661	MBTA	\$ 90,148.00	\$ 90,864.00	\$ 46,147.00	\$ 23,076.00	\$ 46,147.00	\$ -	0.00		
01-820-5662	REGIONAL TRANSIT AUTHORITY	\$ -	\$ -	\$ 46,133.00	\$ 23,069.00	\$ 46,133.00	\$ -	0.00		
EXPENSES SUBTOTAL:		\$ 481,511.00	\$ 499,164.00	\$ 551,367.00	\$ 133,593.00	\$ 551,367.00	\$ -	0.00		
820 - STATE ASSESSMENTS SUBTOTAL:		\$ 481,511.00	\$ 499,164.00	\$ 551,367.00	\$ 133,593.00	\$ 551,367.00	\$ -	0.00		

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

830 - COUNTY TAX														
Account Number	Account Description		FY2013 Expended		FY2014 Expended		FY2015 Expended		FY2016 Town Manager Rec	% Change				
01-830-5621	COUNTY TAX	\$	47,658.46	\$	48,445.10	\$	49,656.00	\$	24,828.11	\$	49,656.00	\$	-	0.00
EXPENSES SUBTOTAL:		\$	47,658.46	\$	48,445.10	\$	49,656.00	\$	24,828.11	\$	49,656.00	\$	-	0.00
830 COUNTY TAX SUBTOTAL:		\$	47,658.46	\$	48,445.10	\$	49,656.00	\$	24,828.11	\$	49,656.00	\$	-	0.00

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 High School are bonded for twenty years, while the financing for other General Fund projects and equipment is retired within five to ten years. The Town's goal is to finance capital projects for the shortest possible term over the useful life of the project or equipment in accordance with the terms outlined in 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 our average rate of 72% principal amortization within the next ten years and approximately 63% of outstanding debt is exempt from tax levy limitations of Proposition 1 ½.

General Obligation Municipal Purpose Bonds were issued in September of 2014 in the amount of \$10,810,000. This issue is related to the Hanover High School and Road Work projects. These bonds were awarded a rating of Aa2 by Moody's Investors Service which reflects the Town's stable financial position with adequate reserves, sizable tax base with favorable wealth levels and an above-average but manageable debt burden.

A Bond Anticipation Note was also issued in September of 2014 in the amount of \$1,476,698 for the Hanover High School project. 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 FY16 requested debt service budget is \$5,872,705, an increase of just under \$700,000. The increase is due to the bonds that were issued in September of 2014. This issue will have its first principal and interest payments due in September of 2015.

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). The EQV is determined every other year by the Massachusetts' Department of Revenue.

Hanover's Proposed 2014 EQV	\$	2,378,821,400
5% of EQV Debt Limit	\$	118,941,070



Debt

Hanover's total issued and outstanding long term debt principal, both inside and outside the debt limit as of June 30, 2014 is \$ 44,124,340, significantly below the statutory debt limit.

Bond Rating

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

The credit rating agency, Moody's Investors Service, recently affirmed the Aa2 rating for the bond issue in September 2014. 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 by all standards. Together with the Aaa group they comprise what are generally known as high-grade bonds.

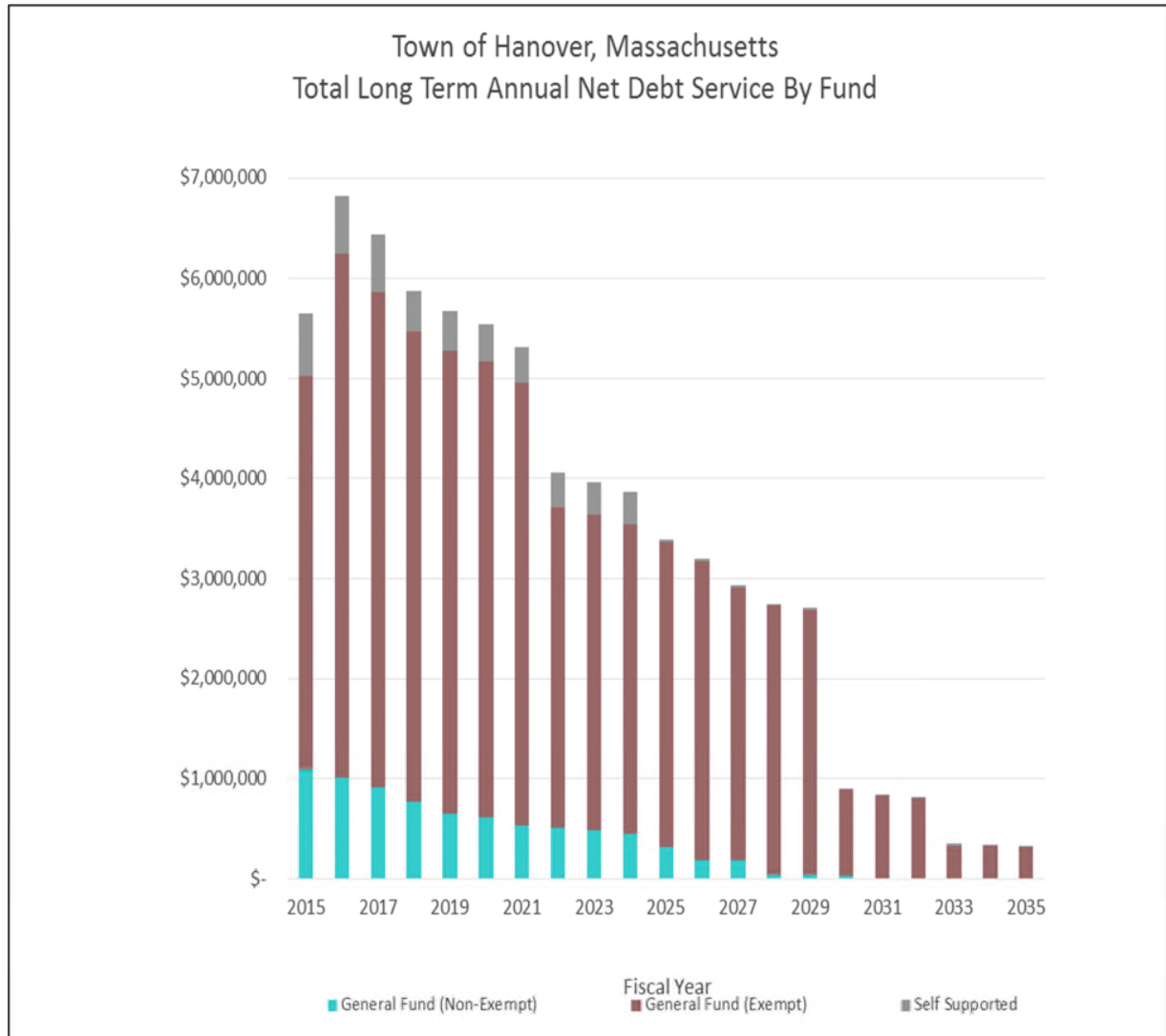
BOND RATING SYMBOLS
<u>Moody's Investor Services</u>
Aaa
Aa1
➡ Aa2
Aa3
A1
A2
A3
Baa1
Baa2
Baa3
Ba1
Ba2
Ba3
B1
B2
B3

Total Long Term Debt Service – All Funds

The total long term annual debt service from FY2015 through FY2035, including both principal and interest, is shown below. The chart indicates the amount of long term debt service for the General Fund (both Excluded and Non-excluded) and Self Supported.



Debt





Debt

Town of Hanover, Massachusetts			
Total Long Term Annual Net Debt Service By Fund			
As of June 30, 2014, Including Subsequent Issue			
Fiscal Year	General Fund (Non-Exempt)	General Fund (Exempt)	Self Supported
2015	1,090,978	3,936,506	625,846
2016	1,009,949	5,236,783	577,421
2017	917,577	4,945,206	569,421
2018	775,454	4,693,561	408,881
2019	646,225	4,626,761	396,161
2020	614,928	4,554,361	372,293
2021	527,363	4,432,061	359,293
2022	503,100	3,212,161	341,013
2023	483,725	3,154,361	327,825
2024	451,950	3,098,161	314,500
2025	317,700	3,041,761	25,900
2026	187,500	2,988,018	25,500
2027	181,000	2,728,243	25,100
2028	44,200	2,687,123	14,700
2029	42,600	2,646,210	14,700
2030	26,000	860,325	14,700
2031		833,225	14,700
2032		806,125	14,700
2033		334,025	14,700
2034		324,531	14,700
2035		314,844	14,700
TOTAL	\$7,820,248	\$59,454,353	\$4,486,750

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

710 - DEBT SERVICE - PRINCIPAL		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-710-5910-0701	PRINC-2000 WPAT LOAN	\$10,872.00	\$10,872.00	\$10,868.00	\$10,868.00	\$10,868.00	\$0.00	0.00
01-710-5910-0703	PRINC-2004 WPAT TITLE V	\$7,616.50	\$0.00	\$10,000.00	\$7,666.97	\$10,000.00	\$0.00	0.00
01-710-5910-0710	PRINC-2004 EQUIPMENT 105K	\$5,000.00	\$5,000.00	\$5,000.00	\$0.00	\$5,000.00	\$0.00	0.00
01-710-5910-0711	PRINC-2004 EQUIPMENT 80K	\$5,000.00	\$5,000.00	\$5,000.00	\$0.00	\$5,000.00	\$0.00	0.00
01-710-5910-0713	PRINC-2003 HIGH SCHOOL GENERATOR	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$0.00	0.00
01-710-5910-0714	PRINC-2006 SYLVESTER SCHOOL	\$35,000.00	\$35,000.00	\$35,000.00	\$35,000.00	\$35,000.00	\$0.00	0.00
01-710-5910-0715	PRINC-2006 STREET SWEEPER	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$0.00	\$-15,000.00	-100.00
01-710-5910-0716	PRINC-2006 FIRE STATION ROOF	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$0.00	0.00
01-710-5910-0717	PRINC-2006 DPW DUMP TRUCK	\$15,000.00	\$15,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$0.00	0.00
01-710-5910-0718	PRINC-2006 DPW BACKHOE/LOADER	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$0.00	0.00
01-710-5910-0719	PRINC-2008 MIDDLE SCHOOL LIGHTING	\$15,000.00	\$15,000.00	\$15,000.00	\$0.00	\$15,000.00	\$0.00	0.00
01-710-5910-0720	PRINC-2008 MIDDLE SCHOOL	\$10,000.00	\$10,000.00	\$10,000.00	\$0.00	\$10,000.00	\$0.00	0.00
01-710-5910-0721	PRINC-2008 SYLVESTER SCHOOL	\$30,000.00	\$30,000.00	\$30,000.00	\$0.00	\$25,000.00	\$-5,000.00	-16.66
01-710-5910-0722	PRINC-2008 BRIDGE REPAIR	\$25,000.00	\$25,000.00	\$25,000.00	\$0.00	\$25,000.00	\$0.00	0.00
01-710-5910-0723	PRINC-2008 TRACTOR	\$15,000.00	\$10,000.00	\$10,000.00	\$0.00	\$10,000.00	\$0.00	0.00
01-710-5910-0724	PRINC-2008 DPW TRANSFER TRAILERS	\$30,000.00	\$25,000.00	\$25,000.00	\$0.00	\$25,000.00	\$0.00	0.00
01-710-5910-0725	PRINC-2008 MOWER	\$10,000.00	\$10,000.00	\$10,000.00	\$0.00	\$10,000.00	\$0.00	0.00
01-710-5910-0726	PRINC-2010 SEPTIC SEWER	\$5,000.00	\$5,000.00	\$10,000.00	\$0.00	\$10,000.00	\$0.00	0.00
01-710-5910-0727	PRINC-2010 SCHOOL 20K	\$5,000.00	\$5,000.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-710-5910-0729	PRINC-2010 SCHOOL 206K	\$30,000.00	\$30,000.00	\$25,000.00	\$0.00	\$20,000.00	\$-5,000.00	-20.00
01-710-5910-0730	PRINC-2010 LANDFILL	\$80,000.00	\$70,000.00	\$75,000.00	\$0.00	\$75,000.00	\$0.00	0.00
01-710-5910-0731	PRINC-2011 ALTERNATIVE ENERGY	\$45,000.00	\$0.00	\$45,000.00	\$0.00	\$45,000.00	\$0.00	0.00
01-710-5910-0732	PRINC-2011 OUTDOOR REC FACILITIES	\$60,000.00	\$60,000.00	\$60,000.00	\$0.00	\$0.00	\$-60,000.00	-100.00
01-710-5910-0733	PRINC-2011 AMBULANCE	\$60,000.00	\$60,000.00	\$60,000.00	\$0.00	\$60,000.00	\$0.00	0.00
01-710-5910-0734	PRINC-2011 FINANCIAL SOFTWARE	\$70,000.00	\$65,000.00	\$60,000.00	\$0.00	\$30,000.00	\$-30,000.00	-50.00
01-710-5910-0735	PRINC-2011 KING ST REC COMPLEX	\$125,000.00	\$125,000.00	\$125,000.00	\$0.00	\$0.00	\$-125,000.00	-100.00
01-710-5910-0736	PRINC-2008 CPA LAND ACQUISITION	\$75,000.00	\$75,000.00	\$75,000.00	\$0.00	\$0.00	\$-75,000.00	-100.00
01-710-5910-0737	PRINC-2009 CPA RECREATION FIELDS	\$70,000.00	\$70,000.00	\$65,000.00	\$0.00	\$0.00	\$-65,000.00	-100.00
01-710-5910-0798	PRINC-1998 POLICE STATION DEBT	\$165,000.00	\$165,000.00	\$170,000.00	\$0.00	\$175,000.00	\$5,000.00	2.94
01-710-5910-0801	PRINC-2001 SCHOOL PROJCTS DEBT	\$845,000.00	\$860,000.00	\$880,000.00	\$0.00	\$905,000.00	\$25,000.00	2.84
01-710-5910-0802	PRINC-2001 LIBRARY DEBT EXCLUSION	\$135,000.00	\$130,000.00	\$130,000.00	\$0.00	\$125,000.00	\$-5,000.00	-3.84

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

710 - DEBT SERVICE - PRINCIPAL		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-710-5910-0809	PRINC-2009 SENIOR CENTER DEBT EXCL	\$110,000.00	\$115,000.00	\$120,000.00	\$0.00	\$125,000.00	\$5,000.00	4.16
01-710-5910-0810	PRINC-2009 NEW HIGH SCHL DEBT	\$595,000.00	\$620,000.00	\$645,000.00	\$0.00	\$670,000.00	\$25,000.00	3.87
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
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	\$0.00	\$0.00	\$0.00	\$0.00	\$14,700.00	\$14,700.00	100.00
01-710-5910-0911	PRINC - 2014 HS CONST I 6M	\$0.00	\$0.00	\$0.00	\$0.00	\$300,000.00	\$300,000.00	100.00
01-710-5910-0912	PRINC - 2014 HS CONST II 201K	\$0.00	\$0.00	\$0.00	\$0.00	\$15,000.00	\$15,000.00	100.00
01-710-5910-0913	PRINC - 2014 ROADS 4.6M	\$0.00	\$0.00	\$0.00	\$0.00	\$330,000.00	\$330,000.00	100.00
DEBT SERVICE SUB-TOTAL:		\$3,408,488.50	\$3,360,872.00	\$3,455,868.00	\$113,534.97	\$3,790,568.00	\$334,700.00	9.68
710 DEBT SERVICE - PRINCIPAL SUB-TOTAL:		\$3,408,488.50	\$3,360,872.00	\$3,455,868.00	\$113,534.97	\$3,790,568.00	\$334,700.00	9.68

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

751 - DEBT SERVICE - INTEREST		FY2013	FY2014	FY2015	FY2015	FY2016 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	\$2,479.00	\$0.00	\$1,923.00	\$-556.00	-22.42
01-751-5915-0703	INT-2004 WPAT TITLE V	\$1,350.97	\$0.00	\$3,840.00	\$969.02	\$3,375.00	\$-465.00	-12.10
01-751-5915-0710	INT-2004 EQUIPMENT 105K	\$1,478.74	\$1,278.75	\$1,079.00	\$539.37	\$873.00	\$-206.00	-19.09
01-751-5915-0711	INT-2004 EQUIPMENT 80K	\$1,478.76	\$1,278.75	\$1,079.00	\$539.37	\$873.00	\$-206.00	-19.09
01-751-5915-0713	INT-2003 HIGH SCHOOL GENERATOR	\$3,400.00	\$2,600.00	\$1,800.00	\$1,100.00	\$1,000.00	\$-800.00	-44.44
01-751-5915-0714	INT-2006 SYVLESTER SCHOOL BOILER	\$6,300.00	\$4,900.00	\$3,500.00	\$2,100.00	\$2,100.00	\$-1,400.00	-40.00
01-751-5915-0715	INT-2006 STREET SWEEPER	\$1,500.00	\$900.00	\$300.00	\$300.00	\$0.00	\$-300.00	-100.00
01-751-5915-0716	INT-2006 FIRE STATION ROOF	\$900.00	\$700.00	\$500.00	\$300.00	\$300.00	\$-200.00	-40.00
01-751-5915-0717	INT-2006 DPW DUMP TRUCK	\$2,100.00	\$1,500.00	\$1,000.00	\$600.00	\$600.00	\$-400.00	-40.00
01-751-5915-0718	INT-2006 DPW BACKHOE/LOADER	\$1,400.00	\$1,000.00	\$600.00	\$400.00	\$200.00	\$-400.00	-66.66
01-751-5915-0719	INT-2008 MIDDLE SCHOOL LIGHTING	\$6,556.26	\$6,050.00	\$5,525.00	\$2,762.50	\$5,000.00	\$-525.00	-9.50
01-751-5915-0720	INT-2008 MIDDLE SCHOOL ELEVATOR	\$4,037.50	\$3,700.00	\$3,350.00	\$1,675.00	\$3,000.00	\$-350.00	-10.44
01-751-5915-0721	INT-2008 SYLVESTER SCHOOL	\$15,112.50	\$14,100.00	\$13,050.00	\$6,525.00	\$12,000.00	\$-1,050.00	-8.04
01-751-5915-0722	INT-2008 BRIDGE REPAIR	\$13,593.76	\$12,750.00	\$11,875.00	\$5,937.50	\$11,000.00	\$-875.00	-7.36
01-751-5915-0723	INT-2008 TRACTOR	\$2,006.23	\$1,500.00	\$1,150.00	\$575.00	\$800.00	\$-350.00	-30.43
01-751-5915-0724	INT-2008 DPW TRANSFER TRAILERS	\$4,762.50	\$3,750.00	\$2,875.00	\$1,437.50	\$2,000.00	\$-875.00	-30.43
01-751-5915-0725	INT-2008 MOWER	\$1,837.50	\$1,500.00	\$1,150.00	\$575.00	\$800.00	\$-350.00	-30.43
01-751-5915-0726	INT-2010 SEPTIC SEWER	\$980.00	\$880.00	\$780.00	\$390.00	\$580.00	\$-200.00	-25.64
01-751-5915-0727	INT-2010 SCHOOL 20K	\$200.00	\$100.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
01-751-5915-0729	INT-2010 SCHOOL 206K	\$4,100.00	\$3,500.00	\$2,900.00	\$1,450.00	\$2,400.00	\$-500.00	-17.24
01-751-5915-0730	INT-2010 LANDFILL	\$13,500.00	\$11,900.00	\$10,500.00	\$5,250.00	\$9,000.00	\$-1,500.00	-14.28
01-751-5915-0731	INT-2011 ALTERNATIVE ENERGY	\$28,900.00	\$0.00	\$26,200.00	\$13,100.00	\$24,850.00	\$-1,350.00	-5.15
01-751-5915-0732	INT-2011 OUTDOOR REC FACILITIES	\$27,350.00	\$25,550.00	\$23,750.00	\$11,875.00	\$0.00	\$-23,750.00	-100.00
01-751-5915-0733	INT-2011 AMBULANCE REPLACEMENT	\$17,150.00	\$15,350.00	\$13,550.00	\$6,775.00	\$11,750.00	\$-1,800.00	-13.28
01-751-5915-0734	INT-2011 FINANCIAL SOFTWARE	\$7,050.00	\$4,950.00	\$3,000.00	\$1,500.00	\$1,200.00	\$-1,800.00	-60.00
01-751-5915-0735	INT-2011 KING ST REC COMPLEX	\$61,650.00	\$57,900.00	\$54,150.00	\$27,075.00	\$0.00	\$-54,150.00	-100.00
01-751-5915-0736	INT-2008 CPA LAND ACQUISITION	\$41,981.26	\$39,450.00	\$36,825.00	\$18,412.50	\$0.00	\$-36,825.00	-100.00
01-751-5915-0737	INT-2009 CPA RECREATIONAL FIELDS	\$30,850.00	\$28,750.00	\$26,650.00	\$13,325.00	\$0.00	\$-26,650.00	-100.00
01-751-5915-0798	INT-1998 POLICE STATION DEBT EXCL	\$24,020.00	\$20,720.00	\$17,420.00	\$8,710.00	\$14,020.00	\$-3,400.00	-19.51
01-751-5915-0801	INT-2001 SCHOOL PROJECTS DEBT EXCL	\$125,050.00	\$242,150.00	\$224,950.00	\$112,475.00	\$207,350.00	\$-17,600.00	-7.82
01-751-5915-0802	INT-2001 LIBRARY DEBT EXCLUSION	\$30,100.00	\$27,400.00	\$24,800.00	\$12,400.00	\$22,200.00	\$-2,600.00	-10.48

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

751 - DEBT SERVICE - INTEREST		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-751-5915-0809	INT-2009 SENIOR CENTER DEBT EXCL	\$108,657.50	\$105,357.50	\$101,908.00	\$50,953.75	\$98,308.00	\$-3,600.00	-3.53
01-751-5915-0810	INT-2009 NEW HIGH SCHOOL DEBT	\$579,722.50	\$561,872.50	\$543,273.00	\$271,636.25	\$523,923.00	\$-19,350.00	-3.56
01-751-5915-0811	INT-2011 NEW HIGH SCHOOL DEBT	\$309,500.00	\$297,500.00	\$285,500.00	\$142,750.00	\$273,500.00	\$-12,000.00	-4.20
01-751-5915-0812	INT-2011 SENIOR CENTER DEBT EXCL	\$34,818.76	\$33,468.76	\$32,119.00	\$16,059.38	\$30,769.00	\$-1,350.00	-4.20
01-751-5915-0813	INT-2011 ROAD RECONSTR DEBT EXCL	\$114,437.50	\$107,987.50	\$101,538.00	\$50,768.75	\$95,088.00	\$-6,450.00	-6.35
01-751-5915-0911	INT - 2014 HS CONST I 6M	\$0.00	\$0.00	\$0.00	\$0.00	\$354,355.00	\$354,355.00	100.00
01-751-5915-0912	INT - 2014 HS CONST II 210K	\$0.00	\$0.00	\$0.00	\$0.00	\$12,326.00	\$12,326.00	100.00
01-751-5915-0913	INT - 2014 ROADS 4.6M	\$0.00	\$0.00	\$0.00	\$0.00	\$299,948.00	\$299,948.00	100.00
DEBT SERVICE SUB-TOTAL:		\$1,762,132.24	\$1,642,293.76	\$1,584,965.00	\$791,240.89	\$2,027,411.00	\$442,446.00	27.91
751 DEBT SERVICE - INTEREST SUB-TOTAL:		\$1,762,132.24	\$1,642,293.76	\$1,584,965.00	\$791,240.89	\$2,027,411.00	\$442,446.00	27.91

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

752 - DEBT - SHORT TERM INTEREST		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-752-5925	INT-SHORT TERM DEBT	\$71,291.66	\$105,954.86	\$132,481.00	\$132,480.97	\$44,726.00	\$-87,755.00	-66.23
DEBT SERVICE SUB-TOTAL:		\$71,291.66	\$105,954.86	\$132,481.00	\$132,480.97	\$44,726.00	\$-87,755.00	-66.23
752 DEBT - SHORT TERM INTEREST		\$71,291.66	\$105,954.86	\$132,481.00	\$132,480.97	\$44,726.00	\$-87,755.00	-66.23

Town of Hanover
Town Manager Recommended Budget
FY16 Operating Budget

755 - DEBT SERVICE - ISSUANCE COSTS		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
01-755-5939	BOND/NOTE ISSUE EXPENSES	\$0.00	\$0.00	\$0.00	\$0.00	\$10,000.00	\$10,000.00	100.00
EXPENSES SUB-TOTAL:		\$0.00	\$0.00	\$0.00	\$0.00	\$10,000.00	\$10,000.00	100.00
755 DEBT SERVICE - ISSUANCE COSTS		\$0.00	\$0.00	\$0.00	\$0.00	\$10,000.00	\$10,000.00	100.00

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, reserving the rate setting authority of the former Board of Water Commissioners for 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.

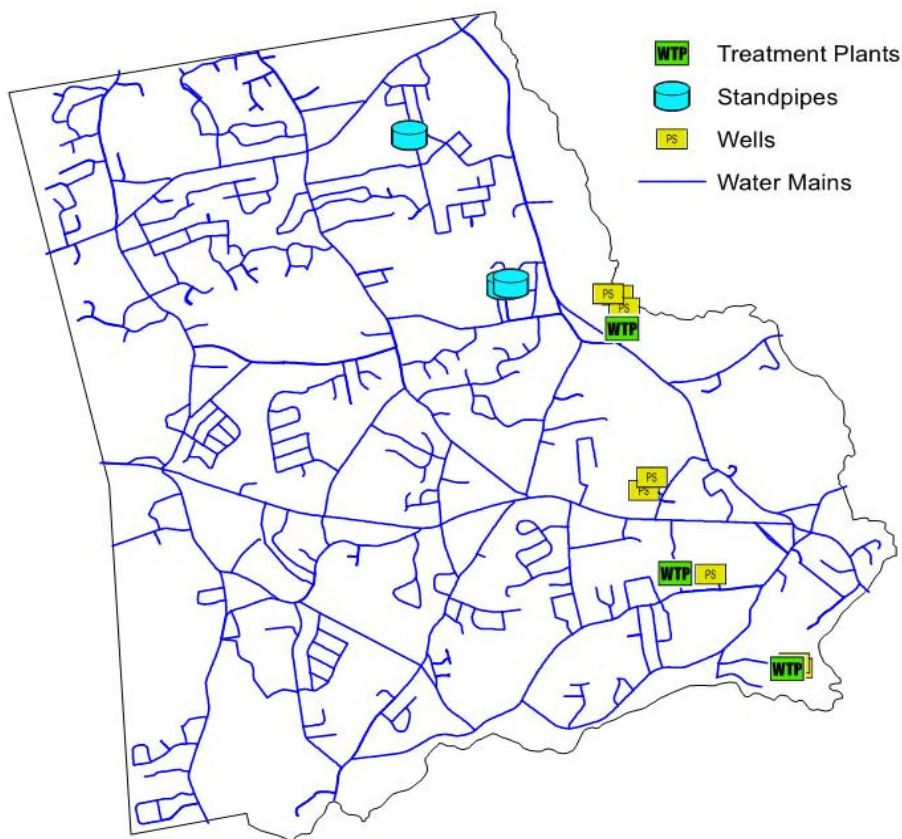
The Broadway water treatment plant, located on Broadway, treats four gravel packed wells for low levels of iron, manganese, organic color, and turbidity. Two of the wells are located in the Broadway well field and the other two wells are located in the Hanover Street well field. The Broadway WTP is a 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.

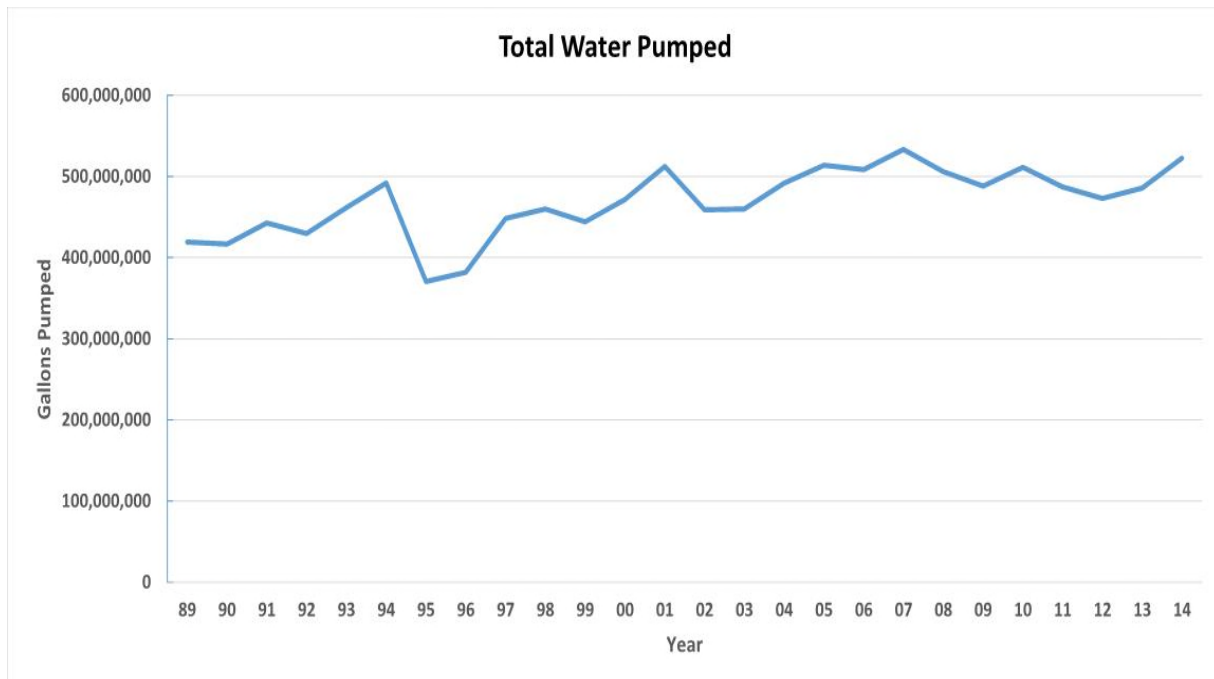
Hanover Water System





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	\$35.84
3/4 inch	\$60.18
1 inch	\$95.55
1.5 inch	\$191.04
2 inch	\$287.64
Greater than 2 inch	\$597.06

The current variable rate (usage charge) is defined as follows

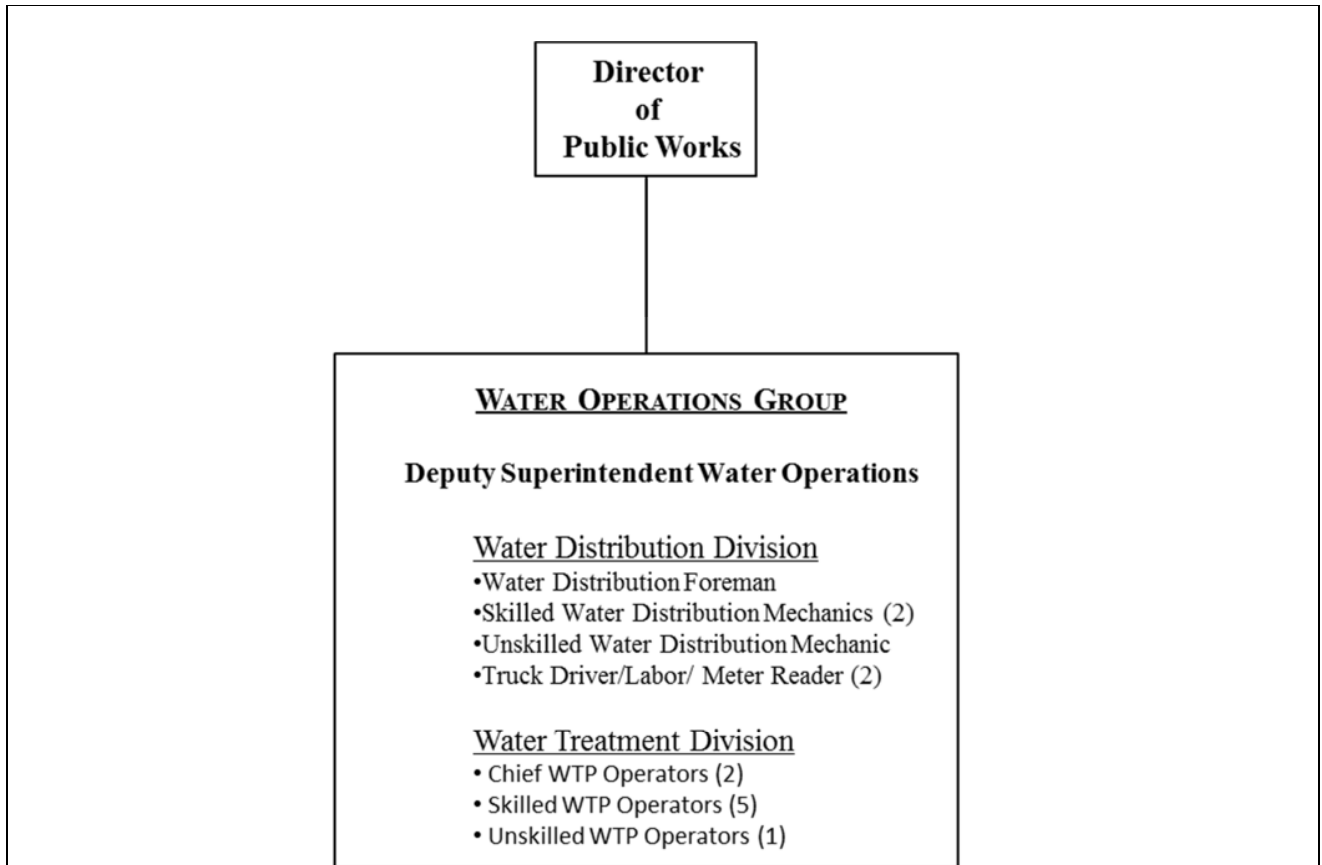
Usage	Price per 100 cubic feet
0 – 500 cubic feet	\$2.64
501 to 3,000 cubic feet	\$4.97
Greater than 3,000 cubic feet	\$8.20

The average quarterly water bill for a family of four (assuming 3,000 cubic feet) is \$173.29.



Water Enterprise Fund

Organizational Chart



FY2015 Accomplishments	<ul style="list-style-type: none">• Treated and supplied 500 million gallons of drinking water to residents and businesses.• Connected Wade Way to a PVC water main, thereby eliminating long standing water quality issues on the street.• Further developed the Department's website and social media feeds to enhance transparency in operations, provide improved access to services, and provide open data.
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Water Enterprise Fund

Significant Budget Changes or Initiatives	<p>The FY 16 budget is built around the goals of improving efficiency in meter reading, meeting water quality standards, increasing system reliability, and reducing unaccounted for water.</p> <p>The overall water enterprise budget for FY 16 is a 7% increase over the FY 15 budget. The budget represents growth in the operating areas (administration – 10.3%, treatment – 13.1% , distribution – 8.6%) offset by a reduction in debt service principal of -9.57% and interest of -12.50%.</p> <p>The budget proposes no new positions but does make adjustments for negotiated increases in salaries as well as step raises for new employees.</p> <p>Increases in the water administration expenses reflect a commitment to further automation and modernization of water meter reading equipment as well as adjustments to postage. Increases in water treatment expenses reflect restoration of cuts made in FY 15 which have proven to not be operationally sustainable and have compromised the reliability of treatment systems. The expense portion of the water distribution budget is level funded but continues a commitment to replacement of water meters and leak detection, both of which are essential for reducing unaccounted for water.</p> <p>Based on FY 15 estimated water usage charges of \$3,250,000 and requirements of \$3,391,815, the Town intends to pursue a 4.4% rate increase in the spring of 2015, prior to the start of FY 16, to fully fund the water enterprise from water usage charges.</p>
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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

Position	FY2015 FTE	FY2016 FTE	Change
Water Division			
Deputy Superintendent Water Operations	1.00	1.00	-
Secretary	3.00	3.00	-
Custodian	0.50	0.50	-
Chief WTP Operator	2.00	2.00	-
Water Treatment Plant Operator	5.40	5.40	-
Unskilled Treatment Plant Operator	1.00	1.00	-
Water Distribution Foreman	1.00	1.00	-
Skilled Water Distribution Mechanic	2.00	2.00	-
Unskilled Water Distribution Mechanic	1.00	1.00	-
Skilled Equipment Operator	1.00	1.00	-
Unskilled Equipment Operator	0.50	0.50	-
Truck Driver/Laborer	2.00	2.00	-
Total Full-time Equivalents	20.40	20.40	-

Personnel Notes: FTEs are based on a 40 hour work week and are benefit eligible



Water Enterprise Fund

Balanced Budget

ESTIMATED REVENUES	
	FY16
Water User Charges	3,391,815
TOTAL ESTIMATED REVENUE	3,391,815
DIRECT APPROPRIATIONS	
	FY16
Water Administration	372,109
Water Treatment	1,401,339
Water Distribution	707,775
Water Debt Service	551,853
Total Direct Appropriations	3,033,076
INDIRECT APPROPRIATIONS	
	FY16
Indirect Costs - Water Enterprise	358,739
Total OFS	358,739
TOTAL APPROPRIATIONS	3,391,815

Town of Hanover
Town Manager Recommended Budget
FY16 Water Budget

450 - WATER		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
60-450-5110	SALARIES - APPOINTED OFFICIALS	\$125,426.77	\$142,341.67	\$144,000.00	\$62,407.25	\$146,880.00	\$2,880.00	2.00
60-450-5113	SALARIES - CLERICAL	\$114,837.29	\$115,780.26	\$119,236.00	\$50,926.53	\$128,896.00	\$9,660.00	8.10
60-450-5115	SALARIES - CUSTODIAN P/T	\$20,602.83	\$21,550.98	\$21,473.00	\$9,193.42	\$24,958.00	\$3,485.00	16.22
60-450-5130	SALARIES - CLERICAL OVERTIME	\$3,618.25	\$5,001.75	\$91.00	\$2,467.52	\$4,335.00	\$4,244.00	4663.73
60-450-5148	STIPEND	\$0.00	\$0.00	\$3,500.00	\$1,528.51	\$3,500.00	\$0.00	0.00
PERSONNEL SUB-TOTAL:		\$264,485.14	\$284,674.66	\$288,300.00	\$126,523.23	\$308,569.00	\$20,269.00	7.03
60-450-5250	EQUIPMENT MAINTENANCE	\$2,803.40	\$3,611.85	\$4,860.00	\$10,263.58	\$12,860.00	\$8,000.00	164.60
60-450-5271	OFFICE EQUIPMENT RENTAL	\$1,109.50	\$796.50	\$1,200.00	\$998.10	\$1,200.00	\$0.00	0.00
60-450-5310	ENGINEERING	\$21,478.63	\$0.00	\$3,000.00	\$0.00	\$3,000.00	\$0.00	0.00
60-450-5318	OTHER CONTRACTED SERVICES	\$7,820.00	\$13,496.64	\$7,590.00	\$6,507.60	\$8,590.00	\$1,000.00	13.17
60-450-5340	TELEPHONE - ADMINISTRATION	\$10,762.05	\$4,955.01	\$5,500.00	\$1,857.55	\$5,500.00	\$0.00	0.00
60-450-5342	PRINTING & STATIONARY	\$2,801.94	\$1,345.80	\$5,000.00	\$912.82	\$3,500.00	\$-1,500.00	-30.00
60-450-5345	POSTAGE & MAIL PERMITS	\$12,098.97	\$12,371.96	\$6,900.00	\$5,471.95	\$12,900.00	\$6,000.00	86.95
60-450-5450	MATERIALS & SUPPLIES	\$13,763.40	\$11,530.86	\$8,380.00	\$3,911.82	\$9,380.00	\$1,000.00	11.93
60-450-5585	UNIFORMS	\$724.60	\$508.49	\$725.00	\$315.99	\$800.00	\$75.00	10.34
60-450-5715	LICENSE RENEWALS	\$0.00	\$0.00	\$145.00	\$0.00	\$110.00	\$-35.00	-24.13
60-450-5720	REGISTRATION FEES	\$200.00	\$395.00	\$400.00	\$50.00	\$400.00	\$0.00	0.00
60-450-5730	DUES	\$536.00	\$223.00	\$700.00	\$539.00	\$700.00	\$0.00	0.00
60-450-5735	GOVERNMENT FEES	\$4,345.99	\$4,155.99	\$4,600.00	\$0.00	\$4,600.00	\$0.00	0.00
60-450-5785	INDIRECT COSTS	\$358,739.00	\$358,739.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
60-450-5961	TRANSFER TO GENERAL FUND	\$0.00	\$0.00	\$0.00	\$358,739.00	\$0.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$437,183.48	\$412,130.10	\$49,000.00	\$389,567.41	\$63,540.00	\$14,540.00	29.67
450 WATER SUB-TOTAL:		\$701,668.62	\$696,804.76	\$337,300.00	\$516,090.64	\$372,109.00	\$34,809.00	10.31

Town of Hanover
Town Manager Recommended Budget
FY16 Water Budget

451 - WATER TREATMENT		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
60-451-5114	SALARIES & WAGES PERM F/T	\$403,109.10	\$396,783.54	\$466,242.00	\$167,616.44	\$480,451.00	\$14,209.00	3.04
60-451-5121	WAGES-TEMPORARY EMPLOYEES	\$10,265.33	\$1,532.17	\$0.00	\$2,886.06	\$21,924.00	\$21,924.00	100.00
60-451-5130	OVERTIME	\$59,120.15	\$78,770.95	\$10,743.00	\$40,239.07	\$30,805.00	\$20,062.00	186.74
60-451-5141	SHIFT DIFFERENTIAL	\$0.00	\$0.00	\$0.00	\$0.00	\$18,057.00	\$18,057.00	100.00
60-451-5142	HOLIDAY PAY	\$0.00	\$0.00	\$13,064.00	\$0.00	\$13,852.00	\$788.00	6.03
60-451-5146	STANDBY PAY	\$0.00	\$0.00	\$25,250.00	\$0.00	\$27,000.00	\$1,750.00	6.93
PERSONNEL SUB-TOTAL:		\$472,494.58	\$477,086.66	\$515,299.00	\$210,741.57	\$592,089.00	\$76,790.00	14.90
60-451-5211	ELECTRICITY	\$0.00	\$0.00	\$0.00	\$7,638.98	\$0.00	\$0.00	0.00
60-451-5211-0052	ELECTRICITY - POND STREET	\$119,750.40	\$99,904.03	\$84,500.00	\$48,642.36	\$106,500.00	\$22,000.00	26.03
60-451-5211-0053	ELECTRICITY - BEAL	\$92,337.79	\$91,536.01	\$90,000.00	\$44,180.83	\$96,000.00	\$6,000.00	6.66
60-451-5211-0054	ELECTRICITY - BROADWAY	\$42,829.48	\$73,573.37	\$66,000.00	\$24,395.08	\$71,000.00	\$5,000.00	7.57
60-451-5211-0056	ELECTRICITY - STANDPIPES	\$1,125.88	\$1,329.85	\$1,300.00	\$288.71	\$1,350.00	\$50.00	3.84
60-451-5212-0052	NATURAL GAS - POND STREET	\$16,789.84	\$18,287.99	\$17,000.00	\$1,753.30	\$20,000.00	\$3,000.00	17.64
60-451-5212-0053	NATURAL GAS - BEAL	\$3,772.45	\$4,439.30	\$3,000.00	\$465.15	\$4,400.00	\$1,400.00	46.66
60-451-5212-0054	NATURAL GAS - BROADWAY	\$6,718.73	\$13,205.95	\$8,500.00	\$3,394.67	\$9,500.00	\$1,000.00	11.76
60-451-5212-0055	NATURAL GAS - UNION STREET	\$0.00	\$0.00	\$400.00	\$0.00	\$800.00	\$400.00	100.00
60-451-5230-0051	BUILDING MAINTENANCE - GENERAL	\$0.00	\$0.00	\$0.00	\$59.40	\$0.00	\$0.00	0.00
60-451-5230-0052	BUILDING MAINTENANCE - POND	\$34,707.23	\$14,669.72	\$18,500.00	\$867.62	\$18,500.00	\$0.00	0.00
60-451-5230-0053	BUILDING MAINTENANCE - BEAL	\$919.35	\$4,851.05	\$2,200.00	\$217.58	\$3,200.00	\$1,000.00	45.45
60-451-5230-0054	BUILDING MAINTENANCE -	\$1,327.61	\$1,162.81	\$2,000.00	\$0.00	\$3,000.00	\$1,000.00	50.00
60-451-5240	VEHICLE MAINTENANCE	\$1,280.87	\$2,072.23	\$1,200.00	\$0.00	\$1,200.00	\$0.00	0.00
60-451-5250-0051	EQUIPMENT MAINTENANCE - GENERAL	\$943.45	\$873.37	\$0.00	\$394.47	\$0.00	\$0.00	0.00
60-451-5250-0052	EQUIPMENT MAINTENANCE - POND	\$60,445.00	\$121,761.53	\$57,375.00	\$41,814.19	\$74,275.00	\$16,900.00	29.45
60-451-5250-0053	EQUIPMENT MAINTENANCE - BEAL	\$39,264.54	\$35,590.72	\$26,300.00	\$12,135.12	\$26,300.00	\$0.00	0.00
60-451-5250-0054	EQUIPMENT MAINTENANCE -	\$71,045.61	\$25,520.60	\$27,000.00	\$9,191.61	\$27,000.00	\$0.00	0.00
60-451-5250-0056	EQUIPMENT MAINTENANCE - STORAGE	\$2,758.34	\$1,926.94	\$400.00	\$0.00	\$5,400.00	\$5,000.00	1250.00
60-451-5250-0057	EQUIPMENT MAINTENANCE -	\$9,498.09	\$21,961.93	\$4,000.00	\$7,697.37	\$4,000.00	\$0.00	0.00
60-451-5280	SAFETY PROGRAMS	\$1,268.75	\$1,064.93	\$500.00	\$169.50	\$500.00	\$0.00	0.00
60-451-5295-0052	SLUDGE DISPOSAL - POND STREET	\$41,531.45	\$29,312.84	\$40,000.00	\$47,463.30	\$50,000.00	\$10,000.00	25.00
60-451-5317	EMPLOYEE TRAINING (EDUCATION	\$4,752.00	\$720.00	\$1,000.00	\$575.00	\$1,000.00	\$0.00	0.00

Town of Hanover
Town Manager Recommended Budget
FY16 Water Budget

451 - WATER TREATMENT		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
60-451-5318-0052	OTHER CONTRACTED SERVICES - POND	\$7,382.35	\$6,646.37	\$0.00	\$4,472.25	\$4,500.00	\$4,500.00	100.00
60-451-5318-0053	OTHER CONTRACTED SERVICES - BEAL	\$2,853.00	\$4,799.09	\$2,400.00	\$2,537.44	\$3,900.00	\$1,500.00	62.50
60-451-5318-0054	OTHER CONTRACTED SERVICES -	\$5,398.06	\$6,408.86	\$5,200.00	\$10,354.82	\$5,200.00	\$0.00	0.00
60-451-5319-0051	TESTING - GENERAL	\$16,025.00	\$13,200.00	\$16,000.00	\$7,120.00	\$16,000.00	\$0.00	0.00
60-451-5319-0052	TESTING - POND STREET	\$0.00	\$1,940.00	\$0.00	\$1,200.00	\$0.00	\$0.00	0.00
60-451-5319-0053	TESTING - BEAL	\$0.00	\$1,940.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
60-451-5319-0054	TESTING - BROADWAY	\$2,605.00	\$5,235.00	\$1,900.00	\$1,320.00	\$1,900.00	\$0.00	0.00
60-451-5319-0057	TESTING - LABORATORY	\$0.00	\$0.00	\$2,000.00	\$0.00	\$2,000.00	\$0.00	0.00
60-451-5340-0052	TELEPHONE - POND STREET	\$2,273.52	\$2,290.42	\$2,400.00	\$924.84	\$2,400.00	\$0.00	0.00
60-451-5340-0053	TELEPHONE - BEAL	\$2,775.41	\$1,263.01	\$0.00	\$0.00	\$0.00	\$0.00	0.00
60-451-5470-0051	MATERIALS & SUPPLIES - GENERAL	\$289.10	\$1,407.92	\$0.00	\$3,505.06	\$0.00	\$0.00	0.00
60-451-5470-0052	MATERIALS & SUPPLIES - POND STREET	\$2,259.97	\$1,441.47	\$2,225.00	\$701.13	\$1,725.00	\$-500.00	-22.47
60-451-5470-0053	MATERIALS & SUPPLIES - BEAL	\$151.00	\$0.00	\$500.00	\$86.94	\$500.00	\$0.00	0.00
60-451-5470-0054	MATERIALS & SUPPLIES - BROADWAY	\$90.00	\$117.14	\$950.00	\$0.00	\$950.00	\$0.00	0.00
60-451-5470-0057	MATERIALS & SUPPLIES -	\$3,860.30	\$7,937.61	\$8,000.00	\$337.66	\$9,000.00	\$1,000.00	12.50
60-451-5477-0052	CHEMICALS - POND STREET	\$143,979.70	\$211,027.03	\$169,000.00	\$98,374.98	\$169,000.00	\$0.00	0.00
60-451-5477-0053	CHEMICALS - BEAL	\$12,055.30	\$11,461.22	\$9,600.00	\$7,717.13	\$12,600.00	\$3,000.00	31.25
60-451-5477-0054	CHEMICALS - BROADWAY	\$19,177.90	\$39,139.43	\$45,150.00	\$15,706.63	\$48,150.00	\$3,000.00	6.64
60-451-5585	UNIFORMS	\$4,969.03	\$5,194.08	\$6,000.00	\$1,651.15	\$6,600.00	\$600.00	10.00
60-451-5715	LICENSE RENEWALS	\$0.00	\$505.00	\$100.00	\$0.00	\$100.00	\$0.00	0.00
60-451-5720	REGISTRATION FEES	\$262.00	\$300.00	\$600.00	\$525.27	\$600.00	\$0.00	0.00
60-451-5730	DUES	\$338.00	\$344.00	\$200.00	\$25.00	\$200.00	\$0.00	0.00
EXPENSES SUB-TOTAL:		\$779,811.50	\$886,362.82	\$723,400.00	\$407,904.54	\$809,250.00	\$85,850.00	11.86
CAPITAL OUTLAY SUB-TOTAL:		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
451 WATER TREATMENT SUB-TOTAL:		\$1,252,306.08	\$1,363,449.48	\$1,238,699.00	\$618,646.11	\$1,401,339.00	\$162,640.00	13.12

Town of Hanover
Town Manager Recommended Budget
FY16 Water Budget

452 - WATER DISTRIBUTION		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
60-452-5114	SALARIES & WAGES PERM F/T	\$337,468.34	\$310,975.06	\$380,152.00	\$111,647.01	\$407,975.00	\$27,823.00	7.31
60-452-5121	WAGES-TEMPORARY EMPLOYEES	\$0.00	\$0.00	\$0.00	\$0.00	\$4,800.00	\$4,800.00	100.00
60-452-5130	OVERTIME	\$63,818.75	\$95,380.40	\$32,375.00	\$50,552.56	\$36,000.00	\$3,625.00	11.19
60-452-5133	FLUSHING PAY	\$914.62	\$0.00	\$20,000.00	\$0.00	\$30,000.00	\$10,000.00	50.00
60-452-5146	STANDBY PAY	\$0.00	\$0.00	\$14,112.00	\$0.00	\$23,800.00	\$9,688.00	68.65
60-452-5150	DETAILS-HANOVER OFFICERS	\$0.00	\$473.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
PERSONNEL SUB-TOTAL:		\$402,201.71	\$406,828.46	\$446,639.00	\$162,199.57	\$502,575.00	\$55,936.00	12.52
60-452-5211-0058	ELECTRICITY - 219 WINTER ST	\$4,614.60	\$5,380.65	\$5,500.00	\$1,859.72	\$5,500.00	\$0.00	0.00
60-452-5212	GAS	\$4,263.96	\$6,667.61	\$5,500.00	\$156.37	\$6,100.00	\$600.00	10.90
60-452-5230-0058	BUILDING MAINTENANCE - 219 WINTER	\$4,396.55	\$2,769.46	\$2,000.00	\$901.99	\$2,000.00	\$0.00	0.00
60-452-5240	VEHICLE MAINTENANCE	\$19,008.43	\$4,372.00	\$6,200.00	\$2,428.90	\$5,900.00	\$-300.00	-4.83
60-452-5250-0051	EQUIPMENT MAINTENANCE - GENERAL	\$3,328.74	\$1,984.04	\$2,300.00	\$2,095.59	\$2,300.00	\$0.00	0.00
60-452-5250-0058	EQUIPMENT MAINTENANCE - 219	\$850.75	\$264.00	\$0.00	\$462.00	\$0.00	\$0.00	0.00
60-452-5250-0060	EQUIPMENT MAINTENANCE -	\$3,625.97	\$1,047.92	\$15,000.00	\$0.00	\$13,100.00	\$-1,900.00	-12.66
60-452-5250-0061	EQUIPMENT MAINTENANCE - MAINS &	\$15,456.83	\$14,484.66	\$22,000.00	\$19,298.03	\$22,000.00	\$0.00	0.00
60-452-5250-0062	EQUIPMENT MAINTENANCE - SERVICES	\$1,980.31	\$8,674.43	\$7,000.00	\$5,199.05	\$7,000.00	\$0.00	0.00
60-452-5250-0063	EQUIPMENT MAINTENANCE - METERS	\$12,970.56	\$27,835.82	\$107,000.00	\$21,998.19	\$101,500.00	\$-5,500.00	-5.14
60-452-5250-0064	EQUIPMENT MAINTENANCE - LEAK	\$662.80	\$111.84	\$0.00	\$525.00	\$0.00	\$0.00	0.00
60-452-5250-0065	EQUIPMENT MAINTENANCE -	\$150.77	\$371.80	\$1,000.00	\$2,210.00	\$2,000.00	\$1,000.00	100.00
60-452-5280	SAFETY PROGRAMS	\$2,118.46	\$1,326.00	\$1,300.00	\$1,295.96	\$1,600.00	\$300.00	23.07
60-452-5281	DETAILS-CONTRACT OFFICERS	\$7,734.65	\$10,749.60	\$0.00	\$9,921.55	\$12,000.00	\$12,000.00	100.00
60-452-5317	EMPLOYEE TRAINING (EDUCATION	\$901.00	\$3,630.00	\$1,000.00	\$579.00	\$1,800.00	\$800.00	80.00
60-452-5340	TELEPHONE	\$1,623.60	\$2,097.68	\$1,600.00	\$906.66	\$1,800.00	\$200.00	12.50
60-452-5470-0051	MATERIALS & SUPPLIES - GENERAL	\$421.99	\$2,103.25	\$1,000.00	\$1,947.16	\$1,000.00	\$0.00	0.00
60-452-5470-0058	MATERIALS & SUPPLIES - 219 WINTER S	\$387.99	\$133.44	\$300.00	\$0.00	\$300.00	\$0.00	0.00
60-452-5470-0061	MATERIALS & SUPPLIES - MAINS &	\$1,489.58	\$4,098.51	\$0.00	\$7,241.60	\$0.00	\$0.00	0.00
60-452-5585	UNIFORMS	\$4,304.97	\$4,407.94	\$4,350.00	\$901.98	\$4,800.00	\$450.00	10.34
60-452-5715	LICENSE RENEWALS	\$210.00	\$670.00	\$400.00	\$140.00	\$350.00	\$-50.00	-12.50
60-452-5720	REGISTRATION FEES	\$70.00	\$136.00	\$500.00	\$125.00	\$400.00	\$-100.00	-20.00
60-452-5730	DUES	\$123.00	\$123.00	\$250.00	\$25.00	\$250.00	\$0.00	0.00

Town of Hanover
Town Manager Recommended Budget
FY16 Water Budget

452 - WATER DISTRIBUTION		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
60-452-5781	ODWD - ADMINISTRATIVE FEES	\$0.00	\$0.00	\$8,000.00	\$0.00	\$0.00	\$-8,000.00	-100.00
EXPENSES SUB-TOTAL:		\$93,157.08	\$103,439.65	\$192,200.00	\$80,218.75	\$191,700.00	\$-500.00	-0.26
60-452-5318	LEAK DETECTION	\$0.00	\$10,355.00	\$11,500.00	\$11,009.00	\$12,000.00	\$500.00	4.34
60-452-5319	BACK FLOW PREVENTION INSPECTION	\$0.00	\$0.00	\$1,500.00	\$0.00	\$1,500.00	\$0.00	0.00
60-452-5860-0061	EQUIPMENT PURCHASE - MAINS &	\$0.00	\$1,260.10	\$0.00	\$0.00	\$0.00	\$0.00	0.00
60-452-5860-0063	EQUIPMENT PURCHASE - METERS	\$0.00	\$8,634.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
CAPITAL OUTLAY SUB-TOTAL:		\$0.00	\$20,249.10	\$13,000.00	\$11,009.00	\$13,500.00	\$500.00	3.84
452 WATER DISTRIBUTION SUB-TOTAL:		\$495,358.79	\$530,517.21	\$651,839.00	\$253,427.32	\$707,775.00	\$55,936.00	8.58

Town of Hanover
Town Manager Recommended Budget
FY16 Water Budget

710 - DEBT SERVICE - PRINCIPAL		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
60-710-5910	PRINCIPAL-LONG TERM DEBT	\$0.00	\$52,829.23	\$0.00	\$0.00	\$0.00	\$0.00	0.00
60-710-5910-0900	PRINCIPAL-WATER MAINS	\$15,000.00	\$15,000.00	\$15,000.00	\$0.00	\$15,000.00	\$0.00	0.00
60-710-5910-0901	PRINCIPAL-WATER TREATMENT PLANT	\$260,000.00	\$260,000.00	\$260,000.00	\$0.00	\$260,000.00	\$0.00	0.00
60-710-5910-0902	PRINCIPAL-WATER MAINS	\$5,000.00	\$5,000.00	\$5,000.00	\$0.00	\$5,000.00	\$0.00	0.00
60-710-5910-0903	PRINCIPAL-WATER MAIN REHAB	\$30,000.00	\$30,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$0.00	0.00
60-710-5910-0904	PRINCIPAL-WINTER ST FACILITY	\$110,000.00	\$110,000.00	\$120,000.00	\$120,000.00	\$85,000.00	\$-35,000.00	-29.16
60-710-5910-0905	PRINCIPAL-RT 53 OVERPASS WATER	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$0.00	0.00
60-710-5910-0906	PRINCIPAL-WATER MAIN	\$15,000.00	\$15,000.00	\$15,000.00	\$0.00	\$15,000.00	\$0.00	0.00
60-710-5910-0907	PRINCIPAL-WATER FILTERS	\$5,000.00	\$5,000.00	\$5,000.00	\$0.00	\$5,000.00	\$0.00	0.00
60-710-5910-0908	PRINCIPAL-CHEMICAL FEED	\$5,000.00	\$5,000.00	\$5,000.00	\$0.00	\$5,000.00	\$0.00	0.00
60-710-5910-0909	PRINCIPAL-WATER-34 60K	\$10,000.00	\$10,000.00	\$10,000.00	\$0.00	\$0.00	\$-10,000.00	-100.00
60-710-5910-0910	PRINCIPAL-WATER-64 40K	\$10,000.00	\$10,000.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
DEBT SERVICE SUB-TOTAL:		\$475,000.00	\$527,829.23	\$470,000.00	\$155,000.00	\$425,000.00	\$-45,000.00	-9.57
710 DEBT SERVICE - PRINCIPAL SUB-TOTAL:		\$475,000.00	\$527,829.23	\$470,000.00	\$155,000.00	\$425,000.00	\$-45,000.00	-9.57

Town of Hanover
Town Manager Recommended Budget
FY16 Water Budget

751 - DEBT SERVICE - INTEREST		FY2013	FY2014	FY2015	FY2015	FY2016 Town	\$	%
Account Number	Account Description	Expended	Expended	Budget	Expended	Manager Rec	Change	Change
60-751-5915	INTEREST-LONG TERM DEBT	\$0.00	\$28,673.15	\$0.00	\$0.00	\$0.00	\$0.00	0.00
60-751-5915-0900	INTEREST-WATER MAIN 285K	\$7,216.26	\$6,616.24	\$6,017.00	\$0.00	\$5,398.00	\$-619.00	-10.28
60-751-5915-0901	INTEREST-WATER TREATMENT PLANT	\$137,345.00	\$126,945.00	\$116,545.00	\$0.00	\$105,820.00	\$-10,725.00	-9.20
60-751-5915-0902	INTEREST-WATER MAIN 115K	\$2,641.24	\$2,441.26	\$2,242.00	\$0.00	\$2,035.00	\$-207.00	-9.23
60-751-5915-0903	INTEREST-WATER MAIN REHAB 285K	\$4,800.00	\$3,600.00	\$2,500.00	\$1,500.00	\$1,500.00	\$-1,000.00	-40.00
60-751-5915-0904	INTEREST-WINTER ST FACILITY	\$18,800.00	\$14,400.00	\$9,800.00	\$6,100.00	\$5,700.00	\$-4,100.00	-41.83
60-751-5915-0905	INTEREST-RT 53 OVERPASS WATER	\$1,800.00	\$1,400.00	\$1,000.00	\$600.00	\$600.00	\$-400.00	-40.00
60-751-5915-0906	INTEREST-WATER MAIN 230K	\$6,556.23	\$6,050.00	\$5,525.00	\$2,762.50	\$5,000.00	\$-525.00	-9.50
60-751-5915-0907	INTEREST-WATER FILTER 50K	\$918.76	\$1,125.00	\$575.00	\$287.50	\$400.00	\$-175.00	-30.43
60-751-5915-0908	INTEREST-CHEMICAL FEED EQUIP 60K	\$918.76	\$375.00	\$575.00	\$287.50	\$400.00	\$-175.00	-30.43
60-751-5915-0909	INTEREST-WATER-34 60K	\$600.00	\$400.00	\$200.00	\$100.00	\$0.00	\$-200.00	-100.00
60-751-5915-0910	INTEREST-WATER-64 40K	\$400.00	\$200.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
DEBT SERVICE SUB-TOTAL:		\$181,996.25	\$192,225.65	\$144,979.00	\$11,637.50	\$126,853.00	\$-18,126.00	-12.50
751 DEBT SERVICE - INTEREST SUB-TOTAL:		\$181,996.25	\$192,225.65	\$144,979.00	\$11,637.50	\$126,853.00	\$-18,126.00	-12.50

CAPITAL IMPROVEMENTS



"Hanover, Honoring Yesterday As We Build For Tomorrow"

Introduction



Town Manager

Memo

To: Board of Selectmen, Advisory Committee

From: Troy B.G. Clarkson, Town Manager

CC: All Departments

Date: 1/29/2015

Re: Fiscal Year 2016 Capital Plan

It is my pleasure to submit herewith the Proposed FY2016-2020 Capital Improvement Program (CIP), the first year of which constitutes the requested FY2016 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. This document includes both the overall capital plan and individual project request sheets for each of the FY16 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 zero 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 FY2015 (June 30, 20134) is available for use in the FY2016 (July 1, 2015) Capital Budget.



Capital Improvement Plan

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 for FY16 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 Plan

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 Plan

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 FY16-FY20 Capital Improvement Program and its associated FY16 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 Plan

Proposed projects are reviewed and prioritized based upon commonly used criteria such as health and safety factors, legal obligations and mandates, fiscal impact, environmental impact, community economic effects and aesthetic and social effects on the quality of life experienced by 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.



Capital Improvement Plan

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.

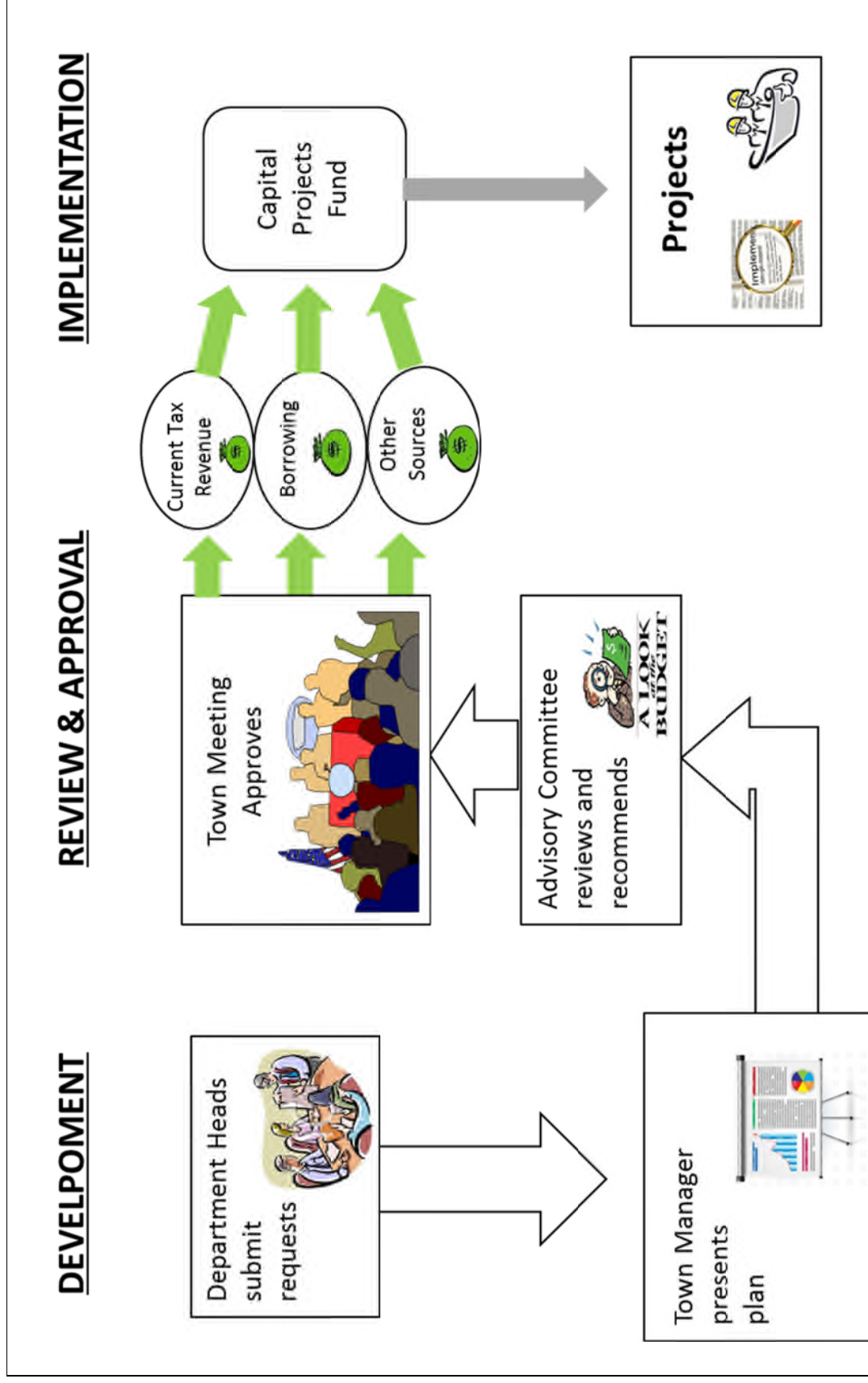
Why must the CIP be continually updated?

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*

Town of Hanover
5 Year Capital Plan Summary by Category

Category						Total
	FY16	FY17	FY18	FY19	FY20	
Infrastructure	500,000	500,000	500,000	500,000	500,000	2,500,000
Municipal Buildings	130,000	6,378,000	5,285,000	-	-	11,793,000
School Buildings	430,000	15,438,000	90,000	200,000	950,000	17,108,000
Facilities	86,000	-	-	-	-	86,000
DPW	492,000	515,000	255,000	270,000	65,000	1,597,000
Fire	735,000	550,000	1,200,000	950,000	220,000	3,655,000
Police	181,100	108,000	224,000	108,000	108,000	729,100
Community Services	-	50,000	25,000	25,000	-	100,000
Finance	-	55,550	-	-	-	55,550
School - Town Wide Technology	100,000	100,000	100,000	100,000	100,000	500,000
Total Municipal	2,654,100	23,694,550	7,679,000	2,153,000	1,943,000	38,123,650
Water	38,000	120,000	70,000	-	-	228,000
Total Enterprise	38,000	120,000	70,000	-	-	228,000
Total Capital Requests	2,692,100	23,814,550	7,749,000	2,153,000	1,943,000	38,351,650

Town of Hanover 5 Year Capital Plan by Category						
Capital Project Requests	FY16 Request	FY17 Request	FY18 Request	FY19 Request	FY20 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						
Repairs to sealants in aluminum curtain walls to stop water infiltration	60,000					60,000
Stetson House - replace box electrical cable in basement	25,000					25,000
Town Hall - security system	35,000					35,000
Town Hall - Upgrade door locks	10,000					10,000
Library - replace carpet		20,000				20,000
Stetson House - new fire sprinkler and alarm system		150,000				150,000
Stetson House - comprehensive historic structure survey and report		68,000				68,000
Town Hall - replace carpets		30,000				30,000
Design and build new satellite fire station replacing FS1,2 & 3		6,000,000				6,000,000
Town Hall - basement improvements for moisture abatement and records storage		110,000				110,000
New emergency center operations on 2nd floor including elevator installation			250,000			250,000
Design and build new facility at 219 Winter Street			5,000,000			5,000,000
Police Station - replace CCTC camera system			15,000			15,000
Town Hall - building space study			20,000			20,000
Category Subtotal	130,000	6,378,000	5,285,000	-	-	11,793,000
School Buildings						
Middle School - Install safety bollards at sidewalk	20,000					20,000
Cedar - Midlife service on membrane roofs (strip over all seams)	350,000					350,000
Upgrade school door locks	60,000					60,000
Building addition - Sylvester closing (approx 45% MSBA)		15,000,000				15,000,000
Center - replace asbestos floor tile with VCT A & B wings		400,000				400,000
Center - replace large leaky smoke hatches over auditorium		38,000				38,000
Cedar - replace master clock and intercom systems			75,000			75,000
Center - carpet replacement			15,000			15,000
Cedar - Emergency generator				200,000		200,000
Middle School - Roof replacement (possible MSBA shared)					600,000	600,000
Middle School - Electric panel upgrades					150,000	150,000
Middle School - Replace rooftop ventilation units					200,000	200,000
Category Subtotal	430,000	15,438,000	90,000	200,000	950,000	17,108,000

Town of Hanover 5 Year Capital Plan by Category						
Capital Project Requests	FY16 Request	FY17 Request	FY18 Request	FY19 Request	FY20 Request	Total
Facilities						
New Ford transit cargo van	29,000					29,000
Replace F350 Rack body truck	57,000					57,000
Category Subtotal	86,000	-	-	-	-	86,000
DPW						
Replace 1991 International 4900 dump truck	157,000					157,000
Replace 2000 CAT 426C T/L/B Backhoe	125,000					125,000
Replace 1999 Ford F-450 dump truck	70,000					70,000
Replace 2000 Trackless Multi-tool tractor	140,000					140,000
Replace 1997 International 2500 dump truck		150,000				150,000
Replace 2005 Johnston VT 650 sweeper		225,000				225,000
Replace 1988 Badger chipper TM-400-D4		40,000				40,000
Replace 2009 Ford SRWSUP F-250 4x4		40,000				40,000
Replace Ford F350 XL Superduty Truck (1 Ton Dump/Sander)		60,000				60,000
Replace 2005 Ford F350 dump truck			70,000			70,000
Replace 1998 International 2500 dump truck			165,000			165,000
Replace Ford tractor			20,000			20,000
Replace 1997 GMC C-Series truck				165,000		165,000
Replace 2006 Ford F-450 4x4 DRW Dump (Green)				70,000		70,000
Replace Ford F250 XLT Superduty Pickup				35,000		35,000
Replace Ford F450 truck					65,000	65,000
Category Subtotal	492,000	515,000	255,000	270,000	65,000	1,597,000
Fire						
Fire truck	500,000					500,000
Ford Cutvan ambulance	235,000					235,000
Fire truck - Engine 4		500,000				500,000
Ford Explorer - Command vehicle		50,000				50,000
Replace Ladder 1			1,200,000			1,200,000
Replace 1992 Engine 2				600,000		600,000
Ambulance				275,000		275,000
Forest Truck/service vehicle				75,000		75,000
Command vehicle					70,000	70,000
Cardiac monitors					150,000	150,000
Category Subtotal	735,000	550,000	1,200,000	950,000	220,000	3,655,000

Town of Hanover
5 Year Capital Plan by Category

Capital Project Requests	FY16 Request	FY17 Request	FY18 Request	FY19 Request	FY20 Request	Total
Police						
Cruiser replacement	30,500					30,500
Cruiser replacement	37,800					37,800
Cruiser replacement	37,800					37,800
Replace officer portable and cruiser radios	75,000					75,000
Cruiser replacement		36,000				36,000
Cruiser replacement		36,000				36,000
Cruiser replacement		36,000				36,000
Cruiser replacement			36,000			36,000
Cruiser replacement			36,000			36,000
SUV Shift vehicle			52,000			52,000
Update current hardware/software			100,000			100,000
Cruiser replacement				36,000		36,000
Cruiser replacement				36,000		36,000
Cruiser replacement				36,000		36,000
Cruiser replacement					36,000	36,000
Cruiser replacement					36,000	36,000
Cruiser replacement					36,000	36,000
Category Subtotal	181,100	108,000	224,000	108,000	108,000	729,100
Community Services						
COA - Replace 2008 Ford E-450 Passenger Van		50,000				50,000
Building - Ford F-150 4x4			25,000			25,000
COA - Replace 2008 Ford Taurus Wagon (7 passenger)				25,000		25,000
Category Subtotal	-	50,000	25,000	25,000	-	100,000
Finance						
2 Voting machines		55,550				55,550
Category Subtotal	-	55,550	-	-	-	55,550

<p style="text-align: center;">Town of Hanover 5 Year Capital Plan by Category</p>						
Capital Project Requests	FY16 Request	FY17 Request	FY18 Request	FY19 Request	FY20 Request	Total
School - Town wide Technology						
Technology upgrades	100,000					100,000
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	100,000	100,000	100,000	100,000	100,000	500,000
Water						
Replace 2008 Ford F-350 Pickup	38,000					38,000
Replace 1999 International 4700 crane utility		90,000				90,000
Replace 2009 Ford E-350 super duty cargo van		30,000				30,000
Replace 2007 Ford F-450 compressor truck			70,000			70,000
Category Subtotal	38,000	120,000	70,000	-	-	228,000
Total 5 Year Capital Requests - All Departments						
	2,692,100	23,814,550	7,749,000	2,153,000	1,943,000	38,351,650

Town of Hanover - Capital Requests by Fiscal Year

Department	Request	Cost	Fiscal Year	Category	Funding Source
DPW	Replace Multi-tool Tractor	140,000	FY16	DPW	Borrow - Equip
DPW	Various road projects	500,000	FY16	INFRASTRUCTURE	Ch. 90
DPW	One-ton dump truck replacement	70,000	FY16	DPW	Free Cash
DPW	Replacement of 4x4 pickup truck	38,000	FY16	DPW	Water
DPW	Large dump truck replacement	157,000	FY16	DPW	Borrow - Equip
DPW	Backhoe replacement	125,000	FY16	DPW	Free Cash
Facilities	Cedar School - roof midlife service	350,000	FY16	SCHOOL BLDG	Borrow - Bldg
Facilities	Install safety bollards at sidewalk - Middle School entrance	20,000	FY16	SCHOOL BLDG	Free Cash
Facilities	Stetson House - Upgrade main electric panel and electric service	25,000	FY16	BLDG	Free Cash
Facilities	New Ford transit cargo van	29,000	FY16	FACILITIES	Free Cash
Facilities	Town hall - security system	35,000	FY16	BLDG	Free Cash
Facilities	Replace F350 Rack Body Truck	57,000	FY16	FACILITIES	Free Cash
Facilities	John Curtis Library - repairs to window curtain wall to stop water infiltration	60,000	FY16	BLDG	Free Cash
Facilities	Upgrade door locks in Schools and Town Hall for improved security	70,000	FY16	BLDG	Free Cash
Fire	Ambulance	235,000	FY16	FIRE	Ambulance
Fire	Pumper	500,000	FY16	FIRE	Borrow - Equip
Police	Replace and equip police cruisers	106,100	FY16	POLICE	Free Cash
Police	Police mobile/portable radio replacement	75,000	FY16	POLICE	Free Cash
School	Town wide technology upgrades	100,000	FY16	SCHOOL	Free Cash
Subtotal		2,692,100			

Town of Hanover - Capital Requests by Fiscal Year

Department	Request	Cost	Fiscal Year	Category	Funding Source
Community Services	Replace 2008 Ford E-450 passenger van (COA)	50,000	FY17	COMM SVC	Free Cash
DPW	Highway - Replace 1997 International 2500 dump truck	150,000	FY17	DPW	Borrow - Equip
DPW	Highway - Replace 2005 Johnston VT 650 sweeper	225,000	FY17	DPW	Borrow - Equip
DPW	Various road projects	500,000	FY17	INFRASTRUCTURE	Ch. 90
DPW	Grounds - Replace 1988 Badger chipper TM-400-D4	40,000	FY17	DPW	Free Cash
DPW	Grounds - Replace 2009 Ford SRWSUP F-250 4x4	40,000	FY17	DPW	Free Cash
DPW	Replace Ford F-350 XL Superduty Truck (1-Ton Dump/Sander)	60,000	FY17	DPW	Free Cash
DPW	Water - Replace 1999 International 4700 crane utility	90,000	FY17	WATER	Water
DPW	Water - Replace 2009 Ford E-350 super duty cargo van	30,000	FY17	WATER	Water
Facilities	Center - replace asbestos floor tile with VCT A and B- Wing	400,000	FY17	SCHOOL BLDG	Borrow - Bldg
Facilities	Building addition - Sylvester closing (approx 45% MSBA)	15,000,000	FY17	SCHOOL BLDG	Excluded Debt
Facilities	Design and building new satellite fire station replacing FS 1,2 &3	6,000,000	FY17	BLDG	Excluded Debt
Facilities	Library - replace carpet	20,000	FY17	BLDG	Free Cash
Facilities	Stetson House - new fire sprinkler and alarm system	150,000	FY17	BLDG	Free Cash
Facilities	Stetson House - comprehensive historic structure survey and report	68,000	FY17	BLDG	Free Cash
Facilities	Town Hall - replace carpets	30,000	FY17	BLDG	Free Cash
Facilities	Center - Replace large leaky smoke hatches over auditorium	38,000	FY17	SCHOOL BLDG	Free Cash
Facilities	Town hall - Basements Improvements for moisture abatement and records storage	110,000	FY17	BLDG	CPA
Finance	2 Voting Machines	55,550	FY17	FINANCE	Free Cash
Fire	Fire truck - Engine 4	500,000	FY17	FIRE	Borrow - Equip
Fire	Ford Explorer - command vehicle	50,000	FY17	FIRE	Free Cash
Police	Replace and equip cruiser	36,000	FY17	POLICE	Free Cash
Police	Replace and equip cruiser	36,000	FY17	POLICE	Free Cash
Police	Replace and equip cruiser	36,000	FY17	POLICE	Free Cash
School	Technology upgrades	100,000	FY17	FINANCE	Free Cash
Subtotal		23,814,550			

Town of Hanover - Capital Requests by Fiscal Year

Department	Request	Cost	Fiscal Year	Category	Funding Source
Community Services	Replace Ford F-150 4x4 (Building)	25,000	FY18	COMM SVC	Free Cash
DPW	Various road projects	500,000	FY18	INFRASTRUCTURE	Ch. 90
DPW	Cemetery - Replace 2005 Ford F350 dump truck	70,000	FY18	DPW	Free Cash
DPW	Highway - Replace 1998 International 2500 dump truck	165,000	FY18	DPW	Free Cash
DPW	Replace Ford tractor	20,000	FY18	DPW	Free Cash
DPW	Water - Replace 2007 Ford F-450 compressor truck	70,000	FY18	WATER	Water
Facilities	New emergency operations center on 2nd floor including elevator installation	250,000	FY18	BLDG	Borrow - Bldg
Facilities	Design and build new facility at 219 Winter St.	5,000,000	FY18	BLDG	Excluded Debt
Facilities	Police Station - replace CCTC camera system	15,000	FY18	BLDG	Free Cash
Facilities	Cedar - replace master clock and intercom systems	75,000	FY18	SCHOOL BLDG	Free Cash
Facilities	Center - carpet replacement	15,000	FY18	SCHOOL BLDG	Free Cash
Facilities	Town hall - building space study	20,000	FY18	BLDG	Free Cash
Finance	Technology upgrades	100,000	FY18	FINANCE	Free Cash
Fire	Replace Ladder 1	1,200,000	FY18	FIRE	Ambulance
Police	Replace and equip cruiser	36,000	FY18	POLICE	Free Cash
Police	Replace and equip cruiser	36,000	FY18	POLICE	Free Cash
Police	SUV - Shift vehicle	52,000	FY18	POLICE	Free Cash
Police	Update current hardware/software	100,000	FY18	POLICE	Free Cash
Subtotal		7,749,000			

Town of Hanover - Capital Requests by Fiscal Year					
Department	Request	Cost	Fiscal Year	Category	Funding Source
Community Services	Replace 2008 Ford Taurus Wagon (7 passenger COA)	25,000	FY19	COMM SVC	Free Cash
DPW	Various road projects	500,000	FY19	INFRASTRUCTURE	Ch. 90
DPW	Highway - Replace 1997 GMC C-Series truck	165,000	FY19	DPW	Free Cash
DPW	Highway - Replace 2006 Ford F-450 4x4 DRW Dump (Green)	70,000	FY19	DPW	Free Cash
DPW	Replace Ford F250 XLT Superduty Pickup	35,000	FY19	DPW	Free Cash
Facilities	Cedar - Emergency generator	200,000	FY19	SCHOOL BLDG	Free Cash
Finance	Technology upgrades	100,000	FY19	FINANCE	Free Cash
Fire	Replace 1992 Engine 2	600,000	FY19	FIRE	Ambulance
Fire	Ambulance	275,000	FY19	FIRE	Ambulance
Fire	Forest Truck/Service Vehicle	75,000	FY19	FIRE	Free Cash
Police	Replace and equip cruiser	36,000	FY19	POLICE	Free Cash
Police	Replace and equip cruiser	36,000	FY19	POLICE	Free Cash
Police	Replace and equip cruiser	36,000	FY19	POLICE	Free Cash
Subtotal		2,153,000			

Town of Hanover - Capital Requests by Fiscal Year					
Department	Request	Cost	Fiscal Year	Category	Funding Source
DPW	Various road projects	500,000	FY20	INFRASTRUCTURE	Ch. 90
DPW	Replace Ford F450 Truck	65,000	FY20	DPW	Free Cash
Facilities	Middle - Roof replacement (possible MSBA shared)	600,000	FY20	SCHOOL BLDG	Borrow - Bldg
Facilities	Middle - Electric panel upgrades	150,000	FY20	SCHOOL BLDG	Borrow - Bldg
Facilities	Middle - Replace rooftop ventilation units	200,000	FY20	SCHOOL BLDG	Borrow - Bldg
Fire	Command Vehicle	70,000	FY20	FIRE	Free Cash
Fire	Cardiac monitors	150,000	FY20	FIRE	Free Cash
Police	Replace and equip cruiser	36,000	FY20	POLICE	Free Cash
Police	Replace and equip cruiser	36,000	FY20	POLICE	Free Cash
Police	Replace and equip cruiser	36,000	FY20	POLICE	Free Cash
School	Technology Upgrades	100,000	FY20	SCHOOL	Free Cash
Subtotal		1,943,000			
Grant total of all requested projects		38,351,650			


Proposed Funding Sources						
Funding Source	FY16	FY17	FY18	FY19	FY20	Totals
Free Cash	\$ 772,100	\$ 809,550	\$ 729,000	\$ 778,000	\$ 493,000	\$ 3,581,650
Capital Exclusion	\$ -	\$ -	\$ -	\$ -		\$ -
Excluded Debt - Proposed	\$ -	\$ 21,000,000	\$ 5,000,000	\$ -	\$ -	\$ 26,000,000
Levy Limit Debt - New	\$ 1,147,000	\$ 1,275,000	\$ 250,000	\$ -	\$ 950,000	\$ 3,622,000
Ambulance Receipt Reserve Fund	\$ 235,000		\$ 1,200,000	\$ 875,000	\$ -	\$ 2,310,000
Chapter 90	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 2,500,000
Community Preservation Fund	\$ -	\$ 110,000	\$ -	\$ -	\$ -	\$ 110,000
Water Enterprise Fund Retained Earnings	\$ 38,000	\$ 120,000	\$ 70,000			\$ 228,000
Water Enterprise - new debt						\$ -
Water Enterprise - State Revolving Fund Debt						\$ -
Total of All Requests	\$ 2,692,100	\$ 23,814,550	\$ 7,749,000	\$ 2,153,000	\$ 1,943,000	\$ 38,351,650

*Detailed Capital Project
Requests*



Capital Improvements


PROJECT DETAIL SHEET

<p>Fiscal Year: 2016</p> <p>Department: DPW</p> <p>Project Title: Multi-tool Tractor Replacement</p> <p>Requested Amount: \$ 140,000</p>	
<p>Description:</p> <p>This project will purchase and equip a multi-tool tractor with a mowing deck for the public grounds division.</p>	
<p>Project Overview:</p> <p>This project is a planned replacement of a 15 year old multi-tool tractor with an equivalent vehicle. The town's multi-tool tractors automate a variety of tasks that formerly required multiple personnel with smaller equipment. They are used primarily for roadside mowing, brush control and large area mowing in the warmer months and snow plowing and snow blowing of sidewalks in the winter months. The Town has additional attachments for aerating fields and sweeping pathways. In addition, there are attachments available for spreading salt on pathways, cold planing asphalt, infrared repairs to asphalt, and leaf loading.</p>	
<p>Financial impact of this project on the department's operating budget:</p> <p>The loss of the vehicle would require additional outsourcing of some tasks and would reduce the department's ability to perform emergency work in the winter months. In addition, the Town would have to seek out alternate solutions for large area mowing such as outsourcing these activities or purchasing dedicated large area mowers. Failure to replace the vehicles on a scheduled basis would likely result in degradation of both snow and ice and field operation and maintenance services. The Town would likely have to add additional staff to control roadside brush in the summer months. Keeping the existing vehicle in service will impact the department's operating budget by requiring costly repairs on a vehicle that is approaching the end of its design life.</p>	



Capital Improvements


PROJECT DETAIL SHEET

<p>Fiscal Year: 2016</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

<p>Fiscal Year: 2016</p> <p>Department: DPW</p> <p>Project Title: One-ton Dump Truck Replacement</p> <p>Requested Amount: \$ 70,000</p>	
<p>Description:</p> <p>This project will purchase and equip a one-ton dump truck, replacing a sixteen year old vehicle that is at the end of its design life.</p>	
<p>Project Overview:</p> <p>This project is a planned replacement of a 16 years old Ford F-450 4x4 dump truck with an equivalent vehicle. The vehicle is used every day for routine highway and public grounds division tasks as well as used extensively for snow and ice removal.</p>	
<p>Financial impact of this project on the department's operating budget:</p> <p>The loss of the vehicle would require additional outsourcing of some tasks and would reduce the department's ability to perform its daily work. Keeping the existing vehicle in service will impact the department's operating budget by requiring costly repairs on a vehicle that has outlived its design life.</p>	



Capital Improvements


PROJECT DETAIL SHEET

<p>Fiscal Year: 2016</p> <p>Department: DPW - water</p> <p>Project Title: Replacement of 4x4 Pickup Truck</p> <p>Requested Amount: \$ 38,000</p>	
<p>Description:</p> <p>This project will purchase and equip a new 4-wheel drive pickup truck with a plow for the water distribution division.</p>	
<p>Project Overview:</p> <p>This purchase will continue the practice of replacing front-line vehicles at regular intervals and rotating said vehicles down in the fleet to secondary service before repair and maintenance costs exceed the corresponding cost benefit of the repair. This purchase will provide the water meter reader with a reliable vehicle to perform his duties in all weather conditions. The truck will also be used to plow snow on a regular snow plow route.</p> <p>The meter reader's existing 8 year old vehicle will be rotated down in the fleet to replace an existing 18 year old pickup truck used by the Town's mechanics.</p>	
<p>Financial impact of this project on the department's operating budget:</p> <p>Failure to purchase and equip this vehicle will require the DPW to keep an existing truck that is scheduled to be rotated down to a less intensive application for an additional year in a high capacity role, resulting in higher maintenance costs for both vehicles. The town will not recoup the repair dollars spent on these older vehicles.</p>	



Capital Improvements


PROJECT DETAIL SHEET

<p>Fiscal Year: 2016</p> <p>Department: DPW</p> <p>Project Title: Large Dump Truck Replacement</p> <p>Requested Amount: \$ 157,000</p>	
<p>Description:</p> <p>This project will purchase and equip a large 37,000 GVW dump truck, replacing a 21 year old vehicle that is at the end of its design life.</p>	
<p>Project Overview:</p> <p>This project is a planned replacement of a 21 years old International 4900 37,000 GVW dump truck 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.</p>	
<p>Financial impact of this project on the department's operating budget:</p> <p>The loss of the vehicle would require additional outsourcing of some tasks 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 design life.</p>	



Capital Improvements


PROJECT DETAIL SHEET

<p>Fiscal Year: 2016</p> <p>Department: DPW</p> <p>Project Title: Backhoe Replacement</p> <p>Requested Amount: \$ 125,000</p>	
<p>Description:</p> <p>This project will purchase and equip a front-line backhoe for the highway division.</p>	
<p>Project Overview:</p> <p>This project is a planned replacement of a backhoe with an equivalent piece of equipment. The DPW's policy has been to keep backhoes in front line service for 12-15 years, rotating the oldest backhoe to the Transfer Station for an additional 5-8 years of secondary service. The age of the Town's backhoes are now 9 years, 15 years, and 21 years. The highway division has two front line machines which are used for a variety of routine and emergency tasks year-round. Two reliable backhoes are needed to ensure continuity of normal and emergency excavation services. These include support of snow and ice operations, support of wind storm (tree removal) operations, as well as support of emergency water break repairs.</p>	
<p>Financial impact of this project on the department's operating budget:</p> <p>The loss of the vehicle would require additional outsourcing of some tasks 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 design life. In addition, failure to replace a backhoe will back the department up in its replacement schedule, resulting in multiple machines that will require costly repairs over time.</p>	



Capital Improvements


PROJECT DETAIL SHEET

<p>Fiscal Year: 2016</p> <p>Department: Facilities</p> <p>Project Title: Cedar School Roof, Midlife Service</p> <p>Requested Amount: \$ 350,000</p>	
<p>Description:</p> <p>Apply EPDM strips over all seams in the EPDM roofing membrane and perform related maintenance.</p>	
<p>Project Overview:</p> <p>EPDM roofing membrane material outlasts the seams between adjacent rows of material by many years. To extend the life of the roof, this project will apply pre-glued strips of EPDM material along all seams. Preparation will include removal of stone ballast in some areas and cleaning along all seams. Related maintenance work such as renewing flashing and servicing boots for roof penetrations will also be done.</p>	
<p>Financial impact of this project on the department's operating budget:</p> <p>Reduction in maintenance cost to repair roof leaks.</p>	



Capital Improvements


PROJECT DETAIL SHEET

<p>Fiscal Year: 2016</p> <p>Department: Facilities</p> <p>Project Title: Install Safety Bollards at Sidewalk at Middle School Entrance</p> <p>Requested Amount: \$ 20,000</p>	
<p>Description:</p> <p>Install approximately 5 concrete-filled steel safety bollards along the edge of sidewalk at front entrance to Middle School</p>	
<p>Project Overview:</p> <p>The confluence of vehicles and school children at the front entrance of the Middle School during arrival and dismissal presents a daily potential for a serious accident. Currently, to mitigate the risk, flimsy and unattractive traffic sawhorses have been placed along the sidewalk. Installation of bollards along the edge of the sidewalk will provide a genuine margin of protection for school children.</p>	
<p>Financial impact of this project on the department's operating budget:</p> <p>None</p>	



Capital Improvements

PROJECT DETAIL SHEET

<p>Fiscal Year: 2016</p> <p>Department: Facilities</p> <p>Project Title: Stetson House: Upgrade Main Electric Panel and Upgrade Electric Service</p> <p>Requested Amount: \$ 25,000</p>	
<p>Description:</p> <p>Replace old electric panel with new panel and breakers and upgrade 100 amp electric service.</p>	
<p>Project Overview:</p> <p>The DRA Study identified the existing older electric panelboard as a safety hazard and needing replacement with a modern panel that would also have additional breakers to prevent potential circuit overloading. New mechanical A/C equipment in the building is also reaching the limits of the building's electric service. Electrical contractor to increase the service and install a new electric panel.</p>	
<p>Financial impact of this project on the department's operating budget:</p> <p>None</p>	



Capital Improvements


PROJECT DETAIL SHEET

<p>Fiscal Year: 2016</p> <p>Department: Facilities</p> <p>Project Title: New Ford Transit Cargo Van</p> <p>Requested Amount: \$ 29,000</p>	
<p>Description: Purchase new 2015 Ford Transit T350 LWB Cargo Van as quoted by MHQ under Massachusetts state contract.</p>	
<p>Project Overview: Every day the Facilities Maintenance Department, with a staff of 1 maintenance foreman and 3 skilled maintenance workers (1 mechanic, 1 licensed plumber and 1 master carpenter), travel to any of 24 buildings around Hanover to perform repairs, improvements, services, and other tasks in order to maintain and improve the town's assets and support the personnel in those buildings. During that work, any of dozens of hand and power tools and hundreds of fasteners and parts could be needed. Because the department does not have a vehicle outfitted with tools and standard materials, each day there is a wasteful process of tools and parts selection, loading the selected vehicle, traveling from and returning to the shop (several times), and finally unloading the vehicle at days end. Typically, the vehicle used for the worker's transportation for these tasks is one of the department's 3 large trucks. This is wasteful of workers' time, wastes fuel, and results in greater maintenance costs and shorter life cycles for the much more expensive large trucks. The solution is to purchase an additional vehicle that will be permanently stocked with the tools and materials that are normally used by maintenance personnel. As the Ford E-Series vans will no longer be available in 2015, purchase of a Ford Transit van, outfitted with shelving and racks and available through MHQ at a reasonable price, is considered the best solution.</p>	
<p>Financial impact of this project on the department's operating budget: It is estimated that our personnel would travel at least 5,000 miles per year in the new Transit van (14 mpg) instead of traveling in one of our service trucks (6-9 mpg). In addition, it is estimated that 750 travel miles (conservatively: 5 miles/day x 250 days) will be saved due to not returning to our maintenance building as frequently during the day for unexpected needs for tools and parts. Therefore, we expect a direct savings in the vehicle fuel budget of at least \$900 annually. Indirectly, the department will be more efficient and accomplish more work due to personnel time saved in the daily loading/unloading of tools and supplies on a truck and round trips during the day to pick up additional tools/parts for urgent work not planned at start of shift. It will also eliminate the practice of dropping off a maintenance worker at a building to do work and returning later to pick him up, eliminating the wasted time of the worker dropping him off and the mileage of the extra round trips. In addition, the lives of the much more expensive trucks will be extended several years due to fewer miles driven and less wear and tear.</p>	



Capital Improvements


PROJECT DETAIL SHEET

<p>Fiscal Year: 2016</p> <p>Department: Facilities</p> <p>Project Title: Town Hall Security System</p> <p>Requested Amount: \$ 35,000</p>	
<p>Description:</p> <p>Install a building security system to include burglar alarm panel, motion sensors and video cameras, with central station monitoring.</p>	
<p>Project Overview:</p> <p>Other than locked doors, Town Hall has no security system. Forced entry into the locked building can be achieved relatively easily by various means and there are no alarms to alert authorities or provide a video record for later investigation. The proposed security system would feature motion sensors linked to an alarm panel and video cameras for recording and real-time remote monitoring from the police station for emergency situations.</p>	
<p>Financial impact of this project on the department's operating budget:</p> <p>A projected increase in budget of approximately \$1,000 pursuant to new phone line, central station monitoring, and system maintenance, with some offset via reduction in insurance premium.</p>	



Capital Improvements


PROJECT DETAIL SHEET

<p>Fiscal Year: 2016</p> <p>Department: Facilities</p> <p>Project Title: Replace F-350 Rack Body Truck</p> <p>Requested Amount: \$ 57,000</p>	
<p>Description:</p> <p>Purchase Ford F350 4X4 Rack Body truck with liftgate to replace existing F350 rack body truck, as quoted by MHQ under Massachusetts state contract.</p>	
<p>Project Overview:</p> <p>The workhorse vehicle of the Facilities Department is our year 2000 Ford F350 rack body truck with lift gate. The vehicle is used for a broad range of tasks, including snow plowing, transportation of heavy supplies and equipment, all manner of groundskeeping maintenance work and building maintenance. The lift gate is essential for lifting heavy materials. At 14 years of age, this truck is at the end of its useful life and, in addition to higher maintenance costs and down time, poses safety risks due to extensive rust and failing systems. We propose to replace this vehicle with a similar Ford F350 4X4 with stake sides, lift gate, and snow plowing package.</p>	
<p>Financial impact of this project on the department's operating budget:</p> <p>This replacement will result in a positive impact on the operating budget, considering the new truck's higher gas mileage and its expected low maintenance costs for many years.</p>	



Capital Improvements


PROJECT DETAIL SHEET

<p>Fiscal Year: 2016</p> <p>Department: Facilities</p> <p>Project Title: John Curtis Library: Repairs to Window Curtain Wall to Stop Water Infiltration</p> <p>Requested Amount: \$ 60,000</p>	 <p style="text-align: center;">0</p>
<p>Description:</p> <p>Contractor to remove existing sealants on curtain wall and re-seal with new sealant. Repair water damaged areas of interior side of wall.</p>	
<p>Project Overview:</p> <p>During construction of the library addition in 2002, the new window curtain walls were reportedly sealed while the summer outdoor temperature was well above the sealant manufacturer's recommended temperature for application of the sealant. Since then there has been ongoing rain water infiltration around the curtain wall, resulting in water damage to the interior side of the walls. Project to remove and replace sealants and repair water damaged walls inside the building.</p>	
<p>Financial impact of this project on the department's operating budget:</p> <p>None</p>	



Capital Improvements


PROJECT DETAIL SHEET

<p>Fiscal Year: 2016</p> <p>Department: Facilities</p> <p>Project Title: Upgrade Door Locks In Schools and Town Hall For Improved Security</p> <p>Requested Amount: \$ 70,000</p>	
<p>Description:</p> <p>At Middle, Cedar, Center, Sylvester and Salmond Schools, replace all exterior door locks with new locks conforming to our new Medeco Keymark master keyway system for town buildings. Also, at Middle School, replace all classroom door locks with “office function” locks and rekey remaining interior door locks such that entire building conforms to the building’s new master keyway. Also, at Town Hall re-key interior doors following master key system under Town Hall master.</p>	
<p>Project Overview:</p> <p>Installation of new electronic access controls on exterior doors has been completed at the five school buildings and all staff now have proximity cards allowing them to gain entrance to their schools during authorized times. To prevent building access using keys in existing locks, we now need to change the locks in all exterior doors in the five buildings. The new locks will conform to our newly designed Medeco master key system employing a unique high security keyway design that has been set up for incremental replacement in all Hanover town buildings.</p> <p>In addition, at the Middle School there is a great need to eliminate a security risk in classroom doors that currently can only be locked using a key inserted from the corridor side. If Lockdown should be called, teachers have to open their classroom doors and lock them from the outside, wasting precious seconds and also exposing them as targets. Proper security requires that these doors be retrofitted with “office function” locks having push buttons on the inside of the door. Finally, with so many locks being changed at Middle School already, the remaining door locks will also be converted to the new keyway, so the entire building is keyed to one master keyway system (similar to the high school).</p> <p>At Town Hall, the exterior doors have already been converted to the new keyway. This project will complete the process by converting interior doors to the new keyway.</p>	
<p>Financial impact of this project on the department’s operating budget:</p> <p>The high security keys (cut from blanks that have unique twists, slots and dimples) can only be issued and replaced by our designated locksmith and are more expensive than keys that can be cut by any locksmith. However, since exterior door keys will no longer be issued, there will be a somewhat reduced need for keys. Overall, a very small increase in operating costs is expected.</p>	



Capital Improvements


PROJECT DETAIL SHEET

<p>Fiscal Year: 2016</p> <p>Department: Fire</p> <p>Project Title: Ambulance</p> <p>Requested Amount: \$ 235,000</p>	
<p>Description:</p> <p>Replace a 2004 Ambulance</p>	
<p>Project Overview:</p> <p>Three ambulances are utilized by the Fire Department to provide ambulance service to the Town of Hanover. The newest ambulance is utilized as the primary ambulance. The next newest is used for second medical calls. The third ambulance is used for third calls and as the mechanical spare when maintenance is being performed on the other two. The typical useful life for the ambulances is between 9 and 12 years. User fees fund the purchase of new ambulances. The planned, regularly scheduled replacement of emergency ambulances is critical to ensuring public safety.</p>	
<p>Financial impact of this project on the department's operating budget:</p> <p>The operating costs of the ambulance are already included in the department's budget. Failure to replace this ambulance will result in increased maintenance costs.</p>	



Capital Improvements


PROJECT DETAIL SHEET

<p>Fiscal Year: 2016</p> <p>Department: Fire</p> <p>Project Title: Pumper</p> <p>Requested Amount: \$ 500,000</p>	
<p>Description:</p> <p>Replace 1992 Pumper Truck</p>	
<p>Project Overview:</p> <p>The Insurance Services Office (ISO) requires Hanover to maintain four pumping apparatus in order to sustain our rating of three. Residential and commercial fire insurance rates are based upon a communities ISO rating. Hanover currently has five pumping engines. This project includes trading in a 1992 pumping engine and a 1999 pumping engine towards the purchase of the new pumper. This will reduce the number of pumping apparatus to four.</p> <p>This project seeks to replace Engine 2, a 1992 pumping engine and Rescue 1, a 1999 pumping engine. Engine 2 is 23 years old and well beyond its expected useful life of 15 years. Rescue 1 is 15 years old and has traveled more than 136,000 miles. This pumper is unreliable and a constant maintenance problem.</p>	
<p>Financial impact of this project on the department's operating budget:</p> <p>Once the new pumper is delivered and placed in service the department will no longer be required to dedicate funds to keep the two aging apparatus in service. Savings may not be realized until FY 17.</p>	



Capital Improvements


PROJECT DETAIL SHEET

Fiscal Year: 2016 Department: Police Project Title: Replace and equip police cruisers Requested Amount: \$ 106,100	
Description: Purchase two (2) 2015 marked police cruisers for \$37,800.00 (Plymouth County Bid List, MHQ Dealership) Purchase one (1) 2015 unmarked police cruiser for \$30,500.00 (Plymouth County Bid List, MHQ Dealership)	
Project Overview: Recycle old cruisers on a yearly basis to defray repair costs. Replacement of vehicles on a yearly basis ensures that the vehicles are on-line and available for police use and emergencies.	
Financial impact of this project on the department's operating budget: Decreased repair costs, less mileage on other cruisers when existing cruisers are down for repair. Ensures rotation of vehicles for future years.	



Capital Improvements


PROJECT DETAIL SHEET

<p>Fiscal Year: 2016</p> <p>Department: Police</p> <p>Project Title: Police Mobile/Portable Radio Replacement</p> <p>Requested Amount: \$ 75,000</p>	
<p>Description:</p> <p>Purchase 8 XLT2500 UHF R2 450-520 MHZ, 10-40 WATT cruiser radios with accessories at \$2,356.42 each = \$18,851.36</p> <p>Purchase 30 APX 4000 UHFR2 MODEL 2 PORTABLE portable radios with accessories at \$1,836.37 each = \$55,091.10</p>	
<p>Project Overview:</p> <p>Replace current police cruiser and mobile radios, current radios have reached end of life and are no longer able to be repaired.</p>	
<p>Financial impact of this project on the department's operating budget:</p> <p>Since radios are no longer able to be repaired they will have to be purchased one at a time when they break. Replacement ensures the radios are on-line and available for police use and emergencies without disruption of service.</p>	



Capital Improvements

PROJECT DETAIL SHEET

<p>Fiscal Year: 2016</p> <p>Department: School Department-Technology</p> <p>Project Title: Town wide technology upgrades</p> <p>Requested Amount: \$ 100,000</p>	
<p>Description:</p> <p>Funds to upgrade or replace obsolete hardware including, but not limited to, firewalls, switches, wireless access points, servers, desktops, and laptops.</p>	
<p>Project Overview:</p> <p>Funds are required in FY2016 for the following projects:</p> <ul style="list-style-type: none">- 30-unit Chromebook cart to replace obsolete computer lab at HHS: \$11,485- 30-unit Chromebook cart to replace obsolete computer lab at HMS: \$11,485- Eno Board light pens for HHS and HMS: \$3,000- MacBook Air laptops to replace obsolete staff laptops across district: \$12,000- Memory upgrades for teacher iMacs, K-8: \$12,000- Firewall upgrade for HHS: \$11,094- Firewall upgrade for HMS: \$2,800- Cisco switch to replace unmanaged switch at HMS: \$2,700- Memory upgrade for master Active Directory server at HHS: \$636- Cisco switches to replace unmanaged switches at Town Hall/Council on Aging: \$10,800- Desktop upgrades to replace obsolete Windows XP computers at Town Hall: \$13,000- Server upgrade at Town Hall: \$9,000	
<p>Financial impact of this project on the department's operating budget:</p> <p>Approving this capital request will eliminate \$100,000 from the proposed FY2016 technology operating budget.</p>	

APPENDICES



"Hanover, Honoring Yesterday As We Build For Tomorrow"

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 would not be 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%

The Town has struggled in past years with funding the municipal and school operations of the General Fund and historically has used free cash to assist in funding the budget. This was at an all-time high in FY11 and FY12 when the Town had to rely on 100% of its free cash to help cover the costs of the operations. Since that time, a commitment to conservative budgeting practices and forecasting revenues has been embraced and a positive trend toward zero reliance on the use of free cash was established. The FY16 proposed budget has completely eliminated the practice of using one-time revenue to fund the budget. The Town is able to now use this source to fund capital needs.

FY Budget	Amount in Operating Budget	% Used in Budget	Amount in Annual Articles	Amount in Special Articles	Total Used	Overall % Used
FY16	\$ -	0%	\$ 2,122,100.00	\$ -	\$ 2,122,100.00	76%
FY15	\$ 250,000.00	12%	\$ 956,923.43	\$ 320,000.00	\$ 1,526,923.55	74%
FY14	\$ 460,166.00	15%	\$ 1,022,960.00	\$ 441,295.00	\$ 1,924,421.15	63%
FY13	\$ 840,682.00	38%	\$ 1,226,556.00		\$ 2,067,238.38	94%
FY12	\$ 1,447,366.00	60%	\$ 947,021.00	\$ -	\$ 2,394,387.60	100%
FY11	\$ 1,598,827.00	93%	\$ 111,239.00	\$ -	\$ 1,710,066.93	100%
FY10	\$ 1,248,929.00	81%	\$ 227,647.00	\$ 30,578.00	\$ 1,507,154.81	97%
FY09	\$ 1,557,020.00	57%	\$ 405,096.00	\$ 38,515.00	\$ 2,000,631.57	73%

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%

Proposed this year will be a Town Meeting article to fund an additional \$200,000 to the Stabilization Fund from overlay released by the Board of Assessors bringing the balance to approximately \$2,097,839.

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 a moderate range capital expenditure helps preserve debt capacity for major, high dollar purchases or 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.

Proposed this year will be a Town Meeting article to fund another \$100,000 to the Capital Stabilization Fund. The goal is to accumulate at least \$500,000 in the fund before using it as a funding source for the Capital Plan.

Fiscal Year	Appropriation	Expenditures	Balance
2015	\$ 100,000	\$ -	\$ 100,000
2016 *	\$ 100,000		\$ 200,000
*Proposed article			

Special Education Stabilization

As a means to address unpredictable and continuing pressures of special education expenses, the Town is proposing the establishment of a special education stabilization fund that will provide 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. This fund requires a two-thirds affirmative vote by Town Meeting to appropriate from it. There is no proposed appropriation to the fund this year.

OPEB Liability Trust Fund

The purpose of this fund is to provide for funding the other post-employment benefit liability. The fund 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.

Fiscal Year	Meals Tax Contributions	Interest Earned	Balance
			\$ -
FY2013	\$ 24,610		\$ 24,610
	\$ 74,030		\$ 98,641
	\$ 80,086		\$ 178,726
	\$ 78,941		\$ 257,667
FY2014	\$ 82,517		\$ 340,184
	\$ 79,238		\$ 419,421
	\$ 78,736		\$ 498,157
	\$ 75,300		\$ 573,457
		\$ 8,433	\$ 581,890
FY2015	\$ 79,976		\$ 661,866
	\$ 79,194		\$ 741,059
12/31/2014		\$ 3,327	\$ 744,387

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.

A summary of activity for each fund is shown below.

School Sick Leave Buyback Fund

Fiscal Year	Appropriation	Expenditures	Balance
			\$ 372,040
2012	\$ 124,000	\$ (217,574)	\$ 278,466
2013	\$ 124,000	\$ (167,768)	\$ 234,698
2014	\$ 110,000	\$ (104,337)	\$ 240,361
2015	\$ 100,000	\$ (62,473)	\$ 277,888
2016 *	\$ 100,000		\$ 377,888
*Proposed article			

Town Sick Leave Buyback Fund

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 *	\$ 50,000		\$ 649,916
*Proposed article			

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. Expenditures such as costs associated with property damaged, destroyed or lost by fire, lightning, vandalism, burglary, theft or otherwise, may be repaired, rebuilt or replaced by other buildings or property to be used in place thereof.

Fiscal Year	Appropriation	Expenditures	Balance
2013	\$ 20,000		\$ 20,000
2014	\$ 10,000		\$ 30,000
2015	\$ 10,000		\$ 40,000
2016	\$ -		\$ 40,000

*Budget and Financial Management
Policies*



TOWN OF HANOVER
550 HANOVER STREET, SUITE 29
HANOVER, MASSACHUSETTS 02339
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Board of Selectmen

POLICY #11-03

Budget and Financial Management Policies

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

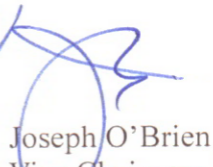
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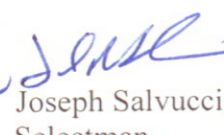
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BOARD OF SELECTMEN


Susan Setterland
Chairman


Joseph O'Brien
Vice Chairman


Daniel Pallotta
Selectman


Joseph Salvucci
Selectman


John Barry
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Board of Selectmen

POLICY #11-03

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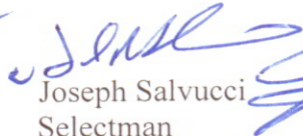
This policy was approved by the Board of Selectmen on December 12, 2011 and is effective immediately.

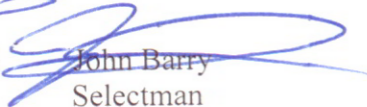
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John Barry
Selectman



TOWN OF HANOVER
550 HANOVER STREET, SUITE 29
HANOVER, MASSACHUSETTS 02339
(781) 826-2261 (781) 826-5010

Board of Selectmen

POLICY #13-02

Cash/Receipt Handling Policy

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

EFFECTIVE DATE: December 11, 2013

BOARD OF SELECTMEN

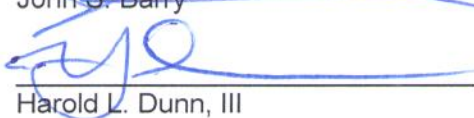
Joseph R. Salvucci, Chairman



Susan M. Setterland, Vice Chairman



John S. Barry



Harold L. Dunn, III

Brian E. Barthelmes



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Board of Selectmen

Policy #13-03

Receipt/Turnover Policy

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

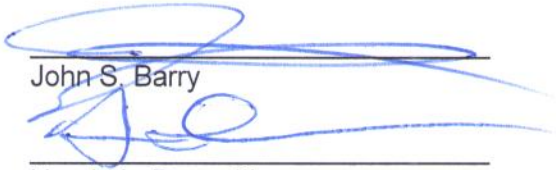
EFFECTIVE DATE: December 11, 2013

BOARD OF SELECTMEN

Joseph R. Salvucci, Chairman



Susan M. Setterland, Vice Chairman



John S. Barry

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Board of Selectmen

POLICY #14-02

PROCUREMENT CARD (PCARD) POLICY AND PROCEDURES

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.

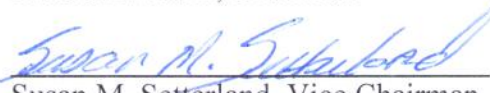
The Finance Director reserves the right to conduct random audits of the procurement card program to ensure compliance with this policy.

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

EFFECTIVE DATE: June 16, 2014

BOARD OF SELECTMEN


Harold L. Dunn, Chairman


Susan M. Setterland, Vice Chairman


Joseph R. Salvucci


Brian E. Barthelmes


Robert S. O'Rourke

***Fund Descriptions
and Balances***

Fund Descriptions

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. All of the funds can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds

Most Town functions are financed through what are called Governmental Funds. These are the activities generally supported by revenue such as taxes and other local receipts. There are four types of governmental funds maintained by the Town: the General Fund, Special Revenue Funds, Permanent Funds and Capital Projects 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, with the exception of major capital projects and permanent funds. These revenues are accounted for separately from the General Fund for both legal and practical purposes, as the accounts often span multiple fiscal years. The Town's Special Revenue Funds are grouped into five categories:

1. **Revolving Funds** – Revolving Funds allow the Town to raise revenues from a specific 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.
2. **Receipts Reserve for Appropriation** – These funds are restricted to a specific use by statute and require appropriation by Town Meeting. They include property insurance claims greater than \$20,000, revenue from the sale of lots and graves, Conservation Wetland Protection Fees, Title V Loan payments and Ambulance Receipts.
3. **School Grants** – The School Grant Funds account for specifically financed education programs using revenue from grants received from the Federal or State government. These include the State Special Education Revolving Fund (Circuit Breaker), and Federal Title I and Title IIA grants.

4. **Other Governmental Funds** – These funds account for revenues received by the Town from the Federal or State government for specific purposes other than education. These include grants such as Chapter 90 Highway funds, State Election funds, State Library aid and the Elderly Formula grant.
5. **Other Special Revenue Funds** – These funds account for any other miscellaneous special revenues not included in the previous categories. These include private donations for specific purposes, such as grants received from private or non-profit foundations, gifts made to specific departments, and payments from developers for infrastructure improvements related to proposed projects. The category also includes the Community Preservation Fund.

Permanent Funds

Permanent Funds are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used to support the government and its citizens. Many times such funds are referred to as “Trust” funds, and the acceptance of such funds generally involves acceptance by Town Meeting for each fund’s individual specification and/or requirements. There are two accounts associated with each permanent fund, the expendable income and the non-expendable principal.

1. **Expendable Trust Funds** – This heading accounts for the expendable income portion of the permanent funds. This heading is also used to account for funds received by the Town in a trustee capacity where both the principal and earnings of the fund may be expended on a restricted basis for the benefit of the Town or its citizens. This includes the voluntary contributions to the Scholarship Fund and Elderly/Disabled Fund found on the tax bills.
2. **Non-expendable Trust Funds** – This heading is used to account for trusts where the principal must remain intact. Generally, income earned on the non-expendable trust principal may be expended in accordance with the conditions of a trust instrument or statute, and is accounted for in the previous category. An example of this would be the Cemetery Perpetual Care Trust Fund.

Capital Project Fund

The Capital Projects Fund is used to account for expenditures on the acquisition or construction of major capital facilities. The fund does not include projects funded by other dedicated funds, such as the Community Preservation Fund or Chapter 90 Highway Funds. This fund may also include items that related to the Town’s Capital Plan. This fund is generally funded through the issuance of bonds.

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. These statements include the Water Enterprise

Fund. All direct and indirect costs including overhead of the water service are intended to be captured by user fees and/or general fund subsidies. These funds account for their own fixed assets and long term liabilities. Although long term debt of these enterprise funds is ultimately the legal obligation of the general fund, it is budgeted and paid for by the Enterprise Fund.

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.

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 separate articles 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 it 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. Also certain appropriations, known as special articles, do not lapse and are treated as budgetary expenditures in the year they are authorized as opposed to when the liability is actually incurred (GAAP).
3. The depreciation of Fixed Assets is not recognized as a current expense on a budgetary basis, except to the extent that actual maintenance costs are included in departmental budgets.

The following three tables are excerpts from the Town's financial statements prepared on a GAAP basis. These tables display the results of operations for the fiscal year ending June 30, 2013. There is one table for Governmental Funds and one for Proprietary Funds. Since Fiduciary Funds do not involve the measurement of operations, there is no corresponding table for those funds.

Under GASB Statement 34, and further by Statement 54, "Major Funds" are defined as individual funds that have reached a significant threshold with respect to total fund balance, and have dedicated revenue sources. "Major Funds" must be shown separately from the General Fund. The remaining individual funds are aggregated in the "Non-major" category for the purpose of financial statements. The third table displayed is the statement for the "Non-major" Governmental Funds.

TOWN OF HANOVER, MASSACHUSETTS
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2013

	Total <u>General</u>	High School Capital Project <u>Fund</u>	Community Preservation <u>Fund</u>	Nonmajor Governmental <u>Funds</u>	Total Governmental <u>Funds</u>
Revenues:					
Property taxes	\$ 35,715,668	\$ -	\$ -	\$ 814,064	\$ 36,529,732
Excises	1,931,864	-	-	7,161	1,939,025
Penalties, interest, and other taxes	212,360	-	-	-	212,360
Charges for services	359,428	-	814,064	2,203,744	3,377,236
Licenses and permits	604,666	-	-	-	604,666
Fines and forfeitures	100,723	-	-	378	101,101
Intergovernmental	15,121,429	-	251,709	1,252,370	16,625,508
Investment income	23,253	-	-	81,371	104,624
Miscellaneous	162,610	-	1,702	272,059	436,371
Contributions	257,667	-	-	359,388	617,055
Total Revenues	54,489,668	-	1,067,475	4,990,535	60,547,678
Expenditures:					
Current:					
General government	2,637,049	-	293,607	112,347	3,043,003
Public safety	6,429,874	-	-	120,124	6,549,998
Education	29,972,779	655,551	-	3,354,713	33,983,043
Public works	2,753,190	-	-	1,801,804	4,554,994
Health and human services	406,130	-	-	70,673	476,803
Culture and recreation	538,331	-	-	311,114	849,445
Employee benefits	6,373,695	-	-	-	6,373,695
Miscellaneous	11,887	-	-	5,070	16,957
Debt service	5,187,850	-	-	-	5,187,850
Intergovernmental	529,169	-	-	-	529,169
Total Expenditures	54,839,954	655,551	293,607	5,775,845	61,564,957
Excess (deficiency) of revenues over expenditures	(350,286)	(655,551)	773,868	(785,310)	(1,017,279)
Other Financing Sources (Uses):					
Transfers in	1,713,132	-	-	1,291,168	3,004,300
Transfers out	(1,116,109)	-	(779,193)	(833,125)	(2,728,427)
Total Other Financing Sources (Uses)	597,023	-	(779,193)	458,043	275,873
Change in fund balance	246,737	(655,551)	(5,325)	(327,267)	(741,406)
Fund Equity, at Beginning of Year, as restated	10,379,206	(7,056,681)	2,947,612	6,218,733	12,488,870
Fund Equity, at End of Year	\$ 10,625,943	\$ (7,712,232)	\$ 2,942,287	\$ 5,891,466	\$ 11,747,464

TOWN OF HANOVER, MASSACHUSETTS

GOVERNMENTAL FUNDS

BALANCE SHEET

JUNE 30, 2013

	<u>Total General</u>	<u>High School Capital Project Fund</u>	<u>Community Preservation Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and short-term investments	\$ 1,964,134	\$ 787,768	\$ 2,944,617	\$ 5,457,319	\$ 11,153,838
Investments	9,939,527	-	-	528,273	10,467,800
Receivables:					
Property taxes	1,165,898	-	-	-	1,165,898
Excises	374,590	-	-	863	375,453
Departmental and other	42,162	-	13,944	895,812	951,918
Due from other governments	17,470	1,190,002	-	282,414	1,489,886
Other assets	-	-	-	69,744	69,744
TOTAL ASSETS	\$ 13,503,781	\$ 1,977,770	\$ 2,958,561	\$ 7,234,425	\$ 25,674,537
LIABILITIES					
Warrants payable	\$ 1,207,126	\$ -	\$ 2,330	\$ 76,540	\$ 1,285,996
Notes payable	-	8,500,000	-	300,000	8,800,000
Other liabilities	360,879	-	-	-	360,879
TOTAL LIABILITIES	1,568,005	8,500,000	2,330	376,540	10,446,875
DEFERRED INFLOWS OF RESOURCES	1,309,833	1,190,002	13,944	966,419	3,480,198
FUND BALANCES					
Nonspendable	-	-	-	166,460	166,460
Restricted	1,133,709	-	-	5,861,602	6,995,311
Committed	3,583,482	-	2,942,287	-	6,525,769
Assigned	2,031,014	-	-	-	2,031,014
Unassigned	3,877,738	(7,712,232)	-	(136,596)	(3,971,090)
TOTAL FUND BALANCES	10,625,943	(7,712,232)	2,942,287	5,891,466	11,747,464
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 13,503,781	\$ 1,977,770	\$ 2,958,561	\$ 7,234,425	\$ 25,674,537

TOWN OF HANOVER, MASSACHUSETTS

GENERAL FUND

STATEMENT OF REVENUES AND OTHER SOURCES,
AND EXPENDITURES AND OTHER USES - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2013

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
Revenues and other sources:				
Property taxes	\$ 35,531,532	\$ 35,531,532	\$ 35,531,532	\$ -
Excises	1,576,000	1,576,000	1,931,864	355,864
Penalties, interest, and other taxes	190,000	190,000	212,360	22,360
Charges for services	400,000	400,000	359,428	(40,572)
Licenses and permits	311,000	311,000	604,666	293,666
Fines and forfeitures	50,000	50,000	100,723	50,723
Intergovernmental	9,322,170	9,322,170	9,347,613	25,443
Investment income	50,000	50,000	16,264	(33,736)
Other revenues	213,465	213,465	163,544	(49,921)
Other financing sources:				
Transfers in	1,722,571	1,722,571	1,713,132	(9,439)
Use of overlay surplus	162,154	162,154	162,154	-
Use of fund balance	2,067,248	2,508,543	2,508,543	-
Total Revenues	51,596,140	52,037,435	52,651,823	614,388
Expenditures and other uses:				
Current:				
General government	5,352,643	5,536,843	5,326,574	210,269
Public safety	6,438,686	6,438,686	6,272,825	165,861
Education	22,940,413	22,940,413	22,833,211	107,202
Public works	2,774,663	3,061,958	2,852,725	209,233
Health and human services	378,257	384,757	365,872	18,885
Culture and recreation	518,411	518,411	496,169	22,242
Employee benefits	7,037,784	7,001,084	6,472,928	528,156
Debt service	5,207,586	5,207,586	5,187,850	19,736
Intergovernmental	552,995	552,995	529,169	23,826
Other financing uses:				
Transfers out	294,220	294,220	451,752	(157,532)
Other uses	100,482	100,482	100,482	-
Total Expenditures	51,596,140	52,037,435	50,889,557	1,147,878
Excess of revenues and other sources over expenditures and other uses	\$ -	\$ -	\$ 1,762,266	\$ 1,762,266

TOWN OF HANOVER, MASSACHUSETTS
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
 FOR THE YEAR ENDED JUNE 30, 2013

	Business-Type Activities <u>Enterprise Funds</u>
	<u>Water Fund</u>
Operating Revenues:	
Charges for services	\$ 3,355,531
Total Operating Revenues	3,355,531
Operating Expenses:	
Operating expenses	2,133,662
Depreciation	345,972
Employee benefits	123,033
Total Operating Expenses	<u>2,602,667</u>
Operating Income (Loss)	752,864
Nonoperating Revenues (Expenses):	
Intergovernmental revenue	1,785
Investment income	1,315
Interest expense	<u>(209,552)</u>
Total Nonoperating Revenues (Expenses), Net	<u>(206,452)</u>
Income (Loss) Before Transfers	546,412
Transfers:	
Transfers in	82,867
Transfers out	<u>(358,739)</u>
Change in Net Position	270,540
Net Position at Beginning of Year	<u>7,620,739</u>
Net Position at End of Year	<u><u>\$ 7,891,279</u></u>

Town Manager Act

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.

(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.

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.

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

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 manger 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 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.

(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.

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.

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. (See Ad Valorem; Full And Fair Cash Value)
Audit	An examination of a community's financial systems, procedures, and data by a certified public accountant (independent auditor), and a report on the fairness of financial statements and on local compliance with statutes and regulations. The audit serves as a valuable management tool for evaluating the fiscal performance of a community.
Audit 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. (See Level Funded Budget, Performance Budget, Program Budget, Zero Based Budget)
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.
Fund	An accounting entity with a self-balancing set of accounts that is segregated for the purpose of carrying on identified activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations.
Fund Accounting	Organizing the financial records of a municipality into multiple, segregated locations for money. A fund is a distinct entity within the municipal government in which financial resources and activity (assets, liabilities, fund balances, revenues, and expenditures) are accounted for independently in accordance with specific regulations, restrictions or limitations. Examples of funds include the general fund and enterprise funds. Communities whose accounting records are organized according to the Uniform Municipal Accounting System (UMAS) use multiple funds.



Glossary of Terms

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.
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.
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.



Glossary of Terms

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. (See Legal Level of Budgetary Control)
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.
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 IGR 06-101)
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).



Glossary of Terms

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.
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.



Glossary of Terms

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.
Override	A vote by a community at an election to permanently increase the levy limit. An override vote may increase the levy limit no higher than the levy ceiling. The override question on the election ballot must state a purpose for the override and the dollar amount. (See Underride)
Override Capacity	The difference between a community's levy ceiling and its levy limit. It is the maximum amount by which a community may override its levy limit.



Glossary of Terms

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 2¹/₂	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.
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. (See Current and Advance Refunding of Debt)



Glossary of Terms

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. (See Designated Fund Balance)
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 redetermined 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. (See Pension Plan)
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.