



# Annual Budget

For the Fiscal Year

beginning July 1, 2016 and ending June 30, 2017

**Town Manager**

*Troy B.G. Clarkson*

**Finance Director**

*Janine Smith*

**Board of Selectmen**

*Brian E. Barthelmes, Chair*

*Susan M. Setterland, Vice Chair*

*David R. Delaney*

*Robert S. O'Rourke*

*Joseph R. Salvucci*





## *Reader's Guide*

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The purpose of this document is to communicate the Town of Hanover's fiscal year (FY) 2017 recommended budget in a useful format for citizens, elected officials, staff, and any other interested parties. The information is presented in a user-friendly format that allows all readers to obtain answers to specific funding questions. The Budget Message should assist the reader with understanding the major aspects of the budget.

### **Document Organization**

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

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

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

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

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

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

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

### **How to Read Financial Data**

Most data within this document is presented in fiscal year terms. The Town of Hanover operates on a fiscal year that runs July 1 through June 30. Therefore, FY2017 is the period from July 1, 2016 through June 30, 2017. All information is presented using a three year comparison, that includes FY15 actual revenues and expenditures and FY16 and FY17 budgeted revenues and expenditures. Anyone interested in obtaining additional information concerning the Town of Hanover's Budget is encouraged to contact the Finance Director's Office at (781) 826-5000 x 1000 or visit the Town's website at

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

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# INTRODUCTION



*"Hanover, Honoring Yesterday As We Build For Tomorrow"*



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



**Troy B. G. Clarkson**  
Town Manager

**To:** Board of Selectmen, Advisory Committee

**From:** Troy B.G. Clarkson, Town Manager

**CC:** All Departments

**Date:** 1/27/2016

**Re:** Fiscal Year 2017 Budget

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It is with great pleasure and enthusiasm that I hereby submit to you my proposed operating budget for Fiscal Year (FY) 2017 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, as in past years, honors the Board of Selectmen's theme and mandate of a conservative approach to both revenues and expenses, while continuing our multi-year commitment to consolidation, honoring a long-standing commitment to education, public safety and public works, all which fit within the Board's strategic goals and still maintain a commitment to responsible spending.

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

Therefore, this budget is separated into five major categories: Revenues, Expenses, Capital Spending, Long-Term Financial Planning, and Emerging Issues. It represents a collaborative effort of all departments. Particular recognition goes to Project Manager Art Ceurvels and Finance Director Janine Smith, whose attention to detail and commitment to quality are represented throughout this volume of information. This is our second budget that conforms to the tenets of the Government

Finance Officers Association (GFOA), and includes improvements, additional information, and additional insight over last year's pioneering effort.

## **REVENUES**

Projected revenues for FY17 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 proposal, including multi-year trending, and an explanation and analysis of each revenue category. Our staff and Department Heads meet annual before the revenue estimates are finalized and review each category and local receipt individually, discussing market trends, past performance, and anticipated activity, making each year's revenue projections both a collaborative effort and a true organic and distinct estimate. Decision makers and the public continue to have a window through which to review, analyze, and question all categories of revenues and local receipts, continuing the practice of providing detail and 'numbers behind the numbers'. This budget is also posted and indexed on the town's website, providing further access to our projected spending of the peoples' resources.

As in past years, our projection for state aid will not increase, and is estimated level with this year's actual aid figure. This practice serves to insulate the town and our municipal operations from any undulations in the state budget and local aid changes.

Overall property tax revenue is projected to increase by the allowable 2 ½ percent in FY17, with a reasonable estimate for new growth, the tax revenue from new construction. The new growth estimate of \$340,000 is consistent with last year's modest allocation. It follows both our analysis of recent trending and continued robust building permit activity and remains constant from last year. While the local economy continues to improve, our financial position is best served by a continued conservative approach.

Ambulance receipts are projected to continue their healthy performance, with last year's total of more than \$1 million providing a strong foundation for the operational and debt service uses from this important fund. 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. This year's ambulance receipt allocation to the operating budget is projected to increase, continuing the trend for the ambulance revenue to assume a greater portion of the costs of the service. The projected figure of \$915,295, which will cover both debt and operating expenses, leaves enough to continue to accumulate cash in the reserve account for future capital purchases.

Local receipts are projected to remain relatively consistent in most categories, with a slight increase in automobile excise taxes, reflecting significant growth in this category. 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 eschewing free cash as a funding source for the operating budget, a practice that has drawn praise from both our auditor and financial advisor. Last year was the first year that this significant milestone was achieved, and this year's budget continues that prudent practice. 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 FY17 budget:

- Continues to work within sustainable revenue sources and is balanced;
- Includes a continued commitment to the Capital Stabilization Fund as a way to fund annual capital needs through a responsible allocation of free cash and other available funds;
- Continues a commitment to the ongoing challenge of funding special education expenses through an allocation to the Special Education Stabilization Fund. However, since this fund does not yet carry a balance sufficient to cover expenses, the practice of funding some of those expenses through a Town Meeting Article continues in this budgetary year;
- Includes an ongoing commitment to public education, funding the Hanover Public Schools at a level consistent with the stated needs of the School Committee and Superintendent, cementing the partnership that has been forged over the last several years;
- Finalizes the reorganization of the Finance, payroll and benefits offices, allocating funds to both the town and school operating budgets to support this collaborative effort. The Finance Budget also includes the final proposal on its internal reorganization, reducing some of the salary requirements, but adding an Administrative Assistant for the Finance Director;
- Transfers financial support staff from the DPW and Water Department to the Finance Department, solidifying the move to bring water billing, purchasing, and public works accounting under the Finance Department. These salaries will continue to be funded from the Water Enterprise Fund ;
- Includes tax-supported funding for Parks and Recreation, including maintenance at Forge Pond Park. This proposal is the result of a

collaborative effort between the town's leadership team and the Parks and Recreation Committee, who jointly recognize that recreation activities for all ages is and should be a priority for our local government;

- Includes a return to traditional funding in the Fire Department, reversing last year's proposal to increase staff and reduce overtime, returning to a more traditional funding model; and
- Provides funding for increases in both health insurance and our retirement assessment. This represents the first increase in four years in our health insurance premium, responding to expected increases through the Mayflower Municipal Health Group. Even with the proposed ten percent increase in premiums, the stability and strong financial management of this joint purchase group has led to a five year average of less than three percent annually, far below the industry average.

### **CAPITAL SPENDING**

Included in this proposal are the capital requests for FY17, as required in the Act, as well as the updated five-year capital plan. Each capital proposal includes a detailed project sheet outlining the specifics of each proposed purchase. This year's capital items are routine operational items and are requested to be funded through a mix of free cash (available due to the lack of free cash spent on the operating budget), borrowing, and other available sources such as water rates and ambulance receipts. With the eliminated reliance on free cash to support the operating budget, the undesignated fund balance is projected to remain at healthy levels.

The capital proposal includes the further implementation of the facilities improvements enumerated in the 'DRA Study', a comprehensive analysis of the town's building and infrastructure needs. In addition, the implementation of the 'School Dude' software for both regular and preventive maintenance has raised our awareness of the condition of our buildings and the need to make improvements.

Planned capital improvements for both the Center/Sylvester school project and the new Fire Station have been moved from FY17 to FY18 in the capital plan to provide the citizens and staff members working on those projects more time to develop detailed and thoughtful proposals.

### **LONG-TERM FINANCIAL PLANNING**

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

- Cash handling – Written procedures were put in place to guide and oversee the daily handling of cash in each office, including reporting requirements, turnover documentation, and chain of custody procedures to minimize the opportunity for theft and other forms of loss;
- Tax title – procedures were put in place to increase efficiency in the long-neglected area of tax takings and tax title procedures. The town now moves forward with an annual list of properties to be placed in tax title, and is working to dispose of town-owned properties to increase non-tax revenue;
- Fraud/Risk Assessment – Working with the town’s auditor, new procedures for reducing fraud and detecting questionable activity were identified and codified. Procedures are now in place for staff to report and detect potential fraudulent behavior; and
- Investments – An investment policy was developed in consultation with the town’s financial consultant and subsequently debated and adopted, already resulting in an improvement in investment income.

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

In the last year, the town has developed and distributed a marketing pamphlet and distributed it to retailers and other businesses nationwide, highlighting the town’s ‘Open for Business’ policy and attractive attributes and ease of permitting. This approach is yielding results, with commercial activity returning to pre-2009 levels.

## **EMERGING ISSUES**

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

- Commercial development – the town has seen a significant uptick in commercial activity. Managing the development and providing regulatory support and oversight will be a priority to maintain both the public’s interest in safe and code-compliant development with the stated need to increase revenue;
- Balancing development and costs – This year will see the first phase of two large housing projects (Sconset Landing and Webster Village) move toward completion, and one (Kennedy Building at the Cushing Centers) move toward its final phase of funding and approval. With more than 200 units of housing slated to be introduced to the local housing inventory, balancing the increased

growth in revenue with the pressure on services will be an important priority. The exploration of an additional stabilization fund to support this growth will be explored in the coming year;

- Public Safety pressures – With growth comes an increase in required response from the Police and Fire Departments. With call volume reaching all-time levels, the need to explore options such as regionalization and consolidation will become more acute;
- Education/Special Education sustainability – With the creation of the Special Education Stabilization Fund, the long-term solution to the volatility of special education expenses is in place. However, until that fund is at a levels that can support the ongoing need, it will be necessary to continue to fund those expenses annually through a Town Meeting article;
- Management and staff stability – the retention and recruitment of qualified and committed senior managers and support staff will continue to be a challenge as Hanover grapples with striking a balance between financial sustainability and achieving a competitive stature related to pay and benefits for its employees. As the health insurance split is greater in Hanover than most area communities, salaries must achieve a competitive status to remain reasonable; and
- Continued Green Communities commitment – the Town of Hanover has become one of the Commonwealth’s premier ‘Green Communities,’ implementing over \$2 million in improvements resulting in lower energy costs and more sustainable practices. The town’s continued commitment to this state-funded improvement program should yield further and ongoing benefits.

## **CONCLUSION**

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

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



***Guide to the  
FY2017 Budget***



## Guide to the FY2017 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:

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

**November** - Departments are provided with their previously submitted five year capital requests for review, update and the addition of the next fifth year. While requests generally remain the same as in the initial request, there are occasionally changed circumstances which necessitate alterations to the requests. This information is returned to the Town Manager.

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

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

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



## Guide to the FY2017 Budget

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

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

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

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

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

### WHAT IS TOWN MEETING?

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



## Guide to the FY2017 Budget

### HOW ARE TAXES CALCULATED?

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

#### What is a Levy Limit?

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

There are two components to the law:

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

|  |
|--|
| <p style="text-align: center;"><b>Hanover's Annual Tax Levy = Levy Limit + Exclusions</b><br/> The Levy Limit = Prior Year Levy Limit + 2.5%<br/> + (voter approved override) + New Growth</p> |
|--|

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

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

#### What are Exclusions?

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



## Guide to the FY2017 Budget

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### 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](http://www.hanover-ma.gov).

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

### Sustainability

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



*Community Profile*



# Community Profile

## Community Profile

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

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

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

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

## Community Statistics

**Incorporated:** 1727

**County:** Plymouth

**Land Area:** 15.61 Sq. Miles

**Public Roads:** 86 Miles

**2015 Population (estimated):** 14,618

**2014 Workforce:** 7,363

**FY2015 Tax Rate per Thousand:**

\$16.15 – Residential

\$17.14 – Commercial & Industrial

**Form of Government:**

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

**2015 Avg. Single Home Value:** \$435,797

**2015 Avg. Single Family Tax Bill:** \$7,038



## Community Profile

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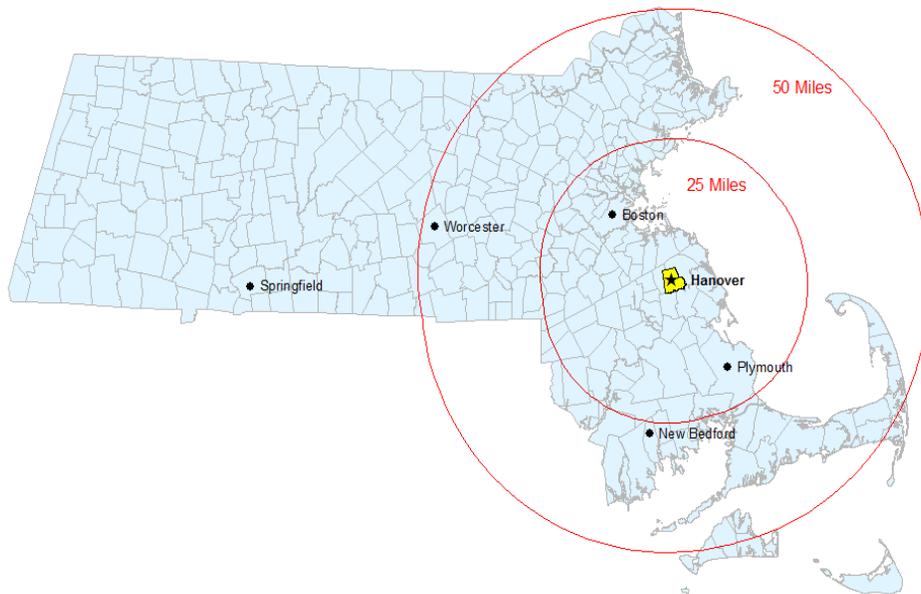
### Geography and Demographics

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

Hanover's population has grown steadily from just 3,389 residents according to the 1950 census to an estimated 14,618 residents across 4,500 households. Hanover's median population closely matches the state's overall median at 41.8 years of age.

72% of Hanover residents are above the age of 18, with an equal gender composition of 51.6% female and 48.4% male.

The median income of Hanover is \$98,750 for a household and 120,398 for a family.





## Community Profile

### Employment and Payrolls

Hanover's wholesale/retail trade sector employed the greater percentage of people, followed by the services sector. The following table lists the major categories of income and employment from 2011 through 2013.

| Industry                             | 2011          | 2012          | 2013          |
|--------------------------------------|---------------|---------------|---------------|
| <b>Construction</b>                  | 362           | 417           | 465           |
| <b>Manufacturing</b>                 | 480           | 488           | 509           |
| <b>Trade, Transport, Utilities</b>   | 2,347         | 2,389         | 2,461         |
| <b>Information</b>                   | 111           | 105           | 102           |
| <b>Financial Activities</b>          | 238           | 229           | 191           |
| <b>Prof. and Business Services</b>   | 674           | 697           | 761           |
| <b>Education and Health Services</b> | 844           | 938           | 1,000         |
| <b>Leisure and Hospitality</b>       | 946           | 923           | 971           |
| <b>Other Services</b>                | 406           | 408           | 361           |
| <b>Total Employment</b>              | <b>6,408</b>  | <b>6,594</b>  | <b>6,821</b>  |
| <b>Number of Establishments</b>      | 681           | 654           | 657           |
| <b>Average Weekly Wages</b>          | \$749         | \$763         | \$798         |
| <b>Total Wages</b>                   | \$256,319,968 | \$267,644,966 | \$290,425,128 |

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

### Largest Employers

| Name                                 | Product/Function         | Approx. Number of Employees |
|--------------------------------------|--------------------------|-----------------------------|
| <b>YMCA</b>                          | Exercise/Family Facility | 250-499                     |
| <b>Direct Finance Group</b>          | Finance                  | 100-249                     |
| <b>Independent Bank Corp.</b>        | Banking                  | 100-249                     |
| <b>PA Landers</b>                    | Construction             | 100-249                     |
| <b>Shaw's Supermarket</b>            | Food Market              | 100-249                     |
| <b>Target</b>                        | Retail Store             | 100-249                     |
| <b>Buckley Associates</b>            | Manufacturer             | 50-99                       |
| <b>Charles David Salon &amp; Spa</b> | Salon                    | 50-99                       |



## Community Profile

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### History

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

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

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

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

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

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

-Courtesy of Barbara Barker of the Hanover Historical Commission





# OUR GOVERNMENT



*"Hanover, Honoring Yesterday As We Build For Tomorrow"*



*Form of  
Government*



## Form of Government

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

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

#### **SECTION 1. CONTINUATION OF EXISTING GOVERNMENT**

##### **(A) Continuation of Existing Laws**

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

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

##### **(B) Continuation of Personnel**

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

#### **SECTION 2. BOARD OF SELECTMEN**

##### **(A) Composition**

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

##### **(B) Vacancy in Office**

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



## Form of Government

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### (C) Executive Powers

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

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

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

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

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

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

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

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



## Form of Government

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### SECTION 3. TOWN MANAGER

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

##### (1) Appointment

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

##### (2) Qualifications

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

##### (3) Terms of Office

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

#### (4) Terms of Employment

##### (a) Additional Qualifications

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

##### (b) Compensation

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



## Form of Government

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### SECTION 4. TOWN MANAGER - POWERS AND DUTIES

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

#### (A) Powers of Appointment

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

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

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

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

#### (B) Administrative Duties



## Form of Government

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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



## Form of Government

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authorities;

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

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

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

### (C) Financial Powers and Duties

#### (1) Budget

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

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

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

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

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

#### (2) Collective Bargaining

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

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



## Form of Government

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### (3) Procurement

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

## **SECTION 5. TOWN MANAGER - VACANCY**

### (A) Permanent Vacancy

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

### (B) Temporary Absence or Disability

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

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

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

## **SECTION 6. TOWN MANAGER – REMOVAL; SUSPENSION**

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



## Form of Government

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### **SECTION 7. DEPARTMENT OF PUBLIC WORKS**

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

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

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

### **SECTION 8. TRANSITION PROVISIONS**

#### **(A) Addition to Board of Selectmen**

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

#### **(B) Town Administrator**

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

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

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

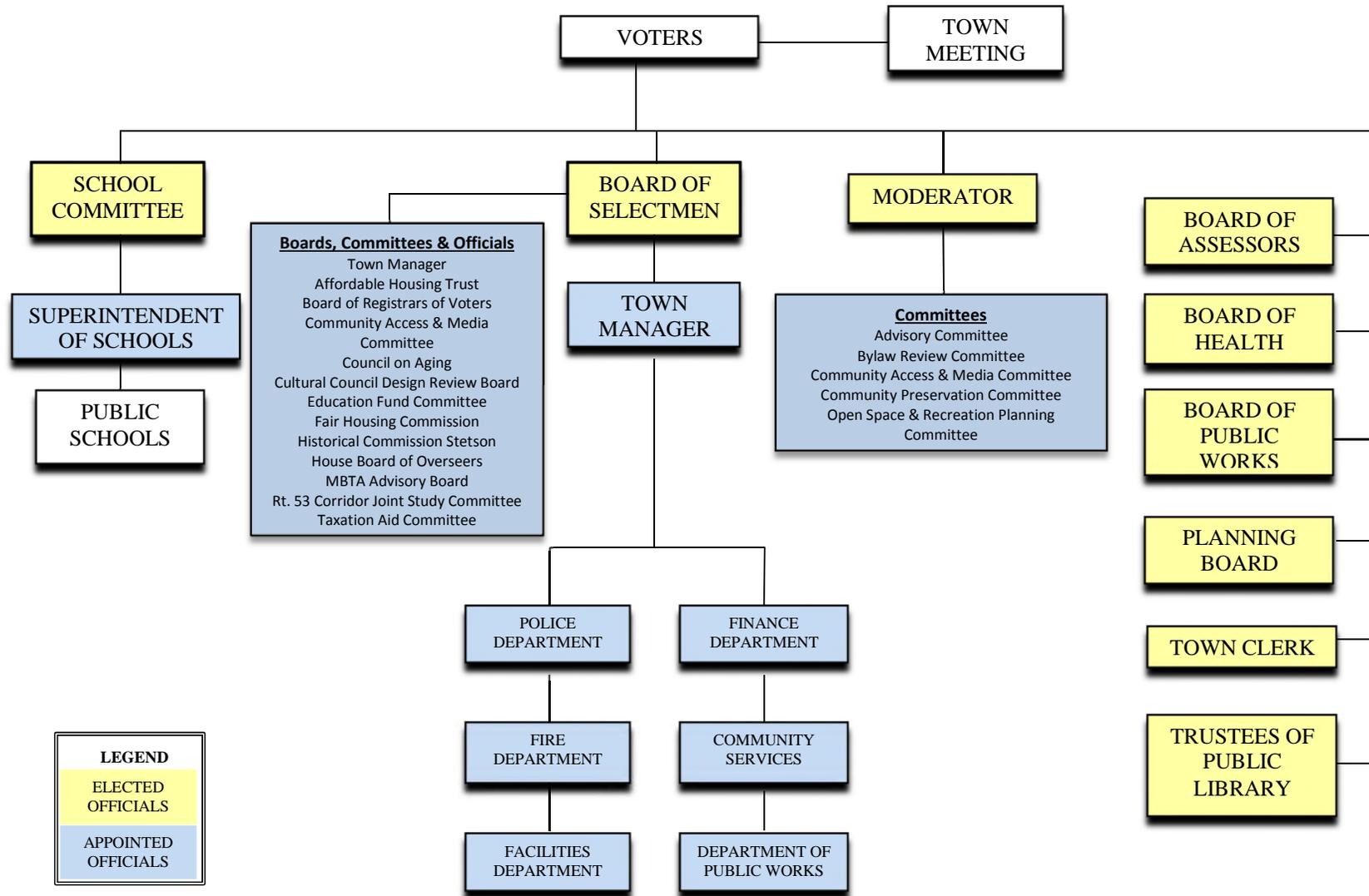
*Amended at the May 2013 Annual Town Meeting and approved November 22, 2013.*



***Town Organization Chart***



# Town Organization Chart



***Boards, Committees,  
And Elected Officials***



## Boards, Committees and Elected Officials

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### **Hanover** **Voters Elect**

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

### **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  
Zoning Board of Appeals

### **Moderator** **Appoints**

Advisory Committee  
Bylaw Review Committee  
Community Access & Media Committee  
Community Preservation Committee  
Open Space & Recreation  
Planning Committee  
Parks & Recreation Committee

### **Town Manager** **Appoints**

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

# BOARD OF SELECTMEN



*"Hanover, Honoring Yesterday As We Build For Tomorrow"*



## Board of Selectmen

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Rear: Robert O'Rourke, David Delaney, Joseph Salvucci

Front: Susan Setterland, Vice Chair and Brian Barthelmes, Chairman

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

#### SECTION 2. BOARD OF SELECTMEN

##### (C) Executive Powers

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

- (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.



## Board of Selectmen

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(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.



*Vision Statement  
&  
Mission Statement*



## Vision Statement & Mission Statement

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### **VISION STATEMENT**

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

### **MISSION STATEMENT**

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

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

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

***FY2016  
Strategic Goals***



## FY2016 Strategic Goals

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### **BOARD OF SELECTMEN FY2016 GOAL SETTING SESSION Wednesday, July 1, 2015**

#### **Community Relationships:**

- Develop a Town-Wide Communication Strategy:
  - o Social media monitoring and outreach
  - o Continue to update town website:
  - o Continual Updates
  - o Accuracy & Content
  - o Improve organization/usability/navigation
  - o Construction/Development Projects Update Page
  - o Create resident email list/database
- Create an Updated Town Personnel Plan
  - o Create an employee roles and responsibilities organizational chart
- Encourage more Public Participation and Institute Recognition for Volunteers

#### **Administration & Communication:**

- Develop an Effective Reporting System to Board of Selectmen:
  - o Schedule regular interactive/multimedia reports to the Board of Selectmen from town departments and boards/committees
  - o All meeting minutes posted on town website in a timely manner
- Create an Executive Dashboard:
  - o Create tabs for each board/committee showing how many applications are pending/how many hearings each board/committee held each month
  - o Create tab with GIS map showing locations of current projects throughout the town
  - o Purchase tablets for Boards – Organize agendas and meeting documents (BoardPaq\*)
- Review and Update Existing Town Policies to Reflect Current Goals
  - o Work with the Planning Board to review subdivision regulations to identify areas that could potentially create future financial issues for the town and/or updates or changes that need to be made (ex: Subdivision Rules and Regulations)
  - o Review and Update [if necessary] the Hanover Sign Bylaw
- Develop a Unified GIS Platform for all Town Departments to Improve Use/Communication



## FY2016 Strategic Goals

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### **Route 53 Development/Fireworks Site:**

- Update Town Master Plan:
  - o Create a more user-friendly version of Master Plan
  - o Create a Route 53 Development Plan/Vision as Component of Plan
  - o Water Quality: Enhance water quality reporting and education/conservation. Explore infrastructure improvements.
- Collaborate with UMass Graduate Students to Obtain Scholarly Studies of Hanover:
  - o Fireworks District Study
  - o Route 53 /139 Intersection Study
- Schedule Regular Communication Updates from the Hanover Mall
- Schedule Regular Updates on the Fireworks District

### **Finance:**

- Develop Multi-year Fiscal Projections (3-year Projection)
  - o Budget Forecasting
- Explore Direct Expenses
- Identify and Pursue Potential Revenue Opportunities:
  - o Review available town-owned land/properties that could be sold or re-used
  - o Develop a list of all town-owned properties
  - o Pursue disposition of tax title properties and provide quarterly updates



*Operational and Financial  
Management Policies*



## Operational and Financial Management Policies

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

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

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

**Board of Selectmen Operating Policies and Procedures**

**Adopted by:** Board of Selectmen

**POLICY #:** 15-03

**Approved:** April 27, 2015

**1. Purpose**

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

**2. Election and Qualification**

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

**3. Organization**

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

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

**4. Chairmanship**

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

**5. Responsibilities of the Chairman**

The Chairman of the Board shall:

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

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

**6. Responsibilities of the Vice-Chairman**

The Vice-Chairman of the Board shall:

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

**7. Board of Selectmen Liaisons**

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

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

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

Board of Selectmen Liaisons shall:

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

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

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

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

**8. Town Manager Evaluation**

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

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

**9. General Operating Policies**

It is the policy of the Board of Selectmen:

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

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

**10. Regular Board Meetings**

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

**11. Special Meetings**

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

**12. Workshop Meetings**

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

**13. Executive Session**

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

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

**14. Limit of Hours for Regular Meetings**

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

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

**15. Minutes**

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

**16. Declassifying Confidential Executive Session Minutes**

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

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

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

**17. Identification of a Person Addressing the Board of Selectmen**

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

**18. Continuity of Business**

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

**19. Board of Selectmen Communication**

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

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

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

Electronic correspondence will be handled in the following manner:

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

## **Budget and Financial Management Policies**

**Adopted by:** Board of Selectmen

**POLICY #:** 11-03

**Approved:** December 12, 2011

### **I. Introduction**

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

### **II. Goals**

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

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

### **III. Operating Budget Policy**

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

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

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

#### **IV. Revenue Policy**

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

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

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

**V. Expenditure/Expense Policy**

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

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

**VI. Reserves and Risk Management Policy**

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

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

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

**A. Risk Management**

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

**B. Stabilization Fund**

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

**VII. Capital Budgeting and Planning Policy**

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

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

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

**VIII. Debt Management Policy**

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

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

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

**IX. Protection of Credit Rating Policy**

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

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

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

### **Cash/Receipt Handling Policy**

**Adopted by:** Board of Selectmen

**POLICY #:** 13-02

**Approved:** December 11, 2013

Effective: Immediately

**Purpose:**

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

**Applies to:**

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

**Access to Cash Drawers**

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

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

**Cash Drawer Funds – Overnight Storage**

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

**Emergency Cash Drawer Closing**

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

**Beginning Bank for Cash Drawer**

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

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

**Cash Worksheet**

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

**Maintaining cash drawer during workday**

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

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

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

This should significantly speed up the close out process.

**Cash Drawer Close Out**

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

**Monthly Audits**

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

**Cash Drawer Overage/Shortage**

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

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

**Up to \$25**

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

**\$25-\$100**

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

**\$100 or more**

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

**Frequency of errors**

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

**Schedule for cash drawer close out**

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

**Process at the Treasurer/Collector's window**

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

The Deputy Collector will be the secondary.

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

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

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

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

**Types of transactions and how to process:**

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

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

**Manual Process if System is Down for All**

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

**ACKNOWLEDGEMENT**

I, \_\_\_\_\_, have received, read and understand the Treasurer/Collector

Office cash/receipt handling procedure implemented by the Finance Department on October 17, 2013.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

### **Receipt/Turnover Policy**

**Adopted by:** Board of Selectmen

**POLICY #:** 13-03

**Approved:** December 11, 2013

***Effective:*** Immediately

#### **Purpose:**

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

#### **Applies to:**

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

#### **Cash Handling within Offices**

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

#### **Frequency of Turnovers**

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

#### **Secured Bags**

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

#### **Departmental Turnover Sheets (see attached example)**

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

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

- Department copy
- Accounting copy
- Treasurer/Collector copy

When preparing the turnover sheet please follow these steps:

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

**Process at the Treasurer/Collector's window**

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

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

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

**Departmental reconciliation of revenue to turnover sheets**

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

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

**ACKNOWLEDGEMENT**

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

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**PROCUREMENT CARD (PCARD) POLICY AND PROCEDURES**

**Adopted by:** Board of Selectmen

**POLICY #:** 14-02

**Approved:** June 16, 2014

**Purpose and Scope**

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

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

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

**Policy**

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

**Procedures**

Issuance of Procurement Cards and Established Credit Limits

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

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

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

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

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

**Use of a Procurement Card**

Allowable Uses

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

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

**Prohibited Uses**

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

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

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

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

**Payment of Credit Card Statement**

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

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

**Card Security**

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

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

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

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

**Penalty for Wrongful Use**

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

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

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

**OPEB TRUST INVESTMENT POLICY STATEMENT**

**Adopted by:** Board of Selectmen

**POLICY #:** 15-01

**Approved:** March 16, 2015

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

**A. Scope**

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

**B. Authority**

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

**C. Diversification**

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

**Equities**

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

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

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

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

**Fixed Income**

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

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

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

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

**Alternative Investments**

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

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

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

**Cash and Cash Equivalents**

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

**D. Specific Risks**

**Credit Risk**

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

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

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

**Custodial Risk**

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

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

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

**Concentration of Credit Risk**

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

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

**Interest Rate Risk**

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

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

**Foreign Currency Risk**

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

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

**E. Standards of Care**

The standard of prudence to be used by the Treasurer shall be the "Prudent Person" standard and shall be applied in the context of managing an overall portfolio. The Treasurer acting in accordance with written procedures and this IPS, and exercising reasonable due diligence, shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided the purchases and sale of securities is carried out in accordance with the terms of this IPS.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs; not for speculation, but for investment considering the probable safety of their capital as well as the probable income to be derived.

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

F. Ethics

The Treasurer and Assistant Treasurer shall refrain from any personal activity that may conflict with the proper execution of the investment program or which could impair or appear to impair ability to make impartial investment decisions. The Treasurer shall disclose to the Town Manager any material financial interest in financial institutions that do business with the Town. They shall also disclose any large personal financial investment positions or loans that could be related to the performance of the Town's investments.

G. Relationship with Financial Institutions

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

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

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

H. Reporting Requirements

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

- A listing of the individual accounts and individual securities held at the end of the reporting period.
- A listing of the short-term investment portfolio by security type and maturity to ensure compliance with the diversification and maturity guidelines established in the "Diversification" section of this IPS.
- A summary of the income earned on a monthly basis and year-to-date basis shall be reported.
- The Treasurer shall include in the report a brief statement of general market and economic conditions and other factors that may affect the Town's cash position.
- The report should demonstrate the degree of compliance with the tenets set forth in the IPS.

I. Performance Measurement and Evaluation

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

J. Supervision

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

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

K. Legal References

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

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

\_\_\_\_\_  
Treasurer's Signature

\_\_\_\_\_  
Date

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

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

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

\_\_\_\_\_  
Treasurer's Signature

\_\_\_\_\_  
Date

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

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

\_\_\_\_\_  
Treasurer's Signature

\_\_\_\_\_  
Date

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

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

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

### Investment Policy Statement

**Adopted by:** Board of Selectmen

**POLICY #:** 15-02

**Approved:** March 16, 2015

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

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

A. Scope

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

B. Investment Instruments

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

The Treasurer may invest in the following instruments:

- Massachusetts State pooled fund: Unlimited amounts (Pool is liquid) The Massachusetts Municipal Depository Trust (MMDT), an investment pool for state, local, county and other independent governmental authorities, is under the auspices of the State Treasurer. It invests in Bankers Acceptances, Commercial Paper of high quality, Bank Certificates of Deposit, Repurchase agreements (Repos), and U. S. Treasury Obligations. It has Federal Deposit Insurance Corporation (F.D.I.C.) pass-through insurance on the CD's up to the standard limits and takes delivery on the Repos and Treasuries. Under Government Accounting Standards Board Regulation (GASB III), it is not considered an uncollateralized product.
- U. S. Treasuries that will be held to maturity: Unlimited amounts (Up to one year maturity from date of purchase)
- U.S. Agency obligations that will be held to maturity. Unlimited amounts (Up to one year maturity from date of purchase)
- Bank accounts or Certificates of Deposit ("CDs") (Up to one year) which are fully collateralized through a third party agreement: Unlimited Amounts
- Bank accounts and CDs (Up to one year) insured by F.D.I.C. up to the coverage limit. All bank accounts and CDs in one institution are considered in the aggregate for the insurance coverage limit. In some cases Banking Institutions carry additional insurance, Depository Insurance Fund (D.I.F.): Contact banking representative for amounts of coverage.
- Unsecured bank deposits of any kind such as other checking, savings, money market, or Certificates of Deposit accounts at Banks that do not fit the above categories. These investments are subject to the following limitations: No more than 5% of an institution's assets and no more than 25% of a municipality's cash may be comprised of unsecured bank deposits. This percentage may be increased for not more than 30 days during times of heavy collection or in anticipation of large payments that will be made by the entity in the near future. For example, these payments may be for such items as debt service payment or regional school assessments. Their credit worthiness will be tracked by Veribanc, or other bank credit worthiness reporting systems. They will be diversified as much as possible. CDs will be purchased for no more than one year and will be reviewed frequently.

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

C. Diversification

Diversification should be interpreted in two ways: in terms of maturity as well as instrument type and issuer. The diversification concept should include prohibition against over concentration of maturities, as well as concentration in a specific institution. With the exception of U.S. Treasury obligations or investments fully collateralized by U.S. Treasuries or agencies, and State pools (MMDT), no more than 25% of the Community's investments shall be invested in a single financial institution.

D. Authorization

The Treasurer has authority to invest entity funds, subject to the statutes of the Commonwealth Massachusetts General Law Chapter 44 Section 55,55A, & 55B.

E. Restrictions

Chapter 44, Section 55 set forth several restrictions that the Treasurer must be aware of when making investment selections.

- A Treasurer shall not at any one time have on deposit in a bank or trust company an amount exceeding 60% of the capital and surplus of such bank or trust company, or banking company, unless satisfactory security is given to it by such bank or trust company, or banking company for such excess.
- The treasurer shall not make a deposit in any bank, trust company or banking company with which he is, or for any time during the three years immediately preceding the date of any such deposit was, associated as an officer or employee.
- All securities shall have a maturity from date of purchase of one year or less.
- Purchases under an agreement with a trust company, national bank or Banking Company to repurchase at not less than original purchase price of said securities on a fixed date shall not exceed ninety days.

F. Legal References

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

II. The Investment of Long Term Funds

A. Scope

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

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

B. Authority

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

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

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

**C. Investment Instruments**

M.G.L. Chapter 44 section 54 states that money should be deposited into savings bank, trust companies incorporated under the laws of the Commonwealth, banking companies incorporated under the laws of the Commonwealth which are members of the Federal Deposit Insurance Corporation, or national banks, or invested in participation units in a combined investment fund under section thirty-eight A of chapter twenty-nine, or in a paid-up shares and accounts of and in co-operative banks, or in shares of savings and loan associations or in share or savings deposits of federal savings and loan associations doing business in the commonwealth.

Additionally the Community may invest such funds in securities, other than mortgages or collateral loans, which are legal for the investment of funds of savings banks under the laws of the commonwealth; provided, that not more than fifteen percent (15%) of any such trust funds shall be invested in bank stocks and insurance company stocks, nor shall more than one and one-half percent (1 ½%) of such funds be invested in the stock of any one bank or insurance company.

The Treasurer may invest in the following instruments:

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

**D. Standards of Care**

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

with written procedures and this IPS, and exercising reasonable due diligence, shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided the purchases and sale of securities is carried out in accordance with the terms of this IPS and the associated Massachusetts General Laws.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs; not for speculation, but for investment considering the probable safety of their capital as well as the probable income to be derived.

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

E. Diversification

Diversification should be interpreted in two ways: in terms of maturity as well as instrument type and issuer. The diversification concept should include prohibition against over concentration of maturities, as well as concentration in a specific institution, with the exception of U.S. Treasury obligations or investments fully collateralized by U.S. Treasuries or agencies.

F. Legal References

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

Trust Funds may be co-mingled and invested in any instruments allowed by the Commonwealth of Massachusetts list of Legal Investments Legal issued by the Banking Commissioner each July. Each trust fund must be accounted for separately. Chapter 44 Section 54 sets forth that Treasurers may invest in instruments that are legal for savings banks. This list of investments is included in the Commonwealth of Massachusetts List of Legal Investments, Chapter 167 Section 15A.

III. General Provisions

A. Objective

Massachusetts General Laws, Chapter 44, section 55B requires the Entity's Treasurer to invest all public funds except those required to be kept uninvested for purposes of immediate distribution.

This section also requires that invested funds are to be placed at the highest possible rate of interest reasonably available, taking into account the acceptable levels of safety, liquidity and yield. Therefore, these guidelines are intended to further the objective of securing the highest reasonable return available that is consistent with safety of principal while meeting the daily cash requirements for the operation of the entity's business.

- Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to preserve capital through the mitigation of credit risk and interest rate risk. These risks shall be mitigated by the diversification and prudent selection of investment instruments, and choice of depository. Credit risk is the risk of loss due to the failure of the security issuer or backer. Interest rate risk is the risk that the market value of the security will fall due to changes in general interest rates.
- Liquidity is the next most important objective. The overall investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. Since all possible cash demands cannot be anticipated, the treasurer shall attempt to carry out

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

- Yield is the third, and last, objective. Investments shall be undertaken so as to achieve a fair market average rate of return, taking into account safety and liquidity constraints as well as all legal requirements.

**B. Risk Tolerance**

- **Credit Risk**

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

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

- **Custodial Risk**

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

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

- **Concentration of Credit Risk**

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

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

- **Interest Rate Risk**

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

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

- **Foreign Currency Risk**

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

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

C. Ethics

The Treasurer (and Assistant Treasurer) shall refrain from any personal activity that may conflict with the proper execution of the investment program or which could impair or appear to impair ability to make impartial investment decisions. Said individuals shall disclose to the Finance Director any material financial interest in financial institutions that do business with the Community. They shall also disclose any large personal financial investment positions or loans that could be related to the performance of the Community's investments.

D. Relationship with Financial Institutions

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

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

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

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

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

E. Reporting Requirements

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

- A listing of the individual accounts and individual securities held at the end of the reporting period.
- A listing of the short-term investment portfolio by security type and maturity to ensure compliance with the diversification and maturity guidelines established in the "Diversification" section of this IPS.

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

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

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\_\_\_\_\_  
Treasurer's Signature

\_\_\_\_\_  
Date

### **Tax Title Policy & Procedure**

**Adopted by:** Board of Selectmen

**POLICY #:** 15-05

**Approved:** September 21, 2015

#### **Purpose**

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

#### **Time of Taking**

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

#### **Collection Efforts Prior to Taking**

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

#### **Procedure for Tax Taking**

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

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

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

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

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

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

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

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

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

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

**Additional Fees and Interest on Tax Title Account**

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

**Payment Plans**

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

**Certification of Subsequent Tax Takings**

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

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

**Payment of Tax Title Obligation**

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

**Foreclosure Proceedings**

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

### **Fraud Risk Assessment Policy**

**Adopted by:** Board of Selectmen

**POLICY #:** 15-07

**Approved:** November 9, 2015

#### **Introduction**

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

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

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

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

#### **Purpose**

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

#### **Definition of Misconduct and Dishonesty**

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

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

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

**POLICY AND RESPONSIBILITIES:**

**Reporting**

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

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

**Additional Responsibilities of Supervisors**

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

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

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

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

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

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

**Responsibility and Authority for Follow Up and Investigations**

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

Property designated members of the investigative team will have:

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

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

**Reported Incident Follow Up Procedures**

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

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

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

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

**Questions or Clarifications Related to this Policy**

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

**Acknowledgement**

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

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date Signed: \_\_\_\_\_





# BUDGET SUMMARIES



*"Hanover, Honoring Yesterday As We Build For Tomorrow"*



*Balanced Budget  
Summary*



## Balanced Budget Summaries

### Estimated Revenues

| TAX LEVY   |            |            |            |
|--|------------|------------|------------|
|  | FY17       | FY16       | FY15       |
| FY Levy Limit  | 36,980,861 | 35,747,973 | 34,450,915 |
| Add 2.5%   | 924,522    | 893,699    | 861,273    |
| Add Estimated FY New Growth                              | 340,000    | 340,000    | 240,000    |
|  | 38,245,383 | 36,981,672 | 35,552,188 |
| FY Excluded Debt   |            |            |            |
| Scheduled Net Excludable principal and interest payments | 4,352,976  | 4,577,189  | 3,522,771  |
| Adjusted Levy Limit                                      | 42,598,359 | 41,558,861 | 39,074,959 |
| STATE AID  |            |            |            |
|  | FY17       | FY16       | FY15       |
| Net of Public Libraries/School Lunch Direct Expenditure  | 8,817,141  | 8,705,980  | 8,553,514  |
| MSBA School Project                                      | 888,582    | 888,582    | 888,582    |
| Total State Aid  | 9,705,723  | 9,594,562  | 9,442,096  |
| LOCAL RECEIPTS   |            |            |            |
|  | FY17       | FY16       | FY15       |
| Motor Vehicle  | 2,350,000  | 1,982,228  | 1,755,525  |
| Other Excise - Boat                                      | 835        | 860        | 1,000      |
| Penalties & Interest on Taxes and Excises                | 90,000     | 90,000     | 90,000     |
| Fees   | 285,823    | 313,043    | 312,671    |
| Rentals/Leases   | 35,000     | 35,000     | 27,500     |
| Licenses and Permits                                     | 415,485    | 417,886    | 447,588    |
| Fines and Forfeits                                       | 90,775     | 87,570     | 84,250     |
| Investment Income  | 50,000     | 35,000     | 35,000     |
| Miscellaneous - Recurring                                | -          | -          | 30,000     |
| Total Local Receipts                                     | 3,317,918  | 2,961,587  | 2,783,534  |

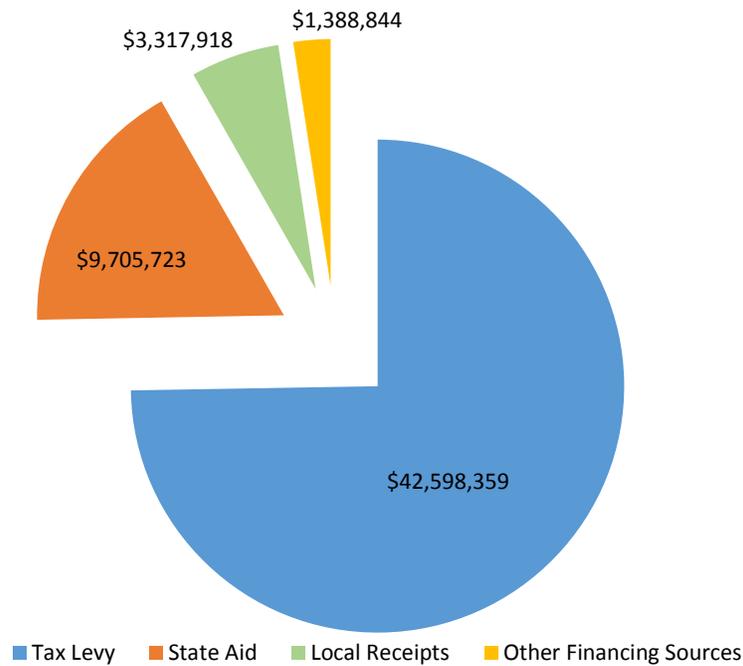


## Balanced Budget Summaries

### Estimated Revenues

| OTHER FINANCING SOURCES                    |                   |                   |                   |
|--|-------------------|-------------------|-------------------|
|  | FY17              | FY16              | FY15              |
| 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          | 39,810            | 40,865            | 32,851            |
| Ambulance Receipts Reserved Account        | 915,295           | 815,295           | 675,095           |
| Community Preservation Fund - Debt Service | -                 | -                 | 466,375           |
| Undesignated Fund Balance/Free Cash        | -                 | -                 | 250,000           |
| Total OFS                                  | 1,388,844         | 1,289,899         | 1,858,060         |
| <b>TOTAL ESTIMATED REVENUES</b>            | <b>57,010,844</b> | <b>55,404,909</b> | <b>53,158,649</b> |

### FY2017 Estimated Revenue





## Balanced Budget Summaries

### FY2017 % of Estimated Revenue



Tax Levy = 75%

State Aid = 17%

Local Receipts = 6%

Other = 2%



## Balanced Budget Summaries

### Appropriations

| <b>OTHER AMOUNTS TO BE RAISED</b> |                  |                  |                  |
|-----------------------------------|------------------|------------------|------------------|
|                                   | <b>FY17</b>      | <b>FY16</b>      | <b>FY15</b>      |
| Assessor's Annual Overlay Reserve | 350,000          | 350,000          | 350,000          |
| <b>Total Other Amounts</b>        | <b>350,000</b>   | <b>350,000</b>   | <b>350,000</b>   |
| <b>STATE &amp; COUNTY CHARGES</b> |                  |                  |                  |
|                                   | <b>FY17</b>      | <b>FY16</b>      | <b>FY15</b>      |
| County Assessments                | 51,422           | 49,656           | 48,445           |
| State Assessments                 | 71,404           | 69,868           | 66,687           |
| Transportation Assessments        | 93,592           | 92,280           | 90,864           |
| Tuition Assessments               | 370,755          | 389,219          | 362,950          |
| <b>Total Assessments</b>          | <b>587,173</b>   | <b>601,023</b>   | <b>568,946</b>   |
| <b>GENERAL GOVERNMENT</b>         |                  |                  |                  |
|                                   | <b>FY17</b>      | <b>FY16</b>      | <b>FY15</b>      |
| Town Manager                      | 315,792          | 294,838          | 292,744          |
| Legal Services                    | 125,000          | 125,000          | 125,000          |
| Central Office Supply - Town Hall | 30,000           | 30,000           | 20,275           |
| <b>Total General Government</b>   | <b>470,792</b>   | <b>449,838</b>   | <b>438,019</b>   |
| <b>FINANCE DEPARTMENT</b>         |                  |                  |                  |
|                                   | <b>FY17</b>      | <b>FY16</b>      | <b>FY15</b>      |
| Accounting                        | 113,893          | 164,318          | 170,232          |
| Assessors                         | 153,916          | 136,839          | 159,853          |
| Treasurer/Collector               | 316,505          | 328,584          | 308,963          |
| Payroll/Benefits                  | 177,498          | 0                | 0                |
| Advisory Committee                | 4,564            | 4,254            | 4,250            |
| Town Clerk                        | 111,627          | 103,416          | 107,121          |
| Elections & Town Meeting          | 52,765           | 25,155           | 27,872           |
| Registrars                        | 35,800           | 29,000           | 38,200           |
| <b>Total Finance Department</b>   | <b>966,568</b>   | <b>791,566</b>   | <b>816,491</b>   |
| <b>COMMUNITY SERVICES</b>         |                  |                  |                  |
|                                   | <b>FY17</b>      | <b>FY16</b>      | <b>FY15</b>      |
| Municipal Inspections             | 715,295          | 715,219          | 636,170          |
| Visiting Nurse Association        | 121,868          | 105,509          | 102,400          |
| Council on Aging                  | 204,969          | 195,936          | 201,102          |
| Veterans Services                 | 150,778          | 149,360          | 127,712          |
| John Curtis Library               | 563,011          | 520,305          | 518,597          |
| Parks & Recreation                | 152,140          | 0                | 0                |
| <b>Total Community Services</b>   | <b>1,908,061</b> | <b>1,686,329</b> | <b>1,585,981</b> |



## Balanced Budget Summaries

### Appropriations

| <b>POLICE</b>                        |                   |                   |                   |
|--------------------------------------|-------------------|-------------------|-------------------|
|                                      | <b>FY17</b>       | <b>FY16</b>       | <b>FY15</b>       |
| Police                               | 2,997,304         | 2,936,195         | 2,822,272         |
| Animal Control                       | 4,761             | 28,551            | 27,756            |
| Communications                       | 632,773           | 594,900           | 597,432           |
| <b>Total Police</b>                  | <b>3,634,838</b>  | <b>3,559,646</b>  | <b>3,447,460</b>  |
| <b>FIRE</b>                          |                   |                   |                   |
|                                      | <b>FY17</b>       | <b>FY16</b>       | <b>FY15</b>       |
| Fire                                 | 2,868,179         | 2,735,840         | 2,659,070         |
| Emergency Management                 | 8,500             | 5,000             | 5,000             |
| <b>Total Fire</b>                    | <b>2,876,679</b>  | <b>2,740,840</b>  | <b>2,664,070</b>  |
| <b>EDUCATION</b>                     |                   |                   |                   |
|                                      | <b>FY17</b>       | <b>FY16</b>       | <b>FY15</b>       |
| Hanover Public Schools               | 25,765,115        | 24,920,443        | 24,092,579        |
| South Shore Vocational School        | 794,915           | 741,712           | 719,259           |
| <b>Total Education</b>               | <b>26,560,030</b> | <b>25,662,155</b> | <b>24,811,838</b> |
| <b>FACILITIES DEPARTMENT</b>         |                   |                   |                   |
|                                      | <b>FY17</b>       | <b>FY16</b>       | <b>FY15</b>       |
| Facilities Department                | 3,802,686         | 3,635,096         | 3,445,080         |
| <b>Total Facilities</b>              | <b>3,802,686</b>  | <b>3,635,096</b>  | <b>3,445,080</b>  |
| <b>PUBLIC WORKS DEPARTMENT</b>       |                   |                   |                   |
|                                      | <b>FY17</b>       | <b>FY16</b>       | <b>FY15</b>       |
| DPW Administration                   | 279,946           | 273,370           | 259,963           |
| Highway                              | 594,615           | 570,833           | 543,000           |
| Snow & Ice                           | 387,000           | 387,000           | 387,000           |
| Street Lighting                      | 61,000            | 61,000            | 61,000            |
| Public Grounds                       | 399,311           | 398,303           | 375,400           |
| Transfer Station                     | 983,445           | 931,519           | 886,601           |
| Town Gas Pump                        | 266,400           | 282,000           | 282,000           |
| <b>Total Public Works Department</b> | <b>2,971,717</b>  | <b>2,904,025</b>  | <b>2,794,964</b>  |



## Balanced Budget Summaries

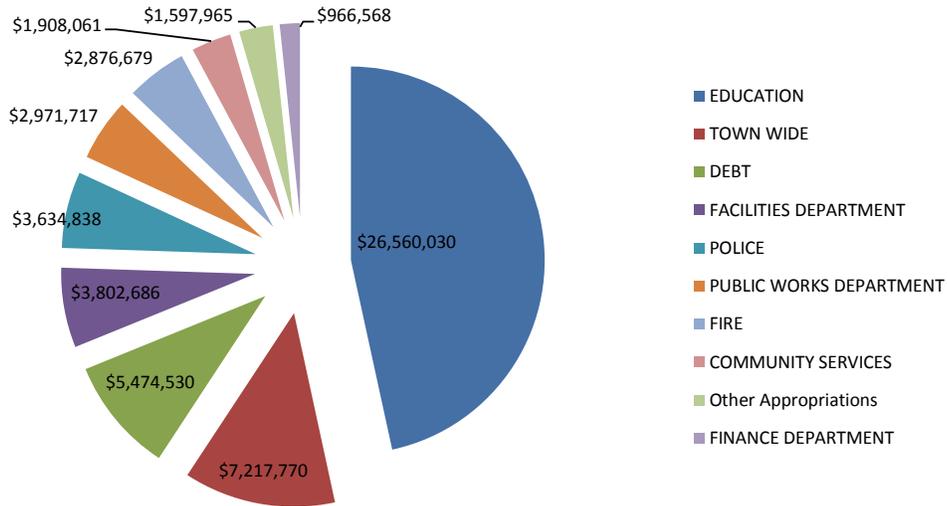
### Appropriations

| <b>DEBT</b>                     |                   |                   |                   |
|---------------------------------|-------------------|-------------------|-------------------|
|                                 | <b>FY17</b>       | <b>FY16</b>       | <b>FY15</b>       |
| Long Term Principal             | 3,795,568         | 3,790,568         | 3,455,868         |
| Long Term Interest              | 1,651,551         | 2,027,411         | 1,584,965         |
| Short Term Interest             | 17,411            | 44,726            | 132,481           |
| Issuance Costs                  | 10,000            | 10,000            | -                 |
| <b>Total Debt</b>               | <b>5,474,530</b>  | <b>5,872,705</b>  | <b>5,173,314</b>  |
| <b>TOWN WIDE</b>                |                   |                   |                   |
|                                 | <b>FY17</b>       | <b>FY16</b>       | <b>FY15</b>       |
| Pension/Retirement              | 3,404,748         | 3,279,033         | 3,055,267         |
| Workers Compensation            | 195,314           | 177,558           | 191,134           |
| Unemployment                    | 125,000           | 125,000           | 150,000           |
| Health Insurance                | 3,188,288         | 3,092,532         | 2,983,348         |
| Life Insurance                  | 5,480             | 5,480             | 10,500            |
| Education Benefits              | 3,000             | 3,000             | 3,000             |
| Employee Medical                | 25,000            | 25,000            | 37,945            |
| Risk Management                 | 233,440           | 217,352           | 206,645           |
| Town Audit                      | 37,500            | 34,500            | 34,500            |
| <b>Total Town wide</b>          | <b>7,217,770</b>  | <b>6,959,455</b>  | <b>6,672,339</b>  |
| <b>TRANSFERS</b>                |                   |                   |                   |
|                                 | <b>FY17</b>       | <b>FY16</b>       | <b>FY15</b>       |
| Advisory Committee Reserve Fund | 190,000           | 190,000           | 190,000           |
| <b>Total Transfers</b>          | <b>190,000</b>    | <b>190,000</b>    | <b>190,000</b>    |
| <b>TOTAL APPROPRIATIONS</b>     | <b>57,010,844</b> | <b>55,402,678</b> | <b>52,958,502</b> |

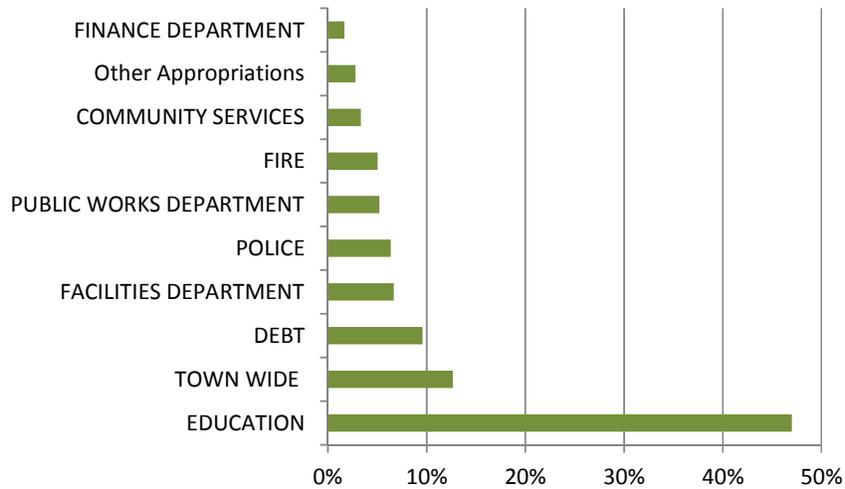


## Balanced Budget Summaries

### FY2017 Appropriations



### FY2017 Appropriations



*Revenue Budget  
Summary*



## Revenue Summary

### Revenue Summary

There are four major categories of revenue that help fund the General Fund operating budget. They are: property taxes, local receipts, state aid and other financing sources. Within these categories, overall available revenue is expected to increase by \$1,605,935 from \$55,404,909 to \$57,010,844 or 2.82%.

#### 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 FY17 represents approximately 75% of the revenue used to fund the budget. Property taxes are levied on real property (land and buildings) and personal property (equipment). Statutorily the Town is required to update the property values every three years and obtain certification from the Department of Revenue that such values represent full and fair cash value. The Town completed this process in FY15.

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

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

| Description                   | FY13              | FY14              | FY15              | FY16              | FY17              |
|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Prior Year Levy Limit         | 31,914,258        | 33,158,341        | 34,450,915        | 35,747,973        | 36,980,861        |
| ADD Amended Prior Year Growth | -                 | -                 | -                 | -                 | -                 |
| ADD 2.5%                      | 797,856           | 828,959           | 861,273           | 893,699           | 924,522           |
| ADD Current Year New Growth   | 446,227           | 463,615           | 435,785           | 340,000           | 340,000           |
| ADD Current Year Override     | -                 | -                 | -                 | -                 | -                 |
| Levy Limit                    | 33,158,341        | 34,450,915        | 35,747,973        | 36,981,672        | 38,245,383        |
| Fiscal Year Debt Exclusions   | 2,975,508         | 3,523,614         | 3,522,771         | 4,577,189         | 4,352,976         |
| <b>Maximum Allowable Levy</b> | <b>36,133,849</b> | <b>37,974,529</b> | <b>39,270,744</b> | <b>41,558,861</b> | <b>42,598,359</b> |



## Revenue Summary

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

|                             | FY13    | FY14    | FY15    | FY16    | FY17    |
|-----------------------------|---------|---------|---------|---------|---------|
| Estimated New Growth        | 240,000 | 240,000 | 240,000 | 340,000 | 340,000 |
| Actual New Growth Certified | 446,227 | 463,615 | 435,785 | 339,189 | TBD     |
| Actual Over Estimated       | 206,227 | 223,615 | 195,785 | (811)   | TBD     |

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

| Date of Ballot Vote | Purpose of Exclusion Vote | Date of Original Note/Bond | Original Issue Amount | Temporary or Permanent | FY17                          |                |                           |
|---------------------|---------------------------|----------------------------|-----------------------|------------------------|-------------------------------|----------------|---------------------------|
|                     |                           |                            |                       |                        | Gross Debt Service Excludable | Reimb/Adjust   | Net Excluded Debt Service |
| 3/5/1996            | Library                   | 6/15/2001                  | 1,160,000.00          | P                      | 137,200                       | -              | 137,200                   |
| 5/10/1997           | Police Station            | 5/15/1998                  | 1,181,000.00          | P                      | 182,520                       | -              | 182,520                   |
| 9/15/1998           | Middle School             | 6/15/2001                  | 12,770,000.00         | P                      | 1,111,150                     | 373,840        | 737,310                   |
| 5/10/2008           | Senior Center             | 5/15/2009                  | 3,000,000.00          | P                      | 222,058                       | 3,576          | 218,482                   |
| 5/10/2008           | Senior Center             | 9/14/2011                  | 900,000.00            | P                      | 73,969                        | 4,148          | 69,821                    |
| 9/16/2008           | High School               | 9/14/2011                  | 8,000,000.00          | P                      | 657,500                       | 36,871         | 620,629                   |
| 9/16/2008           | High School               | 5/15/2009                  | 16,000,000.00         | P                      | 1,190,423                     | 19,175         | 1,171,247                 |
| 9/16/2008           | High School I             | 9/11/2014                  | 6,000,000.00          | P                      | 527,250                       | 67,309         | 459,941                   |
| 9/16/2008           | High School II            | 9/11/2014                  | 210,000.00            | P                      | 22,700                        | 2,375          | 20,325                    |
| 5/7/2011            | Road Reconstruction       | 9/14/2011                  | 3,000,000.00          | P                      | 301,488                       | 18,494         | 282,993                   |
| 5/7/2011            | Road Reconstruction       | 9/11/2014                  | 4,600,000.00          | P                      | 518,950                       | 66,442         | 452,508                   |
| <b>TOTALS</b>       |                           |                            |                       |                        | <b>4,945,206</b>              | <b>592,231</b> | <b>4,352,976</b>          |

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



## Revenue Summary

| <b>Fiscal Year</b> | <b>Maximum Allowable Levy</b> | <b>Excess Capacity</b> | <b>Tax Levy</b> |
|--------------------|-------------------------------|------------------------|-----------------|
| 2016               | 41,558,051                    | 52,649                 | 41,505,402      |
| 2015               | \$ 39,270,745                 | \$ 596,383             | \$ 38,674,362   |
| 2014               | \$ 37,974,529                 | \$ 1,018,561           | \$ 36,955,968   |
| 2013               | \$ 36,133,849                 | \$ 134,439             | \$ 35,999,410   |
| 2012               | \$ 34,101,612                 | \$ 2,852               | \$ 34,098,760   |

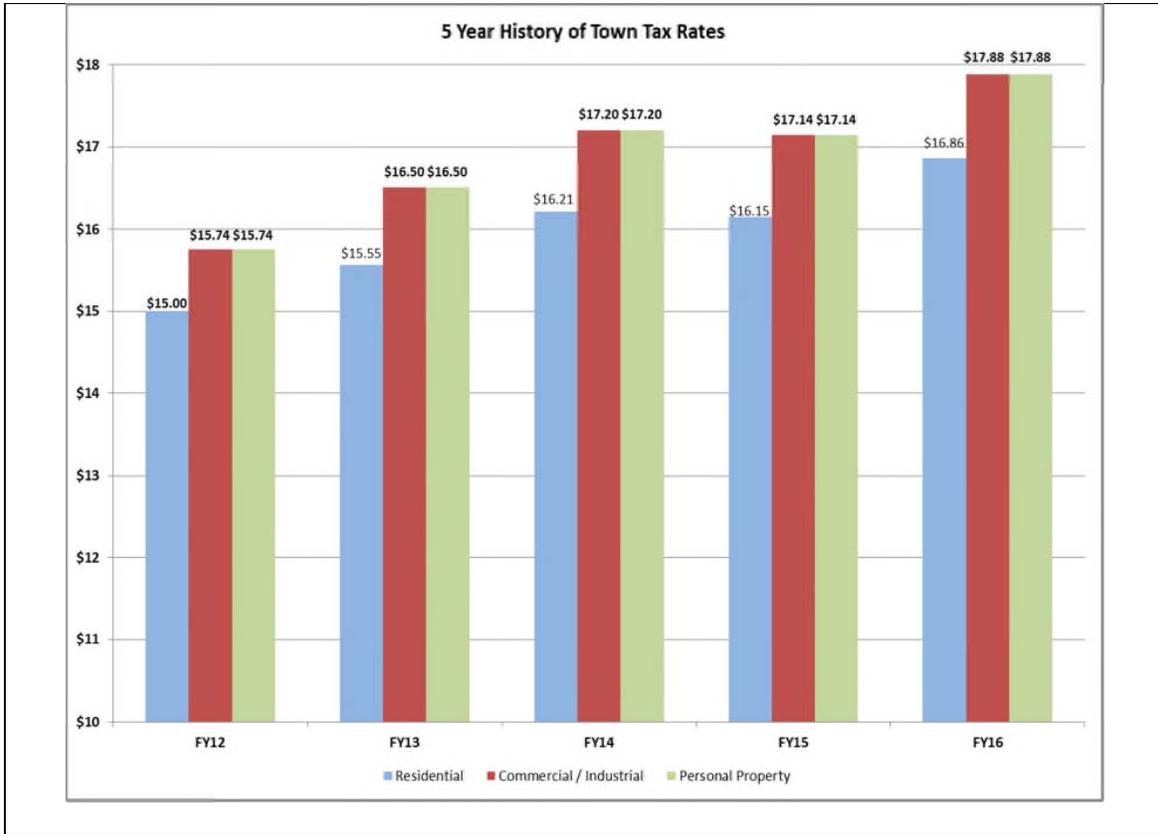
The Board of Selectmen has three options to shift the tax levy between property classes which affect tax rates. They are a classified tax rate which will shift a portion of the tax levy from the residential class to the CIP class (commercial, industrial and personal), a residential exemption which exempts 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 FY12 rates for all categories through FY16. 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).

| <b>Class</b>      | <b>Tax Rate</b> |             |             |             |             |
|-------------------|-----------------|-------------|-------------|-------------|-------------|
|                   | <b>FY12</b>     | <b>FY13</b> | <b>FY14</b> | <b>FY15</b> | <b>FY16</b> |
| Residential       | 15.00           | 15.55       | 16.21       | 16.15       | 16.86       |
| Commercial        | 15.74           | 16.50       | 17.20       | 17.14       | 17.88       |
| Industrial        | 15.74           | 16.50       | 17.20       | 17.14       | 17.88       |
|                   |                 |             |             |             |             |
| Personal Property | 15.74           | 16.50       | 17.20       | 17.14       | 17.88       |



## Revenue Summary



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

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

| Fiscal Year | Real Estate & Personal Property Commitments | Abatements Approved | Tax Deferrals Granted | Net Tax Levy | Net Collections | % Collected |
|-------------|---|---------------------|-----------------------|--------------|-----------------|-------------|
| 2015        | 38,674,374                                  | 196,645             | 19,199                | 38,458,530   | 37,967,782      | 98.72%      |
| 2014        | 36,537,954                                  | 151,788             | 21,314                | 36,364,852   | 36,304,877      | 99.84%      |
| 2013        | 35,998,407                                  | 64,567              | 16,993                | 35,916,847   | 35,225,237      | 98.07%      |
| 2012        | 34,098,760                                  | 60,954              | 11,181                | 34,026,625   | 33,473,640      | 98.37%      |



## Revenue Summary

### 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.

This revenue is dependable in its collection and for this budget is being estimated higher than in past years. We have seen an increase in collections and feel this will continue based on the current economy. We have estimated an increase in FY17 due continued and steady revenue growth in this area. The economic outlook continues to be good, thus we anticipate an increase in this category, however the estimate of two million three hundred and fifty thousand dollars is still well below collections actually received, so this revenue category will continue to be a source of free cash.

| Description          | ACTUAL REVENUE |           |           | Estimated<br>FY16 | Estimated<br>FY17 |
|----------------------|----------------|-----------|-----------|-------------------|-------------------|
|                      | FY13           | FY14      | FY15      |                   |                   |
| Motor Vehicle Excise | 1,930,714      | 2,332,033 | 2,513,982 | 1,982,228         | 2,350,000         |



## Revenue Summary

### 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.

We estimated this revenue based on a percentage of the actual amount collected in fiscal year 2015. The Town has only a certain amount of boat excise bills and the collection of them is predictable.

| Description | ACTUAL REVENUE |      |      | Estimated<br>FY16 | Estimated<br>FY17 |
|-------------|----------------|------|------|-------------------|-------------------|
|             | FY13           | FY14 | FY15 |                   |                   |
| Boat Excise | 1,149          | 860  | 982  | 860               | 835               |

### Penalties & Interest

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

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

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

| Description                                 | ACTUAL REVENUE |         |         | Estimated<br>FY16 | Estimated<br>FY17 |
|---|----------------|---------|---------|-------------------|-------------------|
|   | FY13           | FY14    | FY15    |                   |                   |
| Penalties & Interest on<br>Taxes and Excise | 121,678        | 128,712 | 113,656 | 90,000            | 90,000            |



## Revenue Summary

### 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      | Estimated      |
|----------------------------|----------------|----------------|----------------|----------------|----------------|
|                            | FY13           | FY14           | FY15           | FY16           | FY17           |
| Town Clerk Fees            | 5,365          | 2,659          | 1,560          | 2,250          | 1,326          |
| Municipal Lien Certificate | -              | 19,800         | 21,950         | 19,800         | 20,000         |
| Treasurer Demands and Fees | 62,571         | 50,552         | 52,575         | 42,950         | 43,000         |
| Sealer of Weights          | 4,585          | 7,232          | 7,890          | 6,150          | 6,150          |
| Transfer Station           | 122,736        | 103,670        | 94,778         | 100,000        | 80,561         |
| Board of Health            | 16,608         | 20,972         | 23,625         | 17,826         | 17,826         |
| Deputy Tax Collector Fees  | 24,375         | 929            | 386            | -              | -              |
| Street Openings            | 3,450          | 3,850          | 5,500          | 3,273          | 4,675          |
| Off Duty Detail Admin Fees | 25,756         | 39,587         | 32,987         | 33,649         | 31,325         |
| Passport Fees              | 36,382         | 36,415         | 38,115         | 35,000         | 35,000         |
| Selectmen Fees             | 1,297          | -              | 216            | -              | -              |
| Treasurer/Collector Fees   | 1,985          | 1,036          | 901            | 1,000          | 900            |
| Board of Assessors         | 1,551          | 1,296          | 1,178          | 1,100          | 1,100          |
| Conservation Fees          | 12,186         | 12,138         | 13,216         | 10,300         | 11,200         |
| Planning Board             | 21,079         | 40,970         | 19,129         | 28,000         | 19,000         |
| Board of Appeals           | 2,259          | 4,319          | 6,720          | 3,675          | 3,675          |
| Police Department Fees     | 4,460          | 5,678          | 7,037          | 4,825          | 5,985          |
| School Department Fees     | 214            | 567            | -              | -              | -              |
| Animal Control Fees        | -              | 1,225          | 1,050          | -              | 1,000          |
| DPW Fees                   | 100            | -              | -              | -              | -              |
| Building Department Fees   | 10,664         | 3,819          | 3,143          | 3,245          | 3,100          |
| Flu Clinic Fees            | 2,530          | -              | -              | -              | -              |
| <b>Subtotal</b>            | <b>360,153</b> | <b>356,714</b> | <b>331,957</b> | <b>313,043</b> | <b>285,823</b> |



## Revenue Summary

### 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 \$3,027 which will result in an increase to \$3,118 for ten (10) months of FY17.

| Description    | ACTUAL REVENUE |        |        | Estimated | Estimated |
|----------------|----------------|--------|--------|-----------|-----------|
|                | FY13           | FY14   | FY15   | FY16      | FY17      |
| Lease Receipts | 27,540         | 34,073 | 35,095 | 35,000    | 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.



## Revenue Summary

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.

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

| Description                 | ACTUAL REVENUE |                |                | Estimated<br>FY16 | Estimated<br>FY17 |
|-----------------------------|----------------|----------------|----------------|-------------------|-------------------|
|                             | FY13           | FY14           | FY15           |                   |                   |
| Alcoholic Beverage Licenses | 46,560         | 46,625         | 51,190         | 41,500            | 41,500            |
| Selectmen Licenses          | 28,225         | 17,815         | 22,897         | 15,000            | 15,000            |
| Dog Licenses                | 3,710          | 8,580          | 7,735          | 7,275             | 7,295             |
| Board of Health Licenses    | 2,010          | 5,025          | 4,050          | 4,271             | 4,000             |
| Town Clerk Licenses         | 5,230          | 16,150         | 14,500         | 13,725            | 13,725            |
| Police Permits              | 6,800          | 4,838          | 3,163          | 4,115             | 3,100             |
| Fire Permits                | 20,644         | 19,408         | 17,974         | 14,450            | 14,450            |
| Building Permits            | 321,847        | 173,331        | 184,328        | 205,000           | 205,000           |
| Plumbing Permits            | 29,676         | 23,629         | 23,773         | 20,000            | 20,200            |
| Gas Permits                 | 16,160         | 15,405         | 11,371         | 13,000            | 9,665             |
| Wiring Permits              | 44,564         | 41,424         | 40,007         | 32,000            | 34,000            |
| Board of Health Permits     | 79,240         | 55,997         | 61,352         | 47,550            | 47,550            |
| <b>Subtotal</b>             | <b>604,666</b> | <b>428,227</b> | <b>442,337</b> | <b>417,886</b>    | <b>415,485</b>    |



## Revenue Summary

### 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<br>FY16 | Estimated<br>FY17 |
|------------------------------|----------------|----------------|----------------|-------------------|-------------------|
|                              | FY13           | FY14           | FY15           |                   |                   |
| District Court               | 17,649         | 13,921         | 11,706         | 11,800            | 9,950             |
| Parking Clerk                | 2,337          | 4,837          | 6,612          | 4,100             | 5,620             |
| Surcharge R.M.V.             | 11,798         | 11,790         | 13,100         | 10,000            | 11,135            |
| Dog Fines                    | 1,925          | 1,225          | 725            | -                 | -                 |
| Library Fines                | 11,324         | 10,079         | 9,267          | 8,500             | 8,500             |
| Motor Vehicle                | 47,215         | 53,013         | 58,441         | 45,000            | 49,675            |
| By Law Violations            | -              | -              | -              | -                 | -                 |
| Marijuana Citations          | 2,100          | 1,700          | 1,000          | 1,445             | 850               |
| False Alarms - Public Safety | 5,650          | 7,910          | 5,935          | 6,725             | 5,045             |
| <b>Subtotal</b>              | <b>99,998</b>  | <b>104,475</b> | <b>106,786</b> | <b>87,570</b>     | <b>90,775</b>     |



## Revenue Summary

### 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.

For the last several years, the Town Manager and Finance Director have worked closely with our investment consultant Bartholomew & Company to develop a more effective long term strategy on investments. This statutes relative to investment of public funds places strict restrictions on available investment tools. Working closely with our investment advisor our management team and the Board of Selectmen together developed an investment policy which was voted by the Board and is included in this document. As a result, our estimate for investment income for the coming year has been increased.

| Description             | ACTUAL REVENUE |        |        | Estimated<br>FY16 | Estimated<br>FY17 |
|-------------------------|----------------|--------|--------|-------------------|-------------------|
|                         | FY13           | FY14   | FY15   |                   |                   |
| Earnings on Investments | 797            | 35,016 | 27,207 | 35,000            | 50,000            |

### Summary of Local Receipts

| Description                                 | ACTUAL REVENUE   |                  |                  | Estimated<br>FY16 | Estimated<br>FY17 |
|---|------------------|------------------|------------------|-------------------|-------------------|
|   | FY13             | FY14             | FY15             |                   |                   |
| Motor Vehicle Excise                        | 1,930,714        | 2,332,033        | 2,513,982        | 1,982,228         | 2,350,000         |
| Boat Excise                                 | 1,149            | 860              | 982              | 860               | 835               |
| Penalties & Interest on Taxes<br>and Excise | 121,678          | 128,712          | 113,656          | 90,000            | 90,000            |
| PILOT payments                              | 28,390           | -                | -                | -                 | -                 |
| Urban Redevelopment                         | 62,292           | 83,569           | 94,582           | -                 | -                 |
| <b>Subtotal</b>                             | <b>2,144,223</b> | <b>2,545,174</b> | <b>2,723,201</b> | <b>2,073,088</b>  | <b>2,440,835</b>  |
| Town Clerk Fees                             | 5,365            | 2,659            | 1,560            | 2,250             | 1,326             |
| Municipal Lien Certificate                  | -                | 19,800           | 21,950           | 19,800            | 20,000            |
| Treasurer Demands and Fees                  | 62,571           | 50,552           | 52,575           | 42,950            | 43,000            |
| Sealer of Weights                           | 4,585            | 7,232            | 7,890            | 6,150             | 6,150             |
| Transfer Station                            | 122,736          | 103,670          | 94,778           | 100,000           | 80,561            |
| Board of Health                             | 16,608           | 20,972           | 23,625           | 17,826            | 17,826            |
| Deputy Tax Collector Fees                   | 24,375           | 929              | 386              | -                 | -                 |
| Street Openings                             | 3,450            | 3,850            | 5,500            | 3,273             | 4,675             |
| Off Duty Detail Admin Fees                  | 25,756           | 39,587           | 32,987           | 33,649            | 31,325            |
| Passport Fees                               | 36,382           | 36,415           | 38,115           | 35,000            | 35,000            |
| Selectmen Fees                              | 1,297            | -                | 216              | -                 | -                 |
| Treasurer/Collector Fees                    | 1,985            | 1,036            | 901              | 1,000             | 900               |
| Board of Assessors                          | 1,551            | 1,296            | 1,178            | 1,100             | 1,100             |
| Conservation Fees                           | 12,186           | 12,138           | 13,216           | 10,300            | 11,200            |
| Planning Board                              | 21,079           | 40,970           | 19,129           | 28,000            | 19,000            |
| Board of Appeals                            | 2,259            | 4,319            | 6,720            | 3,675             | 3,675             |
| Police Department Fees                      | 4,460            | 5,678            | 7,037            | 4,825             | 5,985             |
| School Department Fees                      | 214              | 567              | -                | -                 | -                 |
| Animal Control Fees                         | -                | 1,225            | 1,050            | -                 | 1,000             |
| DPW Fees                                    | 100              | -                | -                | -                 | -                 |
| Building Department Fees                    | 10,664           | 3,819            | 3,143            | 3,245             | 3,100             |
| Flu Clinic Fees                             | 2,530            | -                | -                | -                 | -                 |
| <b>Subtotal</b>                             | <b>360,153</b>   | <b>356,714</b>   | <b>331,957</b>   | <b>313,043</b>    | <b>285,823</b>    |

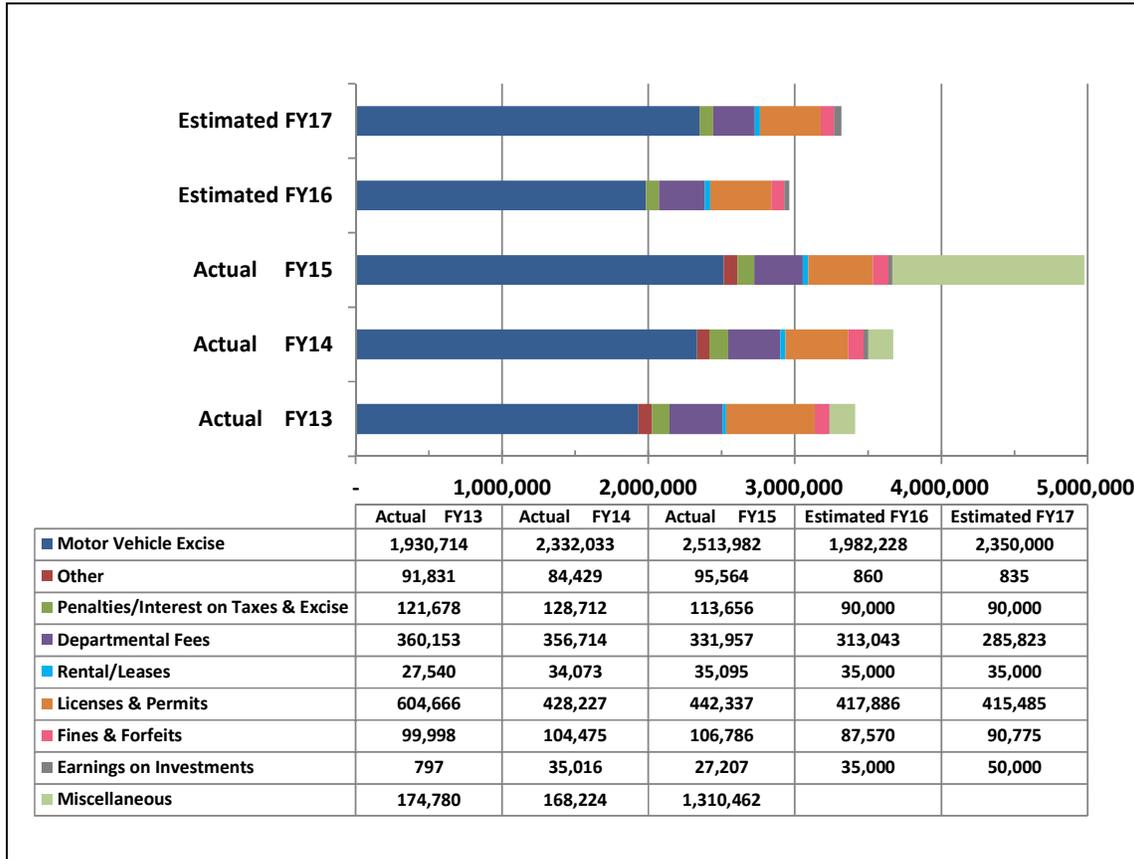
### Summary of Local Receipts

| Description                  | ACTUAL REVENUE   |                  |                  | Estimated<br>FY16 | Estimated<br>FY17 |
|------------------------------|------------------|------------------|------------------|-------------------|-------------------|
|                              | FY13             | FY14             | FY15             |                   |                   |
| Lease Receipts               | 27,540           | 34,073           | 35,095           | 35,000            | 35,000            |
| Alcoholic Beverage Licenses  | 46,560           | 46,625           | 51,190           | 41,500            | 41,500            |
| Selectmen Licenses           | 28,225           | 17,815           | 22,897           | 15,000            | 15,000            |
| Dog Licenses                 | 3,710            | 8,580            | 7,735            | 7,275             | 7,295             |
| Board of Health Licenses     | 2,010            | 5,025            | 4,050            | 4,271             | 4,000             |
| Town Clerk Licenses          | 5,230            | 16,150           | 14,500           | 13,725            | 13,725            |
| Police Permits               | 6,800            | 4,838            | 3,163            | 4,115             | 3,100             |
| Fire Permits                 | 20,644           | 19,408           | 17,974           | 14,450            | 14,450            |
| Building Permits             | 321,847          | 173,331          | 184,328          | 205,000           | 205,000           |
| Plumbing Permits             | 29,676           | 23,629           | 23,773           | 20,000            | 20,200            |
| Gas Permits                  | 16,160           | 15,405           | 11,371           | 13,000            | 9,665             |
| Wiring Permits               | 44,564           | 41,424           | 40,007           | 32,000            | 34,000            |
| Board of Health Permits      | 79,240           | 55,997           | 61,352           | 47,550            | 47,550            |
| Selectmen Permits            | -                | -                | -                | -                 | -                 |
| <b>Subtotal</b>              | <b>604,666</b>   | <b>428,227</b>   | <b>442,337</b>   | <b>417,886</b>    | <b>415,485</b>    |
| District Court               | 17,649           | 13,921           | 11,706           | 11,800            | 9,950             |
| Parking Clerk                | 2,337            | 4,837            | 6,612            | 4,100             | 5,620             |
| Surcharge R.M.V.             | 11,798           | 11,790           | 13,100           | 10,000            | 11,135            |
| Dog Fines                    | 1,925            | 1,225            | 725              | -                 | -                 |
| Library Fines                | 11,324           | 10,079           | 9,267            | 8,500             | 8,500             |
| Motor Vehicle                | 47,215           | 53,013           | 58,441           | 45,000            | 49,675            |
| By Law Violations            | -                | -                | -                | -                 | -                 |
| Marijuana Citations          | 2,100            | 1,700            | 1,000            | 1,445             | 850               |
| False Alarms - Public Safety | 5,650            | 7,910            | 5,935            | 6,725             | 5,045             |
| <b>Subtotal</b>              | <b>99,998</b>    | <b>104,475</b>   | <b>106,786</b>   | <b>87,570</b>     | <b>90,775</b>     |
| Earnings on Investments      | 797              | 35,016           | 27,207           | 35,000            | 50,000            |
| Dividends                    | -                | -                | -                | -                 | -                 |
| <b>Subtotal</b>              | <b>797</b>       | <b>35,016</b>    | <b>27,207</b>    | <b>35,000</b>     | <b>50,000</b>     |
| Miscellaneous                | 174,780          | 168,224          | 1,310,462        | -                 | -                 |
| <b>Total Local Receipts</b>  | <b>3,412,157</b> | <b>3,671,903</b> | <b>4,977,045</b> | <b>2,961,587</b>  | <b>3,317,918</b>  |



## Revenue Summary

### LOCAL RECEIPTS HISTORY



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

### State Aid

The state aid in which the Town receives is reported by the State on the Cherry Sheet. This is named for the pink colored paper on which it was originally printed. The Cherry Sheet has two parts. The first itemizes the revenues in which the Town will receive including direct school aid, local aid and specific reimbursements and distributions such as aid to public libraries, veterans' benefits and a number of school related items. The second itemizes the charges or assessments. This will be explained in more detail under the appropriation section. For the FY17 budget process, the Town forecasted no increase over the reported amount for FY16. At the 2016



## Revenue Summary

Massachusetts Municipal Association Conference, the Governor announced his plans to increase state aid by 4.3%, however consistent with the Town’s financial policies and the conservative approach taken by the Town Manager, state aid estimates will remain level for the coming year. This continued conservative approach will also serve to bolster free cash.

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

| Description                  | ACTUAL REVENUE |           |           | Cherry Sheet FY16 | Estimated FY17 |
|------------------------------|----------------|-----------|-----------|-------------------|----------------|
|                              | FY13           | FY14      | FY15      |                   |                |
| School Aid (Ed Reform) Ch.70 | 6,460,514      | 6,526,114 | 6,590,764 | 6,654,914         | 6,654,914      |

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

| Description            | ACTUAL REVENUE |           |           | Cherry Sheet FY16 | Estimated FY17 |
|------------------------|----------------|-----------|-----------|-------------------|----------------|
|                        | FY13           | FY14      | FY15      |                   |                |
| Unrestricted Gov't Aid | 1,791,747      | 1,834,100 | 1,884,963 | 1,952,822         | 1,952,822      |

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

| Description                             | ACTUAL REVENUE |        |        | Cherry Sheet FY16 | Estimated FY17 |
|---|----------------|--------|--------|-------------------|----------------|
|   | FY13           | FY14   | FY15   |                   |                |
| Charter School Assessment Reimbursement | 35,255         | 47,282 | 41,414 | 45,142            | 45,142         |



## Revenue Summary

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

| Description        | ACTUAL REVENUE |        |        | Cherry Sheet FY16 | Estimated FY17 |
|--------------------|----------------|--------|--------|-------------------|----------------|
|                    | FY13           | FY14   | FY15   |                   |                |
| Veterans' Benefits | 57,293         | 63,304 | 82,514 | 88,919            | 88,919         |

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

| Description  | ACTUAL REVENUE |        |        | Cherry Sheet FY16 | Estimated FY17 |
|--|----------------|--------|--------|-------------------|----------------|
|  | FY13           | FY14   | FY15   |                   |                |
| Exemptions: Vets, Blind & Surviving Spouse & Elderly | 14,072         | 67,393 | 68,409 | 68,409            | 68,409         |

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

| Description      | ACTUAL REVENUE |       |       | Cherry Sheet FY16 | Estimated FY17 |
|------------------|----------------|-------|-------|-------------------|----------------|
|                  | FY13           | FY14  | FY15  |                   |                |
| State Owned Land | 6,537          | 6,666 | 6,935 | 6,935             | 6,935          |



## Revenue Summary

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

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

| <b>Project</b>         | <b>FY17</b>      | <b>FY18</b>      | <b>FY19</b>      | <b>FY20</b>      | <b>FY21</b>      |
|------------------------|------------------|------------------|------------------|------------------|------------------|
| Cedar School           | (259,765)        | (259,765)        | (259,765)        | (259,765)        | (259,765)        |
| Center School          | (254,977)        | (254,977)        | (254,977)        | (254,977)        | (254,977)        |
| Middle School          | (373,840)        | (373,840)        | (373,840)        | (373,840)        | (373,840)        |
| <b>Total State Aid</b> | <b>(888,582)</b> | <b>(888,582)</b> | <b>(888,582)</b> | <b>(888,582)</b> | <b>(888,582)</b> |

### Summary of State Aid

| Description  | ACTUAL REVENUE   |                  |                  | Cherry Sheet FY16 | Estimated FY17   |
|--|------------------|------------------|------------------|-------------------|------------------|
|  | FY13             | FY14             | FY15             |                   |                  |
| School Aid (Ed Reform) Ch.70                         | 6,460,514        | 6,526,114        | 6,590,764        | 6,654,914         | 6,654,914        |
| School Transportation                                | 1,972            | -                | -                | -                 | -                |
| Charter School Assessment Reimbursement              | 35,255           | 47,282           | 41,414           | 45,142            | 45,142           |
| <b>Subtotal</b>                                      | <b>6,497,741</b> | <b>6,573,396</b> | <b>6,632,178</b> | <b>6,700,056</b>  | <b>6,700,056</b> |
| Unrestricted Gov't Aid                               | 1,791,747        | 1,834,100        | 1,884,963        | 1,952,822         | 1,952,822        |
| Election Polling                                     | 3,376            | -                | 3,654            | -                 | -                |
| Veterans' Benefits                                   | 57,293           | 63,304           | 82,514           | 88,919            | 88,919           |
| Exemptions: Vets, Blind & Surviving Spouse & Elderly | 14,072           | 67,393           | 68,409           | 68,409            | 68,409           |
| State Owned Land                                     | 6,537            | 6,666            | 6,935            | 6,935             | 6,935            |
| <b>Subtotal</b>                                      | <b>1,873,025</b> | <b>1,971,463</b> | <b>2,046,475</b> | <b>2,117,085</b>  | <b>2,117,085</b> |
| <i>State Aid available for budget purposes</i>       | <i>8,370,766</i> | <i>8,544,859</i> | <i>8,678,653</i> | <i>8,817,141</i>  | <i>8,817,141</i> |
| MSBA School Project                                  | 888,582          | 888,582          | 888,582          | 888,582           | 888,582          |
| <b>Total State Revenue</b>                           | <b>9,259,348</b> | <b>9,433,441</b> | <b>9,567,235</b> | <b>9,705,723</b>  | <b>9,705,723</b> |



## Revenue Summary

### **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. Based on a significant upward trend due to the increase in reimbursable ambulance rates, we have increased the estimate in this category so that the ambulance service is supported to a greater extent by its operation rather than general revenues. The FY17 estimate still leaves significant revenue for the ambulance receipts reserved fund to address future capital needs of the fire department.

| Description         | ACTUAL REVENUE |                |                | Budget         | Estimated      |
|---------------------|----------------|----------------|----------------|----------------|----------------|
|                     | FY13           | FY14           | FY15           | FY16           | FY17           |
| Ambulance Receipts: |                |                |                |                |                |
| Salaries            | 387,700        | 511,695        | 511,695        | 642,895        | 642,895        |
| Expenses            | 88,050         | 105,050        | 89,850         | 108,050        | 208,050        |
| Debt                | 77,150         | 75,350         | 73,550         | 64,350         | 64,350         |
| <b>Subtotal</b>     | <b>552,900</b> | <b>692,095</b> | <b>675,095</b> | <b>815,295</b> | <b>915,295</b> |

**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        | Estimated     |
|-------------------------------|----------------|---------------|---------------|---------------|---------------|
|                               | FY13           | FY14          | FY15          | FY16          | FY17          |
| 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        |
| <b>Subtotal</b>               | <b>75,000</b>  | <b>75,000</b> | <b>75,000</b> | <b>75,000</b> | <b>75,000</b> |



## Revenue Summary

**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 | Estimated |
|---------------------------|----------------|--------|--------|--------|-----------|
|                           | FY13           | FY14   | FY15   | FY16   | FY17      |
| Title V Septic Betterment | 10,872         | 28,288 | 32,851 | 40,865 | 39,810    |

**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 | Estimated |
|--------------------------|----------------|---------------|------|--------|-----------|
|                          | FY13           | FY14          | FY15 | FY16   | FY17      |
| Wetlands Protection Fund |                |               |      |        |           |
| Salaries                 | 9,000          | 9,000         |      |        |           |
| Expenses                 | 1,000          | 1,000         |      |        |           |
| <b>Subtotal</b>          | <b>10,000</b>  | <b>10,000</b> |      |        |           |



## Revenue Summary

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

| Description                 | ACTUAL REVENUE |                |                | Budget<br>FY16 | Estimated<br>FY17 |
|-----------------------------|----------------|----------------|----------------|----------------|-------------------|
|                             | FY13           | FY14           | FY15           |                |                   |
| Community Preservation Fund |                |                |                |                |                   |
| Administrative budget       | 45,755         |                |                |                |                   |
| Indirect                    | 2,890          |                |                |                |                   |
| Debt                        | 491,831        | 481,650        | 466,375        |                |                   |
| <b>Subtotal</b>             | <b>540,476</b> | <b>481,650</b> | <b>466,375</b> |                |                   |

**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. The calculation for contributions to the general fund from the water enterprise fund has remained constant for the last several years. In FY17, we plan to undertake a thorough review of those indirect costs, and anticipate a change in that estimate for FY18.

| Description                     | ACTUAL REVENUE |         |         | Budget<br>FY16 | Estimated<br>FY17 |
|---------------------------------|----------------|---------|---------|----------------|-------------------|
|                                 | FY13           | FY14    | FY15    |                |                   |
| Water Enterprise Indirect Costs | 358,739        | 358,739 | 358,739 | 358,739        | 358,739           |

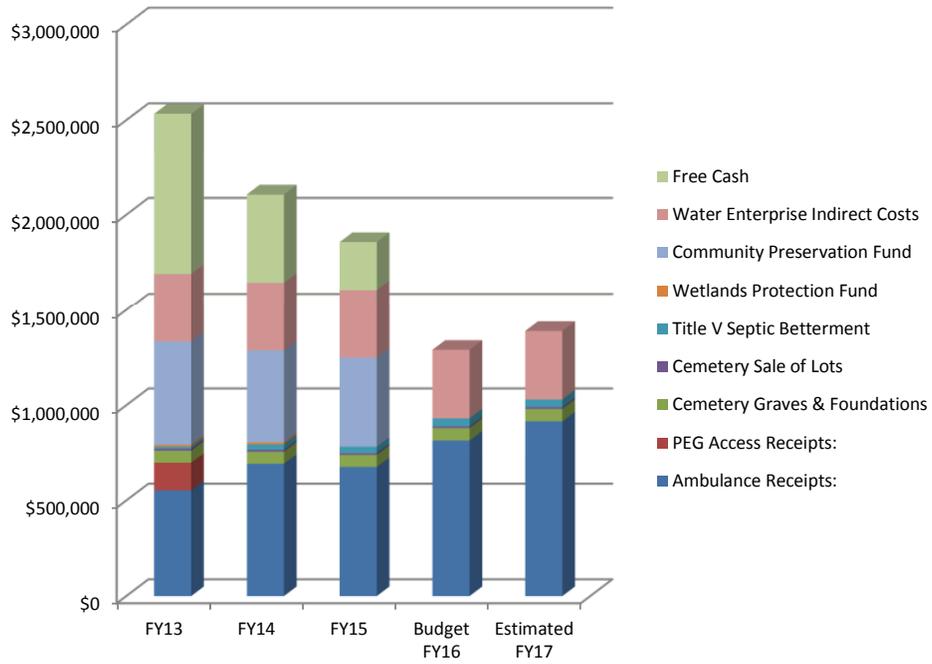
### Summary of Other Financing Sources

| Description                     | ACTUAL REVENUE   |                  |                  | Budget<br>FY16   | Estimated<br>FY17 |
|---------------------------------|------------------|------------------|------------------|------------------|-------------------|
|                                 | FY13             | FY14             | FY15             |                  |                   |
| Ambulance Receipts:             |                  |                  |                  |                  |                   |
| Salaries                        | 387,700          | 511,695          | 511,695          | 642,895          | 642,895           |
| Expenses                        | 88,050           | 105,050          | 89,850           | 108,050          | 208,050           |
| Debt                            | 77,150           | 75,350           | 73,550           | 64,350           | 64,350            |
| PEG Access Receipts:            |                  |                  |                  |                  |                   |
| Salaries                        | 91,369           |                  |                  |                  |                   |
| Expenses                        | 43,800           |                  |                  |                  |                   |
| Indirect                        | 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           | 28,288           | 32,851           | 40,865           | 39,810            |
| Recreation Revolving Fund       |                  |                  |                  |                  |                   |
| Wetlands Protection Fund        |                  |                  |                  |                  |                   |
| Salaries                        | 9,000            | 9,000            |                  |                  |                   |
| Expenses                        | 1,000            | 1,000            |                  |                  |                   |
| Community Preservation Fund     |                  |                  |                  |                  |                   |
| Administrative budget           | 45,755           |                  |                  |                  |                   |
| Indirect                        | 2,890            |                  |                  |                  |                   |
| Debt                            | 491,831          | 481,650          | 466,375          |                  |                   |
| Water Enterprise Indirect Costs | 358,739          | 358,739          | 358,739          | 358,739          | 358,739           |
| Overlay Surplus                 |                  |                  |                  |                  |                   |
| Undesignated F/B                | 840,682          | 460,166          | 250,000          | -                | -                 |
| <b>Totals</b>                   | <b>2,533,253</b> | <b>2,105,938</b> | <b>1,858,060</b> | <b>1,289,899</b> | <b>1,388,844</b>  |



## Revenue Summary

### OTHER FINANCIAL SOURCES FY 2013 - 2017



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

*Expenditure Budget  
Summaries*



## Expenditure Budget Summaries

### Expenditure Budget Summaries

The following are the key changes of significance:

#### General Government

##### Selectmen/Town Manager's Office

The FY 2017 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, an educational reimbursement, and a performance bonus granted at the discretion of the Board of Selectmen. The salary for the Executive Assistant and the Administrative Assistant reflect a 3% increase.

##### Legal

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

##### Central Office Supply

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

| GENERAL GOVERNMENT SUMMARY      |                    |                    |                   |                    |                                  |                  |              |
|---------------------------------|--------------------|--------------------|-------------------|--------------------|----------------------------------|------------------|--------------|
| Office                          | FY2014<br>Expended | FY2015<br>Expended | FY2016<br>Budget  | FY2016<br>Expended | FY2017<br>Town<br>Manager<br>Rec | \$ Change        | %<br>Change  |
| Town Manager/BOS                | \$ 295,174         | \$ 299,544         | \$ 294,838        | \$ 152,696         | \$ 315,792                       | \$ 20,954        | 7.10%        |
| Legal Services                  | \$ 86,723          | \$ 116,105         | \$ 125,000        | \$ 35,242          | \$ 125,000                       | \$ -             | 0.00%        |
| Central Office Supply/Town Hall | \$ -               | \$ 20,811          | \$ 30,000         | \$ 12,539          | \$ 30,000                        | \$ -             | 0.00%        |
| <b>General Government Total</b> | <b>\$381,897</b>   | <b>\$ 436,459</b>  | <b>\$ 449,838</b> | <b>\$ 200,477</b>  | <b>\$ 470,792</b>                | <b>\$ 20,954</b> | <b>4.45%</b> |

#### Finance Department

##### Accounting

The Accounting office budget salaries no longer includes the Finance Director. The Finance Director is also the Acting Treasurer/Collector and therefore represented in that budget for FY17. It is also increasing the hours of the Senior Clerk - Accounts Payable from 21 to 35 as well as adding a new full-time position, Senior Clerk – Purchase Orders. This will support the implementation of purchase orders on the municipal side and support the consolidation of the purchase order function with the school department.



## Expenditure Budget Summaries

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### **Finance Department Cont'd**

#### **Assessors**

The Senior Clerk position in the Assessors Office has been budgeted with an increase in hours from 28 to 35. The cost of revaluation work done during the fiscal year has increased slightly.

#### **Treasurer/Collector**

The Finance Director salary has been fully accounted for within this budget. There is an addition of a Senior Clerk – water position to provide support for water billing and collections as the Town continues to work on bringing this function into the Treasurer/Collector office in FY17. There is a reduction in this budget due to the formation of the Payroll/Benefits office. All payroll related expenses have shifted out of this budget and into the Payroll/Benefit budget.

#### **Payroll/Benefits**

This is a new budget for FY17 and contains all salaries and expenses related to processing payroll and managing employee and retiree benefits. The office has three full-time positions and services both the municipal and school offices.

#### **Town Clerk**

The increase in this budget is related to the presentation of positions in this budget versus last year.

#### **Elections & Town Meetings**

The increase in this budget is directly related to the work required for a Presidential election.

#### **Registrars**

The increase in this budget is directly related to the work required for a Presidential election.



## Expenditure Budget Summaries

| <b>FINANCE DEPARTMENT SUMMARY</b> |                    |                    |                   |                    |                                  |                   |               |
|-----------------------------------|--------------------|--------------------|-------------------|--------------------|----------------------------------|-------------------|---------------|
| Office                            | FY2014<br>Expended | FY2015<br>Expended | FY2016<br>Budget  | FY2016<br>Expended | FY2017<br>Town<br>Manager<br>Rec | \$ Change         | %<br>Change   |
| Accounting                        | \$ 175,077         | \$ 119,317         | \$ 164,318        | \$ 48,874          | \$ 113,893                       | \$ (50,425)       | -30.68%       |
| Assessors                         | \$ 138,581         | \$ 121,483         | \$ 136,839        | \$ 76,773          | \$ 153,916                       | \$ 17,077         | 12.47%        |
| Treasurer/Collector               | \$ 266,891         | \$ 346,457         | \$ 328,584        | \$ 170,205         | \$ 316,505                       | \$ (12,079)       | -3.67%        |
| Payroll/Benefits                  | \$ -               | \$ -               | \$ -              | \$ -               | \$ 177,498                       | \$ 177,498        | 100.00%       |
| Advisory Committee                | \$ 3,194           | \$ 2,006           | \$ 4,254          | \$ 480             | \$ 4,564                         | \$ 310            | 7.28%         |
| Town Clerk                        | \$ 97,354          | \$ 101,177         | \$ 105,647        | \$ 54,104          | \$ 111,627                       | \$ 5,980          | 5.66%         |
| Elections & Town Meeting          | \$ 24,404          | \$ 41,346          | \$ 25,155         | \$ 20,818          | \$ 52,765                        | \$ 27,610         | 109.75%       |
| Registrars                        | \$ 27,376          | \$ 36,474          | \$ 29,000         | \$ 15,041          | \$ 35,800                        | \$ 6,800          | 23.44%        |
| <b>Finance Department Total</b>   | <b>\$ 732,877</b>  | <b>\$ 768,259</b>  | <b>\$ 793,797</b> | <b>\$ 386,294</b>  | <b>\$ 966,568</b>                | <b>\$ 172,771</b> | <b>17.87%</b> |

### Community Services

This FY 2017 budget includes fulling funding the Technology Reference Librarian out of the general fund. In FY2016 we only funded half of this full time position out of the operating budget with the remaining funds coming out of State grant funding. Fully funding this position in FY17 is necessary in order to maintain our library accreditation and meet the state mandated minimum budget increase of 2.5%.

Community Services FY17 budget submission also transitioned a portion of the Parks and Recreation payroll and field maintenance expenses for Forge Pond Park from the revolving fund and the DPW budget to the Community Services operating budget.

| <b>COMMUNITY SERVICES DEPARTMENT SUMMARY</b> |                     |                     |                     |                    |                                  |                   |               |
|--|---------------------|---------------------|---------------------|--------------------|----------------------------------|-------------------|---------------|
| Office                                       | FY2014<br>Expended  | FY2015<br>Expended  | FY2016<br>Budget    | FY2016<br>Expended | FY2017<br>Town<br>Manager<br>Rec | \$ Change         | %<br>Change   |
| Municipal Inspections                        | \$ 571,931          | \$ 606,717          | \$ 715,219          | \$ 332,322         | \$ 715,295                       | \$ 76             | 0.10%         |
| Visiting Nurse Association                   | \$ 98,566           | \$ 105,375          | \$ 105,509          | \$ 56,869          | \$ 121,868                       | \$ 16,359         | 15.50%        |
| Council on Aging                             | \$ 178,303          | \$ 161,385          | \$ 195,936          | \$ 94,034          | \$ 204,969                       | \$ 9,033          | 4.61%         |
| Veterans Services                            | \$ 128,679          | \$ 135,282          | \$ 149,360          | \$ 60,572          | \$ 150,778                       | \$ 1,418          | 0.94%         |
| John Curtis Library                          | \$ 484,639          | \$ 538,728          | \$ 520,305          | \$ 283,662         | \$ 563,011                       | \$ 42,706         | 8.20%         |
| Parks & Recreation                           | \$ -                | \$ -                | \$ -                | \$ -               | \$ 152,140                       | \$ 152,140        | 100.00%       |
| <b>Community Services Department Total</b>   | <b>\$ 1,462,118</b> | <b>\$ 1,547,487</b> | <b>\$ 1,686,329</b> | <b>\$ 827,460</b>  | <b>\$ 1,908,061</b>              | <b>\$ 221,732</b> | <b>11.62%</b> |



## Expenditure Budget Summaries

### Police Department

The proposed budget fully funds increases in wages for both union and non-union personnel negotiated by the Board of Selectmen for FY 2017.

The expense budget will support the stated goal of creating a notification system to Town of Hanover residents. This cost is anticipated to be \$6100.00. This is an annual cost covered by the terms of a contract negotiated by the Commonwealth of Massachusetts, placing the vendor on the state bid list. This is a collaboration with Hanover Fire and EMA, included in the police department (ECC) budget in an effort to centralize communication expenses.

The proposed capital request will allow the department to replace aging vehicles from the police department fleet consistent with the long standing vehicle replacement schedule include in the department's capital planning forecast.

| <b>POLICE DEPARTMENT SUMMARY</b> |                     |                     |                    |                     |                               |                  |              |
|----------------------------------|---------------------|---------------------|--------------------|---------------------|-------------------------------|------------------|--------------|
| Office                           | FY2014<br>Expended  | FY2015<br>Expended  | FY2016<br>Budget   | FY2016<br>Expended  | FY2017<br>Town<br>Manager Rec | \$ Change        | %<br>Change  |
| Police                           | \$ 2,679,414        | \$ 2,747,034        | \$2,936,195        | \$ 1,415,250        | \$ 2,997,304                  | \$ 61,109        | 2.08%        |
| Animal Control                   | \$ 20,848           | \$ 22,820           | \$ 28,551          | \$ 8,589            | \$ 4,761                      | \$ (23,790)      | -83.32%      |
| Communications                   | \$ 528,561          | \$ 548,796          | \$ 594,900         | \$ 303,753          | \$ 632,773                    | \$ 37,873        | 6.36%        |
| <b>Police Department Total</b>   | <b>\$ 3,228,823</b> | <b>\$ 3,318,649</b> | <b>\$3,559,646</b> | <b>\$ 1,727,593</b> | <b>\$ 3,634,838</b>           | <b>\$ 75,192</b> | <b>2.07%</b> |

### Fire Department

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

| <b>FIRE DEPARTMENT SUMMARY</b> |                     |                     |                    |                     |                               |                   |              |
|--------------------------------|---------------------|---------------------|--------------------|---------------------|-------------------------------|-------------------|--------------|
| Office                         | FY2014<br>Expended  | FY2015<br>Expended  | FY2016<br>Budget   | FY2016<br>Expended  | FY2017<br>Town<br>Manager Rec | \$ Change         | %<br>Change  |
| Fire                           | \$ 2,524,348        | \$ 2,688,663        | \$2,735,840        | \$ 1,385,190        | \$ 2,868,179                  | \$ 132,339        | 4.83%        |
| Emergency Management           | \$ 1,571            | \$ 3,368            | \$ 5,000           | \$ 1,170            | \$ 8,500                      | \$ 3,500          | 70.00%       |
| <b>Fire Department Total</b>   | <b>\$ 2,525,918</b> | <b>\$ 2,692,031</b> | <b>\$2,740,840</b> | <b>\$ 1,386,360</b> | <b>\$ 2,876,679</b>           | <b>\$ 135,839</b> | <b>4.72%</b> |



## Expenditure Budget Summaries

### Public Education

In FY2017, the Town Manager recommended budget for Hanover Public Schools is an increase of \$844,672 or 3.39%.

For detailed information regarding the Town of Hanover Public School budget, please see the Superintendent's FY2017 budget. This can be found on the Hanover Public Schools website [www.hanoverschools.org](http://www.hanoverschools.org).

| EDUCATION SUMMARY             |                     |                      |                      |                      |                               |                   |              |
|-------------------------------|---------------------|----------------------|----------------------|----------------------|-------------------------------|-------------------|--------------|
| Office                        | FY2014<br>Expended  | FY2015<br>Expended   | FY2016<br>Budget     | FY2016<br>Expended   | FY2017<br>Town Manager<br>Rec | \$ Change         | %<br>Change  |
| Hanover Public Schools        | \$22,840,422        | \$ 24,167,888        | \$ 24,920,443        | \$ 12,674,806        | \$ 25,765,115                 | \$ 844,672        | 3.28%        |
| South Shore Vocational School | \$ 681,124          | \$ 740,205           | \$ 741,712           | \$ 378,531           | \$ 794,915                    | \$ 53,203         | 7.17%        |
| <b>Education Total</b>        | <b>\$23,521,546</b> | <b>\$ 24,908,093</b> | <b>\$ 25,662,155</b> | <b>\$ 13,053,337</b> | <b>\$ 26,560,030</b>          | <b>\$ 897,875</b> | <b>3.38%</b> |

### Facilities Department

Increased shift duration for the only evening custodian at Sylvester School from 30 to 40 hours per week in order to accomplish satisfactory cleaning of school

Created a full-time substitute custodian position as both a cost-saving measure to reduce overtime costs and a means of maintaining sanitary conditions during custodian absences

The net result of these changes does not impact our budget request

| FACILITIES DEPARTMENT SUMMARY      |                     |                     |                     |                     |                               |                   |              |
|------------------------------------|---------------------|---------------------|---------------------|---------------------|-------------------------------|-------------------|--------------|
| Office                             | FY2014<br>Expended  | FY2015<br>Expended  | FY2016<br>Budget    | FY2016<br>Expended  | FY2017<br>Town Manager<br>Rec | \$ Change         | %<br>Change  |
| Facilities                         | \$ 3,406,440        | \$ 3,479,949        | \$ 3,635,096        | \$ 1,688,545        | \$ 3,802,686                  | \$ 167,590        | 4.61%        |
| <b>Facilities Department Total</b> | <b>\$ 3,406,440</b> | <b>\$ 3,479,949</b> | <b>\$ 3,635,096</b> | <b>\$ 1,688,545</b> | <b>\$ 3,802,686</b>           | <b>\$ 167,590</b> | <b>4.61%</b> |

### Public Works Department

There were no significant changes to the Department of Public Works budget for the fiscal year.



## Expenditure Budget Summaries

| <b>PUBLIC WORKS DEPARTMENT SUMMARY</b> |                     |                     |                     |                     |                               |                  |              |
|--|---------------------|---------------------|---------------------|---------------------|-------------------------------|------------------|--------------|
| Office                                 | FY2014<br>Expended  | FY2015<br>Expended  | FY2016<br>Budget    | FY2016<br>Expended  | FY2017<br>Town<br>Manager Rec | \$ Change        | %<br>Change  |
| DPW Administration                     | \$ 257,724          | \$ 256,441          | \$ 273,370          | \$ 124,451          | \$ 279,946                    | \$ 6,576         | 2.40%        |
| Highway                                | \$ 507,658          | \$ 598,801          | \$ 570,833          | \$ 290,831          | \$ 594,615                    | \$ 23,782        | 4.16%        |
| Snow & Ice                             | \$ 687,000          | \$ 860,052          | \$ 387,000          | \$ 209,862          | \$ 387,000                    | \$ -             | 0.00%        |
| Street Lighting                        | \$ 50,174           | \$ 52,939           | \$ 61,000           | \$ 29,330           | \$ 61,000                     | \$ -             | 0.00%        |
| Public Grounds                         | \$ 406,693          | \$ 439,812          | \$ 398,303          | \$ 261,054          | \$ 399,311                    | \$ 1,008         | 0.25%        |
| Transfer Station                       | \$ 739,770          | \$ 716,172          | \$ 931,519          | \$ 361,174          | \$ 983,445                    | \$ 51,926        | 5.57%        |
| Town Gas Pump                          | \$ 259,565          | \$ 192,281          | \$ 282,000          | \$ 55,507           | \$ 266,400                    | \$ (15,600)      | -5.53%       |
| <b>Public Works Department Total</b>   | <b>\$ 2,908,584</b> | <b>\$ 3,116,497</b> | <b>\$ 2,904,025</b> | <b>\$ 1,332,209</b> | <b>\$ 2,971,717</b>           | <b>\$ 67,692</b> | <b>4.61%</b> |

### Water Enterprise

The FY17 water budget includes further commitment to improve water quality, most notably by adding funds in the operating budget to replace old and outdated water mains and in anticipated increase to debt service costs to accommodate improvements to our water treatment plants to more effectively treat for both chlorination by-products and organic materials such as iron and manganese. Although the salary budgets are generally consistent, with slight increases to accommodate employment agreements, two positions from the water department are anticipated to be transferred to finance department but continued to be paid by the water enterprise fund.

| <b>WATER ENTERPRISE</b>       |                     |                     |                     |                     |                               |                   |              |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|-------------------------------|-------------------|--------------|
| Office                        | FY2014<br>Expended  | FY2015<br>Expended  | FY2016<br>Budget    | FY2016<br>Expended  | FY2017<br>Town<br>Manager Rec | \$ Change         | %<br>Change  |
| Water                         | \$ 696,805          | \$ 714,097          | \$ 372,109          | \$ 531,257          | \$ 404,540                    | \$ 32,431         | 8.71%        |
| Water Treatment               | \$ 1,528,223        | \$ 1,190,831        | \$ 1,401,339        | \$ 694,554          | \$ 1,561,804                  | \$ 160,465        | 11.45%       |
| Water Distribution            | \$ 532,193          | \$ 639,292          | \$ 707,775          | \$ 330,925          | \$ 782,579                    | \$ 74,804         | 10.56%       |
| Debt                          | \$ 720,055          | \$ 614,978          | \$ 551,853          | \$ 128,000          | \$ 543,853                    | \$ (8,000)        | -1.47%       |
| <b>Water Enterprise Total</b> | <b>\$ 3,477,275</b> | <b>\$ 3,159,198</b> | <b>\$ 3,033,076</b> | <b>\$ 1,684,736</b> | <b>\$ 3,292,776</b>           | <b>\$ 259,700</b> | <b>8.56%</b> |



## Expenditure Budget Summaries

### DEBT

The total FY17 requested debt service budget is \$5,474,530, a decrease of just under \$400,000. The largest factor causing the decrease was the Town's decision to opt for a long coupon on the debt issued in September 2014. This deferred the interest past FY15 and resulted in larger interest being due in FY16. The interest in FY17 and thereafter is semi-annual.

| <b>DEBT SUMMARY</b> |                     |                     |                    |                     |                               |                    |              |
|---------------------|---------------------|---------------------|--------------------|---------------------|-------------------------------|--------------------|--------------|
| Office              | FY2014<br>Expended  | FY2015<br>Expended  | FY2016<br>Budget   | FY2016<br>Expended  | FY2017<br>Town<br>Manager Rec | \$ Change          | %<br>Change  |
| Long Term Principal | \$ 3,360,872        | \$ 3,453,535        | \$3,790,568        | \$ 758,101          | \$ 3,795,568                  | \$ 5,000           | 0.13%        |
| Long Term Interest  | \$ 1,642,294        | \$ 1,579,613        | \$2,027,411        | \$ 1,136,960        | \$ 1,651,551                  | \$(375,860)        | -18.53%      |
| Short Term Interest | \$ 105,955          | \$ 132,481          | \$ 44,726          | \$ 14,726           | \$ 17,411                     | \$ (27,315)        | -61.07%      |
| Issuance Costs      | \$ -                | \$ 5,450            | \$ 10,000          | \$ -                | \$ 10,000                     | \$ -               | 0.00%        |
| <b>Debt Total</b>   | <b>\$ 5,109,121</b> | <b>\$ 5,171,078</b> | <b>\$5,872,705</b> | <b>\$ 1,909,787</b> | <b>\$ 5,474,530</b>           | <b>\$(398,175)</b> | <b>4.61%</b> |

### TOWN WIDE EXPENSES

Increases are anticipated in this category most notably health insurance, general property and casualty insurance, FICA payments to the federal government. Health insurance costs have remained steady for several years due to the Town's membership in the Mayflower Municipal Health group and excellent stewardship of those assets. However, increase utilization and market pressures have resulted in a projected increase this year.

| <b>TOWN WIDE SUMMARY</b> |                     |                     |                    |                     |                               |                   |              |
|--------------------------|---------------------|---------------------|--------------------|---------------------|-------------------------------|-------------------|--------------|
| Office                   | FY2014<br>Expended  | FY2015<br>Expended  | FY2016<br>Budget   | FY2016<br>Expended  | FY2017<br>Town<br>Manager Rec | \$ Change         | %<br>Change  |
| Pension/Retirement       | \$ 2,867,567        | \$ 3,106,317        | \$3,279,033        | \$ 3,059,015        | \$ 3,404,748                  | \$ 125,715        | 3.83%        |
| Workers Compensation     | \$ 124,859          | \$ 137,377          | \$ 177,558         | \$ 169,697          | \$ 195,314                    | \$ 17,756         | 10.00%       |
| Unemployment             | \$ 79,789           | \$ 110,666          | \$ 125,000         | \$ 48,029           | \$ 125,000                    | \$ -              | 0.00%        |
| Health Insurance         | \$ 2,777,830        | \$ 2,961,753        | \$3,092,532        | \$ 1,690,242        | \$ 3,188,288                  | \$ 95,756         | 3.09%        |
| Life Insurance           | \$ 7,247            | \$ 8,508            | \$ 5,480           | \$ 3,272            | \$ 5,480                      | \$ -              | 0.00%        |
| Education Benefits       | \$ 535              | \$ 1,319            | \$ 3,000           | \$ 3,700            | \$ 3,000                      | \$ -              | 0.00%        |
| Medical                  | \$ 49,493           | \$ 30,856           | \$ 25,000          | \$ 13,706           | \$ 25,000                     | \$ -              | 0.00%        |
| Risk Management          | \$ 172,116          | \$ 219,122          | \$ 217,352         | \$ 221,808          | \$ 233,440                    | \$ 16,088         | 7.40%        |
| Town Audit               | \$ 45,099           | \$ 61,050           | \$ 34,500          | \$ 16,000           | \$ 37,500                     | \$ 3,000          | 8.69%        |
| <b>Town Wide Total</b>   | <b>\$ 6,124,534</b> | <b>\$ 6,636,968</b> | <b>\$6,959,455</b> | <b>\$ 5,225,469</b> | <b>\$ 7,217,770</b>           | <b>\$ 258,315</b> | <b>4.61%</b> |



## Expenditure Budget Summaries

### NON-APPROPRIATED EXPENSES

There are no significant changes anticipated in this category

| NONAPPROPRIATED EXPENSE SUMMARY       |                    |                    |                   |                    |                               |             |              |
|---------------------------------------|--------------------|--------------------|-------------------|--------------------|-------------------------------|-------------|--------------|
| Office                                | FY2014<br>Expended | FY2015<br>Expended | FY2016<br>Budget  | FY2016<br>Expended | FY2017<br>Town<br>Manager Rec | \$ Change   | %<br>Change  |
| State Assessments                     | \$ 499,164         | \$ 513,092         | \$ 535,751        | \$ 135,257         | \$ 535,751                    | \$ -        | 0.00%        |
| County Taxes                          | \$ 48,445          | \$ 49,656          | \$ 51,422         | \$ 25,711          | \$ 51,422                     | \$ -        | 0.00%        |
|                                       |                    |                    |                   | \$ 3               |                               |             |              |
| <b>Nonappropriated Expenses Total</b> | <b>\$ 547,609</b>  | <b>\$ 562,748</b>  | <b>\$ 587,173</b> | <b>\$ 160,971</b>  | <b>\$ 587,173</b>             | <b>\$ -</b> | <b>0.00%</b> |





# TOWN DEPARTMENTS



*"Hanover, Honoring Yesterday As We Build For Tomorrow"*



*Management  
Team*



## Management Team

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### ***Town Manager***



Troy B.G. Clarkson,  
Town Manager

Troy Clarkson has been the Town Manager since April of 2012. He serves as the chief executive officer of the Town. Troy is accountable to the Board of Selectmen (BoS) for the effective management of all town affairs, including the implementation of town policies established by the BoS. Troy is responsible for day-to-day supervision of all Town departments, and the direction of operations of the Town.

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

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### ***Department of Community Service***



Anthony Marino,  
Asst. Town Manager /  
Director

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

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

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### ***Police Department***



Walter Sweeney,  
Chief

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

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

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### ***Fire Department***



Jeffrey Blanchard,  
Chief

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

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

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## Management Team

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### ***Department of Public Works***



Victor Diniak,  
Superintendent

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

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

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### ***Finance Department***



Janine Smith,  
Director

The Finance Director, Janine Smith manages the financial system for the town. Preparation of government budget materials and State and Federal reports are also completed. The Finance Director advises the Town Manager, Board of Selectmen, and Advisory Committee on financial matters; and coordinates the financial activities of the Treasurer/Collector, Town Accountant, Assessors, Registrars, Town Clerk and Payroll/Benefits offices.

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

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### ***Facilities Department***



Robert Murray,  
Engineering Manager

The Facilities Department is responsible for custodial and maintenance services at all Town and School buildings. The department is led by Robert Murray and is comprised of managers and employees assigned to the custodial and maintenance division.

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

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# EXECUTIVE OFFICE



*"Hanover, Honoring Yesterday As We Build For Tomorrow"*



## Executive Office

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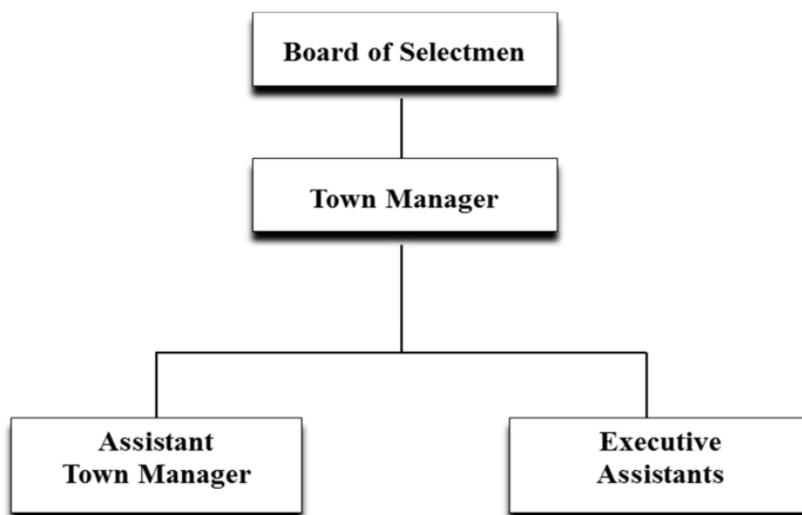
### Executive Office Department Statement

The Executive Office of the Town of Hanover is made up of the Board of Selectmen and the Town Manager. The Board of Selectmen is recognized by the General Laws of the Commonwealth of Massachusetts as the chief elected officials with the authority to enact rules and regulations establishing Town policies not otherwise governed by bylaw or by statute. The Board is composed of five members who are elected to staggered three-year terms. The powers and duties of the Board of Selectmen include appointing the Town Manager and various boards, committees and commissions, in addition to ratifying Town Manager appointments for Department Heads.

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

The Town Manager is responsible for managing the day-to-day operations of municipal government as outlined in Section 4 of The Town Manager Act. The Town Manager appoints and removes department heads, subordinates and employees, and members of certain boards and commissions for which no other method is provided in the Town Charter or in the general laws. The Town Manager works closely with the Board of Selectmen to develop and implement policies and goals for the efficient and effective administration of Town government.

### Organizational Chart





## Executive Office

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### Goals and Objectives

- Implement town-wide Communication Strategy
- Expand BoS Reporting / Executive Dashboard
- Complete Water Quality Capital Improvement Plan
- Continue Reorganizations / Partnerships

### Accomplishments

- Completed first budget without the use of Free Cash
- Expansion of outreach – Social Media and GFOA
- Expanded partnerships business and nonprofit communities
- Continue Route 53 outreach and engagement with business and nonprofit partners

### Significant Budget Changes or Initiatives

#### **Selectmen/Town Manager's Office**

The FY 2017 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, an educational reimbursement, and a performance bonus granted at the discretion of the Board of Selectmen. The salary for the Executive Assistant and the Administrative Assistant reflect a 3% increase.

#### **Legal**

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

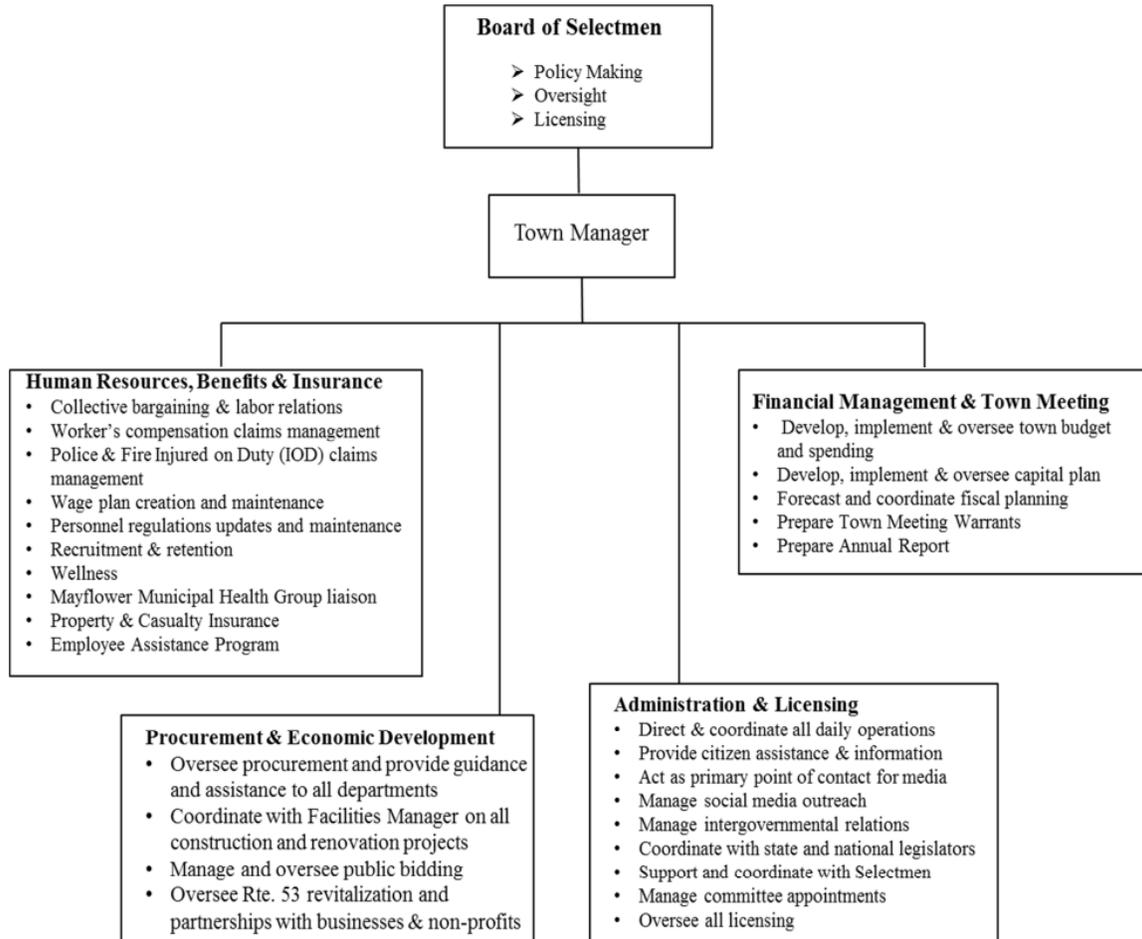
#### **Central Office Supply**

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



## Executive Office

### Programs and Services



### Personnel Summary

| Position                           | FY2015<br>FTE | FY2016<br>FTE | FY2017<br>FTE | Change      |
|------------------------------------|---------------|---------------|---------------|-------------|
| Town Manager                       | 1.00          | 1.00          | 1.00          | -           |
| Executive Assistants               | 2.00          | 2.00          | 2.00          | -           |
| <b>Total Full-time Equivalents</b> | <b>3.00</b>   | <b>3.00</b>   | <b>3.00</b>   | <b>0.00</b> |

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>122 - SELECTMEN</b>          |                              | <b>FY2014</b>       | <b>FY2015</b>       | <b>FY2016</b>       | <b>FY2016</b>       | <b>FY2017 Town</b>  | <b>\$</b>          | <b>%</b>      |
|---------------------------------|------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|--------------------|---------------|
| <b>Account Number</b>           | <b>Account Description</b>   | <b>Expended</b>     | <b>Expended</b>     | <b>Budget</b>       | <b>Expended</b>     | <b>Manager Rec</b>  | <b>Change</b>      | <b>Change</b> |
| 01-122-5110                     | SALARIES-APPOINTED           | \$131,300.07        | \$128,115.54        | \$136,824.00        | \$66,920.28         | <b>\$140,928.00</b> | \$4,104.00         | 2.99          |
| 01-122-5113                     | SALARIES-CLERICAL            | \$97,108.02         | \$93,701.98         | \$103,464.00        | \$54,687.40         | <b>\$103,464.00</b> | \$0.00             | 0.00          |
| 01-122-5121                     | WAGES-TEMPORARY EMPLOYEES    | \$0.00              | \$2,415.00          | \$0.00              | \$9,915.00          | <b>\$0.00</b>       | \$0.00             | 0.00          |
| 01-122-5149                     | OTHER PAY                    | \$8,635.00          | \$11,602.50         | \$0.00              | \$0.00              | <b>\$7,500.00</b>   | \$7,500.00         | 100.00        |
| <b>PERSONNEL SUB-TOTAL:</b>     |                              | <b>\$237,043.09</b> | <b>\$235,835.02</b> | <b>\$240,288.00</b> | <b>\$131,522.68</b> | <b>\$251,892.00</b> | <b>\$11,604.00</b> | <b>4.82</b>   |
| 01-122-5319                     | OTHER CONTRACTED SERVICES    | \$21,975.76         | \$20,394.97         | \$25,000.00         | \$5,121.08          | <b>\$25,000.00</b>  | \$0.00             | 0.00          |
| 01-122-5344                     | ADVERTISING                  | \$891.26            | \$294.98            | \$400.00            | \$257.20            | <b>\$400.00</b>     | \$0.00             | 0.00          |
| 01-122-5345                     | POSTAGE & MAIL PERMITS       | \$669.04            | \$507.71            | \$350.00            | \$241.73            | <b>\$350.00</b>     | \$0.00             | 0.00          |
| 01-122-5420                     | OFFICE SUPPLIES              | \$4,679.65          | \$422.22            | \$0.00              | \$0.00              | <b>\$0.00</b>       | \$0.00             | 0.00          |
| 01-122-5590                     | MATERIAL & SUPPLIES - PUBLIC | \$25,161.58         | \$29,909.41         | \$24,400.00         | \$11,427.77         | <b>\$30,000.00</b>  | \$5,600.00         | 22.95         |
| 01-122-5710                     | MILEAGE REIMBURSEMENT        | \$138.33            | \$0.00              | \$150.00            | \$0.00              | <b>\$150.00</b>     | \$0.00             | 0.00          |
| 01-122-5720                     | REGISTRATION FEES            | \$1,389.31          | \$9,354.25          | \$1,500.00          | \$1,325.95          | <b>\$5,000.00</b>   | \$3,500.00         | 233.33        |
| 01-122-5730                     | DUES                         | \$3,226.00          | \$2,825.00          | \$2,750.00          | \$2,800.00          | <b>\$3,000.00</b>   | \$250.00           | 9.09          |
| <b>EXPENSES SUB-TOTAL:</b>      |                              | <b>\$58,130.93</b>  | <b>\$63,708.54</b>  | <b>\$54,550.00</b>  | <b>\$21,173.73</b>  | <b>\$63,900.00</b>  | <b>\$9,350.00</b>  | <b>17.14</b>  |
| <b>122 SELECTMEN SUB-TOTAL:</b> |                              | <b>\$295,174.02</b> | <b>\$299,543.56</b> | <b>\$294,838.00</b> | <b>\$152,696.41</b> | <b>\$315,792.00</b> | <b>\$20,954.00</b> | <b>7.10</b>   |

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>138 - CENTRAL OFFICE SUPPLY</b>          |                            | <b>FY2014</b>   | <b>FY2015</b>      | <b>FY2016</b>      | <b>FY2016</b>      | <b>FY2017 Town</b> | <b>\$</b>     | <b>%</b>      |
|---|----------------------------|-----------------|--------------------|--------------------|--------------------|--------------------|---------------|---------------|
| <b>Account Number</b>                       | <b>Account Description</b> | <b>Expended</b> | <b>Expended</b>    | <b>Budget</b>      | <b>Expended</b>    | <b>Manager Rec</b> | <b>Change</b> | <b>Change</b> |
| 01-138-5420                                 | OFFICE SUPPLIES            | \$0.00          | \$20,810.92        | \$30,000.00        | \$12,539.42        | <b>\$30,000.00</b> | \$0.00        | 0.00          |
| <b>EXPENSES SUB-TOTAL:</b>                  |                            | <b>\$0.00</b>   | <b>\$20,810.92</b> | <b>\$30,000.00</b> | <b>\$12,539.42</b> | <b>\$30,000.00</b> | <b>\$0.00</b> | <b>0.00</b>   |
| <b>138 CENTRAL OFFICE SUPPLY SUB-TOTAL:</b> |                            | <b>\$0.00</b>   | <b>\$20,810.92</b> | <b>\$30,000.00</b> | <b>\$12,539.42</b> | <b>\$30,000.00</b> | <b>\$0.00</b> | <b>0.00</b>   |

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>151 - LEGAL SERVICES</b>          |                                  | <b>FY2014</b>      | <b>FY2015</b>       | <b>FY2016</b>       | <b>FY2016</b>      | <b>FY2017 Town</b>  | <b>\$</b>     | <b>%</b>      |
|--------------------------------------|----------------------------------|--------------------|---------------------|---------------------|--------------------|---------------------|---------------|---------------|
| <b>Account Number</b>                | <b>Account Description</b>       | <b>Expended</b>    | <b>Expended</b>     | <b>Budget</b>       | <b>Expended</b>    | <b>Manager Rec</b>  | <b>Change</b> | <b>Change</b> |
| 01-151-5305                          | LEGAL SRVCS                      | \$0.00             | \$0.00              | \$125,000.00        | \$0.00             | <b>\$125,000.00</b> | \$0.00        | 0.00          |
| 01-151-5305-0122                     | LEGAL SRVCS - BOARD OF SELECTMAN | \$13,703.80        | \$15,539.57         | \$0.00              | \$6,002.50         | <b>\$0.00</b>       | \$0.00        | 0.00          |
| 01-151-5305-0133                     | LEGAL SRVCS - FINANCE            | \$1,597.90         | \$12,936.25         | \$0.00              | \$3,871.30         | <b>\$0.00</b>       | \$0.00        | 0.00          |
| 01-151-5305-0161                     | LEGAL SRVCS - TOWN CLERK         | \$210.00           | \$3,906.73          | \$0.00              | \$0.00             | <b>\$0.00</b>       | \$0.00        | 0.00          |
| 01-151-5305-0162                     | LEGAL SRVCS - ELECTIONS & TOWN   | \$5,297.39         | \$3,675.00          | \$0.00              | \$315.00           | <b>\$0.00</b>       | \$0.00        | 0.00          |
| 01-151-5305-0171                     | LEGAL SRVCS - CONSERVATION COMM  | \$735.00           | \$4,194.51          | \$0.00              | \$326.50           | <b>\$0.00</b>       | \$0.00        | 0.00          |
| 01-151-5305-0175                     | LEGAL SRVCS - PLANNING BOARD     | \$4,221.91         | \$26,362.92         | \$0.00              | \$4,714.93         | <b>\$0.00</b>       | \$0.00        | 0.00          |
| 01-151-5305-0176                     | LEGAL SRVCS - BOARD OF APPEALS   | \$12,449.81        | \$14,763.38         | \$0.00              | \$8,427.09         | <b>\$0.00</b>       | \$0.00        | 0.00          |
| 01-151-5305-0210                     | LEGAL SRVCS - POLICE             | \$19,986.66        | \$18,352.75         | \$0.00              | \$7,355.00         | <b>\$0.00</b>       | \$0.00        | 0.00          |
| 01-151-5305-0220                     | LEGAL SRVCS - FIRE               | \$7,735.00         | \$2,955.00          | \$0.00              | \$1,232.50         | <b>\$0.00</b>       | \$0.00        | 0.00          |
| 01-151-5305-0241                     | LEGAL SRVCS - BUILDING           | \$2,718.59         | \$6,796.87          | \$0.00              | \$2,174.20         | <b>\$0.00</b>       | \$0.00        | 0.00          |
| 01-151-5305-0300                     | LEGAL SRVCS - HANOVER PUBLIC     | \$6,469.01         | \$2,177.50          | \$0.00              | \$0.00             | <b>\$0.00</b>       | \$0.00        | 0.00          |
| 01-151-5305-0422                     | LEGAL SRVCS - BOARD OF PUBLIC    | \$11,545.35        | \$4,199.40          | \$0.00              | \$822.50           | <b>\$0.00</b>       | \$0.00        | 0.00          |
| 01-151-5305-0510                     | LEGAL SRVCS - BOARD OF HEALTH    | \$52.50            | \$245.00            | \$0.00              | \$0.00             | <b>\$0.00</b>       | \$0.00        | 0.00          |
| <b>EXPENSES SUB-TOTAL:</b>           |                                  | <b>\$86,722.92</b> | <b>\$116,104.88</b> | <b>\$125,000.00</b> | <b>\$35,241.52</b> | <b>\$125,000.00</b> | <b>\$0.00</b> | <b>0.00</b>   |
| <b>151 LEGAL SERVICES SUB-TOTAL:</b> |                                  | <b>\$86,722.92</b> | <b>\$116,104.88</b> | <b>\$125,000.00</b> | <b>\$35,241.52</b> | <b>\$125,000.00</b> | <b>\$0.00</b> | <b>0.00</b>   |



# FINANCE DEPARTMENT



*"Hanover, Honoring Yesterday As We Build For Tomorrow"*

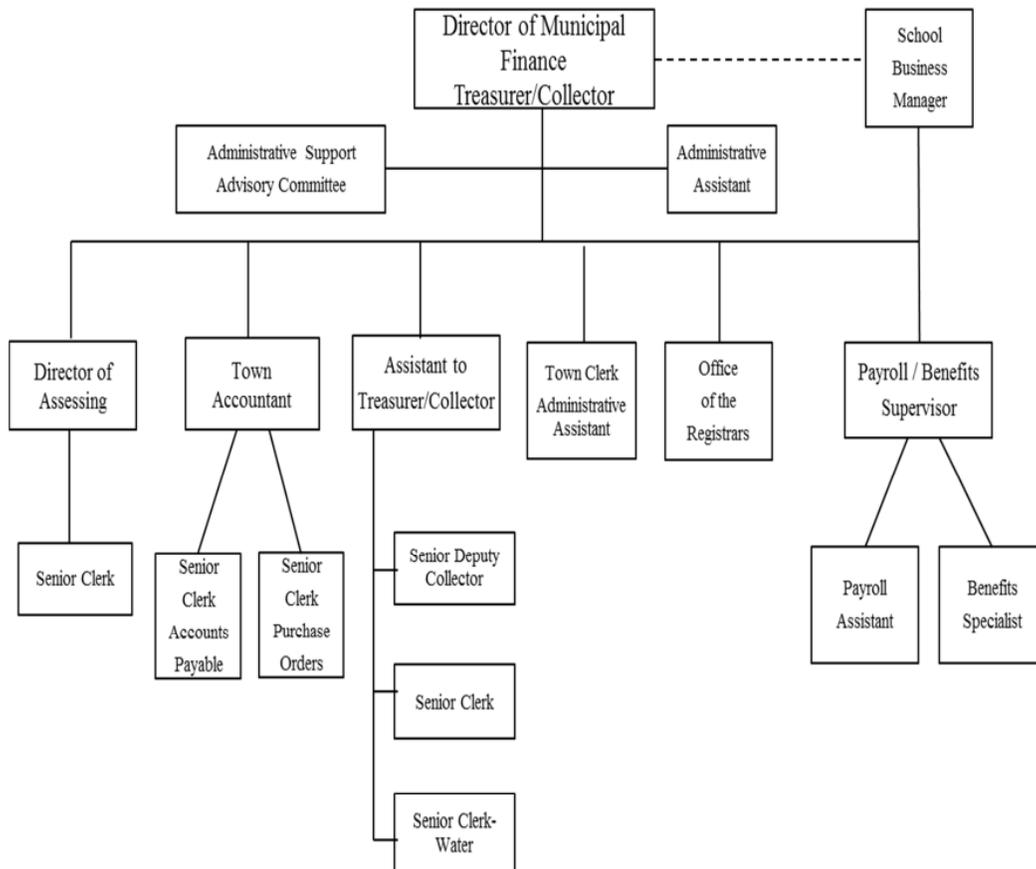


# Finance Department

## Finance Department Mission

The Finance Department's mission is to safeguard the financial assets of the Town of Hanover through the use of professional financial practices in order to preserve and enhance the Town's financial integrity. The department consists of six main offices that work closely with the Town Manager's office to prepare information needed to reach essential management decisions and formulate fiscal policies. The Director of Municipal Finance/ Treasurer/Collector is responsible for the management and supervision of the finance offices that include the Treasurer/Collector, Town Accountant, Assessors, Registrars, Town Clerk and Payroll/Benefits.

## Organizational Chart





## Finance Department

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### **Goals and Objectives**

- Continue to develop financial policies to improve financial procedures and expand internal controls to efficiently manage the Town's financial resources.
- Continue to work with the Department of Public Works to transition the water billing into the Treasurer/Collector's office.
- Continue to work toward consolidation of payroll and benefits to form a town wide office that can provide guidance for all employees and retirees.
- Continue to strive toward setting the tax rate by the middle of November and improving timeliness of state required reporting.
- Provide cross training for all Senior Clerk positions within all the Finance Department offices to assist during peak times.

### **Accomplishments**

- Completed two tax takings in order to be able to set a regular cycle so that one initial taking is done each fiscal year.
- Submitted and had tax rate approved by middle of November.
- Successfully outsourced the payroll processing and reporting function and implemented new payroll system.
- Defined and implemented workers' compensation process for all Town departments in conjunction with Town Manager's office



## Finance Department

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### **Significant Budget Changes or Initiatives**

#### **Accounting**

The Accounting office budget salaries no longer includes the Finance Director. The Finance Director is also the Treasurer/Collector and therefore represented in that budget for FY17. It is also increasing the hours of the Senior Clerk - Accounts Payable from 21 to 35 as well as reallocating a full-time position, Senior Clerk – Purchase Orders. This will support the implementation of purchase orders on the municipal side and support the consolidation of the purchase order function with the school department.

#### **Assessors**

The Senior Clerk position in the Assessors Office has been budgeted with an increase in hours from 28 to 35. The cost of revaluation work done during the fiscal year has increased slightly.

#### **Treasurer/Collector**

The Finance Director salary has been fully accounted for within this budget. There is a reallocation of a Senior Clerk – water position to provide support for water billing and collections as the Town continues to work on bringing this function into the Treasurer/Collector office in FY17. There is a reduction in this budget due to the formation of the Payroll/Benefits office. All payroll related expenses have shifted out of this budget and into the Payroll/Benefit budget. An Administrative Assistant has been recommended to provide direct support to the Finance Director.

#### **Payroll/Benefits**

This is a new budget for FY17 and contains all salaries and expenses related to processing payroll and managing employee and retiree benefits. The office has three full-time positions and services both the municipal and school offices.

#### **Town Clerk**

The increase in this budget is related to the presentation of positions in this budget versus last year.

#### **Elections & Town Meetings**

The increase in this budget is directly related to the work required for a Presidential election.

#### **Registrars**

The increase in this budget is directly related to the work required for a Presidential election.



# Finance Department

## Programs and Services





## Finance Department

### Personnel Summary

| Position                           | FY2015<br>FTE | FY2016<br>FTE | FY2017<br>FTE | Change                  |
|------------------------------------|---------------|---------------|---------------|-------------------------|
| Director of Municipal Finance      | 1.00          | 1.00          | 1.00          | -                       |
| Administrative Assistant           | -             | -             | 1.00          | 1.00                    |
| Admin. Assistant to Adv. Comm.     | 0.50          | 0.50          | 0.50          | -                       |
| <b>Assessor</b>                    |               |               |               |                         |
| Director of Assessing              | 1.00          | 1.00          | 1.00          | -                       |
| Senior Clerk                       | 1.00          | 1.00          | 1.00          | -                       |
| <b>Treasurer/Collector</b>         |               |               |               |                         |
| Treasurer/Collector                | 1.00          | -             | -             | -                       |
| Assistant to Treasurer/Collector   | 1.00          | 1.00          | 1.00          | -                       |
| Senior Deputy Collector            | 1.00          | 1.00          | 1.00          | -                       |
| Senior Clerk                       | 1.00          | 1.00          | 1.00          | -                       |
| Senior Clerk - PR                  | 1.00          | 1.00          | -             | (1.00)                  |
| Senior Clerk -Water                | -             | -             | 1.00          | 1.00                    |
| <b>Accounting</b>                  |               |               |               |                         |
| Town Accountant                    | 1.00          | 1.00          | 1.00          | -                       |
| Senior Clerk - Accounts Payable    | 1.00          | 1.00          | 1.00          | -                       |
| Senior Clerk - Purchase Orders     | -             | -             | 1.00          | 1.00                    |
| <b>Payroll/Benefits</b>            |               |               |               |                         |
| Payroll/Benefits Supervisor        | -             | -             | 1.00          | 1.00                    |
| Benefits Specialist                | -             | -             | 1.00          | 1.00                    |
| Payroll Assistant                  | -             | -             | 1.00          | 1.00                    |
| <b>Town Clerk</b>                  |               |               |               |                         |
| Town Clerk (Elected)               | 1.00          | 1.00          | 1.00          | -                       |
| Assistant Town Clerk               | 1.00          | 1.00          | 1.00          | -                       |
| <b>Registrars</b>                  |               |               |               |                         |
| Part-time Registrars (3)           | 1.50          | 1.50          | 1.50          | -                       |
| <b>Total Full-time Equivalents</b> | <b>14.00</b>  | <b>13.00</b>  | <b>18.00</b>  | <b>5.00<sup>1</sup></b> |



## Finance Department

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### Personnel Notes

**Change (FTE)** <sup>1</sup> Net one new headcount plus existing transfers; two from Water Enterprise and two from Hanover Public School Department.

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**  
**FY17 Operating Budget**

| <b>131 - ADVISORY COMMITTEE</b>          |                            | <b>FY2014</b>     | <b>FY2015</b>     | <b>FY2016</b>     | <b>FY2016</b>   | <b>FY2017 Town</b> | <b>\$</b>       | <b>%</b>      |
|--|----------------------------|-------------------|-------------------|-------------------|-----------------|--------------------|-----------------|---------------|
| <b>Account Number</b>                    | <b>Account Description</b> | <b>Expended</b>   | <b>Expended</b>   | <b>Budget</b>     | <b>Expended</b> | <b>Manager Rec</b> | <b>Change</b>   | <b>Change</b> |
| 01-131-5113                              | SALARIES - CLERICAL        | \$2,825.40        | \$1,801.58        | \$3,750.00        | \$275.80        | <b>\$4,059.00</b>  | \$309.00        | 8.24          |
| <b>PERSONNEL SUB-TOTAL:</b>              |                            | <b>\$2,825.40</b> | <b>\$1,801.58</b> | <b>\$3,750.00</b> | <b>\$275.80</b> | <b>\$4,059.00</b>  | <b>\$309.00</b> | <b>8.24</b>   |
| 01-131-5720                              | REGISTRATION FEES          | \$0.00            | \$0.00            | \$300.00          | \$0.00          | <b>\$300.00</b>    | \$0.00          | 0.00          |
| 01-131-5730                              | DUES                       | \$204.00          | \$204.00          | \$204.00          | \$204.00        | <b>\$205.00</b>    | \$1.00          | 0.49          |
| <b>EXPENSES SUB-TOTAL:</b>               |                            | <b>\$368.45</b>   | <b>\$204.00</b>   | <b>\$504.00</b>   | <b>\$204.00</b> | <b>\$505.00</b>    | <b>\$1.00</b>   | <b>0.19</b>   |
| <b>131 ADVISORY COMMITTEE SUB-TOTAL:</b> |                            | <b>\$3,193.85</b> | <b>\$2,005.58</b> | <b>\$4,254.00</b> | <b>\$479.80</b> | <b>\$4,564.00</b>  | <b>\$310.00</b> | <b>7.28</b>   |

***Town of Hanover***  
**Town Manager Recommended Budget**  
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| <b>133 - FINANCE</b>          |                            | <b>FY2014</b>       | <b>FY2015</b>       | <b>FY2016</b>       | <b>FY2016</b>      | <b>FY2017 Town</b>  | <b>\$</b>           | <b>%</b>      |
|-------------------------------|----------------------------|---------------------|---------------------|---------------------|--------------------|---------------------|---------------------|---------------|
| <b>Account Number</b>         | <b>Account Description</b> | <b>Expended</b>     | <b>Expended</b>     | <b>Budget</b>       | <b>Expended</b>    | <b>Manager Rec</b>  | <b>Change</b>       | <b>Change</b> |
| 01-133-5110                   | SALARIES-APPOINTED         | \$141,866.28        | \$84,495.44         | \$111,607.00        | \$31,616.98        | <b>\$64,669.00</b>  | \$-46,938.00        | -42.05        |
| 01-133-5113                   | SALARIES-CLERICAL          | \$23,073.96         | \$24,650.48         | \$42,732.00         | \$12,900.20        | <b>\$35,024.00</b>  | \$-7,708.00         | -18.03        |
| 01-133-5148                   | STIPENDS                   | \$0.00              | \$0.00              | \$0.00              | \$0.00             | <b>\$2,000.00</b>   | \$2,000.00          | 100.00        |
| <b>PERSONNEL SUB-TOTAL:</b>   |                            | <b>\$164,940.24</b> | <b>\$109,145.92</b> | <b>\$154,339.00</b> | <b>\$44,517.18</b> | <b>\$101,693.00</b> | <b>\$-52,646.00</b> | <b>-34.11</b> |
| 01-133-5319                   | EMPLOYEE TRAINING          | \$1,728.46          | \$2,022.88          | \$2,500.00          | \$495.00           | <b>\$3,500.00</b>   | \$1,000.00          | 40.00         |
| 01-133-5342                   | OTHER CONTRACTED SERVICES  | \$40.00             | \$1,065.81          | \$654.00            | \$766.75           | <b>\$1,500.00</b>   | \$846.00            | 129.35        |
| 01-133-5345                   | POSTAGE & MAIL PERMITS     | \$5,472.74          | \$6,222.86          | \$6,000.00          | \$2,787.20         | <b>\$6,500.00</b>   | \$500.00            | 8.33          |
| 01-133-5710                   | MILEAGE REIMBURSEMENT      | \$130.53            | \$134.40            | \$300.00            | \$0.00             | <b>\$300.00</b>     | \$0.00              | 0.00          |
| 01-133-5720                   | REGISTRATION FEES          | \$818.55            | \$258.84            | \$115.00            | \$198.00           | <b>\$200.00</b>     | \$85.00             | 73.91         |
| 01-133-5730                   | DUES                       | \$425.00            | \$375.00            | \$410.00            | \$110.00           | <b>\$200.00</b>     | \$-210.00           | -51.21        |
| 01-133-5780                   | OTHER EXPENSES             | \$0.00              | \$91.16             | \$0.00              | \$0.00             | <b>\$0.00</b>       | \$0.00              | 0.00          |
| <b>EXPENSES SUB-TOTAL:</b>    |                            | <b>\$10,137.22</b>  | <b>\$10,170.95</b>  | <b>\$9,979.00</b>   | <b>\$4,356.95</b>  | <b>\$12,200.00</b>  | <b>\$2,221.00</b>   | <b>22.25</b>  |
| <b>133 FINANCE SUB-TOTAL:</b> |                            | <b>\$175,077.46</b> | <b>\$119,316.87</b> | <b>\$164,318.00</b> | <b>\$48,874.13</b> | <b>\$113,893.00</b> | <b>\$-50,425.00</b> | <b>-30.68</b> |

***Town of Hanover***  
**Town Manager Recommended Budget**  
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| <b>141 - ASSESSORS</b>          |                            | <b>FY2014</b>       | <b>FY2015</b>       | <b>FY2016</b>       | <b>FY2016</b>      | <b>FY2017 Town</b>  | <b>\$</b>          | <b>%</b>      |
|---------------------------------|----------------------------|---------------------|---------------------|---------------------|--------------------|---------------------|--------------------|---------------|
| <b>Account Number</b>           | <b>Account Description</b> | <b>Expended</b>     | <b>Expended</b>     | <b>Budget</b>       | <b>Expended</b>    | <b>Manager Rec</b>  | <b>Change</b>      | <b>Change</b> |
| 01-141-5110                     | SALARIES APPOINTED         | \$69,837.86         | \$71,234.73         | \$75,000.00         | \$37,388.69        | <b>\$78,986.00</b>  | \$3,986.00         | 5.31          |
| 01-141-5113                     | SALARIES-CLERICAL          | \$49,679.69         | \$32,004.92         | \$37,494.00         | \$15,932.92        | <b>\$41,345.00</b>  | \$3,851.00         | 10.27         |
| 01-141-5148                     | STIPENDS                   | \$0.00              | \$0.00              | \$0.00              | \$0.00             | <b>\$2,000.00</b>   | \$2,000.00         | 100.00        |
| <b>PERSONNEL SUB-TOTAL:</b>     |                            | <b>\$119,636.93</b> | <b>\$103,239.65</b> | <b>\$112,494.00</b> | <b>\$53,321.61</b> | <b>\$122,331.00</b> | <b>\$9,837.00</b>  | <b>8.74</b>   |
| 01-141-5250                     | EQUIPMENT MAINTENANCE      | \$39.70             | \$33.00             | \$0.00              | \$0.00             | <b>\$0.00</b>       | \$0.00             | 0.00          |
| 01-141-5310                     | ENGINEERING SERVICES       | \$0.00              | \$0.00              | \$700.00            | \$0.00             | <b>\$1,835.00</b>   | \$1,135.00         | 162.14        |
| 01-141-5319                     | OTHER CONTRACTED SERVICE   | \$3,928.24          | \$12,133.24         | \$9,000.00          | \$21,807.00        | <b>\$10,000.00</b>  | \$1,000.00         | 11.11         |
| 01-141-5342                     | BINDING SERVICES           | \$0.00              | \$0.00              | \$1,250.00          | \$0.00             | <b>\$1,250.00</b>   | \$0.00             | 0.00          |
| 01-141-5344                     | ADVERTISING                | \$0.00              | \$224.64            | \$245.00            | \$0.00             | <b>\$0.00</b>       | \$-245.00          | -100.00       |
| 01-141-5345                     | POSTAGE & MAIL PERMITS     | \$1,166.05          | \$1,253.11          | \$1,400.00          | \$29.64            | <b>\$1,200.00</b>   | \$-200.00          | -14.28        |
| 01-141-5710                     | MILEAGE REIMBURSEMENT      | \$235.54            | \$436.56            | \$500.00            | \$174.72           | <b>\$500.00</b>     | \$0.00             | 0.00          |
| 01-141-5720                     | REGISTRATION FEES          | \$2,538.95          | \$2,912.64          | \$3,000.00          | \$1,170.05         | <b>\$3,000.00</b>   | \$0.00             | 0.00          |
| 01-141-5730                     | DUES                       | \$250.00            | \$50.00             | \$250.00            | \$270.00           | <b>\$300.00</b>     | \$50.00            | 20.00         |
| 01-141-5780                     | REVALUATION EXPENSES       | \$10,265.00         | \$1,200.00          | \$8,000.00          | \$0.00             | <b>\$13,500.00</b>  | \$5,500.00         | 68.75         |
| <b>EXPENSES SUB-TOTAL:</b>      |                            | <b>\$18,944.29</b>  | <b>\$18,243.19</b>  | <b>\$24,345.00</b>  | <b>\$23,451.41</b> | <b>\$31,585.00</b>  | <b>\$7,240.00</b>  | <b>29.73</b>  |
| <b>141 ASSESSORS SUB-TOTAL:</b> |                            | <b>\$138,581.22</b> | <b>\$121,482.84</b> | <b>\$136,839.00</b> | <b>\$76,773.02</b> | <b>\$153,916.00</b> | <b>\$17,077.00</b> | <b>12.47</b>  |

***Town of Hanover***  
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| <b>145 - TREASURER</b>          |                                | <b>FY2014</b>       | <b>FY2015</b>       | <b>FY2016</b>       | <b>FY2016</b>       | <b>FY2017 Town</b>  | <b>\$</b>           | <b>%</b>      |
|---------------------------------|--------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------|
| <b>Account Number</b>           | <b>Account Description</b>     | <b>Expended</b>     | <b>Expended</b>     | <b>Budget</b>       | <b>Expended</b>     | <b>Manager Rec</b>  | <b>Change</b>       | <b>Change</b> |
| 01-145-5110                     | SALARIES - APPOINTED           | \$142,739.75        | \$190,514.11        | \$117,574.00        | \$87,868.21         | <b>\$154,977.00</b> | \$37,403.00         | 31.81         |
| 01-145-5113                     | SALARIES - CLERICAL            | \$65,481.42         | \$81,791.95         | \$123,660.00        | \$49,022.40         | <b>\$113,868.00</b> | \$-9,792.00         | -7.91         |
| 01-145-5121                     | WAGES - TEMPORARY EMPLOYEES    | \$296.21            | \$2,135.84          | \$0.00              | \$0.00              | <b>\$0.00</b>       | \$0.00              | 0.00          |
| 01-145-5130                     | OVERTIME                       | \$0.00              | \$4,531.10          | \$2,000.00          | \$473.33            | <b>\$1,000.00</b>   | \$-1,000.00         | -50.00        |
| 01-145-5140                     | LONGEVITY                      | \$0.00              | \$1,000.00          | \$0.00              | \$0.00              | <b>\$0.00</b>       | \$0.00              | 0.00          |
| 01-145-5148                     | STIPENDS                       | \$0.00              | \$0.00              | \$0.00              | \$0.00              | <b>\$4,000.00</b>   | \$4,000.00          | 100.00        |
| <b>PERSONNEL SUB-TOTAL:</b>     |                                | <b>\$210,056.58</b> | <b>\$279,973.00</b> | <b>\$243,234.00</b> | <b>\$137,363.94</b> | <b>\$273,845.00</b> | <b>\$30,611.00</b>  | <b>12.58</b>  |
| 01-145-5271                     | EQUIPMENT LEASE - PITNEY BOWES | \$671.00            | \$856.50            | \$920.00            | \$0.00              | <b>\$900.00</b>     | \$-20.00            | -2.17         |
| 01-145-5302                     | FINANCIAL SERVICES             | \$0.00              | \$0.00              | \$0.00              | \$0.00              | <b>\$12,960.00</b>  | \$12,960.00         | 100.00        |
| 01-145-5319                     | EMPLOYEE TRAINING              | \$1,214.35          | \$716.24            | \$2,000.00          | \$729.58            | <b>\$2,000.00</b>   | \$0.00              | 0.00          |
| 01-145-5342                     | OTHER CONTRACTED SERVICES      | \$35,026.24         | \$59,105.76         | \$65,000.00         | \$28,813.19         | <b>\$21,000.00</b>  | \$-44,000.00        | -67.69        |
| 01-145-5345                     | POSTAGE & MAIL PERMITS         | \$12,337.46         | \$693.68            | \$12,000.00         | \$115.04            | <b>\$2,000.00</b>   | \$-10,000.00        | -83.33        |
| 01-145-5405                     | BANK & PAYMENT SUPPLIES        | \$0.00              | \$0.00              | \$0.00              | \$173.87            | <b>\$200.00</b>     | \$200.00            | 100.00        |
| 01-145-5421                     | PRINTING & STATIONARY          | \$0.00              | \$4,491.37          | \$5,000.00          | \$1,140.86          | <b>\$3,000.00</b>   | \$-2,000.00         | -40.00        |
| 01-145-5710                     | MILEAGE REIMBURSEMENT          | \$0.00              | \$134.94            | \$200.00            | \$59.80             | <b>\$200.00</b>     | \$0.00              | 0.00          |
| 01-145-5720                     | REGISTRATION FEES              | \$0.00              | \$435.63            | \$0.00              | \$85.00             | <b>\$0.00</b>       | \$0.00              | 0.00          |
| 01-145-5730                     | DUES                           | \$155.00            | \$50.00             | \$230.00            | \$240.00            | <b>\$250.00</b>     | \$20.00             | 8.69          |
| 01-145-5780                     | OTHER EXPENSES                 | \$0.00              | \$0.00              | \$0.00              | \$1,483.31          | <b>\$150.00</b>     | \$150.00            | 100.00        |
| <b>EXPENSES SUB-TOTAL:</b>      |                                | <b>\$56,834.56</b>  | <b>\$66,484.12</b>  | <b>\$85,350.00</b>  | <b>\$32,840.65</b>  | <b>\$42,660.00</b>  | <b>\$-42,690.00</b> | <b>-50.01</b> |
| <b>145 TREASURER SUB-TOTAL:</b> |                                | <b>\$266,891.14</b> | <b>\$346,457.12</b> | <b>\$328,584.00</b> | <b>\$170,204.59</b> | <b>\$316,505.00</b> | <b>\$-12,079.00</b> | <b>-3.67</b>  |

***Town of Hanover***  
**Town Manager Recommended Budget**  
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| <b>148 - PAYROLL/BENEFITS</b>          |                            | <b>FY2014</b>   | <b>FY2015</b>   | <b>FY2016</b> | <b>FY2016</b>   | <b>FY2017 Town</b>  | <b>\$</b>           | <b>%</b>      |
|--|----------------------------|-----------------|-----------------|---------------|-----------------|---------------------|---------------------|---------------|
| <b>Account Number</b>                  | <b>Account Description</b> | <b>Expended</b> | <b>Expended</b> | <b>Budget</b> | <b>Expended</b> | <b>Manager Rec</b>  | <b>Change</b>       | <b>Change</b> |
| 01-148-5110                            | SALARIES - APPOINTED       | \$0.00          | \$0.00          | \$0.00        | \$0.00          | <b>\$104,018.00</b> | \$104,018.00        | 100.00        |
| <b>PERSONNEL SUB-TOTAL:</b>            |                            | <b>\$0.00</b>   | <b>\$0.00</b>   | <b>\$0.00</b> | <b>\$0.00</b>   | <b>\$104,018.00</b> | <b>\$104,018.00</b> | <b>100.00</b> |
| 01-148-5303                            | PAYROLL SERVICES           | \$0.00          | \$0.00          | \$0.00        | \$0.00          | <b>\$65,000.00</b>  | \$65,000.00         | 100.00        |
| 01-148-5319                            | EMPLOYEE TRAINING          | \$0.00          | \$0.00          | \$0.00        | \$0.00          | <b>\$1,000.00</b>   | \$1,000.00          | 100.00        |
| 01-148-5420                            | OFFICE SUPPLIES            | \$0.00          | \$0.00          | \$0.00        | \$0.00          | <b>\$2,000.00</b>   | \$2,000.00          | 100.00        |
| 01-148-5777                            | WELLNESS PROGRAM           | \$0.00          | \$0.00          | \$0.00        | \$0.00          | <b>\$5,480.00</b>   | \$5,480.00          | 100.00        |
| <b>EXPENSES SUB-TOTAL:</b>             |                            | <b>\$0.00</b>   | <b>\$0.00</b>   | <b>\$0.00</b> | <b>\$0.00</b>   | <b>\$73,480.00</b>  | <b>\$73,480.00</b>  | <b>100.00</b> |
| <b>148 PAYROLL/BENEFITS SUB-TOTAL:</b> |                            | <b>\$0.00</b>   | <b>\$0.00</b>   | <b>\$0.00</b> | <b>\$0.00</b>   | <b>\$177,498.00</b> | <b>\$177,498.00</b> | <b>100.00</b> |

***Town of Hanover***  
**Town Manager Recommended Budget**  
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| <b>161 - TOWN CLERK</b>          |                            | <b>FY2014</b>      | <b>FY2015</b>       | <b>FY2016</b>       | <b>FY2016</b>      | <b>FY2017 Town</b>  | <b>\$</b>         | <b>%</b>      |
|----------------------------------|----------------------------|--------------------|---------------------|---------------------|--------------------|---------------------|-------------------|---------------|
| <b>Account Number</b>            | <b>Account Description</b> | <b>Expended</b>    | <b>Expended</b>     | <b>Budget</b>       | <b>Expended</b>    | <b>Manager Rec</b>  | <b>Change</b>     | <b>Change</b> |
| 01-161-5111                      | SALARIES-ELECTED OFFICIALS | \$54,563.62        | \$55,655.12         | \$59,000.00         | \$30,065.20        | <b>\$60,180.00</b>  | \$1,180.00        | 2.00          |
| 01-161-5113                      | SALARIES-CLERICAL          | \$39,896.43        | \$41,738.06         | \$41,022.00         | \$22,155.83        | <b>\$45,757.00</b>  | \$4,735.00        | 11.54         |
| 01-161-5130                      | OVERTIME                   | \$267.88           | \$409.69            | \$750.00            | \$194.45           | <b>\$750.00</b>     | \$0.00            | 0.00          |
| <b>PERSONNEL SUB-TOTAL:</b>      |                            | <b>\$94,727.93</b> | <b>\$97,802.87</b>  | <b>\$100,772.00</b> | <b>\$52,415.48</b> | <b>\$106,687.00</b> | <b>\$5,915.00</b> | <b>5.86</b>   |
| 01-161-5250                      | EQUIPMENT MAINTENANCE      | \$198.00           | \$12.67             | \$200.00            | \$0.00             | <b>\$200.00</b>     | \$0.00            | 0.00          |
| 01-161-5342                      | BINDING                    | \$154.90           | \$225.00            | \$445.00            | \$0.00             | <b>\$540.00</b>     | \$95.00           | 21.34         |
| 01-161-5345                      | POSTAGE & MAIL PERMITS     | \$186.12           | \$248.88            | \$450.00            | \$698.68           | <b>\$550.00</b>     | \$100.00          | 22.22         |
| 01-161-5421                      | PRINTING & STATIONARY      | \$0.00             | \$0.00              | \$200.00            | \$0.00             | <b>\$200.00</b>     | \$0.00            | 0.00          |
| 01-161-5710                      | MILEAGE REIMBURSEMENT      | \$0.00             | \$197.75            | \$300.00            | \$74.08            | <b>\$300.00</b>     | \$0.00            | 0.00          |
| 01-161-5720                      | REGISTRATION FEES          | \$1,016.00         | \$1,585.87          | \$2,300.00          | \$403.55           | <b>\$2,360.00</b>   | \$60.00           | 2.60          |
| 01-161-5730                      | DUES                       | \$280.00           | \$290.00            | \$280.00            | \$315.00           | <b>\$290.00</b>     | \$10.00           | 3.57          |
| 01-161-5745                      | PUBLIC OFFICIAL BONDS      | \$100.00           | \$100.00            | \$200.00            | \$0.00             | <b>\$0.00</b>       | \$-200.00         | -100.00       |
| 01-161-5780                      | OTHER EXPENSES             | \$0.00             | \$7.58              | \$0.00              | \$197.10           | <b>\$0.00</b>       | \$0.00            | 0.00          |
| 01-161-5860                      | EQUIPMENT PURCHASE         | \$0.00             | \$705.91            | \$500.00            | \$0.00             | <b>\$500.00</b>     | \$0.00            | 0.00          |
| <b>EXPENSES SUB-TOTAL:</b>       |                            | <b>\$2,625.75</b>  | <b>\$3,373.66</b>   | <b>\$4,875.00</b>   | <b>\$1,688.41</b>  | <b>\$4,940.00</b>   | <b>\$65.00</b>    | <b>1.33</b>   |
| <b>161 TOWN CLERK SUB-TOTAL:</b> |                            | <b>\$97,353.68</b> | <b>\$101,176.53</b> | <b>\$105,647.00</b> | <b>\$54,103.89</b> | <b>\$111,627.00</b> | <b>\$5,980.00</b> | <b>5.66</b>   |

***Town of Hanover***  
**Town Manager Recommended Budget**  
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| <b>162 - ELECTIONS &amp; TOWN MEETINGS</b> |                            | <b>FY2014</b>      | <b>FY2015</b>      | <b>FY2016</b>      | <b>FY2016</b>      | <b>FY2017 Town</b> | <b>\$</b>          | <b>%</b>      |
|--|----------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------|
| <b>Account Number</b>                      | <b>Account Description</b> | <b>Expended</b>    | <b>Expended</b>    | <b>Budget</b>      | <b>Expended</b>    | <b>Manager Rec</b> | <b>Change</b>      | <b>Change</b> |
| 01-162-5121                                | WAGES-TEMPORARY EMPLOYEES  | \$9,743.99         | \$20,332.48        | \$13,510.00        | \$12,266.49        | <b>\$25,728.00</b> | \$12,218.00        | 90.43         |
| <b>PERSONNEL SUB-TOTAL:</b>                |                            | <b>\$9,743.99</b>  | <b>\$20,332.48</b> | <b>\$13,510.00</b> | <b>\$12,266.49</b> | <b>\$25,728.00</b> | <b>\$12,218.00</b> | <b>90.43</b>  |
| 01-162-5780                                | OTHER EXPENSES             | \$4,618.01         | \$15,398.49        | \$5,905.00         | \$6,091.08         | <b>\$19,537.00</b> | \$13,632.00        | 230.85        |
| 01-162-5783                                | BALLOT EXPENSES            | \$0.00             | \$5,614.62         | \$5,740.00         | \$2,460.00         | <b>\$7,500.00</b>  | \$1,760.00         | 30.66         |
| <b>EXPENSES SUB-TOTAL:</b>                 |                            | <b>\$14,659.93</b> | <b>\$21,013.11</b> | <b>\$11,645.00</b> | <b>\$8,551.08</b>  | <b>\$27,037.00</b> | <b>\$15,392.00</b> | <b>132.17</b> |
| <b>162 ELECTIONS &amp; TOWN MEETINGS</b>   |                            | <b>\$24,403.92</b> | <b>\$41,345.59</b> | <b>\$25,155.00</b> | <b>\$20,817.57</b> | <b>\$52,765.00</b> | <b>\$27,610.00</b> | <b>109.75</b> |

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>163 - REGISTRARS</b>          |                              | <b>FY2014</b>      | <b>FY2015</b>      | <b>FY2016</b>      | <b>FY2016</b>      | <b>FY2017 Town</b> | <b>\$</b>         | <b>%</b>      |
|----------------------------------|------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|-------------------|---------------|
| <b>Account Number</b>            | <b>Account Description</b>   | <b>Expended</b>    | <b>Expended</b>    | <b>Budget</b>      | <b>Expended</b>    | <b>Manager Rec</b> | <b>Change</b>     | <b>Change</b> |
| 01-163-5112                      | SALARIES-APPOINTED OFFICIALS | \$23,097.55        | \$29,534.77        | \$23,000.00        | \$11,223.20        | <b>\$29,000.00</b> | \$6,000.00        | 26.08         |
| <b>PERSONNEL SUB-TOTAL:</b>      |                              | <b>\$23,097.55</b> | <b>\$29,534.77</b> | <b>\$23,000.00</b> | <b>\$11,223.20</b> | <b>\$29,000.00</b> | <b>\$6,000.00</b> | <b>26.08</b>  |
| 01-163-5345                      | POSTAGE & MAIL PERMITS       | \$912.54           | \$4,061.83         | \$4,000.00         | \$2,833.43         | <b>\$4,500.00</b>  | \$500.00          | 12.50         |
| 01-163-5420                      | OFFICE SUPPLIES              | \$214.52           | \$24.50            | \$0.00             | \$0.00             | <b>\$0.00</b>      | \$0.00            | 0.00          |
| 01-163-5421                      | PRINTING & STATIONARY        | \$29.96            | \$2,166.90         | \$2,000.00         | \$262.00           | <b>\$2,300.00</b>  | \$300.00          | 15.00         |
| 01-163-5425                      | DATA PROCESSING SUPPLIES     | \$3,121.34         | \$686.00           | \$0.00             | \$722.66           | <b>\$0.00</b>      | \$0.00            | 0.00          |
| <b>EXPENSES SUB-TOTAL:</b>       |                              | <b>\$4,278.36</b>  | <b>\$6,939.23</b>  | <b>\$6,000.00</b>  | <b>\$3,818.09</b>  | <b>\$6,800.00</b>  | <b>\$800.00</b>   | <b>13.33</b>  |
| <b>163 REGISTRARS SUB-TOTAL:</b> |                              | <b>\$27,375.91</b> | <b>\$36,474.00</b> | <b>\$29,000.00</b> | <b>\$15,041.29</b> | <b>\$35,800.00</b> | <b>\$6,800.00</b> | <b>23.44</b>  |



# COMMUNITY SERVICES



*"Hanover, Honoring Yesterday As We Build For Tomorrow"*



## Community Services Department

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### **Community Services Department Mission**

The mission of the Community Services Department is to provide quality services, activities, programs and facilities for all of those who live, learn, work and play in the Town of Hanover. We do this by operating and supporting the following divisions:

#### **Department of Municipal Inspections (DMI)**

The mission of the Department of Municipal Inspections is to ensure that all projects both planned and constructed in the Town of Hanover move through the permitting and inspection process with ease, and all residents and business owners are treated with respect and are provided superior customer service. 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 provides resources for patrons to gain a better understanding of their personal heritage and the cultural heritage of others.

#### **Council on Aging (COA)**

The mission of the Council on Aging is to provide services, educational programs and activities which enhance and promote the highest quality of life for each individual.

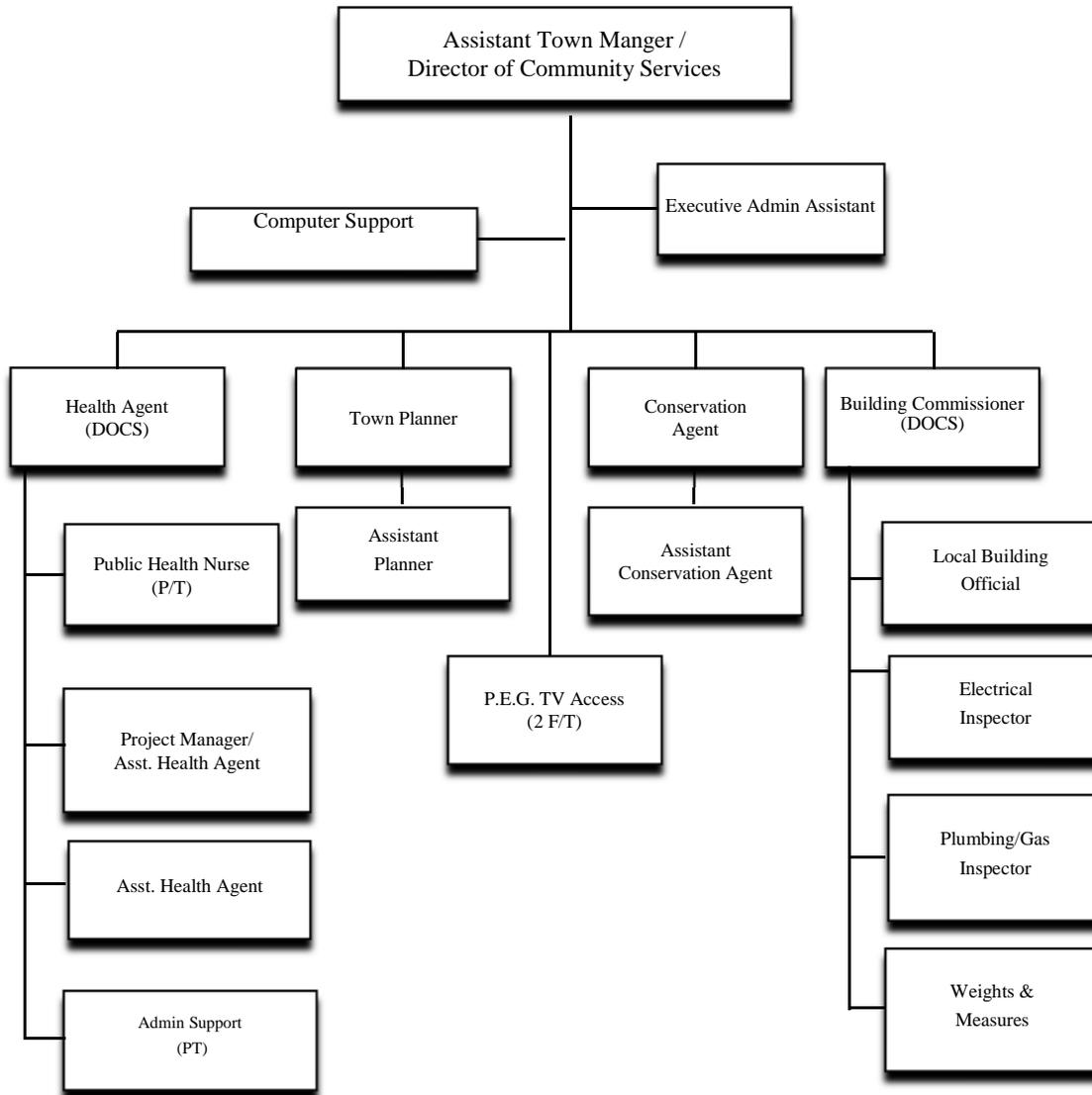
#### **Visiting Nurses Association (VNA)**

The Hanover VNA believes that all persons living in our community deserve to be treated with dignity and respect. It is our role to promote health and to the extent possible prevent and control disease. We provide care that is clinically competent and compassionate and recognize the need to coordinate medical, spiritual and social services with other private and public agencies when deemed necessary to improve the health of our community. We include our patients and their families as part of our team approach to allow individuals to live as independently as possible.



# Community Services Department

## Organizational Chart

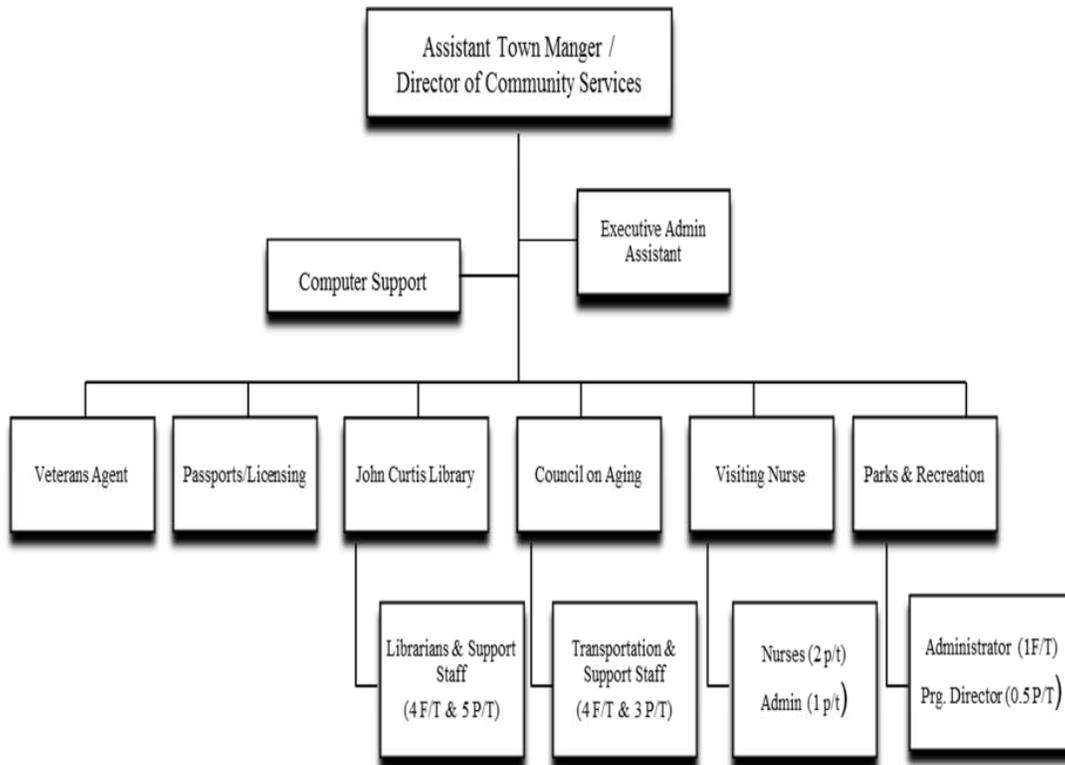




## Community Services Department

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### Organizational Chart cont'd



### Goals and Objectives

- Install People GIS software to unify all GIS layers and uses under one platform.
- Develop a five year strategic plan for the Council on Aging.
- Increase clinical visits and outreach in the Visiting Nurses by utilizing interns from local nursing schools.
- Review and update the sign bylaw for the Town and have ready for possible approval at Town Meeting 2016.



## Community Services Department

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### **Accomplishments**

- Completed and distributed economic development plan to local and national businesses.
- Increased nursing hours in the Visiting Nurses office to offer additional clinic hours and wellness programs.
- Developed and implemented a more intensive senior outreach plan at the Council on Aging.
- Completed transition to online permitting in the Department of Municipal Inspections and filled computer support position.

### **Significant Budget Changes or Initiatives**

This FY 2017 budget includes fulling funding the Technology Reference Librarian out of the general fund. In FY2016 we only funded half of this full time position out of the operating budget with the remaining funds coming out of State grant funding. Fully funding this position in FY17 is necessary in order to maintain our library accreditation and meet the state mandated minimum budget increase of 2.5%.

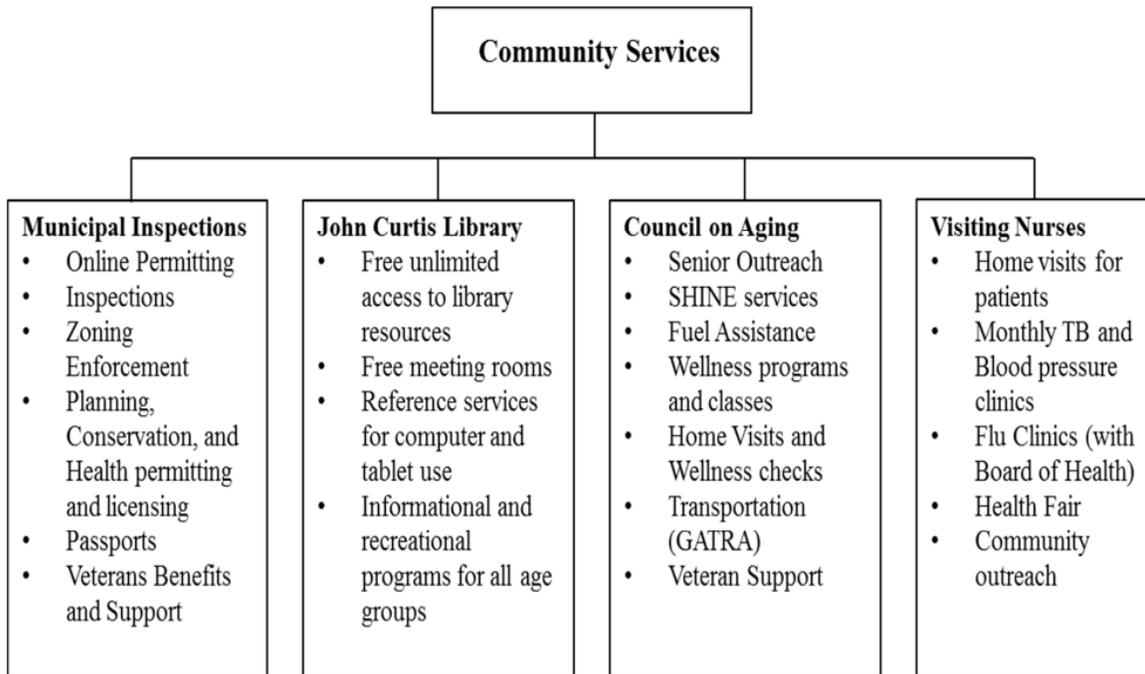
Community Services FY17 budget submission also transitioned a portion of the Parks and Recreation payroll and field maintenance expenses for Forge Pond Park from the revolving fund and the DPW budget to the Community Services operating budget.



## Community Services Department

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### Programs and Services





## Community Services Department

### Personnel Summary

| Position  | FY2015<br>FTE | FY2016<br>FTE | FY2017<br>FTE | Change |
|---|---------------|---------------|---------------|--------|
| <b>Director Community Services/Assistant Town Manager</b> | <b>1.00</b>   | <b>1.00</b>   | <b>1.00</b>   | -      |
| Municipal Inspections                                     |               |               |               |        |
| Project Manager   | 0.33          | 0.33          | 0.33          | -      |
| Program Support   | -             | 1.00          | 1.00          | -      |
| Town Planner  | 1.00          | 1.00          | 1.00          | -      |
| Assistant Town Planner                                    | 1.00          | 1.00          | 1.00          | -      |
| Building Official   | 1.00          | 1.00          | 1.00          | -      |
| Conservation Agent  | 1.00          | 1.00          | 1.00          | -      |
| Assistant Conservation Agent                              | 1.00          | 1.00          | 1.00          | -      |
| Health Agent  | 1.00          | 1.00          | 1.00          | -      |
| Assistant Health Agent                                    | 1.00          | 1.00          | 1.00          | -      |
| Public Health Nurse                                       | 0.50          | 0.50          | 0.50          | -      |
| Sealer Weights & Measures                                 | 0.50          | 0.50          | 0.50          | -      |
| Inspectors  | 2.50          | 2.50          | 2.50          | -      |
| Executive Assistant                                       | 1.00          | 1.00          | 1.00          | -      |
| Passports/Licensing                                       | 1.00          | 1.00          | 1.00          | -      |
| Visiting Nurse Association                                |               |               |               |        |
| Nurse Administrator                                       | 1.00          | 1.00          | 1.00          | -      |
| Nurses  | 1.50          | 1.50          | 1.50          | -      |
| Council on Aging  |               |               |               |        |
| Director  | 1.00          | 1.00          | 1.00          | -      |
| Assistant Director  | 1.00          | -             | -             | -      |
| Outreach Coordinator                                      | -             | 1.00          | 1.00          | -      |
| Administrative Assistant                                  | 1.00          | 1.50          | 1.50          | -      |
| Veterans' Services  |               |               |               |        |
| Director of Veterans' Services                            | 0.50          | 0.50          | 0.50          | -      |
| John Curtis Free Library                                  |               |               |               |        |
| Library Director  | 1.00          | 1.00          | 1.00          | -      |
| Librarians  | 2.50          | 2.50          | 3.00          | -      |
| Library Technician  | 2.00          | 2.00          | 2.00          | -      |
| Library Assistants  | 1.50          | 1.50          | 1.50          | -      |
| Page  | 0.50          | 0.50          | 0.50          | -      |
| Parks & Recreation  |               |               |               |        |
| P.E.G. TV Access  | -             | 1.50          | 1.50          | -      |
|   | -             | 2.00          | 2.00          | -      |
| <b>Total Full-time Equivalent</b>                         | <b>27.33</b>  | <b>31.33</b>  | <b>31.83</b>  |        |



## Community Services Department

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### **Personnel Notes**

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

**Town of Hanover**  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>255 - MUNICIPAL INSPECTIONS</b>          |                                | <b>FY2014</b>       | <b>FY2015</b>       | <b>FY2016</b>       | <b>FY2016</b>       | <b>FY2017 Town</b>  | <b>\$</b>          | <b>%</b>      |
|---|--------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|--------------------|---------------|
| <b>Account Number</b>                       | <b>Account Description</b>     | <b>Expended</b>     | <b>Expended</b>     | <b>Budget</b>       | <b>Expended</b>     | <b>Manager Rec</b>  | <b>Change</b>      | <b>Change</b> |
| 01-255-5110                                 | SALARIES - APPOINTED OFFICIALS | \$282,903.52        | \$324,044.48        | \$431,670.00        | \$170,814.49        | <b>\$373,489.00</b> | \$-58,181.00       | -13.47        |
| 01-255-5113                                 | SALARIES - CLERICAL            | \$218,519.05        | \$205,718.51        | \$227,830.00        | \$122,852.00        | <b>\$277,109.00</b> | \$49,279.00        | 21.62         |
| 01-255-5120                                 | SALARIES - PERMANENT P/T       | \$0.00              | \$131.58            | \$0.00              | \$767.55            | <b>\$0.00</b>       | \$0.00             | 0.00          |
| 01-255-5121                                 | SALARIES - TEMPORARY EMPLOYEES | \$28,861.81         | \$33,329.42         | \$17,219.00         | \$18,697.94         | <b>\$21,197.00</b>  | \$3,978.00         | 23.10         |
| 01-255-5140                                 | LONGEVITY                      | \$0.00              | \$0.00              | \$0.00              | \$1,500.00          | <b>\$0.00</b>       | \$0.00             | 0.00          |
| <b>PERSONNEL SUB-TOTAL:</b>                 |                                | <b>\$530,393.73</b> | <b>\$563,223.99</b> | <b>\$676,719.00</b> | <b>\$314,631.98</b> | <b>\$671,795.00</b> | <b>\$-4,924.00</b> | <b>-0.72</b>  |
| 01-255-5240                                 | VEHICLE MAINTENANCE & REPAIR   | \$195.29            | \$1,291.05          | \$500.00            | \$80.95             | <b>\$1,000.00</b>   | \$500.00           | 100.00        |
| 01-255-5250                                 | EQUIPMENT MAINTENANCE          | \$32.00             | \$59.46             | \$500.00            | \$300.00            | <b>\$500.00</b>     | \$0.00             | 0.00          |
| 01-255-5310                                 | ENGINEERING                    | \$0.00              | \$0.00              | \$500.00            | \$1,200.00          | <b>\$500.00</b>     | \$0.00             | 0.00          |
| 01-255-5315                                 | MEDICAL                        | \$3,468.89          | \$2,685.16          | \$3,000.00          | \$378.12            | <b>\$3,000.00</b>   | \$0.00             | 0.00          |
| 01-255-5317                                 | EMPLOYEE TRAINING              | \$4,149.61          | \$7,604.93          | \$5,000.00          | \$2,562.51          | <b>\$6,000.00</b>   | \$1,000.00         | 20.00         |
| 01-255-5319                                 | OTHER CONTRACTED SERVICES      | \$4,136.70          | \$5,417.48          | \$5,500.00          | \$1,947.11          | <b>\$5,500.00</b>   | \$0.00             | 0.00          |
| 01-255-5341                                 | CELL PHONE                     | \$3,809.62          | \$5,300.27          | \$5,000.00          | \$3,355.57          | <b>\$7,500.00</b>   | \$2,500.00         | 50.00         |
| 01-255-5344                                 | ADVERTISING                    | \$558.17            | \$798.63            | \$1,000.00          | \$503.32            | <b>\$1,000.00</b>   | \$0.00             | 0.00          |
| 01-255-5345                                 | POSTAGE                        | \$2,291.40          | \$3,746.95          | \$2,200.00          | \$1,323.98          | <b>\$3,000.00</b>   | \$800.00           | 36.36         |
| 01-255-5348                                 | POSTAGE - PASSPORTS            | \$1,194.37          | \$1,109.09          | \$1,000.00          | \$510.54            | <b>\$1,200.00</b>   | \$200.00           | 20.00         |
| 01-255-5420                                 | OFFICE SUPPLIES                | \$5,988.52          | \$0.00              | \$0.00              | \$35.00             | <b>\$0.00</b>       | \$0.00             | 0.00          |
| 01-255-5530                                 | LABORATORY SUPPLIES            | \$38.38             | \$0.00              | \$200.00            | \$0.00              | <b>\$200.00</b>     | \$0.00             | 0.00          |
| 01-255-5590                                 | FIELD MATERIALS AND SUPPLIES   | \$3,145.42          | \$2,227.59          | \$2,000.00          | \$269.91            | <b>\$2,000.00</b>   | \$0.00             | 0.00          |
| 01-255-5710                                 | MILEAGE REIMBURSEMENT          | \$7,062.74          | \$7,583.32          | \$7,000.00          | \$2,174.36          | <b>\$7,000.00</b>   | \$0.00             | 0.00          |
| 01-255-5720                                 | REGISTRATION FEES              | \$1,290.00          | \$1,505.00          | \$1,500.00          | \$670.00            | <b>\$1,500.00</b>   | \$0.00             | 0.00          |
| 01-255-5730                                 | DUES                           | \$2,488.00          | \$2,064.00          | \$1,500.00          | \$1,745.67          | <b>\$1,500.00</b>   | \$0.00             | 0.00          |
| 01-255-5860                                 | EQUIPMENT PURCHASE             | \$1,687.93          | \$2,100.00          | \$2,100.00          | \$633.44            | <b>\$2,100.00</b>   | \$0.00             | 0.00          |
| <b>EXPENSES SUB-TOTAL:</b>                  |                                | <b>\$41,537.04</b>  | <b>\$43,492.93</b>  | <b>\$38,500.00</b>  | <b>\$17,690.48</b>  | <b>\$43,500.00</b>  | <b>\$5,000.00</b>  | <b>12.98</b>  |
| <b>255 MUNICIPAL INSPECTIONS SUB-TOTAL:</b> |                                | <b>\$571,930.77</b> | <b>\$606,716.92</b> | <b>\$715,219.00</b> | <b>\$332,322.46</b> | <b>\$715,295.00</b> | <b>\$76.00</b>     | <b>0.01</b>   |

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>522 - VISITING NURSE ASSOCIATION</b> |                              | <b>FY2014</b>      | <b>FY2015</b>       | <b>FY2016</b>       | <b>FY2016</b>      | <b>FY2017 Town</b>  | <b>\$</b>          | <b>%</b>      |
|---|------------------------------|--------------------|---------------------|---------------------|--------------------|---------------------|--------------------|---------------|
| <b>Account Number</b>                   | <b>Account Description</b>   | <b>Expended</b>    | <b>Expended</b>     | <b>Budget</b>       | <b>Expended</b>    | <b>Manager Rec</b>  | <b>Change</b>      | <b>Change</b> |
| 01-522-5110                             | SALARIES-APPOINTED OFFICIALS | \$68,646.01        | \$72,367.30         | \$73,120.00         | \$37,770.09        | <b>\$76,593.00</b>  | \$3,473.00         | 4.74          |
| 01-522-5121                             | WAGES-TEMPORARY EMPLOYEES    | \$28,419.77        | \$33,007.76         | \$30,889.00         | \$19,099.34        | <b>\$43,775.00</b>  | \$12,886.00        | 41.71         |
| <b>PERSONNEL SUB-TOTAL:</b>             |                              | <b>\$97,065.78</b> | <b>\$105,375.06</b> | <b>\$104,009.00</b> | <b>\$56,869.43</b> | <b>\$120,368.00</b> | <b>\$16,359.00</b> | <b>15.72</b>  |
| 01-522-5319                             | OTHER CONTRACTED SERVICE     | \$1,500.00         | \$0.00              | \$1,500.00          | \$0.00             | <b>\$1,500.00</b>   | \$0.00             | 0.00          |
| <b>EXPENSES SUB-TOTAL:</b>              |                              | <b>\$1,500.00</b>  | <b>\$0.00</b>       | <b>\$1,500.00</b>   | <b>\$0.00</b>      | <b>\$1,500.00</b>   | <b>\$0.00</b>      | <b>0.00</b>   |
| <b>522 VISITING NURSE ASSOCIATION</b>   |                              | <b>\$98,565.78</b> | <b>\$105,375.06</b> | <b>\$105,509.00</b> | <b>\$56,869.43</b> | <b>\$121,868.00</b> | <b>\$16,359.00</b> | <b>15.50</b>  |

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>541 - COUNCIL ON AGING</b>          |                                | <b>FY2014</b>       | <b>FY2015</b>       | <b>FY2016</b>       | <b>FY2016</b>      | <b>FY2017 Town</b>  | <b>\$</b>         | <b>%</b>      |
|--|--------------------------------|---------------------|---------------------|---------------------|--------------------|---------------------|-------------------|---------------|
| <b>Account Number</b>                  | <b>Account Description</b>     | <b>Expended</b>     | <b>Expended</b>     | <b>Budget</b>       | <b>Expended</b>    | <b>Manager Rec</b>  | <b>Change</b>     | <b>Change</b> |
| 01-541-5110                            | SALARIES-APPOINTED OFFICIALS   | \$123,385.62        | \$109,255.62        | \$133,845.00        | \$60,671.75        | <b>\$135,531.00</b> | \$1,686.00        | 1.25          |
| 01-541-5120                            | SALARIES & WAGES-PERMANENT     | \$14,816.86         | \$14,772.28         | \$16,861.00         | \$8,828.76         | <b>\$22,851.00</b>  | \$5,990.00        | 35.52         |
| <b>PERSONNEL SUB-TOTAL:</b>            |                                | <b>\$138,202.48</b> | <b>\$124,027.90</b> | <b>\$150,706.00</b> | <b>\$69,500.51</b> | <b>\$158,382.00</b> | <b>\$7,676.00</b> | <b>5.09</b>   |
| 01-541-5230                            | MAINTENANCE-BLDG & GROUNDS     | \$6,582.39          | \$5,044.74          | \$5,250.00          | \$1,496.25         | <b>\$5,150.00</b>   | \$-100.00         | -1.90         |
| 01-541-5240                            | VEHICLE MAINT.-MINIBUS EXPENSE | \$2,229.59          | \$1,151.59          | \$1,000.00          | \$1,098.14         | <b>\$2,060.00</b>   | \$1,060.00        | 106.00        |
| 01-541-5295                            | REFUSE REMOVAL SERVICE         | \$1,145.18          | \$1,343.55          | \$1,550.00          | \$687.44           | <b>\$1,596.00</b>   | \$46.00           | 2.96          |
| 01-541-5319                            | OTHER CONTRACTED SERVICE       | \$19,947.68         | \$21,262.51         | \$21,700.00         | \$16,467.21        | <b>\$27,141.00</b>  | \$5,441.00        | 25.07         |
| 01-541-5345                            | POSTAGE & MAIL PERMITS         | \$5,040.88          | \$3,690.88          | \$8,800.00          | \$1,709.17         | <b>\$5,150.00</b>   | \$-3,650.00       | -41.47        |
| 01-541-5420                            | OFFICE SUPPLIES                | \$2,471.02          | \$3,299.50          | \$3,000.00          | \$1,184.72         | <b>\$2,060.00</b>   | \$-940.00         | -31.33        |
| 01-541-5421                            | PRINTING & STATIONARY          | \$0.00              | \$0.00              | \$1,150.00          | \$1,679.30         | <b>\$1,030.00</b>   | \$-120.00         | -10.43        |
| 01-541-5710                            | MILEAGE REIMBURSEMENT          | \$449.06            | \$278.83            | \$420.00            | \$211.04           | <b>\$433.00</b>     | \$13.00           | 3.09          |
| 01-541-5720                            | REGISTRATION FEES              | \$109.57            | \$249.31            | \$1,050.00          | \$0.00             | <b>\$618.00</b>     | \$-432.00         | -41.14        |
| 01-541-5730                            | DUES                           | \$25.00             | \$0.00              | \$210.00            | \$0.00             | <b>\$216.00</b>     | \$6.00            | 2.85          |
| 01-541-5860                            | EQUIPMENT PURCHASE             | \$1,000.00          | \$1,036.40          | \$1,100.00          | \$0.00             | <b>\$1,133.00</b>   | \$33.00           | 3.00          |
| <b>EXPENSES SUB-TOTAL:</b>             |                                | <b>\$40,100.37</b>  | <b>\$37,357.31</b>  | <b>\$45,230.00</b>  | <b>\$24,533.27</b> | <b>\$46,587.00</b>  | <b>\$1,357.00</b> | <b>3.00</b>   |
| <b>541 COUNCIL ON AGING SUB-TOTAL:</b> |                                | <b>\$178,302.85</b> | <b>\$161,385.21</b> | <b>\$195,936.00</b> | <b>\$94,033.78</b> | <b>\$204,969.00</b> | <b>\$9,033.00</b> | <b>4.61</b>   |

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>543 - VETERANS SERVICES</b>          |                                  | <b>FY2014</b>       | <b>FY2015</b>       | <b>FY2016</b>       | <b>FY2016</b>      | <b>FY2017 Town</b>  | <b>\$</b>         | <b>%</b>      |
|---|----------------------------------|---------------------|---------------------|---------------------|--------------------|---------------------|-------------------|---------------|
| <b>Account Number</b>                   | <b>Account Description</b>       | <b>Expended</b>     | <b>Expended</b>     | <b>Budget</b>       | <b>Expended</b>    | <b>Manager Rec</b>  | <b>Change</b>     | <b>Change</b> |
| 01-543-5110                             | SALARIES-APPOINTED OFFICIALS     | \$17,098.20         | \$19,354.87         | \$19,410.00         | \$10,205.88        | <b>\$20,828.00</b>  | \$1,418.00        | 7.30          |
| <b>PERSONNEL SUB-TOTAL:</b>             |                                  | <b>\$17,098.20</b>  | <b>\$19,354.87</b>  | <b>\$19,410.00</b>  | <b>\$10,205.88</b> | <b>\$20,828.00</b>  | <b>\$1,418.00</b> | <b>7.30</b>   |
| 01-543-5319                             | OTHER CONTRACTED SERVICES        | \$1,645.50          | \$702.20            | \$3,200.00          | \$0.00             | <b>\$3,200.00</b>   | \$0.00            | 0.00          |
| 01-543-5345                             | POSTAGE & MAIL PERMITS           | \$10.12             | \$0.00              | \$50.00             | \$10.19            | <b>\$50.00</b>      | \$0.00            | 0.00          |
| 01-543-5710                             | MILEAGE REIMBURSEMENT            | \$0.00              | \$54.05             | \$500.00            | \$0.00             | <b>\$500.00</b>     | \$0.00            | 0.00          |
| 01-543-5770                             | VETERANS' BENEFITS - SUBSISTENCE | \$108,275.24        | \$115,170.61        | \$106,000.00        | \$50,355.73        | <b>\$106,000.00</b> | \$0.00            | 0.00          |
| 01-543-5771                             | VETERANS' BENEFITS - MEDICAL     | \$1,497.92          | \$0.00              | \$20,000.00         | \$0.00             | <b>\$20,000.00</b>  | \$0.00            | 0.00          |
| 01-543-5860                             | EQUIPMENT PURCHASE               | \$75.99             | \$0.00              | \$200.00            | \$0.00             | <b>\$200.00</b>     | \$0.00            | 0.00          |
| <b>EXPENSES SUB-TOTAL:</b>              |                                  | <b>\$111,580.76</b> | <b>\$115,926.86</b> | <b>\$129,950.00</b> | <b>\$50,365.92</b> | <b>\$129,950.00</b> | <b>\$0.00</b>     | <b>0.00</b>   |
| <b>543 VETERANS SERVICES SUB-TOTAL:</b> |                                  | <b>\$128,678.96</b> | <b>\$135,281.73</b> | <b>\$149,360.00</b> | <b>\$60,571.80</b> | <b>\$150,778.00</b> | <b>\$1,418.00</b> | <b>0.94</b>   |

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>610 - JOHN CURTIS LIBRARY</b>          |                              | <b>FY2014</b>       | <b>FY2015</b>       | <b>FY2016</b>       | <b>FY2016</b>       | <b>FY2017 Town</b>  | <b>\$</b>          | <b>%</b>      |
|---|------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|--------------------|---------------|
| <b>Account Number</b>                     | <b>Account Description</b>   | <b>Expended</b>     | <b>Expended</b>     | <b>Budget</b>       | <b>Expended</b>     | <b>Manager Rec</b>  | <b>Change</b>      | <b>Change</b> |
| 01-610-5110                               | SALARIES-APPOINTED OFFICIALS | \$242,188.24        | \$174,130.35        | \$86,698.00         | \$44,209.77         | <b>\$89,298.00</b>  | \$2,600.00         | 2.99          |
| 01-610-5113                               | SALARIES-CLERICAL            | \$0.00              | \$106,480.96        | \$195,071.00        | \$113,585.16        | <b>\$217,951.00</b> | \$22,880.00        | 11.72         |
| 01-610-5120                               | SALARIES - PERM P/T          | \$0.00              | \$36,592.51         | \$0.00              | \$28,506.36         | <b>\$0.00</b>       | \$0.00             | 0.00          |
| 01-610-5121                               | WAGES-TEMPORARY EMPLOYEES    | \$57,369.86         | \$48,175.05         | \$69,116.00         | \$7,852.12          | <b>\$73,242.00</b>  | \$4,126.00         | 5.96          |
| 01-610-5140                               | LONGEVITY                    | \$0.00              | \$2,757.25          | \$0.00              | \$0.00              | <b>\$0.00</b>       | \$0.00             | 0.00          |
| 01-610-5141                               | SHIFT DIFFERENTIALS          | \$29,564.22         | \$11,481.95         | \$4,000.00          | \$2,754.24          | <b>\$16,000.00</b>  | \$12,000.00        | 300.00        |
| <b>PERSONNEL SUB-TOTAL:</b>               |                              | <b>\$329,122.32</b> | <b>\$379,618.07</b> | <b>\$354,885.00</b> | <b>\$196,907.65</b> | <b>\$396,491.00</b> | <b>\$41,606.00</b> | <b>11.72</b>  |
| 01-610-5230                               | MAINTENANCE-BLDG & GROUNDS   | \$6,311.96          | \$3,144.28          | \$10,000.00         | \$58.00             | <b>\$10,000.00</b>  | \$0.00             | 0.00          |
| 01-610-5250                               | EQUIPMENT MAINTENANCE        | \$2,315.50          | \$1,888.69          | \$10,000.00         | \$2,974.42          | <b>\$10,000.00</b>  | \$0.00             | 0.00          |
| 01-610-5318                               | OCS - PROGRAMS               | \$366.25            | \$740.72            | \$2,000.00          | \$341.42            | <b>\$2,000.00</b>   | \$0.00             | 0.00          |
| 01-610-5319                               | OCS - OLD COLONY NETWORK     | \$25,735.95         | \$24,377.13         | \$29,720.00         | \$24,067.11         | <b>\$29,720.00</b>  | \$0.00             | 0.00          |
| 01-610-5344                               | ADVERTISING                  | \$921.08            | \$0.00              | \$1,500.00          | \$0.00              | <b>\$1,500.00</b>   | \$0.00             | 0.00          |
| 01-610-5345                               | POSTAGE & MAIL PERMITS       | \$1,410.00          | \$981.61            | \$2,000.00          | \$490.00            | <b>\$2,100.00</b>   | \$100.00           | 5.00          |
| 01-610-5420                               | OFFICE SUPPLIES              | \$5,711.04          | \$6,077.90          | \$10,000.00         | \$2,985.47          | <b>\$10,000.00</b>  | \$0.00             | 0.00          |
| 01-610-5425                               | DATA PROCESSING SUPPLIES     | \$0.00              | \$0.00              | \$0.00              | \$109.95            | <b>\$0.00</b>       | \$0.00             | 0.00          |
| 01-610-5510                               | BOOKS                        | \$51,578.21         | \$57,449.22         | \$41,500.00         | \$24,056.36         | <b>\$41,500.00</b>  | \$0.00             | 0.00          |
| 01-610-5511                               | REFERENCE BOOKS              | \$14,062.49         | \$17,040.39         | \$15,000.00         | \$7,857.87          | <b>\$18,500.00</b>  | \$3,500.00         | 23.33         |
| 01-610-5512                               | PERIODICALS & JOURNALS       | \$5,945.48          | \$6,050.10          | \$10,000.00         | \$3,435.58          | <b>\$11,000.00</b>  | \$1,000.00         | 10.00         |
| 01-610-5515                               | AUDIO-VISUAL SUPPLIES        | \$20,232.16         | \$18,069.21         | \$20,000.00         | \$6,911.09          | <b>\$20,000.00</b>  | \$0.00             | 0.00          |
| 01-610-5516                               | LIBRARY FINES                | \$10,724.70         | \$11,734.48         | \$0.00              | \$3,258.91          | <b>\$0.00</b>       | \$0.00             | 0.00          |
| 01-610-5710                               | MILEAGE REIMBURSEMENT        | \$302.91            | \$664.25            | \$1,000.00          | \$93.61             | <b>\$1,000.00</b>   | \$0.00             | 0.00          |
| 01-610-5720                               | REGISTRATION FEES            | \$80.00             | \$215.00            | \$1,200.00          | \$0.00              | <b>\$1,200.00</b>   | \$0.00             | 0.00          |
| 01-610-5730                               | DUES                         | \$198.00            | \$422.00            | \$1,500.00          | \$80.00             | <b>\$1,500.00</b>   | \$0.00             | 0.00          |
| 01-610-5860                               | EQUIPMENT PURCHASE           | \$9,589.57          | \$10,255.32         | \$10,000.00         | \$10,034.79         | <b>\$6,500.00</b>   | \$-3,500.00        | -35.00        |
| <b>EXPENSES SUB-TOTAL:</b>                |                              | <b>\$155,516.90</b> | <b>\$159,110.30</b> | <b>\$165,420.00</b> | <b>\$86,754.58</b>  | <b>\$166,520.00</b> | <b>\$1,100.00</b>  | <b>0.66</b>   |
| <b>610 JOHN CURTIS LIBRARY SUB-TOTAL:</b> |                              | <b>\$484,639.22</b> | <b>\$538,728.37</b> | <b>\$520,305.00</b> | <b>\$283,662.23</b> | <b>\$563,011.00</b> | <b>\$42,706.00</b> | <b>8.20</b>   |

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>630 - PARKS &amp; RECREATION</b>          |                                | <b>FY2014</b>   | <b>FY2015</b>   | <b>FY2016</b> | <b>FY2016</b>   | <b>FY2017 Town</b>  | <b>\$</b>           | <b>%</b>      |
|--|--------------------------------|-----------------|-----------------|---------------|-----------------|---------------------|---------------------|---------------|
| <b>Account Number</b>                        | <b>Account Description</b>     | <b>Expended</b> | <b>Expended</b> | <b>Budget</b> | <b>Expended</b> | <b>Manager Rec</b>  | <b>Change</b>       | <b>Change</b> |
| 01-630-5110                                  | SALARIES - APPOINTED OFFICIALS | \$0.00          | \$0.00          | \$0.00        | \$0.00          | <b>\$56,272.00</b>  | \$56,272.00         | 100.00        |
| 01-630-5120                                  | SALARY - PERMANENT P/T         | \$0.00          | \$0.00          | \$0.00        | \$0.00          | <b>\$15,668.00</b>  | \$15,668.00         | 100.00        |
| <b>PERSONNEL SUB-TOTAL:</b>                  |                                | <b>\$0.00</b>   | <b>\$0.00</b>   | <b>\$0.00</b> | <b>\$0.00</b>   | <b>\$71,940.00</b>  | <b>\$71,940.00</b>  | <b>100.00</b> |
| 01-630-5230                                  | FIELD MAINTENANCE              | \$0.00          | \$0.00          | \$0.00        | \$0.00          | <b>\$76,000.00</b>  | \$76,000.00         | 100.00        |
| 01-630-5318                                  | OTHER CONTRACTED SERVICES      | \$0.00          | \$0.00          | \$0.00        | \$0.00          | <b>\$2,000.00</b>   | \$2,000.00          | 100.00        |
| 01-630-5420                                  | OFFICE SUPPLIES                | \$0.00          | \$0.00          | \$0.00        | \$0.00          | <b>\$500.00</b>     | \$500.00            | 100.00        |
| 01-630-5710                                  | MILEAGE REIMBURSEMENT          | \$0.00          | \$0.00          | \$0.00        | \$0.00          | <b>\$500.00</b>     | \$500.00            | 100.00        |
| 01-630-5780                                  | OTHER EXPENSES                 | \$0.00          | \$0.00          | \$0.00        | \$0.00          | <b>\$1,000.00</b>   | \$1,000.00          | 100.00        |
| 01-630-5860                                  | EQUIPMENT PURCHASE             | \$0.00          | \$0.00          | \$0.00        | \$0.00          | <b>\$200.00</b>     | \$200.00            | 100.00        |
| <b>EXPENSES SUB-TOTAL:</b>                   |                                | <b>\$0.00</b>   | <b>\$0.00</b>   | <b>\$0.00</b> | <b>\$0.00</b>   | <b>\$80,200.00</b>  | <b>\$80,200.00</b>  | <b>100.00</b> |
| <b>630 PARKS &amp; RECREATION SUB-TOTAL:</b> |                                | <b>\$0.00</b>   | <b>\$0.00</b>   | <b>\$0.00</b> | <b>\$0.00</b>   | <b>\$152,140.00</b> | <b>\$152,140.00</b> | <b>100.00</b> |
| <b>GENERAL FUND TOTAL:</b>                   |                                | <b>\$0.00</b>   | <b>\$0.00</b>   | <b>\$0.00</b> | <b>\$0.00</b>   | <b>\$152,140.00</b> | <b>\$152,140.00</b> | <b>100.00</b> |
| <b>GRAND TOTAL:</b>                          |                                | <b>\$0.00</b>   | <b>\$0.00</b>   | <b>\$0.00</b> | <b>\$0.00</b>   | <b>\$152,140.00</b> | <b>\$152,140.00</b> | <b>100.00</b> |

# POLICE DEPARTMENT



*"Hanover, Honoring Yesterday As We Build For Tomorrow"*

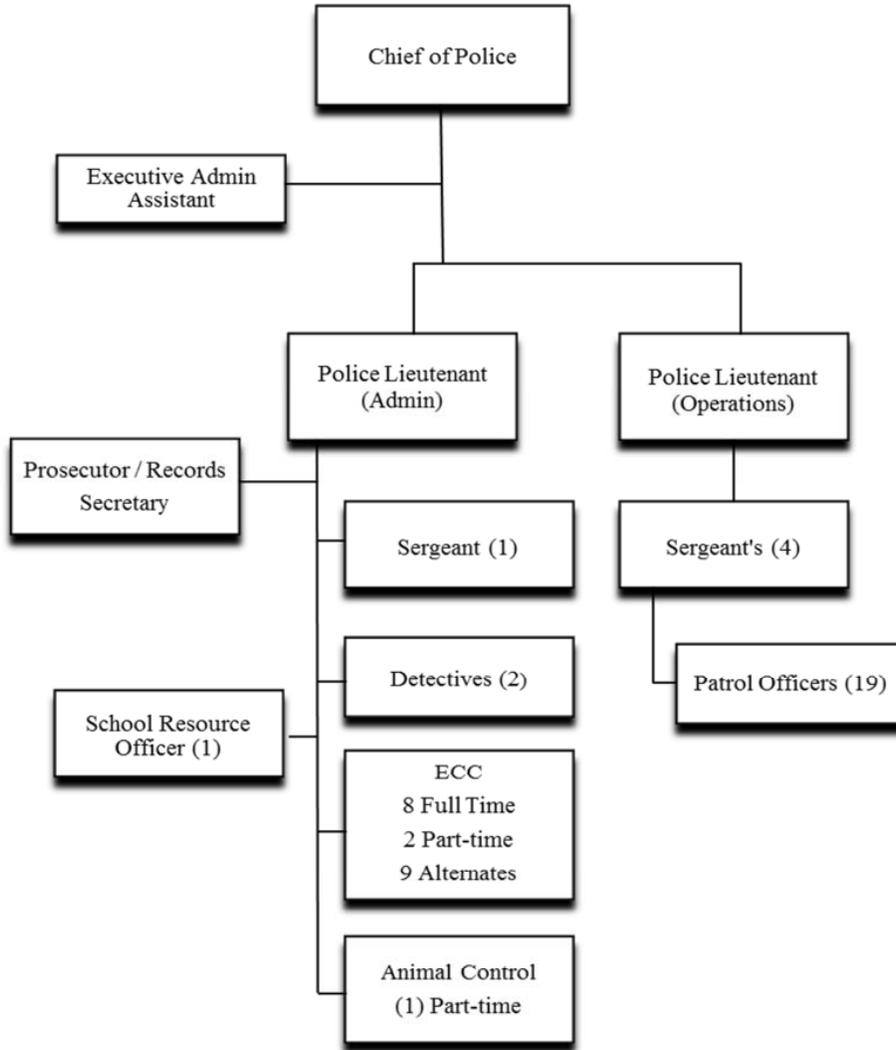


# Police Department

## Police Department Mission

The Mission of the Hanover Police Department is to prevent crime, preserve order, and to protect the rights, lives and property of the citizens of Hanover. We will cultivate partnerships within our community to identify and effectively respond to the diverse, ever-changing social and cultural demands. Together we will accomplish this with emphasis on integrity, fairness and professionalism.

## Organizational Chart





## Police Department

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### Goals and Objectives

- The department will continue to review and evaluate the services being delivered by the School Resource Officer.
- The department will continue the on the job training activities of the four new department members who are anticipated to be beginning their academy training in April 2016 and will begin with the department in September 2016. These officers fill vacancies which were created in FY16
- The department will continue its role in a strong community oriented policing philosophy. Continued attention to quality of life issues and crime prevention will be a priority.
- Consistent with the Board of Selectmen goals for 2016, the department is collaborating with Hanover Fire and Hanover EMA in establishing a local system of telephone alerts, text messaging and email that may be used for emergency situations as well as non-emergency messaging of important information from town government.

### Accomplishments

- The Department has successfully implemented the School Resource Officer assigned to the Hanover Public School District.
- Members of the department have benefitted significantly from the additional training made available from funding in the Public safety training account. Joint training has been conducted with the Hanover Fire Department. Officers have attended classes sponsored by the FBI, The International Association of Chiefs of Police, and Massachusetts State Police, Municipal Police Training Committee and the Massachusetts Chiefs of Police.
- The department has increased its social media presence by earning recognition from the International Association of Chiefs of Police as being the 5<sup>th</sup> most followed police agency on the Twitter platform employing less than 49 officers.
- Over 7,000 followers on Twitter, number five law enforcement agency in the Country



# Police Department

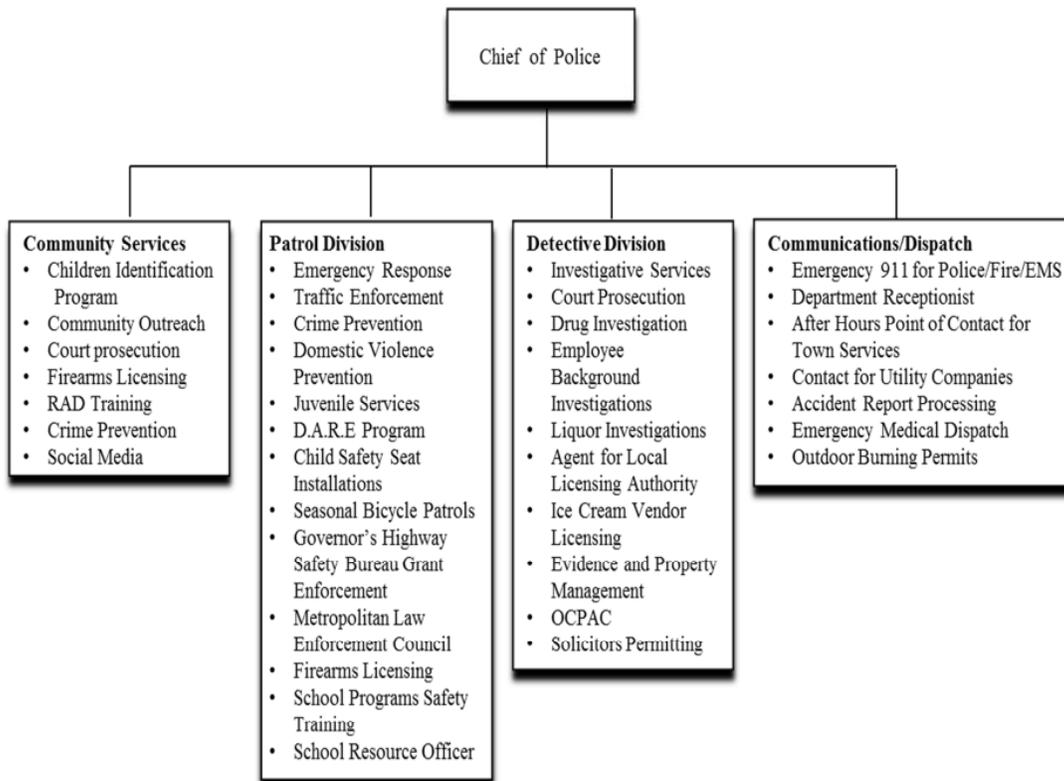
## Significant Budget Changes or Initiatives

The proposed budget fully funds increases in wages for both union and non-union personnel negotiated by the Board of Selectmen for FY 2017.

The expense budget will support the stated goal of creating a notification system to Town of Hanover residents. This cost is anticipated to be \$6100.00. This is an annual cost covered by the terms of a contract negotiated by the Commonwealth of Massachusetts, placing the vendor on the state bid list. This is a collaboration with Hanover Fire and EMA, included in the police department (ECC) budget in an effort to centralize communication expenses.

The proposed capital request will allow the department to replace aging vehicles from the police department fleet consistent with the long standing vehicle replacement schedule include in the department's capital planning forecast.

## Programs and Services





## Police Department

### Personnel Summary

| Position                           | FY2015<br>FTE | FY2016<br>FTE | FY2017<br>FTE | Change      |
|------------------------------------|---------------|---------------|---------------|-------------|
| Chief of Police                    | 1.00          | 1.00          | 1.00          | -           |
| Police                             |               |               |               |             |
| Lieutenants                        | 2.00          | 2.00          | 2.00          | -           |
| Sergeants                          | 5.00          | 5.00          | 5.00          | -           |
| Detectives                         | 2.00          | 2.00          | 2.00          | -           |
| Police officers                    | 19.00         | 20.00         | 20.00         | -           |
| Executive Assistant                | 1.00          | 1.00          | 1.00          | -           |
| Secretary                          | 1.00          | 1.00          | 1.00          | -           |
| Communications                     |               |               |               |             |
| Dispatch Supervisor                | 1.00          | 1.00          | 1.00          | -           |
| FT Dispatcher                      | 7.00          | 7.00          | 7.00          | -           |
| PT Dispatcher                      | 1.00          | 1.00          | 1.00          | -           |
| Alternates                         | 1.00          | 1.00          | 1.00          | -           |
| Animal Control                     |               |               |               |             |
| Animal Control Officer             | 0.50          | 0.50          | 0.50          | -           |
| <b>Total Full-time Equivalents</b> | <b>41.50</b>  | <b>42.50</b>  | <b>42.50</b>  | <b>0.00</b> |

### 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**  
**FY17 Operating Budget**

| <b>210 - POLICE</b>         |                                   | <b>FY2014</b>         | <b>FY2015</b>         | <b>FY2016</b>         | <b>FY2016</b>         | <b>FY2017 Town</b>    | <b>\$</b>          | <b>%</b>      |
|-----------------------------|-----------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|--------------------|---------------|
| <b>Account Number</b>       | <b>Account Description</b>        | <b>Expended</b>       | <b>Expended</b>       | <b>Budget</b>         | <b>Expended</b>       | <b>Manager Rec</b>    | <b>Change</b>      | <b>Change</b> |
| 01-210-5110                 | SALARIES-APPOINTED OFFICIALS      | \$331,745.00          | \$340,984.31          | \$343,799.00          | \$177,909.72          | <b>\$358,289.00</b>   | \$14,490.00        | 4.21          |
| 01-210-5113                 | SALARIES-CLERICAL                 | \$84,128.47           | \$80,624.85           | \$89,096.00           | \$43,092.75           | <b>\$92,850.00</b>    | \$3,754.00         | 4.21          |
| 01-210-5114                 | SALARIES & WAGES PERM F/T         | \$1,463,858.85        | \$1,498,977.21        | \$1,631,393.00        | \$754,547.52          | <b>\$1,648,321.00</b> | \$16,928.00        | 1.03          |
| 01-210-5121                 | WAGES-TEMPORARY EMPLOYEES         | \$4,757.34            | \$7,156.32            | \$6,386.00            | \$2,943.67            | <b>\$6,386.00</b>     | \$0.00             | 0.00          |
| 01-210-5130                 | OVERTIME                          | \$275,666.25          | \$255,793.51          | \$250,277.00          | \$188,349.69          | <b>\$254,031.00</b>   | \$3,754.00         | 1.49          |
| 01-210-5132                 | COURT TIME                        | \$32,345.33           | \$38,876.91           | \$44,886.00           | \$10,109.80           | <b>\$45,560.00</b>    | \$674.00           | 1.50          |
| 01-210-5141                 | SHIFT DIFFERENTIALS               | \$83,620.99           | \$105,223.45          | \$119,456.00          | \$54,522.86           | <b>\$128,842.00</b>   | \$9,386.00         | 7.85          |
| 01-210-5142                 | HOLIDAY PAY                       | \$58,248.60           | \$62,222.52           | \$66,001.00           | \$27,092.23           | <b>\$66,829.00</b>    | \$828.00           | 1.25          |
| 01-210-5143                 | EDUCATIONAL PAY                   | \$193,919.10          | \$196,711.49          | \$201,822.00          | \$100,708.30          | <b>\$221,598.00</b>   | \$19,776.00        | 9.79          |
| 01-210-5147                 | VACATION BUYOUT                   | \$0.00                | \$9,624.16            | \$6,931.00            | \$0.00                | <b>\$0.00</b>         | \$-6,931.00        | -100.00       |
| <b>PERSONNEL SUB-TOTAL:</b> |                                   | <b>\$2,528,289.93</b> | <b>\$2,596,194.73</b> | <b>\$2,760,047.00</b> | <b>\$1,359,276.54</b> | <b>\$2,822,706.00</b> | <b>\$62,659.00</b> | <b>2.27</b>   |
| 01-210-5240                 | VEHICLE MAINTENANCE               | \$14,764.66           | \$17,695.66           | \$23,500.00           | \$5,592.74            | <b>\$23,500.00</b>    | \$0.00             | 0.00          |
| 01-210-5250                 | EQUIPMENT MAINTENANCE             | \$2,563.50            | \$4,264.06            | \$7,000.00            | \$910.75              | <b>\$5,000.00</b>     | \$-2,000.00        | -28.57        |
| 01-210-5292                 | UNIFORM CLEANING                  | \$10,608.30           | \$10,434.73           | \$24,630.00           | \$4,398.80            | <b>\$26,080.00</b>    | \$1,450.00         | 5.88          |
| 01-210-5317                 | PROFESSIONAL DEVELOPMENT          | \$4,625.75            | \$5,578.17            | \$8,000.00            | \$7,349.06            | <b>\$8,000.00</b>     | \$0.00             | 0.00          |
| 01-210-5318                 | OCS-MATRONS (CONTRACTED)          | \$1,159.16            | \$3,029.36            | \$1,500.00            | \$2,572.23            | <b>\$3,000.00</b>     | \$1,500.00         | 100.00        |
| 01-210-5340                 | TELEPHONE - LAPTOPS               | \$7,420.35            | \$6,236.12            | \$8,400.00            | \$2,857.01            | <b>\$8,400.00</b>     | \$0.00             | 0.00          |
| 01-210-5341                 | PAGERS                            | \$3,163.68            | \$3,403.09            | \$3,100.00            | \$1,816.86            | <b>\$3,100.00</b>     | \$0.00             | 0.00          |
| 01-210-5345                 | POSTAGE & MAIL PERMITS            | \$1,553.37            | \$337.95              | \$1,400.00            | \$8.02                | <b>\$1,400.00</b>     | \$0.00             | 0.00          |
| 01-210-5420                 | OFFICE SUPPLIES                   | \$7,398.20            | \$6,029.99            | \$6,000.00            | \$1,658.26            | <b>\$7,000.00</b>     | \$1,000.00         | 16.66         |
| 01-210-5485                 | TIRES                             | \$3,922.80            | \$6,470.84            | \$4,000.00            | \$2,444.28            | <b>\$5,500.00</b>     | \$1,500.00         | 37.50         |
| 01-210-5512                 | PERIODICALS & JOURNALS            | \$2,558.20            | \$2,718.45            | \$2,750.00            | \$1,103.20            | <b>\$3,000.00</b>     | \$250.00           | 9.09          |
| 01-210-5525                 | AMMUNITION                        | \$7,171.00            | \$7,128.40            | \$6,000.00            | \$432.10              | <b>\$7,500.00</b>     | \$1,500.00         | 25.00         |
| 01-210-5585                 | UNIFORMS                          | \$35,549.49           | \$30,911.26           | \$36,450.00           | \$10,980.29           | <b>\$36,700.00</b>    | \$250.00           | 0.68          |
| 01-210-5665                 | MASS CJTC POLICE RECRUIT TRAINING | \$6,000.00            | \$3,000.00            | \$6,000.00            | \$0.00                | <b>\$0.00</b>         | \$-6,000.00        | -100.00       |
| 01-210-5710                 | MILEAGE REIMBURSEMENT             | \$327.70              | \$427.42              | \$425.00              | \$102.47              | <b>\$425.00</b>       | \$0.00             | 0.00          |
| 01-210-5713                 | MEALS REIMBURSEMENT               | \$850.00              | \$1,509.00            | \$1,300.00            | \$440.00              | <b>\$1,300.00</b>     | \$0.00             | 0.00          |
| 01-210-5720                 | REGISTRATION FEES                 | \$4,620.48            | \$7,960.80            | \$4,000.00            | \$2,515.64            | <b>\$5,000.00</b>     | \$1,000.00         | 25.00         |
| 01-210-5730                 | DUES                              | \$6,095.00            | \$6,135.00            | \$6,750.00            | \$1,925.00            | <b>\$6,750.00</b>     | \$0.00             | 0.00          |
| 01-210-5860                 | EQUIPMENT PURCHASE                | \$30,772.46           | \$27,568.53           | \$24,943.00           | \$8,867.17            | <b>\$22,943.00</b>    | \$-2,000.00        | -8.01         |

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>210 - POLICE</b>   |                            | <b>FY2014</b>         | <b>FY2015</b>         | <b>FY2016</b>         | <b>FY2016</b>         | <b>FY2017 Town</b>    | <b>\$</b>          | <b>%</b>      |
|-----------------------|----------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|--------------------|---------------|
| <b>Account Number</b> | <b>Account Description</b> | <b>Expended</b>       | <b>Expended</b>       | <b>Budget</b>         | <b>Expended</b>       | <b>Manager Rec</b>    | <b>Change</b>      | <b>Change</b> |
|                       | <b>EXPENSES SUB-TOTAL:</b> | <b>\$151,124.10</b>   | <b>\$150,838.83</b>   | <b>\$176,148.00</b>   | <b>\$55,973.88</b>    | <b>\$174,598.00</b>   | <b>-\$1,550.00</b> | <b>-0.87</b>  |
| <b>210</b>            | <b>POLICE SUB-TOTAL:</b>   | <b>\$2,679,414.03</b> | <b>\$2,747,033.56</b> | <b>\$2,936,195.00</b> | <b>\$1,415,250.42</b> | <b>\$2,997,304.00</b> | <b>\$61,109.00</b> | <b>2.08</b>   |

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>292 - ANIMAL CONTROL</b>          |                              | <b>FY2014</b>      | <b>FY2015</b>      | <b>FY2016</b>      | <b>FY2016</b>     | <b>FY2017 Town</b> | <b>\$</b>           | <b>%</b>       |
|--------------------------------------|------------------------------|--------------------|--------------------|--------------------|-------------------|--------------------|---------------------|----------------|
| <b>Account Number</b>                | <b>Account Description</b>   | <b>Expended</b>    | <b>Expended</b>    | <b>Budget</b>      | <b>Expended</b>   | <b>Manager Rec</b> | <b>Change</b>       | <b>Change</b>  |
| 01-292-5110                          | SALARIES-APPOINTED OFFICIALS | \$19,206.72        | \$19,379.83        | \$23,790.00        | \$7,799.72        | \$0.00             | \$-23,790.00        | -100.00        |
| <b>PERSONNEL SUB-TOTAL:</b>          |                              | <b>\$19,206.72</b> | <b>\$19,379.83</b> | <b>\$23,790.00</b> | <b>\$7,799.72</b> | <b>\$0.00</b>      | <b>\$-23,790.00</b> | <b>-100.00</b> |
| 01-292-5240                          | VEHICLE MAINTENANCE & REPAIR | \$0.00             | \$1,947.53         | \$681.00           | \$172.80          | \$681.00           | \$0.00              | 0.00           |
| 01-292-5315                          | MEDICAL                      | \$40.00            | \$110.24           | \$860.00           | \$0.00            | \$860.00           | \$0.00              | 0.00           |
| 01-292-5340                          | TELEPHONE                    | \$0.00             | \$82.10            | \$0.00             | \$117.86          | \$1,080.00         | \$1,080.00          | 100.00         |
| 01-292-5345                          | POSTAGE & MAIL PERMITS       | \$0.00             | \$0.00             | \$570.00           | \$0.00            | \$570.00           | \$0.00              | 0.00           |
| 01-292-5385                          | KENNEL SERVICES              | \$1,295.00         | \$1,040.00         | \$2,500.00         | \$277.98          | \$1,420.00         | \$-1,080.00         | -43.20         |
| 01-292-5420                          | OFFICE SUPPLIES              | \$306.57           | \$260.11           | \$150.00           | \$220.85          | \$150.00           | \$0.00              | 0.00           |
| <b>EXPENSES SUB-TOTAL:</b>           |                              | <b>\$1,641.57</b>  | <b>\$3,439.98</b>  | <b>\$4,761.00</b>  | <b>\$789.49</b>   | <b>\$4,761.00</b>  | <b>\$0.00</b>       | <b>0.00</b>    |
| <b>292 ANIMAL CONTROL SUB-TOTAL:</b> |                              | <b>\$20,848.29</b> | <b>\$22,819.81</b> | <b>\$28,551.00</b> | <b>\$8,589.21</b> | <b>\$4,761.00</b>  | <b>\$-23,790.00</b> | <b>-83.32</b>  |

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>299 - COMMUNICATIONS</b>          |                               | <b>FY2014</b>       | <b>FY2015</b>       | <b>FY2016</b>       | <b>FY2016</b>       | <b>FY2017 Town</b>  | <b>\$</b>          | <b>%</b>      |
|--------------------------------------|-------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|--------------------|---------------|
| <b>Account Number</b>                | <b>Account Description</b>    | <b>Expended</b>     | <b>Expended</b>     | <b>Budget</b>       | <b>Expended</b>     | <b>Manager Rec</b>  | <b>Change</b>      | <b>Change</b> |
| 01-299-5114                          | SALARIES & WAGES PERM F/T     | \$354,225.77        | \$381,787.95        | \$394,338.00        | \$177,943.15        | <b>\$390,867.00</b> | \$-3,471.00        | -0.88         |
| 01-299-5120                          | SALARIES & WAGES PERM P/T     | \$52,187.03         | \$32,710.54         | \$39,945.00         | \$40,663.42         | <b>\$38,144.00</b>  | \$-1,801.00        | -4.50         |
| 01-299-5130                          | OVERTIME                      | \$65,750.36         | \$76,480.68         | \$101,519.00        | \$49,841.01         | <b>\$104,038.00</b> | \$2,519.00         | 2.48          |
| 01-299-5141                          | SHIFT DIFFERENTIALS           | \$0.00              | \$0.00              | \$0.00              | \$17,624.63         | <b>\$33,976.00</b>  | \$33,976.00        | 100.00        |
| <b>PERSONNEL SUB-TOTAL:</b>          |                               | <b>\$472,163.16</b> | <b>\$490,979.17</b> | <b>\$535,802.00</b> | <b>\$286,072.21</b> | <b>\$567,025.00</b> | <b>\$31,223.00</b> | <b>5.82</b>   |
| 01-299-5270                          | OFFICE EQUIPMENT RENTAL/LEASE | \$5,174.03          | \$8,675.96          | \$4,888.00          | \$4,732.72          | <b>\$11,038.00</b>  | \$6,150.00         | 125.81        |
| 01-299-5271                          | EQUIPMENT MAINTENANCE         | \$39,212.87         | \$30,619.89         | \$41,710.00         | \$7,303.55          | <b>\$41,710.00</b>  | \$0.00             | 0.00          |
| 01-299-5317                          | EMPLOYEE TRAINING             | \$865.00            | \$2,422.90          | \$2,000.00          | \$498.00            | <b>\$2,000.00</b>   | \$0.00             | 0.00          |
| 01-299-5345                          | POSTAGE & MAIL PERMITS        | \$0.00              | \$0.00              | \$100.00            | \$0.00              | <b>\$100.00</b>     | \$0.00             | 0.00          |
| 01-299-5420                          | OFFICE SUPPLIES               | \$5,977.48          | \$2,905.16          | \$5,200.00          | \$2,565.21          | <b>\$5,200.00</b>   | \$0.00             | 0.00          |
| 01-299-5585                          | UNIFORMS                      | \$1,799.75          | \$912.89            | \$2,000.00          | \$2,581.67          | <b>\$2,500.00</b>   | \$500.00           | 25.00         |
| 01-299-5710                          | MILEAGE REIMBURSEMENT         | \$1,434.38          | \$701.41            | \$200.00            | \$0.00              | <b>\$200.00</b>     | \$0.00             | 0.00          |
| 01-299-5860                          | EQUIPMENT PURCHASE            | \$1,934.41          | \$11,578.56         | \$3,000.00          | \$0.00              | <b>\$3,000.00</b>   | \$0.00             | 0.00          |
| <b>EXPENSES SUB-TOTAL:</b>           |                               | <b>\$56,397.92</b>  | <b>\$57,816.77</b>  | <b>\$59,098.00</b>  | <b>\$17,681.15</b>  | <b>\$65,748.00</b>  | <b>\$6,650.00</b>  | <b>11.25</b>  |
| <b>299 COMMUNICATIONS SUB-TOTAL:</b> |                               | <b>\$528,561.08</b> | <b>\$548,795.94</b> | <b>\$594,900.00</b> | <b>\$303,753.36</b> | <b>\$632,773.00</b> | <b>\$37,873.00</b> | <b>6.36</b>   |



# FIRE DEPARTMENT



*"Hanover, Honoring Yesterday As We Build For Tomorrow"*



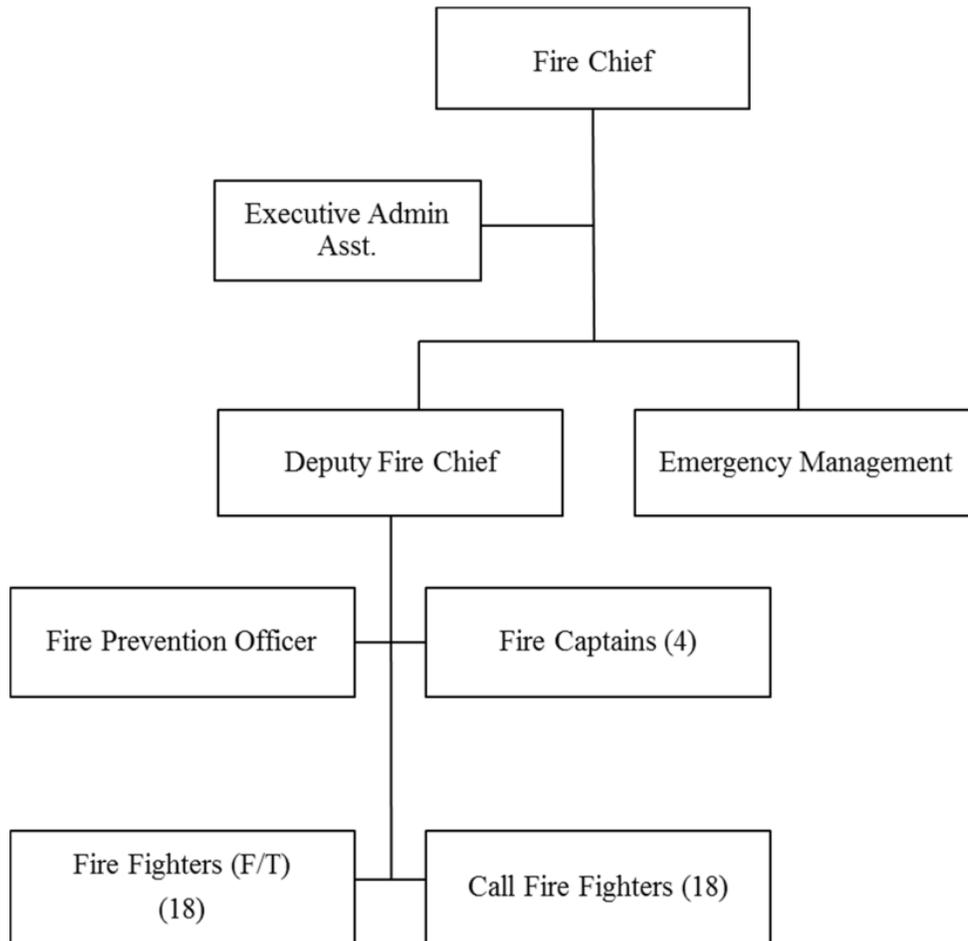
# Fire Department

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## Fire Department Mission

The Fire Department of the Town of Hanover is charged with the protection of life, property, and the natural environment. To this end, its responsibilities include the prevention, suppression, and investigation of fires, the provision of Emergency Medical Services, public assistance in the event of natural, accidental, or intentional disasters, and the enforcement of all codes and regulations pertaining thereto. The Department is committed to the provision of these and other public services to all persons within the Town's corporate limits in the most compassionate and professional manner possible.

## Organizational Chart





## Fire Department

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### **Goals and Objectives**

- Continue to identify ways for the Fire Department to meet the nationally recommended response time of under 6 minutes. It is currently difficult for responders to reach areas of town that are distant to Fire Headquarters. Our efforts will focus on obtaining approval for the construction of a Fire Station in North Hanover.
- Hire two full-time firefighter paramedics to address increased call volume
- Aggressively pursue grant opportunities to help defray the cost of operating the department
- Consistent with the Board of Selectmen goals for 2016, the department is collaborating with Hanover Police Department and Hanover EMA in establishing a local system of telephone alerts, text messaging and email that may be used for emergency situations as well as non-emergency messaging of important information from town government

### **Accomplishments**

- Provided numerous training opportunities for members thru funding provided by the Public Safety Training account. Areas of training included hazardous materials, pump operations and first-line supervisor training.
- Collaborated with the Facilities Department during the installation of a fire sprinkler system in Fire Headquarters. Fifty percent of the cost of this project was obtained thru the Assistance to Firefighters competitive grant program.
- Applied for and received grant funding to improve the Town's Emergency Operations Center located at Fire Headquarters.
- The Hanover Emergency Management Agency increased Hanover's resiliency to disaster by training and equipping 17 new Community Response Team members and by holding the Second Annual Community Preparedness Night.

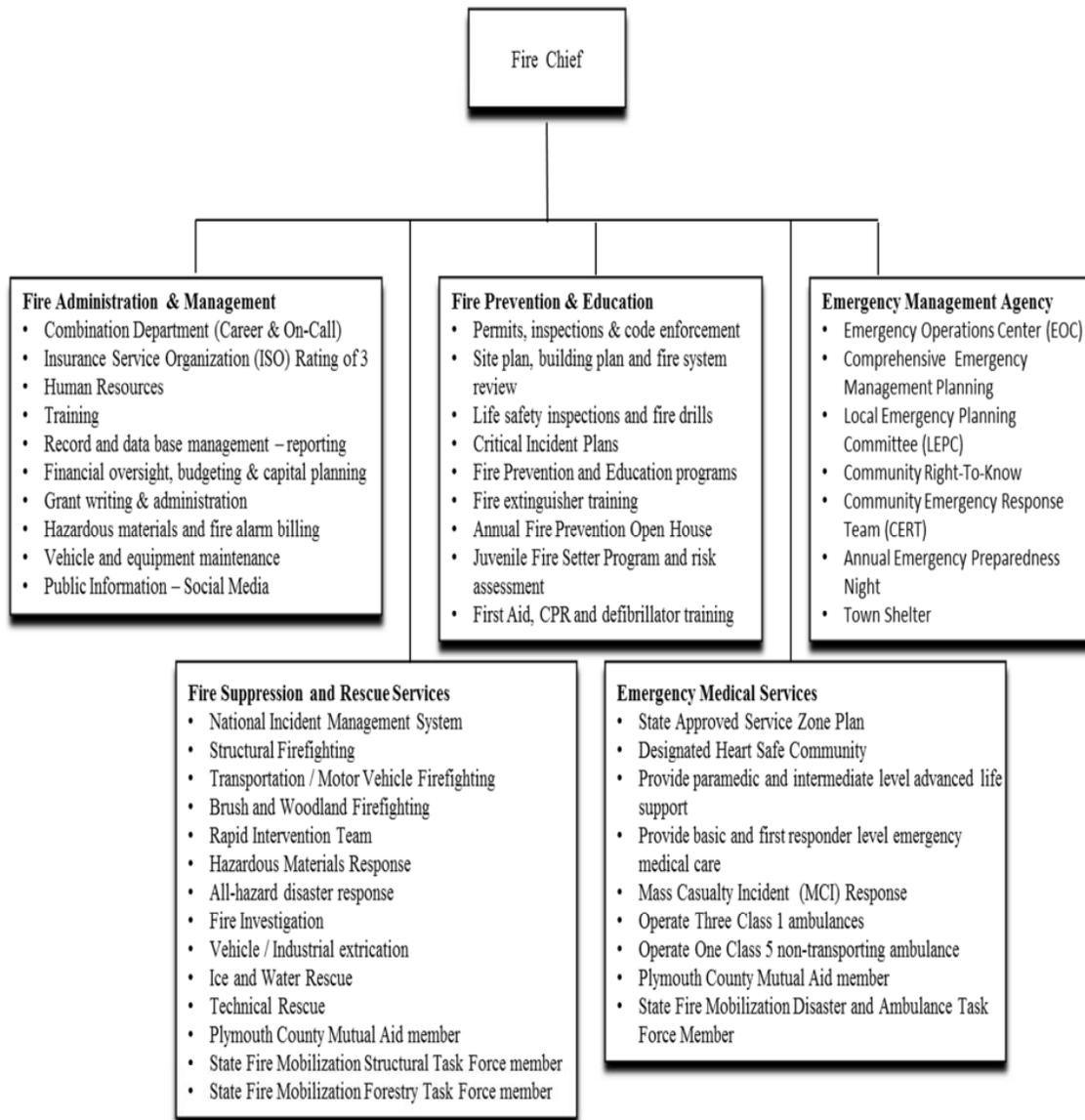
### **Significant Budget Changes or Initiatives**

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



# Fire Department

## Programs and Services





## Fire Department

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### Personnel Summary

| Position                          | FY2015<br>FTE | FY2016<br>FTE | FY2017<br>FTE | Change   |
|-----------------------------------|---------------|---------------|---------------|----------|
| Fire Chief                        | 1.00          | 1.00          | 1.00          | -        |
| Deputy Fire Chief                 | 1.00          | 1.00          | 1.00          | -        |
| Captains/EMT                      | 5.00          | 5.00          | 5.00          | -        |
| Firefighters/EMT                  | 18.00         | 18.00         | 18.00         | -        |
| Executive Assistant               | 1.00          | 1.00          | 1.00          | -        |
| Call Firefighters                 | 1.00          | 1.00          | 1.00          | -        |
| <b>Total Full-time Equivalent</b> | <b>27.00</b>  | <b>27.00</b>  | <b>27.00</b>  | <b>-</b> |

### 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**  
**FY17 Operating Budget**

| <b>220 - FIRE</b>           |                                 | <b>FY2014</b>         | <b>FY2015</b>         | <b>FY2016</b>         | <b>FY2016</b>         | <b>FY2017 Town</b>    | <b>\$</b>           | <b>%</b>      |
|-----------------------------|---------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|---------------------|---------------|
| <b>Account Number</b>       | <b>Account Description</b>      | <b>Expended</b>       | <b>Expended</b>       | <b>Budget</b>         | <b>Expended</b>       | <b>Manager Rec</b>    | <b>Change</b>       | <b>Change</b> |
| 01-220-5110                 | FIRE APPOINTED SALARY           | \$217,490.15          | \$230,569.27          | \$231,453.00          | \$165,646.04          | <b>\$246,750.00</b>   | \$15,297.00         | 6.60          |
| 01-220-5113                 | SALARIES-CLERICAL               | \$43,700.00           | \$46,693.21           | \$47,910.00           | \$24,410.82           | <b>\$49,347.00</b>    | \$1,437.00          | 2.99          |
| 01-220-5114                 | SALARIES & WAGES PERM FULL TIME | \$1,290,321.91        | \$1,502,825.08        | \$1,592,324.00        | \$793,510.63          | <b>\$1,615,984.00</b> | \$23,660.00         | 1.48          |
| 01-220-5120                 | SUPPRESSION OF FIRES PAYROLL    | \$31,783.00           | \$37,212.45           | \$38,216.00           | \$16,166.50           | <b>\$51,356.00</b>    | \$13,140.00         | 34.38         |
| 01-220-5121                 | WAGES-TEMPORARY EMPLOYEES       | \$0.00                | \$120.00              | \$0.00                | \$0.00                | <b>\$0.00</b>         | \$0.00              | 0.00          |
| 01-220-5130                 | OVERTIME                        | \$560,008.14          | \$466,315.71          | \$408,472.00          | \$200,348.81          | <b>\$460,478.00</b>   | \$52,006.00         | 12.73         |
| 01-220-5132                 | COURT TIME                      | \$310.30              | \$171.50              | \$1,795.00            | \$566.72              | <b>\$1,711.00</b>     | \$-84.00            | -4.67         |
| 01-220-5135                 | FIRE INVESTIGATIONS             | \$142.85              | \$411.61              | \$1,122.00            | \$211.54              | <b>\$1,633.00</b>     | \$511.00            | 45.54         |
| 01-220-5142                 | HOLIDAY PAY                     | \$68,313.98           | \$75,160.87           | \$83,025.00           | \$38,815.02           | <b>\$89,346.00</b>    | \$6,321.00          | 7.61          |
| 01-220-5143                 | EDUCATIONAL PAY                 | \$39,961.00           | \$39,971.90           | \$42,137.00           | \$11,681.80           | <b>\$43,207.00</b>    | \$1,070.00          | 2.53          |
| 01-220-5147                 | VACATION BUYOUT                 | \$0.00                | \$5,083.32            | \$0.00                | \$9,812.91            | <b>\$0.00</b>         | \$0.00              | 0.00          |
| 01-220-5149                 | OTHER PAY(TRAINING)             | \$41,535.82           | \$31,462.33           | \$42,789.00           | \$21,142.13           | <b>\$47,783.00</b>    | \$4,994.00          | 11.67         |
| <b>PERSONNEL SUB-TOTAL:</b> |                                 | <b>\$2,293,567.15</b> | <b>\$2,435,997.25</b> | <b>\$2,489,243.00</b> | <b>\$1,282,312.92</b> | <b>\$2,607,595.00</b> | <b>\$118,352.00</b> | <b>4.75</b>   |
| 01-220-5230                 | MAINTENANCE-BLDG & GROUNDS      | \$5,042.62            | \$3,885.49            | \$1,800.00            | \$305.77              | <b>\$1,800.00</b>     | \$0.00              | 0.00          |
| 01-220-5240                 | VEHICLE MAINTENANCE             | \$49,446.02           | \$92,923.29           | \$59,780.00           | \$28,301.89           | <b>\$53,066.00</b>    | \$-6,714.00         | -11.23        |
| 01-220-5250                 | EQUIPMENT MAINTENANCE           | \$17,021.08           | \$5,069.00            | \$7,800.00            | \$2,644.00            | <b>\$10,100.00</b>    | \$2,300.00          | 29.48         |
| 01-220-5256                 | REPAIR/MAINT AMBULANCE          | \$6,693.98            | \$5,766.00            | \$8,271.00            | \$5,887.65            | <b>\$8,271.00</b>     | \$0.00              | 0.00          |
| 01-220-5265                 | SOFTWARE MAINTENANCE            | \$14,738.08           | \$15,473.21           | \$15,200.00           | \$14,763.15           | <b>\$15,200.00</b>    | \$0.00              | 0.00          |
| 01-220-5270                 | EQUIPMENT RENTALS/LEASES        | \$3,455.64            | \$3,487.77            | \$3,808.00            | \$1,537.04            | <b>\$3,484.00</b>     | \$-324.00           | -8.50         |
| 01-220-5304                 | AMBULANCE BILLING SERVICES      | \$16,370.50           | \$18,256.50           | \$20,000.00           | \$7,251.50            | <b>\$20,000.00</b>    | \$0.00              | 0.00          |
| 01-220-5317                 | EMPLOYEE TRAINING               | \$12,427.23           | \$14,202.75           | \$18,600.00           | \$5,388.07            | <b>\$23,100.00</b>    | \$4,500.00          | 24.19         |
| 01-220-5316                 | ASSESSMENT CENTER               | \$6,474.91            | \$500.00              | \$4,388.00            | \$500.00              | <b>\$4,388.00</b>     | \$0.00              | 0.00          |
| 01-220-5319                 | OTHER CONTRACTED SERVICE        | \$7,349.26            | \$5,956.85            | \$7,200.00            | \$3,593.41            | <b>\$7,200.00</b>     | \$0.00              | 0.00          |
| 01-220-5345                 | POSTAGE & MAIL PERMITS          | \$340.15              | \$322.20              | \$440.00              | \$146.21              | <b>\$440.00</b>       | \$0.00              | 0.00          |
| 01-220-5420                 | OFFICE SUPPLIES                 | \$8,449.24            | \$5,885.24            | \$3,000.00            | \$3,186.55            | <b>\$3,000.00</b>     | \$0.00              | 0.00          |
| 01-220-5505                 | AMBULANCE SUPPLIES              | \$13,771.46           | \$19,545.62           | \$21,000.00           | \$7,136.75            | <b>\$21,000.00</b>    | \$0.00              | 0.00          |
| 01-220-5520                 | PUBLIC SAFETY SUPPLIES          | \$2,363.08            | \$1,571.26            | \$5,650.00            | \$1,170.35            | <b>\$5,650.00</b>     | \$0.00              | 0.00          |
| 01-220-5540                 | FIRE SAFETY EDUCATION MATERIALS | \$161.95              | \$13.03               | \$500.00              | \$0.00                | <b>\$500.00</b>       | \$0.00              | 0.00          |
| 01-220-5585                 | UNIFORMS                        | \$51,238.99           | \$47,433.88           | \$50,925.00           | \$17,440.17           | <b>\$57,450.00</b>    | \$6,525.00          | 12.81         |
| 01-220-5594                 | IT EXPENSES                     | \$2,811.04            | \$4,910.40            | \$2,000.00            | \$57.90               | <b>\$2,000.00</b>     | \$0.00              | 0.00          |

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>220 - FIRE</b>          |                            | <b>FY2014</b>         | <b>FY2015</b>         | <b>FY2016</b>         | <b>FY2016</b>         | <b>FY2017 Town</b>    | <b>\$</b>           | <b>%</b>      |
|----------------------------|----------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|---------------------|---------------|
| <b>Account Number</b>      | <b>Account Description</b> | <b>Expended</b>       | <b>Expended</b>       | <b>Budget</b>         | <b>Expended</b>       | <b>Manager Rec</b>    | <b>Change</b>       | <b>Change</b> |
| 01-220-5710                | MILEAGE REIMBURSEMENT      | \$1,346.79            | \$174.97              | \$200.00              | \$0.00                | <b>\$200.00</b>       | \$0.00              | 0.00          |
| 01-220-5720                | REGISTRATION FEES          | \$1,500.00            | \$1,500.00            | \$1,800.00            | \$1,500.00            | <b>\$1,800.00</b>     | \$0.00              | 0.00          |
| 01-220-5730                | DUES                       | \$2,247.31            | \$2,104.93            | \$3,635.00            | \$1,666.40            | <b>\$3,635.00</b>     | \$0.00              | 0.00          |
| 01-220-5860                | EQUIPMENT PURCHASE         | \$336.00              | \$0.00                | \$600.00              | \$400.00              | <b>\$600.00</b>       | \$0.00              | 0.00          |
| 01-220-5862                | OFFICE EQUIPMENT           | \$0.00                | \$2,000.00            | \$2,000.00            | \$0.00                | <b>\$4,500.00</b>     | \$2,500.00          | 125.00        |
| 01-220-5867                | PUBLIC SAFETY EQUIPMENT    | \$6,376.17            | \$258.71              | \$5,000.00            | \$0.00                | <b>\$10,200.00</b>    | \$5,200.00          | 104.00        |
| 01-220-5872                | AMBULANCE EQUIPMENT        | \$818.86              | \$1,424.60            | \$3,000.00            | \$0.00                | <b>\$3,000.00</b>     | \$0.00              | 0.00          |
| <b>EXPENSES SUB-TOTAL:</b> |                            | <b>\$230,780.36</b>   | <b>\$252,665.70</b>   | <b>\$246,597.00</b>   | <b>\$102,876.81</b>   | <b>\$260,584.00</b>   | <b>\$13,987.00</b>  | <b>5.67</b>   |
| <b>220 FIRE SUB-TOTAL:</b> |                            | <b>\$2,524,347.51</b> | <b>\$2,688,662.95</b> | <b>\$2,735,840.00</b> | <b>\$1,385,189.73</b> | <b>\$2,868,179.00</b> | <b>\$132,339.00</b> | <b>4.83</b>   |

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>291 - EMERGENCY MANAGEMENT</b> |                            | <b>FY2014</b>     | <b>FY2015</b>     | <b>FY2016</b>     | <b>FY2016</b>     | <b>FY2017 Town</b> | <b>\$</b>         | <b>%</b>      |
|-----------------------------------|----------------------------|-------------------|-------------------|-------------------|-------------------|--------------------|-------------------|---------------|
| <b>Account Number</b>             | <b>Account Description</b> | <b>Expended</b>   | <b>Expended</b>   | <b>Budget</b>     | <b>Expended</b>   | <b>Manager Rec</b> | <b>Change</b>     | <b>Change</b> |
| 01-291-5420                       | OFFICE SUPPLIES            | \$66.76           | \$564.36          | \$0.00            | \$0.00            | <b>\$3,000.00</b>  | \$3,000.00        | 100.00        |
| 01-291-5590                       | MATERIALS & SUPPLIES       | \$0.00            | \$1,787.01        | \$5,000.00        | \$1,170.43        | <b>\$2,500.00</b>  | \$-2,500.00       | -50.00        |
| 01-291-5860                       | EQUIPMENT PURCHASE         | \$1,504.00        | \$1,016.66        | \$0.00            | \$0.00            | <b>\$3,000.00</b>  | \$3,000.00        | 100.00        |
| <b>EXPENSES SUB-TOTAL:</b>        |                            | <b>\$1,570.76</b> | <b>\$3,368.03</b> | <b>\$5,000.00</b> | <b>\$1,170.43</b> | <b>\$8,500.00</b>  | <b>\$3,500.00</b> | <b>70.00</b>  |
| <b>291 EMERGENCY MANAGEMENT</b>   |                            | <b>\$1,570.76</b> | <b>\$3,368.03</b> | <b>\$5,000.00</b> | <b>\$1,170.43</b> | <b>\$8,500.00</b>  | <b>\$3,500.00</b> | <b>70.00</b>  |

# PUBLIC EDUCATION



*"Hanover, Honoring Yesterday As We Build For Tomorrow"*

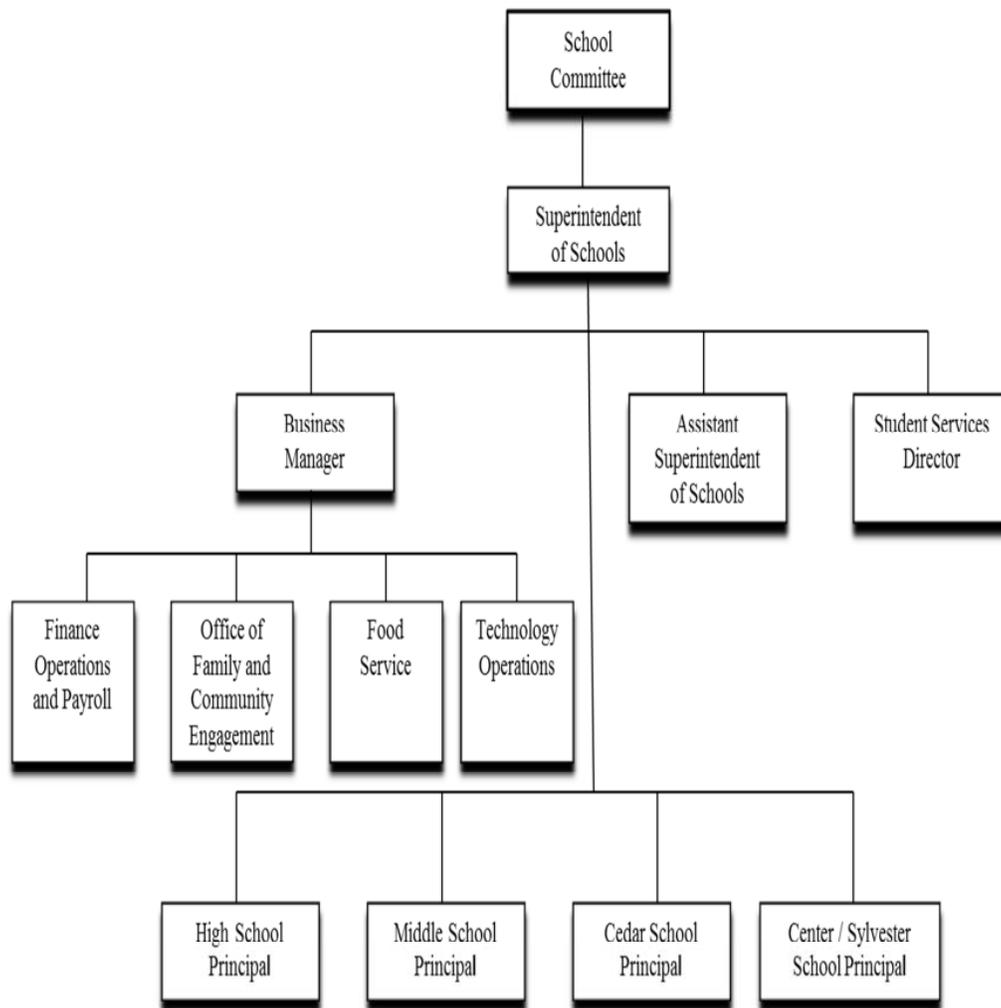


# Public Education

## Hanover Public Schools Mission

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

## Organizational Chart





## Public Education

### Hanover K-12 Public Schools

The Hanover School Committee consists of five (5) members elected by the voters of the Town of Hanover. The Hanover Public School system serves children in grades Pre-K through Grade 12. There are three elementary schools: the Cedar School, the Center School and the Sylvester School. The Cedar School serves children from pre-school and Kindergarten (part and full time), through Grade 4. The Center School serves children from Kindergarten (part and full time), through Grade 2. The Sylvester School serves children in Grades 3 and 4. There is also the Hanover Middle School, which serves Grade 5 through Grade 8 and the Hanover High School.

As of December 1, 2015, a total of 2,602 students attend the Hanover schools

| School                | Grades | Enrollment |
|-----------------------|--------|------------|
| Cedar School          | K - 4  | 388        |
| Center School         | K - 2  | 331        |
| Sylvester School      | 3 & 4  | 244        |
| Hanover Middle School | 5 - 8  | 823        |
| Hanover High School   | 9 - 12 | 816        |
| Total                 |        | 2,602      |

In FY2017, the Town Manager recommended budget for Hanover Public Schools is an increase of \$844,672 or 3.39%.

For detailed information regarding the Town of Hanover Public School budget, please see the Superintendent's FY2017 budget. This can be found on the Hanover Public Schools website [www.hanoverschools.org](http://www.hanoverschools.org).

### Goals and Objectives

- Develop and implement a multi-year strategy for technology integration to enhance teaching and learning and provide for advanced planning and budgeting.
- Continue to evaluate all opportunities within the budget to reduce reliance on the Annual Town Meeting Article with regard to Special Education expenses.
- Sustain sufficient funding to support competitive salaries and employee benefits.
- Continue the current pilot consolidation of School and Town Payroll Functions to provide for more efficient and cost effective service for all town employees.



## Public Education

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### Accomplishments

- Successful implementation of the Vision 2020 Math Curriculum. The new Math curriculum was rolled out to all students and teachers in grades K-8 and all K-8 classrooms were outfitted with a projector and iPad. There has been ongoing professional development K-8 for instructional practice and technology integration.
- Successful integration of the school and town technology departments into one townwide technology department under the supervision of the School Department. The new structure has allowed for seamless technology support and integration townwide.
- Successful formation of the Hanover Performing Arts Company K-12 under the direction of the Office of Family and Community Engagement. Six productions were staged including one at each school K-8, two at the high school and one during the summer.
- Consistent two-way communication with families and community members regarding district news, events, and accomplishments.

### South Shore Vocational Technical High School

South Shore Vocational Technical High School serves the surrounding towns of Abington, Cohasset, Hanover, Hanson, Norwell, Rockland, Scituate, and Whitman. The technical high school is dedicated to providing students with personal, technical, academic and life skills. Teachers and staff members pride themselves to take extra care to instill and help develop the technical skills in students that guide them to make well-considered informed choices about careers, further education and training.

As of December 1, 2015, Hanover had total of 46 students attending the school. This was a decrease of two students compared to the previous year

| Grades | Enrollment |
|--------|------------|
| 9      | 11         |
| 10     | 11         |
| 11     | 15         |
| 12     | 9          |
| Total  | 46         |

For more information regarding the South Shore Vocational High School budget, initiatives and goals, please see the South Shore Vocational High School Superintendent's FY2017 budget on the school website [www.ssvotech.org](http://www.ssvotech.org).



## Public Education

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### Norfolk County Agricultural High School

Norfolk County Agricultural High School (NCAHS) is a public high school that offers academic and vocational training to 489 students from the 27 towns and one city of Norfolk County and more than 40 out of county (tuition) towns. The school is situated on 365 acres in Walpole, a suburb of Boston, and offers specialty training to students who are interested in pursuing careers in Animal and Marine Science (veterinarian science, canine grooming and obedience, marine science, dairy and livestock management, research animal technology and equine studies), Plant and Environmental Science (floral design, urban forestry, landscaping, horticulture and natural resources), and Diesel and Mechanical Technology (diesel and heavy equipment operation and repair, construction, carpentry, welding and small engine repair). The school is one of four such schools in Massachusetts charged with promoting agriscience and agribusiness opportunities.

As of December 1, 2015, Hanover had total of 2 students attending the school. The FY '16 tuition was \$21,094 per student.

| <b>Grades</b> | <b>Enrollment</b> |
|---------------|-------------------|
| 9             | 0                 |
| 10            | 1                 |
| 11            | 1                 |
| 12            | 0                 |
| Total         | 2                 |

For more information regarding the Norfolk County Agricultural High School budget, initiatives and goals, please see the Norfolk County Agricultural High School website [www.norfolkaggie.org](http://www.norfolkaggie.org).

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>300 - HANOVER PUBLIC SCHOOLS</b> |                            | <b>FY2014</b>   | <b>FY2015</b>   | <b>FY2016</b> | <b>FY2016</b>   | <b>FY2017 Town</b>     | <b>\$</b>              | <b>%</b>      |
|-------------------------------------|----------------------------|-----------------|-----------------|---------------|-----------------|------------------------|------------------------|---------------|
| <b>Account Number</b>               | <b>Account Description</b> | <b>Expended</b> | <b>Expended</b> | <b>Budget</b> | <b>Expended</b> | <b>Manager Rec</b>     | <b>Change</b>          | <b>Change</b> |
| 01-300-5000                         | HANOVER SCHOOLS            | \$0.00          | \$0.00          | \$0.00        | \$0.00          | <b>\$25,765,115.00</b> | \$25,765,115.00        | 100.00        |
| <b>EXPENSES SUB-TOTAL:</b>          |                            | <b>\$0.00</b>   | <b>\$0.00</b>   | <b>\$0.00</b> | <b>\$0.00</b>   | <b>\$25,765,115.00</b> | <b>\$25,765,115.00</b> | <b>100.00</b> |
| <b>300 HANOVER PUBLIC SCHOOLS</b>   |                            | <b>\$0.00</b>   | <b>\$0.00</b>   | <b>\$0.00</b> | <b>\$0.00</b>   | <b>\$25,765,115.00</b> | <b>\$25,765,115.00</b> | <b>100.00</b> |

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>390 - SOUTH SHORE VOCATIONAL</b> |                                | <b>FY2014</b>       | <b>FY2015</b>       | <b>FY2016</b>       | <b>FY2016</b>       | <b>FY2017 Town</b>  | <b>\$</b>          | <b>%</b>      |
|-------------------------------------|--------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|--------------------|---------------|
| <b>Account Number</b>               | <b>Account Description</b>     | <b>Expended</b>     | <b>Expended</b>     | <b>Budget</b>       | <b>Expended</b>     | <b>Manager Rec</b>  | <b>Change</b>      | <b>Change</b> |
| 01-390-5690                         | SOUTH SHORE REGIONAL ASSESSMEN | \$681,124.00        | \$740,205.00        | \$741,712.00        | \$378,531.00        | <b>\$794,915.00</b> | \$53,203.00        | 7.17          |
| <b>EXPENSES SUB-TOTAL:</b>          |                                | <b>\$681,124.00</b> | <b>\$740,205.00</b> | <b>\$741,712.00</b> | <b>\$378,531.00</b> | <b>\$794,915.00</b> | <b>\$53,203.00</b> | <b>7.17</b>   |
| <b>390 SOUTH SHORE VOCATIONAL</b>   |                                | <b>\$681,124.00</b> | <b>\$740,205.00</b> | <b>\$741,712.00</b> | <b>\$378,531.00</b> | <b>\$794,915.00</b> | <b>\$53,203.00</b> | <b>7.17</b>   |



# FACILITIES DEPARTMENT



*"Hanover, Honoring Yesterday As We Build For Tomorrow"*



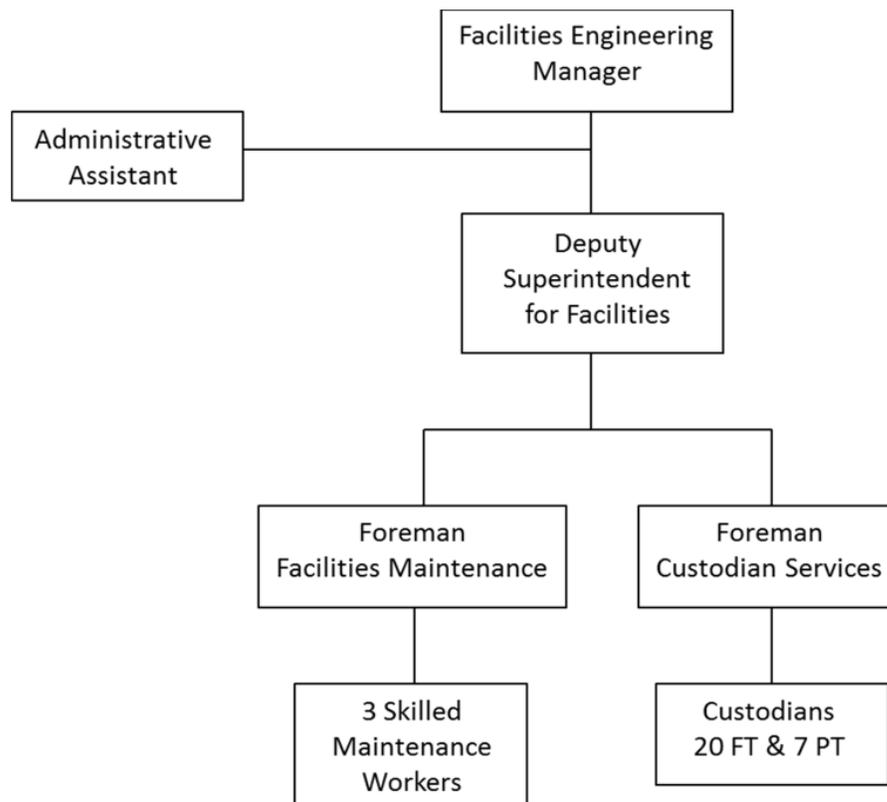
# Facilities Department

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## Facilities Department Mission

To maintain the buildings of the town and the equipment therein at a high level of appearance and condition while extending each to its optimal life cycle design. At the same time, providing professional, cordial and trustworthy custodial and support services to the students and staff in every school, the staffs in municipal buildings, and the visiting public, while providing sanitary and comfortable building conditions for education and work. Other services include maintenance of all school grounds and preparation of ball fields for school and town sports, as well as snow and ice control. We constantly pursue energy savings, operating new Building Management Systems to control HVAC, obtaining economical third party contracts for electricity and natural gas, and annually replacing inefficient HVAC and lighting systems with high efficiency equipment funded through the state's Green Communities grants.

## Organizational Chart





## Facilities Department

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### Goals and Objectives

- Continue development of our Preventive Maintenance software program to refine PM procedures & schedules and capture remaining equipment
- Upgrade capital project implementation, completing all funded pre-2016 projects; also develop and launch a Projects Update page on the town's web site providing status details on all funded projects
- Provide interactive multi-media reports on departmental activity to BoS
- Continue Green Communities program seeking an additional \$200,000+ in grants for energy saving measures

### Accomplishments

- Converted to full Department level administration (finance, payroll, personnel, recordkeeping etc.); formerly by DPW
- Launched preventive maintenance (PM) software program, issuing scheduled maintenance work orders with printed procedures and lifelong records for approximately 1,000 equipment items in 18 buildings
- Completed: Phase 1 floor tile project at Middle School (final phase in summer 2016); modernization of Fire HQ kitchen; replacement of the emergency generator at Fire HQ with a new generator carrying full building load (formerly partial); door access control systems installations at schools; new Building Management Systems for HVAC in 3 schools
- Obtained another Green Communities grant for \$200,385 in energy savings projects, including replacing the heating boiler at Fire HQ with a high-efficiency condensing boiler at no cost to the town

### Significant Budget Changes or Initiatives

Increased shift duration for the only evening custodian at Sylvester School from 30 to 40 hours per week in order to accomplish satisfactory cleaning of school

Created a full-time substitute custodian position as both a cost-saving measure to reduce overtime costs and a means of maintaining sanitary conditions during custodian absences

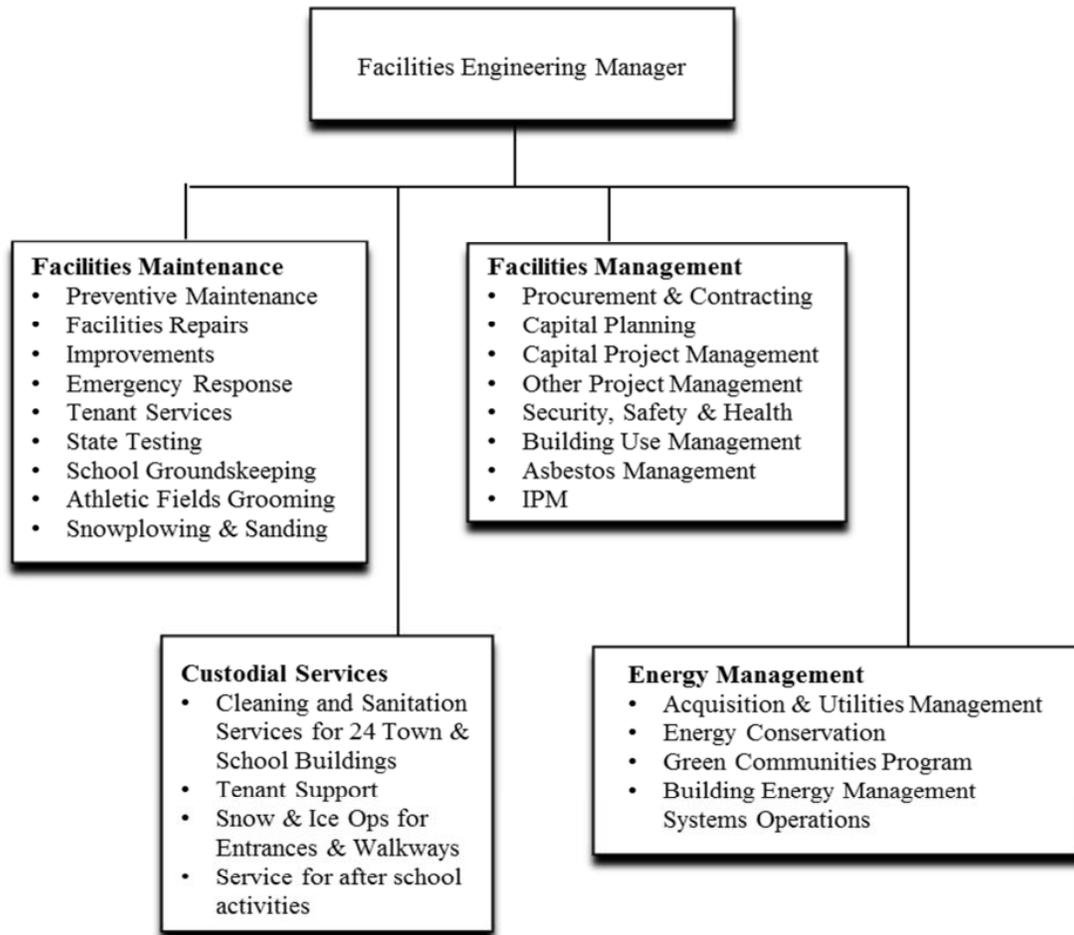
The net result of these changes does not impact our budget request



# Facilities Department

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## Programs and Services





## Facilities Department

### Personnel Summary

| <b>Position</b>                    | <b>FY2015<br/>FTE</b> | <b>FY2016<br/>FTE</b> | <b>FY2017<br/>FTE</b> | <b>Change</b> |
|------------------------------------|-----------------------|-----------------------|-----------------------|---------------|
| Facilities Engineering Manager     | 1.00                  | 1.00                  | 1.00                  | -             |
| Deputy Superintendent - Facilities | 1.00                  | 1.00                  | 1.00                  | -             |
| Administrative Assistant           | 1.00                  | 1.00                  | 1.00                  | -             |
| Project Manager                    | 0.34                  | 0.34                  | 0.34                  | -             |
| Custodial Foreman                  | 1.00                  | 1.00                  | 1.00                  | -             |
| Maintenance Foreman                | 1.00                  | 1.00                  | 1.00                  | -             |
| Skilled Maintenance Workers        | 2.00                  | 2.00                  | 2.00                  | -             |
| Skilled Equipment Operator         | 1.00                  | 1.00                  | 1.00                  | -             |
| Custodians                         | 22.48                 | 23.45                 | 24.42                 | 0.97          |
| <b>Total Full-time Equivalents</b> | <b>30.82</b>          | <b>31.79</b>          | <b>32.76</b>          | <b>0.97</b>   |

### Personnel Notes

FTE numbers are calculated based on a 40 hour work week with the exception of the Project Manager position, which is a shared position budgeted in thirds to the Facilities, Community Services, and Public Works Departments. Within the custodian positions listed there is one 0.10 FTE for a custodian at the Police station who works 4 hours each week-end, one 0.60 FTE for a custodian at the Senior Center who works 24 hours per week, and three benefit-ineligible custodians at the library comprising an FTE of 0.75. The 0.97 FTE increase results from increasing the hours for the only evening custodian at Sylvester school from 30 to 40 hours, adding a full-time substitute custodian as a cost-saving measure to reduce overtime costs, and a reduction of the Library custodian hours from 0.83 to 0.75.

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>192 - PUBLIC BUILDINGS</b> |                                   | <b>FY2014</b>         | <b>FY2015</b>         | <b>FY2016</b>         | <b>FY2016</b>       | <b>FY2017 Town</b>    | <b>\$</b>           | <b>%</b>      |
|-------------------------------|-----------------------------------|-----------------------|-----------------------|-----------------------|---------------------|-----------------------|---------------------|---------------|
| <b>Account Number</b>         | <b>Account Description</b>        | <b>Expended</b>       | <b>Expended</b>       | <b>Budget</b>         | <b>Expended</b>     | <b>Manager Rec</b>    | <b>Change</b>       | <b>Change</b> |
| 01-192-5110                   | SALARIES APPOINTED OFFICIALS      | \$160,473.02          | \$191,241.92          | \$198,571.00          | \$103,011.16        | <b>\$206,043.00</b>   | \$7,472.00          | 3.76          |
| 01-192-5113                   | SALARIES CLERICAL                 | \$21,668.50           | \$35,998.10           | \$39,119.00           | \$23,595.53         | <b>\$60,269.00</b>    | \$21,150.00         | 54.06         |
| 01-192-5114                   | SALARIES PERMANENT FULL TIME      | \$236,460.45          | \$258,815.81          | \$277,984.00          | \$141,681.00        | <b>\$283,236.00</b>   | \$5,252.00          | 1.88          |
| 01-192-5115                   | SALARIES CUSTODIAN                | \$0.00                | \$59,955.66           | \$0.00                | \$0.00              | <b>\$0.00</b>         | \$0.00              | 0.00          |
| 01-192-5115-11                | SALARIES CUSTODIAN - TOWN HALL    | \$43,992.10           | \$52,394.57           | \$48,816.00           | \$26,050.66         | <b>\$70,374.00</b>    | \$21,558.00         | 44.16         |
| 01-192-5115-21                | SALARIES CUSTODIAN - POLICE       | \$48,276.01           | \$54,252.66           | \$54,597.00           | \$30,765.15         | <b>\$55,271.00</b>    | \$674.00            | 1.23          |
| 01-192-5115-32                | SALARIES CUSTODIAN - CEDAR        | \$140,027.92          | \$146,753.74          | \$152,448.00          | \$77,654.30         | <b>\$154,833.00</b>   | \$2,385.00          | 1.56          |
| 01-192-5115-33                | SALARIES CUSTODIAN - CENTER       | \$133,684.14          | \$141,922.20          | \$148,448.00          | \$77,256.78         | <b>\$152,633.00</b>   | \$4,185.00          | 2.81          |
| 01-192-5115-34                | SALARIES CUSTODIAN - SYLVESTER    | \$81,625.77           | \$86,102.60           | \$87,003.00           | \$52,089.39         | <b>\$101,222.00</b>   | \$14,219.00         | 16.34         |
| 01-192-5115-35                | SALARIES CUSTODIAN - MIDDLE       | \$225,722.60          | \$219,867.31          | \$248,079.00          | \$138,665.47        | <b>\$305,465.00</b>   | \$57,386.00         | 23.13         |
| 01-192-5115-36                | SALARIES CUSTODIAN - HIGH SCHOOLS | \$238,094.06          | \$250,503.78          | \$259,280.00          | \$131,334.23        | <b>\$263,400.00</b>   | \$4,120.00          | 1.58          |
| 01-192-5115-37                | SALARIES CUSTODIAN - SALMOND      | \$44,766.88           | \$46,382.88           | \$48,816.00           | \$24,780.56         | <b>\$50,511.00</b>    | \$1,695.00          | 3.47          |
| 01-192-5115-51                | SALARIES CUSTODIAN - SR CENTER    | \$23,656.70           | \$14,474.20           | \$30,370.00           | \$15,719.52         | <b>\$31,146.00</b>    | \$776.00            | 2.55          |
| 01-192-5115-61                | SALARIES CUSTODIAN - LIBRARY      | \$26,546.80           | \$30,967.04           | \$40,603.00           | \$16,605.51         | <b>\$41,671.00</b>    | \$1,068.00          | 2.63          |
| 01-192-5116                   | CUSTODIAL DETAILS                 | \$0.00                | \$0.00                | \$0.00                | \$180.63            | <b>\$0.00</b>         | \$0.00              | 0.00          |
| 01-192-5121                   | PART TIME SEASONAL                | \$15,003.22           | \$12,507.30           | \$13,000.00           | \$14,050.02         | <b>\$14,000.00</b>    | \$1,000.00          | 7.69          |
| 01-192-5130                   | OVERTIME - MAINTENANCE            | \$39,693.48           | \$52,347.47           | \$40,000.00           | \$24,200.12         | <b>\$45,000.00</b>    | \$5,000.00          | 12.50         |
| 01-192-5130-11                | OVERTIME - TOWN HALL              | \$2,672.18            | \$2,178.96            | \$2,033.00            | \$7,001.32          | <b>\$19,450.00</b>    | \$17,417.00         | 856.71        |
| 01-192-5130-21                | OVERTIME - POLICE STATION         | \$1,480.41            | \$3,190.71            | \$2,567.00            | \$547.20            | <b>\$3,500.00</b>     | \$933.00            | 36.34         |
| 01-192-5130-22                | OVERTIME - FIRE STATION           | \$735.39              | \$644.51              | \$4,000.00            | \$876.11            | <b>\$4,000.00</b>     | \$0.00              | 0.00          |
| 01-192-5130-32                | OVERTIME - CEDAR                  | \$12,943.32           | \$13,772.77           | \$11,000.00           | \$1,621.39          | <b>\$11,000.00</b>    | \$0.00              | 0.00          |
| 01-192-5130-33                | OVERTIME - CENTER                 | \$6,677.63            | \$4,435.02            | \$11,000.00           | \$3,821.36          | <b>\$11,000.00</b>    | \$0.00              | 0.00          |
| 01-192-5130-34                | OVERTIME - SYLVESTER              | \$4,261.92            | \$3,208.56            | \$8,008.00            | \$1,220.94          | <b>\$6,000.00</b>     | \$-2,008.00         | -25.07        |
| 01-192-5130-35                | OVERTIME - MIDDLE SCHOOL          | \$12,099.47           | \$25,684.49           | \$22,317.00           | \$7,342.55          | <b>\$21,000.00</b>    | \$-1,317.00         | -5.90         |
| 01-192-5130-36                | OVERTIME - HIGH SCHOOL            | \$19,641.75           | \$18,489.09           | \$26,232.00           | \$8,999.69          | <b>\$23,000.00</b>    | \$-3,232.00         | -12.32        |
| 01-192-5130-37                | OVERTIME - SALMOND                | \$378.81              | \$826.69              | \$2,141.00            | \$358.13            | <b>\$2,330.00</b>     | \$189.00            | 8.82          |
| 01-192-5130-51                | OVERTIME - SR CENTER              | \$2,800.25            | \$5,394.76            | \$2,020.00            | \$244.58            | <b>\$2,500.00</b>     | \$480.00            | 23.76         |
| 01-192-5130-61                | OVERTIME - LIBRARY                | \$1,951.24            | \$1,219.59            | \$1,520.00            | \$371.88            | <b>\$1,500.00</b>     | \$-20.00            | -1.31         |
| 01-192-5148                   | STIPEND                           | \$0.00                | \$3,539.71            | \$3,500.00            | \$1,810.08          | <b>\$0.00</b>         | \$-3,500.00         | -100.00       |
| <b>PERSONNEL SUB-TOTAL:</b>   |                                   | <b>\$1,545,334.02</b> | <b>\$1,737,072.10</b> | <b>\$1,783,472.00</b> | <b>\$931,855.26</b> | <b>\$1,940,354.00</b> | <b>\$156,882.00</b> | <b>8.79</b>   |

**Town of Hanover**  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>192 - PUBLIC BUILDINGS</b> |                               | <b>FY2014</b>   | <b>FY2015</b>   | <b>FY2016</b> | <b>FY2016</b>   | <b>FY2017 Town</b>  | <b>\$</b>     | <b>%</b>      |
|-------------------------------|-------------------------------|-----------------|-----------------|---------------|-----------------|---------------------|---------------|---------------|
| <b>Account Number</b>         | <b>Account Description</b>    | <b>Expended</b> | <b>Expended</b> | <b>Budget</b> | <b>Expended</b> | <b>Manager Rec</b>  | <b>Change</b> | <b>Change</b> |
| 01-192-5211-11                | ELECTRICITY - TOWN HALL       | \$14,832.96     | \$35,112.21     | \$20,000.00   | \$9,741.10      | <b>\$20,500.00</b>  | \$500.00      | 2.50          |
| 01-192-5211-21                | ELECTRICITY - POLICE STATION  | \$34,300.04     | \$30,626.16     | \$52,200.00   | \$19,759.39     | <b>\$53,505.00</b>  | \$1,305.00    | 2.50          |
| 01-192-5211-22                | ELECTRICITY - FIRE STATION    | \$16,042.89     | \$16,731.94     | \$19,800.00   | \$9,202.33      | <b>\$20,295.00</b>  | \$495.00      | 2.50          |
| 01-192-5211-23                | ELECTRICITY - NEXTEL TOWER    | \$0.00          | \$0.00          | \$5,000.00    | \$0.00          | <b>\$5,000.00</b>   | \$0.00        | 0.00          |
| 01-192-5211-32                | ELECTRICITY - CEDAR           | \$49,048.83     | \$51,264.15     | \$64,200.00   | \$23,570.14     | <b>\$64,200.00</b>  | \$0.00        | 0.00          |
| 01-192-5211-33                | ELECTRICITY - CENTER          | \$35,310.35     | \$37,377.18     | \$46,950.00   | \$18,786.91     | <b>\$46,950.00</b>  | \$0.00        | 0.00          |
| 01-192-5211-34                | ELECTRICITY - SYLVESTER       | \$12,061.36     | \$13,846.30     | \$16,900.00   | \$7,254.34      | <b>\$16,900.00</b>  | \$0.00        | 0.00          |
| 01-192-5211-35                | ELECTRICITY - MIDDLE SCHOOL   | \$112,621.80    | \$113,324.10    | \$128,500.00  | \$50,239.83     | <b>\$128,500.00</b> | \$0.00        | 0.00          |
| 01-192-5211-36                | ELECTRICITY - HIGH SCHOOL     | \$202,619.97    | \$197,497.24    | \$195,000.00  | \$119,006.46    | <b>\$210,500.00</b> | \$15,500.00   | 7.94          |
| 01-192-5211-37                | ELECTRICITY - SALMOND         | \$7,373.45      | \$7,105.64      | \$13,350.00   | \$4,507.33      | <b>\$13,350.00</b>  | \$0.00        | 0.00          |
| 01-192-5211-41                | ELECTRICITY - DPW FACILITY    | \$7,986.04      | \$9,661.24      | \$10,500.00   | \$4,171.23      | <b>\$10,500.00</b>  | \$0.00        | 0.00          |
| 01-192-5211-42                | ELECTRICITY - CEMETERY GARAGE | \$789.43        | \$911.14        | \$1,000.00    | \$464.91        | <b>\$1,000.00</b>   | \$0.00        | 0.00          |
| 01-192-5211-51                | ELECTRICITY - SR CENTER       | \$12,241.43     | \$12,773.15     | \$12,900.00   | \$7,415.78      | <b>\$13,223.00</b>  | \$323.00      | 2.50          |
| 01-192-5211-61                | ELECTRICITY - LIBRARY         | \$22,758.91     | \$24,702.90     | \$26,550.00   | \$15,267.73     | <b>\$27,347.00</b>  | \$797.00      | 3.00          |
| 01-192-5211-72                | ELECTRICITY - STETSON HOUSE   | \$0.00          | \$355.11        | \$2,000.00    | \$0.00          | <b>\$2,000.00</b>   | \$0.00        | 0.00          |
| 01-192-5212-11                | GAS - TOWN HALL               | \$12,335.49     | \$11,971.82     | \$13,620.00   | \$1,864.34      | <b>\$14,210.00</b>  | \$590.00      | 4.33          |
| 01-192-5212-21                | GAS - POLICE STATION          | \$19,695.68     | \$12,702.54     | \$16,200.00   | \$2,023.86      | <b>\$16,200.00</b>  | \$0.00        | 0.00          |
| 01-192-5212-22                | GAS - FIRE STATION            | \$20,909.27     | \$18,652.10     | \$18,450.00   | \$2,344.80      | <b>\$18,450.00</b>  | \$0.00        | 0.00          |
| 01-192-5212-32                | GAS - CEDAR                   | \$73,742.49     | \$59,672.64     | \$62,775.00   | \$7,624.39      | <b>\$60,300.00</b>  | \$-2,475.00   | -3.94         |
| 01-192-5212-33                | GAS - CENTER                  | \$42,824.16     | \$44,597.77     | \$47,100.00   | \$6,199.85      | <b>\$42,700.00</b>  | \$-4,400.00   | -9.34         |
| 01-192-5212-34                | GAS - SYLVESTER               | \$36,074.84     | \$22,902.55     | \$28,575.00   | \$2,497.38      | <b>\$23,575.00</b>  | \$-5,000.00   | -17.49        |
| 01-192-5212-35                | GAS - MIDDLE SCHOOL           | \$79,249.33     | \$68,000.30     | \$78,800.00   | \$7,898.64      | <b>\$72,800.00</b>  | \$-6,000.00   | -7.61         |
| 01-192-5212-36                | GAS - HIGH SCHOOL             | \$57,560.07     | \$49,416.91     | \$65,100.00   | \$8,479.90      | <b>\$62,100.00</b>  | \$-3,000.00   | -4.60         |
| 01-192-5212-37                | GAS - SALMOND                 | \$19,352.24     | \$19,359.77     | \$22,375.00   | \$2,128.82      | <b>\$22,833.00</b>  | \$458.00      | 2.04          |
| 01-192-5212-41                | GAS - DPW FACILITY            | \$11,611.19     | \$7,778.72      | \$10,325.00   | \$82.25         | <b>\$10,325.00</b>  | \$0.00        | 0.00          |
| 01-192-5212-42                | GAS - CEMETERY                | \$1,838.87      | \$1,625.67      | \$2,580.00    | \$266.86        | <b>\$2,580.00</b>   | \$0.00        | 0.00          |
| 01-192-5212-51                | GAS - SR CENTER               | \$3,949.67      | \$3,284.87      | \$5,150.00    | \$556.16        | <b>\$4,420.00</b>   | \$-730.00     | -14.17        |
| 01-192-5212-61                | GAS - LIBRARY                 | \$11,911.96     | \$10,226.51     | \$14,275.00   | \$1,420.41      | <b>\$14,275.00</b>  | \$0.00        | 0.00          |
| 01-192-5212-72                | GAS - STETSON HOUSE           | \$0.00          | \$1,359.74      | \$3,000.00    | \$159.21        | <b>\$3,000.00</b>   | \$0.00        | 0.00          |
| 01-192-5230-11                | BLDG MAINT - TOWN HALL        | \$34,601.48     | \$29,794.73     | \$10,300.00   | \$19,433.90     | <b>\$11,000.00</b>  | \$700.00      | 6.79          |
| 01-192-5230-21                | BLDG MAINT - POLICE STATION   | \$11,396.08     | \$7,456.96      | \$7,130.00    | \$15,806.50     | <b>\$7,200.00</b>   | \$70.00       | 0.98          |

**Town of Hanover**  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>192 - PUBLIC BUILDINGS</b> |                               | <b>FY2014</b>   | <b>FY2015</b>   | <b>FY2016</b> | <b>FY2016</b>   | <b>FY2017 Town</b> | <b>\$</b>     | <b>%</b>      |
|-------------------------------|-------------------------------|-----------------|-----------------|---------------|-----------------|--------------------|---------------|---------------|
| <b>Account Number</b>         | <b>Account Description</b>    | <b>Expended</b> | <b>Expended</b> | <b>Budget</b> | <b>Expended</b> | <b>Manager Rec</b> | <b>Change</b> | <b>Change</b> |
| 01-192-5230-22                | BLDG MAINT - FIRE STATION     | \$38,496.92     | \$56,769.63     | \$10,200.00   | \$33,293.92     | <b>\$10,200.00</b> | \$0.00        | 0.00          |
| 01-192-5230-32                | BLDG MAINT - CEDAR            | \$24,009.96     | \$30,146.26     | \$28,390.00   | \$12,149.20     | <b>\$28,390.00</b> | \$0.00        | 0.00          |
| 01-192-5230-33                | BLDG MAINT - CENTER           | \$21,747.59     | \$37,831.50     | \$35,800.00   | \$13,588.93     | <b>\$35,800.00</b> | \$0.00        | 0.00          |
| 01-192-5230-34                | BLDG MAINT - SYLVESTER        | \$33,140.59     | \$15,769.11     | \$26,700.00   | \$7,604.19      | <b>\$26,700.00</b> | \$0.00        | 0.00          |
| 01-192-5230-35                | BLDG MAINT - MIDDLE SCHOOL    | \$93,912.09     | \$68,399.87     | \$65,000.00   | \$21,448.36     | <b>\$65,000.00</b> | \$0.00        | 0.00          |
| 01-192-5230-36                | BLDG MAINT - HIGH SCHOOL      | \$108,189.25    | \$114,388.36    | \$80,250.00   | \$39,222.27     | <b>\$80,250.00</b> | \$0.00        | 0.00          |
| 01-192-5230-37                | BLDG MAINT - SALMOND          | \$16,130.03     | \$15,371.85     | \$17,200.00   | \$9,635.05      | <b>\$17,200.00</b> | \$0.00        | 0.00          |
| 01-192-5230-41                | BLDG MAINT - DPW FACILITY     | \$5,242.06      | \$2,024.32      | \$5,645.00    | \$4,404.72      | <b>\$5,645.00</b>  | \$0.00        | 0.00          |
| 01-192-5230-42                | BLDG - MAINT CEMETERY GARAGE  | \$581.64        | \$437.68        | \$500.00      | \$39.00         | <b>\$500.00</b>    | \$0.00        | 0.00          |
| 01-192-5230-51                | BLDG MAINT - SR CENTER        | \$14,696.96     | \$10,766.62     | \$9,425.00    | \$4,216.80      | <b>\$9,900.00</b>  | \$475.00      | 5.03          |
| 01-192-5230-61                | BLDG MAINT - LIBRARY          | \$9,512.30      | \$6,143.03      | \$11,400.00   | \$5,560.63      | <b>\$11,400.00</b> | \$0.00        | 0.00          |
| 01-192-5230-72                | BLDG MAINT - STETSON          | \$1,105.00      | \$5,031.16      | \$5,000.00    | \$911.66        | <b>\$5,000.00</b>  | \$0.00        | 0.00          |
| 01-192-5230-74                | BLD MAINT-SCHOOLS             | \$24,412.64     | \$27,997.36     | \$62,000.00   | \$12,571.24     | <b>\$62,000.00</b> | \$0.00        | 0.00          |
| 01-192-5240                   | VEHICLE MAINT                 | \$5,894.04      | \$14,125.84     | \$9,500.00    | \$6,950.28      | <b>\$9,900.00</b>  | \$400.00      | 4.21          |
| 01-192-5250-11                | EQUIP MAINT - TOWN HALL       | \$1,890.00      | \$468.30        | \$11,500.00   | \$43.35         | <b>\$11,500.00</b> | \$0.00        | 0.00          |
| 01-192-5250-21                | EQUIP MAINT - POLICE STATION  | \$1,061.75      | \$560.19        | \$5,920.00    | \$0.00          | <b>\$5,920.00</b>  | \$0.00        | 0.00          |
| 01-192-5250-22                | EQUIP MAINT - FIRE STATION    | \$3,635.92      | \$198.94        | \$2,000.00    | \$0.00          | <b>\$2,000.00</b>  | \$0.00        | 0.00          |
| 01-192-5250-32                | EQUIP MAINT - CEDAR           | \$6,595.78      | \$874.09        | \$12,070.00   | \$926.10        | <b>\$12,070.00</b> | \$0.00        | 0.00          |
| 01-192-5250-33                | EQUIP MAINT - CENTER          | \$8,457.25      | \$4,824.33      | \$19,000.00   | \$587.09        | <b>\$19,000.00</b> | \$0.00        | 0.00          |
| 01-192-5250-34                | EQUIP MAINT - SYLVESTER       | \$3,387.25      | \$0.00          | \$8,600.00    | \$368.19        | <b>\$8,600.00</b>  | \$0.00        | 0.00          |
| 01-192-5250-35                | EQUIP MAINT - MIDDLE SCHOOL   | \$5,602.53      | \$4,416.56      | \$38,769.00   | \$587.09        | <b>\$38,769.00</b> | \$0.00        | 0.00          |
| 01-192-5250-36                | EQUIP MAINT - HIGH SCHOOL     | \$18,668.49     | \$5,772.40      | \$26,300.00   | \$1,666.13      | <b>\$26,300.00</b> | \$0.00        | 0.00          |
| 01-192-5250-37                | EQUIP MAINT - SALMOND         | \$1,569.50      | \$347.52        | \$3,400.00    | \$0.00          | <b>\$3,400.00</b>  | \$0.00        | 0.00          |
| 01-192-5250-41                | EQUIP MAINT - DPW FACILITY    | \$996.40        | \$592.76        | \$0.00        | \$0.00          | <b>\$0.00</b>      | \$0.00        | 0.00          |
| 01-192-5250-42                | EQUIP MAINT - CEMETERY GARAGE | \$37.50         | \$36.59         | \$0.00        | \$0.00          | <b>\$500.00</b>    | \$500.00      | 100.00        |
| 01-192-5250-51                | EQUIP MAINT - SR CENTER       | \$3,308.16      | \$0.00          | \$3,500.00    | \$377.55        | <b>\$3,500.00</b>  | \$0.00        | 0.00          |
| 01-192-5250-61                | EQUIP MAINT - LIBRARY         | \$700.00        | \$0.00          | \$5,350.00    | \$0.00          | <b>\$5,350.00</b>  | \$0.00        | 0.00          |
| 01-192-5250-74                | EQUIP MAINT - SCHOOLS         | \$11,337.40     | \$7,571.59      | \$7,200.00    | \$4,464.52      | <b>\$7,200.00</b>  | \$0.00        | 0.00          |
| 01-192-5319                   | OTHER CONTRACTED SERVICE      | \$-129.92       | \$-47,415.00    | \$0.00        | \$0.00          | <b>\$0.00</b>      | \$0.00        | 0.00          |
| 01-192-5319-11                | OTHER CONTRACTED SERVICE - TH | \$12,885.27     | \$36,163.16     | \$3,000.00    | \$1,264.33      | <b>\$3,000.00</b>  | \$0.00        | 0.00          |
| 01-192-5319-21                | OTHER CONTRACTED SERVICE -    | \$6,425.54      | \$9,397.08      | \$2,500.00    | \$796.68        | <b>\$2,500.00</b>  | \$0.00        | 0.00          |

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>192 - PUBLIC BUILDINGS</b> |                                  | <b>FY2014</b>   | <b>FY2015</b>   | <b>FY2016</b> | <b>FY2016</b>   | <b>FY2017 Town</b> | <b>\$</b>     | <b>%</b>      |
|-------------------------------|----------------------------------|-----------------|-----------------|---------------|-----------------|--------------------|---------------|---------------|
| <b>Account Number</b>         | <b>Account Description</b>       | <b>Expended</b> | <b>Expended</b> | <b>Budget</b> | <b>Expended</b> | <b>Manager Rec</b> | <b>Change</b> | <b>Change</b> |
| 01-192-5319-22                | OTHER CONTRACTED SERVICE - FIRE  | \$4,920.56      | \$21,333.26     | \$2,000.00    | \$1,559.82      | <b>\$2,000.00</b>  | \$0.00        | 0.00          |
| 01-192-5319-32                | OTHER CONTRACTED SERVICE - CEDAR | \$3,734.59      | \$16,144.87     | \$1,800.00    | \$1,081.58      | <b>\$1,800.00</b>  | \$0.00        | 0.00          |
| 01-192-5319-33                | OTHER CONTRACTED SERVICE -       | \$9,986.59      | \$18,954.01     | \$3,300.00    | \$2,077.51      | <b>\$3,300.00</b>  | \$0.00        | 0.00          |
| 01-192-5319-34                | OTHER CONTRACTED SERVICE - SYLV  | \$3,491.48      | \$3,916.35      | \$2,300.00    | \$1,535.34      | <b>\$2,300.00</b>  | \$0.00        | 0.00          |
| 01-192-5319-35                | OTHER CONTRACTED SERVICE - MS    | \$13,144.01     | \$23,652.69     | \$2,400.00    | \$4,760.18      | <b>\$2,400.00</b>  | \$0.00        | 0.00          |
| 01-192-5319-36                | OTHER CONTRACTED SERVICE - HS    | \$70,495.57     | \$54,913.36     | \$5,980.00    | \$10,184.19     | <b>\$5,980.00</b>  | \$0.00        | 0.00          |
| 01-192-5319-37                | OTHER CONTRACTED SERVICE -       | \$1,707.00      | \$19,740.33     | \$1,400.00    | \$1,260.00      | <b>\$1,400.00</b>  | \$0.00        | 0.00          |
| 01-192-5319-41                | OTHER CONTRACTED SERVICE - HW    | \$0.00          | \$6,838.70      | \$0.00        | \$920.50        | <b>\$0.00</b>      | \$0.00        | 0.00          |
| 01-192-5319-43                | OTHER CONTRACTED SERVICE - ADMIN | \$11,566.00     | \$1,595.91      | \$12,700.00   | \$9,131.98      | <b>\$12,700.00</b> | \$0.00        | 0.00          |
| 01-192-5319-51                | OTHER CONTRACTED SERVICE - COA   | \$2,878.70      | \$16,410.00     | \$3,200.00    | \$727.75        | <b>\$3,200.00</b>  | \$0.00        | 0.00          |
| 01-192-5319-61                | OTHER CONTRACTED SERVICE - LIB   | \$2,965.00      | \$4,732.36      | \$500.00      | \$806.68        | <b>\$500.00</b>    | \$0.00        | 0.00          |
| 01-192-5319-72                | OTHER CONTRACTED SERVICE -       | \$0.00          | \$0.00          | \$500.00      | \$120.00        | <b>\$500.00</b>    | \$0.00        | 0.00          |
| 01-192-5319-74                | OTHER CONTRACTED                 | \$5,557.00      | \$9,910.00      | \$1,400.00    | \$4,063.00      | <b>\$1,400.00</b>  | \$0.00        | 0.00          |
| 01-192-5319-75                | OTHER CONTRACTED SERVICE - HS    | \$75,821.87     | \$6,900.00      | \$65,000.00   | \$27,122.11     | <b>\$65,000.00</b> | \$0.00        | 0.00          |
| 01-192-5340                   | TELEPHONE-CENTREX SYSTEM         | \$52,809.32     | \$61,457.78     | \$54,000.00   | \$25,802.39     | <b>\$54,000.00</b> | \$0.00        | 0.00          |
| 01-192-5340-41                | TELEPHONE - DPW FACILITY         | \$382.03        | \$382.03        | \$630.00      | \$173.65        | <b>\$630.00</b>    | \$0.00        | 0.00          |
| 01-192-5340-42                | TELEPHONE - CEMETERY GARAGE      | \$794.48        | \$824.99        | \$720.00      | \$354.89        | <b>\$720.00</b>    | \$0.00        | 0.00          |
| 01-192-5340-43                | TELEPHONE - DPW ADMINISTRATION   | \$5,436.18      | \$6,299.83      | \$8,200.00    | \$3,492.09      | <b>\$8,200.00</b>  | \$0.00        | 0.00          |
| 01-192-5340-51                | TELEPHONE-SENIOR CENTER          | \$4,919.64      | \$4,106.16      | \$3,840.00    | \$2,592.20      | <b>\$3,840.00</b>  | \$0.00        | 0.00          |
| 01-192-5423                   | SUPPLIES (COPIER)                | \$3,811.00      | \$246.96        | \$7,000.00    | \$41.32         | <b>\$7,000.00</b>  | \$0.00        | 0.00          |
| 01-192-5450-11                | CUSTODIAL SUPPLIES - TH          | \$306.31        | \$112.96        | \$2,500.00    | \$100.00        | <b>\$2,500.00</b>  | \$0.00        | 0.00          |
| 01-192-5450-21                | CUSTODIAL SUPPLIES - POLICE      | \$12.98         | \$0.00          | \$2,000.00    | \$0.00          | <b>\$2,000.00</b>  | \$0.00        | 0.00          |
| 01-192-5450-22                | CUSTODIAL SUPPLIES - FIRE        | \$0.00          | \$394.38        | \$800.00      | \$35.76         | <b>\$800.00</b>    | \$0.00        | 0.00          |
| 01-192-5450-32                | MAINTENANCE SUPPLIES - CEDAR     | \$1,807.17      | \$672.02        | \$0.00        | \$0.00          | <b>\$0.00</b>      | \$0.00        | 0.00          |
| 01-192-5450-33                | MAINTENANCE SUPPLIES - CENTER    | \$3,517.70      | \$2,462.05      | \$0.00        | \$0.00          | <b>\$0.00</b>      | \$0.00        | 0.00          |
| 01-192-5450-34                | MAINTENANCE SUPPLIES - SYLV      | \$1,707.18      | \$1,582.03      | \$0.00        | \$0.00          | <b>\$0.00</b>      | \$0.00        | 0.00          |
| 01-192-5450-35                | MAINTENANCE SUPPLIES - MS        | \$11,020.15     | \$4,648.90      | \$0.00        | \$0.00          | <b>\$0.00</b>      | \$0.00        | 0.00          |
| 01-192-5450-36                | MAINTENANCE SUPPLIES - HS        | \$15,393.74     | \$6,190.78      | \$0.00        | \$0.00          | <b>\$0.00</b>      | \$0.00        | 0.00          |
| 01-192-5450-37                | MAINTENANCE SUPPLIES - SALMOND   | \$2,003.55      | \$2,475.96      | \$0.00        | \$655.51        | <b>\$0.00</b>      | \$0.00        | 0.00          |
| 01-192-5450-43                | CUSTODIAL SUPPLIES - ADMIN       | \$14,271.24     | \$13,319.18     | \$2,500.00    | \$3,893.97      | <b>\$2,500.00</b>  | \$0.00        | 0.00          |
| 01-192-5450-51                | CUSTODIAL SUPPLIES - COA         | \$154.75        | \$0.00          | \$1,000.00    | \$0.00          | <b>\$1,000.00</b>  | \$0.00        | 0.00          |

**Town of Hanover**  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>192 - PUBLIC BUILDINGS</b>          |                                 | <b>FY2014</b>         | <b>FY2015</b>         | <b>FY2016</b>         | <b>FY2016</b>         | <b>FY2017 Town</b>    | <b>\$</b>           | <b>%</b>      |
|--|---------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|---------------------|---------------|
| <b>Account Number</b>                  | <b>Account Description</b>      | <b>Expended</b>       | <b>Expended</b>       | <b>Budget</b>         | <b>Expended</b>       | <b>Manager Rec</b>    | <b>Change</b>       | <b>Change</b> |
| 01-192-5450-61                         | CUSTODIAL SUPPLIES - LIB        | \$53.30               | \$0.00                | \$800.00              | \$0.00                | <b>\$800.00</b>       | \$0.00              | 0.00          |
| 01-192-5450-74                         | CUSTODIAL SUPPLIES - SCHOOLS SW | \$49,731.24           | \$37,604.62           | \$100,875.00          | \$89,684.31           | <b>\$100,875.00</b>   | \$0.00              | 0.00          |
| 01-192-5585-11                         | UNIFORMS - TH                   | \$1,687.46            | \$800.00              | \$800.00              | \$594.69              | <b>\$800.00</b>       | \$0.00              | 0.00          |
| 01-192-5585-21                         | UNIFORMS - POLICE               | \$725.00              | \$799.07              | \$800.00              | \$0.00                | <b>\$800.00</b>       | \$0.00              | 0.00          |
| 01-192-5585-32                         | UNIFORMS - CEDAR                | \$470.64              | \$2,177.12            | \$2,400.00            | \$2,229.44            | <b>\$2,400.00</b>     | \$0.00              | 0.00          |
| 01-192-5585-33                         | UNIFORMS - CENTER               | \$817.00              | \$2,395.87            | \$2,400.00            | \$2,139.68            | <b>\$2,400.00</b>     | \$0.00              | 0.00          |
| 01-192-5585-34                         | UNIFORMS - SYLV                 | \$699.92              | \$1,269.46            | \$1,400.00            | \$801.51              | <b>\$1,600.00</b>     | \$200.00            | 14.28         |
| 01-192-5585-35                         | UNIFORMS - MS                   | \$1,526.88            | \$3,233.31            | \$4,000.00            | \$1,789.31            | <b>\$4,000.00</b>     | \$0.00              | 0.00          |
| 01-192-5585-36                         | UNIFORMS - HS                   | \$1,650.92            | \$4,194.32            | \$4,000.00            | \$2,344.12            | <b>\$4,000.00</b>     | \$0.00              | 0.00          |
| 01-192-5585-37                         | UNIFORMS - SALMOND              | \$300.00              | \$793.12              | \$800.00              | \$791.19              | <b>\$800.00</b>       | \$0.00              | 0.00          |
| 01-192-5585-43                         | UNIFORMS - ADMIN                | \$1,655.20            | \$0.00                | \$1,500.00            | \$0.00                | <b>\$1,500.00</b>     | \$0.00              | 0.00          |
| 01-192-5585-51                         | UNIFORMS - COA                  | \$434.17              | \$182.66              | \$480.00              | \$0.00                | <b>\$480.00</b>       | \$0.00              | 0.00          |
| 01-192-5585-61                         | UNIFORMS - LIB                  | \$0.00                | \$0.00                | \$800.00              | \$0.00                | <b>\$800.00</b>       | \$0.00              | 0.00          |
| 01-192-5585-74                         | UNIFORMS - MAINT                | \$4,323.07            | \$4,979.72            | \$4,175.00            | \$2,806.72            | <b>\$4,175.00</b>     | \$0.00              | 0.00          |
| 01-192-5860                            | EQUIPMENT PURCHASE              | \$0.00                | \$24,467.00           | \$0.00                | \$0.00                | <b>\$0.00</b>         | \$0.00              | 0.00          |
| 01-192-5860-43                         | EQUIPMENT PURCHASE - ADMIN      | \$2,915.72            | \$659.79              | \$4,000.00            | \$164.73              | <b>\$4,000.00</b>     | \$0.00              | 0.00          |
| 01-192-5861                            | FURNISHINGS                     | \$0.00                | \$0.00                | \$0.00                | \$0.00                | <b>\$10,000.00</b>    | \$10,000.00         | 100.00        |
| <b>EXPENSES SUB-TOTAL:</b>             |                                 | <b>\$1,861,106.26</b> | <b>\$1,742,877.07</b> | <b>\$1,851,624.00</b> | <b>\$756,690.15</b>   | <b>\$1,862,332.00</b> | <b>\$10,708.00</b>  | <b>0.57</b>   |
| <b>192 PUBLIC BUILDINGS SUB-TOTAL:</b> |                                 | <b>\$3,406,440.28</b> | <b>\$3,479,949.17</b> | <b>\$3,635,096.00</b> | <b>\$1,688,545.41</b> | <b>\$3,802,686.00</b> | <b>\$167,590.00</b> | <b>4.61</b>   |

# PUBLIC WORKS



*"Hanover, Honoring Yesterday As We Build For Tomorrow"*

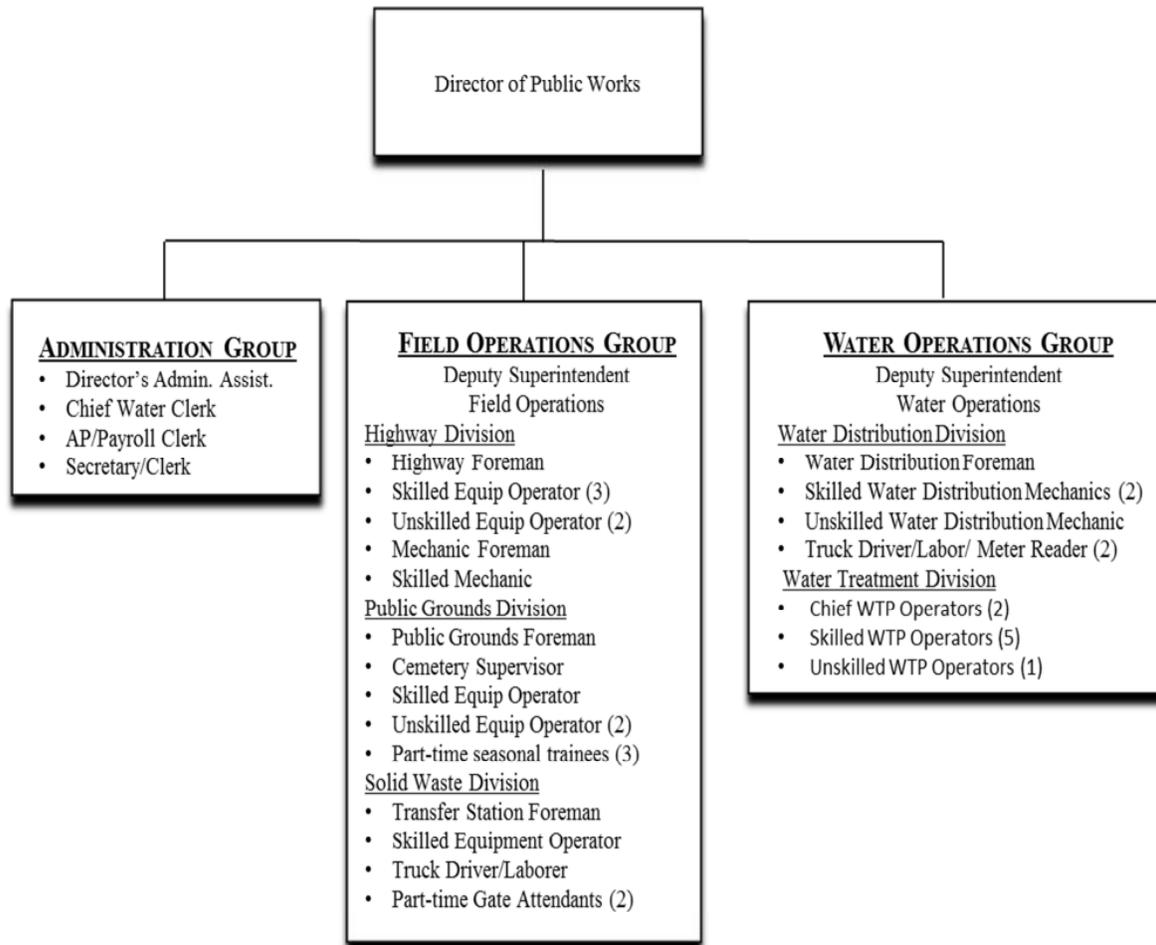


## Public Works Department

### Public Works Department Mission

The mission of the Hanover Public Works Department is to protect, preserve, improve and manage the Town's infrastructure and related assets. Infrastructure includes the Town's roadway and drainage network, dams, bridges, cemeteries, parks, transfer station, water distribution system, and drinking water treatment plants. In addition the DPW manages and provides snow removal services for all roads and facilities as well as support services for other Town departments. Public works employees are either working or on-call 24 hours a day, 365 days a year to respond to any infrastructure related challenge that may arise.

### Organizational Chart





## Public Works Department

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### **Goals and Objectives**

- Update five year priority street repair list and perform Chapter 90 street resurfacing accordingly.
- Evaluate Forge Pond Dam and begin the process of designing improvements to bring the structure up to current State dam safety standards.
- Update stormwater management plan to comply with changes to Federal stormwater regulations
- Advance near real-time reporting of solid waste operational data on website in accordance with Board of Selectmen goals

### **Accomplishments**

- Resurfaced Whiting Street, Pleasant Street, Silver Street, Woodland Drive, and portions of Circuit Street and Washington Street. Reconstructed sidewalks on Silver Street. Constructed new sidewalks on Washington Street.
- Completed repairs to the Factory Pond Dam to bring the structure up to State dam safety standards.
- Processed and transferred 6,900 tons of solid waste and recyclables.
- Completed annual preventive maintenance to bridges to extend the life of these capital assets

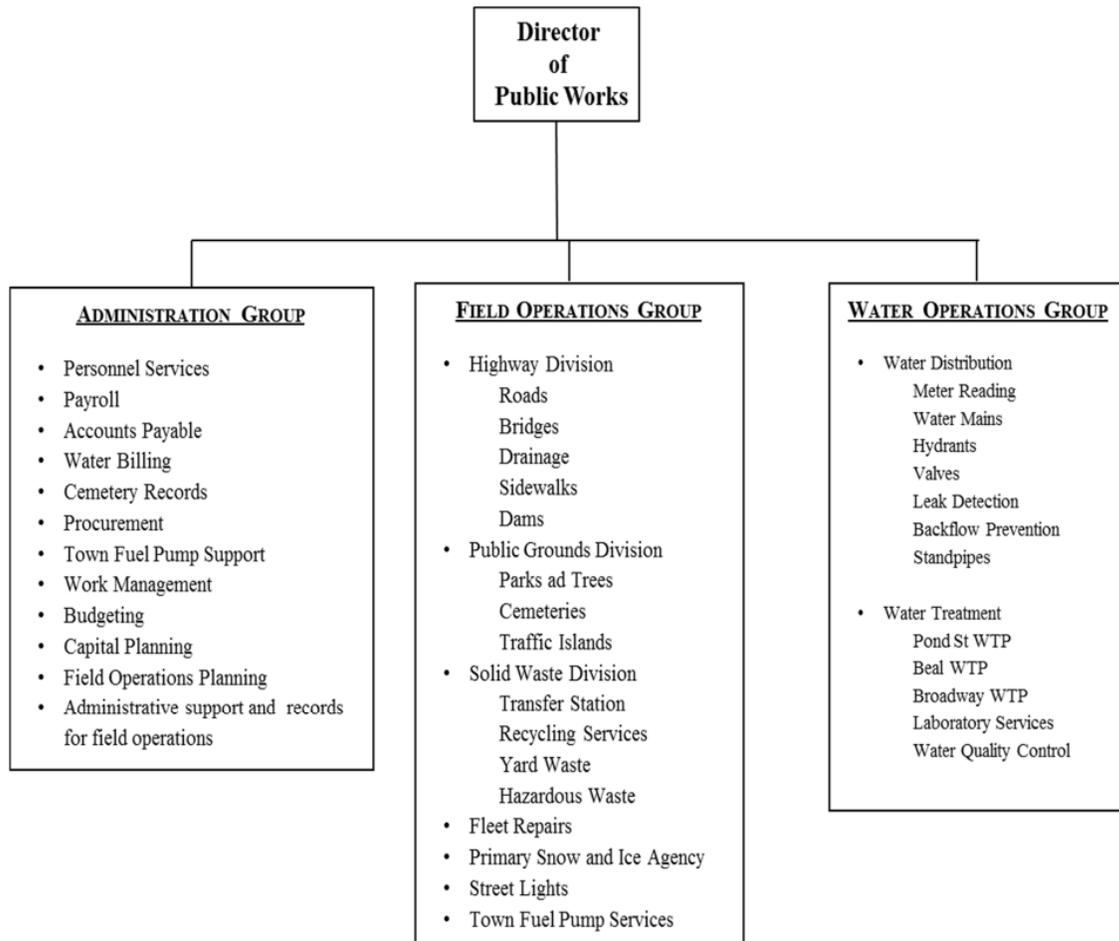
### **Significant Budget Changes or Initiatives**

There were no significant changes to the Department of Public Works budget for the fiscal year.



# Public Works Department

## Programs and Services





## Public Works Department

### Personnel Summary

| Position                               | FY2015<br>FTE | FY2016<br>FTE | FY2017<br>FTE | Change       |
|--|---------------|---------------|---------------|--------------|
| Director of Public Works               | 1.00          | 1.00          | 1.00          | -            |
| Administration                         |               |               |               |              |
| Project Manager                        | 0.33          | 0.33          | 0.33          | -            |
| Deputy Superintendent                  | 1.00          | 1.00          | 1.00          | -            |
| Administrative Assistant               | 1.00          | 1.00          | 1.00          | -            |
| Highway                                |               |               |               |              |
| Highway Foreman                        | 1.00          | 1.00          | 1.00          | -            |
| Mechanic Foreman                       | 1.00          | 1.00          | 1.00          | -            |
| Skilled Equipment Operator             | 2.00          | 2.00          | 2.00          | -            |
| Mechanic                               | 1.00          | 1.00          | 1.00          | -            |
| Unskilled Equipment Operator           | 1.50          | 1.50          | 1.50          | -            |
| Public Grounds                         |               |               |               |              |
| Foreman                                | 1.00          | 1.00          | 1.00          | -            |
| Cemetery Supervisor                    | 1.00          | 1.00          | 1.00          | -            |
| Skilled Equipment Operator             | 1.00          | 1.00          | 1.00          | -            |
| Unskilled Equipment Operator           | 2.00          | 2.00          | 2.00          | -            |
| Transfer Station                       |               |               |               |              |
| Foreman                                | 1.00          | 1.00          | 1.00          | -            |
| Skilled Equipment Operator             | 1.00          | 1.00          | 1.00          | -            |
| Truck Driver/Laborer                   | 1.00          | 1.00          | 1.00          | -            |
| Laborer                                | 0.50          | 0.50          | 0.50          | -            |
| Gate Attendant                         | 1.00          | 1.00          | 1.00          | -            |
| Water Division                         |               |               |               |              |
| Deputy Superintendent Water Operations | 1.00          | 1.00          |               | -            |
| Secretary                              | 3.00          | 3.00          | 1.00          | -2.00        |
| Custodian                              | 0.50          | 0.50          | 0.50          | -            |
| Chief WTP Operator                     | 2.00          | 2.00          | 2.00          | -            |
| Water Treatment Plant Operator         | 5.40          | 5.40          | 5.40          | -            |
| Unskilled Treatment Plant Operator     | 1.00          | 1.00          | 1.00          | -            |
| Water Distribution Foreman             | 1.00          | 1.00          | 1.00          | -            |
| Skilled Water Distribution Mechanic    | 2.00          | 2.00          | 2.00          | -            |
| Unskilled Water Distribution Mechanic  | 1.00          | 1.00          | 1.00          | -            |
| Skilled Equipment Operator             | 1.00          | 1.00          | 1.00          | -            |
| Unskilled Equipment Operator           | 0.50          | 0.50          | 0.50          | -            |
| Truck Driver/Laborer                   | 2.00          | 2.00          | 2.00          | -            |
| <b>Total Full-time Equivalents</b>     | <b>39.73</b>  | <b>39.73</b>  | <b>37.73</b>  | <b>-2.00</b> |



## Public Works Department

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### **Personnel Notes**

FTEs are based on a 35 hour work week and are benefit eligible. Two positions from the Water Department are to be transferred to Finance Department but continued to be paid by the Water Enterprise Fund.

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>421 - DPW ADMINISTRATION</b>          |                              | <b>FY2014</b>       | <b>FY2015</b>       | <b>FY2016</b>       | <b>FY2016</b>       | <b>FY2017 Town</b>  | <b>\$</b>         | <b>%</b>      |
|--|------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-------------------|---------------|
| <b>Account Number</b>                    | <b>Account Description</b>   | <b>Expended</b>     | <b>Expended</b>     | <b>Budget</b>       | <b>Expended</b>     | <b>Manager Rec</b>  | <b>Change</b>     | <b>Change</b> |
| 01-421-5110                              | SALARIES-APPOINTED OFFICIALS | \$132,510.78        | \$165,818.46        | \$169,240.00        | \$86,076.53         | <b>\$174,087.00</b> | \$4,847.00        | 2.86          |
| 01-421-5113                              | SALARIES-CLERICAL            | \$41,727.06         | \$43,626.32         | \$41,632.00         | \$19,227.00         | <b>\$43,361.00</b>  | \$1,729.00        | 4.15          |
| 01-421-5130                              | OVERTIME                     | \$0.00              | \$0.00              | \$918.00            | \$0.00              | <b>\$918.00</b>     | \$0.00            | 0.00          |
| 01-421-5148                              | STIPEND                      | \$0.00              | \$3,539.71          | \$3,500.00          | \$1,810.08          | <b>\$3,500.00</b>   | \$0.00            | 0.00          |
| <b>PERSONNEL SUB-TOTAL:</b>              |                              | <b>\$174,237.84</b> | <b>\$212,984.49</b> | <b>\$215,290.00</b> | <b>\$107,113.61</b> | <b>\$221,866.00</b> | <b>\$6,576.00</b> | <b>3.05</b>   |
| 01-421-5250                              | EQUIPMENT MAINTENANCE        | \$1,394.90          | \$936.00            | \$600.00            | \$0.00              | <b>\$600.00</b>     | \$0.00            | 0.00          |
| 01-421-5310                              | ENGINEERING                  | \$29,984.05         | \$3,500.00          | \$20,000.00         | \$2,025.00          | <b>\$20,000.00</b>  | \$0.00            | 0.00          |
| 01-421-5319                              | OTHER CONTRACTED SERVICE     | \$23,691.06         | \$10,767.09         | \$16,680.00         | \$7,934.21          | <b>\$16,680.00</b>  | \$0.00            | 0.00          |
| 01-421-5340                              | TELEPHONE                    | \$11,149.77         | \$10,410.92         | \$9,900.00          | \$4,451.52          | <b>\$9,900.00</b>   | \$0.00            | 0.00          |
| 01-421-5344                              | ADVERTISING                  | \$1,030.96          | \$377.56            | \$1,200.00          | \$0.00              | <b>\$1,200.00</b>   | \$0.00            | 0.00          |
| 01-421-5345                              | POSTAGE & MAIL PERMITS       | \$1,520.49          | \$2,230.32          | \$1,100.00          | \$0.00              | <b>\$1,100.00</b>   | \$0.00            | 0.00          |
| 01-421-5420                              | OFFICE SUPPLIES              | \$9,205.74          | \$8,875.43          | \$5,100.00          | \$1,605.39          | <b>\$5,100.00</b>   | \$0.00            | 0.00          |
| 01-421-5421                              | PRINTING & STATIONARY        | \$3,752.42          | \$221.76            | \$1,100.00          | \$384.13            | <b>\$1,100.00</b>   | \$0.00            | 0.00          |
| 01-421-5585                              | UNIFORMS                     | \$258.00            | \$1,118.19          | \$800.00            | \$0.00              | <b>\$800.00</b>     | \$0.00            | 0.00          |
| 01-421-5720                              | REGISTRATION FEES            | \$518.04            | \$324.00            | \$400.00            | \$0.00              | <b>\$400.00</b>     | \$0.00            | 0.00          |
| 01-421-5730                              | DUES                         | \$980.50            | \$1,062.50          | \$1,200.00          | \$937.50            | <b>\$1,200.00</b>   | \$0.00            | 0.00          |
| 01-421-5860                              | EQUIPMENT PURCHASE           | \$0.00              | \$3,632.41          | \$0.00              | \$0.00              | <b>\$0.00</b>       | \$0.00            | 0.00          |
| <b>EXPENSES SUB-TOTAL:</b>               |                              | <b>\$83,485.93</b>  | <b>\$43,456.18</b>  | <b>\$58,080.00</b>  | <b>\$17,337.75</b>  | <b>\$58,080.00</b>  | <b>\$0.00</b>     | <b>0.00</b>   |
| <b>421 DPW ADMINISTRATION SUB-TOTAL:</b> |                              | <b>\$257,723.77</b> | <b>\$256,440.67</b> | <b>\$273,370.00</b> | <b>\$124,451.36</b> | <b>\$279,946.00</b> | <b>\$6,576.00</b> | <b>2.40</b>   |

**Town of Hanover**  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>422 - DPW HIGHWAY</b>          |                                  | <b>FY2014</b>       | <b>FY2015</b>       | <b>FY2016</b>       | <b>FY2016</b>       | <b>FY2017 Town</b>  | <b>\$</b>          | <b>%</b>      |
|-----------------------------------|----------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|--------------------|---------------|
| <b>Account Number</b>             | <b>Account Description</b>       | <b>Expended</b>     | <b>Expended</b>     | <b>Budget</b>       | <b>Expended</b>     | <b>Manager Rec</b>  | <b>Change</b>      | <b>Change</b> |
| 01-422-5114                       | SALARIES & WAGES PERM F/T        | \$326,121.54        | \$393,204.87        | \$365,599.00        | \$188,507.22        | <b>\$373,930.00</b> | \$8,331.00         | 2.27          |
| 01-422-5130                       | OVERTIME                         | \$30,809.25         | \$37,921.52         | \$18,029.00         | \$21,692.14         | <b>\$18,500.00</b>  | \$471.00           | 2.61          |
| 01-422-5140                       | OTHER PAY                        | \$0.00              | \$0.00              | \$24,360.00         | \$0.00              | <b>\$25,000.00</b>  | \$640.00           | 2.62          |
| <b>PERSONNEL SUB-TOTAL:</b>       |                                  | <b>\$356,930.79</b> | <b>\$431,126.39</b> | <b>\$407,988.00</b> | <b>\$210,199.36</b> | <b>\$417,430.00</b> | <b>\$9,442.00</b>  | <b>2.31</b>   |
| 01-422-5240                       | VEHICLE MAINTENANCE              | \$22,897.18         | \$16,696.27         | \$24,500.00         | \$10,083.42         | <b>\$24,500.00</b>  | \$0.00             | 0.00          |
| 01-422-5241                       | VEHICLE MAINT. - GENERAL         | \$6,666.45          | \$11,885.46         | \$0.00              | \$7,514.92          | <b>\$0.00</b>       | \$0.00             | 0.00          |
| 01-422-5242                       | VEHICLE MAINT. - STREET SWEEPING | \$0.00              | \$0.00              | \$4,000.00          | \$203.09            | <b>\$4,000.00</b>   | \$0.00             | 0.00          |
| 01-422-5250                       | EQUIPMENT MAINTENANCE            | \$4,713.28          | \$10,331.98         | \$3,000.00          | \$12,011.20         | <b>\$3,000.00</b>   | \$0.00             | 0.00          |
| 01-422-5280                       | SAFETY PROGRAMS                  | \$2,405.81          | \$1,786.01          | \$3,700.00          | \$671.66            | <b>\$3,700.00</b>   | \$0.00             | 0.00          |
| 01-422-5281                       | DETAILS-CONTRACT OFFICERS        | \$11,742.23         | \$11,706.20         | \$10,960.00         | \$7,053.76          | <b>\$13,500.00</b>  | \$2,540.00         | 23.17         |
| 01-422-5285                       | LINE PAINTING                    | \$0.00              | \$0.00              | \$0.00              | \$200.00            | <b>\$0.00</b>       | \$0.00             | 0.00          |
| 01-422-5318                       | OCS - GENERAL                    | \$66,984.97         | \$48,653.20         | \$81,980.00         | \$23,013.98         | <b>\$85,080.00</b>  | \$3,100.00         | 3.78          |
| 01-422-5470                       | ASPHALT - GENERAL                | \$12,073.38         | \$23,423.82         | \$10,000.00         | \$3,923.77          | <b>\$14,400.00</b>  | \$4,400.00         | 44.00         |
| 01-422-5585                       | UNIFORMS                         | \$4,535.51          | \$6,807.75          | \$6,400.00          | \$2,517.98          | <b>\$6,400.00</b>   | \$0.00             | 0.00          |
| 01-422-5590                       | MATERIALS & SUPPLIES             | \$16,536.85         | \$18,086.03         | \$10,700.00         | \$7,375.34          | <b>\$15,000.00</b>  | \$4,300.00         | 40.18         |
| 01-422-5715                       | LICENSE RENEWALS                 | \$848.60            | \$570.00            | \$740.00            | \$285.00            | <b>\$740.00</b>     | \$0.00             | 0.00          |
| 01-422-5720                       | REGISTRATION FEES                | \$450.00            | \$420.00            | \$890.00            | \$180.00            | <b>\$890.00</b>     | \$0.00             | 0.00          |
| 01-422-5855                       | SIGNS                            | \$872.52            | \$17,307.46         | \$5,975.00          | \$5,597.70          | <b>\$5,975.00</b>   | \$0.00             | 0.00          |
| <b>EXPENSES SUB-TOTAL:</b>        |                                  | <b>\$150,726.78</b> | <b>\$167,674.18</b> | <b>\$162,845.00</b> | <b>\$80,631.82</b>  | <b>\$177,185.00</b> | <b>\$14,340.00</b> | <b>8.80</b>   |
| <b>422 DPW HIGHWAY SUB-TOTAL:</b> |                                  | <b>\$507,657.57</b> | <b>\$598,800.57</b> | <b>\$570,833.00</b> | <b>\$290,831.18</b> | <b>\$594,615.00</b> | <b>\$23,782.00</b> | <b>4.16</b>   |

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>423 - SNOW &amp; ICE REMOVAL</b>          |                                 | <b>FY2014</b>       | <b>FY2015</b>       | <b>FY2016</b>       | <b>FY2016</b>       | <b>FY2017 Town</b>  | <b>\$</b>     | <b>%</b>      |
|--|---------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------|---------------|
| <b>Account Number</b>                        | <b>Account Description</b>      | <b>Expended</b>     | <b>Expended</b>     | <b>Budget</b>       | <b>Expended</b>     | <b>Manager Rec</b>  | <b>Change</b> | <b>Change</b> |
| 01-423-5130                                  | OVERTIME                        | \$145,225.49        | \$187,999.61        | \$71,000.00         | \$9,654.14          | <b>\$71,000.00</b>  | \$0.00        | 0.00          |
| 01-423-5300                                  | DETAILS-HANOVER POLICE OFFICERS | \$1,170.68          | \$8,460.10          | \$0.00              | \$0.00              | <b>\$0.00</b>       | \$0.00        | 0.00          |
| <b>PERSONNEL SUB-TOTAL:</b>                  |                                 | <b>\$146,396.17</b> | <b>\$196,459.71</b> | <b>\$71,000.00</b>  | <b>\$9,654.14</b>   | <b>\$71,000.00</b>  | <b>\$0.00</b> | <b>0.00</b>   |
| 01-423-5250                                  | EQUIPMENT MAINTENANCE           | \$60,394.23         | \$20,202.82         | \$46,200.00         | \$45,689.28         | <b>\$46,200.00</b>  | \$0.00        | 0.00          |
| 01-423-5275                                  | VEHICLE & MACHINERY RENT        | \$270,054.00        | \$472,849.89        | \$107,000.00        | \$14,025.00         | <b>\$107,000.00</b> | \$0.00        | 0.00          |
| 01-423-5476                                  | ROAD SALT                       | \$210,155.60        | \$169,813.26        | \$162,800.00        | \$140,493.56        | <b>\$162,800.00</b> | \$0.00        | 0.00          |
| 01-423-5713                                  | MEALS REIMBURSEMENT             | \$0.00              | \$726.19            | \$0.00              | \$0.00              | <b>\$0.00</b>       | \$0.00        | 0.00          |
| <b>EXPENSES SUB-TOTAL:</b>                   |                                 | <b>\$540,603.83</b> | <b>\$663,592.16</b> | <b>\$316,000.00</b> | <b>\$200,207.84</b> | <b>\$316,000.00</b> | <b>\$0.00</b> | <b>0.00</b>   |
| <b>423 SNOW &amp; ICE REMOVAL SUB-TOTAL:</b> |                                 | <b>\$687,000.00</b> | <b>\$860,051.87</b> | <b>\$387,000.00</b> | <b>\$209,861.98</b> | <b>\$387,000.00</b> | <b>\$0.00</b> | <b>0.00</b>   |

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>424 - STREET LIGHTING</b>          |                            | <b>FY2014</b>      | <b>FY2015</b>      | <b>FY2016</b>      | <b>FY2016</b>      | <b>FY2017 Town</b> | <b>\$</b>     | <b>%</b>      |
|---------------------------------------|----------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------|---------------|
| <b>Account Number</b>                 | <b>Account Description</b> | <b>Expended</b>    | <b>Expended</b>    | <b>Budget</b>      | <b>Expended</b>    | <b>Manager Rec</b> | <b>Change</b> | <b>Change</b> |
| 01-424-5211                           | ELECTRICITY                | \$50,174.49        | \$52,938.63        | \$61,000.00        | \$29,329.77        | <b>\$61,000.00</b> | \$0.00        | 0.00          |
| <b>EXPENSES SUB-TOTAL:</b>            |                            | <b>\$50,174.49</b> | <b>\$52,938.63</b> | <b>\$61,000.00</b> | <b>\$29,329.77</b> | <b>\$61,000.00</b> | <b>\$0.00</b> | <b>0.00</b>   |
| <b>424 STREET LIGHTING SUB-TOTAL:</b> |                            | <b>\$50,174.49</b> | <b>\$52,938.63</b> | <b>\$61,000.00</b> | <b>\$29,329.77</b> | <b>\$61,000.00</b> | <b>\$0.00</b> | <b>0.00</b>   |

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>425 - DPW PUBLIC GROUNDS</b>          |                              | <b>FY2014</b>       | <b>FY2015</b>       | <b>FY2016</b>       | <b>FY2016</b>       | <b>FY2017 Town</b>  | <b>\$</b>         | <b>%</b>      |
|--|------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-------------------|---------------|
| <b>Account Number</b>                    | <b>Account Description</b>   | <b>Expended</b>     | <b>Expended</b>     | <b>Budget</b>       | <b>Expended</b>     | <b>Manager Rec</b>  | <b>Change</b>     | <b>Change</b> |
| 01-425-5114                              | SALARIES & WAGES PERM F/T    | \$248,065.37        | \$281,567.06        | \$282,183.00        | \$146,738.12        | <b>\$281,968.00</b> | \$-215.00         | -0.07         |
| 01-425-5121                              | WAGES-TEMPORARY EMPLOYEES    | \$28,733.82         | \$23,349.05         | \$31,700.00         | \$13,472.16         | <b>\$31,700.00</b>  | \$0.00            | 0.00          |
| 01-425-5130                              | OVERTIME                     | \$22,998.82         | \$22,767.14         | \$22,250.00         | \$9,731.54          | <b>\$22,250.00</b>  | \$0.00            | 0.00          |
| <b>PERSONNEL SUB-TOTAL:</b>              |                              | <b>\$299,798.01</b> | <b>\$327,683.25</b> | <b>\$336,133.00</b> | <b>\$169,941.82</b> | <b>\$335,918.00</b> | <b>\$-215.00</b>  | <b>-0.06</b>  |
| 01-425-5211                              | PUBLIC GROUNDS - ELECTRICITY | \$2,943.42          | \$6,030.25          | \$4,140.00          | \$5,218.36          | <b>\$10,430.00</b>  | \$6,290.00        | 151.93        |
| 01-425-5240                              | VEHICLE MAINTENANCE          | \$2,222.35          | \$1,304.56          | \$3,300.00          | \$1,000.27          | <b>\$3,300.00</b>   | \$0.00            | 0.00          |
| 01-425-5241                              | PUBLIC GROUNDS-GENERAL       | \$47,429.97         | \$36,135.21         | \$0.00              | \$4,262.10          | <b>\$5,500.00</b>   | \$5,500.00        | 100.00        |
| 01-425-5241-62                           | PUBLIC GROUNDS-CEMETERY      | \$0.00              | \$840.00            | \$0.00              | \$640.48            | <b>\$0.00</b>       | \$0.00            | 0.00          |
| 01-425-5241-64                           | PUBLIC GROUNDS-HALL          | \$2,453.75          | \$0.00              | \$1,475.00          | \$0.00              | <b>\$1,225.00</b>   | \$-250.00         | -16.94        |
| 01-425-5241-65                           | PUBLIC GROUNDS-ELLIS         | \$0.00              | \$0.00              | \$1,650.00          | \$0.00              | <b>\$1,650.00</b>   | \$0.00            | 0.00          |
| 01-425-5241-66                           | PUBLIC GROUNDS-MYRTLE        | \$0.00              | \$0.00              | \$1,320.00          | \$0.00              | <b>\$400.00</b>     | \$-920.00         | -69.69        |
| 01-425-5241-68                           | PUBLIC GROUNDS-BRIGGS        | \$0.00              | \$0.00              | \$520.00            | \$0.00              | <b>\$240.00</b>     | \$-280.00         | -53.84        |
| 01-425-5250                              | EQUIPMENT MAINTENANCE        | \$8,670.00          | \$20,336.71         | \$13,310.00         | \$19,759.35         | <b>\$12,710.00</b>  | \$-600.00         | -4.50         |
| 01-425-5280                              | SAFETY PROGRAMS              | \$120.00            | \$784.90            | \$570.00            | \$305.46            | <b>\$570.00</b>     | \$0.00            | 0.00          |
| 01-425-5282                              | POLICE DETAILS - TREE        | \$1,844.70          | \$1,887.60          | \$4,500.00          | \$198.00            | <b>\$2,900.00</b>   | \$-1,600.00       | -35.55        |
| 01-425-5319                              | OTHER CONTRACTED SERVICES -  | \$29,676.64         | \$39,098.15         | \$19,330.00         | \$54,453.41         | <b>\$7,463.00</b>   | \$-11,867.00      | -61.39        |
| 01-425-5585                              | UNIFORMS                     | \$4,023.49          | \$3,793.33          | \$4,400.00          | \$2,115.48          | <b>\$4,400.00</b>   | \$0.00            | 0.00          |
| 01-425-5590                              | MATERIALS & SUPPLIES         | \$7,080.56          | \$1,443.42          | \$6,950.00          | \$2,787.38          | <b>\$11,900.00</b>  | \$4,950.00        | 71.22         |
| 01-425-5715                              | LICENSE RENEWALS             | \$430.00            | \$475.00            | \$605.00            | \$371.49            | <b>\$605.00</b>     | \$0.00            | 0.00          |
| 01-425-5720                              | REGISTRATION FEES            | \$0.00              | \$0.00              | \$100.00            | \$0.00              | <b>\$100.00</b>     | \$0.00            | 0.00          |
| <b>EXPENSES SUB-TOTAL:</b>               |                              | <b>\$106,894.88</b> | <b>\$112,129.13</b> | <b>\$62,170.00</b>  | <b>\$91,111.78</b>  | <b>\$63,393.00</b>  | <b>\$1,223.00</b> | <b>1.96</b>   |
| <b>425 DPW PUBLIC GROUNDS SUB-TOTAL:</b> |                              | <b>\$406,692.89</b> | <b>\$439,812.38</b> | <b>\$398,303.00</b> | <b>\$261,053.60</b> | <b>\$399,311.00</b> | <b>\$1,008.00</b> | <b>0.25</b>   |

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>433 - DPW TRANSFER STATION</b>          |                            | <b>FY2014</b>       | <b>FY2015</b>       | <b>FY2016</b>       | <b>FY2016</b>       | <b>FY2017 Town</b>  | <b>\$</b>          | <b>%</b>      |
|--|----------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|--------------------|---------------|
| <b>Account Number</b>                      | <b>Account Description</b> | <b>Expended</b>     | <b>Expended</b>     | <b>Budget</b>       | <b>Expended</b>     | <b>Manager Rec</b>  | <b>Change</b>      | <b>Change</b> |
| 01-433-5114                                | SALARIES & WAGES PERM F/T  | \$158,552.92        | \$136,287.98        | \$162,395.00        | \$67,425.92         | <b>\$165,214.00</b> | \$2,819.00         | 1.73          |
| 01-433-5120                                | SALARIES & WAGES PERM P/T  | \$29,438.46         | \$28,911.93         | \$42,919.00         | \$14,003.54         | <b>\$50,299.00</b>  | \$7,380.00         | 17.19         |
| 01-433-5130                                | OVERTIME                   | \$39,958.04         | \$44,517.88         | \$32,600.00         | \$15,067.66         | <b>\$32,600.00</b>  | \$0.00             | 0.00          |
| 01-433-5141                                | SHIFT DIFFERENTIAL         | \$0.00              | \$0.00              | \$6,305.00          | \$0.00              | <b>\$6,292.00</b>   | \$-13.00           | -0.20         |
| <b>PERSONNEL SUB-TOTAL:</b>                |                            | <b>\$227,949.42</b> | <b>\$209,717.79</b> | <b>\$244,219.00</b> | <b>\$96,497.12</b>  | <b>\$254,405.00</b> | <b>\$10,186.00</b> | <b>4.17</b>   |
| 01-433-5211                                | ELECTRICITY                | \$12,658.32         | \$14,864.73         | \$15,050.00         | \$6,030.70          | <b>\$18,650.00</b>  | \$3,600.00         | 23.92         |
| 01-433-5230                                | BUILDING MAINTENANCE       | \$523.35            | \$313.55            | \$3,700.00          | \$1,965.47          | <b>\$3,700.00</b>   | \$0.00             | 0.00          |
| 01-433-5240                                | VEHICLE MAINTENANCE        | \$558.32            | \$192.15            | \$4,440.00          | \$2,877.36          | <b>\$4,440.00</b>   | \$0.00             | 0.00          |
| 01-433-5250                                | EQUIPMENT MAINTENANCE      | \$30,054.00         | \$45,590.88         | \$57,800.00         | \$15,935.39         | <b>\$57,800.00</b>  | \$0.00             | 0.00          |
| 01-433-5280                                | SAFETY PROGRAMS            | \$0.00              | \$0.00              | \$800.00            | \$0.00              | <b>\$800.00</b>     | \$0.00             | 0.00          |
| 01-433-5281                                | SITE SECURITY              | \$6,016.25          | \$3,508.30          | \$6,450.00          | \$3,097.83          | <b>\$6,450.00</b>   | \$0.00             | 0.00          |
| 01-433-5294                                | RECYCLING SERVICES         | \$15,199.13         | \$14,223.78         | \$20,000.00         | \$14,928.31         | <b>\$38,300.00</b>  | \$18,300.00        | 91.50         |
| 01-433-5295                                | REFUSE REMOVAL SERVICE     | \$304,658.42        | \$295,763.12        | \$403,100.00        | \$143,841.22        | <b>\$399,920.00</b> | \$-3,180.00        | -0.78         |
| 01-433-5296                                | HAZARDOUS WASTE REMOVAL    | \$7,276.81          | \$8,905.55          | \$10,500.00         | \$3,590.95          | <b>\$10,500.00</b>  | \$0.00             | 0.00          |
| 01-433-5297                                | SPECIAL WASTE SERVICES     | \$0.00              | \$0.00              | \$2,000.00          | \$0.00              | <b>\$2,000.00</b>   | \$0.00             | 0.00          |
| 01-433-5318                                | CONTRACT TESTING           | \$20,500.00         | \$12,771.81         | \$20,000.00         | \$1,617.42          | <b>\$20,000.00</b>  | \$0.00             | 0.00          |
| 01-433-5319                                | OTHER CONTRACTED SERVICES  | \$5,775.00          | \$6,458.25          | \$13,400.00         | \$10,875.00         | <b>\$16,500.00</b>  | \$3,100.00         | 23.13         |
| 01-433-5330                                | TRANSPORTATION EXPENSE     | \$99,475.00         | \$91,800.00         | \$116,700.00        | \$52,563.00         | <b>\$136,620.00</b> | \$19,920.00        | 17.06         |
| 01-433-5340                                | TELEPHONE                  | \$819.67            | \$840.98            | \$2,660.00          | \$372.41            | <b>\$2,660.00</b>   | \$0.00             | 0.00          |
| 01-433-5585                                | UNIFORMS                   | \$2,607.80          | \$2,207.85          | \$3,200.00          | \$1,263.19          | <b>\$3,200.00</b>   | \$0.00             | 0.00          |
| 01-433-5590                                | MATERIALS & SUPPLIES       | \$1,123.47          | \$2,417.74          | \$2,200.00          | \$1,218.81          | <b>\$2,200.00</b>   | \$0.00             | 0.00          |
| 01-433-5715                                | LICENSE RENEWALS           | \$75.00             | \$359.00            | \$200.00            | \$0.00              | <b>\$200.00</b>     | \$0.00             | 0.00          |
| 01-433-5720                                | REGISTRATION FEES          | \$4,500.00          | \$6,237.00          | \$5,100.00          | \$4,500.00          | <b>\$5,100.00</b>   | \$0.00             | 0.00          |
| <b>EXPENSES SUB-TOTAL:</b>                 |                            | <b>\$511,820.54</b> | <b>\$506,454.69</b> | <b>\$687,300.00</b> | <b>\$264,677.06</b> | <b>\$729,040.00</b> | <b>\$41,740.00</b> | <b>6.07</b>   |
| <b>433 DPW TRANSFER STATION SUB-TOTAL:</b> |                            | <b>\$739,769.96</b> | <b>\$716,172.48</b> | <b>\$931,519.00</b> | <b>\$361,174.18</b> | <b>\$983,445.00</b> | <b>\$51,926.00</b> | <b>5.57</b>   |

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>499 - DPW TOWN GAS PUMP</b>          |                            | <b>FY2014</b>       | <b>FY2015</b>       | <b>FY2016</b>       | <b>FY2016</b>      | <b>FY2017 Town</b>  | <b>\$</b>           | <b>%</b>      |
|---|----------------------------|---------------------|---------------------|---------------------|--------------------|---------------------|---------------------|---------------|
| <b>Account Number</b>                   | <b>Account Description</b> | <b>Expended</b>     | <b>Expended</b>     | <b>Budget</b>       | <b>Expended</b>    | <b>Manager Rec</b>  | <b>Change</b>       | <b>Change</b> |
| 01-499-5250                             | EQUIPMENT MAINTENANCE      | \$4,565.41          | \$872.50            | \$4,000.00          | \$0.00             | <b>\$4,000.00</b>   | \$0.00              | 0.00          |
| 01-499-5411                             | GASOLINE                   | \$173,195.27        | \$115,482.18        | \$182,000.00        | \$46,757.85        | <b>\$167,000.00</b> | \$-15,000.00        | -8.24         |
| 01-499-5412                             | DIESEL FUEL                | \$81,804.56         | \$75,926.16         | \$95,500.00         | \$8,749.35         | <b>\$94,900.00</b>  | \$-600.00           | -0.62         |
| 01-499-5590                             | MATERIALS & SUPPLIES       | \$0.00              | \$0.00              | \$500.00            | \$0.00             | <b>\$500.00</b>     | \$0.00              | 0.00          |
| <b>EXPENSES SUB-TOTAL:</b>              |                            | <b>\$259,565.24</b> | <b>\$192,280.84</b> | <b>\$282,000.00</b> | <b>\$55,507.20</b> | <b>\$266,400.00</b> | <b>\$-15,600.00</b> | <b>-5.53</b>  |
| <b>499 DPW TOWN GAS PUMP SUB-TOTAL:</b> |                            | <b>\$259,565.24</b> | <b>\$192,280.84</b> | <b>\$282,000.00</b> | <b>\$55,507.20</b> | <b>\$266,400.00</b> | <b>\$-15,600.00</b> | <b>-5.53</b>  |





# TOWN-WIDE EXPENSES



*"Hanover, Honoring Yesterday As We Build For Tomorrow"*



## Town Wide Expenses

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### **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, town audit costs, and lastly debt service.

### **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 0% increases the last four years saving millions of dollars for the Towns it serve. For FY17, a proposed increase of 10% 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.



## Town Wide Expenses

The Town also adopted MGL Chapter 32B at a previous Annual Town Meeting. The adoption of this section requires Medicare eligible retirees to migrate from the HMO active health plans and into Medicare supplement or “Senior Plans” which are specifically designed for 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 FY17 budget request.

| Plan Name                        | Type | #<br>Enrolled | 7/1/16 Est.<br>Monthly<br>Rates | Employee<br>Monthly<br>Expenses | Town<br>Monthly<br>Expenses | Town Annual<br>Expenses Per<br>Employee | Town Annual<br>Expense |
|----------------------------------|------|---------------|---------------------------------|---------------------------------|-----------------------------|---|------------------------|
| BC Elect PPO Benchmark           | Ind  | 2             | 924                             | 462                             | 462                         | 5,544                                   | 11,088                 |
|                                  | Fam  | 1             | 2,192                           | 1,096                           | 1,096                       | 13,154                                  | 13,154                 |
| BC Elect PPO Rate Saver          | Ind  | 14            | 991                             | 496                             | 496                         | 5,947                                   | 83,252                 |
|                                  | Fam  | 8             | 2,350                           | 1,175                           | 1,175                       | 14,098                                  | 112,780                |
| Network Blue Benchmark           | Ind  | 8             | 652                             | 326                             | 326                         | 3,914                                   | 31,310                 |
|                                  | Fam  | 3             | 1,738                           | 869                             | 869                         | 10,428                                  | 31,284                 |
| Network Blue Rate Saver          | Ind  | 83            | 681                             | 340                             | 340                         | 4,085                                   | 339,088                |
|                                  | Fam  | 98            | 1,815                           | 908                             | 908                         | 10,890                                  | 1,067,220              |
| Harvard Pilgrim Benchmark        | Ind  | 1             | 704                             | 352                             | 352                         | 4,224                                   | 4,224                  |
|                                  | Fam  | 0             | 1,874                           | 937                             | 937                         | 11,246                                  | -                      |
| Harvard Pilgrim Rate Saver       | Ind  | 41            | 735                             | 367                             | 367                         | 4,409                                   | 180,761                |
|                                  | Fam  | 53            | 1,956                           | 978                             | 978                         | 11,735                                  | 621,944                |
| Blue Cross Blue Shield Medex     | Ind  | 214           | 418                             | 209                             | 209                         | 2,508                                   | 536,712                |
| Harvard Pilgrim Medicare Enhance | Ind  | 51            | 462                             | 231                             | 231                         | 2,772                                   | 141,372                |
| Proposed New Employees           |      | 1             | 2,350                           | 1,175                           | 1,175                       | 14,098                                  | 14,098                 |
| <b>Totals</b>                    |      | <b>578</b>    |                                 |                                 |                             |   | <b>3,188,288</b>       |



## 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 | #<br>Enrolled | 7/1/16 Est.<br>Monthly<br>Rates | Employee/<br>Retiree<br>Monthly<br>Expense | Town<br>Monthly<br>Expenses | Town Annual<br>Expenses Per<br>Employee | Town Annual<br>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                  |
| <b>Totals</b>         |          | <b>446</b>    |                                 |  |                             |   | <b>5,480</b>           |

### 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 FY17 budget includes an estimated increase in this cost of 10% as advised by our insurance agency. The cost of the workers' compensation insurance policy is represented in the Risk Management portion of the budget.



## Town Wide Expenses

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### **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.

The Town has no plans of reducing the workforce in FY17 and therefore feels that keeping the funding level with the prior year 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

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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.<sup>5</sup> 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 \$56,980.

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.

### **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.



## Town Wide Expenses

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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.

### **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. Senior staff recently had a meeting with MIIA officials and reviewed loss runs and frequency claims for the previous year. Based on that meeting as well as market trends, an increase in premiums is estimated in FY17. The Town of Hanover takes advantage of a prompt paid discount which helps mitigate the estimated increase.

### **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 not yet engaged services for the FY16 audit. This audit is conducted during FY17. An estimated increase in cost of just over 8% has been reflected in this request.



## Town Wide Expenses

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### **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**  
**FY17 Operating Budget**

| <b>911 - PENSION/RETIREMENT</b>          |                                 | <b>FY2014</b>         | <b>FY2015</b>         | <b>FY2016</b>         | <b>FY2016</b>         | <b>FY2017 Town</b>    | <b>\$</b>           | <b>%</b>      |
|--|---------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|---------------------|---------------|
| <b>Account Number</b>                    | <b>Account Description</b>      | <b>Expended</b>       | <b>Expended</b>       | <b>Budget</b>         | <b>Expended</b>       | <b>Manager Rec</b>    | <b>Change</b>       | <b>Change</b> |
| 01-911-5171                              | PLYMOUTH COUNTY RETIREMENT      | \$2,426,018.00        | \$2,637,067.00        | \$2,849,033.00        | \$2,850,513.65        | <b>\$2,961,848.00</b> | \$112,815.00        | 3.95          |
| 01-911-5172                              | FICA-MEDICARE/TOWN CONTRIBUTION | \$441,548.71          | \$469,249.50          | \$430,000.00          | \$208,501.74          | <b>\$442,900.00</b>   | \$12,900.00         | 3.00          |
| <b>EXPENSES SUB-TOTAL:</b>               |                                 | <b>\$2,867,566.71</b> | <b>\$3,106,316.50</b> | <b>\$3,279,033.00</b> | <b>\$3,059,015.39</b> | <b>\$3,404,748.00</b> | <b>\$125,715.00</b> | <b>3.83</b>   |
| <b>911 PENSION/RETIREMENT SUB-TOTAL:</b> |                                 | <b>\$2,867,566.71</b> | <b>\$3,106,316.50</b> | <b>\$3,279,033.00</b> | <b>\$3,059,015.39</b> | <b>\$3,404,748.00</b> | <b>\$125,715.00</b> | <b>3.83</b>   |

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>912 - WORKERS COMPENSATION</b>          |                            | <b>FY2014</b>       | <b>FY2015</b>       | <b>FY2016</b>       | <b>FY2016</b>       | <b>FY2017 Town</b>  | <b>\$</b>          | <b>%</b>      |
|--|----------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|--------------------|---------------|
| <b>Account Number</b>                      | <b>Account Description</b> | <b>Expended</b>     | <b>Expended</b>     | <b>Budget</b>       | <b>Expended</b>     | <b>Manager Rec</b>  | <b>Change</b>      | <b>Change</b> |
| 01-912-5177                                | WORKERS' COMPENSATION      | \$124,859.00        | \$137,376.52        | \$177,558.00        | \$169,696.61        | <b>\$195,314.00</b> | \$17,756.00        | 10.00         |
|  | <b>EXPENSES SUB-TOTAL:</b> | <b>\$124,859.00</b> | <b>\$137,376.52</b> | <b>\$177,558.00</b> | <b>\$169,696.61</b> | <b>\$195,314.00</b> | <b>\$17,756.00</b> | <b>10.00</b>  |
| <b>912 WORKERS COMPENSATION SUB-TOTAL:</b> |                            | <b>\$124,859.00</b> | <b>\$137,376.52</b> | <b>\$177,558.00</b> | <b>\$169,696.61</b> | <b>\$195,314.00</b> | <b>\$17,756.00</b> | <b>10.00</b>  |

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>913 - UNEMPLOYMENT</b>          |                            | <b>FY2014</b>      | <b>FY2015</b>       | <b>FY2016</b>       | <b>FY2016</b>      | <b>FY2017 Town</b>  | <b>\$</b>     | <b>%</b>      |
|------------------------------------|----------------------------|--------------------|---------------------|---------------------|--------------------|---------------------|---------------|---------------|
| <b>Account Number</b>              | <b>Account Description</b> | <b>Expended</b>    | <b>Expended</b>     | <b>Budget</b>       | <b>Expended</b>    | <b>Manager Rec</b>  | <b>Change</b> | <b>Change</b> |
| 01-913-5178                        | UNEMPLOYMENT COMPENSATION  | \$79,789.04        | \$110,665.85        | \$125,000.00        | \$48,029.08        | <b>\$125,000.00</b> | \$0.00        | 0.00          |
|                                    | <b>EXPENSES SUB-TOTAL:</b> | <b>\$79,789.04</b> | <b>\$110,665.85</b> | <b>\$125,000.00</b> | <b>\$48,029.08</b> | <b>\$125,000.00</b> | <b>\$0.00</b> | <b>0.00</b>   |
| <b>913 UNEMPLOYMENT SUB-TOTAL:</b> |                            | <b>\$79,789.04</b> | <b>\$110,665.85</b> | <b>\$125,000.00</b> | <b>\$48,029.08</b> | <b>\$125,000.00</b> | <b>\$0.00</b> | <b>0.00</b>   |

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>914 - HEALTH INSURANCE</b>          |                            | <b>FY2014</b>         | <b>FY2015</b>         | <b>FY2016</b>         | <b>FY2016</b>         | <b>FY2017 Town</b>    | <b>\$</b>          | <b>%</b>      |
|--|----------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|--------------------|---------------|
| <b>Account Number</b>                  | <b>Account Description</b> | <b>Expended</b>       | <b>Expended</b>       | <b>Budget</b>         | <b>Expended</b>       | <b>Manager Rec</b>    | <b>Change</b>      | <b>Change</b> |
| 01-914-5175                            | GROUP HEALTH INSURANCE     | \$2,777,829.82        | \$2,961,753.24        | \$3,092,532.00        | \$1,690,241.64        | <b>\$3,188,288.00</b> | \$95,756.00        | 3.09          |
| <b>EXPENSES SUB-TOTAL:</b>             |                            | <b>\$2,777,829.82</b> | <b>\$2,961,753.24</b> | <b>\$3,092,532.00</b> | <b>\$1,690,241.64</b> | <b>\$3,188,288.00</b> | <b>\$95,756.00</b> | <b>3.09</b>   |
| <b>914 HEALTH INSURANCE SUB-TOTAL:</b> |                            | <b>\$2,777,829.82</b> | <b>\$2,961,753.24</b> | <b>\$3,092,532.00</b> | <b>\$1,690,241.64</b> | <b>\$3,188,288.00</b> | <b>\$95,756.00</b> | <b>3.09</b>   |

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>915 - LIFE INSURANCE</b>          |                            | <b>FY2014</b>     | <b>FY2015</b>     | <b>FY2016</b>     | <b>FY2016</b>     | <b>FY2017 Town</b> | <b>\$</b>     | <b>%</b>      |
|--------------------------------------|----------------------------|-------------------|-------------------|-------------------|-------------------|--------------------|---------------|---------------|
| <b>Account Number</b>                | <b>Account Description</b> | <b>Expended</b>   | <b>Expended</b>   | <b>Budget</b>     | <b>Expended</b>   | <b>Manager Rec</b> | <b>Change</b> | <b>Change</b> |
| 01-915-5176                          | GROUP LIFE INSURANCE       | \$7,232.91        | \$7,407.72        | \$5,480.00        | \$3,271.67        | <b>\$5,480.00</b>  | \$0.00        | 0.00          |
| 01-915-5777                          | WELLNESS PROGRAM           | \$14.48           | \$1,100.45        | \$0.00            | \$0.00            | <b>\$0.00</b>      | \$0.00        | 0.00          |
| <b>EXPENSES SUB-TOTAL:</b>           |                            | <b>\$7,247.39</b> | <b>\$8,508.17</b> | <b>\$5,480.00</b> | <b>\$3,271.67</b> | <b>\$5,480.00</b>  | <b>\$0.00</b> | <b>0.00</b>   |
| <b>915 LIFE INSURANCE SUB-TOTAL:</b> |                            | <b>\$7,247.39</b> | <b>\$8,508.17</b> | <b>\$5,480.00</b> | <b>\$3,271.67</b> | <b>\$5,480.00</b>  | <b>\$0.00</b> | <b>0.00</b>   |

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>916 - EDUCATION BENEFITS</b>          |                               | <b>FY2014</b>   | <b>FY2015</b>     | <b>FY2016</b>     | <b>FY2016</b>     | <b>FY2017 Town</b> | <b>\$</b>     | <b>%</b>      |
|--|-------------------------------|-----------------|-------------------|-------------------|-------------------|--------------------|---------------|---------------|
| <b>Account Number</b>                    | <b>Account Description</b>    | <b>Expended</b> | <b>Expended</b>   | <b>Budget</b>     | <b>Expended</b>   | <b>Manager Rec</b> | <b>Change</b> | <b>Change</b> |
| 01-916-5317                              | EMPLOYEE TRAINING - MUNICIPAL | \$535.00        | \$1,319.00        | \$3,000.00        | \$3,700.00        | <b>\$3,000.00</b>  | \$0.00        | 0.00          |
| <b>EXPENSES SUB-TOTAL:</b>               |                               | <b>\$535.00</b> | <b>\$1,319.00</b> | <b>\$3,000.00</b> | <b>\$3,700.00</b> | <b>\$3,000.00</b>  | <b>\$0.00</b> | <b>0.00</b>   |
| <b>916 EDUCATION BENEFITS SUB-TOTAL:</b> |                               | <b>\$535.00</b> | <b>\$1,319.00</b> | <b>\$3,000.00</b> | <b>\$3,700.00</b> | <b>\$3,000.00</b>  | <b>\$0.00</b> | <b>0.00</b>   |

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>919 - MEDICAL</b>          |                            | <b>FY2014</b>      | <b>FY2015</b>      | <b>FY2016</b>      | <b>FY2016</b>      | <b>FY2017 Town</b> | <b>\$</b>     | <b>%</b>      |
|-------------------------------|----------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------|---------------|
| <b>Account Number</b>         | <b>Account Description</b> | <b>Expended</b>    | <b>Expended</b>    | <b>Budget</b>      | <b>Expended</b>    | <b>Manager Rec</b> | <b>Change</b> | <b>Change</b> |
| 01-919-5180                   | EMPLOYEE MEDICAL           | \$49,492.97        | \$30,856.29        | \$25,000.00        | \$13,706.25        | <b>\$25,000.00</b> | \$0.00        | 0.00          |
| <b>EXPENSES SUB-TOTAL:</b>    |                            | <b>\$49,492.97</b> | <b>\$30,856.29</b> | <b>\$25,000.00</b> | <b>\$13,706.25</b> | <b>\$25,000.00</b> | <b>\$0.00</b> | <b>0.00</b>   |
| <b>919 MEDICAL SUB-TOTAL:</b> |                            | <b>\$49,492.97</b> | <b>\$30,856.29</b> | <b>\$25,000.00</b> | <b>\$13,706.25</b> | <b>\$25,000.00</b> | <b>\$0.00</b> | <b>0.00</b>   |

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>945 - RISK MANAGEMENT</b>          |                            | <b>FY2014</b>       | <b>FY2015</b>       | <b>FY2016</b>       | <b>FY2016</b>       | <b>FY2017 Town</b>  | <b>\$</b>          | <b>%</b>      |
|---------------------------------------|----------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|--------------------|---------------|
| <b>Account Number</b>                 | <b>Account Description</b> | <b>Expended</b>     | <b>Expended</b>     | <b>Budget</b>       | <b>Expended</b>     | <b>Manager Rec</b>  | <b>Change</b>      | <b>Change</b> |
| 01-945-5740                           | PROPERTY & CASUALTY        | \$145,674.00        | \$185,373.68        | \$185,372.00        | \$187,305.31        | <b>\$194,640.00</b> | \$9,268.00         | 4.99          |
| 01-945-5742                           | GENERAL INSURANCES         | \$26,441.71         | \$22,423.61         | \$29,180.00         | \$28,284.00         | <b>\$36,000.00</b>  | \$6,820.00         | 23.37         |
| 01-945-5745                           | PUBLIC OFFICIAL BONDS      | \$0.00              | \$0.00              | \$2,800.00          | \$2,009.00          | <b>\$2,800.00</b>   | \$0.00             | 0.00          |
| 01-945-5746                           | FINGERPRINTING             | \$0.00              | \$11,325.00         | \$0.00              | \$4,210.00          | <b>\$0.00</b>       | \$0.00             | 0.00          |
| <b>EXPENSES SUB-TOTAL:</b>            |                            | <b>\$172,115.71</b> | <b>\$219,122.29</b> | <b>\$217,352.00</b> | <b>\$221,808.31</b> | <b>\$233,440.00</b> | <b>\$16,088.00</b> | <b>7.40</b>   |
| <b>945 RISK MANAGEMENT SUB-TOTAL:</b> |                            | <b>\$172,115.71</b> | <b>\$219,122.29</b> | <b>\$217,352.00</b> | <b>\$221,808.31</b> | <b>\$233,440.00</b> | <b>\$16,088.00</b> | <b>7.40</b>   |

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>135 - TOWN AUDIT</b>          |                            | <b>FY2014</b>      | <b>FY2015</b>      | <b>FY2016</b>      | <b>FY2016</b>      | <b>FY2017 Town</b> | <b>\$</b>         | <b>%</b>      |
|----------------------------------|----------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|-------------------|---------------|
| <b>Account Number</b>            | <b>Account Description</b> | <b>Expended</b>    | <b>Expended</b>    | <b>Budget</b>      | <b>Expended</b>    | <b>Manager Rec</b> | <b>Change</b>     | <b>Change</b> |
| 01-135-5301                      | TOWN AUDIT                 | \$32,000.00        | \$37,250.00        | \$34,500.00        | \$6,400.00         | <b>\$37,500.00</b> | \$3,000.00        | 8.69          |
| 01-135-5308                      | OTHER AUDIT SERVICES       | \$13,098.54        | \$23,800.00        | \$0.00             | \$9,600.00         | <b>\$0.00</b>      | \$0.00            | 0.00          |
| <b>EXPENSES SUB-TOTAL:</b>       |                            | <b>\$45,098.54</b> | <b>\$61,050.00</b> | <b>\$34,500.00</b> | <b>\$16,000.00</b> | <b>\$37,500.00</b> | <b>\$3,000.00</b> | <b>8.69</b>   |
| <b>135 TOWN AUDIT SUB-TOTAL:</b> |                            | <b>\$45,098.54</b> | <b>\$61,050.00</b> | <b>\$34,500.00</b> | <b>\$16,000.00</b> | <b>\$37,500.00</b> | <b>\$3,000.00</b> | <b>8.69</b>   |

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>999 - OTHER</b>          |                            | <b>FY2014</b>          | <b>FY2015</b>          | <b>FY2016</b>          | <b>FY2016</b>          | <b>FY2017 Town</b>     | <b>\$</b>              | <b>%</b>      |
|-----------------------------|----------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|---------------|
| <b>Account Number</b>       | <b>Account Description</b> | <b>Expended</b>        | <b>Expended</b>        | <b>Budget</b>          | <b>Expended</b>        | <b>Manager Rec</b>     | <b>Change</b>          | <b>Change</b> |
| 01-999-5790                 | RESERVE FUND TRANSFERS     | \$0.00                 | \$0.00                 | \$190,000.00           | \$0.00                 | <b>\$190,000.00</b>    | \$0.00                 | 0.00          |
| <b>EXPENSES SUB-TOTAL:</b>  |                            | <b>\$0.00</b>          | <b>\$0.00</b>          | <b>\$190,000.00</b>    | <b>\$0.00</b>          | <b>\$190,000.00</b>    | <b>\$0.00</b>          | <b>0.00</b>   |
| <b>999 OTHER SUB-TOTAL:</b> |                            | <b>\$0.00</b>          | <b>\$0.00</b>          | <b>\$190,000.00</b>    | <b>\$0.00</b>          | <b>\$190,000.00</b>    | <b>\$0.00</b>          | <b>0.00</b>   |
| <b>GENERAL FUND TOTAL:</b>  |                            | <b>\$26,876,664.13</b> | <b>\$27,908,002.42</b> | <b>\$29,543,443.00</b> | <b>\$15,062,592.62</b> | <b>\$56,073,671.00</b> | <b>\$26,530,228.00</b> | <b>89.80</b>  |
| <b>GRAND TOTAL:</b>         |                            | <b>\$26,876,664.13</b> | <b>\$27,908,002.42</b> | <b>\$29,543,443.00</b> | <b>\$15,062,592.62</b> | <b>\$56,073,671.00</b> | <b>\$26,530,228.00</b> | <b>89.80</b>  |



# NON-APPROPRIATED EXPENSES



*"Hanover, Honoring Yesterday As We Build For Tomorrow"*



## Non-Appropriated Expenses

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### **Non-Appropriated Expenses**

Beyond the specific appropriations contained within the Budget Article, the Town must account for those expenses which do not require an appropriation vote. This category of mandated expenditures and assessments are automatically added to the tax rate. Such costs include various state assessments for services such as: charter schools, county services, prior year budget overdrafts caused by snow and ice removal costs, court judgments, and an amount estimated for tax abatements and exemptions referred to as the Assessor's Overlay.

These items are budgeted for the upcoming fiscal year at the current year level.

#### **County Tax**

This is an assessment to municipalities for the cost of county government and county services.

#### **State Assessments**

Four categories of State assessments account for approximately 87% of the expenses, Mosquito Control Projects, Massachusetts Bay Transportation Authority (MBTA), Regional Transit and Charter School tuition. Below is a description of all assessments charged to the Town of Hanover:

1. **Mosquito Control Projects**

Pursuant to MGL Ch. 252 s.5A (Ch.2, s.41, Acts of 1986) there are eight mosquito control districts whose costs are apportioned to member municipalities on the Cherry Sheet. Each district is also allocated a proportional share of expenses for the State Reclamation Board that administers these programs.

2. **Air Pollution Control Projects**

To assess municipalities for a portion of the costs incurred by the Department of Environmental Protection in monitoring air pollution levels and enforcing air quality standards at industrial, commercial and institutional facilities.

3. **Metropolitan Planning Council**

To assess municipalities in order to finance a Metropolitan Boston area planning district to promote urban planning and respond to the common urban problems of Boston and outlying municipalities.

4. **RMV Non-renewal Surcharge**



## Non-Appropriated Expenses

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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.

**Town of Hanover**  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>820 - STATE ASSESSMENTS</b>           |                                |                            |                            |                          |                            |                                    |                      |                     |
|--|--------------------------------|----------------------------|----------------------------|--------------------------|----------------------------|------------------------------------|----------------------|---------------------|
| <b>Account Number</b>                    | <b>Account Description</b>     | <b>FY2014<br/>Expended</b> | <b>FY2015<br/>Expended</b> | <b>FY2016<br/>Budget</b> | <b>FY2016<br/>Expended</b> | <b>FY2017<br/>Town Mgr<br/>Rec</b> | <b>\$<br/>Change</b> | <b>%<br/>Change</b> |
| 01-820-5632                              | CHARTER SCHOOL TUITION         | \$ 337,600.00              | \$ 350,944.00              | \$ 370,755.00            | \$ 51,318.00               | \$ 370,755.00                      | \$ -                 | 0.00                |
| 01-820-5633                              | SCHOOL CHOICE                  | \$ 5,000.00                | \$ -                       | \$ -                     | \$ 1,429.00                | \$ -                               | \$ -                 | 0.00                |
| 01-820-5639                              | MOSQUITO CONTROL PROJECTS      | \$ 46,793.00               | \$ 48,358.00               | \$ 49,840.00             | \$ 24,922.00               | \$ 49,840.00                       | \$ -                 | 0.00                |
| 01-820-5640                              | AIR POLLUTION CONTROL PROJECTS | \$ 4,805.00                | \$ 4,814.00                | \$ 4,879.00              | \$ 2,442.00                | \$ 4,879.00                        | \$ -                 | 0.00                |
| 01-820-5641                              | METRO AREA PLANNING COUNCIL    | \$ 4,482.00                | \$ 7,076.00                | \$ 7,065.00              | \$ 3,534.00                | \$ 7,065.00                        | \$ -                 | 0.00                |
| 01-820-5646                              | MOTOR VEHICLE SURCHARGE        | \$ 9,620.00                | \$ 9,620.00                | \$ 9,620.00              | \$ 4,812.00                | \$ 9,620.00                        | \$ -                 | 0.00                |
| 01-820-5661                              | MBTA                           | \$ 90,864.00               | \$ 46,147.00               | \$ 23,706.00             | \$ 11,856.00               | \$ 23,706.00                       | \$ -                 | 0.00                |
| 01-820-5662                              | REGIONAL TRANSIT AUTHORITY     | \$ -                       | \$ 46,133.00               | \$ 69,886.00             | \$ 34,944.00               | \$ 69,886.00                       | \$ -                 | 0.00                |
| <b>EXPENSES<br/>SUBTOTAL:</b>            |                                | <b>\$ 499,164.00</b>       | <b>\$ 513,092.00</b>       | <b>\$ 535,751.00</b>     | <b>\$ 135,257.00</b>       | <b>\$ 535,751.00</b>               | <b>\$ -</b>          | <b>0.00</b>         |
| <b>820 - STATE ASSESSMENTS SUBTOTAL:</b> |                                | <b>\$ 499,164.00</b>       | <b>\$ 513,092.00</b>       | <b>\$ 535,751.00</b>     | <b>\$ 135,257.00</b>       | <b>\$ 535,751.00</b>               | <b>\$ -</b>          | <b>0.00</b>         |

*Town of Hanover*  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>830 - COUNTY TAX</b>   |                            |                            |                            |                          |                            |                                |                      |                     |
|---------------------------|----------------------------|----------------------------|----------------------------|--------------------------|----------------------------|--------------------------------|----------------------|---------------------|
| <b>Account Number</b>     | <b>Account Description</b> | <b>FY2014<br/>Expended</b> | <b>FY2015<br/>Expended</b> | <b>FY2016<br/>Budget</b> | <b>FY2016<br/>Expended</b> | <b>FY2017<br/>Town Mgr Rec</b> | <b>\$<br/>Change</b> | <b>%<br/>Change</b> |
| 01-830-5621               | COUNTY TAX                 | \$ 48,445.10               | \$ 49,656.00               | \$ 51,422.00             | \$ 25,710.81               | \$ 51,422.00                   | \$ -                 | 0.00                |
| <b>EXPENSES SUBTOTAL:</b> |                            | <b>\$ 48,445.10</b>        | <b>\$ 49,656.00</b>        | <b>\$ 51,422.00</b>      | <b>\$ 25,710.81</b>        | <b>\$ 51,422.00</b>            | <b>\$ -</b>          | <b>0.00</b>         |





# 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 2 ½.

A Bond Anticipation Note was issued in June of 2015 in the amount of \$826,757 for capital items approved at the May 2014. 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 FY17 requested debt service budget is \$5,474,530, a decrease of just under \$400,000. The largest factor causing the decrease was the Town's decision to opt for a long coupon on the debt issued in September 2014. This deferred the interest past FY15 and resulted in larger interest being due in FY16. The interest in FY17 and thereafter is semi-annual.

### 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   |

Hanover's total issued and outstanding long term debt principal, both inside and outside the debt limit as of June 30, 2015 is \$ 40,198,472, significantly below the statutory debt limit.



## Debt

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### 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.

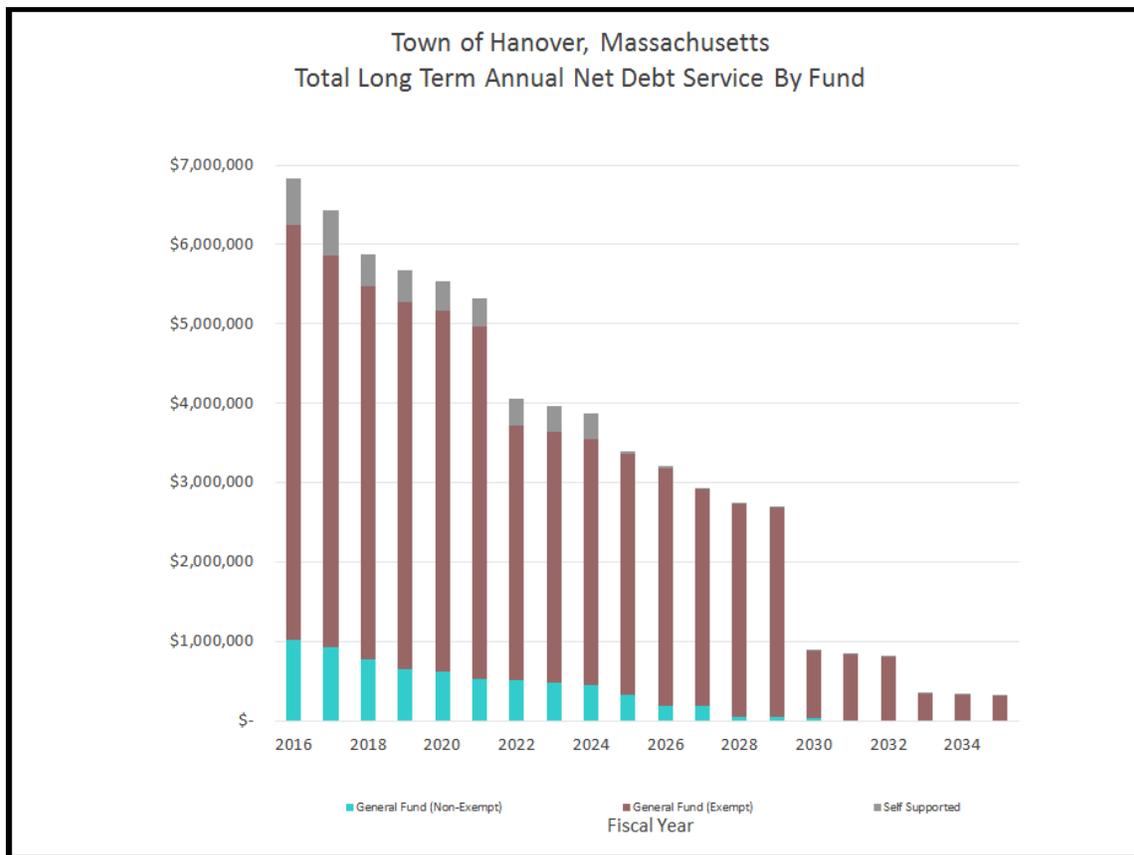
| BOND RATING<br>SYMBOLS               |      |
|--------------------------------------|------|
| <u>Moody's Investor<br/>Services</u> |      |
|                                      | Aaa  |
|                                      | Aa1  |
| ➔                                    | Aa2  |
|           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



# Debt

## Total Long Term Debt Service – All Funds

The total long term annual debt service from FY2016 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





## Debt

| Town of Hanover, Massachusetts                  |                           |                       |                    |
|---|---------------------------|-----------------------|--------------------|
| Total Long Term Annual Net Debt Service By Fund |                           |                       |                    |
| As of June 30, 2015                             |                           |                       |                    |
| Fiscal Year                                     | General Fund (Non-Exempt) | General Fund (Exempt) | Self Supported     |
| 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             |
| <b>TOTAL</b>                                    | <b>\$6,729,271</b>        | <b>\$55,517,847</b>   | <b>\$3,860,905</b> |

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>710 - DEBT SERVICE - PRINCIPAL</b> |                                    | <b>FY2014</b>   | <b>FY2015</b>   | <b>FY2016</b> | <b>FY2016</b>   | <b>FY2017 Town</b>  | <b>\$</b>     | <b>%</b>      |
|---------------------------------------|------------------------------------|-----------------|-----------------|---------------|-----------------|---------------------|---------------|---------------|
| <b>Account Number</b>                 | <b>Account Description</b>         | <b>Expended</b> | <b>Expended</b> | <b>Budget</b> | <b>Expended</b> | <b>Manager Rec</b>  | <b>Change</b> | <b>Change</b> |
| 01-710-5910-0701                      | PRINC-2000 WPAT LOAN               | \$10,872.00     | \$10,868.00     | \$10,868.00   | \$10,868.00     | <b>\$10,868.00</b>  | \$0.00        | 0.00          |
| 01-710-5910-0703                      | PRINC-2004 WPAT TITLE V            | \$0.00          | \$7,666.97      | \$10,000.00   | \$7,532.99      | <b>\$10,000.00</b>  | \$0.00        | 0.00          |
| 01-710-5910-0710                      | PRINC-2004 EQUIPMENT 105K          | \$5,000.00      | \$5,000.00      | \$5,000.00    | \$0.00          | <b>\$5,000.00</b>   | \$0.00        | 0.00          |
| 01-710-5910-0711                      | PRINC-2004 EQUIPMENT 80K           | \$5,000.00      | \$5,000.00      | \$5,000.00    | \$0.00          | <b>\$5,000.00</b>   | \$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     | <b>\$15,000.00</b>  | \$-5,000.00   | -25.00        |
| 01-710-5910-0714                      | PRINC-2006 SYLVESTER SCHOOL        | \$35,000.00     | \$35,000.00     | \$35,000.00   | \$35,000.00     | <b>\$35,000.00</b>  | \$0.00        | 0.00          |
| 01-710-5910-0715                      | PRINC-2006 STREET SWEEPER          | \$15,000.00     | \$15,000.00     | \$0.00        | \$0.00          | <b>\$0.00</b>       | \$0.00        | 0.00          |
| 01-710-5910-0716                      | PRINC-2006 FIRE STATION ROOF       | \$5,000.00      | \$5,000.00      | \$5,000.00    | \$5,000.00      | <b>\$5,000.00</b>   | \$0.00        | 0.00          |
| 01-710-5910-0717                      | PRINC-2006 DPW DUMP TRUCK          | \$15,000.00     | \$10,000.00     | \$10,000.00   | \$10,000.00     | <b>\$10,000.00</b>  | \$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     | <b>\$0.00</b>       | \$-10,000.00  | -100.00       |
| 01-710-5910-0719                      | PRINC-2008 MIDDLE SCHOOL LIGHTING  | \$15,000.00     | \$15,000.00     | \$15,000.00   | \$0.00          | <b>\$10,000.00</b>  | \$-5,000.00   | -33.33        |
| 01-710-5910-0720                      | PRINC-2008 MIDDLE SCHOOL           | \$10,000.00     | \$10,000.00     | \$10,000.00   | \$0.00          | <b>\$10,000.00</b>  | \$0.00        | 0.00          |
| 01-710-5910-0721                      | PRINC-2008 SYLVESTER SCHOOL        | \$30,000.00     | \$30,000.00     | \$25,000.00   | \$0.00          | <b>\$25,000.00</b>  | \$0.00        | 0.00          |
| 01-710-5910-0722                      | PRINC-2008 BRIDGE REPAIR           | \$25,000.00     | \$25,000.00     | \$25,000.00   | \$0.00          | <b>\$25,000.00</b>  | \$0.00        | 0.00          |
| 01-710-5910-0723                      | PRINC-2008 TRACTOR                 | \$10,000.00     | \$10,000.00     | \$10,000.00   | \$0.00          | <b>\$10,000.00</b>  | \$0.00        | 0.00          |
| 01-710-5910-0724                      | PRINC-2008 DPW TRANSFER TRAILERS   | \$25,000.00     | \$25,000.00     | \$25,000.00   | \$0.00          | <b>\$25,000.00</b>  | \$0.00        | 0.00          |
| 01-710-5910-0725                      | PRINC-2008 MOWER                   | \$10,000.00     | \$10,000.00     | \$10,000.00   | \$0.00          | <b>\$10,000.00</b>  | \$0.00        | 0.00          |
| 01-710-5910-0726                      | PRINC-2010 SEPTIC SEWER            | \$5,000.00      | \$10,000.00     | \$10,000.00   | \$0.00          | <b>\$4,500.00</b>   | \$-5,500.00   | -55.00        |
| 01-710-5910-0729                      | PRINC-2010 SCHOOL 206K             | \$30,000.00     | \$25,000.00     | \$20,000.00   | \$0.00          | <b>\$20,000.00</b>  | \$0.00        | 0.00          |
| 01-710-5910-0730                      | PRINC-2010 LANDFILL                | \$70,000.00     | \$75,000.00     | \$75,000.00   | \$0.00          | <b>\$75,000.00</b>  | \$0.00        | 0.00          |
| 01-710-5910-0731                      | PRINC-2011 ALTERNATIVE ENERGY      | \$0.00          | \$45,000.00     | \$45,000.00   | \$0.00          | <b>\$45,000.00</b>  | \$0.00        | 0.00          |
| 01-710-5910-0732                      | PRINC-2011 OUTDOOR REC FACILITIES  | \$60,000.00     | \$60,000.00     | \$0.00        | \$0.00          | <b>\$0.00</b>       | \$0.00        | 0.00          |
| 01-710-5910-0733                      | PRINC-2011 AMBULANCE               | \$60,000.00     | \$60,000.00     | \$60,000.00   | \$0.00          | <b>\$55,000.00</b>  | \$-5,000.00   | -8.33         |
| 01-710-5910-0734                      | PRINC-2011 FINANCIAL SOFTWARE      | \$65,000.00     | \$60,000.00     | \$30,000.00   | \$0.00          | <b>\$0.00</b>       | \$-30,000.00  | -100.00       |
| 01-710-5910-0735                      | PRINC-2011 KING ST REC COMPLEX     | \$125,000.00    | \$125,000.00    | \$0.00        | \$0.00          | <b>\$0.00</b>       | \$0.00        | 0.00          |
| 01-710-5910-0736                      | PRINC-2008 CPA LAND ACQUISITION    | \$75,000.00     | \$75,000.00     | \$0.00        | \$0.00          | <b>\$0.00</b>       | \$0.00        | 0.00          |
| 01-710-5910-0737                      | PRINC-2009 CPA RECREATION FIELDS   | \$70,000.00     | \$65,000.00     | \$0.00        | \$0.00          | <b>\$0.00</b>       | \$0.00        | 0.00          |
| 01-710-5910-0798                      | PRINC-1998 POLICE STATION DEBT     | \$165,000.00    | \$170,000.00    | \$175,000.00  | \$0.00          | <b>\$175,500.00</b> | \$500.00      | 0.28          |
| 01-710-5910-0801                      | PRINC-2001 SCHOOL PROJCTS DEBT     | \$860,000.00    | \$880,000.00    | \$905,000.00  | \$0.00          | <b>\$940,000.00</b> | \$35,000.00   | 3.86          |
| 01-710-5910-0802                      | PRINC-2001 LIBRARY DEBT EXCLUSION  | \$130,000.00    | \$130,000.00    | \$125,000.00  | \$0.00          | <b>\$120,000.00</b> | \$-5,000.00   | -4.00         |
| 01-710-5910-0809                      | PRINC-2009 SENIOR CENTER DEBT EXCL | \$115,000.00    | \$120,000.00    | \$125,000.00  | \$0.00          | <b>\$130,000.00</b> | \$5,000.00    | 4.00          |

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>710 - DEBT SERVICE - PRINCIPAL</b>          |                                    | <b>FY2014</b>         | <b>FY2015</b>         | <b>FY2016</b>         | <b>FY2016</b>       | <b>FY2017 Town</b>    | <b>\$</b>         | <b>%</b>      |
|--|------------------------------------|-----------------------|-----------------------|-----------------------|---------------------|-----------------------|-------------------|---------------|
| <b>Account Number</b>                          | <b>Account Description</b>         | <b>Expended</b>       | <b>Expended</b>       | <b>Budget</b>         | <b>Expended</b>     | <b>Manager Rec</b>    | <b>Change</b>     | <b>Change</b> |
| 01-710-5910-0810                               | PRINC-2009 NEW HIGH SCHL DEBT      | \$620,000.00          | \$645,000.00          | \$670,000.00          | \$0.00              | <b>\$700,000.00</b>   | \$30,000.00       | 4.47          |
| 01-710-5910-0811                               | PRINC-2011 NEW HIGH SCHL DEBT      | \$400,000.00          | \$400,000.00          | \$400,000.00          | \$0.00              | <b>\$400,000.00</b>   | \$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              | <b>\$45,000.00</b>    | \$0.00            | 0.00          |
| 01-710-5910-0813                               | PRINC-2011 ROAD RECONSTR DEBT      | \$215,000.00          | \$215,000.00          | \$215,000.00          | \$0.00              | <b>\$215,000.00</b>   | \$0.00            | 0.00          |
| 01-710-5910-0815                               | PRINC - 2015 TITLE V T5-97-1140-A  | \$0.00                | \$0.00                | \$14,700.00           | \$14,700.00         | <b>\$14,700.00</b>    | \$0.00            | 0.00          |
| 01-710-5910-0911                               | PRINC - 2014 HS CONST I 6M         | \$0.00                | \$0.00                | \$300,000.00          | \$300,000.00        | <b>\$300,000.00</b>   | \$0.00            | 0.00          |
| 01-710-5910-0912                               | PRINC - 2014 HS CONST II 201K      | \$0.00                | \$0.00                | \$15,000.00           | \$15,000.00         | <b>\$15,000.00</b>    | \$0.00            | 0.00          |
| 01-710-5910-0913                               | PRINC - 2014 ROADS 4.6M            | \$0.00                | \$0.00                | \$330,000.00          | \$330,000.00        | <b>\$330,000.00</b>   | \$0.00            | 0.00          |
| <b>DEBT SERVICE SUB-TOTAL:</b>                 |                                    | <b>\$3,360,872.00</b> | <b>\$3,453,534.97</b> | <b>\$3,790,568.00</b> | <b>\$758,100.99</b> | <b>\$3,795,568.00</b> | <b>\$5,000.00</b> | <b>0.13</b>   |
| <b>710 DEBT SERVICE - PRINCIPAL SUB-TOTAL:</b> |                                    | <b>\$3,360,872.00</b> | <b>\$3,453,534.97</b> | <b>\$3,790,568.00</b> | <b>\$758,100.99</b> | <b>\$3,795,568.00</b> | <b>\$5,000.00</b> | <b>0.13</b>   |

**Town of Hanover**  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>751 - DEBT SERVICE - INTEREST</b> |                                    | <b>FY2014</b>   | <b>FY2015</b>   | <b>FY2016</b> | <b>FY2016</b>   | <b>FY2017 Town</b>  | <b>\$</b>     | <b>%</b>      |
|--------------------------------------|------------------------------------|-----------------|-----------------|---------------|-----------------|---------------------|---------------|---------------|
| <b>Account Number</b>                | <b>Account Description</b>         | <b>Expended</b> | <b>Expended</b> | <b>Budget</b> | <b>Expended</b> | <b>Manager Rec</b>  | <b>Change</b> | <b>Change</b> |
| 01-751-5915-0701                     | INT-2000 WPAT LOAN PURPOSE BOND    | \$0.00          | \$0.00          | \$1,923.00    | \$0.00          | <b>\$1,366.00</b>   | \$-557.00     | -28.96        |
| 01-751-5915-0703                     | INT-2004 WPAT TITLE V              | \$0.00          | \$969.02        | \$3,375.00    | \$829.94        | <b>\$2,877.00</b>   | \$-498.00     | -14.75        |
| 01-751-5915-0710                     | INT-2004 EQUIPMENT 105K            | \$1,278.75      | \$1,078.75      | \$873.00      | \$436.25        | <b>\$660.00</b>     | \$-213.00     | -24.39        |
| 01-751-5915-0711                     | INT-2004 EQUIPMENT 80K             | \$1,278.75      | \$1,078.75      | \$873.00      | \$436.25        | <b>\$660.00</b>     | \$-213.00     | -24.39        |
| 01-751-5915-0713                     | INT-2003 HIGH SCHOOL GENERATOR     | \$2,600.00      | \$1,800.00      | \$1,000.00    | \$700.00        | <b>\$300.00</b>     | \$-700.00     | -70.00        |
| 01-751-5915-0714                     | INT-2006 SYVLESTER SCHOOL BOILER   | \$4,900.00      | \$3,500.00      | \$2,100.00    | \$1,400.00      | <b>\$700.00</b>     | \$-1,400.00   | -66.66        |
| 01-751-5915-0715                     | INT-2006 STREET SWEEPER            | \$900.00        | \$300.00        | \$0.00        | \$0.00          | <b>\$0.00</b>       | \$0.00        | 0.00          |
| 01-751-5915-0716                     | INT-2006 FIRE STATION ROOF         | \$700.00        | \$500.00        | \$300.00      | \$200.00        | <b>\$100.00</b>     | \$-200.00     | -66.66        |
| 01-751-5915-0717                     | INT-2006 DPW DUMP TRUCK            | \$1,500.00      | \$1,000.00      | \$600.00      | \$400.00        | <b>\$200.00</b>     | \$-400.00     | -66.66        |
| 01-751-5915-0718                     | INT-2006 DPW BACKHOE/LOADER        | \$1,000.00      | \$600.00        | \$200.00      | \$200.00        | <b>\$0.00</b>       | \$-200.00     | -100.00       |
| 01-751-5915-0719                     | INT-2008 MIDDLE SCHOOL LIGHTING    | \$6,050.00      | \$5,525.00      | \$5,000.00    | \$2,500.00      | <b>\$4,400.00</b>   | \$-600.00     | -12.00        |
| 01-751-5915-0720                     | INT-2008 MIDDLE SCHOOL ELEVATOR    | \$3,700.00      | \$3,350.00      | \$3,000.00    | \$1,500.00      | <b>\$2,600.00</b>   | \$-400.00     | -13.33        |
| 01-751-5915-0721                     | INT-2008 SYLVESTER SCHOOL          | \$14,100.00     | \$13,050.00     | \$12,000.00   | \$6,000.00      | <b>\$11,000.00</b>  | \$-1,000.00   | -8.33         |
| 01-751-5915-0722                     | INT-2008 BRIDGE REPAIR             | \$12,750.00     | \$11,875.00     | \$11,000.00   | \$5,500.00      | <b>\$10,000.00</b>  | \$-1,000.00   | -9.09         |
| 01-751-5915-0723                     | INT-2008 TRACTOR                   | \$1,500.00      | \$1,150.00      | \$800.00      | \$400.00        | <b>\$400.00</b>     | \$-400.00     | -50.00        |
| 01-751-5915-0724                     | INT-2008 DPW TRANSFER TRAILERS     | \$3,750.00      | \$2,875.00      | \$2,000.00    | \$1,000.00      | <b>\$1,000.00</b>   | \$-1,000.00   | -50.00        |
| 01-751-5915-0725                     | INT-2008 MOWER                     | \$1,500.00      | \$1,150.00      | \$800.00      | \$400.00        | <b>\$400.00</b>     | \$-400.00     | -50.00        |
| 01-751-5915-0726                     | INT-2010 SEPTIC SEWER              | \$880.00        | \$780.00        | \$580.00      | \$290.00        | <b>\$180.00</b>     | \$-400.00     | -68.96        |
| 01-751-5915-0729                     | INT-2010 SCHOOL 206K               | \$3,500.00      | \$2,900.00      | \$2,400.00    | \$1,200.00      | <b>\$1,600.00</b>   | \$-800.00     | -33.33        |
| 01-751-5915-0730                     | INT-2010 LANDFILL                  | \$11,900.00     | \$10,500.00     | \$9,000.00    | \$4,500.00      | <b>\$6,000.00</b>   | \$-3,000.00   | -33.33        |
| 01-751-5915-0731                     | INT-2011 ALTERNATIVE ENERGY        | \$0.00          | \$26,200.00     | \$24,850.00   | \$12,425.00     | <b>\$23,050.00</b>  | \$-1,800.00   | -7.24         |
| 01-751-5915-0732                     | INT-2011 OUTDOOR REC FACILITIES    | \$25,550.00     | \$23,750.00     | \$0.00        | \$0.00          | <b>\$0.00</b>       | \$0.00        | 0.00          |
| 01-751-5915-0733                     | INT-2011 AMBULANCE REPLACEMENT     | \$15,350.00     | \$13,550.00     | \$11,750.00   | \$5,875.00      | <b>\$9,350.00</b>   | \$-2,400.00   | -20.42        |
| 01-751-5915-0734                     | INT-2011 FINANCIAL SOFTWARE        | \$4,950.00      | \$3,000.00      | \$1,200.00    | \$600.00        | <b>\$0.00</b>       | \$-1,200.00   | -100.00       |
| 01-751-5915-0735                     | INT-2011 KING ST REC COMPLEX       | \$57,900.00     | \$54,150.00     | \$0.00        | \$10,975.00     | <b>\$0.00</b>       | \$0.00        | 0.00          |
| 01-751-5915-0736                     | INT-2008 CPA LAND ACQUISITION      | \$39,450.00     | \$36,825.00     | \$0.00        | \$0.00          | <b>\$0.00</b>       | \$0.00        | 0.00          |
| 01-751-5915-0737                     | INT-2009 CPA RECREATIONAL FIELDS   | \$28,750.00     | \$26,650.00     | \$0.00        | \$0.00          | <b>\$0.00</b>       | \$0.00        | 0.00          |
| 01-751-5915-0798                     | INT-1998 POLICE STATION DEBT EXCL  | \$20,720.00     | \$17,420.00     | \$14,020.00   | \$7,010.00      | <b>\$7,020.00</b>   | \$-7,000.00   | -49.92        |
| 01-751-5915-0801                     | INT-2001 SCHOOL PROJECTS DEBT EXCL | \$242,150.00    | \$224,950.00    | \$207,350.00  | \$103,675.00    | <b>\$171,150.00</b> | \$-36,200.00  | -17.45        |
| 01-751-5915-0802                     | INT-2001 LIBRARY DEBT EXCLUSION    | \$27,400.00     | \$24,800.00     | \$22,200.00   | \$11,100.00     | <b>\$17,200.00</b>  | \$-5,000.00   | -22.52        |
| 01-751-5915-0809                     | INT-2009 SENIOR CENTER DEBT EXCL   | \$105,357.50    | \$101,907.50    | \$98,308.00   | \$49,153.75     | <b>\$92,058.00</b>  | \$-6,250.00   | -6.35         |

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>751 - DEBT SERVICE - INTEREST</b>          |                                  | <b>FY2014</b>         | <b>FY2015</b>         | <b>FY2016</b>         | <b>FY2016</b>         | <b>FY2017 Town</b>    | <b>\$</b>            | <b>%</b>      |
|---|----------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------------|---------------|
| <b>Account Number</b>                         | <b>Account Description</b>       | <b>Expended</b>       | <b>Expended</b>       | <b>Budget</b>         | <b>Expended</b>       | <b>Manager Rec</b>    | <b>Change</b>        | <b>Change</b> |
| 01-751-5915-0810                              | INT-2009 NEW HIGH SCHOOL DEBT    | \$561,872.50          | \$543,272.50          | \$523,923.00          | \$261,961.25          | <b>\$490,423.00</b>   | \$-33,500.00         | -6.39         |
| 01-751-5915-0811                              | INT-2011 NEW HIGH SCHOOL DEBT    | \$297,500.00          | \$285,500.00          | \$273,500.00          | \$136,750.00          | <b>\$257,500.00</b>   | \$-16,000.00         | -5.85         |
| 01-751-5915-0812                              | INT-2011 SENIOR CENTER DEBT EXCL | \$33,468.76           | \$32,118.76           | \$30,769.00           | \$15,384.38           | <b>\$28,969.00</b>    | \$-1,800.00          | -5.85         |
| 01-751-5915-0813                              | INT-2011 ROAD RECONSTR DEBT EXCL | \$107,987.50          | \$101,537.50          | \$95,088.00           | \$47,543.75           | <b>\$86,488.00</b>    | \$-8,600.00          | -9.04         |
| 01-751-5915-0911                              | INT - 2014 HS CONST I 6M         | \$0.00                | \$0.00                | \$354,355.00          | \$236,979.17          | <b>\$227,250.00</b>   | \$-127,105.00        | -35.86        |
| 01-751-5915-0912                              | INT - 2014 HS CONST II 210K      | \$0.00                | \$0.00                | \$12,326.00           | \$8,288.19            | <b>\$7,700.00</b>     | \$-4,626.00          | -37.53        |
| 01-751-5915-0913                              | INT - 2014 ROADS 4.6M            | \$0.00                | \$0.00                | \$299,948.00          | \$201,347.22          | <b>\$188,950.00</b>   | \$-110,998.00        | -37.00        |
| <b>DEBT SERVICE SUB-TOTAL:</b>                |                                  | <b>\$1,642,293.76</b> | <b>\$1,579,612.78</b> | <b>\$2,027,411.00</b> | <b>\$1,136,960.15</b> | <b>\$1,651,551.00</b> | <b>\$-375,860.00</b> | <b>-18.53</b> |
| <b>751 DEBT SERVICE - INTEREST SUB-TOTAL:</b> |                                  | <b>\$1,642,293.76</b> | <b>\$1,579,612.78</b> | <b>\$2,027,411.00</b> | <b>\$1,136,960.15</b> | <b>\$1,651,551.00</b> | <b>\$-375,860.00</b> | <b>-18.53</b> |

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>752 - DEBT - SHORT TERM INTEREST</b> |                            | <b>FY2014</b>       | <b>FY2015</b>       | <b>FY2016</b>      | <b>FY2016</b>      | <b>FY2017 Town</b> | <b>\$</b>           | <b>%</b>      |
|---|----------------------------|---------------------|---------------------|--------------------|--------------------|--------------------|---------------------|---------------|
| <b>Account Number</b>                   | <b>Account Description</b> | <b>Expended</b>     | <b>Expended</b>     | <b>Budget</b>      | <b>Expended</b>    | <b>Manager Rec</b> | <b>Change</b>       | <b>Change</b> |
| 01-752-5925                             | INT-SHORT TERM DEBT        | \$105,954.86        | \$132,480.97        | \$44,726.00        | \$14,725.96        | <b>\$17,411.00</b> | \$-27,315.00        | -61.07        |
| <b>DEBT SERVICE SUB-TOTAL:</b>          |                            | <b>\$105,954.86</b> | <b>\$132,480.97</b> | <b>\$44,726.00</b> | <b>\$14,725.96</b> | <b>\$17,411.00</b> | <b>\$-27,315.00</b> | <b>-61.07</b> |
| <b>752 DEBT - SHORT TERM INTEREST</b>   |                            | <b>\$105,954.86</b> | <b>\$132,480.97</b> | <b>\$44,726.00</b> | <b>\$14,725.96</b> | <b>\$17,411.00</b> | <b>\$-27,315.00</b> | <b>-61.07</b> |

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Operating Budget**

| <b>755 - DEBT SERVICE - ISSUANCE COSTS</b> |                            | <b>FY2014</b>   | <b>FY2015</b>     | <b>FY2016</b>      | <b>FY2016</b>   | <b>FY2017 Town</b> | <b>\$</b>     | <b>%</b>      |
|--|----------------------------|-----------------|-------------------|--------------------|-----------------|--------------------|---------------|---------------|
| <b>Account Number</b>                      | <b>Account Description</b> | <b>Expended</b> | <b>Expended</b>   | <b>Budget</b>      | <b>Expended</b> | <b>Manager Rec</b> | <b>Change</b> | <b>Change</b> |
| 01-755-5939                                | BOND/NOTE ISSUE EXPENSES   | \$0.00          | \$5,449.64        | \$10,000.00        | \$0.00          | <b>\$10,000.00</b> | \$0.00        | 0.00          |
|  | <b>EXPENSES SUB-TOTAL:</b> | <b>\$0.00</b>   | <b>\$5,449.64</b> | <b>\$10,000.00</b> | <b>\$0.00</b>   | <b>\$10,000.00</b> | <b>\$0.00</b> | <b>0.00</b>   |
| <b>755 DEBT SERVICE - ISSUANCE COSTS</b>   |                            | <b>\$0.00</b>   | <b>\$5,449.64</b> | <b>\$10,000.00</b> | <b>\$0.00</b>   | <b>\$10,000.00</b> | <b>\$0.00</b> | <b>0.00</b>   |





# ENTERPRISE FUND



*"Hanover, Honoring Yesterday As We Build For Tomorrow"*



## Water Enterprise Fund

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The DPW's Water Operations Group operates and maintains the Town's public water system. The system is operated as an enterprise fund, authorized under MGL Chapter 44, section 53F1/2. The fund is a separate accounting and financial reporting mechanism for municipal services for which a fee is charged in exchange for goods and services. The fund allows the community to demonstrate to the public the portion of total costs for drinking water that are recovered through user charges and the portion that is subsidized by the tax levy, if any. All costs of service delivery are identified including direct, indirect, and capital costs.

### **Enabling Legislation**

The Town of Hanover's water supply was created by special legislation, Chapter 39 of the Acts of 1930. This legislation authorized the Town "to supply itself and its inhabitants with water for the extinguishment of fires and for domestic and other purposes." The act spelled out the limits of authority of the Town in establishing and managing the water supply. The act also created a Board of Water Commissioners to be elected by the residents to oversee the operation of said system. The Hanover Town Manager Act subsequently transferred the powers and responsibilities of the Board of Water Commissioners to the Town Manager, with the exception of the rate setting authority which was moved from the Board of Water Commissioners to the Board of Selectmen.

### **Operating Structure**

The Town's water supply is operated by the Department of Public Works. Day to day operations are managed by the Town Manager through the Director of Public Works, Deputy Superintendent of Public Works for Water Operations, and Water Operations Group's field level staff.

### **Description of Hanover's Water Supply**

The Town of Hanover receives its water through seven gravel packed wells and two bedrock wells. The wells are located in four well fields located in the east and southeast side of town. All nine wells are treated before being discharged into the water distribution system.

The Pond Street water treatment plant, located on Pond Street, treats the three gravel packed wells of the Pond Street well field for high levels of iron, manganese, organic color, and turbidity. The Town of Hanover shares the Pond Street well field with the Town of Norwell. The Pond Street WTP is a conventional water treatment plant and has been in operation since 1973. It has been incrementally upgraded several times.

The Beal water treatment plant, located on Riverside Drive, treats two bedrock wells for high levels of iron and manganese. The wells are located in the Philip C. Beal bedrock well field. The Beal WTP is a manganese-greensand treatment plant and has been in operation since 1994.

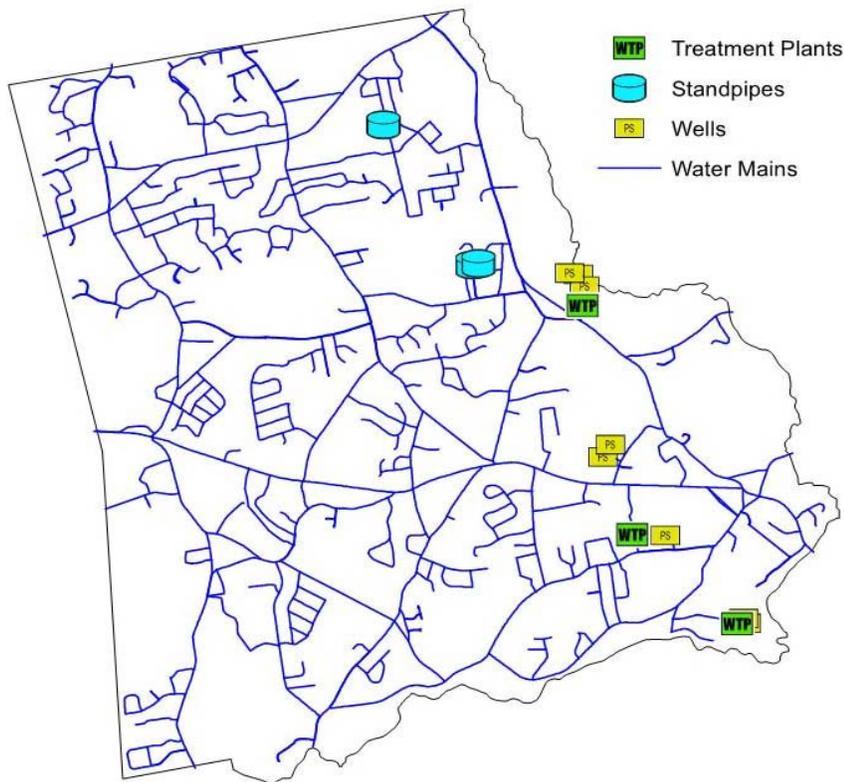
The Broadway water treatment plant, located on Broadway, treats four gravel packed wells for low levels of iron, manganese, organic color, and turbidity. Two of the wells are located in the Broadway well field and the other two wells are located in the Hanover Street well field. The Broadway WTP is a manganese-greensand treatment plant and has been in operation since 2003.



## Water Enterprise Fund

Water is pumped from the treatment plant to a network of approximately 100 miles of water mains to feed approximately 5,000 water services. The system has three standpipes that maintain system pressure and store 3.75 million gallons of water. The entire system is one pressure zone. The system has emergency interconnections with the Towns of Norwell, Pembroke, and Hanson.

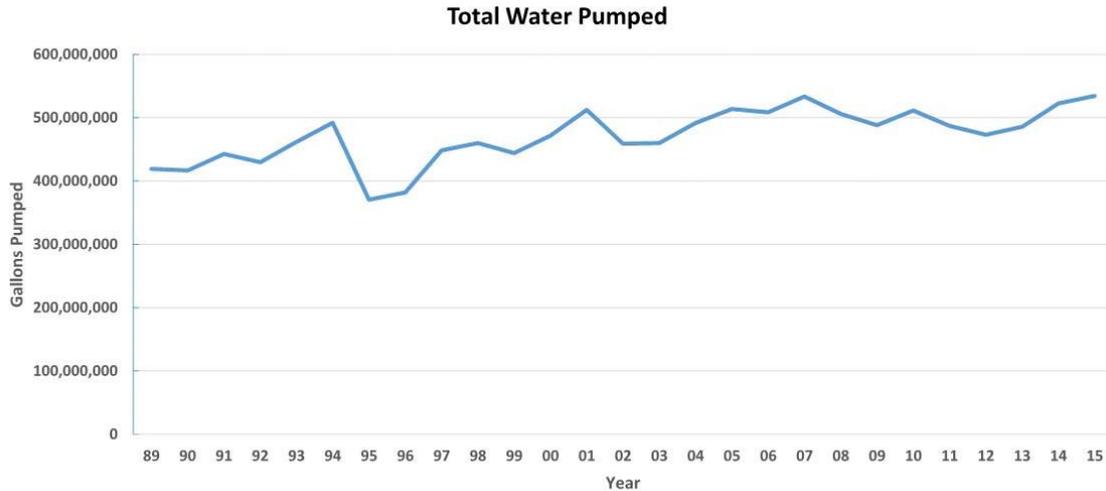
### Hanover Water System





## Water Enterprise Fund

Overall, the Town pumps approximately 500 million gallons of water annually with the heaviest consumption in the summer months.



### Rate Structure

The Town of Hanover bills each account quarterly. The water rate has a fixed charge based on the size of the meter and a variable charge depending on the amount of water consumed for the quarter. The variable charge is an increasing block rate, designed to encourage conservation. The current fixed rate (minimum charge) is as defined in the following table

| Meter Size          | Price per quarter |
|---------------------|-------------------|
| 5/8 inch x 3/4 inch | \$38.00           |
| 3/4 inch            | \$63.80           |
| 1 inch              | \$101.28          |
| 1.5 inch            | \$202.50          |
| 2 inch              | \$304.90          |
| Greater than 2 inch | \$632.88          |

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

| Usage                         | Price per 100 cubic feet |
|-------------------------------|--------------------------|
| 0 – 500 cubic feet            | \$2.80                   |
| 501 to 3,000 cubic feet       | \$5.27                   |
| 3,000 to 4,000 cubic feet     | \$8.69                   |
| Greater than 4,000 cubic feet | \$11.07                  |

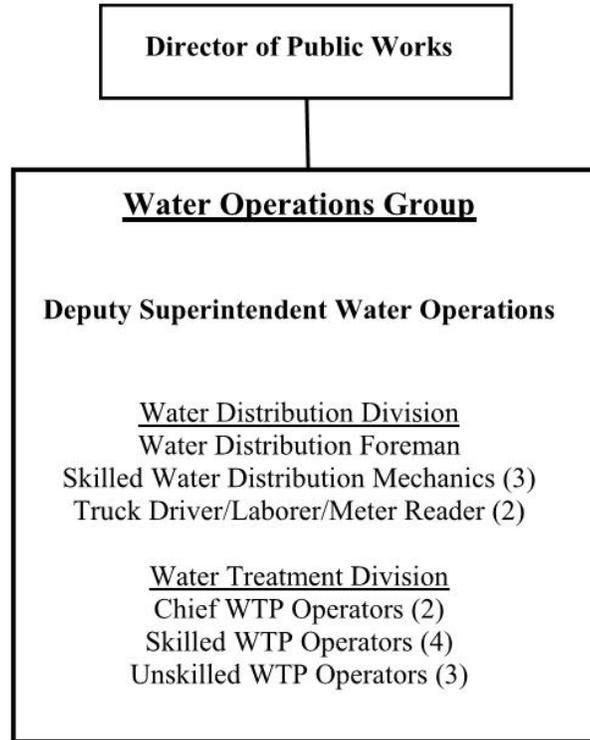
The average quarterly water bill for a family of four (assuming 3,000 cubic feet) is \$183.75.



## Water Enterprise Fund

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### Organizational Chart



### Goals and Objectives

- Pump, treat, and supply 500 million gallons of drinking water to residents and businesses.
- Implement changes to water treatment systems to reduce disinfection byproducts in the water distribution system to below Federal Tier 2 standards
- Advance near real-time reporting of water operational data on website in accordance with Board of Selectmen goals
- Replace 400 water meters with radio read metering equipment.



## Water Enterprise Fund

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### **Accomplishments**

- Treated and supplied 500 million gallons of drinking water to residents and businesses.
- Rehabilitated filter underdrains and media at the Pond Street water treatment plant
- Completed the transfer of water services and hydrants to a PVC water main on Main Street, thereby eliminating long standing aesthetic water quality issues on the street.
- Completed cross connection surveys of all commercial properties.

### **Significant Budget Changes or Initiatives**

- The FY17 water budget includes further commitment to improve water quality, most notably by adding funds in the operating budget to replace old and outdated water mains and in anticipated increase to debt service costs to accommodate improvements to our water treatment plants to more effectively treat for both chlorination by-products and organic materials such as iron and manganese. The Budget is also built around the goals of increasing system reliability and reducing unaccounted for water.
- The overall water enterprise budget for FY 17 is a 7.4% increase over the FY 16 budget. The budget represents growth in the operating areas (administration – 8.7%, treatment – 11.45%, distribution – 10.57%) offset by a reduction in debt service principal and interest of -1.59%.
- The budget proposes no new positions but does make adjustments for negotiated increases in salaries as well as step raises for new employees. Two positions from the water department are anticipated to be transferred to finance department but continued to be paid by the water enterprise fund.
- Increases in the water administration expenses reflect negotiated pay as well as an increase in engineering services. Increases in water treatment expenses reflect negotiated pay increases as well as adjustments in energy and chemical costs, and the continued commitment to maintenance of treatment systems. The water distribution budget has been increased to cover negotiated pay increases as well as increases in leak detection, meter replacement, and operating costs of the water distribution garage.



## Water Enterprise Fund

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### 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<br>FTE | FY2016<br>FTE | FY2017<br>FTE | Change       |
|--|---------------|---------------|---------------|--------------|
| Water Division                           |               |               |               |              |
| Deputy Superintendent Water Operations   | 1.00          | 1.00          | 1.00          | -            |
| Secretary                                | 3.00          | 3.00          | 3.00          | -2.00        |
| Custodian                                | 0.50          | 0.50          | 0.50          | -            |
| Chief WTP Operator                       | 2.00          | 2.00          | 2.00          | -            |
| Water Treatment Plant Operator           | 5.40          | 4.00          | 4.00          | -            |
| Unskilled Treatment Plant Operator       | 1.00          | 3.40          | 3.40          | -            |
| Water Distribution Foreman               | 1.00          | 1.00          | 1.00          | -            |
| Skilled Water Distribution Mechanic      | 2.00          | 3.00          | 3.00          | -            |
| Unskilled Water Distribution<br>Mechanic | 1.00          | 0.00          | 0.00          | -            |
| Skilled Equipment Operator               | 1.00          | 1.00          | 1.00          | -            |
| Unskilled Equipment Operator             | 0.50          | 0.50          | 0.50          | -            |
| Truck Driver/Laborer                     | 2.00          | 2.00          | 2.00          | -            |
| <b>Total Full-time Equivalents</b>       | <b>20.40</b>  | <b>21.40</b>  | <b>21.40</b>  | <b>-2.00</b> |

### Personnel Notes

FTEs are based on a 40 hour work week and are benefit eligible. Two positions from the Water Department are to be transferred to Finance Department but continued to be paid by the Water Enterprise Fund.



## Water Enterprise Fund

### Balanced Budget

| <b>ESTIMATED REVENUES</b>      |                  |                  |                  |
|--------------------------------|------------------|------------------|------------------|
|                                | <b>FY17</b>      | <b>FY16</b>      | <b>FY15</b>      |
| Water User Charges             | 3,651,515        | 3,391,815        | 3,201,556        |
| <b>TOTAL ESTIMATED REVENUE</b> | <b>3,651,515</b> | <b>3,391,815</b> | <b>3,201,556</b> |

| <b>DIRECT APPROPRIATIONS</b>       |                  |                  |                  |
|------------------------------------|------------------|------------------|------------------|
|                                    | <b>FY17</b>      | <b>FY16</b>      | <b>FY15</b>      |
| Water Administration               | 404,540          | 372,109          | 337,300          |
| Water Treatment                    | 1,561,804        | 1,401,339        | 1,238,699        |
| Water Distribution                 | 782,579          | 707,775          | 651,839          |
| Water Debt Service                 | 543,853          | 551,853          | 614,979          |
| <b>Total Direct Appropriations</b> | <b>3,292,776</b> | <b>3,033,076</b> | <b>2,842,287</b> |
| <b>INDIRECT APPROPRIATIONS</b>     |                  |                  |                  |
|                                    | <b>FY17</b>      | <b>FY16</b>      | <b>FY15</b>      |
| Indirect Costs - Water Enterprise  | 358,739          | 358,739          | 358,739          |
| <b>Total OFS</b>                   | <b>358,739</b>   | <b>358,739</b>   | <b>358,739</b>   |
| <b>TOTAL APPROPRIATIONS</b>        | <b>3,651,515</b> | <b>3,391,815</b> | <b>3,201,556</b> |

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Water Enterprise**

| <b>450 - WATER</b>          |                                | <b>FY2014</b>       | <b>FY2015</b>       | <b>FY2016</b>       | <b>FY2016</b>       | <b>FY2017 Town</b>  | <b>\$</b>          | <b>%</b>      |
|-----------------------------|--------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|--------------------|---------------|
| <b>Account Number</b>       | <b>Account Description</b>     | <b>Expended</b>     | <b>Expended</b>     | <b>Budget</b>       | <b>Expended</b>     | <b>Manager Rec</b>  | <b>Change</b>      | <b>Change</b> |
| 60-450-5110                 | SALARIES - APPOINTED OFFICIALS | \$142,341.67        | \$144,003.48        | \$146,880.00        | \$57,727.82         | <b>\$150,710.00</b> | \$3,830.00         | 2.60          |
| 60-450-5113                 | SALARIES - CLERICAL            | \$115,780.26        | \$127,019.79        | \$128,896.00        | \$50,678.53         | <b>\$131,585.00</b> | \$2,689.00         | 2.08          |
| 60-450-5115                 | SALARIES - CUSTODIAN P/T       | \$21,550.98         | \$22,671.65         | \$24,958.00         | \$9,812.60          | <b>\$25,944.00</b>  | \$986.00           | 3.95          |
| 60-450-5130                 | SALARIES - CLERICAL OVERTIME   | \$5,001.75          | \$3,654.64          | \$4,335.00          | \$3,015.24          | <b>\$4,261.00</b>   | \$-74.00           | -1.70         |
| 60-450-5148                 | STIPEND                        | \$0.00              | \$3,539.71          | \$3,500.00          | \$1,407.84          | <b>\$3,500.00</b>   | \$0.00             | 0.00          |
| <b>PERSONNEL SUB-TOTAL:</b> |                                | <b>\$284,674.66</b> | <b>\$300,889.27</b> | <b>\$308,569.00</b> | <b>\$122,642.03</b> | <b>\$316,000.00</b> | <b>\$7,431.00</b>  | <b>2.40</b>   |
| 60-450-5250                 | EQUIPMENT MAINTENANCE          | \$3,611.85          | \$10,878.56         | \$12,860.00         | \$1,941.36          | <b>\$12,860.00</b>  | \$0.00             | 0.00          |
| 60-450-5271                 | OFFICE EQUIPMENT RENTAL        | \$796.50            | \$998.10            | \$1,200.00          | \$0.00              | <b>\$1,200.00</b>   | \$0.00             | 0.00          |
| 60-450-5310                 | ENGINEERING                    | \$0.00              | \$0.00              | \$3,000.00          | \$24,819.00         | <b>\$28,000.00</b>  | \$25,000.00        | 833.33        |
| 60-450-5318                 | OTHER CONTRACTED SERVICES      | \$13,496.64         | \$8,574.42          | \$8,590.00          | \$7,156.44          | <b>\$8,590.00</b>   | \$0.00             | 0.00          |
| 60-450-5340                 | TELEPHONE - ADMINISTRATION     | \$4,955.01          | \$4,322.02          | \$5,500.00          | \$2,036.70          | <b>\$5,500.00</b>   | \$0.00             | 0.00          |
| 60-450-5342                 | PRINTING & STATIONARY          | \$1,345.80          | \$3,024.07          | \$3,500.00          | \$1,858.14          | <b>\$3,500.00</b>   | \$0.00             | 0.00          |
| 60-450-5345                 | POSTAGE & MAIL PERMITS         | \$12,371.96         | \$11,452.80         | \$12,900.00         | \$5,263.86          | <b>\$12,900.00</b>  | \$0.00             | 0.00          |
| 60-450-5450                 | MATERIALS & SUPPLIES           | \$11,530.86         | \$10,122.75         | \$9,380.00          | \$6,018.96          | <b>\$9,380.00</b>   | \$0.00             | 0.00          |
| 60-450-5585                 | UNIFORMS                       | \$508.49            | \$365.99            | \$800.00            | \$184.85            | <b>\$800.00</b>     | \$0.00             | 0.00          |
| 60-450-5715                 | LICENSE RENEWALS               | \$0.00              | \$0.00              | \$110.00            | \$0.00              | <b>\$110.00</b>     | \$0.00             | 0.00          |
| 60-450-5720                 | REGISTRATION FEES              | \$395.00            | \$95.00             | \$400.00            | \$55.00             | <b>\$400.00</b>     | \$0.00             | 0.00          |
| 60-450-5730                 | DUES                           | \$223.00            | \$614.00            | \$700.00            | \$542.00            | <b>\$700.00</b>     | \$0.00             | 0.00          |
| 60-450-5735                 | GOVERNMENT FEES                | \$4,155.99          | \$4,020.89          | \$4,600.00          | \$0.00              | <b>\$4,600.00</b>   | \$0.00             | 0.00          |
| 60-450-5961                 | TRANSFER TO GENERAL FUND       | \$0.00              | \$358,739.00        | \$0.00              | \$358,739.00        | <b>\$0.00</b>       | \$0.00             | 0.00          |
| <b>EXPENSES SUB-TOTAL:</b>  |                                | <b>\$412,130.10</b> | <b>\$413,207.60</b> | <b>\$63,540.00</b>  | <b>\$408,615.31</b> | <b>\$88,540.00</b>  | <b>\$25,000.00</b> | <b>39.34</b>  |
| <b>450 WATER SUB-TOTAL:</b> |                                | <b>\$696,804.76</b> | <b>\$714,096.87</b> | <b>\$372,109.00</b> | <b>\$531,257.34</b> | <b>\$404,540.00</b> | <b>\$32,431.00</b> | <b>8.71</b>   |

**Town of Hanover**  
**Town Manager Recommended Budget**  
**FY17 Water Enterprise**

| <b>451 - WATER TREATMENT</b> |                                 | <b>FY2014</b>       | <b>FY2015</b>       | <b>FY2016</b>       | <b>FY2016</b>       | <b>FY2017 Town</b>  | <b>\$</b>          | <b>%</b>      |
|------------------------------|---------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|--------------------|---------------|
| <b>Account Number</b>        | <b>Account Description</b>      | <b>Expended</b>     | <b>Expended</b>     | <b>Budget</b>       | <b>Expended</b>     | <b>Manager Rec</b>  | <b>Change</b>      | <b>Change</b> |
| 60-451-5114                  | SALARIES & WAGES PERM F/T       | \$396,783.54        | \$441,356.29        | \$480,451.00        | \$188,014.59        | <b>\$536,741.00</b> | \$56,290.00        | 11.71         |
| 60-451-5120                  | SALARIES & WAGES PERM P/T       | \$0.00              | \$0.00              | \$0.00              | \$63.72             | <b>\$0.00</b>       | \$0.00             | 0.00          |
| 60-451-5121                  | WAGES-TEMPORARY EMPLOYEES       | \$1,532.17          | \$8,394.39          | \$21,924.00         | \$10,984.16         | <b>\$25,693.00</b>  | \$3,769.00         | 17.19         |
| 60-451-5130                  | OVERTIME                        | \$78,770.95         | \$92,133.68         | \$30,805.00         | \$24,490.44         | <b>\$20,000.00</b>  | \$-10,805.00       | -35.07        |
| 60-451-5141                  | SHIFT DIFFERENTIAL              | \$0.00              | \$0.00              | \$18,057.00         | \$330.88            | <b>\$22,473.00</b>  | \$4,416.00         | 24.45         |
| 60-451-5142                  | HOLIDAY PAY                     | \$0.00              | \$0.00              | \$13,852.00         | \$0.00              | <b>\$13,367.00</b>  | \$-485.00          | -3.50         |
| 60-451-5146                  | STANDBY PAY                     | \$0.00              | \$0.00              | \$27,000.00         | \$0.00              | <b>\$26,055.00</b>  | \$-945.00          | -3.50         |
| <b>PERSONNEL SUB-TOTAL:</b>  |                                 | <b>\$477,086.66</b> | <b>\$541,884.36</b> | <b>\$592,089.00</b> | <b>\$223,883.79</b> | <b>\$644,329.00</b> | <b>\$52,240.00</b> | <b>8.82</b>   |
| 60-451-5211-0052             | ELECTRICITY - POND STREET       | \$99,904.03         | \$90,051.03         | \$106,500.00        | \$47,016.00         | <b>\$129,100.00</b> | \$22,600.00        | 21.22         |
| 60-451-5211-0053             | ELECTRICITY - BEAL              | \$91,536.01         | \$76,364.53         | \$96,000.00         | \$50,578.53         | <b>\$122,000.00</b> | \$26,000.00        | 27.08         |
| 60-451-5211-0054             | ELECTRICITY - BROADWAY          | \$73,573.37         | \$61,645.48         | \$71,000.00         | \$38,587.02         | <b>\$84,000.00</b>  | \$13,000.00        | 18.30         |
| 60-451-5211-0056             | ELECTRICITY - STANDPIPES        | \$1,329.85          | \$1,295.38          | \$1,350.00          | \$318.82            | <b>\$1,350.00</b>   | \$0.00             | 0.00          |
| 60-451-5212-0052             | NATURAL GAS - POND STREET       | \$18,287.99         | \$15,268.86         | \$20,000.00         | \$1,957.91          | <b>\$20,000.00</b>  | \$0.00             | 0.00          |
| 60-451-5212-0053             | NATURAL GAS - BEAL              | \$4,439.30          | \$3,131.32          | \$4,400.00          | \$259.49            | <b>\$4,400.00</b>   | \$0.00             | 0.00          |
| 60-451-5212-0054             | NATURAL GAS - BROADWAY          | \$13,205.95         | \$10,917.02         | \$9,500.00          | \$2,749.79          | <b>\$12,300.00</b>  | \$2,800.00         | 29.47         |
| 60-451-5212-0055             | NATURAL GAS - UNION STREET      | \$0.00              | \$0.00              | \$800.00            | \$0.00              | <b>\$800.00</b>     | \$0.00             | 0.00          |
| 60-451-5230-0051             | BUILDING MAINTENANCE - GENERAL  | \$0.00              | \$59.40             | \$0.00              | \$0.00              | <b>\$0.00</b>       | \$0.00             | 0.00          |
| 60-451-5230-0052             | BUILDING MAINTENANCE - POND     | \$14,669.72         | \$11,877.63         | \$18,500.00         | \$716.24            | <b>\$18,500.00</b>  | \$0.00             | 0.00          |
| 60-451-5230-0053             | BUILDING MAINTENANCE - BEAL     | \$4,851.05          | \$217.58            | \$3,200.00          | \$317.16            | <b>\$3,200.00</b>   | \$0.00             | 0.00          |
| 60-451-5230-0054             | BUILDING MAINTENANCE -          | \$1,162.81          | \$0.00              | \$3,000.00          | \$364.20            | <b>\$4,000.00</b>   | \$1,000.00         | 33.33         |
| 60-451-5240                  | VEHICLE MAINTENANCE             | \$2,072.23          | \$1,621.05          | \$1,200.00          | \$51.52             | <b>\$1,200.00</b>   | \$0.00             | 0.00          |
| 60-451-5250-0051             | EQUIPMENT MAINTENANCE - GENERAL | \$873.37            | \$240.47            | \$0.00              | \$207.79            | <b>\$0.00</b>       | \$0.00             | 0.00          |
| 60-451-5250-0052             | EQUIPMENT MAINTENANCE - POND    | \$121,761.53        | \$56,880.65         | \$74,275.00         | \$87,927.63         | <b>\$74,275.00</b>  | \$0.00             | 0.00          |
| 60-451-5250-0053             | EQUIPMENT MAINTENANCE - BEAL    | \$35,590.72         | \$19,862.22         | \$26,300.00         | \$17,885.42         | <b>\$26,300.00</b>  | \$0.00             | 0.00          |
| 60-451-5250-0054             | EQUIPMENT MAINTENANCE -         | \$25,520.60         | \$18,106.02         | \$27,000.00         | \$25,347.05         | <b>\$27,000.00</b>  | \$0.00             | 0.00          |
| 60-451-5250-0056             | EQUIPMENT MAINTENANCE - STORAGE | \$1,926.94          | \$170.31            | \$5,400.00          | \$379.97            | <b>\$5,400.00</b>   | \$0.00             | 0.00          |
| 60-451-5250-0057             | EQUIPMENT MAINTENANCE -         | \$21,961.93         | \$11,594.04         | \$4,000.00          | \$13,302.06         | <b>\$11,775.00</b>  | \$7,775.00         | 194.37        |
| 60-451-5280                  | SAFETY PROGRAMS                 | \$1,064.93          | \$1,415.60          | \$500.00            | \$630.62            | <b>\$500.00</b>     | \$0.00             | 0.00          |
| 60-451-5295-0052             | SLUDGE DISPOSAL - POND STREET   | \$29,312.84         | \$47,463.30         | \$50,000.00         | \$51,421.00         | <b>\$55,000.00</b>  | \$5,000.00         | 10.00         |
| 60-451-5317                  | EMPLOYEE TRAINING (EDUCATION    | \$720.00            | \$774.00            | \$1,000.00          | \$2,960.00          | <b>\$1,000.00</b>   | \$0.00             | 0.00          |

**Town of Hanover**  
**Town Manager Recommended Budget**  
**FY17 Water Enterprise**

| <b>451 - WATER TREATMENT</b>          |                                    | <b>FY2014</b>         | <b>FY2015</b>         | <b>FY2016</b>         | <b>FY2016</b>       | <b>FY2017 Town</b>    | <b>\$</b>           | <b>%</b>      |
|---------------------------------------|------------------------------------|-----------------------|-----------------------|-----------------------|---------------------|-----------------------|---------------------|---------------|
| <b>Account Number</b>                 | <b>Account Description</b>         | <b>Expended</b>       | <b>Expended</b>       | <b>Budget</b>         | <b>Expended</b>     | <b>Manager Rec</b>    | <b>Change</b>       | <b>Change</b> |
| 60-451-5318-0052                      | OTHER CONTRACTED SERVICES - POND   | \$6,646.37            | \$8,051.95            | \$4,500.00            | \$6,731.77          | <b>\$7,000.00</b>     | \$2,500.00          | 55.55         |
| 60-451-5318-0053                      | OTHER CONTRACTED SERVICES - BEAL   | \$4,799.09            | \$7,043.89            | \$3,900.00            | \$3,083.23          | <b>\$3,900.00</b>     | \$0.00              | 0.00          |
| 60-451-5318-0054                      | OTHER CONTRACTED SERVICES -        | \$6,408.86            | \$18,083.80           | \$5,200.00            | \$3,788.02          | <b>\$5,200.00</b>     | \$0.00              | 0.00          |
| 60-451-5319-0051                      | TESTING - GENERAL                  | \$13,200.00           | \$16,660.00           | \$16,000.00           | \$5,559.00          | <b>\$16,000.00</b>    | \$0.00              | 0.00          |
| 60-451-5319-0052                      | TESTING - POND STREET              | \$1,940.00            | \$3,315.00            | \$0.00                | \$250.00            | <b>\$2,000.00</b>     | \$2,000.00          | 100.00        |
| 60-451-5319-0053                      | TESTING - BEAL                     | \$1,940.00            | \$0.00                | \$0.00                | \$200.00            | <b>\$0.00</b>         | \$0.00              | 0.00          |
| 60-451-5319-0054                      | TESTING - BROADWAY                 | \$5,235.00            | \$3,400.00            | \$1,900.00            | \$1,610.00          | <b>\$1,900.00</b>     | \$0.00              | 0.00          |
| 60-451-5319-0057                      | TESTING - LABORATORY               | \$0.00                | \$0.00                | \$2,000.00            | \$0.00              | <b>\$2,000.00</b>     | \$0.00              | 0.00          |
| 60-451-5340-0052                      | TELEPHONE - POND STREET            | \$2,290.42            | \$2,329.41            | \$2,400.00            | \$822.98            | <b>\$2,400.00</b>     | \$0.00              | 0.00          |
| 60-451-5470-0051                      | MATERIALS & SUPPLIES - GENERAL     | \$1,407.92            | \$4,237.32            | \$0.00                | \$926.18            | <b>\$0.00</b>         | \$0.00              | 0.00          |
| 60-451-5470-0052                      | MATERIALS & SUPPLIES - POND STREET | \$1,441.47            | \$2,103.62            | \$1,725.00            | \$2,963.52          | <b>\$2,225.00</b>     | \$500.00            | 28.98         |
| 60-451-5470-0053                      | MATERIALS & SUPPLIES - BEAL        | \$0.00                | \$86.94               | \$500.00              | \$192.95            | <b>\$500.00</b>       | \$0.00              | 0.00          |
| 60-451-5470-0054                      | MATERIALS & SUPPLIES - BROADWAY    | \$117.14              | \$0.00                | \$950.00              | \$192.94            | <b>\$950.00</b>       | \$0.00              | 0.00          |
| 60-451-5470-0057                      | MATERIALS & SUPPLIES -             | \$7,937.61            | \$622.17              | \$9,000.00            | \$475.66            | <b>\$9,000.00</b>     | \$0.00              | 0.00          |
| 60-451-5477-0052                      | CHEMICALS - POND STREET            | \$211,027.03          | \$112,474.56          | \$169,000.00          | \$72,476.16         | <b>\$178,900.00</b>   | \$9,900.00          | 5.85          |
| 60-451-5477-0053                      | CHEMICALS - BEAL                   | \$11,461.22           | \$9,917.13            | \$12,600.00           | \$5,018.40          | <b>\$17,100.00</b>    | \$4,500.00          | 35.71         |
| 60-451-5477-0054                      | CHEMICALS - BROADWAY               | \$39,139.43           | \$23,738.98           | \$48,150.00           | \$20,426.70         | <b>\$57,900.00</b>    | \$9,750.00          | 20.24         |
| 60-451-5585                           | UNIFORMS                           | \$5,194.08            | \$5,857.43            | \$6,600.00            | \$2,526.00          | <b>\$7,200.00</b>     | \$600.00            | 9.09          |
| 60-451-5715                           | LICENSE RENEWALS                   | \$505.00              | \$140.00              | \$100.00              | \$168.00            | <b>\$200.00</b>       | \$100.00            | 100.00        |
| 60-451-5720                           | REGISTRATION FEES                  | \$300.00              | \$689.27              | \$600.00              | \$0.00              | <b>\$600.00</b>       | \$0.00              | 0.00          |
| 60-451-5730                           | DUES                               | \$344.00              | \$454.00              | \$200.00              | \$280.00            | <b>\$400.00</b>       | \$200.00            | 100.00        |
| <b>EXPENSES SUB-TOTAL:</b>            |                                    | <b>\$886,362.82</b>   | <b>\$648,161.36</b>   | <b>\$809,250.00</b>   | <b>\$470,669.73</b> | <b>\$917,475.00</b>   | <b>\$108,225.00</b> | <b>13.37</b>  |
| 60-451-5860                           | EQUIPMENT PURCHASE                 | \$0.00                | \$785.74              | \$0.00                | \$0.00              | <b>\$0.00</b>         | \$0.00              | 0.00          |
| <b>CAPITAL OUTLAY SUB-TOTAL:</b>      |                                    | <b>\$0.00</b>         | <b>\$785.74</b>       | <b>\$0.00</b>         | <b>\$0.00</b>       | <b>\$0.00</b>         | <b>\$0.00</b>       | <b>0.00</b>   |
| <b>451 WATER TREATMENT SUB-TOTAL:</b> |                                    | <b>\$1,363,449.48</b> | <b>\$1,190,831.46</b> | <b>\$1,401,339.00</b> | <b>\$694,553.52</b> | <b>\$1,561,804.00</b> | <b>\$160,465.00</b> | <b>11.45</b>  |

**Town of Hanover**  
**Town Manager Recommended Budget**  
**FY17 Water Enterprise**

| <b>452 - WATER DISTRIBUTION</b> |                                     | <b>FY2014</b>       | <b>FY2015</b>       | <b>FY2016</b>       | <b>FY2016</b>       | <b>FY2017 Town</b>  | <b>\$</b>          | <b>%</b>      |
|---------------------------------|-------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|--------------------|---------------|
| <b>Account Number</b>           | <b>Account Description</b>          | <b>Expended</b>     | <b>Expended</b>     | <b>Budget</b>       | <b>Expended</b>     | <b>Manager Rec</b>  | <b>Change</b>      | <b>Change</b> |
| 60-452-5114                     | SALARIES & WAGES PERM F/T           | \$310,975.06        | \$312,673.87        | \$407,975.00        | \$158,449.96        | <b>\$442,362.00</b> | \$34,387.00        | 8.42          |
| 60-452-5121                     | WAGES-TEMPORARY EMPLOYEES           | \$0.00              | \$0.00              | \$4,800.00          | \$0.00              | <b>\$4,995.00</b>   | \$195.00           | 4.06          |
| 60-452-5130                     | OVERTIME                            | \$95,380.40         | \$115,356.12        | \$36,000.00         | \$61,027.40         | <b>\$40,488.00</b>  | \$4,488.00         | 12.46         |
| 60-452-5133                     | FLUSHING PAY                        | \$0.00              | \$0.00              | \$30,000.00         | \$0.00              | <b>\$30,000.00</b>  | \$0.00             | 0.00          |
| 60-452-5146                     | STANDBY PAY                         | \$0.00              | \$0.00              | \$23,800.00         | \$0.00              | <b>\$24,434.00</b>  | \$634.00           | 2.66          |
| <b>PERSONNEL SUB-TOTAL:</b>     |                                     | <b>\$406,828.46</b> | <b>\$428,029.99</b> | <b>\$502,575.00</b> | <b>\$219,477.36</b> | <b>\$542,279.00</b> | <b>\$39,704.00</b> | <b>7.90</b>   |
| 60-452-5211-0058                | ELECTRICITY - 219 WINTER ST         | \$5,380.65          | \$5,802.37          | \$5,500.00          | \$3,100.58          | <b>\$10,000.00</b>  | \$4,500.00         | 81.81         |
| 60-452-5212                     | GAS                                 | \$6,667.61          | \$5,163.15          | \$6,100.00          | \$115.84            | <b>\$11,900.00</b>  | \$5,800.00         | 95.08         |
| 60-452-5230-0058                | BUILDING MAINTENANCE - 219 WINTER   | \$2,769.46          | \$8,099.86          | \$2,000.00          | \$550.49            | <b>\$2,000.00</b>   | \$0.00             | 0.00          |
| 60-452-5240                     | VEHICLE MAINTENANCE                 | \$4,372.00          | \$4,532.07          | \$5,900.00          | \$8,626.85          | <b>\$7,000.00</b>   | \$1,100.00         | 18.64         |
| 60-452-5250                     | EQUIPMENT MAINTENANCE               | \$0.00              | \$0.00              | \$0.00              | \$7,500.00          | <b>\$0.00</b>       | \$0.00             | 0.00          |
| 60-452-5250-0051                | EQUIPMENT MAINTENANCE - GENERAL     | \$1,984.04          | \$5,257.22          | \$2,300.00          | \$200.96            | <b>\$2,300.00</b>   | \$0.00             | 0.00          |
| 60-452-5250-0058                | EQUIPMENT MAINTENANCE - 219         | \$264.00            | \$650.96            | \$0.00              | \$162.00            | <b>\$0.00</b>       | \$0.00             | 0.00          |
| 60-452-5250-0060                | EQUIPMENT MAINTENANCE -             | \$1,047.92          | \$3,404.67          | \$13,100.00         | \$5,189.41          | <b>\$13,100.00</b>  | \$0.00             | 0.00          |
| 60-452-5250-0061                | EQUIPMENT MAINTENANCE - MAINS &     | \$14,484.66         | \$44,608.69         | \$22,000.00         | \$11,280.36         | <b>\$22,000.00</b>  | \$0.00             | 0.00          |
| 60-452-5250-0062                | EQUIPMENT MAINTENANCE - SERVICES    | \$8,674.43          | \$7,187.48          | \$7,000.00          | \$17,155.84         | <b>\$8,500.00</b>   | \$1,500.00         | 21.42         |
| 60-452-5250-0063                | EQUIPMENT MAINTENANCE - METERS      | \$27,835.82         | \$54,108.07         | \$101,500.00        | \$15,900.72         | <b>\$111,500.00</b> | \$10,000.00        | 9.85          |
| 60-452-5250-0064                | EQUIPMENT MAINTENANCE - LEAK        | \$111.84            | \$525.00            | \$0.00              | \$0.00              | <b>\$0.00</b>       | \$0.00             | 0.00          |
| 60-452-5250-0065                | EQUIPMENT MAINTENANCE -             | \$371.80            | \$2,295.00          | \$2,000.00          | \$392.05            | <b>\$2,000.00</b>   | \$0.00             | 0.00          |
| 60-452-5280                     | SAFETY PROGRAMS                     | \$1,326.00          | \$2,414.10          | \$1,600.00          | \$315.02            | <b>\$1,600.00</b>   | \$0.00             | 0.00          |
| 60-452-5281                     | DETAILS-CONTRACT OFFICERS           | \$10,749.60         | \$27,347.65         | \$12,000.00         | \$18,574.90         | <b>\$15,000.00</b>  | \$3,000.00         | 25.00         |
| 60-452-5317                     | EMPLOYEE TRAINING (EDUCATION)       | \$3,630.00          | \$1,229.00          | \$1,800.00          | \$935.00            | <b>\$1,800.00</b>   | \$0.00             | 0.00          |
| 60-452-5340                     | TELEPHONE                           | \$2,097.68          | \$2,668.43          | \$1,800.00          | \$941.25            | <b>\$1,800.00</b>   | \$0.00             | 0.00          |
| 60-452-5470-0051                | MATERIALS & SUPPLIES - GENERAL      | \$2,103.25          | \$2,677.40          | \$1,000.00          | \$1,974.64          | <b>\$2,000.00</b>   | \$1,000.00         | 100.00        |
| 60-452-5470-0058                | MATERIALS & SUPPLIES - 219 WINTER S | \$133.44            | \$0.00              | \$300.00            | \$0.00              | <b>\$500.00</b>     | \$200.00           | 66.66         |
| 60-452-5470-0061                | MATERIALS & SUPPLIES - MAINS &      | \$4,098.51          | \$17,191.78         | \$0.00              | \$8,407.71          | <b>\$0.00</b>       | \$0.00             | 0.00          |
| 60-452-5470-0062                | MATERIALS & SUPPLIES - SERVICES     | \$0.00              | \$32.98             | \$0.00              | \$0.00              | <b>\$0.00</b>       | \$0.00             | 0.00          |
| 60-452-5585                     | UNIFORMS                            | \$4,407.94          | \$4,582.07          | \$4,800.00          | \$1,534.14          | <b>\$4,800.00</b>   | \$0.00             | 0.00          |
| 60-452-5715                     | LICENSE RENEWALS                    | \$670.00            | \$325.00            | \$350.00            | \$256.00            | <b>\$350.00</b>     | \$0.00             | 0.00          |
| 60-452-5720                     | REGISTRATION FEES                   | \$136.00            | \$125.00            | \$400.00            | \$209.00            | <b>\$400.00</b>     | \$0.00             | 0.00          |

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Water Enterprise**

| <b>452 - WATER DISTRIBUTION</b>          |                                 | <b>FY2014</b>       | <b>FY2015</b>       | <b>FY2016</b>       | <b>FY2016</b>       | <b>FY2017 Town</b>  | <b>\$</b>          | <b>%</b>      |
|--|---------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|--------------------|---------------|
| <b>Account Number</b>                    | <b>Account Description</b>      | <b>Expended</b>     | <b>Expended</b>     | <b>Budget</b>       | <b>Expended</b>     | <b>Manager Rec</b>  | <b>Change</b>      | <b>Change</b> |
| 60-452-5730                              | DUES                            | \$123.00            | \$25.00             | \$250.00            | \$75.00             | <b>\$250.00</b>     | \$0.00             | 0.00          |
| <b>EXPENSES SUB-TOTAL:</b>               |                                 | <b>\$103,439.65</b> | <b>\$200,252.95</b> | <b>\$191,700.00</b> | <b>\$103,397.76</b> | <b>\$218,800.00</b> | <b>\$27,100.00</b> | <b>14.13</b>  |
| 60-452-5318                              | LEAK DETECTION                  | \$10,355.00         | \$11,009.00         | \$12,000.00         | \$8,050.00          | <b>\$20,000.00</b>  | \$8,000.00         | 66.66         |
| 60-452-5319                              | BACK FLOW PREVENTION INSPECTION | \$0.00              | \$0.00              | \$1,500.00          | \$0.00              | <b>\$1,500.00</b>   | \$0.00             | 0.00          |
| <b>CAPITAL OUTLAY SUB-TOTAL:</b>         |                                 | <b>\$20,249.10</b>  | <b>\$11,009.00</b>  | <b>\$13,500.00</b>  | <b>\$8,050.00</b>   | <b>\$21,500.00</b>  | <b>\$8,000.00</b>  | <b>59.25</b>  |
| <b>452 WATER DISTRIBUTION SUB-TOTAL:</b> |                                 | <b>\$530,517.21</b> | <b>\$639,291.94</b> | <b>\$707,775.00</b> | <b>\$330,925.12</b> | <b>\$782,579.00</b> | <b>\$74,804.00</b> | <b>10.56</b>  |

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Water Enterprise**

| <b>710 - DEBT SERVICE - PRINCIPAL</b>          |                                 | <b>FY2014</b>       | <b>FY2015</b>       | <b>FY2016</b>       | <b>FY2016</b>       | <b>FY2017 Town</b>  | <b>\$</b>          | <b>%</b>      |
|--|---------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|--------------------|---------------|
| <b>Account Number</b>                          | <b>Account Description</b>      | <b>Expended</b>     | <b>Expended</b>     | <b>Budget</b>       | <b>Expended</b>     | <b>Manager Rec</b>  | <b>Change</b>      | <b>Change</b> |
| 60-710-5910-0900                               | PRINCIPAL-WATER MAINS           | \$15,000.00         | \$15,000.00         | \$15,000.00         | \$0.00              | <b>\$15,000.00</b>  | \$0.00             | 0.00          |
| 60-710-5910-0901                               | PRINCIPAL-WATER TREATMENT PLANT | \$260,000.00        | \$260,000.00        | \$260,000.00        | \$0.00              | <b>\$260,000.00</b> | \$0.00             | 0.00          |
| 60-710-5910-0902                               | PRINCIPAL-WATER MAINS           | \$5,000.00          | \$5,000.00          | \$5,000.00          | \$0.00              | <b>\$5,000.00</b>   | \$0.00             | 0.00          |
| 60-710-5910-0903                               | PRINCIPAL-WATER MAIN REHAB      | \$30,000.00         | \$25,000.00         | \$25,000.00         | \$25,000.00         | <b>\$25,000.00</b>  | \$0.00             | 0.00          |
| 60-710-5910-0904                               | PRINCIPAL-WINTER ST FACILITY    | \$110,000.00        | \$120,000.00        | \$85,000.00         | \$85,000.00         | <b>\$100,000.00</b> | \$15,000.00        | 17.64         |
| 60-710-5910-0905                               | PRINCIPAL-RT 53 OVERPASS WATER  | \$10,000.00         | \$10,000.00         | \$10,000.00         | \$10,000.00         | <b>\$10,000.00</b>  | \$0.00             | 0.00          |
| 60-710-5910-0906                               | PRINCIPAL-WATER MAIN            | \$15,000.00         | \$15,000.00         | \$15,000.00         | \$0.00              | <b>\$10,000.00</b>  | \$-5,000.00        | -33.33        |
| 60-710-5910-0907                               | PRINCIPAL-WATER FILTERS         | \$5,000.00          | \$5,000.00          | \$5,000.00          | \$0.00              | <b>\$5,000.00</b>   | \$0.00             | 0.00          |
| 60-710-5910-0908                               | PRINCIPAL-CHEMICAL FEED         | \$5,000.00          | \$5,000.00          | \$5,000.00          | \$0.00              | <b>\$5,000.00</b>   | \$0.00             | 0.00          |
| 60-710-5910-0909                               | PRINCIPAL-WATER-34 60K          | \$10,000.00         | \$10,000.00         | \$0.00              | \$0.00              | <b>\$0.00</b>       | \$0.00             | 0.00          |
| <b>DEBT SERVICE SUB-TOTAL:</b>                 |                                 | <b>\$527,829.23</b> | <b>\$470,000.00</b> | <b>\$425,000.00</b> | <b>\$120,000.00</b> | <b>\$435,000.00</b> | <b>\$10,000.00</b> | <b>2.35</b>   |
| <b>710 DEBT SERVICE - PRINCIPAL SUB-TOTAL:</b> |                                 | <b>\$527,829.23</b> | <b>\$470,000.00</b> | <b>\$425,000.00</b> | <b>\$120,000.00</b> | <b>\$435,000.00</b> | <b>\$10,000.00</b> | <b>2.35</b>   |

***Town of Hanover***  
**Town Manager Recommended Budget**  
**FY17 Water Enterprise**

| <b>751 - DEBT SERVICE - INTEREST</b>          |                                  | <b>FY2014</b>       | <b>FY2015</b>       | <b>FY2016</b>       | <b>FY2016</b>     | <b>FY2017 Town</b>  | <b>\$</b>           | <b>%</b>      |
|---|----------------------------------|---------------------|---------------------|---------------------|-------------------|---------------------|---------------------|---------------|
| <b>Account Number</b>                         | <b>Account Description</b>       | <b>Expended</b>     | <b>Expended</b>     | <b>Budget</b>       | <b>Expended</b>   | <b>Manager Rec</b>  | <b>Change</b>       | <b>Change</b> |
| 60-751-5915-0900                              | INTEREST-WATER MAIN 285K         | \$6,616.24          | \$6,016.24          | \$5,398.00          | \$0.00            | <b>\$4,760.00</b>   | \$-638.00           | -11.81        |
| 60-751-5915-0901                              | INTEREST-WATER TREATMENT PLANTS  | \$126,945.00        | \$116,545.00        | \$105,820.00        | \$0.00            | <b>\$94,770.00</b>  | \$-11,050.00        | -10.44        |
| 60-751-5915-0902                              | INTEREST-WATER MAIN 115K         | \$2,441.26          | \$2,241.26          | \$2,035.00          | \$0.00            | <b>\$1,823.00</b>   | \$-212.00           | -10.41        |
| 60-751-5915-0903                              | INTEREST-WATER MAIN REHAB 285K   | \$3,600.00          | \$2,500.00          | \$1,500.00          | \$1,000.00        | <b>\$500.00</b>     | \$-1,000.00         | -66.66        |
| 60-751-5915-0904                              | INTEREST-WINTER ST FACILITY      | \$14,400.00         | \$9,800.00          | \$5,700.00          | \$3,700.00        | <b>\$2,000.00</b>   | \$-3,700.00         | -64.91        |
| 60-751-5915-0905                              | INTEREST-RT 53 OVERPASS WATER    | \$1,400.00          | \$1,000.00          | \$600.00            | \$400.00          | <b>\$200.00</b>     | \$-400.00           | -66.66        |
| 60-751-5915-0906                              | INTEREST-WATER MAIN 230K         | \$6,050.00          | \$5,525.00          | \$5,000.00          | \$2,500.00        | <b>\$4,400.00</b>   | \$-600.00           | -12.00        |
| 60-751-5915-0907                              | INTEREST-WATER FILTER 50K        | \$1,125.00          | \$575.00            | \$400.00            | \$200.00          | <b>\$200.00</b>     | \$-200.00           | -50.00        |
| 60-751-5915-0908                              | INTEREST-CHEMICAL FEED EQUIP 60K | \$375.00            | \$575.00            | \$400.00            | \$200.00          | <b>\$200.00</b>     | \$-200.00           | -50.00        |
| 60-751-5915-0909                              | INTEREST-WATER-34 60K            | \$400.00            | \$200.00            | \$0.00              | \$0.00            | <b>\$0.00</b>       | \$0.00              | 0.00          |
| <b>DEBT SERVICE SUB-TOTAL:</b>                |                                  | <b>\$192,225.65</b> | <b>\$144,977.50</b> | <b>\$126,853.00</b> | <b>\$8,000.00</b> | <b>\$108,853.00</b> | <b>\$-18,000.00</b> | <b>-14.18</b> |
| <b>751 DEBT SERVICE - INTEREST SUB-TOTAL:</b> |                                  | <b>\$192,225.65</b> | <b>\$144,977.50</b> | <b>\$126,853.00</b> | <b>\$8,000.00</b> | <b>\$108,853.00</b> | <b>\$-18,000.00</b> | <b>-14.18</b> |



# COMMUNITY PRESERVATION



*"Hanover, Honoring Yesterday As We Build For Tomorrow"*



## Community Preservation

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### **THE COMMUNITY PRESERVATION ACT IN HANOVER**

Massachusetts General Law, Chapter 44B, allows Massachusetts cities and towns to raise funds through a surcharge of up to 3% of the real estate tax levy on real property. These funds may then be used to address three core community concerns:

- Acquisition and preservation of open space
- Creation and support of community housing
- Acquisition and preservation of historic buildings and landscapes

A minimum of 10% of the annual revenues of the fund must be used for each of the three core community concerns. The remaining 70% can be allocated for any combination of the allowed uses, or for land for recreational use. This gives each community the opportunity to determine its priorities, plan for its future, and have the funds to bring projects into fruition.

#### UNDERSTANDING THE PROPERTY TAX SURCHARGE:

Property taxes traditionally fund the day-to-day operating needs of safety, health, schools, roads, maintenance - and more. But until the CPA, there was no steady funding source for preserving and improving a community's recreational infrastructure, historical fabric and the creation of affordable housing opportunities.

The CPA was approved by the Town of Hanover at the Annual Town Election on November, 2004 and the Community Preservation Committee was formed at the May 2005 Town Meeting. Voters elected to fund the CPA account through a 3% surcharge on all real estate property tax bills beginning in fiscal year 2006 with two exemptions:

- Residential property owned and occupied by any person who qualifies for low-income housing, or low- or moderate-income senior housing
- \$100,000 of taxable value of residential real property

Since adoption, the Town of Hanover has raised over \$7.8 million in CPA funds, including the annual distributions from the state's Community Preservation Trust Fund.



## Community Preservation

*The following example illustrates the amount of this surcharge for an average priced home in Hanover fiscal year 2015:*

|  |              |
|--|--------------|
| Average Price of a House in Hanover*         | \$379,100.00 |
| Residential Tax Rate                         | \$16.21      |
| Average Annual Tax                           | \$6145.21    |
| Annual CPA Surcharge for Average Priced Home | \$135.73     |

**\*First \$100,000 of residential value is exempt from the Community Preservation Act (CPA) surcharge.**

### THE COMMUNITY PRESERVATION COMMITTEE

The Hanover General Bylaws Section 4-19 establishes the Community Preservation Committee. The Committee is made up of nine members. Three at-large members are appointed by the Moderator and one member from each of the following Committees: Planning Board, Conservation Commission, Open Space Committee, Historical Commission, Affordable Housing Trust and Parks and Recreation Commission who are appointed by their respective Committees. Each year the Committee accepts applications and makes recommendations for the uses of Community Preservation funds.

The Committee is obliged by the Hanover CPA Bylaw to study the needs, possibilities, and resources of the town regarding community preservation. The Committee consults with existing municipal boards as it formulates its recommendations. The Committee will make an ongoing effort to meet with the many interested groups and town departments, committees, and boards as it goes forward. This document outlines the processes by which the Committee will solicit, review, and recommend proposals for CPA funding.

The Community Preservation Committee depends upon input from residents on their ideas for future uses of CPA funds. The CPC can be reached by emailing the Community Preservation Coordinator, Peter Matchak ([peter.matchak@hanover-ma.gov](mailto:peter.matchak@hanover-ma.gov)) or calling 781-826-5000 Ext: 1026. Applications are available at the Town Hall in the second floor Community Preservation/Planning Office, or online at the town's website. Applications for CPC funding shall be submitted prior to the Commissions annual November meeting in order to have articles ready for Town Meeting in May.

Copies of the state legislation are available on the state's web site:

<http://www.mass.gov/legis/laws/mgl/gl-44b-toc.h>

<http://www.communitypreservation.org/>

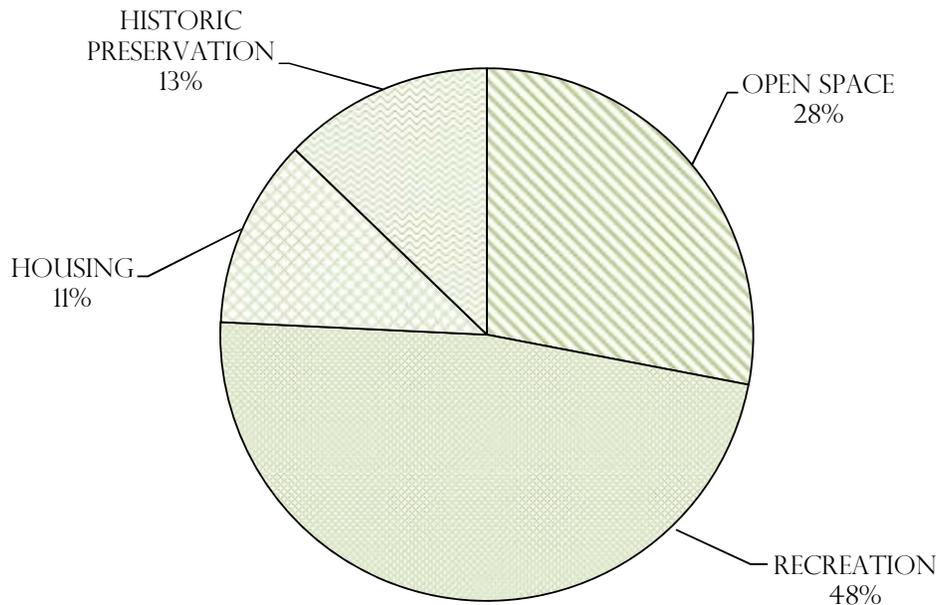


## Community Preservation

### CPA FUNDING REQUIREMENTS

The CPA mandates that each fiscal year Hanover must spend, or set aside for later spending, at least 10% of the annual revenues in the Town of Hanover Community Preservation Fund. The Fund is used for each of three CPA target areas: open space/recreation, historic resources, and community housing. The remaining 70% may be appropriated at the Town's discretion as long as it is used for the three target areas or recreation. The statute also permits the Town to appropriate up to 5% of the fund for the administrative expenses of the Committee. Any CPA funds not used in any given year, including the current year administrative budget, stay within the CPA Fund, and can be used for approved projects in the future. A recommendation by the Committee and an appropriation by Town Meeting are both required to spend any CPA funds for particular community preservation purposes. Appropriations from the CPA Fund, except borrowing, are made by a simple majority vote of Town Meeting. Borrowing money for CPA purposes requires a two-thirds majority vote of Town Meeting. In its deliberations, Town Meeting may approve, reduce, or reject any amount of spending appropriation recommended by the Committee. Town Meeting may not, however, increase any recommended appropriation or reservation. In addition, Town Meeting may not appropriate any fund on its own initiative without a prior recommendation by the Committee and may not amend a recommended project so as to render it no longer the recommended project.

*The chart below shows the percentage of CPA funds which have been allocated to each category from the beginning of the program through the 2014 Annual Town Meeting:*





## Community Preservation

### FY17 ESTIMATED REVENUES

| <b>Estimated Revenues:</b>          |                     |
|-------------------------------------|---------------------|
| Gross Surcharge for FY16            | \$ 884,243          |
| Estimated abatements/exemptions     | \$ (25,000)         |
| 2.5% Tax Increase                   | \$ 21,481           |
| Estimated Surcharge for FY17        | \$ 880,724          |
| Estimated State Match (25%)         | \$ 220,181          |
| <b>Total Estimated FY17 Revenue</b> | <b>\$ 1,100,905</b> |

The above chart shows the estimated revenues for FY17. In calculating the estimation, we begin with the gross surcharge for the current fiscal year (FY16), add an estimation of abatements/exemptions that may be granted and therefore lessening the actual revenue and lastly forecasting the state match.

The surcharge is explained earlier in this section of the document in detail. The second source of revenue for this fund is the state matching funds provided by a surcharge on recording fees charged at the Registry of Deeds.

### FY17 APPROPRIATIONS & SET ASIDES

| <b>Appropriations &amp; Set Asides:</b>      |                     |
|--|---------------------|
| 5% Administrative Budget                     | \$ 55,045           |
| 10% Open Space Reserve                       | \$ 110,091          |
| 10% Historic Preservation Reserve            | \$ 110,091          |
| 10% Affordable Housing Reserve               | \$ 110,091          |
| <b>FY17 Debt Obligations:</b>                |                     |
| Land Acquisition \$1,380,000                 | \$ 106,200          |
| Recreation Fields \$1,000,000                | \$ 86,450           |
| Outdoor Recreational Facility \$700,000      | \$ 79,550           |
| King St. Recreational Complex \$1,600,000    | \$ 170,400          |
|  | \$ 442,600          |
| Budgeted Reserve                             | \$ 272,988          |
| <b>Total Appropriations &amp; Set Asides</b> | <b>\$ 1,100,905</b> |



## Community Preservation

The budgeted reserve shown above is an annual reserve created by appropriation from estimated annual fund revenues for community preservation purposes during the fiscal year. At the end of the fiscal year, if these funds remain unappropriated they are closed out to fund balance. Appropriations or reservations may be made from estimated annual revenues until the tax rate is set.

### SOURCES OF FUNDING – OTHER THAN ANNUAL ESTIMATED REVENUES

The reserves that are created from year to year are either used to fund projects or accumulate balances that may be used in future years.

The undesignated fund balance may be used to fund any community preservation project throughout the year once it is certified by the Department of Revenue. The preliminary balance that may be available for use is \$682,728.

The following chart shows the amounts available for use at the Annual Town Meeting for the three categories of reserves.

| Reserve           | FY15<br>6/30/15 | FY16<br>Set Aside | FY16<br>Appropriations | Current<br>Balance | FY17<br>Set Aside | Total Available<br>for ATM |
|-------------------|-----------------|-------------------|------------------------|--------------------|-------------------|----------------------------|
| Historic          | \$ 384,761      | \$ 87,355         | \$ (470,450)           | \$ 1,666           | \$ 110,091        | \$ 111,757                 |
| Community Housing | \$ 213,723      | \$ 87,355         | \$ (100,000)           | \$ 201,078         | \$ 110,091        | \$ 311,169                 |
| Open Space        | \$ 106,460      | \$ 87,355         | \$ -                   | \$ 193,815         | \$ 110,091        | \$ 303,906                 |

### HOW COMMUNITY PRESERVATION ACT FUNDS CAN BE USED

Community Preservation Act funds must be used for public community preservation purposes. Community preservation is defined by the CPA as, "the acquisition, creation and preservation of open space, the acquisition, creation and preservation of historic structures and landscapes, and the creation and preservation of community housing." Preservation is defined as, "the protection of personal or real property from injury, harm or destruction, but not including maintenance." As detailed by the CPA, funds may be spent to undertake the following primary community preservation purposes:

- The acquisition, creation and preservation of open space. Open space, as defined by the CPA, "shall include, but not be limited to, land to protect existing and future well fields, aquifers and recharge areas, watershed land, agricultural land, grasslands, fields, forest land, fresh water marshes and other wetlands, river, stream, lake and pond frontage, lands to protect scenic vistas, land for wildlife or nature preserve and land for recreational use."



## Community Preservation

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- The creation, preservation and support of community housing. The CPA defines community housing as, "low and moderate income housing for individuals and families, including low or moderate income senior housing."
- The acquisition and preservation of historic resources. The CPA recognizes historic resources as, "historical structures and landscapes," including "a building, structure, vessel or real property that is listed or eligible for listing on the state register of historic places or has been determined by the local historic preservation commission to be significant in the history, archeology, architecture or culture of a city or town." For CPA purposes, the local historic preservation commission is the Town of Hanover Historical Commission.
- The acquisition, creation, and preservation of land for recreational use. The CPA defines recreational use as, "active or passive recreational use including, but not limited to, the use of land for community gardens, trails, and noncommercial youth and adult sports, and the use of land as a park, playground or athletic field. 'Recreational use' shall not include horse or dog racing or the use of land for a stadium, gymnasium, or similar structure.

Community Preservation Act funds may also be used for the following (and possibly other) purposes:

- The "rehabilitation or restoration of open space, historic resources, land for recreational use and community housing that is acquired or created" using money from the Fund.
- A community may "set aside" revenues for "later spending."
- Annual "administrative and operating expenses" of the Committee.
- Annual principal and interest payments, preparation, issuance and marketing costs for bonds or notes for borrowings for community preservation purposes.
- Damages payable to property owners for real estate interests taken by the Town by eminent domain for community preservation purposes.
- "Local share for state and federal grants" for allowable community preservation purposes.
- Property acquisition-related expenses including appraisal costs, expenses for title searches, and closing fees.

Community Preservation Act funds may not be spent for the following purposes:

- "Replace existing operating funds, only augment them." The Fund is a supplementary funding source intended to increase available resources for community preservation acquisitions and initiatives.
- Pay for routine maintenance, defined as, "the upkeep of any real or personal property."
- Gymnasiums, stadiums, or any similar structure.
- Projects without a public purpose or public benefit.



# Community Preservation

## DEFINITIONS:

*Open Space* – Open space is defined to include, but is not limited to agricultural land, well fields, aquifers, recharge areas, and other watershed lands, grasslands, fields, or forest lands, fresh and salt water marshes and other wetlands, ocean, river, stream, lake and pond frontage beaches, dunes, and other coastal lands, scenic vistas, land for wildlife habitat or biodiversity or nature preserves.

*Historic Resources* – A historic resource is defined to include a building, a structure, vessel, or other real property that is either listed or eligible for listing on the State Register of Historic Places or determined by the local Historic Commission to be significant in the history, archeology, architecture, or culture of the city or town.

*Recreational Land* – Land for active or passive recreational use including but not limited to the use of land for community gardens, trails and non-commercial youth and adult sports and the use of land as a park, playground or athletic field. Does not include horse or dog racing, or the use of land for a stadium, gymnasium or similar structure.

*Community Housing* - Housing for low and moderate income individuals and families, including low or moderate income seniors. Moderate income is less than 100% and low income is less than 80% of U.S. HUD Area Wide Median Income.

*Below is a chart outlining the allowable uses of CPA funds:*

|                      | <b>Open Space</b> | <b>Historic Resources</b> | <b>Recreational Land</b> | <b>Community Housing</b> |
|----------------------|-------------------|---------------------------|--------------------------|--------------------------|
| Acquire              | Yes               | Yes                       | Yes                      | Yes                      |
| Create               | Yes               | No                        | Yes                      | Yes                      |
| Preserve             | Yes               | Yes                       | Yes                      | Yes                      |
| Support              | No                | No                        | No                       | Yes                      |
| Rehabilitate/Restore | Yes*              | Yes                       | Yes*                     | Yes*                     |

\*Yes, if acquired or created with CPA funds.

## GENERAL REVIEW:

To be eligible for review, a project must meet the statutory requirements. It is the responsibility of the applicant to demonstrate to the Committee that a project meets the minimum statutory requirements. The Committee will, to the extent that it is prudent, assist the applicant in that determination. The



*Hanover Cemetery*



## Community Preservation

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purpose of the factors for consideration is to provide guidance to the applicant, to the Committee and to the town in evaluating funding eligibility, priorities, and timing. It is recognized that not every factor will apply to every project and the failure to meet any specific factor, other than the minimum statutory requirements, does not require rejection of a project. The following factors for consideration are intentionally not weighted nor listed in order of preference or importance. The Committee reserves the discretion to reject or accept a project that does not meet or address any or all of the factors for consideration. The factors for consideration may be clarified, amended or replaced from time to time as experience dictates. Any proposal to change any factor will be placed on the Committee agenda for public discussion at a duly noticed meeting. Evaluation of projects submitted for consideration by the Committee will include consideration of several factors including but not limited to the following:

- The project is consistent with the goals of the Town of Hanover Community Preservation Plan.
- The project is economically or otherwise reasonably feasible to implement and operate on a long term basis.
- The project satisfies federal, state and local laws to the extent applicable.
- The project preserves, protects, increases or enhances Town-owned open space, recreation, historic and/or housing assets.
- A project that benefits privately owned resources shall include permanent restrictions to ensure a public benefit.
- Awarding funds for the project is consistent with prudent long-term management of CPA funds.
- The applicant has site control, or the written consent by the property owner (or relevant Town agency or board) to submit an application.
- CPA funding will enable the project.

### OPEN SPACE & RECREATION

The Town of Hanover is a community that resonates with character from its history, open spaces, scenic views and the people who live here. Maintaining the original character and ensuring that open space, natural resources and recreation continues to stay on the forefront of residents minds as the town continues to manage its growth is essential to those who live in Hanover. As a semi-rural suburban community in the metro Boston region, Hanover is an attractive community for both residential and commercial development. Land is a finite resource, so competing needs of the development community and the efforts of planning projects such as the Open Space and Recreation Plan (OSRP) update become evident. Continuing to manage and guide growth while protecting open space and natural resources and providing meaningful recreational opportunities will continue to be a challenge in the future. Although the town has continued to experience significant residential development over the last five years, Hanover retains certain natural and scenic resources, including wetlands, diverse wildlife, conservation areas,



## Community Preservation

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ponds, rivers and open space. These resources contribute to making the Town a desirable place to live, fueling its continued residential growth.



Forge Pond Park, opened in 2014

The Town of Hanover has numerous open space properties including, but not limited to; Forge Pond Park, the Colby Philips Property, Luddam's Ford Park and the Merry Property. Since 2006, Hanover has used CPA funding to purchase four open space properties, which amounts to an additional 374 acres of protected land in Hanover. Some of these properties were acquired in an effort to further the Hanover Greenway Project, which was initiated in 1999. The Hanover Greenway Project seeks to link numerous town, state and privately owned properties throughout Hanover to create a long, continuous walking trail.

The following is a comprehensive list of existing trails in Hanover as of FY2015:

Legion Drive Trail  
Cross Street Trail  
Fireworks Loop Trail  
French's Stream Trail  
Whiton Court Trail  
Willow Road Trail  
Clark Bog Loop Trail

Tindale Bog Trail  
Myrtle Street Trail  
Pine Island Trails  
Colby Philips Trail  
Wildland's Trust Trail  
King Street Trail  
Forge Pond Trail

Morrill Allen Philip's Loop Trail  
Luddam's Ford Railroad Bed Trail  
Waterford Canoe Launch Trail  
High School Connector Trail  
Middle School Connector Trail  
Power Line Connector Trail  
Indian Head Canoe Launch Trail



## Community Preservation

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The Community Preservation Committee has adopted the following open space and recreation goals and objectives (Goals as excerpted from the 2008-2012 Town of Hanover Open Space and Recreation Plan).

GOAL 1: *Preserve and protect open space and natural areas in Hanover because they provide linkages between the history of the Town and the present conditions.*

### OBJECTIVES:

- Identify, preserve and protect those historic, cultural, and natural resources that contribute to the character of the Town.
- Continue to implement projects which heighten public awareness of Hanover's unique natural and cultural resources (such as designating additional Scenic Roads).
- Protect and enhance the quality of Hanover's surface and groundwater as a source of municipal drinking water and for wildlife and recreation use.
- Obtain open space through a variety of methods such as, but not limited to, acquiring development rights, outright purchasing potentially developable land, and encouraging property owners to protect and/or preserve their land as open space through conservation restrictions or other means.
- Enhance appropriate public access to and uses of existing conservation land and continue to work towards establishing a continuous greenbelt.

GOAL 2: *Enhance, maintain and preserve passive and active recreational opportunities for Hanover residents and visitors of all ages, abilities and interests.*

### OBJECTIVES:

- Provide diverse, year-round recreational resources (active and passive) for all ages and capabilities.
- Focus on trail creation, maintenance and information outreach.
- Repair and maintain existing sports fields.
- Promote a healthy and livable community that encourages non-vehicular transportation and passive recreation opportunities.
- Better inform residents of the location of open space and recreation amenities are located, how they can be utilized and why they are important to the community.



## Community Preservation

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*The following are short and long-term goals identified by the Hanover Open Space Commission and the Hanover Park and Recreation Commission:*

### Open Space Short and Long-Term Goals:

- Preserve and protect natural areas that contribute to the public health and character of the Town. Special interests are: areas that abut other conservation properties; that are adjacent to critical habitats or watersheds; or that satisfy a local un-met need for passive recreation. A high priority is the conservation and protection of Cardinal Cushing property adjacent to the Third Herring Brook.
- Improve public access to conserve properties through trail improvement and extension projects:
  - Bridge over Torrey Brook to connect Senior Center trail system.
  - Trail and bog-bridge system on Shingle Mill (Webster Street) property.
- Secure complete “Rail Trail” transformation of abandon Hanover rail bed for the development and implantation of a passive recreational walking and biking paths.
  - First segment: West Hanover town line to Ellis Field

### Park and Recreation Commission Short and Long-Term Goals:

- Create and improve recreational spaces and fields in the community.
- Improve existing playground facilities under Park and Reaction jurisdiction, while planning for new playground areas.
- Implementation of a splash pad (outdoor water facility) at the B. Everett Hall Field.
- Creation of a scenic community common at the entrance of the B. Everett Hall facility.

Evaluation of projects submitted for consideration by the Committee will include consideration of several factors, including but not limited to the following:

- Preservation of large tracts of undeveloped land
- Acquisition or control of additional open space and development of additional public open spaces and parklands
- Linkage and connection to preserved open space resources by providing or improving trail and wildlife corridors
- Protection of the quality and quantity of Hanover's water supply
- Protection of wildlife habitat and wildlife corridors

The requests for additional recreation facilities has increased as activities have grown to include younger participants and senior adults, both genders, longer or multiple seasons, and a greater number and variety of sports and activities. It is important to plan now for both short- and long-term solutions to this growth



## Community Preservation

of demand. The Town's permanently protected open space includes a network of foot trails that provide opportunities for passive recreation, such as hiking, cross-country skiing, and access to ponds.

*The following projects have been appropriated by the Hanover Community Preservation Committee under the area of Open Space and Recreation:*

| APPROVAL DATE | PROJECT NAME                               | AMOUNT      |
|---------------|--|-------------|
| 2006          | King Street Property Purchase              | \$1,430,000 |
| 2006          | Open Space & Recreation Plan               | \$35,000    |
| 2006          | King Street Park & Ball Field Study/Plans  | \$35,000    |
| 2007          | 645 Center Street Land Purchase            | \$800,000   |
| 2008          | Trail Improvements on Conservation Parcels | \$13,410    |
| 2008          | 553 Center Street Purchase                 | \$700,000   |
| 2008          | King Street Engineering & Construction     | \$2,500,000 |
| 2009          | Open Space Administrative Funding          | \$10,000    |
| 2010          | Open Space Administrative Funding          | \$20,000    |
| 2010          | King Street Construction                   | \$1,600,000 |
| 2011          | 120 Circuit Street Property Purchase       | \$580,000   |
| 2013          | Webster Street Open Space Acquisition      | \$325,000   |
| 2013          | Open Space Walking Map                     | \$10,600    |
| 2013          | King Street Recreation Fields              | \$240,000   |
| 2014          | Trail Feasibility Study                    | \$25,000    |

For more information on the Hanover Greenway Project visit:  
<http://www.hanover-ma.gov/sites/hanoverma/files/file/file/greenway-project.pdf>

### COMMUNITY HOUSING

The CPA provides that community preservation funds may be expended "for the creation, preservation and support of community housing and for the rehabilitation or restoration ... of community housing," but not including maintenance. Hanover's community housing resources and needs are currently detailed in the 2013 Hanover Affordable Housing



645 Center Street Habitat for Humanity House – September 2014



## Community Preservation

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Plan. The average price of homes and rental units in Hanover has risen far beyond what many moderate-income families, Town employees and people who work in Hanover are able to afford. Community housing opportunities help attract and retain, among others, low and moderate-income families, the elderly on fixed incomes, the disabled, young persons and public and private employees upon whom the Town depends to provide high quality services in and for the Town.

The Massachusetts Department of Housing and Community Development lists 532 affordable housing units in the current state-approved Subsidized Housing Inventory, 11.01% of the total year-round housing stock in Hanover. Build-out projections estimate that Hanover can support about 6,740 units of housing based on current zoning, 1,908 above the 4,832 existing households. Hanover has recently made significant progress on meeting the states mandated 10% affordable housing threshold which can be appreciated in the development 645 Center Street which created two (2) single family homes through a partnership with South Shore Habitat for Humanity.

The Affordable Housing Trust Fund since its adoption in 2009 has helped finance the creation of affordable housing units resulting in affordable options ranging from elderly housing units and single family homes. Soon after the adoption, the Affordable Housing Trust granted \$275,000 to the development of Barstow village a 66 unit, 62 years or older senior housing development. Recently, the Trust has invested in two more noteworthy projects. First, the Trust has voted to support at the amount of \$240,500 the redevelopment of the historic Kennedy Building on the Cardinal Cushing campus creating 37 affordable units. Additionally, in 2015 the Trust granted \$35,000 to the funding efforts championed by South Shore Habitat for Humility to develop two affordable single family homes. Since, adoption of the Affordable Housing Trust over a half of a million dollars has been allocated to support the creation of 105 affordable housing units.

The Community Preservation Committee along with the Affordable Housing Trust Fund has adopted the following community housing goals and objectives (Goals as excerpted from the 2013 Town of Hanover Master Plan).

GOAL 1: *To build local knowledge, capacity and public support for affordable housing initiatives.*

OBJECTIVES:

- Continue to engage the community in discussions on affordable housing to present information on the issue needed to dispel myths and negative stereotypes and to help galvanize local support for new production.
- Meet local housing needs along the full range of incomes, promoting social and economic diversity and the stability of individuals and families living in Hanover
- Leverage other public and private resources to the greatest extent possible
- Promote smart growth development



## Community Preservation

GOAL 2: *To meet or exceed the state mandate of 10% affordable housing stock pursuant to Massachusetts General Laws, Chapter 40B, in order to provide sufficient affordable housing to meet the Town's current and future needs.*

OBJECTIVES:

- Work with non-profit and for profit developers, as well as with abutters of vacant land, to develop new infill housing on available vacant sites scattered throughout town.
- Identify and redevelop abandoned, underutilized, or obsolete non-residential property for residential [affordable housing] use.
- Provide a wide range of housing alternatives to meet diverse housing needs
- Maintain the quantity and quality of existing affordable housing.
- Expand number of affordable housing units.

Evaluation of projects submitted for consideration by The Committee will include consideration of several factors, including but not limited to the following:

- Contribute to the goal of achieving 10 percent affordable housing
- Promote a socioeconomic environment that encourages diversity
- Is consistent with and assures fair housing practices
- Provide housing that is harmonious in design and scale with the surrounding community
- Ensure long-term affordability
- Promote use of existing buildings or construction on previously-developed or Town-owned sites
- Give priority to local residents, Town employees, and employees of local businesses to the extent allowed by law

*The following projects have been appropriated by the Hanover Community Preservation Committee under the area of Community Housing:*

| APPROVAL DATE | PROJECT                                 | AMOUNT    |
|---------------|---|-----------|
| 2006          | Affordable Housing Plan                 | \$35,000  |
| 2007          | Legion Drive Feasibility & Site Study   | \$32,000  |
| 2007          | 645 Center Street Property Purchase     | \$800,000 |
| 2009          | Affordable Housing Trust Funds Transfer | \$350,000 |
| 2010          | Affordable Housing Trust Funds Transfer | \$180,000 |
| 2010          | Walnut Street Habitat for Humanity Home | \$30,000  |
| 2011          | Affordable Housing Trust Funds Transfer | \$100,000 |
| 2012          | Affordable Housing Trust Funds Transfer | \$250,000 |
| 2013          | Affordable Housing Trust Funds Transfer | \$100,000 |
| 2014          | Affordable Housing Trust Funds Transfer | \$100,000 |



## Community Preservation

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### HISTORICAL PRESERVATION

The Town of Hanover, which was incorporated in 1727, takes great pride in its rich historical and cultural heritage. As represented by the Town Seal, Hanover's early economy revolved around agriculture and shipbuilding. Shipyards were located on the banks of the North River, and early mills that ground corn, sawed lumber, and forged iron were located on smaller streams around town. By the end of the 1800's, industries such as the Clapp Rubber Mill and the Goodrich Shoe Company, employed many of the former farmers. Hanover has a considerable number of historic assets, including municipal buildings, burial grounds, and historic monuments. These resources offer residents and visitors opportunities to learn about their heritage and the history of the town. There are numerous architectural styles represented in Hanover, including Colonial Cape Cod, Georgian, Federal, Greek Revival, Queen Anne, Italianate Second Empire and Shingle Style. Some of the oldest structures in town include the Daniel Turner House built c.1693, the Col. John Bailey House built in 1712 and the Stetson House built c.1716.



The Town of Hanover has one listing on the National Register of Historic Places and ten on the Massachusetts State Register of Historic Places. The Hanover Center Historic District, which encompasses the Town Hall, the John Curtis Free Library, the First Congregational Church, the Stetson House and the Hanover Cemetery, was listed on the National Register in 1996. The following are listed on the State Register of Historic Places:

- Hanover Center Historic District
- Hanover Town Hall
- Town Hall Memorial Flagpole
- Hanover Cemetery
- Hanover Center Cannons/Cannonballs
- First Congregational Church
- John Curtis Free Library
- Soldier's and Sailor's Monument
- Stetson House
- Edmund Q. Sylvester School

As development pressures have dramatically increased in recent years, the Town has become increasingly aware of the need to actively preserve its historic resources. Section 2 of the CPA statute defines historic

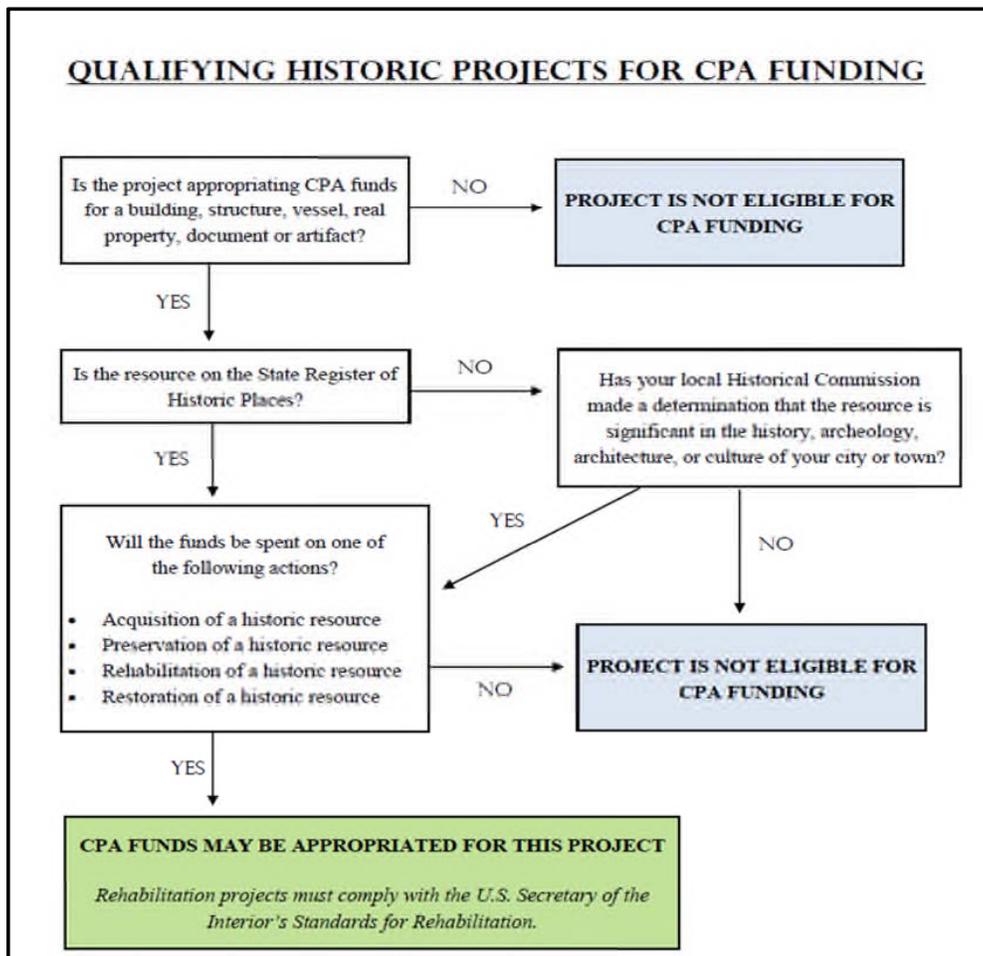


## Community Preservation

resources as "a building, structure, vessel, real property, document, or artifact that is listed or eligible for listing on the state register of historic places or has been determined by the local historic preservation commission to be significant in the history, archeology, architecture or culture of a city or town." CPA funds are allowed to be used for the ". . . acquisition, preservation, rehabilitation, and restoration of historic resources." Recognition and protection of the Town's historic resources can help preserve the character of the Town for future generations and serve as an educational resource.

Furthermore, within the definition of "rehabilitation," CPA is allowed to fund improvements to make historic resources functional for its intended use, including improvements to comply with the Americans with Disabilities Act and other building or access codes. All rehabilitation work with respect to historic resources is required to comply with the Standards for Rehabilitation stated in the US Secretary of the Interior's Standards for the Treatment of Historic Properties (codified in 36 C.F.R. Part 68).

The following flow chart details the steps to determine whether a historic preservation project qualifies for CPA funding:





## Community Preservation

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The Community Preservation Committee has adopted the following historic preservation goals and objectives (Goals as excerpted from the 2007 Hanover Historic Preservation Plan).

GOAL 1: *Protecting historic buildings and landscapes to prevent the loss of important historic resources and preserve those resources for the future.*

OBJECTIVES:

- Preserve, restore, and rehabilitate significant historical structures, sites and artifacts.
- Support possible reuse of buildings slated to be demolished.
- Work with the Hanover Historical Commission to:
  - Review and endorse historical proposals.
  - Certify that a CPC application for a historic project is locally significant.
  - Ensure work on historic resources complies with the United States Secretary of the Interior's Standards for Rehabilitation.
  - Assist in the development of preservation restrictions for historic projects.

GOAL 2: *Improving, increasing and maintaining the community's knowledge of and access to Hanover's historic resources.*

OBJECTIVES:

- Work with the Hanover Historical Commission to support greater public access to information on historic properties using the Town's website and Geographic Information System (GIS).
- Support National Register nominations for significant historic properties and sites.

Short-Term and Long-Term Goals Identified by the Hanover Historical Commission:

- Update the Town's existing historic property inventory and prepare grant applications to the Massachusetts Historical Commission to assist with funding (50% match required).
- Develop an archival storage plan for the Hanover Historical Commission records that are currently located in the Stetson House. The Commission wishes to catalogue the existing collection, move its contents to an environmentally appropriate storage location, and implement a plan to make these records accessible to the public.
- Engage a historic landscape consultant to aide in the elaboration and implementation of the improvements recommended in the 2010 Hanover Cemeteries Preservation Plan, focusing on enhancing and conserving the historic landscapes, plantings, roadways.



## Community Preservation

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- Conduct a full inventory of the location and condition of Town-owned historic artifacts and make recommendations for appropriate conservation and care that is in line with current archival standards.
- Conduct a feasibility study to determine the suitability, scope, and process for establishing one or several local historic districts within the residential areas of Town.
- Identify the most significant historic buildings and spaces in Hanover (based on the updated inventory and consultation with Town residents). Develop and implement plans to conserve these important pieces of Hanover's historic character.

Evaluation of projects submitted for consideration by The Committee will include review of several factors, including but not limited to the following:

- The property or site is on a State or National Historic Register or is eligible for placement on such a register
- The property, site, document or artifact has been determined by the Hanover Historical Commission to be significant in the history, archaeology, architecture or culture of the Town.
- Preserves and protects historic and cultural properties and sites to the extent allowed under the CPA.
- Demonstrates a public benefit to preserve historic resources. Town owned facilities may be preferred in The Committee's evaluation process.
- Incorporates the remodeling, reconstruction and making of extraordinary repairs to historic resources, such as improvements intended to make historic facilities functional for their intended use, including but not limited to, handicapped accessibility and building code requirements.



## Community Preservation

*The following projects have been appropriated by the Hanover Community Preservation Committee under the area of Historic Preservation:*

| APPROVAL DATE | PROJECT                                      | AMOUNT    |
|---------------|--|-----------|
| 2006          | Historic Preservation Plan & Inventory       | \$20,000  |
| 2007          | John Curtis Free Library Columns             | \$10,260  |
| 2008          | Stetson House Cobbler Shop Roof              | \$1,250   |
| 2008          | Historical Society Collection & Care         | \$15,400  |
| 2008          | Sylvester School Tiling / Asbestos Abatement | \$275,000 |
| 2009          | Town Building Needs Study                    | \$60,000  |
| 2009          | Historic Cemetery Assessment Study           | \$40,000  |
| 2009          | Town Document Preservation                   | \$45,000  |
| 2009          | Historical Society Collection & Care         | \$13,040  |
| 2010          | Hackett's Pond Preservation                  | \$50,000  |
| 2010          | Stetson House Restoration                    | \$20,300  |
| 2010          | Restoration of Monuments & Flagpoles         | \$50,000  |
| 2010          | Salmond School Boiler                        | \$120,000 |
| 2010          | Salmond School ADA Bathroom                  | \$85,000  |
| 2010          | Sylvester School Roof Repairs                | \$15,000  |
| 2010          | Sylvester School ADA Design                  | \$55,500  |
| 2011          | Historic Cemetery Preservation               | \$80,000  |
| 2012          | Stetson House Roof Preservation              | \$2,875   |
| 2012          | Historical Society Collection & Care         | \$16,500  |
| 2012          | Historic Cemetery Preservation               | \$80,000  |
| 2013          | Historic Cemetery Preservation               | \$160,000 |
| 2013          | Stetson House Climate Control                | \$18,000  |
| 2013          | Hackett's Pond Preservation                  | \$120,000 |
| 2014          | Stetson House Archive/Preserve Collections   | \$5,000   |

### REVIEW OF APPROVED COMMUNITY PRESERVATION PROJECTS

Since the publication of the previous Community Preservation Plan in 2010, the Hanover Community Preservation Committee has appropriated funding for eight of the fifteen recommendations that were made for future projects. These projects include:

- Affordable Housing Trust Funds Transfer
- Debt Service Payment on King Street Fields
- Restoration of Town Historic Cemeteries
- Preservation of Town Documents
- Hanover Historical Society Collection Care and Restoration
- Further Development of 645 Center Street
- Trail Improvements
- Open Space Acquisitions



## Community Preservation

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Restoration of Town Historic Cemeteries – The CPC’s investment in Hanover’s Historic Burial Grounds began in 2009 with the appropriation of \$40,000 for the development of a comprehensive assessment of the Town’s historic cemeteries. The *Hanover Cemeteries Preservation Plan*, created by Martha Lyon Landscape Architecture, LLC was completed in 2010, and includes an extensive assessment of Hanover’s three historic cemeteries (Hanover Center Cemetery, Union Assinippi Cemetery and West Hanover Cemetery). Between the years 2011 and 2013, three more CPC appropriations were made for the restoration and preservation of the town’s historic cemeteries, totaling \$320,000. This funding was used for a multi-phase headstone conservation project that was completed in the fall of 2015 by Monument Conservation Collaborative LLC. The project included the re-setting of tilted headstones, structural repairs, cleaning and the filling, pinning and consolidation of 411 historic gravestones within the three town-owned cemeteries.

Further Development of 645 Center Street – In 2007, the Hanover Community Preservation Committee purchased the property at 645 Center Street with the intention of renovating the historic farmhouse and barn into two affordable housing units. However, after the project was found to be not economically feasible, the committee voted to allow the demolition of the house and the dismantling of the barn, so that two new Habitat for Humanity houses could be built on the property. The English style post and beam barn, built during the 1700’s, was carefully disassembled by students and staff of the North Bennett Street School, in September of 2010. Each piece of the structure was documented and labeled for storage so that the barn can be reconstructed when an appropriate site has been located. Construction on the two single-family Habitat for Humanity Houses began in February of 2014, and two families moved into the homes in June of 2015.

Trail Improvements & Open Space Acquisitions – Since the town adopted the Community Preservation Act in 2006, CPC funding has been used to purchase over 370 acres of open space and conservation land in Hanover. The CPC’s most recent appropriations towards open space funded the purchase of two properties in town, including 23 acres of land on Circuit Street in 2011 and 42 acres of open space on Webster Street in 2013. In that same year, \$10,600 was appropriated from CPC’s budget for the creation of a map of the town’s conservation areas, walking trails and historic sites. In 2014, CPC appropriated \$25,000 for a trail feasibility study, which will evaluate the viability of developing a recreational trail along the former West Hanover Branch of the Old Colony Railroad, commonly known as a “Rails to Trails” project.



## Community Preservation

### APPROVED COMMUNITY PRESERVATION COMMITTEE PROJECT

| YEAR | PROJECT   | AMOUNT      | CATEGORY                | STATUS    |
|------|---|-------------|-------------------------|-----------|
| 2006 | King Street/Cervelli Purchase                     | \$1,430,000 | Open Space & Recreation | Completed |
| 2006 | Affordable Housing Plan                           | \$35,000    | Community Housing       | Completed |
| 2006 | Open Space & Recreation Plan                      | \$35,000    | Open Space & Recreation | Completed |
| 2006 | Historic Preservation Plan                        | \$20,000    | Historic Preservation   | Completed |
| 2007 | 645 Center Street Purchase                        | \$800,000   | Community Housing       | Completed |
| 2007 | Housing Authority Legion Drive Feasibility Study  | \$32,000    | Community Housing       | Completed |
| 2007 | John Curtis Free Library Column Repair            | \$10,260    | Historic Preservation   | Completed |
| 2008 | King Street Recreation Fields Development         | \$2,500,000 | Open Space & Recreation | Completed |
| 2008 | 553 Center Street Purchase                        | \$700,000   | Open Space & Recreation | Completed |
| 2008 | Sylvester School Retiling and Asbestos Abatement  | \$275,000   | Historic Preservation   | Completed |
| 2008 | Stetson House Collection Care and Restoration     | \$15,400    | Historic Preservation   | Completed |
| 2008 | Conservation Parcels Trail Improvements           | \$13,410    | Open Space & Recreation | Completed |
| 2008 | Stetson House Cobbler Shop Roof Repair            | \$1,250     | Historic Preservation   | Completed |
| 2009 | Affordable Housing Trust Funds Transfer           | \$350,000   | Community Housing       | Completed |
| 2009 | Town Owned Historical Buildings Study             | \$60,000    | Historic Preservation   | Completed |
| 2009 | Town Document Preservation                        | \$45,000    | Historic Preservation   | Completed |
| 2009 | Historic Cemetery Assessment                      | \$40,000    | Historic Preservation   | Completed |
| 2009 | Historical Society Collection Care & Restoration  | \$13,040    | Historic Preservation   | Completed |
| 2009 | Open Space Appraisals, Surveys & Legal Assistance | \$10,000    | Open Space & Recreation | Completed |
| 2010 | King Street Construction                          | \$1,600,000 | Open Space & Recreation | Completed |
| 2010 | Affordable Housing Trust Funds Transfer           | \$180,000   | Community Housing       | Completed |
| 2010 | Salmond School Boiler                             | \$120,000   | Historic Preservation   | Completed |
| 2010 | Salmond School ADA Bathroom                       | \$85,000    | Historic Preservation   | Completed |
| 2010 | Sylvester School ADA Design                       | \$55,500    | Historic Preservation   | Completed |
| 2010 | Hackett's Pond Preservation                       | \$50,000    | Historic Preservation   | Completed |
| 2010 | Restoration of Monuments & Flagpoles              | \$50,000    | Historic Preservation   | Completed |
| 2010 | Walnut Street Habitat for Humanity Home           | \$30,000    | Community Housing       | Completed |
| 2010 | Stetson House Restoration                         | \$20,300    | Historic Preservation   | Completed |
| 2010 | Open Space Administrative Funding                 | \$20,000    | Open Space & Recreation | Completed |
| 2010 | Sylvester School Roof Repairs                     | \$15,000    | Historic Preservation   | Completed |
| 2011 | 120 Circuit Street Property Purchase              | \$550,000   | Open Space & Recreation | Completed |
| 2011 | Affordable Housing Trust Funds Transfer           | \$100,000   | Community Housing       | Completed |
| 2011 | Historic Cemetery Preservation                    | \$80,000    | Historic Preservation   | Completed |
| 2012 | Affordable Housing Trust Funds Transfer           | \$250,000   | Community Housing       | Completed |
| 2012 | Historic Cemetery Preservation                    | \$80,000    | Historic Preservation   | Completed |



## Community Preservation

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|      |  |           |                         |             |
|------|--|-----------|-------------------------|-------------|
| 2012 | Historical Society Collection & Care       | \$16,500  | Historic Preservation   | Completed   |
| 2012 | Stetson House Roof Preservation            | \$2,875   | Historic Preservation   | Completed   |
| 2013 | Webster Street Open Space Acquisition      | \$325,000 | Open Space & Recreation | Completed   |
| 2013 | King Street Recreation Fields              | \$240,000 | Open Space & Recreation | Completed   |
| 2013 | Historic Cemetery Preservation             | \$160,000 | Historic Preservation   | Completed   |
| 2013 | Hackett's Pond Preservation                | \$120,000 | Historic Preservation   | Completed   |
| 2013 | Affordable Housing Trust Funds Transfer    | \$100,000 | Community Housing       | Completed   |
| 2013 | Stetson House Climate Control              | \$18,000  | Historic Preservation   | Completed   |
| 2013 | Open Space Walking Map                     | \$10,600  | Open Space & Recreation | Completed   |
| 2014 | Affordable Housing Trust Funds Transfer    | \$100,000 | Community Housing       | Completed   |
| 2014 | Trail Feasibility Study                    | \$25,000  | Open Space & Recreation | In Progress |
| 2014 | Stetson House Archive/Preserve Collections | \$5,000   | Historic Preservation   | In Progress |

*The following projects were approved by the Hanover Community Preservation Committee in January 2015, and approved at Town Meeting in May of 2015 for appropriation in FY2016:*

| YEAR | PROJECT                                 | AMOUNT      | CATEGORY              | STATUS      |
|------|---|-------------|-----------------------|-------------|
| 2015 | Affordable Housing Trust Funds Transfer | \$100,000   | Community Housing     | Completed   |
| 2015 | Town Hall Restoration                   | \$1,085,500 | Historic Preservation | In Progress |
| 2015 | First Congregational Church of Hanover  | \$80,450    | Historic Preservation | In Progress |
| 2015 | Hanover Fire Wagon                      | \$5,000     | Historic Preservation | In Progress |
| 2015 | Hanover Veterans Oral History Project   | \$1,000     | Historic Preservation | In Progress |

### *Recommendations for Future Projects:*

| PROJECT   | YEAR | AMOUNT | CATEGORY |
|---|------|--------|----------|
| Creation of Historic Preservation Trust Fund  |      |        |          |
| Creation of Open Space Trust Fund   |      |        |          |
| Explore Support of Equity Conversion Homeownership Program or Affordable Deed Restriction Program |      |        |          |
| Adaptive Re-use of Sylvester, Salmond or Curtis School  |      |        |          |
| Protection of Areas of Critical Environmental   |      |        |          |

**Community Preservation Act Fund**

| Description                   | FY13                | FY14                | FY15                | FY16<br>(Budget)    | FY17<br>(Budget)    |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Beginning Fund Balance</b> | <b>2,947,612.19</b> | <b>2,940,585.52</b> | <b>2,420,104.58</b> | <b>2,923,329.39</b> | <b>2,726,502.39</b> |
| <b>Revenues:</b>              |                     |                     |                     |                     |                     |
| Surcharge                     | 814,063.72          | 835,860.20          | 881,252.87          | 698,840.00          | 880,724.00          |
| State Distributions           | 251,709.00          | 521,682.00          | 320,797.00          | 174,710.00          | 220,181.00          |
| Earnings on Investments       | -                   | 3,827.77            | 370.23              |                     |                     |
| Bond/Note Proceeds            | -                   |                     |                     |                     |                     |
| Tax Liens                     | -                   |                     |                     |                     |                     |
| <b>Total Revenue</b>          | <b>1,065,772.72</b> | <b>1,361,369.97</b> | <b>1,202,420.10</b> | <b>873,550.00</b>   | <b>1,100,905.00</b> |
| <b>Expenditures:</b>          |                     |                     |                     |                     |                     |
| Open Space                    | 5,437.94            | 294,507.86          | 818.15              | -                   | -                   |
| Historic                      | 139,492.97          | 91,909.75           | 98,815.04           | 470,450.00          | -                   |
| Community Housing             | 250,000.00          | 110,000.00          | 100,000.00          | 100,000.00          | -                   |
| Other (Community Recreation)  | 148,675.86          | 877,291.81          | -                   | -                   | -                   |
| Debt Service:                 |                     |                     |                     |                     |                     |
| Open Space                    | 116,981.00          | 114,450.00          | 111,825.00          | 109,200.00          | 106,200.00          |
| Historic                      | -                   |                     |                     |                     |                     |
| Community Housing             | -                   |                     |                     |                     |                     |
| Other (Community Recreation)  | 374,850.00          | 367,200.00          | 354,550.00          | 347,050.00          | 336,400.00          |
| Administrative Expenses       | 37,361.62           | 26,491.49           | 33,187.10           | 43,677.00           | 55,045.00           |
| <b>Total Expenditures</b>     | <b>1,072,799.39</b> | <b>1,881,850.91</b> | <b>699,195.29</b>   | <b>1,070,377.00</b> | <b>497,645.00</b>   |
| <b>Ending Fund Balance</b>    | <b>2,940,585.52</b> | <b>2,420,104.58</b> | <b>2,923,329.39</b> | <b>2,726,502.39</b> | <b>3,329,762.39</b> |

\* FY16 Budgeted amounts are based on appropriations. The expenditures for FY16 will not be known until fiscal year end. At this time, the Community Preservation Committee has yet to vote their recommended projects.



## Community Preservation

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### THE INTERIOR'S STANDARDS FOR REHABILITATION

*The Standards (Department of Interior regulations, 36 CFR 67) pertain to historic buildings of all materials, construction types, sizes, and occupancy and encompass the exterior and the interior, related landscape features and the building's site and environment as well as attached, adjacent, or related new construction. The Standards are to be applied to specific rehabilitation projects in a reasonable manner, taking into consideration economic and technical feasibility.*

1. A property shall be used for its historic purpose or be placed in a new use that requires minimal change to the defining characteristics of the building and its site and environment.
2. The historic character of a property shall be retained and preserved. The removal of historic materials or alteration of features and spaces that characterize a property shall be avoided.
3. Each property shall be recognized as a physical record of its time, place, and use. Changes that create a false sense of historical development, such as adding conjectural features or architectural elements from other buildings, shall not be undertaken.
4. Most properties change over time; those changes that have acquired historic significance in their own right shall be retained and preserved.
5. Distinctive features, finishes, and construction techniques or examples of craftsmanship that characterize a property shall be preserved.
6. Deteriorated historic features shall be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature shall match the old in design, color, texture, and other visual qualities and, where possible, materials. Replacement of missing features shall be substantiated by documentary, physical, or pictorial evidence.
7. Chemical or physical treatments, such as sandblasting, that cause damage to historic materials shall not be used. The surface cleaning of structures, if appropriate, shall be undertaken using the gentlest means possible.
8. Significant archeological resources affected by a project shall be protected and preserved. If such resources must be disturbed, mitigation measures shall be undertaken.
9. New additions, exterior alterations, or related new construction shall not destroy historic materials that characterize the property. The new work shall be differentiated from the old and shall be compatible with the massing, size, scale, and architectural features to protect the historic integrity of the property and its environment.



## Community Preservation

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10. New additions and adjacent or related new construction shall be undertaken in such a manner that if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired.

### TOWN OF HANOVER GENERAL BYLAWS

#### 4-19 COMMUNITY PRESERVATION COMMITTEE

##### Section 1. Established

There is hereby established a Community Preservation Committee, in accordance with Chapter 267 of the Acts of 2000, Massachusetts Community Preservation Act, consisting of nine (9) voting members pursuant to M.G.L. Chapter 44B.

##### Section 2. Membership

The composition of the Committee, the appointment authority and the term of office for the Committee members shall be as follows:

- A. One (1) member of the Conservation Commission as designated by the Commission for a term of three (3) years.
- B. One (1) member of the Historical Commission as designated by the Commission for an initial term of two (2) years, and thereafter for a term of three (3) years.
- C. One (1) member of the Affordable Housing Trust Fund as designated by the Authority for an initial term of two (2) years, and thereafter for a term of three (3) years.
- D. One (1) member of the Parks and Recreation Committee as designated by the Committee for an initial term of one (1) year and thereafter for a term of three (3) years.
- E. One (1) member of the Open Space Committee as designated by the Committee for a term of three (3) years.
- F. One (1) member of the Planning Board as designated by the Board for an initial term of one (1) year and thereafter for a term of three (3) years.
- G. Three (3) members of the general public to be appointed by the Town Moderator, subject to approval by a majority vote of the Board of Selectman, one member to be appointed for a term of one (1) year and thereafter for a term of three (3) years, one member to be appointed for a term of two (2) years and thereafter for a term of three (3) years, and one member to be appointed for a term of three (3) years.



## Community Preservation

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The Commissions, Boards, or persons who have appointment authority under this Article shall appoint such Committee Members within 45 days of the effective date of this Bylaw.

Should there be a vacancy or resignation in any of the Community Preservation Committee positions, the Commissions, Boards, or persons who have appointment authority under this Article shall appoint a new Committee Member within 45 days of the first date of vacancy or resignation.

Should any of the Commissions, Boards, or persons who have appointment authority under this Article be no longer in existence for any reason, the appointment authority for that Commission, Board, or person shall become the responsibility of the Town Moderator, subject to approval by a majority vote of the Board of Selectmen.

### Section 3. Powers and Duties

A summary of powers and duties is as follows:

(1). The community preservation committee shall study the needs, possibilities, and resources of the town regarding community preservation. The committee shall consult with existing municipal boards, including the conservation commission, the historical commission, the planning board, the recreation council and the housing authority, or persons acting in those capacities or performing like duties, in conducting such studies. As part of its study, the committee shall hold one or more public informational hearings on the needs, possibilities and resources of the town regarding community preservation possibilities and resources, notice of which shall be posted publicly and published for each of two weeks preceding a hearing in a newspaper of general circulation in the town.

(2). The community preservation committee shall make recommendations to the legislative body for the acquisition, creation and preservation of open space; for the acquisition, preservation, rehabilitation and restoration of historic resources; for the acquisition, creation and preservation of land for recreational use; for the creation, preservation and support of community housing; and for the rehabilitation or restoration of open space, land for recreational use and community housing that is acquired or created as provided in this section. With respect to community housing, the community preservation committee shall recommend, wherever possible, the reuse of existing buildings or construction of new buildings on previously developed sites.

(3). The Community Preservation Committee may include, in its recommendation to the Town Meeting, a recommendation to set aside for later spending funds for specific purposes that are consistent with community preservation but for which sufficient revenues are not then available in the Community Preservation Fund to accomplish that specific purpose or to set aside for later spending for general purposes that are consistent with community preservation. The Community Preservation Committee may recommend the issuance of general obligation bonds or notes in anticipation of revenues to be raised



## Community Preservation

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pursuant to section 3 of the Act, the proceeds of which shall be deposited in the Community Preservation Fund. Bonds or notes so issued may be at such rates of interest as shall be necessary and shall be repaid as soon after such revenues are collected as is expedient. The Town shall make every effort to limit the administrative costs of issuing such bonds by cooperating with other cities and towns using methods including, but not limited to, common issuance of bonds or common retention of bond counsel. Except as otherwise provided in this chapter, bonds or notes issued pursuant to this section shall be subject to the applicable provisions of Chapter 44. The maturities of each issue of bonds or notes issued under this chapter may be arranged so that for each issue the amounts payable in the several years for principal and interest combined shall be as nearly equal as practicable in the opinion of the officers authorized to issue bonds or notes or, in the alternative, in accordance with a schedule providing for a more rapid amortization of principal.

(4). The Committee shall have at least one public meeting each year at which time any Town Department, public or private agency, business, non-profit organization, or member of the general public may submit proposals for the use of Community Preservation Funds. The Committee shall also schedule a public hearing on its current and proposed activities, to be held at least 21 days prior to any Town Meeting in which it submits an article.

Notice of the time and place of such public hearing and the general purpose of such meeting shall be published in a newspaper of general circulation in the Town once in each of two successive weeks, the first publication to be not less than fourteen days before the date of said hearing, and by posting such notice in a conspicuous place in Town Hall for a period of not less than fourteen days before the date of said hearing.

The Committee shall establish submission requirements for the proper and consistent review of all project proposals. The Committee shall make recommendations to Town Meeting for the appropriate use of Community Preservation Funds for any such project proposals or initiatives undertaken by the Committee itself.

As provided in the Massachusetts Community Preservation Act, no expenditures shall be made from the Community Preservation Fund without the approval of Town Meeting.

The Community Preservation Committee will submit an annual administrative and operating budget for the Community Preservation Committee, which cannot exceed five percent (5%) of the annual revenues in the Community Preservation Fund, to Town Meeting for approval.

Section 5(b) of M.G.L. Chapter 44B, "Community Preservation" enumerates the powers and duties of the Community Preservation Committee and are incorporated herein by reference.



## Community Preservation

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### Section 4. Rules and Regulations

By majority vote of the members of the Committee, the Committee may adopt and promulgate rules and regulations for the conduct of its business on any matter within the Committee's jurisdiction under the Massachusetts Constitution, Massachusetts General or Special Laws, the Code of Massachusetts Regulations (CMR), Bylaw, or other legal right or authority granted to or conferred upon the Committee.

The proposed rule or regulation shall be submitted to all Committee members at least 48 hours prior to any vote to adopt the same; provided, however, the Committee may make such amendments to the proposed rules or regulations as it deems appropriate at the said meeting. Upon approval of any rule or regulation by the Committee, a copy of the same shall be filed with the Town Clerk and become effective as of the date of filing thereof unless the specific vote of the Committee establishes a later effective date.

### Section 5. Amendments

This Chapter may be amended from time to time by a majority vote of the Town Meeting, provided that the amendments would not cause a conflict to occur with M.G.L., Chapter 44B.

### Section 6. Severability

In case any section, paragraph or part of this Article is for any reason declared invalid or unconstitutional by any court of last resort, every other section, paragraph or part shall continue in full force and effect.

*(Accepted May 2, 2005), (Approved by the Attorney General, July 14, 2005)*





# CAPITAL IMPROVEMENTS



*"Hanover, Honoring Yesterday As We Build For Tomorrow"*



## *Introduction*



**Troy B. G. Clarkson**  
Town Manager

**To:** Board of Selectmen, Advisory Committee

**From:** Troy B.G. Clarkson, Town Manager

**CC:** All Departments

**Date:** 1/27/2016

**Re:** Fiscal Year 2017 Capital Plan

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It is my pleasure to submit herewith the Proposed FY2017-2021 Capital Improvement Plan (CIP), the first year of which constitutes the requested FY2017 Capital Budget. Each year, The Selectmen, Advisory Committee, and Town Meeting review the proposals to make improvements to the town's buildings, equipment and infrastructure. Initiatives that require an exclusion (additional debt) from Proposition 2 ½ also require a ballot vote.

In the last few years, the CIP has been funded to a greater extent than in the past, largely due to the town's dwindling reliance on free cash to support the operating budget, making precious resources available for capital improvements. In FY 17, for the second year in a row, the budget is balanced without the use of free cash, providing a sustainable and fiscally responsible source of capital funds. In addition, we continue to make an annual contribution to the Capital Stabilization Fund, saving additional resources for use in future years. This document includes both the overall capital plan and individual project request sheets for each of the FY 17 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 FY2016 (June 30, 2015) is available for use in the FY2017 (July 1, 2016) Capital Budget.

In addition to using free cash to fund capital requests, FY17, like the year before, includes some 'levy limit' debt, which allows the town to fund capital projects within the operating budget without additional impact on property taxes. In other words, the town is borrowing, but within regular budgetary limits, and repaying the debt for equipment and facility improvements within regular operating funds. This practice is conducted in collaboration with First Southwest, our finance consultant, and is also a recommended and sustainable fiscal practice.

### **Individual Project Requests**

Each capital item for FY 17 includes a detailed project request sheet, which details the need for the item or project, provides a cost estimate, and provides a narrative supporting the purchase. Each item has been vetted through the approval process, passing through departmental and executive review. Next, each item is provided with an identified funding source, ensuring that the entirety of the capital plan is financially sustainable.

This plan is presented as a collaborative effort between all departments. We look forward to working with the Selectmen, Advisory Committee and voters at Town Meeting to review and discuss this group effort.



# Capital Improvement Program

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## 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 FY17 to qualify for inclusion in the Town of Hanover’s Capital Improvement Program.

### **What is the difference between the Capital Improvement Program and the Capital Budget?**

The first year of the CIP is the proposed Capital Budget. The Capital Budget consists of those capital projects which, through the Town Meeting process are annually approved and funded. However, projects slated for subsequent years in the CIP serve on a planning basis only and do not receive ultimate spending authority until they are incorporated into a capital budget and approved by Town Meeting.



## Capital Improvement Program

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### **How is the Operating Budget related to the Capital Budget?**

The Town of Hanover prepares a Capital Budget separate from the Operating Budget, yet the two are closely linked. The annual Operating Budget provides for general municipal service delivery, including personnel service costs, supplies and other contractual services and certain capital equipment. Revenues for the Operating Budget are derived primarily from recurring taxes, intergovernmental sources and local receipts. Appropriations to the annual Operating Budget are for a single fiscal year.

In contrast, the Capital Budget is a multi-year budget designed to expend monies which add to the physical assets of the Town. Capital projects typically require expenditures which take place beyond a single fiscal year; funding with debt because of significant costs to be shared by current and future beneficiaries; systematic acquisition over an extended period of time in order to implement major operating systems or programs; and scheduled replacement or maintenance of specific elements of physical assets. Revenues for capital projects are most often derived from the sale of municipal bonds (borrowing), State and Federal grants or can be supported by one-time funding sources such as free cash.

Notwithstanding the differences between the two, the Operating and Capital Budgets are closely interwoven inasmuch as operating costs related to capital projects need to be estimated and provided for in the Operating Budget. Many capital projects, such as the new Hanover High School, have an impact on the operating costs of the facility once opened. Maintenance and repair costs may be lower in a new facility, but it may cost more to run a larger facility. In addition, since some capital projects are financed through municipal debt, repayment of that debt must be factored into the operating budget.

### **Why do we need a CIP?**

The CIP provides a means of coordinating and centralizing the capital project requests of various departments thus eliminating wasteful overlap, duplication and delay. It focuses attention on Hanover's goals and financial capability by comprehensively considering not only what capital projects Hanover needs, but equally as important, what it can afford. Additionally, the formalized process allows more time for the study of projects, encourages public discussion of proposed undertakings and allows Town citizens the opportunity to provide input, advice, and recommendations with respect to proposed projects and expenditures.



## Capital Improvement Program

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### **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 FY17-FY21 Capital Improvement Program and its associated FY17 Capital Budget is the same as in years past. It involves active participation by Department Heads working in conjunction with the Town Manager. The Capital Budget is prepared in the context of a five year determination of need by Departments, in conjunction with the Town's overall financial capacity to affordably accommodate the required needs.



## Capital Improvement Program

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Proposed projects are reviewed and prioritized based upon commonly used criteria such as health and safety factors, legal obligations and mandates, fiscal impact, environmental impact, community economic effects, and aesthetic as well as social effects on the quality of life experienced by Hanover residents. Projects are also examined in terms of their relationship and compatibility with Town wide goals and objectives.

The process can be described as an iterative cycle with several distinct procedural steps. These steps and the approximate time frame in which they typically occur are described below. The process is also graphically illustrated in the Capital Projects flow chart following this introduction.

- *Late Summer/Early Fall* – following Town Meeting after the approval of that year’s Capital Budget, departments are provided with their previously submitted five year requests for review, update and the addition of the next fifth year. While requests generally remain the same as in the initial request, there are occasionally changed circumstances which necessitate alterations to the requests. This information is returned to the Town Manager.
- *Late Fall/Early Winter* – the Town Manager and Finance Director receive the compiled information and begin scheduling meetings with the various Department Heads to evaluate the projects. The preliminary debt schedules are updated and various financial forecasts are completed in order to provide context to the Capital Budget as well as the five year capital improvement program.
- *January* – the Capital Budget is finalized within the parameters of the established funding target. In making final decisions, the process includes a determination of actual needs and the prioritization of need based upon legal mandate, public safety, and the effect of deferral. Any projects not approved for funding are typically deferred into the next budget year.
- *February* – the proposed Capital Budget is presented to the Board of Selectmen.
- *February – May* – the Advisory Committee meets with Department Heads to review their capital requests and conducts site visits to view the buildings, land or equipment.
- *May* – the Capital Budget is presented to Town Meeting for approval and then the process begins again.

Throughout the ensuing fiscal year, the Town Accountant monitors all the approved projects and the following fall the process to update the CIP begins again.



## Capital Improvement Program

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### **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 project 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

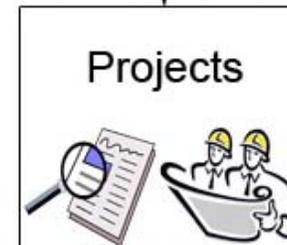
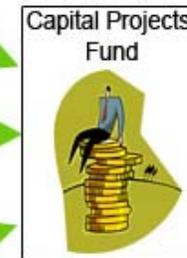
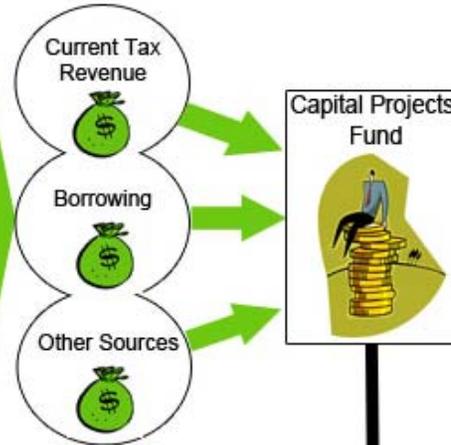
## DEVELOPMENT



## REVIEW & APPROVAL



## IMPLEMENTATION



*Summary of  
Projects Requested*



## Capital Improvement Program

| Town of Hanover                         |                  |                   |                  |                  |                  |                   |
|---|------------------|-------------------|------------------|------------------|------------------|-------------------|
| 5 Year Capital Plan Summary by Category |                  |                   |                  |                  |                  |                   |
| Category                                |                  |                   |                  |                  |                  | Total             |
|   | FY17             | FY18              | FY19             | FY20             | FY21             |                   |
| Infrastructure                          | 500,000          | 500,000           | 500,000          | 500,000          | 500,000          | 2,500,000         |
| Municipal Buildings                     | 175,600          | 11,335,000        | 50,000           | -                | 245,000          | 11,805,600        |
| School Buildings                        | 296,000          | 15,090,000        | 200,000          | 950,000          | 150,000          | 16,686,000        |
| DPW                                     | 620,000          | 466,000           | 370,000          | 624,000          | 975,000          | 3,055,000         |
| Fire                                    | 328,500          | 1,200,000         | 350,000          | 820,000          | 200,000          | 2,898,500         |
| Police                                  | 118,612          | 221,300           | 106,100          | 106,100          | 125,000          | 677,112           |
| Community Services                      | -                | 50,000            | 25,000           | 25,000           | -                | 100,000           |
| Finance                                 | 32,000           | -                 | -                | -                | -                | 32,000            |
| School - Town Wide Technology           | 100,000          | 100,000           | 100,000          | 100,000          | 100,000          | 500,000           |
| <b>Total Municipal</b>                  | <b>2,170,712</b> | <b>28,962,300</b> | <b>1,701,100</b> | <b>3,125,100</b> | <b>2,295,000</b> | <b>38,254,212</b> |
| Water                                   | 2,335,000        | 4,365,000         | 700,000          | 200,000          | 738,000          | 8,338,000         |
| <b>Total Enterprise</b>                 | <b>2,335,000</b> | <b>4,365,000</b>  | <b>700,000</b>   | <b>200,000</b>   | <b>738,000</b>   | <b>8,338,000</b>  |
| <b>Total Capital Requests</b>           | <b>4,505,712</b> | <b>33,327,300</b> | <b>2,401,100</b> | <b>3,325,100</b> | <b>3,033,000</b> | <b>46,592,212</b> |



## Capital Improvement Program

| Capital Project Requests   | FY17<br>Request | FY18<br>Request   | FY19<br>Request | FY20<br>Request | FY21<br>Request | Total             |
|--|-----------------|-------------------|-----------------|-----------------|-----------------|-------------------|
| <b>Municipal Infrastructure</b>  |                 |                   |                 |                 |                 |                   |
| Road Improvement Projects (Ch. 90)   | 500,000         | 500,000           | 500,000         | 500,000         | 500,000         | 2,500,000         |
| <b>Category Subtotal</b>   | <b>500,000</b>  | <b>500,000</b>    | <b>500,000</b>  | <b>500,000</b>  | <b>500,000</b>  | <b>2,500,000</b>  |
| <b>Municipal Buildings</b>   |                 |                   |                 |                 |                 |                   |
| Library - Restoration of Childrens' Library                                  | 45,000          |                   |                 |                 |                 | 45,000            |
| Replace Ford F350 XL Superduty Truck (1 Ton Dump/Sander)                     | 75,000          |                   |                 |                 |                 | 75,000            |
| Town Hall - replace carpets  | 33,000          |                   |                 |                 |                 | 33,000            |
| Purchase Tractor/Snow blower for High School campus sidewalks                | 22,600          |                   |                 |                 |                 | 22,600            |
| 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         |
| Design and build new satellite fire station replacing Stations 1, 2 & 3      |                 | 6,000,000         |                 |                 |                 | 6,000,000         |
| Police Station - replace CCTC camera system                                  |                 | 15,000            |                 |                 |                 | 15,000            |
| Town Hall - building space study   |                 | 20,000            |                 |                 |                 | 20,000            |
| John Curtis Library - interior painting and carpet replacement Phase 2       |                 | 50,000            |                 |                 |                 | 50,000            |
| John Curtis Library - interior painting and carpet replacement Phase 3       |                 |                   | 50,000          |                 |                 | 50,000            |
| Replace Unit Ventilators at Fire Headquarters                                |                 |                   |                 |                 | 45,000          | 45,000            |
| Interior renovations at Town Hall  |                 |                   |                 |                 | 200,000         | 200,000           |
| <b>Category Subtotal</b>   | <b>175,600</b>  | <b>11,335,000</b> | <b>50,000</b>   | <b>-</b>        | <b>245,000</b>  | <b>11,805,600</b> |
| <b>School Buildings</b>  |                 |                   |                 |                 |                 |                   |
| Cedar - replace asbestos floor tile with VCT                                 | 296,000         |                   |                 |                 |                 | 296,000           |
| Building addition - Sylvester closing (approx 45% MSBA)                      |                 | 15,000,000        |                 |                 |                 | 15,000,000        |
| 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           |
| Replace HVAC units at Cedar School   |                 |                   |                 |                 | 150,000         | 150,000           |
| <b>Category Subtotal</b>   | <b>296,000</b>  | <b>15,090,000</b> | <b>200,000</b>  | <b>950,000</b>  | <b>150,000</b>  | <b>16,686,000</b> |



## Capital Improvement Program

| <b>DPW</b>   |                |                  |                |                |                |  |                  |
|--|----------------|------------------|----------------|----------------|----------------|--|------------------|
| Replace 1997 International 2500 dump truck         | 190,000        |                  |                |                |                |  | 190,000          |
| Replace 2005 Johnston VT 650 sweeper               | 250,000        |                  |                |                |                |  | 250,000          |
| Stormwater Management                              | 80,000         |                  |                |                |                |  | 80,000           |
| Fuel pump replacement                              | 60,000         |                  |                |                |                |  | 60,000           |
| Replace 1988 Badger chipper TM-400-D4              | 40,000         |                  |                |                |                |  | 40,000           |
| Replace 2005 Ford F350 dump truck                  |                | 70,000           |                |                |                |  | 70,000           |
| Replace 1997 International 2500 dump truck         |                | 190,000          |                |                |                |  | 190,000          |
| Replace Ford tractor                               |                | 20,000           |                |                |                |  | 20,000           |
| Replace 2009 Ford F250 4x4 pickup truck            |                | 41,000           |                |                |                |  | 41,000           |
| Stormwater Improvements                            |                | 75,000           |                |                |                |  | 75,000           |
| Dam Inspections - Forge Pond and Curtis Crossings  |                | 30,000           |                |                |                |  | 30,000           |
| Replace 1997 Stone SR2500 Roller                   |                | 40,000           |                |                |                |  | 40,000           |
| Replace 1998 Intl 2500 Dump Truck                  |                |                  | 190,000        |                |                |  | 190,000          |
| Replace 2006 Ford F-450 4x4 DRW Dump (Green)       |                |                  | 70,000         |                |                |  | 70,000           |
| Replace Ford F250 XLT Superduty Pickup             |                |                  | 35,000         |                |                |  | 35,000           |
| Stormwater Improvements                            |                |                  | 75,000         |                |                |  | 75,000           |
| Replace Ford F450 truck                            |                |                  |                | 65,000         |                |  | 65,000           |
| Replace 2014 Ford F250 4x4 pickup truck            |                |                  |                | 44,000         |                |  | 44,000           |
| Stormwater Improvements                            |                |                  |                | 75,000         |                |  | 75,000           |
| Dam Repairs - Forge Pond and Curtis Crossings      |                |                  |                | 250,000        |                |  | 250,000          |
| Replace 1997 GMC 7500 truck                        |                |                  |                | 190,000        |                |  | 190,000          |
| Replace 2000 Intl 4900 Dump truck                  |                |                  |                |                | 200,000        |  | 200,000          |
| Replace 2008 Ford F450 Dump truck                  |                |                  |                |                | 75,000         |  | 75,000           |
| Road improvements                                  |                |                  |                |                | 400,000        |  | 400,000          |
| Replace 2003 John Deere 644H Loader                |                |                  |                |                | 300,000        |  | 300,000          |
| <b>Category Subtotal</b>                           | <b>620,000</b> | <b>466,000</b>   | <b>370,000</b> | <b>624,000</b> | <b>975,000</b> |  | <b>3,055,000</b> |
| <b>Fire</b>  |                |                  |                |                |                |  |                  |
| Ford Explorer - Command vehicle                    | 60,000         |                  |                |                |                |  | 60,000           |
| Fire rescue utility task vehicle (UTV) and trailer | 30,000         |                  |                |                |                |  | 30,000           |
| Pumper refurbishment                               | 220,000        |                  |                |                |                |  | 220,000          |
| Message board                                      | 18,500         |                  |                |                |                |  | 18,500           |
| Replace Ladder 1                                   |                | 1,200,000        |                |                |                |  | 1,200,000        |
| Ambulance  |                |                  | 275,000        |                |                |  | 275,000          |
| Forest Truck/service vehicle                       |                |                  | 75,000         |                |                |  | 75,000           |
| Command vehicle                                    |                |                  |                | 70,000         |                |  | 70,000           |
| Pumper/rescue pumper                               |                |                  |                | 600,000        |                |  | 600,000          |
| Cardiac monitors                                   |                |                  |                | 150,000        |                |  | 150,000          |
| Squad or chassis                                   |                |                  |                |                | 200,000        |  | 200,000          |
| <b>Category Subtotal</b>                           | <b>328,500</b> | <b>1,200,000</b> | <b>350,000</b> | <b>820,000</b> | <b>200,000</b> |  | <b>2,898,500</b> |



## Capital Improvement Program

| <b>Police</b>                                      |                |                |                |                |                |                |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| Replace and equip cruisers                         | 118,612        |                |                |                |                | 118,612        |
| Replace and equip cruisers                         |                | 121,300        |                |                |                | 121,300        |
| Update current hardware/software                   |                | 100,000        |                |                |                | 100,000        |
| Replace and equip cruisers                         |                |                | 106,100        |                |                | 106,100        |
| Replace and equip cruisers                         |                |                |                | 106,100        |                | 106,100        |
| Replace and equip cruisers                         |                |                |                |                | 125,000        | 125,000        |
| <b>Category Subtotal</b>                           | <b>118,612</b> | <b>221,300</b> | <b>106,100</b> | <b>106,100</b> | <b>125,000</b> | <b>677,112</b> |
| <b>Community Services</b>                          |                |                |                |                |                |                |
| COA - Replace 2008 Ford E-450 Passenger Van        |                | 50,000         |                |                |                | 50,000         |
| COA - Replace 2008 Ford Taurus Wagon (7 passenger) |                |                | 25,000         |                |                | 25,000         |
| Building - Ford F-150 4x4                          |                |                |                | 25,000         |                | 25,000         |
| <b>Category Subtotal</b>                           | <b>-</b>       | <b>50,000</b>  | <b>25,000</b>  | <b>25,000</b>  | <b>-</b>       | <b>100,000</b> |
| <b>Finance</b>                                     |                |                |                |                |                |                |
| 5 Voting machines                                  | 32,000         |                |                |                |                | 32,000         |
| <b>Category Subtotal</b>                           | <b>32,000</b>  | <b>-</b>       | <b>-</b>       | <b>-</b>       | <b>-</b>       | <b>32,000</b>  |
| <b>School - Town wide Technology</b>               |                |                |                |                |                |                |
| 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        |
| <b>Category Subtotal</b>                           | <b>100,000</b> | <b>100,000</b> | <b>100,000</b> | <b>100,000</b> | <b>100,000</b> | <b>500,000</b> |



## Capital Improvement Program

| <b>Water</b>  |                  |                   |                  |                  |                  |                   |
|---|------------------|-------------------|------------------|------------------|------------------|-------------------|
| Replace 1999 International 4700 crane utility             | 135,000          |                   |                  |                  |                  | 135,000           |
| Disinfection Byproduct Reduction                          | 1,400,000        |                   |                  |                  |                  | 1,400,000         |
| Water Masterplan update                                   | 100,000          |                   |                  |                  |                  | 100,000           |
| Water tank rehabilitation                                 | 500,000          |                   |                  |                  |                  | 500,000           |
| Water Main Improvements                                   | 200,000          |                   |                  |                  |                  | 200,000           |
| Replace 2007 Ford F-450 compressor truck                  |                  | 70,000            |                  |                  |                  | 70,000            |
| Media replacement - Broadway WTP                          |                  | 60,000            |                  |                  |                  | 60,000            |
| Water Treatment Plant upgrades                            |                  | 4,000,000         |                  |                  |                  | 4,000,000         |
| Water Main Improvements                                   |                  | 200,000           |                  |                  |                  | 200,000           |
| Replace 2009 Water Service Van                            |                  | 35,000            |                  |                  |                  | 35,000            |
| Water Treatment Plant - Pond Street generator replacement |                  |                   | 500,000          |                  |                  | 500,000           |
| Water Main Improvements                                   |                  |                   | 200,000          |                  |                  | 200,000           |
| Water Main Improvements                                   |                  |                   |                  | 200,000          |                  | 200,000           |
| Water Main Improvements                                   |                  |                   |                  |                  | 200,000          | 200,000           |
| Water tank rehabilitation                                 |                  |                   |                  |                  | 500,000          | 500,000           |
| Replace 2013 Water Service Van                            |                  |                   |                  |                  | 38,000           | 38,000            |
| <b>Category Subtotal</b>                                  | <b>2,335,000</b> | <b>4,365,000</b>  | <b>700,000</b>   | <b>200,000</b>   | <b>738,000</b>   | <b>8,338,000</b>  |
| <hr/>   |                  |                   |                  |                  |                  |                   |
| <b>Total 5 Year Capital Requests - All Departments</b>    | <b>4,505,712</b> | <b>33,327,300</b> | <b>2,401,100</b> | <b>3,325,100</b> | <b>3,033,000</b> | <b>46,592,212</b> |



## Capital Improvement Program

| <b>Town of Hanover - Capital Requests by Fiscal Year</b> |  |                  |             |                |                |
|--|--|------------------|-------------|----------------|----------------|
| Department   | Request  | Cost             | Fiscal Year | Category       | Funding Source |
| DPW  | Highway - Replace 1997 International 2500 dump truck   | 190,000          | FY17        | DPW            | Borrow - Equip |
| DPW  | Highway - Replace 2005 Johnston VT 650 sweeper   | 250,000          | 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  | Water - Replace 1999 International 4700 crane utility  | 135,000          | FY17        | WATER          | Water          |
| DPW  | Disinfection Byproduct Reduction   | 1,400,000        | FY17        | WATER          | Borrow - Water |
| DPW  | Water Master Plan Update   | 100,000          | FY17        | WATER          | Water          |
| DPW  | Water Tank Rehabilitation  | 500,000          | FY17        | WATER          | Borrow - Water |
| DPW  | Water Main Improvements  | 200,000          | FY17        | WATER          | Borrow - Water |
| DPW  | Stormwater Management  | 80,000           | FY17        | DPW            | Free Cash      |
| DPW  | Fuel pump replacement  | 60,000           | FY17        | DPW            | Free Cash      |
| Facilities   | Replace Ford F-350 XL Superduty Truck (1-Ton Dump/Sander)                                    | 75,000           | FY17        | DPW            | Free Cash      |
| Facilities   | Library - Restoration of Childrens Library - replace carpet, patch and repaint all walls,etc | 45,000           | FY17        | BLDG           | Free Cash      |
| Facilities   | Town Hall - replace carpets  | 33,000           | FY17        | BLDG           | Free Cash      |
| Facilities   | Cedar - replace asbestos floor tile with VCT (now just B- Wing)                              | 296,000          | FY17        | BLDG           | Borrow - Bldg  |
| Facilities   | Purchase Tractor/Snow blower for HS campus sidewalks   | 22,600           | FY17        | BLDG           | Free Cash      |
| Finance  | Purchase 5 Voting Machines   | 32,000           | FY17        | FINANCE        | Free Cash      |
| Fire   | Ford Explorer - command vehicle  | 60,000           | FY17        | FIRE           | Free Cash      |
| Fire   | Fire rescue utility task vehicle (UTV) and trailer   | 30,000           | FY17        | FIRE           | Free Cash      |
| Fire   | Pumper Refurbishment   | 220,000          | FY17        | FIRE           | Borrow - Equip |
| Fire   | Message board  | 18,500           | FY17        | FIRE           | Free Cash      |
| Police   | Replace and equip cruiser  | 118,612          | FY17        | POLICE         | Free Cash      |
| School   | Technology upgrades  | 100,000          | FY17        | FINANCE        | Free Cash      |
| <b>Subtotal</b>  |  | <b>4,505,712</b> |             |                |                |



## Capital Improvement Program

|                    |  |                   |      |              |                |
|--------------------|--|-------------------|------|--------------|----------------|
| Community Services | Replace 2008 Ford E-450 passenger van (COA)                                  | 50,000            | FY18 | COMM SVC     | Free Cash      |
| DPW                | Various road projects  | 500,000           | FY18 | INFRASTRUCTU | Ch. 90         |
| DPW                | Cemetery - Replace 2005 Ford F350 dump truck                                 | 70,000            | FY18 | DPW          | Free Cash      |
| DPW                | Highway - Replace 1997 International 2500 dump truck                         | 190,000           | FY18 | DPW          | Free Cash      |
| DPW                | Replace Ford tractor   | 20,000            | FY18 | DPW          | Free Cash      |
| DPW                | Replace 2009 Ford F250 4x4 pickup truck                                      | 41,000            | FY18 | DPW          | Free Cash      |
| DPW                | Stormwater Improvements  | 75,000            | FY18 | DPW          | Free Cash      |
| DPW                | Dam Inspections/Design (Forge Pond and Curtis Crossing)                      | 30,000            | FY18 | DPW          | Free Cash      |
| DPW                | Replace 1997 Stone SR2500 Roller   | 40,000            | FY18 | DPW          | Free Cash      |
| DPW                | Water - Replace 2007 Ford F-450 compressor truck                             | 70,000            | FY18 | WATER        | Water          |
| DPW                | Media Replacement - Broadway WTP   | 60,000            | FY18 | WATER        | Water          |
| DPW                | WTP Upgrades   | 4,000,000         | FY18 | WATER        | Borrow - Water |
| DPW                | Water Main Improvements  | 200,000           | FY18 | WATER        | Water          |
| DPW                | Replace 2009 Water Service Van   | 35,000            | 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         | Building addition - Sylvester closing (approx 45% MSBA)                      | 15,000,000        | FY18 | SCHOOL BLDG  | Excluded Debt  |
| Facilities         | Design and building new satellite fire station replacing FS 1,2 & 3          | 6,000,000         | 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      |
| Facilities         | John Curtis Library - Interior painting and carpet replacement Phase 2       | 50,000            | FY18 | BLDG         | Free Cash      |
| Finance            | Technology upgrades  | 100,000           | FY18 | FINANCE      | Free Cash      |
| Fire               | Replace Ladder 1   | 1,200,000         | FY18 | FIRE         | Ambulance      |
| Police             | Vehicle Replacement  | 121,300           | FY18 | POLICE       | Free Cash      |
| Police             | Update current hardware/software   | 100,000           | FY18 | POLICE       | Free Cash      |
| <b>Subtotal</b>    |  | <b>33,327,300</b> |      |              |                |



## Capital Improvement Program

|                    |  |                  |      |                |           |
|--------------------|--|------------------|------|----------------|-----------|
| 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 1998 Intl 2500 Dump Truck                            | 190,000          | 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 |
| DPW                | Stormwater Improvements  | 75,000           | FY19 | DPW            | Free Cash |
| DPW                | WTP Pond Street - Generator Replacement                                | 500,000          | FY19 | DPW            | Water     |
| DPW                | Water Main Improvements  | 200,000          | FY19 | DPW            | Water     |
| Facilities         | Cedar - Emergency generator  | 200,000          | FY19 | SCHOOL BLDG    | Free Cash |
| Facilities         | John Curtis Library - Interior painting and carpet replacement Phase 3 | 50,000           | FY19 | BLDG           | Free Cash |
| Finance            | Technology upgrades  | 100,000          | FY19 | FINANCE        | Free Cash |
| Fire               | Ambulance  | 275,000          | FY19 | FIRE           | Ambulance |
| Fire               | Forest Truck/Service Vehicle   | 75,000           | FY19 | FIRE           | Free Cash |
| Police             | Vehicle Replacement  | 106,100          | FY19 | POLICE         | Free Cash |
| <b>Subtotal</b>    |  | <b>2,401,100</b> |      |                |           |

|                    |  |                  |      |                |                |
|--------------------|--|------------------|------|----------------|----------------|
| Community Services | Replace Ford F-150 4x4 (Building)                | 25,000           | FY20 | COMM SVC       | Free Cash      |
| DPW                | Various road projects                            | 500,000          | FY20 | INFRASTRUCTURE | Ch. 90         |
| DPW                | Replace Ford F450 Truck                          | 65,000           | FY20 | DPW            | Free Cash      |
| DPW                | Replace 2014 Ford F250 4x4 pickup truck          | 44,000           | FY20 | DPW            | Free Cash      |
| DPW                | Stormwater Improvements                          | 75,000           | FY20 | DPW            | Free Cash      |
| DPW                | Dam Repairs (Forge Pond and Curtis Crossing)     | 250,000          | FY20 | DPW            | Free Cash      |
| DPW                | Replace 1997 GMC 7500 Truck                      | 190,000          | FY20 | DPW            | Borrow - Equip |
| DPW                | Water Main Improvements                          | 200,000          | FY20 | DPW            | Water          |
| Facilities         | 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               | Pumper/Rescue Pumper                             | 600,000          | FY20 | FIRE           | Ambulance      |
| Fire               | Cardoac monitors                                 | 150,000          | FY20 | FIRE           | Free Cash      |
| Police             | Vehicle Replacement                              | 106,100          | FY20 | POLICE         | Free Cash      |
| School             | Technology Upgrades                              | 100,000          | FY20 | SCHOOL         | Free Cash      |
| <b>Subtotal</b>    |  | <b>3,325,100</b> |      |                |                |



## Capital Improvement Program

### Proposed Funding Source

| Funding Source                                      | FY17                | FY18                 | FY19                | FY20                | FY21                | Totals               |
|---|---------------------|----------------------|---------------------|---------------------|---------------------|----------------------|
| <b>Free Cash</b>                                    | \$ 714,712          | \$ 1,012,300         | \$ 926,100          | \$ 885,100          | \$ 545,000          | \$ 4,083,212         |
| <b>Capital Exclusion</b>                            | \$ -                | \$ -                 | \$ -                | \$ -                | \$ -                | \$ -                 |
| <b>Excluded Debt - Proposed</b>                     | \$ -                | \$ 26,000,000        | \$ -                | \$ -                | \$ -                | \$ 26,000,000        |
| <b>Levy Limit Debt - New</b>                        | \$ 956,000          | \$ 250,000           | \$ -                | \$ 1,140,000        | \$ 1,250,000        | \$ 3,596,000         |
| <b>Ambulance Receipt Reserve Fund</b>               | \$ -                | \$ 1,200,000         | \$ 275,000          | \$ 600,000          | \$ -                | \$ 2,075,000         |
| <b>Chapter 90</b>                                   | \$ 500,000          | \$ 500,000           | \$ 500,000          | \$ 500,000          | \$ 500,000          | \$ 2,500,000         |
| <b>Community Preservation Fund</b>                  | \$ -                | \$ -                 | \$ -                | \$ -                | \$ -                | \$ -                 |
| <b>Water Enterprise Fund Retained Earnings</b>      | \$ 235,000          | \$ 365,000           | \$ 700,000          | \$ 200,000          | \$ 238,000          | \$ 1,738,000         |
| <b>Water Enterprise - new debt</b>                  | \$ 2,100,000        | \$ 4,000,000         | \$ -                | \$ -                | \$ 500,000          | \$ 6,600,000         |
| <b>Water Enterprise - State Revolving Fund Debt</b> | \$ -                | \$ -                 | \$ -                | \$ -                | \$ -                | \$ -                 |
| <b>Total of All Requests</b>                        | <b>\$ 4,505,712</b> | <b>\$ 33,327,300</b> | <b>\$ 2,401,100</b> | <b>\$ 3,325,100</b> | <b>\$ 3,033,000</b> | <b>\$ 46,592,212</b> |

***Detailed Capital  
Project Requests***



## Capital Improvements

**Fiscal Year: 2017**

**Department: DPW**

**Project Title: Large Dump Truck and Sander Replacement**

**Requested Amount: \$ 190,000**



### **Description:**

This project will purchase and equip a large 37,000 GVW dump truck/sander, replacing a 26 year old vehicle that is at the end of its useful life.

### **Project Overview:**

This project is a planned replacement of a 26 years old International 4900 37,000 GVW dump truck/sander with an equivalent vehicle. The vehicle is one of the larger DPW dump trucks used to haul material to and from job sites. It supports the repair of water breaks and is a front line sander and heavy plow used extensively for snow and ice removal. The vehicle in question has significant corrosion to the body and frame. The cab on the existing truck has been replaced with a used cab and the truck is experiencing electrical issues.

### **Financial impact of this project on the department's operating budget:**

The loss of the vehicle would require additional outsourcing and or an emergency purchase of a used vehicle and would reduce the department's ability to perform emergency work in the winter months. Keeping the existing vehicle in service will impact the department's operating budget by requiring costly repairs on a vehicle that has outlived its useful life.



## Capital Improvements

**Fiscal Year: 2017**

**Department: DPW**

**Project Title: Sweeper Replacement**

**Requested Amount: \$ 250,000**



**Description:**

This project will purchase and equip a vacuum sweeper truck, replacing a 12 year old vehicle that is reaching the end of its design life.

**Project Overview:**

This project is a planned replacement of a 12 year old Johnson vacuum sweeper with an equivalent vehicle. The vehicle is the Town's only street sweeper and is needed to meet the Town's obligations for street sweeping under the MS4 program of the Federal Clean Water Act. In addition to sweeping streets, the vehicle has the ability to do minor vacuum excavations around basins and other tight areas.

**Financial impact of this project on the department's operating budget:**

The loss of the vehicle would require the outsourcing of street sweeping services at an estimated cost of \$40,000-\$50,000 per year. Keeping the existing vehicle in service will impact the department's operating budget by requiring costly repairs on a more regular basis.



## Capital Improvements

|  |  |
|--|--|
| <p><b>Fiscal Year: 2017</b></p> <p><b>Department: DPW</b></p> <p><b>Project Title: Chapter 90 Road Work</b></p> <p><b>Requested Amount: To be determined by State formula: anticipated amount \$500,000</b></p>  |  |
| <p><b>Description:</b></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><b>Project Overview:</b></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><b>Financial impact of this project on the department's operating budget:</b></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

**Fiscal Year: 2017**

**Department: DPW**

**Project Title: Wood Chipper Replacement**

**Requested Amount: \$ 40,000**



**Description:**

This project will purchase and equip a new wood chipper, replacing a 28 year old chipper that is unreliable and allowing an existing 19 year old chipper to be rotated down into secondary service.

**Project Overview:**

This project is a planned replacement of a 28 year old Badger wood chipper. The chipper is one of two chippers used by the DPW. The second chipper is 19 years old and has required extensive repairs in the past few years, making it less reliable. Replacing the older of the two chippers will allow the DPW to continue to process brush at the job site rather than having to haul the material back to the Ames Way Highway Garage for later processing on an outsourced basis. The other chipper will be rotated down in the fleet to less intensive duties.

**Financial impact of this project on the department's operating budget:**

The loss of the chipper would require the DPW to haul brush back to the Highway Garage, increasing the man-hours, fuel costs, and vehicle time to handle said waste.



## Capital Improvements

**Fiscal Year: 2017**

**Department: DPW**

**Project Title: Crane/Utility Work Truck Replacement**

**Requested Amount: \$ 135,000**



**Description:**

This project will purchase and equip a crane/utility work truck for the water distribution division replacing an 18 year old vehicle that is nearing the end of its useful life.

**Project Overview:**

This project is a planned replacement of an 18 year old crane/utility work with an equivalent vehicle. The vehicle is a specialty vehicle, used for water main break repairs, hydrant repairs and installations, valve repairs and installations, and water service taps. The vehicle has tool compartments for storing specialized water works equipment, a crane, an air compressor, hydraulics, and a generator. It supports heavy repairs to water distribution equipment. The existing vehicle has significant corrosion to the body.

**Financial impact of this project on the department's operating budget:**

The loss of the vehicle would hamper the DPW's ability to make emergency water main repairs, potentially requiring outsourcing of these activities. Keeping the existing vehicle in service will impact the department's operating budget by requiring increasingly costly repairs to a vehicle that is nearing the end of its useful life.



## Capital Improvements

**Fiscal Year: 2017**

**Department: DPW**

**Project Title: Disinfection Byproduct Reduction**

**Requested Amount: \$ 1,400,000**



**Description:**

This project will provide for improvements to the town's water treatment plants and water storage tanks to reduce disinfection byproducts in the water distribution system below federally mandated levels.

**Project Overview:**

This project will change chemical feed processes in the town's water treatment plants to enhance the removal of organic materials and change the method of chlorination in the town's three water treatment plants from free chlorine to chloramines in response to an Administrative Consent Order with the Commonwealth of Massachusetts to reduce disinfection byproducts in North Hanover below the federally mandated Tier 2 locational running average level of 80 parts per billion. The Town will also install mixing systems in the water storage tanks to reduce byproducts in the stored water.

**Financial impact of this project on the department's operating budget:**

The impact of not funding the work will result in fines against the Town for non-compliance.



## Capital Improvements

### PROJECT DETAIL SHEET

**Fiscal Year: 2017**

**Department: DPW**

**Project Title: Water Master Plan Maintenance**

**Requested Amount: \$ 100,000**



**Description:**

This project will update the 2001 Water Master Plan and hydraulic model.

**Project Overview:**

This project will provide for engineering services to update the hydraulic model of the water distribution system and update the 2001 water master plan for the town.

**Financial impact of this project on the department's operating budget:**

The impact of not funding the work will require the operating budget to pick up the full cost of said engineering service.



## Capital Improvements

### PROJECT DETAIL SHEET

|  |  |
|--|--|
| <p><b>Fiscal Year: 2017</b></p> <p><b>Department: DPW</b></p> <p><b>Project Title: Standpipe Maintenance</b></p> <p><b>Requested Amount: \$ 500,000</b></p>  |  |
| <p><b>Description:</b></p> <p>This project will perform preventative maintenance to the 2 million gallon Union Street standpipe, sandblasting and painting exterior surfaces and installing tank mixing and aeration systems.</p>            |  |
| <p><b>Project Overview:</b></p> <p>This project will extend the life of the large Union Street standpipe, sandblasting and painting exterior surfaces and installing aeration and tank mixing systems to reduce disinfection byproducts.</p> |  |
| <p><b>Financial impact of this project on the department's operating budget:</b></p> <p>The impact of not funding the work will require the operating budget to pick up the full cost of said work</p>                                       |  |



## Capital Improvements

### PROJECT DETAIL SHEET

**Fiscal Year: 2017**

**Department: DPW**

**Project Title: Water Main Replacement**

**Requested Amount: \$ 200,000**



**Description:**

This project will replace the water main on Plain Street from Hanover Street to Circuit Street with a 12-inch ductile iron water main.

**Project Overview:**

This project will replace the existing 8-inch water main on Plain Street from Hanover Street to Circuit Street with a 12-inch ductile iron water main. This is the second phase of a two-phase project to improve water quality on Circuit Street and to improve fire flows to the commercial and industrial buildings off of Circuit Street, Winter Street, and King Street

**Financial impact of this project on the department's operating budget:**

The impact of not funding the work will require the operating budget to pick up the full cost of said work at some point.



## Capital Improvements

|   |  |
|---|--|
| <p><b>Fiscal Year: 2017</b></p> <p><b>Department: DPW</b></p> <p><b>Project Title: Stormwater Management</b></p> <p><b>Requested Amount: \$ 80,000</b></p>  |  |
| <p><b>Description:</b></p> <p>This project will provide for mapping, engineering services, and field work in response to new requirements in the 2015 General Permit extension of the Stormwater Phase II program of the Federal Clean Water Act.</p>   |  |
| <p><b>Project Overview:</b></p> <p>This project will provide for mapping, engineering services, and field work to meet the Town's obligations as an operator of a municipal separate stormwater system (MS4) under the 2015 General Permit of the Stormwater Phase II program of the Federal Clean Water Act.</p> |  |
| <p><b>Financial impact of this project on the department's operating budget:</b></p> <p>The impact of not funding the work will require the operating budget to pick up the full cost of said work</p>  |  |



## Capital Improvements

**Fiscal Year: 2017**

**Department: DPW**

**Project Title: Fuel Pump Replacement**

**Requested Amount: \$ 60,000**



**Description:**

This project will replace the existing 20 year old fuel pumps and fuel access card system which is used to fuel all town vehicles.

**Project Overview:**

This project is a replacement of the 20 year old gas and diesel pumps at the Ames Way Highway Garage along with replacement of the fuel access system which supplies fuel to all town vehicles. The existing system has significant corrosion as a result of exposure to the elements and salt over the past 20 years. In addition, the existing fuel access system does not reliably capture the actual quantity of fuel delivered, resulting in the inability to match fuel inventory to fuel usage.

**Financial impact of this project on the department's operating budget:**

The fuel access system is unreliable and needs to be replaced. Failure to replace the existing pedestal and electronics will require these items to be purchased through the operating budget. The fuel pumps, while operational, will likely need replacement on an emergency basis in the near future.



## Capital Improvements

**Fiscal Year: 2017**

**Department: FACILITIES**

**Project Title: Replace 1-Ton Dump Truck**

**Requested Amount: \$ 75,000  
(estimated; currently MHQ unable  
to quote this vehicle at FY17 pricing)**



**Description:**

Purchase 2016 Ford F-350 diesel dump truck to replace existing 2001 F-350 dump truck under Massachusetts state contract with MHQ.

**Project Overview:**

A key vehicle used by the Facilities Department for school grounds maintenance is our F-350 dump truck. During the 8 months of the growing season, the vehicle is used for a broad range of grounds maintenance tasks, such as transporting mulch for playgrounds; and soil and materials for grounds-keeping over 100 acres of grounds at many locations. In winter the truck performs snow plowing on school lots and daily sanding of parking lots. The 2001 truck has reached the end of its life and currently requires extensive expensive repairs to make it road worthy. We propose to replace this vehicle with a new Ford F-350 dump truck with a snow plow package.

**Financial impact of this project on the department's operating budget:**

Having the new truck will virtually eliminate this vehicle's maintenance costs during the warranty period and substantially lower maintenance costs for years thereafter. There will also be fuel savings due to improved gas mileage.



## Capital Improvements

**Fiscal Year: 2017**

**Department: FACILITIES**

**Project Title: John Curtis Library: Restoration of Interior Finishes; Phase 1 of 4**

**Requested Amount: \$ 45,000**



**Description:**

In the Children's Library only, replace sheet carpet with commercial grade carpet tile; patch and repaint all painted walls, refinish wood trim on the circulation desk, and other miscellaneous items.

**Project Overview:**

Approaching 15 years since construction, the Library, as noted in the DRA Building Study, has reached the point of needing replacement or refinishing of interior finishes, such as carpet, wall paint, and finished wooden doors and counters. Rather than embarking on a major renovation of the entire building, with complicated logistics and a prolonged shut-down, we propose to undertake the project in four short-duration phases over 4 consecutive years. Phase 1 is being proposed to address only the Children's Library on the lower floor. Addressing this more compact and separated area of the building will give us experience with the process that can be applied as we address more complicated areas of the building in following years.

**Financial impact of this project on the department's operating budget:**

This project is essentially budget neutral. However, as one of the outstanding new public buildings of Hanover, maintaining its attractiveness is a paramount obligation to the community.



## Capital Improvements

|  |  |
|--|--|
| <p><b>Fiscal Year: 2017</b></p> <p><b>Department: FACILITIES</b></p> <p><b>Project Title: Replace Carpets at Town Hall</b></p> <p><b>Requested Amount: \$ 33,000</b></p>   |  |
| <p><b>Description:</b></p> <p>Replace existing carpet with new commercial grade carpet.</p>  |  |
| <p><b>Project Overview:</b></p> <p>Carpet throughout Town Hall is old, run-down and mis-matched. The DRA Building Study earmarked the carpet for replacement at this time. The work will follow the completion of the exterior preservation project scheduled for summer 2016.</p>   |  |
| <p><b>Financial impact of this project on the department's operating budget:</b></p> <p>This project is essentially budget neutral. However, new attractive and coordinated carpet improves the appearance of Town Hall, enhancing impression of the building for the visiting public and creating a healthier and more stimulating workplace for employees.</p> |  |



## Capital Improvements

**Fiscal Year: 2017**

**Department: FACILITIES**

**Project Title: Cedar School, Replace Carpeted/Vinyl Asbestos Floor Tile with New Tile**

**Requested Amount: \$ 260,000 (standard VCT)**

**Upgrade to Nora tile: add \$36,000**



**Description:**

Remove carpet in 35 rooms, abate/remove vinyl asbestos floor tile (VAT); and install new vinyl composition floor tile (VCT).

**Project Overview:**

Carpet is an unwelcome flooring material in schools, and modern construction standards (e.g. LEED) do not permit it. Carpet is virtually impossible to keep clean and poses allergen hazards to children and staff. Old carpet is worse and the carpet at Cedar School is 15 years old and requires replacement. The carpet overlies and encapsulates the original VAT asbestos floor tile below. There being no long-term plans for addition/renovation for this school, this is the time to make the healthy choice to replace the present flooring, eliminate carpet altogether, and install new VCT floor tile.

Similar to the flooring project at the Middle School, after removal of the carpet, the project will involve abatement of the asbestos floor tile, preparing the concrete floor slab, and installing new VCT flooring.

A recommended option for this proposal is an upgrade from typical VCT tile - which requires regular maintenance with floor finishes - to a Nora (no-wax) rubber floor tile which is the tile that has been installed in the high school with great success. Nora tile increases the budget for this proposed Article by \$36,000 but, since it requires no maintenance to maintain floor shine other than high-speed burnishing, it eliminates the cyclical summer process of stripping and “waxing” floor tile, saving the annual labor and materials costs for decades.

**Financial impact of this project on the department’s operating budget:**

Health savings: indeterminate but significant.

Savings in carpet cleaning costs: performed by custodians; sometimes contracted.

Savings in upgrading to Nora tile in lieu of VCT: Materials savings (finishes): “Waxing” 35 rooms x \$100/room = \$3,500 (increasing yearly). Labor savings: 35 rooms x 5 hours/room = 175 man-hours.



## Capital Improvements

**Fiscal Year: 2017**

**Department: FACILITIES**

**Project Title: Purchase Tractor/Snow Blower for High School Campus Sidewalks**

**Requested Amount: \$ 22,600**



**Description:**

Kubota 26 HP ROPS Tractor, 4WD, with Heated Hard Cab, 50-inch 2 Stage Snow Blower, and Broadcast Spreader

**Project Overview:**

At all schools and at several municipal buildings, clearing of snow on sidewalks is the responsibility of the building custodians (often paid on overtime) employing shovels and walk-behind snow blowers. In most cases, there is considerable pressure to complete this work in time for schools to open in the morning. While this is a manageable task at most buildings, at the high school, with more than 3,400 ft. of sidewalks from the football field to Cedar Street, the task of snow clearing sidewalks is extremely taxing on the custodians. It is also taxing on the walk-behind snow blowers, which are not designed for such extensive use and often break down. Proximity of benches, sign posts, and trash receptacles along the sidewalks prevents use of plow-equipped vehicles. We propose to purchase this small tractor that is designed specifically for clearing snow on sidewalks. It is equipped with a snow blower, a sand spreader and heated cab and would replace the primary snow clearing task being performed using walk-behind snow blowers as well as the frequent sanding by custodians using walk-behind spreaders. We also plan to use it for snow clearing at Cedar School due to its proximity, as time allows.

**Financial impact of this project on the department's operating budget:**

Our budget is impacted positively in several ways:

1. Reduced wear on custodians. Most of our custodians are upper-middle-aged and their normal daily duties already impose significant physical demands. We currently have 3 custodians out on Workers Comp due to wear-related injuries. By eliminating most of the sidewalk clearing using walk-behind snow blowers, often while exposed to overnight blizzard conditions, we eliminate this added physical stress on custodians and reduce injury potential. One custodian, seated in the heated cab of this tractor will replace 3 custodians using walk-behind snow blowers. Over time, this will translate to reduced Worker's Comp claims and reduced labor costs required to cover custodian absences (custodians working overtime and/or substitute custodians).
2. Reduced Overtime Costs. One custodian operating the snow tractor will be able to do the work of 3 custodians.
3. Offset in snow blower costs. The expense of the snow tractor will be offset in part in savings of 2 walk-behind industrial snow blowers that it replaces (one walk-behind snow blower will still be needed for spot locations), at approximately \$3,000 each, as well as the labor cost of maintenance personnel making frequent repairs to snow blowers and the materials costs of associated parts. The snow tractor comes with an extended 3-year warranty (labor & materials) covering any needed repairs.



## Capital Improvements

**Fiscal Year: 2017**

**Department: Elections/Town Clerk**

**Project Title: Voting Machines**

**Requested Amount: \$ 32,000**



**Description:**

The purpose of this request for capital funds is for the town to purchase five optical scanning vote tabulators to replace the existing voting machines.

**Project Overview:**

The town's existing voting machines were purchased in 1999. They are no longer manufactured, and replacement parts are also no longer manufactured. The existing machines need more maintenance than ever, and occasionally we have run in to problems where a machine goes down mid-election and the spare has to be used. We are using only refurbished used parts to repair and maintain the existing machines. The November 2014 recount may have been a direct result of voting irregularities due to a problem with one of the machines. At some point, voter confidence in the election process will diminish as a result of our aging machines. Hanover should stay ahead of that issue!

There are two certified voting machines in Massachusetts – Dominion Voting System Corporation's ImageCast Precinct Tabulator as sold by LHS Associates, and Election Systems and Software's DS200 Precinct Tabulator. Quotes from both companies received within the past year are both approximately \$30K. I can update the quotes whenever you would like; they are typically only good for 60-90 days, but I don't expect the pricing to change significantly because of the competition between the two companies.

The machines were certified by the Secretary of the Commonwealth in May of 2014; I have purposefully delayed our purchase until FY17 so that we don't have to introduce new technology to the voters during the very busy Presidential Election, and also so that my colleagues can "field test" the two machines and Hanover can benefit from their experience and subsequent recommendations.

**Financial impact of this project on the department's operating budget:**

Based on my research to date, the on-going maintenance costs from either company will be approximately \$1-2000 per year. That does not include training, coding, ballots, etc. Our current maintenance contract is \$1000 per year.



## Capital Improvements

**Fiscal Year: 2017**

**Department: Fire**

**Project Title: Purchase 4x4 Command Vehicle**

**Requested Amount: \$ 60,000**



**Description:**

Purchase and equip a Command Vehicle

**Project Overview:**

Purchase a 4 x 4 SUV command vehicle to replace a 2008 Ford Taurus X. This project will set the foundation for the planned replacement of command vehicles on a twelve-year cycle. The current command vehicle inventory includes a 2012 Tahoe, a 2012 hybrid Tahoe (old police vehicle), a 2008 Ford Explorer and the 2008 Ford Taurus X (old school vehicle). The 2008 Ford Taurus X has driven more than 80,000 miles and has developed corrosion on the bodywork.

Replacing this vehicle with a 4 x 4 SUV will provide both the Fire Department and Emergency Management Agency with greater capability as the current vehicle has limited ground clearance and is not equipped for towing message boards, light towers or rescue boats.

The oldest command vehicle is used by Hanover Emergency Management and to ferry firefighters to and from the Massachusetts Firefighting Academy in Stow. The three other vehicles are used by the Fire Chief, Deputy Fire Chief and Day Captain.

**Financial impact of this project on the department's operating budget:**

The department will not incur the cost of fixing the corrosion, or the unanticipated maintenance, for the 2008 Taurus X. The new vehicle will have a full warranty which will help stabilize the department's maintenance budget.



## Capital Improvements

**Fiscal Year: 2017**

**Department: Fire**

**Project Title: Fire-Rescue Utility Task Vehicle (UTV) and trailer**

**Requested Amount: \$ 30,000**



**Description:**

**Purchase and equip an UTV (with trailer) that has the capability to navigate walking trails for fire suppression and emergency medical service delivery.**

**Project Overview:**

The increased use of Town owned land for recreational purposes has resulted in an increased number of woods fires and medical emergencies that are difficult to reach. The purchase of a Fire-Rescue UTV will allow the fire department to reach emergencies in these remote areas more quickly.

**Financial impact of this project on the department's operating budget:**

UTV's require minimal maintenance.

The properly equipped UTV will be able to apply water to woods fires that occur in these difficult to reach locations. Reaching the fires quickly can keep the size of the fire small and reduce the amount of overtime required to extinguish.

Having the ability to use a smaller vehicle has the potential to reduce the maintenance required on the two larger forestry vehicles.



## Capital Improvements

**Fiscal Year: 2017**

**Department: Fire**

**Project Title: Pumper Refurbishment**

**Requested Amount: \$ 220,000**



**Description:**

**Refurbish a 1997 Pumping Engine**

**Project Overview:**

This pumping engine was inspected by the original manufacturer's local vendor and deemed to be a good candidate for refurbishment. The apparatus has less than 40,000 miles on the drive train.

Some highlights of the extensive refurbishment will include:

Media blasting and refinishing the frame rails. Removing corrosion and refinishing the exterior cab/body

Installation of new components to include: the radiator, fuel tank, brake components, trailer hitch, cab seating, door and window gaskets, rub rails, drip rails, primer motor, electrical box, electrical relays, scene lighting, and emergency lighting.

Rebuilt equipment to include: the pump pressure relief valve and pump shifting components.

**Financial impact of this project on the department's operating budget:**

The cost of refurbishing this pumper is approximately half the cost of purchasing a new one. This will allow the Department to follow the fleet replacement program that was developed in conjunction with the University of Massachusetts Boston, Edward J. Collins, Jr. Center for Public Management. The refurbishment addresses the maintenance issues that are anticipated for this pumper over the next five years.



## Capital Improvements

**Fiscal Year: 2017**

**Department: Hanover Emergency Management Agency**

**Project Title: Message Board**

**Requested Amount: \$ 18,500**



**Description:**

**Purchase Message Board**

**Project Overview:**

The ability to deliver important messages to the community will be greatly enhanced by the addition of a second message board. The May 2013 Annual Town Meeting approved the purchase of the first trailer mounted message board. It has been used to inform residents of dangerous conditions, road closures, water restrictions, traffic delays and parking restrictions. When informing motorists of traffic pattern changes a second board is almost always required. When needed, acquiring additional boards has proven challenging and has resulted in communication difficulty and delays.

**Financial impact of this project on the department's operating budget:**

Message Board Trailers require little maintenance and are covered under warranty for the first year of use.

The Fire department will no longer be required to pay a firefighter overtime to pick up and return the second message board required during Hanover Day.

The DPW will see a reduction in the amount of money spent on message board rentals. The current rental rate for a message board is \$25.00 per day.



## Capital Improvements

**Fiscal Year: 2017**

**Department: Police**

**Project Title: Replace-Equip Police Cruisers**

**Requested Amount: \$ 118,612**



**Description:**

Purchase two (2) 2016 marked police cruisers for \$43,556.00 (Plymouth County Bid List, MHQ Dealership)

Purchase one (1) 2016 unmarked police cruiser for \$31,500.00 (Plymouth County Bid List, MHQ Dealership)

**Project Overview:**

Replacement of cruisers on a scheduled basis to defray repair costs. Replacement of older fleet vehicles on a yearly basis ensures that the vehicles are on-line and available for police use and emergencies. This purchase will allow the department to upgrade the present fleet to utility style all-wheel drive marked cruisers. The vehicles require the initial purchase of equipment specific to the body style. The equipment is anticipated to be removed and reinstalled in subsequent vehicles.

**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. This fleet purchase will allow for the front line emergency response vehicles readiness. This scheduled replacement program has been in place for a significant number of years and has served the department well.



## Capital Improvements

### PROJECT DETAIL SHEET

|  |  |
|--|--|
| <p><b>Fiscal Year: 2017</b></p> <p><b>Department: School Department-Technology</b></p> <p><b>Project Title: Town Wide Technology Upgrades</b></p> <p><b>Requested Amount: \$ 100,000</b></p>   |  |
| <p><b>Description:</b></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><b>Project Overview:</b></p> <p>Funds are required in FY2017 for the following projects:</p> <ul style="list-style-type: none"> <li>- Three Chromebook Carts (90 Chromebooks and 3 Charging Stations) <span style="float: right;">\$33,000</span></li> <li>- WiFi upgrade at Town Hall Center, Cedar and HMS to replace obsolete Access Points <span style="float: right;">18,000</span></li> <li>- Add 48 port switches at Town Hall and HMS to increase capacity <span style="float: right;">6,000</span></li> <li>- Add two 24 port switches at Cedar to increase capacity <span style="float: right;">4,000</span></li> <li>- Replace obsolete PC/Monitors at Town Hall <span style="float: right;">15,000</span></li> <li>- Replace obsolete staff laptops as necessary <span style="float: right;">8,000</span></li> <li>- Memory Upgrades for Student iMacs K-12 <span style="float: right;">12,000</span></li> <li>- PC Replacements for HVAC management workstations in school buildings <span style="float: right;">4,000</span></li> </ul> <p><b>Grand Total</b> <span style="float: right;"><b>\$100,000</b></span></p> |  |
| <p><b>Financial impact of this project on the department's operating budget:</b></p> <p>Maintain overall technology budget from FY 2016.</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.

| <b>Total Budget<br/>Year</b> | <b>Total Budget</b>                          | <b>Free Cash<br/>Certified</b> | <b>Free Cash as a %<br/>of Total Budget</b> |
|------------------------------|--|--------------------------------|---|
| 2010                         | \$ 52,567,918                                | \$ 1,710,066                   | 3.25%                                       |
| 2011                         | \$ 51,927,923                                | \$ 2,394,387                   | 4.61%                                       |
| 2012                         | \$ 54,974,075                                | \$ 2,204,388                   | 4.01%                                       |
| 2013                         | \$ 55,922,763                                | \$ 3,049,716                   | 5.45%                                       |
| 2014                         | \$ 57,315,304                                | \$ 2,074,285                   | 3.62%                                       |
| 2015                         | \$ 59,046,245                                | \$ 2,784,497                   | 4.72%                                       |
| 2016                         | Awaiting Department of Revenue Certification |                                |   |

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 adopted budget completely eliminated the practice of using one-time revenue to fund the budget. The FY17 recommended budget also has no free cash supporting the operating budget. The Town is able to now use this source to fund capital needs.

| <b>FY Budget</b> | <b>Amount in Operating Budget</b> | <b>% Used in Budget</b> | <b>Amount in Annual Articles</b> | <b>Amount in Special Articles</b> | <b>Total Used</b>      | <b>Overall % Used</b> |
|------------------|-----------------------------------|-------------------------|----------------------------------|-----------------------------------|------------------------|-----------------------|
| <b>FY16</b>      | \$ -                              | <b>0%</b>               | <b>\$ 2,122,100.00</b>           | \$ -                              | <b>\$ 2,122,100.00</b> | <b>76%</b>            |
| 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.

| <b>Total Budget Year</b> | <b>Total Budget</b> | <b>Stabilization Year</b> | <b>Stabilization Balance</b> | <b>Stabilization as a % of Total Budget</b> |
|--------------------------|---------------------|---------------------------|------------------------------|---|
| 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%                                       |

### **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.

The goal is to accumulate at least \$500,000 in the fund before using it as a funding source for the Capital Plan.

| <b>Fiscal Year</b> | <b>Appropriation</b>   | <b>Interest</b> | <b>Expenditures</b> | <b>Balance</b> |
|--------------------|--|-----------------|---------------------|----------------|
| 2015               | \$ 200,000   | \$ 404          | \$ -                | \$ 200,404     |
| 2016               | \$ -   | \$ 812          |                     | \$ 201,216     |
| 2017               | Awaiting certification of free cash by Department of Revenue to determine proposed amount. |                 |                     |                |

### **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. The Town is awaiting certification of free cash by the Department of Revenue to determine proposed appropriation for FY17.

### **OPEB Liability Trust Fund**

The purpose of this fund is to provide for funding the other post-employment benefit liability. The State Legislature authorized a local meals tax of 0.75 percent as part of its FY11 budget. The fund, here in Hanover, was established formerly at the May 2014 Special Town Meeting. Prior to that, the Town had intended to create the fund during the 2013 Annual Town Meeting when the adoption of the local meals excise tax was passed. The meals tax revenue received from the State is the dedicated revenue source to fund this reserve. The taxes are collected by each affected establishment and remitted to the State. The State then distributes each community's taxes on a quarterly basis. The following calendar is used for the tax collections and payments.

| <b>FY Quarter</b> | <b>Quarter Start Date</b> | <b>Months Tax Assessed by Establishment</b> | <b>Months Tax Revenue Collected by Department of Revenue</b> | <b>Distribution Date</b> |
|-------------------|---------------------------|---|--|--------------------------|
| 1                 | July 1st                  | May, Jun, Jul                               | Jun, Jul, Aug  | Sep 30th                 |
| 2                 | October 1st               | Aug, Sep, Oct                               | Sep, Oct, Nov  | Dec 31st                 |
| 3                 | January 1st               | Nov, Dec, Jan                               | Dec, Jan, Feb  | Mar 31st                 |
| 4                 | April 1st                 | Feb, Mar, Apr                               | Mar, Apr, May  | Jun 30th                 |

The following chart shows the contributions and interest, received and earned, by fiscal year. The FY2016 amounts reflect activity through December 31<sup>st</sup>.

| <b>Fiscal Year</b> | <b>Meals Tax Contributions</b> | <b>Interest Earned</b> | <b>Balance</b> |
|--------------------|--------------------------------|------------------------|----------------|
|                    |                                |                        | \$ -           |
| FY2013             | \$ 257,667                     | \$ -                   | \$ 257,667     |
| FY2014             | \$ 315,789                     | \$ 9,892               | \$ 583,348     |
| FY2015             | \$ 317,526                     | \$ 29,117              | \$ 929,991     |
| FY2016             | \$ 158,578                     | \$ 3,260               | \$ 1,091,828   |

### **Town and School Sick Leave Buyback Funds**

#### School Sick Leave Buyback Fund

This is a summary of activity the School Sick Leave Buyback Fund by fiscal year.

| <b>Fiscal Year</b> | <b>Appropriation</b>   | <b>Expenditures</b> | <b>Balance</b> |
|--------------------|--|---------------------|----------------|
|                    |  |                     | \$ 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   | \$ (129,169)        | \$ 211,192     |
| 2016               | \$ 200,000   | \$ (54,337)         | \$ 356,855     |
| 2017               | Awaiting certification of free cash by Department of Revenue to determine proposed amount. |                     |                |

#### Town Sick Leave Buyback Fund

This is a summary of activity the Town Sick Leave Buyback Fund by fiscal year.

| <b>Fiscal Year</b> | <b>Appropriation</b>   | <b>Expenditures</b> | <b>Balance</b> |
|--------------------|--|---------------------|----------------|
|                    |  |                     | \$ 453,339     |
| 2012               | \$ 175,000   | \$ (141,424)        | \$ 486,915     |
| 2013               | \$ 175,000   | \$ (70,102)         | \$ 591,813     |
| 2014               | \$ 100,000   | \$ (79,321)         | \$ 612,492     |
| 2015               | \$ 100,000   | \$ (112,576)        | \$ 599,916     |
| 2016               | \$ 75,000  | \$ (46,652)         | \$ 628,264     |
| 2017               | Awaiting certification of free cash by Department of Revenue to determine proposed amount. |                     |                |

**Municipal Building Insurance Fund**

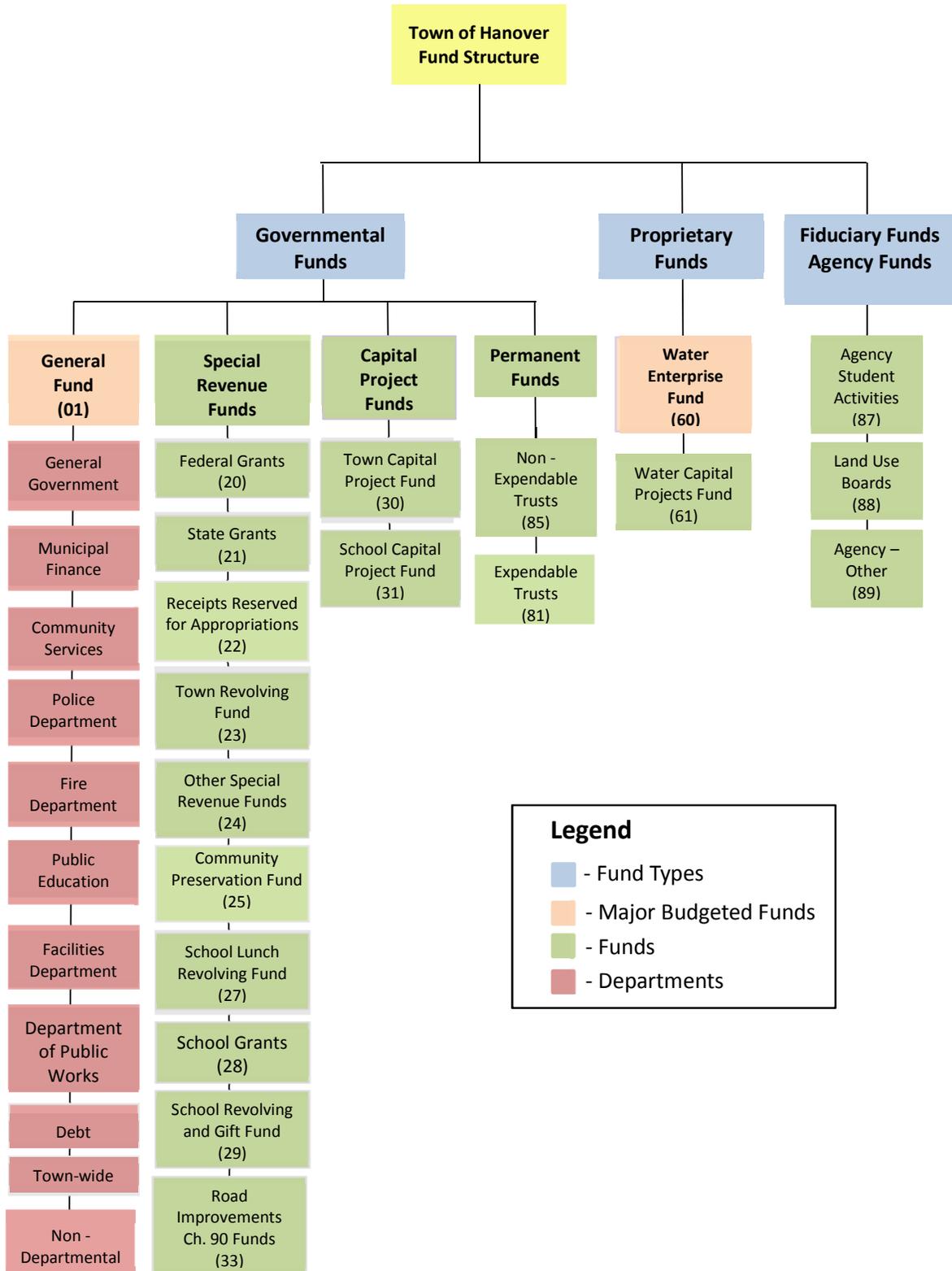
At the 2013 Annual Town Meeting, the Town voted to create a Municipal Building Insurance Fund permissible under Chapter 40 Section 13 of the Massachusetts General Laws. Expenditures such as costs associated with property damaged, destroyed or lost by fire, lightning, vandalism, burglary, theft or otherwise, may be repaired, rebuilt or replaced by other buildings or property to be used in place thereof.

| <b>Fiscal Year</b> | <b>Appropriation</b> | <b>Expenditures</b> | <b>Balance</b> |
|--------------------|----------------------|---------------------|----------------|
| 2013               | \$ 20,000            |                     | \$ 20,000      |
| 2014               | \$ 10,000            |                     | \$ 30,000      |
| 2015               | \$ 10,000            |                     | \$ 40,000      |
| 2016               | \$ -                 |                     | \$ 40,000      |

*Fund Descriptions  
and Balances*



# Fund Structure



**Legend**

- Fund Types
- Major Budgeted Funds
- Funds
- Departments



## Fund Relationship

### Fund to Department Relationship

| Department                 | GOVERNMENTAL |                 |                 |           | PROPRIETARY      | FIDUCIARY & AGENCY |                 |              |
|----------------------------|--------------|-----------------|-----------------|-----------|------------------|--------------------|-----------------|--------------|
|                            | General Fund | Special Revenue | Capital Project | Permanent | Water Enterprise | Student Activities | Land Use Boards | Other Agency |
| General Government         | ✓            |                 |                 |           |                  |                    |                 |              |
| Town Manager               |              | ✓               | ✓               |           |                  |                    |                 |              |
| Legal Services             |              |                 |                 |           |                  |                    |                 |              |
| Central Office Supply      |              |                 |                 |           |                  |                    |                 |              |
| Municipal Finance          | ✓            |                 |                 |           |                  |                    |                 |              |
| Accounting                 |              |                 |                 |           |                  |                    |                 |              |
| Assessors                  |              |                 |                 |           |                  |                    |                 |              |
| Treasurer/Collector        |              | ✓               |                 | ✓         |                  |                    |                 | ✓            |
| Payroll/Benefits           |              |                 |                 |           |                  |                    |                 |              |
| Town Clerk                 |              |                 |                 |           |                  |                    |                 |              |
| Registrars                 |              |                 |                 |           |                  |                    |                 |              |
| Community Services         | ✓            |                 |                 |           |                  |                    |                 |              |
| Municipal Inspections      |              | ✓               |                 |           |                  |                    | ✓               |              |
| Visiting Nurse Association |              |                 |                 |           |                  |                    |                 |              |
| Council on Aging           |              | ✓               | ✓               |           |                  |                    |                 |              |
| Veterans' Services         |              |                 |                 |           |                  |                    |                 |              |
| John Curtis Library        |              | ✓               |                 |           |                  |                    |                 |              |
| Parks & Recreation         |              | ✓               |                 |           |                  |                    |                 |              |
| Police Department          | ✓            | ✓               | ✓               |           |                  |                    |                 | ✓            |
| Animal Control             |              |                 |                 |           |                  |                    |                 |              |
| Communications             |              | ✓               |                 |           |                  |                    |                 |              |
| Fire Department            | ✓            |                 | ✓               |           |                  |                    |                 | ✓            |
| Emergency Management       |              | ✓               |                 |           |                  |                    |                 |              |
| Public Education           | ✓            |                 |                 |           |                  |                    |                 |              |
| Hanover Public Schools     |              | ✓               | ✓               |           |                  | ✓                  |                 |              |
| South Shore Vocational     |              |                 |                 |           |                  |                    |                 |              |
| Facilities                 | ✓            | ✓               | ✓               |           |                  |                    |                 |              |
| Public Works               | ✓            |                 |                 |           |                  |                    |                 |              |
| Administration             |              |                 |                 |           |                  |                    |                 |              |
| Highway                    |              |                 | ✓               |           |                  |                    |                 |              |
| Snow & Ice                 |              |                 |                 |           |                  |                    |                 |              |
| Street Lighting            |              |                 |                 |           |                  |                    |                 |              |
| Public Grounds             |              |                 | ✓               |           |                  |                    |                 |              |
| Transfer Station           |              |                 |                 |           |                  |                    |                 |              |
| Town Gas Pump              |              |                 |                 |           |                  |                    |                 |              |
| Water                      |              |                 |                 |           | ✓                |                    |                 |              |

## **Fund Descriptions**

Governmental accounting systems should be organized and operated on a fund basis. Individual resources are allocated to, and accounted for, in separate accounting entities. These entities are funds and are based upon the purposes for which they are to be spent and the means by which spending activities are legally controlled.

Governmental units should establish and maintain those funds required by law and sound financial administration. Only the minimum number of funds consistent with legal and operating requirements should be established because unnecessary funds result in inflexibility, undue complexity, and inefficient financial administration.

All of the funds can be divided into three categories: governmental funds, proprietary funds and fiduciary funds. The Town of Hanover utilizes all of these fund types.

### **Governmental Fund Types**

Governmental Fund Types are subdivided into four sections: ***General Fund, Special Revenue Funds, Capital Projects Funds and Permanent Funds.***

**General Fund** -The General Fund is the major operating fund of the Town and is used to account for most financial resources and activities governed by the normal Town Meeting appropriation process. The General Fund is supported by revenues from real estate and personal property taxes, state aid, excise taxes, investment income, fines and forfeitures, and fees and charges. All Town departments, including the Hanover Public Schools, are supported in whole or in part by the General Fund.

**Special Revenue Funds** - Special Revenue Funds account for revenues that are legally restricted to specific purposes. These revenues are accounted for separately from the General Fund for both legal and practical purposes, as the accounts often span multiple fiscal years.

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

**Permanent Funds** – Permanent Funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used to support the government and its citizens. The acceptance of such funds generally involves action by the Board of Selectmen for each fund's individual specifications and/or requirements. There are two accounts associated with each permanent fund: the expendable income and the non-expendable principal.

- **Fund 01: General Fund**

The General Fund of a municipal organization serves as the primary reporting mechanism for day to day governmental operations. The General Fund is supported by revenues from real estate and personal property taxes, state aid, excise taxes, investment income, fines and forfeitures, and fees and charges. The departments funded within the General Fund include: General Government, Department of Municipal Finance, Department of Community Services, Police Department, Fire Department, Hanover Public Schools, South Shore Vocation School, Facilities Department, Department of Public Works, Debt Service, Town Wide Expenses and Non-departmental expenses such as State and County assessments.

- **Fund 20: Federal Grants**

This fund accounts for all Federal Grants received for the municipal side of the Town of Hanover. The Town has received grants from various Federal Agencies for various purposes.

- Federal Emergency Management Agency (FEMA) grant to assist with the costs of recovery from the severe winter storms in January and February of 2015.
- Assistance to Firefighters grant for the installation of a sprinkler system in the Fire Headquarters building.
- Hazardous Materials Emergency Preparedness (HMEP) grant allows the fire department to buy supplies and equipment to support the local Emergency Planning Committee.
- Citizen Corp Program grant funds are used for purchase of equipment and to help in training the Community Emergency Response Team.
- Emergency Management Performance grant for purchase of equipment to support emergency situations. Some items that have been purchased with this grant are electronic displays, communications and monitoring equipment.
- Bulletproof Vest grant helps provide bulletproof vests, a critical resource, to local law enforcement.
- Governor's Highway Safety Bureau grant helps the police department to focus on specific types of enforcement in order to increase highway safety in areas such as impaired driving, texting while driving seatbelt compliance and aggressive driving.

- **Fund 21: State Grants**

This fund accounts for all State Grants received for the municipal side of the Town of Hanover. The Town has received grants for various reasons.

- Formula grant monies allow for a wide variety of costs to promote, enhance and/or support the health, well-being and independence of seniors

in the community. Funds may be used for salary, direct services such as outreach, transportation, health screening and fitness instruction, site and program operating costs, equipment/furnishings, volunteer development, newsletters, web-site development and other related items.

- E-911 Training Grant for the continued operation of an E-911 Emergency Dispatch and Emergency Medical Dispatch (EMD) Center. The funds are applied for and awarded based on compliance with state regulations and the quality assurance mandates of this service. The grant funding is generated from the mandatory surcharge on cellular phone services.
  - Support & Incentive Grant for the continued operation of an E-911 Emergency Dispatch and Emergency Medical Dispatch (EMD) Center. The funds are applied for and awarded to assist the Town with support of the operation of the E-911 Center. The grant funding is generated from the mandatory surcharge on cellular phone services.
  - Bulletproof Vest grant helps provide bulletproof vests, a critical resource, to local law enforcement.
  - Clean Energy Grant is a state funded competitive grant awarded to communities who pursue renewable energy improvements.
  - Green Communities Grant is a program through the State Department of energy resources that provides funding for communities for sustainable improvements to facilities and vehicles through a competitive grant process. Hanover has been one of the most successful communities in the commonwealth for pursuing these grants and has made more than two million dollars of improvements, upgrading our buildings and facilities, setting the stage for significant future savings in energy costs.
  - MEG Grant is awarded to encourage municipalities to maintain minimum levels of public library services and resources.
  - Cultural Council Grant is used to support community-based projects in the arts, humanities and sciences. Individuals, schools and cultural organizations are eligible to apply for project support from the local Cultural Council.
- **Fund 22: Receipts Reserved for Appropriation**

This fund accounts for revenue that is generated by specific fees and restricted to a specific use by statute and require appropriation by Town Meeting.

    - Insurance Proceeds Greater than \$20,000 accounts for all insurance claims received in excess of \$20,000. Any costs for the replacement or repair of items damaged are appropriated in the General Fund and a transfer is

voted by Town Meeting to move the funds to the General Fund to support the appropriation.

- Waterways Improvement accounts for 50% of the boat excise tax collected by the Town. These funds may be used for maintenance, dredging, cleaning and improvement of harbors, inland waters and great ponds of the commonwealth, the public access thereto, the breakwaters, retaining walls, piers, wharves and moorings thereof and the law enforcement and fire prevention.
- Wetlands Protection receipts collected in this fund may only be used for the costs associated with the review and approval of requests under General Law Chapter 131 Section 40 related to the removal, fill, dredging or altering of land bordering waters.
- Ambulance receipts collected in this fund may only be used for purchasing, hiring, maintaining, and operating ambulances. This includes maturing debt and interest related to the ambulance operation.
- Sale of cemetery lots receipts collected in this fund are for the purchase of a numbered burial lot and may be used to reimburse the Town for the cost of the land, its care, improvement and embellishment, or the enlargement of the cemetery.
- Graves and foundation receipts are funds collected for the installation of the numbered marker for each burial lot. These funds may be used to reimburse the Town for the cost of the land, its care, improvement and embellishment, or the enlargement of the cemetery.

- **Fund 23: Town Revolving Funds**

Revolving Funds allow the Town to raise revenues from a specific Town function and use those revenues to support that function without appropriation. Revolving Funds are established by statute and may require reauthorization each year at Town Meeting.

- Insurance Proceeds Under \$20,000 accounts for all insurance claims that are under \$20,000 in total. The proceeds may be used for the replacement or repair of the damaged items.
- Police State Forfeiture accounts for the funds awarded to the police department upon the successful completion of civil proceedings brought by the Commonwealth of Massachusetts on proceeds which are forfeited from illegal drug activity.
- Police Federal Forfeiture accounts for the receipts awarded to the police department under the equitable sharing program for local police departments based on the proceeds which are forfeited from illegal drug activity.

- Recreation Revolving Fund accounts for the receipts collected for program fees. The funds are then used for salaries, benefits, facility upkeep and all other related expenses in direct support of the recreation programs.
- Cable Services Revolving Fund accounts for the fees related to the cable license agreements. These funds may be used for salaries, benefits, facility upkeep and all other related expenses in direct support of Public, Educational and Government (PEG) access and programs.
- Forge Pond Park Revolving Fund accounts for the fees collected from the Hanover Youth Athletic Association (HYAA) for use of the fields, concessions revenue and tournament fees. These funds may be used for salaries, benefits, facility upkeep and all other related expenses in direct support of maintaining Forge Pond Park.
- Flu Clinic Revolving Fund accounts for the receipts received from the Flu Clinic Medicare/Medicaid billing. These funds may be used for salaries, benefits, facility upkeep and all other related expenses in direct support of what is needed to run the flu clinic.
- GATRA Revolving Fund accounts for fees collected from the transportation program and funds may be used for salaries, benefits, facility upkeep and all other related expenses in direct support of the GATRA program.

- **Fund 24: Other Special Revenue Funds**

These funds account for any other miscellaneous special revenues not included in the previous categories. These include private donations for specific purposes, such as grants received from private or non-profit foundations, gifts made to specific departments, and payments from developers for infrastructure improvements related to proposed projects.

- **Fund 25: Community Preservation Fund**

This fund is established by a vote of the legislative body of the Town and approved by the votes at referendum as allowed under M.G.L. Chapter 44B. The fund has three purposes: the purchase of open space, the preservation of historic resources and the establishment of affordable housing. The primary source of revenue is a property tax surcharge of 3% which is assessed on each parcel of taxable real estate. A second source of revenue is state matching funds provided by a surcharge on recording fees at the Registry of Deeds.

- **Fund 27: School Lunch Revolving Fund**

This fund accounts for the operation and maintenance of the school lunch programs. The revenue for this fund is derived from three principal sources: meal charges (lunch receipts), state grants and federal grants. The charges to this fund are for both personnel and items needed to support the lunch program.

- **Fund 28: School Grants**

This fund accounts for both federal and state grants received by the Hanover School District.

- Improving Educator Quality grant, also known as Title IIa, is used to increase academic achievement by improving teacher quality. The program provides funding toward teacher salaries to minimize class size.
- SPED IDEA is an entitlement grant that provides funds to ensure that eligible students receive a free and appropriate public education that includes special education and related service designed to meet their individual needs.
- SPED Early Childhood grant provides funds to school districts to build capacity and to ensure that eligible 3, 4 and 5 year-old children with disabilities are appropriately identified as eligible for special education and receive developmentally appropriate special education and related services designed to meet their individual needs in accordance with the Individuals with Disabilities Education Act of 2004 and Massachusetts Special Education laws and regulations.
- SPED Program Improvements grant supports preschool district activities to ensure that eligible children with disabilities, ages 3-5, receive a free and appropriate public education that includes special education and related services designed to meet their individual needs, and that is provided in natural/least restrictive environments. It is intended to further district-level early childhood special education practices that align with priorities identified by the Department of Elementary and Secondary Education and the Department of Early Education and Care.
- Title I grant provides financial assistance to districts and schools with high numbers or high percentages of children from low-income families to help ensure that all children meet challenging state academic standards. These funds are allocated based on statutory formulas that are based primarily on census poverty estimates and the cost of education in each state.
- Academic Support Services grant enhances academic support services so that all eligible students will meet the state's competency determination required for high school graduation.

- SPED Circuit Breaker grant is the state special education reimbursement program to provide additional state funding to districts for high-cost special education students. The threshold for eligibility is tied to four times that state average foundation budget per pupil as calculated under the Chapter 70 program, with the state paying 75% of the costs above that threshold.

- **Fund 29: School Revolving & Gift Funds**

This fund accounts for all school revolving funds allowed by statute and gifts donated to the Hanover School District for specific purposes and use.

- Athletic Revolving Fund accounts for participation fees and entrance fees to sporting events. These funds may be spent on any School Committee sponsored athletic and extracurricular program, award, equipment and facilities.
- School Building Rental Revolving Fund accounts for fees associated with the rental of school property and supports the costs of the facility upkeep, custodial costs, utilities and routine repairs and maintenance.
- Library Revolving Fund accounts for the proceeds from the annual Scholastic Book fair conducted in each of the schools. These funds are used to support the libraries at each level.
- Drama Revolving Fund accounts for the ticket sales and concession proceeds generated from the after school enrichment drama program. The program offers a theatrical presentation at each level 1-12. Students are able to participate in all aspects of the drama production including lights, sounds, stage management and acting roles. The funds collected directly support the productions.
- Preschool Revolving Fund accounts for the preschool tuitions received. The Hanover Schools special education preschool program for children ages 3-5 encourages typical children to join on a tuition basis. The tuitions partially offset the salaries of the preschool staff and provide for routine preschool expenses.
- Full Day Kindergarten Revolving Fund accounts for the Full Day Kindergarten programs at Cedar and Center Schools. Parents pay tuition to allow their kindergarten age students to remain for the full day. Tuition proceeds are used to support the salaries of the Full Day teachers and staff as well routine expenses for the program.

- Enrichment Program Revolving Fund accounts for the year round academic, creative and recreational programs offered to students across the district by the Office of Family & Community Engagement. The programs are fees based and facilitated by a blend of HPS teachers and staff, community business partners and state and local vendors. All funds collected directly support the programs.
  - Before & After School Program Revolving Fund accounts for the fees collected for the optional extended day care. These programs are designed to assist families with before and/or after school care for students Kindergarten through Grade 8 on a regular basis. In addition to care, these programs provide students with positive social peer interactions and extended learning opportunities beyond the traditional school day. The funds collect are used directly to support these programs.
  - Special Education (SPED) Revolving Fund accounts for the revenue collected in the form of specialized parent arrangements and rebates from Special Education providers depending on the situation. Expenses are incurred through unanticipated Special Education expenses that are not accounted for in the regular operating budget.
- **Fund 30: Town Capital Projects Fund**  
This fund accounts for all Town capital projects approved by Town Meeting as part of the capital plan and is generally funded by the issuance of bonds.
  - **Fund 31: School Capital Projects Fund**  
This fund accounts for all School capital projects approved by Town Meeting as part of the capital plan and is generally funded by the issuance of bonds. The current activity in this fund is the feasibility study voted related to the Center/Sylvester School.
  - **Fund 81: Expendable Trust Fund**  
This fund accounts for the expendable income portion of the trust fund. This fund also is used to account for funds received by the Town in a trustee capacity where both the principal and earnings of the fund may be spent on a restricted basis for the benefit of the Town or its citizens.
  - **Fund 85: Non-Expendable Trust Fund**  
This fund accounts for trusts where the principal must remain intact. Generally income earned on the non-expendable trust principal may be expended in accordance with the conditions of a trust instrument or statute, and is accounted for in the previous category.

### **Proprietary Funds (Enterprise)**

Proprietary Funds refer to the Town's "business-type" activities and are used to separate them from Governmental Funds in financial statements. This fund is financed and operating in a manner similar to private business enterprises. The intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. This funds account for their own fixed assets and long term liabilities. Although long term debt of these enterprise funds is ultimately the legal obligation of the general fund, it is budgeted and paid for by the Water Enterprise Fund.

- **Fund 60: Water Enterprise Fund**

This fund accounts for the daily operation and maintenance of the Town's public water system.

### **Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. The Town is the trustee, or fiduciary, and the government and its citizenry do not benefit directly from such funds. This means that the Town is responsible for assets in a purely custodial manner. These funds are referred to as *Agency Funds*.

**Agency Fund** – This fund accounts for and reports the resources where the Town is acting as an agent for the funds. These funds are not part of the government and are not considered revenue or expenses of the Town.

- **Fund 87: Student Activities Funds**

This fund accounts for receipts collected as fees for participation in student activity sponsored events. The School Committee authorizes principals to receive funds and deposit them into the agency fund. The principal, when bonded, establishes a checking account for expenditures. The School Committee imposes a maximum balance on deposits into the checking account. Through the warrant process, the principal requests transfers from the initial funds from the agency fund into the checking account.

- **Fund 88: Land Use Boards Funds**

The fund accounts for receipts collected as insurance that the requirements of the Land Use Boards are met. If the applicant fails to meet any requirement, the Town may use the funds to complete the work.

- **Fund 89: Other Agency Funds**

This fund accounts for all other agency funds including police and fire details, amounts owed to the Deputy Collector and unclaimed funds. The unclaimed funds are payroll and vendor checks that have not been cashed within a reasonable amount of time and have been reclassified to this account.

### **Basis of Accounting**

The day to day method of accounting used by the Town of Hanover is the Uniform Massachusetts Accounting System (UMAS). This accounting system is prescribed by the Commonwealth of Massachusetts Department of Revenue for local government entities and is intended to demonstrate compliance with state statutes and local near term decisions (e.g. the budget). This system prescribes the use of the modified accrual basis of accounting, which is the basis used by all governmental fund types. Modified accrual accounting combines accrual-basis accounting with cash-basis accounting and recognizes revenues when they become available and measurable and recognizes expenditures when liabilities are incurred.

The full accrual basis of accounting is used for the Town's financial statements, which are produced based on generally accepted accounting principles (GAAP). The statements report information about the Town with a broad overview. These statements use accounting methods most similar to those used by a private-sector business and are typically used to demonstrate the long term financial position of the Town. The users of this information are often bond rating agencies. The Government Accounting Standards Board (GASB) issues guidance for how GAAP based financial statements should be prepared for government entities. The accrual basis of accounting is utilized by the proprietary funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

## **Basis of Budgeting**

The Town adopts an annual budget for the General Fund and the Water Enterprise Fund. Although Town Meeting approval is required for capital projects, borrowing authorizations and other special warrant articles, annual budgets are not prepared for any other fund. The spending for purposes related to the Capital Plan and the Community Preservation Fund are presented as 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, 2014

|  | Total General<br>Fund | High School<br>Capital Project<br>Fund | Road<br>Reconstruction<br>Fund | Nonmajor<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|--|-----------------------|--|--------------------------------|-----------------------------------|--------------------------------|
| <b>Revenues:</b>                                     |                       |  |                                |                                   |                                |
| Property Taxes                                       | \$ 36,546,943         | \$ -                                   | \$ -                           | \$ 835,860                        | \$ 37,382,803                  |
| Excises  | 2,332,894             | -                                      | -                              | 49,744                            | 2,382,638                      |
| Penalties, interest and other taxes                  | 528,070               | -                                      | -                              | 200                               | 528,270                        |
| Charges for services                                 | 355,789               | -                                      | -                              | 3,169,444                         | 3,525,233                      |
| Licenses and permits                                 | 428,227               | -                                      | -                              | -                                 | 428,227                        |
| Fines and forfeitures                                | 105,400               | -                                      | -                              | -                                 | 105,400                        |
| Intergovernmental                                    | 15,452,085            | 813,302                                | -                              | 1,906,237                         | 18,171,624                     |
| Investment Income                                    | 78,104                | -                                      | -                              | 105,757                           | 183,861                        |
| Miscellaneous  | 178,381               | -                                      | -                              | 698,995                           | 877,376                        |
| Total Revenues                                       | <u>56,005,893</u>     | <u>813,302</u>                         | <u>-</u>                       | <u>6,766,237</u>                  | <u>63,585,432</u>              |
| <b>Expenditures:</b>                                 |                       |  |                                |                                   |                                |
| Current:   |                       |  |                                |                                   |                                |
| General Government                                   | 2,228,294             | -                                      | -                              | 728,823                           | 2,957,117                      |
| Public Safety  | 6,944,939             | -                                      | -                              | 157,711                           | 7,102,650                      |
| Education  | 32,226,667            | 35,760                                 | -                              | 3,595,055                         | 35,857,482                     |
| Public works   | 3,340,614             | -                                      | 2,073,860                      | 264,086                           | 5,678,560                      |
| Health and human services                            | 474,588               | -                                      | -                              | 211,030                           | 685,618                        |
| Culture and recreation                               | 586,009               | -                                      | -                              | 920,022                           | 1,506,031                      |
| Employee benefits                                    | 6,148,562             | -                                      | -                              | -                                 | 6,148,562                      |
| Miscellaneous  | -                     | -                                      | -                              | 185,590                           | 185,590                        |
| Debt Service   | 5,109,564             | -                                      | -                              | -                                 | 5,109,564                      |
| Intergovernmental                                    | 547,609               | -                                      | -                              | -                                 | 547,609                        |
| Total Expenditures                                   | <u>57,606,846</u>     | <u>35,760</u>                          | <u>2,073,860</u>               | <u>6,062,317</u>                  | <u>65,778,783</u>              |
| Excess (deficiency) of revenues over<br>expenditures | (1,600,953)           | 777,542                                | (2,073,860)                    | 703,920                           | (2,193,351)                    |
| <b>Other Financing Sources (Uses):</b>               |                       |  |                                |                                   |                                |
| Transfers in   | 1,645,772             | -                                      | -                              | 536,540                           | 2,182,312                      |
| Transfer out   | (426,540)             | -                                      | -                              | (1,397,033)                       | (1,823,573)                    |
| Total Other Financing Sources (Uses)                 | <u>1,219,232</u>      | <u>-</u>                               | <u>-</u>                       | <u>(860,493)</u>                  | <u>358,739</u>                 |
| Change in fund balance                               | (381,721)             | 777,542                                | (2,073,860)                    | (156,573)                         | (1,834,612)                    |
| Fund Equity, at Beginning of Year, as restated       | 10,625,943            | (7,712,232)                            | (93,842)                       | 8,927,595                         | 11,747,464                     |
| Fund Equity, at End of Year                          | <u>\$ 10,244,222</u>  | <u>\$ (6,934,690)</u>                  | <u>\$ (2,167,702)</u>          | <u>\$ 8,771,022</u>               | <u>\$ 9,912,852</u>            |

TOWN OF HANOVER, MASSACHUSETTS  
 PROPRIETARY FUNDS  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION  
 FOR THE YEAR ENDED JUNE 30, 2014

|   | <u>Business-Type<br/>Activities<br/>Enterprise Funds</u> |
|---|--|
|   | <u>Water Fund</u>  |
| <b>Operating Revenues:</b>                  |  |
| Charges for services                        | \$ 3,428,290   |
| Other                                       | 59,778   |
| Total Operating Revenues                    | <u>3,488,068</u>   |
| <b>Operating Expenses:</b>                  |  |
| Operating expenses                          | 2,398,482  |
| Depreciation                                | 480,667  |
| Employee benefits                           | 165,015  |
| Other                                       | (22,961)   |
| Total Operating Expenses                    | <u>3,021,203</u>   |
| Operating Income (Loss)                     | 466,865  |
| <b>Nonoperating Revenues (Expenses)</b>     |  |
| Intergovernmental revenue                   | 2,171  |
| Investment income                           | 1,642  |
| Interest expenses                           | (195,767)  |
| Total Nonoperating Revenues (Expenses), Net | <u>(191,954)</u>   |
| Income (Loss) Before Transfers              | 274,911  |
| <b>Transfers:</b>                           |  |
| Transfers out                               | (358,739)  |
| Change in Net Position                      | <u>(83,828)</u>  |
| Net Position at Beginning of Year           | 7,891,279  |
| Net Position at End of Year                 | <u>\$ 7,807,451</u>                                      |



## Changes in Fund Balance

### Changes in Fund Balance

#### General Fund

It is important to note that while the General Fund's fund balance on the preceding GAAP based statements is a measure of resources that are available to the Town on a long-term basis, the full amount is not available for appropriation in its entirety on a statutory basis. Under Massachusetts General Law, the Massachusetts Department of Revenue (DOR) certifies the amount available, which is referred to as "Free Cash". This certified amount is available for appropriation by the legislative body. The Town is currently awaiting certification.

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. The last certified (FY15) amount was \$2,784,497 and was 4.72% of the total budget. The use of free cash in the operating budget was a practice in Hanover for many years and within just a few years it is no longer used at all. This was a joint effort and commitment not only by the Town Manager and Finance Director, but also the Board of Selectmen and the Advisory Committee.

The historic use of free cash is shown below.

| Amount Available | FY Budget | Amount in Operating Budget | % Used in Budget |
|------------------|-----------|----------------------------|------------------|
| TBD              | FY17      | \$ -                       | 0%               |
| \$ 2,784,497.00  | FY16      | \$ -                       | 0%               |
| \$ 2,074,285.00  | FY15      | \$ 250,000.00              | 12%              |
| \$ 3,049,716.00  | FY14      | \$ 460,166.00              | 15%              |
| \$ 2,204,388.00  | FY13      | \$ 840,682.00              | 38%              |
| \$ 2,394,387.00  | FY12      | \$ 1,447,366.00            | 60%              |
| \$ 1,710,066.00  | FY11      | \$ 1,598,827.00            | 93%              |
| \$ 1,546,768.00  | FY10      | \$ 1,248,929.00            | 81%              |
| \$ 2,739,686.00  | FY09      | \$ 1,557,020.00            | 57%              |

Since FY14, the Town has not formally adopted, but has practiced and adhered to using no more than approximately 75% of free cash in any given year. The proposed budget has free cash being utilized to fund capital purchases and other town meeting articles which will include allocations to other reserve funds.



## Changes in Fund Balance

The following schedule depicts the amounts certified, allocated and percentage used for each of the fiscal years shown. The Town has demonstrated that it adheres to its practice of not using more than approximately 75% of its free cash in any given year. The proposed use of free cash for FY17 will not result in a significant change in fund balance from the previous year. The total free cash amount for FY17 has been estimated based on preliminary year end amounts for FY15.

| Proposed Budget                              | FY15      | FY16      | FY17      |
|--|-----------|-----------|-----------|
| Certified Free Cash as of June 30 prior year | 2,074,285 | 2,784,497 | 2,437,000 |
| Proposed use for upcoming year               | 1,526,924 | 2,171,750 | 1,827,750 |
| Unappropriated Certified Free Cash           | 547,361   | 612,747   | 609,250   |
| % of Free Cash Used                          | 74%       | 78%       | 75%       |

The Town, through conservative fiscal policies, has been able to remain consistent in its ability to produce free cash and preserving a healthy level as compared to the total budget. As mentioned above, the Department of Revenue recommends maintaining between 3-5% of free cash as compared to total budget as shown below.

| Total Budget<br>Year | Total Budget                                 | Free Cash<br>Certified | Free Cash as a %<br>of Total Budget |
|----------------------|--|------------------------|-------------------------------------|
| 2010                 | \$ 52,567,918                                | \$ 1,710,066           | 3.25%                               |
| 2011                 | \$ 51,927,923                                | \$ 2,394,387           | 4.61%                               |
| 2012                 | \$ 54,974,075                                | \$ 2,204,388           | 4.01%                               |
| 2013                 | \$ 55,922,763                                | \$ 3,049,716           | 5.45%                               |
| 2014                 | \$ 57,315,304                                | \$ 2,074,285           | 3.62%                               |
| 2015                 | \$ 59,046,245                                | \$ 2,784,497           | 4.72%                               |
| 2016                 | Awaiting Department of Revenue Certification |                        |                                     |

### Enterprise Fund

The retained earnings, for an Enterprise Fund, is the portion of Net Assets Unrestricted that is certified by the Department of Revenue as available for appropriation. Certification requires submission of a June 30 balance sheet. Once certified, retained earnings may be appropriated through the following June 30.

Retained earnings may be appropriated to:

1. Fund direct costs of the enterprise for the current fiscal year;
2. Fund costs appropriated in the General Fund operating budget and allocated to the enterprise fund for the current fiscal year;
3. Reimbursement to the General or other funds for subsidized capital costs of the enterprise not already reimbursed for the two full, immediately prior, fiscal years.



## Changes in Fund Balance

---

The Town has upheld its practice of not utilizing retained earnings to fund the Enterprise Fund budget as it has with free cash for the General Fund and has remained well under the threshold of utilizing 75% of retained earnings in any given year. This is shown below.

| <b>Proposed Budget</b>                               | <b>FY15</b> | <b>FY16</b> | <b>FY17</b> |
|--|-------------|-------------|-------------|
| Certified Retained Earnings as of June 30 prior year | 544,167     | 439,527     | 400,000     |
| Proposed use for upcoming year                       | 146,638     | 134,841     | 235,000     |
| Unappropriated Certified Retained Earnings           | 397,529     | 304,686     | 165,000     |
| % of Retained Earnings Used                          | 27%         | 31%         | 59%         |

During the current fiscal year, the Town increased the water rates in order to support future capital items and begin to return to higher retained earnings in the next few years.

*Position Comparison*



## Position Comparison

| Department            | FY2015<br>FTE | FY2016<br>FTE | FY2017<br>FTE | Change             |
|-----------------------|---------------|---------------|---------------|--------------------|
| Executive Office      | 3.00          | 3.00          | 3.00          | -                  |
| Community Services    | 27.33         | 31.33         | 31.83         | 0.50 <sup>1</sup>  |
| Facilities Department | 30.82         | 31.79         | 32.76         | 0.97 <sup>2</sup>  |
| Finance Department    | 14.00         | 13.00         | 18.00         | 5.00 <sup>3</sup>  |
| Fire Department       | 27.00         | 27.00         | 27.00         | -                  |
| Police Department     | 41.50         | 42.50         | 42.50         | -                  |
| Public Works          | 39.73         | 39.73         | 37.73         | -2.00 <sup>4</sup> |
| <b>Total</b>          | <b>183.38</b> | <b>188.35</b> | <b>192.32</b> | <b>4.47</b>        |

### <sup>1</sup> Community Services

This FY 2017 budget includes fulling funding the Technology Reference Librarian out of the general fund. In FY2016 we only funded half of this full time position out of the operating budget with the remaining funds coming out of State grant funding. Fully funding this position in FY17 is necessary in order to maintain our library accreditation.

### <sup>2</sup> Facilities Department

Although the FTE number has increased in this department for purposes of this comparison, this calculation merely formalizes a long standing practice of hiring permanent substitute custodians to cover shifts for employees out on sick or vacation time. This fiscally responsible practice has saved significant funds by paying substitutes straight time rather than calling in employees on overtime.

### <sup>3</sup> Finance Department

Although the FTE amount increases significantly in this comparison, the actual net increase in staffing is less than 1 FTE, as two positions are being transferred from the Public Works - Water Department, two positions are being shared with the School Department and one part time administrative assistant is proposed to increase to full time.

### <sup>4</sup> Public Works Department

Two positions from the Water Department are to be transferred to Finance Department but continued to be paid by the Water Enterprise Fund.

*Measuring Up...  
How Hanover Compares  
to Other Communities*

# Measuring Up... How Hanover Compares to Other Communities



Troy B.G. Clarkson  
Town Manager

This Community Comparison report compares Hanover's expenditures by category with a select group of towns. All expenditure data was obtained from the Massachusetts Department of Revenue (DOR) using the most recent year (FY2013) available.

More detailed information, including the Town's long range financial plan can be found in the FY16 Budget link on Board of Selectmen's page:  
<http://www.hanover-ma.gov/board-of-selectmen>

**Town of Hanover**  
**550 Hanover Street**  
**Hanover, MA 02339**  
**781-826-5000**

This Community Comparison report compares the Town of Hanover expenditures by category with a select group of towns. All expenditure data was obtained from the Massachusetts Department of Revenue (DOR) using the most recent year (FY2013) available. The list of comparable towns was selected based on four metrics:

- Population
- Average Single Family Tax Bill
- Income per-capita
- Equalized Valuation per-capita

In the first screening only municipalities that were between 90 and 110% of Hanover’s value for each economic metric were selected. To increase the sampling; municipalities with three metrics falling within that range were included. This produced a **Core-Group** of four towns:

1. **Holliston**
2. **Ipswich**
3. **Medway**
4. **Northborough**

In addition to the core-group, we added the remaining towns which directly **border** Hanover to see how we compare with our neighbor;

1. **Hanson**
2. **Norwell**
3. **Pembroke**
4. **Rockland**

| Municipality | 2013 Population | 2015 Average Single Family Tax Bill | 2011 DOR Income Per Capita | 2012 EQV Per Capita |
|--------------|-----------------|-------------------------------------|----------------------------|---------------------|
| Hanover      | 14,280          | \$7,038                             | \$43,192                   | \$172,076           |
| Holliston    | 14,162          | \$7,495                             | \$47,765                   | \$151,561           |
| Ipswich      | 13,574          | \$6,179                             | \$44,977                   | \$183,432           |
| Medway       | 13,053          | \$6,610                             | \$42,181                   | \$132,961           |
| Northborough | 14,762          | \$6,485                             | \$50,038                   | \$180,960           |
| Hanson       | 10,324          | \$4,556                             | \$29,180                   | \$118,379           |
| Norwell      | 10,723          | \$9,183                             | \$71,404                   | \$229,488           |
| Pembroke     | 18,097          | \$4,915                             | \$33,551                   | \$133,416           |
| Rockland     | 17,632          | \$4,843                             | \$24,767                   | \$106,438           |

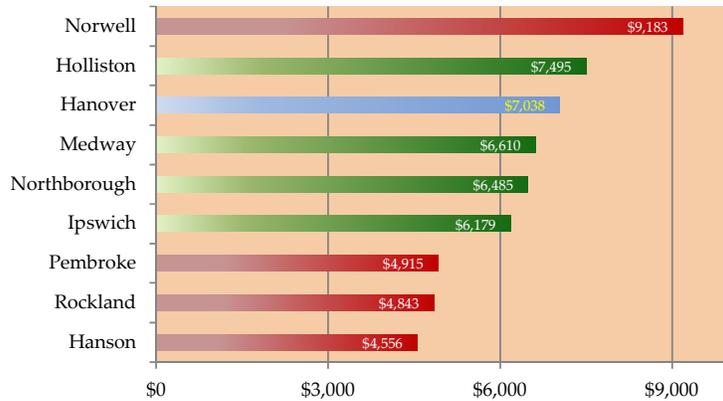
Core-Group Communities = Green

Border Communities = Red

The **Average Single Family Tax Bill** is the average home value in a community multiplied by that community's property tax rate. While individual tax bills may vary according to individual home value, the Average Tax Bill is a good indicator of what the property tax burden is on residential taxpayers.

Due to relatively high home values, Hanover residents tend to pay a higher tax bill than the state average (\$5,020). While this places Hanover in the top third in terms of its comparable communities, it is still significantly below neighboring Norwell.

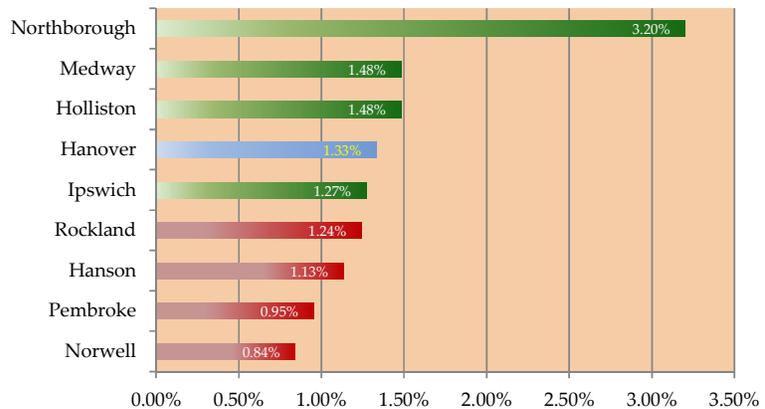
Average Single Family Tax Bill FY15



**Average New Growth:** Under Proposition 21/2 local property taxes cannot be increased by more than 2.5% plus tax revenues from new construction added to the tax base. Consequently, for many communities, New Growth is an important revenue source.

Hanover's New Growth has not kept pace with the majority of its Core-Group communities and falls short of the statewide average (1.67%). However, Hanover continues to outpace its neighbors.

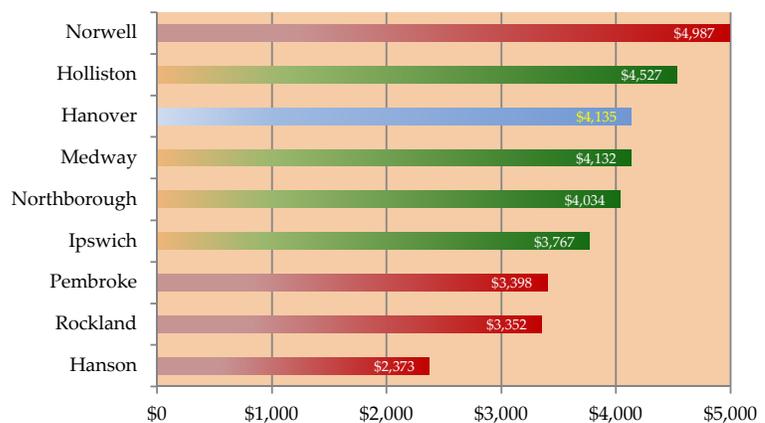
Average New Growth 2012 - 2014



**Per Capita Spending** is calculated from the Town's total expenditures budget divided by its population, which provides a point of comparison for how much the Town spends proportionate to its size. This makes it possible to compare spending between Towns while accounting for population.

Hanover is in the top third of per capita spending relative to its Core-Group communities. It is also higher than the state average of \$2,968.

Total Per Capita Spending FY13

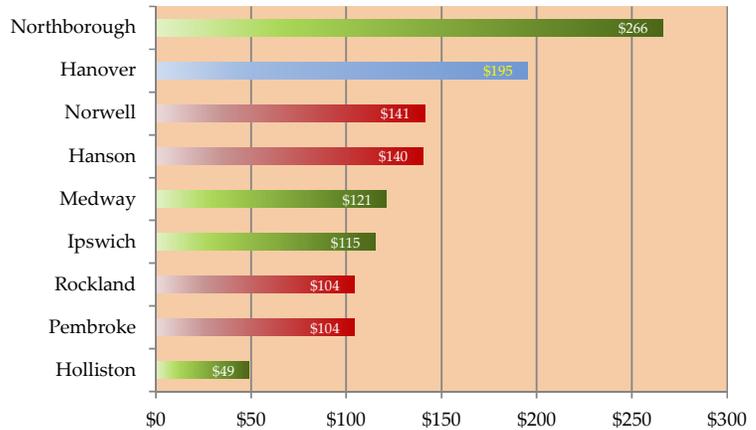


**Free Cash Per Capita 7/1/2014**

Hanover ranks 2<sup>nd</sup> of all nine communities in its total **Free Cash Account** and in its per capita amount.

Hanover ranks 2<sup>nd</sup> of five among the core-group communities in per-capita and 1<sup>st</sup> out of five when compared to its neighbors.

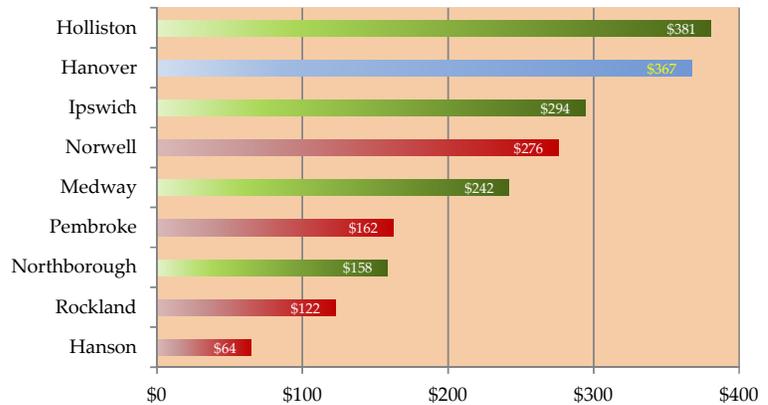
Hanover's \$195 per capita is slightly under the state average of \$197.



**Debt Service Per Capita FY13**

For **Debt Services** Hanover per capita expenses rank second of all nine communities and 1<sup>st</sup> among its neighbors.

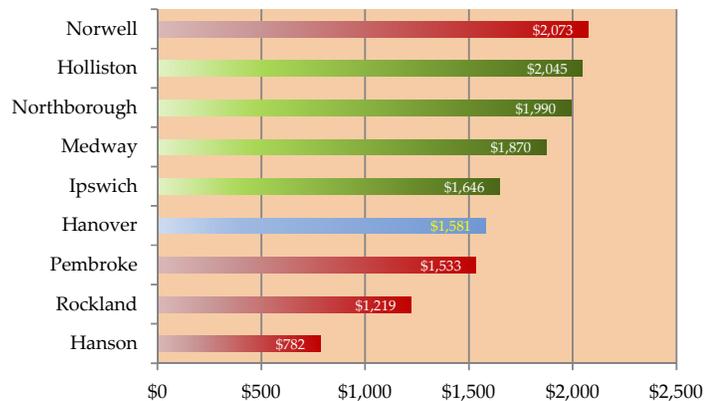
The state average for Debt Services per capita \$202.



**Education Per Capita FY13**

Hanover's total and per capita spending for **Education** ranks 5<sup>th</sup> of the five core-group communities (Hanover plus four). Easton fares better when compared to bordering towns ranking 2<sup>nd</sup> out of five and when compared with the larger group ranking 6<sup>th</sup> out of nine.

Hanover is above the state average of \$1,382 per capita spending.

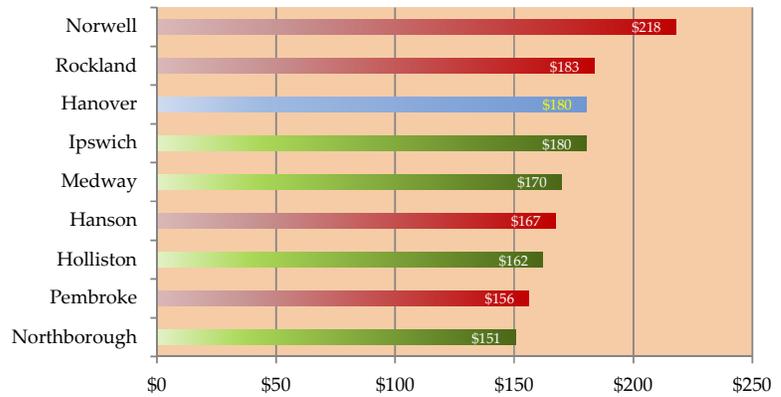


**Police Per Capita FY13**

**Police** total spending and per capita spending for Hanover's Police ranks 2nd and 3rd, respectively, of the five border communities.

When compared with the core group communities, Hanover's total spending and per capita spending ranks 1st out of five.

Hanover is below the state average of \$212 per capita spending.

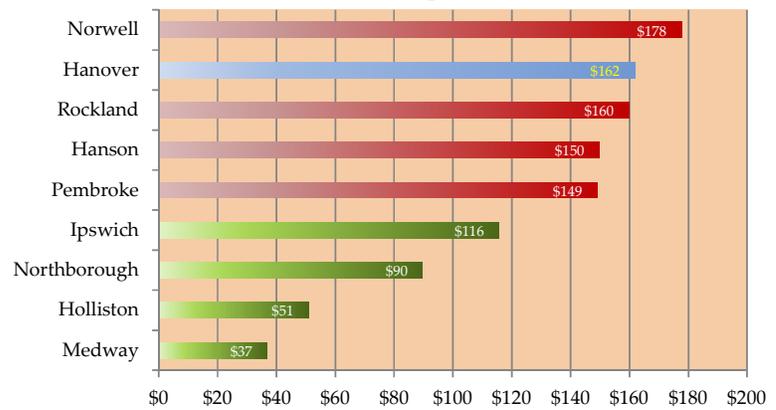


**Fire Per Capita FY13**

Our **Fire** per capita expenses rank second of all nine communities. Hanover's Fire expenditures are closely behind its neighbor Norwell.

When compared to the core-group of communities Hanover places #1 spending.

Hanover is above the state average of \$157 per capita spending.

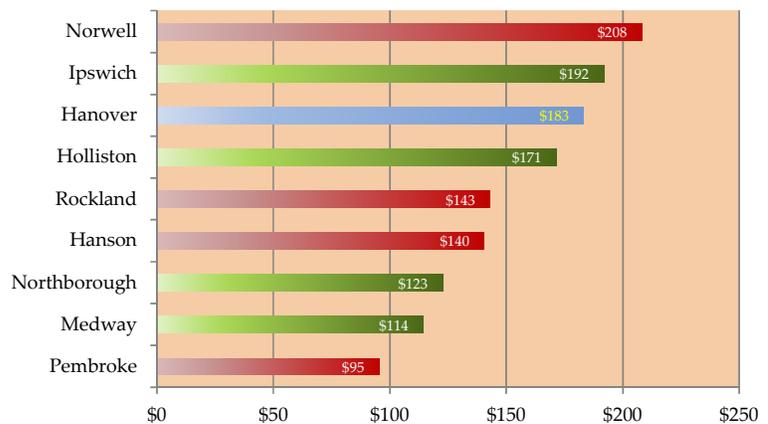


**Public Works Per Capita FY13**

**Public Works** Hanover ranks 1<sup>st</sup> of all nine communities in its total Public Works spending and in the top third in per capita spending.

Hanover ranks 2nd of five among the core-group communities in per-capita spending and 2nd out of five when compared to its neighbors.

Hanover is above the state average of \$160 per capita spending.

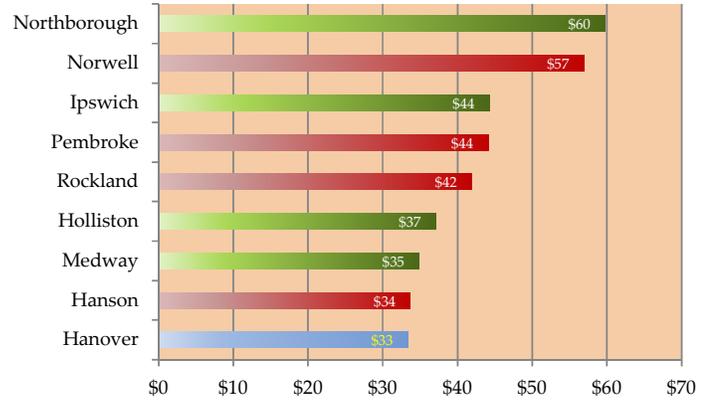


Hanover ranks last among comparable communities for **Culture & Recreation** per capita spending.

When compared to both the core group and the border communities Hanover ranks 4<sup>th</sup> in total spend for Culture and Recreation.

Hanover is well below the state average of \$56 per capita spending.

Culture & Recreation Per Capita FY13





***2015  
Citizens Survey Results***

# *Town of Hanover*

2015

## Citizens Satisfaction Survey

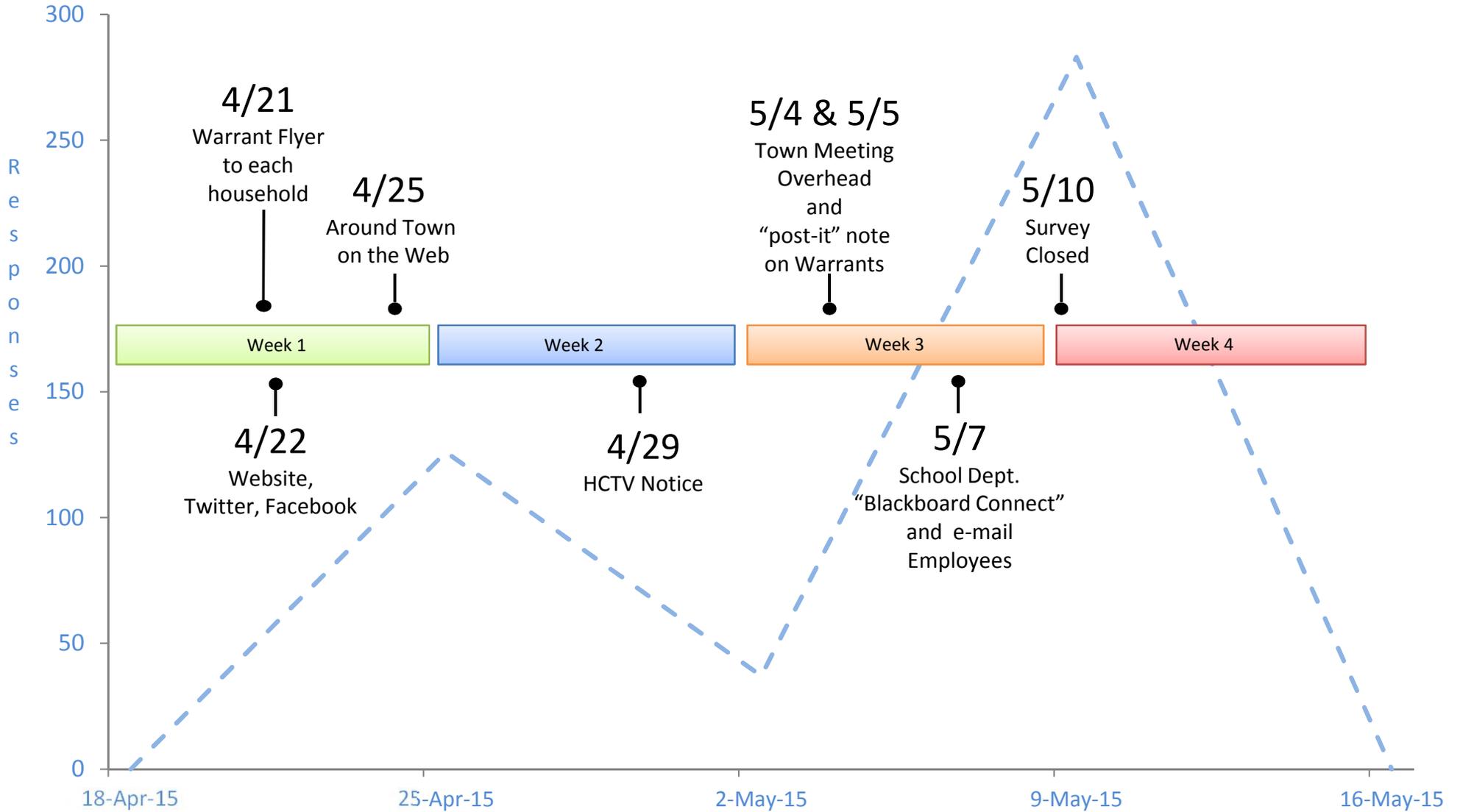
# About the survey .....

- Web based survey
  - Introductory letter
  - Five Sections
    - Quality of life, Communications, Town Services, Government Performance, General / Demographics
- Timeframe: 3 Weeks (April 21 to May 10)
- Targeted 4,305 households
- ✓ 496 respondents
- ✓ 11.5% response rate
- ✓ +/- 5% Error Rate (95% confidence level)

# Demographics of respondents

- 63% lived in Hanover > 10 years
- 85% had a college degree
- 75% were 35 to 55 years old
- 68% were female

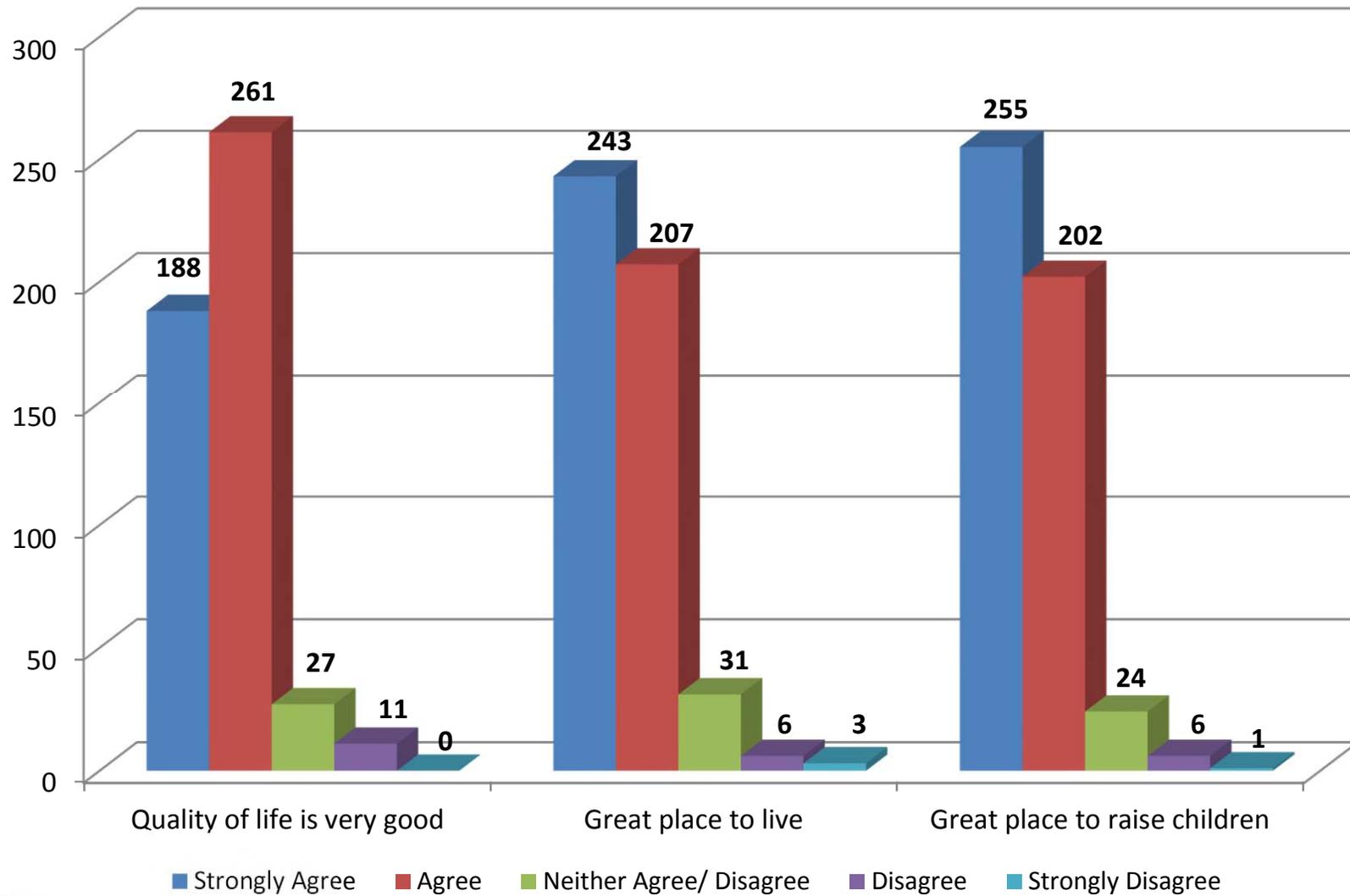
# Getting the word out .....



Week Ending

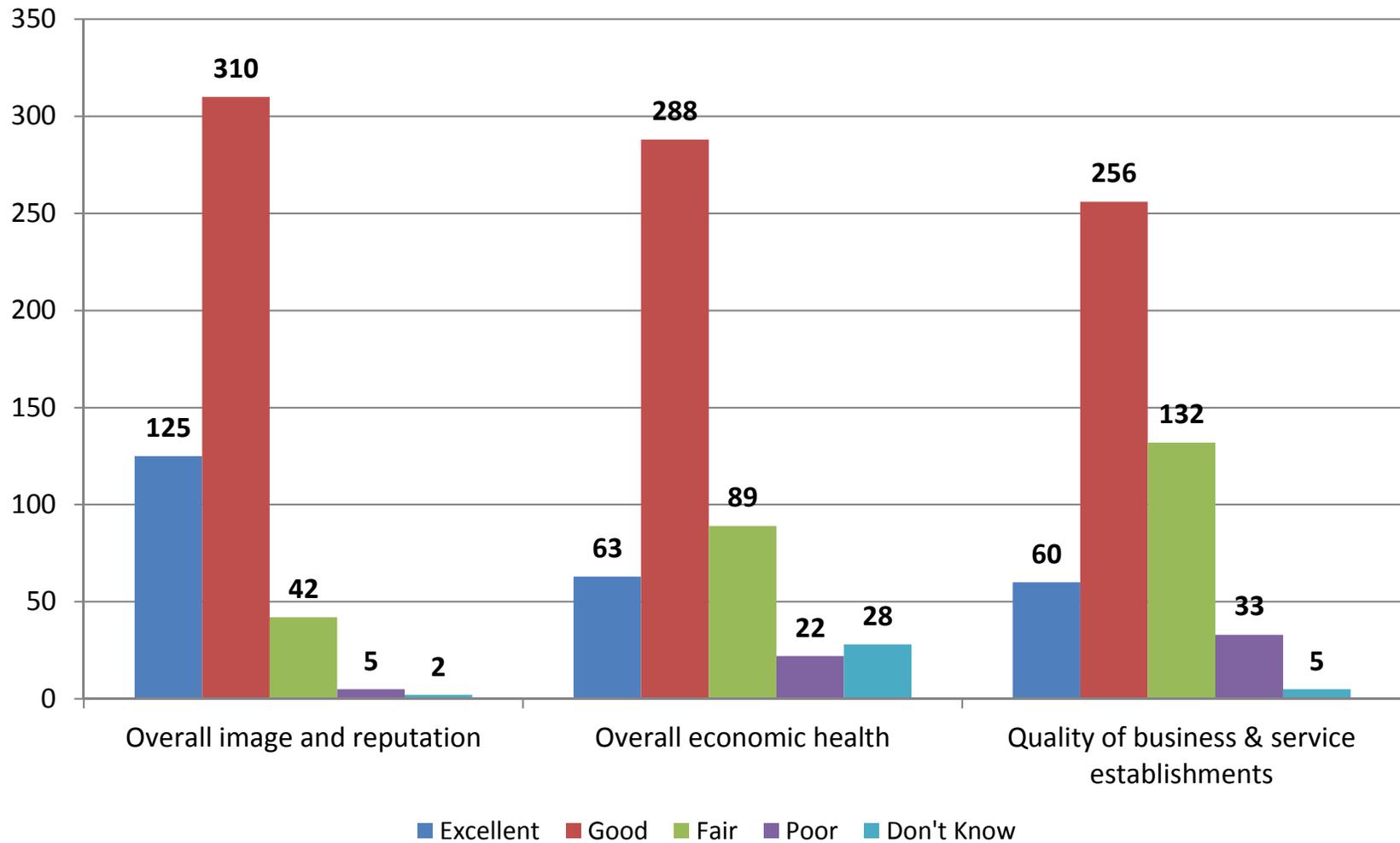
# Quality of life

Overall quality of life, place to live / raise children



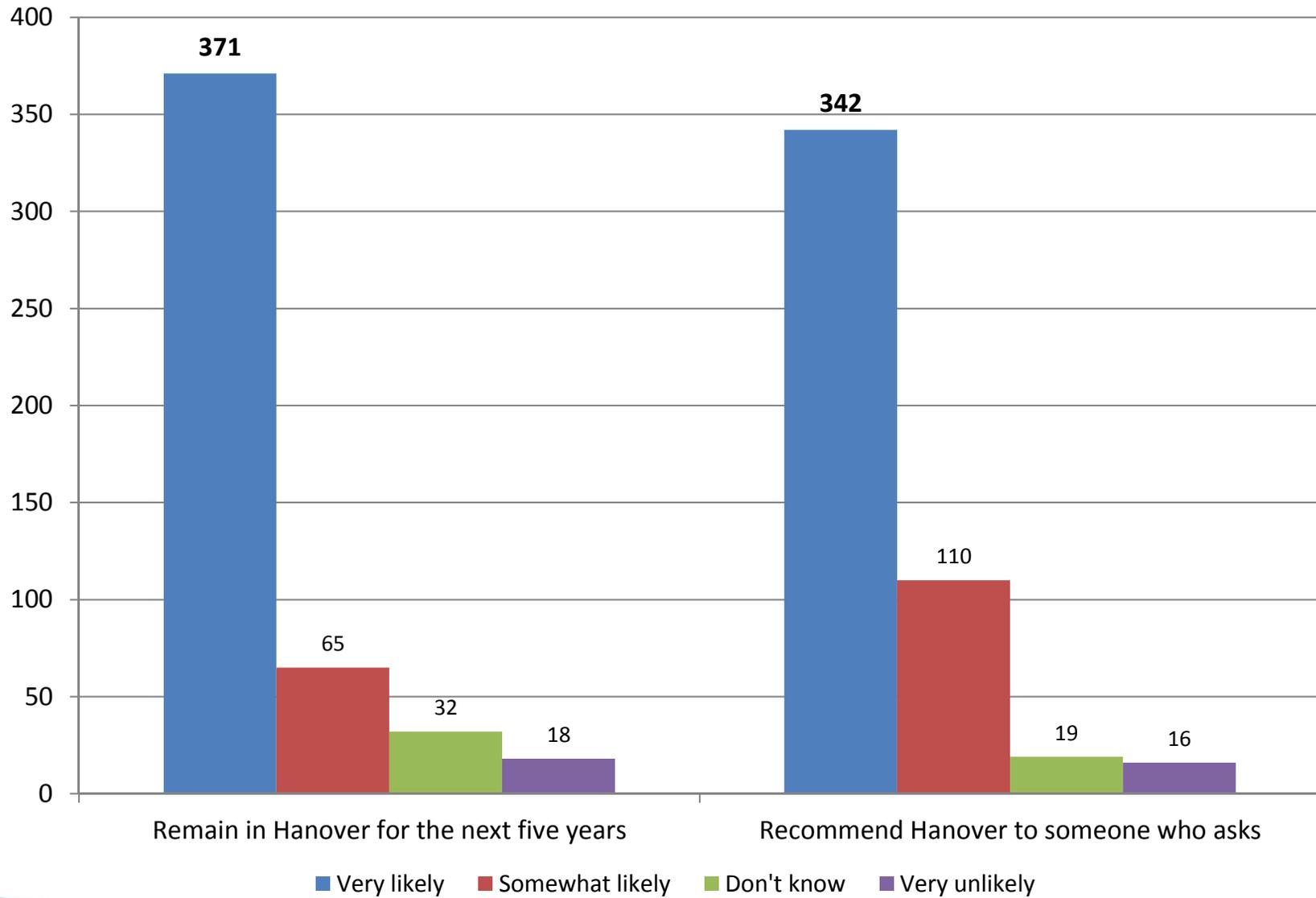
# Quality of life

Image, economic health, businesses / services



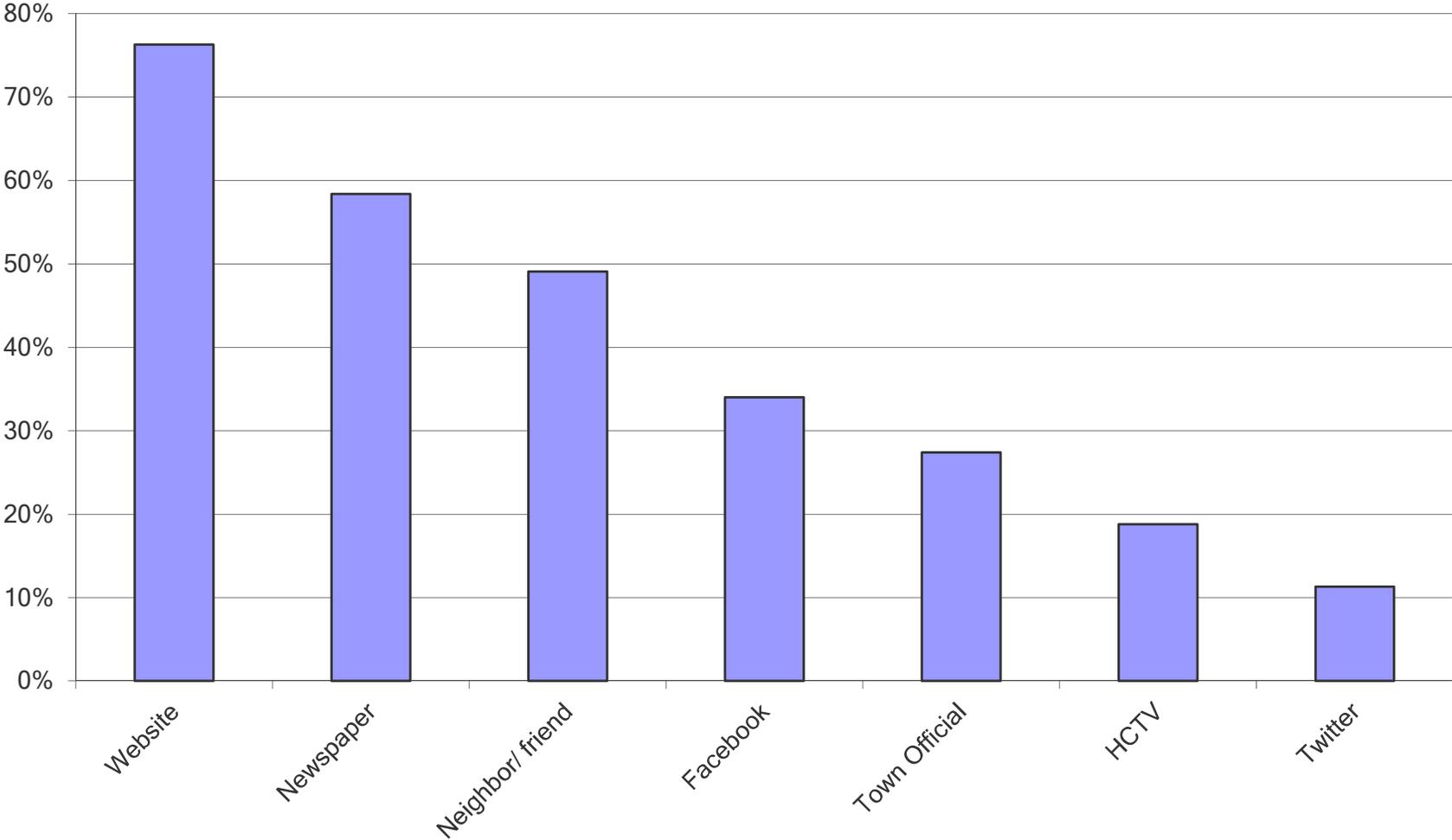
# Quality of life

## Quality of life in Hanover



# Communications

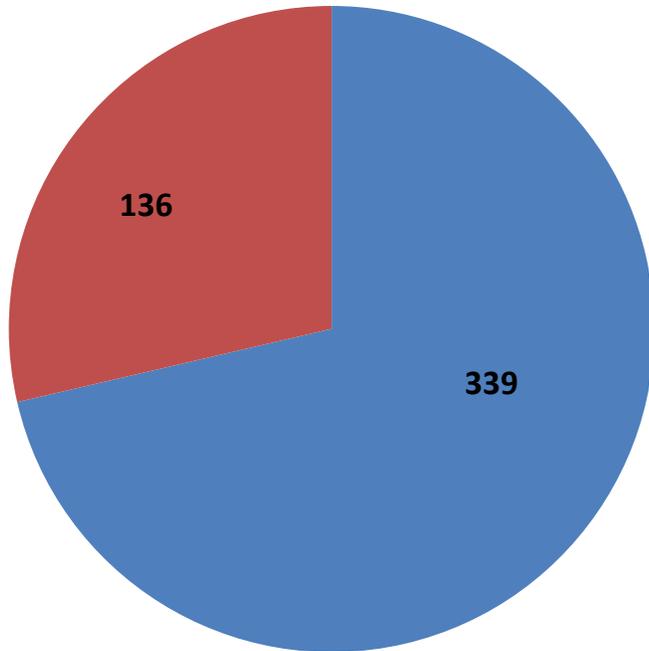
Where do you go for information?



# Communications

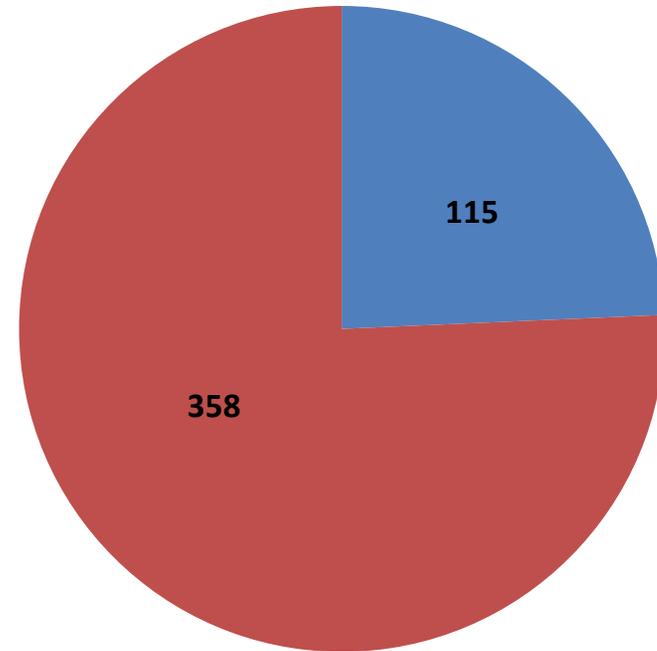
Employees and elected/appointed official (in last 12 months)

### Contacted a Town of Hanover Employee



■ Yes ■ No

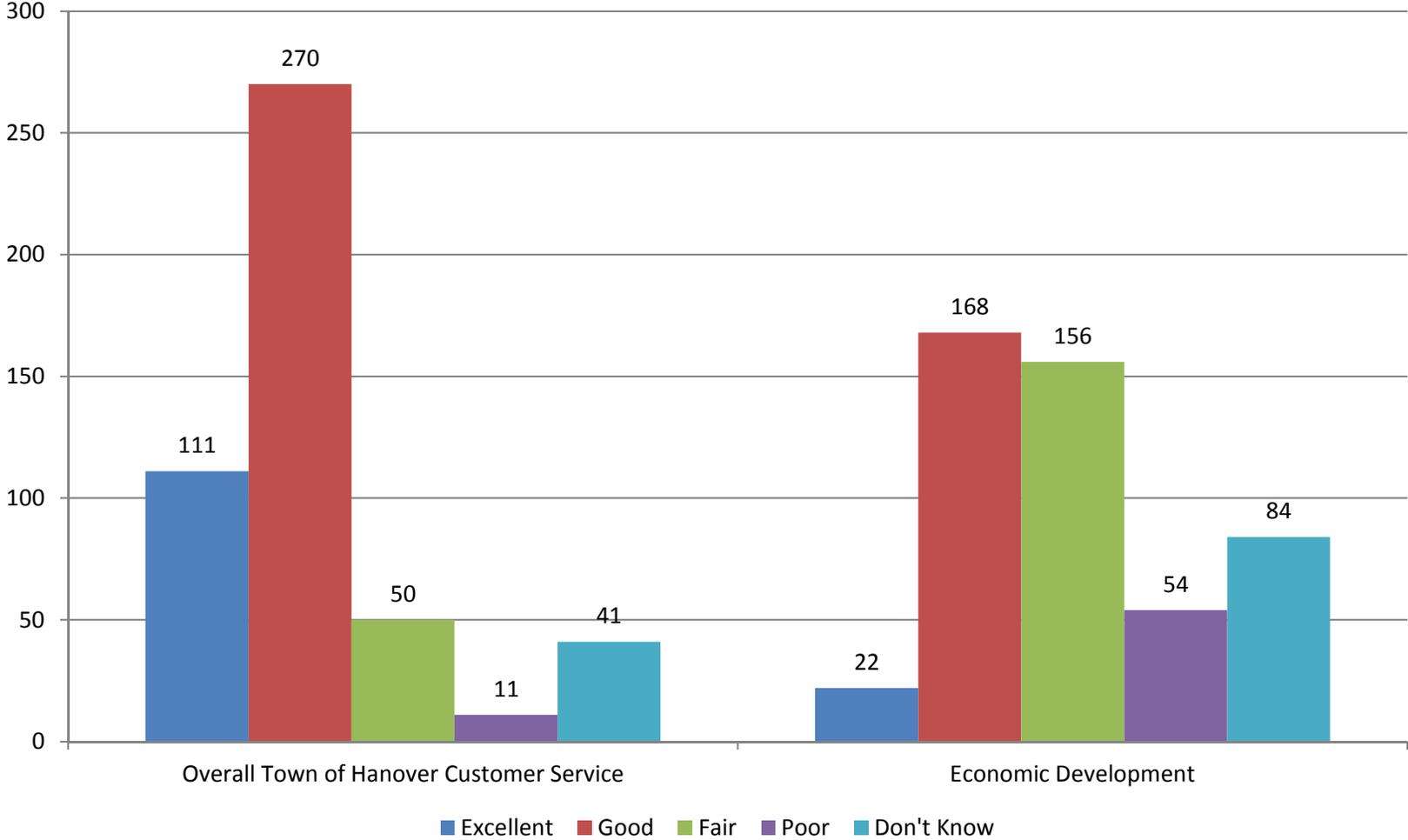
### Contacted a Hanover elected/ appointed official



■ Yes ■ No

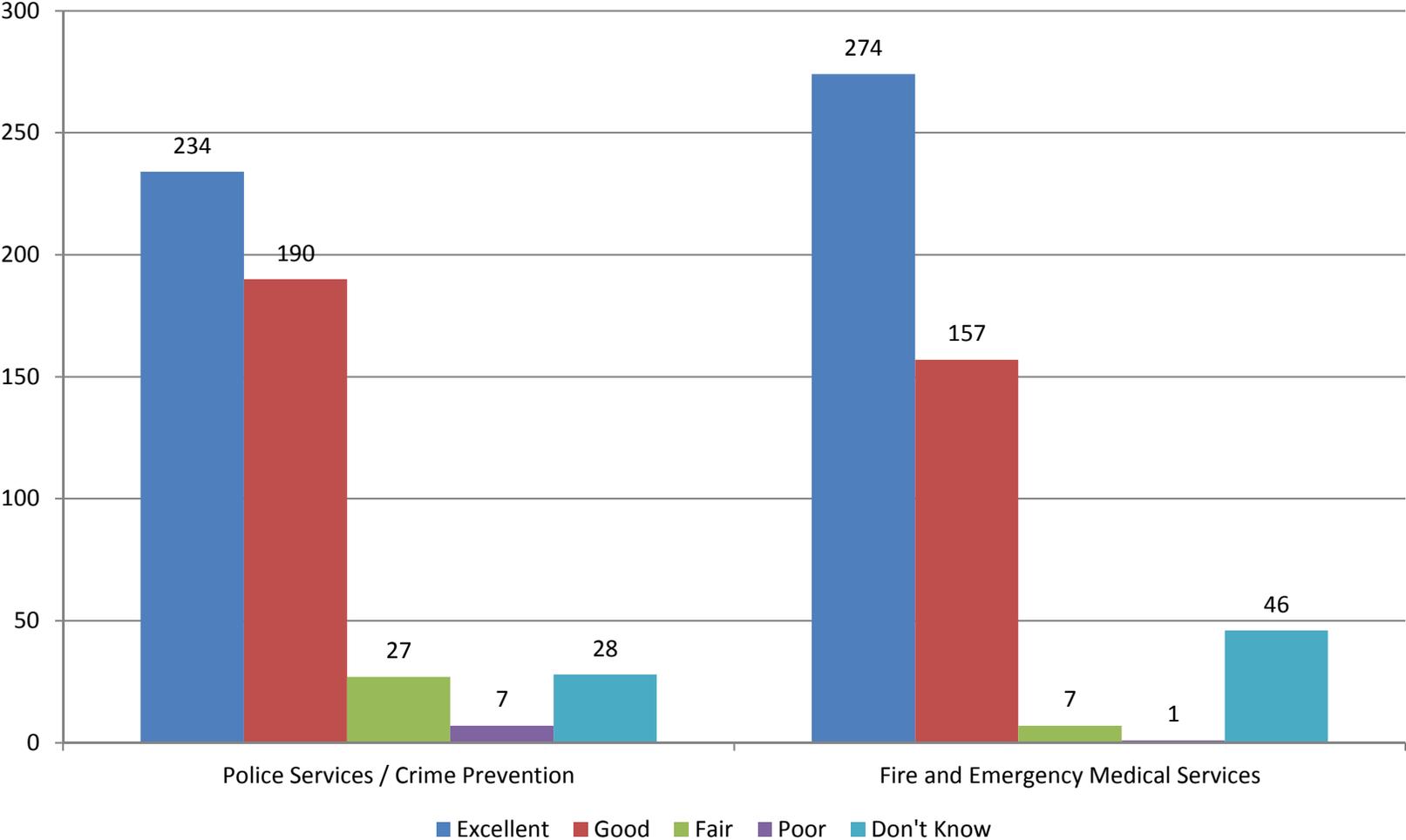
# Town Services

## Overall Customer Satisfaction, Economic Development



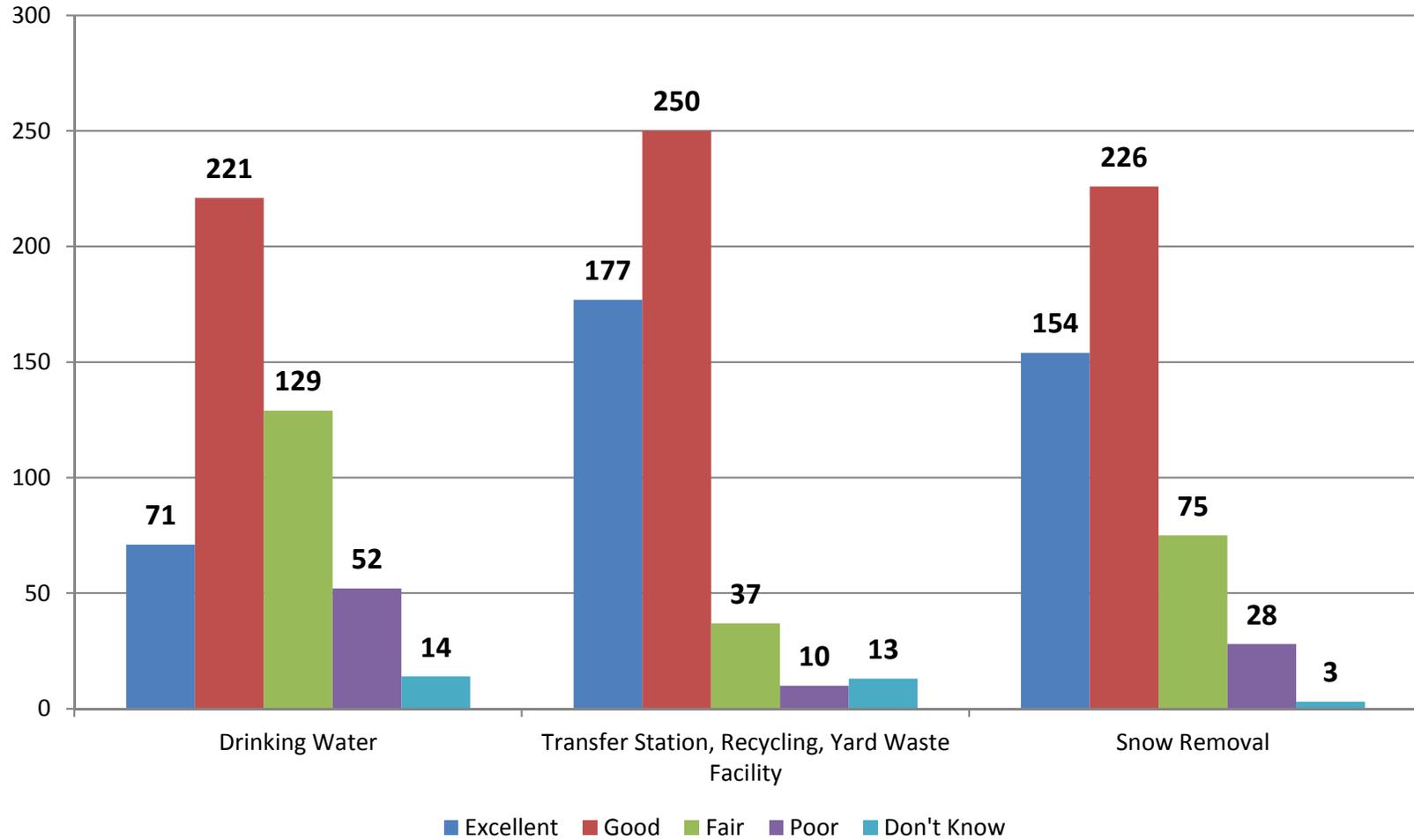
# Town Services

## Police Services, Fire Services



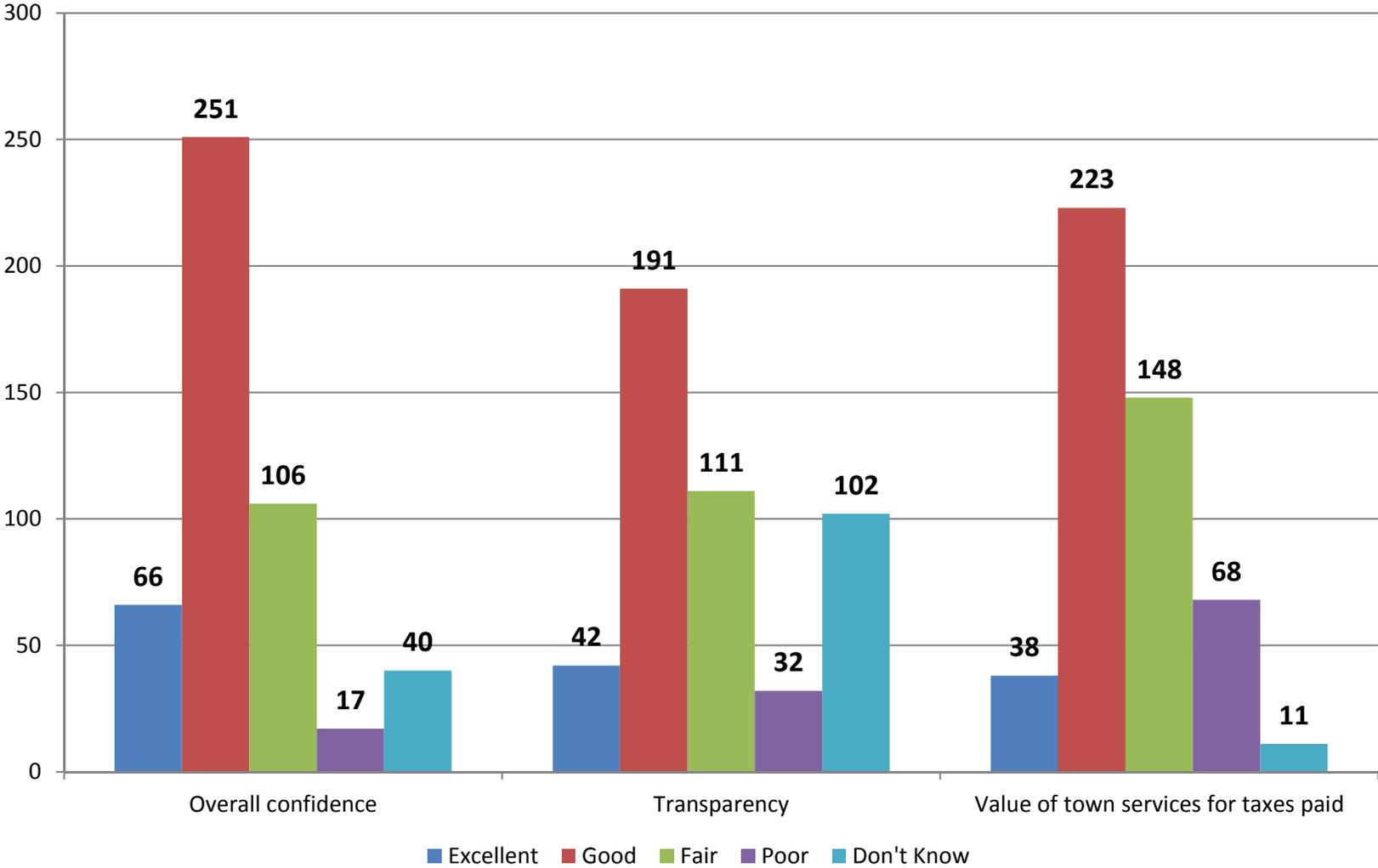
# Town Services

Drinking Water, Waste, Snow Removal



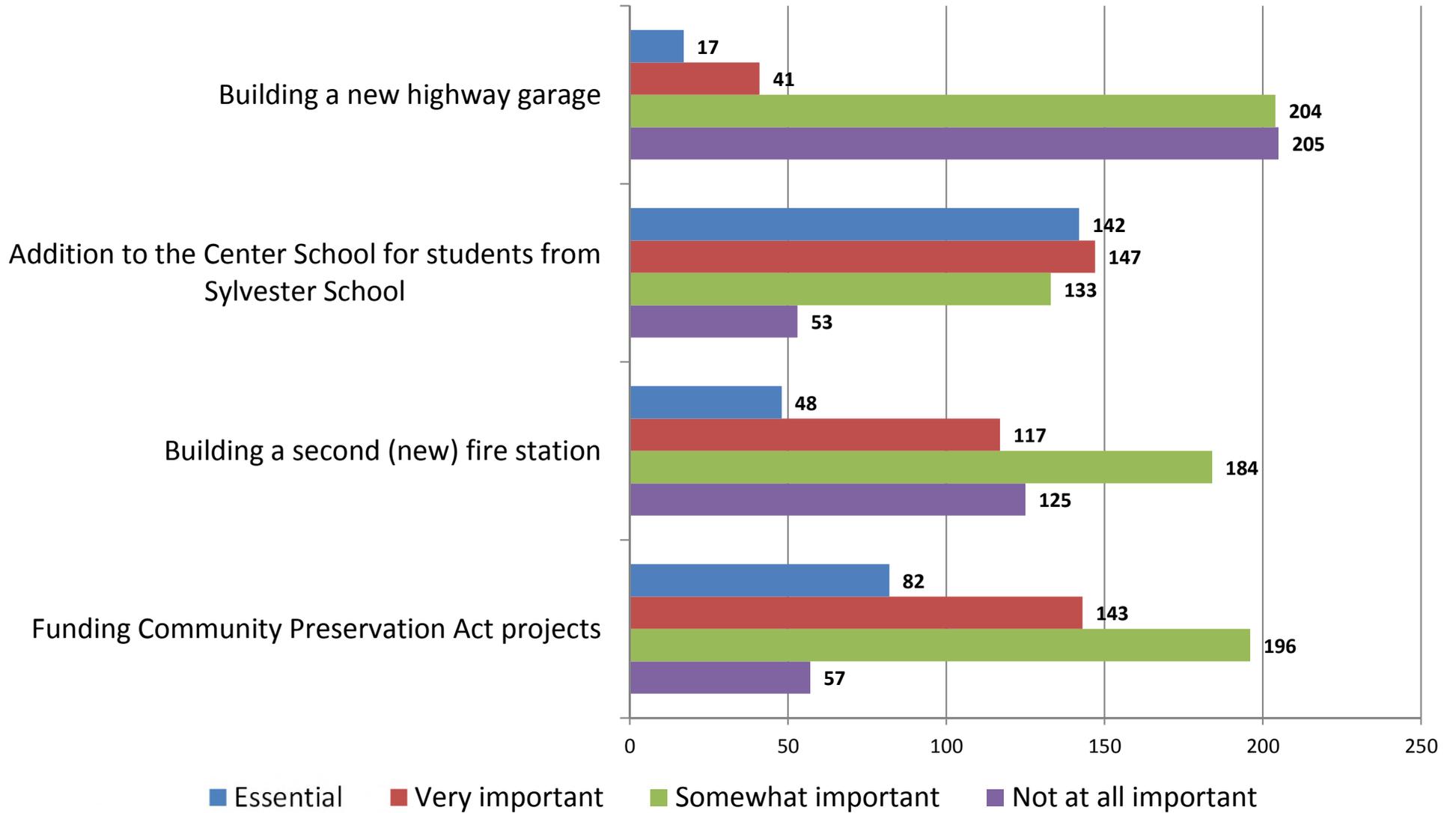
# Government's Performance

Confidence, Transparency, Value of Services



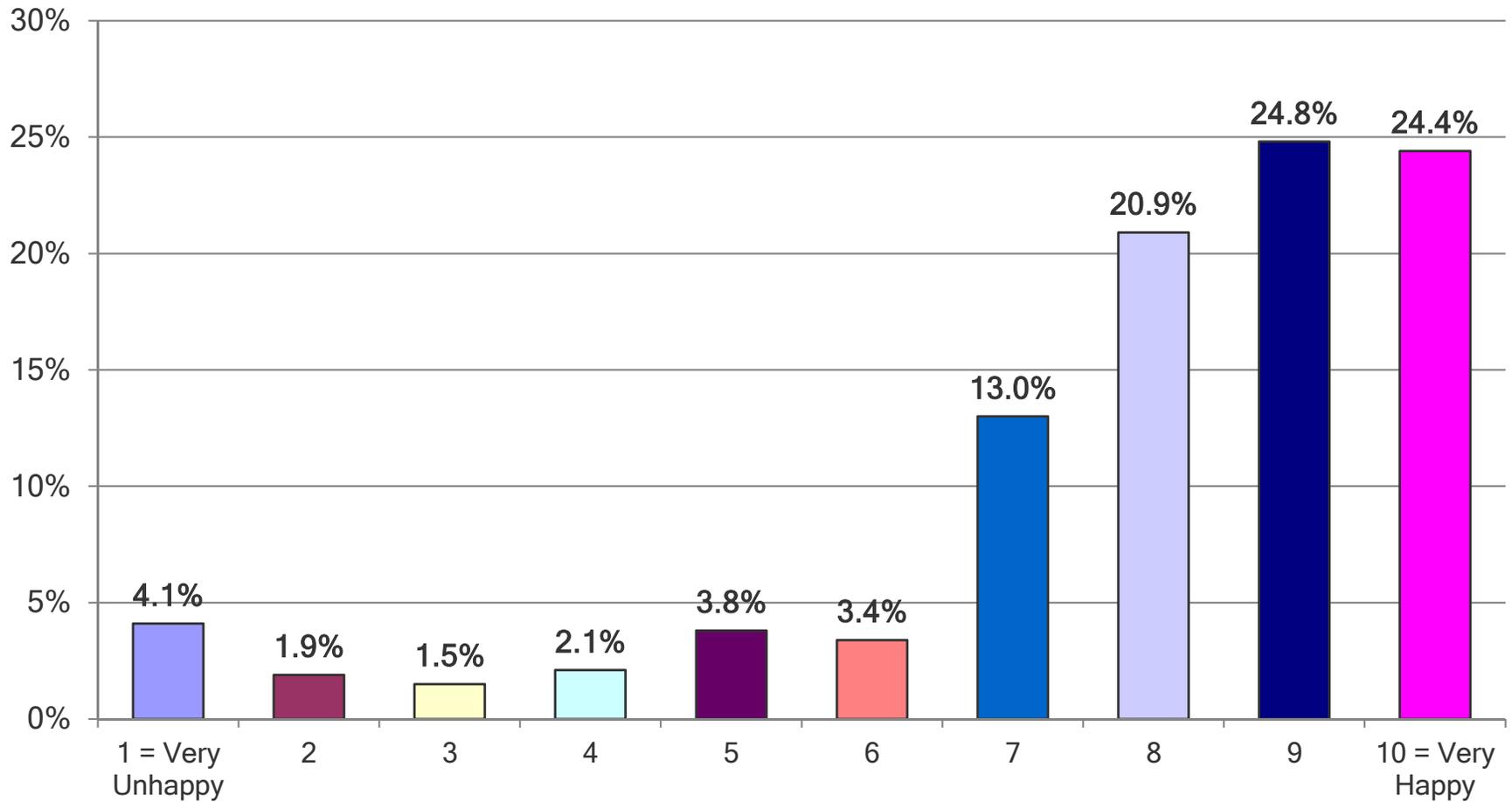
# General

## Major Issues



# General

How happy are you living in the Town of Hanover?



*Table of  
Abbreviations  
&  
Acronyms*



## Table of Abbreviations and Acronyms

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|                |  |
|----------------|--|
| Admin          | Administrative   |
| Asst or Assist | Assistant  |
| AFSCME         | American Federation of State, County and Municipal Employees |
| AP             | Accounts Payable   |
| ATB            | Appellate Tax Board  |
| BAN            | Bond Anticipation Note                                       |
| BLA            | Bureau of Local Assets                                       |
| BOA            | Bureau of Accounts   |
| BoS or BOS     | Board of Selectmen   |
| CD             | Certificate of Deposit                                       |
| CPA            | Community Preservation Act                                   |
| CERT           | Community Emergency Response Team                            |
| CI&P           | Commercial, Industrial & Personal                            |
| CIP            | Capital Improvement Program                                  |
| COA            | Council on Aging   |
| CORI           | Criminal Offender Record Information                         |
| CPA            | Community Preservation Act                                   |
| CPR            | Cardiopulmonary Resuscitation                                |
| DET            | Department of Employment and Training                        |
| DLS            | Division of Local Services                                   |
| DMI            | Department of Municipal Inspections                          |
| DOCS           | Director of Community Services                               |
| DOE            | Department of Education                                      |
| DOER           | Department of Energy Resources                               |
| DOR            | Department of Revenue  |
| DPW            | Department Public Works                                      |
| DRA            | Library, as noted in the DRA Building Study                  |
| DUA            | Division of Unemployment Assistance                          |
| ECC            | Emergency Communication Center                               |
| E&D            | Excess and Deficiency  |
| EMA            | Emergency Management Agency                                  |
| EMD            | Emergency Medical Dispatch                                   |
| EOC            | Emergency Operations Center                                  |
| Equip          | Equipment  |
| EQV            | Equalized Valuation  |
| F/T            | Full Time  |
| FBI            | Federal Bureau of Investigation                              |
| FEMA           | Federal Emergency Management Agency                          |
| FCV            | Full and Fair Cash Value                                     |
| FICA           | Federal Insurance Contributions Act                          |



## Table of Abbreviations and Acronyms

|         |  |
|---------|--|
| FTE     | Full Time Equivalent                                 |
| FTE     | Full Time Equivalent                                 |
| FY      | Fiscal Year  |
| GAAP    | Generally Accepted Accounting Principles             |
| GASB    | Government Accounting Standards Board                |
| GATRA   | Greater Attleboro-Taunton Regional Transit Authority |
| GFOA    | Government Finance Officers Association              |
| GIS     | Geographic Information System                        |
| GVW     | Gross Vehicle Weight                                 |
| HMEP    | Hazardous Materials Emergency Preparedness           |
| HMO     | Health Maintenance Organization                      |
| HMS     | Hanover Middle School                                |
| HPS     | Hanover Public School                                |
| HYAA    | Hanover Youth Athletic Association                   |
| HQ      | Headquarters   |
| IGR     | Informational Guideline Release                      |
| IOD     | Injured On Duty                                      |
| ISO     | Insurance Service Organization                       |
| ISR     | Internal Revenue Service                             |
| LEPC    | Local Emergency Planning Committee                   |
| MassDOT | Massachusetts Department of Transportation           |
| MBTA    | Massachusetts Bay Transit Authority                  |
| MCI     | Mass Casualty Incident                               |
| MGL     | Massachusetts General Law                            |
| MHD     | Massachusetts Highway Department                     |
| MIIA    | Massachusetts Interlocal Insurance Association       |
| MMHG    | Mayflower Municipal Health Group                     |
| MQGE    | Medicare Qualified Government Employees              |
| MS4     | Municipal Separate Stormwater System                 |
| MSBA    | Massachusetts School Building Authority              |
| MTRS    | Massachusetts Teachers Retirement System             |
| MWPAT   | Massachusetts Water Pollution Abatement Trust        |
| NSS     | Net School Spending                                  |
| OCPAC   | Old Colony Police Anti-Crime Task Force              |
| OPEB    | Other Post-Employment Benefits                       |
| Ops     | Operations   |
| P/T     | Part Time  |
| PEG     | Public, Educational, Government                      |
| PERAC   | Public Employee Retirement Administrative Commission |
| PM      | Preventive Maintenance                               |
| PPO     | Preferred Provider Organization                      |
| PRG     | Program  |



## Table of Abbreviations and Acronyms

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|       |   |
|-------|---|
| PVC   | Poly Vinyl Chloride   |
| RMV   | Registry of Motor Vehicles  |
| ROPS  | Roll Over Protection Structure  |
| SHINE | Serving the Health Insurance Needs of Everyone- state health insurance assistance program |
| SOL   | State Owned Land  |
| SPED  | Special Education   |
| STAS  | Statutory System  |
| UAAL  | Unfunded Actuarial Accrued Liability  |
| UMAS  | Uniform Massachusetts Accounting System   |
| UTMC  | Unemployment Tax Management Corporation   |
| UTV   | Utility Task Vehicle  |
| VAT   | Vinyl Asbestos Tile   |
| VCT   | Vinyl Composition Tile  |
| VNA   | Visiting Nurses Association   |
| WTP   | Water Treatment Protection Plant  |

## *Glossary of Terms*



## Glossary of Terms

|                                  |  |
|----------------------------------|--|
| <b>Abatement</b>                 | 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)   |
| <b>Accounting System</b>         | 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.   |
| <b>Accrued Interest</b>          | 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)  |
| <b>Adopted Budget</b>            | The version of the budget that has been approved by a vote of Town Meeting.  |
| <b>Additional Assistance</b>     | 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.                            |
| <b>Amortization</b>              | The gradual repayment of an obligation over time and in accordance with a predetermined payment schedule.  |
| <b>Appellate Tax Board (ATB)</b> | 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.   |
| <b>Appropriation</b>             | 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)   |
| <b>Arbitrage</b>                 | 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.  |
| <b>Assessed Valuation</b>        | 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.  |
| <b>Audit</b>                     | 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. |
| <b>Audit Management Letter</b>   | 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

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| <b>Audit Report</b>                      | 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.  |
| <b>Available Funds</b>                   | 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).  |
| <b>Balance Sheet</b>                     | A statement that discloses the assets, liabilities, reserves, and equities of a fund or governmental unit at a specified date.   |
| <b>Balanced Budget</b>                   | A budget in which estimated receipts are greater than or equal to proposed appropriations. This is a requirement for all Massachusetts cities and towns.   |
| <b>Betterments (Special Assessments)</b> | 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. |
| <b>Boat Excise</b>                       | 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.  |
| <b>Bond</b>                              | 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).   |
| <b>Bond Anticipation Note (BAN)</b>      | 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.  |
| <b>Bond Authorization</b>                | 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

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| <b>Bond Counsel</b>                  | An attorney or law firm engaged to review and submit an opinion on the legal aspects of a municipal bond or note issue.   |
| <b>Bond Issue</b>                    | The actual sale of the entire, or a portion of, the bond amount authorized by a town meeting or city council.   |
| <b>Bond Premium</b>                  | 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) |
| <b>Bond Rating<br/>(Municipal)</b>   | 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.   |
| <b>Bonds Authorized and Unissued</b> | 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.   |
| <b>Budget</b>                        | A plan for allocating resources to support particular services, purposes and functions over a specified period of time.   |
| <b>Budget Calendar</b>               | The schedule of key dates or milestones which a government follows in the preparation and adoption of the budget.   |
| <b>Budget Message</b>                | 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.  |
| <b>Budget Unit</b>                   | A board or department to which the municipality's legislative body appropriates funds.  |
| <b>Capital Assets</b>                | All tangible property used in the operation of government, which is not easily converted into cash, and has an initial useful live 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

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| <b>Capital Budget</b>                       | 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)   |
| <b>Capital Improvements Program</b>         | 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.   |
| <b>Capital Outlay Expenditure Exclusion</b> | 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.  |
| <b>Cash</b>                                 | Currency, coin, checks and bankers' drafts on hand or on deposit with an official or agent designated as custodian of cash and bank deposits.   |
| <b>Cash Management</b>                      | 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.  |
| <b>Cemetery Perpetual Care</b>              | 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.   |
| <b>Certification</b>                        | 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) |
| <b>Certificate of Deposit (CD)</b>          | 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.  |
| <b>Chapter 70 School Aid</b>                | 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

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| <b>Chapter 90 Highway Funds</b>        | 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. |
| <b>Cherry Sheet</b>                    | 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 <a href="http://www.mass.gov/dls">www.mass.gov/dls</a> . (See Cherry Sheet Assessments, Estimated Receipts)  |
| <b>Cherry Sheet Assessments</b>        | Estimates of annual charges to cover the cost of certain state and county programs.   |
| <b>Cherry Sheet Offset Items</b>       | 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)   |
| <b>Classification of Real Property</b> | 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)   |
| <b>Classification of the Tax Rate</b>  | 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.   |
| <b>Collective Bargaining</b>           | 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.  |
| <b>Commitment</b>                      | 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

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| <b>Community Preservation Act (CPA)</b> | 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) |
| <b>Community Preservation Fund</b>      | 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.  |
| <b>Compensated Absences</b>             | 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.   |
| <b>Compensating Balance Agreement</b>   | 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.   |
| <b>Conservation Fund</b>                | 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.   |
| <b>Cyclical Inspection Program</b>      | A cyclical reinspection program involves completing an interior and exterior inspection of all property over a multi-year period, not exceeding nine years.   |
| <b>Data Collection</b>                  | Process of inspecting real and personal property and recording its attributes, quality, and condition.  |
| <b>Debt Authorization</b>               | 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

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| <b>Debt Exclusion</b>              | 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 <sup>1/2</sup> . By approving a debt exclusion, a community calculates its annual levy limit under Proposition 2 <sup>1/2</sup> , 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.   |
| <b>Debt Limit</b>                  | The maximum amount of debt that a municipality may authorize for qualified purposes under state law.  |
| <b>Debt Service</b>                | The repayment cost, usually stated in annual terms and based on an amortization schedule, of the principal and interest on any particular bond issue.   |
| <b>Debt Statement</b>              | 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."  |
| <b>Deficit</b>                     | The excess of expenditures over revenues during an accounting period. Also refers to the excess of the liabilities of a fund over its assets.   |
| <b>Encumbrance</b>                 | 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.  |
| <b>Enterprise Fund</b>             | An enterprise fund, authorized by MGL Ch. 44 §53F <sup>1/2</sup> , 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 <a href="#">IGR 08-101</a> |
| <b>Equalized Valuations (EQVs)</b> | 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

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| <b>Estimated Receipts</b>              | 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)   |
| <b>Excess and Deficiency (E&amp;D)</b> | 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. |
| <b>Excess Levy Capacity</b>            | 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.  |
| <b>Exemption</b>                       | 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.   |
| <b>Expenditure</b>                     | An outlay of money made by municipalities to provide the programs and services within their approved budget   |
| <b>Fiduciary Funds</b>                 | 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.   |
| <b>Financial Advisor</b>               | 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

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| <b>Financial Statement</b>                     | 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.  |
| <b>Fiscal Year (FY)</b>                        | 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.  |
| <b>Fixed Assets</b>                            | Long-lived, tangible assets such as buildings, equipment and land obtained or controlled as a result of past transactions or circumstances.  |
| <b>Fixed Costs</b>                             | Costs that are legally or contractually mandated such as retirement, FICA/Social Security, insurance, debt service costs or interest on loans.   |
| <b>Foundation Budget</b>                       | 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.   |
| <b>Free Cash (Also Budgetary Fund Balance)</b> | 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)  |
| <b>Full and Fair Cash Value (FFCV)</b>         | 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)) |
| <b>Full Faith and Credit Obligations</b>       | 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.   |
| <b>Fund</b>                                    | 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.  |
| <b>Fund Accounting</b>                         | 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

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| <b>General Fund</b>                                   | The fund used to account for most financial resources and activities governed by the normal town meeting/city council appropriation process.   |
| <b>General Ledger</b>                                 | The accountant's record of original entry, which is instrumental in forming a paper trail of all government financial activity.  |
| <b>General Obligation Bonds</b>                       | Bonds issued by a municipality for purposes allowed by statute that are backed by the full faith and credit of its taxing authority.   |
| <b>Governing Body</b>                                 | A board, committee, commission, or other executive or policymaking body including the school committee of a municipality.  |
| <b>Government Finance Officers Association (GFOA)</b> | A nationwide association of public finance professionals.  |
| <b>Governmental Accounting Standards Board (GASB)</b> | The ultimate authoritative accounting and financial reporting standard-setting body for state and local governments.   |
| <b>Governmental Funds</b>                             | 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.  |
| <b>Hotel/Motel Excise</b>                             | 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.   |
| <b>Indirect Cost</b>                                  | 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. |
| <b>Interest</b>                                       | 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.   |
| <b>Interest Rate</b>                                  | 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.   |
| <b>Investments</b>                                    | 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.   |
| <b>Judgment</b>                                       | 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.   |
| <b>Law Enforcement Trust Fund</b>                     | 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

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| <b>Levy</b>   | 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 <sup>1/2</sup> provisions.  |
| <b>Levy Ceiling</b>                                   | A levy ceiling is one of two types of levy (tax) restrictions imposed by MGL Ch. 59 §21C (Proposition 2 <sup>1/2</sup> ). It states that, in any year, the real and personal property taxes imposed may not exceed 2 <sup>1/2</sup> 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)  |
| <b>Levy Limit</b>                                     | A levy limit is one of two types of levy (tax) restrictions imposed by MGL Ch. 59 §21C (Proposition 2 <sup>1/2</sup> ). It states that the real and personal property taxes imposed by a city or town may only grow each year by 2 <sup>1/2</sup> 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)   |
| <b>Local Aid</b>                                      | 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.   |
| <b>Local Appropriating Authority</b>                  | 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.   |
| <b>Local Receipts</b>                                 | 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)  |
| <b>Lock Box Service</b>                               | 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.   |
| <b>Long-Term Debt</b>                                 | Community borrowing, or outstanding balance at any given time, involving loans with a maturity date of 12 months or more. (See Permanent Debt)   |
| <b>Maturity Date</b>                                  | The date that the principal of a bond becomes due and payable in full.   |
| <b>Massachusetts School Building Authority (MSBA)</b> | Administers the state program that reimburses cities, towns, and regional school districts varying percentages of their school construction costs depending on the wealth of the community or district and the category of reimbursement. Projects that received their first reimbursement payment prior to July 26, 2004 will continue to get annual state payments to offset the related annual debt service. Thereafter, cities, towns, and regional school districts will receive a lump sum amount representing the state's share of the eligible project costs. (See DOR <u>IGR 06-101</u> ) |
| <b>Minimum Required Local Contribution</b>            | 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

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| <b>Modified Accrual Basis of Accounting</b>   | A method of accounting that recognizes revenues in the accounting period in which they become available and measurable.  |
| <b>Motor Vehicle Excise (MVE)</b>             | 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.   |
| <b>Municipal(s)</b>                           | (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.   |
| <b>Municipal Revenue Growth Factor (MRGF)</b> | 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 2 <sup>1</sup> / <sub>2</sub> 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).  |
| <b>Net School Spending (NSS)</b>              | 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)   |
| <b>New Growth</b>                             | 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. |
| <b>Note</b>                                   | A short-term loan, typically with a maturity date of a year or less.   |
| <b>Official Statement</b>                     | 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.   |
| <b>Offset Receipts</b>                        | 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

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| <b>OPEB</b> (Other Postemployment Benefits)                                 | <p>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)</p> |
| <b>Operating Budget</b>   | <p>A plan of proposed expenditures for personnel, supplies, and other expenses for the coming fiscal year.</p>   |
| <b>Other Amounts to be Raised</b> (Tax Recapitulation Sheet)                | <p>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.</p>   |
| <b>Overlay</b> (Overlay Reserve or Allowance for Abatements and Exemptions) | <p>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.</p>  |
| <b>Overlay Deficit</b>  | <p>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.</p>  |
| <b>Overlay Surplus</b>  | <p>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.</p>  |
| <b>Override</b>   | <p>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.</p>  |
| <b>Override Capacity</b>  | <p>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.</p>  |



## Glossary of Terms

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| <b>Payments in Lieu of Taxes</b>           | 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. |
| <b>Permanent Debt</b>                      | Borrowing by a community typically involving a debt service amortization period of greater than one year. (See Long-Term Debt)  |
| <b>Permanent Funds</b>                     | 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.        |
| <b>Personal Property</b>                   | 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.  |
| <b>Personnel Costs</b>                     | The cost of salaries, wages and related employment benefits.  |
| <b>Preliminary Tax</b>                     | 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.   |
| <b>Principal</b>                           | The face amount of a bond, exclusive of accrued interest.   |
| <b>Private-Purpose Trust Funds</b>         | 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.                                 |
| <b>Proposition 2<sup>1/2</sup></b>         | A state law enacted in 1980, Proposition 2 <sup>1/2</sup> 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.   |
| <b>Proprietary Funds</b>                   | 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.   |
| <b>Purchase Order</b>                      | An official document or form authorizing the purchase of products and services.   |
| <b>Purchased Services</b>                  | The cost of services that are provided by a vendor.   |
| <b>Raise and Appropriate</b>               | 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.  |
| <b>Real Property</b>                       | Land, buildings and the rights and benefits inherent in owning them.  |
| <b>Receipts Reserved for Appropriation</b> | 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.   |
| <b>Refunding of Debt</b>                   | Transaction where one bond issue is redeemed and replaced by a new bond issue under conditions generally more favorable to the issuer.  |



## Glossary of Terms

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| <b>Reserve Fund</b>               | 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.  |
| <b>Revaluation</b>                | 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) |
| <b>Revenues</b>                   | All monies received by a governmental unit from any source.  |
| <b>Revolving Fund</b>             | 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 <sup>1/2</sup> 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.                                  |
| <b>Sale of Cemetery Lots Fund</b> | 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.   |
| <b>Short-Term Debt</b>            | Outstanding balance, at any given time, on amounts borrowed with a maturity date of 12 months or less. (See Note)  |
| <b>Sick Leave Buyback</b>         | 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

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| <b>Special Revenue Fund</b>                           | 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.  |
| <b>Stabilization Fund</b>                             | 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) |
| <b>Surcharge</b>                                      | An additional sum added to a particular, already existing charge such as a tax, a fee, a fine or penalty.   |
| <b>Surety Bond</b>                                    | 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.  |
| <b>Surplus Revenue</b>                                | The amount by which cash, accounts receivable, and other assets exceed liabilities and reserves.  |
| <b>Temporary Debt</b>                                 | Borrowing by a community in the form of notes and for a term of one year or less. (See Short-Term Debt)   |
| <b>Triennial Certification</b>                        | 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).   |
| <b>Trust Fund</b>                                     | 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.  |
| <b>Tax Rate</b>                                       | 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.   |
| <b>Tax Rate Recapitulation Sheet</b><br>(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

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| <b>Tax Title (or Tax Taking)</b>                         | 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. |
| <b>Tax Title Foreclosure</b>                             | 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).   |
| <b>Undesignated Fund Balance</b>                         | 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.  |
| <b>Unfunded OPEB Liability</b>                           | 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)  |
| <b>Unfunded Pension Liability</b>                        | Unfunded pension liability is the difference between the value assigned to the retirement benefits already earned by a municipality's employees and the assets the local retirement system will have on hand to meet these obligations. The dollar value of the unfunded pension liability is predetermined every three years and is driven by assumptions about interest rates at which a retirement system's assets will grow and the rate of future costs of living increases to pensioners.  |
| <b>Uniform Municipal Accounting System (UMAS)</b>        | 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.   |
| <b>Unreserved Fund Balance (Surplus Revenue Account)</b> | 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)  |
| <b>Valuation (100 percent)</b>                           | The legal requirement that a community's assessed value on property must reflect its market, or full and fair cash value.  |



## Glossary of Terms

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| <b>Warrant</b>                    | 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. |
| <b>Waterways Improvement Fund</b> | 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.  |
| <b>Zero Based Budget</b>          | 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.  |