

Citizen's Financial Report

For the Fiscal Year
Beginning July 1, 2016 and ending June 30, 2017

TOWN OF HANOVER , MASSACHUSETTS



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Dear Citizens and Business Owners of Hanover:

It is with great pleasure and enthusiasm that I submit to you this citizens budget report, to help guide you through our proposed Fiscal Year (FY) 2017 operating budget for the Town of Hanover. This report represents yet another effort to reach out and engage you, the citizens, taxpayers, and business people that make our town a community. From cable TV

shows, to social media outreach, to good, old-fashioned speaking engagement at civic organizations, community engagement and involvement is one of our most important goals.

This report shows you first-hand how your resources are being allocated, and how the Board of Selectmen, through their important strategic planning process, is setting goals to create a transparent and fiscally sustainable budget process. The report provides in clear detail where your money is being spent, and what the process of approval is for that spending.

As always, we welcome your feedback. You can reach out to me directly at: asktroty@hanover-ma.gov, stop by the office in Town Hall, or provide feedback on our website at www.hanover-ma.gov.

This budget represents many hours of hard work by a team of dedicated professional public servants and volunteers. Many thanks to them for their collaboration on this important work.

Sincerely,

Troy B. G. Clarkson

Town Manager



BOARD OF SELECTMEN

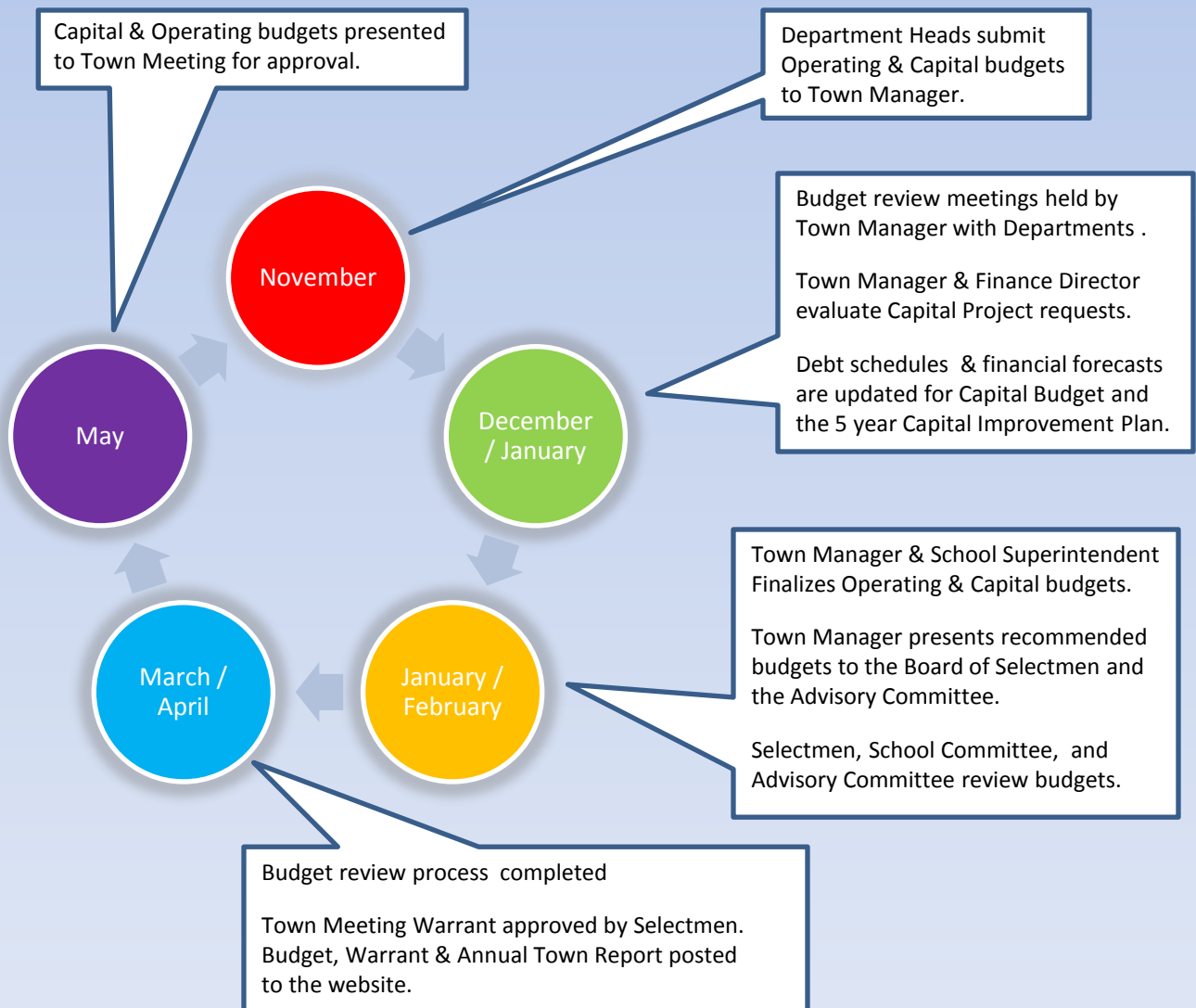
Rear: Robert O'Rourke, David Delaney,
Joseph Salvucci

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

Overview

The FY2017 Citizens Financial Report provides citizens and other interested parties with an overview of the Town's financial results. This report is prepared to increase awareness throughout the community of the Town's financial operations. Therefore, it is written in a user-friendly manner. The financial information is obtained from the Town's FY2017 Annual Budget Report. The Citizens Financial Report is not presented in the same level of detail as the FY2017 Annual Budget Report. This report, in a summarized version, highlights the overall financial condition and trends of the Town. The FY2017 Annual Budget Report may be viewed by searching 'Finance Reports' on the Town's website, located at www.hanover-ma.gov. This is the 2nd year the Town of Hanover has participated in the Government Finance Officer's Association (GFOA) Award Program.

Hanover Financial Cycle



Town of Hanover – Everyone’s Household

EVERYONE’S HOUSEHOLD

The Town applies the same financial fundamentals that apply to individual households. In protecting citizens from crime and fire hazards, providing high quality education, regulating housing and other construction, providing parks and recreational facilities, protecting our drinking water, and paving roads the Town of Hanover is the level of government that touches your daily lives the most. Highlighted below are some of the ways the Town’s financial management practices ensure a strong financial position.



FINANCIAL STANDARDS

Similar to your household’s need to borrow for a house or car, the Town has to take on moderate debt levels in order to provide infrastructure such as parks and roads. The Town’s general credit ratings from Moody’s Investors Service is Aa2. This represents the high-grade credit rating and allows the Town to access the debt markets at favorable rates.

BUDGET AND PLANNING

Much like the average citizen, the Town uses a balanced budget to ensure that it maintains a healthy financial position. The FY2017 Budget 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 Town plans for its financial needs of the future through various means, including budget analyses, a 5 - year capital improvement plan, and long range studies .

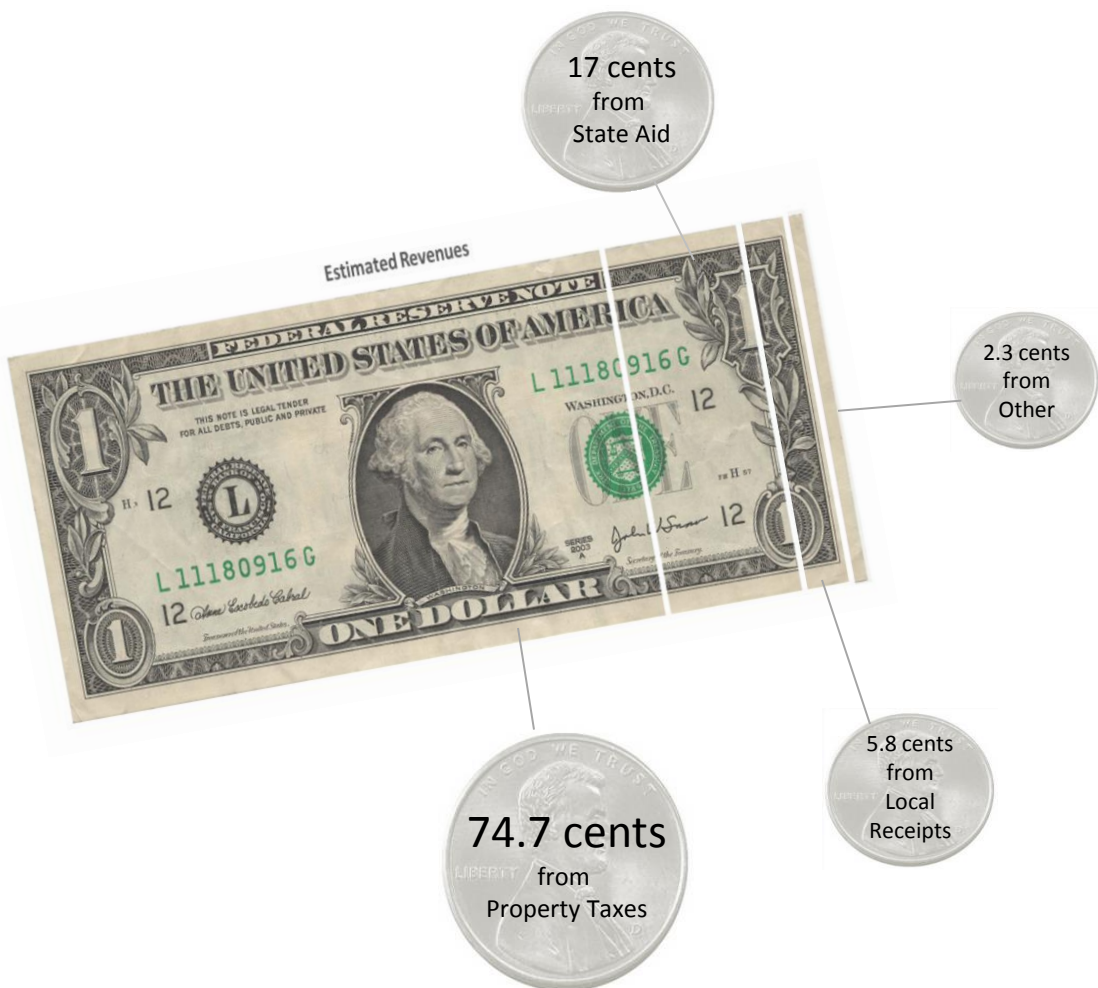
SAVING AND INVESTING FOR THE FUTURE

Similar to your household’s personal budget, ensuring savings for the future is an important aspect of our financial stewardship. The Board of Selectmen has approved a policy that the Town maintain a “savings” for subsequent year’s budget. This policy ensures an adequate level of savings while continuing to grow and make appropriate investments within the community.

Sources of Town Funds

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%.

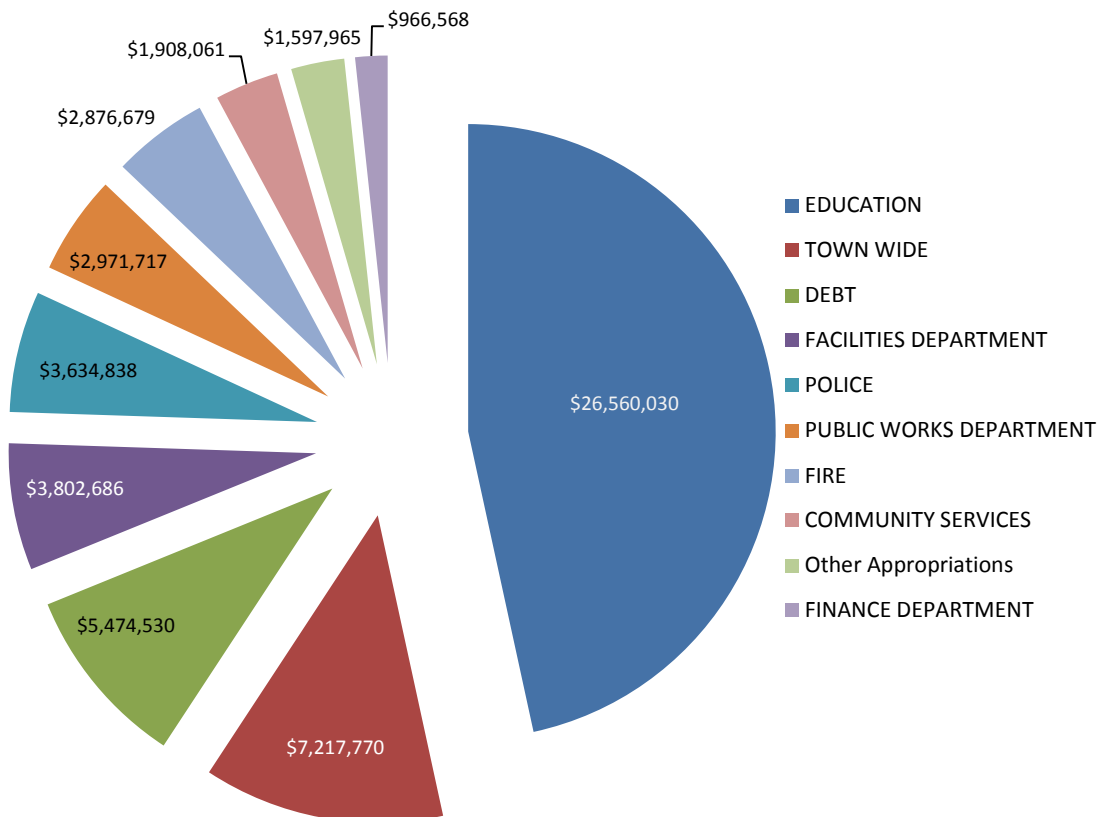


Use of Town Funds

The FY17 Budget:

- Within sustainable revenue sources
- Continues commitment to the Capital Stabilization Fund
- Provides for the challenges of Special Education
- Includes ongoing commitment to public education
- Finalizes Finance reorganization (payroll and benefits offices)
- Transfers staff from the DPW & Water to Finance.
- Makes available tax-supported funding for Parks & Rec, and Forge Pond Park
- Returns to traditional funding in the Fire Department
- Funds increase for health insurance and our retirement assessment

FY17 Appropriations



Capital Improvements

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.

FY17 CIP Projects

Department	Request	Cost
DPW	Highway - Replace 1997 International 2500 dump truck	\$190,000
DPW	Highway - Replace 2005 Johnston VT 650 sweeper	\$250,000
DPW	Various road projects	\$500,000
DPW	Grounds - Replace 1988 Badger chipper TM-400-D4	\$40,000
DPW	Water - Replace 1999 International 4700 crane utility	\$135,000
DPW	Disinfection Byproduct Reduction	\$1,400,000
DPW	Water Master Plan Update	\$100,000
DPW	Water Tank Rehabilitation	\$500,000
DPW	Water Main Improvements	\$200,000
DPW	Stormwater Management	\$80,000
DPW	Fuel pump replacement	\$60,000
Facilities	Replace Ford F-350 XL Superduty Truck (1-Ton Dump/Sander)	\$75,000
Facilities	Library - Restoration of Childrens Library - replace carpet, repaint all walls, etc.	\$45,000
Facilities	Town Hall - replace carpets	\$33,000
Facilities	Cedar - replace asbestos floor tile with VCT (now just B- Wing)	\$296,000
Facilities	Purchase Tractor/Snow blower for HS campus sidewalks	\$22,600
Finance	Purchase 5 Voting Machines	\$32,000
Fire	Ford Explorer - command vehicle	\$60,000
Fire	Fire rescue utility task vehicle (UTV) and trailer	\$30,000
Fire	Pumper Refurbishment	\$220,000
Fire	Message board	\$18,500
Police	Replace and equip cruiser	\$118,612
Public Schools	Technology upgrades	\$100,000
Total		\$4,505,712

Funding Source

Borrow

Chapter 90

Free Cash

Water Ent.

Measuring up

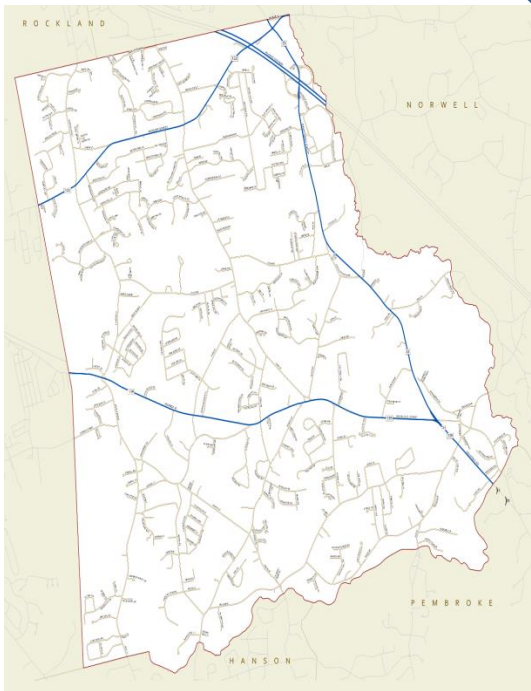


How Hanover compares to other communities

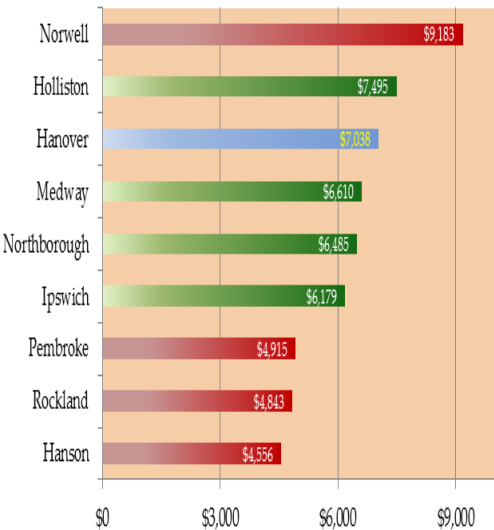
Using Massachusetts Department of Revenue most recent economic data a Core-Group of four towns were identified; Holliston, Ipswich, Medway ,and Northborough as being comparable with the Town of Hanover. In this study we also included towns which directly border Hanover to see how we compare with our neighbors.

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.

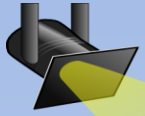
Due to relatively high home values, Hanover residents tend to pay a higher tax bill than the state average (\$5,020). While this places Hanover in the top third in terms of its comparable communities, it is still significantly below neighboring Norwell



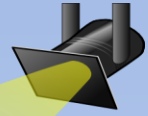
Average Single Family Tax Bill FY15



In the spotlight



Meet the individuals identified by their supervisors as having demonstrated a strong commitment to the mission of the Town of Hanover.



Gerald C. Peterson, Jr
Deputy Superintendent
Facilities Department



Jerry oversees a staff 33 employees and many contractors to maintain 18 town buildings and our 6 schools & their grounds. Over the last 3 years Jerry has provided unwavering dedication to service, great leadership, is respectful to all in authority, and consistently upholds highest standards.

Janet Tierney
Admin. Assistant
Executive Office



Janet Tierney has recently joined the staff of the town's executive offices and works daily to assist Executive Assistant Ann Lee in the daily affairs of the Selectmen / Town Manager's office. We welcome Janet and her smile to the staff!

John Voelkel
School Resource Officer
Police Department



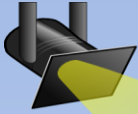
Officer John Voelkel serves as the first School Resource Officer (SRO) in the Hanover Public Schools. He fulfills the roles of mentor, instructor and police officer in his current role. The community of Hanover has benefitted from his success as the SRO. John is an 11 year veteran of the HPD.

David J Zemotel
Sergeant
Police Department

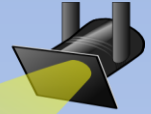


Sergeant David Zemotel was promoted on April 15, 2016. Sgt. Zemotel serves as the HPD firearms instructor. He is active in many of the department's Community Policing programs including bicycle patrols and child safety seat installs. David is a 19 year veteran of the HPD.

In the spotlight



Meet the individuals identified by their supervisors
as having demonstrated a strong commitment
to the mission of the Town of Hanover.



Richard Salvucci

Firefighter / Paramedic
Fire Department



Richard has been a firefighter for 25 years and is currently assigned to Group 4. He is a dedicated employee who enjoys helping those in need. Richard teaches fire safety and public education in the schools and to senior citizens in Town.

John Fontes

Call Fire Lieutenant
Fire Department



John has been a call firefighter with the Town of Hanover for 27 years. He is assigned to Engine Company 4 located at Hanover Fire Headquarters. John is a strong leader who provides training to the department's call firefighters.

Pegge Powers

Senior Clerk
Finance Department



Pegge is a wonderful asset to Accounting. She has a great attention to detail and shows her dedication and commitment to the Town every day. Throughout the years, Pegge has worked with many employees. Many former employees returned to help us celebrate Pegge's 80th birthday.

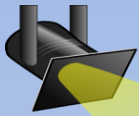
Nancy Goldthwait

Senior Registrar
Finance Department

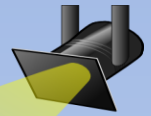


Nancy is a critical member of our team in maintaining voter records, managing the census, and assisting with elections. Her experience and expertise leads the way year after year. Nancy has been with the Town for over 34 years.

In the spotlight



Meet the individuals identified by their supervisors as having demonstrated a strong commitment to the mission of the Town of Hanover.



Suzanne Connelly

Exe. Admin. Assistant
Community Services



Suzanne is the primary point of contact for the Department of Municipal Inspections and succeeds daily in providing superior customer service to our residents and business owners. The “whatever it takes to get the job done” attitude that she brings to work every day provides inspiration to everyone.

Nancy Lester

Admin. Assistant
Community Services



Nancy has been an asset to the Council on Aging from the day she started as a volunteer, to the present day where she is one of our most valuable employees at the Senior Center. Her knowledge of the SHINE program and the changes in Medicare makes her a valuable member of the team.

Stephen McNamara

Public Grounds Foreman
Public Works Department



Stephen is a 24 year employee who takes pride in the appearance of the Town’s parks and cemeteries. He strives to understand and meet the needs of field users, consistently working hard to deliver the highest quality facilities with his limited 3-person staff.

Thomas Chiarelli

Truck Driver Laborer
Public Works Department



A recent addition to the DPW, Tom brings experience and a strong work ethic. He is licensed to perform heavy maintenance to water mains, valves & hydrants. Regardless of the weather, Tom can usually be found knee deep in mud at the bottom of the hole, performing his job quietly with talent & grace.



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.