



Town of Holden MASSACHUSETTS

OFFICE OF THE TOWN MANAGER

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Town Manager

FY 2014 BUDGET MESSAGE TO THE MEMBERS OF THE BOARD OF SELECTMEN AND FINANCE COMMITTEE

February 15, 2013

Submitted herein is the Fiscal Year 2014 recommended budget for the Town of Holden. The FY 2014 budget is presented in four sections (1) Resource Profile; (2) Budget Summary; (3) Budget Detail; and (4) Capital Budget and 5-Year Capital Plan. The Resource Profile includes information on the final budget from FY2013 in comparison with the recommended FY2014 budget.

REVENUE

FY 2014 revenue from all sources is projected to increase by \$1,427,395. This is an increase of 3.5% from FY 2013. For a second year, one of the Board of Selectmen goals is to reduce the tax levy to two and one-quarter percent (2¼%) ; the FY2014 budget, again, reflects that goal. Local receipts are up by \$89,862 or 2.0% due, for the most part, to an estimated increase in EMS, \$50,000, and motor vehicle excise, \$47,142, receipts.

The Governor's FY 2014 State Aid and Chapter 70 recommendation is predicated on the passage of his tax proposal, which, in part, would raise the State income tax by 1% and lower the State sales tax. The Governor's estimated Cherry Sheet revenue for Unrestricted General Government Aid is *held-harmless* at last year's level of \$1,617,133. An additional \$71,987 is estimated as Holden's portion of a new formula called the *Annual Formula Local Aid*. The Governor's budget has not been addressed by the Legislature as of this writing and there have been no estimates provided should the Governor's tax proposal not be adopted in its current form. For the purposes of the FY 2014 Budget, we have assumed that local aid and Chapter 70 will be level funded. There is additional discussion in the following sections.

Property Taxes:

Our largest source of revenue is from property taxes. The FY 2014 property tax revenue from all sources will increase by \$1,108,912 or 3.86%. As indicated earlier, this reflects an increase to the tax levy of 2 ¼%, thus saving the taxpayers \$71,887 or \$.04 on the tax rate. The Town debt revenue that is excluded by ballot vote from the limits of Proposition 2 ½ in FY 2014 is \$4,6441,500, down slightly by (\$6,876) due to the pay-off of a 2003 borrowing. We are estimating that our mid-year supplemental tax revenues will stay the same.

The overall effect of these pluses and minuses will generate a \$0.61 increase in our tax rate from \$17.37 to \$17.98. The average assessed value of a home has decreased from \$266,300 to \$260,400; at \$17.98 per \$1,000.00 of assessed valuation, the impact to the average assessed home would be an increase of approximately \$158.47 in the annual tax bill.

State Aid -- Local Aid:

The Governor has announced that his proposed budget provides Unrestricted General Government Aid at \$1,617,133. This category comprises most of the local aid received by the Town. In addition, Holden would receive \$71,987 from the application of the Annual Formula Local Aid program. The Governor's budget is predicated on the passage of his taxing plan by the Legislature. As with preceding state budgets, municipalities should continue to be concerned that they are being asked to be the foot soldiers in any battles between the Governor and the Legislature. We hope that the State will at the least, level fund Unrestricted General Government Aid, the estimate we have used in preparing the enclosed revenue projections.

State Aid – Education:

The same construct applies to Chapter 70 Aid. The MA Department of Elementary and Secondary Education, Office of School Finance announced that Chapter 70 Aid to the Wachusett Regional School District in FY 2014 is \$26,522,937, or an increase of \$2,221,896 compared to FY 2013. The total WRSD Foundation Budget for FY 2014 is \$64,633,397; Holden's share of the foundation budget is \$28,122,597 with our Minimum Local Contribution (MLC) at \$16,256,584. This would translate to a decrease in Holden's MLC of \$522,806 compared to FY 2013.

The MLC for the Montachusett Regional Vocation School District also decreased by \$18,419 to \$525,268 for FY 2014. As of this writing, we have not received our assessment letter from the Superintendent. We have level funded this line item in the attached budget.

Free Cash:

Our Free Cash certification as of July 1, 2012, available to be used for this budget cycle is \$2,295,926. A portion of this balance comes from our practice of applying only one-half of the annual free cash to operating budgets. The remaining balance comes from prudent expenditure of funds throughout the year, a conservative estimate of our receipts, and one-time revenues such as MEMA reimbursements. Last year's relatively mild winter left a year-end balance in the Snow/Ice Budget; in addition, we did not have to allocate funds from other departments or the Reserve Fund at the end of last year to offset a deficit. We also collected more in ambulance receipts than anticipated.

Twenty-five percent (25%) of free cash will be set aside for appropriation to the Stabilization Fund. Of the remaining amount only half was earmarked to fund operating expenses, to the extent needed. This allows us to ameliorate any decrease in revenues in the following year and keeps a balance to be appropriated by a Special Town Meeting should a need arise before the next Annual Town Meeting. The recommended appropriation to the Stabilization Fund is \$573,982. This will increase the Stabilization Fund balance to \$1,251,380.

The recommended Free Cash appropriation to be used toward operating expenses is \$541,593 which is slightly less than 25% of total Free Cash. Of this amount, \$200,000 has been applied to the Other Post Employment Benefit (OPEB) Fund as a start to address this long-term liability, and \$50,000 is recommended to be appropriated to each of the DPW Depreciation Fund and Fire Stabilization Fund for use to

support future debt service on the acquisition of large pieces of equipment. The un-appropriated balance in Free Cash will be \$1,180,351 after these amounts are applied.

Overlay Reserve / Wachusett Fund:

We anticipate using an estimated \$50,000 from the Overlay Reserve Fund in FY 2014. We have also recommended using \$25,000 from the Wachusett Fund. The Wachusett Fund provides annual revenue to several towns including Holden derived from the interest earned on the endowment held by UMass-Memorial from the closing of the Holden Hospital.

Payment In Lieu of Taxes:

The Holden Municipal Light Department payment to the Town in lieu of taxes has increased by 2½ % in FY 2014. We will continue to evaluate the contribution by the Light Department.

EXPENDITURES

The FY 2014 budget is projected to increase by \$131,964 or 1.3%. This does not include Insurance, Retirement or Debt. As in last year's budget, fuel costs for all departments have been adjusted to reflect the anticipated use of fuel in FY 2014. The usage was evaluated using the most recent data. Cost of living adjustments (1%) have been included for those groups which have settled collective bargaining agreements (Fire and DPW) and for non-union employees. As of this writing, the Police Superior Officers and Patrol Officers unions have not settled the contracts which expired on July 1, 2012. The estimated costs of salary adjustments for the Police unions are included in a line item in the Town Manager/Personnel budget, should a settlement be reached.

The Town Accountant has reviewed and adjusted the indirect charges for general fund departments which provide support to our Enterprise and Revolving Funds. Throughout the budgets, the indirect charges have been shown as an offset to the appropriation, but will be accounted as local receipts. Also, the detail budgets show a column for *Department Request*. Attached to this budget message is a summary budget comparison from FY 2013 to FY 2014.

General Government:

General Government expenses are up by a modest \$40,432 or 0.6% overall.

Finance Committee

The Finance Committee's budget shows a decrease of (14.5%) or (\$25,612) due to a reduction in the amount budgeted for the Reserve Fund. The amount of \$150,000 is based on the estimate provided by the Finance Committee Chair.

Town Manager/ Personnel

The Town Manager/ Personnel budget has decreased by (\$69,640) or (15.2%). The decrease is due to the amount required for cost-of-living adjustments, a decrease in the amount set aside for accrued time buy-outs, and the re-grading of the Assistant Town Manager/ Personnel Director position.

Information Technology

The Information Technology budget shows only a slight increase. However, a new IT support position is being added to the IT Department to be funded by the Light Department, the Inspections Revolving Fund and the Town as follows: HMLD - \$45,000, Inspections Revolving \$7,400, IT Budget \$7,374.

The Light Department has several technical initiatives that they are undertaking which will require intensive IT support both for implementation and on-going maintenance. As is the case for our present two specialists, the new position will be part of the IT team and duties will include other IT support needs throughout the town including the Growth Management/ Inspections Division. There will also be funds available through the Light Department to support supplemental outside consulting services in specific areas.

Accounting

The Accounting Department has increased by \$28,610 to support a new part-time, non-benefited employee to support the accounting tasks of this important Town function. The duties and responsibilities of the Accounting Department have increased significantly. This added support will contribute to the efficiency of the Department and will allow the Town Accountant to focus on overall budgeting, analysis and financial work.

Assessor

The Assessor's Office budget is decreasing by (10.9%) or \$26,736. Our long-time Principal Assessor will be retiring in February of 2013 and the decrease reflects the hiring of an individual at the starting side of the pay grade. Also, there is no need to budget for the triennial commercial revaluation consultant in FY 2014 as that process is funded in FY 2013.

Insurance, Debt and Retirement

The insurance budget consists of property, liability, health and life insurance. The budget increased by \$25,250, mostly due to an increase in the estimated premium for our Property and General Liability covers of \$16,250. Effective July 1, 2012, the Town joined the MA Group Insurance Commission. The Town saved a significant amount on making this change and has also avoided any increases in the FY 2014 budget. Our FY 2014 retirement costs are expected to increase by \$132,548 or 14.2%. As with insurance, this reflects the General Fund portion of the costs only and the retirement cost is based on our annual assessment from the Worcester Regional Retirement System. Debt has decreased compared to last year by (1.2%) mainly due to the pay-off of borrowings dating to 2003.

Public Safety:

The overall recommended budget for Public Safety increased by \$121,319, or 2.8%.

Police Department

This includes a \$40,381 increase in the Police Budget for a recommended additional police officer position to serve the Town evening hours when most calls are received.

Fire Department

The Fire Department budget has increased by \$45,079 or 3.8% mainly due to the addition to the Fire Stabilization Fund of \$42,400 for payment of debt service on a previous borrowing and an additional \$50,000 from Free Cash. The EMS budget has increased by \$44,185 or 5.8% due to the addition of hours for a benefited clerical employee to reach full-time status, the allocation one clerical to the EMS budget (instead of being split between Fire and EMS), cost-of-living adjustments and step increases, and an increase in the line item for Call Firefighters.

The Public Safety Building budget has decreased by (\$5,408) or (2.7%).

Public Works:

The Public Works budget is increasing by \$95,423 or 3.8%. The Engineering Division has decreased by (81,997) or (24.1%) due a reduction in the line item for Landfill Post Closure Monitoring (from FY 2013 at \$120,000 to FY 2014 at \$50,000). The line item for Storm Water NPDES Permit has decreased by \$16,000. The Town of Holden has joined with at least 12 other communities in gaining a regional grant to help reduce costs for Storm Water management.

The Highway Division

The Highway Division is increasing by \$132,485 or 12.0%. This increase reflects the additional \$49,200 added to the DPW Depreciation Fund for payment of debt on a previous borrowing and \$50,000 from Free Cash.

Buildings and Grounds Division

The Buildings and Grounds Division is increasing by \$25,683 or 3.6% due to increases in Building Maintenance, Park Maintenance and Grave Maintenance. The position of Facilities Manager continues to be funded at \$35,000 in FY2014. This represents slightly less than one-half of a position. The position is expected to provide or complete several building related projects that have been postponed including a detailed analysis and long range plan for upkeep necessary and maintenance requirements for each of our buildings as well as the conversion of town buildings from fuel oil to natural gas heating.

Human Services:

The Human Services budget has decreased overall by (\$15,750) or (4.8%) due to a reduction in the amount budgeted in Aid and Assistance to Veterans. The budgeted amount is based on the Veterans' Agent's estimated number of qualifying cases/candidates. A portion of the amount paid out under MGL Chapter 115 (75%) is reimbursed to the Town via the Cherry Sheet.

Culture:

The overall increase in the Culture budget is due to a recommended \$22,813 or 3.0% increase in the Library budget. Two items comprise this increase. The Board of Selectmen have asked the Library Trustees and Library Director to stay open two extra hours each week. Funds to support the salaries and utility costs have been included in the budget. In addition, the Library Trustees have requested an additional \$15,000 in the Books and Materials line item. This line item has not increased in a number of years and costs have increased including costs for electronic media.

Education:

In January 2013, the Finance Committee sent a letter to the WRSD School Committee Chair and Interim Superintendent sharing their goal of applying a total of \$553,959 to the Town's Education budget for FY 2014. The Board of Selectmen indicated that they would only support a maximum 4 % increase in the Voluntary Payment or Regional Agreement Spending Assessment, in FY 2014 over last year. Based on these two guidelines, and using FY 2013 as a starting point, an increase of approximately 2.5% appears in the Minimum Local Contribution line item, an increase of 4% has been budgeted in the Voluntary Contribution line item and the balance has been applied to the Transportation line item for a total increase of \$553,959.

The assessment for the Montachusett Regional Vocation-Technical School District has been level funded in the attached budget.

OTHER FUNDS

Water Sewer Enterprise Fund

The submitted FY 2014 Water Sewer Enterprise Fund budget presents a comprehensive approach to meet the myriad of fiscal, operational and long term capital challenges facing our water and sewer system. From a budgetary standpoint, we have made strides in the past few years to balance the Water-Sewer Enterprise Fund and plan for the continued capital and operational costs. The total expenses have increased by \$241,993 or 3.99%.

The DPW Director has provided a detailed narrative within this section of the FY 2014 Budget on the Water-Sewer Enterprise Account which I will not attempt to improve upon. I would point out that the FY 2014 includes a slight water and sewer rate increase, above the current rates, totaling \$60,000 that would require action by the Board of Selectmen at a future date. Free Cash Certification for the Fund was \$586,190 on July 1, 2012. We have applied a portion of Free Cash \$292,665, not already earmarked for other needs, to build an Emergency Reserve, pay for I & I work, and to continue to fund our operational needs and capital program.

Recreation and Before/ After School Revolving

The Recreation Revolving Fund expenses are increasing by \$25,133 or 5.0%. The increase is due mainly to increased capital outlay items. The Before and After School Revolving expenses have increased by \$22,253 or 7.31% due to increases in staff expense. Many of the costs are split between the Recreation and Before/After School Funds including clerical, on-line registration, maintenance and program costs.

Cable Revolving

The Cable Revolving Fund expenses are increasing by \$38,188 or 13.9%. The increases reflects the filling of a second part-time Public Access Assistant position, the addition of \$5,000 to support seasonal part-time workers, and an additional \$20,000 in the Equipment Purchase line item.

Solid Waste Enterprise Fund

The Solid Waste Enterprise Fund is budgeted to provide a year end balance of \$50,078. Expenses have decreased slightly. No rate increase will be necessary in FY 2014. The Director of the Department of Growth Management has provided a detailed explanation of the Solid Waste Fund in the FY 2014 budget. The Solid Waste and Single Stream Recycling Program continues to be very successful and cost effective service for the rate payers.

Infrastructure Investment Fund

This year, we have included the Infrastructure Investment Fund spreadsheet. The Fund includes a contribution from the Recreation Revolving Fund in the amount of \$119,449.

Capital Budget

The FY 2014 budget includes a separate capital budget and a five year capital plan. The capital budget funds items totaling \$3,061,560. Of this amount, \$993,560 will be funded with cash and \$385,000 will be borrowed to purchase a Sidewalk Plow/ Blower and a Truck with Wing Plow and Spreader for the DPW Highway Department. The balance will be supported through other sources including Chapter 90 Roads in the estimated amount of \$592,000, the Recreation Revolving Fund, and the Water-Sewer Enterprise Fund.

TOWN OF HOLDEN FY 2014 RESOURCE PROFILE

	FY12 RECAP	FY13 SUBMITTED	FY13 TOWN MEETING	FY13 RECAP	FY14 SUBMITTED	CHANGE	PERCENT CHANGE
Total Assessed Value (Est.)	1,838,082,600	1,838,082,600	1,838,082,600	1,810,899,100	1,810,899,100		
Average Assessed Home	266,300	266,300	266,300	260,400	260,400		
Tax Rate	16.53	17.02	17.02	17.37	17.98	\$ 0.61	3.5%
Average Tax Bill	4,402	4,531	4,531	4,523	4,682	\$ 158.47	3.5%
Tax Rate Change	0.24	0.49	0.00	0.84	0.96		
Excess Levy Capacity	0	0	0	0			
GENERAL FUND REVENUES							
Tax Levy	27,665,800	28,550,029	28,550,029	28,677,937	29,786,849	1,108,912	3.87%
Supplemental Tax Assessment	35,000	35,000	35,000	35,000	35,000	0	0.00%
Tax Receipts - Non-excluded	27,700,800	28,585,029	28,585,029	28,712,937	29,821,849	1,108,912	3.86%
Percentage of General Fund Revenues	79.7%	79.8%	79.5%	79.5%	79.4%	77.3%	
Cherry Sheet- Unrestricted	1,500,208	1,500,208	1,500,208	1,617,133	1,617,133	0	0.00%
Cherry Sheet- Offsets	178,631	197,442	197,442	194,765	194,765	0	0.00%
State Receipts	1,678,839	1,697,650	1,697,650	1,811,898	1,811,898	0	0.00%
Percentage of General Fund Revenues	4.8%	4.7%	4.7%	5.0%	4.8%	0.0%	
General Estimated Receipts	1,737,547	1,796,853	1,786,853	1,751,243	1,763,061	11,818	0.67%
Excise Receipts	1,900,000	1,925,000	1,975,000	1,975,000	2,000,000	25,000	1.27%
Sewer Connection Fund Offset	71,871	71,871	71,871	71,871	71,871	0	0.00%
EMS Receipts	650,000	550,000	625,000	625,000	675,000	50,000	8.00%
WRSD Maint/Services Fee	74,000	74,000	74,000	74,000	77,044	3,044	4.11%
Local Receipts	4,433,418	4,417,724	4,532,724	4,497,114	4,586,976	89,862	2.00%
Percentage of General Fund Revenues	12.8%	12.3%	12.6%	12.5%	12.2%	6.3%	
Free Cash	704,693	908,344	908,344	908,344	1,115,575	207,230	22.81%
Overlay Reserve	50,000	50,000	50,000	50,000	50,000	0	0.00%
Light Dept In Lieu	127,500	130,688	130,688	130,688	133,955	3,267	2.50%
Wachusett Fund	0	50,000	50,000	0	25,000	25,000	
Water/Sewer GF Repayment	50,000	0	0	0	0	0	
Free Cash / Intra-Government Transfers	932,193	1,139,032	1,139,032	1,080,032	1,324,530	235,497	21.62%
Percentage of General Fund Revenues	2.7%	3.2%	3.2%	3.0%	3.5%	16.4%	
TOTAL GENERAL FUND REV - NON-EXCLUSION	34,745,260	35,839,435	35,954,435	36,110,982	37,546,263	1,434,271	3.97%
DEBT EXCLUSION REVENUE							
Debt Exclusion (Net)	2,717,706	2,725,122	2,725,122	2,777,380	2,770,504	-6,876	-0.25%
SBAB Reimbursement Elementary	1,870,996	1,870,996	1,870,996	1,870,996	1,870,996	0	0.00%
Debt Excluded Revenue	4,588,702	4,596,118	4,596,118	4,648,376	4,641,500	-6,876	-0.15%
TOTAL GENERAL FUND REVENUE	39,333,962	40,435,553	40,550,553	40,759,358	42,186,763	1,427,395	3.50%

TOWN OF HOLDEN FY 2014 RESOURCE PROFILE

	FY12 RECAP	FY13 SUBMITTED	FY13 TOWN MEETING	FY13 RECAP	FY14 SUBMITTED	CHANGE	PERCENT CHANGE
GENERAL FUND EXPENDITURES							
Required Minimum Contribution	16,447,026	16,779,390	16,779,390	16,779,390	17,198,874	419,484	2.50%
Voluntary Regional Assessment RASA	1,824,982	2,007,480	2,652,668	2,652,668	2,758,775	106,107	4.00%
School Transportation	1,281,451	1,409,596	1,247,060	1,247,060	1,275,428	28,368	2.27%
Montachusett Assessment	465,097	529,655	543,687	543,687	543,687	0	0.00%
Education	20,018,556	20,726,121	21,222,805	21,222,805	21,776,764	553,959	2.61%
Percentage of General Fund Expenditures	50.9%	51.3%	52.3%	52.1%	51.6%		
Percentage of General Fund Expenditures (Excludi	57.6%	57.9%	59.1%	58.8%	58.0%		
General Government	4,945,262	4,753,768	4,724,127	4,724,127	4,800,084	75,957	1.61%
Public Safety	4,360,480	4,454,198	4,387,441	4,387,441	4,508,760	121,319	2.77%
Public Works	2,416,563	2,586,311	2,586,311	2,586,311	2,681,734	95,423	3.69%
Culture	728,617	764,188	763,723	763,723	786,536	22,813	2.99%
Human Services	296,775	330,071	330,071	330,071	314,321	-15,750	-4.77%
Capital Budget	614,297	795,897	605,647	605,647	993,560	387,913	64.05%
Municipal Budget	13,361,994	13,684,433	13,397,320	13,397,320	14,084,995	687,675	5.13%
Percentage of General Fund Expenditures	34.0%	33.8%	33.0%	32.9%	33.4%		
Percentage of General Fund Expenditures (Excludi	38.5%	38.2%	37.3%	37.1%	37.5%		
Infrastructure Investment Fund	418,481	383,775	283,775	283,775	296,565	12,790	4.51%
Non-Exempt Debt	187,494	279,944	269,060	269,060	231,303	-37,757	-14.03%
Oil Spill Clean Up Debt (Jefferson School)	43,893	43,893	47,926	47,926	47,926	0	0.00%
County Assessments	0	0	0	0	0	0	0.00%
State Assessments (Transportation)	123,038	127,127	127,127	127,127	127,127	0	0.00%
Overlay/Abatelements	284,940	175,000	175,000	385,753	200,000	-185,753	-48.15%
Stabilization Fund Appropriation	300,000	363,338	375,000	375,000	573,982	198,982	53.06%
Other Post Employment Benefits Trust Fund	0	0	0	0	200,000	200,000	0.00%
Other Expenditures	1,357,846	1,373,077	1,277,888	1,488,641	1,676,903	188,262	12.65%
TOTAL GENERAL FUND EXP. - NON-EXCLUSIOI	34,738,396	35,783,631	35,898,013	36,108,766	37,538,662	1,429,895	3.96%
DEBT EXCLUSION EXPENDITURES							
Exempt Debt - excluded	3,408,155	3,464,521	3,462,361	3,460,412	3,457,912	-2,500	-0.07%
High School Debt - excluded	1,187,401	1,187,401	1,190,179	1,190,179	1,190,179	0	0.00%
Debt Excluded Expenditures	4,595,556	4,651,922	4,652,540	4,650,591	4,648,091	-2,500	-0.05%
Percentage of General Fund Expenditures	11.7%	11.5%	11.5%	11.4%	11.0%		
TOTAL GENERAL FUND EXPENDITURES	39,333,952	40,435,553	40,550,553	40,769,357	42,186,753	1,427,395	3.50%
REVENUE/EXPENDITURE DIFFERENCE	0	0	0	0	0	0	0.00%
School Change FY13 to FY14							
WRSD School Budget without Debt	\$19,553,459	\$20,196,466	\$20,679,118	\$20,679,118	\$21,233,077	553,959	2.83%
WRSD School Budget with Debt	\$20,784,753	\$21,427,760	\$21,917,223	\$21,917,223	\$22,471,182	553,959	2.67%

TOWN OF HOLDEN FY 2014 RESOURCE PROFILE

	FY12 RECAP	FY13 SUBMITTED	FY13 TOWN MEETING	FY13 RECAP	FY14 SUBMITTED	CHANGE	PERCENT CHANGE
RESTRICTED REVENUE							
LIBRARY OFFSETS	22,595	23,658	23,658	23,658	23,658	0	0.00%
RECREATION REVOLVING	422,876	385,238	385,238	385,238	342,414	-42,824	-11.12%
AFTER SCHOOL REVOLVING	299,074	303,086	303,236	303,236	317,007	13,771	4.54%
CABLE REVOLVING ACCOUNT	165,000	200,000	200,000	200,000	225,000	25,000	12.50%
SOLID WASTE ENTERPRISE FUND	1,164,107	1,178,725	1,117,210	1,117,210	1,110,800	-6,410	-0.57%
INSPECTIONAL SERVICES REVOLVING	214,271	335,238	239,000	239,000	100,500	-138,500	-57.95%
WATER SEWER REVENUE	5,551,067	6,094,361	6,079,878	6,071,805	6,034,950	-36,855	-0.61%
WATER SEWER STABILIZATION FUND	0	0	0	0	0	0	0.00%
DPW DEPRECIATION FUND	19,192	19,023	90,000	90,000	99,200	9,200	10.22%
FIRE VEHICLE STABILIZATION FUND	134,800	133,600	82,331	82,331	92,400	10,069	12.23%
TOTAL RESTRICTED REVENUE	7,992,982	8,672,929	8,520,551	8,512,478	8,345,929	-166,549	-1.96%
RESTRICTED EXPENDITURES							
LIBRARY OFFSETS	22,595	23,658	23,658	23,658	23,658	0	0.00%
RECREATION REVOLVING	422,876	395,981	495,981	495,981	521,134	25,153	5.07%
AFTER SCHOOL REVOLVING	299,074	304,356	304,356	304,356	326,609	22,253	7.31%
CABLE REVOLVING ACCOUNT	260,054	264,846	274,846	274,846	313,034	38,188	13.89%
SOLID WASTE ENTERPRISE FUND	1,164,107	1,154,826	1,157,826	1,157,826	1,152,543	-5,283	-0.46%
INSPECTIONAL SERVICES REVOLVING	214,271	224,882	209,882	209,882	223,770	13,888	6.62%
WATER SEWER EXPENSES	5,551,067	6,073,205	6,071,805	6,071,805	6,300,798	228,993	3.77%
WATER SEWER STABILIZATION FUND	30,000	90,000	90,000	90,000	0	-90,000	-100.00%
DPW DEPRECIATION FUND	19,192	19,150	23,350	23,350	49,200	25,850	110.71%
FIRE VEHICLE STABILIZATION FUND	134,800	82,331	82,331	82,331	42,400	-39,931	-48.50%
TOTAL RESTRICTED EXPENDITURES	8,118,036	8,633,235	8,734,035	8,734,035	8,953,146	219,111	2.51%

**BUDGET COMPARISON
FY2013 TO FY2014**

Department	FY2013				FY2014				Change	
	Personnel Services	Expenses	Offsets	Total	Personnel Services	Expenses	Offsets	Total	Dollar	Percentage
Moderator	100	65	-	165	100	65	-	165	-	0.0%
Selectmen	7,500	16,750	-	24,250	7,150	18,250	-	25,400	1,150	4.7%
Finance Committee	-	177,193	-	177,193	-	151,581	-	151,581	(25,612)	-14.5%
Town Manager/ Personnel	447,924	36,300	27,000	457,224	385,334	29,250	27,000	387,584	(69,640)	-15.2%
Information Technology	134,943	134,570	30,000	239,513	153,890	123,358	37,400	239,848	335	0.1%
Accounting	113,800	29,730	22,900	120,630	143,510	30,230	24,500	149,240	28,610	23.7%
Treasurer/ Collector	185,993	70,600	54,050	202,543	185,993	70,600	55,050	201,543	(1,000)	-0.5%
Assessor	196,212	49,000	-	245,212	189,376	29,100	-	218,476	(26,736)	-10.9%
Legal	-	194,000	-	194,000	-	195,000	-	195,000	1,000	0.5%
Town Clerk	174,252	33,372	-	207,624	169,319	30,475	-	199,794	(7,830)	-3.8%
Insurance	-	1,566,700	-	1,566,700	-	1,591,950	-	1,591,950	25,250	1.6%
Retirement	-	931,617	-	931,617	-	1,064,165	-	1,064,165	132,548	14.2%
Debt	-	4,013,196	1,870,996	2,142,200	-	3,987,671	1,870,996	2,116,675	(25,525)	-1.2%
Growth Management	130,052	93,454	-	223,506	132,558	98,830	-	231,388	7,882	3.5%
Subtotal General Government	1,390,776	7,346,547	2,004,946	6,732,377	1,367,230	7,420,525	2,014,946	6,772,809	40,432	0.6%
Police	1,924,232	239,900	-	2,164,132	1,967,363	237,150	-	2,204,513	40,381	1.9%
Animal control	41,045	10,050	-	51,095	47,198	10,050	-	57,248	6,153	12.0%
Sealer of Weights & Measures	2,500	1,025	-	3,525	2,500	1,100	-	3,600	75	2.1%
Fire	952,156	227,931	-	1,180,087	987,666	237,500	-	1,225,166	45,079	3.8%
EMS	636,823	129,025	-	765,848	661,133	148,900	-	810,033	44,185	5.8%
Emergency Management	14,746	7,000	-	21,746	5,000	7,600	-	12,600	(9,146)	-42.1%
Public Safety Building	-	201,008	-	201,008	-	195,600	-	195,600	(5,408)	-2.7%
Subtotal Public Safety	3,571,602	815,939	-	4,387,441	3,670,860	837,900	-	4,508,760	121,319	2.8%
DPW Administration	150,996	7,450	-	158,446	157,650	8,550	-	166,200	7,754	4.9%
DPW Engineering	141,194	198,560	-	339,754	135,332	122,425	-	257,757	(81,997)	-24.1%
DPW Highway	483,284	625,039	-	1,108,323	498,038	742,770	-	1,240,808	132,485	12.0%
DPW Equipment Repair	161,964	17,663	57,000	122,627	168,045	18,930	57,000	129,975	7,348	6.0%
DPW Building and Grounds	443,622	300,039	25,000	718,661	444,519	324,825	25,000	744,344	25,683	3.6%
DPW Garage	-	56,500	-	56,500	-	60,650	-	60,650	4,150	7.3%
Subtotal Public Works	1,381,060	1,205,251	82,000	2,504,311	1,403,584	1,278,150	82,000	2,599,734	95,423	3.8%
Veterans Benefits	6,200	83,500	-	89,700	6,200	56,500	-	62,700	(27,000)	-30.1%
Senior Center	210,471	29,900	-	240,371	221,271	30,350	-	251,621	11,250	4.7%
Subtotal Human Services	216,671	113,400	-	330,071	227,471	86,850	-	314,321	(15,750)	-4.8%
Library	554,095	202,928	-	757,023	551,013	228,823	-	779,836	22,813	3.0%
Historical Commission	-	6,700	-	6,700	-	6,700	-	6,700	-	0.0%
Subtotal Culture	554,095	209,628	-	763,723	551,013	235,523	-	786,536	22,813	3.0%
TOTAL MUNICIPAL:	7,114,104	9,690,765	2,086,946	14,717,923	7,220,168	9,858,948	2,086,946	14,982,160	505,660	3.4%
Total minus Insurance, Retirement and Debt				10,077,406				10,209,370	131,964	1.3%
EDUCATION:										
WRSD										
Minumum Required Contribution		16,779,390		16,779,390		17,198,874		17,198,874	419,484	2.5%
Voluntary Contribution		2,652,668		2,652,668		2,758,775		2,758,775	106,107	4.0%
Transportation		1,247,060		1,247,060		1,275,428		1,275,428	28,368	2.3%
Debt		1,238,105		1,238,105		1,238,105		1,238,105	-	0.0%
Subtotal WRSD		21,917,223		21,917,223		22,471,182		22,471,182	553,959	2.5%
Montachusett Reg. Voc. Tech		543,687		543,687		543,687		543,687	-	0.0%
TOTAL EDUCATION:		22,460,910		22,460,910		23,014,869		23,014,869	553,959	2.5%
Total minus Insurance, Retirement and Capital				10,077,406				10,209,370	131,964	1.3%
TOTAL OPERATING AND CAPITAL				10,873,303				11,202,930	329,627	3.1%
W/O FIXED COSTS:								993,560	197,663	24.8%

CAPITAL BUDGET AND FIVE-YEAR CAPITAL PLAN

The Holden Capital Plan for FY2014-2018 was developed by the Town Manager's Office using input from Departments and on their capital needs for the next five years. A five year plan allows for the planned investment in the Town's capital assets and infrastructure.

The following are definitions used in categorizing the capital items in the Plan:

CAPITAL ASSET: An item that is available to, controlled by, or acquired by the Town which has a useful life of at least two (2) years and has a purchase cost of more than \$5,000. Examples include equipment, major building repairs, and vehicles.

CAPITAL OUTLAY: An expenditure to (a) acquire a capital asset through a purchase, lease or borrowing, and (b) improve, restore, or renovate a capital asset in a manner that extends its useful life. A capital outlay also includes engineering and other studies.

ACQUISITION COST: The sum of all expenditures necessary to obtain a capital asset and place it in service, including but not limited to purchase price, total lease-purchase price, delivery, installation, site preparation, etc.

Departments assign a priority to each capital request. The Capital Plan is a fluid document which will provide us with the opportunity to plan our investments and to react to changes from year to year.

The Capital Budget for FY2014 recommends the expenditure of \$993,560 in cash and bonding of \$385,000. An additional \$1,683,000 is recommended for acquisition to be funded from other sources such as Chapter 90 roads revenue, the Water-Sewer Enterprise Fund, and the Recreation Revolving Fund. The total investment for Capital acquisitions and improvements is \$3,061,560.

FY 2014 CAPITAL BUDGET BY FUNDING SOURCE

DEPARTMENT	PROGRAM	EXPENDITURE	BOND	CASH	OTHER	TOTAL
FIRE	EQUIPMENT REPLACEMENT	PPE - Personal Protective Equip.		12,000		12,000
		SCBA Bottles		26,000		26,000
	VEHICLE REPLACEMENT	Car #2		45,000		45,000
	DEPARTMENTAL PROJECTS	Opticom Traffic System		64,000		64,000
		Radio Box Monitoring System		50,000		50,000
FIRE - EMS	EQUIPMENT REPLACEMENT	Lucas Press (CPR Device)		13,000		13,000
HISTORIC DISTRICT	DEPARTMENTAL PROJECT	Signs (Phase 2)		7,500		7,500
INFORMATION TECHNOLOGY	INFRASTRUCTURE IMPROVEMENT	Reconfigure SAN (Phase 2)		20,310		20,310
LIBRARY	PUBLIC BUILDING MAINTENANCE	Roof Repair		31,000		31,000
POLICE	VEHICLE REPLACEMENT	Cruiser Replacement (2)		68,000		68,000
		Cruiser - Animal Control		34,000		34,000
PUBLIC WORKS B & G	EQUIPMENT REPLACEMENT	Boom Head Mower		13,500		13,500
	MAJOR REPAIRS - BUILDINGS	Natural Gas Conversion of Bldgs		63,000		63,000
	VEHICLE REPLACEMENT	4X4 Pick-Up w/ Plow		50,000		50,000
PUBLIC WORKS ENGINEERING	DEPARTMENTAL PROJECT	Pavement Management System		40,000		40,000
PUBLIC WORKS HIGHWAY	ROADS INFRASTRUCTURE	Local Roads		250,000		250,000
		Ch 90 Roads			592,000	592,000
	VEHICLE REPLACEMENT	1-Ton Dump w/Plow		100,000		100,000
		Pick-Up w/ Plow		50,000		50,000
		Sidewalk Plow/ Blower	135,000			135,000
		Truck w/Wing/Spreader	250,000			250,000
PUBLIC WORKS MECHANICS	VEHICLE REPLACEMENT	4x4 Truck w/ Plow		50,000		50,000
DPW WATER/SEWER DIVISION	INFRASTRUCTURE IMPROVEMENT	Sewer Pump Stations			50,000	50,000
		Water Main Replacement			225,000	225,000
		Avery Heights Tank Painting			525,000	525,000
		Inflow/Infiltration Removal			50,000	50,000
	PUBLIC BUILDING MAINTENANCE	Spring Street Repair/Maintenance			45,000	45,000
	VEHICLE REPLACEMENT	Utility Truck w/Plow/Crane			120,000	120,000
RECREATION	EQUIPMENT REPLACEMENT	Automatic Pool Vacuum			8,000	8,000
	FIELD MAINTENANCE	Field Maintenance			15,000	15,000
	INFRASTRUCTURE IMPROVEMENT	Lap Pool - Replace Caulking			8,000	8,000
	PUBLIC BUILDING MAINTENANCE	Trout Brook Pavillion			25,000	25,000
		Repairs - Recreation Facility			20,000	20,000
SENIOR CENTER	DEPARTMENTAL PROJECT	Replace Chairs		6,250		6,250
TOTAL			385,000	993,560	1,683,000	3,061,560

Town of Holden

Five Year Capital Plan FY2014- FY2018

Sum of AMOUNT			FISCAL YEAR					
DEPARTMENT	PROGRAM	EXPENDITURE	2014	2015	2016	2017	2018	Grand Total
FIRE	DEPARTMENTAL PROJECT	Opticom Traffic System	\$64,000	\$34,000	\$34,000			\$132,000
		Radio Box Alarm Monitoring	\$50,000	\$60,000	\$60,000			\$170,000
	EQUIPMENT REPLACEMENT	SCBA Bottles	\$26,000					\$26,000
		Portable Radios		\$25,000				\$25,000
		Thermal Imaging Cameras (4)				\$60,000		\$60,000
		PPE	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$60,000
	MAJOR REPAIRS	Tower Truck Refurbishment			\$250,000			\$250,000
	PUBLIC BUILDING MAINTENANCE	UPS Batteries - PSB Facility		\$10,000			\$10,000	\$20,000
	VEHICLE REPLACEMENT	Car Replacement #1					\$45,000	\$45,000
		Car #3				\$45,000		\$45,000
		Engine #2			\$500,000			\$500,000
		Car #2	\$45,000					\$45,000
		Squad #1		\$100,000				\$100,000
FIRE			\$197,000	\$241,000	\$901,000	\$72,000	\$67,000	\$1,478,000
FIRE-EMS	EQUIPMENT REPLACEMENT	Lucas Press (CPR Device)	\$13,000		\$13,000			\$26,000
		Defibrillator		\$60,000	\$30,000			\$90,000
	VEHICLE REPLACEMENT	Ambulance #2		\$300,000				\$300,000
FIRE-EMS			\$13,000	\$360,000	\$43,000			\$416,000
HDC	DEPARTMENTAL PROJECT	Signs for Historic District - Phase 2	\$7,500					\$7,500
HDC			\$7,500					\$7,500
INFORMATION TECHNOLOGY	INFRASTRUCTURE IMPROVEMENT	Reconfigure SAN - Phase 2	\$20,310					\$20,310
INFORMATION TECHNOLOGY			\$20,310					\$20,310
LIBRARY	INFRASTRUCTURE IMPROVEMENT	Resurface Parking Lot		\$35,000				\$35,000
	MAJOR REPAIRS	Repair Stone Walls - Exterior					\$7,500	\$7,500
	PUBLIC BUILDING MAINTENANCE	Rubber Roof Repair	\$31,000					\$31,000
		Replace Service Desks			\$55,000			\$55,000
		Children's Room Fixtures & Furniture				\$25,000		\$25,000
LIBRARY			\$31,000	\$35,000	\$55,000	\$25,000	\$7,500	\$153,500
POLICE	VEHICLE REPLACEMENT	Cruiser #5	\$34,000					\$34,000
		Cruiser #2	\$34,000					\$34,000
		Cruiser #3 - Animal Control	\$34,000					\$34,000
		Cruisers (2)		\$68,000	\$68,000	\$68,000	\$68,000	\$272,000
POLICE			\$102,000	\$68,000	\$68,000	\$68,000	\$68,000	\$374,000

Town of Holden

Five Year Capital Plan FY2014- FY2018

Sum of AMOUNT			FISCAL YEAR					
DEPARTMENT	PROGRAM	EXPENDITURE	2014	2015	2016	2017	2018	Grand Total
PUBLIC WORKS ADMINISTRATION	INFRASTRUCTURE IMPROV	New DPW Facility-Design				\$200,000	\$600,000	\$800,000
		Town Hall Parking Lot Resurfacing			\$140,000		\$140,000	
		Town Hall/Starbard Exterior Painting			\$50,000		\$50,000	
	VEHICLE REPLACEMENT	Truck # 8				\$40,000		\$40,000
PUBLIC WORKS ADMINISTRATION					\$190,000	\$240,000	\$600,000	\$1,030,000
PUBLIC WORKS B & G	EQUIPMENT REPLACEMENT	Leaf Vacuum		\$25,000				\$25,000
		Tractor Mower		\$35,000				\$35,000
		Infield Groomer		\$17,000				\$17,000
		Boom Head Mower for #61	\$13,500					\$13,500
		Mower Zero-Turn					\$25,000	\$25,000
	MAJOR REPAIRS	Natural Gas Conversion-Town Bldgs	\$63,000					\$63,000
	VEHICLE REPLACEMENT	Utility Van #42				\$35,000		\$35,000
		1-Ton Dump w/ Plow #30		\$100,000				\$100,000
		4X4 Pick-Up w/ Plow #38	\$50,000					\$50,000
Truck w/ Utility Body/ Plow				\$50,000			\$50,000	
PUBLIC WORKS B & G			\$126,500	\$177,000	\$50,000	\$35,000	\$25,000	\$413,500
PUBLIC WORKS ENGINEERING	DEPARTMENTAL PROJECT	Pavement Management Program	\$40,000					\$40,000
PUBLIC WORKS ENGINEERING			\$40,000					\$40,000
PUBLIC WORKS ENGINEERING DIVISION	INFORMATION TECHNOLOGY	GIS Updates		\$15,000	\$10,000			\$25,000
		VEHICLE REPLACEMENT	Truck #32		\$30,500			\$30,500
PUBLIC WORKS ENGINEERING DIVISION				\$45,500	\$10,000			\$55,500
PUBLIC WORKS HIGHWAY DIVISION	EQUIPMENT REPLACEMENT	Skid Steer & Attachments		\$75,000				\$75,000
		Electronic Sign (50%)		\$7,500				\$7,500
		ROADS AND PATHS INFRA	Local Roads	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
		Ch 90 Roads	\$592,000	\$592,000	\$592,000	\$592,000	\$592,000	\$2,960,000

Town of Holden

Five Year Capital Plan FY2014- FY2018

Sum of AMOUNT			FISCAL YEAR					
DEPARTMENT	PROGRAM	EXPENDITURE	2014	2015	2016	2017	2018	Grand Total
HIGHWAY DIVISION	VEHICLE REPLACEMENT	1-Ton Dump w/ Plow #18	\$100,000					\$100,000
		Loader w/ Wing Plow #36				\$260,000		\$260,000
		Loader w/ Wing Plow #17		\$250,000				\$250,000
		Street Sweeper #33				\$170,000		\$170,000
		1-Ton Dump Cab/Chassis/Plow #48		\$110,000				\$110,000
		Sidewalk Plow/Blower #43	\$135,000					\$135,000
		F 350 Truck w/ Plow #62	\$50,000					\$50,000
		F350 Truck w/ Plow #6					\$55,000	\$55,000
		4X4 Truck w/ Plow #12					\$260,000	\$260,000
		Street Sweeper #47			\$170,000			\$170,000
		1-Ton Dump w/ Plow #11			\$120,000			\$120,000
		Catchbasin Cleaner w/ Plow #35					\$275,000	\$275,000
		Truck w/ Plow #49				\$50,000		\$50,000
		Truck w/ Wing/ Spreader #15	\$250,000					\$250,000
1-Ton Dump w/ Plow & Spreader #19		\$110,000				\$110,000		
PUBLIC WORKS HIGHWAY DIVISION			\$1,377,000	\$1,394,500	\$1,132,000	\$1,322,000	\$1,432,000	\$6,657,500
PUBLIC WORKS ME	VEHICLE REPLACEMENT	4X4 Truck w/ Plow #1			\$55,000			\$55,000
		4X4 VM Truck w/ Plow #45	\$50,000					\$50,000
PUBLIC WORKS MECH			\$50,000		\$55,000			\$105,000
PUBLIC WORKS WATER/SEWER DIVISION	EQUIPMENT REPLACEMENT	Electronic Sign (50%)		\$7,500				\$7,500
	INFRASTRUCTURE IMPROVEMENT	Sewer Pump Station Improvements	\$50,000	\$50,000	\$50,000	\$35,000	\$50,000	\$235,000
		Water Main Replacement	\$225,000	\$500,000	\$1,600,000	\$1,250,000	\$1,500,000	\$5,075,000
		Avery Heights Standpipe Painting	\$525,000					\$525,000
		Inflow/Infiltration Removal	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000
	PUBLIC BUILDING MAINTEN	Spring St. Garage Repair/Maint.	\$45,000			\$300,000		\$345,000
	VEHICLE REPLACEMENT	F550 Utility Truck w/ Plow/Crane #5	\$120,000					\$120,000
		Escape- Truck #80		\$32,000				\$32,000
		F550 Dump w/ Plow #7		\$85,000				\$85,000
Dump w/ Plow #60					\$200,000		\$200,000	
F350 Truck w/ Plow #4				\$60,000			\$60,000	
PUBLIC WORKS WATER/SEWER DIVISION			\$1,015,000	\$724,500	\$1,760,000	\$1,835,000	\$1,600,000	\$6,934,500

Town of Holden

Five Year Capital Plan FY2014- FY2018

Sum of AMOUNT			FISCAL YEAR					
DEPARTMENT	PROGRAM	EXPENDITURE	2014	2015	2016	2017	2018	Grand Total
RECREATION	EQUIPMENT REPLACEMENT	Automatic Pool Vacuum	\$8,000					\$8,000
		FIELDS	Field Maintenance	\$15,000		\$25,000		\$40,000
		Field Renovation		\$20,000			\$20,000	
		Field Renovation - Mountview				\$20,000	\$20,000	
	INFRASTRUCTURE IMPROV	Lap Pool - Replace Caulking	\$8,000					\$8,000
	PARKS & PLAYGROUNDS	Court Maintenance		\$20,000	\$15,000			\$35,000
		Court Maintenance - Mountview					\$15,000	\$15,000
		Playground Resurf/Equip		\$10,000				\$10,000
	PUBLIC BUILDING MAINTEN	Trout Brook Pavillion	\$25,000					\$25,000
		Repairs/ Upgrades Rec. Facility	\$20,000	\$20,000	\$20,000			\$60,000
RECREATION			\$76,000	\$70,000	\$35,000	\$25,000	\$35,000	\$241,000
SENIOR CENTER	DEPARTMENTAL PROJECT	Replace Chairs	\$6,250					\$6,250
	PUBLIC BUILDING MAINTEN	Senior Center Carpeting		\$20,000				\$20,000
	VEHICLE REPLACEMENT	Replace Town COA Van			\$20,000			\$20,000
SENIOR CENTER			\$6,250	\$20,000	\$20,000			\$46,250
TOWN CLERK	DEPARTMENTAL PROJECT	Records Storage/ Archiving System			\$30,000	\$5,000	\$10,000	\$45,000
	INFRASTRUCTURE IMPROV	Storage Shelving		\$15,000				\$15,000
TOWN CLERK				\$15,000	\$30,000	\$5,000	\$10,000	\$60,000
Grand Total			\$3,061,560	\$3,150,500	\$4,349,000	\$3,627,000	\$3,844,500	\$18,032,560

Sum of AMOUNT	FISCAL YEAR					
FUNDING SOURCE	2014	2015	2016	2017	2018	Grand Total
BOND	\$910,000	\$1,345,000	\$2,640,000	\$2,380,000	\$2,635,000	\$9,910,000
CASH	\$993,560	\$919,000	\$922,000	\$545,000	\$482,500	\$3,862,060
OTHER	\$1,158,000	\$886,500	\$787,000	\$702,000	\$727,000	\$4,260,500
Grand Total	\$3,061,560	\$3,150,500	\$4,349,000	\$3,627,000	\$3,844,500	\$18,032,560