

# TOWN OF ASHLAND

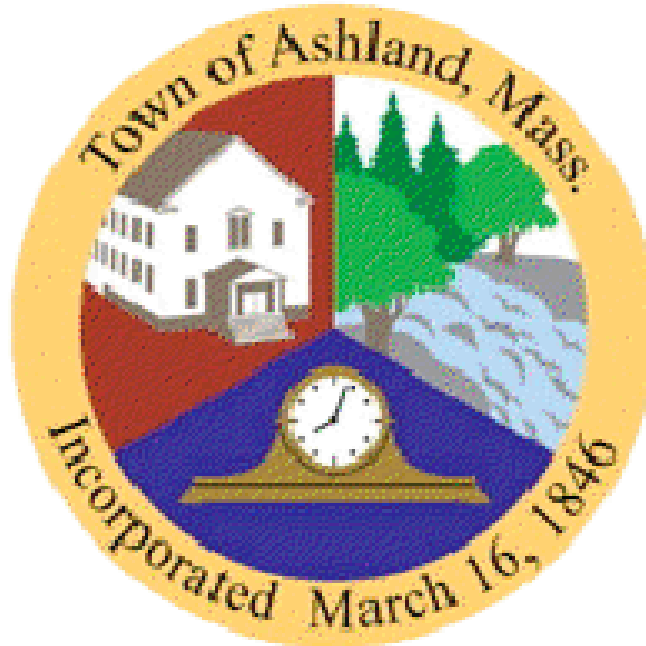
FY2018 OPERATING AND CAPITAL BUDGET



**TOWN MANAGER  
MICHAEL HERBERT**

**FINANCE DIRECTOR/TOWN ACCOUNTANT  
BRITTANY IACAPONI, CPA**

**ASSISTANT TOWN MANAGER  
JENN BALL**



# **TOWN OF ASHLAND**

## **ANNUAL OPERATING AND CAPITAL BUDGET**

For the Fiscal Year

Beginning July 1, 2017 and ending June 30, 2018

**Town Manager**

Michael Herbert

**Assistant Town Manager**

Jennifer Ball

**Finance Director/Town Accountant**

Brittany Iacaponi, CPA

**Board of Selectmen**

Joseph J. Magnani, Jr., Chair

Carl Hakansson, Vice Chair

Yolanda Greaves, Clerk

Steven Mitchell

Robert K. Scherer

**Finance Committee**

Daniel Conroy, Chair

Maribeth Morrissey, Vice Chair

Ryan Turncliff

Jonathan Moore

Adam Elbirt

John Walsh

Scott Warnetski



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## **BOARD OF SELECTMEN**

**Joseph J. Magnani, Jr.**, *Chairman*

**Carl Hakansson**, *Vice Chairman*

**Yolanda Greaves**, *Clerk*

**Steve Mitchell**, *Selectman*

**Rob Scherer**, *Selectman*

April 5<sup>th</sup>, 2017

To: Honorable Joseph Magnani and Members of the Ashland Board of Selectmen  
Honorable Daniel Conroy and Members of the Ashland Finance Committee

In accordance with the Town of Ashland Charter, it is my honor and privilege to submit to you my recommended FY18 operating and capital budget document. The General Fund budget totals \$55,674,294, which is a 3.80% percent increase over the previous year. The Enterprise Funds (water, sewer, trash, fields, and cable) total \$9,845,205, which is a 2.86% decrease over the previous year.

Through strong financial planning and management, Ashland has put itself in a superior position to make key investments in itself. When I came here four years ago, our financial situation was stable but lacked a sense of vision and direction. We were utilizing our rainy day stabilization fund to balance the budget every year and we had less than 5% of our total expenditures in that rainy day fund. We had not made investments in our departments, much less our community. For example, our Fire Department was still at the same level of personnel as it was in the 1990's despite tremendous population growth. Our Public Library was on its seventh year of waivers from the state and was dangerously close to losing accreditation. While we had made a token investment in addressing our other Post-Employment Benefits (OPEB), we did not have a plan. Our bond rating was "AA" – certainly a great rating but two notches shy of the top level that provides the most favorable borrowing conditions and indicative of the best financially managed communities.

In just four short years we have dramatically changed the approach we take towards our finances, which has positively impacted the community. Guided by a set of fiscal policies and a true spirit of collaboration among municipal and school leaders, we established goals and objectives that would allow us to make those key investments. Today, just four years later, we have almost achieved our goal of 10% reserves in our rainy day stabilization fund (\$5 million). We have established a plan and policy to address our OPEB liability, and established a stabilization fund to handle swings in our out-of-district special education requirements.

We have also been able to make key investments in our departments. Earlier in the fiscal year, we began the process of developing a strategic plan for the Town over the next 20 years. The first stage of that process – developing a set of values – highlighted that we want Ashland to be a Smart, Safe, and Sustainable community. Essentially, Ashland needs to make smart decisions that take into consideration both long and short term impacts to the entire town, and make investments in the community that can be managed and sustained well into the future. It does us no good as a community to grow at such a rapid rate that we have to make cuts at the first sign of an economic downturn.

Although the failure of last year's override severely impacted the trajectory and momentum of a number of things we need to do as a community, the aforementioned financial planning and philosophy has put us in a position where we can make continued investments in both our departments and, for the first time, the community. This year, we have been able to proposed the following:

1. An additional two firefighters, which now brings all four shifts from four to five firefighters per shift. This 25% increase in staffing made over the last two years allows us to handle two medical calls simultaneously.
2. We are opening the Library on Monday for five hours, bringing the total number of hours we are open to 50, and putting us in full compliance with state standards. We are also adding an additional part-time custodian dedicated to keeping the library well maintained.
3. We have added a Heavy Equipment Operator to our Public Works staff to focus on our roadways.
4. We are adding another police officer to the Ashland Police Department, which will lead to an increased presence in our school system.
5. We will also be investing in Community Development initiatives. For example, we have budgeted funding for the next phase of the Cadillac Paint remediation. This includes the demolition of the existing buildings, a well-known eyesore once we have control of the property.

This budget also keeps us one of the more affordable communities in MetroWest. And in furtherance of that goal we will make changes to our exemption program. After doing an in depth analysis of the Town's exemption programs, I will be proposing to the Board of Assessors that we increase the elderly exemption amount by 25% to reflect an average reduction in qualifying senior's tax bills of approximately \$625.

We continue to make progress with our Capital Program, and for the first time the Capital Plan is incorporated as part of the budget document itself. This year, through a Community Compact

grant, we were able to enlist the Collins Center for Public Management to help us develop a five-year Capital Plan and process to evaluate future projects. This year's capital plan funds a number of projects across several departments.

<b>Dept</b>	<b>Projects</b>	<b>Cost</b>
Comm & Econ Dev	3	430,000
DPW	4	380,000
Fire	3	216,000
IT	1	70,000
Police	3	115,600
School	6	415,000

Our capital plan funds road reconstruction, leases for vehicles, and IT equipment among other things. There is also funding for community development projects such as the Riverwalk and the Quiet Zone initiative. Again, our ability to fund these initiatives is the direct result of the sensible financial planning described above.

A big part of what creates a town is the make-up of its volunteer base. I want to thank the Board of Selectmen and the Finance Committee for their guidance and support during the last year. I also want to thank the School Committee and School Administration for seeing the big picture that is our community and being willing to work with us to achieve our overall goals.

Finally, I want to thank our great staff for the good work that they do every day on behalf of the Town. Specifically, the work done as part of this budget process required the work of our department heads and entire Executive Team. Specifically, I want to highlight the work of our Finance Director, Brittany Iacaponi, for spearheading the development of the FY18 budget and this budget document.

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## **Reader's Guide to Annual Budget Document**

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The purpose of this document is to communicate the Town of Ashland's fiscal year (FY) 2018 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 Summaries 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 Town Departments, Section 3 through Section 17, should help you identify by department the following:

- department narrative
- department organizational chart
- goals and objectives
- accomplishments
- budget detail

The Capital section includes information on existing and future capital projects. Finally, Section 19 through Section 22 includes supplemental data for the budget document. Included in the sections are items such as the financial trend monitoring report, financial policies, general fund and enterprise fund forecasts, fund balances and descriptions, and a glossary of terms, abbreviations, and acronyms.

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

Most data within this document is presented in fiscal year terms. The Town of Ashland operates on a fiscal year that runs July 1 through June 30. Therefore, FY2018 is the period from July 1, 2017 through June 30, 2018. All information is presented using a three-year comparison, that includes FY16 actual revenues and expenditures and FY17 and FY18 budgeted revenues and expenditures. Anyone interested in obtaining additional information concerning the Town of Ashland's Budget is encouraged to contact the Public Records Office at 508-881-0100 ext. 7127 or visit the Town's website at <http://www.ashlandmass.com/501/Public-Records>.

## Guide to the FY2018 Budget Process

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### OVERVIEW OF THE ANNUAL BUDGET PROCESS

The Town of Ashland 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 6-8 months each year. Below is a table of the major events that help shape the budget:

<b>September</b>	<ul style="list-style-type: none"><li>• FY2016 Budget Update presented to Board of Selectmen</li></ul>
<b>October</b>	<ul style="list-style-type: none"><li>• Town Manager and Finance Director issue operating budget instructions to Department Heads</li></ul>
<b>November</b>	<ul style="list-style-type: none"><li>• Department Head Budgets and Goals Due</li><li>• Special Town Meeting</li></ul>
<b>December - January</b>	<ul style="list-style-type: none"><li>• Management reviews departmental budget requests and develops budget</li></ul>
<b>January – February</b>	<ul style="list-style-type: none"><li>• Finance Committee budget hearings</li><li>• School Administrators review FY18 budget</li></ul>
<b>February</b>	<ul style="list-style-type: none"><li>• School Committee votes on bottom line budget</li><li>• TriBoard Meeting on Budget</li></ul>
<b>March - April</b>	<ul style="list-style-type: none"><li>• Budget Document Finalized</li><li>• Budget Report posted on website</li></ul>
<b>May</b>	<ul style="list-style-type: none"><li>• Annual Town Meeting</li></ul>

**October/November-** Departments are provided with one month to develop their departmental budget for the subsequent fiscal year. Departments work on their budgets during the month of October. Budget requests are due to the Town Manager and Finance Director at the beginning of November along with their departmental goals and accomplishments.

**December** -Departmental operating budgets are reviewed by the Town Manager and Finance Director. 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 to schedule meetings with the various Department Heads to evaluate their budget request and goals. The preliminary debt schedules are updated and various financial forecasts are completed. The School Department issues budget instructions to school business managers and all budget requests are due to the Assistant Superintendent by the end of December.

**January/February** – School administrators meet to review the budget. During the month, the school committee holds a Saturday budget workshop with administrators. There is also a public hearing on the school budget. At the beginning of February, the School Superintendent presents the recommended operating budget to the School Committee and the School Committee votes on the bottom line. During January, the finance committee also hold their budget hearings on departmental budgets. These meetings are all open to the public.

**February-May-** During the beginning of March, the Board of Selectmen vote to adopt the budget for capital and a balanced budget for operations.

## Guide to the FY2018 Budget Process

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**March/April-** The Town Manager will post the budget report on the Town's website. The Finance Committee shall file a proposed budget and report of its recommendations for action 14 days prior to the scheduled date of the annual town meeting.

**May - Annual Town Meeting** -Ashland's Annual Town Meeting is held on the first Wednesday in May of each year in accordance with to Chapter §63-8 of the Ashland 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 Ashland and is responsible for the conduct of Town Meeting, according to Chapter §63-4 of the Ashland bylaw. The Moderator also appoints several boards and committees, providing a wide and significant impact on the community and its government.

**Note:** The Town sought the expertise of the Collins Center in developing the five-year capital plan - FY2018 to FY2022. The Town applied and received a grant in FY2017 to assist in the development of a capital plan. As this is the first year the Town has acquired this firm to aid in the capital plan, the Town is hopeful the capital plan will be finalized in March 2017.

### WHAT IS TOWN MEETING?

The legislative body of the Town of Ashland 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 Ashland General Bylaws.

## Guide to the FY2018 Budget Process

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### HOW ARE TAXES CALCULATED?

In Ashland, 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 Ashland's Annual Tax Levy cannot exceed the Levy Ceiling.
2. The levy limit for a particular year is calculated by increasing the previous year's limit by 2.5% and adding certified new growth and overrides. The new limit cannot exceed the levy ceiling.

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

New Growth includes the additional property tax from new construction and additions to properties, exempt real property returned to the tax roll, and new personal property. In Ashland, 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. Ashland has approved a number of debt exclusions for municipal building projects.

## Guide to the FY2018 Budget Process

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### **What is the Community Preservation Act (CPA) Surcharge?**

Ashland 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 Ashland citizens place on these issues and has enabled the town to maintain the rural character and mix of housing that has defined Ashland. To learn more about the CPA in Ashland, visit the town's website at: [www.ashlandmass.com](http://www.ashlandmass.com).

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 FY2018 Budget document is being made available online through the Town of Ashland website.

## FY2018 BUDGET DEVELOPMENT CALENDAR

This calendar describes the steps leading to the adoption of the budget for those accounts overseen by the Town Manager and requiring appropriation by Town Meeting. The School Superintendent and School Committees carry out similar steps leading to their budget submissions and preparation for Town Meeting. Town and School budget dates have been incorporated into this calendar.

GOAL DATE	DEADLINE DATE	DESCRIPTION
8/30/2016	10/1/2016	Finance Committee Meeting. (Town Manager to consult with finance committee on budget schedule per Chapter C. Part VII. Section 7-1 (a) no later than October 1st)
9/7/2016	N/A	FY16 Budget update presented to Board of Selectmen.
Mid to late Sept.	11/1/2016	No later than Nov. 1st, the finance committee, after consultation with the BOS, School Committee, and Town Manager, shall issue a policy statement that shall establish the general guidelines for developing the next town budget per Chapter C. Part VII. Section 7-1 (b).
10/1/2016	N/A	Town receives Capital Report from Consultants on 5 year capital plan and FY2018 priority capital projects/items
10/1/2016	N/A	Town Manager and Finance Director issue operating budget instructions to Department Heads.
10/3/2016 - 10/14/2016	N/A	Town management reviews recommendation for FY2018 capital projects/items and meets with Department Heads, if necessary.
11/1/2016	N/A	Department Head Budgets Due
11/14/2016	11/14/2016	Per Chapter 63-2, 'Attested copies of the warrant for the Annual Town Meeting shall be posted at least 7 days before the date of hold the same. <b>Attested copies of any special Town Meeting Warrant shall be posted at least 14 days before the time of holding the same.</b>
11/28/2016	N/A	<b>Fall Town Meeting and consideration of FY17 budget amendments, if any and financial articles</b>

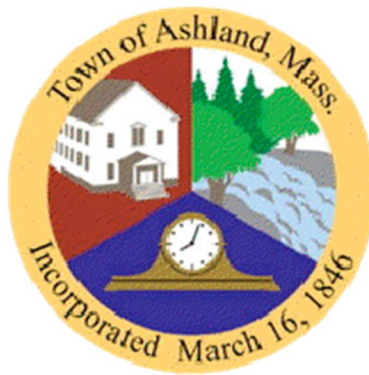
11/7/2016 - Jan. 2017	N/A	FinCom Budget hearings
10/19/2016 - 11/30/2016	N/A	Board of Selectmen review the FY18 Enterprise Fund budgets (Water, Sewer, Rubbish, Fields).
11/2/2016 - 12/14/2016	N/A	Management works on Budget proposal and meets with Department Heads
12/1/2016	N/A	Budget instructions given to School Budget Managers
12/1/2016- 12/20/2016	N/A	School Budget Managers develop FY18 Budget Requests
12/20/2016	N/A	All Budget Requests due to Assistant Superintendent
Jan 2017 - early to mid month	N/A	School Administrators meet to review FY18 Budget
1/18/2017	1/18/2017	Finance Committee to receive budget which shall be at least 105 days in advance of the annual town meeting per Chapter C. Part VII. Section 7-1 (a)i.
Jan 2017- mid to late month	N/A	School Committee Saturday Budget Workshop with Administrators
1/25/2017	1/25/2017	Governor's Budget - Governor files recommendations as a bill with the House of Representatives. Under the state Constitution, the Governor must submit a proposal by the 4th Wednesday in January or, in the event of a new term, within five weeks later. This bill is called 'House 1' or 'House 2' depending on the year. The Governor's FY2017 budget was finalized on 1/27/2016.
1/25/2017	N/A	Public Hearing on School Budget
2/8/2017	N/A	School Committee votes on Bottom Line Budget

2/22/2017	N/A	TriBoard Meeting on Budget
2/22/2017	4/19/2017	FinCom issues recommendation. <b>Per Chapter C. Part VII. Section 7-2, the finance committee shall file a proposed budget and report of its recommendations for action 14 days prior to the scheduled date of the annual town meeting.</b>
3/1/2017	3/8/2017	Budget document finalized
3/8/2017	3/9/2017	<b>Board of Selectmen deadline to adopt a budget for capital and a balanced budget for operations, which shall be, as far as practicable, 55 days in advance of the annual town meeting per Chapter C. Part VII. Section 7-1 (a)ii.</b>
3/15/2017	4/26/2017	<b>Budget Report posted on website. To summarize, the Town Manager shall issue a budget report which shall include all items in per Chapter C. Part VII. Section 7-1 (e). The BOS shall cause the report and recommendations of the Fin. Committee to be made available to the voters at least 7 days prior to the annual town meeting.</b>
4/13/2017	N/A	The House Committee on Ways and Means examines the Governor's proposal and releases its own recommendations for the annual budget for deliberation by the House of Representatives. Prior to release of the House Ways and Means Budget, Joint Ways and Means Committee budget hearings are held across the state. The committee FY16 budget was finalized on 4/13/2016.
4/13/2017	4/26/2017	<b>Per Chapter 63-2, 'Attested copies of the warrant for the Annual Town Meeting shall be posted at least 7 days before the date of hold the same. Attested copies of any special Town Meeting Warrant shall be posted at least 14 days before the time of holding the same.</b>
5/3/2017	N/A	<b>Annual Town Meeting and consideration of additional FY17 budget amendments and adoption of FY18 operating and enterprise fund budgets</b>

5/5/2017	N/A	The full House of Representatives considers amendments to the House Ways and Means recommendations and debates their inclusion in the bill. The House of Representatives then approves a final, amended version of the bill which is then sent to the Senate for consideration. The FY16 House Budget was finalized on 5/5/2016.
5/17/2017	N/A	The Senate Committee on Ways and Means examines both the Governor's proposal and the House proposal and releases its own recommendations for the annual budget for deliberation by the Senate. The FY16 Committee budget was finalized on 5/17/2016.
6/2/2017	N/A	The full Senate considers amendments to the Senate Ways and Means recommendations and debates their inclusion in the bill. The Senate then approves a final, amended version of the bill. The FY16 Senate Budget was finalized on 6/2/2016.
7/1/2017	7/1/2017	The House and Senate appoint three members each to a "conference committee" to reconcile the differences between the House and Senate proposals. One member of the minority party must be appointed by each branch. The conference committee reports a final compromise bill to the House and Senate for a final vote of acceptance in each branch.  FY2018 budget takes effect. First day of new fiscal year.

# Overview of Government

## Section 1



**Chapter C: Charter, Part III: Elected Town Officers****Section 3-2 Board of Selectmen**

- a) There shall be a board of selectmen composed of 5 members elected for terms of 3 years each, so arranged that the terms of as nearly an equal number of members as is possible shall expire each year.
- b) The executive powers of the town shall be vested in the board of selectmen which shall serve as the chief policymaking body of the town. The board of selectmen shall have and exercise all the powers and duties vested in boards of selectmen by the laws of the commonwealth and such additional powers and duties authorized by the charter, by bylaw or by vote of the town. The board of selectmen shall cause the laws and orders for the government of the town to be enforced and shall cause a record of all its official acts to be kept. To administer its policies and aid the board in its official duties, the board of selectmen shall appoint a town manager, as provided in part V.
- c) The board of selectmen shall appoint a town manager, town counsel, an external auditor to perform the town's annual financial audit and registrars of voters as well as all other such town officers, boards, commissions and committees except as otherwise provided by the charter. The board of selectmen shall also appoint such officers, boards, commissions and committees that the board of selectmen may hereafter be directed to appoint by law, by-law or vote of the town.
- d) The board of selectmen may investigate or may authorize the town manager to investigate the affairs of the town and the conduct of any town agency.
- e) The board of selectmen, unless otherwise provided by law or the charter, 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 any licenses.

**Chapter C: Charter, Part V: Town manager****Section 5-1: Appointment; Qualifications; Term of Office**

The board of selectmen shall appoint, for a term of up to 3 years, a town manager and shall, at least annually, evaluate the performance of the town manager. The town manager shall be a person of proven administrative ability, especially qualified by education and training with at least 3 years previous experience in public administration as a city or town manager, a city or town administrator, an assistant city or town manager or a position with substantially similar functions. The town manager shall devote full time to the duties of the office and shall not hold any other elective or appointive office, nor shall the town manager engage in any other business unless such action is approved in advance, in writing, by the board of selectmen.

**Section 5-2: Vacancy in Office**

Any permanent vacancy in the office of town manager shall be filled as soon as possible by the board of selectmen. Pending appointment of the town manager, the board of selectmen shall, within a reasonable period of time, appoint some other qualified person to perform the duties of the town manager.

**Section 5-3: Temporary Absence**

The town manager may designate by letter filed with the board of selectmen and town clerk a qualified officer of the town to perform the duties of the town manager during a temporary absence or disability. If such temporary absence or disability shall exceed 14 days, any designation made by the town manager shall be subject to the approval of the board of selectmen. If the town manager fails to make such designation or if the person so designated is for any reason unable to serve or is deemed not qualified by the board of selectmen, the board of selectmen may designate some other qualified person to perform the duties of the town manager until the town manager shall return.

**Section 5-4: Compensation**

The town manager shall receive such compensation for services as the board of selectmen shall determine, but such compensation shall be within the limits of available appropriations.

**Section 5-5: Powers of Appointment**

(a) The town manager shall appoint, based upon merit and qualifications, a police chief, a fire chief, a treasurer collector, a town accountant, a town clerk and all other department heads, officers, subordinates and employees for whom no other method of selection is provided in the charter, except employees of the school department and employees identified in subsection (c) of section 5-5.

(b) Appointments proposed by the town manager, except as noted in subsection (e) of section 5-5, shall become effective on the fifteenth day following the day on which notice of the proposed appointment is filed at a board of selectmen meeting, unless the board of selectmen shall within such period, by a majority vote of the board of selectmen, vote to reject such proposed appointment.

(c) The town manager shall appoint, based upon merit and qualifications:

- i. a health agent with the consent of the board of health;
- ii. an assistant assessor with the consent of the board of assessors;
- iii. a planner with the consent of the planning board; and
- iv. a library director and all other library employees with the consent of the board of library trustees.

For the purpose of this section, consent shall mean that each multiple-member body cited herein shall interview job candidates and make an appointment recommendations to the town manager. The town manager shall not make an appointment under this section without the consent of the multiple-member body cited herein. In the case of employees appointed under this section, the town manager shall inform the chair of the appropriate multiple-member body prior to the commencement of any disciplinary action or termination process, except in cases of an emergency, and provide an opportunity to the chair to confidentially comment on the proposed action directly to the town manager.

**(d)** Relative to appointments made by the town manager under subsection **(c)** of section **5-5**, the policies established by each multiple-member body derived directly from statutory authority shall be the non-administrative policy adhered to by the town manager and his/her staff.

**(e)** Appointments made by the town manager under subsection **(c)** of section **5-5** shall be effective immediately and shall not be subject to rejection by vote of the board of selectmen.

**Section 5-6 Administrative Powers and Duties.**

The town manager shall be the administrative officer of the town and shall be responsible to the board of selectmen for the proper operation of town affairs for which the town manager is given responsibility under the charter. The powers, duties and responsibilities of the town manager shall include, but not be limited to, the following:

**(a)** to supervise, direct and be responsible for the efficient administration of all employees appointed by the town manager and their respective departments and of all functions for which the town manager is given responsibility, authority or control by the charter, by by-law, by town meeting vote or by the board of selectmen;

**(b)** to administer, either directly or through persons supervised by the town manager, general and special laws applicable to the town, all by-laws and all regulations established by the board of selectmen;

**(c)** to coordinate all activities of town departments under the direction of the board of selectmen and the town manager with the activities of departments under the control of officers, boards or commissions elected directly by the voters of the town;

**(d)** to keep the board of selectmen fully informed as to the needs of the town and to recommend to the selectmen for adoption, such measures requiring action by them or by the town as the town manager deems necessary or expedient;

**(e)** to ensure that complete and full records of the financial and administrative activity of the town are maintained and to render reports to the board of selectmen as may be required;

**(f)** to administer personnel policies, practices or rules and regulations, any compensation plan and any related matters for all municipal employees and to administer all collective bargaining agreements entered into by the town, except for school department agreements;

**(g)** to fix the compensation of all town employees appointed by the town manager within the limits established by appropriation and any applicable compensation plan;

**(h)** to negotiate all contracts with town employees over wages and other terms and conditions of employment, except employees of the school department; provided, however, that the town manager may employ, subject to the approval of the board of selectmen, special counsel to assist in the performance of these duties; and provided further, that all collective bargaining agreements negotiated under this section shall be subject to the approval of the board of selectmen;

(i) to prepare and submit an annual operating budget and capital improvement program as provided in sections **7-1 and 7-3**;

(j) to keep the board of selectmen and the finance committee fully informed as to the financial condition of the town and to make recommendations to the board of selectmen and to other elected and appointed officials as the town manager deems necessary or expedient;

(k) to investigate or inquire into the affairs of any town department or office under the supervision of the town manager or the job-related conduct of any officer or employee thereof; and

(l) to perform such other duties as necessary or as may be assigned by the charter, by by-law, by town meeting vote or by the board of selectmen.

**Section 5-7 Removal of Town Manager.**

The board of selectmen may, by the affirmative vote of 3 members, vote to terminate, remove or suspend the town manager from office in accordance with this section.

Prior to removal or termination, the board of selectmen shall adopt a preliminary resolution of removal by the affirmative vote of 3 members. The preliminary resolution may suspend the town manager for a period not to exceed 30 days. A copy of the resolution shall be delivered to the town manager forthwith.

If so requested by the town manager, the board of selectmen shall provide a written statement setting forth the reasons for the proposed removal or termination.

Within 5 days after the receipt of the preliminary resolution, the town manager may request a public hearing by filing a written request for such hearing with the board of selectmen. If a hearing is requested, the hearing shall be held at a meeting of the board of selectmen not later than 20 days after the date of request.

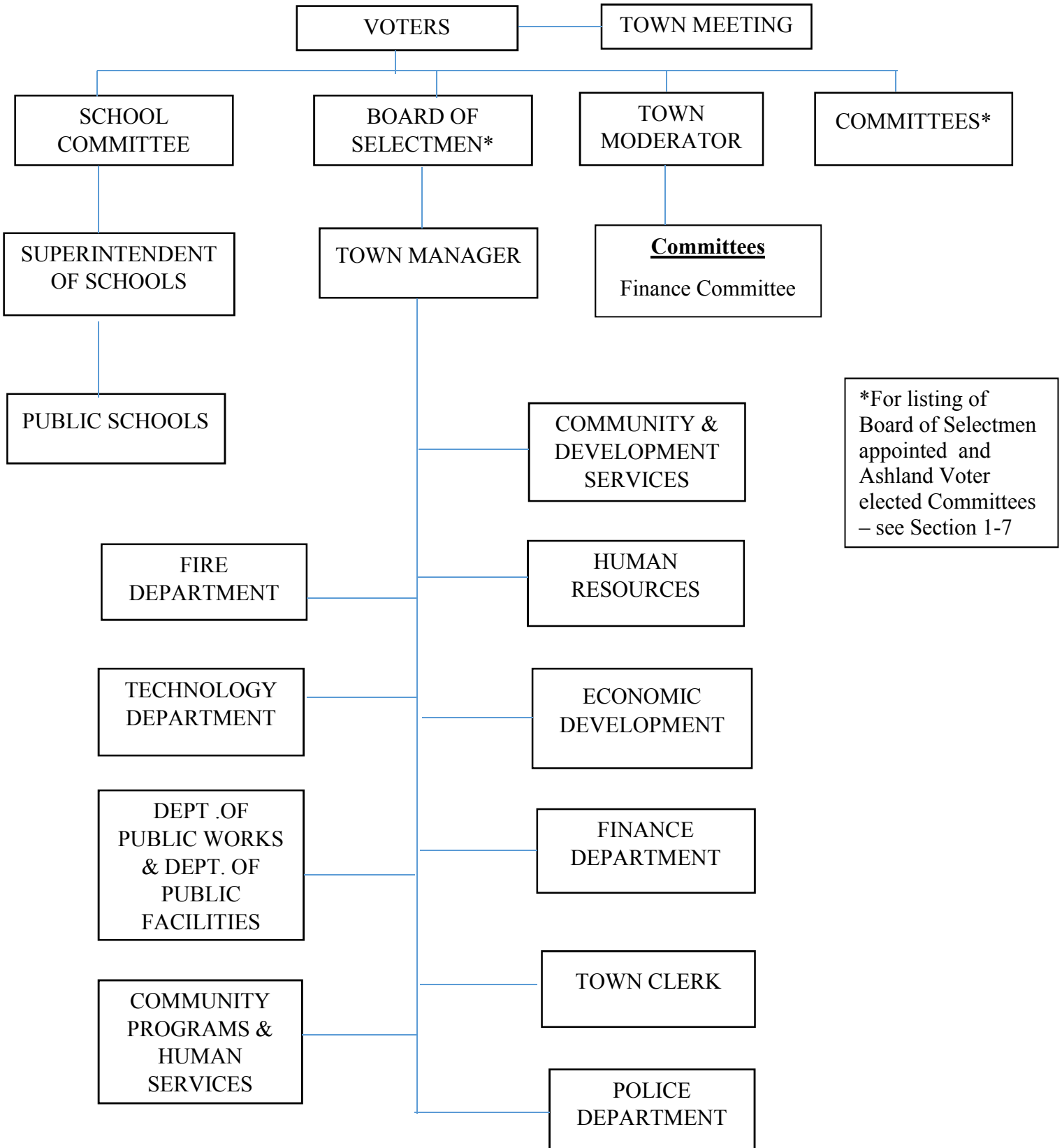
If a public hearing has not been requested by the town manager, the board of selectmen may adopt a final resolution of removal, which may be effective immediately, by the affirmative vote of 3 of its members at any time after 10 days following the date of delivery of a copy of the preliminary resolution to the town manager. If the town manager requests a public hearing, the board of selectmen may, at the conclusion of the hearing or within 5 days of the conclusion of the hearing, adopt a final resolution of removal by an affirmative vote after 3 members.

The board of selectmen may suspend, by an affirmative vote of 3 members, the town manager pending and during any public hearing as requested by the town manager. The town manager shall continue to receive a salary until the final date of removal unless otherwise provided. The action of the board of selectmen in terminating, removing or suspending the town manager shall be final.

For more information on the form of government and charter, please visit [www.ashlandmass.com](http://www.ashlandmass.com).

# Town Organization Chart

## Section 1-5



\*For listing of Board of Selectmen appointed and Ashland Voter elected Committees – see Section 1-7

\*The Technology Department & Public Facilities Department (Department Head) is a shared department/employee between the School and Town.



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**ASHLAND VOTERS  
ELECT**

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

**TOWN MODERATOR  
APPOINTS**

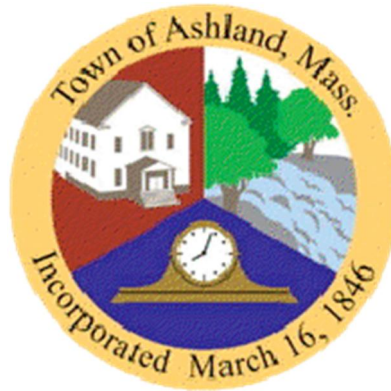
Finance Committee

**TOWN MANAGER  
EXECUTIVE OFFICE  
APPOINTMENTS**

Police Department  
Fire Department  
Human Resources  
Community & Development Services Dept.  
Community Programs & Human Services  
Finance Department  
Economic Development Director  
Dept. of Public Works  
Dept. of Public Facilities (Town personnel)  
Town Clerk  
Technology Department (shared  
department with school)

**BOARD OF SELECTMENT  
APPOINTS**

Town Manager  
Affordable Housing Trust  
Cable Access Comp. – 1 spot  
Cultural Council  
Board of Registrars  
Cable Advisory Committee  
Capital Improv. Committee  
Charter Review Committee  
Community Preservation  
Conservation Commission  
Conservations Restrictions Working Group  
Council on Aging  
Historical Commission  
Keefe Tech School Committee – 2 seats  
Liaison Committee  
OPEB Liability Trust  
Open Space & Recreation  
Override Study Committee  
Public Safety Building Committee  
Stormwater Advisory Committee  
Sustainability Committee  
Town Forest Committee  
Trimount Aggregate Oversight  
Warren Woods Adhoc Comm.  
Water Policy Committee  
Youth & Family Services Advisory Board  
Zoning Board of Appeals



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## Personnel Summary Table

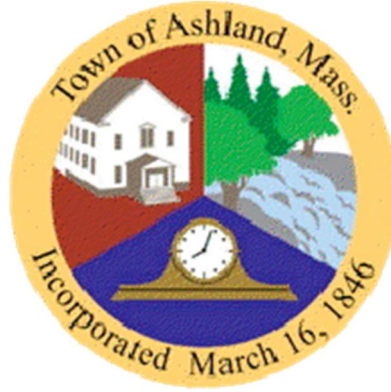
## Section 1-9

<b>Town Government</b>	<b>FY16 FTE</b>	<b>FY17 FTE</b>	<b>FY18 FTE</b>	<b>Change</b>
Executive Office/Administration	12.5	15.0	16.0	1.0
Finance Department	10.0	10.0	9.0	(1.0)
Community & Development Services	8.55	8.55	8.55	0.0
Community Programs & Human Services	11.95	12.95	14.325	1.375
DPW & Facilities	50.7	50.4	52.7	2.3
Public Safety	70.0	73.0	76.5	3.5
<b>Total Subtotal</b>	<b>163.7</b>	<b>169.9</b>	<b>177.075</b>	<b>7.175</b>
<b>School Department</b>				
District-Wide	399.3	405.6	411.2	5.6
<b>School Subtotal</b>	<b>399.3</b>	<b>405.6</b>	<b>411.2</b>	<b>5.6</b>
<b>Entity Wide FTEs</b>	<b>563</b>	<b>575.5</b>	<b>588.275</b>	<b>12.775</b>

Personnel Note: All personnel changes within each department are explained in each department's respective section.

The School is asking for 5.6 full-time staff to be added to meet the needs of the District. Of the additions, 4.0 full-time staff are being added to create a second in-house substantially separate classroom at the Warren School, to reduce our out-of-district costs. The remaining staff will assist the District in meeting their goals.

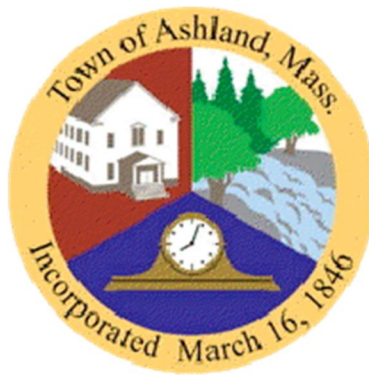
For further information on the Ashland Public School's budget, please visit <http://www.ashland.k12.ma.us/budget-information>



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# Budget Summaries

## Section 2



General Fund Overview

Section 2-1

<b>Tax Levy</b>	<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2018 Budget</b>
Prior Year Levy	36,554,361	38,227,209	39,892,889
2.5% Increase	913,859	955,680	997,322
New Growth	758,989	710,000	800,000
<b>TOTAL TAX BASE</b>	<b>38,227,209</b>	<b>39,892,889</b>	<b>41,690,211</b>
Excluded Debt	1,777,626	1,750,367	1,830,442
LEVY LIMIT	40,004,835	41,643,256	43,520,653
<b>Actual Levy Used</b>	<b>39,987,832</b>	<b>41,643,256</b>	<b>43,520,653</b>
<b>Actual Collections on FY16 Levy</b>	<b>39,559,865</b>		
<b>Actual Collections on Prior Tax Levies</b>	<b>228,826</b>		
<b>State Aid</b>			
<b>Education - Distirbutions &amp; Reimbursements</b>			
Chapter 70	5,579,510	5,935,803	5,935,803
Charter Tuition Reimbursement	60,715	49,115	49,115
<b>Offsets - Reserved for Direct Expenditure</b>			
School Lunch			
School Choice Receiving Tuition	212,748	266,615	266,615
<b>General Government - Distributions &amp; Reimb.</b>	<b>5,852,973</b>	<b>6,251,533</b>	<b>6,251,533</b>
Unrestricted General Govt Aid	1,246,634	1,300,239	1,300,239
Veterans Benefits	40,920	36,683	36,683
Exemptions - VBS & Elderly	47,551	47,551	47,551
State Owned Land	72,034	71,177	71,177
<b>General Government - Res. for Direct Exp.</b>			
Public Libraries	20,583	20,583	20,393
<b>Total State Aid</b>	<b>7,280,695</b>	<b>7,727,766</b>	<b>7,727,576</b>
<b>Local Receipts</b>			
Local Receipts	5,120,618	4,214,163	4,075,474
Local Receipts - Meals Tax	220,800	220,500	220,500
<b>Total Local Receipts</b>	<b>5,341,418</b>	<b>4,434,663</b>	<b>4,295,974</b>
<b>Other Sources</b>			
Bond Premium			22,000
Animal Control Bylaw	25,000		
Revolving/Receipts Reserved Accounts	135,250	155,000	147,000
Enterprise Funds - Transfer to General Fund	614,988	394,059	495,637
QECB Subsidy Payments		60,000	60,000
Community Preservation Funds - Debt	756,150	740,037	702,075
Overlay Surplus		0	
Free Cash	1,034,083		
Prior Year Encumbrances	700,476		

General Fund Overview

Section 2-2

<b>Total Other Funds</b>	3,265,947	1,349,096	1,426,712
<b>TOTAL REVENUE</b>	55,676,751	55,154,780	56,970,915
<b>Appropriated Expenses</b>			
General Government	9,602,225	10,679,885	11,000,136
Ashland Public Schools	26,409,625	27,907,822	29,078,500
Keefe Tech	1,506,509	1,405,137	1,405,137
Non-Excluded Debt Service	1,373,532	1,683,568	1,459,703
Excluded Debt Service	1,752,113	1,750,367	1,830,442
Capital Outlay	868,811	748,267	750,000
Benefits & Insurance	8,372,408	8,728,217	9,415,177
Reserve Fund	0	450,000	450,000
Snow & Ice	510,672	285,200	285,200
<b>Total Appropriated Expenses</b>	50,395,896	53,638,463	55,674,294
Overlay		245,000	240,000
Offset - School Lunch			
Offset - School Choice	212,748	266,615	266,615
Offset - Library Aid	20,583	20,583	20,393
State Assessments & Charges	64,745	70,920	70,920
Transportation Authorities	112,424	113,110	113,110
Annual Charges Against Receipts	1,512	1,572	1,572
School Choice Sending Tuition	51,390	84,011	84,011
Charter School Sending Tuition	884,100	714,506	500,000
Encumbrances	754,829		
Warrant Articles - Free Cash Trans. to Oth. Funds	1,238,858		
<b>TOTAL ALL EXPENSES</b>	53,737,085	55,154,780	56,970,915
Surplus (Deficit)	1,939,666	(0.00)	(0.00)

## Budget Summary Vote - All Funds

## Section 2-3

		2016 ACTUAL TOTAL	2017 ATM BUDGET TOTAL	2018 PROPOSED BUDGET	\$/CHANGE	%/CHANGE
01123	TOWN MANAGER	415,218	456,219	503,899	47,680	10.45%
01138	CENTRAL PURCHASING	58,342	60,300	60,300	-	0.00%
01139	TELECOMMUNICATIONS	72,329	53,000	73,000	20,000	37.74%
01151	TOWN COUNSEL	237,806	210,000	210,000	-	0.00%
01155	DATA PROCESSING	320,924	514,975	532,088	17,113	3.32%
01161	TOWN CLERK	138,287	139,751	140,314	562	0.40%
01162	ELECTIONS/TOWN MEETING	24,779	29,400	14,150	(15,250)	-51.87%
01163	BOARD OF REGISTRARS	6,275	7,790	7,790	-	0.00%
01182	ECONOMIC DEVELOPMENT	-	130,828	244,632	113,804	86.99%
01180	HUMAN RESOURCES	39,578	149,000	206,075	57,075	38.31%
	<b>SUBTOTAL: ADMINISTRATION</b>	<b>1,313,539</b>	<b>1,751,263</b>	<b>1,992,248</b>	<b>240,985</b>	<b>13.76%</b>
01135	TOWN ACCOUNTANT	136,179	119,900	123,400	3,500	2.92%
01141	ASSESSORS OFFICE	180,289	213,056	218,971	5,915	2.78%
01145	TREASURER	271,741	228,518	184,192	(44,326)	-19.40%
	<b>SUBTOTAL: FINANCE</b>	<b>588,209</b>	<b>561,474</b>	<b>526,563</b>	<b>(34,911)</b>	<b>-6.22%</b>
01170	COMMUNITY DEVELOPMENT & HEALTH	5,202	7,500	-	(7,500)	-100.00%
01171	CONSERVATION COMMISSION	59,661	93,200	94,450	1,250	1.34%
01172	OPEN SPACE COMMITTEE	425	450	450	-	0.00%
01175	PLANNING BOARD	146,188	137,616	143,950	6,334	4.60%
01241	INSPECTION SERVICES DEP	221,608	189,061	190,523	1,462	0.77%
	<b>SUBTOTAL: DEVELOPMENT SERVICES</b>	<b>433,084</b>	<b>427,827</b>	<b>429,373</b>	<b>1,546</b>	<b>0.36%</b>
01210	POLICE DEPT.	2,941,287	3,151,403	3,283,427	132,024	4.19%
01220	FIRE DEPARTMENT	2,215,150	2,423,414	2,241,959	(181,455)	-7.49%
	<b>SUBTOTAL: PUBLIC SAFETY</b>	<b>5,156,438</b>	<b>5,574,817</b>	<b>5,525,386</b>	<b>(49,431)</b>	<b>-0.89%</b>
01510	BD. OF HEALTH	140,750	150,432	154,904	4,473	2.97%
01543	VETERAN'S SERVICES	82,612	89,105	89,105	-	0.00%
01544	COA/REC/YOUTH & FAM SERVICES	262,067	336,077	354,857	18,780	5.59%
01610	PUBLIC LIBRARY	330,587	341,461	370,878	29,418	8.62%
	<b>SUBTOTAL: HEALTH AND HUMAN SERVICES</b>	<b>816,015</b>	<b>917,074</b>	<b>969,745</b>	<b>52,671</b>	<b>5.74%</b>
01192	PUBLIC BLDGS&PROP MAINT	435,440	438,373	459,620	21,246	4.85%
01421	DPW ADMINISTRATION	89,566	107,643	98,252	(9,392)	-8.72%
01422	HIGHWAY CONST & MAINT	413,545	436,519	451,922	15,403	3.53%
01423	SNOW & ICE REMOVAL	510,672	285,200	285,200	-	0.00%
01424	HWY-STREETLIGHTING	36,916	41,200	40,000	(1,200)	-2.91%
01429	HWY COMBINED FUEL ACCOU	144,326	151,000	151,000	-	0.00%
01491	CEMETERY, PARKS & TREES	175,146	197,694	238,028	40,334	20.40%
	<b>SUBTOTAL: PUBLIC WORKS</b>	<b>1,805,612</b>	<b>1,657,630</b>	<b>1,724,021</b>	<b>66,392</b>	<b>4.01%</b>
01300	SCHOOL DEPARTMENT	26,409,625	27,907,822	29,078,500	1,170,678	4.19%
01399	KEEFE TECH VOC SCHOOL	1,506,509	1,405,137	1,405,137	-	0.00%
	<b>SUBTOTAL: EDUCATION</b>	<b>27,916,134</b>	<b>29,312,959</b>	<b>30,483,637</b>	<b>1,170,678</b>	<b>3.99%</b>
<b>01710</b>	<b>TOTAL DEBT</b>	<b>3,125,645</b>	<b>3,433,935</b>	<b>3,290,144</b>	<b>(143,791)</b>	<b>-4.19%</b>
	EXCLUDED DEBT	1,752,113	1,750,367	1,830,442	80,075	4.57%
	NON EXCLUDED DEBT	1,373,532	1,683,568	1,459,703	(223,866)	-13.30%

**Budget Summary Vote - All Funds**

<b>01930</b>	<b>CAPITAL PROJECTS</b>	<b>868,811</b>	<b>748,267</b>	<b>750,000</b>	<b>1,733</b>	<b>0.23%</b>
	<b>For information purposes - Capital Projects to be funded under 01930 appropriation:</b>					
	Road Reconstruction	100,000				
	Paving of cemetery road	30,000				
	Fire Ambulance lease	55,000				
	Fire Pumper Truck	86,000				
	Firefighting Gear	75,000				
	Police Cruiser replacement	100,000				
	Police laptop computeres for cruisers	6,600				
	Police radios for cruisers	9,000				
	School electrical upgrade study at Mindess/Middle Schools	15,000				
	School - install Modulares at Warren School	150,000				
	School - upgrade lighting controls for athletic fields at Middle School	10,000				
	Downtown Phase 1 - Riverwalk	280,000				
<b>01911</b>	<b>EMPLOYEE RETIREMENT</b>	<b>2,283,740</b>	<b>2,464,185</b>	<b>2,809,394</b>	<b>345,209</b>	<b>14.01%</b>
<b>01912</b>	<b>WORKERS COMPENSATION</b>	<b>139,089</b>	<b>150,000</b>	<b>270,000</b>	<b>120,000</b>	<b>80.00%</b>
<b>01913</b>	<b>UNEMPLOYMENT COMPENSATI</b>	<b>28,944</b>	<b>110,000</b>	<b>75,000</b>	<b>(35,000)</b>	<b>-31.82%</b>
<b>01914</b>	<b>EMPLOYEE HEALTH FRINGES</b>	<b>4,272</b>	<b>16,000</b>	<b>5,000</b>	<b>(11,000)</b>	<b>-68.75%</b>
<b>01915</b>	<b>GROUP HEALTH INSURANCE</b>	<b>5,392,313</b>	<b>5,357,059</b>	<b>5,624,810</b>	<b>267,751</b>	<b>5.00%</b>
<b>01945</b>	<b>OTHER INSURANCE</b>	<b>524,050</b>	<b>630,973</b>	<b>630,973</b>	<b>-</b>	<b>0.00%</b>
	<b>Subtotal: BENEFITS &amp; INSURANCE</b>	<b>8,372,408</b>	<b>8,728,217</b>	<b>9,415,177</b>	<b>686,960</b>	<b>7.87%</b>
<b>01960</b>	<b>C.O.L.A. TO DISTRIBUTE</b>	<b>-</b>	<b>75,000</b>	<b>68,000</b>	<b>(7,000)</b>	<b>-9.33%</b>
<b>01965</b>	<b>MUNICIPAL EFFICIENCY PROGRAM</b>	<b>-</b>	<b>-</b>	<b>50,000</b>	<b>50,000</b>	
<b>01132</b>	<b>RESERVE FUND</b>	<b>-</b>	<b>450,000</b>	<b>450,000</b>	<b>-</b>	<b>0.00%</b>
	<b>TOTAL GENERAL FUND</b>	<b>50,395,896</b>	<b>53,638,463</b>	<b>55,674,294</b>	<b>2,035,830</b>	<b>3.80%</b>
<b>6000</b>	<b>WATER ENTERPRISE</b>	<b>2,610,150</b>	<b>2,809,347</b>	<b>2,820,093</b>	<b>10,746</b>	<b>0.38%</b>
<b>6100</b>	<b>SEWER ENTERPRISE</b>	<b>5,823,305</b>	<b>5,713,414</b>	<b>5,560,119</b>	<b>(153,295)</b>	<b>-2.68%</b>
<b>6200</b>	<b>TRASH COLLECTION</b>	<b>1,135,110</b>	<b>1,202,293</b>	<b>1,151,172</b>	<b>(51,121)</b>	<b>-4.25%</b>
<b>6300</b>	<b>FIELD MANAGEMENT</b>	<b>90,969</b>	<b>89,900</b>	<b>98,321</b>	<b>8,421</b>	<b>9.37%</b>
<b>6400</b>	<b>CABLE ACCESS</b>	<b>70,378</b>	<b>320,500</b>	<b>215,500</b>	<b>(105,000)</b>	<b>-32.76%</b>
	<b>TOTAL ALL FUNDS</b>	<b>60,125,807</b>	<b>63,773,917</b>	<b>65,519,499</b>	<b>1,745,581</b>	<b>2.74%</b>

This section of the budget is designed to give readers an overview of how the budget came together.

The budget process begins with a budget instructions document being sent out to all department heads. Department heads are given about a month to prepare their budgets and submit them for review. Department heads are asked to develop their budgets based upon historical spending trends and applying what they want to accomplish in the next fiscal year. Funding requests are evaluated based on their service level impacts, their probability of being implemented, the funding amount requested, and how they fit into the overall vision for the town.

The Town currently has eight strategic goals in place and they are as follows:

1. The Town of Ashland will operate as a best practice and customer-focused and engaging government. We will strive to be the Benchmark Community others look to by employing progressive policies and embracing new technologies whenever doing so will increase the value and efficiency of public service delivery.
2. The Town of Ashland will support sound and transparent fiscal policies that provide a maximum return on taxpayer investment while leveraging alternative forms of revenues whenever possible.
3. The Town of Ashland will provide services that proactively ensure the health, safety, and welfare of those who live in, work in, and visit our Town.
4. Collaborating with public and private organizations, the Town will support and maintain thriving neighborhoods, spaces, and programs consistent with the Town's comprehensive master plan as the roadmap to guide what we do.
5. The Town of Ashland will initiate and support economic development efforts that will leverage the Town's unique characteristics and create, attract, and retain both jobs and industries that ensure a diverse local economy.
6. The Town will provide high-quality education opportunities that support and enhance the well-being and success of our students and our community.
7. The Town will embrace, foster, and pursue sustainable development practices and initiatives while ensuring environmental stewardship in our unique setting.
8. The Town will maintain our physical infrastructure in a way that actively supports the Town's priorities.

The following are key financial goals and objectives that serve to guide the Town towards long-term financial strength. They are designed to balance short term needs with long term strategic goals.

Financial goals and objectives:

1. To protect and improve the Town's overall Financial Condition, which is broadly defined as our ability to maintain existing service levels; withstand local and regional economic disruptions; and meet the demands of natural growth, decline, and change.
  - In FY17, the Town prepared the Financial Trend Monitoring System (FTMS) Report. The purpose of the FTMS is to analyze key financial indicators in order to assess the financial direction of the Town. The report is designed to bring issues

and opportunities to the attention of decision-makers through a systematic method of trend analysis. By continuing to review and update the Town's Financial Trend Monitoring System to identify problems and opportunities early, so that appropriate action can be taken.

- By annually revising the Town's five-year financial forecast, to see if the underlying assumptions require modification based upon changing conditions or data.
  - By adhering to the Town's financial reserve policies and not relying on one-time revenue sources.
  - By utilizing conservative budgeting techniques to withstand any downturns in the economy
  - By engaging the Board of Selectmen, School Committee, and other committees in regular discussions that reinforce the need for long-range financial planning and discussions in the annual budget process.
2. To develop a budget that is in conformance with the Town's comprehensive financial policies and does not rely on one-time revenue sources or unsustainable practices.
- By ensuring that current revenues are sufficient to support current operating expenditures. Use of free cash in the operating budget has been eliminated in the 3<sup>rd</sup> consecutive year per the financial reserve policy implemented in FY2015. In ensuring that current revenues are sufficient to support operating costs, conservative revenue budgeting is utilized in the areas of local receipts and local aid. This allows the Town to be proactive instead of reactive.
  - By ensuring that debt is never used to fund operating expenditures and is only issued for capital improvements. In practice, the Town's practice is to pay cash for capital items and only issue debt for major facility or infrastructure related improvements or items over \$50,000. This practice allows the Town to maintain a low debt to equity ratio which helps our bond rating.
  - By maintaining adequate financial reserves of between 5-15%, per the Government Finance Officers Association, of the operating budget to deal with unexpected nature or economic disruptions. Current general stabilization fund reserves are at 9.6%.
3. To adhere to the Town's plan to address our long-term fiscal health by following the developed policies regarding issues such as debt, pension obligations, OPEB liabilities, and health costs.
- By only issuing debt for major facility or infrastructure related improvements.
  - By paying the retirement cost per the pension assessment, the Town's retirement obligation will be fully funded in 34 years.
  - By following the Town's funding plan to fund the OPEB liability on a pay-as-you go basis of about \$4,300 per new employee annually. The reserve policy also calls for a percentage of free cash to be allocated into the OPEB stabilization fund

annually. The allocation of free cash will largely be determined by the balance in the Town's general stabilization fund. In FY17, 10% of free cash was allocated, which amounted to \$195,533 to the OPEB stabilization fund. Also, \$62,500 of the Town's operating budget was earmarked for the OPEB Trust Fund. In Total, \$258,033 was contributed towards the OPEB liability in FY17. In FY18, the Town will hopefully achieve a balance of 10% in the general stabilization fund, which will allow the Town to contribute a more significant amount of free cash towards the OPEB liability.

- By switching to the Group Insurance Commission, effective 7/1/2015, it has allowed the Town to continue saving and invest in other areas of the budget.
4. To protect the Town's long-run solvency beyond the immediate budget cycle by developing clear policies regarding issues such as pension obligations, Other Post-Employment Benefits (OPEB) liabilities and capital investment.
- By continuing to fund the OPEB plan in FY2018 in order to continue addressing the Town's liability. Consideration will be given to increasing contributions, resources permitting.
  - By annually reviewing the Town's five-year Capital Improvement Plan (CIP) in conjunction with the adopted debt and reserve policies.

As the FY2018 budget process unfolded, individual departmental goals and objectives were developed within these Town-wide strategic and financial goals to ensure that long-term perspectives that span beyond just the upcoming fiscal year are taken into consideration. In addition to these overriding goals and initiatives, each departmental budget contained more detailed goals for the FY2018 budget.

Having summarized the overall financial strategy we must now turn to what both our revenue and expenditure picture looks like for FY2018.

## **Revenues**

The Town's General Fund revenue (excluding Water, Sewer, Athletic Fields, Trash, and Cable Access Enterprise Funds) is divided into four main categories: property taxes, state aid, local receipts, and other sources.

Each category is susceptible to its own constraints and pressures. Collectively, a community's revenue picture should be pliable enough to withstand overall economic forces without drastically reducing service levels.

### **A. Property Taxes**

The first revenue category to explore are property taxes. The large majority of Ashland's revenue stream is derived from property taxes on real and personal property in the community. This is typical of suburban and rural cities and towns in Massachusetts. This contrasts with more urban environments which depend significantly on state aid.

The primary constraint on property taxes are the limitations imposed by Proposition 2.5. Proposition 2.5 has two main components. First, a community’s previous year tax levy (the amount it taxes in any given year) cannot increase by more than 2.5% in the following year, plus new growth. There are two exceptions to this rule, one being a general operating override and the other being a debt exclusion.

Second, a community tax levy, regardless of overrides or debt exclusions, can never be more than 2.5% of the town’s total valuation. This is known as the levy ceiling. Ashland’s current levy ceiling is over \$62 million.

When discussing property taxes, it is important to weigh the town’s ability to provide services against the affordability of property taxes. There are many ways to facilitate this comparison. By far the best indicator of a community’s tax burden is the town’s average single-family tax bill. This contrasts with tax rate which can be influenced by several variables including the assessed valuation of a house and whether the community has a split tax rate which places more of the property tax burden on businesses.

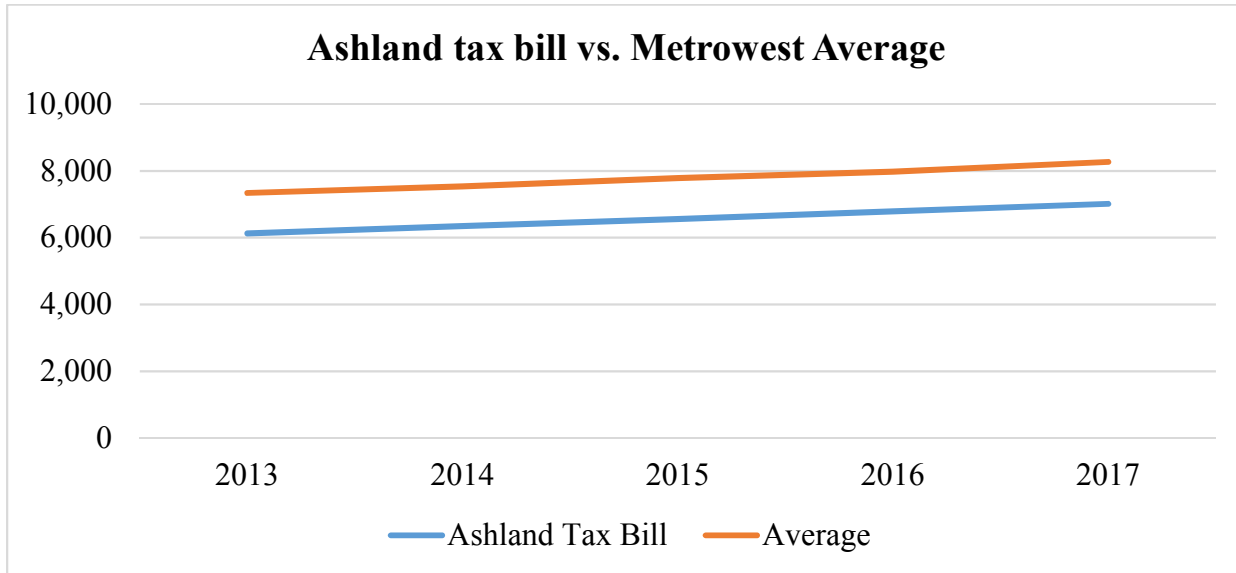
The chart below shows Ashland’s average single family tax bill when compared to the greater Metrowest area. This statistical area is a good cross-section of Massachusetts communities as it combines more urban communities such as Milford and Marlborough, and compares them to more affluent towns such as Wayland and Sherborn. An examination of the data reveals that we are slightly below the median but significantly below the mean average of the towns surrounding us.

City/Town	2013	2014	2015	2016	2017
Milford	4,455	4,489	4,652	4,737	4,863
Marlborough	4,540	4,655	4,790	4,820	4,941
Hudson	4,700	4,856	5,080	5,447	5,822
Framingham	5,783	5,922	5,952	6,065	6,138
Millis	5,540	5,802	6,027	6,228	6,629
Northborough	6,181	6,225	6,485	6,850	7,098
<b>Ashland</b>	<b>6,125</b>	<b>6,351</b>	<b>6,555</b>	<b>6,790</b>	<b>7,013</b>
Medway	6,336	6,459	6,610	6,825	7,022
Natick	6,216	6,459	6,630	6,868	7,144
Holliston	7,090	7,220	7,495	7,819	8,092
Westborough	7,972	8,134	8,045	8,264	8,384
Hopkinton	8,285	8,539	8,885	8,953	9,216
Southborough	8,573	8,675	8,929	9,105	9,459
Sudbury	11,205	11,544	11,598	12,082	12,520
Wayland	10,529	10,974	12,049	11,730	12,529
Sherborn	13,883	14,333	14,720	15,104	15,425
Average	7,338	7,540	7,781	7,980	8,268

Source: Massachusetts Department of Revenue

In fact, if you look historically, **since 2003 Ashland consistently had a lower average tax bill when compared to the Metrowest Average.** The chart below depicts the most recent five years. Additionally, almost all of the communities used to calculate the average have user-related fees

such as water, sewer, and trash fees and school-related fees such as bus fees and athletic fees, further equalizing the comparison.



Source: Massachusetts Department of Revenue

All but one of the communities that have lower average tax bills have a significant commercial tax base which reduces the residential tax burden.

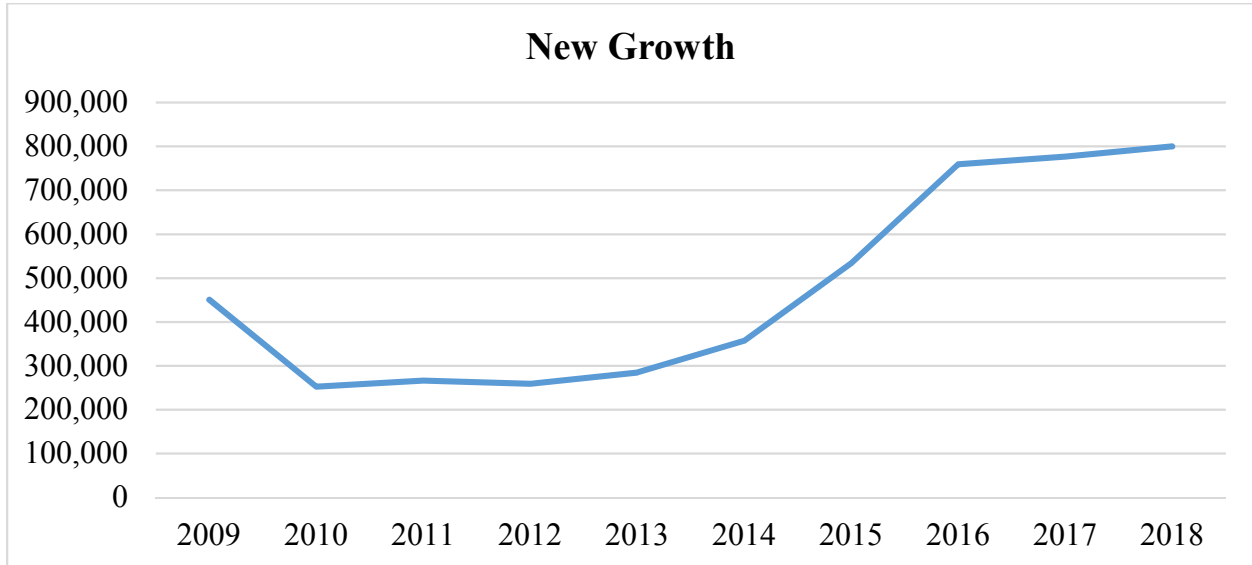
As you can see from the chart below, the Town of Ashland relies heavily on residential property taxes as its main source of income.

Fiscal Year	2013	2014	2015	2016	2017
Residential Property Tax Levy	\$32,670,338	\$33,750,990	\$34,982,345	\$36,276,915	\$37,724,748
Open Space Tax Levy	\$5,397	\$5,476	\$4,733	\$4,848	\$4,762
Commercial Property Tax Levy	\$1,870,320	\$1,914,613	\$1,962,666	\$2,237,213	\$2,379,278
Industrial Property Tax Levy	\$661,148	\$656,554	\$621,181	\$610,371	\$629,830
Personal Property Tax Levy	\$804,897	\$866,559	\$909,703	\$858,484	\$871,678
Property Tax Total	\$36,012,101	\$37,194,193	\$38,480,628	\$39,987,832	\$41,610,298
Less - Excluded Debt	\$2,093,734	\$2,067,901	\$1,943,733	\$1,777,626	\$1,669,280
Net Property Tax Revenue	\$33,918,367	\$35,126,292	\$36,536,895	\$38,210,206	\$39,941,018
Percent Increase/Decrease	3.35%	3.56%	4.02%	4.58%	4.52%

Source: Massachusetts Department of Revenue

We are also starting to see increased economic activity in the housing market, reflective of continuous improving economic conditions. We see this reflected in our **new growth** numbers. New growth is the additional tax revenue gained through new commercial and residential

developments being brought online as well as the increased assessment of renovations and other home improvement activities requiring permits. It is an important component in a town’s taxation picture as it adds to the overall amount of taxes received by the community without burdening existing property tax payers.



Source: Massachusetts Department of Revenue

Given the amount of new development on the horizon, we do not anticipate these numbers going down significantly over time.

**B. State Aid**

State Aid is Ashland’s second largest revenue source and represents approximately 7.5% of the General Fund budget. Together, State Aid and local property taxes account for approximately 84% of the General Fund budget. The current budget model assumes State Aid will be level funded from FY2017. The estimate is based upon FY2017 state aid figures. The Governor’s budget recommends less than a 1% increase in state aid funding with the House Ways and Means Committee recommending a 1.1% increase.

The Massachusetts Taxpayers Foundation (MTF) has released an update on the State’s budget and states while the State’s budget spending side has been relatively straightforward, sluggish growth in tax revenues continues to complicate the revenue picture. Expected tax revenues have been revised downward twice already and collections still lag behind these revised expectations by \$134 million as of the end of February. The last quarter of the fiscal year is a critical one for revenue collections as almost 40 percent of annual revenues will come in during that period. If the past four years is any guide, being below benchmark at this point in the fiscal year does not bode well for end of year collections since final quarter collections tend to track collections over the first three quarters.

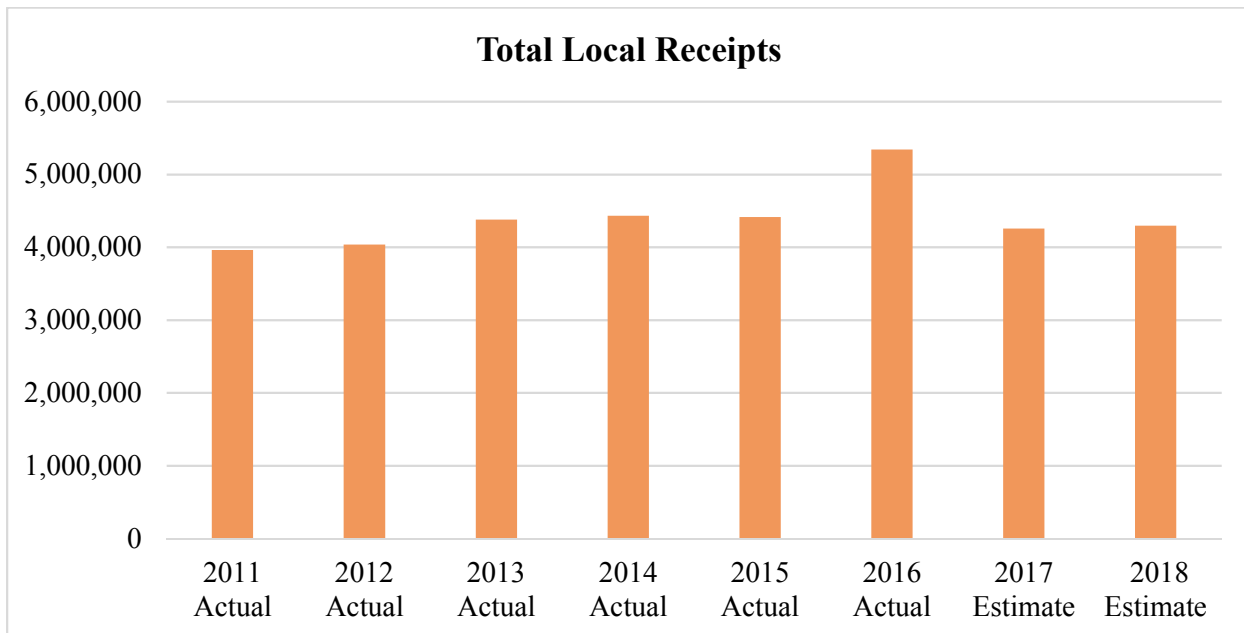
As with the last fiscal year, April collections will likely hold the key as to whether or not further action will be necessary to balance the budget. The later in the fiscal year that a budget problem

materializes, the fewer options are available and the more heavily one-time revenues and other quick fixes have to be relied on to close the gap. Closing budget gaps in FY 2016 and early in FY 2017 has already required the use of more than \$230 million in these types of solutions meaning that fewer options exist for the rest of the year.

Over the coming months the House and Senate will compare their respective budget proposals and work out the differences through a joint committee. Given the State’s financial issues, it appears unlikely that State Aid will increase much beyond the House’s budget recommendation. Historically, the Town does not receive its final State Aid figures until after Town Meeting in May, so keeping state aid level funded from FY2017 at \$7,727,576, appears to be the most reasonable and responsible approach at this time.

**C. Local Receipts**

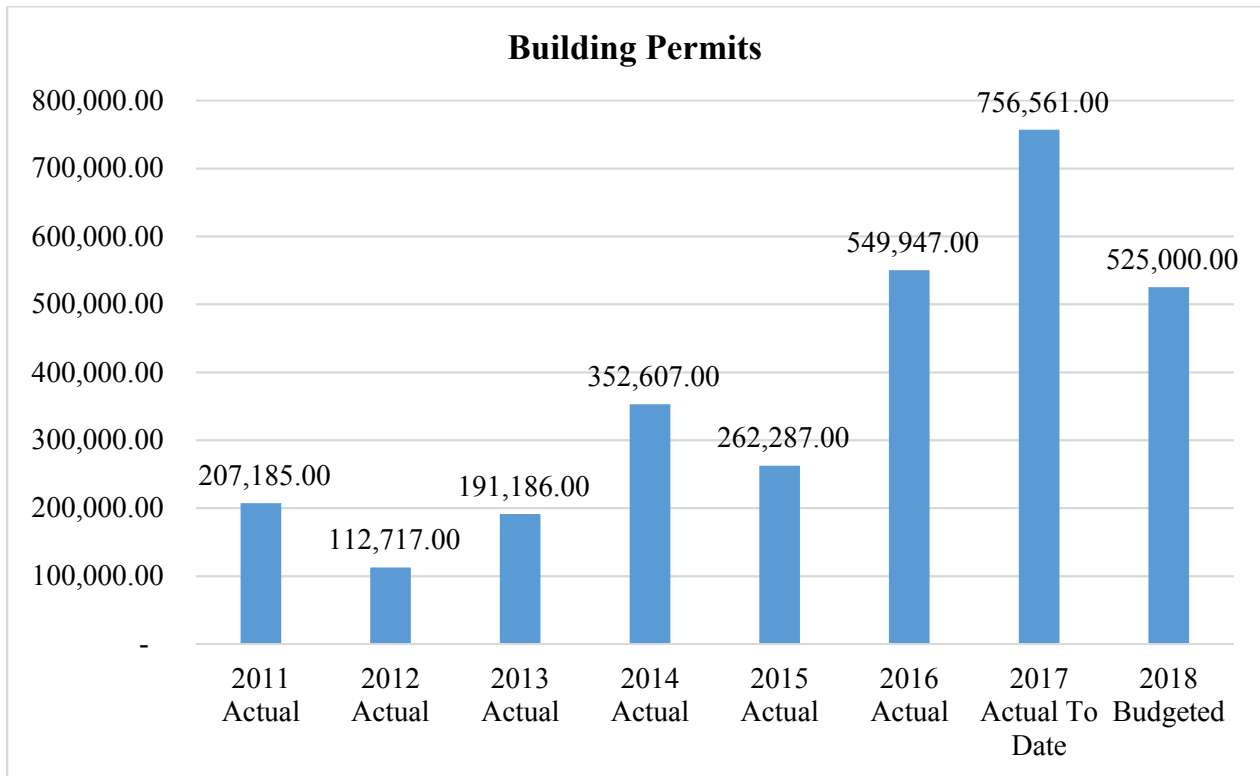
The third largest source of revenue for the General Fund budget is local receipts. Local receipts are the revenue source that communities have the most control over. Regulatory boards such as the Board of Selectmen and Planning Board among others, have the ability to set their fee structures. Local receipts are also those revenue sources that are subject to recession. Revenue sources such as motor vehicle excise taxes and building permits are considered local receipts. Local receipts for FY2018 are budgeted at \$4,295,974.



*Source: Finance Department*

As shown above local receipts are projected to increase slightly over the previous year. (FY2017 and FY2018 are budgeted amounts – previous years are actual amounts). One area where we continue to see significant activity is in the area of building permits. This is consistent with a general improvement and confidence in the economy.

However, factoring in building permits in any kind of forecast can be tricky at best. As they are subject to economic cycles, trend analysis doesn't always give a good indicator of where things will be the following year. In other words, just because the community has seen year over year increases of 10 or more percent, it doesn't mean that you can factor that kind of increase from one year to the next. The community could be built-out, or there could be a recession. For that reason we try to be conservative with building permit revenue estimates and not make any long term funding decisions predicated on that revenue.



*Source: Finance Department*

**D. Other Funds**

The last category of revenue for the Town is monies from premium reserves, various Special Revenue funds, indirect costs from the Enterprise Funds, Qualified Energy Conservation Bond credits, and the Community Preservation debt reimbursement to the General Fund.

There will be a transfer of \$22,000 from premium reserves. The premium reserves are funds that were received when bonds or notes were issued for debt excluded projects, in this case, the school roofs. The total net premiums are allocated over the term of the obligation, held in reserve and then transferred to offset the amount of the debt exclusion added to the tax rate. The Town permanently financed for the roof projects for the Middle School and Warren School.

The next source of funds comes from various special revenue funds. The Table below depicts the various accounts the \$147,000 is derived from.

**General Fund Revenue Budget Summaries**

**Section 2-13**

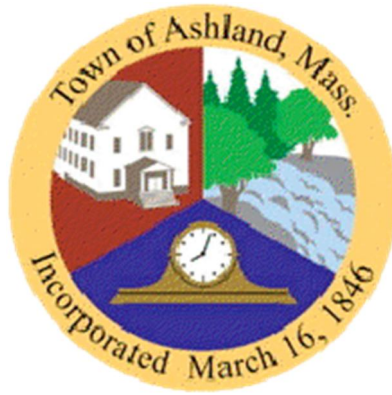
<b>Org/Object</b>	<b>Account Name</b>	<b>Balance</b>	<b>FY18 Amount</b>
29630-55605	Recreation Revolving	261,810.00	11,700.00
25171-55765	Wetlands Grant	36,248.00	36,248.00
25990-59610	Title V Loan Repayments	28,762.12	28,762.00
29122-55794	Village of the Americas	12,052.63	12,052.00
25990-59610	Sale of Cemetery Lots	114,992.02	33,238.00
25990-59610	Dog Licenses	29,038.50	25,000.00
		<b>Total</b>	<b>147,000.00</b>

Other sources of revenue are from the enterprise funds in the form of indirect costs. Indirect costs are 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. In FY2018, the total amount of indirect costs amounted to \$495,637 among the Water, Sewer, Fields, and Trash Enterprise Funds.

The Town also receives Qualified Energy Conservation Bond (QECCB) interest subsidy payments in the amount of approximately \$60,000. A Qualified Energy Conservation Bond (QECCB) is a bond that enables qualified state, tribal, and local government issuers to borrow money at attractive rates to fund energy conservation projects (it is important to note that QECCBs are not grants). A QECCB is among the lowest-cost public financing tools because the U.S. Department of the Treasury subsidizes the issuer's borrowing costs. Ashland issued \$3,170,000 in QECCB bonds on April 1, 2015 for energy efficiency - improvements for municipal buildings.

The last source of other funds is derived from the Community Preservation Fund. The Community Preservation Act (CPA) Fund reimburses the general fund for the payment of bonds. The next five years of debt service payments from the CPA Fund is shown below. For FY2018, the CPA Fund will reimburse the General Fund \$702,075.

	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Oak Street Bond	\$ 174,150	\$ 168,150	\$ 167,045	\$ 160,775	\$ 154,525
High School Fields Bond	\$ 351,050	\$ 342,650	\$ 334,250	\$ 327,075	\$ 320,950
Warren Woods Bond	\$ 176,875	\$ 171,875	\$ 166,875	\$ 161,875	\$ 159,218
<b>Total Payments</b>	<b>\$ 702,075</b>	<b>\$ 682,675</b>	<b>\$ 668,170</b>	<b>\$ 649,725</b>	<b>\$ 634,693</b>



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The total general fund budget increased 3.80% percent over FY17.

Once again, it is critical to look at Ashland’s spending within a specific context. One such context is our spending compared to other MetroWest communities. People may be surprised to see that compared to other MetroWest Communities, Ashland spends very little. In fiscal year 2015 (the most recent complete data available), the Town of Ashland’s general fund expenditures equated to \$2,885 per capita. This is second lowest compared to 16 Metrowest communities mentioned before and well below the average of \$3,814 per capita.

Town	Expenditures per Capita
Milford	2,876
Ashland	2,885
Marlborough	2,913
Millis	3,212
Framingham	3,347
Northborough	3,379
Natick	3,426
Medway	3,483
Hudson	3,663
Holliston	3,730
Hopkinton	3,846
Westborough	4,324
Southborough	4,532
Sudbury	4,542
Wayland	5,023
Sherborn	5,842
Average	3,814

*Source: Department of Revenue*

Expenditures can be broken down into fixed costs and discretionary costs. Fixed costs are those that the community is obligated to pay. Costs within this category consist of debt service, benefits, and charges from the state. Discretionary costs are those that are based on funding availability and the community’s goals and objectives.

Historically, fixed costs have risen faster than the discretionary costs. This has led to services being “squeezed” out of the budget as an increasing majority of new revenue goes to pay these fixed costs.

**General Government Departmental Spending and Initiatives**

In FY2018, General Government is budgeted at \$11,000,136, which is an overall increase of 3.00% over the prior fiscal year.

The Town anticipates rolling out a number of new initiatives and service enhancements. The ability to make these investments is directly attributable to controlling fixed costs as well as our budgeting approach.

The FY2018 budget also calls for two additional firefighters. The Town of Ashland is one of the fastest growing communities in the MetroWest region over the last two decades. Last year was the first year the Town has been able to add staffing to the Fire Department in over 27 years. In FY2017, the Town also added two additional firefighters. The job today has evolved to include much more than fire suppression, as firefighters are now paramedics and are more responsible for fire prevention measures such as inspections.

The Police Budget calls for an additional police officer to the Police Department staff, increasing the department to 28 police officers. With regards to Community Services, the Town is looking to bring on a Director of Outreach and Prevention to coordinate the substance abuse prevention coalition, chair the Opioid Prevention Working Group, work with the schools to implement substance abuse prevention programs, and create and distribute information.

The Ashland Public Library's budget allows for the expansion of current operating hours. The library budget requests an additional five hours to Monday evenings.

With regards to community and economic development, the FY18 economic development budget requests funding for the remediation of the Cadillac Paint Site.

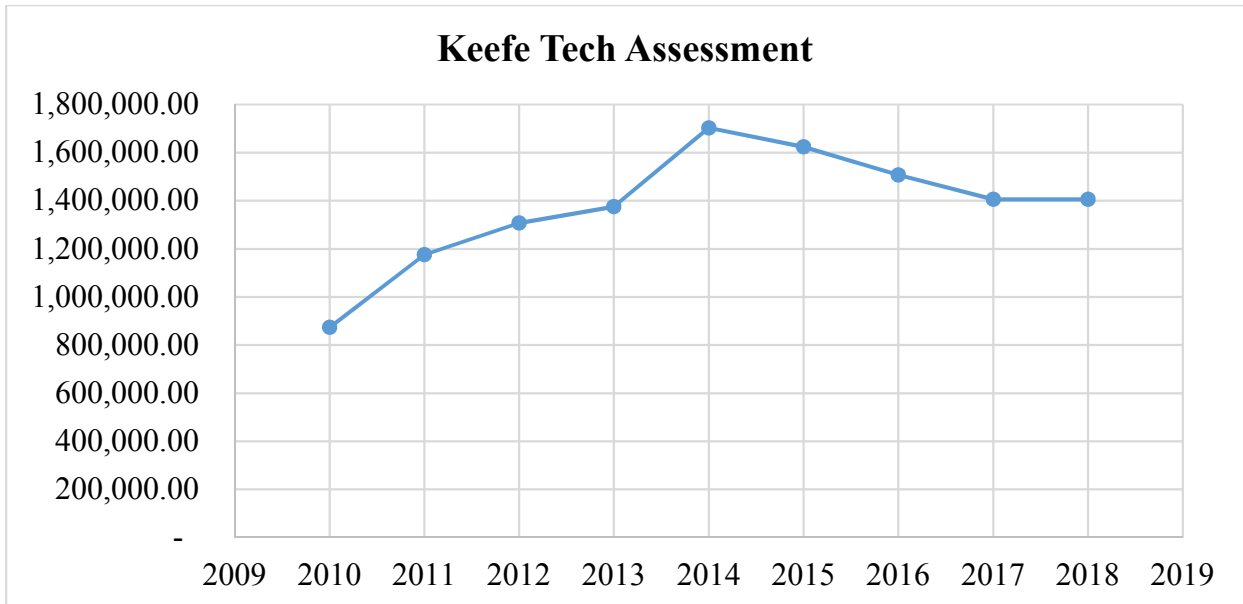
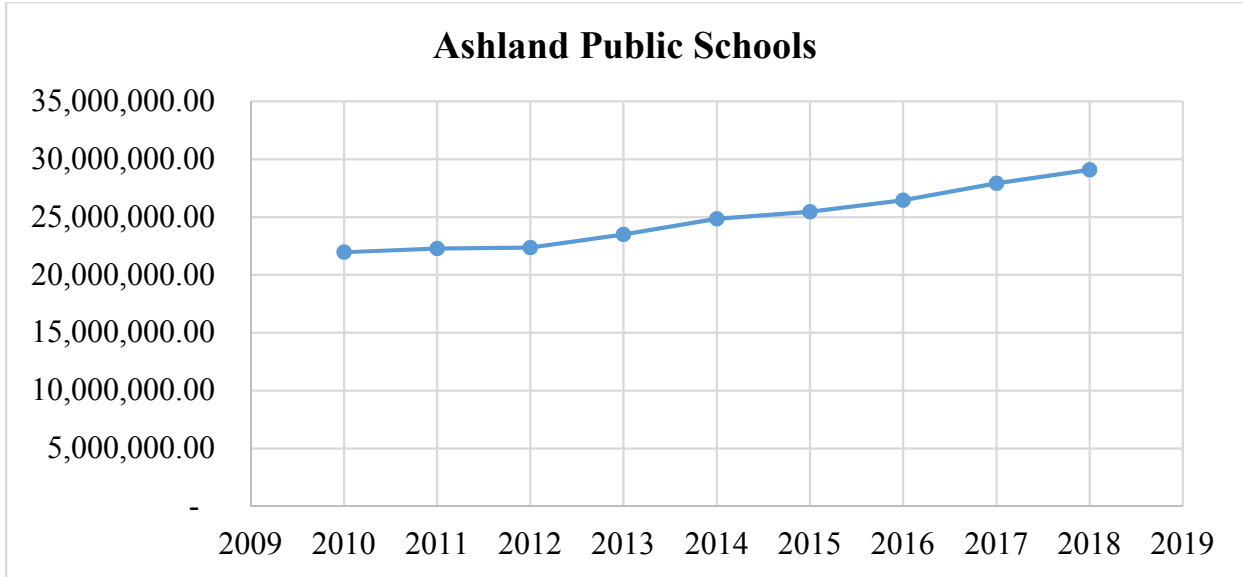
Last, the DPW budget requests funding for an additional equipment operator.

This year you will also see a line for salary contingency of \$68,000 which represents approximately 2% of non-union salaries. All four collective bargaining units have been finalized and any increases have been reflected in the respective departmental budget. Our plan is to redistribute the \$68,000 to the appropriate department's non-union personnel in early FY2018, pending performance evaluations.

**Ashland Public Schools and Keefe Tech**

Ashland's Education spending can be broken down into three different components: Ashland Public Schools, Keefe Tech, and the state assessment for charter schools. In this section we will look at the first two as they are direct expenditures

In FY2018, the Ashland Public Schools is budgeted at \$29,078,500, which is an overall increase of 4.19% over the prior fiscal year. This is due primarily to contractual increases and other fixed costs increases. These numbers exclude insurance and benefits costs as those are carried in another section.



Source: Finance Department

Out-of-district placements for special education continue to be an unpredictable and prohibitive cost driver. Actual expenditures versus budgeted expenditures can vary widely with a change in only a couple of students. It is important that we look to find a way to stabilize those costs while at the same time focus on a long-term plan to reduce them.

A Special Education Stabilization Fund for these out-of-district placements was created at the May 6, 2015 Annual Town Meeting. \$464,000 in seed funding for the program came out of the general stabilization fund and further appropriations were funded through free cash and the reserves policy. This is a unique approach in Ashland, and will help the school district prepare for and deal with financially this budget buster. We anticipate revising our reserve fund policy to also help sustain it.

The Superintendent and Assistant Superintendent have created new programs within the Ashland Public School System to educate more students in-house as opposed to out-of-district. Of the 5.6 Full Time staff additions in the FY18 budget, 4.0 full-time staff are being added to create a second in-house substantially separate classroom at the Warren School, in order to reduce our out-of-district costs.

Although not reflected in the budget, the Keefe Tech assessment is actually going down for the fourth straight year. The Town received the Keefe Tech Assessment after the budget was created. The Town had kept the assessment level funded to be conservative at the time. Our assessment is the result of three variables: Keefe Tech's budget, Ashland's enrollment figures, and the percentage of students that are Ashland residents. Over the last two years we have seen a drop in those last two categories.

**Debt Service**

Non excluded debt service is expected to decrease \$223,865 or 13.29%. This is attributable to the amortization of the debt service schedule. Also, the Town paid off a short term note in FY17 in the amount of \$380,000. Despite non-excluded debt service decreasing, the Town has been able to include \$200,000 of funding for the capital plan.

Excluded debt service is expected to increase \$80,075 or 4.57%. This increase is attributable to the permanent financing of the school roof projects and the amortization of the debt service schedule.

**Benefits & Insurance**

Benefits and insurance increased \$686,960 or 7.87%. Benefits and insurance includes group health insurance, retirement assessment, other insurances, unemployment compensation, worker's compensation and employee health fringes.

Information related to budget changes within each category can be found in **Section 12** of the budget document.

**Reserve Fund**

The reserve fund has been level funded for FY2018.

**Snow and Ice**

The snow and ice budget has been level funded for FY2018.

**Offsets and State Assessments**

Information related to each category can be found in **Section 16** of the budget document.

General Fund Budget Detail

Section 2-19

			2016 Actual	2017 Budget	2018 Budget	\$ Change	% Change
<b>01123 - Town Manager/Board of Selectmen</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	51100	Salaries - Permanent Positions	385,791	394,769	413,999	19,230	4.87%
	51400	Longevity	2,800	2,800	2,800	0	0.01%
<b>Subtotal - Personnel</b>			<b>388,591</b>	<b>397,569</b>	<b>416,799</b>	<b>19,231</b>	<b>4.84%</b>
	52200	Advertising Services	1,596	1,500	1,600	100	6.67%
	52450	Contracted Services	12,181	45,000	70,000	25,000	55.56%
	54400	Auto Parts & Supplies	694	-	0	0	
	57300	Dues & Memberships	6,758	7,150	10,000	2,850	39.86%
	57400	Training/Conf./Courses	5,398	5,000	5,500	500	10.00%
<b>Subtotal - Expenses</b>			<b>26,628</b>	<b>58,650</b>	<b>87,100</b>	<b>28,450</b>	<b>48.51%</b>
<b>Total 01123 - Town Manager/Board of Selectmen</b>			<b>415,218</b>	<b>456,219</b>	<b>503,899</b>	<b>47,681</b>	<b>10.45%</b>
<b>01180 - Human Resources</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	51100	Salaries - Permanent Positions	25,183	141,500	188,575	47,075	33.27%
	51400	Longevity		2,500	2,500	0	0.00%
<b>Subtotal - Personnel</b>			<b>25,183</b>	<b>141,500</b>	<b>191,075</b>	<b>49,575</b>	<b>35.04%</b>
	52200	Advertising Services	1,415		2,500	2,500	
	57100	Travel Expenses			500	500	
	57300	Dues & Memberships			2,000	2,000	
	57400	Training/Conf./Courses	12,980	7,500	10,000	2,500	33.33%
<b>Subtotal - Expenses</b>			<b>14,395</b>	<b>7,500</b>	<b>15,000</b>	<b>7,500</b>	<b>100.00%</b>
<b>Total 01124 - Human Resources</b>			<b>39,578</b>	<b>149,000</b>	<b>206,075</b>	<b>57,075</b>	<b>38.31%</b>
<b>01138 - Central Purchasing</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	52450	Contracted Services	1,495	8,000	8,000	0	0.00%
	54150	Postage/Stamps/Reg Mail	29,500	29,000	29,000	0	0.00%
	54160	Printing	360	500	500	0	0.00%
	54200	Office Supplies	25,975	21,800	21,800	0	0.00%
	58420	Office Equipment	1,013	1,000	1,000	0	0.00%
<b>Subtotal - Expenses</b>			<b>58,342</b>	<b>60,300</b>	<b>60,300</b>	<b>0</b>	<b>0.00%</b>
<b>Total 01123 - Central Purchasing</b>			<b>58,342</b>	<b>60,300</b>	<b>60,300</b>	<b>0</b>	<b>0.00%</b>
<b>01139 - Telecommunications</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	52450	Contracted Services					
	53410	Telephone Expense	72,329	53,000	73,000	20,000	37.74%
<b>Subtotal - Expenses</b>			<b>72,329</b>	<b>53,000</b>	<b>73,000</b>	<b>20,000</b>	<b>37.74%</b>
<b>Total 01139 - Telecommunications</b>			<b>72,329</b>	<b>53,000</b>	<b>73,000</b>	<b>20,000</b>	<b>37.74%</b>
<b>01151 - Town Counsel</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	53040	Professional Legal Services	237,806	210,000	210,000	0	0.00%
<b>Subtotal - Expenses</b>			<b>237,806</b>	<b>210,000</b>	<b>210,000</b>	<b>0</b>	<b>0.00%</b>
<b>Total 01151 - Town Counsel</b>			<b>237,806</b>	<b>210,000</b>	<b>210,000</b>	<b>0</b>	<b>0.00%</b>
<b>01155 - Management Information Systems</b>							

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	Object Code	Account Description					
	51100	Sal Permanent Position	81,104	356,000	361,388	5,388	1.51%
	51400	Longevity	0	3,200	3,200	0	0.00%
<b>Subtotal Personnel</b>			<b>81,104</b>	<b>359,200</b>	<b>364,588</b>	<b>5,388</b>	<b>1.50%</b>
	52450	Contracted Services	219,063	133,650	147,500	13,850	10.36%
	58500	Purchases of Equipment	20,757	22,125	20,000	(2,125)	-9.60%
<b>Subtotal - Expenses</b>			<b>239,820</b>	<b>155,775</b>	<b>167,500</b>	<b>11,725</b>	<b>7.53%</b>
<b>Total 01151 - Management Information Systems</b>			<b>320,924</b>	<b>514,975</b>	<b>532,088</b>	<b>17,113</b>	<b>3.32%</b>
<b>01161 - Town Clerk</b>							
	Object Code	Account Description					
	51100	Sal Permanent Position	129,388	128,710	130,439	1,729	1.34%
	51400	Longevity	2,200	2,500	1,100	(1,400)	-56.00%
<b>Subtotal Personnel</b>			<b>131,588</b>	<b>131,210</b>	<b>131,539</b>	<b>329</b>	<b>0.25%</b>
	52410	Maint. Service Contracts	229	126	250	124	98.41%
	52450	Contracted Services	4,403	5,250	5,250	0	0.00%
	54560	Dog Licensing Supplies	618	1,500	1,500	0	0.00%
	57100	In-State Travel	419	185	250	65	34.84%
	57300	Dues & Membership	520	450	525	75	16.67%
	57400	Training/Conf./Courses	510	1,030	1,000	(30)	-2.91%
<b>Subtotal - Expenses</b>			<b>6,699</b>	<b>8,541</b>	<b>8,775</b>	<b>234</b>	<b>2.73%</b>
<b>Total 01161 - Town Clerk</b>			<b>138,287</b>	<b>139,751</b>	<b>140,314</b>	<b>562</b>	<b>0.40%</b>
<b>01162 - Elections</b>							
	Object Code	Account Description					
	51200	Part-Time positions	16,782	20,000	13,950	(6,050)	-30.25%
<b>Subtotal Personnel</b>			<b>16,782</b>	<b>20,000</b>	<b>13,950</b>	<b>(6,050)</b>	<b>-30.25%</b>
	52450	Contracted Services	7,717	7,500	4,400	(3,100)	-41.33%
	55800	Misc. Supplies	279	1,750	1,500	(250)	-14.29%
	57100	Travel Expenses	0	150	50	(100)	-66.67%
<b>Subtotal Expenses</b>			<b>7,997</b>	<b>9,400</b>	<b>5,950</b>	<b>(3,450)</b>	<b>-36.70%</b>
<b>Offset: State Election Grant</b>					<b>-5,750</b>		
<b>Total 01162 - Elections</b>			<b>24,779</b>	<b>29,400</b>	<b>14,150</b>	<b>(15,250)</b>	<b>-51.87%</b>
<b>01163 - Board of Registrars</b>							
	Object Code	Account Description					
	52450	Contracted Services	6,275	7,140	7,140	0	0.00%
	55800	Misc. Supplies	0	650	650	0	0.00%
<b>Subtotal - Expenses</b>			<b>6,275</b>	<b>7,790</b>	<b>7,790</b>	<b>0</b>	<b>0.00%</b>
<b>Total 01163 - Board of Registrars</b>			<b>6,275</b>	<b>7,790</b>	<b>7,790</b>	<b>0</b>	<b>0.00%</b>
<b>01135 - Town Accountant</b>							
	Object Code	Account Description					
	51100	Salaries	100,384	80,000	80,500	500	0.63%
	51400	Longevity					
<b>Subtotal - Personnel</b>			<b>100,384</b>	<b>80,000</b>	<b>80,500</b>	<b>500</b>	<b>0.63%</b>
	52450	Contracted Services	34,000	37,000	40,000	3,000	8.11%



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<b>Subtotal - Expenses</b>			<b>4,061</b>	<b>35,200</b>	<b>28,450</b>	(6,750)	-19.18%
<b>Total 01171 - Conservation Commission</b>			<b>59,661</b>	<b>93,200</b>	<b>94,450</b>	<b>1,250</b>	<b>1.34%</b>
<b>01175 - Planning &amp; Zoning Board of Appeals</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	51100	Permanent Position	106,152	117,666	125,000	7,334	6.23%
<b>Subtotal - Personnel</b>			<b>106,152</b>	<b>117,666</b>	<b>125,000</b>	7,334	6.23%
	52200	Advertising Services	572	2,000	1,500	(500)	-25.00%
	52450	Contracted Services	38,093	15,450	15,000	(450)	-2.91%
	54110	Mapping/Blue Print Supplies	589	-	750	750	
	54600	Reference Books/Material		500	200	(300)	-60.00%
	57300	Dues & Membership	782	1,250	1,000	(250)	-20.00%
	57400	Training/Conf./Courses		750	500	(250)	-33.33%
<b>Subtotal - Expenses</b>			<b>40,035</b>	<b>19,950</b>	<b>18,950</b>	(1,000)	-5.01%
<b>Total 01175 - Planning &amp; Zoning Board of Appeals</b>			<b>146,188</b>	<b>137,616</b>	<b>143,950</b>	<b>6,334</b>	<b>4.60%</b>
<b>01172 - Open Space &amp; Recreation</b>							
	55800	Misc. Supplies	375	400	400	0	0.00%
	57300	Dues & Membership	50	50	50	0	0.00%
<b>Subtotal - Expenses</b>			<b>425</b>	<b>450</b>	<b>450</b>	0	0.00%
<b>Total 01172 - Open Space and Recreation</b>			<b>425</b>	<b>450</b>	<b>450</b>	<b>0</b>	<b>0.00%</b>
<b>01241 - Inspectional Services</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	51100	Permanent Positions	109,887	107,342	103,532	(3,810)	-3.55%
	51190	Other Salaries	108,421	75,000	80,000	5,000	6.67%
	51400	Longevity	1,400	1,400	1,400	0	0.00%
<b>Subtotal - Personnel</b>			<b>219,708</b>	<b>183,742</b>	<b>184,932</b>	1,190	0.65%
	54200	Office Supplies	262	465	500	36	7.64%
	54400	Auto Parts & Supplies	325	105	341	236	224.90%
	54600	Reference Books/Material	0	250	250	0	0.00%
	57100	In-State Travel		500	500	0	0.00%
	57300	Dues & Membership	430	500	500	0	0.00%
	57400	Training/Conf./Courses	882.5	3,500	3,500	0	0.00%
<b>Subtotal - Expenses</b>			<b>1,900</b>	<b>5,320</b>	<b>5,591</b>	272	5.11%
<b>Total 01241 - Inspectional Services</b>			<b>221,608</b>	<b>189,061</b>	<b>190,523</b>	<b>1,462</b>	<b>0.77%</b>
<b>01182 - Economic Development</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	51100	Salaries		72,000	79,200	7,200	10.00%
	52200	Advertising Services		3,000	5,000	2,000	66.67%
	52450	Contracted Services		51,828	44,932	(6,896)	-13.31%
	52510	Development Projects			110,000	110,000	
	55800	Misc. Supplies		300	1,500	1,200	400.00%
	57300	Dues & Memberships		3,500	3,500	0	0.00%
	57400	Training/Conferences/Courses		200	500	300	150.00%
<b>Total 01182 - Economic Development</b>			<b>130,828</b>	<b>244,632</b>	<b>113,804</b>	<b>86.99%</b>	
<b>01210 - Police</b>							
	<b>Object Code</b>	<b>Account Description</b>					

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	51100	Salaries	1,965,273	2,059,998	2,227,472	167,474	8.13%
	51310	O.T. to Cover Vacation	66,897	130,599	70,000	(60,599)	-46.40%
	51320	O.T. to Cover Sick/Personal	124,154	102,000	127,075	25,075	24.58%
	51330	Regular O.T. Police	60,561	67,840	69,163	1,323	1.95%
	51340	O.T. to Cover Court Time	22,259	38,345	39,112	767	2.00%
	51400	Longevity & Fringes	19,373	24,600	24,000	(600)	-2.44%
	51410	Shift Differential	34,878	47,261	48,205	945	2.00%
	51420	Holiday Pay	87,426	103,645	110,492	6,847	6.61%
	51430	Officer in Chage Pay	1,844	2,617	2,669	52	2.00%
	51440	Other Incentive	187,102	196,250	209,450	13,200	6.73%
	51441	Quinn Bill	92,534	96,327	113,208	16,881	17.53%
	51810	O.T. to Cover In Service	41,210	51,592	51,592	0	0.00%
	51820	O.T. to Cover Other Training	14,871	30,518	31,931	1,412	4.63%
	51900	Uniform Exp/Allowance	15,299	29,575	26,375	(3,200)	-10.82%
		<b>Subtotal - Personnel</b>	<b>2,733,682</b>	<b>2,981,167</b>	<b>3,150,744</b>	169,578	5.69%
	52410	Maint. Service Contracts	3,612	3,142	9,050	5,909	188.08%
	52420	Computer/Sftwr Maint Con	33,775	31,183	33,501	2,318	7.43%
	52450	Contracted Services	32,354	23,787	35,001	11,214	47.14%
	52720	Radio Equip Repair/Parts	47,951	10,500	10,500	0	0.00%
	53410	Telephone Expense	100	-	0	0	
	54120	Photo Supplies/Film	2,876	3,039	7,039	4,001	131.66%
	54150	Postage/Stamps/Reg Mail	783	1,500	1,500	0	0.00%
	54200	Office Supplies	3,399	2,111	2,111	0	0.00%
	54400	Auto Parts & Supplies	35,422	26,700	25,200	(1,500)	-5.62%
	54490	Firearms Supplies	12,449	14,194	18,173	3,979	28.03%
	54550	Animal Food/Supplies	1,147	1,500	14,900	13,400	893.33%
	54600	Reference Books/Material	1,689	2,650	2,650	0	0.00%
	55800	Misc. Supplies	6,847	2,825	2,825	0	0.00%
	55850	Food - Prisoner	548	3,300	1,200	(2,100)	-63.64%
	57100	In-State Travel	2,346	2,720	2,200	(520)	-19.12%
	57300	Dues & Membership	8,784	9,120	9,120	0	0.00%
	57400	Training/Conf./Courses	11,082	30,000	31,650	1,650	5.50%
	57800	Other Misc. Expenses	2,440	1,966	2,062	96	4.88%
		<b>Subtotal - Expenses</b>	<b>207,606</b>	<b>170,236</b>	<b>208,682</b>	38,446	22.58%
		Offset: Animal Control Payment From Holliston - 2 years			(76,000)		
		<b>Total 01210 - Police Department</b>	<b>2,941,287</b>	<b>3,151,403</b>	<b>3,283,427</b>	<b>132,024</b>	<b>4.19%</b>
		<b>01220 - Fire Department</b>					
	<b>Object Code</b>	<b>Account Description</b>					
	51100	Permanent Positions	1,410,565	1,496,812	1,630,543	133,731	8.93%
	51220	Call FireFighters	2,688	21,634	24,600	2,966	13.71%
	51300	O.T. & Recall/Beeper	131,785	153,000	145,000	(8,000)	-5.23%
	51310	O.T. to Cover Vacation	160,121	147,900	175,000	27,100	18.32%
	51320	O.T. to Cover Sick/Personal	96,260	112,200	111,613	(587)	-0.52%
	51400	Longevity & Fringes	19,850	19,300	18,500	(800)	-4.15%
	51420	Holiday Pay	63,311	53,411	54,996	1,585	2.97%
	51440	Other Incentives Pay	81,866	108,900	145,650	36,750	33.75%
	51450	Education Incentive Pay	5,174	8,070	8,092	22	0.27%
	51460	Training Incentive	37,074	75,000	100,000	25,000	33.33%
	51470	Detail Pay	2,266				
	51900	Uniform Exp/Allowance	20,557	24,300	25,300	1,000	4.12%
	52100	Utilities Expenses					
		<b>Subtotal - Personnel</b>	<b>2,031,517</b>	<b>2,220,528</b>	<b>2,439,294</b>	218,766	9.85%
	52410	Maint. Service Contracts	16,585	19,500	20,700	1,200	6.15%
	52420	Computer/Sftwr Maint Con	2,297	2,500	2,500	0	0.00%
	52450	Contr Svcs/Bldg Repairs	31,383	29,000	30,000	1,000	3.45%

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	52710	Office Equip Leas	994	2,400	2,900	500	20.83%	
	52720	Radio Equip Repair/Parts	1,507	4,000	5,000	1,000	25.00%	
	54120	Photo Supplies/Film	228	500	500	0	0.00%	
	54150	Postage/Stamps/Reg Mail	101	500	500	0	0.00%	
	54200	Office Supplies	624	1,236	1,236	0	0.00%	
	54220	Fire Equipment/Maint of	46,706	53,000	46,829	(6,171)	-11.64%	
	54230	Fire Alarm Equip/Maint	6,501	8,000	6,500	(1,500)	-18.75%	
	54300	Maintenance Supplies	1,051	3,000	3,000	0	0.00%	
	54600	Reference Books/Material	443	750	1,000	250	33.33%	
	54750	E.M.S. Supplies	14,400	15,100	18,000	2,900	19.21%	
	55800	Misc. Supplies	1,782	2,000	2,000	0	0.00%	
	57000	Other Charges	1,631	2,000	2,000	0	0.00%	
	57300	Dues & Membership	500	1,900	2,000	100	5.26%	
	57400	Training/Conf./Courses	1,348	2,500	3,000	500	20.00%	
	58500	Purchases of Equipment	53,952	55,000	55,000	0	0.00%	
	58514	Ambulance License	1,600					
		<b>Subtotal - Expenses</b>	<b>183,633</b>	<b>202,886</b>	<b>202,665</b>	<b>(221)</b>	<b>-0.11%</b>	
		<b>Offset: EMS Revolving Fund</b>			<b>(400,000)</b>			
		<b>Total 01220 - Fire Department</b>	<b>2,215,150</b>	<b>2,423,414</b>	<b>2,241,959</b>	<b>(181,455)</b>	<b>-7.49%</b>	
		<b>01544 - COA/Recreation/Youth and Family Services</b>						
		<b>Object Code</b>	<b>Account Description</b>					
		51330	Permanent Positions	250,307	351,957	369,197	17,240	4.90%
		51400	Longevity	5,170	6,270	6,370	100	1.59%
		<b>Subtotal - Personnel</b>	<b>255,477</b>	<b>358,227</b>	<b>375,567</b>	<b>17,340</b>	<b>4.84%</b>	
		52450	Contracted Services	3,290	5,200	5,200	0	0.00%
		54400	Auto Parts & Supplies	1,934	1,000	1,000	0	0.00%
		55800	Misc. Supplies		750	750	0	0.00%
		57100	In-State Travel	339	590	590	0	0.00%
		57300	Dues & Membership	803	885	1,000	115	12.99%
		57400	Training/Conf./Courses	225	1,400	1,500	100	7.14%
		<b>Subtotal - Expenses</b>	<b>6,590</b>	<b>9,825</b>	<b>10,040</b>	<b>215</b>	<b>2.19%</b>	
		<b>Offset - Grants &amp; Revolving Accounts</b>		<b>(31,975)</b>	<b>(30,750)</b>			
		<b>Total 01544 - COA/Recreation/Youth and Family Services</b>	<b>262,067</b>	<b>336,077</b>	<b>354,857</b>	<b>18,780</b>	<b>5.59%</b>	
		<b>01510 - Board of Health</b>						
		<b>Object Code</b>	<b>Account Description</b>					
		51130	Permanent Positions	123,135	127,032	133,179	6,148	4.84%
		51400	Longevity	1,400	1,400	1,400	0	0.00%
		<b>Subtotal - Personnel</b>	<b>124,535</b>	<b>128,432</b>	<b>134,579</b>	<b>6,148</b>	<b>4.79%</b>	
		52450	Contracted Services	11,710	14,500	14,500	0	0.00%
		52500	Purch Nursing Services	4,295	10,000	10,000	0	0.00%
		55800	Misc. Supplies		100	100	0	0.00%
		57300	Dues & Membership	210	400	225	(175)	-43.75%
		57400	Training/Conf./Courses		1,000	500	(500)	-50.00%
		<b>Subtotal - Expenses</b>	<b>16,215</b>	<b>26,000</b>	<b>25,325</b>	<b>(675)</b>	<b>-2.60%</b>	
		<b>Offset - Revolving Accounts</b>		<b>(4,000)</b>	<b>(5,000)</b>			
		<b>Total 01510 - Board of Health</b>	<b>140,750</b>	<b>150,432</b>	<b>154,904</b>	<b>4,473</b>	<b>2.97%</b>	
		<b>01610 - Library</b>						

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	Object Code	Account Description					
	51130	Permanent Positions	255,810	258,535	263,916	5,381	2.08%
	51130	Part Time Wages		5,108	28,080	22,972	449.77%
	51140	Longevity	3,500	3,600	2,400	(1,200)	-33.33%
<b>Subtotal - Personnel</b>			<b>259,310</b>	<b>267,242</b>	<b>294,396</b>	27,154	10.16%
	54150	Postage/Stamps/Reg Mail	117	121	121	0	0.00%
	54200	Office Supplies	2,904	1,236	1,500	264	21.36%
	52710	Equipment Lease	1,988	2,262	2,262	0	0.00%
	54600	Reference Books/Material	51,269	55,000	57,000	2,000	3.64%
	57300	Dues & Membership	15,000	15,300	15,300	0	0.00%
	57400	Training/Conf./Courses		300	300	0	0.00%
<b>Subtotal - Expenses</b>			<b>71,277</b>	<b>74,218</b>	<b>76,482</b>	2,264	3.05%
<b>Total 01610 - Library</b>			<b>330,587</b>	<b>341,461</b>	<b>370,878</b>	<b>29,418</b>	<b>8.62%</b>
<b>01543 - Veterans Services</b>							
	55800	Misc. Supplies					
	57000	Other Charges	25,830	26,605	26,605	0	0.00%
	54200	Memorial Da Expenses	2,500	2,500	2,500	0	0.00%
	57350	Veterans Benefit Payments	54,282	60,000	60,000	0	0.00%
<b>Subtotal - Expenses</b>			<b>82,612</b>	<b>89,105</b>	<b>89,105</b>	0	0.00%
<b>Total 01543 - Veterans Services</b>			<b>82,612</b>	<b>89,105</b>	<b>89,105</b>	<b>0</b>	<b>0.00%</b>
<b>01192 - Public Buildings</b>							
	51130	Permanent Positions	127,735	135,953	133,870	(2,084)	-1.53%
	51300	Overtime		-	5,000	5,000	
	51400	Longevity	2,200	2,000	2,000	0	0.00%
<b>Subtotal - Personnel</b>			<b>129,935</b>	<b>137,953</b>	<b>135,870</b>	(2,084)	-1.51%
	52100	Utilities Expenses	209,123	206,000	215,000	9,000	4.37%
	52450	Contracted Services	67,882	70,120	83,000	12,880	18.37%
	54300	Maintenance Supplies	24,387	21,500	22,000	500	2.33%
	54400	Auto Parts & Supplies	3,720	2,000	1,800	(200)	-10.00%
	55800	Misc. Supplies	185	800	1,200	400	50.00%
	57100	Travel Expenses	209		250	250	
	57400	Training/Conf./Courses			500	500	
<b>Subtotal - Expenses</b>			<b>305,505</b>	<b>300,420</b>	<b>323,750</b>	23,330	7.77%
<b>Total 01192 - Public Buildings</b>			<b>435,440</b>	<b>438,373</b>	<b>459,620</b>	<b>21,246</b>	<b>4.85%</b>
<b>01421 - Public Works Administration</b>							
	51100	Permanent Positions	84,464	88,842	94,653	5,810	6.54%
	51400	Longevity	1,165	890	1,199	309	34.72%
<b>Subtotal - Personnel</b>			<b>85,629</b>	<b>89,732</b>	<b>95,852</b>	6,119	6.82%
	52450	Contracted Services					
	57100	In-State Travel	83	1,000	150	(850)	-85.00%
	57200	Purchase of Services	3,006	4,120	0	(4,120)	-100.00%
	57300	Dues & Membership	764	544	750	206	37.91%
	57400	Training/Conf./Courses	85	6,247	1,500	(4,747)	-75.99%

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	58000	Safety Equipment		6,000	0	(6,000)	-100.00%
<b>Subtotal - Expenses</b>			<b>3,937</b>	<b>17,911</b>	<b>2,400</b>	<b>(15,511)</b>	<b>-86.60%</b>
<b>Total 01421 - Public Works Administration</b>			<b>89,566</b>	<b>107,643</b>	<b>98,252</b>	<b>(9,392)</b>	<b>-8.72%</b>
<b>01422 - Public Works Highway</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	51130	Permanent Positions	232,766	278,989	314,818	35,829	12.84%
	51300	Overtime & Recall/Beeper	9,613	13,257	9,805	(3,452)	-26.04%
	51350	Beeper Allowance	3,600	3,570	3,672	102	2.86%
	51400	Longevity	1,600	1,591	1,500	(91)	-5.73%
	51900	Uniform Expenses/Allowance	2,400	6,202	2,448	(3,754)	-60.53%
<b>Subtotal - Personnel</b>			<b>249,978</b>	<b>303,609</b>	<b>332,243</b>	<b>28,634</b>	<b>9.43%</b>
	52000	Purchase of Services	754	3,090	800	(2,290)	-74.11%
	52410	Maint. Service Contracts	106	3,394	150	(3,244)	-95.58%
	52450	Contracted Services	75,765	63,262	65,000	1,738	2.75%
	52720	Radio Equip Repair/Parts	10	412	100	(312)	-75.73%
	53410	Telephone Expense	1,070	988	988	0	0.00%
	54000	Supplies	534	-	0	0	
	54150	Postage/Stamps/Reg Mail	423	155	155	0	0.00%
	54200	Office Supplies	444	630	630	0	0.00%
	54300	Maintenance Supplies	59	927	927	0	0.00%
	54400	Auto Parts & Supplies	25,992	26,595	20,000	(6,595)	-24.80%
	54430	Sign Supply-Road/Traffic	3,904	4,120	4,120	0	0.00%
	54450	Tools/Hardware	10,050	4,532	4,532	0	0.00%
	54710	Concrete	118	2,884	500	(2,384)	-82.66%
	54720	Asphalt	8,188	7,709	12,991	5,283	68.53%
	54730	Gravel, Loam, Mulch	1,480	2,704	2,704	0	0.00%
	55800	Misc. Supplies	18,362	11,221	5,000	(6,221)	-55.44%
	57300	Dues & Membership	120	82	82	0	0.00%
	57400	Training/Conf./Courses	686	206	1,000	794	385.44%
	58500	Purchase of Equipment	15,501				
<b>Subtotal - Expenses</b>			<b>163,567</b>	<b>132,910</b>	<b>119,679</b>	<b>(13,231)</b>	<b>-9.95%</b>
<b>Total 01422 - Highway</b>			<b>413,545</b>	<b>436,519</b>	<b>451,922</b>	<b>15,403</b>	<b>3.53%</b>
<b>01491 - Cemetery Parks &amp; Trees</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	51130	Permanent Positions	144,227	181,640	215,524	33,884	18.65%
	51300	Overtime & Recall/Beeper	4,233	3,570	4,318	748	20.94%
	51400	Longevity	1,800	1,800	800	(1,000)	-55.56%
	51900	Uniform Expenses/Allowance	1,600	2,795	1,632	(1,163)	-41.61%
<b>Subtotal - Personnel</b>			<b>151,860</b>	<b>189,805</b>	<b>222,273</b>	<b>32,469</b>	<b>17.11%</b>
	52000	Purchase of Services	625	1,205	650	(555)	-46.06%
	52410	Maintenance Service Contract	106	-	105	105	
	52450	Contracted Services	6,232	1,308	6,500	5,192	396.90%
	52965	Beaver Control	7,800			0	
	54150	Postage/Stamps/Reg Mail		309		(309)	-100.00%
	54200	Office Supplies	22	124		(124)	-100.00%
	54400	Auto Parts & Supplies	6,819	-	5,000	5,000	
	54420	Cem & Park Supplies		206	150	(56)	-27.18%
	54450	Tools/Hardware	440	515	500	(15)	-2.91%
	54460	Trees/Shrubs-Replacement	-879	2,060	1,000	(1,060)	-51.46%
	55800	Misc. Supplies	1,343	1,288	1,250	(38)	-2.91%
	57300	Dues & Membership	100	103	100	(3)	-2.91%
	57400	Training/Conf./Courses	678	773	500	(273)	-35.28%
	58500	Purchases of Equipment					

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<b>Subtotal - Expenses</b>			<b>23,286</b>	<b>7,890</b>	<b>15,755</b>	7,865	99.69%
<b>Total 01491 - Cemetery Parks &amp; Trees</b>			<b>175,146</b>	<b>197,694</b>	<b>238,028</b>	<b>40,334</b>	<b>20.40%</b>
<b>01423 - Snow and Ice Removal</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	51100	Permanent Positions					
	51300	Overtime	41,633	24,800	24,800	0	0.00%
<b>Subtotal - Personnel</b>			<b>41,633</b>	<b>24,800</b>	<b>24,800</b>	0	0.00%
	51350	Beeper Allowance	9,856	4,400	4,400	0	0.00%
	52450	Contracted Services	243,854	80,000	80,000	0	0.00%
	54400	Auto Parts & Supplies	30,363	15,000	15,000	0	0.00%
	54950	Sand, Salt, Etc.	157,773	125,000	125,000	0	0.00%
	55800	Misc. Supplies	1,353	5,000	5,000	0	0.00%
	58500	Purchases of Equipment	25,841	31,000	31,000	0	0.00%
<b>Subtotal - Expenses</b>			<b>469,039</b>	<b>260,400</b>	<b>260,400</b>	0	0.00%
<b>Total 01423 - Snow and Ice Removal</b>			<b>510,672</b>	<b>285,200</b>	<b>285,200</b>	<b>0</b>	<b>0.00%</b>
<b>01424 - Streetlighting</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	52000	Purchase of Services					
	52100	Utilities Expenses	36,916	41,200	40,000	(1,200)	-2.91%
<b>Subtotal - Expenses</b>			<b>36,916</b>	<b>41,200</b>	<b>40,000</b>	(1,200)	-2.91%
<b>Total 01424 - Streetlighting</b>			<b>36,916</b>	<b>41,200</b>	<b>40,000</b>	<b>(1,200)</b>	<b>-2.91%</b>
<b>01429 - Combined Fuel Account</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	54800	Gasoline	99,500	75,000	75,000	0	0.00%
	54880	Diesel	37,816	75,000	75,000	0	0.00%
	55800	Misc. Supplies	7,010	1,000	1,000	0	0.00%
<b>Subtotal - Expenses</b>			<b>144,326</b>	<b>151,000</b>	<b>151,000</b>	0	0.00%
<b>Total 01429 - Combined Fuel Account</b>			<b>144,326</b>	<b>151,000</b>	<b>151,000</b>	<b>0</b>	<b>0.00%</b>
<b>Education</b>							
<b>01300 - Ashland Public Schools</b>							
	<b>Object Code</b>	<b>Position Control #/Category</b>					
	51170	Salaries Instructional	21,253,831	22,737,562	23,908,240	1,170,678	5.15%
<b>Subtotal - Personnel</b>			<b>21,253,831</b>	<b>22,737,562</b>	<b>23,908,240</b>	1,170,678	5.15%
	52100	Utilities Expenses	5,111,469	5,170,260	5,170,260	0	0.00%
<b>Subtotal - Expenses</b>			<b>5,111,469</b>	<b>5,170,260</b>	<b>5,170,260</b>	0	0.00%
<b>Total 01300 - Ashland Public Schools</b>			<b>26,409,625</b>	<b>27,907,822</b>	<b>29,078,500</b>	<b>1,170,678</b>	<b>4.19%</b>
<b>01399 - Keefe Tech Assessment</b>							
	<b>Object Code</b>	<b>Position Control #/Category</b>					
	56910	Vocational School Assessment	1,506,509	1,405,137	1,405,137	0	0.00%

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<b>Subtotal - Expenses</b>			<b>1,506,509</b>	<b>1,405,137</b>	<b>1,405,137</b>	<b>0</b>	<b>0.00%</b>
<b>Total 01399 - Keefe Tech Assessment</b>			<b>1,506,509</b>	<b>1,405,137</b>	<b>1,405,137</b>	<b>0</b>	<b>0.00%</b>
<b>Debt Service &amp; Capital</b>							
<b>01710 - Debt Service</b>							
	<b>Object Code</b>	<b>Position Control #/Category</b>					
		Non-Excluded Principal	898,753	1,202,370	1,116,800	(85,570)	-7.12%
		Non-Excluded Interest	474,780	481,198	342,903	(138,296)	-28.74%
		Excluded Principal	1,310,790	1,314,530	1,443,700	129,170	9.83%
		Excluded Interest	441,323	435,837	386,742	(49,095)	-11.26%
<b>Total 01710 - Debt Service</b>			<b>3,125,645</b>	<b>3,433,935</b>	<b>3,290,144</b>	<b>(143,791)</b>	<b>-4.19%</b>
<b>01930 - Capital</b>							
	<b>Object Code</b>	<b>Position Control #/Category</b>					
			868,811	748,267	750,000	1,733	0.23%
<b>Total 01930 - Capital</b>			<b>868,811</b>	<b>748,267</b>	<b>750,000</b>	<b>1,733</b>	<b>0.23%</b>
<b>01965 - Municipal Efficiency Program</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	52255	Program Expenses	0	-	50,000	50,000	
<b>Total 01965 Municipal Efficiency Program</b>					<b>50,000</b>	<b>50,000</b>	
<b>01911 - Employee Retirement</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	51700	Fringe Ben/ County Retire	2,283,740	2,464,185	2,809,394	345,209	14.01%
<b>Total 01911 - Employee Retirement</b>			<b>2,283,740</b>	<b>2,464,185</b>	<b>2,809,394</b>	<b>345,209</b>	<b>14.01%</b>
<b>01912 - Workers Compensation</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	51710	Workers Comp Insurance	139,089	150,000	270,000	120,000	80.00%
<b>Total 01912 - Workers Compensation</b>			<b>139,089</b>	<b>150,000</b>	<b>270,000</b>	<b>120,000</b>	<b>80.00%</b>
<b>01913 - Unemployment Compensation</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	51720	Unemployment Comp Ins	28,944	110,000	75,000	(35,000)	-31.82%
<b>Total 01913 - Unemployment Compensation</b>			<b>28,944</b>	<b>110,000</b>	<b>75,000</b>	<b>(35,000)</b>	<b>-31.82%</b>
<b>01914 - Employee Health Fringes</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	51730	Physicals, Etc.	4,272	14,000	5,000	(9,000)	-64.29%
	57400	Training/Conf./Courses		2,000		(2,000)	-100.00%
<b>Total 01914 - Employee Health Fringes</b>			<b>4,272</b>	<b>16,000</b>	<b>5,000</b>	<b>(11,000)</b>	<b>-68.75%</b>
<b>01915 - Group Health Insurance</b>							
	<b>Object Code</b>	<b>Position Control #/Category</b>					
	51700	Health Insurance - Town	983,765	1,008,000	1,004,549	(3,451)	-0.34%
	51705	Health Insurance - School	3,232,587	3,609,125	3,731,760	122,635	3.40%

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	51702	Health Insurance Waiver	104,802	100,000	105,000	5,000	5.00%
	51706	Medicare Part B Penalty	15,178	16,200	16,200	0	0.00%
	51709	OPEB Contribution		62,500	82,840	20,340	32.54%
	51715	Mitigation Payment	579,764	75,000	50,000	(25,000)	-33.33%
	51740	F.I.C.A.	457,260	465,654	482,850	17,196	3.69%
	51750	Life Insurance	13,658	14,400	14,400	0	0.00%
	51751	Long-Term Disability	5,299	6,180	7,200	1,020	16.50%
	51752	Health insurance contingency			230,011	230,011	
		Offset: Charge Revolving Funds for Fringe Benefits			-100,000		
<b>Total 01915 - Group Health Insurance</b>			<b>5,392,313</b>	<b>5,357,059</b>	<b>5,624,810</b>	<b>267,751</b>	<b>5.00%</b>
<b>01945 - Other Insurance</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	57442	Police/Fire Health & Acc Ins	116,760	130,000	130,000	0	0.00%
	57460	MIAA Liability Package	405,681	500,000	500,000	0	0.00%
	57470	Public Officials Bond	1,609	973	973	0	0.00%
<b>Total 01945 - Other Insurance</b>			<b>524,050</b>	<b>630,973</b>	<b>630,973</b>	<b>0</b>	<b>0.00%</b>
<b>01960 - Salary Contingency</b>			<b>0</b>	<b>75,000</b>	<b>68,000</b>	<b>(7,000)</b>	<b>-10.29%</b>
<b>Total 01960 - Salary Contingency</b>			<b>0</b>	<b>75,000</b>	<b>68,000</b>	<b>(7,000)</b>	<b>-10.29%</b>
<b>01132 - Finance Committee Reserve Fund</b>							
	<b>Object Code</b>	<b>Position Control #/Category</b>					
		Reserve Fund	0	450,000	450,000	0	0.00%
<b>Total 01132 - Finance Committee Reserve Fund</b>			<b>0</b>	<b>450,000</b>	<b>450,000</b>	<b>0</b>	<b>0.00%</b>
			50,395,896	53,638,463	55,674,294	2,035,830	3.80%



Water, Sewer, Trash, Athletic Fields, and Cable Access services are operated as enterprise funds. An enterprise fund as authorized under MGL Ch. 44 §53F½ 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 Funds Summary**

	<b>FY2016 Actual</b>	<b>FY2017 Budgeted</b>	<b>FY2018 Proposed</b>	<b>\$ Change</b>	<b>% Change</b>
<b>Enterprise Funds</b>					
Water Enterprise Fund	2,610,150.00	2,809,347.00	2,820,093.00	10,746.00	0.38%
Sewer Enterprise Fund	5,823,305.00	5,713,414.00	5,560,119.00	(153,295.00)	-2.68%
Trash Enterprise Fund	1,135,110.00	1,202,293.00	1,151,172.00	(51,121.00)	-4.25%
Athletic Fields Enterprise	90,969.00	89,900.00	98,321.00	8,421.00	9.37%
Cable Access Enterprise	70,378.00	320,500.00	215,500.00	(105,000.00)	-32.76%
Subtotal	<b>9,729,912.00</b>	<b>10,135,454.00</b>	<b>9,845,205.00</b>	<b>(290,249.00)</b>	<b>-2.86%</b>

**Water and Sewer Process**

Ideally, water and sewer rates are set once a year in Ashland. This ensures stability in the rates and the revenue stream, but more importantly allows residents to plan and budget for water and sewer services.

For rate changes to correspond to Ashland’s fiscal year and to allow residents adequate time to prepare for potential increase in their bill, rates should be set before March 1<sup>st</sup> and be effective March 1<sup>st</sup> to meet bill production deadlines and billing cycles.

However, due to the transition in the Town’s capital process – the rate setting was delayed this fiscal year. Water and sewer rates were set on March 15, 2017. Rate increases will then affect the November bill with a due date in December, which would allow residents an ample amount of time to prepare.

The table below illustrates the water and sewer billing cycle.

<b>Quarterly Billing Dates</b>	<b>Read Date</b>	<b>Covers 3 Month Period</b>	<b>Due Date</b>
August	June 1 <sup>st</sup> – 30 <sup>th</sup>	March to June	September
November	Sept. 1 <sup>st</sup> – 30 <sup>th</sup>	June to September	December
February	Dec. 1 <sup>st</sup> – 30 <sup>th</sup>	September to December	March
May	March 1 <sup>st</sup> – 31 <sup>st</sup>	December to March	June

**Water Enterprise Fund**

The FY2018 Water Enterprise Fund is budgeted at \$2,820,093 which is an increase of \$10,746, or 0.38%. The net increase is attributable to three items: 1) a \$61,479 decrease in payroll 2) a decrease of \$10,755 in debt service; and 3) a \$82,980 increase in non-payroll expenses mainly due to inflation.

Although the Water Enterprise budget is increasing 0.38%, rates will be going up by 2.5%. This increase will allow the Town to fully fund capital items such as water treatment plant filters, water mains, and SCADA upgrades.

The increase in the water rate will increase the average taxpayer's bill by \$5.28 annually.

**Sewer Enterprise Fund**

The FY2018 Sewer Enterprise Fund is budgeted at \$5,560,119 which is a decrease of \$153,295, or -2.68%. The net decrease is attributable to three items: 1) a \$25,562 decrease in payroll 2) a \$88,733 decrease in non-payroll or capital/debt expenses 3) a \$38,999 decrease in debt service.

Although the Sewer Enterprise budget is decreasing by -2.68%, rates will be going up by 5%. This increase will allow the Town to fully fund capital items such as a service truck and upgrades to the sewer pump station. It will also allow the Town to add to retained earnings by approximately \$183,000, as the retained earnings in the Sewer Enterprise Fund is low.

The increase in the sewer rate will increase the average taxpayer's bill by \$39.84 annually.

**Trash Enterprise Fund**

The FY2018 proposed budget is \$1,151,172, which is a \$51,121 decrease or 4.25% decrease from the prior year's budget. This is due to the Waste Management contract being re-negotiated.

**Fields Enterprise Fund**

The FY2018 proposed budget is \$98,321, which is a \$8,421 or 9.37% increase from the prior year's budget. This is due to an increase in contracted services.

**Cable Enterprise Fund**

The FY2018 proposed budget is \$215,500, which is a \$105,000 or 32.70% decrease from the prior year's budget. This is due to the Cable Studio receiving approval for the purchase of equipment in FY2017.

## Enterprise Fund Budget Detail

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6000 - Water Enterprise Fund						
Object Code	Account Description	FY16 ACTUAL	FY17 BUDGET	FY18 BUDGET	\$ Change	% Change
51130	Permanent Positions	305,866	416,578	407,331	-9,247	-2.22%
51300	OT Recall/Beeper	13,758	68,814	15,000	-53,814	-78.20%
51350	Beeper Allowance	16,128	13,988	17,000	3,012	21.53%
51400	Longevity & Fringes	2,680	1,430	1,400	-30	-2.10%
51900	Uniform Expense/ Allowances	2,600	4,200	2,800	-1,400	-33.33%
	<b>Subtotal: Personnel</b>	<b>341,032</b>	<b>505,010</b>	<b>443,531</b>	<b>-61,479</b>	<b>-12.17%</b>
52000	Purchase of Services	5,058	12,138	5,100	-7,038	-57.98%
52100	Utilities Expenses	195,651	52,020	205,000	152,980	294.08%
52410	Maint. Service Contract	18,140	39,576	20,000	-19,576	-49.46%
52450	Contracted Services	732,479	906,776	740,000	-166,776	-18.39%
52453	Purchase Lab Tests	0	1,020	0	-1,020	-100.00%
52710	Office Equipment Lease	300		300	300	
52720	Radio Equipment Repair/ Parts	294	408	300	-108	-26.47%
53410	Telephone Expenses	4,856	3,547	5,000	1,453	40.96%
53800	Other Purchased Service	18,432	54,876	19,000	-35,876	-65.38%
54000	Supplies	4,653	2,331	5,000	2,669	114.50%
54150	Postage/ Stamps/ Regular Mail	1,380	3,366	1,400	-1,966	-58.41%
54200	Office Supplies	271	663	500	-163	-24.59%
54400	Auto Parts & Supplies	7,430	10,461	8,000	-2,461	-23.53%
54450	Tools/ Hardware	3,956	4,947	5,000	53	1.07%
54600	Reference Books/Materials	0	204	0	-204	-100.00%
54700	Chemicals/Treatment	64	0	65	65	
54720	Asphalt/Hot-Top	414	2,545	500	-2,045	-80.35%
54730	Gravel, Loam, Mulch	5,669	1,568	5,700	4,132	263.52%
54740	Water-Works Supplies	93,249		94,000	94,000	
54800	Gas	0	102	0	-102	-100.00%
54880	Diesel	0	5,100	0	-5,100	-100.00%
55800	Miscellaneous Supplies	8,697	9,217	8,700	-517	-5.61%
56965	Repairs and Maintenance	0	0	25,000	25,000	
57000	Other Charges	6,655	11,832	6,700	-5,132	-43.37%
57100	Travel Expenses	83	51	100	49	96.08%
57300	Dues & Memeberships	657	510	660	150	29.41%
57400	Training/Conf./Courses	2,414	2,544	2,500	-44	-1.73%
57860	Expense Contingency	1,467	10,000	10,000	0	0.00%
59710	Transfer to General Fund	284,994	174,517	224,774	50,257	28.80%
	<b>Subtotal: Expenses</b>	<b>1,397,264</b>	<b>1,310,319</b>	<b>1,393,299</b>	<b>82,980</b>	<b>6.33%</b>
58000	Capital Outlay	265,836	352,000	352,000	0	0.00%
58500	Purchase of Equipment	24,917	70,000	70,000	0	0.00%
59150	Principal Long Term DE	490,670	502,315	512,627	10,312	2.05%
59250	Interest on Notes	90,430	69,703	48,636	-21,067	-30.22%
	<b>Subtotal: Capital &amp; Debt</b>	<b>871,854</b>	<b>994,018</b>	<b>983,263</b>	<b>-10,755</b>	<b>-1.08%</b>
	<b>Total</b>	<b>2,610,150</b>	<b>2,809,347</b>	<b>2,820,093</b>	<b>10,746</b>	<b>0.38%</b>

## Enterprise Fund Budget Detail

## Section 2-34

<b>6100 - Sewer Enterprise Fund</b>						
<b>Object Code</b>	<b>Account Description</b>	<b>FY16 Actual</b>	<b>FY17 Budget</b>	<b>FY18 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
51130	Salaries	303,787.44	416,579	397,331	(19,248)	-4.62%
51300	Overtime	10,263	23,919	15,000	(8,919)	-37.29%
51350	Beeper Allowance	15,265	14,365	16,000	1,635	11.38%
51400	Longevity & Fringes	3,680	1,430	2,400	970	67.83%
51900	Uniform Expense/ Allowances	2,200	4,200	4,200	-	0.00%
	<b>Subtotal: Personnel</b>	<b>335,195.14</b>	<b>460,493.00</b>	<b>434,930.85</b>	<b>(25,562)</b>	<b>-5.55%</b>
52000	Purchase of Services	6,840	10,169	7,000	(3,169)	-31.16%
52100	Utilities Expenses	65,090	59,665	67,000	7,335	12.29%
52410	Maint. Service Contract	106	13,497	200	(13,297)	-98.52%
52450	Contracted Services	204,779	74,282	80,000	5,718	7.70%
52453	Purchase Lab Tests	560	408	600	192	47.06%
52710	Office Equipment Lease	250	0	300	300	
52720	Radio Equipment Repair/ Parts	10	408	0	(408)	-100.00%
53410	Telephone Expenses	3,932	3,547	4,000	453	12.77%
53800	Other Purchased Service		0	0	-	
54000	Supplies	6,754	1,719	7,000	5,281	307.21%
54150	Postage/ Stamps/ Regular Mail	573	3,366	600	(2,766)	-82.17%
54200	Office Supplies	271	663	300	(363)	-54.75%
54400	Auto Parts & Supplies	6,446	5,582	6,500	918	16.45%
54450	Tools/ Hardware	7,780	4,641	8,000	3,359	72.38%
54600	Reference Books/Materials	0	0	0	-	
54700	Chemicals/Treatment	49,410	66,300	50,000	(16,300)	-24.59%
54720	Asphalt/Hot-Top	0	2,545	0	(2,545)	-100.00%
54730	Gravel, Loam, Mulch	466	1,568	500	(1,068)	-68.11%
54800	Gas		102	0	(102)	-100.00%
54880	Diesel	0	5,100	0	(5,100)	-100.00%
55800	Miscellaneous Supplies	7,322	8,196	8,000	(196)	-2.39%
56950	MWRA Expense	2,380,635	2,462,928	2,610,243	147,315	5.98%
56955	Framingham IMA Herbert	94,048	96,296	98,222	1,926	2.00%
56965	Repairs and Maintenance	0	0	25,000	25,000	
57000	Other Charges	2,131	10,200	5,000	(5,200)	-50.98%
57050	Framingham Sewer Trunk	664,086	908,820	625,000	(283,820)	-31.23%
57300	Dues & Memeberships	30	510	100	(410)	-80.39%
57400	Training/Conf./Courses	340	2,543	500	(2,043)	-80.34%
57860	Expense Contingency	1,467	20,000	20,000	-	0.00%
59710	Transfer to General Fund	284,994	174,517	224,774	50,257	28.80%
	<b>Subtotal: Expenses</b>	<b>3,788,321</b>	<b>3,937,572</b>	<b>3,848,839</b>	<b>(88,733)</b>	<b>-2.25%</b>
58000	Capital Outlay	65,975	100,000	100,000	-	0.00%
58100	Purchase of Land	449,999	0	0	-	
58500	Purchase of Equipment	24,089	90,000	90,000	-	0.00%
59150	Principal Long Term DE	906,428	898,093	893,279	(4,814)	-0.54%
59250	Interest on Notes	253,298	227,256	193,071	(34,185)	-15.04%
	<b>Subtotal: Capital &amp; Debt</b>	<b>1,699,789</b>	<b>1,315,349</b>	<b>1,276,350</b>	<b>(38,999)</b>	<b>-2.96%</b>
		<b>5,823,305</b>	<b>5,713,414</b>	<b>5,560,119</b>	<b>(153,295)</b>	<b>-2.68%</b>

Enterprise Fund Budget Detail

Section 2-35

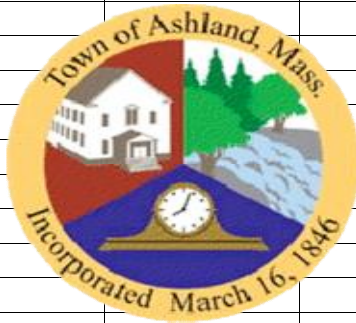
6200 - Trash Enterprise Fund						
		FY16 Actual	FY17 Budget	FY18 Budget	\$ Change	% Change
Object Code	Account Description					
51130	Salaries	17,709	14,419	13,132	-1,287	-8.93%
51400	Longevity	275	275	275	0	0.00%
	<b>Subtotal: Personnel</b>	<b>17,984</b>	<b>14,694</b>	<b>13,407</b>	<b>-1,287</b>	<b>-8.76%</b>
51910	Trash Removal	1,075,560	1,134,665	1,095,508	-39,157	-3.45%
52930	Hazardous Waste	16,566	24,200	17,000	-7,200	-29.75%
59710	Transfer to General	25,000	28,734	25,257	-3,477	-12.10%
	<b>Subtotal: Expenses</b>	<b>1,117,126</b>	<b>1,187,599</b>	<b>1,137,765</b>	<b>-49,834</b>	<b>-4.20%</b>
		<b>1,135,110</b>	<b>1,202,293</b>	<b>1,151,172</b>	<b>-51,121</b>	<b>-4.25%</b>

## Enterprise Fund Budget Detail

## Section 2-36

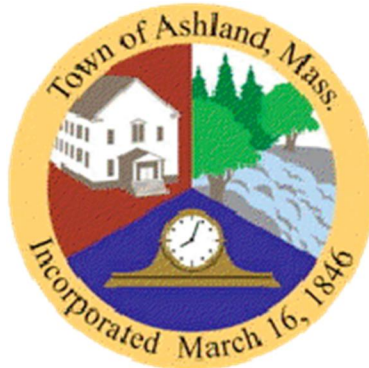
6300 - Athletic Fields						
		FY16 Actual	FY17 Budget	FY18 Budget	\$ Change	% Change
<b>Object Code</b>	<b>Account Description</b>					
51130	Salaries	29,235	45,014	48,688	3,674	8.16%
51300	Overtime & Recall/ Beeper	0	4,002	1,000	-3,002	-75.01%
	<b>Subtotal: Personnel</b>	<b>29,235</b>	<b>49,016</b>	<b>49,688</b>	<b>672</b>	<b>1.37%</b>
52450	Contracted Services	38,808	17,800	25,000	7,200	40.45%
54400	Auto Parts & Supplies	1,000	1,050	1,000	-50	-4.76%
54450	Tools/ Hardware	1,053	1,365	1,000	-365	-26.74%
54730	Gravel, Loam, Mulch		749	0	-749	-100.00%
54800	Gas	73	105	0	-105	-100.00%
54880	Diesel		525	0	-525	-100.00%
55800	Miscellaneous Supplies	800	3,000	800	-2,200	-73.33%
59710	Transfer to General Fund	20,000	16,290	20,832	4,542	27.88%
	<b>Subtotal: Expenses</b>	<b>61,734</b>	<b>40,884</b>	<b>48,632</b>	<b>7,748</b>	<b>18.95%</b>
	<b>Totals</b>	<b>90,969</b>	<b>89,900</b>	<b>98,321</b>	<b>8,421</b>	<b>9.37%</b>





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# **Executive Office & Administration Section 3**



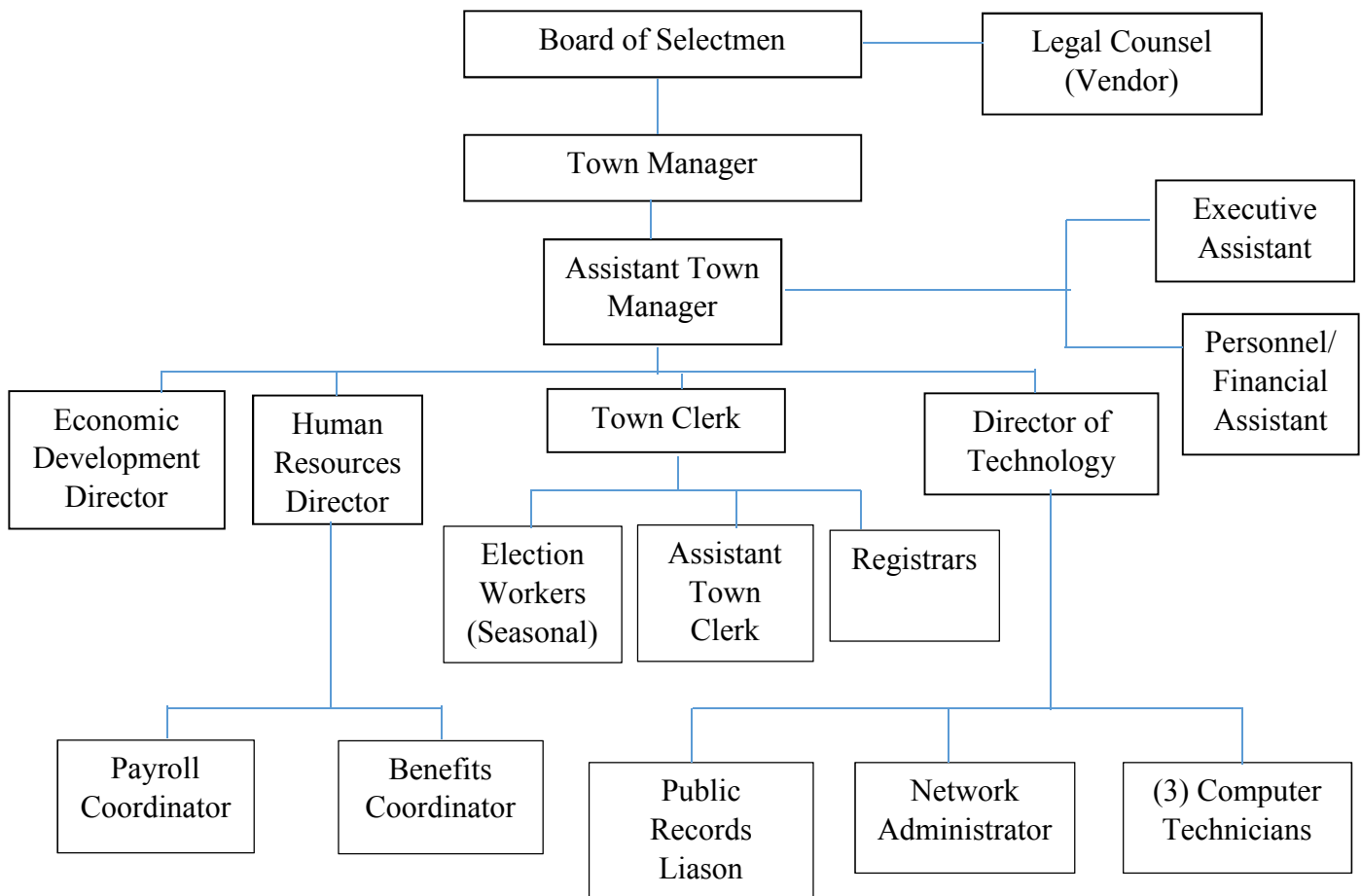
**Background**

The Executive Office of the Town of Ashland 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.

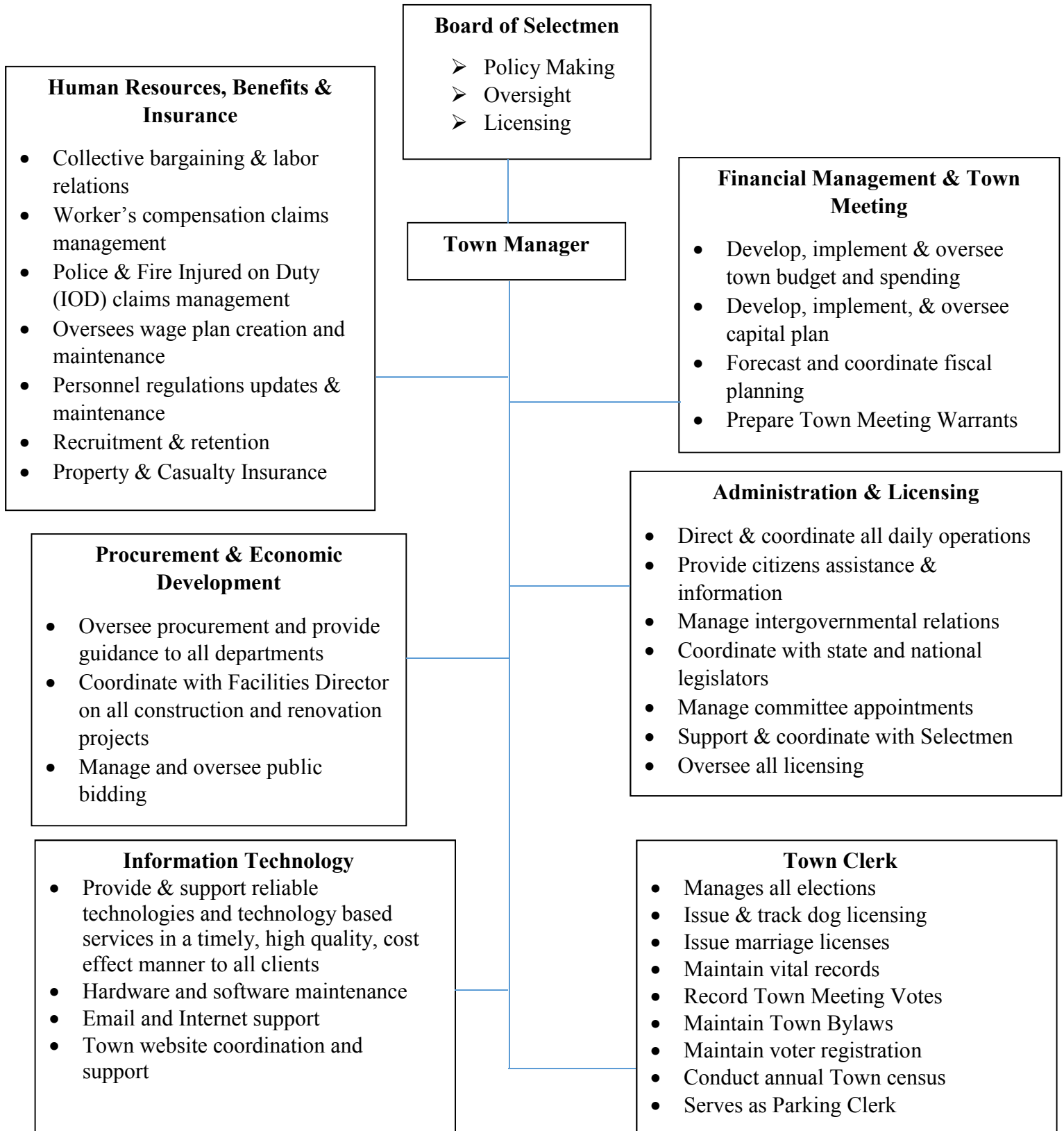
The Board of Selectmen also issue certain licenses and permits such as alcohol and entertainment; enforce special sections of the Town Code; and regulate the public ways. The Town Manager is appointed by the Board of Selectmen and is the Chief Executive Officer of the community.

The Town Manager is responsible for managing the day-to-day operations of municipal government. 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. The Executive/Town Manager’s Office oversees the Central Purchasing, Telecommunications and Legal budget. Also, included in the Administration function are the following: Human Resources, Technology, Economic Development, and Town Clerk.

**Organizational Chart**



Programs and Services



**Executive Office/Town Manager**

The five-member Board of Selectmen is the chief policy making body of the Town of Ashland.

The Town Manager is appointed by the Board of Selectmen and is the Chief Administrative Officer for the Town. In this role, he appoints and oversees all municipal employees and establishes administrative policies and procedures.

The Assistant Town Manager oversees the Health and Human Services Departments, as well as, serves as Chief Procurement Officer, providing procurement guidance to all town departments and boards and committees.

In addition to the Town Manager and Assistant Town Manager, there are two other employees in the Town Manager's Office. The Executive Assistant and Personnel/Financial Assistant provide administrative support and handle various licensing, the Boston Athletic Association grant program administered through the Board of Selectmen, receiving cash receipts and subsequently turning them over to the Treasurer and Town Accountant's Office, invoices, departmental payroll, liability and disability insurance, and other functions.

The Town Manager's Office oversees several other departmental budgets including legal counsel, central purchasing, and telecommunications. The legal counsel budget covers legal advice to all departments related to labor, land-use, and general government issues. The central purchasing and telecommunications budget provides services to other town-wide departments while still realizing the benefits of economies of scale through bulk purchasing.

**Human Resources**

The Human Resources Department was established in April 2016 with the hiring of Ashland's first Human Resources Director. Included in this department will be the Benefits Coordinator and Payroll Coordinator.

The Benefits Coordinator administers various employee benefit programs, such as health, life and dental insurance and manages all insurance billings. The Payroll Coordinator is responsible for all phases of payroll, including collecting and reviewing timesheets, payroll preparation, filing federal and state tax reports, and maintaining the employee and payroll database.

The Human Resources Department is responsible for employee recruiting efforts, advertising, applicant tracking, scheduling and conducting interviews with hiring managers in accordance with established process. The HR Department Head will also be responsible for conducting new hire background checks, scheduling pre-hire screenings, orientation, enrollment, management of all related paperwork.

The Department is responsible for creating and implementing the performance evaluation processes, monitoring and coordinating worker's compensation, 111F, and unemployment programs and claims, management and maintenance of human resources records, researching

issues and preparing documents, related to employment, collective bargaining, grievances, and related personnel issues.

**Town Clerk**

The Town Clerk is appointed by the Town Manager and is the keeper of the Town Seal, the Recording officer, the Registrar of Vital Statistics, Public Records Officer, the Public Information Officer, Commissioner to Qualify, Notary Public for the Town. In this role, she administers oaths to every board, committee, and commission member. She sets forth administrative policies and procedures and follow the laws of the Town of Ashland and the Laws of the Commonwealth.

The office is responsible for overseeing and recording all Vital Records (three hundred eighty one births, deaths, and marriages), Voter Registrations, Town Meeting records, and Election statistics. Additionally we record and maintain a record of all Zoning Board and Planning Board applications and decisions. We maintain the Underground Storage Tanks renewals and raffle permits as well as recording cemetery deeds. We maintain a database with almost 1,600 dogs. The Town Clerk has the additional responsibility of Parking Clerk. In addition to the Town Clerk, there is a full time Assistant Town Clerk. There was an Annual Town Meeting held on Wednesday May 4, 2015, with a second night May 25, 2016 and Special Town Meeting held on Tuesday November 28, 2016

As a result, we have had two (2) voter registration deadlines in which the Town Clerk's Office was open extended evening hours. Many nights we were here after hours to meet all election deadlines. We have licensed over 1,550 dogs in Town and handled over 7,000 census forms. Additionally, the Town Clerk's office directly oversees all of the voting in local, state and federal elections as the Town Clerk is the Chief Election Official.

**Technology**

Ashland's Municipal Information Technology Department is dedicated to providing and supporting reliable technologies and technology-based services in a timely, high-quality, cost-effective manner to all clients of its municipal government. In the process of contributing to an efficient and productive Municipal government, the department has established the following guiding principles, in order to, provide focus for the delivery of its mission:

Information Technology has become a vital component in every department's service delivery methods. As strategic plans are developed for each facet of Municipal government, Information Technology will play a key role in ensuring the advancement of the overall organizational goals. The adoption of new technology will be driven by this organizational need and the necessity to provide public service that is dramatically more effective.

Information Technology's role in Municipal government is to serve as internal consultants providing high-quality responsive service. The very nature of technology being a core component of each department's mission demands superior service and reliability. Attention will be given to the effective use of customer service methodologies to promote the effective use of technology.

Municipal government needs to exploit new technologies to improve service without incurring

research-and-development costs. Budget limitations demand that the implementation of new technologies be done using best practices methods. Aligning IT with organizational goals will ensure that projects are performed to promote service and not for technical acclaim.

The industry-wide technical environment is growing in breadth and complexity every day. Serving a diverse organization with multiple objectives can easily lead to the creation of separate islands of information and technology. Standardization of the technical environment is essential in providing appropriate solutions and support. Again, aligning IT with the overall goals of the organization will provide a focus on installed technology and support.

Many solutions exist today for Municipal government applications that were not available just a short time ago. Additional statewide programs are becoming available that will drastically change the operations of various departments. Information Technology will work to determine the known best practices to improve the effectiveness of each department's technical solutions.

Constant attention must be given to technology trends and cycles to get the most value for the investment placed in technology. Increased use and complexity of technology has not always resulted in an increase in funding. Continual budget planning will guarantee that the investment is worthwhile while keeping the technology current and effective.

The product of an effective service organization is the infrastructure of personnel and equipment that supports the operation. Increased funding for personnel and equipment has provided the foundation. Emphasis on service delivery and an increased value on staff, clients, and vendors will provide the opportunity to maintain and promote the IT workforce as a superior service organization.

### **Economic Development**

The mission of the Economic Development department is to encourage, promote, and support growth and development within the town. For Ashland, this means a focus on retaining and attracting businesses that will expand and strengthen the business community while preserving the character and charm of Ashland.

The Economic Development Department has created organizational structures and processes to effectively support economic development initiatives that will enable businesses to grow and prosper. Supporting the existing business community in Ashland is as important as recruiting new development. Fostering relationships with business owners, realtors, developers and land owners is a primary focus of the director.

The Economic Development Department will continue to work diligently to grow its commercial base and stabilize tax burdens on residents. The department will continue to focus on the comprehensive economic development plan that has improved opportunities available to the town today. A successful economic development program consists of having a skilled workforce, an environment that is supportive of job creation, a receptive business climate, and a high quality of life for residents.

**Selected Accomplishments During Fiscal Year 2017****Town Manager**

- Achieved “AAA” bond rating (one of approximately 30 communities in Massachusetts). We were two notches down (“AA”) at the start of 2014.
- Increased reserves for the fourth consecutive year. Our financial policies have put our reserves at unprecedented levels and yet we are still adding staff. Have doubled reserves since 2013.
- Increasing FY18 elderly exemption amount by 25%
- National Citizens Survey – first large-scale, scientifically administered survey of residents. Better than average response rate
- Completed Vision Statement
- Developed first real five-year capital plan and funding mechanism
- Presented Rate of Development Bylaw at Fall Town Meeting – Passed
- Proposed three new form-based code bylaws at Annual Town Meeting - Passed
- Presented height bylaw incentivizing downtown form-based code at Fall Town Meeting – Passed
- Orchestrated funding and purchase of Girl Scout property, preserving 20 acres for future municipal use. Did this without having to raise sewer rates.
- Funding and in the process of second phase of Cadillac Paint Assessment.
- Completed housing production plan and had it certified and added affordable unit to the inventory which provides “safe harbor” from 40b projects.
- West Union Sewer Line - \$2.5 million infrastructure project currently underway
- MBTA Access Road - \$3.5 million infrastructure project currently underway
- Complete restructuring of human services into “Human Services and Community Programs”. This will help us better meet the social, emotional, and physical needs of all of our residents.
- Library increased by five hours for FY18– will be open on Mondays.

- Brand new website with new features and capabilities. Also a visual marketing tool for the Community
- Developed a monthly Town Manager newsletter that highlights some of the larger things going on in town.
- Implemented Visual Budget Tool
- Put together new response protocol for public records.

**Human Resources**

- Created the HR Department website page with current employee opportunities, updated employee benefit information, up to date employee forms.
- Created a new employee application.
- Implemented a “benny card” for the employee Flexible Spending Account program that increased use by town employees by 40%
- Organized training on how to properly conduct performance reviews.
- Finalized classification and compensation plan.
- Developed new Personnel Policy and Procedure Handbook
- Created new hiring procedure for all town employees.
- Incorporating employee wellness program.
- Recruited and hired nine new employees alone in the DPW and Fire Departments.

**Town Clerk**

- Successfully managed to multi-task the handling of the daily customers at counter as well as on the phone
- Successfully managed and continue to maintain the online meeting posting database
- Managed to successfully continue to maintain a current and accurate database of all appointed and elected officials
- Manage the compliance of State Mandated Ethics Law effecting every board, committee, commission member, and every town employee

- Presided over Presidential election and two town meetings
- Ability to fund the budget at a minimal increase and to seek out resources
- Successful at managing the department with tax workers
- Successful in continuing ongoing goal to scan vital record documents on a monthly basis
- Successfully implemented the online payment/order program for the Town Clerk affording residents the ability to pay online rather than come to Town Hall

**Technology**

- Mobile App – The mobile application “My Ashland” is the official mobile app for the Town of Ashland. The app provides a connection between the Town of Ashland and its citizens and visitors. The app delivers community news, events, and emergency alerts
- Moved all of our critical services to the Datacenter at the Ashland High School where they are regularly backed up to storage off-site, and stored on real-time mirrored redundant storage arrays.
- Unified all school and municipal networks to fall under the same Microsoft Active Directory
- Implemented a Municipal Fiber network, which entails 12 fibers from the Town Hall Head End room to each Municipal location
- Replaced the 10+ year old computers upstairs in the common areas as well as the business center. We are currently in the process of replacing the children’s area computers, the young adults area, as well as the checkout desk pc’s in each area.
- Upgraded the wireless environment in the library by adding 3 new wireless access points, which are centrally controlled and monitored, while having complete coverage in the entire library.
- Modernized the entire server and network infrastructure of the library. We created a brand new Microsoft domain for the library, as we wanted to keep the public access computers separated from the rest of the municipal network
- Upgrade of the town’s current inconsistent wireless access to a new and more thoughtful wireless design.

**Economic Development**

- Assisted businesses in understanding and engaging with town re: permitting, licensing, site selection, relocation/expansion opportunities, business development
- Increased marketing efforts and create tools to encourage Economic Development
- Created a detailed website page with business directory and business resources.

**Goals for Fiscal Year 2018**

**Town Manager**

- Finalize Strategic Plan
- Develop Complete Streets Implementation Plan
- Develop Citizens Academy

**Human Resources**

- Develop a comprehensive work safety training program for the DPW. This would include a list of trainings geared to prevent injuries, safe work conditions and equipment use. The goal would be to increase employee safety (limiting worker' compensation claims and accidents) and thus increase productivity
- Design an organized employee wellness program. Currently, there are some pieces of a program but it is completely decentralized and not available to all employees. This would include health fairs, cooking classes, gym memberships, fitness classes and stress reducing workshops
- Incorporate other HR functions (i.e. Worker's compensation, unemployment cases, etc.) currently being held by the Town Manager's Office
- Upgrade/advance technology to increase efficiency and productivity
- Proactively have an open dialogue with town employees on any issues they have regarding training, working conditions, and benefits, in order to, improve employee morale and assist with the retention of employees efficiently
- Settle two of the four labor contracts prior to the end of the current contract that expires 6/30/18.

**Town Clerk**

- To have an accurate account of all Ashland residents

- Continue to scan in all documents relating to vital records and business certificates including scanning all older records from 2006 to present
- Ensure a smooth election year for local officials
- Continue to assist the public with services and public records requests

**Technology**

- Improve digital access to backup materials for various committees to reduce paper waste and increase transparency
- Create online forms for the internal processes of the municipal government to increase efficiency and reduce paper waste
- Create a five-year computer replacement plan for municipal departments
- Ensure that all municipal departments have the ability to offer online applications and payment
- Capitalize on existing solutions to enhance productivity
- Combine security with APD - This project will create a centralized architecture of all security cameras and door security across the town

**Economic Development**

- Business outreach – connect with 100% of existing Ashland businesses either in person, via email and phone throughout FY18. 100% of all new businesses will be contacted within 1 month of notifying the Town Clerk of their status
- Host a minimum of 8 meet and greet events throughout the year to connect businesses for networking and encourage communication to town staff
- Increase visibility on social media and website 25% in FY18
- Engage residents and followers through social media sites: Facebook and Twitter. Goal of 2,000 ‘likes’ on Facebook and 65 twitter followers.
- Create and engage 10 non-profit organizations to utilize town community calendar and town website
- Drive traffic to town website and increase visibility and use 20% year over year

## Position Summary Schedule – Executive Office &amp; Administration

Position	FY16 FTE	FY17 FTE	FY18 FTE	Change
<b>Executive Office/Town Manager</b>				
Town Manager	1.0	1.0	1.0	-
Asst. Town Manager/Procurement	1.0	1.0	1.0	
Executive Assistant	1.0	1.0	1.0	-
Personnel/Financial Assistant	0.5	1.0	1.0	-
<b>Economic Development</b>				
Economic Development Director	1.0	1.0	1.0	-
<b>Information Technology</b>				
Director of Technology	1.0	1.0	1.0	-
Network Administrator	1.0	1.0	1.0	-
Computer Technicians	3.0	3.0	3.0	-
Public Records Liason	0.0	1.0	1.0	-
<b>Human Resources Department</b>				
Human Resources Director	1.0	1.0	1.0	-
Payroll Coordinator	0.0	0.0	1.0	1.0
Benefits Coordinator	0.0	1.0	1.0	-
<b>Town Clerk's Department</b>				
Town Clerk	1.0	1.0	1.0	-
Assistant Town Clerk	1.0	1.0	1.0	-
<b>Total</b>	<b>12.5</b>	<b>15.0</b>	<b>16.0</b>	<b>1.0</b>

➤ Full Time Equivalents based upon 40 hours per week. (20 hours/40 hours = .50 FTE).

Personnel Note: The Payroll Coordinator's position has been moved from the Treasurer/Collector's office to the HR Department in FY18.

The positions of Human Resources Director, Economic Development Director, and Public Records Liason was created in November 2016. An Economic Development Director was hired in January 2016 followed by the hiring of a HR Director in April 2016.

\*The number of election workers vary from year to year depending upon the number of elections (i.e. presidential, primaries, local elections). In FY16, there were 45 workers who worked on average 30 hours each for the entire year. In FY17, we've had 61 workers to date due to the early voting requirement in MA for the presidential election. In FY18, we expect the number of workers to decrease to approximately 45. Also, the Registrars are not employees of the Town, rather they are volunteers

**Budget Changes or Initiatives**

**Town Manager**

The operating budget for the Board of Selectmen/Town Manager’s Office increased \$47,681 (10.45%) over the previous year.

Personnel increased \$19,230 (4.84%) to reflect salary adjustments for the Assistant Town Manager and Personnel/Financial Assistant and a 2% cost of living adjustment for the Executive Assistant.

Non-payroll expenses increased \$28,450 (48.51%). The advertising services, dues and memberships, and training line items were adjusted to better reflect actual spending. Also, the contracted services line item increased to reflect potential future initiatives of the Town Manager and Board of Selectmen.

			2016 Actual	2017 Budget	2018 Budget	\$ Change	% Change
<b>01123 - Town Manager/ Board of Selectmen</b>							
	Object Code	Account Description					
	51100	Salaries	385,791	394,769	413,999	19,230	4.87%
	51400	Longevity	2,800	2,800	2,800	0	0.01%
<b>Subtotal Personnel</b>			<b>388,591</b>	<b>397,569</b>	<b>416,799</b>	<b>19,231</b>	<b>4.84%</b>
	52200	Advertising Services	1,596	1,500	1,600	100	6.67%
	52450	Contracted Services	12,181	45,000	70,000	25,000	55.56%
	54400	Auto Parts & Supplies	694	-	0	0	
	57300	Dues & Memberships	6,758	7,150	10,000	2,850	39.86%
	57400	Training/Conf./Courses	5,398	5,000	5,500	500	10.00%
<b>Subtotal Expenses</b>			<b>26,628</b>	<b>58,650</b>	<b>87,100</b>	<b>28,450</b>	<b>48.51%</b>
<b>Total 01123 - Town Manager/ Board of Selectmen</b>			<b>415,218</b>	<b>456,219</b>	<b>503,899</b>	<b>47,681</b>	<b>10.45%</b>

The **Legal Counsel** budget remained level funded from the previous year.

			<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2018 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>01151 - Town Counsel</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	53040	Professional Legal Services	237,806	210,000	210,000	0	0.00%
	<b>Subtotal Expenses</b>	-	<b>237,806</b>	<b>210,000</b>	<b>210,000</b>	<b>0</b>	<b>0.00%</b>
<b>Total 01151 - Town Counsel</b>			<b>237,806</b>	<b>210,000</b>	<b>210,000</b>	<b>0</b>	<b>0.00%</b>

The **Central Purchasing** budget remained level funded from the previous year.

			<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2018 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>01138 - Central Purchasing</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	52450	Contracted Services	1,495	8,000	8,000	0	0.00%
	54150	Postage/Stamps/Reg Mail	29,500	29,000	29,000	0	0.00%
	54160	Printing	360	500	500	0	0.00%
	54200	Office Supplies	25,975	21,800	21,800	0	0.00%
	58420	Office Equipment	1,013	1,000	1,000	0	0.00%
	<b>Subtotal Expenses</b>	-	<b>58,342</b>	<b>60,300</b>	<b>60,300</b>	<b>0</b>	<b>0.00%</b>
<b>Total 01123 - Central Purchasing</b>			<b>58,342</b>	<b>60,300</b>	<b>60,300</b>	<b>0</b>	<b>0.00%</b>

**Executive Office and Administration**

**Section 3-14**

**Telecommunications** budget increased \$20,000 (37.74%) to better reflect spending. Historically, this budget has been underfunded at \$53,000.

			<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2018 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>01139 - Telecommunications</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	52450	Contracted Services					
	53410	Telephone Expense	72,329	53,000	73,000	20,000	37.74%
	<b>Subtotal Expenses</b>	<b>-</b>	<b>72,329</b>	<b>53,000</b>	<b>73,000</b>	<b>20,000</b>	<b>37.74%</b>
<b>Total 01139 - Telecommunications</b>			<b>72,329</b>	<b>53,000</b>	<b>73,000</b>	<b>20,000</b>	<b>37.74%</b>

**Economic Development**

The economic development’s budget increased \$113,804 (86.99%) overall. Salaries increased \$7,200 (10.00%) which is due to a salary increase for the economic development director. Non-payroll salaries increased \$106,604 (181.21%) which is mainly attributable to the \$110,000 funding for the Cadillac Paint remediation.

			<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2018 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>01182 - Economic Development</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	51100	Salaries		72,000	79,200	7,200	10.00%
	52200	Advertising Services		3,000	5,000	2,000	66.67%
	52450	Contracted Services		51,828	44,932	(6,896)	-13.31%
	52510	Development Projects			110,000	110,000	
	55800	Misc. Supplies		300	1,500	1,200	400.00%
	57300	Dues & Memberships		3,500	3,500	0	0.00%
	57400	Training/Conferences/ Courses		200	500	300	150.00%

Executive Office and Administration

Section 3-15

<b>Total 01182 - Economic Development</b>		<b>130,828</b>	<b>244,632</b>	<b>113,804</b>	<b>86.99%</b>
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**Human Resources**

The operating budget for the Human Resource’s Department increased \$57,075 (38.31%) over the previous year.

Personnel increased \$49,575 (35.04%). The payroll coordinator position, funded at approximately \$46,000, has been moved from the Treasurer/Collector’s budget to the HR budget. In addition, there was a 2% cost of living adjustment for the benefits coordinator and HR Director.

Non-payroll expenses increased \$7,500 (100%). The training line item includes funds for an employee wellness program and town wide training. The other line items have been created to represent the spending of this department.

			<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2018 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>01180 - Human Resources</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	51100	Salaries	25,183	141,500	188,575	47,075	33.27%
	51400	Longevity		2,500	2,500	0	0.00%
	<b>Subtotal Personnel</b>	-	<b>25,183</b>	<b>141,500</b>	<b>191,075</b>	<b>49,575</b>	<b>35.04%</b>
	52200	Advertising Services	1,415		2,500	2,500	
	57100	Travel Expenses			500	500	
	57300	Dues & Memberships			2,000	2,000	
	57400	Training/Conf./Courses	12,980	7,500	10,000	2,500	33.33%
	<b>Subtotal Expenses</b>	-	<b>14,395</b>	<b>7,500</b>	<b>15,000</b>	<b>7,500</b>	<b>100.00%</b>
<b>Total 01124 - Human Resources</b>			<b>39,578</b>	<b>149,000</b>	<b>206,075</b>	<b>57,075</b>	<b>38.31%</b>

**Executive Office and Administration**

**Section 3-16**

**Town Clerk**

The Town Clerk’s budget increased \$562 (0.40%) over the previous year.

The Elections budget decreased \$15,250 (51.87%) which reflects a decrease in the number of elections in FY18. In FY17 the budget covered the cost of the State Primary Election as well as a Presidential Election which is expected to draw record turnout. In addition, the Town was charged with enforcing the New Early Voting Law which required extra staff to man the office for the ten days prior to the November 8<sup>th</sup> Presidential Election.

The Board of Registrars budget remained level funded.

			<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2018 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>01161 Town Clerk</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	51100	Salaries	129,388	128,710	130,439	1,729	1.34%
	51400	Longevity	2,200	2,500	1,100	(1,400)	-56.00%
<b>Subtotal Personnel</b>			<b>131,588</b>	<b>131,210</b>	<b>131,539</b>	<b>329</b>	<b>0.25%</b>
	52410	Maint. Service Contracts	229	126	250	124	98.41%
	52450	Contracted Services	4,403	5,250	5,250	0	0.00%
	54560	Dog Licensing Supplies	618	1,500	1,500	0	0.00%
	57100	In-State Travel	419	185	250	65	34.84%
	57300	Dues & Membership	520	450	525	75	16.67%
	57400	Training/Conf./Courses	510	1,030	1,000	(30)	-2.91%
<b>Subtotal Expenses</b>	-		<b>6,699</b>	<b>8,541</b>	<b>8,775</b>	<b>234</b>	<b>2.73%</b>
<b>Total 01161 Town Clerk</b>	-		<b>138,287</b>	<b>139,751</b>	<b>140,314</b>	<b>562</b>	<b>0.40%</b>

Executive Office and Administration

Section 3-17

			2016 Actual	2017 Budget	2018 Budget	\$ Change	% Change
<b>01162</b>	-						
<b>Elections</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	51200	Part-Time positions	16,782	20,000	13,950	(6,050)	-30.25%
<b>Subtotal Personnel</b>			<b>16,782</b>	<b>20,000</b>	<b>13,950</b>	<b>(6,050)</b>	<b>-30.25%</b>
	52450	Contracted Services	7,717	7,500	4,400	(3,100)	-41.33%
	55800	Misc. Supplies	279	1,750	1,500	(250)	-14.29%
	57100	Travel Expenses	0	150	50	(100)	-66.67%
<b>Subtotal Expenses</b>			<b>7,997</b>	<b>9,400</b>	<b>5,950</b>	<b>(3,450)</b>	<b>-36.70%</b>
<b>Offset: State Election Grant</b>					<b>-5,750</b>		
<b>Total 01162 - Elections</b>			<b>24,779</b>	<b>29,400</b>	<b>14,150</b>	<b>(15,250)</b>	<b>-51.87%</b>
			<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2018 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>01163 - Board of Registrars</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	52450	Contracted Services	6,275	7,140	7,140	0	0.00%
	55800	Misc. Supplies	0	650	650	0	0.00%
<b>Subtotal Expenses</b>	-		<b>6,275</b>	<b>7,790</b>	<b>7,790</b>	<b>0</b>	<b>0.00%</b>
<b>Total 01163 - Board of Registrars</b>			<b>6,275</b>	<b>7,790</b>	<b>7,790</b>	<b>0</b>	<b>0.00%</b>

**Management Information Systems**

The MIS budget increased a total of \$17,113 (3.32%) over the previous year.

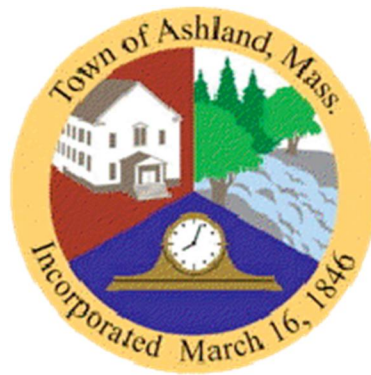
Salaries increased \$5,388 (1.50%) which reflects cost of living adjustments for staff.

Non-payroll related line items increased \$11,725 (7.53%) from the previous year. Funding of approximately \$10,000 has been included for MUNIS training in the contracted services line item and \$3,850 license cost increases.

			<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2018 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>01155 - Management Information Systems</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	51100	Salaries	81,104	356,000	361,388	5,388	1.51%
	51400	Longevity	0	3,200	3,200	0	0.00%
<b>Subtotal Personnel</b>			<b>81,104</b>	<b>359,200</b>	<b>364,588</b>	<b>5,388</b>	<b>1.50%</b>
	52450	Contracted Services	219,063	133,650	147,500	13,850	10.36%
	58500	Purchases of Equipment	20,757	22,125	20,000	(2,125)	-9.60%
<b>Subtotal Expenses</b>			<b>239,820</b>	<b>155,775</b>	<b>167,500</b>	<b>11,725</b>	<b>7.53%</b>
<b>Total 01151 - Management Information Systems</b>			<b>320,924</b>	<b>514,975</b>	<b>532,088</b>	<b>17,113</b>	<b>3.32%</b>

# Finance Department

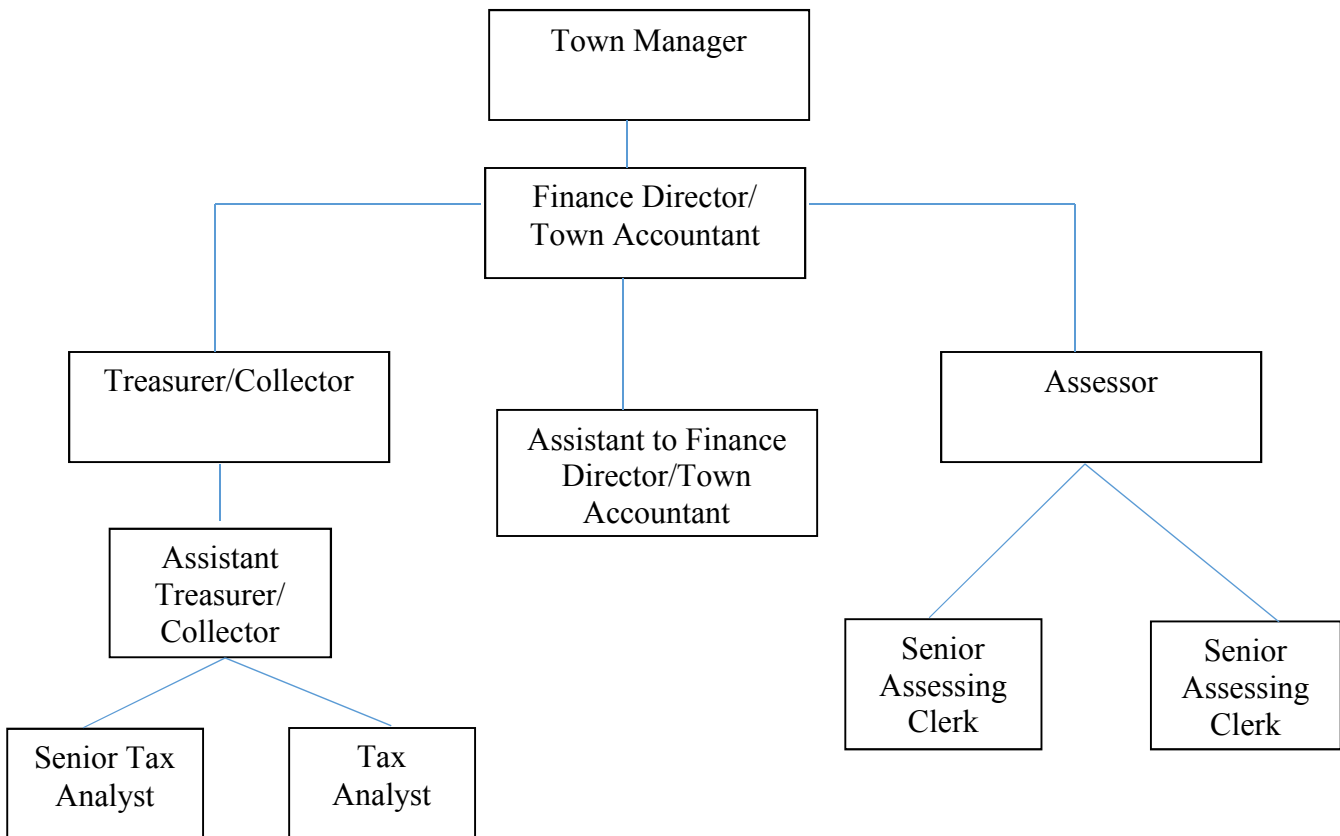
## Section 4



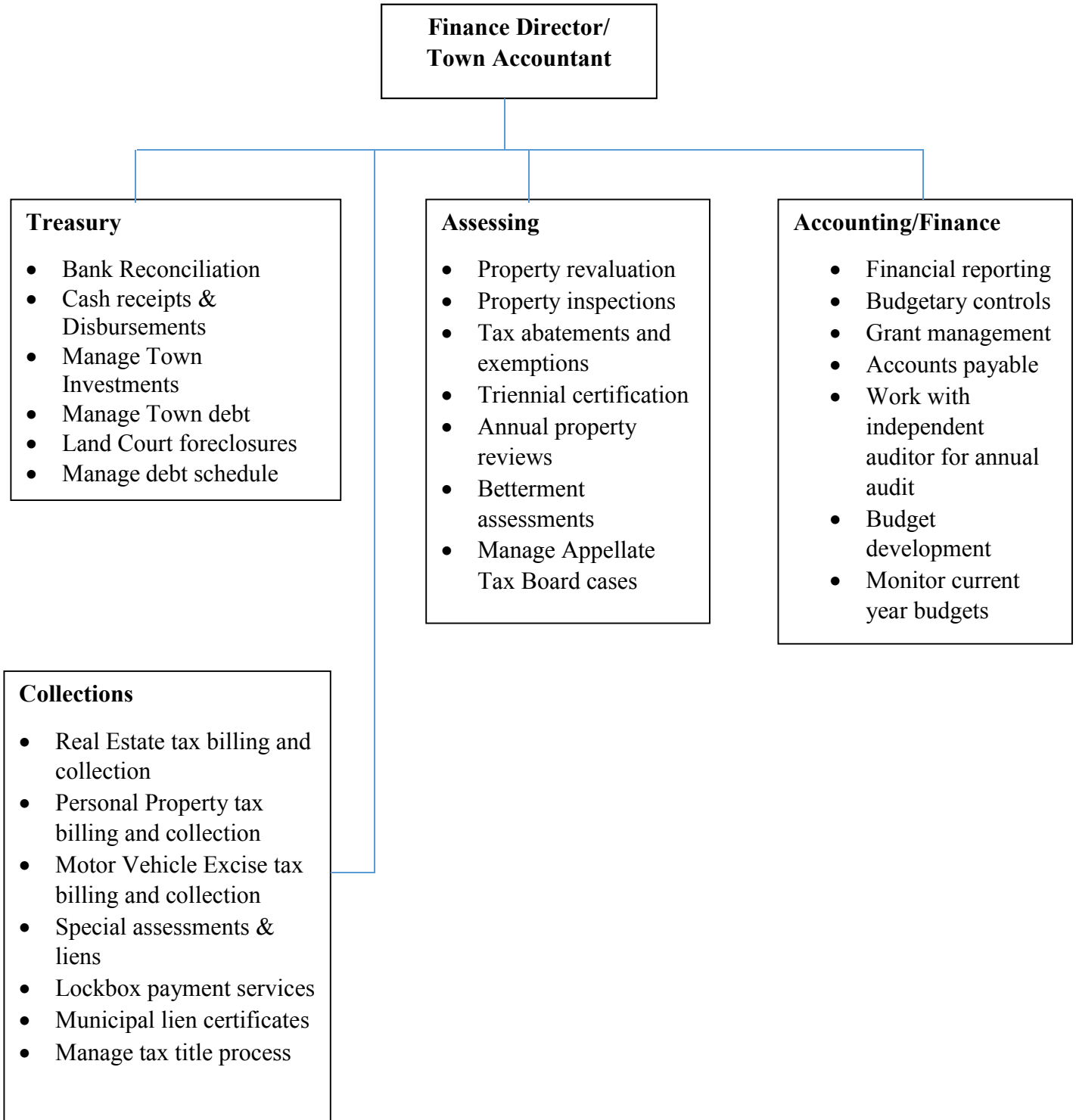
**Background**

The Finance Department’s mission is to safeguard the financial assets of the Town of Ashland through the use of professional financial practices in order to preserve and enhance the Town’s financial integrity. The department consists of three 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 Finance Director/Town Accountant is responsible for the management and supervision of the finance offices that include the Treasurer/Collector, Town Accountant, and Assessors.

**Organizational Chart**



**Programs and Services**



**Accounting**

The Finance Director/Town Accountant is responsible for establishing the strategic financial vision for the town. This includes determining reserve and operational funding goals for the town and determining the best vehicles to achieve those goals.

The Finance Director/Town Accountant also monitors all budget revenues and expenses, maintains comprehensive financial records, and generates required periodic internal and state reports. The Accountant also ensures compliance with all applicable local, state and federal laws related to finance and procurement, compliance with DOR regulations, and arranges for and supplies records for audits. The Town Accountant also conducts monthly and quarterly reconciliations of cash, receipts, outstanding taxes, expenditures and revolving accounts; and approves payroll and payable warrants.

The Town Accountant works closely with the external auditors to provide the necessary information to facilitate the process.

The Accounting Department is comprised of 2 full time employees: the Finance Director/Town Accountant and the Finance Director/Town Accountant.

**Assessor**

The Assessor annually inspects and values all additions, alterations and deletions to taxable property, advising Board of Assessors as to the proper assessment to maintain a uniform full market value on all property. The Assessor is responsible for preparation of commitment of real estate, personal property, motor vehicle and boat excise and special assessment tax bills to Collector/Treasurer. Additionally, the Assessor's office now issues or updates passports for residents.

The Assessing Department falls under the jurisdiction of the Ashland Board of Assessors, a three-member elected board. These elected officials have authority to make decisions on all applications relative to over-value of property, tax exemptions, and the like.

The Assessing Department is comprised of 3 full-time employees: the Assessor, a senior clerk, and a clerk.

**Treasurer/Collector**

The Treasurer/Collector is responsible for the receipt, recording, custody, management, and disbursement of all municipal funds including trust funds. The office is also responsible for the planning, issuance, and management of all municipal and short-term indebtedness. The Treasurer/Collector works with tax title accounts and serves as the custodian of the Towns' Other-Post-Employment-Benefits Trust.

The Treasurer/Collector's office is comprised of 4 full-time position: The Treasurer/Collector, Assistant Treasurer/Collector, a senior tax analyst, and a tax analyst.

**Selected Accomplishments During Fiscal Year 2017****Finance Director/Town Accountant**

- Authored and compiled budget document for increased information and transparency.
- Updated five-year financial forecast for general fund
- Created five-year financial forecast for water, sewer, solid waste & field enterprise funds
- Improved reserve levels for fourth consecutive year per the joint reserve policy
- Received bond rating upgrade from Standard & Poors to AAA/Stable from a AA+
- Completed state reporting prior to deadline (i.e. Balance Sheet, Schedule A, Tax Recap)
- Updated Visual Budget tool to include FY16 actual data and FY17 budget information – an interactive tool that allows the public to view the Town’s present and past finances
- Prepared Town’s first Financial Trend Monitoring System Report which is a historical evaluation of the Town’s financial condition. Allows the Town to identify any emerging trends to make informed plans and decisions.
- Created indirect cost policy and updated methodology
- Created a detailed budget calendar for the FY18 budget process
- Updated Town’s Finance/Accountant website to include financial policies, operating & capital budgets, financial and single audit reports

**Treasurer/Collector**

- Invested liquid cash in insured money market accounts to increase interest earnings
- Increased tax collections by sending delinquent taxpayers demand letters and setting up payment plans; collections remain at 98-99%
- Continued to review tax title accounts and determine the best course of action
- Completed all state reporting requirements to the Department of Revenue

**Assessor**

- Completed the Tax Recap process and approval from the Department of Revenue so as to set the annual tax rate for the Town
- New growth accepted and approved by Department of Revenue
- Increased awareness of exemptions granted by the Board of Assessors; thereby, increasing tax exemptions that were approved by the Assessing Department.

**Goals for Fiscal Year 2018****Finance Director/Town Accountant**

- Continue to develop financial policies and procedures to improve financial procedures and strengthen internal controls to efficiently manage the Town's financial resources
- Develop financial policies surrounding the Water & Sewer Enterprise Funds
- Implement quarterly budget updates to the Finance Committee and Board of Selectmen
- Continue to deliver monthly department budget updates to department heads
- Complete the Balance Sheet, Schedule A, and Tax Recap prior to deadlines
- Update and improve the Financial Trend Monitoring Report
- Attain the Distinguished Budget Award for FY2018
- Update Debt Policy of the Town
- Cross train Assistant to perform Department Head functions
- Develop a succession plan for the Department

**Treasurer/Collector**

- Continue to monitor investments to yield the highest possible investment and interest income
- Offer more online payment accommodations to reduce mismanagement of funds whether due to error or fraud
- Implement new electronic system of receiving pay check electronically thus saving of printing, sorts, and distributing seven hundred notices every other week

- Research a payables program that eliminates check printing and mailing
- Complete state reporting requirements prior to deadline
- Monitor receivables of the Town to include real estate, personal property, motor vehicle, etc.

**Assessor**

- Complete the commercial and personal property revaluation work as mandated by the Department of Revenue every 5 years for certification in FY19
- Continue to meet State reporting requirements and deadlines

Position Summary Schedule – Finance Department

Position	FY16 FTE	FY17 FTE	FY18 FTE	Change
<b>Accounting Department</b>				
Finance Director/Town Accountant	1.0	1.0	1.0	-
Asst. to FD/Town Accountant	1.0	1.0	1.0	-
<b>Treasurer/Collector’s Department</b>				
Treasurer/Collector	1.0	1.0	1.0	-
Asst. Treasurer/Collector	1.0	1.0	1.0	-
Payroll Coordinator	1.0	1.0	(1.0)	(1.0)
Senior Tax Analyst	1.0	1.0	1.0	-
Tax Analyst	1.0	1.0	1.0	-
<b>Assessing Department</b>				
Assessor	1.0	1.0	1.0	-
Senior Clerk	1.0	1.0	1.0	-
Clerk	1.0	1.0	1.0	-
<b>Total Full Time Equivalents</b>	<b>10</b>	<b>10</b>	<b>9</b>	<b>(1.0)</b>

**Personnel Note:** The Payroll Coordinator’s position has been moved to the Human Resources departmental budget.

**Budget Changes or Initiatives**

**Accounting**

The overall budget increased by \$3,500 (2.92)%.

Salaries increased by \$500 (0.63%) which reflects cost of living adjustments.

Non-payroll expenses increased \$3,000 or 7.52% due to the contracted services line item. This line item represents the annual audit cost for the Town.

			<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2018 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>01135 - Town Accountant</b>							
	Object Code	Account Description					
	51100	Salaries	100,384	80,000	80,500	500	0.63%
<b>Subtotal - Personnel</b>			<b>100,384</b>	<b>80,000</b>	<b>80,500</b>	<b>500</b>	<b>0.63%</b>
	52450	Contracted Services	34,000	37,000	40,000	3,000	8.11%
	57300	Dues & Membership	351	400	400	0	0.00%
	57400	Training/Conf./Courses	1,444	2,500	2,500	0	0.00%
<b>Subtotal - Expenses</b>			<b>35,795</b>	<b>39,900</b>	<b>42,900</b>	<b>3,000</b>	<b>7.52%</b>
<b>Total 01135 - Town Accountant</b>			<b>136,179</b>	<b>119,900</b>	<b>123,400</b>	<b>3,500</b>	<b>2.92%</b>

**Assessors**

The overall budget increased by \$5,915 or 2.78%. This increase is due to contractual raises for union employees and a cost of living adjustment for the Department Head.

Non-payroll expenses will remain level funded.

			<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2018 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>01141 - Assessors</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	51100	Permanent Positions	166,142	165,331	171,246	5,915	3.58%
	51400	Longevity	3,900	3,900	3,900	0	0.00%
<b>Subtotal - Personnel</b>			<b>170,042</b>	<b>169,231</b>	<b>175,146</b>	<b>5,915</b>	<b>3.50%</b>
	52420	Computer/Software Maintenance	2,600	5,475	5,475	0	0.00%
	52450	Contracted Services	7,600	36,150	36,150	0	0.00%
	57300	Dues & Membership	48	300	300	0	0.00%
	57400	Training/Conf./Courses		1,900	1,900	0	0.00%
<b>Subtotal - Expenses</b>			<b>10,248</b>	<b>43,825</b>	<b>43,825</b>	<b>0</b>	<b>0.00%</b>
<b>Total 01141 - Assessors</b>			<b>180,289</b>	<b>213,056</b>	<b>218,971</b>	<b>5,915</b>	<b>2.78%</b>

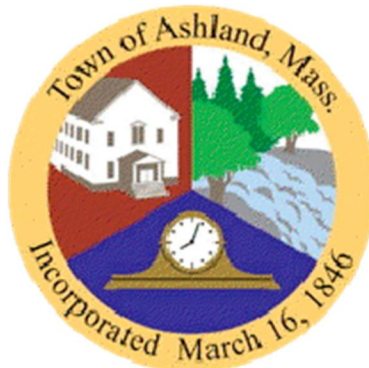
**Treasurer/Collector**

The overall budget decreased by \$44,326 or 19.40%. Salaries decreased by \$32,176. The payroll coordinator’s position has been historically overseen by the Treasurer/Collector. This position has now been moved to the Human Resources Department. Non-payroll expenses decreased \$12,150 or 34.56% to better represent costs associated with legal services for tax title work.

			2016 Actual	2017 Budget	2018 Budget	\$ Change	% Change
<b>01145 - Treasurer and Collector</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	51100	Permanent Positions	250,829	192,358	160,182	(32,176)	-16.73%
	51400	Longevity	4,700	1,000	1,000	0	0.00%
<b>Subtotal - Personnel</b>			<b>255,529</b>	<b>193,358</b>	<b>161,182</b>	<b>(32,176)</b>	<b>-16.64%</b>
	52300	Note & Bond Fees	2,500	4,900	4,900	0	0.00%
	52200	Advertising Services		1,000	1,000	0	0.00%
	53190	Legal Services	11,620	24,000	11,850	(12,150)	-50.63%
	54000	Supplies	1,073	1,500	1,500	0	0.00%
	57010	Interest on Refunds		1,500	1,500	0	0.00%
	57300	Dues & Membership	495	460	460	0	0.00%
	57400	Training/Conf./Courses	525	1,800	1,800	0	0.00%
<b>Subtotal - Expenses</b>			<b>16,212</b>	<b>35,160</b>	<b>23,010</b>	<b>(12,150)</b>	<b>-34.56%</b>
<b>Total 01145 - Treasurer and Collector</b>			<b>271,741</b>	<b>228,518</b>	<b>184,192</b>	<b>(44,326)</b>	<b>-19.40%</b>

# Community Programs & Development Services

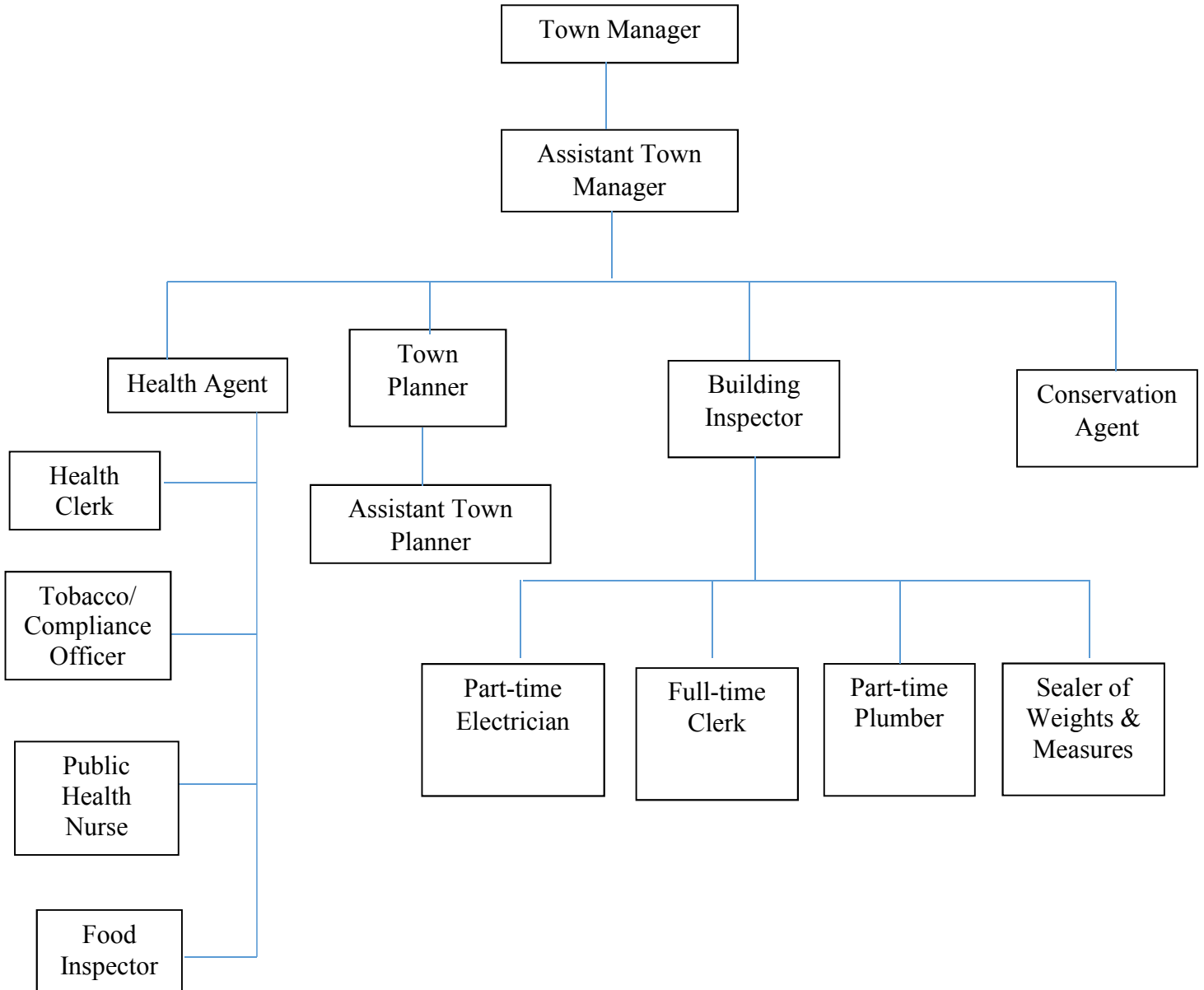
## Section 5



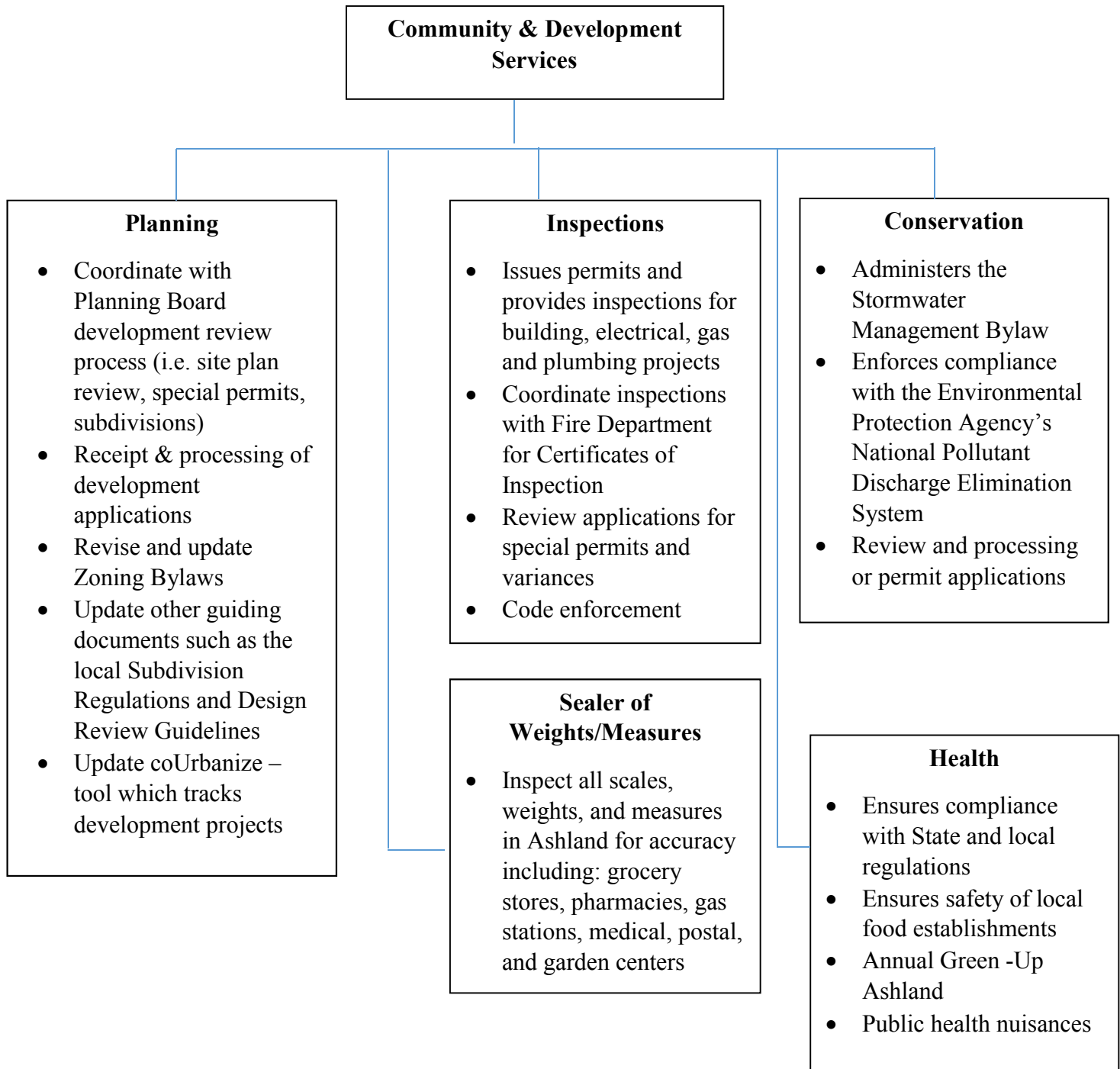
**Background**

The Department of Community and Development Services was formed in November 2009 through the combination of the Conservation, Inspectional Services, and Planning Departments. The Department provides services to the public relative to development, and provides direct staff support to Conservation Commission, Planning Board and Zoning Board of Appeals.

**Organizational Chart**



Programs & Services



**Planning**

The Planning Division provides support to the Planning Board, a five-member, publicly elected regulatory body. The Planning Board's primary responsibility is to uphold and implement the community's development policies through the review and approval of, among other items, subdivision plats, site plans, and special permit applications. The Department works closely with members of the Board and town committees to improve local zoning, design, and other policies, and keeps abreast of key policies and trends evolving beyond Ashland's borders. The Town Planner remains in constant contact with community members, acting as a liaison between the public and Board.

The Planning departments consists of the Town Planner and Assistant Town Planner.

**Conservation**

The Conservation Division provides support to the Conservation Commission, a seven-member regulatory body appointed by the Board of Selectmen. The Ashland Conservation Commission's responsibilities include administering the Massachusetts Wetlands Protection Act, Ashland's Wetlands Protection Bylaw and Ashland's Stormwater Management Bylaw. The Conservation Department also assists in the acquisition of open space, the stewardship of Town-owned conservation land, and aids in the Town's compliance with the EPA's NPDES Phase II stormwater program.

The Conversation department is solely staffed by the Conservation Agent.

**Inspections**

The Inspectional Services Division issues permits and provides inspections for building, electrical, gas and plumbing projects. Coordinate inspections with the Fire Department for Certificates of Inspection for restaurants, group homes, and municipal buildings. Review applications for home occupations and business certificates and issue approvals/denials. Review application for special permits and variances for the Zoning Board of Appeals.

The Inspections Department is staffed by the Building Inspector, plumber, electrician, a full-time clerk, and sealer of weights and measures employee.

**Health**

The Board of Health's roles and responsibilities involve a broad range of regulatory functions and reviews to ensure compliance with State and local regulations that address our community's public health needs.

The roles and responsibilities of the Board of Health are numerous. The Board of Health is responsible for the management and oversight of the Town landfill and the animal inspection program. Our Department is solely responsible to ensure the safety of all local food establishments; this includes routine inspections, new food establishment reviews and farmer's

market reviews which require inspections of more than 30 vendors per year, as well as inspections of the many temporary food events throughout our community each year. Camps, pool and beach inspections are required and occur during the summer season.

The Board of Health is responsible for soil reviews which are required for new and replacement onsite sewage disposal systems to ensure protection to our groundwater. New and replacement sewage disposal systems will require a detailed review of engineered plans, as well as 3-way meetings with both the engineer and the installer, to ensure State and local compliance is followed, with numerous inspections throughout the construction process. The review of engineered plans and testing for onsite wells, both drinking and irrigation, is also required with major oversight by our department and is a vital responsibility to ensure safe drinking water for our residents.

The Board of Health is involved with the duty of public health emergency preparedness and planning within our community by coordinating efforts with the surrounding communities on a regional basis, as well as with our local Medical Reserve Corps in the case of a natural or manmade disaster. The Board of Health Department also coordinates with our local businesses and safety personnel for regional emergency planning. The Health Agent/Director provides regulatory review, service and education as needed to our local businesses and residents as part of the community development team, with technical expertise provided.

Another area which has become a prevalent public issue is the substance abuse epidemic, as well as the increase in hoarding cases, both which have been on the incline over the past year. To help in this area, the Board of Health attends meetings and coordinates programs together with our local human services personnel, safety personnel and our school community members. Housing code compliance, which includes the noted hoarding issues, is another compliance program undertaken by the Board of Health.

The annual Green-Up Ashland day, including event coordination and preparation, is an annual program provided by the Board of Health with a great amount of assistance from our community members and other municipal staff.

The Board of Health has adopted many local regulations for which they also oversee; including Grease Management Regulations for our food establishments, Organic Pesticide Management Regulations, regulating use on public fields and playgrounds, as well as Anti-idling and Noise Regulations.

Other areas investigated by our Department include public health nuisances in our community. The public health nurse undertakes many areas of public health community nursing as well as vaccination programs. Communicable disease review and reporting is required by State law and is overseen by the public health nurse. Our Administrative Secretary provides clerical services and is our first point for information for our community and customers. She produces our minutes, filing, reporting and other duties that allow our department to function with seamless services. Other roles include assistance in meeting and recruitment for the Medical Reserve Corps, a branch of the Board of Health, as well as managing the Sharps Collection Program. Coordinated efforts with our regional mosquito control programs involve information to our residents on vector borne diseases and management of our streams and water bodies, including beaver management. Our

community is provided with public health media coverage through our community news and cable media on a regular basis.

The Board of Health staffing includes a Health Agent/Director and clerk shared with the community development department. Also, the Health Dept. includes a Tobacco/Compliance Officer and Food Inspector.

**Selected Accomplishments During Fiscal Year 2017****Planning**

- Regulatory Permitting - Assisted regulatory boards in the permitting of several key projects.
- Construction Oversight/Permitting - Assisted in the oversight and permitting of the construction of several projects
- Permit Applications – Reviewed and improved applications to the Board of Appeals and Planning Board

**Conservation**

- Website Development: When the Agent first started in Feb. 2016, the Conservation Website was lacking a lot of information. In the beginning of FY17, the Agent updated the website and continues to update the website. As a result of these efforts, the Conservation webpage now has:
  - Template abutter notification forms
  - Permitting Process
  - Checklist for applicants when filing a permit with the Con Comm
  - A calendar with meeting dates and "due by" dates to get on an agenda
  - Posted the fee schedule
  - Posted an About and History Section
  - FAQs
  - Wetland Type
  - The webpage will also have a link of Open Space Lands and protected lands, template locus maps, and other similar information with approval from the conservation commission
- Permit Tracking was developed with much help from the Vice Chair of the Commission, Bill Moulton. An excel database now exists tracking all Conservation permits and is updated when a new application is submitted and filed.
- Electronic Permitting was drafted and is waiting to be tested and reviewed by IT and Town Counsel, if necessary.
- Grant Database: The Conservation Agent has been involved in several grant applications. The Agent is creating a database that lists grant applications, the agency asking for responses, the amount the grant is, the type of grant (ie. matching, reimbursement), and a description. Once it is finalized, the database (an excel spread sheet) will be shared with Department Heads
- Deed Research: The Conservation Agent has been involved in researching older deeds. There are about six or seven older Conservation Restrictions on properties in Town. The final draft documents were kept in a binder in a bookshelf. The Conservation

Agent researched the properties on Mass Land Records and is now keeping a CR tracking database

- Geographical Information Systems (GIS): The wetlands layer is out of date. The Conservation Agent has been using 2008 Aerial photography and approved plans to update the GIS wetlands layer. The Conservation Department now has a volunteer assisting with mapping stream in Town.
- Permits: Through permitting fees or permitting requirements, the Conservation Department brought in \$17,797.50 since July 2016. Roughly 29 new wetlands permits were issued (for new work), 10 wetlands permits were issued to extend, amend or close out a permit, and three were issued for other permitting requirements. In addition, please note that in addition to wetland permits, a few permits also had a Stormwater Management Permit
- Bylaw Review: The Conservation Commission is in the process of reviewing the Wetlands Protection Bylaw. Some changes are necessary due to revisions in state regulations.
- Involvement: In addition to involvement with various department heads, the Conservation Department is involved in the Stormwater Advisory Committee, the Open Space and Recreation Committee, the Warren Woods Ad Hoc Committee, the Upper Charles Trail Committee and the Land Stewardship Committee. The Conservation Department has also been involved with a State wide program, and a Community Programs Committee. The Conservation Department is also working on properties that have back taxes to help determine which ones can be built and which properties cannot.
- Contract: The Conservation Department is in the process of issuing a contract with Kleinfelder to comply with a Federal Permit (NPDES- MS4).

### **Inspections**

- Issued 1,985 permits to date which consisted of the following: 441 plumbing permits, 361 building permits, 478 electrical permits, 468 gas permits, 237 sheet metal permits
- Collected in the first 7 months of the FY17 approximately \$727,000 in building permits, \$60,000 in gas & plumbing permits, and \$83,000 in electrical permits in
- Assisted in the oversight and permitting of several large projects such as the Rail Trail District

### **Health**

- Ensured safety of all local food establishments; this includes routine inspections, new food establishment reviews and farmer's market reviews which require inspections of more than 30 vendors per year, as well as inspections of the many temporary food events throughout the community each year

- Attended meetings and coordinated programs together with our local human services personnel, safety personnel and our school community members to address the substance abuse epidemic issue

**Goals for Fiscal Year 2018****Planning**

- Review and revise where necessary Subdivision and Site Plan Review rules and regulations to support Ashland's pursuit of sustainable development.
- Review and revise where necessary to streamline the Planning Department's permitting processes to encourage economic development.
- Reduce the time between applicant submittal and final decision as means of providing excellent customer service and promoting economic development.
- Coordinate and encourage collaboration with other departments in order to leverage benefits for the Town.
- Develop and implement a construction/permitting tracking process that help staff track compliance to the permits as well as Town policies.
- Seek projects and funding that will contribute to revitalizing Ashland's Downtown.
- Review and Revise where necessary the Town's Design Review processes and sign regulations to improve the Town's aesthetics.

**Conservation**

- Improve upon the webpage to include sample forms of abutter notification, locus maps and create a fillable template that can be downloaded and sent in as part of the permitting requirement
- Work with the Economic Development Director to create a development guide. The development guide is intended to show those interested in building in Town what permits may or may not be required and who to contact
- Work with the Planning Board, Selectmen, and the DPW who create an Operations and Maintenance Covenant forcing companies to clean stormwater systems but allowing the Town to clean the systems when companies fail to do so. It will allow the Town to bill the company and use the money to fund stormwater systems which will be required under the federal MS4 permit.

**Inspections**

- Continue to maintain a high level of customer service and provide assistance through the permitting process of building, writing, electrical, and plumbing permits.

- Assist other departments in the oversight of ongoing projects

**Health**

- Ensure safety of all local food establishments; this includes routine inspections, new food establishment reviews and farmer's market reviews which require inspections of more than 30 vendors per year, as well as inspections of the many temporary food events throughout the community each year
- Attend meetings and coordinate programs together with our local human services personnel, safety personnel and our school community members to address the substance abuse epidemic issue

## Position Summary Schedule – Community &amp; Development Services

<b>Position</b>	<b>FY16 FTE</b>	<b>FY17 FTE</b>	<b>FY18 FTE</b>	<b>Change</b>
<b>Planning</b>				
Town Planner	1.0	1.0	1.0	-
Assistant Town Planner	1.0	1.0	1.0	-
<b>Conservation</b>				
Conservation Agent	1.0	1.0	1.0	-
<b>Inspections</b>				
Building Inspector	1.0	1.0	1.0	-
Clerk	1.0	1.0	1.0	-
Plumber	.5	.5	.5	-
Electrician	.5	.5	.5	-
Sealer of Weights & Measures	.25	.25	.25	-
<b>Health</b>				
Health Agent	1.0	1.0	1.0	-
Health Clerk	1.0	1.0	1.0	-
Food Inspector	0.15	0.15	0.15	-
Tobacco/Compliance Officer	.025	.025	.025	-
Public Health Nurse	.125	.125	.125	-
<b>Total Full Time Equivalents</b>	<b>8.55</b>	<b>8.55</b>	<b>8.55</b>	<b>-</b>

**Budget Changes or Initiatives**

**Development Services Administration**

The Development Services Administration department budget is not being funded in FY18. The account was historically utilized for a salary increase for an employee to serve as a Director. The Assistant Town Manager is now acting in that capacity and any increase in pay is reflected in the salaries' account in the Town Manager's budget.

			<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2018 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>01170 - Development Services Administration</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	51100	Salaries	5,202	7,500	0	(7,500)	-100.00%
<b>Subtotal - Personnel</b>			<b>5,202</b>	<b>7,500</b>	<b>0</b>	<b>(7,500)</b>	<b>-100.00%</b>
<b>Total 01170 - Development Services Administration</b>			<b>5,202</b>	<b>7,500</b>	<b>0</b>	<b>(7,500)</b>	<b>- 100.00%</b>

**Conservation**

The Conservation Commission budget increased **\$1,250 (1.3%)** from the previous year. Salaries increased \$8,000 to reflect an increase in pay for the Conservation Agent.

Non-payroll expenses decreased \$6,750 (19.18%) to reflect the cost of the phase 1 contract for the funding of formulating and implementing stormwater plans.

			<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2018 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>01171 - Conservation Commission</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	51100	Permanent Position	54,501	58,000	66,000	8,000	13.79%
	51400	Longevity	1,100	-	0	0	
<b>Subtotal - Personnel</b>			<b>55,601</b>	<b>58,000</b>	<b>66,000</b>	<b>8,000</b>	<b>13.79%</b>
	52450	Contracted Services	2,856	33,750	27,000	(6,750)	-20.00%
	55800	Misc. Supplies	711			0	
	57100	Travel Expenses		300	300	0	0.00%
	57300	Dues & Membership	530	650	650	0	0.00%
	57400	Training/Conf./ Courses	-36	500	500	0	0.00%
<b>Subtotal - Expenses</b>			<b>4,061</b>	<b>35,200</b>	<b>28,450</b>	<b>(6,750)</b>	<b>-19.18%</b>
<b>Total 01171 - Conservation Commission</b>			<b>59,661</b>	<b>93,200</b>	<b>94,450</b>	<b>1,250</b>	<b>1.34%</b>

**Planning & ZBA**

The Planning and Zoning Board of Appeals budget increased \$6,334 (4.60%) over the previous year. Salaries increased \$7,334 to reflect an increase in starting pay for the newly hired Town Planner.

Non-payroll expenses decreased \$1,000 overall. Each expense line item was set to better reflect spending within the department.

			<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2018 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>01175 - Planning &amp; Zoning Board of Appeals</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	51100	Salaries	106,152	117,666	125,000	7,334	6.23%
<b>Subtotal - Personnel</b>			<b>106,152</b>	<b>117,666</b>	<b>125,000</b>	<b>7,334</b>	<b>6.23%</b>
	52200	Advertising Services	572	2,000	1,500	(500)	-25.00%
	52450	Contracted Services	38,093	15,450	15,000	(450)	-2.91%
	54110	Mapping/Blue Print Supplies	589	-	750	750	
	54600	Reference Books/Material		500	200	(300)	-60.00%
	57300	Dues & Membership	782	1,250	1,000	(250)	-20.00%
	57400	Training/Conf./Courses		750	500	(250)	-33.33%
<b>Subtotal - Expenses</b>			<b>40,035</b>	<b>19,950</b>	<b>18,950</b>	<b>(1,000)</b>	<b>-5.01%</b>
<b>Total 01175 - Planning &amp; Zoning Board of Appeals</b>			<b>146,188</b>	<b>137,616</b>	<b>143,950</b>	<b>6,334</b>	<b>4.60%</b>

**Inspections**

The Inspectional Services budget increased \$1,462 (0.8%).

The salaries line item decreased due to a change in salary allocation of the Conservation Agent. Historically, a portion of the Conservation Agent’s salary was charged to the Inspection’s Budget. Moving forward, the Conservation Agent will be 100% charged to the conservation budget. Other salaries account increased to pay for the increased wiring, electrical, and building inspections in Town.

Non-payroll expenses increased \$272 (0.77%).

			<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2018 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>01241 - Inspectional Services</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	51100	Salaries	109,887	107,342	103,532	(3,810)	-3.55%
	51190	Other Salaries	108,421	75,000	80,000	5,000	6.67%
	51400	Longevity	1,400	1,400	1,400	0	0.00%
<b>Subtotal - Personnel</b>			<b>219,708</b>	<b>183,742</b>	<b>184,932</b>	<b>1,190</b>	<b>0.65%</b>
	54200	Office Supplies	262	465	500	36	7.64%
	54400	Auto Parts & Supplies	325	105	341	236	224.90%
	54600	Reference Books/Material	0	250	250	0	0.00%
	57100	In-State Travel		500	500	0	0.00%
	57300	Dues & Membership	430	500	500	0	0.00%
	57400	Training/Conf./ Courses	882.5	3,500	3,500	0	0.00%
<b>Subtotal - Expenses</b>			<b>1,900</b>	<b>5,320</b>	<b>5,591</b>	<b>272</b>	<b>5.11%</b>
<b>Total 01241 - Inspectional Services</b>			<b>221,608</b>	<b>189,061</b>	<b>190,523</b>	<b>1,462</b>	<b>0.77%</b>

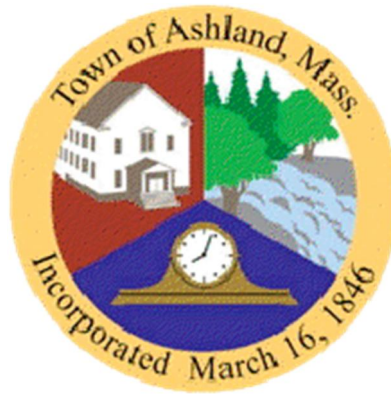
**Health**

The budget increased \$4,473 (3.0%) over the previous year. Salaries increased \$6,148 (4.8%) due to cost of living adjustments for the Health Agent and clerk. Also, there was an error in the Clerk's salary in FY17 and has since been adjusted to reflect the true salary.

Non-payroll expenses decreased \$675 (2.6%) to better reflect spending.

The budget is offset by \$5,000 from a health revolving account.

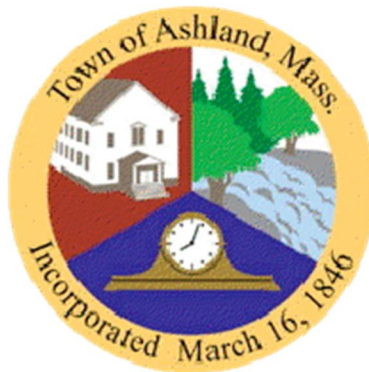
			<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2018 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>01510 - Board of Health</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	51130	Permanent Positions	123,135	127,032	133,179	6,148	4.84%
	51400	Longevity	1,400	1,400	1,400	0	0.00%
	<b>Subtotal - Personnel</b>		<b>124,535</b>	<b>128,432</b>	<b>134,579</b>	<b>6,148</b>	<b>4.79%</b>
	52450	Contracted Services	11,710	14,500	14,500	0	0.00%
	52500	Purch Nursing Services	4,295	10,000	10,000	0	0.00%
	55800	Misc. Supplies		100	100	0	0.00%
	57300	Dues & Membership	210	400	225	(175)	-43.75%
	57400	Training/Conf./Courses		1,000	500	(500)	-50.00%
	<b>Subtotal - Expenses</b>		<b>16,215</b>	<b>26,000</b>	<b>25,325</b>	<b>(675)</b>	<b>-2.60%</b>
	Offset - Revolving Account			(4,000)	(5,000)		
	<b>Total 01510 - Board of Health</b>		<b>140,750</b>	<b>150,432</b>	<b>154,904</b>	<b>4,473</b>	<b>2.97%</b>



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# Community Programs & Human Services

## Section 6



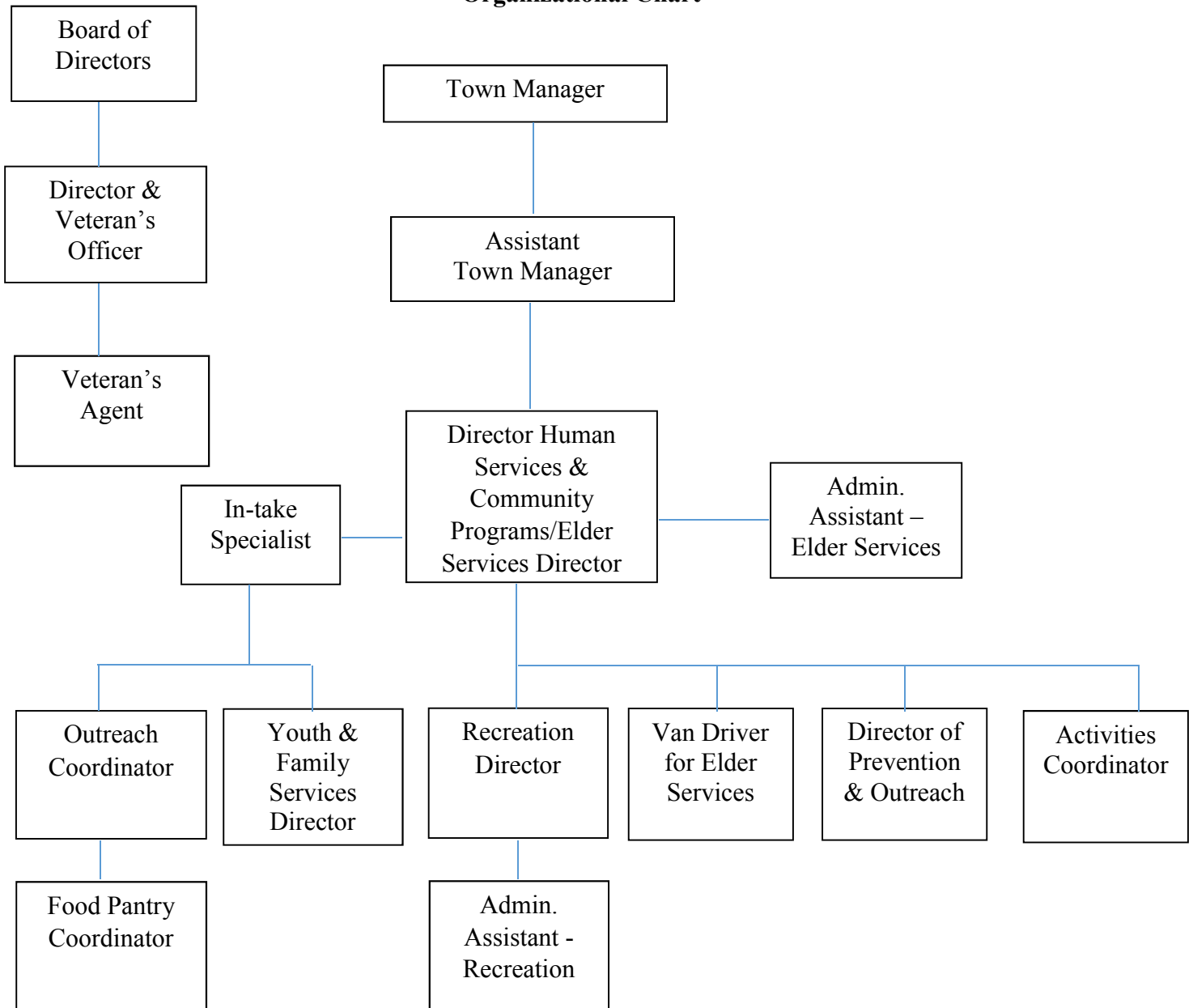
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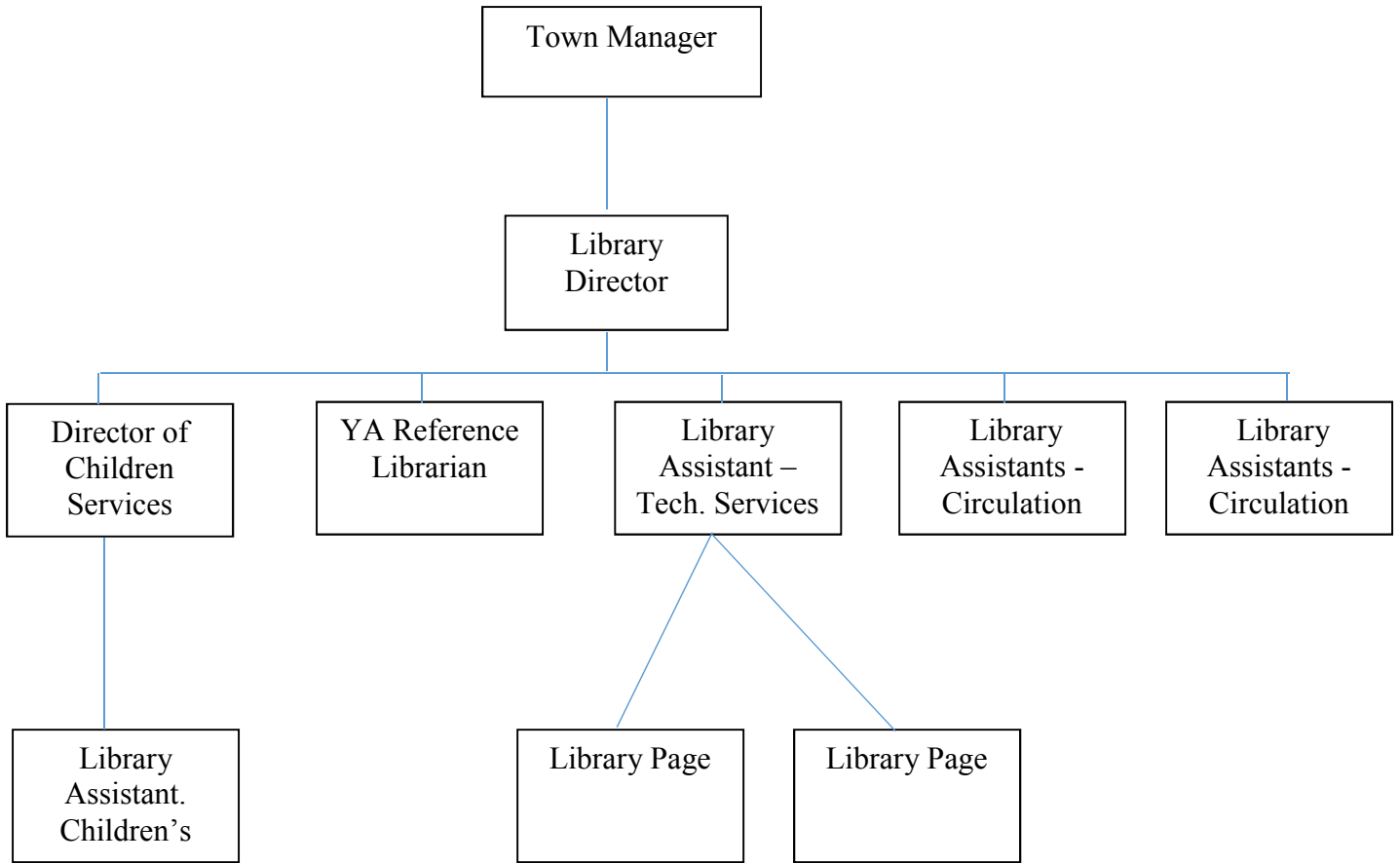
In an effort to enhance the Town of Ashland's ability to provide quality human and social services the following is proposed:

- Structure the Community Center into two divisions, Community Programs and Human Services. This will allow the Town to better communicate programming and available services to the public, provide more wrap-around, comprehensive programs and services, ensure these programs complement each other rather than compete with one another, leverage our employees skills and knowledge across programs and services, coordinate and streamline volunteers and necessary training, and increase communication amongst town departments.
- The Town of Ashland already has a wide array of diverse programs that are offered to the community. The new Community Programs division would be focused on increasing coordination between the departments and positions focused on education, prevention, and recreational programming throughout the Town to maximize what is being offered to our residents. This will include: increasing intergenerational programming, creating and providing health and wellness programming, creating outreach opportunities to promote community programs, engaging the community to identify new ideas/needs for programs, and partnering with local agencies and organizations to offer additional programs.
  - This will include adding a, grant funded, Outreach and Prevention position. This position is currently being funded by Decisions at Every Turn and is responsible for coordinating the substance abuse prevention coalition, chairing the Opioid Prevention Working Group, working with the schools to implement substance abuse prevention programs, and creating and distributing information via newsletters, social media, etc. (proposed job description is attached). In the first year, Decisions at Every Turn will be responsible for this position's salary. In an effort to show town support for opioid/substance abuse prevention, the Town will begin to pay a percentage of this position's salary. Within four years, this position will be absorbed into the Town's budget.
- It will also include building up the Human Services division to allow the Town to provide case management. This will include creating a new full time position that will be responsible for coordinating services across our Youth and Family Services, Veterans Services, Elder Care Services, and the Police Department. This full-time position will make programs and assistance more accessible for our residents. It will also allow for more comprehensive follow-up with clients that either the Town or Police Department is serving.
  - The Intake Specialists will report to the Director of Human Services and Community Programs (formerly Director of Human Services). He/She will provide guidance to the Director of Youth and Family and Elder Services Outreach Coordinator; and he/she will coordinate with the Veteran's Services Agent, the Licensed Mental Health Counselor at the Ashland Police Department, and the schools. The responsibilities will include: serving as the central access point for

social services, crisis intervention, and financial assistance for all residents of Ashland; serving as the liaison and leader in regards to policies and procedures for Town-wide human services efforts; providing assessment and determining eligibility for services; working with Youth and Family and Elder Services to provide necessary case management, follow-up services; advocating for residents in need of services; guiding residents to needed outside services from non-profit and governmental agencies. This person will also be expected to build partnerships to ensure the Town has the necessary network of social services to meet the needs of our community.

**Organizational Chart**





Programs & Services

**Community Programs & Human Services**



**Veteran's**

- Provides information & direction concerning: death benefits, educational benefits, employment, housing assistance, life insurance, medical benefits, social security disability
- Provides information & direction concerning: awards & medals, burial information, CH. 115 benefits, clothing, shelter services, etc.
- Plan, coordinate and assist with Memorial Day Parade, Veteran's Day Observance

**Library**

- Circulation services: Provides books for readers of all ages, movies/DVDs, music, magazines, museum passes, audio books, etc.
- Children's & Young Adult Services Programs: children's program room, play learn & grow group, school early release day programs, toddler programs, art in the library, a documentary film and discussion series and a weekly film series
- Reference services such as providing computer use assistance, providing programming, exhibit space, study rooms and community meeting space

**Elder Services**

- Provide education, nutrition, preventative healthcare, physical fitness, recreation, creative arts, advocacy, support services and resource information
- Programs include; educational and wellness workshops, crisis assistance, social programs, exercise, competitive games, intergenerational programming, a referral/information service, transportation, outreach, hot lunches, as well as recreational events
- Provide case management disseminating information and making appropriate referrals; fuel assistance; conflict resolution, wellness checks, Fuel Assistance, etc

**Youth & Family Services**

- Mental Health Services to include: therapy, emergency consults, assessments, interventions, and support groups
- Case Management: applications for fuel assistance, resource and referral information for Local, State, and Federal programs
- Other Programs: Ashland Coalition for Teens

**Recreation**

- Provides winter, spring, summer, and fall programs & events to include soccer, basketball, tennis, volleyball, Wet n' Wild, golf, red ball, pottery, lazer craze, skyzone, zoo adventures, gardening, and much more.

**Recreation Overview:**

Our mission to the Town is to provide all citizens to the extent feasible, a variety of recreational opportunities, which are accessible, safe, physically attractive and enjoyable. This leisure function should contribute to the mental and physical wellness of the community. In 2016, a wide variety of programs were offered for all ages through the Recreation Department. With the rapid growth of our community, we continue to welcome new participants in our programs. This year we offered over 30 programs enjoyed by over 1900 participants.

We began our year with 122 students enjoying our six week skiing and snowboarding program. Middle and High School students travel to Wachusett Mountain and Mindess students enjoy Nashoba Valley Ski Area. This program is made possible by all the parent volunteers that chaperon each week. We have a team of 10 volunteers each year that assist with loading/unloading equipment from the buses, taking attendance, handing out lift tickets, supervising the kids on the lifts, trails and in the lodge. The school vacation program in February brought students in grades K - 6 to different venues including tubing at Nashoba Valley, Disney on Ice, Launch and the Ecotarium. We refused to let Mother Nature get in the way of our Father & Daughter Dance, thanks to the AHS custodial crew and the Ashland Lions, we were able to hold another successful evening. This year's event was once again held in the cafeteria of the High School and there were over 200 guests present. It is a wonderful evening for the girls and their special "dates". Proceeds from this event are for maintenance of "KidSpot" playground. Skyhawks introduced a new basketball program "Hoopster Tots" to our pre-school athletes that was a very popular.

This past spring Brette Rothchild led a very successful couch to 5k program and a body rockin' boot camp. Children participating in the April Vacation Program visited the Roger Williams Zoo, New England Aquarium, Rock on Adventure and Fenway Park for a Red Sox game...they lost but the kids still had a great time! The Half Day Explorer's continued to meet every early release day. The spring trips brought us to Nashoba Valley, Skyzone, Build a Bear, PYOP where everyone made their own bowl or plate and Southwick's Zoo.

Summer is always a very busy time at the Recreation Department. The ARC summer program was a success servicing on average 75 children over six, one-week sessions. Once again we are very lucky to have so many of our staff from previous years return to work with the children at ARC. We also have many "Counselors in Training" who were once former campers assisting these counselors. The participants at ARC were once again able to enjoy a daily swim after a short walk from the Community Center to the lake. Participants enjoyed arts and crafts, sports, themed Fridays, a BBQ and field trips to Water Wizz, Codzilla, Breezy Picnic Grounds, Spring Lake and more. With Ms Renee at home with her new son, Tina Gallinagh stepped up to take the lead and continue arc jr giving our youngest children ages 3-5 the opportunity to experience the fun of summer at Ashland Recreation. This year's themes included Under The Sea, Bugs and Journey into Outer Space!

Skyhawks was back again in the Summer offering nine different sessions including Basketball, Mini-Hawks, Multi-Sports, and Tennis. The Challenger British Soccer program ran full and half-day clinics in June and August for children age 5-15. The Wet n' Wild participants visited Breezy

Picnic Grounds & waterslides, Codzilla, Kayaking, the Fall River Children's Aquarium and Water Wizz. A wet and wild time was had by all – an enjoyable end to a happy and busy summer!

In the fall, the Half Day Explorers Program provides a safe and fun environment for grade K-5 children on their early-release days from school. Fall trips included Launch, Boston Duck Tours, Ecotarium and a visit to Animal Adventures in Bolton. Santa continued our tradition and brightened the holidays for many boys and girls in Ashland with his phone calls. The Community of Ashland was very generous with their donations to "KidSpot" from this popular holiday event. In early December we sponsored a bus trip and travelled to New York City to explore the "Big Apple".

Throughout the year we offer many sessions of the following classes: Mini Kickers and Music, Mommy & Me taught by Viviana Vilches for over 10 years in Ashland. MaryEllen Giombetti continued to direct her adult fitness programs promoting an active and healthy lifestyle. Lisa Campopiano joined us this fall on Wednesday evenings offering Yoga at the Community Center. "Miss Kelly" continued her preschool programs: Masterpiece Monday and Backyard Discovery. The discount ticket sales kept the office busy throughout the year. Hundreds of AMC and Regal movie tickets were also sold. Many residents took advantage of this great buy. Please visit the Town of Ashland Recreation website for more information on the activities offered.

### **Senior Center/Elder Services Overview**

"It is the mission of the Ashland Council on Aging to provide a variety of services and activities that support the independent well-being of seniors, while enhancing their dignity and self-respect. Our focus includes participation in programs such as education, nutrition, preventative healthcare, physical fitness, recreation, creative arts, advocacy, support services and resource information." The Elder Services Department endeavors to offer the older adult population of Ashland (those 60 years of age or older) quality programming. Ashland has more than 3,000 elderly residents. The programs include; educational and wellness workshops, crisis assistance, social programs, exercise, competitive games, intergenerational programming, a referral/information service, transportation, outreach, hot lunches, as well as recreational events. Our focus is health and wellness for both the mind and body. We also concentrate on providing support for individuals who wish to age in place.

Our Activities Coordinator has scheduled a series of educational and musical performances -our new Lifetime Learning Program. We are excited at the interest and number of participants. We hope to encourage folks that are from the baby boomer generation and do not need services but have an interest in education or socialization. She has also introduced more social and arts and crafts activities.

Our Outreach coordinator is responsible for assisting elders in the community in identifying their needs; provide case management disseminating information and making appropriate referrals; fuel assistance; conflict resolution, wellness checks and to serve as an advocate for elders in the community. She is also responsible for assisting with Fuel Assistance and Food Stamp applications. She has been able to spend more time on well-being checks and home visits. We have experienced a steady increase in the need for services for those still living in their homes and

as well as a need for support for their Caregivers. Susan Wells oversees a Caregiver Support group that is meeting every two weeks to share resources and experiences.

### **Youth & Family Services Overview**

Ashland's Youth & Family Services department provides assistance to the community through a number of programs. These programs assist many stakeholders from all populations and is located in the Ashland Community Center for central access.

The Ashland Youth and Family Services Department is a full social services department providing Ashland residents with multiple resources all in one department. AYFS provides residents with emergency financial assistance funded by the Ashland Emergency Fund. The Ashland Food Pantry is also located within this department, serving families, elders and individuals with meals, paper products and fresh fruit/vegetables. AYFS is designated by SMOC to assist Ashland residents in applying for federal fuel assistance, as well as manages a number of other non-federal fuel assistance programs for the town. The Holiday Program fulfills Ashland families' needs for a holiday full of festive meals and gifts. During the last summer, AYFS provided families in need with two weeks at a summer camp. This department aligns with other town departments, school administration and local resources to provide enhanced opportunities and support. The Director facilitates Community Conversations in resident's homes discussing substance abuse prevention and parenting skills, directly relating to the Decisions at Every Turn Program. Ashland Coalition for Teens is a teen run program dedicated to challenging the social norms of teen substance abuse by providing fun, free and safe activities to attend. The Director also facilitates a book club for seniors at the Senior Center.

### **Library Overview**

The Ashland Public Library is a vibrant community service that is committed to providing free access to information in a variety of formats to stimulate creativity, critical thinking and lifelong learning. We strive to be responsive to the diverse cultural, educational and recreational needs of a growing community.

To accomplish our mission, we purchase and circulate books, magazines, audiobooks, music CDs, videos, DVDs, Nooks, Kindles, video games, e-content and museum passes. We provide access to e-books and downloadable audiobooks and video, local and state funded databases, public computers with internet access, and office applications, a scanner printers. Additionally, we provide programming, exhibit space, study rooms and community meeting space. In FY16 we added a new Play, Learn and Grow group for pre-schoolers in collaboration with the Metrowest YMCA and the Early Childhood Alliance of Framingham/Ashland.

As a member of the Minuteman Library Network, a consortium of 43 public and academic libraries, we provide access to a robust catalog of materials (6,356,907 items including 1,679,465 unique works) that can be delivered to the Ashland Public Library. Statewide delivery is funded by the Massachusetts Library System.

The Friends of the Ashland Public Library fund and staff all of our programs which include school early release day programs, toddler programs, art in the library, a documentary film and discussion series and a weekly film series. The Friends also purchase museum passes that allow reduced admission to several area museums.

The Library employs nine staff that work a total of 212 hours per week. The library is currently open 45 hours per week over five days, including 3 evenings until 8:00 p.m.

**Veterans Overview**

The mission of the Veteran Service District is to advocate on behalf of all the community's Veterans and their eligible dependents, to provide them with top quality support services in obtaining earned benefits and entitlements from Federal, State, and local agencies. The District services the Metrowest District which includes Medway, Hopkinton, Holliston, and Ashland.

The Veteran's Department is staffed with the Director & Veterans Services Officer and the Veteran's Agent. These individuals are employees of Hopkinton and the participating communities in the District pay Hopkinton an assessment for services of the Veteran's staff.

The Board of Directors oversees the Veteran's Service District. The Board of Directors consists of the Town Manager/Administrator from each community in the District.

**Selected Accomplishments During Fiscal Year 2017****Recreation**

- Offered over 30 programs enjoyed by over 1900 participants
- Recreation reached 250 more participants than in the prior year
- New recreation programs introduced included a new basketball program called “Hoopster Tots’ to our pre-school athletes

**Senior Center**

- Started a program for caregivers and seniors with memory issues – “Two Together.” A volunteer accompanies an individual with memory loss as they participate in programs and activities in the Senior Center of their choice.
- Volunteers contributed 5,288 hours of their valuable time to our senior programs.

**Youth & Family Services**

- Served approximately 86 families per month
- Visited 1,032 homes
- Provided 80 Thanksgiving meals
- Connected with 102 families for the holiday drive
- 20 applicants approved for Emergency Fund services
- Increased number of volunteers on a weekly basis

**Library**

- Hosted 228 programs with 4,975 in attendance.
- Provided space for 529 programs and community meetings
- Circulated 162,573 items, across all formats, which was a 10.7% increase over FY15.
- Adjusted Saturday hours during Farmer’s Market season.
- Created a story walk for families.

- Had 723 children participate in the Summer Reading Program. This year the flyer was available in Spanish, Portuguese and Russian. This was the first year the program was run entirely by library staff.
- Hosted a fairy garden on the library lawn for several weeks throughout the summer.
- Thanks to generous donations, added \$5,000 worth of curriculum related titles to the Children's collection in memory of Elka Troutman.
- Continued our collaboration with the Metrowest YMCA and Early Childhood Alliance to provide a weekly story and playgroup for preschool aged children.
- Recorded 1,117 volunteer hours by 37 residents.
- Had a successful launch of the Minuteman Library Network mobile app.
- Purchased 25 padded chairs with arms for the program room
- Collaborated with the Friends of the Ashland Public Library and their community partners allowed for:
  - A Kindness Garden on the library lawn.
  - The return of the popular, monthly Saturday morning family programming.
  - Two Candidates Night for local politicians.
  - A fun run that combined fitness and local history.
  - A Mystery Author Panel, in collaboration with Arts! Ashland Alliance.
  - Weekly Friday night films and monthly documentary films and discussion.

**Veterans**

- 4 new cases processes; 2 cases terminated (found employment), 1 case transferred to another community (moved), 8 cases currently active
- Over \$55,000 paid out in Ch.115 benefits

**Goals for Fiscal Year 2018****Recreation**

- The Ashland Recreation Department will continue to offer a wide variety of programs designed to promote a well-balanced, active and healthy lifestyle to the residents of Ashland.
- Offer additional intergenerational programming in partnership with COA
- Recreation Department would like to reach 200 new clients

- Increase the amount of adult programming

**Senior Center**

- The Ashland Senior center will continue to increase participation in programming by offering social gatherings; programs offsite at Senior Residential facilities; i.e. Ashland House.
- Offer a Strengthening Program, in the evening, working with the Recreation Department.
- Continue to enhance the Caregiver Support Program- Working with Bay Path to create a Dementia-Friendly Community.

**Youth and Family Services**

- The Youth and Family Services Department will continue to provide resources and guidance to the Hoarding Task Force.
- Participate in the Juvenile Diversion program by offering resources, information and referral as well as substance abuse/mental health assessments

**Library**

- Increase the number of library users of all ages by providing a broad range of opportunities for educational, cultural, and recreational enrichment by performing the following: increasing materials spending by 2.5% annually across all formats, advocating for additional staff hours for collection development, completing weeding and shifting of adult collection to make materials more accessible, and continuing evaluation of electronic materials use and funding allocation to meet demand
- Strengthen the Library's educational role in the community by doing the following: continuing weekly STEAM related programming for pre-schoolers, maintaining juvenile programming and collection development in targeted areas, continuing weekly ECA/YMCA Kindergarten readiness programming, overseeing annual summer reading program in collaboration with the Friends of the Ashland Public Library, and developing and hosting holiday craft store programs
- Incorporate and ensure relevant technology in the delivery of library services by ensuring updated equipment/software is available for public use, continuing to provide a user-friendly web presence to keep the public informed, work with Town IT to ensure timely hardware repairs/updates on public computers, and continuing to advocate for funding to replace outdated audiovisual equipment in the Program Room

- Ensure a well maintained, vibrant facility to provide gathering space and increase civic involvement by providing meeting space for Town and community groups, continuing to investigate options for after-hours use, and advocating for additional maintenance hours to provide safe access to the building.

**Veterans**

- Continue outreach to recently separated Veterans
- Conduct an outreach event once per quarter

## Position Summary Schedule – Community Programs &amp; Human Services

Position	FY16 FTE	FY17 FTE	FY18 FTE	Change
<b>Community Programs &amp; Human Services</b>				
<b>COA/Recreation/Youth&amp;Family</b>				
Director of Community Programs & Human Services/Elder Affairs	1.0	1.0	1.0	-
In-take Specialist	0.0	1.0	1.0	-
Outreach Coordinator	0.875	0.875	0.875	-
Activities Coordinator	0.4	0.4	0.4	-
Director of Prevention & Outreach	0.0	0.0	1.0	1.0
Van Driver	0.4	0.4	0.4	-
Admin. Asst. – Recreation	0.7	0.7	0.7	-
Admin. Asst. – Elder Affairs	0.875	0.875	0.875	-
Food Pantry Coordinator	0.4	0.4	0.4	-
Recreation Director	1.0	1.0	1.0	-
Youth & Family Services Director	1.0	1.0	1.0	-
<b>Library</b>				
Director of Library Services	1.0	1.0	1.0	-
Director of Children Services	1.0	1.0	1.0	-
YA Reference Librarian	0.575	0.575	0.575	-
Library Assistant – Children’s	0.875	0.875	0.875	-
Library Assistant – Circulation	0.825	0.825	0.825	-
Library Assistant – Tech Services	0.5	0.5	0.5	-
Library Assistants	0.275	0.275	0.65	0.375
Library Page	0.25	0.25	0.25	-
<b>Total FTEs</b>	<b>11.95</b>	<b>12.95</b>	<b>14.325</b>	<b>1.375</b>

**Personnel Note:** There have changes in personnel within the Library Department. The library will now be open 5 additional hours on Monday from 3:00pm to 8:00pm. The department will hire 3 more Library assistants (5 hours each) in FY18 to cover this shift. In addition, the Town is bringing on a Director of Prevention and Outreach in FY18 to assist in the Human Service Dept.

**Budget Changes or Initiatives**

**Council on Aging/Recreation/Youth & Family**

The overall budget increased \$18,780 (5.59%) over the previous year. Salaries increased by \$17,340. This is due to 2% cost of living adjustments for staff and the addition of a Prevention and Outreach Director. The Town will fund 25% of the Prevention & Outreach Director’s salary or \$10,000 and the remainder will be covered by a grant in FY18. Non-payroll expenses increased \$215 (2.19%). The budget is offset by \$30,750 by grants and revolving accounts. The senior center is expected to receive approximately \$27,750 from the state formula grant and \$3,000 for a Parkinson’s Exercise Grant.

			<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2018 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>01544 - COA/Recreation/Youth and Family Services</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	51330	Permanent Positions	250,307	351,957	369,197	17,240	4.90%
	51400	Longevity	5,170	6,270	6,370	100	1.59%
<b>Subtotal - Personnel</b>			<b>255,477</b>	<b>358,227</b>	<b>375,567</b>	<b>17,340</b>	<b>4.84%</b>
	52450	Contracted Services	3,290	5,200	5,200	0	0.00%
	54400	Auto Parts & Supplies	1,934	1,000	1,000	0	0.00%
	55800	Misc. Supplies		750	750	0	0.00%
	57100	In-State Travel	339	590	590	0	0.00%
	57300	Dues & Membership	803	885	1,000	115	12.99%
	57400	Training/Conf./Courses	225	1,400	1,500	100	7.14%
<b>Subtotal - Expenses</b>			<b>6,590</b>	<b>9,825</b>	<b>10,040</b>	<b>215</b>	<b>2.19%</b>
Offset - Grants & Revolving Accounts				(31,975)	(30,750)		
<b>Total 01544 - COA/Recreation/Youth and Family Services</b>			<b>262,067</b>	<b>336,077</b>	<b>354,857</b>	<b>18,780</b>	<b>5.59%</b>

**Library**

The overall budget increased \$29,418 (8.62%) over the previous year. Salaries increased by \$27,154 (10.16%). This is attributable to adding five additional hours to the current library operating hours. The Library will add 5 hours and will hire three additional library assistants. Also, a part-time evening custodial position was added to the budget.

Non-payroll expenses increased \$2,264 (3.05%) mainly for reference books.

			<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2018 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>01610 - Library</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	51130	Salaries	255,810	258,535	263,916	5,381	2.08%
	51130	Part Time Wages		5,108	28,080	22,972	449.77%
	51140	Longevity	3,500	3,600	2,400	(1,200)	-33.33%
	<b>Subtotal - Personnel</b>		<b>259,310</b>	<b>267,242</b>	<b>294,396</b>	<b>27,154</b>	<b>10.16%</b>
	54150	Postage/Stamps/Reg Mail	117	121	121	0	0.00%
	54200	Office Supplies	2,904	1,236	1,500	264	21.36%
	52710	Equipment Lease	1,988	2,262	2,262	0	0.00%
	54600	Reference Books/Material	51,269	55,000	57,000	2,000	3.64%
	57300	Dues & Membership	15,000	15,300	15,300	0	0.00%
	57400	Training/Conf./Courses		300	300	0	0.00%
	<b>Subtotal - Expenses</b>		<b>71,277</b>	<b>74,218</b>	<b>76,482</b>	<b>2,264</b>	<b>3.05%</b>
	<b>Total 01610 - Library</b>		<b>330,587</b>	<b>341,461</b>	<b>370,878</b>	<b>29,418</b>	<b>8.62%</b>

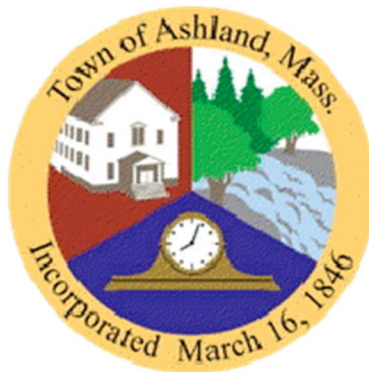
Veterans

The Veteran’s budget remains level funded from the previous year.

			<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2018 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>01543 - Veterans Services</b>	<b>Account Description</b>						
	55800	Misc. Supplies					
	57000	Other Charges	25,830	26,605	26,605	0	0.00%
	54200	Memorial Day Expenses	2,500	2,500	2,500	0	0.00%
	57350	Veterans Benefit Payments	54,282	60,000	60,000	0	0.00%
<b>Subtotal - Expenses</b>			<b>82,612</b>	<b>89,105</b>	<b>89,105</b>	<b>0</b>	<b>0.00%</b>
<b>Total 01543 - Veterans Services</b>			<b>82,612</b>	<b>89,105</b>	<b>89,105</b>	<b>0</b>	<b>0.00%</b>

# **Dept. of Public Works & Dept. of Public Facilities**

## **Section 7**



**Background**

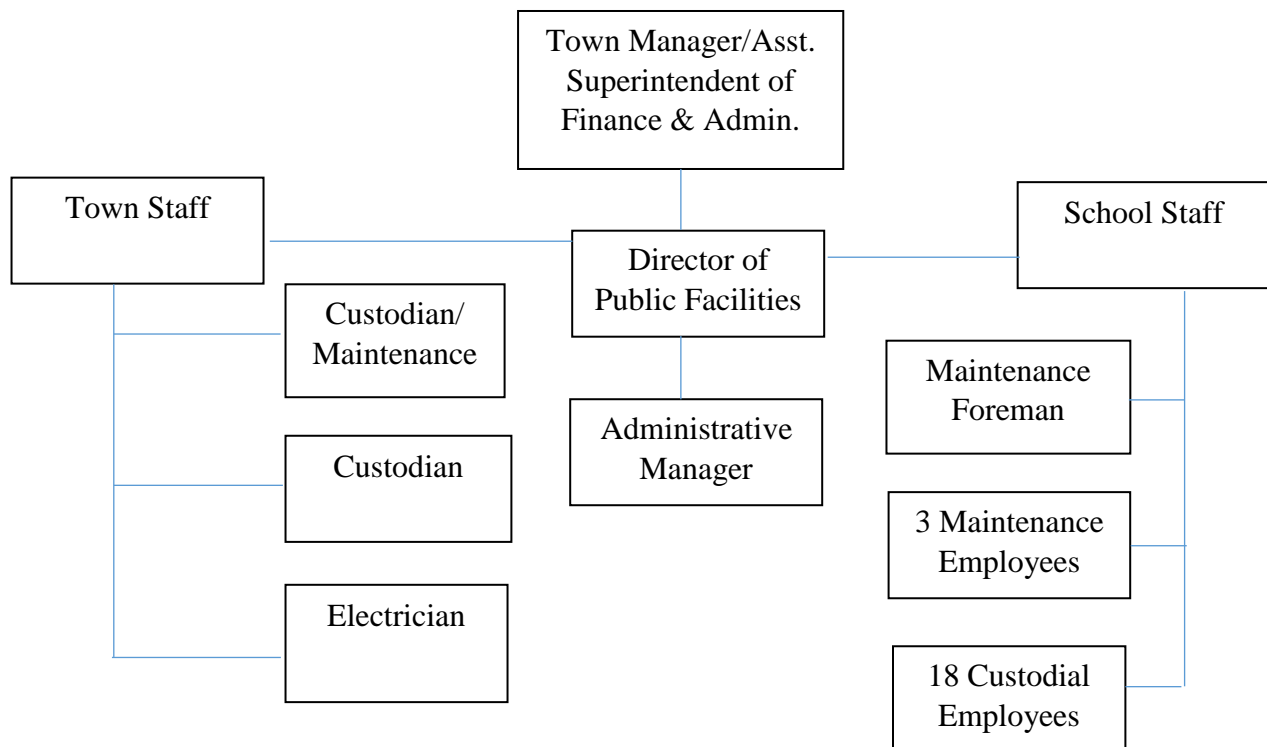
The Department of Public Works (DPW) is responsible for a vast array of Town infrastructure services. Services can include maintaining, managing and protecting Ashland's water supply, rebuilding roads, sidewalks, managing waste water, trash removal, recycling, snow removal, and processing water/sewer & rubbish billing.

Its mission states that the Ashland Department of Public Works “is committed to maintaining the infrastructure required for providing adequate supplies of drinking water, the proper collection of domestic waste, trash collection and recycling, maintaining aesthetically pleasing parks, cemeteries and public areas to providing safe roadways for the sake of police, fire and rescue and travelers, with a focus on the highest level of customer satisfaction to its residents, business owners and general travelers.”

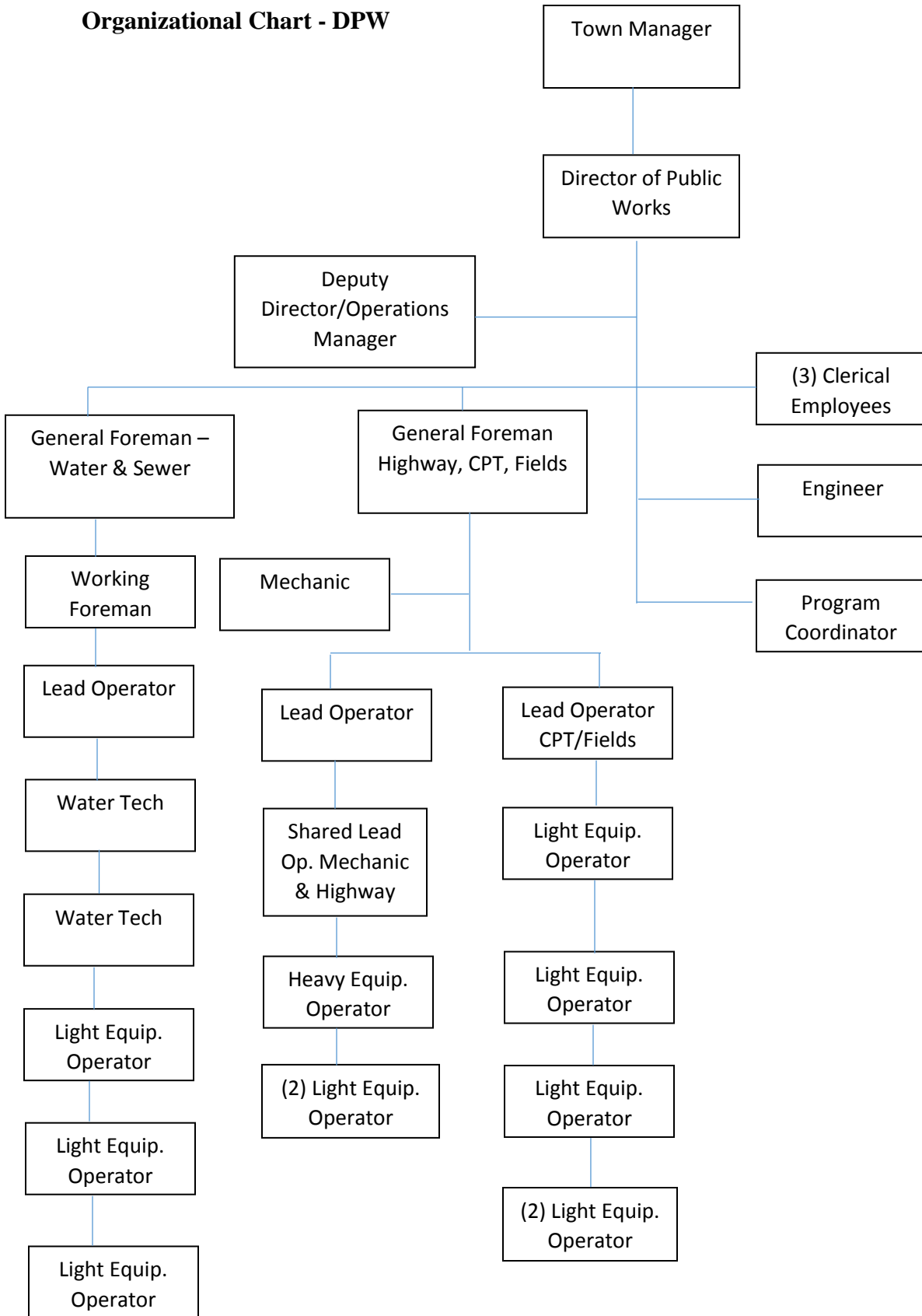
The DPW is broken into 7 departments, as shown on the attached organization chart: office staff, water, sewer, trash collection, highway, fields and cemetery/parks/trees. It provides many services, including maintaining the infrastructure required for providing adequate supplies of drinking water, the proper collection of domestic waste, trash collection and recycling; maintaining aesthetically pleasing parks, cemeteries, and public areas; and providing safe roadways for the protection of police, fire and rescue personal, and travelers. It strives to provide the highest level of customer service to its residents, business owners, and visitors.

The Department of Public Facilities oversees all Town and School buildings and is responsible for the maintenance of all Town owned properties.

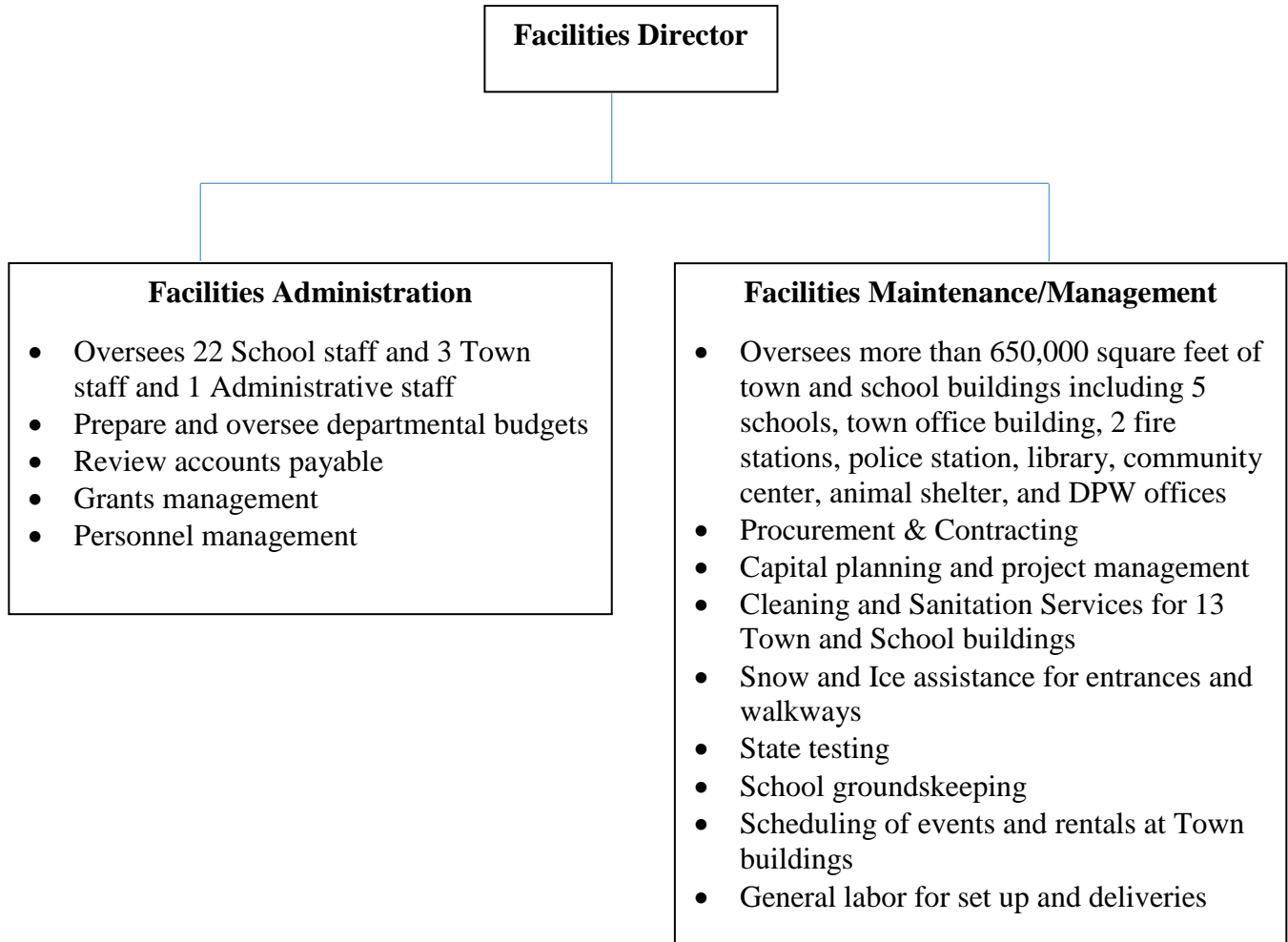
**Organizational Chart – Facilities Dept.**



Organizational Chart - DPW



Programs and Services – Facilities



Programs and Services – DPW

**DPW Director**

**Administration**

- Oversight of all 7 divisions
- Prepare and oversee departmental budgets
- Develop, permit, and oversee projects
- Ensure compliance with state and federal regulations
- Prepare and collect utility bills
- Sale of graves
- Administrative support to Water & Sewer
- Maintain safe travel during storm events
- Ensure Town trees are not hazardous to the public
- Oversee grants including 1 large \$6 million-dollar grant
- Review accounts payable
- Maintenance of DPW vehicles & assets
- Orders fuel & maintains pumps

**Highway, Cemetery Parks & Trees**

- Maintain 95 miles of road
- Meet all state and federal roadway legislation
- Maintain parks
- Maintain fields
- Maintain 3 cemeteries
- Maintain cemetery burial records
- Ensure the safety of the roads during winter months and snowstorms
- Oversight of streetlighting

**Water & Sewer Division**

- Maintains approximately 2,200 Sewer Manholes, 1,600 water gates and 83 miles for Water
- Maintains 67 miles for Sewer pipes, 6,362 feet of water service lines from the ties and 5,001 feet of Sewer service lines from the ties
- Hydrant repairs
- Replace water meters
- Ensure quality water supply and waste water discharge
- Meet all state and federal wastewater legislation
- Maintains 8 pump stations (6 Life stations and 1 Sewer Main Pump stations)

**Trash & Athletic Fields**

- Oversee the Town’s Pay-As-You-Throw program
- Prepare, bill, and collect trash bills
- Negotiate contract with outside vendor for waste management
- Maintain fields
- Oversee internal and external maintenance of school athletic fields
- Coordinate field rentals with internal and external groups

**DPW Administration**

The Department of Public Works (DPW) consists of multiple Divisions collectively responsible for maintaining and improving the Town's public spaces and infrastructure. This includes the maintenance and development of Town roads, sidewalks, public trees, cemeteries, parks, as well as the Town water supply system, wastewater/sewerage operations, trash removal, and athletic fields. In addition to general administration, the Divisions within the Department include: DPW Administration, Highway, Cemetery Parks & Trees, Water, Sewer, Trash Removal, and Athletic Fields. The DPW administrative staff provides administrative support to the other department and interacts with the public related to requests and concerns. This is reflected in the Public Works Administration budget account.

An enterprise fund as authorized under 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 the option to recover total service costs through user fees.

For purposes of providing a complete departmental overview, a brief description of the Water, Sewer, Trash Removal, and Fields Division is included here within the DPW Section 7 of the budget document. The actual budgets associated with the Water, Sewer, Trash Removal, and Fields enterprise funds are contained in Section 17 of this budget document.

**Highway Construction & Maintenance**

The highway department oversees general maintenance and safety of the roadway infrastructure in the Town. Ashland has approximately 95 miles of roadways. Approximately 10 miles are under private control, 3 miles are under state control, and the balance is maintained by the Town. While the number of roads in the Town has increased over the last ten years, the cost to maintain these roads has also increased on a per mile basis due to increases in highway materials such as asphalt.

Highway maintenance costs are offset by state funds through the state's chapter 90 program administered through MassDOT. There are 73 miles registered as qualifying for chapter 90 funds. The work performed by the highway department is reflected in the Highway budget account.

**Snow & Ice Removal**

During the winter the highway department manages the snow and ice operations in the Town. The Town has approximately 30 plows, sanders, and other pieces of equipment at its immediate disposal and an additional 24 contractors available for larger storms. Costs associated with snow and ice operations are reflected in the Snow and Ice budget account. The DPW can operate as a self-sustained facility in an emergency, with its own power and vehicle repair capabilities.

MGL c. 44 s. 31D allows municipalities to exceed their budgeted amounts for snow and ice removal. Per the law, any city or town may incur liability and make expenditures in any fiscal

year in excess of available appropriations for snow and ice removal, provided that such expenditures are approved by chief administrative office.

**Highway Streetlighting**

The DPW office oversees the management of the public streetlights in the Town. This is reflected in the Streetlighting budget account.

**Highway Combined Fuel**

The DPW office orders fuel for all town departments. It maintains pump records and performs inspections for leak detection regulations. This is reflected in the combined fuel budget accordingly.

**Cemetery, Parks, & Trees**

The cemetery, parks, and trees department maintains the Wildwood Cemetery and two smaller cemeteries, town-owned (non-school) parks and public spaces, and is responsible for trees in publicly owned ways and easements.

The cemetery, parks, and trees department also supports burials at Wildwood Cemetery.

This work is reflected in the cemetery, parks, and trees budget account.

**Water (Enterprise Fund)**

The water department oversees the water infrastructure in the Town. The Town has approximately 83 miles of water lines serving approximately 70% of the residents and businesses. The water system is served by the Howe Street Water Treatment Plant, which is administered through a contract with Woodard and Curran. The Town utilizes five wells in the vicinity of the Hopkinton Reservoir and pumps approximately 3 million gallons per day, although daily withdrawals can vary significantly. The Town also maintains two water towers that help provide balanced water pressure to the entire system. It provides 24-hour service to respond to issues related to the maintenance of the system. This is reflected in the Water enterprise fund.

Adequate water supply is a concern for Ashland. Because approximately 2/3rd of water drawn from the Town wells is pumped out of Town via the MWRA sewer system, water recharge is a constant issue. To mitigate this issue, the Town is negotiating with Southborough for an MWRA water connection via their water system.

**Sewer (Enterprise Fund)**

The sewer department oversees the sewer infrastructure in the Town. The Town pumps approximately 2 million gallons of sewage per day into the MWRA system via two pump stations, at Chestnut Street and Brackett Road, which pump through the Framingham sewer system into the MWRA system. Sewage is conveyed through approximately 63 miles of gravity lines and six

miles of force main. The department reviews the construction of new sewer connections and checks throughout the Town for illegal drainage and gray-water connections. It also manages seven smaller pump stations throughout the Town that pump sewage to the two main pump stations. This is reflected in the Sewer Enterprise fund.

A number of issues with the Ashland sewer system are reflected in its rates, some of the highest in the state. Residential development over the last forty years has affected different parts of the system with differing capacity requirements. Because our system must pass through Framingham, the Town pays almost \$630,000 to Framingham for fees and system upgrades. The Town is also limited to how much it can pump per interbasin transfer regulations.

### **Trash Removal (Enterprise Fund)**

The office runs the rubbish and recycling programs for the Town. They manage the Waste Management contract and deal with trash pickup issues on behalf of the residents. They manage the recycling program and bulky item pickups. They run four electronics dropoff days and one household hazardous waste collection day each year. They also run monthly oil, mercury, and oil-based paint collections. This is reflected in the Trash Removal Enterprise fund.

### **Fields (Enterprise Fund)**

In FY15 Ashland DPW took over maintenance and rental responsibility of most recreation fields from the former Ashland Field Management Group and the school department. These responsibilities include the following:

- Program management and administration
- Rental booking
- Rental billing
- General field maintenance
  - High school turf field
  - High school baseball field
  - High school softball field
  - High school practice fields
  - Middle school turf field
  - Middle school Hunt field
  - Middle school D area
- Miscellaneous requests

This is reflected in the Field's Enterprise fund.

**Public Buildings & Property Maintenance**

The Department of Public Facilities is responsible for the day-to-day maintenance and custodial operations at all of the general government facilities. These facilities include the Police Station, Town Hall, Public Library, Community Center, DPW, Fire Department, and the two town pavilions. While the DPW provides snow removal services at the town building parking lots, our staff ensures that walkways and doors are cleared and accessible for the general public during inclement weather. Additionally, the Director of Public Facilities is responsible for the capital planning for all town buildings and project management operations that are involved with the management of the department.

The Facilities Department currently is managed by a Director of Public Facilities position, which is shared between the School Department and General Government. The funding for this position is budgeted separately between the School Department and General Government, with the split being roughly 80%/20% respectively.

The Public Facilities Director oversees Town and School staff. On the Town side, the Director oversees a custodian/maintenance worker, custodian, and a part-time electrician. On the School side, the Director oversees a maintenance foreman, 3 maintenance employees, and 18 custodial employees.

**Selected Accomplishments During Fiscal Year 2017**

**DPW Departments**

- Major Infrastructure Projects
  - West Union Sewer Main Project – started and expected to be completed during the summer months.
  - MBTA Access Roadway Project – started and expected to be complete no later than 12/1/2017.
  - Design of Southborough Water System Upgrades Started and Expected to be complete by May, 2017.
  - Rte. 126 Pond Street – Reconstruction Project – Scheduled for 2020 (TIP Program)
  
- Water
  - Annual Flushing Completed
  - New Outdoor Water Restrictions Presented and Passed at the Special Town Meeting in the Fall of 2016.
  - Outdoor Water Restrictions enforced during long dry period.
  - Gate and Valves Exercised
  - Leak Detection and Repair Completed
  - System records including Annual Statistics Report, Consumer Confidence Report, and Annual Quality Report submitted and accepted by State Authorities.
  - Fixed water breaks
  - Replaced Hydrants
  - Section of Water Main Replaced on Main Street
  
- Sewer
  - Sewer Pump Stations Maintained Throughout the Year
  - Generator Installed at the Ledgemere Pumpstation
  
- Highway
  - Annual Sweeping Completed
  - Many catch basins repaired
  - Streets Lined and Painted
  - Continuous Tree Trimming, Litter Disposal, Pothole Patching, etc.
  - Sidewalks
    - Temporary Sidewalks installed on Howe Street
  - Roadways Resurfaced: High, Howe, Tilton, Concord, Myrtle, Acton, Cedar, Section of Eliot, Thomas
  
- Cemetery, Parks, and Trees
  - # of burials – 28

- Permits (collected)
  - Water Service Permits - \$111,010.00
  - Sewer Service Permits - \$101,980.00
  - Irrigation Permits - \$1,710.00
  - Trench Permits - \$1,375.00
  - Road Opening Permits -\$5,000
  
- Rubbish and Recycling
  - Received \$6,850 in grants for recycling initiatives
  
- Equipment
  - Vehicle repairs: brakes, leaks, tires, plows, electrical, oil changes and inspections completed across the fleet
  - New vehicles: pickup with plow and mini-excavator
  
- Other
  - Fuel Station repair
  - Salt barn painted
  - Material stockpile tested

**Public Buildings & Property Maintenance**

- Solar array installed at High School
- Solar array installed at Middle School
- Solar array installed at Howe Street
- Electric charging station installed at Middle School
- Electric charging station installed at Town Hall
- Electric charging station installed at Montenegro Square
- New boilers at the High School
- New boilers at Mindess School
- New hot water at Mindess School
- Upgrading of the track events area at the High School
- Upgrading of baseball/softball diamonds at Mindess

- Upgrading of baseball /softball diamonds at Stone Park
- Relocation and consolidation of APS Administrative offices
- Selected architect and began study of site alternatives for new Public Safety building
- Selected architect and began first phase of a School's master plan
- Animal Control upgrades to building and lighting
- Repair and painting of salt shed
- New recycling sheds constructed
- Ashland Community Pavilion repaired and painted
- Gazebo repaired and repainted
- Upgrades to DPW breakroom
- Renovation of old band room for relocated Extended Day program at Mindess

**Goals for Fiscal Year 2018****DPW Departments**

- Major Infrastructure Projects
  - Complete West Union Sewer Main Project
  - Complete MBTA Access Roadway Project
  - Construct and Complete the Upgrades to the Southborough Water System
  - Construct and complete the upgrades to the Oregon Road Water Main
  - Tie into the MWRA for Supplemental Drinking Water
- Water
  - Annual Flushing
  - Exercise Gates and Valves
  - Water Distribution Leak Detection and Repair
  - Stay in compliance with Local, State, and Federal Regulations.
- Sewer
  - Maintain Sewer Pump Stations throughout the Year
  - Install generator at the Ledgemere Pumpstation

- Highway
  - NPDES Program
  - Repair Mulbury Street Drainage Issue
  - Annual Sweeping
  - Repair Catch Basins
  - Paint and Line Streets
  - Continue with Tree Trimming, Litter Disposal, Pothole Patching, etc.
  - Sidewalks
    - Get Howe Street Sidewalks Designed and Engineered Properly
  - Roadways to Resurface
    - Upper Chestnut
    - Brooke Street
    - Clyde
    - Section of Columbus
    - Section of Christy and Metropolitan
  
- Cemetery, Parks, and Trees
  - Maintain at a high level
  
- Rubbish and Recycling
  - Roll out the Tote system
  
- Equipment
  - Perform annual oil changes and inspections
  - Purchase new equipment for water and sewer operations
  
- Athletic Field Program
  - Provide quality fields
  - Increase revenue
  
- Facilities
  - Remove large stockpile of excavated material

**Public Buildings & Property Maintenance**

- Complete solar projects at Howe Street, High School and Middle School
  
- Establish preventative maintenance schedule with corresponding services contracts and funding plan
  
- Establish building committee for public safety building

- Establish methodology for improved communication through facilities buildings reps and/or facilities advisory committee
- Work with DPW to establish long term maintenance plan for the fields
- Increase use of work order system. Provide education, guidelines, and other resource documents for employee

Position Summary Schedule – DPW & Facilities

Position	FY16 FTE	FY17 FTE	FY18 FTE	Change
<b><u>Department of Public Works</u></b>				
Director of Public Works	1.0	1.0	1.0	-
Deputy Director/Operations Manager	0.0	0.0	1.0	1.0
Town Engineer	1.0	1.0	1.0	-
Program Manager	1.0	1.0	1.0	-
Accounts Payable Clerk	3.0	3.0	2.5	(0.5)
General Foreman – Highway/CPT/Fields	1.0	1.0	1.0	-
General Foreman – Water/Sewer	1.0	1.0	1.0	-
W/S - Working Foreman	1.0	1.0	1.0	-
Water Technicians	2.0	2.0	2.0	-
W/S – Light Equipment Operators	3.0	3.0	3.0	-
W/S - Lead Operator	1.0	1.0	1.0	-
Mechanic	1.0	1.0	1.0	-
Highway – Lead Operator	1.0	1.0	1.0	-
CPT/Fields – Lead Operator	1.0	1.0	1.0	-
HWY Shared Lead Operator/Mechanic	1.0	1.0	1.0	-
Heavy Equipment Operator – Gen. Gov.	1.0	1.0	1.0	-
Light Equipment Operator – Gen. Gov.	5.0	5.0	7.0	2.0
<b><u>Department of Public Facilities</u></b>				
Director of Public Facilities	1.0	1.0	1.0	-
Maintenance/Custodian	1.0	1.0	1.0	-
Custodian	1.0	1.0	1.0	-
Electrician	0.2	0.2	0.2	-
Energy Manager	0.5	0.2	0.0	(0.2)
Maintenance Foreman (School)	1.0	1.0	1.0	-
Maintenance Employee (School)	3.0	3.0	3.0	-
Custodial Employee (School)	18.0	18.0	18.0	-
<b>Total FTEs</b>	<b>50.7</b>	<b>50.4</b>	<b>52.7</b>	<b>2.3</b>

**Personnel Note:** The Deputy Director/Operations Manager and (2) Light Equipment Operators are new positions in FY18. One of the clerks at DPW has been moved down to part time and the Energy Manager is no longer employed with the Town.

**Budget Changes or Initiatives**

Overall, DPW Admin. decreased \$9,392 (8.72%) from FY17. Salaries increased \$6,119 (6.82%). Approximately \$5,000 relates to the salary of the new DPW Director, who was hired at a higher salary than the former Director. The remainder relates to cost of living increases for other staff. Non-payroll expenses decreased \$15,511 (86.60%). In FY17, \$6,000 was budgeted for a one-time purchase for safety equipment and \$6,000 for training for the entire department. In FY18, department wide trainings are now budgeted in the HR budget. The \$1,500 budgeted in FY18 is for the Director, Deputy Director, and Engineer.

**DPW Administration**

			<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2018 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>01421 - Public Works Administration</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	51100	Salaries	84,464	88,842	94,653	5,810	6.54%
	51400	Longevity	1,165	890	1,199	309	34.72%
<b>Subtotal - Personnel</b>			<b>85,629</b>	<b>89,732</b>	<b>95,852</b>	<b>6,119</b>	<b>6.82%</b>
	57100	In-State Travel	83	1,000	150	(850)	-85.00%
	57200	Purchase of Services	3,006	4,120	0	(4,120)	-100.00%
	57300	Dues & Membership	764	544	750	206	37.91%
	57400	Training/Conf./Courses	85	6,247	1,500	(4,747)	-75.99%
	58000	Safety Equipment		6,000	0	(6,000)	-100.00%
<b>Subtotal - Expenses</b>			<b>3,937</b>	<b>17,911</b>	<b>2,400</b>	<b>(15,511)</b>	<b>-86.60%</b>
<b>Total 01421 - Public Works Administration</b>			<b>89,566</b>	<b>107,643</b>	<b>98,252</b>	<b>(9,392)</b>	<b>-8.72%</b>

**Highway**

The Highway budget increased \$15,403 (3.53%) overall. The net impact to salaries was an increase of \$28,634 (9.43%). There was a new position, equipment operator, added to the Highway Dept. of \$45,000. There were several cost of living adjustments of 2% for staff. Also, in FY18, there is approximately \$10,000 less budgeted for summer help than in FY17. Last, there were vacancies during FY17 that were filled by employees at a lower rate.

Non-payroll expenses decreased \$13,231 (9.95%). Expense line budgets were based upon a trend analysis. Note that in FY16 actual expenses in certain line items are high because there were several vacancies in FY16 in DPW. This allowed DPW to expend monies in other needed areas – such as the purchase of containers to hold equipment and line painting.

			<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2018 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>01422 - Public Works Highway</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	51130	Salaries	232,766	278,989	314,818	35,829	12.84%
	51300	Overtime & Recall/Beeper	9,613	13,257	9,805	(3,452)	-26.04%
	51350	Beeper Allowance	3,600	3,570	3,672	102	2.86%
	51400	Longevity	1,600	1,591	1,500	(91)	-5.73%
	51900	Uniform Expenses/Allowance	2,400	6,202	2,448	(3,754)	-60.53%
<b>Subtotal - Personnel</b>			<b>249,978</b>	<b>303,609</b>	<b>332,243</b>	<b>28,634</b>	<b>9.43%</b>
	52000	Purchase of Services	754	3,090	800	(2,290)	-74.11%
	52410	Maint. Service Contracts	106	3,394	150	(3,244)	-95.58%
	52450	Contracted Services	75,765	63,262	65,000	1,738	2.75%

**Dept. of Public Works and Dept. of Public Facilities**

**Section 7- 17**

	52720	Radio Equip Repair/Parts	10	412	100	(312)	-75.73%
	53410	Telephone Expense	1,070	988	988	0	0.00%
	54000	Supplies	534	0	0	0	
	54150	Postage/Stamps/Reg Mail	423	155	155	0	0.00%
	54200	Office Supplies	444	630	630	0	0.00%
	54300	Maintenance Supplies	59	927	927	0	0.00%
	54400	Auto Parts & Supplies	25,992	26,595	20,000	(6,595)	-24.80%
	54430	Sign Supply- Road/Traffic	3,904	4,120	4,120	0	0.00%
	54450	Tools/Hardware	10,050	4,532	4,532	0	0.00%
	54710	Concrete	118	2,884	500	(2,384)	-82.66%
	54720	Asphalt	8,188	7,709	12,991	5,283	68.53%
	54730	Gravel, Loam, Mulch	1,480	2,704	2,704	0	0.00%
	55800	Misc. Supplies	18,362	11,221	5,000	(6,221)	-55.44%
	57300	Dues & Membership	120	82	82	0	0.00%
	57400	Training/Conf./Courses	686	206	1,000	794	385.44%
	58500	Purchase of Equipment	15,501				
		<b>Subtotal - Expenses</b>	<b>163,567</b>	<b>132,910</b>	<b>119,679</b>	<b>(13,231)</b>	<b>-9.95%</b>
		<b>Total 01422 - Highway</b>	<b>413,545</b>	<b>436,519</b>	<b>451,922</b>	<b>15,403</b>	<b>3.53%</b>

**Snow & Ice Removal**

The Snow & Ice budget will be level funded for the FY18 budget year.

			<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2018 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>01423 - Snow and Ice Removal</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	51300	Overtime	41,633	24,800	24,800	0	0.00%
<b>Subtotal - Personnel</b>			<b>41,633</b>	<b>24,800</b>	<b>24,800</b>	<b>0</b>	<b>0.00%</b>
	51350	Beeper Allowance	9,856	4,400	4,400	0	0.00%
	52450	Contracted Services	243,854	80,000	80,000	0	0.00%
	54400	Auto Parts & Supplies	30,363	15,000	15,000	0	0.00%
	54950	Sand, Salt, Etc.	157,773	125,000	125,000	0	0.00%
	55800	Misc. Supplies	1,353	5,000	5,000	0	0.00%
	58500	Purchases of Equipment	25,841	31,000	31,000	0	0.00%
<b>Subtotal - Expenses</b>			<b>469,039</b>	<b>260,400</b>	<b>260,400</b>	<b>0</b>	<b>0.00%</b>
<b>Total 01423 - Snow and Ice Removal</b>			<b>510,672</b>	<b>285,200</b>	<b>285,200</b>	<b>0</b>	<b>0.00%</b>

**Highway Streetlighting**

The Highway Streetlighting budget was reduced by \$1,200 (2.91%) to better reflect spending in this area.

			<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2018 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>01424</b>	-						
<b>Streetlighting</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	52000	Purchase of Services					
	52100	Utilities Expenses	36,916	41,200	40,000	(1,200)	-2.91%
<b>Subtotal</b>	-		<b>36,916</b>	<b>41,200</b>	<b>40,000</b>	<b>(1,200)</b>	<b>-2.91%</b>
<b>Expenses</b>							
<b>Total 01424 - Streetlighting</b>			<b>36,916</b>	<b>41,200</b>	<b>40,000</b>	<b>(1,200)</b>	<b>-2.91%</b>

**Highway Combined Fuel**

The Highway Fuel budget will remain level funded for FY18.

			<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2018 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>01429 - Combined Fuel Account</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	54800	Gasoline	99,500	75,000	75,000	0	0.00%
	54880	Diesel	37,816	75,000	75,000	0	0.00%
	55800	Misc. Supplies	7,010	1,000	1,000	0	0.00%
<b>Subtotal - Expenses</b>			<b>144,326</b>	<b>151,000</b>	<b>151,000</b>	<b>0</b>	<b>0.00%</b>
<b>Total 01429 - Combined Fuel Account</b>			<b>144,326</b>	<b>151,000</b>	<b>151,000</b>	<b>0</b>	<b>0.00%</b>

**Cemetery, Parks, & Trees**

The Cemetery, Parks, and Trees budget increased by \$40,334 (20.40%) overall. Salaries increased by \$32,469 (17.11%). A new position was created in FY18 in the amount of \$40,000, of which \$30,000 is to be allocated to the Cemetery budget and \$10,000 to the Fields Budget. The remainder of the increase in salaries is attributable to cost of living adjustments for staff. Non-payroll expenses increased \$7,865 (99.69%) to better reflect the needs of the department.

			<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2018 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>01491 - Cemetery Parks &amp; Trees</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	51130	Salaries	144,227	181,640	215,524	33,884	18.65%
	51300	Overtime & Recall/Beeper	4,233	3,570	4,318	748	20.94%
	51400	Longevity	1,800	1,800	800	(1,000)	-55.56%
	51900	Uniform Expenses/Allow.	1,600	2,795	1,632	(1,163)	-41.61%
<b>Subtotal - Personnel</b>			<b>151,860</b>	<b>189,805</b>	<b>222,273</b>	<b>32,469</b>	<b>17.11%</b>
	52000	Purchase of Services	625	1,205	650	(555)	-46.06%
	52410	Maintenance Service Contract	106	0	105	105	
	52450	Contracted Services	6,232	1,308	6,500	5,192	396.90%
	52965	Beaver Control	7,800			0	
	54150	Postage/Stamps/ Mail		309		(309)	-100.00%
	54200	Office Supplies	22	124		(124)	-100.00%
	54400	Auto Parts & Supplies	6,819	-	5,000	5,000	
	54420	Cem. & Park Supplies		206	150	(56)	-27.18%

**Dept. of Public Works and Dept. of Public Facilities**

**Section 7- 22**

	54450	Tools/Hardware	440	515	500	(15)	-2.91%
	54460	Trees/Shrubs- Replacement	-879	2,060	1,000	(1,060)	-51.46%
	55800	Misc. Supplies	1,343	1,288	1,250	(38)	-2.91%
	57300	Dues & Membership	100	103	100	(3)	-2.91%
	57400	Training/Conf./ Courses	678	773	500	(273)	-35.28%
	58500	Purchases of Equipment					
<b>Subtotal - Expenses</b>			<b>23,286</b>	<b>7,890</b>	<b>15,755</b>	<b>7,865</b>	<b>99.69%</b>
<b>Total 01491 - Cemetery Parks &amp; Trees</b>			<b>175,146</b>	<b>197,694</b>	<b>238,028</b>	<b>40,334</b>	<b>20.40%</b>

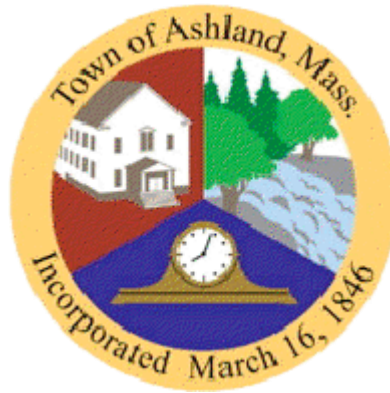
**Public Facilities**

Public buildings increased \$21,246 (4.85%) overall.

Salaries decreased \$2,084 (1.51%) which is a combination of the Energy Manager’s position no longer being funded partly from the public buildings budget, a part-time electrician’s hours being reduced, and a 2% cost of living adjustments for employees. An overtime line item has been added to the FY18 budget for the two custodial/maintenance employees for the Town. This line item is for emergencies and vacation or sick coverage.

Non-payroll expenses increased \$23,330 (7.77%). This is mainly attributable to the increase in utilities expense of \$9,000 and the increase in contracted services of approximately \$13,000. In FY2016, the Town spent approximately \$209,000 on utilities. As the Town has acquired new buildings, we expect to see a slight increase in costs. Also, the \$13,000 additional in contracted services covers minor air testing, potential asbestos testing/removal, and alternative pesticides to meet to new health department regulations

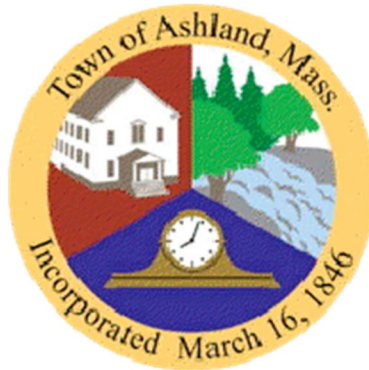
			<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2018 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>01192 - Public Buildings</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	51130	Salaries	127,735	135,953	128,870	(7,084)	-5.21%
	51300	Overtime			5,000	5,000	
	51400	Longevity	2,200	2,000	2,000	0	0.00%
	<b>Subtotal - Personnel</b>		<b>129,935</b>	<b>137,953</b>	<b>135,870</b>	<b>(2,084)</b>	<b>-1.51%</b>
	52100	Utilities Expenses	209,123	206,000	215,000	9,000	4.37%
	52450	Contracted Services	67,882	70,120	83,000	12,880	18.37%
	54300	Maintenance Supplies	24,387	21,500	22,000	500	2.33%
	54400	Auto Parts & Supplies	3,720	2,000	1,800	(200)	-10.00%
	55800	Misc. Supplies	185	800	1,200	400	50.00%
	57100	Travel Expenses	209		250	250	
	57400	Training/Conf./Courses			500	500	
	<b>Subtotal - Expenses</b>		<b>305,505</b>	<b>300,420</b>	<b>323,750</b>	<b>23,330</b>	<b>7.77%</b>
	<b>Total 01192 - Public Buildings</b>		<b>435,440</b>	<b>438,373</b>	<b>459,620</b>	<b>21,246</b>	<b>4.85%</b>



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# Public Safety

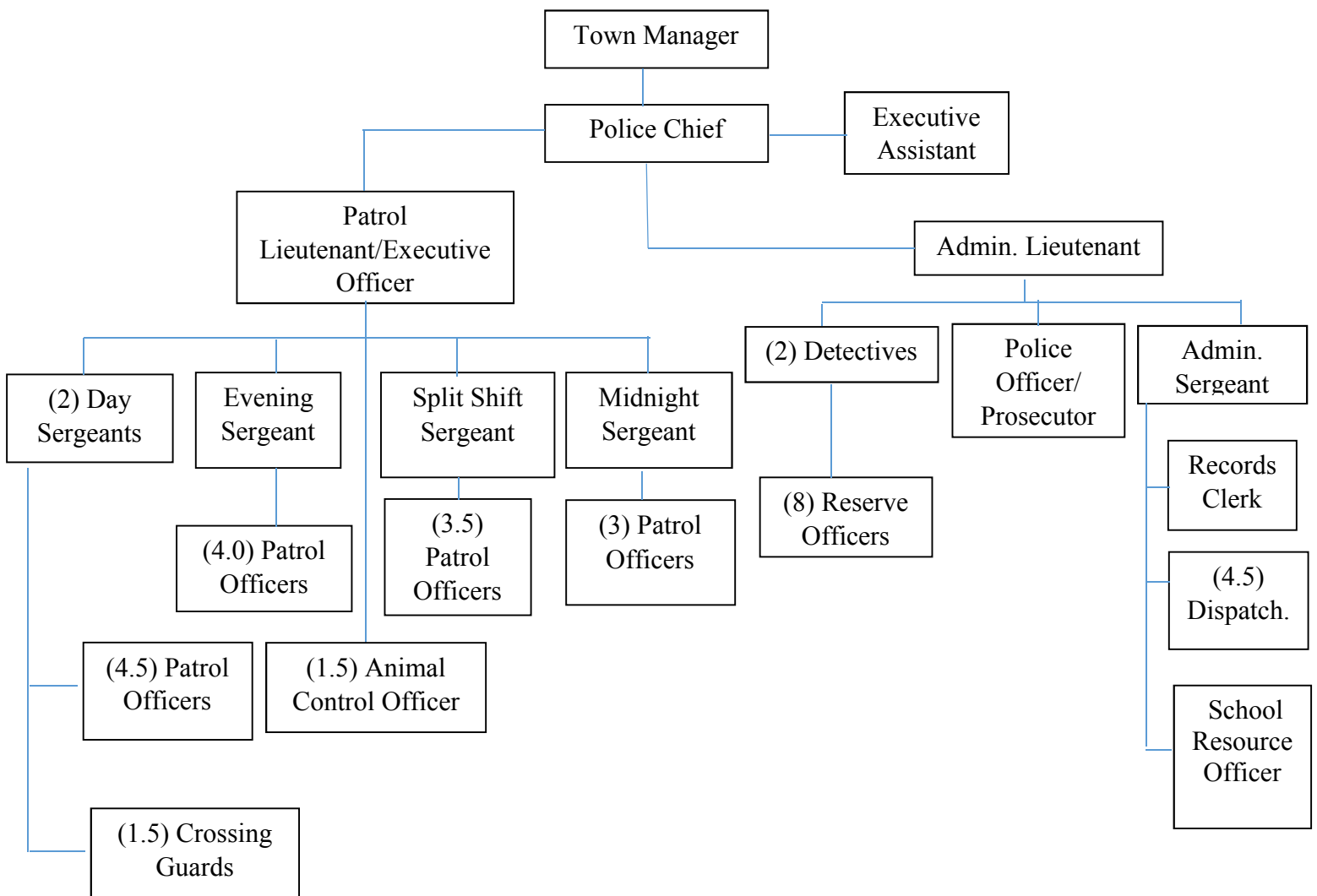
## Section 8



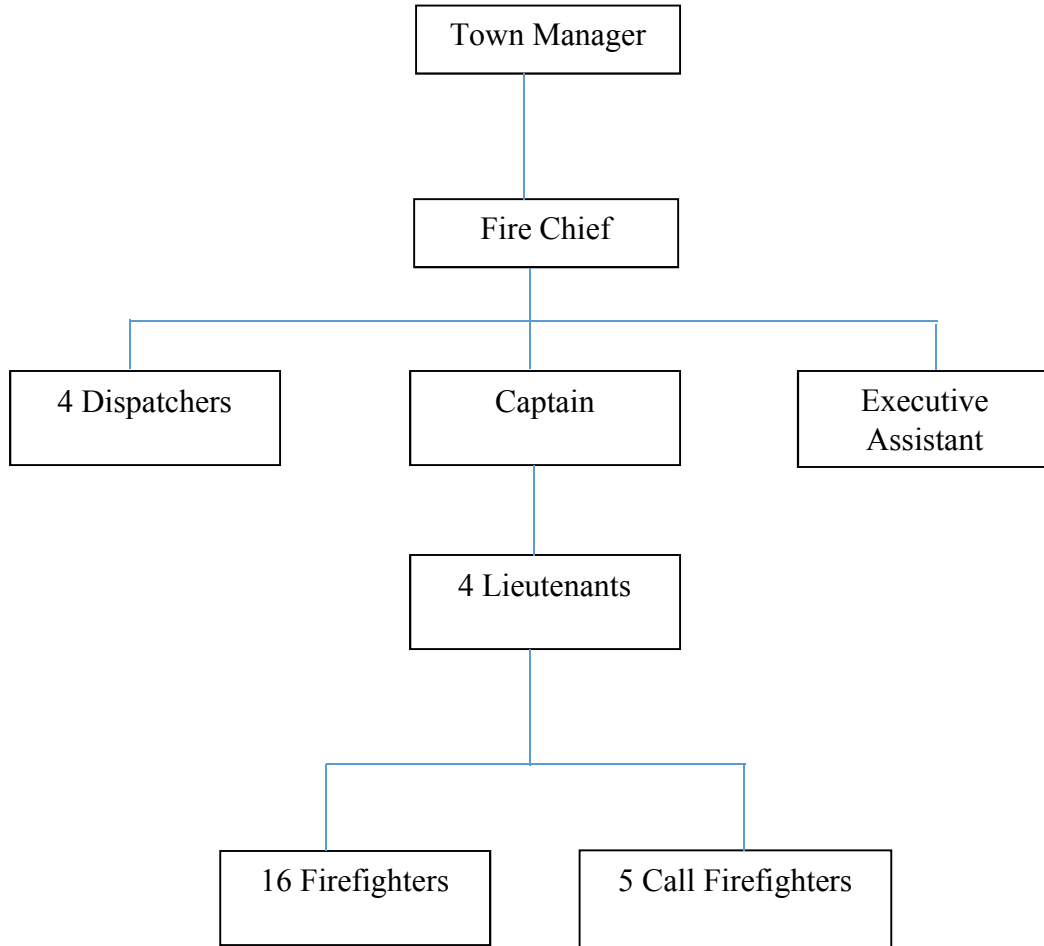
Background

The Public Services Division consist of the Police Department and the Fire Department. The Police Department also oversees the Animal Control Department. The Fire Department has two fire stations that are located on Main St and Cedar St. The administrative offices are located at the Cedar St station. The on-duty firefighters respond in apparatus from the Main St station while the Lieutenant responds in a car from the Cedar St station. The department operates 3 engines, 1 tower unit, 1 heavy rescue and 2 ambulances. The department responds to an average of 2,000 calls a year.

Police Department Organizational Chart



Fire Department Organizational Chart



Programs & Services

Fire

- Fire Administration & Management**
- Combination Dept. (Career & On-Call)
  - Record and database management – reporting
  - Grant writing & administration
  - Hazardous materials and fire alarm billing
  - Vehicle and equipment maintenance
  - Public Information - Social Media

- Fire Suppression and Rescue Services**
- Transportation/Motor Vehicle Firefighting
  - Ice and water rescue
  - Technical rescue
  - Fire Investigation
  - Vehicle/Industrial extrication
  - Brush and woodland firefighting
  - Structural firefighting
  - Rapid intervention team
  - Emergency Vehicle Operation Driver training

- Fire Prevention & Education**
- Permits, inspections & code enforcement
  - Site plan, building plan, and fire system review
  - Life safety inspections and fire drills
  - Critical incident plans
  - Fire extinguisher training
  - First Aid, CPR, and defibrillator training
  - CAMP bailout

- Emergency Medical Services**
- Provide paramedic and advanced level life support
  - Provide basic and first responder level emergency medical care
  - Mass Casualty Incident response
  - Operate 2 ambulances

Programs and Services

**Police**

**Community Services**

- Community Outreach
- Court prosecution
- Firearms licensing
- Crime prevention
- Social media

**Patrol Division**

- Emergency Response
- Traffic enforcement
- Crime prevention
- Domestic violence prevention
- Juvenile services
- Governor’s Highway Safety Grant enforcement
- School Programs Safety training
- School Resource Officer

**Detective Division**

- Investigative Services
- Court prosecution
- Drug Investigation
- Employee background investigation
- Liquor investigation
- Evidence and Property Management

**Communication/Dispatch**

- Emergency 911 for Police/Fire/EMS
- Accident Report processing
- Emergency medical dispatch
- Outdoor burning permits
- After hours point of contact for Town services

**Police**

The Ashland Police Department is responsible for providing 24 hours/365 days a year delivery of public safety services to the community. Our officers staff on average 3,650 uniform patrol shifts annually. These complex and diverse services include but not limited to emergency medical response, traffic safety and enforcement initiatives, motor vehicle accident investigation, criminal law investigations, domestic assault response and investigations, neighborhood disturbances and disputes, and search for lost or missing persons. The police department has added animal control to its responsibilities during FY17. This additional responsibility has resulted in the absorption of one full-time and one part-time Animal Control Officer, one animal control vehicle, as well as the oversight of the town's kennel. The police department also participates in many community based programs such as local food and toy drives, security and traffic control for road races, school based initiatives, and drug and alcohol prevention based strategies.

The Department's personnel and functions are primarily divided into the following two divisions: The Operations Division and The Administrative Division. Each division is commanded by a Lieutenant. The Operations division is response for the uniformed patrol, K-9 unit, media relations, and fleet services. The Administrative division is responsible for detectives, dispatchers, records, information technologies, training, policy management, court/evidence, and the school resource officer. The Department also has entered into a collaborative agreement between Advocates, Inc. and the surrounding communities of Holliston, Hopkinton and Sherborn to provide a mental health crisis clinician to co-respond with our officers to people experiencing behavioral health disorders.

The Department currently consists of 1 Chief, 2 Lieutenants, 6 Sergeants, 18 Police Officers, 6.5 Dispatchers/Clerical, 8 Reserve Officers, 1.5 Crossing Guards, and 1.5 Animal Control Officers.

**Fire**

The Ashland Fire Department is charged with protecting life and property throughout the town by servicing a number of different functions. The fire department is now considered an All Hazards department. Increased demand for service combined with ever changing mission requirements and staffing limitations continues to be challenging. The staff continues to meet all challenges head-on while providing the very best in customer service to our residents and community.

Fire prevention and code enforcement continues to be a top priority for this department. We recognize that our primary goal is to prevent fires or other emergencies from happening in the first place. A fire that does not happen cannot harm our citizen or their property. We also recognize that the most effective way of preventing fires or other emergencies is through a pro-active, comprehensive, coordinated and consistent program of inspection and the subsequent enforcement of appropriate ordinances, codes and standards. Some examples of the fire prevention/life safety projects worked on during the year in addition to hundreds of residential and commercial inspections and permitting include:

- Large scale multi-story residential apartment complex
- Two large scale multi-story assisted living facilities

- Planning of a Proposed Ashland Rail Transit Project

Emergency Medical Services at the Advanced Life Support (ALS) level continues to be a priority for this department. With approximately 62% of our emergency responses being emergency medical in nature, the ability to provide high quality and consistent paramedic level care is paramount to patient survival and key to quality service.

To provide a highly trained and professional emergency medical response capability to our residents takes a number of hours training. Each of our providers, at all levels, completes nearly 100 hours of continuing education during their annual certification cycle. Additional classes in Advanced Cardiac and Pediatric Advanced Life Support were successfully completed along with Paramedic/EMT refresher class. Two members attended the Paramedic program to become paramedics for the department.

Operations on the fire ground are fast paced and require advanced skills. The techniques, tools and skills needed by today's firefighters are constantly evolving. Training for our firefighters is by far the most important investment the town can make. Given the complexity of today's fire service mission, training is more important than ever. Recognizing that successful fire ground operations is a team effort. Captain Robie attended the Chief Fire Officer program. Three members attended the Massachusetts Firefighting Recruit Training program. Department wide training is conducted every year. Examples of this training include:

- Mandatory Live Fire Evolutions
- Self-Contained Breathing Apparatus Maze training
- Rapid Intervention Firefighter Rescue training
- Emergency Vehicle Operation Driver training
- Vehicle Extrication/Rescue Jacks training
- Water Rescue
- Massachusetts Firefighting Academy Classes

The Ashland Fire department is a department consisting of 1 Chief, 1 Executive Assistant, 1 Captain/Fire Prevention Officer, 4 Shift Lieutenants, 16 Fulltime Firefighters, 4 Dispatchers and 5 Call Members. The fulltime personnel work an average of 42 hours a week on a 4-shift, eight-week rotating schedule.

**Selected Accomplishments During Fiscal Year 2017****Police**

- Purchased and installed electronic speed announcement signs at the intersections of Oak St and Oregon Rd and Prospect St and Elliot St which has dropped the amount of accidents
- The remaining third of the department received training in Mental Health First Aid, a program designed for officer to better understand interactions with the mentally ill
- Half of the department were issued TASERS during FY16, the remaining half received their TASERS (and associated training) during FY17
- As an ongoing initiative, officers continue to receive specialized training in legal updates, the new marijuana laws, search and seizure issues, etc. We continue to regionalize and cost share our state mandated annual in-service training with Holliston, Sherborn and Hopkinton police departments
- In partnership with Decisions At Every Turn, we have delivered our annual seminar to all liquor license holders within the town. The seminar focuses on the legal and social responsibility for selling and serving alcohol. The effort is aimed at the reduction of underage alcohol purchases and consumption as well as improper consumption (over serving) within licensed establishments
- Replaced all issued handguns as a more efficient approach to the cost of repairing many older weapons. Many of the older handguns required complete overhaul of internal components. The cost of parts and labor needed to overhaul for the older weapons was approximate the same cost of the new weapon. The new handguns are the same manufacturer/model as the ones officers had previously carried however the ammunition is a different size and therefore less expensive.
- We have automated the scheduling, invoicing, and billing for details with Extra-Duty Solutions. The vendor has assumed all risk of non-payment by vendors and guarantees 100% collection rate. This should be a significant saving to the town.
- The former method of handwritten work schedules has been replaced using an automated scheduling software program. We now have the ability to accurately track an officers time therefore increasing transparency and payroll accuracy.
- The police department has assumed control of the town's Animal Control function. We have hired a full-time Animal Control Officer and are in the process of hiring a part time officer. A new vehicle was purchased that replaced their former van that had over 100,000 miles on it. Many repairs to the Town Kennel were finished to include the installation of an alarm system.

- The police sub-station at Market Basket Plaza was relocated to a new location within the plaza at 29 Pond St. The new location affords a greater view of the parking areas and store fronts.

**Fire**

- Continued with “Adopt a hydrant program
- Continued with Camp Bailout summer program
- Took delivery of a new ambulance
- Installed Washer/Dryer for Turn-out Gear
- Hired 2 additional fulltime firefighters
- Placed order for a new fire engine
- Implemented a vehicle maintenance officer
- Worked on commercial building pre-plans
- Worked on updating department standard operating guidelines
- Chief Boothby/Captain Robie received credentialing as a Chief Officer

**Goals for Fiscal Year 2018**

**Police**

- To continue to provide training to members of the department to increase the department’s capacity to respond and deliver proactive and effective police services.
- Attain State Certification by re-writing policies to meet current case laws and best practices, in order to, demonstrate that the department complies with agency procedures.
- Increase visibility of animal control regulations and enforcement.
- Provide a clean, safe, and secure environment for employees who work at the Town kennel and for the animals boarded there.
- Provide effective animal control coverage for the Town
- Continue to grow the police department incrementally by hiring one officer per year to keep pace with community growth and other needs

**Fire**

- To continue to provide training to members of the department to increase the department's capacity to respond and deliver proactive and effective fire services.
- Create and maintain a vehicle maintenance tracking system
- Increase the 'Call Firefighters' staffing from 5 to 10 members
- Decrease Fire & EMS response time with the addition of 4 new Firefighters
- Increase Emergency Medical Service revenue with the addition of 4 new Firefighters – 2 in FY17 and 2 in FY18

## Position Summary Schedule – Finance Department

Position	FY16 FTE	FY17 FTE	FY18 FTE	Change
<b>Police</b>				
Police Chief	1.0	1.0	1.0	-
Executive Assistant	1.0	1.0	1.0	-
Lieutenant	2.0	2.0	2.0	-
Sergeant	6.0	6.0	6.0	-
Police Officers	16.0	17.0	18.0	1.0
Reserve Officers	8.0	8.0	8.0	-
Dispatchers	4.5	4.5	4.5	-
Records Clerk	1.0	1.0	1.0	-
Crossing Guards	1.5	1.5	1.5	-
Animal Control Officers	1.0	1.0	1.5	0.5
<b>Fire</b>				
Fire Chief	1.0	1.0	1.0	-
Captain	1.0	1.0	1.0	-
Dispatchers	4.0	4.0	4.0	-
Executive Assistant	1.0	1.0	1.0	-
Lieutenants	4.0	4.0	4.0	-
Firefighters	12.0	14.0	16.0	2.0
Call Firefighters	5.0	5.0	5.0	-
<b>Total FTEs</b>	<b>70.0</b>	<b>73.0</b>	<b>76.5</b>	<b>3.5</b>

**Personnel Note:** The FY18 budget includes an additional police officer and a part-time animal control officer. The Town is also planning on adding two additional firefighters to the Fire Department in FY18.

**Budget Changes or Initiatives****Police**

The Police budget increased \$132,024 (4.19%) over FY17. Salaries increased \$169,578 (5.69%) and non-payroll expenses increased \$38,446 (22.58%). The budget is being offset by two (\$38,000) payments for a total of \$76,000 from the Town of Holliston for Animal Control Services.

The salaries account increased \$167,474 due to the funding of an additional police officer (\$60,907), a part time animal control officer (\$20,000), and negotiated step increases/raises/promotions (\$85,000). The remainder of the salary accounts have been increased/reduced to either reflect actual spending (overtime accounts) or contractual obligations (i.e. uniform allowance, holiday pay, etc.)

The non-payroll accounts have been adjusted to reflect the needs of the department. For instance, the animal food/supplies budget increased \$13,400 as the Police Dept. now oversees the Animal Control Dept. This line item covers expenses of the animal control shelter. The photo supplies line item of \$7,039 includes the cost of arrest photos, camera supplies and maintenance, evidence collection and processing supplies, and other necessary items. The contracted services line item increased to reflect actual costs in FY16 which includes a mental health clinician, Code Red expense, etc.

			<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2018 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>01210 - Police</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	51100	Salaries	1,965,273	2,059,988	2,227,472	167,474	8.13%
	51310	O.T. to Cover Vacation	66,897	130,599	70,000	(60,599)	-46.40%
	51320	O.T. to Cover Sick/Personal	124,154	102,000	127,075	25,075	24.58%
	51330	Regular O.T. Police	60,561	67,840	69,163	1,323	1.95%
	51340	O.T. to Cover Court Time	22,259	38,345	39,112	767	2.00%
	51400	Longevity & Fringes	19,373	24,600	24,000	(600)	-2.44%
	51410	Shift Differential	34,878	47,261	48,205	945	2.00%
	51420	Holiday Pay	87,426	103,645	110,492	6,847	6.61%
	51430	Officer in Charge Pay	1,844	2,617	2,669	52	2.00%
	51440	Other Incentive	187,102	196,250	209,450	13,200	6.73%
	51441	Quinn Bill	92,534	96,327	113,208	16,881	17.53%
	51810	O.T. to Cover In Service	41,210	51,592	51,592	0	0.00%

**Public Safety**

**Section 8-12**

	51820	O.T. to Cover Other Training	14,871	30,518	31,931	1,412	4.63%
	51900	Uniform Exp/Allowance	15,299	29,575	26,375	(3,200)	-10.82%
<b>Subtotal - Personnel</b>			<b>2,733,682</b>	<b>2,981,167</b>	<b>3,150,744</b>	<b>169,578</b>	<b>5.69%</b>
	52410	Maintenance Service Contracts	3,612	3,142	9,050	5,909	188.08%
	52420	Computer/Software Maintenance	33,775	31,183	33,501	2,318	7.43%
	52450	Contracted Services	32,354	23,787	35,001	11,214	47.14%
	52720	Radio Equip Repair/Parts	47,951	10,500	10,500	0	0.00%
	53410	Telephone Expense	100	0	0	0	
	54120	Photo Supplies/Film	2,876	3,039	7,039	4,001	131.66%
	54150	Postage/Stamps/Reg Mail	783	1,500	1,500	0	0.00%
	54200	Office Supplies	3,399	2,111	2,111	0	0.00%
	54400	Auto Parts & Supplies	35,422	26,700	25,200	(1,500)	-5.62%
	54490	Firearms Supplies	12,449	14,194	18,173	3,979	28.03%
	54550	Animal Food/Supplies	1,147	1,500	14,900	13,400	893.33%
	54600	Reference Books/Material	1,689	2,650	2,650	0	0.00%
	55800	Misc. Supplies	6,847	2,825	2,825	0	0.00%
	55850	Food - Prisoner	548	3,300	1,200	(2,100)	-63.64%
	57100	In-State Travel	2,346	2,720	2,200	(520)	-19.12%
	57300	Dues & Membership	8,784	9,120	9,120	0	0.00%
	57400	Training/Conf./Courses	11,082	30,000	31,650	1,650	5.50%
	57800	Other Misc. Expenses	2,440	1,966	2,062	96	4.88%
<b>Subtotal - Expenses</b>			<b>207,606</b>	<b>170,236</b>	<b>208,682</b>	<b>38,446</b>	<b>22.58%</b>
Offset: Animal Control Payment From Holliston - 2 years					(76,000)		
<b>Total 01210 - Police Department</b>			<b>2,941,287</b>	<b>3,151,403</b>	<b>3,283,427</b>	<b>132,024</b>	<b>4.19%</b>

**Fire**

The Fire Department's overall budget decreased \$181,455 (7.49%).

Personnel costs increased \$218,766 (9.85%) and non-payroll expenses decreased a mere 221 (0.11%).

However, in FY2018, the Town will recommend the creation of an Emergency Medical Services (EMS) revolving fund. Revenues received from ambulance or EMS runs will be deposited into this fund. The Town will then charge this newly created fund \$400,000 for EMS personnel salaries.

Salaries increased due to the additional of two new firefighters in FY18 (\$103,000), cost of living adjustments (\$30,000). Training has been increased \$25,000 to cover fire suppression training, mandatory technical rescue refresher training, and emergency medical services continuing education training. The remainder of the personnel line items are contractual obligations.

The non-payroll line items have been adjusted for FY18 to better reflect spending.

			<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2018 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>01220 - Fire Department</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	51100	Salaries	1,410,565	1,496,812	1,630,543	133,731	8.93%
	51220	Call FireFighters	2,688	21,634	24,600	2,966	13.71%
	51300	O.T. & Recall/Beeper	131,785	153,000	145,000	(8,000)	-5.23%
	51310	O.T. to Cover Vacation	160,121	147,900	175,000	27,100	18.32%
	51320	O.T. to Cover Sick/Personal	96,260	112,200	111,613	(587)	-0.52%
	51400	Longevity & Fringes	19,850	19,300 19,300	18,500	(800)	-4.15%
	51420	Holiday Pay	63,311	53,411	54,996	1,585	2.97%
	51440	Other Incentives Pay	81,866	108,900	145,650	36,750	33.75%
	51450	Education Incentive Pay	5,174	8,070	8,092	22	0.27%
	51460	Training Incentive	37,074	75,000	100,000	25,000	33.33%
	51470	Detail Pay	2,266				

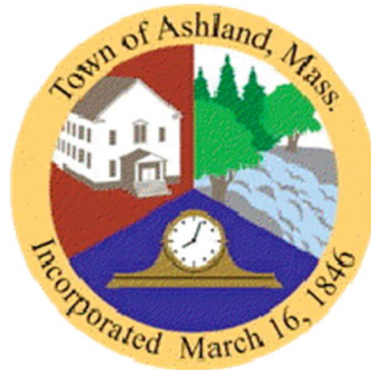
**Public Safety**

**Section 8-14**

	51900	Uniform Exp/Allowance	20,557	24,300	25,300	1,000	4.12%
<b>Subtotal - Personnel</b>			<b>2,031,517</b>	<b>2,220,528</b>	<b>2,439,294</b>	<b>218,766</b>	<b>9.85%</b>
	52410	Maintenance Service Contracts	16,585	19,500	20,700	1,200	6.15%
	52420	Computer/Software	2,297	2,500	2,500	0	0.00%
	52450	Contracted Services	31,383	29,000	30,000	1,000	3.45%
	52710	Office Equip Leas	994	2,400	2,900	500	20.83%
	52720	Radio Equip Repair/Parts	1,507	4,000	5,000	1,000	25.00%
	54120	Photo Supplies/Film	228	500	500	0	0.00%
	54150	Postage/Stamps/Mail	101	500	500	0	0.00%
	54200	Office Supplies	624	1,236	1,236	0	0.00%
	54220	Fire Equipment/Maintenance	46,706	53,000	46,829	(6,171)	-11.64%
	54230	Fire Alarm Equip/Maintenance	6,501	8,000	6,500	(1,500)	-18.75%
	54300	Maintenance Supplies	1,051	3,000	3,000	0	0.00%
	54600	Reference Books/Material	443	750	1,000	250	33.33%
	54750	E.M.S. Supplies	14,400	15,100	18,000	2,900	19.21%
	55800	Misc. Supplies	1,782	2,000	2,000	0	0.00%
	57000	Other Charges	1,631	2,000	2,000	0	0.00%
	57300	Dues & Membership	500	1,900	2,000	100	5.26%
	57400	Training/Conf./Courses	1,348	2,500	3,000	500	20.00%
	58500	Purchases of Equipment	53,952	55,000	55,000	0	0.00%
	58514	Ambulance License	1,600				
<b>Subtotal - Expenses</b>			<b>183,633</b>	<b>202,886</b>	<b>202,665</b>	<b>(221)</b>	<b>-0.11%</b>
<b>Offset: EMS Revolving Fund</b>					<b>(400,000)</b>		
<b>Total 01220 - Fire Department</b>			<b>2,215,150</b>	<b>2,423,414</b>	<b>2,241,959</b>	<b>(181,455)</b>	<b>-7.49%</b>

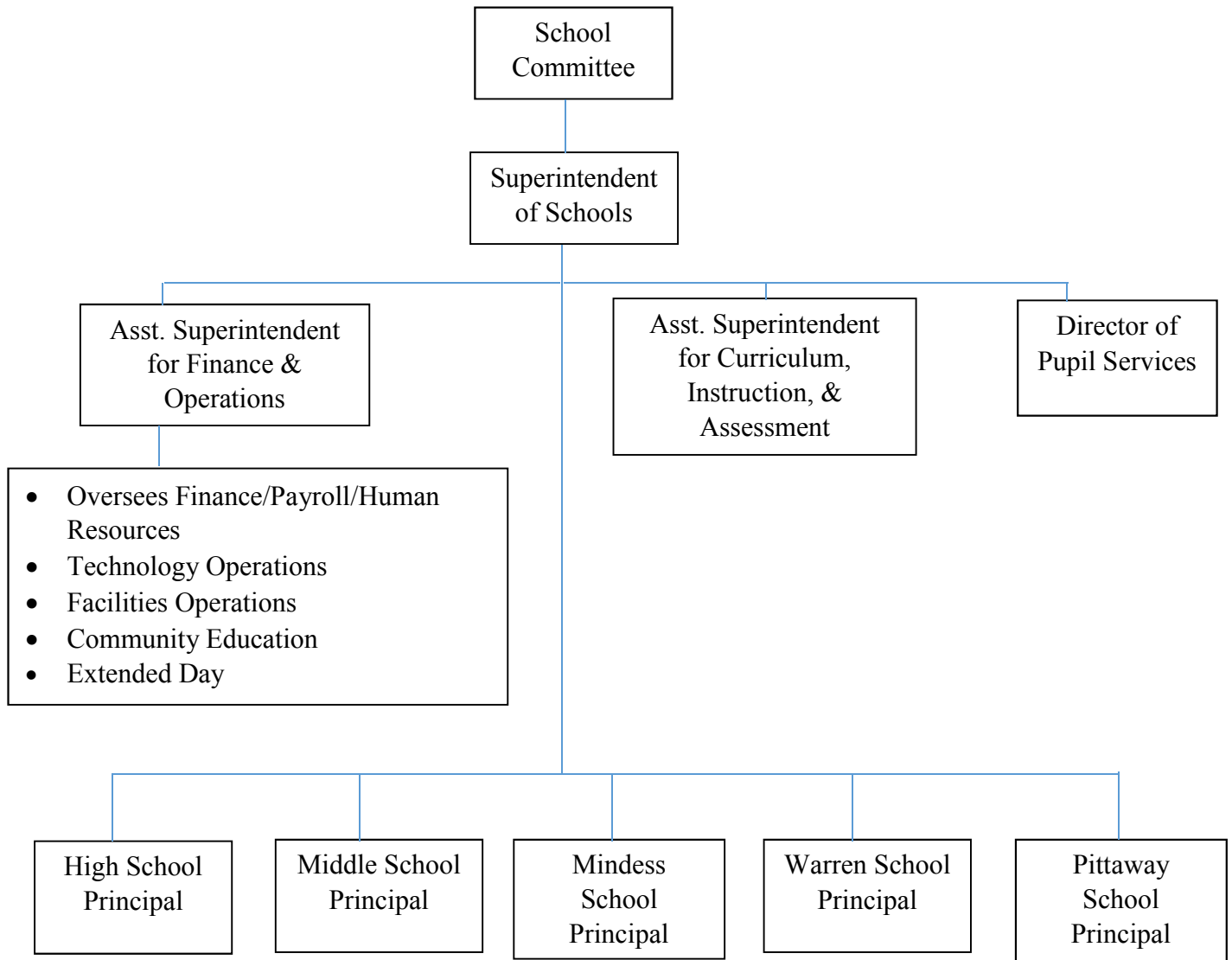
# Education

## Section 9



Ashland Public Schools

Organizational Chart



The Ashland School Committee consist of five (5) members elected by the voters of the Town of Ashland. The Ashland Public School system serves children in grades Pre-K through Grade 12. There is one Pre-K School called the William A. Pittaway School. There are two elementary schools: David A. Mindess School and Henry E. Warren School. The Mindess School serves children from Grade 3 through Grade 5. The Warren School services children from Kindergarten through Grade 2. There is also the Ashland Middle School, which services Grade 6 through Grade 8 and the Ashland High School.

As of December 2016, a total of 2,716 students attend the Ashland Public Schools. However, total enrollment is expected to reach 2,900 students by 2020 as major development projects are completed. For FY2018, the recommended budget for the Ashland Public Schools is \$29,078,500 an increase of \$1,170,678 or 4.19%.

For detailed information regarding the Town of Ashland Public School budget, please see the Superintendent’s FY2018 budget. This can be found on the Ashland Public Schools website [www.ashland.k12.ma.us/budget-information](http://www.ashland.k12.ma.us/budget-information).

**Keefe Regional Technical High School**

Keefe Regional Technical High School is located at 750 Winter Street in Framingham and serves the In-District Towns of Ashland, Framingham, Holliston, Hopkinton, and Natick. This technical high school is dedicated to providing students with organized educational programs offering sequences of courses designed to educate and prepare students for both employment and continuing academic and occupational preparation.

Keefe Tech. had a total of 717 students attending the school in the 2016-17 school year of which 63 students were from Ashland. This represents a decrease of 5 students from the prior year.

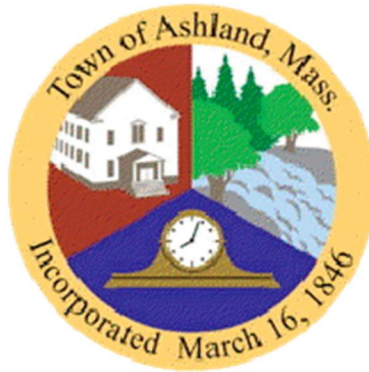
<b>Grades</b>	<b>Enrollment</b>
9	200
10	182
11	184
12	151
Total	717

The Keefe Regional Technical High School assessment has been budgeted for \$1,405,137 for FY2018.

For more information regarding the Keefe Regional Technical High School budget, initiatives, and goals, please contact the Keefe Regional Technical High School directly.

# Debt

## Section 10



**Overview**

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 the Water and Sewer Enterprise Funds 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, Standard and Poors (S&P) upgraded the Town’s bond rating from AA to AAA/Stable. S&P indicated a very strong debt and contingent liability position, with debt service carrying charges at 5.4% of expenditures and net direct debt that is 42.3% of total governmental fund revenue, as well as low overall net debt at less than 3% of market value and rapid amortization, with 72.5% of debt scheduled to be retired in 10 years.

The Town recently refunded (refinanced) outstanding 2008 CPA bonds and permanently financed school roof improvement projects in August 2016. The debt service on the school roof bonds has been excluded from the limitations of Proposition 2 ½.

**For FY2018, the total Debt Service budget for the General Fund is \$3,290,144 a decrease of \$143,791.** The decrease is attributable to the Town refunding the Oak Street Bond which lowered our annual debt service payments on that project. Also, the decrease is attributable to the Town not budgeting the pay off a short term note in FY2018. In FY2017, the Town paid the short term note for the Voice Over Internet Protocol project in the amount of \$380,000. The Town has been able to include \$200,000 of funding in debt to fund capital as outlined in the Town’s capital plan, which is discussed in Section 11.

**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.

Ashland’s 2016 EQV	\$2,509,720,800
5% of EQV Debt Limit	\$125,486,040

Ashland’s total issued and outstanding long term debt principal, both inside and outside the debt limit as of June 30, 2016 is \$ 32,358,284, significantly below the statutory debt limit.


**Bond Rating**

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

The credit rating agency, Standard and Poors, recently upgraded the Town’s bond rating from AA to the AAA rating for a bond issue in August 2016.

**Bond Rating Symbols**

Standard & Poors

**AAA** 

AA

A

BBB

BB

B

CCC

CC

C

D

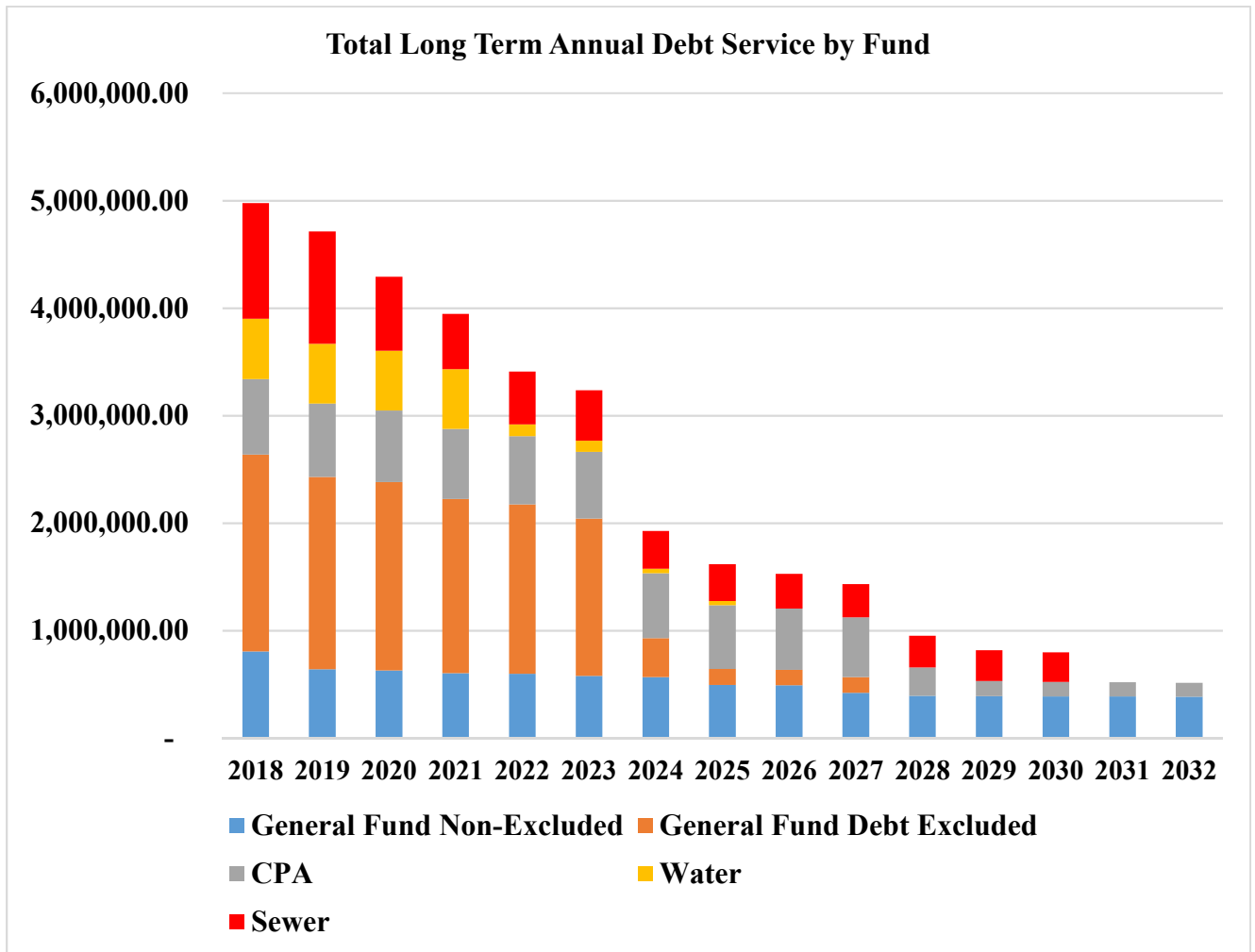
NR

\*The ratings from AA to CCC may be modified by the addition of a plus (+) or (-) to show relative standing within the major categories

**Total Long Term Debt Service – All Funds**

The total long term annual debt service from FY2018 through FY2032, including both principal and interest, is shown below. The chart indicates the amount of long term debt service for the General Fund (both Debt Excluded and Non-Excluded), as well as the long-term debt service for the Community Preservation Act (CPA) Fund and Water & Sewer Enterprise Funds. The debt service for CPA projects is paid out of the General Fund; however, the CPA Fund reimburses the General Fund for the debt payments each fiscal year.

*It is important to note that this schedule does not include any potential future projects funded by debt.*



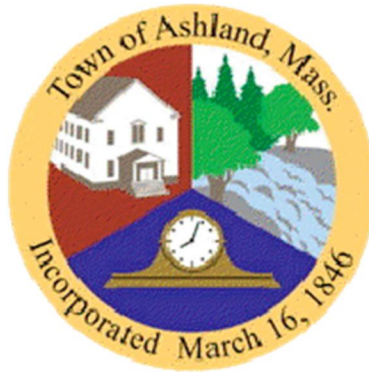
**Debt**

**Section 10-4**

<b>Fiscal Year</b>	<b>General Fund Non-Excluded</b>	<b>General Fund Debt Excluded</b>	<b>CPA</b>	<b>Water</b>	<b>Sewer</b>	<b>Total Long Term Annual Debt Service by Fund</b>
2018	757,627.68	1,830,441.60	702,075.00	561,263.17	1,076,349.55	4,977,757.00
2019	640,917.68	1,789,024.60	682,675.00	555,675.37	1,044,493.76	4,712,786.41
2020	630,424.88	1,750,083.40	668,170.00	555,505.75	687,014.76	4,291,198.79
2021	603,469.27	1,622,272.00	649,725.00	556,418.55	513,885.00	3,945,769.82
2022	598,168.76	1,576,685.00	634,693.76	109,321.08	489,787.65	3,408,656.25
2023	578,468.14	1,463,785.00	619,312.50	104,371.03	469,837.71	3,235,774.38
2024	568,977.52	362,100.00	603,581.26	42,400.00	348,868.73	1,925,927.51
2025	493,973.76	149,100.00	592,375.00	41,200.00	340,168.74	1,616,817.50
2026	490,405.00	144,200.00	571,875.00	-	321,468.72	1,527,948.72
2027	422,036.26	144,200.00	557,850.00	-	308,068.74	1,432,155.00
2028	394,386.26	-	263,075.00	-	294,818.76	952,280.02
2029	391,586.26	-	138,750.00	-	286,718.71	817,054.97
2030	388,111.26	-	135,312.50	-	273,281.24	796,705.00
2031	389,230.00	-	131,875.00	-	-	521,105.00
2032	384,730.00	-	128,437.50	-	-	513,167.50

# Capital Plan

## Section 11





# CAPITAL IMPROVEMENT PLAN (FY2018 – FY2022)



## Town of Ashland



*Draft prepared for the Town of Ashland by the  
Edward J. Collins, Jr. Center for Public Management at  
the University of Massachusetts, Boston  
March 2017  
Report Finalized by Ashland Town Management April  
2017*

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## INTRODUCTION

The Town of Ashland's \$56.5million five-year capital improvement plan (CIP) for FY2018-FY2022 will make much needed investments in Ashland's infrastructure, including Town and school facilities parks and open space, roadways and sidewalks, information technology, vehicles and equipment, and water and sewer infrastructure. The majority of the capital plan will be funded from sources other than the Town's general fund, including \$5.9 million (10.5%) from the Water/Sewer Enterprise Funds, \$2.3 million (4.1%) funded by Chapter 90 funds,<sup>1</sup> and \$10.7 million from other sources such as MSBA funding (19.1%),<sup>2</sup> leaving a total of \$8.9 million (15.8 %) to be supported by the Town's General Fund, and \$28.4 million (50.3 %) for consideration for local taxpayer supported debt exclusion.

Some of the more significant projects that are expected to have long-term impacts on the Town include a new Public Safety Building, Downtown improvements to include complete streets and landscaping, design of a new elementary school, replacement of all residential and commercial water meters, as well as significant work to town and school facilities. The new Public Safety Building will house the Fire and Police Departments in one facility, freeing up land Fire Department's current location for new uses while also eliminating the annual lease for the Police Headquarters. Downtown revitalization efforts will include a comprehensive redesign of Main Street implemented over four phases, including a new shared-use (e.g., pedestrian and bicycle) path along the Sudbury River, undergrounding of utilities, and streetscape improvements. Collectively, these projects will increase the area's attractiveness as a destination for shopping, dining, and conducting business.

By looking forward across multiple years in this capital improvement plan, Town officials will be able to advance projects in an orderly manner, capturing the declines in debt service and using those same dollars to fund new investments. At the same time, department directors will be able to plan for upgrades of their equipment and infrastructure so as to reduce emergency repairs and purchases, which inevitably drive up costs. Departments will also be able to plan for multi-year projects and share information with other departments and the public, such as the design and construction of a major roadway project or a new building, all the while being kept on task as to milestones as depicted in the CIP.

This rolling five-year plan takes into account the best information currently available. However, should more funding become available than currently anticipated, projects could be moved forward in time and/or additional projects could be added. Likewise, should finances be more constrained than currently anticipated, projects could be moved back in time or taken off the list. Further, other projects not yet conceived of can be added if they advance the Town's goals better than those included in the current version of the plan. This reassessment is intended to occur annually, continually projecting the most important projects the Town should consider with its available capital funds.

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<sup>1</sup> <http://www.massdot.state.ma.us/highway/DoingBusinessWithUs/LocalAidPrograms/Chapter90Program.aspx>

<sup>2</sup> <http://www.massschoolbuildings.org/building>

## **What is a capital budget? What is a capital project?**

A capital budget is distinct from an operating budget in that the items included in a capital budget are typically large or infrequent expenses, such as construction of a new building or acquisition of a new dump truck, whereas an operating budget includes recurring expenses or are modest in magnitude, such as supplies or vehicle maintenance. A capital budget identifies the array of resources to be used to fund a series of capital projects. In many instances, municipalities establish minimum dollar thresholds for projects to be included in a CIP. In the case of Ashland, projects authorized in the FY2018-FY2022 plan range from \$10,000 to \$25 million, across all funding sources.

The Massachusetts Association of Town Finance Committees defines capital projects as “major, non-recurring expenditures, for one of the following purposes:

- acquisition of land for a public purpose;
- construction of a new facility or external expansion or major rehabilitation of an existing one. Examples of such town facilities include public buildings, water and sewer lines, roads and playing fields;
- purchase of vehicles or major equipment items;
- planning, feasibility, engineering or design study related to a capital project or to a capital improvement program consisting of individual projects.
- equipment for public improvements when they are first constructed such as furniture, office equipment, or playground equipment;
- [or] major equipment which is expensive and has a relatively long life such as a fire apparatus, garbage trucks, and construction equipment.”

## **What is a capital plan? Why prepare one?**

According to the Massachusetts Department of Revenue (DOR), a capital plan is a blueprint for planning a community’s capital expenditure and “one of most important responsibilities of local government officials.” Putting together multiple years of capital spending into a plan, instead of looking at each year in isolation, has multiple benefits including:

- impacts on the operating budget can be minimized through thoughtful debt management;
- high-cost repairs and emergency acquisitions can be reduced by implementing regular vehicle and equipment replacement schedules, and by undertaking major facilities improvements, such as replacing roofs, before a problem becomes chronic and damage occurs;
- large scale, ambitious public improvements can be phased over multiple years;
- critical parcels of land can be purchased before costs increase;
- costly mistakes created by lack of coordination - such as paving a street one year and then cutting into it the next year to install a sewer line – can be avoided; and,
- methodical progress can be made toward meeting community goals.

## **CIP Overview**

In the FY2018-FY2022 Capital Improvement Plan, the Town of Ashland will expend approximately \$56.5 million in funds for 69 capital projects ranging in size from \$10,000 to upgrade lighting controls at the athletic fields, to \$25 million to construct a new Public Safety Building.

Funding for the CIP will be provided from an array of sources, including, but not limited to:

- \$32.9 million in general fund debt funded projects (including \$28.4 million supported by local taxpayers);
- \$4.3 million in Pay-As-You-Go projects funded by the general fund;
- \$5.9 million in projects funded by water and sewer revenues; and,
- School projects eligible for \$1.3 million in support from the Massachusetts School Building Authority (MSBA).

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## ABOUT THE TOWN OF ASHLAND

Within the Town of Ashland’s 12.9 square miles of land area can be found many significant infrastructure systems that must be maintained each year, including town and school facilities, information technology (IT) systems, parks and open space, roadways and sidewalks, the sewer system, storm drainage system, and the water system. In addition, the many vehicles and pieces of equipment used by Town and School staff to perform their duties must also be maintained and replaced over time.

The maintenance of the Town’s infrastructure systems is critically important to the health and safety of Ashland’s approximately 16,593 residents (U.S. Census, 2010) and the vitality of the 386 businesses in town (County Business Patterns, 2014). Town officials face a significant challenge as they strive to keep these systems and equipment in good working condition while using the public resources available to them wisely and with the greatest impact.

Infrastructure components for which the Town is responsible include:

### *Town Facilities*

The Town manages a series of buildings that serve a multitude of purposes from Town Hall and the Ashland Public Library to the Police Station and DPW facility. Each of these facilities must be maintained on a regular basis to ensure the safety and effectiveness of the working environment, while new initiatives such as land acquisitions or building replacements may also be necessary or advantageous.

<b>ASHLAND TOWN FACILITIES</b>	
<b>FACILITY</b>	<b>LOCATION</b>
Animal Control	Ponderosa Road
Community Center	162 West Union Street
Department of Public Works	20 Ponderosa Road
Fire Station - Administration	70 Cedar St
Fire Station - Main	151 Main Street
Library	66 Front Street
Police Station (leased facility)	137 Main Street
Town Hall	101 Main Street
Water Treatment Facility	229 Howe Street
Warren Woods	22 Eliot Street
Water Pump Station	Russett Hill Booster
Sewer Pump Station	Chestnut Street
Sewer Pump Station	Brackett Road
Sewer Pump Station	Ledgemere
Sewer Pump Station	Lucy French Way
Sewer Pump Station	Baldwin Circle
Sewer Pump Station	Prospect Street

Altogether, the Town’s insurance provider has placed a replacement value on the buildings (including public schools) and the equipment within them at \$116.5 million (July 2016). <sup>3</sup>

**Information Technology**

The Town’s information technology infrastructure supports the Town, School, Public Works, Police, Fire and Library departments, using a wide-area network that connects all Town-owned buildings. Software applications used town wide include the MUNIS financial system and Google Apps for Business.

<b>IT HARDWARE SUMMARY</b>	
Internet	Internet Connectivity is provided to the town by Verizon via their FiOS service. There are three (3) points of internet connectivity throughout the infrastructure: the High School for School system use at 500mbps synchronous; Town Hall for Town Administrative use at 300mbps synchronous; and, the Police Department for Public Safety use at 150 mbps Synchronous. These locations each provide internet access to their smaller related sites. Each of these main sites are secured using Dell SonicWALL Network Security Appliances. The High School has a high-availability NSA5600 firewall, and the Town Hall and Police Station each have 1 NSA2600.
VMware Infrastructure	In the High School Datacenter, there is a HP BladeCenter chassis populated with 4 server blades. The 4 hosts are running ESXi version 6.0 in a VMWare VCenter server management environment. This centralized server setup hosts 34 virtual servers for the town and schools combined.
Storage Infrastructure	The core of the Town’s storage resides in the High School Datacenter as well. There are 3 pairs of redundant Storage Area Network (SAN) devices providing storage to our 4 server blades via iSCSI. In addition to these faster storage devices, we also have 2 Synology DiskStation units serving as iSCSI storage for less repeatedly accessed Virtual Machines, one with five (5) hard-drives, and another with eight (8) hard-drives. All of our iSCSI storage is set up using RAID to protect against data loss due to hard-drive failure.
Server and File Backup	A virtual server running Symantec Backup Exec is currently serving the majority of our mission-critical servers in the datacenter, and Nakivo Backup and Replication software is currently serving our two standalone ESX hosts at the Town Hall and Police Station, as well as their redundant replica hosts. All Backup Exec backup jobs copy their files to an eight (8) hard-drive Synology DiskStation which is located off-site at the Ashland Middle School.
Network Switching	The Town Hall and High School Datacenter both have an HP 5412zl core switch, with the Police station utilizing an HP 2920 core switch with IP routing enabled and configured to handle traffic between sites over a 10GbE fiber-optic connection. Every school site has an HP 5406zl with the exception of the Middle school, which has an HP 5412zl. Each town site also has an HP 2920. Each parent

<sup>3</sup> Note that this figure includes water treatment facilities and related structures such as wells, and structural features in Town parks and schools, such as the bath house at Horn Pond and High School football stadium.

	site has 2 1GbE fiber connections to each child site utilizing LACP to aggregate the two links.
Telephony	All throughout the Town Hall and the Police Department, as well as at the front door of every school building, we have implemented a door access control system that is centrally managed in our datacenter, and allows us to permit or deny access to staff members based on use of a individually unique key card that is given access to only the doors the individual should be able to enter. The cards that this system utilizes are also used to print Security ID badges for staff to have on their person at all times
Access Control	Stanley PAC Door Access Control has been implemented throughout Town Hall, Police Department, as well as at the front door of every school building. This door access control system is centrally managed in the datacenter allowing the Town to permit or deny access based on the use of a unique key card. The system only gives access to the doors the individual should be able to enter. The cards that this system utilizes are also used to print Security ID badges for staff to have on their person at all times.

<b>IT SOFTWARE SUMMARY</b>	
Financial Management	Tyler Technologies' Municipal financial package, MUNIS, is the townwide financial management software. This software is used for management of all financial facets of the government; General Ledger, Accounts Receivable, Tax Calculation and Collection, Purchasing, Requisitions, Municipal Liens, Utility Billing, Human Resources, Payroll, and Fixed Assets.
Email and Productivity	The Town uses Google Apps as its email provider and productivity suite, in tandem with Backupify by Datto to keep archived records of public employee's files and correspondence.
Permitting	The Building Department uses PeopleGIS as its platform for all types of permit requests; Building, Electrical, and Plumbing. This software replaced an aging and inferior system for permits in 2015.
Geographic Information System	Both the Community Development Department and the Department of Public works use ESRI's ArcGIS for all of the town's GIS data and applications.
Assessing	The Assessing Department uses the Massachusetts State computer-assisted mass appraisal (CAMA) system. A CAMA is an automated system for maintaining property data, valuing property, notifying owners, and ensuring tax equity through uniform valuations. Such systems were made possible by computers and have grown rapidly in functionality and price performance with improvements in computer hardware and software. The Tax Assessor uses this software to determine Real estate values for use in calculating Real Estate Tax.
Cloud Storage	The Town Clerk utilizes SystemWorks IT's Municipal cloud server to house all of the town's electronic historical records, such as birth and death certificates, as well as marriage documents and certificates.

## ***Parks and Open Space***

Across Ashland’s nearly 13 square miles, Town residents and visitors have access to recreational areas including parks, playgrounds, ponds and woods, fields, passive recreation areas, as well as a number of hiking trails throughout the Town Forest, Warren Woods and the two state parks. In fact, nearly 25% percent of Ashland’s land area is permanently-protected conservation land.<sup>4</sup>

Recently-completed initiatives to preserve and enhance open space in Ashland include the recent purchase of 0.69 acres of land at 22 Eliot Street. In 2012, the Town purchased 120-acre Warren Woods with the help of \$500,000 state grant (Local Acquisitions for Natural Diversity, aka LAND).<sup>5</sup> The site includes five fields and five walking or nature trails, and is used for open space conservation and passive recreation only. Warren Woods also contains a Conservation Restriction over it held by the Massachusetts Audubon Society. The Conservation Commission is the entity that owns and maintains 22 Eliot Street and Warren Woods and is also responsible for roughly 10 Conservation Restrictions.

Ashland completely encloses or contains portions a number of surface water bodies and waterways, including:

- Several perennial streams
  - Indian Brook 1.7 miles
  - Cold Spring Brook (0.32 Miles in Ashland, then it flows into Hopkinton)
  - Jar Brook (0.37 Miles in Ashland then it flows into Holliston)
  - Beaver Dam Brook (0.76 Miles in Ashland, then it flows into Framingham)
  - Cowassock Brook (0.30 Miles in Ashland then it flows into Framingham);
- the Sudbury River (6.3 miles);
- three reservoirs (Ashland, 167.96 acres; Hopkinton, 86.69 acres; Framingham, 28.79 acres; Brackett);
- two named ponds (Waushakum, 12.35 acres; Mill, 12.9 acres);
- and several smaller, unnamed ponds, wetlands, and streams.<sup>6</sup>

The list below contains examples of Town-owned or managed open space:

<b>EXAMPLES OF LOCALLY OWNED/MANAGED OPEN SPACE FACILITIES IN ASHLAND</b>				
<b>Town Facility</b>	<b>Location</b>	<b>Size</b>	<b>Map /Pcl</b>	<b>Description</b>
Abandoned Pump Station		4.5 acres	16/60	
Altavesta	Altavesta School	3.1 acres		Soccer field, lacrosse field, playground equipment
Anessi Property	Off Heritage	9.9 acres		Conservation Easement
Ashland DPW	20 Ponderosa	22.8 acres	13/35	
Ashland Middle School		24.3 acres	19/60-61	Athletic fields

<sup>4</sup> Ashland Open Space and Recreation Plan. (February 2010)

<sup>5</sup> Baseline Documentation Report and Land Management Plan, LAND Grant Program. (July 2, 2012)

<sup>6</sup> Ashland Open Space and Recreation Plan. (February 2010)

**EXAMPLES OF LOCALLY OWNED/MANAGED  
OPEN SPACE FACILITIES IN ASHLAND**

<b>Town Facility</b>	<b>Location</b>	<b>Size</b>	<b>Map /Pcl</b>	<b>Description</b>
Colonial Drive OS	Colonial Drive	25 acres		Open space, wetlands, wildlife habitat
Bell Property	Off Myrtle Street	53.2 acres	09/274	Open Space, wetlands, wildlife habitat
Birch Hill	Birch Hill Road	11 acres	8/173	Open space, wildlife habitat
Cedar Street Fire Station	Cedar Street	21.9 acres	21/188	Fire Station
Community/Senior Ctr	162 W Union St	9.5 acres	23/135	Community center, athletic fields
Cookingham Consv Land		7.4 acres	18/123	Open Space, wetlands, wildlife habitat
Crawford Park		3.3 acres	12/201	
Eliot Street Farmhouse	22 Eliot Street	0.69 Acres		Field and wet meadow adj to farm hse. More to be donated in future.
Girl Scout Property	Rear Olive Street	19 acres	27/89	Cabins/trail adj to Ashland State Park
Gryncel Park	11 High Street	9.6 acres	13/21	Baseball fields
High School		52 acres	15/83	Athletic fields
Marathon Park	0 Pleasant Street	0.33 acres	13/49	Scenic overlook/ small park
Mill Pond Canoe Launch	Pine Hill Road	0.8 acres	14/4	Canoe launch
Mindess Elementary School fields		28.9 acres	14/285	Fields
Montenegro Square		1.56 acres	14/301	Town Center Park. Farmers markets in summer and early fall.
Spring Street Well Site		7.2 acres	27/95-96	Trails
Stone Park	Cherry Street	10.5 acres	14/56	Athletic fields, playground, park
Sudbury River Park		5 acres	13/39	Future Riverwalk Trail
Raymond Marchetti OS		3.6 acres	14/91	
Town Forest – Clark Property	Oak Street	28.6 acres	7/243	Forest land with trails
Town Forest		33.3 acres	8/74	Forest land with trails
Town Forest		502.6 acres	4/1	Forest land with trails

**EXAMPLES OF LOCALLY OWNED/MANAGED  
OPEN SPACE FACILITIES IN ASHLAND**

<b>Town Facility</b>	<b>Location</b>	<b>Size</b>	<b>Map /Pcl</b>	<b>Description</b>
Warren Elem School fields		13.2 acres	25/215	
Warren Woods		116.8 acres	28/70,72	Fields, walking and nature trails
Weston Nurseries (former)	West Union	20.4 acres	27/69	Purchased in 2007 for recreation conservation and affordable housing
Wildwood Cemetery	76 Chestnut St	27.1 acres	14/477	Historical/cultural cemetery

***Roadways and Sidewalks***

Ashland is served by three major arterial roadways: Interstate 90 (the Massachusetts Turnpike, aka I-90), which cuts through the northwest corner of town. The two state roads, Route 135 (crossing northeast to the southwest) and Route 126 (running north to south parallel Ashland’s eastern border). Roads are typically classified into three categories:

- Local streets provide direct access to residential properties and serve the transportation needs within a particular neighborhood. Winter Street is an example of a local street.
- Collector streets primarily collect traffic off of local streets and lead such traffic to and from arterial roadways. Prospect Street is an example of a collector street.
- Arterial roadways are typically numbered and serve regional as well as local automobile and truck traffic. Route 135 is an example of an arterial roadway. These roadways are generally owned and maintained by the state, and function as part of the regional highway system.

Of the 82.2 centerline miles of roadway in Ashland, the Town has accepted and maintains 76.1 miles of local and collector streets. A total of 2.3 miles of roads are private and have not been accepted by the Town, and just over 3.8 miles of roadway are maintained by MassDOT.<sup>7</sup> In addition, while Route 135 is owned by the Commonwealth, it is maintained by the Town, and although Route 126 is currently owned and maintained by the State, after its reconstruction, the Town will take over ownership.

As of 2017, Ashland owns 9 traffic signals and 2 flashing beacons, while another 5 traffic signals are State-owned.

In FY2016, a total of \$924,707 was appropriated for road construction (\$800,000 from Chapter 90 funds) and \$20,000 for highway maintenance. In FY2017, \$461,558 has programmed to be spent from Chapter 90 funds<sup>8</sup> on several projects, some of which have already been completed, including the following.

**Roadway Resurfacing (completed 2015 – 2016)**

<sup>7</sup> 2015 Massachusetts Road Inventory Year End Report, MassDOT. (August 2016)

<sup>8</sup> Chapter 90 Appointment Letter, MassDOT. (March 31, 2016)

- Acton Road
- Tilton Ave.
- Section of Concord Street
- Lower Cedar Street
- Thomas Road (from Cordaville to Diane Lane)

Sidewalk Construction

- Section of Route 135 near Frankland Road
- Section of Oak Street near Heritage Avenue

The MBTA Access Road is scheduled to be milled and resurfaced in FY2018.

Future road work projects that are currently under consideration for resurfacing in FY2018 are:

- Upper Chestnut Street
- Olive Street
- Howe Street sidewalk project; requires additional engineering design

In addition, the State Transportation Improvement Plan (TIP) has allocated resources to the reconstruction of Pond Street (Route 126) in FY2020, at an estimated construction cost of \$13.5 million.

***School Facilities***

The Ashland Public School District (APS) operates five school facilities including three elementary schools (PK-5), a middle schools and a high school, serving 2,701 students during the 2016-17 school year.<sup>9</sup> School administration is located at 87 West Union Street. Each school facility has associated play equipment and/or fields, including the Town’s Multi-Purpose Turf Field and Track which is located at the high school.

<b>ASHLAND PUBLIC SCHOOL FACILITIES</b>	
<b>School Facility</b>	<b>Location</b>
High School	65 East Union Street
Ashland Middle School	87 West Union Street
Mindess Elementary School	90 Concord St.
Pittaway Preschool School	5 Central Street
Warren Elementary School	73 Fruit Street

Ashland Public Schools (APS) has a number of capital projects underway or planned for the future. Using Community Preservation funds, APS has made several outdoor improvements in recent years, including a basketball court at the Middle School. This year the funds will be used to improve baseball fields at Mindess School and at Stone Park. In 2016, the Town received a Green Communities Grant of \$224,100 to fund installation of new energy efficient boilers at Mindess School. A related project will provide a new hot water generation system at Mindess School. Both projects will be completed in spring 2017. Solar installations at the Middle School and High School were constructed over the winter. APS

<sup>9</sup> DESE District Profiles: <http://profiles.doe.mass.edu/>

is installing an electric vehicle charging station at the Middle School this spring and is exploring options to develop on a School Facilities Masterplan.

### ***Sewer Infrastructure***

Ashland has a separate sanitary sewer and storm water system. The Town has approximately 66 miles of common sewer main excluding building service connections. Sewage is collected through an underground piping network, moved through the Town's eight pump stations, and is transferred and disposed of through the MWRA sewage treatment and disposal service. Currently, over 76% of the town has a municipal system connection, which covers 12,743 residents (4,724 total connections).<sup>10</sup> The remaining 24% of the town has a private septic systems or cesspool, which covers over 4,000 residents

Ashland has an inflow and infiltration (referred to as "I/I") program in place. The I/I program identifies the amount and location(s) of stormwater, groundwater, and other non-sewage sources entering the sewer system. These additional sources of flow in the sewers can dramatically increase the costs to transport and treat the sewage prior to discharge, so communities across the U.S. are working to reduce the amount entering sanitary sewer systems. The most recent investigation and identification of I/I in Ashland was completed in 2014. The Town was able to reduce I/I by 23% over the previous three years, falling 0.43 MGD in 2013 to 0.33 MGD in 2015. As the spring of 2017 approaches, the I/I program will move into the investigation phase in order to locate leaks for the next round of repairs.

### ***Stormwater Collection***

Stormwater management is a major concern for all municipalities, especially a town like Ashland with a large number of water bodies, many of which are used for recreational purposes. Generally, rainfall flows over driveways, lawns, streets, and sidewalks and as it goes, picks up pollutants such as debris and chemicals. Should this flow enter directly into a lake, stream, river, or wetland untreated, it can be extremely detrimental to recreational uses such as swimming and fishing as the additional nutrient load supports the growth of algae, some of which can be toxic to humans and other aquatic life.

The Town of Ashland is part of the Charles River watershed and the SuAsCo watershed. The Town maintains stormwater infrastructure which consists of 143,730 feet (27 miles) of drainage lines which tie into one of the 2,498 catch basins and discharge through one of the 606 outfalls. Outfalls range in type and size between 8" and 42". Many outfalls are located at designated detention basins, retention basins or in natural features like wetlands and streams. In addition, some streams and drainage flows through culverts. The exact number of culverts is unknown and efforts are currently underway to determine the amount and location of these culverts. The Department of Public Works and Conservation Commission engage in field exploration twice a year to locate these as time permits.

In 2003, the Town finalized its National Pollutant Discharge Elimination System (NPDES)<sup>11</sup> General Permit for stormwater discharges from its small Municipal Separate Storm Sewer System (MS4) under

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<sup>10</sup> MWRA Annual I/I Questionnaire (2016).

<sup>11</sup> Part of the Environmental Protection Agency's (EPA) Clean Water Act.

the department’s Phase II program. The NPDES MS4 ensures that all urbanized areas create a regulatory mechanism to control non-point source discharges into the nation’s waterways, requiring annual reporting of compliance measures and periodic permit renewal.

In 2007, Ashland created the Stormwater Committee and passed its Stormwater Management Bylaw at Annual Town Meeting as part of its commitment to protect the environment through the control of stormwater discharges. The Town uses a number of measures to minimize impacts, such as: run-off control; illicit discharge detection and elimination; house-to-house inspections and private inflow source removal; post-construction stormwater management in new development and redevelopment; and public education and outreach.<sup>12</sup>

### ***Vehicles and Equipment***

Many town departments, such as the DPW, Fire Department, Police Department, School District and Parks and Recreation Department, and others use small and large vehicles and equipment on a daily basis. Town-wide, the fleet includes 96 vehicles, trailers, and motorized pieces of equipment (e.g., mowers, trailers chippers, etc.) with about half of them (40 pieces) operated over the road (e.g., dump trucks, box trucks, pickups, backhoes, etc.), trailers and compressors.

As can be seen below, the average age across all Town vehicles is 15.7 years, a figure that is above manufacturers recommended lifetime for many vehicles. Of particular note are bucket truck (20 years), chipper (25 years) and the two backhoes that have a combined average age of 16.5 years. DPW staff also use countless small handheld pieces of equipment (e.g., asphalt compactors, shovels, and other grounds maintenance tools as well as hand tools) which typically have much shorter lifespans.

<b>Ashland Vehicle Inventory (2017)</b>								
<b>Vehicle Type</b>	<b>DPW</b>	<b>Police</b>	<b>Fire</b>	<b>Animal Control</b>	<b>COA</b>	<b>Schools</b>	<b>Total by type</b>	<b>Ave age</b>
Backhoe	2						2	16.5
Box Trk –Emergency	1						1	5
Bucket Truck	1						1	20
Chipper	1						1	25
Dump Truck, 10 Whl	1						1	7.6
Dump Truck, 6 Whl	8					1	9	11.25
Leaf Vacuum	1						1	6
Loader	3						3	12
Pickup Truck	4		1			3	8	5.5
Roller	1						1	7
Sander Truck, Hvy	3						3	13
Sweeper	1						1	13
Trackless	3						3	14.3

<sup>12</sup> Ashland NPDES PII Small MS4 General Permit Annual Report

### Ashland Vehicle Inventory (2017)

<b>Vehicle Type</b>	<b>DPW</b>	<b>Police</b>	<b>Fire</b>	<b>Animal Control</b>	<b>COA</b>	<b>Schools</b>	<b>Total by type</b>	<b>Ave age</b>
Tractor	1						1	8
Trailer	11		2			2	15	12
Utility Truck	8						8	9.25
Vactor Truck	1						1	12
Police Cruiser		7					7	2.7
Sedan		6				4	10	3
Van		1		1		1	3	7
Ambulance			2				2	3.5
Boat			2				2	5
Brush Truck			1				1	33
Bus (>9 pax)			1		1		2	12
Ladder Truck			2				2	11
Pumper Truck			3				3	19
SUVs			3		1		4	5.3
<b>TOTAL/AVERAGE</b>	<b>51</b>	<b>14</b>	<b>17</b>	<b>1</b>	<b>2</b>	<b>11</b>	<b>96</b>	<b>15.7</b>

### *Water Infrastructure*

Ashland’s water supply system provides all of the potable water needed by the Town’s residents and businesses, for a total of 6,755 service connections. The system is entirely ground water (aquifer), with five wells drawing water sourced by the Ashland and Hopkinton Reservoirs. The system contains 83 miles of water mains fed by two water storage tanks with a combined storage capacity of 6.9 MG and a pumping capacity of the system is 4,000 gallons per minute. The Town has also initiated the Southborough Water Interconnection project, which will provide the town an emergency interconnection between Ashland and the Massachusetts Water Resources Authority (MWRA) system adding up to one million gallons per day (MGD) of extra capacity.

Ashland’s water is treated at the Howe Street Regional Treatment Plant located along the Hopkinton Reservoir. The facility annually treats and distributes over 737 million gallons of drinking water for nearly 16,000 customers in the towns of Ashland and Hopkinton.<sup>13</sup>

<sup>13</sup> DEP (2015).

## POSSIBLE FUNDING SOURCES

There are a number of ways to finance municipal capital improvement projects. Some of the most common methods are:

### Local Resources

- **Municipal Indebtedness:** The most commonly used method of financing large capital projects is general obligation bonds (aka, “GO Bonds”). They are issued for a period of time ranging from 5 to 30 years, during which time principal and interest payments are made. Making payments over time has the advantage of allowing the capital expenditures to be amortized over the life of the project. Funding sources used to pay back the debt can include:
  - **Bonds funded within the tax limits of Proposition 2 ½:** Debt service for these bonds must be paid within the tax levy limitations of proposition 2 ½. Funds used for this debt must be carefully planned in order to not impact the annual operating budget.
  - **Bonds funded outside the tax limits of Proposition 2 ½ :** Debt service for these bonds is paid by increasing local property taxes in an amount needed to pay the annual debt service. Known as a Debt Exclusion or Exempt Debt, this type of funding requires approval by 2/3 vote of the local appropriating authority (e.g., City council or Town meeting) and approval of majority of voters participating in a ballot vote. Prior to the vote, the impact on the tax rate must be determined so voters can understand the financial implications.<sup>14</sup>
  - **Bonds funded with Enterprise Funds:** Debt service for these bonds is typically paid by user fees, such as water and sewer revenue. Depending upon the type of project, interest costs may be subsidized by the Commonwealth and at times partial grant funds may be available (see below). Enterprise funds do not affect the general operating budget unless general funds are needed to subsidize revenues from the enterprise. Prior to the issuance of debt, the projects must be analyzed for their impact on rates.
- **Capital Outlay / Pay As You Go:** Pay as You Go capital projects are funded with current revenues and the entire cost is paid off within one year so no borrowing takes place. Projects funded with current revenues are customarily lower in cost than those funded by general obligation bonds because there are no interest costs. However, funds to be used for this purpose must be carefully planned in order to not impact the annual operating budget. For this reason, Pay as You Go capital projects are typically lower in value than projects funded by borrowing.
- **Capital Outlay / Expenditure Exclusion:** Expenditure Exclusion projects are similar to Pay as You Go, above, except taxes are raised outside the limits of Proposition 2 ½ and are added to the tax levy only during the year in which the project is being funded. As with a Debt Exclusion, Expenditure Exclusion funding requires approval by 2/3 vote of the local appropriating authority (City Council or Town Meeting) and approval of majority of voters participating in a ballot vote. Prior to the vote, the impact on the tax rate must be determined so voters can understand the financial implications.

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<sup>14</sup> A debt exclusion is different from a property tax override in that a debt exclusion is only in place until the incurred debt has been paid off. An override becomes a permanent part of the levy limit base.

Capital outlay expenditures may be authorized for any municipal purpose for which the city or town would be authorized to borrow money.

- **Capital Stabilization Fund:** Local officials can set aside money in a stabilization fund—outside of the general fund—to pay for all or a portion of future capital projects. A 2/3 vote of Town council is required to appropriate money into and out of this fund.
- **Sale of Surplus Real Property:** Pursuant to Massachusetts General Laws, when real estate is sold, the proceeds must first be used to pay any debt incurred in the purchase of the property. If no debt is outstanding, the funds “may be used for any purpose or purposes for which the city, town or district is authorized to incur debt for a period of five years or more...except that the proceeds of a sale in excess of five hundred dollars of any park land by a city, town, or district shall be used only by said city, town, or district for acquisition of land for park purposes or for capital improvements to park land” (MGL Chapter 44, Sec. 63).
- **Enterprise Retained Earnings / Stabilization Fund:** Enterprise operations, such as water and sewer, are able to maintain an operating surplus that can be utilized for future enterprise fund costs. These funds can be used to stabilize the user rates, apply to annual budget needs, and/or invest in capital replacement and expansion.
- **Free Cash:** Free Cash is the difference between annual revenues and expenditures and is certified by the Commonwealth each year. After certification, free cash is available for appropriation for any municipal purpose, including capital projects.
- **Special Purpose Funds:** Communities also have established numerous “Special Purpose Accounts” for which the use is restricted for a specific purpose, some of which may be investment in department facilities and equipment. There are numerous state statutes that govern the establishment and use of these separate accounts. Examples include the sale of cemetery lots and off-street parking fees accounts.

### **Federal, State, and Private Grants and Loans**

Special revenue sources include grants or loans from federal, state, or private sources. Examples include:

- **Federal Community Development Block Grant (CDBG):** The U.S. Department of Housing & Urban Development (HUD) “provides communities with resources to address a wide range of unique community development needs.”<sup>15</sup> Funds are granted directly to “entitlement” communities which are cities with a population of at least 50,000 or counties with a population of at least 200,000. To secure entitle funds, each City must prepare a Consolidated Plan every five years outlining the City’s goals for use of the funds, and an annual plan must be prepared each year. Funding for smaller communities flow through State administered CDBG programs. As it relates to capital projects, HUD funds can be used for: acquisition of real property; relocation and demolition of housing; rehabilitation of residential and non-residential structures; construction of public facilities and

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<sup>15</sup> U.S. Department of Housing and Urban Development (HUD), “Community Development Block Grant (CDBG) Program”, retrieved December 3, 2015 from [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/comm\\_planning/communitydevelopment/programs](http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/communitydevelopment/programs).

improvements, such as water and sewer facilities, streets, neighborhood centers, and the conversion of school buildings for eligible purposes; activities relating to energy conservation and renewable energy resources.

- **Massachusetts Chapter 90 Roadway Funds:** Each year, the Massachusetts Department of Transportation (MassDOT) allocates funds to cities and towns for roadway construction, maintenance, or improvement. Funds may also be used for other work incidental to roadway work, such as the construction of a garage to house related vehicles, or the purchase of related vehicles, equipment, and tools. Chapter 90 is a 100% reimbursable program. Funding is accomplished through the issuance of transportation bonds and apportioned to municipalities based on three factors: 1) accepted road miles, 2) population, and 3) total employment within the municipal borders. Road miles is the most heavily weighted factor at 58.33%; the others are each weighted at 20.83%. A total of \$200 million is available in FY2016.
- **Massachusetts Department of Environmental Protection’s State Revolving Loan Funds (SRF):** The Clean Water State Revolving Loan Fund (CWSRF) provides financing for sewer and drainage projects intended to reduce sewer overflows and the Drinking Water State Revolving Loan Fund (DWSRF) provides financing to improve the quality of the drinking water system. The CWSRF and DWSRF programs typically offer a mix of low interest (2%) loans and grant funds. Repayment does not begin until two years after the monies have been borrowed.
- **Massachusetts School Building Authority (MSBA)** – The MSBA provides funding for school feasibility, design, and construction. Projects must be accepted into the process in response to the submission of a Statement of Interest which identifies a facility problem to be solved. Subsequently, the community must appropriate funding for schematic design and later for construction before the MSBA will commit to its share of the project. If accepted, the MSBA determines the amount of reimbursement it will offer based upon community need, with a minimum base rate of 31%. The percent of reimbursement can then be increased based upon three factors: community income factor, community property wealth factor, and community poverty factor.

Many state departments also offer annual grant opportunities that are available to municipalities typically through a competitive application process. State grant programs including, but not limited to: Green Community grants (project to improve sustainability), Parkland Acquisitions and Renovations for Communities grants (PARC), and the MassWorks Infrastructure Program.

For additional definitions, please refer to Glossary in appendices.

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## **CAPITAL PLANNING PROCESS (FY2018-FY2022)**

The Town of Ashland hired the Edward J. Collins, Jr. Center for Public Management at the University of Massachusetts Boston to facilitate preparation of the Town's five-year Capital Improvement Plan (CIP) for FY2018 to FY2022. The project team met with leadership of all Town departments to explain the process to be followed and discuss types of projects that would be eligible for funding in the capital plan. Departments were provided with a Capital Improvement Project Request Form asking them to describe their proposed project(s), the justification for why each project was needed, the priority level placed on the project by the department, and the fiscal year or years in which the funds were needed. In addition, departments were asked to indicate if outside funds might be available to support the project and to anticipate the impact of the project on the Town's operating budget. In particular, departments were asked if any savings could be realized, for example, if the purchase of new equipment could reduce the cost of annual repairs. Department directors were encouraged to contemplate needs over multiple years and to be ambitious with their proposals. Particular attention was paid to equipment needs with a goal of developing a regular replacement schedule that would reduce, if not eliminate, emergency replacement and costly repairs.

The project team also met with the Treasurer/Collector and Town Accountant to get an understanding of the Town's current debt service profile and the revenues available that could be used for capital projects. Information gathered included official financial statements, bond rating agency reports, the debt schedule for existing debt, and present and proposed borrowings, among other sources.

### **Project Requests**

Overall, 80 project requests were submitted, totaling just under \$72.9 million across all funds and all five years of the plan. Project requests ranged in size from \$10,000 for upgraded lighting controls at the Ashland Middle School fields, to \$25 million to construct a new Public Safety Building.

Requests exceeding \$1 million included:

- Design and construction of Public Safety Building (\$25 million);
- Design and construction of a new DPW Building (\$15 million);
- Downtown culvert system upgrades (\$7.1 million);
- Downtown revitalization and streetscape enhancements (4 phases) (\$5.65 million);
- Preparation of feasibility and design of elementary school (\$3.7 million);
- Road reconstruction (\$3.3 million);
- Repainting of Cedar Water Tank (\$1.5 million);
- Cherry Street Quiet Zone (\$1.2 million); and,
- Design and construction of Human Services Building (\$1 million).

### ***Requests by Department***

Departments with the highest total dollar value of requests included Police Department (together with Fire for the public safety building) (\$25.6 million), Highway (\$19.2 million), Sewer (\$7.4 million), and Town Manager (\$7.4 million). The year with greatest dollar value of project requests is FY2019 which includes the construction of a new public safety building and implementation of the Cherry Street Quiet Zone. Requests were also significant in FY2022 which includes design work for a new elementary school (construction is scheduled outside of the five years) and a request for a new DPW building.

<b>CAPITAL REQUESTS BY DEPARTMENT BY YEAR (ALL FUNDS)</b>							
<b>Department</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>Total</b>	<b>% of Total</b>
CD & Health	42,195	260,000	250,000	-	-	552,195	0.76%
Cem, Parks, Trees	30,000					30,000	0.04%
Fire	216,000	256,000	194,000	141,000	231,000	1,038,000	1.42%
Highway	1,121,558	711,558	746,558	876,558	15,746,558	19,202,790	26.35%
Info Tech	175,000	75,000	75,000	-	75,000	400,000	0.55%
Library	50,000					50,000	0.07%
Police	365,600	24,865,600	115,600	136,600	106,600	25,590,000	35.12%
Schools	655,000	1,100,000	460,000	810,000	3,595,000	6,620,000	9.09%
Sewer	140,000	100,000	2,550,000	2,550,000	2,050,000	7,390,000	10.14%
Town Manager	1,370,000	1,320,000	2,700,000	2,000,000	-	7,390,000	10.14%
Water	1,490,000	725,000	395,000	1,680,000	285,000	4,575,000	6.28%
YFS		25,000				25,000	0.03%
<b>Total</b>	<b>5,655,353</b>	<b>29,438,158</b>	<b>7,486,158</b>	<b>8,194,158</b>	<b>22,089,158</b>	<b>72,862,985</b>	<b>100.00%</b>

### ***Requests Funding Source***

Funding sources outside of the general fund were identified for approximately \$19.7 million (27.1%) of project requests. Sources include water and sewer enterprise funds, Chapter 90 highway funds, other State or Federal programs, the MSBA<sup>16</sup>, and “other” funds, such as fund raising. This left a balance of approximately \$53.1 million for consideration from general fund sources, whether this be from general fund debt or pay as you go capital. The cost of a new public safety building (\$25 million est.) is the highest of all projects under consideration as part of the FY2018-FY2022 CIP, with a new DPW building as second highest (\$15 million est.). All other general-fund eligible projects total \$13.1 million combined, of which nearly \$5.6 million was identified as potentially being funded from Pay as You Go capital funds which are paid for in the year the cost is incurred.

<sup>16</sup> The figures for potential MSBA reimbursement were estimated by the Collins Center. However, should the Town pursue the construction of a new elementary school, the total cost and amount reimbursement would be based upon the project’s unique design.

It should be noted that some projects may be funded by more than one source, most commonly when a grant-funded project also requires a local match.

<b>CAPITAL REQUESTS BY DEPARTMENT BY FUND (ALL YEARS)</b>							
<b>Department</b>	<b>General Fund</b>		<b>Water / Sewer Enterprise</b>	<b>Chapter 90</b>	<b>MSBA</b>	<b>Grants / Other</b>	<b>Total</b>
	<b>Debt-Funded</b>	<b>Pay as You Go</b>					
CD & Health	250,000	102,195				200,000	552,195
Cem, Parks, Trees		30,000					30,000
Fire	0	1,038,000					1,038,000
Highway	15,360,000	1,475,000	60,000	2,307,790			19,202,790
Info Tech	0	400,000					400,000
Library		50,000					50,000
Police	25,000,000	590,000					25,590,000
Schools	3,560,000	1,765,000			1,295,000		6,620,000
Sewer			390,000			7,000,000	7,390,000
Town Manager	3,380,000	100,000	1,000,000	500,000		2,410,000	7,390,000
Water			4,575,000				4,575,000
YFS		25,000					25,000
<b>Total</b>	<b>47,550,000</b>	<b>5,575,195</b>	<b>6,025,000</b>	<b>2,807,790</b>	<b>1,295,000</b>	<b>9,610,000</b>	<b>72,862,985</b>
<b>% of Total</b>	<b>65.3%</b>	<b>7.7%</b>	<b>8.3%</b>	<b>3.9%</b>	<b>1.8%</b>	<b>13.2%</b>	<b>100.0%</b>

**Requests by Asset Type**

By type of asset, the greatest value of requests was for Town facilities (42.1%), as this included the new public safety building. Following, the next greatest requests were for roads/sidewalks (13.6%), storm water collection system improvements (9.7%) which includes significant work to the downtown culvert system, and school facilities (8.8%).

<b>CAPITAL REQUESTS BY ASSET TYPE BY YEAR (ALL FUNDS)</b>							
	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>Total</b>	<b>% of Total</b>
Facilities	460,000	25,115,000	1,255,000	270,000	15,060,000	42,160,000	57.9%
Info Tech	225,795	6,600	6,600	106,600	106,600	452,195	0.6%
Parks & OS	0	220,000	0	450,000	0	670,000	0.9%
Roads/Sidewalks	2,161,558	2,011,558	1,746,558	3,146,558	746,558	9,812,790	13.5%
Schools	640,000	985,000	735,000	460,000	3,595,000	6,415,000	8.8%
Sewer	80,000		50,000	50,000	50,000	230,000	0.3%
Storm Water		100,000	2,500,000	2,500,000	2,000,000	7,100,000	9.7%
Vehicles/Equip	1,258,000	1,000,000	401,000	303,000	331,000	3,293,000	4.5%

<b>CAPITAL REQUESTS BY ASSET TYPE BY YEAR (ALL FUNDS)</b>							
	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>Total</b>	<b>% of Total</b>
Water	830,000	0	1,500,000	200,000	200,000	2,730,000	3.7%
<b>Total</b>	<b>5,655,353</b>	<b>29,438,158</b>	<b>8,194,158</b>	<b>7,486,158</b>	<b>22,089,158</b>	<b>72,862,985</b>	<b>100.0%</b>

### **Capital Planning Evaluation Criteria**

After reviewing each project request to determine if it was complete and CIP-eligible, the project team then evaluated the proposed projects based upon a series of criteria. The categories included:

- Preserve or enhance Town assets – Does the proposed project maintain or improve an existing facility? What is the anticipated useful life of the investment? Does the proposed project replace a piece of equipment needed to provide public services? Is the vehicle beyond its reasonable life? Is the acquisition part of a scheduled replacement plan that will keep vehicles operational and preclude major repair costs?
- Increase efficiency and effectiveness of government – Does the project reduce operating costs (e.g., eliminate costly repairs) or increase the effectiveness of government? Does the project reduce potential legal liability (e.g. repair of a broken sidewalk) or threats to operations (e.g., replacement of a needed street sweeper before it breaks down completely)? Does it improve customer service or provide a new, needed service?
- Be a good steward of public resources – Does the project increase revenues? Are outside grant funds available to cover a portion or all of the cost?
- Specific impacts on operating budget – What types of ongoing savings might be realized from the project? Does the project increase operating costs?

In addition, each project was evaluated to see how it would influence a series of key policy areas. These included:

- Aesthetics / Historic Preservation
- Cultural and Recreational Opportunities
- Economic Growth
- Education
- Environmental Sustainability
- Public Health
- Public Safety

While these criteria were used to differentiate between the merits of the 87 projects, it should be noted that they were not used rigidly in developing the FY2018-FY2022 CIP. At times, projects that received modest scores, predominantly because they did not contribute to the policy areas, but were critically needed – such as purchasing a camera and vehicle that can look inside Town sewers - were elevated for consideration in the plan based upon need and resource availability.

**Resources Available**

The local funding sources will predominantly be used by the Town of Ashland to fund the *FY2018-FY2022 Capital Improvement Plan*. Each of these will be discussed in detail below:

- General fund debt and pay-as-you-go
- General fund debt exclusion
- Water/Sewer enterprise fund debt and pay-as-you go

***General Fund Debt and Pay-as-You-Go***

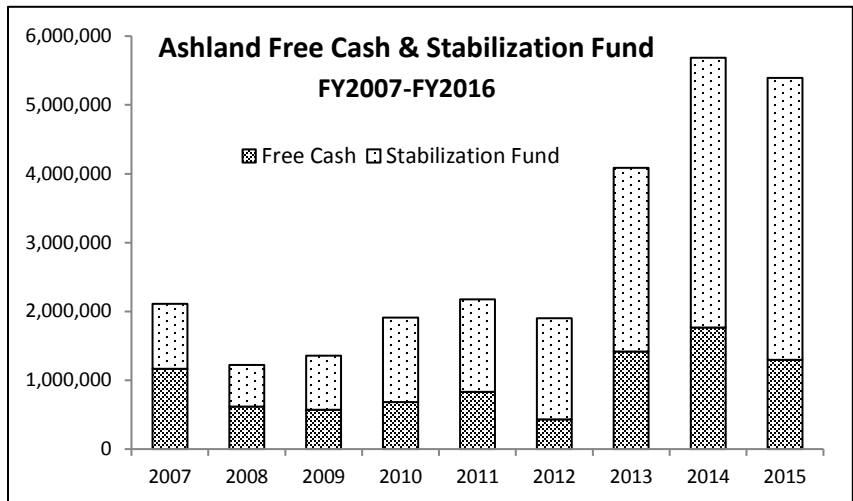
Ashland is well-positioned to significantly increase its annual investment in capital improvements. This is possible as a result of healthy growth in revenues in recent years, coupled with the Town’s careful management of the resources available to it. By using new revenues cautiously over an extended period of time, the Town has been able to increase its stabilization fund reserves and is now prepared to invest in tangible capital improvements that will be of benefit to community members across town.

<b>NEW GROWTH HISTORY</b>			
<b>Year</b>	<b>Residential</b>	<b>Comm Ind Personal Prop</b>	<b>Total</b>
2007	664,339	87,662	752,001
2008	580,495	70,798	651,293
2009	352,671	98,467	451,138
2010	171,408	81,117	252,525
2011	181,606	84,691	266,297
2012	136,513	122,865	259,378
2013	198,871	85,612	284,483
2014	209,024	147,867	356,891
2015	356,181	177,724	533,905
2016	405,900	353,089	758,989
<b>Average</b>	<b>325,701</b>	<b>130,989</b>	<b>456,690</b>

Although the impacts of the Great Recession were felt in Ashland, as seen by the rates of new growth (e.g., “additional tax revenue generated by new construction, renovations and other increases in the property tax base during a calendar year”<sup>17</sup>) from FY2010 to FY2013, rapid increases have occurred since then. Altogether, new growth has averaged approximately \$450,000 over the past 10 years even while taking into account the negative impacts of the recession. Importantly, not only had new growth in 2016 reached the level experienced in 2007 prior to the great recession, but the more recent growth is more evenly balanced between commercial and residential property investment. The commercial growth not only increases property tax revenue, but can also increase hotel and meals tax revenues as workers go out to lunch locally and business travelers stay nearby.

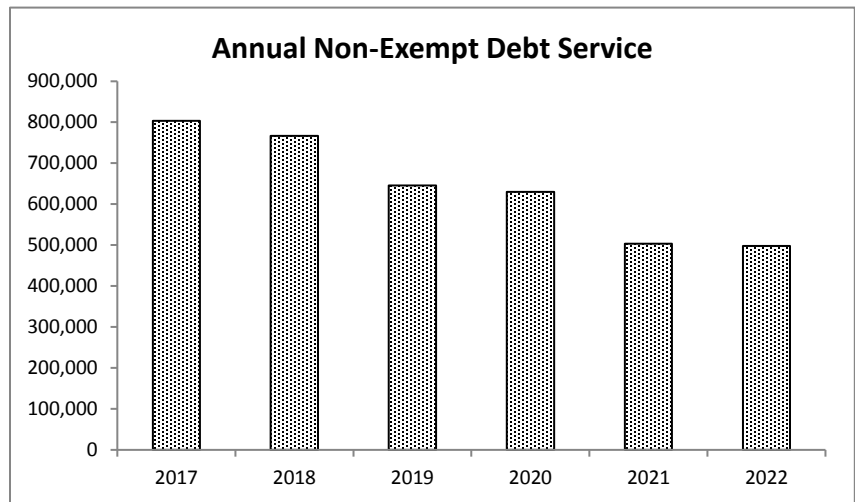
<sup>17</sup> Massachusetts Department of Revenue, Division of Local Services, Municipal Finance Glossary. (May 2008)

As revenues have grown, instead of increasing spending in the operating budget equivalent to revenue growth, Ashland has added significantly to its reserve funds (e.g., Free Cash and Stabilization). In fact, the combined total of these funds increased 156% from about \$2.11 million in FY2007 to just under \$5.4 million in FY2015. This was led by the increase in the stabilization fund, with a new Joint Financial Reserve Policy adopted in 2013 to bring the fund up to 10% of budgeted revenues with a minimum of 5%.<sup>18</sup> Since FY2013, the Town has added over \$1.425 million to the stabilization fund (+65%) and free cash has remained over \$1 million.



In addition, the Town has also been very cautious in issuing debt for capital projects and has issued no new general-fund non-exempt debt since 2015.. As a result, annual debt service will be declining consistently beginning in FY2018. A best practice is to recapture decreases in debt service and redeploy them toward current and future capital investments as doing so will not have any impact on the operating budget. As can be seen, existing non-exempt debt service will be falling from just over \$800,000 in FY2017 to just under \$500,000 in FY2022.

In recognition that the Town will be accommodating increases in debt service payments beginning in FY2018, the *FY2018-FY2022 Capital Improvement Plan* focuses on pay-as-you-go capital projects (\$4.6 million over five years) and only incorporates a limited number of projects to be funded by borrowing (\$4.5 million). (Debt service for the single largest general fund project --construction of a new public safety building in FY2019 would be the subject of a potential debt exclusion and would be paid by local taxpayers, if approved.)



As can be seen below, over the next five years, Ashland will make two changes in how it funds capital projects. First, over the course of the *FY2018-FY2022 Capital Improvement Plan*, the Town will be gradually increasing its general fund capital investment from 3.0 % of its general fund operating budget as was budgeted in FY2017 to 4.5% of the annual budget by FY2022.<sup>19</sup> (“Capital investment” includes

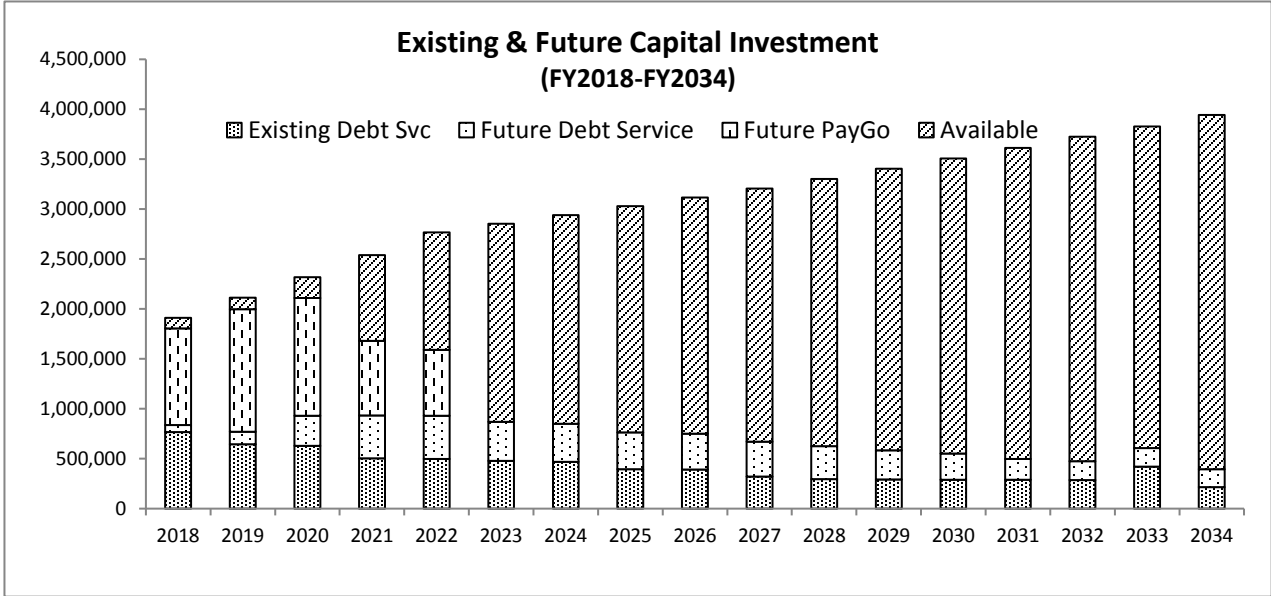
<sup>18</sup> “Joint Financial Reserve Policy,” Town of Ashland Joint Operational Policies and Procedures. (December 2013)

<sup>19</sup> For the purpose of this calculation, general fund operating budget is the annual budget less enterprise costs.

pay-as-you go capital projects which are paid for in the year incurred and debt service for bonded projects. Each year needs may change, so no fixed ratio is being between the two types of projects.) Once the 4.5% target is reached, as the Town's revenues continue to grow in the future, its dollar investment in capital improvements will grow as well in order to maintain the percent target. In addition, by establishing a policy based upon the percent of budget to be made available for capital investment, in future years, as debt service declines the Town will be able to redeploy those savings on other needed capital projects and the dollar amount dedicated to capital will increase at the same pace that revenues do. The potential exists for the Town to reach 5.0% of annual budget by FY2024, which will be the subject of discussion by the Board of Aldermen and Finance Committee over the next few years as new requests are received in the future and the five year plan is updated for a different 5-year period.

Second, the Town will decrease the amount of free cash used annually for capital by \$25,000 per year until no free cash is planned for in the CIP by FY2022. This will allow free cash to be available for unanticipated events, such as snow conditions. Should a given year's free cash be greater than projected, it would be possible to use those funds to accelerate projects included in the CIP or undertake other projects that were not included in the plan.

In addition, as can be seen, a significant amount will be available for commitment beyond the current 5-year horizon under the 4.5% policy. It is important to recognize that this graphic depicts capital spending up to 17 years from now and, ample time exists to revise the funding policy should it be seen to be too ambitious or not ambitious enough.



### ***General Fund Exempt Debt Service***

The *FY2018-FY2022 CIP* includes three projects that are so substantial that they cannot be contained within annual general fund resources and are recommended for voter-approved debt exclusions. These include:

- Construction of new public safety building (estimated \$25 million);
- Construction of human services building (\$1 million); and,
- Feasibility and design of new elementary school (\$3.7 million, but eligible for an estimated \$1.3 million in reimbursement from the MSBA).

The actual cost of construction of the elementary school and the MSBA reimbursement rate would be determined during the feasibility and design phase, and construction is presently anticipated to take place after FY2022.

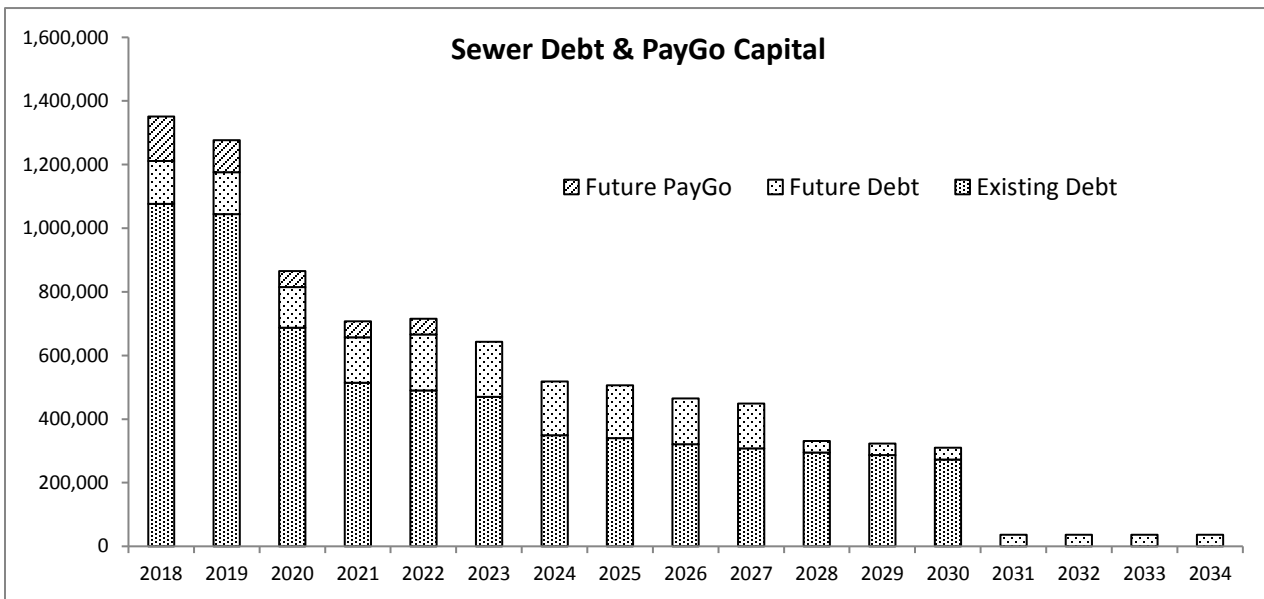
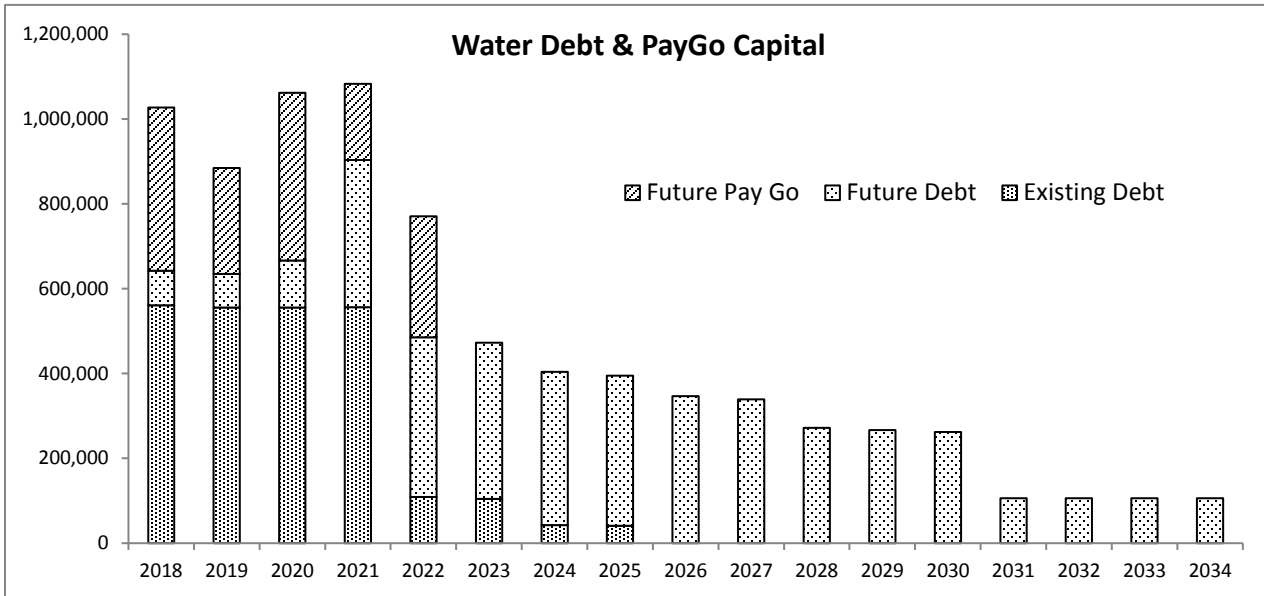
If approved by the voters in the schedule included in this CIP, an additional approximate \$2.07 million in excluded debt would be incurred during FY2018 (a BAN would likely be in the first year, so costs may be lower than presently estimated).

### ***Water and Sewer Enterprise Fund Debt and Pay-as-You-Go***

The Town of Ashland charges users fees that are designed to cover annual operating and capital costs needed to provide water and sanitary sewer services. These costs include debt service and pay as you capital. In FY2017, the Town is responsible for making \$572,000 in debt service payments for a series of improvements to its water distribution system, including water lines and the treatment plant, and approximately \$1.1 million in debt service for improvements to the sewer system. Despite these significant figures, continued investments in the water and sewer system are needed, as evidenced by the approximately \$6 million in project requests.

In this *FY2018-FY2022 Capital Improvement Plan*, the Town of Ashland is scheduled to over \$5.9 million in water and sewer system improvements, including continuing efforts to replace water lines and address storm water inflow and infiltration into the sewer system (known as “I/I”). This investment includes approximately \$4 million debt funded projects, supported predominantly by low or no interest State loans, and \$1.9 million in pay-as-you-go capital. The MWRA’s I/I program in particular offers an exceptionally low 0% interest rate and a 10 year term (in FY2015-FY2016, the Town benefited from 75% loan forgiveness. At the end of fiscal year 2017, the Town will have requested the final allocation under this program.. This capital plan projects full repayment over 10 years, as it is not known if MWRA may ever be able to expand its loan forgiveness program.). As noted above, even if repayment is required, rate payers will benefit from this investment by reducing the amount stormwater entering the sewer system - absent I/I efforts, these treatment costs would need to be paid in perpetuity.

The debt service and pay as you go investment schedule can be seen in the graphics below.<sup>20</sup> Specific projects can be seen in the Projects by Funding Source and Projects by Department tables below. As can be seen, the existing debt service for both enterprise funds will decline sharply in the near future – the Water Enterprise in FY2022 and the Sewer Enterprise starting in FY2020.<sup>21</sup>



<sup>20</sup> The projected debt service schedule assumes that the Town will take advantage of the State’s Clean Water and Drinking Water revolving funds which offer interest rates of 2% over a 20 year term and the MWRA’s no interest loan program with a 10 year term for I/I. Should the MWRA extend loan forgiveness, these figures could go down.

<sup>21</sup> Graphics do not include authorized, yet unissued debt as the date of future issuance is not known.

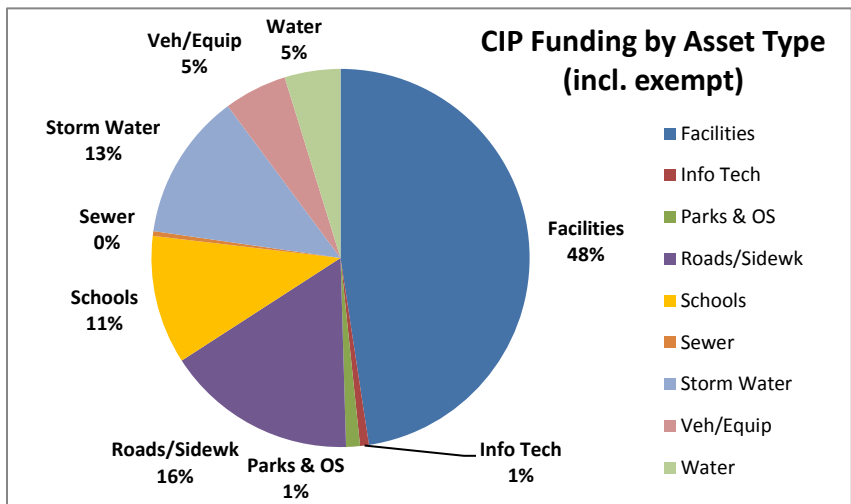
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## FY2018-FY2022 CIP PROJECT LISTING

Despite healthy general fund resources available to the Town of Ashland, difficult choices still needed to be made in the development of the *FY2018-FY2022 Capital Improvement Plan*. Many project requests that had merit could not be included, and others had to be reduced to align with funding availability. Overall, the CIP allocates funds to 69 projects, totaling just over \$56.5 million across all five years of the plan and all funds. This represents 78% of the total value of the original project requests.

<b>FUNDED VS. REQUESTED BY DEPARTMENT (FY2018-FY2022 )</b>				
	<b>Total Requested</b>	<b>Total Funded</b>	<b>% of Requested</b>	<b>Number Funded</b>
CD & Health	552,195	510,000	92%	3
Cem, Parks, Trees	30,000	30,000	100%	1
Fire	1,038,000	1,038,000	100%	8
Highway	19,202,790	3,412,790	18%	4
Info Tech	400,000	400,000	100%	3
Library	50,000		0% <sup>22</sup>	
Police	25,590,000	25,590,000	100%	6
Schools	6,620,000	6,190,000	94%	22
Sewer	7,390,000	7,390,000	100%	4
Community Development	7,390,000	7,390,000	100%	7
Water	4,575,000	4,545,000	99%	9
YFS	25,000	25,000	100%	1
<b>TOTAL</b>	<b>72,862,985</b>	<b>56,520,790</b>	<b>78%</b>	

These capital investments will have a direct impact on the lives of Ashland residents, students, businesses, and visitors. The plan prioritizes public safety and public health, and many projects will have significant impacts in these areas. Projects will ensure reliable water/sewer infrastructure that is in compliance with health and environmental requirements, improve teacher effectiveness and student learning, increase recreational opportunities for residents, and upgrade and maintain public safety facilities, improve the



<sup>22</sup> The two library projects would best be addressed in the Town operating budget.

safety of staff and the residents they serve.

Across all asset types, the most significant spending is on police, driven by the construction of a \$25 million public safety building that will house the police and fire departments. Following this are sewer-related projects and projects identified by the Town Manager, including significant improvements to Main Street.

As described above, the projects included in the CIP will be funded through a mix of funding sources, including general fund debt and pay-as-you-go, water and sewer enterprise funds, state grants, etc. A total of 66.0 % of projects will be paid for through the Town’s general fund, whether this be as a result of borrowing or as a pay as you go project and 10.5% of projects will be funded by the Town’s water/sewer enterprise fund. The balance of projects (23.2% of total) will be funded from non-local sources. This means that state, federal, and other sources will contribute \$13.1 million of funding for projects in the capital plan. The Cherry Street Quiet Zone, for example, will move forward when grant funds in the amount of \$1.22 million are secured.

The table below shows general capital spending through borrowing and pay-as-you-go funding for each of the five years of the plan. Other than this, the amount to be borrowed is relatively modest. Instead, a large number of projects will be funded through pay as you go capital, thereby saving taxpayer dollars by not incurring interest expenses.

Projected annual debt service from the new projects is expected to be relatively low, ranging from an estimated \$142,270 in FY2018 to \$602,444 in FY2022. Depending on when the Town authorizes the borrowing and the type of financial vehicle used, actual payments can be lower than presently estimated.

<b>PROJECT VALUE BY FUNDING SOURCE (FY2018-FY2022)</b>		
<b>Funding Type</b>	<b>Amount Funded</b>	<b>% of Total</b>
GF Debt (Exempt))	28,405,000	50.3%
GF Debt (Non-exempt)	4,535,	8.0%
GF (Pay as You Go)	4,373,000	7.7%
Water / Sewer Enterprise	5,935,000	10.5%
Chapter 90	2,307,790	4.1%
MSBA eligible	1,295,000	2.3%
State / Federal Program	1,400,000	2.5%
Other	8,090,000	14.3%
<b>Total</b>	<b>56,520,790</b>	<b>100.0%</b>

<b>NON-EXEMPT GENERAL FUND CAPITAL SPENDING (FY2018-FY2022)</b>				
	<b>PayGo</b>	<b>Debt Service (Projected)</b>	<b>Available Resources</b>	<b>Balance Uncommitted</b>
FY2018	916,600	142,270	1,144,344	85,474
FY2019	1,196,600	202,310	1,468,288	69,378
FY2020	1,104,600	392,880	1,688,591	191,111
FY2021	747,600	516,955	2,035,689	771,134
FY2022	587,600	602,444	2,269,909	1,079,865
<b>5 Year Total</b>	<b>4,553,000</b>	<b>1,856,859</b>	<b>8,606,820</b>	<b>2,196,961</b>

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**CIP PROJECT LISTING**

**PROJECTS BY FUNDING SOURCE (FY2018 - FY2022)**

<b>GENERAL FUND DEBT FUNDED PROJECTS</b>								
<b>Proj #</b>	<b>Project Name</b>	<b>FY2018</b>	<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>	<b>Total</b>	<b>Notes</b>
DPW4	All-around utility vehicle	150,000					150,000	
DPW7	Repair of Cordaville Rd. Bridge	100,000					100,000	
IT1	Computer Replacement in Town Departments	70,000	30,000				100,000	
SCH2	Update the PA system in the Mindess School	85,000					85,000	
SCH3	Technology Upgrades across the Ashland Public Schools	75,000		75,000		75,000	225,000	
SCH13	Tile abatement at the Mindess School		0	95,000	95,000	95,000	285,000	
SCH14	Tile abatement at the Middle School	0	100,000	100,000	100,000		300,000	
SCH16	Bathroom renovations at the Mindess School		90,000				90,000	
SCH17	Bathroom remodel at the Middle School		100,000				100,000	
SCH20	Replace Boilers at Warren				300,000		300,000	
SCH8	Replacement of HVAC RTU at Middle School	80,000					80,000	
PLN4	Misc Park Improvements	0	0	250,000	0	0	250,000	
TM5	Cherry Street Quiet Zone Engineering	120,000	1,100,000				1,120,000	
TM2B	Downtown Phase II: Conceptual Design		200,000				200,000	
TM2C	Downtown Phase III: Utilities upgrade			1,400,000			1,400,000	See also water/sewer projects
TM2D	Downtown Phase IV: Streetscape improvements				750,000		750,000	See also Chapter 90 Projects

**CIP PROJECT LISTING**

<b>GENERAL FUND DEBT FUNDED PROJECTS</b>								
<b>Proj #</b>	<b>Project Name</b>	<b>FY2018</b>	<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>	<b>Total</b>	<b>Notes</b>
	<b>Sub-Total</b>	<b>680,000</b>	<b>1,620,000</b>	<b>1,920,000</b>	<b>1,245,000</b>	<b>170,000</b>	<b>5,635,000</b>	

<b>GENERAL FUND DEBT-EXCLUSION FUNDED PROJECTS</b>								
<b>Proj #</b>	<b>Project Name</b>	<b>FY2018</b>	<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>	<b>Total</b>	<b>Notes</b>
PD5	Construction of a Human Services Building	0	0	0	1,000,000	0	1,000,000	
SCH15	Feasibility and design of elementary school	0	0	0	130,000	2,275,000	2,405,000	
TM1	Design and build joint Fire/Police Public Safety Building	250,000	24,750,000	0	0	0	25,000,000	
	<b>Sub-Total</b>	<b>250,000</b>	<b>24,750,000</b>	<b>0</b>	<b>1,130,000</b>	<b>2,275,000</b>	<b>28,405,000</b>	

**CIP PROJECT LISTING**

<b>GENERAL FUND PAY AS YOU GO PROJECTS</b>								
<b>Proj #</b>	<b>Project Name</b>	<b>FY2018</b>	<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>	<b>Total</b>	<b>Notes</b>
DPW1	Road Reconstruction	100,000	150,000	225,000	250,000	250,000	975,000	
DPW5	Purchase of a flail mower				130,000		130,000	
DPW6	Paving of cemetery road	30,000					30,000	
FIRE1	Ambulance Lease	55,000	55,000	55,000			165,000	
FIRE2	Replacement of 20 year old Pumper Truck	86,000	86,000	86,000	86,000	86,000	430,000	
FIRE3	Replacement of Firefighting Gear	75,000					75,000	
FIRE4	Pickup Truck and Plow		65,000				65,000	
FIRE5	Command Vehicle replacement		50,000				50,000	
FIRE6	Pumper Truck 2					90,000	90,000	
FIRE7	Command Vehicle			53,000			53,000	
FIRE8	Ambulance 2				55,000	55,000	110,000	
PD2	Police Cruiser replacement	100,000	100,000	100,000	100,000	100,000	500,000	
PD2	Laptop Computers for Police Cruisers	6,600	6,600	6,600	6,600	6,600	33,000	
PD3	TASERs				15,000		15,000	
PD4	Thermal Imager				15,000		15,000	
PD6	Police Radios for Cruisers	9,000	9,000	9,000			27,000	
PLN2	New Vertical Filing/Storage Units		0	60,000			60,000	
SCH1	Electrical upgrade study and implementation at Mindess and Middle Schools	15,000	100,000	100,000			215,000	
SCH10	Replacement of HVAC RTU at Warren Elementary School.		50,000				50,000	
SCH11	Installation of Sports Complex security cameras at the High School			20,000			20,000	

**CIP PROJECT LISTING**

<b>GENERAL FUND PAY AS YOU GO PROJECTS</b>								
<b>Proj #</b>	<b>Project Name</b>	<b>FY2018</b>	<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>	<b>Total</b>	<b>Notes</b>
SCH12	Alarm system at the Mindess School		25,000				25,000	
SCH18A	Install modulares at the Warren School	150,000	150,000	150,000	50,000		500,000	
SCH18B	Repair roof at Mindess School		15,000				15,000	
SCH19	Replace Delivery Truck		0	50,000			50,000	
SCH21	Upgrade bathrooms at Warren Elementary			50,000			50,000	
SCH22	Upgrade lighting controls for the Athletic Fields at MS	10,000					10,000	
SCH23	Generator replacement in various schools.		40,000	40,000	40,000		120,000	
SCH4	Purchase Security Cameras		75,000				75,000	
SCH5	Replacement of gymnasium bleachers at the Middle School		85,000				85,000	
SCH6	Roof exhaust replacement at the Middle School		20,000				20,000	
SCH7	Addition of Storage at the High School	0	50,000				50,000	
SCH9	Replacement of HVAC RTU at Mindess Elementary School.		40,000				40,000	
TM2A	Downtown Phase I: Riverwalk	280,000					280,000	
TM4	Construction of a Human Services Building			100,000	0		100,000	
YFS1	Food Transport Van		25,000				25,000	
	<b>Sub-Total</b>	<b>916,600</b>	<b>1,196,600</b>	<b>1,104,600</b>	<b>747,600</b>	<b>587,600</b>	<b>4,553,000</b>	

**SEWER ENTERPRISE FUNDED PROJECTS**

**CIP PROJECT LISTING**

<b>Proj #</b>	<b>Project Name</b>	<b>FY2018</b>	<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>	<b>Total</b>	<b>Notes</b>
DPW2	Downtown Culvert System		100,000	0	0	0	100,000	
SEW2	Purchase a Water/Sewer service truck	60,000					60,000	
SEW3	Feasibility Study for a new regional Wastewater Treatment Facility (WTF).					50,000	50,000	
SEW4	Upgrades to Sewer Pump Station	80,000		50,000	50,000		180,000	
TM2C	Downtown Phase III: Utilities upgrade			500,000			500,000	See also Water Enterprise
	<b>Subtotal</b>	<b>140,000</b>	<b>100,000</b>	<b>550,000</b>	<b>50,000</b>	<b>50,000</b>	<b>890,000</b>	

<b>WATER ENTERPRISE FUNDED PROJECTS</b>								
<b>Proj #</b>	<b>Project Name</b>	<b>FY2018</b>	<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>	<b>Total</b>	<b>Notes</b>
TM2C	Downtown Phase III: Utilities upgrade			500,000			500,000	See also Sewer
WAT1	Replacement of Water Treatment Plant Filters	115,000	115,000	120,000	125,000		475,000	
WAT2	Replacement of asbestos concrete (AC) water mains	200,000		200,000		200,000	600,000	
WAT3	Replacement of all Town water meters	475,000	475,000				950,000	
WAT4	SCADA Upgrades in water treatment plant	20,000		25,000		25,000	70,000	
WAT5	Repaint Woodridge Water Tank	600,000					600,000	
WAT6	Repaint Cedar Water Tank				1,500,000		1,500,000	
WAT7	Replacement of Backhoe		85,000				85,000	
WAT8	Water Plant Modernization	50,000	50,000	50,000	55,000	60,000	265,000	
	<b>Sub-Total</b>	<b>1,460,000</b>	<b>725,000</b>	<b>895,000</b>	<b>1,680,000</b>	<b>285,000</b>	<b>5,045,000</b>	

**CIP PROJECT LISTING**

<b>GRANT- AND OTHER-FUNDED PROJECTS</b>								
<b>Proj #</b>	<b>Project Name</b>	<b>FY2018</b>	<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>	<b>Total</b>	<b>Notes</b>
DPW2	Downtown Culvert System		0	2,500,000	2,500,000	2,000,000	7,000,000	
PLN1	Cadillac Paint & Varnish Co. Remediation and Conversion to a Park.		200,000				200,000	
SCH15	Feasibility and design of elementary school				70,000	1,225,000	1,295,000	
TM2A	Downtown Phase I: Riverwalk	970,000					970,000	
TM3	22 Eliot Street		20,000	200,000			220,000	
	<b>Subtotal</b>	<b>970,000</b>	<b>220,000</b>	<b>2,700,000</b>	<b>2,570,000</b>	<b>3,225,000</b>	<b>9,685,000</b>	

<b>CHAPTER 90-FUNDED PROJECTS</b>								
<b>Proj #</b>	<b>Project Name</b>	<b>FY2018</b>	<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>	<b>Total</b>	<b>Notes</b>
DPW1	Road Reconstruction	461,558	461,558	461,558	211,558	461,558	2,057,790	
TM2D	Downtown Phase IV: Streetscape Improvements				250,000		250,000	
	<b>Subtotal</b>	<b>461,558</b>	<b>461,558</b>	<b>461,558</b>	<b>461,558</b>	<b>461,558</b>	<b>2,307,790</b>	

	<b>FY2018</b>	<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>	<b>Total</b>
<b>GRAND TOTAL</b>	<b>4,878,158</b>	<b>29,073,158</b>	<b>7,631,158</b>	<b>7,884,158</b>	<b>7,054,158</b>	<b>56,520,790</b>

**CIP PROJECT LISTING**

**Projects by Department**

<b>Project #</b>	<b>Project Title</b>	<b>Project Description</b>	<b>Total Project Cost</b>
<b>Department of Public Works</b>			
DPW1	Road Reconstruction	This project funds road reconstruction throughout town to include surface renewal or a complete rebuild of a roadway depending on the road condition assessment. All town roads are prioritized based on safety, amount of traffic, and quality of ride, and currently the State funding of Chapter 90 funds is inadequate to maintain town roads in a state of good repair	3,032,790
DPW2	Downtown Culvert System	This project will provide funding for the engineering design and construction of upgrades for five existing culverts located downtown. Maintenance of these culverts are critical to the future sustainability of the downtown business development. Remedy include reinforcement of existing culverts or replacement. It is anticipated to leverage future permitting and development funds to pay for construction costs while initial engineering costs would be from the sewer account.	7,100,000
DPW4	All-around utility vehicle	This project replaces a 1997 singular-use vehicle with a model that can accept additional attachments to accomplish a greater diversity of tasks such as flail mower, snowblower, plow, sweeper, water pod, or sander. This equipment will increase the versatility and efficiency of the department by adding greater capability than standard equipment while reducing the size of the fleet.	150,000
DPW5	Purchase of a flail mower	This is new piece of equipment to increase the efficiency of the department to conduct a necessary task. The flail mower is used to cut heavier brush and vegetation roadside, which if not done annually compromises town aesthetics and creates safety hazards for drivers as sightlines are hindered. Currently this is done by hand, whereas this equipment would save significant manhours.	130,000
DPW6	Paving of cemetery road	While not a main thoroughfare, this road services the cemetery, and has a 500 foot stretch that is riddled with potholes creating safety hazards as well as not conducive to the solemn atmosphere that supports the cemetery. Visited by a large numbers of visitors annually, this road is over 20 yrs old and requires significant work to rebuild sections of the roadway	30,000

**CIP PROJECT LISTING**

<b>Project #</b>	<b>Project Title</b>	<b>Project Description</b>	<b>Total Project Cost</b>
DPW7	Repair of Cordaville Rd Bridge	This project is necessary to design the necessary repairs to the bridge, to correct deficiencies identified in the most recent inspection by the State DOT. Currently the condition of the bridge is rated as "Poor Condition" and as such, immediate capital improvements are required to maintain the bridge in a safe and reliable condition.	100,000
FIRE1	Ambulance Lease	The costs in this project are to purchase a Town Ambulance through a continuation of a lease-to-purchase contract. The contract was initiated in 2016 for 5 years.	165,000
FIRE2	Replacement of 20 year old Pumper Truck	The costs in this project are to purchase a Pumper Truck through a continuation of a lease-to-purchase contract. The contract was initiated in 2016 for 7 years.	430,000
FIRE3	Replacement of Firefighting Gear	This project replaces 25 sets of firefighting turnout gear that will be out of compliance per National Fire Protection Association (NFPA) after this year. This new gear would replace that which was manufactured in 2007 and has a 10 year expiration date and important to protect the firefighters who must respond to emergency response calls.	75,000
FIRE4	Pickup Truck and Plow	This purchase would be replacing a 2004 Pick-up that has severe body and frame corrosion that is beyond repair. This vehicle is used for plowing during emergency calls and forest fires response.	65,000
FIRE5	Command Vehicle replacement	This purchase will replace a 2010 Command Vehicle that has over 96,000 miles. With this new vehicle, the command and control on emergencies will improve as it has compatibility with the Command Center. It will be equipped with an Accountability Board and new radio while reducing the current costly mechanical repairs.	50,000
FIRE6	Pumper Truck 2	This project will replace a 2000 Pumper as it will be 20 years old. The high maintenance costs and outdated equipment warrant replacement. The annual costs indicate a 7 year lease-to-purchase contract.	90,000
FIRE7	Replace Command Vehicle	This purchase will replace a 2013 Command Vehicle that is projected to have over 85,000 miles at the time of replacement. With this new vehicle, the command and control on emergencies will improve as it has compatibility with the Command Center. It will be equipped with an Accountability Board and new radio while reducing the current costly mechanical repairs.	53,000
FIRE8	Replace Ambulance 2	This purchase would replace an existing 10 year old ambulance that has reached its life expectancy. The costs are for a 5 yr lease-to-purchase starting in FY21.	110,000
IT1	Computer Replacement in Town Departments	This project replaces the PCs in all town offices to ensure continued IT support and compatibility. Currently there are several different types of systems with very little consistency in hardware, compromising the efficiency and effectiveness of staff.	100,000

**CIP PROJECT LISTING**

<b>Project #</b>	<b>Project Title</b>	<b>Project Description</b>	<b>Total Project Cost</b>
		Increasingly the management of electronic software is creating challenges in deployment and troubleshooting.	
PD2	Police Cruiser replacement	Police cruisers are currently acquired annually on overlapping 4-yr lease-to-purchase contracts and this project continues to cycle 3 cruisers for replacement every year, due to high mileage and great wear-and-tear. As front-line public safety vehicles, it is imperative that timely replacement occurs to prevent higher maintenance expenses or risk failure of the mission of the department.	500,000
PD2	Laptop Computers for Police Cruisers	This project replaces 3 laptop computers to be mounted in police cruisers. Digital information is critical for the officers' safety who depend on information to make timely assessments and decisions regarding hazardous locations and individuals they encounter.	33,000
PD3	TASERS	This project replaces 5 of the department's Electronic Control Weapons (TASER) which have a lifespan of approximately 5 years. The first of these weapons were purchased in FY 16.	15,000
PD4	Thermal Imager	This project replaces a very powerful search and rescue tool used to find somebody in a thickly vegetated area. By detection of thermal properties of a person, it helps to locate a missing person or suspect at nighttime.	15,000
PD5	Design and construction of a Public Safety Building	This project is crucial to provide infrastructure needed to sustain the provision of critical safety services. Currently the Police Department is operating out of leased space in a commercial mall which challenges the operational efficiency and effectiveness of the department and costs approximately \$24k/year. Prior to construction, there are several requirements to include the purchase of land, facility design, and voter approval.	1,000,000
PD6	Police Radios for Cruisers	This project creates a replacement cycle for mobile radio's that would ensure a new radio in each cruiser by FY20. Communications are critical to ensure the effective operations and safety of public safety personnel and some of the current radios are more than 10 years old.	27,000
PLN1	Cadillac Paint & Varnish Co. Remediation and Conversion to a Park.	This 5 acre site has potential to contribute to the community in a positive way following remediation under the Brownfields legislation. As the property has gone into delinquency, a formal "Taking" will be initiated by the Town.	200,000
PLN2	New Vertical Filing/Storage Units	This project supports the acquisition of new filing units for the Community Development Office to properly care for historical documents. The lacks sufficient, accessible filing	60,000

**CIP PROJECT LISTING**

<b>Project #</b>	<b>Project Title</b>	<b>Project Description</b>	<b>Total Project Cost</b>
		system has hampered operations and the efficiency of document retrieval costing employee time. Without increasing floor space, vertical filing units would be an effective solution using desk to ceiling space.	
PLN4	Misc Park Improvements	This project invests in basic improvements to several parks throughout the Town to enhance visitation, safety, and utilization. Several parks lack basic amenities such as benches, bathroom facilities, and foot paths which would attract many additional people from the community. With this investment, opportunities exists for the addition of an exercise course through corporate funding/donations.	250,000
SCH1	Electrical upgrade study and implementation at Mindess and Middle Schools	Current electrical provisions in the classrooms are out of date such as daisy chained circuits found in both schools and can pose a fire hazard. This in combination with the pervasive increase in technology usage, warrants an electrical upgrade which starts with a study to determine the needs, followed by a construction phase to implement the design.	215,000
SCH10	Replacement of HVAC RTU at Warren Elementary School.	This project would replace the Heating/Cooling Control Units that service core offices to include Admin offices, Library, Computer Lab, and Copy room. The rooftop units are over 20 yrs old and nearing the end of their useful life and the refrigerant used is mandated for replacement by EPA regulation.	50,000
SCH11	Installation of Sports Complex security cameras at the High School	This project provides for the Installation of security cameras up at the high school sports complex. The cameras would provide monitoring of the fields to deter or identify criminal activity to provide a safer area and reduce vandalism. These facilities are rented out for parties and would benefit from monitoring to better respond to situations that may develop.	20,000
SCH12	Alarm system at the Mindess School	As the current alarm is beyond repair, this project will ensure the school has a dependable alarm system which is critical for the safety of all occupants.	25,000
SCH13	Tile abatement at the Mindess School	This project implements the Phase 2 of 4 of the school's management plan to the Asbestos Hazard Emergency Response Act (AHERA) where abatement is required. Phase I was completed in FY15. In various locations, asbestos tile is being dislodged and pose a danger if uncorrected. The funds for this project will address asbestos abatement in multiple rooms and hallways by replacing tiles with Vinyl Composition Tile (VCT).	285,000
SCH14	Tile abatement at the Middle School	This project implements the Phase 2 of 4 of the school's management plan to the Asbestos Hazard Emergency Response Act (AHERA) where abatement is required. Phase I was	300,000

**CIP PROJECT LISTING**

<b>Project #</b>	<b>Project Title</b>	<b>Project Description</b>	<b>Total Project Cost</b>
		completed in FY15. In various locations, asbestos tile is being dislodged and pose a danger if uncorrected. The funds for this project will address asbestos abatement in multiple rooms and hallways by replacing tiles with Vinyl Composition Tile (VCT).	
SCH15	Feasibility and design of elementary school	In preparation for a response to the Statement of Interest (SOI) submitted to the MSBA, this project would conduct the feasibility study and prepare construction design documents. Following the space needs study, there exists significant space needs and combined with condition assessment, warrant the construction of a new school to replace two of the older schools. It is about a 5 year process through the MSBA with reimbursement for the project estimated at a rate of 35% (of an estimated \$35M total cost).	3,700,000
SCH16	Bathroom renovations at the Mindess School	This project involves full renovation of 3 boys and 3 girls bathrooms. These bathrooms are antiquated, do not meet ADA code, and require complete tear down and replacement. This condition adversely impacts the morale of the children as they use the facilities daily.	90,000
SCH17	Bathroom remodel at the Middle School	This project involves full renovation of the bathroom facilities in the Middle School. These bathrooms are original to the building, do not meet ADA code, and require complete tear down and replacement. This condition adversely impacts the morale of the students as they use the facilities daily.	100,000
SCH18A	Install modulars at the Warren School	This project pays the terms of a 5-yr lease contract for 4 modular classrooms installed in the rear of the building. These additional classrooms are required to correct the major space shortage that currently exists in the school district which is expected to be addressed by the construction of a new school in the next 10 yrs. These modulars can be purchased at the end of the lease.	500,000
SCH18B	Repair roof at Mindess School	This project is to repair a leak in the roof over library and computer rooms. Water damage is particularly problematic for a technology department and one with an abundance of paper products.	15,000
SCH19	Replace Delivery Truck	This project would replace an 18 year old vehicle that is uniquely designed for transport and delivery across the School District. This vehicle is used throughout the District on a daily basis and currently has significant maintenance concerns with increasing repair costs.	50,000
SCH2	Update the PA system in the Mindess School.	This project replaces the electrical hardware and wiring throughout the public address system. Having an effective and dependable PA system ensures not only that daily	85,000

**CIP PROJECT LISTING**

<b>Project #</b>	<b>Project Title</b>	<b>Project Description</b>	<b>Total Project Cost</b>
		operations are better coordinated, but enhances occupant safety through announcements in emergency situations.	
SCH20	Replace Boilers at Warren	This project replaces three boilers in the school. The current boilers were installed in 1996 and catastrophic failure is becoming more likely which will require the closing of school until a new boiler is emplaced, a process which could take several days and cost significantly more under emergency conditions.	300,000
SCH21	Upgrade bathrooms at Warren	Bathrooms are original to the building and in desperate need of renovation. The plumbing and electrical fixtures are old and malfunctioning, broken tiles, rusted hardware and damaged stalls. They do not meet ADA specifications. The bathrooms require full interior renovation	50,000
SCH22	Upgrade lighting controls for the Athletic Fields at MS	This project provide lighting controls tied into the electronic monitoring system for the Middle School fields which are used heavily for school and public events. Currently the lights are controlled manually by a town employee requiring extensive anhours which could be alleviated through remote control and improve energy conservation.	10,000
SCH23	Generator replacement in various schools.	This project replaces the back-up generators in 3 schools which are over 20 years old and require significant repairs. The generators ensure adequate lighting when needing to exit a building at times of power loss as well as maintain the utility through any outage. The generators come on automatically to continue utility service until electricity is restored.	120,000
SCH3	Technology Upgrades across the Ashland Public Schools	Phased over a five year period, this project will upgrade both staff and student technology which have exceeded their useful life and are outdated for the current demands. The 1200 computers are an average of 9 years old. The investment would purchase network equipment, desktop computers for staff and chrome books for students.	225,000
SCH4	Installation of Security Cameras at Warren and Pittaway Schools	This project adds cameras at Warren and Pittaway Schools which are currently unmonitored. The cameras would be added to the APD system which is monitored by police dispatchers. This would be particularly helpful in the cases of vandalism during non-business hours.	75,000
SCH5	Replacement of gymnasium bleachers at the Middle School	This project replaces the bleachers in both large and small gyms at the Middle School which are damaged beyond repair and are a liability due to safety. The bleachers are over 30 years old and used many times a week.	85,000
SCH6	Roof exhaust replacement at the Middle School	This project replaces multiple roof-mounted exhaust units which are badly damaged and are allowing water to infiltrate into the duct work. Not only does it compromise the air	20,000

**CIP PROJECT LISTING**

<b>Project #</b>	<b>Project Title</b>	<b>Project Description</b>	<b>Total Project Cost</b>
		flow out of the building, but the water infiltration can cause serious damage and health issues if it goes unaddressed.	
SCH7	Addition of Storage at the High School	This project would create additional storage space that is badly needed at the High School by building a storage room behind the gym in the courtyard of the High School. As the new fitness center has taken over a major portion of the original storage, space is increasingly scarce, creating a problem for cafeteria food storage for the District.	50,000
SCH8	Replacement of HVAC Roof top unit at Middle School	This project would replace the Heating/Cooling Control Units that service core offices to include Admin offices, Library, Computer Lab and Copy Room. The rooftop units are over 20 yrs old and nearing the end of their useful life and the refrigerant used is mandated for replacement by EPA regulation.	80,000
SCH9	Replacement of HVAC RTU at Mindess Elementary School.	This project would replace the Heating/Cooling Control Units that service core offices to include Admin offices, Library, Computer Lab. The rooftop units are over 20 yrs old and nearing the end of their useful life and the refrigerant used is mandated for replacement by EPA regulation.	40,000
SEW2	Purchase a Water/Sewer service truck	This project replaces a 2006 emergency service truck. This vehicle is critical to the main line repairs as it carries specialized tools and provides back-up to all emergencies. Replacing the vehicle at this time will reduce the annual maintenance and repair costs which are steadily climbing. The cost is to be split between WAT and SEW enterprise accounts.	60,000
SEW3	Feasibility Study for a new regional Wastewater Treatment Facility (WTF).	This project is looking forward at the interests of the Town as sewage treatment costs continue to escalate through the MWRA. It is possible that by regionalizing the collection and treatment of wastewater, it will distribute capital costs to participating communities and lower costs. The design would incorporate flows from Ashland's 3,500 customers and potentially from neighboring communities such as Southborough and/or Holliston. Currently the Town's sewer cost are over 3x that of water, and higher than many other municipalities and only projected to increase in order to meet regulatory requirements on treatment and discharge.	50,000
SEW4	Upgrades to Sewer Pump Station	This project provides necessary upgrades for the Sewer Pump Station in a timely manner to preclude potential health and safety concerns. Failures of the pump infrastructure result in service interruptions. Upgrades to the cooling system, wet well, and exterior infrastructure to include a stonewall and paving.	180,000

**CIP PROJECT LISTING**

<b>Project #</b>	<b>Project Title</b>	<b>Project Description</b>	<b>Total Project Cost</b>
TM1	Design and build joint Fire/Police Public Safety Building	Currently the PD is operating out of leased space in a strip mall which challenges operational efficiency and effectiveness of the department. Annual lease costs are approximately \$24k. Prior to construction, this facility requires a land purchase, design, and voter approval of a Tax Levy Override.	25,000,000
TM2A	Downtown Phase I: Riverwalk	This project begins a larger initiative that has been sought for many years: a downtown revitalization project. In Phase 1 of 4, the focus is on the development of a pedestrian pathway along the Sudbury River connecting to existing pathways along Mill Pond and the downtown area for direct access to restaurants and shops. Creation of pedestrian friendly and visually appealing streetscape and connection to the Riverwalk on a multimodal path with observation deck along the Sudbury River. In addition, with the move of the Police and Fire Departments under a separate capital project, it would allow the repurposing of this key property with the Town revitalization in mind. Proposed Funding: CPA \$300k, DCR \$300k, Economic Development Bond Bill \$370k, Gen Fund \$280k.	1,250,000
TM2B	Downtown Phase II: Conceptual Design	In this project, a fully phased Concept Development for Downtown Revitalization is to be developed with ideas on the repurposing of the Fire & Police HQs and the design and cost estimates for phase III and IV of the project. This visionary project will set Ashland on a path to optimize both the natural and economic resources of the downtown area making it appealing for residents and visitors alike. As costs have been cursory to this point, a more in-depth cost analysis will dictate the investments needed in Phase 3 and 4. Additionally, the infrastructure needs will highlight the key issues during the heavy construction, and dictate the pace at which the project proceeds.	200,000
TM2C	Downtown Phase III: Utilities upgrade	This phase envisions the undergrounding of overhead electrical wires while upgrading the Town-owned utilities such as the water, sewer, and stormwater piping systems that will support the final development plan. Coordination with the natural gas company for simultaneous upgrade will preclude the need to open the roadway in future years. In order to maximize the ambience of the downtown, overhead obstructions such as wires (to include cable, telephone, fire, and electric utilities), Town-owned water, sewer, stormwater pipes upgraded. As this is very construction-intensive phase of the project, any restoration work will be accomplished in the final phase.	2,400,000

**CIP PROJECT LISTING**

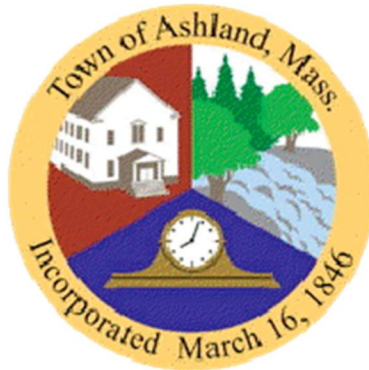
<b>Project #</b>	<b>Project Title</b>	<b>Project Description</b>	<b>Total Project Cost</b>
TM2D	Downtown Phase IV: Streetscape improvements	This is the final phase of the larger project: streetscape improvements. In this phase, final improvements to the project include softscape, paths and benches, and linkage to pedestrian accessibility zones on Front St, Riverwalk, and Main Street. Final roadway curbing, paving and striping, safety devices, and installation of signage and kiosks, will enhance the area providing a great destination and focus to the downtown.	1,000,000
TM3	22 Eliot Street	To preserve a historic asset and open up additional services to the community, a feasibility study would be undertaken prior identifying the scope of renovation needed to the building.	220,000
TM4	Construction of a Human Services Building	This project proposes the initial feasibility study and design of a new facility to house the Human Services Department. The Department is currently housed in the Community Services Building which for years hasn't supported their mission in an effective manner. A new facility will directly support residents, and add the sense of community in the Town.	100,000
TM5	Cherry Street Quiet Zone Engineering	Through infrastructure improvements of the rail line at the Cherry Street intersection, and more modest spot improvements at the Main Street intersection, it would meet the requirements for these locations to be designated "Quiet Zones" and preclude the need for trains to blow their whistle multiple times with each passing, thereby greatly improving the quality of life for residents within a half mile of the intersection.	1,220,000
WAT1	Replacement of Water Treatment Plant Filters	This project replaces 4 Granulated Active Carbon (GAC) Filters to the Town's primary drinking water system. As the first filter is showing signs of failure, the new filters will ensure good quality drinking water is maintained while reducing energy use and increasing efficiency, as less water will need to be reprocessed.	475,000
WAT2	Replacement of asbestos concrete (AC) water mains	This investment will upgrade the sections of AC pipe throughout the Town over a 15 year period. Antiquated and subject to increasing water main breaks and service interruptions, this pipe is not hazardous in situ, however once excavated, caution must be exercised with cutting and removal of the pipe, increasing cost. Total cost to phase this material out is about \$3 million.	600,000
WAT3	Replacement of all Town water meters	This project provides for the needed replacement of the 3,200 outdated water meter while upgrading to a drive-by data collection system. Through meter replacement, more accurate metering will reduce unaccounted water, raise revenues, and reduce manpower costs as	950,000

**CIP PROJECT LISTING**

<b>Project #</b>	<b>Project Title</b>	<b>Project Description</b>	<b>Total Project Cost</b>
		automation will reduce the need for meter readers to go door-to-door. Meters should be replaced every 10-15 years.	
WAT4	SCADA Upgrades in water treatment plant	This project provides needed upgrades to the Supervisory Control and Data Acquisition System (SCADA) at the water facilities. Equipped with alarm systems that monitor conditions such as pump high temperature operation, plugged pump-no flow, grinder fail pump, turbidity alarm, and power failure alarm, will notify responsible personnel to respond and minimize service interruptions.	70,000
WAT5	Repaint Woodridge Water Tank	This project provides for the painting of the main concrete water storage tank (23ft high) inside and out. In addition, while the tank is empty, minor repairs will be made to attached appurtenances and mitigate pitting inside the tank. This work is required to reduce ongoing corrosion and rust contamination of the distribution system as well as preventing damage to the tank walls. It was last sealed over 13 years ago.	600,000
WAT6	Repaint Cedar Water Tank	This project includes sandblasting the lead-based paint currently on the main steel standpipe (85ft high) and repainting. Minor repairs will be made to various appurtenances while the tank is empty to include addressing pitting on the walls inside the tank. This work is required to reduce corrosion and rust contamination of the distribution system and reduce tank deterioration. The tank was last painted in 2003.	1,500,000
WAT7	Replacement of Backhoe	This project replaces a 1998 backhoe for the Water Department. The backhoe is the workhorse in the department on projects that require excavation. As it continues to age, it requires greater levels of maintenance and increased down-time, while potentially increasing service interruptions.	85,000
WAT8	Water Plant Modernization	This project provides for plant upgrades in multiple areas: pump motor rewinding, flow control upgrade controls, LED lighting, and repair grates. This will service two water plants, a pump station and a substation, modernizing the plant to increase longevity, health/safety and security.	265,000
YFS1	Food Transport Van	This project purchases a van to support the food pantry which is continually hindered by inefficient handling of great quantities of food. As the program has grown, it is beneficial to the community to continue to enhance the services of this program.	25,000

# Benefits & Insurance

## Section 12



**Background**

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 and comprehensive building and liability insurance.

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.

**Employee Retirement**

The Town of Ashland participates in the Middlesex County Retirement System. Originally created by an Act of the Legislature in 1911, the Middlesex County Retirement System is the fourth largest of the 104 retirement systems in the Commonwealth. It is a defined benefit plan that provides retirement, disability and survivor benefits to approximately 5,000 retirees and 10,000 active employees of 31 towns and 39 districts and authorities within Middlesex County.

The Middlesex County Retirement System is governed by Massachusetts General Laws c. 32 and 34B. It operates as a qualified plan under section 401(a) of the Internal Revenue Code and sets forth the benefits, contribution requirements, accounting and funds structure for all retirement systems.

The assets of the Middlesex County Retirement System are accumulated from three sources: member contributions, investment returns and governmental appropriations. Member contributions are the contributions that employees make to the retirement system during your membership. The Middlesex County Retirement System maintains these contributions in an annuity savings account, and the system pays interest on these contributions. They are invested in the Pension Reserves Investment Trust (PRIT) Fund and various other investment vehicles. The returns on those investments account for a portion of the system's assets. The annual appropriations from the towns, districts and authorities within Middlesex County fund the system as well.

The annual appropriations from the towns, districts and authorities within the Middlesex County System are based upon an Actuarial Valuation Report. The report was prepared by Segal Consulting to present a valuation of the System as of January 1, 2016. The valuation was

performed to determine whether the assets and contributions are sufficient to provide the prescribed benefits.

**Worker's Compensation**

Workers' Compensation is available to those employees injured on the job. 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 tax free and the Town is responsible for 100% of associated medical bills.

**Unemployment Compensation**

The Town does not pay unemployment insurance, but instead, is assessed by the State Division of Unemployment Assistance (DUA) on a pay-as-you-go basis for the cost of any and all benefits actually paid to former Town and School employees. Currently, the maximum number of weeks an individual may receive benefits is 30. Claimants receive a weekly benefit payment that is typically about half of their average weekly wage, up to a maximum benefit amount, plus a dependency allowance for each dependent child. The Town is responsible for reimbursing the State for 100% of the benefits paid to former employees. There is an inherent complexity in tracking unemployment costs and estimating liability given that an employee's "benefit year" may cross fiscal years, claimants may be subject to partial benefits if they have other earnings, and claimants who become unemployed more than once during a benefit year may reactivate a prior claim and resume collecting benefits.

**Employee Health Fringes**

This budget account represents the funds set aside for physicals, drug tests, pre-placement exams, alcohol tests, and other pre-employment screening testing for potential employees.

**Group Health Insurance****Health Insurance**

The Town of Ashland belongs to the Group Insurance Commission. The Group Insurance Commission (GIC) was established by the Legislature in 1955 to provide and administer health insurance and other benefits to the Commonwealth's employees and retirees, and their dependents and survivors. The GIC also covers housing and redevelopment authorities' personnel, participating municipalities, and retired municipal employees and teachers in certain governmental units. The Group Insurance Commission is a quasi-independent state agency governed by a seventeen-member Commission appointed by the Governor. The Town transitioned from the West Suburban Health Group to the Group Insurance Commission, effective 7/1/2015.

The following estimated rate schedule was used in preparing the FY18 budget request.

**Benefits and Insurance**

**Section 12-3**

<b>Plan Name</b>	<b>Enrollment</b>	<b>I/F</b>	<b># of Months</b>	<b>Rate</b>	<b>Share</b>	<b>EMPLOYER Cost</b>
UNICARE BASIC	2	I	12	<b>1038.80</b>	519.40	12,466
with CIC	0	F	12	<b>2430.54</b>	1215.27	-
<b>TOTALS:</b>						<b>12,466</b>
UNICARE COMMUNITY CHOICE	15	I	12	<b>520.59</b>	421.68	75,902
	25	F	12	<b>1249.46</b>	887.12	266,135
<b>TOTALS:</b>						<b>342,037</b>
UNICARE COMMUNITY CHOICE	2	I	12	<b>520.59</b>	338.38	8,121
	1	F	12	<b>1249.46</b>	812.15	9,746
<b>TOTALS:</b>						<b>17,867</b>
UNICARE PLUS	0	I	12	<b>693.20</b>	485.24	-
	2	F	12	<b>1656.13</b>	1076.48	25,836
<b>TOTALS:</b>						<b>25,836</b>
UNICARE PLUS	1	I	12	<b>693.20</b>	450.58	5,407
	0	F	12	<b>1656.13</b>	1076.48	-
<b>TOTALS:</b>						<b>5,407</b>
HPHC INDEPENDENCE	5	I	12	<b>824.23</b>	576.96	34,618
	6	F	12	<b>2011.10</b>	1307.22	94,119
<b>TOTALS:</b>						<b>128,737</b>

**Benefits and Insurance**

**Section 12-4**

HPHC INDEPENDENCE	12	I	12	<b>824.23</b>	535.75	77,148
	5	F	12	<b>2011.10</b>	1307.22	78,433
				<b>TOTALS:</b>		<b>155,581</b>
<hr/>						
HPHC PRIMARY CHOICE	33	I	12	<b>620.70</b>	515.18	204,012
	40	F	12	<b>1514.53</b>	1135.90	545,231
				<b>TOTALS:</b>		<b>749,242</b>
<hr/>						
HPHC PRIMARY CHOICE	6	I	12	<b>620.70</b>	403.46	29,049
	4	F	12	<b>1514.53</b>	984.44	47,253
				<b>TOTALS:</b>		<b>76,302</b>
<hr/>						
TUFTS NAVIGATOR	45	I	12	<b>728.84</b>	590.36	318,795
	73	F	12	<b>1778.41</b>	1262.67	1,106,100
				<b>TOTALS:</b>		<b>1,424,894</b>
<hr/>						
TUFTS NAVIGATOR	4	I	12	<b>728.84</b>	473.75	22,740
	1	F	12	<b>1778.41</b>	1155.97	13,872
				<b>TOTALS:</b>		<b>36,611</b>
<hr/>						
TUFTS SPIRIT	9	I	12	<b>553.27</b>	459.21	49,595
	0	F	12	<b>1331.92</b>	998.94	-
				<b>TOTALS:</b>		<b>49,595</b>
<hr/>						
TUFTS SPIRIT	1	I	12	<b>553.27</b>	359.63	4,316
	0	F	12	<b>1331.92</b>	865.75	-

**Benefits and Insurance**

**Section 12-5**

				<b>TOTALS:</b>	<b>4,316</b>	
FALLON DIRECT	17	I	12	<b>554.65</b>	460.36	93,913
	14	F	12	<b>1331.20</b>	998.40	167,731
				<b>TOTALS:</b>	<b>261,645</b>	
FALLON DIRECT	1	I	12	<b>554.65</b>	360.52	4,326
	0	F	12	<b>1331.20</b>	865.28	-
				<b>TOTALS:</b>	<b>4,326</b>	
FALLON SELECT	11	I	12	<b>737.06</b>	611.76	80,752
	32	F	12	<b>1768.89</b>	1326.67	509,440
				<b>TOTALS:</b>	<b>590,193</b>	
FALLON SELECT	1	I	12	<b>737.06</b>	479.09	5,749
	0	F	12	<b>1768.89</b>	1149.78	-
				<b>TOTALS:</b>	<b>5,749</b>	
NEIGHBORHOOD	8	I	12	<b>554.04</b>	459.85	44,146
HEALTH	11	F	12	<b>1468.22</b>	1101.17	145,354
				<b>TOTALS:</b>	<b>189,500</b>	
NEIGHBORHOOD	1	I	12	<b>554.04</b>	360.13	4,322
HEALTH	0	F	12	<b>1468.22</b>	954.34	-
				<b>TOTALS:</b>	<b>4,322</b>	

**Benefits and Insurance****Section 12-6**

UNICARE OME CIC	40	I	12	380.64	247.42	118,760
ENHANCE TUFTS MED COMP	137	I	12	423.05	274.98	452,071
TUFTS MED PREF	6	I	12	382.26	248.47	17,890
TUFTS MED PREF	19	I	6	301.00	195.65	22,304
TUFTS MED PREF	19	I	6	301.00	195.65	22,304
FALLON MEDICARE	7	I	6	336.17	218.51	9,177
FALLON MEDICARE	7	I	6	336.17	218.51	9,177

**TOTALS: 651,684**

**Budget Totals: 4,736,309**

**Health Insurance Waiver**

The waiver plan is an incentive is for employees that have opted out of a town sponsored health plan. The employee must have 12 months of continuous health insurance coverage through the town to apply for the waiver. If eligible the employee receives a designated amount of money in their pay.

**Medicare Part B Penalty**

The Medicare part B penalty is billed to the town for any retiree who is on a town sponsored health plan that is 65 years of age or older and did not apply for Medicare part B when they were eligible and later applies and qualifies.

**Transfer to OPEB Trust**

Other Post-Employment Benefits (OPEB) are the benefits, other than retiree pensions, offered to retirees and their dependents. These benefits mainly consist of medical insurance. OPEB liability is the present value of benefits for retired and vested employees. An unfunded liability reflects an incurred obligation, payable in the future, for which no reserves have been set aside.

The Town has adopted a pay as you go approach to fund our OPEB liability. Based upon the GASB 45 Actuarial Valuation as of July 1, 2014, for fiscal years ending June 30, 2015 and June 30, 2016, each active plan participant represents approximately \$4,142 in additional cost each year.

The Town has implemented the approach to fund the OPEB Trust Fund in the amount of \$4,142 for each new employee, which represents one active plan participant. In FY17, the Town hired or promoted 15 employees which totaled \$62,130 (\$4,142 x 15). In FY18, the Town is expecting a total of 5 new hires which totals \$20,710. In order to continuously fund the 15 new employees in FY17, the Town added the \$62,130 and the \$20,710 for a total of \$82,840 in the FY18 budget.

**Mitigation Fund Payment**

The Town entered into a Memorandum of Agreement with the Public Employee Committee when the Town transitioned the Group Insurance Commission, effective 7/1/2015. Both parties agreed that the Town would set up a Mitigation Fund.

The parties agreed that the dollar amount of the total savings as defined by the statute (employer plus employee) achieved by transferring all subscribers to the GIC shall be determined as following: The actual savings amount shall be calculated after the 2015 open enrollment based on the actual enrollment and after the final FY16 rates for both the GIC and West Suburban Health Group have been approved. The Town shall provide a statement of the total savings after the completion of the open enrollment period and no later than July 1, 2015. The parties agreed that the total amount of the mitigation fund shall be 25% of the first-year savings. The Town will be responsible for administering the mitigation plan through a Health Reimbursement Arrangement (HRA), with the cost of administration coming from the mitigation fund.

The mitigation fund was originally funded at \$554,764, which was 25% of the first year, savings. Per the agreement, in year two, the Town will contribute up to \$75,000 to replenish the mitigation fund, but only to the extent that such contribution will not cause the fund to exceed the original mitigation amount. In year three, the Town will contribute up to \$50,000 to replenish the mitigation fund, but only to the extent that such contribution will not cause the fund to exceed the original mitigation fund amount.

**Federal Insurance Contribution Act (FICA) Tax**

Federal Insurance Contributions 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 a matching Medicare payroll tax of 1.45% on all these employees. Annual increases in this tax liability have been reflective of a rise in total Town payroll subject to this tax, as more senior employees whose wages were not subject to the tax depart and are replaced by newly-hired employees whose wages are now fully subject to this tax liability.

**Life Insurance**

The Town provides a basic life insurance program to employees who work 20 hours or more per week. Upon retirement, an employee may keep the plan only if he or she is collecting a monthly retirement check. If not, the plan is cancelled. 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. Basic life insurance is through the Boston Mutual Life Insurance Company. The cost is split 50/50 between the Town and employee.

**Long Term Disability**

The Town offers long term disability to non-union employees who work 30 hours or more per week. The maximum paid amount is \$5,000 and this plan covers active employees only. The Town pays the cost of the coverage through the Boston Mutual Life Insurance Company.

**Health Insurance Contingency**

This budget account is a contingency account for new employees, plan changes, and other adjustments during FY18.

**Other Insurance**

This budget category includes property and liability coverage for all Town owned property, as well as liability coverage for all elected and appointed Town officials.

In addition, because fire and police personnel are not eligible under Massachusetts law for regular workers' compensation coverage, a separate insurance policy with premiums based largely on claims experience is purchased to cover these personnel for injuries incurred in the line of duty. The police and fire MGL Chapter 41 Section 111F Injured on Duty (IOD) premium is also included here. Under this statute, public safety employees injured on duty receive 100% of their regular earnings. These IOD earnings are considered non-taxable wages by both the Department of Revenue and the Internal Revenue Service.

**Budget Changes or Initiatives**

**Employee Retirement**

The Town of Ashland’s assessment for FY 2018 is \$2,809,394, which is an increase of 14.01% over the prior year. Per the actuary, ‘The majority of the increase is due to net experience losses or increases in the unfunded liability that are greater than the average experience for the Middlesex County Retirement System (MCRS), with a smaller portion due to an increase in the normal cost that was greater than the average increase.

The biggest factor driving the net experience losses was a loss due to new disability retirements. There were 5 new disabled retirees over the two-year period, compared to an expected number of 0.6. Of the 5 new disableds, 4 retired with Accidental Disability benefits, creating big losses as they immediately began collecting 72% - 75% of their prior salary. In addition, we note that there were 11 new employees who transferred from other retirement systems, including 5 new employees with 10 years of service or more. Although there will eventually be Section 3(8)(c) payments from these other retirement systems when these participants retire, a liability loss is measured when these employees join the MCRS. These new employees were also the main factor causing the greater than average increase in the normal cost.

The Town did have experience gains that partially offset the impact of the losses. There was a gain due to salaries increasing by less than the average increase for the MCRS, as well as a gain due to mortality experience amongst continuing pensioners.’

			<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2018 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>01911 - Employee Retirement</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	51700	Retirement Assessment	2,283,740	2,464,185	2,809,394	345,209	14.01%
<b>Total 01911 - Employee Retirement</b>			<b>2,283,740</b>	<b>2,464,185</b>	<b>2,809,394</b>	<b>345,209</b>	<b>14.01%</b>

## Benefits and Insurance

## Section 12-10

### Worker's Compensation

Worker's compensation has been funded at \$270,000 for FY18, which is an increase of 80.00% over the prior year. This increase is primarily attributable to payroll as the premium is a function of payroll.

			<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2018 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>01912 - Workers Compensation</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	51710	Workers Comp Insurance	139,089	150,000	270,000	120,000	80.00%
<b>Total 01912 - Workers Compensation</b>			<b>139,089</b>	<b>150,000</b>	<b>270,000</b>	<b>120,000</b>	<b>80.00%</b>

### Unemployment Compensation

Unemployment has decreased 35,000 (31.82%) as claims the past few years have been low.

			<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2018 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>01913 - Unemployment Compensation</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	51720	Unemployment Comp Ins	28,944	110,000	75,000	(35,000)	-31.82%
<b>Total 01913 - Unemployment Compensation</b>			<b>28,944</b>	<b>110,000</b>	<b>75,000</b>	<b>(35,000)</b>	<b>-31.82%</b>

## Benefits and Insurance

## Section 12-11

### Employee Health Fringes

The employee health fringes account decreased \$11,000 (68.75%) for the decreased hiring in FY18. There was significant turnover on the Town side in FY17; however, most vacancies have been filled.

			2016 Actual	2017 Budget	2018 Budget	\$ Change	% Change
<b>01914 - Employee Health Fringes</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	51730	Physicals, Etc.	4,272	14,000	5,000	(9,000)	-64.29%
	57400	Training/Conf./Courses		2,000		(2,000)	-100.00%
<b>Total 01914 - Employee Health Fringes</b>			<b>4,272</b>	<b>16,000</b>	<b>5,000</b>	<b>(11,000)</b>	<b>-68.75%</b>

### Group Health Insurance

**Health Insurance – Town & School** – these accounts have been budgeted for a total of \$4,736,309 (Town - \$1,004,549 and School - \$3,731,760) based upon the rate schedule previously discussed above.

**Health Insurance Waiver** – this account has been budgeted for \$105,000 which represents the current amount being paid out to individuals who qualify for this incentive.

**Medicare Part B** – level funded for FY18.

**OPEB Contribution** – Funded at \$82,840 as previously discussed. At the time the budget for this account was developed, 5 new hires were budgeted. However, the Town is now anticipating hiring 6 new employees for FY18. Therefore, an additional transfer will need to be made at a subsequent meeting.

**Mitigation Payment** – Funded at \$50,000 as previously discussed.

**F.I.C.A** – Funded at \$482,850, which is an increase of \$17,196 (3.96%). This is due to the increase in payroll.

**Life Insurance** – Level funded for FY18.

**Long Term Disability** – Increased to \$7,200 to reflect current payments.

**Health Insurance Contingency** – this is a new account in FY2018, which has been setup to fund new employees and plan changes among current employees. Between Town and School, we anticipate hiring 10 new employees. Health Insurance plans cost the Town anywhere from \$6,000 to \$16,000. If each new employee goes on the most expensive plan, the total cost to the Town would be \$160,000, which leaves \$70,000 for plan changes.

**Benefits and Insurance**

**Section 12-12**

			<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2018 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>01915 - Group Health Insurance</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	51700	Health Insurance - Town	983,765	1,008,000	1,004,549	(3,451)	-0.34%
	51705	Health Insurance - School	3,232,587	3,609,125	3,731,760	122,635	3.40%
	51702	Health Insurance Waiver	104,802	100,000	105,000	5,000	5.00%
	51706	Medicare Part B Penalty	15,178	16,200	16,200	0	0.00%
	51709	OPEB Contribution		62,500	82,840	20,340	32.54%
	51715	Mitigation Payment	579,764	75,000	50,000	(25,000)	- 33.33%
	51740	F.I.C.A.	457,260	465,654	482,850	17,196	3.69%
	51750	Life Insurance	13,658	14,400	14,400	0	0.00%
	51751	Long-Term Disability	5,299	6,180	7,200	1,020	16.50%
	51752	Health insurance contingency			230,011	230,011	
<b>Offset: Charge Revolving Funds for Fringe Benefits</b>					<b>-100,000</b>		
<b>Total 01915 - Group Health Insurance</b>			<b>5,392,313</b>	<b>5,357,059</b>	<b>5,624,810</b>	<b>267,751</b>	<b>5.00%</b>

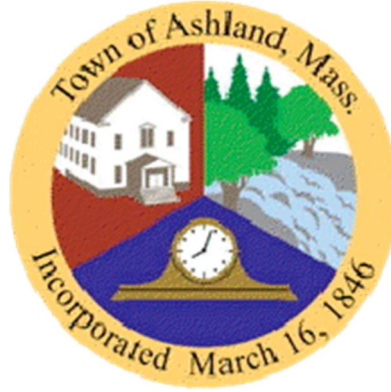
**Benefits and Insurance**

**Section 12-13**

**Other Insurance**

Other insurance has been level funded for FY18.

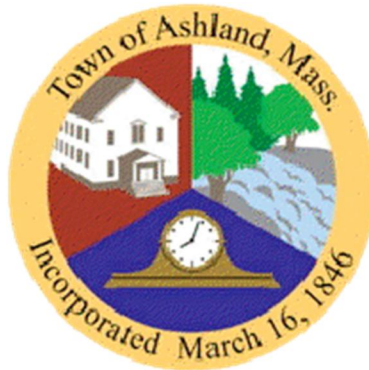
			<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2018 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>01945 - Other Insurance</b>							
	<b>Object Code</b>	<b>Account Description</b>					
	57442	Police/Fire Health & Accident Insurance	116,760	130,000	130,000	0	0.00%
	57460	MIAA Liability Package	405,681	500,000	500,000	0	0.00%
	57470	Public Officials Bond	1,609	973	973	0	0.00%
<b>Total 01945 - Other Insurance</b>			<b>524,050</b>	<b>630,973</b>	<b>630,973</b>	<b>0</b>	<b>0.00%</b>



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# Salary Contingency

## Section 13



## Salary Contingency

## Section 13-1

### Background

The salary contingency account represents money set aside for salary increases & cost of living adjustments for non-union personnel and cost of living adjustments for union-personnel.

There are no outstanding union contracts that have not been settled. All wage increase and cost of living adjustments are known and are reflected in each respective departmental budget. However, there are funds set aside for non-union salary increases. The budget has been set to reflect an increase of 2% of non-union wages or \$68,000.

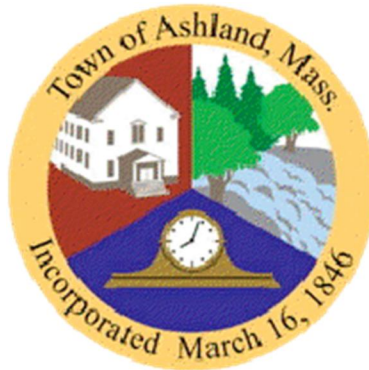
### Budget Changes or Initiatives

The salary contingency account decreased from FY2017 to FY2018 to reflect a decrease of 1% in the cost of living adjustment for non-union personnel. In FY2017, a 3% cost of living adjustment was budgeted.

			<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2018 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
		<b>01960 - Salary Contingency</b>	0	75,000	68,000	(7,000)	-10.29%
		<b>Total 01960 - Salary Contingency</b>	<b>0</b>	<b>75,000</b>	<b>68,000</b>	<b>(7,000)</b>	<b>-10.29%</b>

# Municipal Efficiency Program

## Section 14



**Background**

The Municipal Efficiency Program was created at the November 28, 2016 Special Town Meeting and funded at \$50,000.

The purpose of this program is to encourage department heads to create a more innovative and efficient way of doing business within their department. By covering one-time costs associated with starting a program, the Town hopes to yield long-term savings in operational costs.

Although department heads always think about these things when developing their budgets, we normally do not have the ability to fund all of them through the operating or capital budget. This program allows departments that have unique ideas to secure funding outside of their normal department budgets. It is also an opportunity for department heads to practice developing ways to measure performance and efficiency for regular activities.

Examples of such investments include:

- Purchase of self-adjusting salt spreaders that adjust the deployment of salt automatically based on temperature. This can help save thousands on salt costs.
- Training on Human Resources/Payroll MUNIS modules: HR module - track all professional certifications, license expirations & renewals, grievances, employee injuries; Payroll module - training on payroll module for timesheet inputting - less time spent on timesheet preparation & review, less paper costs, less time reviewing by payroll coordinator, etc.
- Working with another community (or Ashland Public Schools) to purchase and share a piece of equipment that can be used by all agencies (i.e. streetsweeper).
- Purchase of tablets for those in the field so they do not have to continually return to the office for routine paperwork.

The Town requires Department Heads to submit their application to the Town Manager, Finance Director, and Assistant Town Manager for consideration. Projects will be measured based on creativity, replicability, and return on investment.

## Municipal Efficiency Program

## Section 14-2

### Budget Changes or Initiatives

The FY17 budget below represents the original FY17 budget appropriation at Town Meeting.

This account was created at Special Town Meeting on November 28, 2016 and funded at \$50,000; therefore, it is not reflected in the FY17 Budget column.

			<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2018 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>01965 - Municipal Efficiency Program</b>							
	Object Code	Account Description					
	52255	Program Expenses	0	-	50,000	50,000	
<b>Total 01965 Municipal Efficiency Program</b>					<b>50,000</b>	<b>50,000</b>	

# Reserve Fund

## Section 15



## Reserve Fund

## Section 15-1

### Background

As allowed under MGL Ch. 40 Section 6, in order to provide for extraordinary or unforeseen expenditures during a fiscal year, a 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 Finance Committee of the Town to fund a budget to which the invoices will be paid.

The reserve fund may not exceed in the aggregate 5 percent of the levy of the fiscal year preceding the fiscal year for which the fund is established.

The FY2017 tax levy for the Town of Ashland was \$41,610,298.60. The reserve fund may not exceed 5% of this amount or \$2,080,514.

The reserve fund budget request for FY2018 is \$450,000.

<b>Fiscal year</b>	<b>Budgeted Amount</b>	<b>Amount Utilized</b>	<b>Unexpended</b>
FY 2018 (Request)	\$450,000.00	Not Available	Not Available
FY 2017	\$450,000.00	Not Available	Not Available
FY 2016	\$450,000.00	\$372,500.00	\$77,500.00
FY 2015	\$400,000.00	\$396,700.00	\$3,300.00
FY 2014	\$534,500.00	\$519,318.00	\$15,182.00
FY 2013	\$550,000.00	\$506,989.97	\$43,010.03

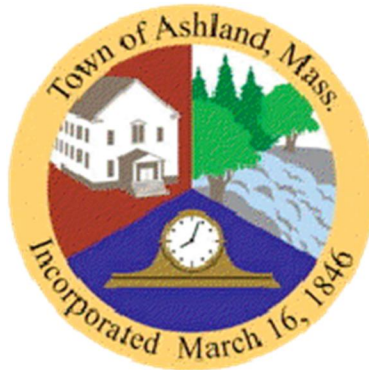
The reserve fund has historically funded any deficits in the snow and ice account and emergency needs in departmental budgets.

### Budget Changes or Initiatives

The reserve fund will remain level funded for FY2018.

# **Non-Appropriated Expenses**

## **Section 16**



**Background**

Beyond the specific appropriations contained within the Budget Article and other Town Meeting articles, the Town must account for those expenses which do not require votes for appropriations. This category of mandated expenditures and assessments are automatically added to the tax rate without appropriation. Such costs include various state assessments for services such as: charter schools, county services, prior year budget overdrafts in snow and ice removal, court judgments, and an amount estimated for tax abatements and exemptions or the overlay.

**State Assessments**

- **RMV Non-Renewal Surcharge:** To reimburse the Registry of Motor Vehicles for "marking" a license or registration for non-renewal due to: non-payment of parking violations, non-payment of motor vehicle excise and non-payment of abandoned vehicles. The Registry of Motor Vehicles charges each participating municipality \$20 for each "mark" of a license for non-renewal. The upcoming fiscal years actual assessments are based upon non-renewal obligations cleared in the prior fiscal year. The obligations cleared in the current fiscal year may be for "markings" from several fiscal years.
- **Mosquito Control Assessment:** Pursuant to MGL Chapter 252, Section 5A (Chapter 2, Section 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.
- **Air Pollution:** 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.
- **Metropolitan Area Planning Council:** To assess municipalities in order to finance a Metropolitan Boston area planning district to promote urban planning and respond to the common urban problems of Boston and outlying municipalities.
- **Charter School Assessment:** To assess the sending municipality or regional school district for pupils attending charter schools. Charter school tuition charges are assessed against the sending district and paid to the charter school district. 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.
- **Massachusetts Bay Transportation Authority (MBTA):** For services rendered to those cities and towns within the Authority, an assessment will be administered in order to maintain and operate regional public transportation. The MBTA is composed of 175 communities.

## Non-Appropriated Expenses

## Section 16-2

- Regional Transit Assessment: 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
  
- School Choice: To assess the sending municipality or regional school district for pupils attending another school district under school choice. School choice tuition charges are assessed against the sending district and paid to the receiving school district.

The state assessments have been budgeted to reflect FY2017 assessments except for the Charter School. The charter school budget number of \$500,000 represents future enrollment costs. The Governor's budget of \$635,968 reflects current enrollment.

	<b>FY2014</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY2018</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Governor's Budget</b>	<b>Budgeted</b>
<b>State Assessments</b>						
54640 RMV Surcharge	\$13,140	\$14,900	\$14,900	\$14,900	\$14,000	\$14,900
56310 SPED	13,343	13,060	13,802	1,572	0	1,572
56390 Mosquito	36,913	37,521	36,149	41,982	43,842	41,982
56400 Air Pollution	5,039	5,062	5,211	5,341	5,412	5,341
56410 MAPC	5,358	5,507	8,485	8,697	8,893	8,697
56550 Charter School	1,020,160	1,024,651	1,003,590	714,506	635,968	500,000
56610 MBTA	74,330	73,266	73,161	52,865	26,664	52,865
56630 Regional	34,443	37,553	39,263	60,245	87,431	60,245
56951 School Choice	66,231	69,606	91,418	84,011	93,273	84,011
<b>Total State Assessments</b>	<b>\$1,268,957</b>	<b>\$1,281,126</b>	<b>\$1,285,979</b>	<b>\$984,119</b>	<b>\$915,483</b>	<b>\$769,613</b>

**Reserve for Abatements and Exemptions**

The Reserve or Allowance for Abatements and Exemptions or Overlay is an account established annually to fund anticipated property tax abatements, exemptions and uncollected taxes in that year. The overlay reserve need not be funded by the normal appropriation process, but rather is raised on the tax rate recapitulation sheet.

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

Additionally, the taxpayers may file for an abatement of their property taxes. If approved, the exemptions are funded by the Overlay Reserve for Abatements and Exemptions. Typically, in a full revaluation year, the amount required to be funded for the Overlay is higher than in a non-revaluation year due to an increase in the volume of abatement applications. In FY2017 our proposed funding for the Overlay Reserve for Abatements and Exemptions was \$245,000 which represents approximately 0.5% of the estimated tax levy.

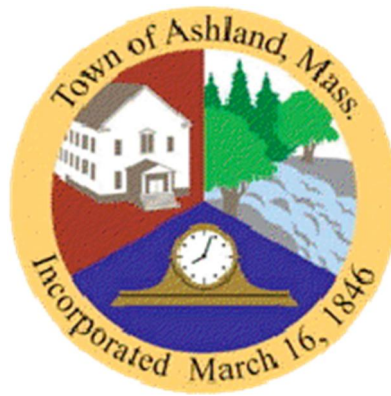
FY2018 will be revaluation year and starting in FY2019 taxpayers will receive their tax bills will updated property assessments. In FY2019, a higher amount for abatements and exemptions will be budgeted.

**In FY2018, the overlay or reserve for abatements and exemptions has been budgeted for \$240,000.**

**Cherry Sheet Offset Items**

Cherry Sheet Offset Items are local aid that may be spent without appropriation in the budget, but which must be spent for specific municipal and regional school district programs.

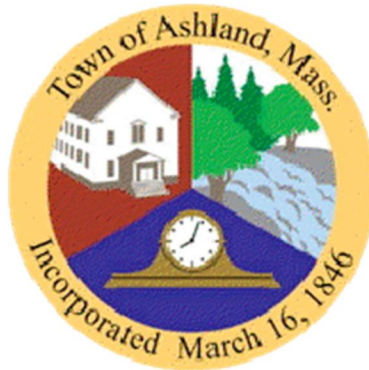
**Current offset items for FY2017 include \$266,615 for School Choice Receiving Tuition and \$20,393 for public libraries grants.** The School Choice Receiving Tuition revenue is to provide funding to receiving districts for accepting pupils from other districts. Public libraries include three grant awards: the Library Incentive Grant, the Municipal Equalization Grant, and the Nonresident Circulation offset.



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# Enterprise Funds

## Section 17



**Background**

Historically, Cable Access monies have been retained in a revolving fund. A revolving fund contains receipts from a specific revenue source and are accounted for separately (segregated) from the general fund and may be spent without appropriation to support the activity, program or service that generated the revenue.

However, in January 2016, the Division of Local Services distributed procedures and requirements for establishing an enterprise fund to account for monies received and spent for cable television public, educational and governmental (PEG) access facilities and operations, or alternatively, for creating a receipts reserved fund known as the PEG Access and Cable Related Fund to fund PEG access programming, as well as certain other municipal cable-related expenses.

Ashland received approval at the May 4, 2016 Annual Town Meeting to accept G.L. c. 44, § 53F½ and establish an enterprise fund to separately account for all revenues and expenditures, in connection with operating cable PEG access service for city or town residents, whether the service is operated by a city or town department or a contractor.

The Cable Access Enterprise Fund became effective July 1, 2016 in accordance with Department of Revenue guidelines.

An enterprise fund, authorized by MGL Ch. 44 §53F½, 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 the option to recover total service costs through user fees.

A cable television renewal license agreement between the Town of Ashland (Issuing Authority) and Comcast of MA/NH (Licensee) commenced on July 13, 2014 with an expiration date of July 12, 2024.

The cable access monies include fees collected from customers by the cable operator in connection with the franchise and in support of public, educational and government (PEG) programming. In addition to the imposition of these franchise fees, the cable licensing agreement requires that the cable company provide services, facilities and equipment for PEG channels, deliver cable television programming to municipal buildings, and maintain customer service quality. Under state law, the cable operator pays the municipality an annual license fee, which is based on the number of cable customers.

**Budget Changes or Initiatives**

At the end of fiscal year 2016, the Town account had an ending balance of \$55,355.44. There have been no requests of expenditures to be made from this fund during FY2017 and none which are anticipated to be made. The amount of revenue generated during FY17 will be approximately a few thousand. However, to be conservative a budget of \$55,000 has been set for the Town.

At the end of fiscal year 2016, the Cable Studio account had a combined balance of \$245,098. During FY17, the studio is estimated to generate approximately \$36,400 in revenue, approximately \$8,000 from subscribers and \$28,400 from Verizon. The same amount of revenue is estimated to be generated in FY18.

During FY17, a request for equipment was made by the studio and granted by the Board of Selectmen. The total estimated cost of the equipment was \$46,397.59. The projected ending balance for the studio for FY17 is \$235,101. Therefore, we have conservatively budgeted \$160,500 to account for any potential further requests by the Studio.

<b>6400 - Cable Access Enterprise Fund</b>						
	<b>Object #</b>	<b>Account Description</b>	<b>FY16 Actual</b>	<b>FY17 Budget</b>	<b>FY18 Budget</b>	<b>Increase/Decrease</b>
	54555	Town Expenses	0	55,000	55,000	0
	54565	Studio Expenses	70,378	265,500	160,500	-105,000
	<b>Subtotal: Expenses</b>		70,378	320,500	215,500	-105,000
	<b>Total 6400: Cable Access Enterprise Fund</b>		<b>70,378</b>	<b>320,500</b>	<b>215,500</b>	<b>-105,000</b>

**Background**

Town Meeting voted at the May 7, 2014 Annual Town Meeting to establish an Athletic Field Enterprise Fund.

An enterprise fund, authorized by MGL Ch. 44 §53F½, 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 the option to recover total service costs through user fees.

The Town of Ashland has several fields which are shown below.

<b>High School Sports Complex, 1 High St., Ashland, MA</b>	
Field 1	Multi-Purpose Turf Field and Track
Field 2	Baseball Field
Field 3	Practice Field 1
Field 4	Practice Field 2
Field 5	Softball Field



Middle School Sports Complex, 87 West Union St., Ashland, MA	
Field 1 – Walker Field	Multi-Purpose Turf Field
Field 2 – BB Field	Baseball Field / Multi-Purpose
Field 3 – Hunt Field	Softball Field / Multi-Purpose
Field 4 – “D” Area	Practice Field
Field 5 – Tennis Courts	Tennis Courts
Field 6 – BB Courts	Multi-Purpose Basketball/Hockey Courts



<b>Stone Park, Park Rd. &amp; Summer St., Ashland, MA</b>	
Field 1	Large 90ft Skinned Baseball Diamond
Field 2	Youth Softball Diamond
Basketball Court	Basketball Court



<b>Pittaway School, 75 Central St., Ashland, MA</b>	
Field 1	Multi-Purpose Field



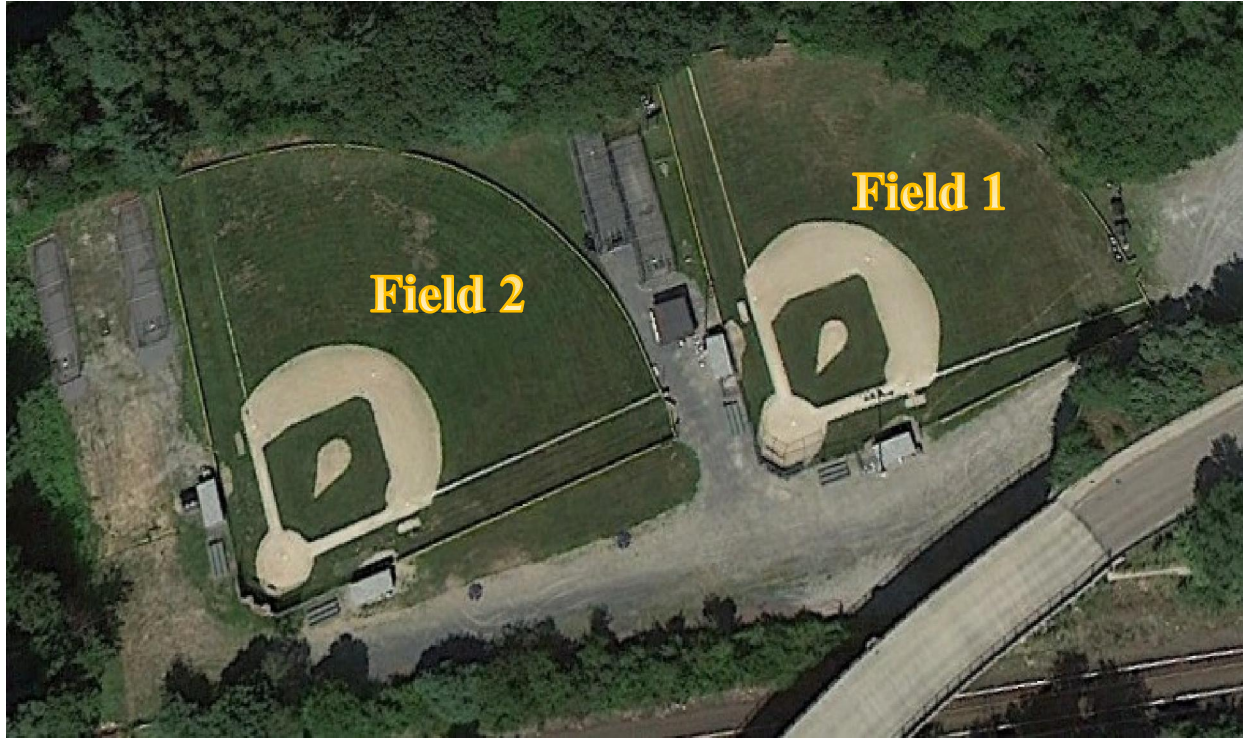
<b>Warren School, 73 Fruit St., Ashland, MA</b>	
Field 1 – Back	Youth Softball Field (Near Snack Shack)
Field 2 – Back	Youth Softball Field (Near School)
Field 3 - Back	Practice Field (T-Ball)
Front Field	Front Field



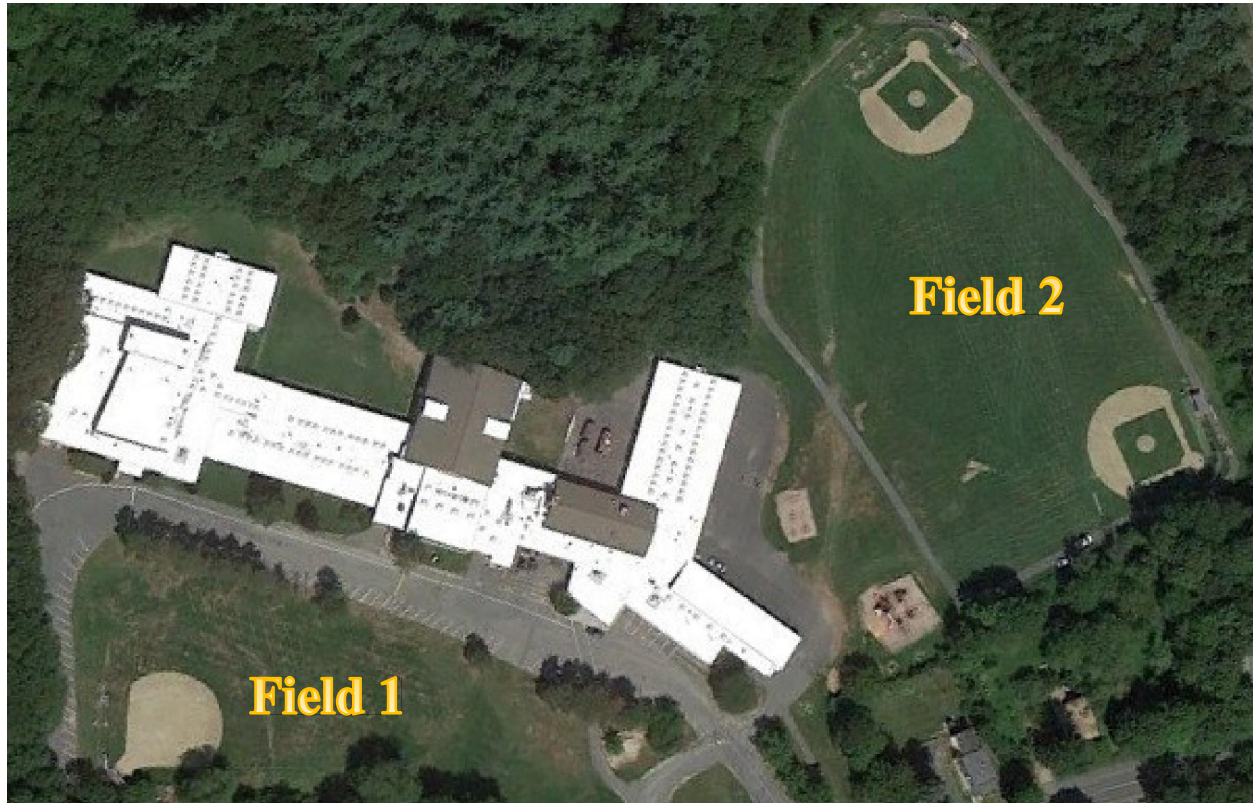
Community Center Fields, 162 West Union St., Ashland, MA	
Field 1	Upper Field
Field 2	Lower Field



<b>Gryncel Park, 1 High St., Ashland, MA</b>	
Field 1 - Majors	Little League Baseball Field
Field 2 - Minors	Little League Baseball Field



<b>Mindess School, 87 West Union St., Ashland, MA</b>	
Field 1 – Front	Little League Baseball Field
Field 2 - Back	2 Large Little League Baseball Fields



**Fee Structure and Field Usage Rating Multiple**

Different field activities represent various wear on our fields. The Field Usage Rating Multiple was developed to address different field usage types. These “Multiples” will be multiplied into the cost formula to arrive at appropriate fees per group. Any group missing from the chart below will be designated at 1.00.

<b>User Groups</b>	<b>Grass (+ Multiple)**</b>	<b>Turf</b>
Ashland Resident Youth Sports	\$40/hour	\$80/hour
Ashland Adult Groups	\$50/hour	\$100/hour
Charitable Groups	\$40/hour	\$80/hour
Non-Resident Groups/Camps	\$60/hour	\$120/hour
Additional Fees		
-Lights Use	\$50/hour	\$50/hour
-Field Usage Rating Multiple	See next table	N/A

\*\*Fees may be restructured to ensure costs are fully covered to properly maintain fields.

<b>Multiple</b>	<b>Activity</b>
2.00	Football: Varsity, JV, Freshmen
1.50	Soccer: Men’s O40/O50, Boys Varsity, Boys JV Lacrosse: Boys Varsity, Boys JV, Youth Football: Pop Warner
1.00	Soccer: Women’s, Girls Varsity, Girls JV, Middle School Field Hockey: Varsity, JV, Middle School Lacrosse: Girls Varsity, JV Girls Baseball: Men’s, Legion, Varsity, JV, Middle School, Nokona Softball: Women’s, Varsity, JV, Middle School Track: All
0.75	Baseball: Youth Softball: Youth Lacrosse: Youth Soccer: Youth Recreation Department: Sports Camps Special Events: Ashland Day, Stone Park Concerts

## Athletic Fields Enterprise Fund

## Section 17-12

### Budget Changes or Initiatives

Overall, the Fields budget increased \$8,421 (9.37%). Salaries increased 672 (1.37%), which is a combination of salaries increasing by a 2% cost of living adjustment and overtime decreasing.

Non-payroll expenses increased \$7,748 (18.95%). This is mainly attributable to contracted services increasing by \$7,200 and the indirect cost transfer increasing \$4,542. Contracted services increased as to allow the Town to contract out additional work to help maintain the fields. Indirect costs or the transfer to the general fund increased as salaries, fringe benefits, the town audit, and other costs have increased which are paid out of general fund.

<b>6300 - Athletic Fields</b>							
<b>EXPENSES</b>			<b>FY16 Actual</b>	<b>FY17 Budget</b>	<b>FY18 Budget</b>	<b>\$ Increase/ Decrease</b>	<b>% Increase/ Decrease</b>
	<b>Object Code</b>	<b>Account Description</b>					
	51130	Salaries	29,235	45,014	48,688	3,674	8.16%
	51300	Overtime	0	4,002	1,000	-3,002	-75.01%
<b>Subtotal: Personnel</b>			<b>29,235</b>	<b>49,016</b>	<b>49,688</b>	<b>672</b>	<b>1.37%</b>
	52450	Contracted Services	38,808	17,800	25,000	7,200	40.45%
	54400	Auto Parts & Supplies	1,000	1,050	1,000	-50	-4.76%
	54450	Tools/ Hardware	1,053	1,365	1,000	-365	-26.74%
	54730	Gravel, Loam, Mulch		749	0	-749	-100.00%
	54800	Gas	73	105	0	-105	-100.00%
	54880	Diesel		525	0	-525	-100.00%
	55800	Misc. Supplies	800	3,000	800	-2,200	-73.33%
	59710	Transfer to General Fund	20,000	16,290	20,832	4,542	27.88%
<b>Subtotal: Expenses</b>			<b>61,734</b>	<b>40,884</b>	<b>48,632</b>	<b>7,748</b>	<b>18.95%</b>
<b>Total 6300: Athletic Fields</b>			<b>90,969</b>	<b>89,900</b>	<b>98,321</b>	<b>8,421</b>	<b>9.37%</b>

**Background**

On July 1, 2006 the Town began a fee-based solid waste program commonly referred to as “Pay-As-You-Throw” (PAYT). The PAYT program is overseen by the Program Manager, David Miller, and requires residents to use Town of Ashland designated trash bags in order to have their trash collected at curbside by the Town’s contractor, Waste Management. The PAYT program is operated as an enterprise fund intended to generate fee revenue to cover all solid waste and recycling collection and disposal costs.

An enterprise fund, authorized by MGL Ch. 44 §53F½, 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 the option to recover total service costs through user fees.

Enterprise accounting also enables communities to reserve as unrestricted the "surplus" or net assets generated by the operation of the enterprise rather than closing it out to the General Fund at year-end.

The Town of Ashland’s Pay-As-You-Throw waste reduction program continues to thrive and draw the attention of and receive rave reviews from the Massachusetts Department of Environmental Protection as a model for a successful P-A-Y-T program and inquiries from other towns interested in adopting the P-A-Y-T method of handling solid waste. David Miller, who oversees and manages the town’s solid waste and hazardous waste programs at the DPW continues to work with its’ contractors and residents to provide the most seamless service as possible to all Ashland residents.

The chart below shows the progress that Ashland has made in diverting recyclable items from the waste stream and saving on solid waste tonnage fees. It’s expected that after a town adopts a P-A-Y-T program that the percentage of recycling will rise rapidly during the first year of implementation and then drop slightly over the next couple of years, leveling off after a few years.

**Trash Enterprise Fund**

**Section 17-14**

	<b>FY06</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>	<b>FY16</b>
Solid Waste Tonnage	5,270	3,283	3,300	3,252	3,275	3,306	3,322	3,330	3,328	3,470	3,328
Reduced Tonnage to FY06		1,987	1,970	2,018	1,995	1,964	1,948	1,940	1,942	1,800	1,942
% of Reduction		-38%	-37%	-38%	-38%	-37%	-37%	-37%	-37%	-34%	-37%
	<b>FY06</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>	<b>FY16</b>
Recycling Tonnage	1,165	2,122	1,964	1,548	1,580	1,488	1,481	1,407	1,340	1,260	1,343
Reduced Tonnage to FY06		957	799	383	415	323	316	242	175	95	178
Recycling Rate	<b>18%</b>	<b>39%</b>	<b>37%</b>	<b>32%</b>	<b>33%</b>	<b>31%</b>	<b>31%</b>	<b>30%</b>	<b>29%</b>	<b>27%</b>	<b>29%</b>
<b><u>Pre PAYT</u></b>											
<b><u>PAYT</u></b>											

In addition to the regular curbside pick-up of household rubbish and recycling, there are also several special collections and drop off days for those “hard to dispose of items” and for items that are hazardous to our environment.

Christmas trees are collected on the 1<sup>st</sup> and 2<sup>nd</sup> Mondays in January at curbside of all town residents that are enrolled in the town’s contracted rubbish & recycling collection program. Bags/barrels of yard waste (leaves, grass clippings, organic materials that are easily rakeable) are also collected for 7 consecutive Mondays in the spring (except for Marathon Monday, of course) and then again in the fall.

The monthly drop-off collections for used motor oil, oil based paints/stains, fluorescent light bulbs, compact fluorescent light bulbs, contained mercury and rechargeable batteries continue to be very successful and prove to be very useful to the town’s residents. This drop-off collection is held on the 1<sup>st</sup> Saturday of each month from 9am-12noon behind the red salt shed @ the DPW yard located at 20 Ponderosa Road.

Another drop-off collection that occurs (4) times a year (1<sup>st</sup> Saturday of April, June, August and October from 9am-12noon at the DPW yard) is the Electronics Recycling Collection Days that not only help keep dangerous pollutants such as mercury & lead out of our drinking water sources, it

also helps Ashland remain within the state's guidelines for hazardous material handling and removal and adhere to all state waste bans.

Ashland's Annual Household Hazardous Waste Collection Day remains very popular with its residents. This highly anticipated day that takes place on the 2<sup>nd</sup> Saturday in May of every year provides Ashland's residents with an outlet for disposing of hazardous and toxic household items that as we all know, are increasingly more difficult to dispose of. Pesticides, gasoline, solvents, herbicides are among the many types of hazardous waste that are accepted at this event. For 2017, this drop-off collection will take place in the DPW parking lot at 20 Ponderosa Road between the hours of 9am and 1pm on Saturday, 5/13/2017.

As Ashland passes its 10-year milestone with the Pay-As-You-Throw waste reduction program, the town is introducing a highly-anticipated enhancement to the program by providing every household enrolled in the program with a 96-gallon tote recycling container. This container has a flip-top lid and wheels and will replace all other containers at the curb that residents currently utilize to contain their recyclables at curbside. A couple of advantages of introducing these containers to the program are the ease of getting recyclables to the curbside, a substantial reduction in recycling blowing around the streets of town and an end to bagged recycling that hinders the automated sorting process of recyclables. Recycling will continue to be picked up on a weekly basis.

The residents of Ashland should be very pleased with and proud of the program that they have helped to build and mold into one of the state's most successful Pay-As-You-Throw waste reduction programs.

For purposes of showing a complete departmental overview, the following items are in Section 7 - Department of Public Works & Public Facilities: organizational chart, programs & services, personnel summary table, FY18 goals, and FY17 accomplishments.

### **Revenue Fee Structure**

Effective Monday, February 1st, 2010 the cost of the Town of Ashland official Pay-As-You Throw orange trash bags will be as follows:

Small bags (14 gallon) will be \$5.25 per roll of 5 bags.

Large bags (33 gallon) will be \$9 per roll of 5 bags.

Each household pays a yearly base fee of \$146. Senior citizens age 65 and over can pay \$78. For senior citizens age 65 or over, an Abatement Application Form is available at <http://ashlandmass.com/DocumentCenter/View/1143>. This form must be filled out and approved to receive the reduced rate.

## Trash Enterprise Fund

## Section 17-16

### Budget Changes

The Trash Enterprise Fund budget decreased \$51,121 (4.25%) over the prior year. Salaries decreased \$1,287 (8.76%) due to a re-allocation of salaries. Non-payroll expenses decreased \$49,834 (4.20%) which is mostly attributable to the re-negotiation of the Waste Management Contract for trash and hazardous waste removal. Indirect costs or the transfer to the general fund decreased due to the indirect cost charges being re-analyzed and updated for FY2018. For example, certain employees changed health plans over the year which resulted in a savings to the Town. Therefore, the amount the trash enterprise fund owes the general fund has been reduced.

6200 - Trash Enterprise Fund			FY16 Actual	FY17 Budget	FY18 Budget	\$ Increase/ Decrease	% Increase/ Decrease
Object Code	Account Description						
51130	Salaries		17,709	14,419	13,132	-1,287	-8.93%
51400	Longevity		275	275	275	0	0.00%
<b>Subtotal: Personnel</b>			<b>17,984</b>	<b>14,694</b>	<b>13,407</b>	<b>-1,287</b>	<b>-8.76%</b>
51910	Trash Removal		1,075,560	1,134,665	1,095,508	-39,157	-3.45%
52930	Hazardous Waste		16,566	24,200	17,000	-7,200	-29.75%
59710	Transfer to General		25,000	28,734	25,257	-3,477	-12.10%
<b>Subtotal: Expenses</b>			<b>1,117,126</b>	<b>1,187,599</b>	<b>1,137,765</b>	<b>-49,834</b>	<b>-4.20%</b>
<b>Total 6200: Trash Enterprise Fund</b>			<b>1,135,110</b>	<b>1,202,293</b>	<b>1,151,172</b>	<b>-51,121</b>	<b>-4.25%</b>

**Overview****Water and Sewer**

The Water and Sewer Divisions operate, maintain and develop the Town's public water and sewer systems and related facilities. The Water and Sewer Divisions are operated as enterprise funds. An enterprise fund as authorized under MGL Ch. 44 §53F½ 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.

For purposes of showing a complete departmental overview, the following items are in Section 7 - Department of Public Works & Public Facilities: organizational chart, programs & services, personnel summary table, FY18 goals, and FY17 accomplishments.

The Water and Sewer Department of the Town of Ashland is responsible for providing the Town with drinking water and sewage collection in a cost effective and environmentally friendly manner that meets the EPA and DEP Standards. The Town maintains approximately 2200 Sewer Manholes, 1600 Water Gates and 83 miles of pipes for Water, 67 miles for Sewer pipes, 6,362 feet of Water service lines from the ties and 5,001 feet of Sewer service lines from the ties.

The Ashland Water Department relies on five wells in a well field (the Howe Street well field) adjacent to the Hopkinton State Reservoir. The reservoir elevation impacts the elevation of the groundwater in the well field. This source accounts for 100 percent of our total water supply.

Ashland has historically entered into an emergency water supply agreement with the Massachusetts Water Resource Authority (MWRA). The MWRA supplied water to Ashland through an interconnection that Ashland has with Southborough, an MWRA served water community. Ashland has purchased a portion of its water supply from the MWRA through Southborough on an as-needed, emergency basis for a period not exceeding six months.

**Budget Changes or Initiatives**

**Water**

The Water Enterprise Fund Budget increased \$10,746 (0.38%) over the prior year.

Total personnel costs decreased \$61,479 (12.17%) over FY17. Salaries decreased \$9,247 due to individuals or new employees being hired at a lower salary or rate of pay than former employees. Overtime decreased drastically as almost all positions have been filled; therefore, the overtime account has been reduced to normal levels. The beeper allowance, longevity, and uniform expense accounts are all contractual obligations of the union contract.

Non-payroll and non-capital/debt expenses increased \$82,980 (6.33%). A new account has been created called ‘Repairs and Maintenance’ in the amount of \$25,000. Historically, any repairs and maintenance of equipment/vehicles has been budgeted in the capital outlay account; however, as routine maintenance is not considered capital, this has been moved and included in the operating expenses of the budget.

Capital is being level funded for FY2018 at \$422,000 in total. Debt service has decreased \$10,755 in total per the debt amortization schedule.

Indirect costs or the transfer to the general fund has increased \$50,257 to reflect indirect cost charged being re-analyzed and updated for FY2018. Starting in FY18, the enterprise will now begin reimbursing the general fund for its’ portion of Other Post Employment Costs (OPEB), which has been included in the indirect cost transfer. Other accounts have been adjusted to reflect where expenses are being charged.

<b>6000 - Water Enterprise Fund</b>						
<b>Object Code</b>	<b>Account Description</b>	<b>FY16 Actual</b>	<b>FY17 Budget</b>	<b>FY18 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
51130	Salaries	305,866	416,578	407,331	-9,247	-2.22%
51300	OT Recall/Beeper	13,758	68,814	15,000	-53,814	-78.20%
51350	Beeper Allowance	16,128	13,988	17,000	3,012	21.53%
51400	Longevity & Fringes	2,680	1,430	1,400	-30	-2.10%
51900	Uniform Expense/ Allowances	2,600	4,200	2,800	-1,400	-33.33%
	<b>Subtotal: Personnel</b>	<b>341,032</b>	<b>505,010</b>	<b>443,531</b>	<b>-61,479</b>	<b>-12.17%</b>
52000	Purchase of Services	5,058	12,138	5,100	-7,038	-57.98%
52100	Utilities Expenses	195,651	52,020	205,000	152,980	294.08%
52410	Maintenance Service Contract	18,140	39,576	20,000	-19,576	-49.46%
52450	Contracted Services	732,479	906,776	740,000	-166,776	-18.39%

**Water and Sewer Enterprise Funds**

**Section 17-19**

52453	Purchase Lab Tests	0	1,020	0	-1,020	-100.00%	
52710	Office Equipment Lease	300		300	300		
52720	Radio Equipment Repair/ Parts	294	408	300	-108	-26.47%	
53410	Telephone Expenses	4,856	3,547	5,000	1,453	40.96%	
53800	Other Purchased Service	18,432	54,876	19,000	-35,876	-65.38%	
54000	Supplies	4,653	2,331	5,000	2,669	114.50%	
54150	Postage/ Stamps/ Regular Mail	1,380	3,366	1,400	-1,966	-58.41%	
54200	Office Supplies	271	663	500	-163	-24.59%	
54400	Auto Parts & Supplies	7,430	10,461	8,000	-2,461	-23.53%	
54450	Tools/ Hardware	3,956	4,947	5,000	53	1.07%	
54600	Reference Books/Materials	0	204	0	-204	-100.00%	
54700	Chemicals/Treatment	64	0	65	65		
54720	Asphalt/Hot-Top	414	2,545	500	-2,045	-80.35%	
54730	Gravel, Loam, Mulch	5,669	1,568	5,700	4,132	263.52%	
54740	Water Supplies/Inventory	93,249		94,000	94,000		
54800	Gas	0	102	0	-102	-100.00%	
54880	Diesel	0	5,100	0	-5,100	-100.00%	
55800	Miscellaneous Supplies	8,697	9,217	8,700	-517	-5.61%	
56965	Repairs and Maintenance	0	0	25,000	25,000		
57000	Other Charges	6,655	11,832	6,700	-5,132	-43.37%	
57100	Travel Expenses	83	51	100	49	96.08%	
57300	Dues & Memberships	657	510	660	150	29.41%	
57400	Training/Conf./Courses	2,414	2,544	2,500	-44	-1.73%	
57860	Expense Contingency	1,467	10,000	10,000	0	0.00%	
59710	Transfer to General Fund	284,994	174,517	224,774	50,257	28.80%	
		<b>Subtotal: Expenses</b>	<b>1,397,264</b>	<b>1,310,319</b>	<b>1,393,299</b>	<b>82,980</b>	<b>6.33%</b>
58000	Capital Outlay	265,836	352,000	352,000	0	0.00%	
58500	Purchase of Equipment	24,917	70,000	70,000	0	0.00%	
59150	Principal Long Term Debt	490,670	502,315	512,627	10,312	2.05%	
59250	Interest on Notes	90,430	69,703	48,636	-21,067	-30.22%	
		<b>Subtotal: Capital &amp; Debt</b>	<b>871,854</b>	<b>994,018</b>	<b>983,263</b>	<b>-10,755</b>	<b>-1.08%</b>
			<b>2,610,150</b>	<b>2,809,347</b>	<b>2,820,093</b>	<b>10,746</b>	<b>0.38%</b>

**Sewer**

The Sewer Enterprise Fund Budget decreased \$153,295 (2.68%) over the prior year.

Total personnel costs decreased \$25,562 (5.55%) over FY17. Salaries decreased \$19,248 due to individuals or new employees being hired at a lower salary or rate of pay than former employees. Overtime decreased as almost all positions have been filled; therefore, the overtime account has been reduced to normal levels. The beeper allowance, longevity, and uniform expense accounts are all contractual obligations of the union contract.

Non-payroll and non-capital/debt expenses increased \$88,733 (2.25%). A new account has been created called ‘Repairs and Maintenance’ in the amount of \$25,000. Historically, any repairs and maintenance of equipment/vehicles has been budgeted in the capital outlay account; however, as routine maintenance is not considered capital, this has been moved and included in the operating expenses of the budget.

MWRA’s preliminary Fiscal Year 2018 sewer assessments were released February 15, 2017. Ashland showed an increase to \$2,594,722, a 4.4% over the prior year for Ashland. The final FY17 Sewer Assessment for Ashland was \$2,485,174. A budgetary transfer was made during FY17 into this line item to cover the full amount of the assessment. In FY2018, the Town has budgeted \$2,610,243, which gives us \$15,500 in flexibility if the final assessment comes in slightly higher.

The payment to Framingham has decreased drastically over the years. This is largely attributable to the Sewer I&I program.

Capital is being level funded for FY2018 at \$190,000 in total. Debt service has decreased 15.58% in total per the debt amortization schedule.

Indirect costs or the transfer to the general fund has increased \$50,257 to reflect indirect cost charged being re-analyzed and updated for FY2018. Also, starting in FY18, the enterprise will now begin reimbursing the general fund for its’ portion of Other Post Employment Costs (OPEB), which has been included in the indirect cost transfer.

Other accounts have been adjusted to reflect where expenses are being charged.

<b>6000 - Sewer Enterprise Fund</b>						
<b>Object Code</b>	<b>Account Description</b>	<b>FY16 Actual</b>	<b>FY17 Budget</b>	<b>FY18 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
51130	Salaries	303,787	416,579	397,331	(19,248)	-4.62%
51300	Overtime	10,263	23,919	15,000	(8,919)	-37.29%
51350	Beeper Allowance	15,265	14,365	16,000	1,635	11.38%
51400	Longevity & Fringes	3,680	1,430	2,400	970	67.83%

## Water and Sewer Enterprise Funds

## Section 17-21

51900	Uniform Expense/ Allowances	2,200	4,200	4,200	-	0.00%
	<b>Subtotal: Personnel</b>	<b>335,195</b>	<b>460,493</b>	<b>434,930</b>	<b>(25,562)</b>	<b>-5.55%</b>
52000	Purchase of Services	6,840	10,169	7,000	(3,169)	-31.16%
52100	Utilities Expenses	65,090	59,665	67,000	7,335	12.29%
52410	Maintenance Service Contract	106	13,497	200	(13,297)	-98.52%
52450	Contracted Services	204,779	74,282	80,000	5,718	7.70%
52453	Purchase Lab Tests	560	408	600	192	47.06%
52710	Office Equipment Lease	250	0	300	300	
52720	Radio Equipment Repair/ Parts	10	408	0	(408)	-100.00%
53410	Telephone Expenses	3,932	3,547	4,000	453	12.77%
53800	Other Purchased Service		0	0	-	
54000	Supplies	6,754	1,719	7,000	5,281	307.21%
54150	Postage/ Stamps/ Regular Mail	573	3,366	600	(2,766)	-82.17%
54200	Office Supplies	271	663	300	(363)	-54.75%
54400	Auto Parts & Supplies	6,446	5,582	6,500	918	16.45%
54450	Tools/ Hardware	7,780	4,641	8,000	3,359	72.38%
54600	Reference Books/Materials	0	0	0	-	
54700	Chemicals/Treatment	49,410	66,300	50,000	(16,300)	-24.59%
54720	Asphalt/Hot-Top	0	2,545	0	(2,545)	-100.00%
54730	Gravel, Loam, Mulch	466	1,568	500	(1,068)	-68.11%
54800	Gas		102	0	(102)	-100.00%
54880	Diesel	0	5,100	0	(5,100)	-100.00%
55800	Miscellaneous Supplies	7,322	8,196	8,000	(196)	-2.39%
56950	MWRA Expense	2,380,635	2,462,928	2,610,243	147,315	5.98%
56955	Framingham IMA Herbert	94,048	96,296	98,222	1,926	2.00%
56965	Repairs and Maintenance	0	0	25,000	25,000	
57000	Other Charges	2,131	10,200	5,000	(5,200)	-50.98%
57050	Framingham Sewer Trunk	664,086	908,820	625,000	(283,820)	-31.23%
57300	Dues & Memberships	30	510	100	(410)	-80.39%
57400	Training/Conf./Courses	340	2,543	500	(2,043)	-80.34%
57860	Expense Contingency	1,467	20,000	20,000	-	0.00%
59710	Transfer to General Fund	284,994	174,517	224,774	50,257	28.80%

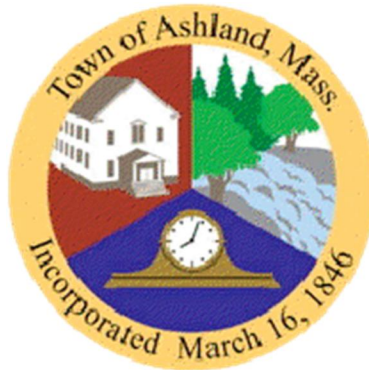
**Water and Sewer Enterprise Funds**

**Section 17-22**

	<b>Subtotal: Expenses</b>	<b>3,788,321</b>	<b>3,937,572</b>	<b>3,848,839</b>	<b>(88,733)</b>	<b>-2.25%</b>
58000	Capital Outlay	65,975	100,000	100,000	-	0.00%
58100	Purchase of Land	449,999	0	0	-	
58500	Purchase of Equipment	24,089	90,000	90,000	-	0.00%
59150	Principal Long Term DE	906,428	898,093	893,279	(4,814)	-0.54%
59250	Interest on Notes	253,298	227,256	193,071	(34,185)	-15.04%
	<b>Subtotal: Capital &amp; Debt</b>	<b>1,699,789</b>	<b>1,315,349</b>	<b>1,276,350</b>	<b>(38,999)</b>	<b>-2.96%</b>
		<b>5,823,305</b>	<b>5,713,414</b>	<b>5,560,119</b>	<b>(153,295)</b>	<b>-2.68%</b>

# Special Revenue Funds

## Section 18



**The Community Preservation Act in Ashland**

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 Ashland on May 7, 2002 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 2007 (voted at Town Meeting on October 19, 2005) 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 Ashland has raised over approximately \$14.9 million in CPA funds through June 30, 2016, which includes a total of approximately \$5.5 million from the state's Community Preservation Trust Fund.

The following example illustrates the amount of this surcharge for an average priced home in Ashland for fiscal year 2017:

Average Price of a House in Ashland	\$419,900
Residential Tax Rate	\$16.70
Average Annual Tax	\$7,012.33
Annual CPA Surcharge for Average Priced Home	\$210.37

\*First \$100,000 of residential value is exempt from the Community Preservation Act (CPA) surcharge.

### **The Community Preservation Committee**

The CPC is comprised of nine (9) members. Four (4) seats are At-Large members appointed by the Board of Selectmen per the recommendation of the CPC. The remaining five (5) seats are filled per state CPA statute by representatives from the following town boards: Conservation Commission, Historical Commission, Housing Authority, Open Space & Recreation Committee, and Planning Board.

The Committee is obliged by the Ashland 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 [cpc@ashlandmass.com](mailto:cpc@ashlandmass.com).

Copies of the state legislation are available on the state's web site:

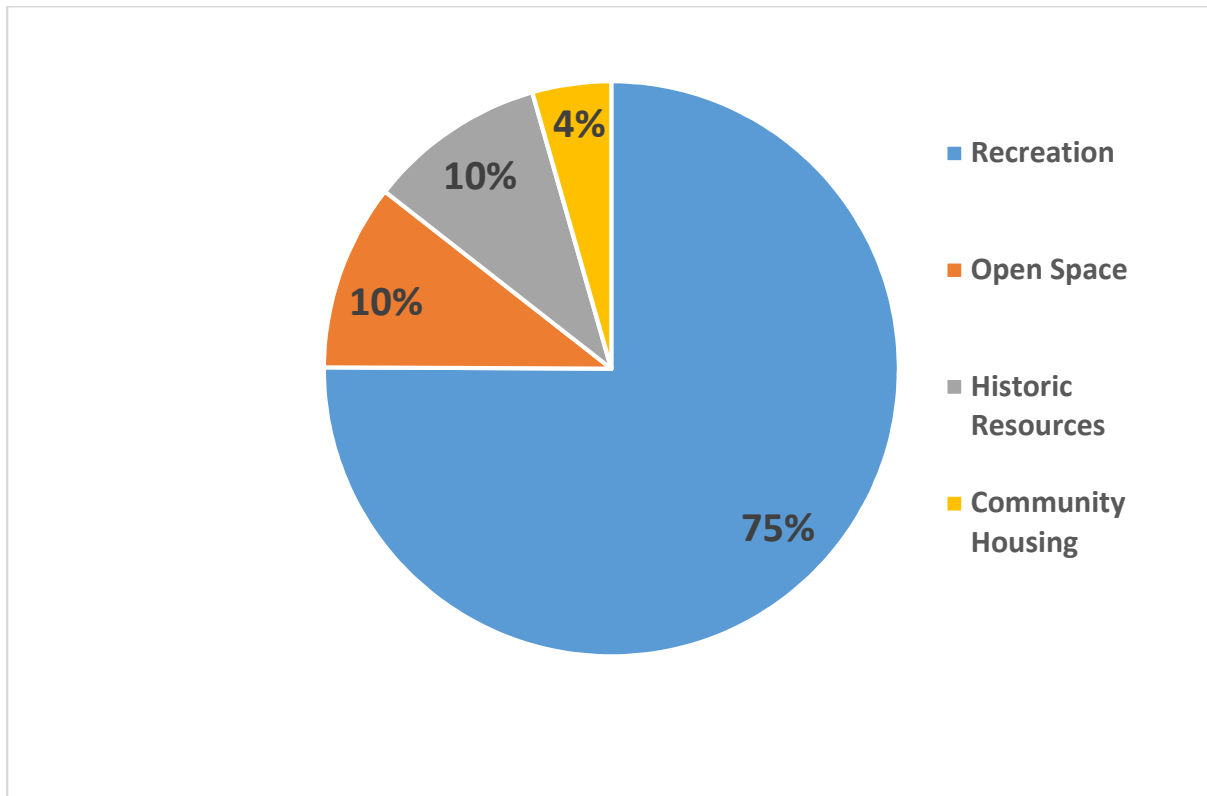
<http://www.mass.gov/legis/laws/mgl/gl-44b-toc.h>

<http://www.communitypreservation.org/>

**CPA Funding Requirements**

The CPA mandates that each fiscal year Ashland must spend, or set aside for later spending, at least 10% of the annual revenues in the Town of Ashland 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 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 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 June 30, 2016.*



**FY18 Estimated Revenues**

<b>Estimated Revenues:</b>	
Estimated Tax Revenue for FY18	\$907,507
Estimated State Match (20%)	\$181,501
Interest	\$6,500
<b>Total FY18 Estimated Revenues</b>	<b>\$1,095,511</b>

The above chart shows the estimated revenues for FY18. In calculating the estimation, we begin with the estimated revenue generated for the current fiscal year (FY17) and multiply this number by the 3% surcharge. We then estimate the state match at 20% of FY18 revenues. Next, we estimated interest based upon prior year's actual interest earned and current market conditions.

**FY18 Appropriations & Set Asides**

<b>Appropriations &amp; Set Asides:</b>	
5% Administrative Budget	\$19,672
10% Open Space Reserve	\$37,376
10% Historic Preservation Reserve	\$37,376
10% Affordable Housing Reserve	\$37,376
70% Undesignated	\$261,636
<b>Total FY18 Set Asides</b>	<b>\$393,436</b>
<b>FY18 Debt Obligations:</b>	
Oak Street Bond Payment	\$174,150
High School Fields Bond Payment	\$351,050
Warren Woods Bond Payment	\$176,875
<b>Total FY18 Debt Appropriations</b>	<b>\$702,075</b>
<b>Total Appropriations &amp; Set Asides</b>	<b>\$1,095,511</b>

# Community Preservation

# Section 18-5

## Community Preservation Fund 5 Year Forecast

	Estimated 2018	Estimated 2019	Estimated 2020	Estimated 2021	Estimated 2022
<b>CPA Beginning Balance</b>	\$2,596,349.01	\$2,979,783.52	\$3,415,288.32	\$3,898,948.51	\$4,435,713.61
Revenue - Taxes	907,507.93	934,733.17	962,775.16	991,658.42	1,021,408.17
Revenue - State	181,501.59	186,946.63	192,555.03	198,331.68	204,281.63
Revenue - Premium on Bond					
Revenue - Total Interest	6,500.00	6,500.00	6,500.00	6,500.00	6,500.00
<b>Total Revenue</b>	1,095,509.51	1,128,179.80	1,161,830.19	1,196,490.10	1,232,189.80
Misc. Expenses	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
Open Space					
Historic Resources					
Comm Housing					
<b>Total Expense</b>	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
Transfers In-Gen					
Transfers In-OS					
Transfers In-HR					
Transfers In-CH					
<b>Total Transfers In</b>	0.00	0.00	0.00	0.00	0.00
Transfers Out-Gen	597,718.75	581,268.75	569,713.75	554,218.75	540,754.69
Transfers Out-OS	47,756.25	46,406.25	45,056.25	43,706.25	42,989.07
Transfers Out-HR*	56,600.00	55,000.00	53,400.00	51,800.00	50,950.00
Transfers Out-CH					
<b>Total Transfers Out</b>	702,075.00	682,675.00	668,170.00	649,725.00	634,693.76
<b>Surplus (Deficit)</b>	383,434.51	435,504.80	483,660.19	536,765.10	587,496.04
<b>Ending Balance</b>	\$2,979,783.52	\$3,415,288.32	\$3,898,948.51	\$4,435,713.61	\$5,023,209.65
<b>Estimated Ending Fund Balance</b>					
<b>CPA General</b>	1,466,541.98	1,664,999.09	1,898,566.48	2,171,890.80	2,483,668.97
<b>CPA Open Space</b>	389,307.48	455,719.21	526,845.98	602,788.74	683,018.65
<b>CPA Historic Resources</b>	359,227.32	417,045.30	479,828.32	547,677.33	619,946.30
<b>CPA Affordable Housing</b>	764,707.21	877,525.19	993,708.21	1,113,357.22	1,236,576.20
	\$2,979,783.99	\$3,415,288.79	\$3,898,948.98	\$4,435,714.08	\$5,023,210.12

**Notes:** The ‘Transfers In’ accounts represent any monies that have been returned to the CPA Fund. For example, if a project has not been completed prior to the sunset date and no extension has been requested/granted – any remaining funds are returned to the CPA Fund. The ‘Transfers Out’ accounts represent the future debt payments. (Any projects approved at Town Meeting would be included in this category as well) The ‘Estimated Ending Fund Balance’ represents the estimated ending balance of in each category of the CPA Fund in a given year.

**How Community Preservation Act Funds Can Be Used**

Community Preservation Act funds must be used for public community preservation purposes. Community preservation is defined by the CPA as, "the acquisition, creation and preservation of open space, the acquisition, creation and preservation of historic structures and landscapes, and the creation and preservation of community housing." Preservation is defined as, "the protection of personal or real property from injury, harm or destruction, but not including maintenance." As detailed by the CPA, funds may be spent to undertake the following primary community preservation purposes:

- The acquisition, creation and preservation of open space. Open space, as defined by the CPA, "shall include, but not be limited to, land to protect existing and future well fields, aquifers and recharge areas, watershed land, agricultural land, grasslands, fields, forest land, fresh water marshes and other wetlands, river, stream, lake and pond frontage, lands to protect scenic vistas, land for wildlife or nature preserve and land for recreational use."
- The creation, preservation and support of community housing. The CPA defines community housing as, "low and moderate income housing for individuals and families, including low or moderate income senior housing."
- The acquisition and preservation of historic resources. The CPA recognizes historic resources as, "historical structures and landscapes," including "a building, structure, vessel or real property that is listed or eligible for listing on the state register of historic places or has been determined by the local historic preservation commission to be 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 Ashland 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 purposes:

- The "rehabilitation or restoration of open space, historic resources, land for recreational use and community housing that is acquired or created" using money from the Fund.
- A community may "set aside" revenues for "later spending."
- Annual "administrative and operating expenses" of the Committee.
- Annual principal and interest payments, preparation, issuance and marketing costs for bonds or notes for borrowings for community preservation purposes.
- Damages payable to property owners for real estate interests taken by the Town by eminent domain for community preservation purposes.
- "Local share for state and federal grants" for allowable community preservation purposes.
- Property acquisition-related expenses including appraisal costs, expenses for title searches, and closing fees.

Community Preservation Act funds may not be spent for the following purposes:

- "Replace existing operating funds, only augment them." The Fund is a supplementary
- funding source intended to increase available resources for community preservation
- acquisitions and initiatives.
- Pay for routine maintenance, defined as, "the upkeep of any real or personal property."
- Gymnasiums, stadiums, or any similar structure.
- Projects without a public purpose or public benefit.

**Definitions**

Open Space– Open space is defined to include, but is not limited to agricultural land, well fields, aquifers, recharge areas, and other watershed lands, grasslands, fields, or forest lands, fresh and salt water marshes and other wetlands, ocean, river, stream, lake and pond frontage beaches, dunes, and other coastal lands, scenic vistas, land for wildlife habitat or biodiversity or nature preserves.

Historic Resources– A historic resource is defined to include a building, a structure, vessel, or other real property that is either listed or eligible for listing on the State Register of Historic Places or determined by 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.

All Community Preservation Act funding requests require the recommendation of the project by the CPC to Town Meeting, and a majority vote of Town Meeting

*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
Rehabilitation/Restore	Yes*	Yes*	Yes*	Yes*

\*Yes, if acquired or created with CPA funds

## Goals, Needs, and Proposed Projects

The basic goals of the Ashland CPC reflect the goals and objectives of the town's Comprehensive Plan, Open Space and Recreation Plan, Affordable Housing Plan, Athletic Field Studies, and Historic Inventory Report. It is important that in recommending to Town Meeting the award of Community Preservation Act funding, the Community Preservation Committee will give preference to projects that address more than one area.

## Open Space

### Overview

Ashland needs a variety of open space resources distributed throughout town.

### Goals

1. Protect and preserve critical natural resources and wildlife habitat
  - (a) Identify critical parcels of land for municipal purchase or other methods of permanent protection from residential or commercial development
  - (b) Establish and maintain lines of communication with landowners to take advantage of opportunities to acquire and/or preserve property
  - (c) Support town acquisition of open space based on identified priorities, and
  - (d) Explore means and costs of purchasing Conservation Restrictions and other options for funding open space preservation
2. Protect and maintain surface and groundwater quality and quantity
3. Preserve, enhance and connect, where feasible, large parcels currently in agriculture, open space and recreational use, and other undisturbed natural areas.
4. Prioritize areas of critical concern and develop a process to purchase land for preservation or other sustainable land uses
5. Develop sustainable land uses on town-owned and private properties, such as eco-tourism and community supported agriculture (CSA)
6. Create trail linkages including new trails, bike paths, walkways and greenways
7. Encourage the preservation of open space within new subdivisions and cluster developments through the adoption of Open Space Residential Design (OSRD)

### Specific Criteria for Open Space Projects

Open space proposals which address as many of the following criteria as possible will receive preference:

- Permanently protects important wildlife habitat, including areas that
  - are of local significance for biodiversity
  - contains a variety of habitats, with a diversity of geologic features and types of vegetation

- contains a habitat type that is in danger of vanishing from Ashland
- preserves habitat for threatened or endangered species of plants or animals
  
- Preserves Ashland's rural and agricultural characteristics
- Provides opportunities for passive recreation and environmental education
- Protects or enhance wildlife corridors, promote connectivity of habitat or prevent fragmentation
- of habitats
- Provides connections with existing open space and offer potential trail linkages
- Preserves scenic views
- Borders a scenic road
- Protects watersheds and reservoirs
- Preserves important surface water bodies, including wetlands, vernal pools or riparian zones
- Preserves priority parcels identified in the most recently updated version of the Open Space and Recreation Plan

## **Historic Resources**

### Overview

Respect for the past is demonstrated in Ashland in areas where the look and feel of a small New England town has been preserved. Residents treasure the open space, stonewalls, and beautiful older homes that grace the scenic roadways. An active Historical Commission and Historical Society work to enhance preservation efforts. Ashland currently has one site, our Town Hall, listed on the National Historic Register and 125 buildings and sites registered with the Massachusetts Historical Commission. The “Community Wide Historic Properties Survey”, compiled by Kathleen Kelly Broomer in 2010 and produced by the Historical Commission, lists numerous historic sites in town worthy of preservation efforts. We encourage development that retains and incorporates historical buildings when planning future projects.

### Goals

1. Preserve and maintain Ashland’s historic landmarks and potential historic districts
2. Maintain the community’s traditional, historic character
3. Restore and enhance the buildings and property in the Town Center for increased public awareness and usage
4. Create additional National Historic Register sites, local historic districts and other opportunities to protect historic homes and resources

### Specific Criteria for Open Space Projects

Historical proposals which address as many of the following criteria as possible will receive preference:

- Protect, preserve, enhance, restore and/or rehabilitate historic, cultural, architectural or archaeological resources of significance, especially those that are threatened
- Protect, preserve, enhance, restore and/or rehabilitate town-owned and/or private properties, features or resources of historical significance
- Protect, preserve, enhance, restore and/or rehabilitate the historical function of a property or site
- Project demonstrates a public benefit
- Project demonstrates the ability to provide permanent protection for maintaining the historic resource

### **Recreational Land**

#### Overview

Ashland has a long tradition of offering diversified active and passive recreational opportunities. These activities are organized and supported by a variety of town departments and groups including the Recreation Department, the School Department, citizen-run sports leagues, the Open Space and Recreation Committee, Ashland Field Management Group, and the Council on Aging.

Funding through the CPA is limited to the “acquisition, creation, preservation, rehabilitation and restoration of land for recreational use.” Recreation projects are funded from the Undesignated Reserve Account and/or the Open Space Account per CPA statute. A 2012 amendment to CPA broadened the law to make it clear that with respect to land for recreational use, “rehabilitation” could include the replacement of playground equipment and other capital improvements to the land or the facilities thereon to make them more functional for their intended recreational use. Maintenance and operational expenses are not eligible for CPA funding; only capital improvements are eligible (such as creation of new fields) Also included in this amendment was a prohibition on the use of CPA funds for the acquisition of artificial turf for athletic fields.

Under the CPA, recreational purposes are defined as “active or passive recreational use including, but not limited to, the use of land for community gardens, trails and youth and adult sports; and the use of land as a park, playground or athletic field.”

#### Goals

1. Provide increased utilization of current town-owned recreational lands and facilities
2. Acquisition of land to fulfill identified current and future recreational needs
3. Support a diversity of recreational programs, both active and passive
4. Offer a range of recreational opportunities to all residents, regardless of age, gender or disability

#### Specific Criteria for Open Space Projects

Recreation proposals which address as many of the following criteria as possible will receive preference:

- Support multiple recreation uses
- Serve a significant number of residents
- Expand the range of recreational opportunities available to Ashland residents of all ages
- Benefit Open Space and Recreation Committee and related initiatives by promoting passive recreation, such as hiking, biking, and cross-country skiing, on town owned or leased property
- Maximize the utility of land already owned by Ashland (e.g. school property, Stone Park, etc.)
- Promote the creative use of inactive railway and other corridors to create safe and healthful non-motorized transportation opportunities

### Community Housing

#### Overview

For quite some time, concern was expressed that Ashland's housing stock was becoming more and more homogeneous due not to an overt plan but to the very nature of the zoning bylaws and the natural pressures of the housing market. Amendments are needed to the zoning bylaw encouraging more moderate priced housing, such as Incentive Senior Development and Accessory Apartment bylaws, to help provide sufficient incentive for builders to choose such developments over conventional single family subdivisions. Other efforts to encourage diversity, such as adoption of inclusionary zoning bylaws which require the construction of affordable housing within new subdivisions, should be developed to gain Town Meeting approval. Older residents, less affluent families and single people are being shut out of Ashland's housing market due to a lack of housing to fit different lifestyles.

State housing policy sets a goal of 10% affordable housing for municipalities throughout the state. Ashland housing stock certified as affordable is approximately 3.7%. Ashland, with its concentration of single-family housing, condominiums and escalating land values, has a long way to go in providing the kind of diversity called for by the state and desired by the town.

Affordable Housing Units as certified by the Department of Housing and Community Development as of June 2012:

- Park Road (40 elderly/disabled)
- Ashland Commons (96 units, mixed)
- Ashland House (66 units, elderly)
- Independent Living (4 special needs)
- Sudbury Park (10 LIP Homeowner units)
- Americas Boulevard (27 units to date)

Total affordable units: 243

#### Goals

1. Encourage greater diversity and affordability of housing opportunities in Ashland to meet the

2. needs of a changing and diversified population with respect to age, household size and eligible incomes
3. Expand affordable housing opportunities in both business and residential districts
4. Encourage affordable housing units, including comprehensive permits that recognize the community's needs and goals
5. Encourage passage of a Compact Neighborhoods bylaw
6. Support initiatives within the Rail Transit District to include affordable housing
7. Encourage reuse and conversion of existing properties whenever feasible
8. Maintain existing affordable housing stock through deed restrictions or other means

**Specific Criteria for Open Space Projects**

- Community Housing proposals which address as many of the following criteria as possible will receive preference:
- Contribute to the goal of 10% affordability
- Promote a socioeconomic environment that encourages a diversity of income, ethnicity, religion and age
- Provide housing that is harmonious in design and scale with the surrounding community
- Intermingle affordable and market rate housing at levels that exceed state requirements for percentage of affordable units
- Ensure long-term affordability in perpetuity
- Promote use of existing buildings or construction on previously-developed or Town-owned sites
- Convert market rate to affordable units

**General Criteria**

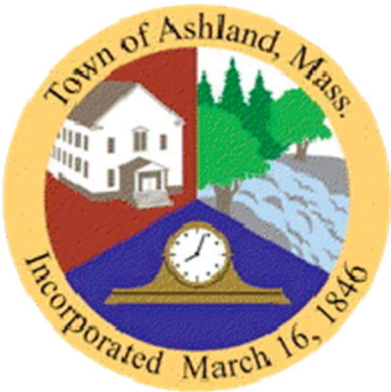
The Ashland Community Preservation Committee will give preference to proposals that meet the following general criteria:

- Are eligible for CPA funding according to the requirements described in the CPA legislation and any subsequent revisions
- Preserves the essential character of the town
- Saves resources that would otherwise be threatened and/or serve a currently under-served population
- Serves more than one CPA purpose (especially in linking open space, recreation, historic preservation and community housing) or demonstrates why serving multiple needs is not feasible
- Demonstrates practicality and feasibility, and demonstrate that they can be implemented expeditiously and within budget
- Produces an advantageous cost/benefit value
- Leverages additional public and/or private funds
- Preserves or utilize currently owned town assets
- Preserve the essential character of the town as described in the latest revision of the Comprehensive Plan
- Receive endorsement by other municipal boards or departments

Each community preservation project will also be judged based on the category specific criteria listed in each area

**Guidelines for Project Submission**

1. A meeting to review potential project proposals with the CPC is required. Please arrange with CPC Secretary, Ro Porter, to be placed on an upcoming meeting agenda.
2. Only after the pre-meeting, will submissions be accepted according to the following schedule.
3. Timeline for project submissions is as follows:
  - a. For Spring Town Meeting: Submission must be received no later than January 31st
  - b. For Fall Town Meeting: Submissions must be received no later than June 30th
  - c. Exceptions may be considered by a vote of the committee
4. Each project request must be submitted to the Community Preservation Committee using the Project Submission Form as a cover sheet. Applications should be submitted in eight (8) multiple copies.
5. Requests must include a statement of need and be documented with appropriate support information as detailed. The use of maps, visual aids and other supplemental information is encouraged.
6. Obtain quotes for project costs per MGL 30B guidelines. A meeting with the Town's procurement officer may be required.
7. If the request is part of a multi-year project, include the total project cost and allocations.
8. For applicants that have multiple project requests, please prioritize projects.
9. Applicants (or a designee) must be present at a CPC meeting to answer questions.



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Revolving, Gift, and Donation Accounts

Section 18-15

Account Description	Beginning Balance	Revenue	Expenditures	Transfers In/Out	Ending Balance
Marathon Donation	21,363.80	25,524.95	46,851.35		37.40
BAA Donation	24,015.62	70,500.00	82,435.20		12,080.42
Gift Account	525.00				525.00
Verizon Capital Revolving	241,008.88	63,883.51	70,378.00		234,514.39
Selectmen Gift Account	38,125.19	23,107.21	49,356.78		11,875.62
Needham Bank Donation	40,000.00				40,000.00
Warren Woods Gift	906,007.99		18,342.65		887,665.34
Village of America Public Safety	97,302.63			(50,250.00)	47,052.63
Web Site Donation	25.00				25.00
Mill Pond Maintenance	6,432.32				6,432.32
Official Flag Donation	1,644.00				1,644.00
Stormwater Revolving	14,324.82	6,150.00	271.65		20,203.17
Conservation Revolving	-1,560.00	9,840.00			8,280.00
Open Space Marathon Park	1,600.00				1,600.00
Rail Transit District #2	0.00	45,000.00	15,688.56		29,311.44
VoA Clerk of the Works	0.00	58,800.00			58,800.00
466 Chestnut St. Project	-6,558.07	16,516.90	232.56		9,726.27
Planning Consultant	51,971.58	92,554.10	112,644.39		31,881.29
Pulte Settlement	13,700.00				13,700.00
Zoning Board of Appeals	0.00	2,634.44	4,114.20		(1,479.76)
466 Sidewalk Mitigation	0.00	11,000.00	2,785.00		8,215.00
Courbanize	0.00	18,500.00	18,500.00		0.00
Haley & Ward - Cedar St.	0.00	12,085.41	506.79		11,578.62
Sidewalk Construction	20,181.00				20,181.00
Wildwood Estates	10,964.40				10,964.40
Cable Access Revolving	53,571.60	1,783.84			55,355.44
Cable Access Gift Interest	10,584.19				10,584.19
Police Donation - R.Going	0.00	500.00			500.00
K-9 Donations	210.00				210.00
Gift Account	653.41	5.00			658.41
Community Policing	193.63	1,750.00	1,844.63		99.00
DARE Donations	154.87				154.87
Defibrillator Donation	1,443.67				1,443.67
Public Safety Donations	2,150.73				2,150.73
Fire Alarm Revolving	335.00				335.00
EMS Gifts	15,042.28				15,042.28
Animal Emergency Care Fund	392.52				392.52
Animal Kennel Fund	620.02	506.00			1,126.02
Town of Holliston Revolving	67.52	38,000.00			38,067.52
466 Chestnut - Sewer Mitigation	0.00	62,775.00			62,775.00

**Revolving, Gift, and Donation Accounts**

**Section 18-16**

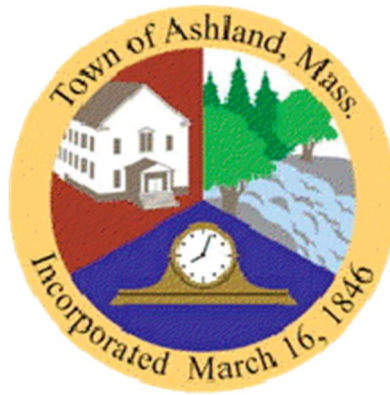
Account Description	Beginning Balance	Revenue	Expenditures	Transfers In/Out	Ending Balance
Engineering Revolving	20,718.38				20,718.38
West Union Sewer Gift	8,531.73				8,531.73
Water Rain Barrell Revolving	0.00	234.00	104.00		130.00
Hazardous Waste Revolving	46,692.50	4,025.00	5,100.00		45,617.50
Food Inspection Program	18,559.02	24,834.14	16,059.15		27,334.01
Tobacco Program	4,418.65	4,426.00	1,577.49		7,267.16
BOH Donations	630.00				630.00
BOH Ameresco	0.00		20,400.00		(20,400.00)
Elderly in Need	336.30				336.30
Volunteer Coord. FCOA	3,000.00	3,000.00	6,000.00		0.00
Parkinson Exercise Instruction	320.00	3,000.00	2,720.00		600.00
Senior Center Donations	353.51	1,365.00	806.60		911.91
Senior Program Revolving	8,059.97	13,298.00	7,250.00		14,107.97
COA Lions Club Gift - Bus	165.00				165.00
COA BAA Grant	0.00	5,000.00	3,665.00		1,335.00
Community Center Rental	59,245.69	18,055.00	24,383.05		52,917.64
Youth Advisory Revolving	9,421.78				9,421.78
Youth Advisory Gift Account	9.38				9.38
Veterans Gifts	1,350.00				1,350.00
Lord Library Gift	9,196.34	4,902.62	2,942.26		11,156.70
Library Gift - D. Lada	625.04				625.04
Library Gift - Hahn	8,624.12	366.20			8,990.32
Library Memorial Fund	0.71				0.71
Library Donation - Barbara K.	1.95				1.95
Library Material Replacement	1,186.71	788.99	509.30		1,466.40
Library Gift - Schiesske	5,024.66				5,024.66
Recreation Revolving	236,040.64	294,704.06	171,331.58	(30,000.00)	329,413.12
Kids Spot Revolving	7,019.10	2,130.00	247.80		8,901.30
Skate Park Donations	5,751.54				5,751.54
Historical Commission	2,805.00		2,428.00		377.00
Public Service Ins Recovery	75,760.28	91,769.06	14,484.83		153,044.51
	2,100,341.60	1,033,314.43	703,960.82	-80,250.00	2,349,445.21

**Revolving, Gift, and Donation Accounts**

**Section 18-17**

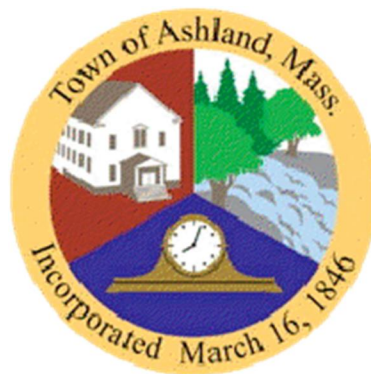
Account Description	Beginning Balance	Revenue	Expenditures	Transfers In/Out	Ending Balance
School Lunch	399,259.84	821,064.99	807,258.29		413,066.54
High School Activity	0.00				0.00
School Choice	381,290.21	228,074.00	118,194.27		491,169.94
Full Day Kindergarten	148,029.34	447,583.00	430,706.00		164,906.34
Daycare Revolving	250,064.51	552,183.80	533,563.22		268,685.09
Special Ed Revolving	15,056.39	4,470.00	8,117.95		11,408.44
Circuit Breaker Revolving	353,345.81	778,409.00	488,527.63		643,227.18
Preschool Revolving	19,053.30	674,317.00	557,880.13		135,490.17
Preschool ECCP Program	492.71				492.71
Adult Ed & Bldg Rental	131,552.90	498,984.95	164,695.73		465,842.12
SPED Tuition Revolving	13,828.17	70,469.72			84,297.89
Inter Tuition	0.00	5,500.00			5,500.00
School Gifts & Donations	173,751.63	275,126.34	205,927.48		242,950.49
Intramurals	21,237.97	2,030.00	1,147.00		22,120.97
Athletic Revolving	100,000.00	247,273.50	168,934.64		178,338.86
Community Education	112,371.83	53,731.50	47,933.80		118,169.53
School Bus Revolving	197,162.82	268,735.00	234,017.93		231,879.89
Vending Revolving	1,783.86				1,783.86
School Lost Books	7,164.46	1,457.02	37.07		8,584.41
Guidance Revolving	14,611.14	32,194.50	32,410.25		14,395.39
	<b>1,940,797.05</b>	<b>4,140,539.33</b>	<b>2,992,093.10</b>	<b>0.00</b>	<b>3,089,243.28</b>
	<b>2,340,056.89</b>	<b>4,961,604.32</b>	<b>3,799,351.39</b>	<b>0.00</b>	<b>3,502,309.82</b>

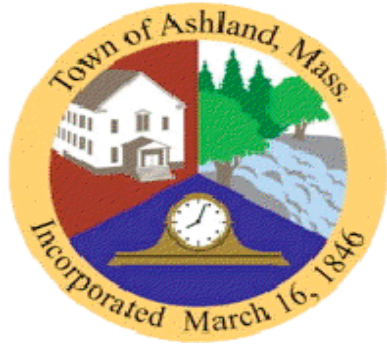
Note: The ending balances on all accounts are as of June 30, 2016.



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# Financial Trend Monitoring Report Section 19





# Town of Ashland, MA

## Financial Trend Monitoring Report

### Fiscal Year 2016



FTM Report covers the period July 1, 2005 (FY2006 through June 30, 2016 (FY2016)

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## I. INTRODUCTION—THE FINANCIAL TREND MONITORING SYSTEM

Welcome to the Town of Ashland’s first Financial Trend Monitoring System (FTMS) Report. The purpose of the FTMS is to analyze key financial indicators in order to assess the financial direction of the Town. The report is designed to bring issues and opportunities to the attention of decision-makers through a systematic method of trend analysis. If employed correctly, the FTMS will help Town officials:

- Gain a better understanding of the Town’s current financial condition.
- Identify hidden and emerging problems before they reach serious proportions.
- Present a straightforward picture of the Town’s financial strengths and weaknesses to elected and appointed officials, citizens, and credit rating firms.
- Reinforce the need for long-range considerations during the annual budget process.
- Provide a starting place for setting, reviewing and updating of financial policies that guide financial decision-making.

Aspects of Financial Condition:

**Cash Solvency:** A government's ability to pay immediate obligations

**Budgetary Solvency:** It's ability to pay financial obligations within current fiscal period

**Long-Run Solvency:** Its ability to continue paying obligations in future fiscal periods, and

**Service-Level Solvency:** The government's ability to continue providing the level of service expected by its constituents.

The ultimate goal of the FTMS is to help local officials and management better assess and protect the Town of Ashland’s overall financial condition.

What is Financial Condition?

Financial condition is broadly defined as the ability of a Town to maintain existing service levels, withstand local and regional economic disruptions, and meet the demands of natural growth, decline and change. It is often discussed from the perspectives of cash solvency, budgetary solvency, long-run solvency and service-level solvency.

In the narrowest sense, financial condition means the ability of the Town to pay its immediate obligations over the next 30 to 90 days in order to maintain operations. This is typically referred to as “cash solvency.”

Beyond meeting its monthly cash obligations, a Town must also be able to generate enough revenues during a fiscal year to meet all its expenditures, without incurring operational deficits. With few exceptions, such as snow and ice overdrafts, the Town is legally obligated to maintain “budgetary solvency,” or a balanced fiscal year budget, while providing services to residents.

In a broader sense, financial condition means the Town’s ability in the long-run to pay all the costs of doing business, including those which may not appear during the current fiscal year, such as pension costs and liabilities for other post-employment benefits. This long-run balance between revenues and costs is referred to as “long-run solvency” and includes items such as debt commitments and investments designed to maintain capital facilities such as buildings and roads. As many municipalities know all too well, it is possible to defer such costs in the short-run, but failure to adequately invest in capital needs will cost more in the future and could even create issues of budgetary solvency if the needs go unmet for too long.

Lastly, financial condition must also be viewed from the perspective of the services that residents desire. “Service-level solvency” refers to the level and quality of the services that residents expect in order to maintain the health, safety and welfare of the community. A Town lacking service-level solvency might in all other respects be in sound financial condition, but be unable to support critical services at an adequate level. In a financial crisis situation, trying to maintain service-level solvency might result in a municipality experiencing cash, budgetary, or long-run solvency problems. That is why it is important to view the issue of financial condition from all four perspectives. During this prolonged period of chronic fiscal constraint, the goal is to prevent fiscal distress, which is a temporary imbalance, from

Although unforeseen events can sometimes create a fiscal crisis, the signs of fiscal distress are often revealed in several recurring indicators. These include structural, economic, demographic and institutional factors. The indicators might manifest in an erosion of the economic base, a significant change in population size, or an interruption in the tax base. A loss of financial independence (through a greater reliance on intergovernmental revenues), a decline in productivity, or a large amount of immediate local government costs can also be indicative of the development of financial imbalances. For the Town of Ashland, which is in good financial condition, the FTMS will help provide a

Fiscal Distress is the imbalance between the level of financial resources the Town has committed and its potential available resources. Fiscal Crisis occurs when the local government can no longer pay its bills or provide existing levels of service.

### **What is a Financial Trend Monitoring System?**

The Financial Trend Monitoring System (FTMS), as adapted from the system developed by the International City/County Management Association (ICMA), “identifies the factors that affect financial condition and arranges them in a rational order so that they can be more easily analyzed and measured.”

It is a management tool that pulls together the pertinent information from the Town’s budgetary and financial reports, mixes it with the appropriate economic and demographic data, and creates a series of Town-specific financial indicators that, when plotted over a period of time, can be used to monitor changes in financial condition. The financial indicators include such things as revenue and expenditure trends, financial reserves, changes in the tax base, one-time revenue dependencies, debt, and external revenue dependencies.

## What are Financial Indicators?

Financial indicators are the primary tools of the Financial Trend Monitoring System. They represent a way to quantify changes in the factors with which they are associated. Many aspects of financial condition cannot be measured explicitly; however, by quantifying indicators and plotting them over a period of time, decision-makers can begin to monitor and evaluate the Town's financial performance. The use of these indicators will not provide answers as to why a problem is occurring or what the appropriate solution is, but it may provide the opportunity to make an informed management response.

### Objectives of the FTMS

**Predict:** so that the Town can be prepared to deal with fiscal distress before it becomes fiscal crisis

**Avert:** and take action to avoid fiscal crisis

**Mitigate:** through corrective action and/or policy changes regain sound financial footing, or at least contain the problem, and

**Prevent:** a recurrence of fiscal distress after the Town addresses the current issue or crisis (i.e. reliance on one time revenue)

### Expenditure Indicators

Expenditures are a rough measure of a local government's service output. Generally, the more a local government spends in constant dollars, the more services it is providing, although this does not take into account how effective the services are or how efficiently they are delivered. To determine whether a government is living within its revenues, the first issue to consider is expenditure growth rate.

Because local governments are required to have a balanced budget, it would seem unlikely that expenditure growth would exceed revenue growth. Nevertheless, the annual budget can be balanced in a number of subtle ways that will create a long-run imbalance in which expenditure outlays and commitments grow faster than revenues. Some of the more common ways are to use non-recurring revenues (one-time monies), to borrow (pay for operating capital through a long-term capital improvement plan), or make use of reserve funds (Stabilization or Free Cash) to fund operational expenses. Other ways are to defer maintenance on capital items or to defer funding of a future liability, such as a pension obligation or other retiree benefits. In each case, the annual budget remains balanced, but the long-run budget develops a deficit. Although long-run deficits might, conceivably, be made up through windfalls such as additional State Aid, grants, or other revenue surges, allowing such deficits to develop is risky.

A second issue to consider is expenditure flexibility. Expenditure flexibility is a measure of a local government's freedom to adjust its service levels to changing conditions, and considers the level of mandatory or fixed costs. Ideally, a government's expenditure growth rate will not exceed its revenue growth rate, and the government will have maximum flexibility to adjust spending. An increase in mandatory costs, such as debt service, employee benefits, and property and other insurances, renders a government less able to adjust to change.

## Revenue Indicators

Revenues determine the capacity of a local government to provide service. Important issues to consider in revenue analysis are growth, flexibility, dependability, diversity, administration, and elasticity. Under ideal conditions, revenues would grow at a rate equal to or greater than the combined effects of inflation and expenditures. They would be sufficiently flexible (free from spending restrictions) to allow adjustments to changing conditions. They would be balanced between elastic and inelastic in relation to inflation and the economic base; that is, some would grow with inflation and the economic base and others would remain relatively constant. Revenue sources would be diversified- not overly dependent on residential, commercial, or industrial land uses, or on external funding sources, such as discretionary State Aid. Fees would be regularly evaluated to cover cost increases.

Analyzing revenue structure will help to identify the following types of problems:

- ÿ Deterioration of the revenue base
- ÿ Practices or policies that may adversely affect revenue yields
- ÿ Poor revenue-estimating practices
- ÿ Inefficiency in the collection and administration of revenues
- ÿ Overdependence on obsolete or intergovernmental revenue sources
- ÿ Fees that are not covering the cost of services

This analysis may be used to provide the framework for the development of new, and update of existing fiscal policies to guide budget development.

Which Fiscal Indicators are included in the report?

Although the comprehensive ICMA model contains dozens of potential indicators for measuring municipal financial condition, a relevant sample has been selected as part of Ashland's Financial Trend Monitoring Report (FTMR). Others were omitted because either they are not applicable to Ashland's situation or because we do not have the data to be able to consistently develop these indicators at this time. We hope to further expand the indicators included in the report in the future. The 15 indicators that have been selected for use in monitoring the Town of Ashland's financial condition are displayed graphically on the following pages and were chosen based upon the availability of data and their appropriateness for Ashland.

**The selected indicators include:****Part 1 - Financial Indicators****Factor 1 - Revenue Indicators:**

Intergovernmental Revenues  
 Elastic Revenues  
 Tax Revenues  
 Uncollected Property Taxes  
 Revenues per Capita

**Factor 2 - Expenditure Indicators:**

Expenditures per Capita  
 Expenditures by Function  
 Fringe Benefits

**Factor 3 - Operating Position Indicators:**

Financial Reserves/Fund Balance

**Factor 4 - Debt Indicators:**

Long Term Debt  
 Debt Service

**Factor 5 - Unfunded Liability Indicators:**

Post Employment Benefits

**Factor 6 - Capital Plant Indicators:**

Capital Outlay

**Part 2 - Environmental Indicators****Factor 7 - Community Needs Indicators**

Population  
 Top Five Taxpayers

The FTMR is intended to assist the Town's Administration, Board of Selectmen, Finance Committee, and School Committee in setting long-range policy priorities, and can provide a logical way of introducing long-range considerations into the annual budget process. The following report has been developed using the ICMA manual entitled Evaluating Financial Condition, A Handbook for Local Government.

**What Methodology was used to compile the data in the report?**

The Financial Trend Monitoring System (FTMS) analysis covers the period of July 1, 2005 through June 30, 2016. Actual data has been presented for the Town's General Fund for the Fiscal Years 2006 through 2016. The actual data is taken from Schedule A, the Department of Revenue (DOR) Tax Rate Recapitulation reports as well as from various other DOR reports and the Town finance/accounting department. Adjustments and exceptions are noted in the report.

Constant dollars are nominal dollars adjusted for inflation using data from the U.S. Department of Labor, Bureau of Labor Statistics for the Boston-Brockton-Nashua statistical area. The average of the first 7 months of calendar year 2016 was used for FY2016. CPI-U data is the Consumer Price Index for all urban consumers in the New England region. For the purpose of this analysis, FY2006 is the base year beginning at 100.

Population data used in the per capita computations is taken from the Town Clerk's Annual Town Census. The FY2016 population was not available at the time this report was developed; therefore, a 2% increase from FY2015 was used for FY2016.

## **FTMR Executive Summary**

### **Current Financial Condition**

Ashland is in good financial condition. The Town's financial reserves have improved drastically over the past few years due to strong management, conservative budgeting practices, and the financial reserve policy which was drafted and implemented just a few years ago. With the recent appropriation of free cash at the November 28, 2016 Special Town Meeting, the General Stabilization Fund now has a current balance of over \$5.2 million. The Town has also set up a SPED, Other Post Employment Benefits (OPEB), and Capital Stabilization in the past year which have current balances of \$644,928, \$650,819, and \$16,843, respectively. Debt is manageable and our bond rating was upgraded to AAA/Stable in August 2016.

### **Identify Emerging Problems**

Based on the analysis, it is apparent that long-run solvency surrounding OPEB obligations and capital investment are potential emerging problems. Uncertainty surrounding the level of State Aid, future health insurance premium increases, and increases in pension obligations remain significant areas of exposure for the annual operating budget. From a service level solvency standpoint, there is a need to increase staffing levels, particularly in the Fire Service and DPW department. Obviously, any increases in full-time staffing will have a multiplier effect on the budget for health insurance, pension and OPEB costs.

### **Financial Strengths and Weaknesses**

The adoption of the Financial Reserves Policy in December 2013 strengthened the Town's financial condition with zero reliance on one-time revenues in the operating budget. In addition, the financial reserve policy appropriates a percentage of free cash to capital investment and the remainder to the stabilization funds which has insured that one-time funds are only utilized for one-time expenditures or to increase the Town's reserves. The growth in revenue from property taxes, which has kept pace with inflation, as well as excellent tax collections are financial strengths for the Town.

### **Long-Range Budget Considerations**

The Town of Ashland is growing yet the budgetary resources devoted to personnel has remained relatively stable. For the first time in over a decade, the Town added firefighters to its department. The Town has also recently added an Economic Development Director position in January 2016. This position is vital to the Town in order to build the Town's commercial base and alleviate the pressure off of residential taxpayers. The Town also plans on adding an In-take specialist to the Human Services Department and a public records position to the Information Technology department in Fiscal year 2017. The public records position is crucial and will assist current employees with the demands of records requests and the new change to the law which takes effect Jan. 1, 2017. The change requires municipalities to respond to public record requests within 10 days. It also seeks to limit how much a municipality can charge for producing the records. As the Town continues to grow, the need to address this growth and maintain service-level solvency may require a corresponding increase in personnel in the future.

**Policy Updates**

The Town will continue to adhere to the financial policies set in place. Moving forward it will be important for the Town to continue to fund the OPEB liability. The OPEB Trust Fund was established at the May 2014 Annual Town Meeting for this purpose, and during FY2015 the first annual transfer was made to the Trust (\$500,000). Now a second appropriation of \$62,500 in FY2016 has also been made to the Trust. Economic development policies and programs will be continuously reviewed in order to stimulate ongoing development of the tax base.

**FISCAL INDICATOR****FY2016****Part 1 - Financial Indicators****Factor 1 - Revenue Indicators:**

Intergovernmental Revenues

**Favorable/Uncertain**

Elastic Revenues

**Favorable/Uncertain**

Tax Revenues

**Favorable**

Uncollected Property Taxes

**Favorable**

Revenues per Capita

**Uncertain****Factor 2 - Expenditures Indicators:**

Expenditures per Capita

**Uncertain**

Expenditures by Function

**Favorable**

Fringe Benefits

**Unfavorable/Uncertain****Factor 3 - Operating Position Indicators:**

Financial Reserves/Fund Balance

**Favorable****Factor 4 - Debt Indicators:**

Long Term Debt

**Favorable**

Debt Service

**Favorable****Factor 5 - Unfunded Liability Indicators:**

Other Post Employment Benefits

**Unfavorable/Uncertain****Factor 6 - Capital Plant Indicators:**

Capital Outlay

**Unfavorable**

**Part 2 - Environmental Indicators**

**Factor 7 - Community Needs Indicators**

Population

Top Five Taxpayers

**Uncertain**

**Favorable**

# Section III

## Fiscal & Environmental Indicator Analysis

### Factor 1: Revenue Indicators - Intergovernmental Revenues (State Aid)

**Formula:**

$$\frac{\text{Intergovernmental operating revenues}}{\text{Operating revenues}}$$

Ashland Trend	
Favorable	X
Marginal	
Unfavorable	
Uncertain	X

Warning Trend: Increasing amount of intergovernmental operating revenues as a percentage of Operating revenues.

**Description:**

A reduction in State Aid as a percentage of operating revenues is generally perceived as a warning trend. However, intergovernmental revenues as a percentage of the operating budget are also important because an overdependence upon such revenues can be harmful. State governments struggle with their own budget problems and when the economy is not robust, frequently they have reduced aid to local governments. The reduction of intergovernmental funds leaves the municipal government with the dilemma of cutting programs or funding them from general fund revenues. Any decline in intergovernmental funding is difficult for a municipality to absorb. Standard & Poors reviews the composition of a municipality's revenue stream and the stability of major revenues such as intergovernmental aid.

**Analysis:**

The level of State Aid and other intergovernmental revenues provided to municipalities is a continuing concern in Massachusetts because State Aid is unreliable. During FY2007 through FY2010, the Town of Ashland was one of many communities that felt the impact of the Great Recession. The Great Recession was the largest downturn in economic activity since the Great Depression. At that time, Ashland relied on State Aid; therefore, when cuts were made, the Town was forced to utilize its free cash or reserves to balance the budget. The Town was utilizing its reserves at a rate greater than the funds being appropriated into the reserve fund. However, the Town of Ashland has seen a favorable trend from FY2013 through FY2016. Not only is there a favorable trend, the Town has increased its reserves from \$600,000 in FY2008 to over \$5.2 million in FY2017. The increase in the reserves are thanks to the financial reserve policy implemented in December 2013. The potential for the Commonwealth to cut State Aid requires the Town to carefully monitor these revenues, and to have contingency plans if State Aid were reduced. The Town of Ashland Reserves Policy which calls for withdrawals from the General Stabilization Fund if the Governor utilizes executive authority to reduce budgeted lines of local aid (9c cuts) by 10% or more or State budget numbers for local aid are budgeted at fifteen percent (15%) less than the prior year's local aid numbers.

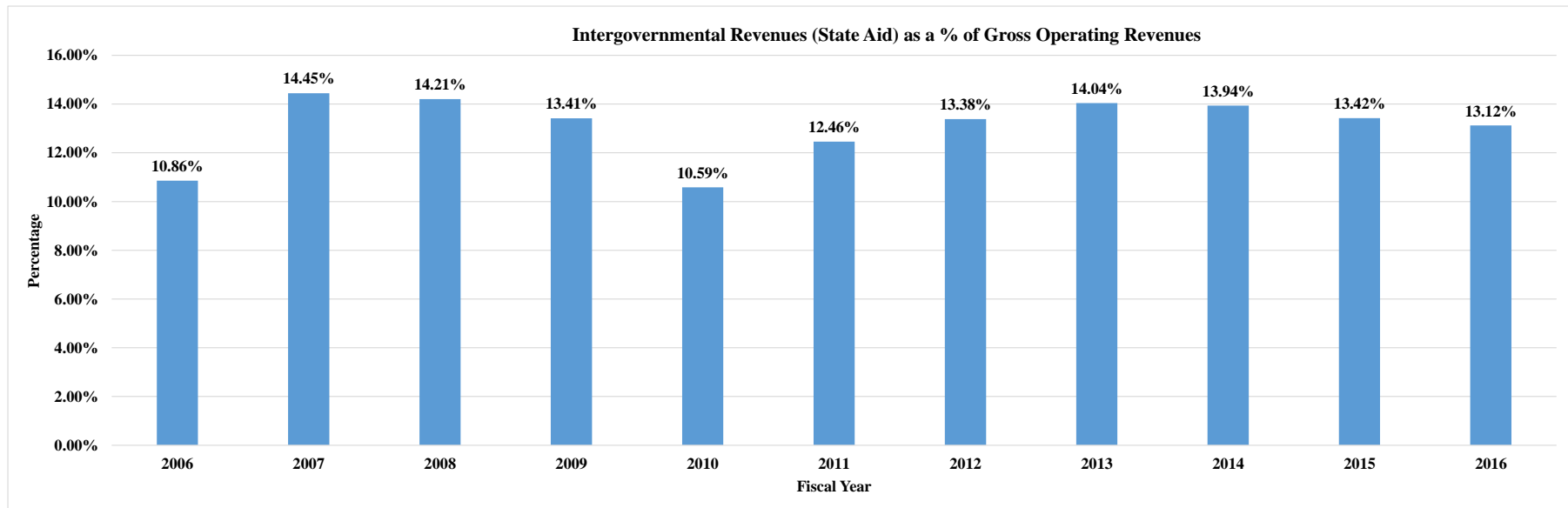
## Factor 1: Revenue Indicators - Intergovernmental Revenues (State Aid)

Fiscal Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Operating revenue*	\$40,708,313	\$44,185,055	\$48,003,067	\$44,925,669	\$57,311,434	\$48,955,499	\$47,132,191	\$48,721,532	\$50,682,434	\$51,866,788	\$53,708,861
Actual State Aid Received**	\$4,420,670	\$6,383,653	\$6,819,000	\$6,026,297	\$6,067,195	\$6,099,466	\$6,306,918	\$6,842,317	\$7,063,033	\$6,960,576	\$7,047,364
State Aid as a % of Operating Revenue	10.86%	14.45%	14.21%	13.41%	10.59%	12.46%	13.38%	14.04%	13.94%	13.42%	13.12%
CPI - U, Base Period = 1982-1984	223.1	227.4	235.4	233.8	237.4	243.9	247.7	251.1	255.2	256.7	259.4
CPI - U, Adjust to 2006 Base Year	100.00	101.93	105.50	104.79	106.43	109.31	111.04	112.57	114.38	115.07	116.27
CPI in decimals	1.00	1.02	1.05	1.05	1.06	1.09	1.11	1.13	1.14	1.15	1.16
Property Tax Revenue (constant dollars)	\$40,708,313	\$43,347,826	\$45,500,634	\$42,873,653	\$53,848,795	\$44,784,021	\$42,445,665	\$43,281,903	\$44,310,188	\$45,075,202	\$46,192,933
Actual State Aid Received (constant dollars)	\$4,420,670	\$6,262,694	\$6,463,521	\$5,751,041	\$5,700,628	\$5,579,733	\$5,679,798	\$6,078,391	\$6,175,006	\$6,049,138	\$6,061,168
State Aid as a % of Operating Revenue	10.86%	14.45%	14.21%	13.41%	10.59%	12.46%	13.38%	14.04%	13.94%	13.42%	13.12%

Notes:

\*Source: Schedule A - Total General Fund Revenues.

\*\*Source: Balance Sheet Checklist submitted to DOR (Actual cherry sheet receipts net of offsets)



### Factor 1: Revenue Indicators - Elastic (Economic Growth) Revenues

**Formula:**

Economic Growth Revenues  
Net Operating revenues

Favorable	X
Marginal	
Unfavorable	
Uncertain	X

Warning Trend: Decreasing amount of elastic operating revenues (economic growth revenues) as a percentage of Operating revenues.

**Description:**

Revenues related to economic growth (elastic revenue sources) include tax levy growth from new development, motor vehicle excise taxes, as well as building permits and construction related permit fees. These revenues are sensitive to changes in the level of economic activity. A decrease in new economic development and building permit fees may be a leading indicator of smaller future increases in the tax levy. A balance between elastic and inelastic revenues mitigate the effects of economic growth or decline. Standard & Poors believes that diverse revenue sources strengthen financial performance.

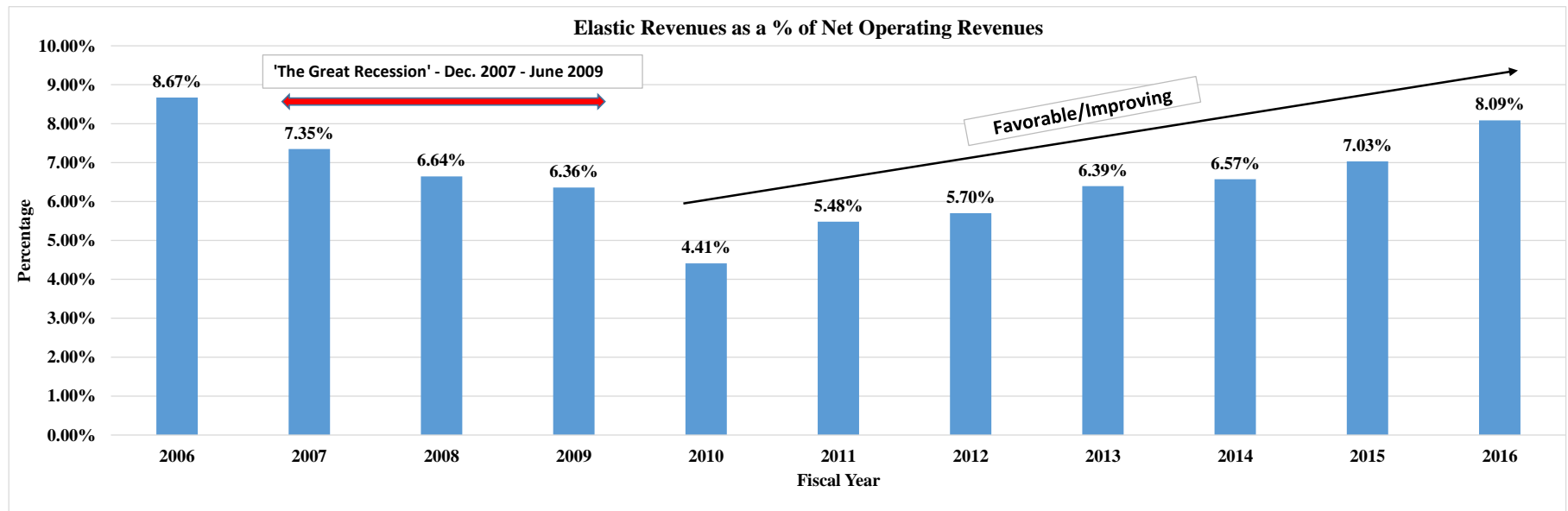
**Analysis:**

Although recent years have seen a positive trend in Ashland's economic revenues, future growth is uncertain as major projects are in process and there are fewer significant developments currently in the permitting stage. In addition, the Town recently passed a rate of development bylaw which employs temporary restrictions on the issuance of building permits for residential developments. The terms of this bylaw shall expire four years following its effective date. Further information on this bylaw can be found on the Town of Ashland website. Also, the Board of Selectmen implemented a sewer hookup moratorium back in July 2016. The regulation means developers will either have to build septic systems or their own treatment plants. The ban lasts until December 31, 2017, and is aimed, for the most part, at large scale housing developments. Both the bylaw and moratorium allow the Town to analyze the impacts of a development and prepare. A significant contributor to Ashland in the past year and current year has been the Rail Transit District project, a 398 apartment complex. This project has generated over \$500,000 in permit fees alone. Looking forward, the Town's future revenue from economic growth remains uncertain. However, all the variables that have contributed to the Town's past economic development success, available land, single tax rate and prime location all remain and it is simply a matter of when the next significant development will occur.

**Factor 1: Revenue Indicators - Elastic (Economic Growth) Revenues**

Fiscal Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Operating revenue*	\$40,708,313	\$44,185,055	\$48,003,067	\$44,925,669	\$57,311,434	\$48,955,499	\$47,132,191	\$48,721,532	\$50,682,434	\$51,866,788	\$53,708,861
Less - Excluded Debt**	\$3,302,448	\$2,981,727	\$2,540,029	\$2,474,223	\$2,498,583	\$2,427,427	\$2,364,184	\$2,093,734	\$2,067,901	\$1,943,733	\$1,777,626
Net Operating revenue	\$37,405,865	\$41,203,328	\$45,463,038	\$42,451,446	\$54,812,851	\$46,528,072	\$44,768,007	\$46,627,798	\$48,614,533	\$49,923,055	\$51,931,235
Building Related Fees & Permits***	\$290,435	\$238,731	\$227,477	\$166,424	\$216,368	\$288,734	\$207,294	\$295,344	\$464,005	\$374,470	\$672,261
Motor Vehicle Excise&	\$2,146,959	\$2,037,891	\$2,141,759	\$2,081,134	\$1,947,891	\$1,995,830	\$2,085,271	\$2,401,472	\$2,358,597	\$2,401,517	\$2,547,445
Tax Levy from New Construction****	\$806,516	\$752,001	\$651,293	\$451,138	\$252,525	\$266,297	\$259,378	\$284,483	\$356,891	\$533,905	\$758,989
Meals Tax ^	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$14,943	\$200,474	\$220,800
Total Economic Growth Revenues	\$3,243,910	\$3,028,623	\$3,020,528	\$2,698,696	\$2,416,784	\$2,550,861	\$2,551,943	\$2,981,299	\$3,194,436	\$3,510,366	\$4,199,495
Economic Growth Revenues as a % of Net Operating Revenues	8.67%	7.35%	6.64%	6.36%	4.41%	5.48%	5.70%	6.39%	6.57%	7.03%	8.09%

Notes:  
 \*Source: Schedule A - Total General Fund Revenues.  
 \*\*Source: Gateway - Tax Rate - DE-1 (Debt Exclusion)  
 \*\*\*Source: Ashland Finance Dept. - Building Related Fees & Permits includes the following permits: Street Opening, Building, Plumbing, Gas & Electrical.  
 \*\*\*\*Source: Gateway - Tax Rate - Levy Limit Form  
 ^Source: Gateway - Tax Recap page 3



## Factor 1: Revenue Indicators - Property Tax Revenues

**Formula:**

$$\frac{\text{Net Property Tax Revenues}}{\text{Consumer Price Index}}$$

Ashland Trend	
Favorable	X
Marginal	
Unfavorable	
Uncertain	

**Warning Trend:** A decline in property tax revenues (measured in constant dollars) is considered a warning indicator.

**Description:**

The property tax levy is the revenue a community can raise through real and personal property taxes. In Massachusetts, municipal revenues to support local spending for schools, public safety and other public services are raised through the property tax levy, state aid, local receipts and other sources. The property tax levy is the largest source of revenue for most cities and towns. The expenditure budget of a Town or City is the driver of the tax levy and determines how much needs to be raised in taxes (after adjusting for other sources of revenue). However, municipalities are restricted as to how much can be levied each year known as Proposition 2.5%. The name refers to the 2.5% ceiling on total property taxes annually as well as the 2.5% limit on property tax increases. In Ashland, property tax revenues account for approximately 70% of the revenue budget.

**Analysis:**

The analysis shows that property tax revenue adjusted to constant dollars is positive and have kept pace with inflation. Further, the Town's revenue growth has occurred despite having no operating Proposition 2 ½ overrides.

## Factor 1: Revenue Indicators - Property Tax Revenues

Fiscal Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Residential Property Tax Levy*	\$26,715,212	\$27,736,859	\$28,491,786	\$29,444,493	\$30,300,762	\$31,141,214	\$31,979,376	\$32,670,338	\$33,750,990	\$34,982,345	\$36,276,915
Open Space Tax Levy*	\$17,892	\$10,522	\$9,525	\$5,853	\$4,852	\$5,010	\$5,218	\$5,397	\$5,476	\$4,733	\$4,848
Commercial Property Tax Levy*	\$1,439,795	\$1,473,193	\$1,518,064	\$1,621,680	\$1,686,157	\$1,742,102	\$1,807,273	\$1,870,320	\$1,914,613	\$1,962,666	\$2,237,213
Industrial Property Tax Levy*	\$519,113	\$553,352	\$575,094	\$614,978	\$635,156	\$637,649	\$643,824	\$661,148	\$656,554	\$621,181	\$610,371
Personal Property Tax Levy*	\$443,952	\$455,225	\$506,950	\$527,540	\$601,286	\$677,070	\$746,453	\$804,897	\$866,559	\$909,703	\$858,484
Property Tax Total	\$29,135,965	\$30,229,151	\$31,101,419	\$32,214,544	\$33,228,212	\$34,203,045	\$35,182,144	\$36,012,101	\$37,194,193	\$38,480,628	\$39,987,832
Less - Excluded Debt**	\$3,302,448	\$2,981,727	\$2,540,029	\$2,474,223	\$2,498,583	\$2,427,427	\$2,364,184	\$2,093,734	\$2,067,901	\$1,943,733	\$1,777,626
Net Property Tax Revenue (nominal dollars)	\$25,833,517	\$27,247,424	\$28,561,390	\$29,740,321	\$30,729,629	\$31,775,618	\$32,817,960	\$33,918,367	\$35,126,292	\$36,536,895	\$38,210,206
Percent Increase/Decrease	5.94%	5.47%	4.82%	4.13%	3.33%	3.40%	3.28%	3.35%	3.56%	4.02%	4.58%
CPI - U, Base Period = 1982-1984	223.1	227.4	235.4	233.8	237.4	243.9	247.7	251.1	255.2	256.7	259.4
CPI - U, Adjust to 2006 Base Year	100.00	101.93	105.50	104.79	106.43	109.31	111.04	112.57	114.38	115.07	116.27
CPI in decimals	1.00	1.02	1.05	1.05	1.06	1.09	1.11	1.13	1.14	1.15	1.16
<b>Property Tax Revenue (constant dollars)</b>	\$25,833,517	\$26,731,134	\$27,072,465	\$28,381,908	\$28,873,008	\$29,068,031	\$29,554,750	\$30,131,472	\$30,709,902	\$31,752,649	\$32,863,134
Percent Change - Property Tax Revenue (constant dollars)	5.9%	3.5%	1.3%	4.8%	1.7%	0.7%	1.7%	2.0%	1.9%	3.4%	3.5%
Rate of Inflation &	2.5%	4.1%	0.1%	2.7%	1.5%	3.0%	1.7%	1.5%	0.8%	0.7%	1.7%

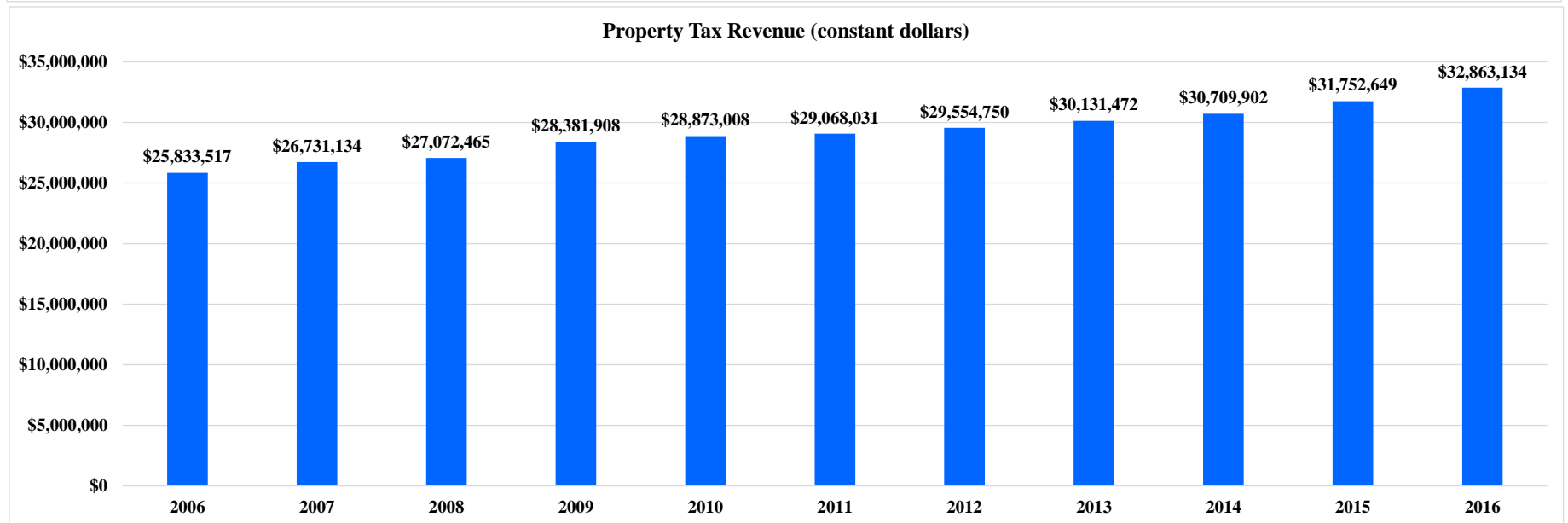
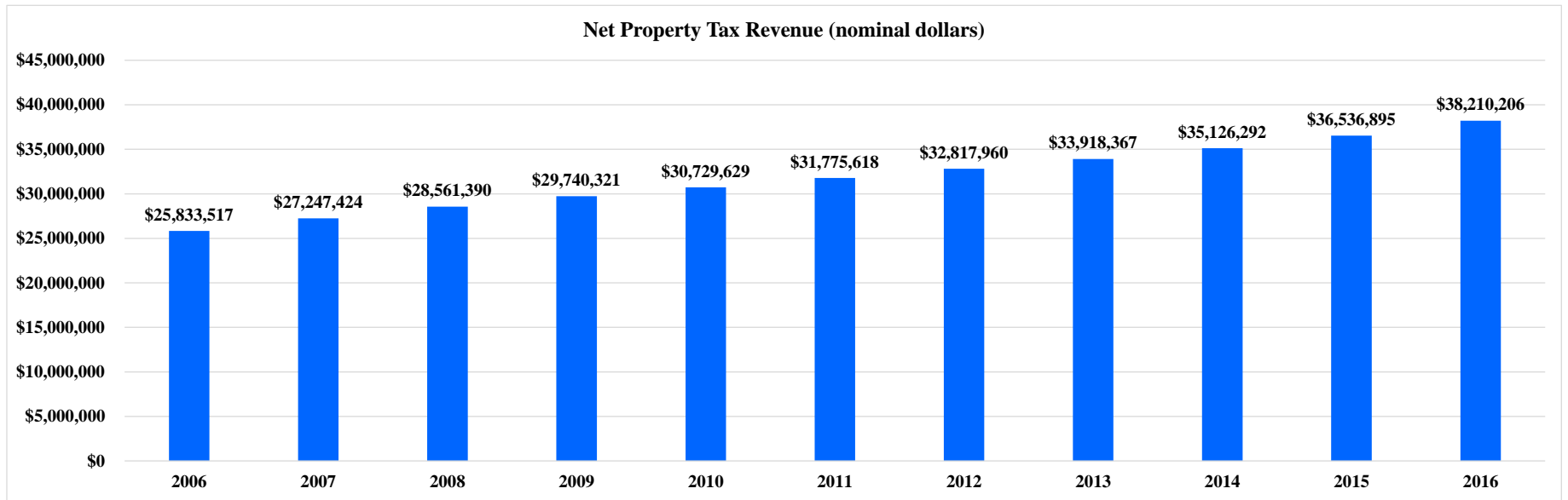
Notes:

\*Source: Tax Recap - pg. 1

\*\*Source: Tax Recap - DE-1

\*\*\*Source: Mass. Department of Revenue Municipal Databank - Implicit Price Deflator and CPI, Used month of July 2016 for FY2016

**Factor 1: Revenue Indicators - Property Tax Revenues**



### Factor 1: Revenue Indicators - Uncollected Property Taxes

**Formula:**

Uncollected Property Taxes (as of June 30)  
 Net Property Tax Levy

Favorable	X
Marginal	
Unfavorable	
Uncertain	

**Warning Trend:** Increasing amount of uncollected property taxes as a percentage of net property tax levy.

**Description:**

Every year, a percentage of property owners is unable to pay property taxes. Uncollected property taxes as a percentage of the net tax levy of 5% or more is considered negative by bond rating organizations. Credit-rating firms assume that a local governmental normally will be unable to collect 2 to 3 percent of its property taxes within the year that the taxes are due. An increase in uncollected property taxes could signal an overall decline or potential instability in the tax base of the town. As uncollected property taxes rise, liquidity is decreased and there is less cash on hand to pay bills or to invest. This early warning indicator is particularly critical to watch during periods of economic decline or uncertainty.

**Analysis:**

Property taxes provide over 70% of Ashland's operating revenue, representing the single most important source of revenue. The analysis below indicates that Ashland's property tax collection rate is excellent. The Town consistently collects 98% of property taxes in each fiscal year. The Town's percentage of uncollected property taxes has been consistently below 2% over the past 4 years and below 3% over the past 9 years, which is within the allowable range of credit-rating firms.

## Factor 1: Revenue Indicators - Uncollected Property Taxes

Fiscal Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Residential Property Tax Levy*	\$26,715,212	\$27,736,859	\$28,491,786	\$29,444,493	\$30,300,762	\$31,141,214	\$31,979,376	\$32,670,338	\$33,750,990	\$34,982,345	\$36,276,915
Open Space Tax Levy*	\$17,892	\$10,522	\$9,525	\$5,853	\$4,852	\$5,010	\$5,218	\$5,397	\$5,476	\$4,733	\$4,848
Commercial Property Tax Levy*	\$1,439,795	\$1,473,193	\$1,518,064	\$1,621,680	\$1,686,157	\$1,742,102	\$1,807,273	\$1,870,320	\$1,914,613	\$1,962,666	\$2,237,213
Industrial Property Tax Levy*	\$519,113	\$553,352	\$575,094	\$614,978	\$635,156	\$637,649	\$643,824	\$661,148	\$656,554	\$621,181	\$610,371
Personal Property Tax Levy*	\$443,952	\$455,225	\$506,950	\$527,540	\$601,286	\$677,070	\$746,453	\$804,897	\$866,559	\$909,703	\$858,484
Property Tax Subtotal	\$29,135,965	\$30,229,151	\$31,101,419	\$32,214,544	\$33,228,212	\$34,203,045	\$35,182,144	\$36,012,101	\$37,194,193	\$38,480,628	\$39,987,832
Reserved for Abatements & Exemptions**	\$219,504	\$221,135	\$190,335	\$237,860	\$267,679	\$311,503	\$281,001	\$515,930	\$246,286	\$252,026	\$245,000
Net Property Tax Levy	\$28,916,460	\$30,008,016	\$30,911,084	\$31,976,684	\$32,960,533	\$33,891,542	\$34,901,143	\$35,496,171	\$36,947,907	\$38,228,602	\$39,742,832
Uncollected Taxes as of June 30***	1,155,525	1,069,870	911,294	918,190	839,708	858,294	867,411	580,799	532,388	364,794.99	580,804.19
Uncollected Taxes as a Percentage of Net Property Tax Levy	4.00%	3.57%	2.95%	2.87%	2.55%	2.53%	2.49%	1.64%	1.44%	0.95%	1.46%
Percentage Collected in Current Year	96.00%	96.43%	97.05%	97.13%	97.45%	97.47%	97.51%	98.36%	98.56%	99.05%	98.54%

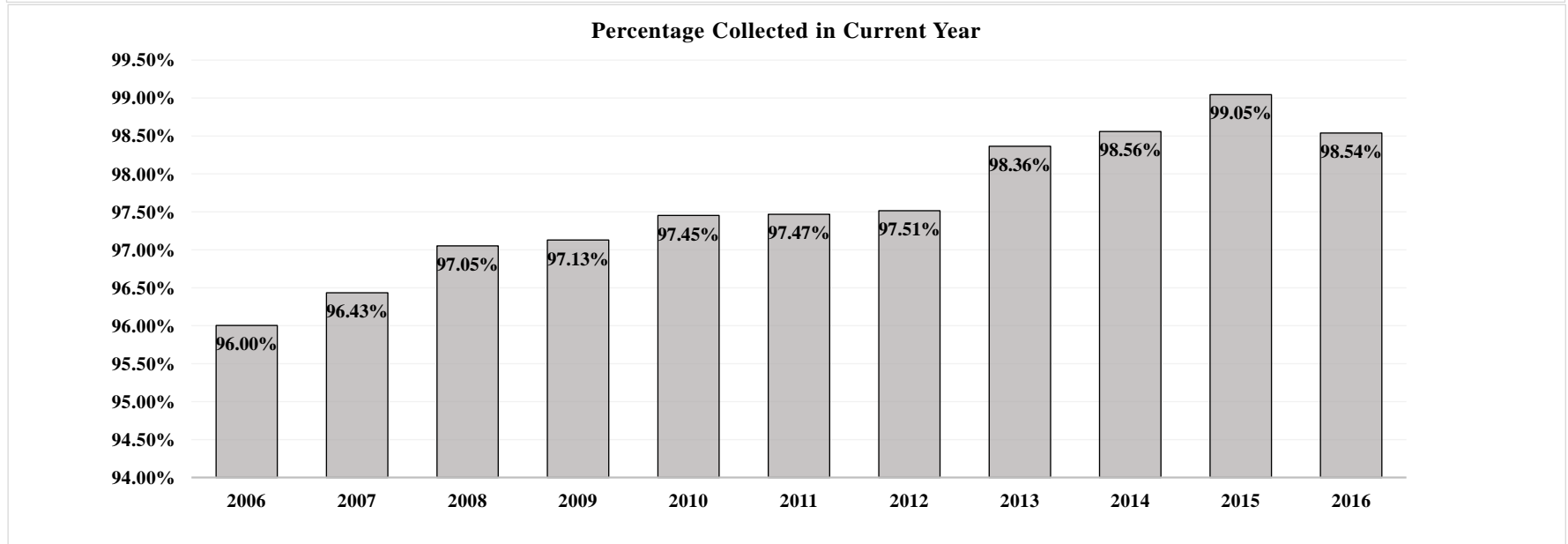
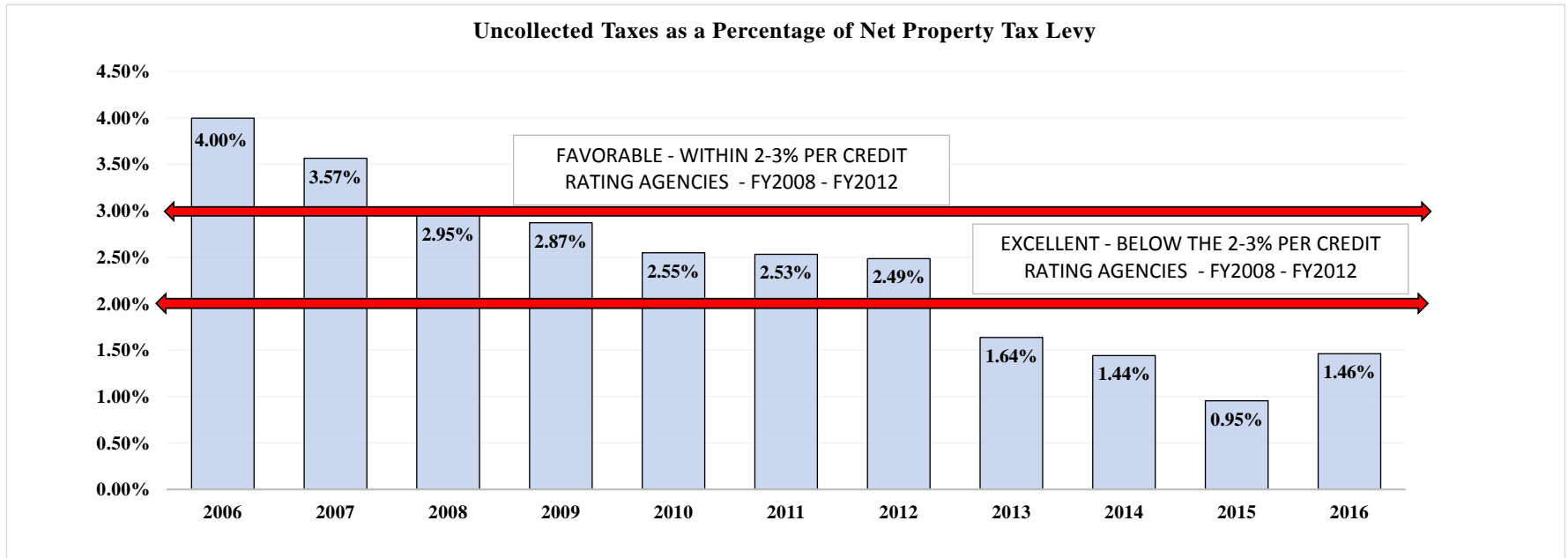
## Notes:

\*Source: Tax Recaps pg. 1

\*\*Source: Tax Recap pg. 2

\*\*\*Source: Finance Dept.

**Factor 1: Revenue Indicators - Uncollected Property Taxes**



Note: Property tax collections are shown net of reserves for abatements and exemptions, which the Town assumes will not be collected.

## Factor 1 & 2: Revenue & Expenditure Indicators - Revenue & Expenditures per Capita

### Formula:

$$\frac{\text{Operating revenues or Expenditures (constant dollars)}}{\text{Population}}$$

Favorable	
Marginal	
Unfavorable	
Uncertain	X

**Warning Trend:** Decreasing revenues per capita and increasing operating expenditures per capita (measured in constant dollars) is considered a warning trend, especially if spending is increasing faster than revenues or if one-time revenues are consistently needed to achieve budgetary balance.

### Description:

Revenues and expenditures per capita show changes relative to population. For enhanced analysis, revenues and expenditures per capita charted together provide a method to measure both sides of the municipal budget. As population increases, it might be expected that revenues and the need for services would increase proportionately and therefore the level of per capita revenues would remain constant. If per capita revenues are decreasing, the municipality may not be able to maintain existing service levels unless cost savings or new revenue sources are identified. Changes in per capita expenditures that reflect an increase may indicate that the cost of providing municipal services is outpacing the community's ability to pay for those services, especially if spending is greater than can be counted for by inflation or the addition of new services.

**Analysis:**

From FY2006 through FY2016, revenues and expenditures per capita have remained extremely close. The data is not consistent enough to develop a conclusion on whether or not the Town of Ashland is able to maintain the level of services while keeping up with population increases. However, the Town has a major development in the process, called the Rail Transit District - 398 1- and 2-bedroom apartments located on 28.44 acres off of the MBTA Access Road. Also, The Green Company is in the process of building a 93-unit Senior Residential Community called 'The Lantern at Warren Woods' on a nearly 40-acre parcel of land at 466 Chestnut Street Approximately 50% of the property will be set aside as protected open space. There is a subdivision called Hillside Estates at 22 High Street Extension which the applicant is proposing to subdivide the property into 15 single family lots. There are other various smaller projects which are due to come online later in the year and into FY2018 which will impact our new growth and supplemental billing. However, the Town is uncertain as to how these developments will impact the Town from a service-level and financial standpoint. The Town is in the process of utilizing a financial tool, called the 'Fiscal Impact tool,' which will help in understanding how developments impact the Town from a financial standpoint. However, the true impact that new developments have on a municipality is uncertain as any tool utilized by the Town will be an estimate.

**Factor 1 & 2: Revenue & Expenditure Indicators - Revenue & Expenditures per Capita**

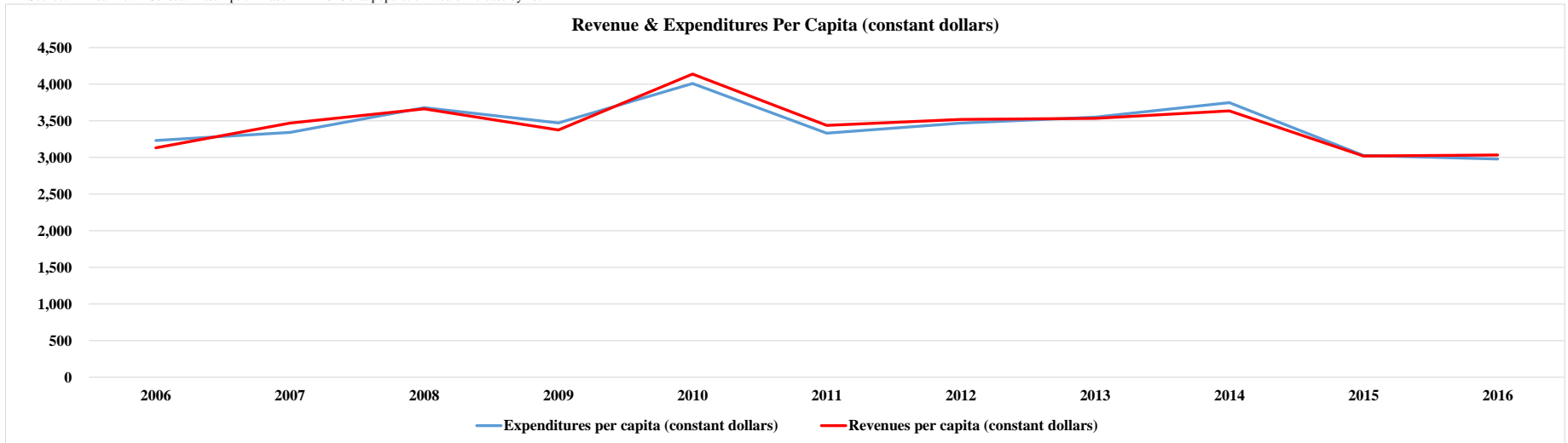
Fiscal Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenditures (nominal dollars)*	\$42,026,292	\$42,554,674	\$48,247,059	\$46,199,778	\$55,528,031	\$47,441,524	\$46,451,657	\$48,961,563	\$52,265,228	\$52,008,253	\$52,730,607
Revenues (nominal dollars)*	\$40,708,313	\$44,185,055	\$48,003,067	\$44,925,669	\$57,311,434	\$48,955,499	\$47,132,191	\$48,721,532	\$50,682,434	\$51,866,788	\$53,708,861
CPI - U, Base Period = 1982-1984	223.1	227.4	235.4	233.8	237.4	243.9	247.7	251.1	255.2	256.7	259.4
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CPI in decimals	1.00	1.02	1.05	1.05	1.06	1.09	1.11	1.13	1.14	1.15	1.16
Expenditures (constant dollars)	\$42,026,292	\$41,748,338	\$45,731,907	\$44,089,566	\$52,173,141	\$43,399,051	\$41,832,799	\$43,495,135	\$45,693,979	\$45,198,143	\$45,351,574
Revenues (constant dollars)	\$40,708,313	\$43,347,826	\$45,500,634	\$42,873,653	\$53,848,795	\$44,784,021	\$42,445,665	\$43,281,903	\$44,310,188	\$45,075,202	\$46,192,933
Population***	13,000	12,493	12,424	12,703	13,011	13,023	12,059	12,247	12,189	14,925	15,224
Assessed Value	2,301,419,000	\$2,399,139,000	\$2,407,230,540	\$2,324,280,660	\$2,200,543,850	\$2,149,782,860	\$2,123,243,440	\$2,101,056,070	\$2,138,826,500	\$2,224,313,748	\$2,352,225,396
Expenditures per capita (nominal dollars)	3,233	3,406	3,883	3,637	4,268	3,643	3,852	3,998	4,288	3,485	3,464
Revenues per capita (nominal dollars)	3,131	3,537	3,864	3,537	4,405	3,759	3,908	3,978	4,158	3,475	3,528
Expenditures per capita (constant dollars)	3,233	3,342	3,681	3,471	4,010	3,332	3,469	3,551	3,749	3,028	2,979
Revenues per capita (constant dollars)	3,131	3,470	3,662	3,375	4,139	3,439	3,520	3,534	3,635	3,020	3,034

Notes:

\*Source: Schedule A

\*\*Source: Mass. Department of Revenue Municipal Databank - Implicit Price Deflator and CPI, Used month of July 2016 for FY2016

\*\*\*Source: Annual Town Census. Assumption made in FY2016 that population would increase by 2%



## Factor 2: Expenditure Indicators - Expenditures by Function

### Formula:

$$\frac{\text{Operating expenditures for one function}}{\text{Total Operating expenditures}}$$

Ashland Trend	
Favorable	X
Marginal	
Unfavorable	
Uncertain	

**Warning Trend:** Increasing operating expenditures for one function as a percentage of total Operating expenditures.

### Description:

Expenditures by function shows a more detailed breakdown of a local government's general governmental funds expenditures. Expenditures by function will help analyze the cause of the increases in governmental spending over time. Expenditures by function will help analyze the cause of the increases in governmental spending over time. Standard & Poor's reviews expenditure composition and stability in the context of revenue patterns.

### Analysis:

In reviewing the expenditures by Function, the largest components, of the operating budget, are Education, Other, and Police and Fire. The operating expenditures include capital items approved from the general fund capital account as well. However, the Schools only started receiving capital funding from the general fund capital account in FY2013. In FY13 through FY16, the schools may have received more funding for capital items and other departments less funding and vice versa. Education and the Other category, which consists of the insurance expenditures & transfers out, have increased as a percentage of the general fund expenditures. Debt payments have decreased significantly over a 10 year period. Overall, expenditures by function appear reasonable and there have been no significant increases in any one category.

**Factor 2: Expenditure Indicators - Expenditures by Function**

Fiscal Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Avg. %
General Government*	\$1,863,196	\$2,440,349	\$4,184,044	\$2,280,736	\$2,495,535	\$3,471,257	\$2,281,863	\$2,294,633	\$2,429,312	\$2,230,712	\$2,177,452	
Police, Fire, & Other Public Safety**	\$4,622,397	\$5,002,482	\$5,023,879	\$5,081,967	\$5,078,161	\$5,708,567	\$5,336,005	\$5,382,032	\$5,355,297	\$5,535,077	\$5,629,699	
Education***	\$19,859,676	\$21,056,862	\$22,217,228	\$22,690,189	\$22,514,955	\$23,454,351	\$23,955,109	\$24,877,914	\$26,436,877	\$27,323,483	\$28,110,867	
Public Works****	\$2,184,509	\$1,190,809	\$1,557,155	\$1,809,055	\$1,246,283	\$1,692,585	\$1,459,577	\$1,724,044	\$1,598,705	\$1,770,170	\$2,120,841	
Human Services*****	\$339,816	\$294,749	\$356,921	\$333,131	\$336,425	\$334,431	\$761,647	\$647,865	\$424,683	\$402,837	\$397,881	
Culture & Recreation &	\$359,675	\$324,262	\$364,800	\$376,599	\$381,858	\$356,924	\$354,701	\$374,387	\$386,824	\$397,111	\$442,789	
Debt Service & Fixed Costs	\$5,848,780	\$4,925,020	\$4,288,300	\$4,115,373	\$3,378,267	\$3,020,078	\$2,914,745	\$3,465,638	\$4,505,660	\$3,217,329	\$3,120,945	
State Assessments	\$423,168	\$513,444	\$604,470	\$636,712	\$784,092	\$953,627	\$994,901	\$1,098,933	\$1,231,824	\$1,276,233	\$1,114,171	
Other &&	\$6,525,075	\$6,806,697	\$9,650,262	\$8,876,016	\$8,212,455	\$8,449,704	\$8,393,109	\$9,096,117	\$9,896,045	\$9,855,301	\$9,615,966	
<b>Total Operating Expenditures</b>	<b>\$42,026,292</b>	<b>\$42,554,674</b>	<b>\$48,247,059</b>	<b>\$46,199,778</b>	<b>\$44,428,031</b>	<b>\$47,441,524</b>	<b>\$46,451,657</b>	<b>\$48,961,563</b>	<b>\$52,265,227</b>	<b>\$52,008,253</b>	<b>\$52,730,611</b>	
GG as a percentage of Total operating expenditures	4.43%	5.73%	8.67%	4.94%	5.62%	7.32%	4.91%	4.69%	4.65%	4.29%	4.13%	5.49%
Police, Fire & Other PS as a percentage of Total operating expenditures	11.00%	11.76%	10.41%	11.00%	11.43%	12.03%	11.49%	10.99%	10.25%	10.64%	10.68%	11.07%
EDU as a percentage of Total operating expenditures	47.26%	49.48%	46.05%	49.11%	50.68%	49.44%	51.57%	50.81%	50.58%	52.54%	53.31%	50.36%
PW as a percentage of Total operating expenditures	5.20%	2.80%	3.23%	3.92%	2.81%	3.57%	3.14%	3.52%	3.06%	3.40%	4.02%	3.35%
HHS as a percentage of Total operating expenditures	0.81%	0.69%	0.74%	0.72%	0.76%	0.70%	1.64%	1.32%	0.81%	0.77%	0.75%	0.89%
C & R as a percentage of Total operating expenditures	0.86%	0.76%	0.76%	0.82%	0.86%	0.75%	0.76%	0.76%	0.74%	0.76%	0.84%	0.78%
Debt Service & Fixed Costs as a percentage of Total operating expenditures	13.92%	11.57%	8.89%	8.91%	7.60%	6.37%	6.27%	7.08%	8.62%	6.19%	5.92%	7.74%
State Assessments as a percentage of Total operating expenditures	1.01%	1.21%	1.25%	1.38%	1.76%	2.01%	2.14%	2.24%	2.36%	2.45%	2.11%	1.89%
Other as a percentage of Total operating expenditures	15.53%	16.00%	20.00%	19.21%	18.48%	17.81%	18.07%	18.58%	18.93%	18.95%	18.24%	18.43%

Source: Expenditures were derived from Schedule A in Gateway.

\*General Government includes: Town Manager, Town Accountant, Treasurer/Collector, Legal Counsel, Public Buildings/Maintenance, Assessors, Operations Support, Town Clerk, Conservation, Planning,

\*\*Police, Fire & Other Public Safety includes: Police, Fire, Inspection Services, and Animal Control

\*\*\*Education includes Education and Keefe Tech School Assessment

\*\*\*\*Public Works includes Highway/Streets Snow & Ice, Highway/Streets Other, Waste Collection & Disposal, and Streetlighting

\*\*\*\*\*Human Services includes Health Dept., Special Program and Veterans,

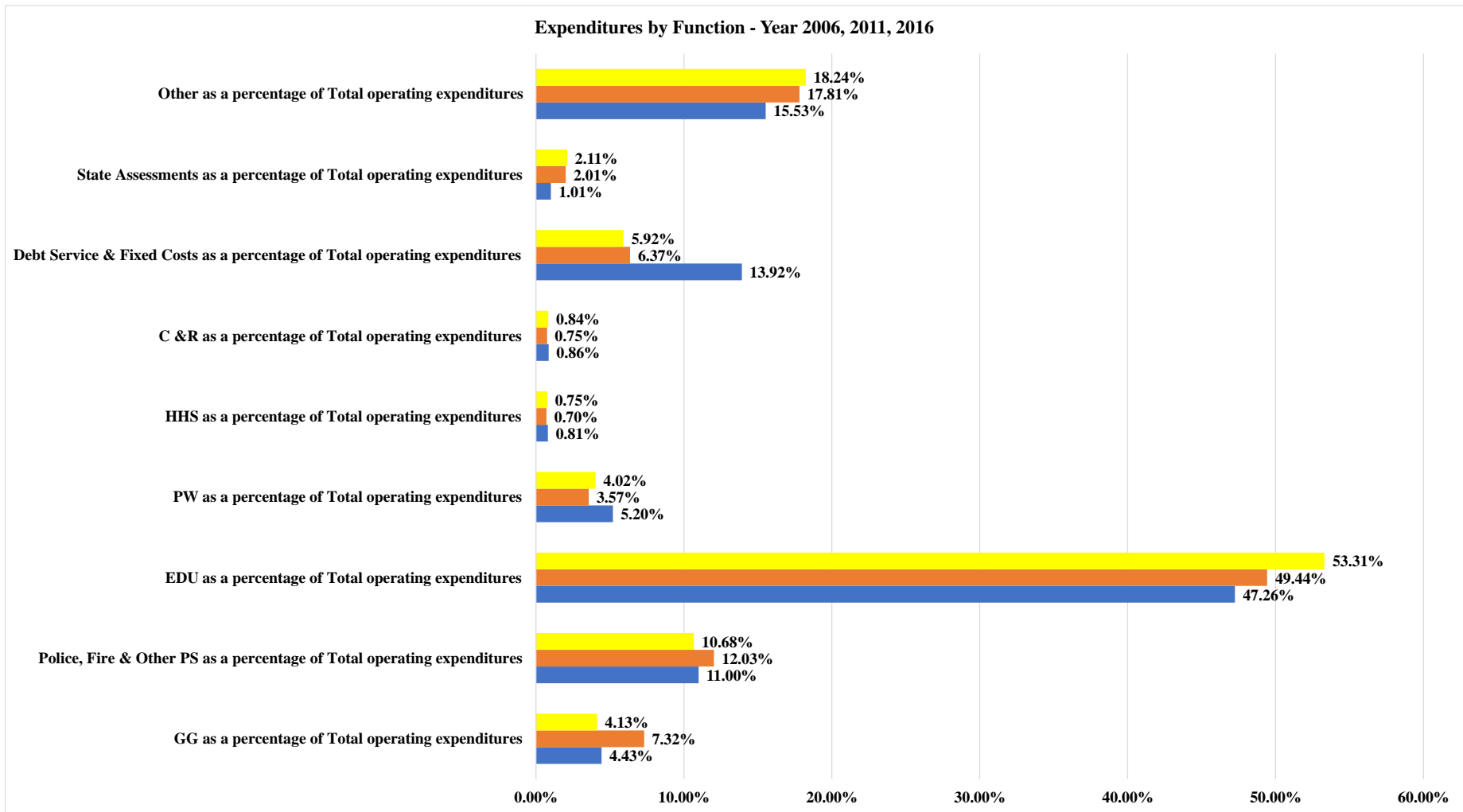
& Culture & Recreation includes: Library and Recreation

&& Other includes: Worker's Compensation, Unemployment, Health Insurance, Other employee Benefits, Other Insurance, Retirement, & Transfers to Other Funds.

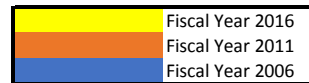
Note: In FY2010 there was a bond refunding of approx. \$11.1 million; therefore, expenditures for the retirement of debt principal and interest total are significantly higher than in other years.

Note 1: In FY2008 there was \$2.8 million paid out in court judgements.

**Factor 2: Expenditure Indicators - Expenditures by Function**



Note: FY2011 Gen. Gov. had an expenditure of \$1,000,000 for the purchase of land.



## Factor 2: Expenditure Indicators - Fringe Benefits

### Formula:

Employee Benefits  
Wages & Salaries

Ashland Trend	
Favorable	
Marginal	
Unfavorable	X
Uncertain	X

**Warning Trend:** Increasing employee benefit costs as a percentage of salaries and wages.

### Description:

The two most significant benefit items to consider in personnel discussions are health insurance and pensions. Both of these are, for the most part, prescribed by Commonwealth law, and municipalities are limited in the changes they can make to these items (pensions more so than health insurance). As employers, municipalities must offer health insurance to all benefit-eligible employees and current employees become vested in the pension system after ten years of creditable service. Municipalities do have some ability to manage and control both health insurance and pension costs. For example, communities can work to reduce their health insurance premium contribution rates, increase co-pays/deductibles, or move to the State Group Insurance Commission (GIC). Prudent management of staffing levels is also critical as increases in staffing increase both health insurance and pension costs.

### Analysis:

Overall, total fringe benefits as a percentage of wages and salaries has increased less than 2%. However, the retirement assessment continues to increase, primarily due to implementation of a funding plan to eliminate the unfunded liability by 2035. The FY17 retirement assessment increased approximately 7-8%; however, the FY18 retirement assessment increased 14%. Health costs have risen every year with the exception of FY2009 and FY2016. A change to the Group Insurance Commission (GIC) effected 7/1/2015 halted the increasing trend in FY2016. However, the preliminary rate increases for health insurance were released in December 2016 and show an overall increase of 9.8%. The GIC is reviewing different cost saving opportunities which could potentially lower the rate increase to the 7% range, but whether or not the cost savings strategies will be agreed upon and/or even implemented before the next enrollment is unknown. If health insurance premiums were to return to 10 - 15% annual increases, there would be a significant impact on future operating budgets for all departments.

**Factor 2: Expenditure Indicators - Fringe Benefits**

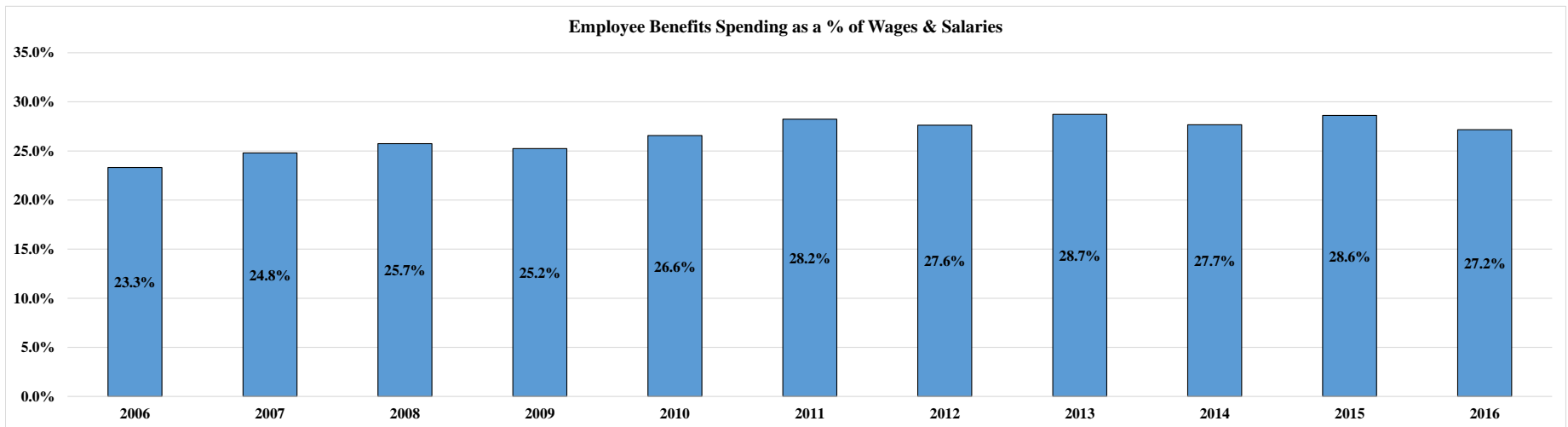
Fiscal Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Total Employee Benefits*	\$211,285	\$187,033	\$190,100	\$170,119	\$276,631	\$270,764	\$244,246	\$243,956	\$195,205	\$153,269	\$168,033
Total Health Insurance Benefits**	\$3,466,161	\$3,913,435	\$4,354,198	\$4,263,108	\$4,520,370	\$4,963,574	\$4,845,210	\$5,039,661	\$5,231,756	\$5,646,781	\$5,392,313
Total Retirement Benefits***	\$1,378,919	\$1,545,226	\$1,639,431	\$1,796,537	\$1,661,900	\$1,726,149	\$1,907,362	\$1,986,493	\$2,085,359	\$2,206,657	\$2,283,740
<b>Benefits Total</b>	<b>\$5,056,365</b>	<b>\$5,645,694</b>	<b>\$6,183,729</b>	<b>\$6,229,764</b>	<b>\$6,458,901</b>	<b>\$6,960,487</b>	<b>\$6,996,818</b>	<b>\$7,270,110</b>	<b>\$7,512,320</b>	<b>\$8,006,707</b>	<b>\$7,844,086</b>
Salaries - Town	\$6,322,425	\$6,557,275	\$6,821,437	\$6,973,184	\$6,897,168	\$7,046,696	\$7,146,769	\$6,525,099	\$7,414,956	\$7,529,540	\$7,629,277
Salaries - School	\$15,365,596	\$16,206,063	\$17,195,852	\$17,713,982	\$17,417,664	\$17,603,696	\$18,180,722	\$18,789,888	\$19,734,957	\$20,443,351	\$21,243,831
<b>Salaries Total</b>	<b>\$21,688,021</b>	<b>\$22,763,338</b>	<b>\$24,017,289</b>	<b>\$24,687,166</b>	<b>\$24,314,832</b>	<b>\$24,650,392</b>	<b>\$25,327,491</b>	<b>\$25,314,987</b>	<b>\$27,149,913</b>	<b>\$27,972,891</b>	<b>\$28,873,108</b>
Total Benefits Spending as % of Salaries	23.3%	24.8%	25.7%	25.2%	26.6%	28.2%	27.6%	28.7%	27.7%	28.6%	27.2%
Percent Increase	0.0%	1.5%	0.9%	-0.5%	1.3%	1.7%	-0.6%	1.1%	-1.0%	1.0%	-1.5%

Source: Schedule A and Finance Dept.

\*Employee Benefits include: Worker's Compensation &amp; Unemployment Compensation

\*\*Health Insurance Benefits include: Health, Life, FICA, and Long Term Disability Insurance

\*\*\*Retirement Benefits include: County Retirement Assessment



### Factor 3: Operating Position Indicator - Financial Reserves/Fund Balance

<b>Formula:</b> $\frac{\text{Financial Reserves}}{\text{General Fund Budget}}$
---

Ashland Trend	
Favorable	X
Marginal	
Unfavorable	
Uncertain	

**Warning Trend:** Declining financial reserves as a percentage of operating revenues.

#### Description:

The size of a local government's fund balance and financial reserves can affect its ability to withstand financial emergencies. It can also affect its ability to accumulate funds for capital purchases without having to borrow. Municipalities usually try to operate each year at a surplus to maintain positive fund balance and thus maintain adequate reserves. An unplanned decline in fund balance may mean that the municipality will be unable to meet a future need.

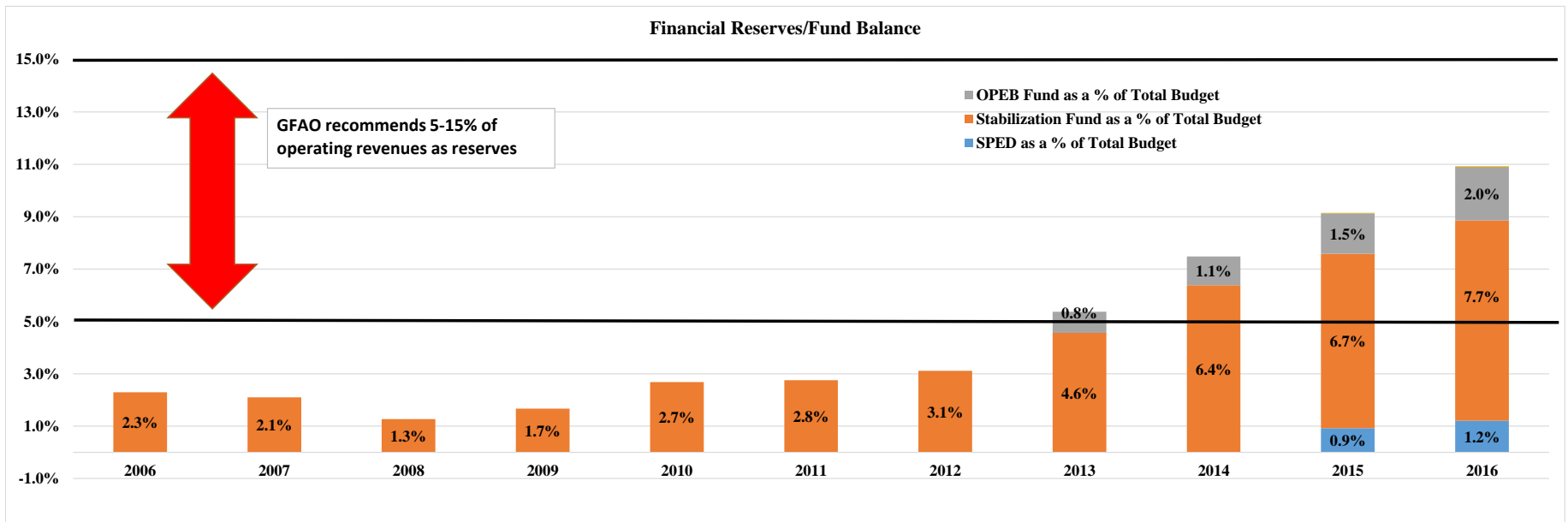
#### Analysis:

The Government Finance Officers Association (GFOA) recommends an undesignated fund balance between 5% and 15% of operating revenues. The Town has established a financial reserves policy, effective December 2013 which provides a plan for funding and maintaining reserves for each of the Town's Stabilization Funds. The reserves are defined to include the Town's General Stabilization Fund, SPED Stabilization Fund, OPEB Stabilization Fund, OPEB Trust Fund, and Capital Stabilization Fund. The financial reserves policy can be found on the Town's website on the Accounting/Finance department page. Please note, the balances below do not reflect the recent appropriations of free cash at the November 28, 2016 special town meeting which included a transfer of \$1,173,198 to the general stabilization fund and a \$195,533.10 transfer to the OPEB fund bringing the balances to \$5.25 million and \$650,819.72 respectively. Adequate reserves are critical in times of a recession such as the Great Recession. Not only is State Aid reduced, new growth, and local receipts such as motor vehicles taxes, supplemental taxes, and permit fees will decrease substantially. The Town has drastically increased the level of reserves but has also increased services such as the following: hired two firefighters, an economic development director, an in-take specialist, a public records officer, and a human resources department head.

**Factor 3: Operating Position Indicator - Financial Reserves/Fund Balance**

Fiscal Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
SPED Stabilization Fund*	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$464,000	\$644,928
Stabilization Fund*	\$976,202	\$942,729	\$602,587	\$786,461	\$1,224,132	\$1,343,027	\$1,469,715	\$2,266,648	\$3,344,523	\$3,343,254	\$4,086,499
OPEB Stabilization/Trust Fund*	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$400,426	\$577,799	\$776,102	\$1,090,367
Capital Stabilization Fund*	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,000	\$16,843
Total Reserves	\$976,202	\$942,729	\$602,587	\$786,461	\$1,224,132	\$1,343,027	\$1,469,715	\$2,667,074	\$3,922,322	\$4,593,356	\$5,838,636
<b>Total General Fund Budget</b>	<b>\$42,592,229</b>	<b>\$44,909,749</b>	<b>\$47,391,393</b>	<b>\$47,068,351</b>	<b>\$45,677,866</b>	<b>\$48,763,687</b>	<b>\$47,200,662</b>	<b>\$49,663,200</b>	<b>\$52,424,175</b>	<b>\$50,213,782</b>	<b>\$53,400,938</b>
SPED as a % of Total Budget	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.9%	1.2%
Stabilization Fund as a % of Total Budget	2.3%	2.1%	1.3%	1.7%	2.7%	2.8%	3.1%	4.6%	6.4%	6.7%	7.7%
OPEB Fund as a % of Total Budget	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.8%	1.1%	1.5%	2.0%
Capital Stabilization Fund	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Reserves as a % of Total Budget	<b>2.3%</b>	<b>2.1%</b>	<b>1.3%</b>	<b>1.7%</b>	<b>2.7%</b>	<b>2.8%</b>	<b>3.1%</b>	<b>5.4%</b>	<b>7.5%</b>	<b>9.1%</b>	<b>10.9%</b>

\*Source: Finance Dept.



#### Factor 4: Debt Indicators - Long Term Debt

##### Formula:

Net Direct bonded long-term debt  
Assessed valuation or population

##### Ashland Trend

Favorable	X
Marginal	
Unfavorable	
Uncertain	

**Warning Trend:** Increasing long-term debt as a percentage of assessed valuation, population, or personal income.

##### Description:

"Direct debt" is bonded debt for which the local government has pledged its full faith and credit. "Self-supporting debt" is bonded debt that the local government has pledged to repay from a source separate from its general tax revenues. An example would include a water bond that is being repaid from the Water Enterprise Fund. "Net direct debt" is direct debt minus self-supporting debt. An increase in long term debt as a percentage of assessed valuation or population can mean that the government's ability to repay is diminishing - assuming that the government depends on the property tax to pay its debts. The per capita measure relates debt increases to changes in population size. As the population increases, capital needs, and hence, long-term debt, would be expected to increase. If, however, long-term debt is increasing as population stabilizes or declines, debt levels may be reaching or exceeding the government's ability to pay. Standard and Poors analyzes a municipality's debt and contingent liability position in great detail.

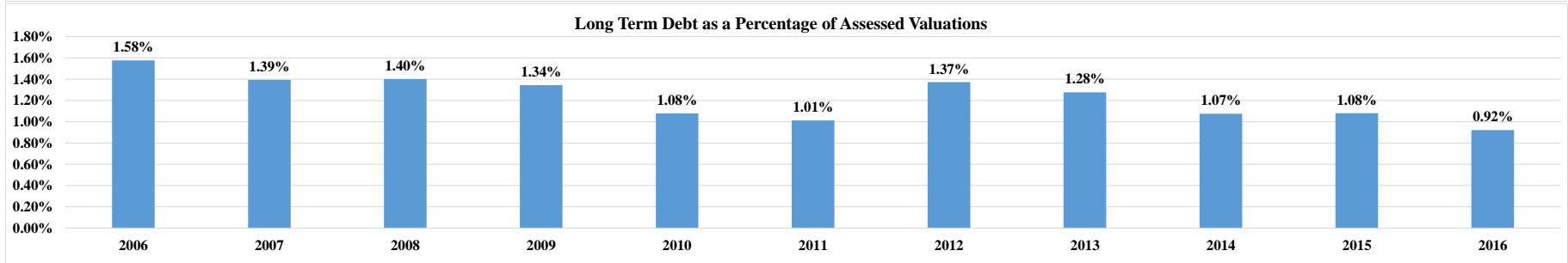
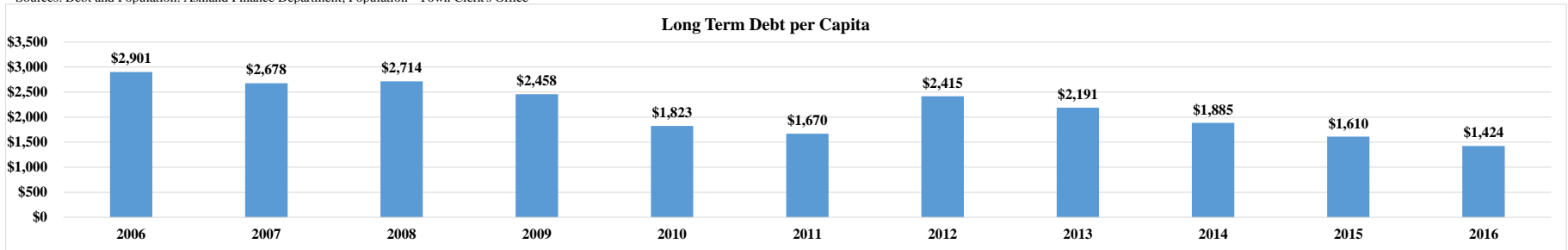
##### Analysis:

The Town of Ashland's long term debt per capita has decreased over the past several years which is mainly attributable to the rapid amortization of the debt schedule and the refunding of debt in FY2014. The Town was able to finance an energy conservation project with Qualified Energy Conservation Bonds in FY2015. In addition, the long term debt as a percentage of assessed valuations has remained consistently below 1.50% and has been slowly decreasing since FY2012. Like debt service, rating agencies look at long term debt as a percentage of assessed valuations and per capita. Overall, Ashland's long term debt has remained low. S&P raised Ashland's bond rating in August 2016 one notch to 'AAA' from 'AA+' with a stable outlook.

**Factor 4: Debt Indicators - Long Term Debt**

Fiscal Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Total Outstanding Debt*	\$36,290,220	\$33,451,450	\$33,719,625	\$31,220,500	\$23,724,160	\$21,753,005	\$29,126,250	\$26,827,160	\$22,981,454	\$24,031,328	\$21,671,410
Total Assessed Valuations*	2,301,419,000	\$2,399,139,000	\$2,407,230,540	\$2,324,280,660	\$2,200,543,850	\$2,149,782,860	\$2,123,243,440	\$2,101,056,070	\$2,138,826,500	\$2,224,313,748	\$2,352,225,396
Population*	12,508	12,493	12,424	12,703	13,011	13,023	12,059	12,247	12,189	14,925	15,224
Long Term Debt as a % of Assessed Valuations	1.58%	1.39%	1.40%	1.34%	1.08%	1.01%	1.37%	1.28%	1.07%	1.08%	0.92%
Long Term Debt per Capita	\$2,901	\$2,678	\$2,714	\$2,458	\$1,823	\$1,670	\$2,415	\$2,191	\$1,885	\$1,610	\$1,424

\*Sources: Debt and Population: Ashland Finance Department; Population - Town Clerk's Office



#### Factor 4: Debt Indicators - Debt Service

**Formula:**

$$\frac{\text{Net direct debt service}}{\text{Operating revenues}}$$

Ashland Trend	
Favorable	X
Marginal	
Unfavorable	
Uncertain	

**Warning Trend:** Increasing net direct debt service as a percentage of Operating revenues.

**Description:**

Debt service is defined as the amount of principal and interest that a local government must pay each year on net direct bonded long-term debt plus the interest it must pay on direct short-term debt. Increasing debt service reduces expenditure flexibility by adding to the government's obligations. Debt service can be a major part of a government's fixed costs, and its increase may indicate excessive debt and fiscal strain. Debt service exceeding 20% of operating revenues is considered a potential problem. Ten percent is considered acceptable by the credit industry.

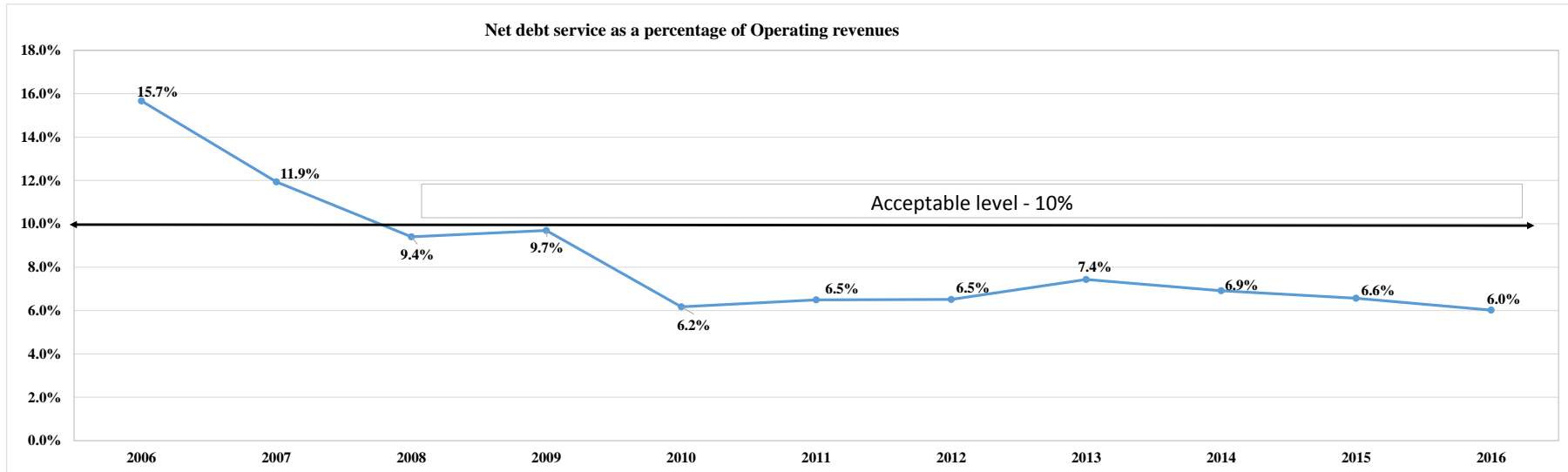
**Analysis:**

Ashland maintains a strong credit rating of 'AAA' with a Stable Outlook from Standard & Poors due in part to a low percentage of debt relative to general fund revenue. From FY2006 through FY2010, debt service dropped considerably each year and has remained constant and relatively low at around the 6-7% mark of general fund revenue. This gives the Town the flexibility to issue new debt.

**Factor 4: Debt Indicators - Debt Service**

Fiscal Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Total Debt Service*	\$5,848,780	\$4,925,020	\$4,288,300	\$4,115,373	\$3,378,267	\$3,020,078	\$2,914,745	\$3,465,638	\$3,361,933	\$3,278,039	\$3,125,645
Operating Revenue*	\$40,631,988	\$44,235,056	\$48,148,067	\$44,925,669	\$57,207,951	\$48,955,498	\$47,132,191	\$48,721,532	\$50,682,436	\$51,866,788	\$53,708,861
Less - Excluded Debt*	\$3,302,448	\$2,981,727	\$2,540,029	\$2,474,223	\$2,498,583	\$2,427,427	\$2,364,184	\$2,093,734	\$2,067,901	\$1,943,733	\$1,777,626
Operating revenue	\$37,329,540	\$41,253,329	\$45,608,038	\$42,451,446	\$54,709,368	\$46,528,071	\$44,768,007	\$46,627,798	\$48,614,535	\$49,923,055	\$51,931,235
Net debt service as a percentage of Operating revenues	15.7%	11.9%	9.4%	9.7%	6.2%	6.5%	6.5%	7.4%	6.9%	6.6%	6.0%

Notes:  
 \*Source: Tax Recap - DE-1 (Debt Exclusion), Schedule A, and Finance Dept.



### Factor 5: Unfunded Liability Indicators (Other Post-Employment Benefits -OPEB Liability)

<b>Formula:</b>
$\frac{\text{OPEB Assets}}{\text{OPEB Liability}}$

Ashland Trend	
Favorable	
Marginal	
Unfavorable	X
Uncertain	X

**Warning Trend:** Unfunded liability for Other-Post-Employment Benefits (OPEB).

#### Description:

An unfunded liability is one that has been incurred during the current year or prior year, which does not have to be paid until a future year and for which reserves have not been set aside. It is a legal commitment to pay at some time in the future. If such obligations are permitted to grow over a long period of time, they can have a substantial effect on a government's financial condition.

OPEBs are the set of benefits offered to retirees and their dependents other than pensions. These benefits mainly consist of medical insurance. Currently, employees who retire at age 55 having worked for at least 20 hours per week for at least ten years are eligible to receive these medical benefits for life. Unlike pensions, these medical benefits are not adjusted to account for full or part-time work, years of service, or age of the recipient at the time of retirement.

Obligations for Other Post-Employment Benefits (OPEBs) represent a \$30 billion liability for municipalities in the Commonwealth. The magnitude of these costs becomes even more relevant as the Governmental Accounting Standards Board (GASB) now requires that OPEB liabilities be reported on municipal balance sheets. This information is of particular interest to bond rating agencies and investors.

In 2011, the state enacted municipal health insurance reform, giving municipal officials a set of tools to change plan design features for active employees and retirees. But even with this authority, municipalities have little or no control over the primary drivers of general health care costs. With communities having little or no recourse for raising revenues in the Proposition 2 ½ era, if unaddressed, this unsustainable cost will crowd out funding for other key line items in municipal budgets, threatening jobs and core municipal services.

**Analysis:**

Then Town created an OPEB Stabilization Fund at the November 28, 2012 Special Town Meeting and appropriated \$400,000 to the fund from free cash. At the May 7, 2014 Annual Town Meeting, the Town voted to create an OPEB Trust fund for the purpose of holding appropriations to offset the anticipated costs of premium payments for retired employees and eligible spouses or dependents. At the May 6, 2015 Annual Town Meeting, the Town voted to appropriate \$500,000 from the OPEB Stabilization Fund into the OPEB Trust Fund. The Town has an agreement with Rockland Trust Company (Investment Manager) regarding the objectives, goals, risk tolerance, and investment guidelines for the OPEB Trust Fund. As OPEB funds are long-term investments, the Town has agreed upon the balanced investment portfolio strategy. Ashland's financial reserve policy includes the funding of the OPEB stabilization fund. The funding of the OPEB stabilization fund is dependent upon the balance in the general stabilization fund. The Town also has implemented a 'pay as you go' system for each new employee. As new employees are hired, the Town will contribute their portion of the OPEB cost each year. Although Ashland's funded ratio is increasing, it is still a relatively low percentage and future medical costs are unknown; therefore, the trend is unfavorable/uncertain.

In an effort to reduce health costs, the Town switched to the Group Insurance Commission, effective 7/1/2015, which has to date saved the Town money in health insurance costs. However, the OPEB liability increased to \$36 million from \$24 million. This is in part due to the change in retiree contributions from 50% to 35% of premiums (increased the liability by \$8.3 million), an unexpected increase of covered retirees and the introduction of a new Actuarial Cost Method (increasing the disclosed liabilities by \$3 million), a more conservative mortality table, and the Affordable Care Act excise tax.

<b>Actuarial Valuation Date</b>	<b>7/1/2011</b>	<b>7/1/2012</b>	<b>7/1/2014</b>	<b>7/1/2015</b>	<b>7/1/2016</b>
	(Estimated)	(Actual)	(Actual)	(Estimated)	(Estimated)
Unfunded Actuarial Accrued Liability*	\$31,193,845	\$24,840,298	\$36,386,202	\$39,515,084	\$42,182,508
Actuarial Value of Assets*	\$0	\$0	\$577,799	\$775,553	\$1,010,536
Funded Ratio*	0.00%	0.00%	1.59%	1.96%	2.40%

Notes:

\*Source: Town Actuarial Valuation Studies

## Factor 6: Capital Plant Indicators (Capital Outlay)

<p><b>Formula:</b>  <math display="block">\frac{\text{Capital outlay from operating funds}}{\text{Operating expenditures}}</math></p>
---

Ashland Trend	
Favorable	
Marginal	
Unfavorable	X
Uncertain	

**Warning Trend:** A three or more year decline in capital outlay from operating funds as a percentage of Operating expenditures.

### Description:

Expenditures for operating equipment - such as trucks and machinery and equipment - drawn from the operating budget are usually referred to as "capital outlay." Capital Outlay items normally include equipment that will last longer than one year. Capital outlay does not include capital budget expenditures for construction of infrastructure such as streets or buildings. The purpose of capital outlay in the operating budget is to replace worn equipment or to add new equipment. The ratio of capital outlay to operating expenditures is a rough indicator of whether the stock of equipment is being adequately replaced. Over a number of years, the relationship between capital outlay and operating expenditures is likely to remain about the same. If this ratio declines in the short run, it may mean that the local government's needs are temporarily satisfied, since most equipment lasts more than one year. A decline persisting over three or more years can indicate that capital outlay needs are being deferred, which can result in the use of inefficient or obsolete equipment.

### Analysis:

The Town of Ashland is on a downward trend with regards to capital outlay. Some important questions arise for the Town to consider and analyze further. Is needed capital outlay being deferred? Have maintenance and replacement schedules been developed and maintained for all equipment? Is maintenance extending the life of the asset beyond its' normal life expectancy? Ashland has recently consulted with outside consultants, the Collins Center, to assist the Town in developing a five year capital and funding plan. Once this report is complete, the Town will be in a better position to analyze capital.

**Factor 6: Capital Plant Indicators (Capital Outlay)**

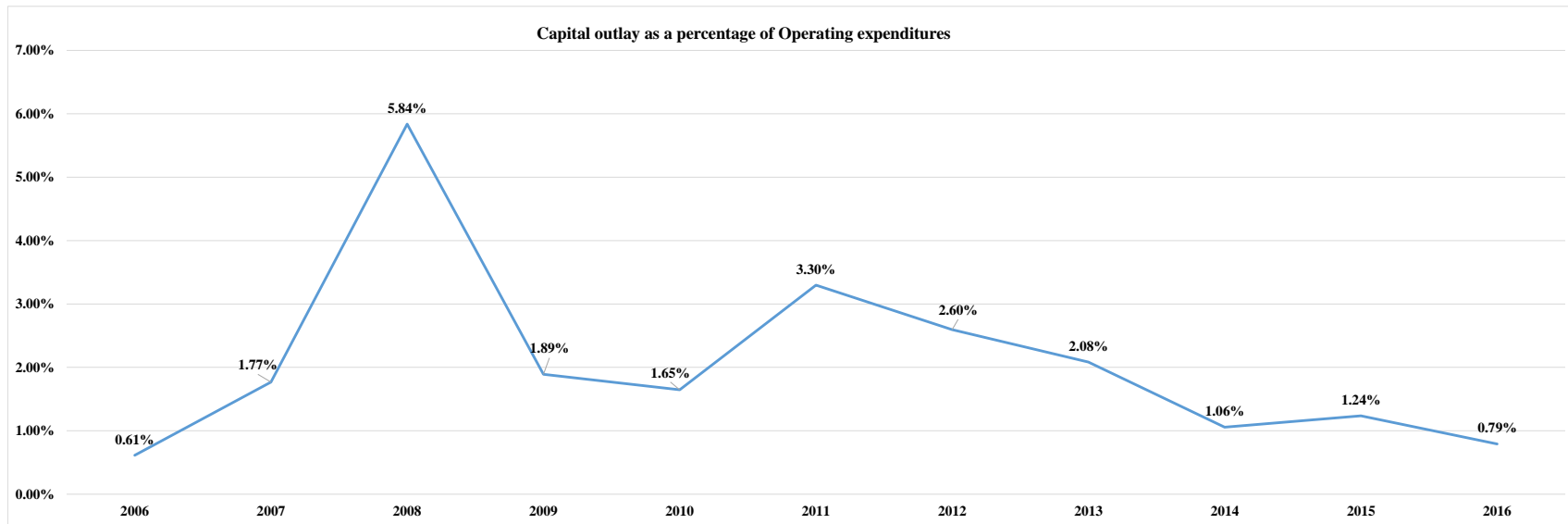
Fiscal Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Capital outlay from operating funds*	\$257,940	\$752,396	\$2,816,489	\$873,596	\$914,176	\$1,564,208	\$1,205,801	\$1,020,450	\$552,315	\$642,900	\$417,337
Operating Expenditures*	\$42,026,292	\$42,554,674	\$48,247,059	\$46,199,778	\$55,528,031	\$47,441,524	\$46,451,657	\$48,961,563	\$52,265,228	\$52,008,253	\$52,730,607
Capital outlay as a percentage of operating expenditures	0.61%	1.77%	5.84%	1.89%	1.65%	3.30%	2.60%	2.08%	1.06%	1.24%	0.79%

Notes:

\*Source: Schedule A &amp; Finance Dept.

In FY2008, there was a purchase of land for \$1.6 million and \$200,000 for rebuilding the chart of accounts.

In FY2011, there was a \$1,000,000 down payment for Warren Woods.



## Factor 7: Community Needs and Resources Indicators - Population

**Formula:**  
Population

Ashland Trend	
Favorable	
Marginal	
Unfavorable	
Uncertain	X

**Warning Trend:** Rapid change in population.

### Description:

The exact relationship between population change and other economic and demographic factors is uncertain. Population change can directly affect both governmental revenues and expenditures. Intergovernmental revenues and grants are at time distributed according to population. However, a sudden increase in population can create immediate pressures for new capital outlay and higher levels of service. A decline in population on the other hand would, at first glance, appear to relieve the pressure for expenditures, because the population requiring services is smaller. But in practice, a local governmental faced with population decline is rarely able to make reductions in expenditures. Many costs, such as debt service, pensions, and governmental mandates are fixed and cannot be reduced in the short run. A more in depth look at the population, such as age and population density, can help assess the impact of population changes further.

### Analysis:

Based upon the local census and federal census, the Town of Ashland's population is growing. This growth can be attributed to available land and a great location which drew the attention of developers. Ashland has seen several residential and condo/apartment developments go up over the past several years, more recently the Rail Transit District - a 398 apartment complex, which is due to come online in 2017.

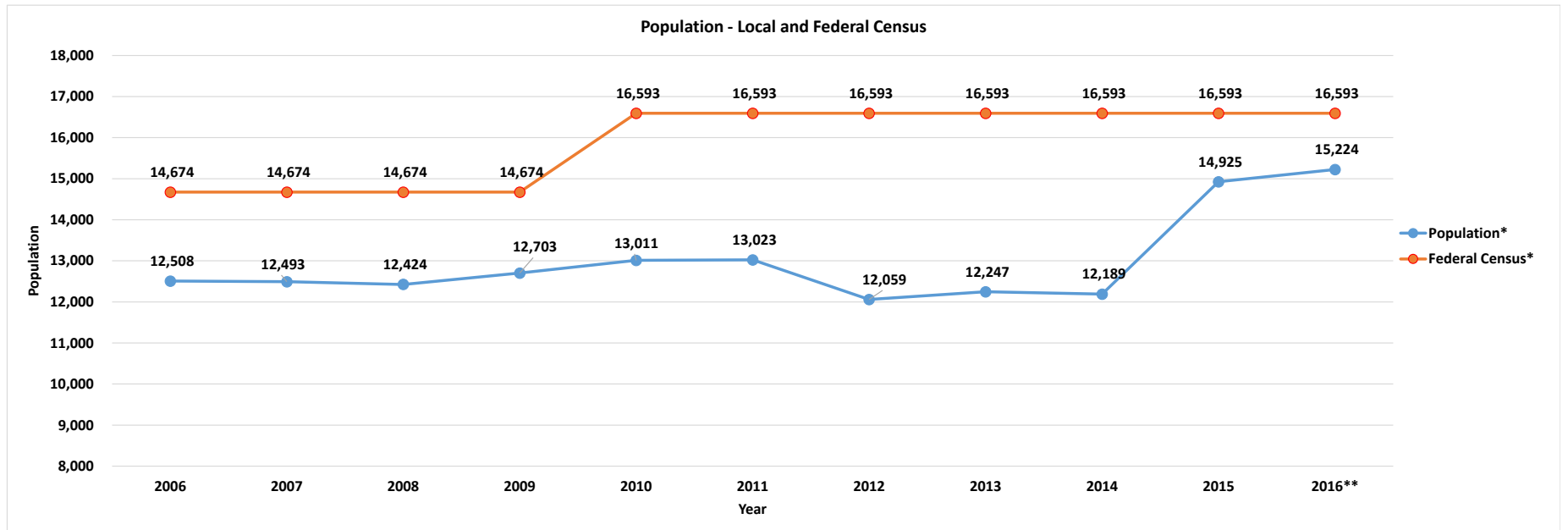
**Factor 7: Community Needs and Resources Indicators - Population**

Fiscal Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016**
Population*	12,508	12,493	12,424	12,703	13,011	13,023	12,059	12,247	12,189	14,925	15,224
Federal Census*	14,674	14,674	14,674	14,674	16,593	16,593	16,593	16,593	16,593	16,593	16,593

Notes:

\*Source: Town Clerk's Office (Seventeen years of age and older are included)

\*\*2016 - Estimated 2% more than FY2015



### Factor 7: Community Needs and Resources Indicators - Top 5 Taxpayers

<p><b>Formula:</b>  <math display="block">\frac{\text{Total assessed value for top five taxpayers}}{\text{Total assessed valuation}}</math></p>
---

Ashland Trend	
Favorable	X
Marginal	
Unfavorable	
Uncertain	

**Warning Trend:** High percentage or increasing percentage of overall assessed valuation owned by a few taxpayers.

**Description:**

This indicator measures the concentration of property values in the community and helps to analyze the vulnerability of the economic base to the fortunes of a few taxpayers. The bond rating agencies use this indicator to determine the degree of concentration. The leading taxpayers are profiled and assessed for their direct and indirect effects on the economy. If a local government relies heavily on a few taxpayers for property taxes, it is vulnerable to any changes in these taxpayer's assessments. Generally, the local government may have cause for concern if the top five taxpayers hold more than 20 percent of the community's total valuation.

**Analysis:**

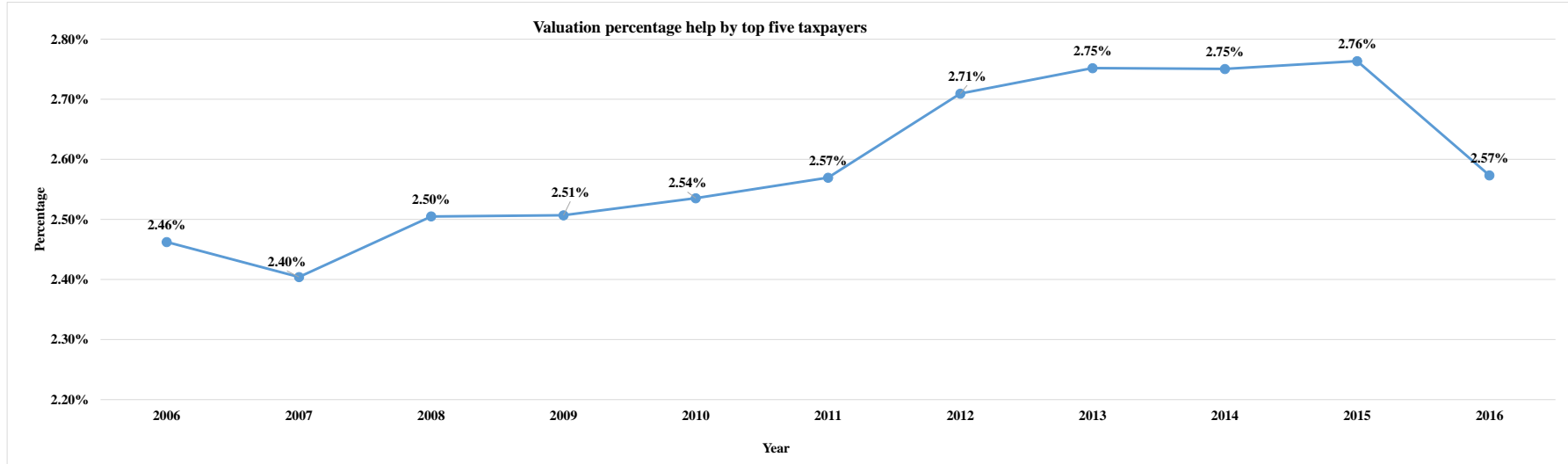
Ashland is well below the 20 percent warning mark, the Town has seen marginal increases in the valuation percentage held by the top five taxpayers, with the exception of year 2016, over a 10 year period. The top taxpayers of the Town in 2016 were the following: Chestnut Place Apartments, Verizon, NStar, Ledgemere and Ashland Plaza. The Town considers these taxpayers to be financially stable. However, Ashland is always looking for ways to diversify the community's property tax base.

**Factor 7: Community Needs and Resources Indicators - Top 5 Taxpayers**

Fiscal Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Total assessed value for top five taxpayers*	\$56,671,270	\$57,679,140	\$60,300,500	\$58,267,440	\$55,792,010	\$55,241,790	\$57,528,140	\$57,820,670	\$58,832,260	\$61,472,320	\$60,535,810
Total assessed value*	\$2,301,419,000	\$2,399,139,000	\$2,407,230,540	\$2,324,280,660	\$2,200,543,850	\$2,149,782,860	\$2,123,243,440	\$2,101,056,070	\$2,138,826,500	\$2,224,313,748	\$2,352,225,396
Valuation percentage help by top five taxpayers	2.46%	2.40%	2.50%	2.51%	2.54%	2.57%	2.71%	2.75%	2.75%	2.76%	2.57%

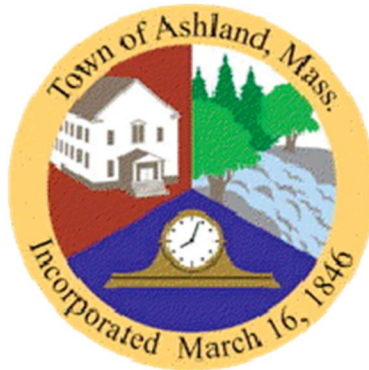
Notes:

\*Source: Finance Department



# Financial Policies

## Section 20





**TOWN OF ASHLAND**  
**OPERATIONAL POLICIES AND PROCEDURES**

**Area of Concern: Financial**

**Policy: Deficit and Surplus Policy**

**Date Approved: January 2016**

All three committees recognize that the financial forecast projected for fiscal years 2017-2021 represents the best estimate of revenues and fixed costs for the next five years.

It is agreed that the forecasted budgets for General Government and the Ashland Public Schools, as listed on the attached Forecast for fiscal years 2017-2021, will be the base budgets moving forward.

In the event of a successful operational override, departmental expenditures will be increased in each of the five years of the forecast by the amounts listed for each department, as shown on the attached tiered list.

In the event an operational override is not successful the projected operational deficits, as shown on the attached Forecast, will be addressed through deductions in departmental appropriations: 70% Ashland Public Schools and 30% Ashland Municipal Departments.

Any further deficits caused by a decrease in projected revenues or an increase in costs not assigned to either the Ashland Public Schools nor the Ashland Municipal Departments (non-departmental expenditures - see list below) will be addressed through deductions in departmental appropriations: 70% Ashland Public Schools and 30% Ashland Municipal Departments.

If, as a result of better than expected revenues, or non-departmental expenditures increase less than anticipated, surpluses will be divided through increased departmental appropriations: 70% Ashland Public Schools and 30% Ashland Municipal Departments.

The five year forecast will be updated annually to reflect current information. During fiscal year 2021 this policy will be reviewed and updated as needed.

**Non-departmental expenditures:**

- |                 |                        |
|-----------------|------------------------|
| Excludable Debt | Non-excludable Debt    |
| Reserve Fund    | Cherry Sheet Charges   |
| Overlay         | Benefits and Insurance |
| Keefe Tech      | Enterprise Funds       |

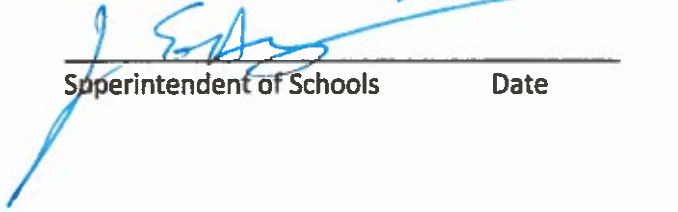
Signed:

  
 \_\_\_\_\_  
 Chair, Board of Selectmen                      Date

  
 \_\_\_\_\_  
 Chair, School Committee                      Date

  
Chair, Finance Committee      Date

  
Town Manager      Date

  
Superintendent of Schools      Date



# *Town of Ashland, Massachusetts*

## *Joint Financial Policy*

### **I. RESERVES 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 factor in the analysis of financial flexibility. The Town of Ashland will maintain a level of reserves that protects the Town from emergency conditions that may require financial flexibility, contributes to sufficient liquidity to pay all Town expenses without short-term borrowing, and maintains or improves the high credit rating that the Town currently holds. To provide for adequate levels of reserves to protect the Town's financial condition over the long-term, the Town of Ashland has adopted the following financial reserves policy statements. The Town's primary vehicle for reserve funds will be the general stabilization account. The Town of Ashland will also set up special-use stabilization accounts to help balance significant swings in one or other functional areas. The Town currently has established an OPEB Stabilization Fund and a Special Education Stabilization Fund. A 2/3 vote by town meeting is required to appropriate funds into any stabilization fund.

#### **A. General Stabilization Fund**

The Town of Ashland is committed to responsible stewardship of town financial resources. A key component of the town's financial position is its general stabilization fund. A general stabilization fund is a mechanism for setting aside money either for unforeseen needs or emergency situations according to the Massachusetts Division of Local Services. Such a fund is intended to equalize the effect of fluctuations in elastic revenues over time and to provide a "rainy day" fund. A community may appropriate up to 10 percent of the previous year's tax levy into the fund, so long as the fund balance does not exceed 10 percent of the community's equalized valuation.

The Town of Ashland will maintain at a minimum 5% of total revenues with an optimum balance of 10% of total revenues in its General Stabilization Fund.

Withdrawals from the General Stabilization Fund for operating expenses will not occur except under one or more of the following circumstances:

- The Governor utilizes executive authority to reduce budgeted lines of local aid (9c cuts) by 10% or more.
- State budget numbers for local aid are budgeted at fifteen percent (15%) less than the prior year's local aid numbers.
- A catastrophic act occurs which requires the use of one-time revenues.

Language restricting withdrawals from the General Stabilization Fund can be waived upon recommendation of the Town Manager and Superintendent followed by majority vote of 2 out of the following 3 committees: Board of Selectmen, School Committee, and Finance Committee.

In accordance with MGL, withdrawals from the General Stabilization Fund will only be made by a two-thirds vote of Town Meeting.

## **B. OPEB Stabilization Fund**

The OPEB Stabilization Fund will be used to supplement funding to the OPEB Liability Trust. Appropriations out of the OPEB Stabilization Fund will be made upon the recommendation of the OPEB Liability Trust and require a two-thirds vote at Town Meeting.

## **C. Special Education Stabilization Fund**

The Special Education Stabilization Fund will be used to provide a buffer on widely fluctuating Out Of District Special Education Costs. Appropriations out of the Special Education Stabilization Fund will be made upon the recommendation of the Superintendent and require a two-thirds vote at Town Meeting.

## **D. Free Cash**

Free Cash is the amount of the community's funds that are unrestricted and available for appropriation. Free Cash is generated when actual revenue collections are more than budget estimates, and when expenditures and encumbrances are less than appropriations, or both. It may be appropriated after certified by the Massachusetts Department of Revenue after the close of each fiscal year. Appropriation requires a simple majority vote by town meeting. Free Cash is not a fund and interest does not accrue to the balance.

The Massachusetts Department of Revenue suggests a community maintain 3%-5% of its general fund operating budget in free cash. The Town of Ashland will strive to keep its free cash figure at 1.5% of the general fund operating budget.

Free cash will be used to fund reserves and one-time capital expenses. The disbursement of free cash will largely be determined by the balance in the Town's stabilization fund.

If the balance in the Town's general stabilization fund is <5% of budgeted revenues, the Town will:

1. Appropriate 80% of the previous year's certified free cash to the town's general stabilization fund.
2. Appropriate 5% of the previous year's certified free cash to the town's OPEB stabilization fund outlined in Section XII.
3. Appropriate 5% of the previous year's certified free cash towards capital or other one-time expenses.
4. Appropriate 10% of the previous year's certified free cash towards the Special Education Stabilization Fund. The balance of the SPED Out of District stabilization fund should not exceed \$600,000. If the appropriation to bring the balance of the SPED Out of District stabilization fund is less than 10% of the previous year's certified free cash the difference shall go towards capital or other one-time expenses.

If the balance in the Town's general stabilization fund is between 5%-10% of budgeted revenues, the Town will:

1. Appropriate 60% of the previous year's certified free cash to the town's general stabilization fund.
2. Appropriate 10% of the previous year's certified free cash to the town's OPEB stabilization fund outlined in Section XII.
3. Appropriate 15% of the previous year's certified free cash towards capital or other one-time expenses.
4. Appropriate 15% of the previous year's certified free cash towards the Special Education Stabilization Fund. The balance of the SPED Out of District stabilization fund should not exceed \$600,000. If the

appropriation to bring the balance of the SPED Out of District stabilization fund is less than 15% of the previous year's certified free cash the difference shall go towards capital or other one-time expenses.

If the balance in the Town's stabilization fund is **greater than 10%** of budgeted revenues, the Town will use free cash in the following way:

1. Appropriate the amount necessary to keep the stabilization fund at 10% of budgeted revenues after factoring in growth of budget.
2. Appropriate 30% of the remainder of previous year's certified free cash to the town's OPEB stabilization fund outlined in Section XII.
3. Appropriate 50% of the remainder of the previous year's certified free cash towards capital or other one-time expenses.
4. Appropriate 20% of the remainder of the previous year's certified free cash towards the Special Education Stabilization Fund. The balance of the SPED Out of District stabilization fund should not exceed \$600,000. If the appropriation to bring the balance of the SPED Out of District stabilization fund is less than 20% of the previous year's certified free cash the difference shall go towards capital or other one-time expenses.

This policy can be modified upon recommendation of the Town Manager and Superintendent followed by majority vote of 2 out of the following 3 committees: Board of Selectmen, School Committee, and Finance Committee.

\_\_\_\_\_  
Board of Selectmen, Chair

\_\_\_\_\_  
School Committee, Chair

\_\_\_\_\_  
Finance Committee, Chair

\_\_\_\_\_  
Town Manager

\_\_\_\_\_  
Superintendent of Schools

**TOWN OF ASHLAND**  
**OPEB Liability Trust**  
**Investment Policy Statement**

The purpose of this Investment Policy Statement (IPS) is to provide a clear understanding between the Town of Ashland, (Town) and Rockland Trust Company (Investment Manager) regarding the objectives, goals, risk tolerance, and investment guidelines established for the OPEB (Other Post-Employment Benefits) Liability Trust Fund.

**A. Scope**

This IPS applies to all funds that are separately designated as long-term OPEB funds. The account will be established as a pooled investment portfolio unless otherwise stated. Any additional contributions to the account will be maintained in the same manner.

**B. Introduction**

Creating an investment policy is the most critical phase of the entire investment process. The effects of a properly drafted vs. ineffective investment policy statement can be more important than the effects of good or poor investment management. To be successful, an investment policy needs to be appropriate for its setting and intended purpose.

Under GASB 45, the discount rate should be the long-term expected yield on the investments to be used to pay benefits as they come due. These would be plan investments for a funded plan or a weighted average of expected plan and employer investments for a plan that is partially funded. Investments within an OPEB Trust will closely approximate pension fund-type investment securities.

The policy statement is also designed to withstand "trustee risk" - the possibility that, at some stress point (most frequently an extreme decline in the stock or bond markets), those who oversee the funds may react in a manner detrimental to the long-term health of the Trust Fund.

**C. 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.

**D. Objective**

OPEB funds are long-term investments. Given a stated discount rate target, this long-term approach enables the Town to invest in long-term assets, such as equities, which tend to have high returns over

many years but whose price volatility precludes their use by those with shorter time horizons. By keeping a long-term focus in mind at all times, we hope to weather the periodic bad times.

The Town expects this long-term view to provide better results than will be earned by those who pick short-term investments or who liquidate securities during turbulent times. We also expect that equities will serve as a hedge against eroding trust fund values due to long-term inflationary trends.

## **E. Strategy**

The investment allocation will be determined by the Treasurer in consultation with the Investment Manager and pursuant to the most recently executed investment portfolio strategy form to be retained herewith.

M.G.L. Chapter 203C: Section 1 known as the Massachusetts Prudent Investor Act, states that a trustee shall invest and manage trust assets as a prudent investor would, considering the purposes, terms, and other circumstances of the trust, including those set forth in subsection c. In satisfying this standard, the trustee shall exercise reasonable care, skill, and caution. A trustee's investment and management decisions respecting individual assets shall be considered in the context of the trust portfolio as a part of an overall investment strategy reasonably suited to the trust.

### **Section 3:**

Among circumstances that a trustee shall consider in investing and managing trust assets are such of the following as are relevant to the trust or its beneficiaries: 1) general economic conditions; 2) the possible effect of inflation or deflation; 3) the expected tax consequences of investment decisions or strategies; 4) the role that each investment or course of action plays within the overall trust portfolio; 5) the expected total return from income and appreciation of capital; 6) other resources of the beneficiaries; 7) needs for liquidity, regularity of income, and preservation or appreciation of capital; and 8) an asset's special relationship or special value, if any, to the purposes of the trust or to one of the beneficiaries.

A trustee shall make a reasonable effort to verify facts relevant to the investment and management of trust assets. A trustee may invest in any kind of property or type of investment consistent with the standards of this chapter. A trustee, who has special skills or expertise, shall have a duty to use such special skills or expertise.

### **Section 4:**

A trustee shall reasonably diversify the investments of the trust unless, under the circumstances, it is prudent not to do so.

## **G. Specific Risks**

- **Credit Risk**

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

The Investment Manager will purchase investment grade securities with a high concentration in securities rated A or better. Lower-quality investments may only be held through diversified vehicles,

such as mutual funds or exchange-traded funds. There will be no limit to the amount of United States Treasury and United States Government Agency obligations.

- **Custodial Risk**

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Town 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 Treasurer will engage only those institutions with proven financial strength, capital adequacy, and overall affirmative reputation in the municipal industry.

- **Concentration of Credit Risk**

Concentration of credit risk is the risk of loss attributed to the magnitude of a town's investment in a single issuer. The Investment Manager will diversify 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 Investment Manager will manage interest rate risk by managing duration in the account.

## **H. Standards of Care**

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

## **I. Diversification**

### **Equity**

The equity portion of the portfolio should consist of a diversified mix of investments (individual equities, mutual funds and exchange-traded funds) suitable to achieve the objective of capital appreciation. Individual equity holdings in any one company should not exceed 5% of the market value of the portfolio.

No funds may be invested in real estate, private placements or letter stock. The Investment Manager shall not engage in margin transactions, short sales or any other such specialized investment vehicles. The manager of a specific mutual fund and exchange-traded fund, however, may engage in short sales as part of an overall investment strategy.

**Fixed Income**

Investments in fixed income securities will be made principally for income and capital preservation. Selection should be made from liquid, investment grade corporate debt, convertible debt and obligations of the United States Government and its agencies. Lower-quality investments may only be held through diversified vehicles such as mutual funds or exchange-traded funds.

Securities of a single corporate issuer (excluding the United States Government and its Agencies) will not exceed 5% of the portfolio market value.

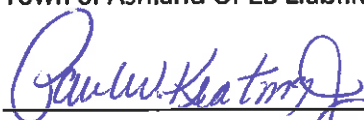
No more than 20% of the portfolio's total market value will be invested in convertible securities.


Individual corporate debt and preferred stock issues must be rated BBB or better, as defined by Moody's and/or Standard & Poor's Rating Agency.

There shall be no investments in fixed income or interest rate futures, and no engagement in any other specialized fixed income ventures. The manager of a specific mutual fund and exchange-traded fund, however, may engage in fixed income and interest rate futures as part of an overall investment strategy.

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.

I, Paul W Keating, Jr. Treasurer of the Town of Ashland, have reviewed this IPS and will manage the Town of Ashland OPEB Liability Trust Fund under my control in accordance with this IPS.

  
\_\_\_\_\_  
Paul W Keating, Jr., Treasurer

  
\_\_\_\_\_  
Date

I, Brian Callow, Vice President and as Representative of Rockland Trust Company, have reviewed this IPS and will manage the Town of Ashland OPEB Liability Trust Fund under my control in accordance with this IPS.

Rockland Trust Company

\_\_\_\_\_  
By:

\_\_\_\_\_  
Date

**Fixed income**

Investments in fixed income securities will be made principally for income and capital preservation. Selection should be made from liquid, investment grade corporate debt, convertible debt and obligations of the United States Government and its agencies. Lower-quality investments may only be held through diversified vehicles such as mutual funds or exchange-traded funds.

Securities of a single corporate issuer (excluding the United States Government and its Agencies) will not exceed 5% of the portfolio market value.

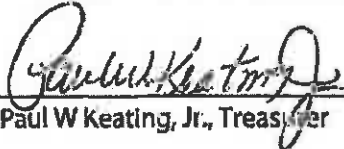
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Diversification should be interpreted in two ways: in terms of maturity as well as instrument type and issuer. The diversification concept should include prohibition against over concentration of maturities, as well as concentration in a specific institution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


I, Paul W Keating, Jr. Treasurer of the Town of Ashland, have reviewed this IPS and will manage the Town of Ashland OPEB Liability Trust Fund under my control in accordance with this IPS.

  
Paul W Keating, Jr., Treasurer

8/20/15  
Date

I, Brian Callow, Vice President and as Representative of Rockland Trust Company, have reviewed this IPS and will manage the Town of Ashland OPEB Liability Trust Fund under my control in accordance with this IPS.

Rockland Trust Company

By:   
By:

8/28/2015  
Date



### INVESTMENT PORTFOLIO STRATEGY

For the Account of TOWN OF ASTLAND OPEB

Account #: 12020000

The investment objective for this account should be broadly defined as:

**Current Income** - (0%-30% cash, 80%-100% fixed income, 0-25% equities,)

This objective defines investors who look for high levels of monthly income, are willing to accept moderate fluctuations in price and seek relative safety for their investments. Investments include securities which provide competitive levels of returns as well as liquidity and relative price stability for the investor.

*Government Income (20)*     *Tax Exempt (14)*     *Municipal Income (24)*

**Income & Growth** - (0%-10% cash, 60%-80% fixed income, 20%-40% equities,)

This objective defines investors who require above-average current income both now and in the future. They are conservative but are willing to accept modest volatility in exchange for long term growth potential.

*Income & Growth w/Munis (25)*

**Balanced** - (0%-10% cash, 35%-55% fixed income, 45%-65% equities)

This objective defines investors who seek capital appreciation, but use cash dividends and bond interest to reduce their risk. They are comfortable with a portfolio that consists of both stocks and bonds and are willing to assume a moderate amount of risk.

*Diversified Real Return*     *Maximum Income*     *Balanced w/Munis (26)*

**Growth** - (0%-10% cash, 15-35% fixed income, 65%-85% equities)

This objective defines investors who seek growth of their investments to pursue long term goals and are willing to accept reasonable volatility in pursuit of this goal. Stocks offer the best opportunity for growth

*Growth w/Munis (27)*

**Aggressive Growth** - (0%-10% cash, 0%-10% fixed income, 80%-100% equities)

This objective defines investors who are primarily interested in capital appreciation and are willing to accept volatility to achieve their goal. Current income is not an objective. To build wealth over time, they are comfortable with a portfolio that consists primarily of common stocks. Growth investors usually have at least a seven- to ten-year time horizon.

**USE TAX EXEMPT FIXED INCOME WHERE APPROPRIATE**

Additional Strategy Details: \_\_\_\_\_

The investment portfolio strategy is subject to change at the discretion of the principal.

[Signature]  
Principal

8/19/15  
Date

\_\_\_\_\_  
Principal

\_\_\_\_\_  
Date

**TOWN OF ASHLAND**  
**Investment Policy Statement**

The purpose of this Investment Policy Statement (IPS) is to provide a clear understanding between the Town of Ashland, (Town) and Rockland Trust Company (Investment Manager) regarding the objectives, goals, risk tolerance, and guidelines established for the investment of funds in accordance with Massachusetts General Laws (MGL).

**A. Scope**

This IPS applies to long-term funds such as permanent, private purpose and any other funds with special circumstances, such as stabilization, CPA or conservation funds.

**B. Introduction**

Creating an investment policy is the most critical phase of the entire investment process. The effects of a properly drafted vs. ineffective investment policy statement can be more important than the effects of good or poor investment management. To be successful, an investment policy needs to be appropriate for its setting and intended purpose. The policy needs to match the needs of the anticipated requests or periodic disbursements from the financial assets most likely to meet those cash flow needs.

The policy statement is also designed to withstand "trustee risk" - the possibility that, at some stress point (most frequently an extreme decline in the stock or bond markets), those who oversee the funds may react in a manner detrimental to the long-term health of the Fund.

**C. Authority**

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

**D. Strategy**

The investment allocation will be determined by the Treasurer in consultation with the Investment Manager and pursuant to the most recently executed investment portfolio strategy form to be retained herewith.

Investments shall be limited to those set forth by both MGL Chapter 167 Section 15A through Section 15K and Chapter 167F Section 3, investments for savings banks, that dictates the allowable investments for municipalities (MA Legal List), and any amendments thereto.

**E. Specific Risks**

- **Credit Risk**

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Investment Manager will purchase investment grade securities with a high concentration in securities rated A or better. There will be no limit to the amount of United States Treasury and United States Government Agency obligations.

- **Custodial Risk**

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Town 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 Treasurer will engage only those institutions with proven financial strength, capital adequacy, and overall affirmative reputation in the municipal industry.

- **Concentration of Credit Risk**

Concentration of credit risk is the risk of loss attributed to the magnitude of a town's investment in a single issuer. The Investment Manager will diversify 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 Investment Manager will manage interest rate risk by managing duration in the account.

## **F. Standards of Care**

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

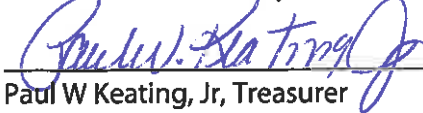
## **G. Diversification**

Assets will be diversified between a combination of high-grade fixed income securities, individual equities and mutual funds within the MA Legal List as defined by MGL.

## **H. Performance Measurement and Evaluation**

- The Treasurer will meet with the Investment Manager as frequently as semi-annually to monitor the performance of the Fund and the compliance with these guidelines.
- The Fund's performance will be measured by comparison with the stated objectives in comparison to respective benchmarks. To monitor the intermediate term performance of the Fund, the Treasurer will compare the Investment Manager's results to a blended benchmark to be determined in conjunction with the Investment Manager.
- Rebalancing of the portfolios should happen at least annually or more frequently if appropriate.
- The Investment Policy Statement will be reviewed at least every 2 years to ensure that it remains appropriate and complete

I, Paul W Keating , Jr , Treasurer of the Town of Sample, have reviewed this IPS and will manage the Town's funds under my control in accordance with this IPS.

  
Paul W Keating, Jr, Treasurer

8/28/15  
Date

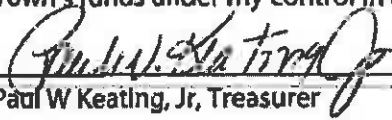
I, Brian Callow, Vice President and as Representative of Rockland Trust Company, have reviewed this IPS and will manage the Town of Ashland's funds under my control in accordance with this IPS.

Rockland Trust Company

\_\_\_\_\_  
By

\_\_\_\_\_  
Date


I, Paul W Keating , Jr , Treasurer of the Town of Sample, have reviewed this IPS and will manage the Town's funds under my control in accordance with this IPS.

  
Paul W Keating, Jr, Treasurer

8/28/15  
Date

I, Brian Callow, Vice President and as Representative of Rockland Trust Company, have reviewed this IPS and will manage the Town of Ashland's funds under my control in accordance with this IPS.

Rockland Trust Company

  
By

8/28/2015  
Date



INVESTMENT PORTFOLIO STRATEGY

For the Account of TOWN OF ASHLAND STABILIZATION FUND

Account # 12020001

The investment objective for this account should be broadly defined as:

**Current Income** - (0%-30% cash, 80%-100% fixed income, 0-25% equities.)

This objective defines investors who look for high levels of monthly income, are willing to accept moderate fluctuations in price and seek relative safety for their investments. Investments include securities which provide competitive levels of returns as well as liquidity and relative price stability for the investor.

Government Income (20)     Tax Exempt (14)     Municipal Income (24)

**Income & Growth** - (0%-10% cash, 60%-80% fixed income, 20%-40% equities,)

This objective defines investors who require above-average current income both now and in the future. They are conservative but are willing to accept modest volatility in exchange for long term growth potential.

Income & Growth w/Munis (25)

**Balanced** - (0%-10% cash, 35%-55% fixed income, 45%-65% equities)

This objective defines investors who seek capital appreciation, but use cash dividends and bond interest to reduce their risk. They are comfortable with a portfolio that consists of both stocks and bonds and are willing to assume a moderate amount of risk.

Diversified Real Return     Maximum Income     Balanced w/Munis (26)

**Growth** - (0%-10% cash, 15-35% fixed income, 65%-85% equities)

This objective defines investors who seek growth of their investments to pursue long term goals and are willing to accept reasonable volatility in pursuit of this goal. Stocks offer the best opportunity for growth

Growth w/Munis (27)

**Aggressive Growth** - (0%-10% cash, 0%-10% fixed income, 80%-100% equities)

This objective defines investors who are primarily interested in capital appreciation and are willing to accept volatility to achieve their goal. Current income is not an objective. To build wealth over time, they are comfortable with a portfolio that consists primarily of common stocks. Growth investors usually have at least a seven- to ten-year time horizon.

**USE TAX EXEMPT FIXED INCOME WHERE APPROPRIATE**

Additional Strategy Details MA LEGAL LIST

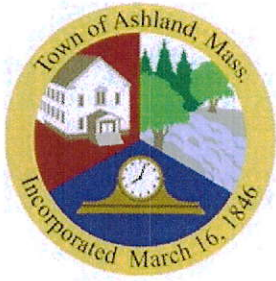
The investment portfolio strategy is subject to change at the discretion of the principal.

[Signature]  
Principal

8/19/15  
Date

\_\_\_\_\_  
Principal

\_\_\_\_\_  
Date



**TOWN OF ASHLAND**  
**JOINT OPERATIONAL POLICIES AND PROCEDURES**

**Functional Area: Finance**

**Policy: Debt Management Policy**

**Date Approved: March 2014**

The use of long-term debt is a common and often necessary way for a community to address major infrastructure and equipment needs. It is also a means of spreading the cost of large capital projects over a larger, changing population base. However, when a local government incurs long-term debt, it establishes a fixed obligation for anywhere from five to thirty years. Accumulation of such fixed burdens can become so great that a local government finds it difficult to pay both its operational costs and debt service charges. The purpose of this policy is to establish guidelines governing the use of long-term debt and demonstrate our commitment to full and timely repayment of all debt issued.

Massachusetts General Laws, Chapter 44, Sections 7 & 8 regulate the purposes for which municipalities may incur debt, and the maximum maturity for bonds issued for each purpose.

Massachusetts General Law allows communities, subject to voter approval, to exclude certain debt from the limits imposed by Proposition 2 ½. A voter-approved exclusion for the purpose of raising funds for debt service costs is referred to as a debt exclusion. The Town considers this to be an important component its debt management program.

### **Capital Improvement Plan**

The primary purpose of long-term debt will be to fund items on the Town's Capital Improvement Plan.

The Town will establish and maintain both a twenty year capital outlook as well as a five year Capital Improvement Plan. The latter will include all proposed projects and major pieces of equipment and corresponding funding sources. The Town's long-term debt strategies will be structured to reflect its capital needs and ability to pay.

### **Explicit Prohibitions**

The Town will not use long-term debt to fund:

1. Any item less than \$50,000
2. Operational expenses – short-term debt may be used to fund operational expenses, but only in the case of extreme duress.

3. Passenger vehicles (e.g. inspectional services and staff vehicles) and police cruisers will not be funded through long-term debt but will be funded through cash capital.

### **Newly Incurred Debt**

Any new debt will be **subject to a debt exclusion under Proposition 2.5**. This policy is put in place for two distinct purposes:

1. So voters will have a better understanding of the purpose and use of tax revenue; tax dollars can be clearly tied to tangible items.
2. This reduces the strain on general operating budgets.

Only in extreme circumstances will the Town consider additional debt outside of a debt exclusion.

### **Retirement of Non-Excluded Debt**

As non-excluded principal and interest is retired, the difference between the current year's debt service and prior year's debt service will be allocated to capital.

### **Other**

The Town may use short-term financing in the form of Bond Anticipation Notes to provide temporary financing for capital projects. Said notes will be retired either through cash reserves or through the issuance of long-term bonds as soon as market conditions permit.

### **Structure and Term of Debt**

When the Town finances capital projects by issuing bonds, it will pay back the bonds within a period not to exceed the expected useful life of the project.

Except for major building; water and sewer projects; and land acquisition, the Town will limit bond maturities to no more than ten years.

The Town will structure debt through a level or declining annual principal payment unless there is a more financially advantageous schedule (check with Christine).

### **Capital Project Closeouts**

The Town will endeavor to closeout all capital projects within six months of completion. For those previous authorized bonded projects with residual balances, the Town Manager will propose the reallocation of any balances for other capital projects in conformance with MGL Chapter 44, Section 20. Such reallocations are subject to Town Meeting approval.

For those previously authorized projects funded with available revenue (tax levy or reserves), that have residual balances in excess of \$5,000. The Town Manager will propose the reallocation of these balances for other future capital projects. Such reallocations are subject to Town Meeting approval.

**Annual Reporting**

Consistent with best practices identified by the Government Finance Officers Association, The Town Manager’s Budget Request will include comprehensive summaries of the debt obligations of the town.

**Protection of Bond Rating**

The Town will maintain good communications with bond rating agencies, bond counsel, banks, financial advisors and others involved in debt issuance and management.

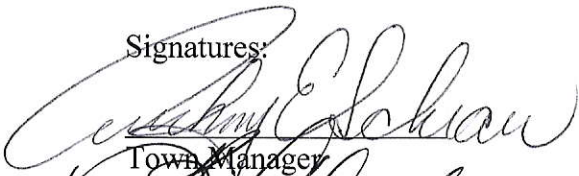
The Town will follow a policy of full disclosure on every financial report and offering statement.

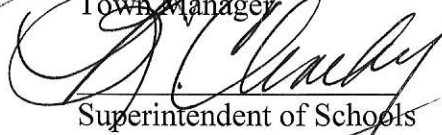
The Town will limit annual increases in debt services to a level that will not materially jeopardize the Town’s credit rating.

**Policy Modifications**

Modification of the above polices can be achieved by an affirmative vote of 2/3 by the following committees through a majority of their membership: Board of Selectmen, School Committee, Finance Committee.

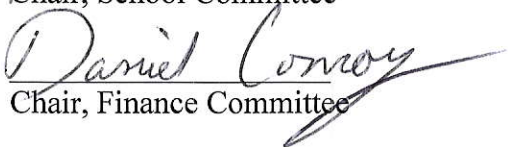
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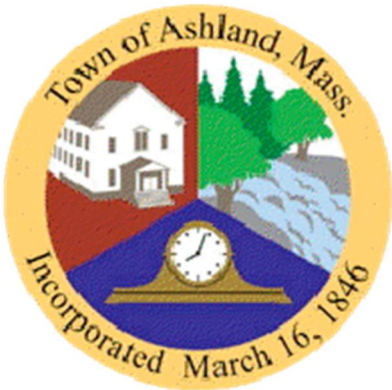
  
Town Manager

  
Superintendent of Schools

\_\_\_\_\_  
Chair, Board of Selectmen

  
Chair, School Committee

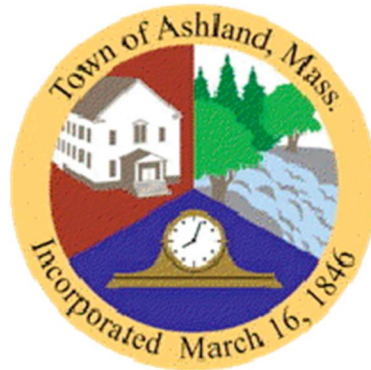
  
Chair, Finance Committee



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# Forecasts

## Section 21





Overlay	275,000	245,000	245,000	245,000	245,000
Offset - School Choice	266,615	266,615	266,615	266,615	266,615
Offset - Library Aid	20,393	20,393	20,393	20,393	20,393
State Assessments & Charges	70,920	70,920	70,920	70,920	70,920
Transportation Authorities	113,110	113,110	113,110	113,110	113,110
Annual Charges Against Receipts	1,572	1,572	1,572	1,572	1,572
School Choice Sending Tuition	84,011	84,011	84,011	84,011	84,011
Charter School Sending Tuition	500,000	500,000	500,000	500,000	500,000
<b>TOTAL ALL EXPENSES</b>	<b>58,947,049</b>	<b>61,079,795</b>	<b>63,247,818</b>	<b>65,644,657</b>	<b>68,088,410</b>
Surplus (Deficit)	-467,547	-930,433	-1,479,421	-2,128,535	-2,908,083

**Water Enterprise Fund Five-Year Forecast**

**Section 21-3**

<b>6000 - Water Enterprise Fund</b>						
<b>REVENUE</b>		<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
43368	LIENS ADDED	90,000	90,000	90,000	90,000	90,000
41367	LIEN COMMITTED INTEREST	5,000	5,000	5,000	5,000	5,000
41750	UTILITY LIEN INTEREST	10,000	10,000	10,000	10,000	10,000
42150	WATER USER CHARGES	2,105,876	2,105,876	2,105,876	2,105,876	2,105,876
42155	IRRIGATION CHARGES	262,792	262,792	262,792	262,792	262,792
42160	WATER PERMITS	75,000	75,000	50,000	50,000	50,000
42180	CROSS CON. DEVICE TESTING	16,060	16,060	16,060	16,060	16,060
41760	FEES	7,000	7,000	7,000	7,000	7,000
42194	HOPKINTON COST SHARE	230,000	230,000	230,000	230,000	230,000
	<b>TOTAL BUDGETED REVENUES</b>	<b>2,801,728</b>	<b>2,801,728</b>	<b>2,776,728</b>	<b>2,776,728</b>	<b>2,776,728</b>
<b>6000 - Water Enterprise Fund</b>						
<b>EXPENSES</b>						
51130	Salaries	419,551	432,137	445,101	458,454	472,208
51300	OT Recall/Beeper	15,450	15,914	16,391	16,883	17,389
51350	Beeper Allowance	17,510	18,035	18,576	19,134	19,708
51400	Longevity & Fringes	1,442	1,485	1,530	1,576	1,623
51900	Uniform Expense/ Allowances	2,884	2,971	3,060	3,151	3,246
	<b>Subtotal: Personnel Costs</b>	<b>456,837</b>	<b>470,542</b>	<b>484,658</b>	<b>499,198</b>	<b>514,174</b>
52000	Purchase of Services	5,253	5,411	5,573	5,740	5,912
52100	Utilities Expenses	211,150	217,485	224,009	230,729	237,651
52410	Maint. Service Contract	20,600	21,218	21,855	22,510	23,185
52450	Contracted Services	762,200	785,066	808,618	832,877	857,863
52453	Purchase Lab Tests	0	0	0	0	0
52710	Office Equipment Lease	309	318	328	338	348
52720	Radio Equipment Repair/ Parts	309	318	328	338	348
53410	Telephone Expenses	5,150	5,305	5,464	5,628	5,796
53800	Other Purchased Service	19,570	20,157	20,762	21,385	22,026
54000	Supplies	5,150	5,305	5,464	5,628	5,796
54150	Postage/ Stamps/ Regular Mail	1,442	1,485	1,530	1,576	1,623
54200	Office Supplies	515	530	546	563	580
54400	Auto Parts & Supplies	8,240	8,487	8,742	9,004	9,274
54450	Tools/ Hardware	5,150	5,305	5,464	5,628	5,796
54600	Reference Books/Materials	0	0	0	0	0
54700	Chemicals/Treatment	67	69	71	73	75
54720	Asphalt/Hot-Top	515	530	546	563	580
54730	Gravel, Loam, Mulch	5,871	6,047	6,229	6,415	6,608
54740	Water Works Supply	96,820	99,725	102,716	105,798	108,972
54800	Gas	0	0	0	0	0
54880	Diesel	0	0	0	0	0
55800	Miscellaneous Supplies	8,961	9,230	9,507	9,792	10,086
56965	Repairs and Maintenance	25,750	26,523	27,318	28,138	28,982
57000	Other Charges	6,901	7,108	7,321	7,541	7,767

**Water Enterprise Fund Five-Year Forecast**

**Section 21-4**

57100	Travel Expenses	103	106	109	113	116
57300	Dues & Memeberships	680	700	721	743	765
57400	Training/Conf./Courses	2,575	2,652	2,732	2,814	2,898
57860	Expense Contingency	10,300	10,609	10,927	11,255	11,593
59710	Transfer to General Fund	231,517	238,462	245,616	252,985	260,574
	Subtotal:Expenses	1,435,098	1,478,150	1,522,495	1,568,170	1,615,215
58000	Capital Outlay	352,000	352,000	352,000	352,000	352,000
58500	Purchase of Equipment	70,000	70,000	70,000	70,000	70,000
59150	Principal Long Term Debt	524,266	534,786	540,898	99,001	99,001
59250	Interest on Notes	31,409	20,720	15,520	10,320	5,370
	Subtotal:Capital & Debt	977,675	977,506	978,419	531,321	526,371
	<b>Total 6000: Water Enterprise</b>	<b>2,869,610</b>	<b>2,926,198</b>	<b>2,985,572</b>	<b>2,598,689</b>	<b>2,655,760</b>
	<b>Budgeted Surplus/Deficit</b>	<b>(67,882)</b>	<b>(124,470)</b>	<b>(208,844)</b>	<b>178,039</b>	<b>120,968</b>

**Sewer Enterprise Fund Five-Year Forecast**

**Section 21-5**

<b>6100 - Sewer Enterprise Fund</b>		<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>REVENUE</b>						
43367	2017 LIENS	200,000	200,000	200,000	200,000	200,000
41366	2016 LCI	25,000	25,000	25,000	25,000	25,000
41775	UTIL INT	27,000	27,000	27,000	27,000	27,000
42100	SEWER USER	5,140,013	5,140,013	5,140,013	5,140,013	5,140,013
41667	2017 CI	50,000	50,000	50,000	50,000	50,000
42080	SEWER LICE	1,000	1,000	1,000	1,000	1,000
42090	SEWER PERM	85,000	85,000	85,000	85,000	85,000
41617	2017 SB	100,000	100,000	100,000	100,000	75,000
	<b>TOTAL BUDGETED REVENUES</b>	<b>5,628,013</b>	<b>5,628,013</b>	<b>5,628,013</b>	<b>5,628,013</b>	<b>5,603,013</b>
<b>6100 - Sewer Enterprise Fund</b>						
<b>EXPENSES</b>						
51130	Permanent Positions	409,251	421,528	434,174	447,199	460,615
51300	OT Recall/Beeper	15,450	15,914	16,391	16,883	17,389
51350	Beeper Allowance	16,480	16,974	17,484	18,008	18,548
51400	Longevity & Fringes	2,472	2,546	2,623	2,701	2,782
51900	Uniform Expense/ Allowances	4,326	4,456	4,589	4,727	4,869
	<b>Subtotal: Personnel Costs</b>	<b>447,979</b>	<b>461,418</b>	<b>475,261</b>	<b>489,519</b>	<b>504,204</b>
52000	Purchase of Services	7,210	7,426	7,649	7,879	8,115
52100	Utilities Expenses	69,010	71,080	73,213	75,409	77,671
52410	Maint. Service Contract	206	212	219	225	232
52450	Contracted Services	82,400	84,872	87,418	90,041	92,742
52453	Purchase Lab Tests	618	637	656	675	696
52710	Office Equipment Lease	309	318	328	338	348
52720	Radio Equipment Repair/ Parts	0	0	0	0	0
53410	Telephone Expenses	4,120	4,244	4,371	4,502	4,637
53800	Other Purchased Service	0	0	0	0	0
54000	Supplies	7,210	7,426	7,649	7,879	8,115
54150	Postage/ Stamps/ Regular Mail	618	637	656	675	696
54200	Office Supplies	309	318	328	338	348
54400	Auto Parts & Supplies	6,695	6,896	7,103	7,316	7,535
54450	Tools/ Hardware	8,240	8,487	8,742	9,004	9,274
54600	Reference Books/Materials	0	0	0	0	0
54700	Chemicals/Treatment	51,500	53,045	54,636	56,275	57,964
54720	Asphalt/Hot-Top	0	0	0	0	0
54730	Gravel, Loam, Mulch	515	530	546	563	580
54800	Gas	0	0	0	0	0
54880	Diesel	0	0	0	0	0
55800	Miscellaneous Supplies	8,240	8,487	8,742	9,004	9,274
56950	MWRA Expense	2,740,755	2,877,793	3,021,683	3,172,767	3,331,405
56955	Framingham IMA Herbert	101,169	104,204	107,330	110,550	113,866
56965	Repairs and Maintenance	25,750	26,523	27,318	28,138	28,982
57000	Other Charges	5,150	5,305	5,464	5,628	5,796
57050	Framingham Sewer Trunk	625,000	625,000	625,000	625,000	625,000
57300	Dues & Memeberships	103	106	109	113	116
57400	Training/Conf./Courses	515	530	546	563	580
57860	Expense Contingency	20,000	20,000	20,000	20,000	20,000
59710	Transfer to General Fund	231,517	238,462	245,616	252,985	260,574

**Sewer Enterprise Fund Five-Year Forecast**

**Section 21-6**

	Subtotal:Expenses	3,997,159	4,152,539	4,315,321	4,485,864	4,664,545
58000	Capital Outlay	100,000	100,000	100,000	100,000	100,000
58100	Purchase of Land	0	0	0	0	0
58500	Purchase of Equipment	90,000	90,000	90,000	90,000	90,000
59150	Principal Long Term Debt	903,006	569,943	423,146	418,999	418,999
59250	Interest on Notes	161,488	137,072	110,739	90,789	70,839
	Subtotal:Capital & Debt	1,254,494	897,015	723,885	699,788	679,838
	<b>Total 6100: Sewer Enterprise</b>	<b>5,699,631</b>	<b>5,510,972</b>	<b>5,514,466</b>	<b>5,675,170</b>	<b>5,848,587</b>
	<b>Budgeted Surplus/Deficit</b>	<b>(71,618)</b>	<b>117,041</b>	<b>113,547</b>	<b>(47,157)</b>	<b>(245,574)</b>

**Trash Enterprise Fund Five-Year Forecast**

**Section 21-7**

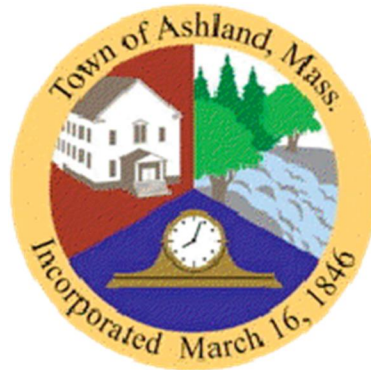
<b>6200 - Trash Enterprise Fundd</b>						
<b>REVENUES</b>		<b>FY19</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22</b>	<b>FY23</b>
43367	Rubbien Liens	65,500	65,500	65,500	65,500	65,500
41367	Lien Committed Interest	7,900	7,900	7,900	7,900	7,900
41775	Utility Interest	7,400	7,400	7,400	7,400	7,400
43285	Rubbish Bag Fees	415,000	415,000	415,000	415,000	415,000
43290	Rubbish Collection Fees	700,000	700,000	700,000	700,000	700,000
	Subtotal: Revenues	1,195,800	1,195,800	1,195,800	1,195,800	1,195,800
<b>62430 - Trash Enterprise Fund</b>						
<b>EXPENSES</b>						
51190	Other Salaries	13,395	13,663	13,936	14,214	14,499
51400	Longevity	275	275	275	275	275
	Subtotal:Personnel	13,670	13,938	14,211	14,489	14,774
52910	Trash Removal	1,117,418	1,139,767	1,162,562	1,185,813	1,274,529
52930	Hazardous Waste	17,340	17,687	18,041	18,401	18,769
59710	Transfer to General	25,763	26,278	26,803	27,339	27,886
	Subtotal:Expenses	1,160,521	1,183,731	1,207,406	1,231,554	1,321,185
<b>Total 62430:Trash Collection</b>		<b>1,174,190</b>	<b>1,197,669</b>	<b>1,221,617</b>	<b>1,246,043</b>	<b>1,335,959</b>
<b>Budgeted Surplus/Deficit</b>		<b>21,610</b>	<b>(1,869)</b>	<b>(25,817)</b>	<b>(50,243)</b>	<b>(140,159)</b>

**Fields Enterprise Fund Five-Year Forecast**

<b>6300 - Athletic Fields Enterprise</b>						
<b>REVENUES</b>		<b>FY19</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22</b>	<b>FY23</b>
46490	Field Rentals	115,000	115,000	115,000	115,000	115,000
		115,000	115,000	115,000	115,000	115,000
<b>6300</b>						
<b>EXPENSES</b>		<b>FY19</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22</b>	<b>FY23</b>
Object Code	Account Description					
51130	Permanent Positions	0	0	0	0	0
51300	Overtime & Recall/ Beeper	49,662	50,655	51,669	52,702	53,756
	Subtotal:Personnel	49,662	50,655	51,669	52,702	53,756
52450	Contracted Services	0	0	0	0	0
54400	Auto Parts & Supplies	25,500	26,010	26,530	27,061	27,602
54450	Tools/ Hardware	1,020	1,040	1,061	1,082	1,104
55800	Miscellaneous Supplies	0	0	0	0	0
59710	Transfer to General Fund	816	832	849	866	883
	Subtotal:Expenses	27,336	27,883	28,440	29,009	29,589
<b>Total 6300 - Athletic Fields</b>		<b>76,998</b>	<b>78,538</b>	<b>80,109</b>	<b>81,711</b>	<b>83,345</b>
<b>BUDGETED SURPLUS/DEFICIT</b>		<b>38,002</b>	<b>36,462</b>	<b>34,891</b>	<b>33,289</b>	<b>31,655</b>

# Appendices

## Section 22



**Fund Descriptions**

The financial operations of the Town are organized into funds, each of which is a separate fiscal and accounting entity. All revenues received or expenditures made by the Town are accounted for through one of the funds listed below.

**Governmental Funds**

Most Town functions are financed through what are called Governmental Funds. These are the activities generally supported by “non-exchange” revenue, such as taxes. There are four types of governmental funds maintained by the Town: the General Fund, Special Revenue Funds, Permanent Funds, and the Capital Project Funds.

**General Fund:** The General Fund is the major operating fund of the Town government and it encompasses a majority of Town operations, and it is defined as covering all resources that are not required to be accounted for elsewhere. The General Fund is supported by revenues from real estate & personal property taxes, state aid, excise taxes, investment income, fines & forfeitures, and fees & charges. Most of the Town’s departments including the Schools are supported in whole or in part by the General Fund.

**Special Revenue Funds:** Special Revenue Funds are used to account for revenues that are legally restricted to specific purposes, with the exception of major capital projects and permanent funds. These revenues must be accounted for separately from the General Fund for a variety of reasons, and often span multiple fiscal years. The Town’s Special Revenue Funds are grouped into five categories:

1. **Revolving Funds:** Revolving Funds allow the Town to raise revenues from a specific program and use those revenues to support the program without appropriation. Revolving Funds are established by statute or by-law and may require reauthorization each year at Town Meeting. The Town maintains revolving funds for a number of purposes including Council on Aging, Planning Department, Animal Control, Community Center, Recreation Department, and various school funds.
2. **Receipts Reserved for Appropriation:** The funds in this grouping are restricted to a specific use by statute and also require appropriation by Town Meeting. These funds include property insurance claims greater than \$150,000, monies from Cemetery sale of lots and graves, and dog licenses.
3. **School Grants:** The School Grant Funds account for specially financed education programs using revenue from grants received from the Federal or State government. These include the Title I grant, Teacher Quality, and SPED grants.
4. **Other Intergovernmental Funds:** These funds account for revenues received by the Town from the Federal or State government for specific purposes other than education. These include a variety of grants such as the Chapter 90 Highway Program, State Election Grants, State Library Aid, and the Elderly Formula Grant.

**5. Other Special Revenue Funds:** These funds account for any other miscellaneous special revenues not included in the previous categories. These include private donations for specific purposes, such as grants received from private or non-profit foundations, and gifts made to specific departments. This category also includes the Community Preservation Fund.

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

1. **Expendable Trust Funds:** These account for the expendable income portion of the permanent funds. This account is also used to account for funds received by the Town in a trustee capacity where both the principal and earnings of the fund may be expended on a restricted basis for the benefit of the Town or its Citizens.
2. **Non-expendable Trusts:** These account for trusts where the principal must remain intact. Generally income earned on the non-expendable trust principal may be expended in accordance with the conditions of a trust instrument or statute, and is accounted for in the previous category.

**Capital Project Funds:** The Capital Project Funds are used to account for monies used for the acquisition or construction of major capital facilities (buildings, roads, etc.) other than those financed by other dedicated funds, such as the Community Preservation Act Fund or Chapter 90 Highway Funds. The source of funding for these funds are primarily proceeds from the Town’s issuance of bonds, but may also be derived from private sources, grants, or transfers from other Town funds.

### **Proprietary (Enterprise) Funds**

**Proprietary (Enterprise) Funds:** Proprietary Funds cover the town’s “business-type” activities, and are referred to as such in the financial statements. These statements comprise of the Water and Sewer Enterprise Funds of the Town and Athletic Field and Trash Enterprise Fund, which are considered non-major funds.. All direct and indirect costs including overhead of each service are intended to be captured by user fees and/or general fund subsidies. These funds account for their own fixed assets and long term liabilities. Although the long term debt of the funds is ultimately the legal obligation of the general fund, it is budgeted and paid for by the Enterprise Fund for which the project was approved. Town Meeting has approved the use of the Enterprise Fund accounting for the Water, Sewer, Trash, Athletic Fields, and more recently the Cable Access Enterprise Fund.

**Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. The Town is the trustee, or fiduciary, and the government and its citizenry do not benefit directly from such funds. This means that the Town is responsible for assets in a purely custodial manner that can be used only for the trust beneficiaries and Agency Funds. Under this heading the Town maintains only Agency Funds, such funds for “special detail” for overtime labor billed to outside parties, collection of Deputy Fees payable to the Deputy Collector, and firearms licenses payable to the Commonwealth

**Basis of Accounting**

By necessity the Town produces financial reports that have different bases of accounting. Since the goal of financial reporting is to provide useful information to its users, the measurement focuses of reporting must change with respect to the needs of the audience.

The day to day method of accounting used by the Town is UMAS, the Commonwealth of Massachusetts' Universal Municipal Accounting System. This accounting system is prescribed by the Commonwealth of Massachusetts Department of Revenue and is intended to demonstrate compliance with state statutes and local near-term decisions (e.g. budget). This system prescribes the use of the modified accrual basis of accounting, which is the basis used by all governmental fund types. Under the modified accrual basis, revenues are recognized when susceptible to accrual (i.e. when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Town considers that property taxes are available if they are collected within 60 days after year-end. Expenditures are recorded when the liability is incurred. Principal and interest on general long-term debt are recorded as liabilities in the fiscal years that the payments are due.

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. The 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 and others seeking information consistent with entities in other states. 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 and agency funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

**Budgeting**

An annual budget is adopted for the Town's General and Enterprise Funds. Although legislative approval is required for capital projects, borrowing authorizations, and other warrant articles, annual budgets are not prepared for any other fund. Note however that although there are informational budgets presented for capital spending with regard to the Capital Improvement Plan and also by the Community Preservation Committee for spending from the Community Preservation Act Fund, the related spending for such purposes is approved article by article versus the adoption of an annual consolidated budget.

The Town's annual budget is adopted on a statutory basis, specific to the Commonwealth of Massachusetts, and it differs in some respects 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 revenue when levied (budget), 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.

Following are the two tables which are excerpted 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, 2016. There's 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 that grouping. For reference, you may access a complete version of the Town's audited financial statements online at: <http://ashlandmass.com/DocumentCenter/Index/257>

Hardcopies of the financial statements from each year are filed with the Town Accountant.

Under GASB Statement 34, and further by Statement 54, "major funds" are defined as individual funds that have a 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 purposes of the financial statements.

## Fund Balances and Descriptions

## Section 22-6

<b>TOWN OF ASHLAND, MA</b>				
Statement of Revenues, Expenditures, and Changes in Fund Balances				
Governmental Funds				
For the Year Ended June 30, 2016				
		School Roof	Nonmajor	Total
	General	Projects	Governmental	Governmental
	<u>Fund</u>	<u>Funds</u>	<u>Funds</u>	<u>Funds</u>
<b>Revenues:</b>				
Property taxes	\$ 39,667,096	\$ -	\$ 859,330	\$ 40,526,426
Excises	2,547,446	-	-	2,547,446
Penalties, interest and other taxes	245,880	-	-	245,880
Charges for services	1,035,171	-	5,000,528	6,035,699
Intergovernmental	7,268,164	204,836	3,257,703	10,730,703
Licenses and permits	784,129	-	21,255	805,384
Fines and forfeitures	49,837	-	2,617	52,454
Investment income	287,637	-	33,633	321,270
Contributions	-	-	392,140	392,140
Miscellaneous	214,097	-	315,023	529,120
Total Revenues	52,099,457	204,836	9,882,229	62,186,522
<b>Expenditures:</b>				
<b>Current:</b>				
General government	2,535,039	-	745,698	3,280,737
Public Safety	5,378,042	-	120,431	5,498,473
Education	27,927,719	-	5,168,427	33,096,146
Public Works	1,369,991	-	576,430	1,946,421
Health and human services	228,564	-	133,345	361,909
Culture and recreation	597,818	-	194,307	792,125
Employee benefits	7,819,920	-	-	7,819,920
Debt service	3,125,645	-	-	3,125,645
Intergovernmental	1,114,171	-	-	1,114,171
Capital outlay	1,017,399	-	1,401,424	2,418,823
Total Expenditures	51,114,308	-	8,340,062	59,454,370
Excess (deficiency) of revenues over expenditures	985,149	204,836	1,542,167	2,732,152
<b>Other Financing Sources (Uses):</b>				
Transfers in	916,400	-	297,387	1,213,787
Transfers out	(297,387)	-	(916,400)	(1,213,787)
Total Other Financing Sources (Uses)	619,013	-	(619,013)	-
Change in fund balance	1,604,162	204,836	923,154	2,732,152
Fund Equity, at beginning of Year, reclassified	6,764,292	(1,613,021)	9,476,925	14,628,196
Fund Equity, at End of Year	\$ 8,368,454	\$ (1,408,185)	\$ 10,400,079	\$ 17,360,348
The accompanying notes are an integral part of these financial statements				

## Fund Balances and Descriptions

## Section 22-7

<b>TOWN OF ASHLAND, MA</b>				
Statement of Revenues, Expenditures, and Changes in Fund Balances				
Proprietary Funds				
For the Year Ended June 30, 2016				
	Water Enterprise Fund	Sewer Enterprise Fund	Nonmajor Funds	Total
<b>Operating Revenues</b>				
Charges for services	\$ 2,425,155	\$ 4,914,429	\$ 1,361,837	\$ 8,701,421
Other	175,768	242,105	19,910	437,783
<b>Total Operating Revenues</b>	<b>2,600,923</b>	<b>5,156,534</b>	<b>1,381,747</b>	<b>9,139,204</b>
<b>Operating Expenses:</b>				
Operating expenses	1,699,532	4,086,143	1,226,078	7,011,753
Depreciation	797,975	871,264	-	1,669,239
<b>Total Operating Expenses</b>	<b>2,497,507</b>	<b>4,957,407</b>	<b>1,226,078</b>	<b>8,680,992</b>
<b>Operating Income (loss)</b>	<b>103,416</b>	<b>199,127</b>	<b>155,669</b>	<b>458,212</b>
<b>Nonoperating Revenues (Expenses):</b>				
Interest expense	(185,030)	(349,279)	-	(534,309)
<b>Total Nonoperating Revenues (Expenses), Net</b>	<b>(185,030)</b>	<b>(349,279)</b>	<b>-</b>	<b>(534,309)</b>
<b>Income (Loss) Before Contributions</b>	<b>(81,614)</b>	<b>(150,152)</b>	<b>155,669</b>	<b>(76,097)</b>
<b>Capital contributions</b>	<b>560,765</b>	<b>39,363</b>	<b>-</b>	<b>600,128</b>
<b>Change in Net Position</b>	<b>479,151</b>	<b>(110,789)</b>	<b>155,669</b>	<b>524,031</b>
<b>Net Position at Beginning of Year</b>	<b>18,746,980</b>	<b>24,933,814</b>	<b>714,266</b>	<b>44,395,060</b>
<b>Net Position at End of Year</b>	<b>\$ 19,226,131</b>	<b>\$ 24,823,025</b>	<b>\$ 869,935</b>	<b>\$ 44,919,091</b>
The accompanying notes are an integral part of these financial statements				

## Fund Balances and Descriptions

## Section 22-8

### Changes in Fund Balance

#### General Fund

Governmental funds reported a combined ending fund balance of \$17,360,348 a change of \$2,732,152 in comparison to the prior year. Key elements of this change are as follows:

General fund revenues over expenditures:	\$985
Transfer in from CPA Fund for debt service:	756
CPA revenues over expenditures and transfers:	397
Change in GIC mitigation fund	539
Other nonmajor fund revenues over Expenditures and transfers out	55
Total	\$2,732

The total fund balance of the general fund changed by \$1,604 during the current fiscal year. Key factors of this change are noted below:

	General Fund	General Stabilization	OPEB Stabilization	Other Stabilization	Other	Total
Beginning Balance 6/30/2015	\$1,675	\$3,343	\$276	\$474	\$996	\$6,764
Use of Fund balance*	(1,034)	620	103	155		(156)
Use of overlay	(200)					(200)
Revenues in excess of budget	1,048					1,048
Expenditures less than budget	1,115					1,115
Timing issues					16	16
Other changes	(242)	123	76	33	(208)	(218)
Total change in fund balance	687	743	179	188	(192)	1,605
Fund balance as of 6/30/2016	\$2,362	\$4,086	\$455	\$66	\$804	\$8,369

\*As of 7/1/2015 free cash was certified in the amount of approximately \$1,034,000. Of this amount, approximately \$620,000 was transferred into the General Stabilization, \$103,000 to OPEB Stabilization, and \$155,000 to the SPED Stabilization. \$155,000 remained with the General Fund for capital funding.

## Fund Balances and Descriptions

## Section 22-9

The Town defines ‘fund balance’ as what is left over after the fund’s assets have been used to meet its liabilities. Free cash represents the remaining, unrestricted funds from operations.

It is important to note that while the General Fund’s fund balance on the preceding GAAP based statements is a measure of resources that are available to the Town on a long-term basis, the full amount is not available for appropriation in its entirety on a statutory basis. Under Massachusetts General Law, the Massachusetts Department of Revenue (DOR) certifies the amount available, which is referred to as “Free Cash”. This certified amount is available for appropriation by the legislative body.

The Department of Revenue recommends that under sound financial practices the Town should strive to generate free cash in an amount equal to 3-5% of its annual budget. Further, free cash 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 Ashland implemented a free cash and reserves policy in December 2013 which outlines the use of free cash. The table below depicts the use of free cash in accordance with the Reserves Policy.

Fiscal Year	2015	2016	2017
Certified Free Cash as of June 30 prior year	\$1,297,941	\$1,034,083	\$1,955,331
Appropriation to General Stabilization Fund	908,559	620,449	\$1,173,198
Appropriation to OPEB Stabilization Fund	194,691	103,408	\$195,533
Appropriation to SPED Stabilization Fund		155,112	
Appropriation to General Fund Capital account	194,691	155,112	586,599

### 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;

**Fund Balances and Descriptions****Section 22-10**

2. Fund costs appropriated in the General Fund operating budget and allocated to the enterprise fund for the current fiscal year;

3. Reimbursement to the General or other funds for subsidized capital costs of the enterprise not already reimbursed for the two full, immediately prior, fiscal years.

The Town has upheld its practice of not utilizing retained earnings to fund the Enterprise Fund operating budget. The following table represents certified retained earnings for each year. For example, retained earnings in FY2015 represents certified retained earnings as of June 30<sup>th</sup> of the prior year and is available to be spent in FY2015.

Fiscal Year	2015	2016	2017
Water	1,155,627	950,246	\$1,426,396
Sewer	720,879	507,190	\$208,614
Solid Waste	472,165	487,612	\$615,061
Athletic Fields	38,487	121,550	\$150,949

## **Glossary of Terms, Abbreviations, and Acronyms Section 22-11**

### **LIST OF TERMS**

**Abatement:** A reduction or elimination of a real or personal property tax, motor vehicle excise, a fee, charge, or special assessment imposed by a governmental unit. Granted only on application of the person seeking the abatement and only by the committing governmental unit.

**Accounting System:** The total structure of records and procedures that identify record, classify, and report information on the financial position and operations of a governmental unit or any of its funds, account groups, and organizational components.

**Accrued Interest:** The amount of interest that has accumulated on the debt since the date of the last interest payment, and on the sale of a bond, the amount accrued up to but not including the date of delivery (settlement date). (See Interest)

**Amortization:** The gradual repayment of an obligation over time and in accordance with a predetermined payment schedule.

**Appellate Tax Board (ATB):** Appointed by the governor, the ATB has jurisdiction to decide appeals from local decisions relating to property taxes, motor vehicle excises, state owned land (SOL) valuations, exemption eligibility, property classification, and equalized valuations.

**Appropriation:** An authorization granted by the town meeting or other legislative body to expend money and incur obligations for specific public purposes. An appropriation is usually limited in amount and as to the time period within which it may be expended. (See Encumbrance, Free Cash)

**Arbitrage:** As applied to municipal debt, the investment of tax-exempt bonds or note proceeds in higher yielding, taxable securities. Section 103 of the Internal Revenue Service (IRS) Code restricts this practice and requires (beyond certain limits) that earnings be rebated (paid) to the IRS.

**Assessed Valuation:** A value assigned to real estate or other property by a government as the basis for levying taxes. In Massachusetts, assessed valuation is based on the property's full and fair cash value as set by the Assessors. (See Full and Fair Cash Value)

**Audit:** An examination of a community's financial systems, procedures, and data by a certified public accountant (independent auditor), and a report on the fairness of financial statements and on local compliance with statutes and regulations. The audit serves as a valuable management tool in evaluating the fiscal performance of a community.

**Audit Report:** Prepared by an independent auditor, an audit report includes: (a) a statement of the scope of the audit; (b) explanatory comments as to application of auditing procedures; (c) findings and opinions. It is almost always accompanied by a management letter which contains supplementary comments and recommendations.

**Available Funds:** Balances in the various fund types that represent non-recurring revenue sources. As a matter of sound practice, they are frequently appropriated to meet unforeseen expenses, for capital expenditures or other onetime costs. Examples of available funds include free cash,

## **Glossary of Terms, Abbreviations, and Acronyms Section 22-12**

stabilization funds, overlay surplus, water surplus, and enterprise net assets unrestricted (formerly retained earnings).

**Balance Sheet:** A statement that discloses the assets, liabilities, reserves and equities of a fund or governmental unit at a specified date.

**Betterments (Special Assessments):** Whenever a specific area of a community receives benefit from a public improvement (e.g., water, sewer, sidewalk, etc.), special property taxes may be assessed to reimburse the governmental entity for all or part of the costs it incurred. Each parcel receiving benefit from the improvement is assessed for its proportionate share of the cost of such improvements. The proportionate share may be paid in full or the property owner may request that the assessors apportion the betterment over 20 years. Over the life of the betterment, 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.

**Bond:** A means to raise money through the issuance of debt. A bond issuer/borrower promises in writing to repay a specified sum of money, alternately referred to as face value, par value or bond principal, to the buyer of the bond on a specified future date (maturity date), together with periodic interest at a specified rate. The term of a bond is always greater than one year. (See Note)

**Bond and Interest Record: (Bond Register) –** The permanent and complete record maintained by a treasurer for each bond issue. It shows the amount of interest and principal coming due each date and all other pertinent information concerning the bond issue.

**Bond Anticipation Note (BAN):** Short-term debt instrument used to generate cash for initial project costs and with the expectation that the debt will be replaced later by permanent bonding. Typically issued for a term of less than one year, BANs may be re-issued for up to five years, provided principal repayment begins after two years (MGL Ch. 44 §17). Principal payments on school related BANs may be deferred up to seven years (increased in 2002 from five years) if the community has an approved project on the Massachusetts School Building Authority (MSBA) priority list. BANs are full faith and credit obligations.

**Bond Authorization:** The action of town meeting 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 or selectmen. (See Bond issue)

**Bonds Authorized and Unissued:** Balance of a bond authorization not yet sold. Upon completion or abandonment of a project, any remaining balance of authorized and unissued bonds may not be used for other purposes, but must be rescinded by town meeting or the city council to be removed from community's books.

**Bond Issue:** Generally, the sale of a certain number of bonds at one time by a governmental unit.

**Bond Rating (Municipal):** A credit rating assigned to a municipality to help investors assess the future ability, legal obligation, and willingness of the municipality (bond issuer) to make timely debt service payments. Stated otherwise, a rating helps prospective investors determine the level of risk associated with a given fixed-income investment. Rating agencies, such as Moody's and

## **Glossary of Terms, Abbreviations, and Acronyms    Section 22-13**

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.

**Budget:** A plan for allocating resources to support particular services, purposes and functions over a specified period of time. (See Performance Budget, Program Budget)

**Budget Message:** A statement that, among other things, offers context by summarizing the main points of a budget, explains priorities, describes underlying policies that drive funding decisions, and otherwise justifies the expenditure plan and provides a vision for the future.

**Budget Unit:** A board or department to which the municipality's legislative body appropriates funds.

**Capital Assets:** All real and tangible property used in the operation of government, which is not easily converted into cash, and has an initial useful life extending beyond a single financial reporting period. Capital assets include land and land improvements; infrastructure such as roads, bridges, water and sewer lines; easements; buildings and building improvements; vehicles, machinery and equipment. Communities typically define capital assets in terms of a minimum useful life and a minimum initial cost. (See Fixed Assets)

**Capital Budget:** An appropriation or spending plan that uses borrowing or direct outlay for capital or fixed asset improvements. Among other information, a capital budget should identify the method of financing each recommended expenditure, i.e., tax levy or rates, and identify those items that were not recommended. (See Capital Assets, Fixed Assets)

**Capital Improvements Program:** A blueprint for planning a community's capital expenditures that comprises an annual capital budget and a five-year capital program. It coordinates community planning, fiscal capacity and physical development. While all of the community's needs should be identified in the program, there is a set of criteria that prioritizes the expenditures.

**Capital Outlay Expenditure Exclusion:** A temporary increase in the tax levy to fund a capital project or make a capital acquisition. Exclusions and a majority vote in a community-wide referendum. The exclusion is added to the tax levy only during the year in which the project is being funded and may increase the tax levy above the levy ceiling.

**Cash:** Currency, coin, checks, postal and express money orders and bankers' drafts on hand or on deposit with an official or agent designated as custodian of cash and bank deposits.

**Cash Management:** The process of monitoring the ebb and flow of money in an out of municipal accounts to ensure cash availability to pay bills and to facilitate decisions on the need for short-term borrowing and investment of idle cash.

**Certification:** Verification of authenticity. Can refer to the action of a bank, trust company, or DOR's Bureau of Accounts (BOA) in the issuance of State House Notes, to confirm the genuineness of the municipal signatures and seal on bond issues. The certifying agency may also

## **Glossary of Terms, Abbreviations, and Acronyms Section 22-14**

supervise the printing of bonds and otherwise safeguard their preparation against fraud, counterfeiting, or overissue. 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 Certification)

**Certificate of Deposit (CD):** A bank deposit evidenced by a negotiable or non-negotiable instrument, which provides on its face that the amount of such deposit plus a specified interest payable to a bearer or to any specified person on a certain specified date, at the expiration of a certain specified time, or upon notice in writing.

**Cherry Sheet:** Named for the cherry colored paper on which they were originally printed, the Cherry Sheet is the official notification to cities, towns and regional school districts of the next fiscal year's state aid and assessments. The aid is in the form of distributions, which provide funds based on formulas and reimbursements that provide funds for costs incurred during a prior period for certain programs or services. Links to the Cherry Sheets are located on the DLS website at [www.mass.gov/dls](http://www.mass.gov/dls). (See Cherry Sheet Assessments, Estimated Receipts)

**Cherry Sheet Assessments:** Estimates of annual charges to cover the cost of certain state and county programs.

**Cherry Sheet Offset Items:** Local aid that may be spent without appropriation in the budget, but which must be spent for specific municipal and regional school district programs. Current offset items include racial equality grants, school lunch grants, and public libraries grants. (See Offset Receipts)

**Classification of Real Property:** Assessors are required to classify all real property according to use into one of four classes: residential, open space, commercial, and industrial. Having classified its real properties, local officials are permitted to determine locally, within limitations established by statute and the Commissioner of Revenue, what percentage of the tax burden is to be borne by each class of real property and by personal property owners. (See Classification of the Tax Rate).

**Classification of the Tax Rate:** Each year, the Selectmen vote whether to exercise certain tax rate options. Those options include choosing a residential factor (MGL Ch. 40 §56), and determining whether to offer an open space discount, a residential exemption (Ch. 59, §5C), and/or a small commercial exemption (Ch. 59, §5I) to property owners.

**Collective Bargaining:** The process of negotiating workers' wages, hours, benefits, working conditions, etc., between an employer and some or all of its employees, who are represented by a recognized labor union. regarding wages, hours and working conditions.

**Community Preservation Act (CPA):** Enacted as MGL Ch. 44B in 2000, CPA permits cities and towns accepting its provisions to establish a restricted fund from which monies can be appropriated only for a) the acquisition, creation and preservation of open space; b) the acquisition, preservation, rehabilitation, and restoration of historic resources; and c) the acquisition, creation and preservation of land for recreational use; d) the creation, preservation and support of community

## Glossary of Terms, Abbreviations, and Acronyms Section 22-15

housing; and e) the rehabilitation and restoration of open space, land for recreational use and community housing that is acquired or created using monies from the fund. Acceptance requires town meeting or city council approval or a citizen petition, together with referendum approval by majority vote. The local program is funded by a local surcharge up to 3 percent on real property tax bills and matching dollars from the state generated from registry of deeds fees. (See DOR IGR 00-209 as amended by IGR 01-207 and IGR 02-208)

**Community Preservation Fund:** A special revenue fund established pursuant to MGL Ch. 44B to receive all monies collected to support a community preservation program, including but not limited to, tax surcharge receipts, proceeds from borrowings, funds received from the Commonwealth, and proceeds from the sale of certain real estate.

**Conservation Fund:** A 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.

**Consumer Price Index:** The statistical measure of changes, if any, in the overall price level of consumer goods and services. The index is often called the "cost-of-living index."

**Cost-Benefit Analysis:** A decision-making tool that allows a comparison of options based on the level of benefit derived and the cost to achieve the benefit from different alternatives.

**Debt Authorization:** Formal approval by a two thirds vote of town meeting to incur debt, in accordance with procedures stated in MGL Ch. 44 §§1, 2, 3, 4a, 6-15.

**Debt Burden:** The amount of debt carried by an issuer usually expressed as a measure of value (i.e., debt as a percentage of assessed value, debt per capita, etc.). Sometimes debt burden refers to debt service costs as a percentage of the total annual budget.

**Debt Exclusion:** An action taken by a community through a referendum vote to raise the funds necessary to pay debt service costs for a particular project from the property tax levy, but outside the limits under Proposition 2½. By approving a debt exclusion, a community calculates its annual levy limit under Proposition 2½, then adds the excluded debt service cost. The amount is added to the levy limit for the life of the debt only and may increase the levy above the levy ceiling.

**Debt Limit:** The maximum amount of debt that a municipality may authorize for qualified purposes under state law. Under MGL Ch. 44 §10, debt limits are set at 5 percent of EQV. By petition to the Municipal Finance Oversight Board, cities and towns can receive approval to increase their debt limit to 10 percent of EQV.

**Debt Service:** The repayment cost, usually stated in annual terms and based on an amortization schedule, of the principal and interest on any particular bond issue.

**Encumbrance:** A reservation of funds to cover obligations arising from purchase orders, contracts, or salary commitments that are chargeable to, but not yet paid from, a specific appropriation account

## Glossary of Terms, Abbreviations, and Acronyms Section 22-16

**Enterprise Funds:** An enterprise fund, authorized by MGL Ch. 44 §53F½, 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 IGR 08-101)

**Equalized Valuations (EQVs):** The determination of the full and fair cash value of all property in the commonwealth that is subject to local taxation. EQVs have historically been used as variables in distributing certain state aid accounts and for determining county assessments and certain other costs. The Commissioner of Revenue, in accordance with M.G.L. Ch. 58 s 10C, is charged with the responsibility of bi-annually determining an equalized valuation for each town and city in the Commonwealth.

**Estimated Receipts:** A term that typically refers to anticipated local revenues listed on page three of the Tax Recapitulation Sheet. Projections of local revenues are often based on the previous year's receipts and represent funding sources necessary to support a community's annual budget. (See Local Receipts)

**Excess and Deficiency (E&D):** Also called the "surplus revenue" account, this is the amount by which cash, accounts receivable, and other assets exceed a regional school district's liabilities and reserves as certified by the Director of Accounts. The calculation is based on a year-end balance sheet, which is submitted to DOR by the district's auditor, accountant, or comptroller as of June 30. The regional school committee must apply certified amounts exceeding five percent of the district's prior year operating and capital costs to reduce the assessment on member cities and towns. Important: E&D is not available for appropriation until certified by the Director of Accounts.

**Excess Levy Capacity:** The difference between the levy limit and the amount of real and personal property taxes actually levied in a given year. Annually, the board of selectmen or council must be informed of excess levying capacity and evidence of such acknowledgment must be submitted to DOR when setting the tax rate.

**Exemptions:** A discharge, established by statute, from the obligation to pay all or a portion of a property tax. The exemption is available to particular categories of property or persons upon the timely submission and approval of an application to the assessors. Properties exempt from taxation include hospitals, schools, houses of worship, and cultural institutions. Persons who may qualify for exemptions include disabled veterans, blind individuals, surviving spouses, and seniors.

**Expenditure:** An outlay of money made by municipalities to provide the programs and services within their approved budget.

## **Glossary of Terms, Abbreviations, and Acronyms Section 22-17**

**Fiduciary Funds:** Repository of money held by a municipality in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and other funds. These include pension (and other employee benefit) trust funds, investment trust funds, private- purpose trust funds, and agency funds.

**Fiscal Year (FY):** Since 1974, the Commonwealth and municipalities have operated on a budget cycle that begins July 1 and ends June 30. The designation of the fiscal year is that of the calendar year in which the fiscal year ends. Since 1976, the federal government fiscal year has begun on October 1 and ended September 30.

**Fixed Assets:** Long-lived, assets such as buildings, equipment and land obtained or controlled as a result of past transactions or circumstances.

**Fixed Costs:** Costs that are legally or contractually mandated such as retirement, FICA/Social Security, insurance, debt service costs or interest on loans.

**Float:** The difference between the bank balance for a local government's account and its book balance at the end of the day. The primary factor creating float is clearing time on checks and deposits. Delays in receiving deposit and withdrawal information also influence float.

**Foundation Budget:** The spending target imposed by the Education Reform Act of 1993 for each school district as the level necessary to provide an adequate education for all students.

**Free Cash: (Also Budgetary Fund Balance) Remaining, unrestricted funds from operations of the previous fiscal year including unexpended free cash from the previous year, actual receipts in excess of revenue estimates shown on the tax recapitulation sheet, and unspent amounts in budget line-items. Unpaid property taxes and certain deficits reduce the amount that can be certified as free cash. The calculation of free cash is based on the balance sheet as of June 30, which is submitted by the community's auditor, accountant, or comptroller. Important: free cash is not available for appropriation until certified by the Director of Accounts. (See Available Funds)**

**Full and Fair Cash Value (FFCV):** Fair cash value has been defined by the Massachusetts Supreme Judicial Court as "fair market value, which is the price an owner willing but not under compulsion to sell ought to receive from one willing but not under compulsion to buy. It means the highest price that a normal purchaser not under peculiar compulsion will pay at the time, and cannot exceed the sum that the owner after reasonable effort could obtain for his property. A valuation limited to what the property is worth to the purchaser is not market value. The fair cash value is the value the property would have on January first of any taxable year in the hands of any owner, including the present owner." (Boston Gas Co. v. Assessors of Boston, 334 Mass. 549, 566 (1956))

**Full Faith and Credit:** A pledge of the general taxing powers for the payment of governmental obligations. Bonds carrying such pledges are usually referred to as general obligation or full faith and credit bonds.

**Fund:** An accounting entity with a self-balancing set of accounts that are segregated for the purpose of carrying on identified activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations.

## **Glossary of Terms, Abbreviations, and Acronyms    Section 22-18**

**Fund Accounting:** Organizing financial records 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.

**GASB 34:** A major pronouncement of the Governmental Accounting Standards Board that establishes new criteria on the form and content of governmental financial statements. GASB 34 requires a report on overall financial health, not just on individual funds. It requires more complete information on the cost of delivering value estimates on public infrastructure assets, such as bridges, road, sewers, etc. It also requires the presentation of a narrative statement the government's financial performance, trends and prospects for the future.

**GASB 45:** This is another Governmental Accounting Standards Board major pronouncement that each public entity account for and report other postemployment benefits in its accounting statements. Through actuarial analysis, municipalities must identify the true costs of the OPEB earned by employees over their estimated years of actual service.

**General Fund:** The fund used to account for most financial resources and activities governed by the normal town meeting appropriation process.

**General Obligation Bonds:** Bonds issued by a municipality for purposes allowed by statute that are backed by the full faith and credit of its taxing authority.

**Governing Body:** A board, committee, commission, or other executive or policymaking body including the school committee of a municipality.

**Governmental Accounting Standards Board (GASB):** The ultimate authoritative accounting and financial reporting standard-setting body for state and local governments.

**Indirect Cost:** Costs of a service not reflected in the operating budget of the entity providing the service. An example of an indirect cost of providing water service would be the value of time spent by non-water department employees processing water bills. A determination of these costs is necessary to analyze the total cost of service delivery. The matter of indirect costs arises most often in the context of enterprise funds.

**Interest:** Compensation paid or to be paid for the use of money, including amounts payable at periodic intervals or discounted at the time a loan is made. In the case of municipal bonds, interest payments accrue on a day-to-day basis, but are paid every six months.

**Interest Rate:** The interest payable, expressed as a percentage of the principal available for use during a specified period of time. It is always expressed in annual terms.

**Investments:** Securities and real estate held for the production of income in the form of interest, dividends, rentals or lease payments. The term does not include fixed assets used in governmental operations.

## **Glossary of Terms, Abbreviations, and Acronyms Section 22-19**

**Levy Ceiling:** A levy ceiling is one of two types of levy (tax) restrictions imposed by MGL Ch. 59 §21C (Proposition 2½). It states that, in any year, the real and personal property taxes imposed may not exceed 2½ percent of the total full and fair cash value of all taxable property. Property taxes levied may exceed this limit only if the community passes a capital exclusion, a debt exclusion, or a special exclusion. (See Levy Limit)

**Levy Limit:** A levy limit is one of two types of levy (tax) restrictions imposed by MGL Ch. 59 §21C (Proposition 2½). It states that the real and personal property taxes imposed by a city or town may only grow each year by 2½ 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)

**Line Item Budget:** A budget that separates spending into categories, or greater detail, such as supplies, equipment, maintenance, or salaries, as opposed to a program budget.

**Local Aid:** Revenue allocated by the Commonwealth to cities, towns, and regional school districts. Estimates of local aid are transmitted to cities, towns, and districts annually by the "Cherry Sheets." Most Cherry Sheet aid programs are considered general fund revenues and may be spent for any purpose, subject to appropriation.

**Local Appropriation Authority:** In a town, the town meeting has the power to appropriate funds, including the authorization of debt.

**Local Receipts:** Locally generated revenues, other than real and personal property taxes. Examples include motor vehicle excise, investment income, hotel/motel tax, fees, rentals, and charges. Annual estimates of local receipts are shown on the tax rate recapitulation sheet. (See Estimated Receipts)

**Maturity Date:** The date that the principal of a bond becomes due and payable in full.

**Massachusetts Municipal Depository Trust:** An investment program, founded in 1977 under the supervision of the State Treasurer, in which municipalities may pool excess cash for investment.

**Minimum Required Local Contribution:** The minimum that a city or town must appropriate from property taxes and other local revenues for the support of schools (Education Reform Act of 1993).

**Municipal(s):** (As used in the bond trade) "Municipal" refers to any state or subordinate governmental unit. "Municipals" (i.e., municipal bonds) include not only the bonds of all political subdivisions, such as cities, towns, school districts, special districts, but also bonds of the state and agencies of the state.

**Municipal Revenue Growth Factor (MRGF):** An estimate of the percentage change in a municipality's revenue growth for a fiscal year. It represents the combined percentage increase in the following revenue components: automatic 2 1/2 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.

**M.G.L.:** Massachusetts General Laws.

## **Glossary of Terms, Abbreviations, and Acronyms Section 22-20**

**Net School Spending (NSS):** School budget and municipal budget amounts attributable to education, excluding long-term debt service, student transportation, school lunches and certain other specified school expenditures. A community's NSS funding must equal or exceed the NSS Requirement established annually by the Department of Education (DOE). (See Education Reform Act of 1993) Includes both 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.

**New Growth:** The additional tax revenue generated by new construction, renovations and other increases in the property tax base during a calendar year. It does not include value increases caused by normal market forces or by revaluations. New growth is calculated by multiplying the assessed value associated with new construction, renovations and other increases by the prior year tax rate. The additional tax revenue is then incorporated into the calculation of the next year's levy limit. For example, new growth for FY 2007 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 FY 2007 levy limit, the FY 2006 tax rate is used in the calculation.

**Note:** A short-term loan, typically with a maturity date of a year or less.

**Objects of Expenditures:** A classification of expenditures that is used for coding any department disbursement, such as "personal services," "expenses," or "capital outlay."

**Official Statement:** A document prepared for potential investors that contains information about a prospective bond or note issue and the issuer. The official statement is typically published with the notice of sale. It is sometimes called an offering circular or prospectus.

**Offset Receipts:** A local option that allows estimated receipts of a particular department to be earmarked for use of the department and appropriated to offset its annual operating budget. If accepted, MGL Ch. 44 §53E limits the amount of offset receipts appropriated to no more than the actual receipts collected for the prior fiscal year. The Director of Accounts must approve use of a higher amount before appropriation. Actual collections greater than the amount appropriated close to the general fund at year-end. If actual collections are less, the deficit must be raised in the next year's tax rate.

**Operating Budget:** A plan of proposed expenditures for personnel, supplies, and other expenses for the coming fiscal year.

**Other Amounts to be Raised: (Tax Recapitulation Sheet)** Amounts not appropriated but raised through taxation. Generally, these are locally generated expenditures (e.g., 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.

**Overlapping Debt:** A community's proportionate share of the debt incurred by an overlapping government entity, such as a regional school district, regional transit authority, etc.

## **Glossary of Terms, Abbreviations, and Acronyms    Section 22-21**

**Overlay:** (Overlay Reserve or Allowance for Abatements and Exemptions) An account established annually to fund anticipated property tax abatements, exemptions and uncollected taxes in that year. The overlay reserve need not be funded by the normal appropriation process, but rather is raised on the tax rate recapitulation sheet.

**Overlay Deficit:** A deficit that occurs when the amount of overlay raised in a given year is insufficient to cover abatements, statutory exemptions, and uncollected taxes for that year. Overlay deficits must be provided for in the next fiscal year.

**Overlay Surplus:** Any balance in the overlay account of a given year in excess of the amount remaining to be collected or abated can be transferred into this account. Within 10 days of a written request by the chief executive officer of the town, the assessors must provide a certification of the excess amount of overlay available to transfer. Overlay surplus may be appropriated for any lawful purpose. At the end of each fiscal year, unused overlay surplus is “closed” to surplus revenue, i.e., it becomes a part of free cash.

**Override:** A vote by a community at an election to permanently increase the levy limit. An override vote may increase the levy limit no higher than the levy ceiling. The override question on the election ballot must state a purpose for the override and the dollar amount. (See Underride.)

**Override Capacity:** The difference between a community’s levy ceiling and its levy limit. It is the maximum amount by which a community may override its levy limit.

**Performance Budget:** A budget that stresses output both in terms of economy and efficiency.

**Principal:** The face amount of a bond, exclusive of accrued interest.

**Program:** A combination of activities to accomplish an end.

**Program Budget:** A budget that relates expenditures to the programs they fund. The emphasis of a program budget is on output.

**Proposition 2½:** A state law enacted in 1980, Proposition 2½ 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.

**Purchased Services:** The cost of services that are provided by a vendor.

**Refunding of Debt:** Transaction where one bond issue is redeemed and replaced by a new bond issue under conditions generally more favorable to the issuer.

**Reserve for Abatements and Exemptions:** (See Overlay)

**Reserve Fund:** An amount set aside annually within the budget of a 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.

## **Glossary of Terms, Abbreviations, and Acronyms Section 22-22**

**Revaluation:** The assessors of each community are responsible for developing a reasonable and realistic program to achieve the fair cash valuation of property in accordance with constitutional and statutory requirements. The nature and extent of that program will depend on the assessors' analysis and consideration of many factors, including, but not limited to, the status of the existing valuation system, the results of an in-depth sales ratio study, and the accuracy of existing property record information. Every three years, assessors must submit property values to the DOR for certification. Assessors must also maintain fair cash values in the years between certifications so that each taxpayer in the community pays his or her share of the cost of local government in proportion to the value of his property. (See Triennial Certification)

**Revenue Anticipation Borrowing:** Cities, towns and districts may issue temporary notes in anticipation of taxes (TANs) or other revenue (RANs). The amount of this type of borrowing is limited to the total of the prior year's tax levy, the net amount collected in motor vehicle and trailer excise in the prior year and payments made by the Commonwealth in lieu of taxes in the prior year. According to MGL Ch. 44 s 4, cities, towns and districts may borrow for up to one year in anticipation of such revenue.

**Revenue Anticipation Note (RAN):** A short-term loan issued to be paid off by revenues, such as tax collections and state aid. RANs are full faith and credit obligations. (See Bond Anticipation Note)

**Revenue Bond:** A bond payable from and secured solely by specific revenues and thereby not a full faith and credit obligation.

**Revolving Fund:** Allows a community to raise revenues from a specific service and use those revenues without appropriation to support the service. For departmental revolving funds, MGL Ch. 44 §53E½ stipulates that each fund must be reauthorized each year at annual town meeting or by city council action, and that a limit on the total amount that may be spent from each fund must be established at that time. The aggregate of all revolving funds may not exceed ten percent of the amount raised by taxation by the city or town in the most recent fiscal year, and no more than one percent of the amount raised by taxation may be administered by a single fund. Wages or salaries for full-time employees may be paid from the revolving fund only if the fund is also charged for all associated fringe benefits.

**Sale of Real Estate Fund:** A fund established to account for the proceeds of the sale of municipal real estate other than proceeds acquired through tax title foreclosure. MGL Chapter 44 s 63 states that such proceeds shall be applied first to the retirement of debt on the property sold. In the absence of such debt, funds may generally be used for purposes for which the town is authorized to borrow for a period of five years or more.

**Security:** For Massachusetts municipalities, bonds or notes evidencing a legal debt on the part of the issuer.

**Special Assessments:** (See Betterments)

**Special Exclusion:** For a few limited capital purposes, a community may exceed its levy limit or levy ceiling without voter approval. Presently, there are two special expenditure exclusions: 1)

## **Glossary of Terms, Abbreviations, and Acronyms Section 22-23**

water and sewer project debt service costs which reduce the water and sewer rates by the same amount; and 2) a program to assist homeowners to repair or replace faulty septic systems, remove underground fuel storage tanks, or remove dangerous levels of lead paint to meet public health and safety code requirements. In the second special exclusion, homeowners repay the municipality for the cost plus interest apportioned over a period of time, not to exceed 20 years (similar to betterments).

**Stabilization Fund:** A fund designed to accumulate amounts for capital and other future spending purposes, although it may be appropriated for any lawful purpose (MGL Ch. 40 §5B). Communities may establish one or more stabilization funds for different purposes and may appropriate into them in any year an amount not to exceed ten percent of the prior year's tax levy. The total of all stabilization fund balances shall not exceed ten percent of the community's equalized value, and any interest shall be added to and become a part of the funds. A two-thirds vote of town meeting is required to establish, amend the purpose of, or appropriate money into or from the stabilization fund. (See DOR IGR 04-201)

**Surplus Revenue:** The amount by which cash, accounts receivable, and other assets exceed liabilities and reserves.

**Tax Rate:** The amount of property tax stated in terms of a unit of the municipal tax base; for example, \$14.80 per \$1,000 of assessed valuation of taxable real and personal property.

**Tax Rate Recapitulation Sheet (Recap Sheet):** A document submitted by a city or town to the DOR in order to set a property tax rate. The recap sheet shows all estimated revenues and actual appropriations that affect the property tax rate. The recap sheet should be submitted to the DOR by September 1 (in order to issue the first-half semiannual property tax bills before October 1) or by December 1 (in order to issue the third quarterly property tax bills before January 1).

**Tax Title (or Tax Taking):** A collection procedure that secures a town's lien on real property and protects the municipality's right to payment of overdue property taxes. Otherwise, the lien expires if five years elapse from the January 1 assessment date and the property has been transferred to another owner. If amounts remain outstanding on the property after issuing a demand for overdue property taxes and after publishing a notice of tax taking, the collector may take the property for the city or town. After properly recording the instrument of taking, the collector transfers responsibility for collecting the overdue amounts to the treasurer. After six months, the treasurer may initiate foreclosure proceedings.

**Tax Title Foreclosure:** The procedure initiated by a 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 over due. 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).

**Triennial Certification:** The Commissioner of Revenue, through the Bureau of Local Assessment, is required to review local assessed values every three years and to certify that they represent full and fair cash value (FFCV). Refer to MGL Ch. 40 §56 and Ch. 59 §2A(c).

## **Glossary of Terms, Abbreviations, and Acronyms    Section 22-24**

**Trust Fund:** In general, a fund for money donated or transferred to a municipality with specific instructions on its use. As custodian of trust funds, the treasurer invests and expends such funds as stipulated by trust agreements, as directed by the commissioners of trust funds or by town meeting. Both principal and interest may be used if the trust is established as an expendable trust. For nonexpendable trust funds, only interest (not principal) may be expended as directed.

**Uncollected Funds:** Recently deposited checks included in an account's balance but drawn on other banks and not yet credited by the Federal Reserve Bank or local clearinghouse to the bank cashing the checks. (These funds may not be loaned or used as part of the bank's reserves and they are not available for disbursement.)

**Underride:** A vote by a community to permanently decrease the tax levy limit. As such, it is the opposite of an override. (See Override)

**Undesignated Fund Balance:** Monies in the various government funds as of June 30 that are neither encumbered nor reserved, and are therefore available for expenditure once certified as part of free cash.

**Uniform Municipal Accounting System (UMAS):** UMAS succeeds the so-called Statutory System (STAT) and is regarded as the professional standard for municipal accounting in Massachusetts. As a uniform system for local governments, it conforms to Generally Accepted Accounting Principles (GAAP), offers increased consistency in reporting and record keeping, as well as enhanced comparability of data among cities and towns.

**Unreserved Fund Balance (Surplus Revenue Account):** The amount by which cash, accounts receivable, and other assets exceed liabilities and restricted reserves. It is akin to a "stockholders' equity" account on a corporate balance sheet. It is not, however, available for appropriation in full because a portion of the assets listed as "accounts receivable" may be taxes receivable and uncollected. (See Free Cash)

**Valuation (100 Percent):** The legal requirement that a community's assessed value on property must reflect its market, or full and fair cash value.

**Warrant:** An authorization for an action. For example, a town meeting warrant establishes the matters that may be acted on by that town meeting. A treasury warrant authorizes the treasurer to pay specific bills. The assessors' warrant authorizes the tax collector to collect taxes in the amount and from the persons listed, respectively.

## Glossary of Terms, Abbreviations, and Acronyms    Section 22-25

<b>LIST OF ABBREVIATIONS AND ACRONYMS</b>	
Admin.	Administrative or Administration
Asst.	Assistant
AP	Accountants Payable
ATB	Appellate Tax Board
BAN	Bond Anticipation Note
BOA	Bureau of Local Accounts
DOR	Department of Revenue
IOD	Injured on Duty
DPW or PW	Department of Public Works
PS	Public Safety
COA	Council on Aging
TM	Town Manager
OPEB	Other Post-Employment Benefits
IT	Information Technology
Dev	Development
FY	Fiscal Year
MGL	Massachusetts General Law
CPA	Community Preservation Act
FinCom	Finance Committee
BOS	Board of Selectmen
Reimb.	Reimbursement
Exp.	Expenditure
Oth.	Other
Dep	Department
ATM	Annual Town Meeting
Bd.	Board
Dept.	Department
REC	Recreation
Prop. Maint	Property Maintenance
Hwy	Highway
Accou	Account
Voc	Vocational
Fam	Family
Bldgs	Buildings
Compensati	Compensation
C.O.L.A.	Cost of Living Adjustment
CIP	Capital Improvement Plan
QECB	Qualified Energy Conservation Bond
FTE	Full Time Equivalent
HR	Human Resources
Conf.	Conferences
EPA	Environmental Protection Agency
NPDES	National Pollutant Discharge Elimination System

## Glossary of Terms, Abbreviations, and Acronyms Section 22-26

FAQs	Frequently Asked Questions
Con Comm.	Conservation Commission
GIS	Geographical Information Systems
Misc.	Miscellaneous
CPT	Cemetery, Parks, and Trees
Tech	Technician or Technical
Equip	Equipment
MWRA	Massachusetts Water Resources Authority
Rte.	Route
Gen Gov.	General Government
GIC	Group Insurance Commission
Comp.	Company
Improv.	Improvement