

# Town of Hopkinton

Select Board & Budget Committee

## 2022 Proposed Budget

Budget Committee Public Hearing

Wednesday, February 9, 2022

Another unique  
year...



# Budget Process to Date

- Department Heads met with the Town Administrator and Finance Director to review budget requests.
- Select Board met with each Department Head to review requests.
- Select Board began its work of preparing its budget

# Money related Warrant Articles

- Articles 5-8
  - Operating Budget
  - Appropriation to Capital Reserve Funds
  - Appropriation to Expendable Trust Funds
  - Creation of Payroll Liability Trust Fund
- Article 11
  - Authorization to Expend from Pay-by-Bay Special Revenue Fund
- Article 4
  - Borrowing for Houston Barn Stabilization



# Operating Budget





# Operating Budget

- **Total Operating Budget of \$8,283,514**
  - Increase of \$621,994 – 8.11%
  - Excluding Sewer \$607,102 – 8.11%
- Major Drivers (>\$10,000)

• Debt Service Principal/Interest	\$239,349
• NH Retirement	\$ 41,444
• Road Salt	\$ 39,000
• Legal	\$ 50,570
• Merit Wage/Benefit Pool	\$ 97,740
• Code Enforcement Officer	\$ 19,780



# Operating Budget

- **Major Drivers continued**

• Demolition Tipping Fees	\$ 17,000
• Paving/Shimming	\$ 18,525
• Town Clerk/Tax Collector	\$ 12,098
• Property Liability Insurance	\$ 10,491
• Police Overtime	\$ 12,394
• Library	\$ 15,453
• Human Services Administration	\$ (25,321)





# Capital Reserve/Maint. Trust Funds

- Total CRF/Maint. Funds of \$732,000
  - Decrease of \$46,500 – -5.97%

- **2022 Allocation**

• Fire Vehicle/Equipment Replacement	\$200,000
• Highway Vehicle Replacement	\$200,000
• Ambulance	\$ 80,000
• Transfer Station Equip./Facilities	\$ 65,000
• Police Vehicle Replacement	\$ 25,000
• Revaluation	\$ 24,000
• Sewer Equipment/Sludge Removal	\$ 35,000
• Recreation Facilities	\$ 50,000



# Payroll Liability Trust

- Proposed new trust
- \$10,000 proposed to be added in 2022
- To cover vacation payout liabilities especially when retiring.



# Use of Fund Balance

- Total use of Fund Balance of \$ 200,000
  - Decrease of \$131,300 – -39.63%
- Fund Balance offsets the amount needed to be raised by taxes.



	<u>2021 Approved</u>	<u>2022 Proposed</u>	<u>\$ Change</u>	<u>% Change</u>
<b>REVENUE</b>				
<b>OPERATING REVENUE</b>				
Operating Revenue	3,234,976	3,342,858	107,882	3.33%
Sewer Fund Revenue	193,958	217,494	23,536	12.13%
<b>Total</b>	<b>3,428,934</b>	<b>3,560,352</b>	<b>131,418</b>	<b>3.83%</b>
<b>PASSTHROUGH REVENUE</b>				
Barn Bond	-	272,000.00	272,000	100.00%
From Special Revenue Funds	86,000	60,000	(26,000)	-30.23%
<b>Total</b>	<b>86,000</b>	<b>332,000</b>	<b>246,000</b>	<b>286.05%</b>
<b>GRAND TOTAL</b>	<b>3,514,934</b>	<b>3,892,352</b>	<b>377,418</b>	<b>10.74%</b>
<b>EXPENSES</b>				
<b>OPERATING BUDGET</b>				
Expenses	7,481,418	8,088,520	607,102	8.11%
Sewer Expenses	180,668	194,994	14,325	7.93%
<b>Total</b>	<b>7,662,086</b>	<b>8,283,514</b>	<b>621,428</b>	<b>8.11%</b>
<b>WARRANT ARTICLE (INDIVIDUAL)</b>				
To CRF	706,000	705,000	(1,000)	-0.14%
To Trust Funds	72,500	27,000	(45,500)	-62.76%
<b>Total</b>	<b>778,500</b>	<b>732,000</b>	<b>(46,500)</b>	<b>-5.97%</b>
<b>WARRANT ARTICLES (INDIVIDUAL)</b>				
Barn Bond	-	272,000	272,000	100.00%
Financial Software	61,300	-	(61,300)	-100.00%
Pay-by-Bag Special Revenue	85,000	60,000	(25,000)	-29.41%
Senior Center Rental Spec. R	1,000	-	(1,000)	-100.00%
<b>Total</b>	<b>147,300</b>	<b>332,000</b>	<b>184,700</b>	<b>125.39%</b>
<b>OTHER RATE IMPACTS</b>				
Fund Balance use	(331,300)	(200,000)	131,300	0.00%
Overlay	193,652	130,000	(63,652)	-32.87%
War Service Credits	214,900	214,900	-	0.00%
<b>Total</b>	<b>77,252</b>	<b>144,900</b>	<b>67,648</b>	<b>87.57%</b>
<b>GRAND TOTALS</b>				
<b>GRAND TOTALS</b>	<b>5,150,204</b>	<b>5,600,062</b>	<b>449,858</b>	<b>8.73%</b>
<b>TAX IMPACT</b>	<b>6.54</b>	<b>7.07</b>	<b>0.53</b>	<b>8.03%</b>
<b>Valuation</b>				
2021	788,374,298			
2022	792,316,169			



# Tax Rate Impact

- Amount to be raised by taxes

<u>2021</u>	<u>2022</u>	<u>\$ Change</u>	<u>% Change</u>
\$5,150,204	\$5,600,062	\$449,858	8.73%

- Tax Rate using estimated 2022 valuation

<u>2021</u>	<u>2022</u>	<u>\$ Change</u>	<u>% Change</u>
\$6.54	\$7.07	\$ 0.53	8.03%

# Two Additional money related Warrant Articles

Neither has a tax impact in 2022



# Article 11 – Pay-by-Bag

- \$60,000 being spent from the Pay-by-Bag Special Revenue Fund to offset Transfer Station costs.
- There is no tax impact.









Roof shingles in extreme failure – west side.



Foundation deterioration.



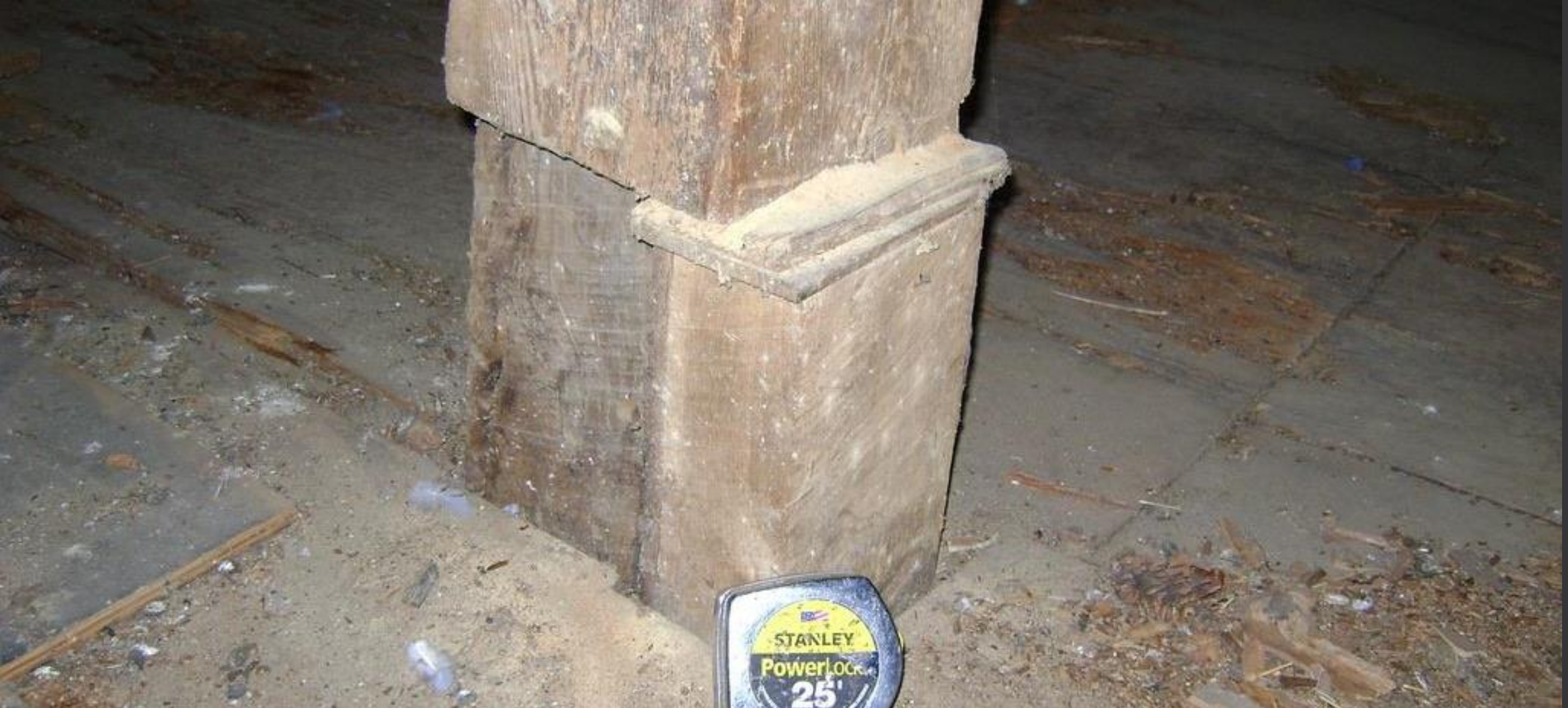
East foundation, water infiltration and soil erosion.



Northwest section of undercarriage, damage to floor and subfloor framing, temporary cribbing.



Repairs indicating possible decay at sills from animal waste.



Post cut off and shimmed, also active insect boreholes and frass evident.



Displaced tenon at tie beam. Vital roof support is potentially compromised.



Disconnected knee-brace, indication of settling and distortion of major frame timbers.





Nailed knee-brace connection at wall post separated.



Structural major roof purlin attached to bent by toe-nails only.



East loft, floor decay.



Clapboards warped and detached, with nails pulled.  
Typical of many.

# Houston Barn Committee

Remove Barn

Replacement  
on same site

- New 8800 sf building
- Two Stories; like current configuration

\$1.727m

Replacement  
on new site

- New 7000 sf building
- One Story
- Near Ballfields
- Remove Barn, clean site

\$2.286m

Barn  
Stabilization

- Structural repairs
- Jack building
- New Foundation with waterproofing
- Set building on new foundation
- Replace roof with standing seam metal

\$875k

Restore Barn

Barn  
Rehabilitation

- Stabilization Items
- Install Fire suppression
- Install electricity
- Separate DPW and insulate
- Heat in DPW/spinkler
- Siding, trim, doors, and windows

\$1.783m



**DPW /  
Building &  
Grounds**



**DPW /  
Building &**

# Building & Grounds







**HYSA**



**HYSA**



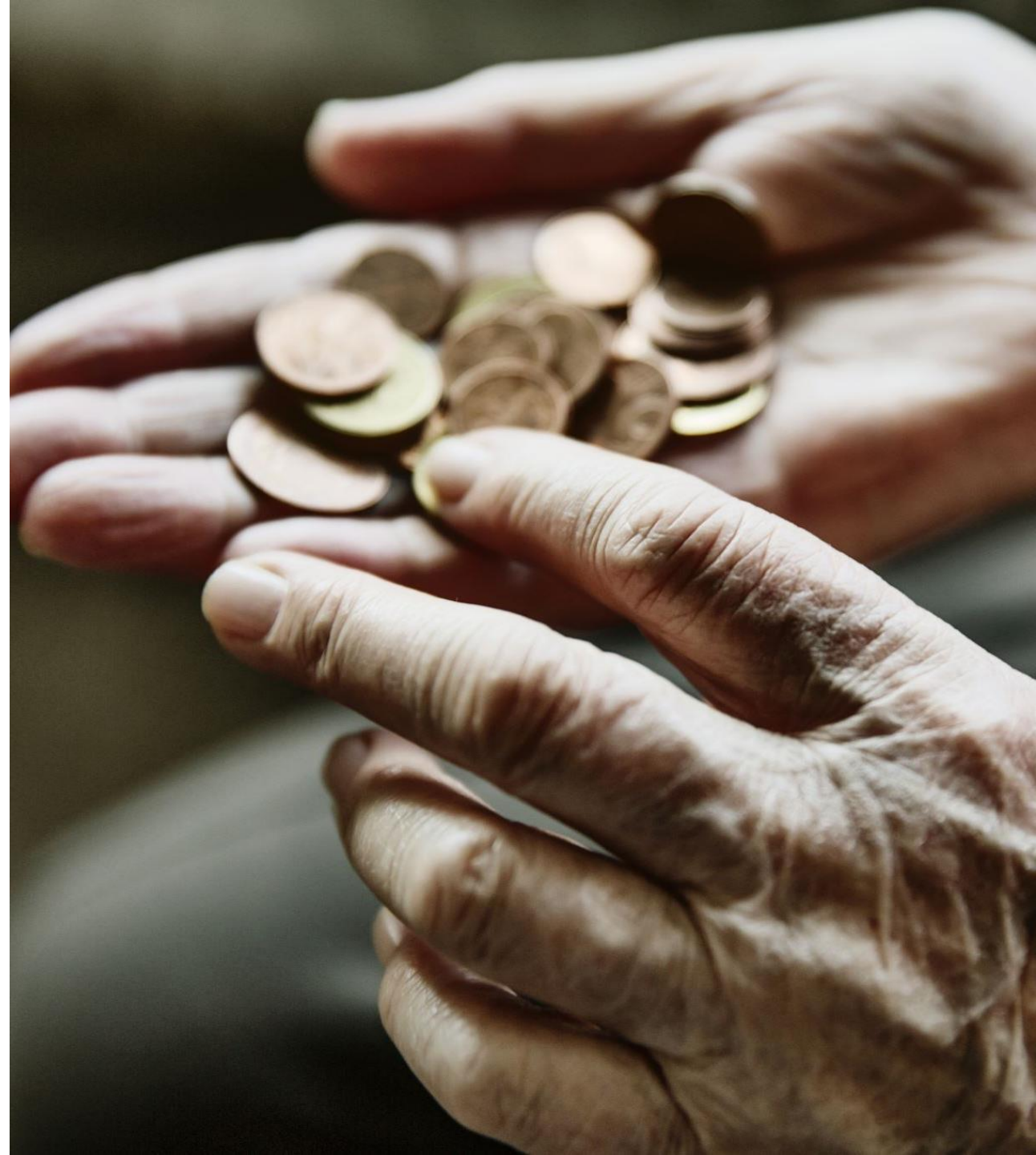
Bee Dept



REC DEPT

# How to pay for the stabilization

- Total cost \$875,000
  - \$603,000 from ARPA Funds
  - \$272,000 bond



# American Rescue Plan Act (ARPA)

- Federal Funds approved due to the pandemic
- Hopkinton has received \$603,117
- Needs to be expended in next 3 years
- One-time funds being used for a one-time expense.



<b>Amount of Bond -\$272,000</b>							
<b>YEAR</b>	<b>Outstanding Principal</b>	<b>Principal Payment</b>	<b>Rate</b>	<b>Interest</b>	<b>Total Payment</b>	<b>Tax Impact</b>	<b>Cost Property</b>
2023	272,000	32,000	2.00%	2,720	41,520	0.0524	18.34
2024	240,000	30,000	2.00%	4,800	34,800	0.0439	15.37
2025	210,000	30,000	2.00%	4,200	34,200	0.0432	15.11
2026	180,000	30,000	2.00%	3,600	33,600	0.0424	14.84
2027	150,000	25,000	2.00%	3,000	28,000	0.0353	12.37
2028	125,000	25,000	2.00%	2,500	27,500	0.0347	12.15
2029	100,000	25,000	2.00%	2,000	27,000	0.0341	11.93
2030	75,000	25,000	2.00%	1,500	26,500	0.0334	11.71
2031	50,000	25,000	2.00%	1,000	26,000	0.0328	11.49
2032	25,000	25,000	2.00%	500	25,500	0.0322	11.26
		<b>272,000.00</b>		<b>25,820</b>	<b>304,620</b>		<b>\$ 134.56</b>
2022 Estimated Valuation				792,316,169			



Questions?

