



HOPE CEMETERY COMMISSION MEETING

Monday June 17, 2024 – 4:00 P.M.

Parks, Recreation & Cemetery Administrative Office

Meeting Room A

50 Officer Manny Familia Way Worcester, MA 01605

Or

If you choose to use the Microsoft Teams platform:

- 1) Go to www.teams.com
- 2) Enter Meeting ID#: 239 819 641 769
- 3) Enter password: McksVq

If you choose to attend via phone:

- 1) Call 1-469-998-7682
- 2) Enter Meeting ID#: 845 922 185#

If technological problems interrupt the virtual meeting component, the meeting will continue in-person.

AGENDA

1. Call to Order
2. Attendance (Roll Call)
3. Acceptance of Minutes for the May 6, 2024 (Roll Call)
4. To request a reasonable accommodation or interpretation or submit written comments or questions in advance of the meeting, please contact the Hope Cemetery by email at Hopecemetery@worcesterma.gov. Please note that interpretation requests must be received no later than 48 hours in advance of the meeting. Para solicitar una interpretacion razonable, o enviar comentarios o preguntas por escrito por favor comuniquese con la oficina de la Division de Parques, Recreo & Cementerio por correo electronico a Hopecemetery@worcesterma.gov. Por favor note que las solicitudes de interpretacion deberan ser enviadas 48 horas antes de la reunion.

5. Public Participation – Pursuant to Chapter 20 of the Acts of 2021 and in order to ensure active, public engagement, the City of Worcester currently allows for both in person and remote participation at the Hope Cemetery Commission meetings. To partake in the “Public Participation” section of this meeting, you may join us directly within the 50 Officer Manny Familia Way Meeting Room A, follow the information above to join via the Microsoft Teams application or dial the direct line as indicated. If you would like to raise your hand when in the meeting as a call-in user, you may dial *5.
 6. Assistant Commissioners Report (See Report Topics Below)
 7. Old Business
 - a. 5 Year Capital Plan Discussion
 - b. Budget Discussion
 - c. Discussion on Barn Project
 - d. Explanation of Perpetual Care & Endowed Lots.
 8. New Business:

Agenda items must be submitted three (3) business days before each Commission Meeting with the subject line “Agenda Item” to Hopecemetery@worcesterma.gov.

 - a. Green Burial options in Worcester
 9. Date of Next Meeting:
 - September 9, 2024
 - October 7, 2024
 - November 4, 2024
 - December 2, 2024
 - January 13, 2025
 - February 3, 2025
 - March 3, 2025
 - March 24, 2025
 - May 5, 2025
 - June 9, 2025
 8. Meeting Adjourned (Roll Call)
-

ASSISTANT COMMISSIONER'S REPORT:

1. Friends Of Hope Cemetery - Update
 - a. Signage
 - b. Cemetery Plantings
 - c. Events
 - d. Sound System
 - e. Mausoleum
2. Genealogical - NA
3. Compost Site - NA
4. Water System - NA
5. Hope Cemetery Records - NA
6. Perpetual Care Fund – City Treasurer - Update
7. Rules and Regulation Changes - NA
8. Lot Sale Fee Changes - NA
9. Interment & Associated Fees - NA
10. Fiscal Year Budget - Update
11. Fiscal Year Capital Budget - Update
12. Donations - NA
13. Monuments and Mausoleums - NA
 - a. Discussion on new cremation burial options
14. Section Development -
 - a. Section 39 Possible Columbarium NA
 - Location – See Master Plan on the City Web Site
 - RFP
 - Design
 - Timeline
15. Building Rehab - NA
 - a. Barn
 - Reports – Submitted by the Friends of Hope Cemetery (2-10-2007)
 - Grants
 - Historical Commission
 - Plans of storage
 - b. Admin
16. Condition of Hope – Update
 - a. Sheriff's Community Outreach Program
17. Hope Cemetery Master Plan Approved by City Council 10-10-17.
 - a. [City Parks | City of Worcester, MA \(worcesterma.gov\)](#)
18. Misc. -
 - a. Productivity Reports
 - b. Staff
 - c. City Council Orders
 - NA
 - d. Articles
 - e. Other



HOPE CEMETERY COMMISSION MINUTES

Monday May 6, 2024 – 4:00 P.M.
Parks, Recreation & Cemetery Administrative Office
Meeting Room A
50 Officer Manny Familia Way Worcester, MA 01605

Or

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- 3) Enter password: 9j9AmT

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- 2) Enter Meeting ID#: 289 309 876#

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AGENDA

1. Call to Order 4:02pm
2. Attendance (Roll Call) 4 Commissioners were present.
 - a. Matthew Curewitz
 - b. Andrew Lizotte
 - c. Christopher Faucher
 - d. John Deedy
3. Acceptance of Minutes for the December 4, 2023 & April 8, 2024 (Roll Call)
 - a. Christopher Faucher motion to accept.
 - b. Andrew Lizotte -Second
 - c. Matthew Curewitz Motion approved 3-0
4. Acceptance of minutes for the April 8th, 2024, meeting
 - a. Christopher Faucher motion to accept.
 - b. Andrew Lizotte -Second
 - c. Matthew Curewitz Motion approved 3-0
5. To request a reasonable accommodation or interpretation or submit written comments or questions in advance of the meeting, please contact the Hope Cemetery by email at Hopecemetery@worcesterma.gov. Please note that interpretation requests must be received no later than 48 hours in advance of the meeting. Para solicitar una interpretacion razonable, o enviar

comentarios o preguntas por escrito por favor comuníquese con la oficina de la División de Parques, Recreo & Cementerio por correo electrónico a Hopecemetery@worcesterma.gov. Por favor note que las solicitudes de interpretación deberán ser enviadas 48 horas antes de la reunión.

6. Public Participation – Pursuant to Chapter 20 of the Acts of 2021 and to ensure active, public engagement, the City of Worcester currently allows for both in person and remote participation at the Hope Cemetery Commission meetings. To partake in the “Public Participation” section of this meeting, you may join us directly within the 50 Officer Manny Familia Way Meeting Room A, follow the information above to join via the Microsoft Teams application or dial the direct line as indicated. If you would like to raise your hand when in the meeting as a call-in user, you may dial *5.
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8. Old Business
 - a. 5 Year Capital Plan Discussion
9. New Business:

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 - a. Budget Discussion
 - b. Discussion on Barn Project
 - c. Explanation of Perpetual Care & Endowed Lots?
 - d. How are fallen gravestones addressed?
 - e. Status of digitizing of Cemetery records?
10. Date of Next Meeting:
 - June 10, 2024
 - September 9, 2024
 - October 7, 2024
 - November 4, 2024
 - December 2, 2024
 - January 13, 2025
 - February 3, 2025
 - March 3, 2025
 - March 24, 2025
 - May 5, 2025
 - June 9, 2025
11. Meeting Adjourned (Roll Call) 4:30PM
 - a. Christopher Faucher – motion to adjourn.
 - b. John Deedy -Second
 - c. Andrew Lizotte – ThirdAll in agreement 4-0

ASSISTANT COMMISSIONER'S REPORT:

1. Friends Of Hope Cemetery - Update
 - a. Signage
 - b. Cemetery Plantings
 - c. Events
 - Worcester Common burials located at Hope Cemetery, the gravestones will be located and placed at the site for the public to see
 - Memorial Day / Hospitality Day May 18th from 10:00AM – 2:00PM. Coffee and donuts will be served, as well as having 2 mausoleums opened. Houghton and Norcross.
 - Matthew Curewitz thanking the Friends of Hope Cemetery for all that they do for Hope Cemetery.
 - d. Sound System
 - e. Mausoleum
2. Genealogical - NA
3. Compost Site - NA
4. Water System - NA
5. Hope Cemetery Records – Commissioner Faucher asking what is the status of digitizing the cemetery records? Assistant commissioner Antonelli states that we need a new cemetery software system. Because to update the existing program it does not meet the city criteria. In the Fall of 2024, it will be reviewed again to move forward in contacting companies in regard to what they offer for programs.
6. Perpetual Care Fund – City Treasurer - NA
7. Rules and Regulation Changes - NA
8. Lot Sale Fee Changes - NA
9. Interment & Associated Fees - NA
10. Fiscal Year Budget - NA
11. Fiscal Year Capital Budget – should have more information at the next meeting waiting for budget discussion next week.
12. Donations - NA
13. Monuments and Mausoleums - NA
 - a. Discussion on new cremation burial options
14. Section Development -
 - a. Section 39 Possible Columbarium - NA
 - Location – See Master Plan on the City Web Site
 - RFP
 - Design
 - Timeline
15. Building Rehab - NA
 - a. Barn
 - Reports – Submitted by the Friends of Hope Cemetery (2-10-2007)
Jan Parent -President of the Friends of Hope Cemetery stated upon the research that was done, there recommendation was not to rehab the barn, that is still the answer as of today. Due to costs, safety, and the purpose of the barn for present use.

Commissioner Curewitz and Faucher questioning should we have the council members, city manager etc. come and look at the site?

Commissioner Curewitz is aware that Preservation Worcester is also involved in regard to the barn structure (endangered list). Commissioner Deedy: is it worth all this to keep it?

- Grants
- Historical Commission
- Plans of storage

- b. Admin
- 16. Condition of Hope – Update
- a. Sheriff's Community Outreach Program
- 17. Hope Cemetery Master Plan Approved by City Council 10-10-17.
- a. [City Parks | City of Worcester, MA \(worcesterma.gov\)](http://www.worcesterma.gov/city-parks)
- 18. Misc. -
- a. Productivity Reports
- b. Staff
- c. City Council Orders
 - NA
- d. Articles
- e. Other



Eric D. Batista
City Manager



CITY OF WORCESTER

May 7, 2024


Attachment for Item # 10.39 A

TO THE WORCESTER CITY COUNCIL


COUNCILORS:

In continuation of our collective efforts to build upon Worcester's standing as one of this country's great mid-sized cities, I submit to your Honorable Body the proposed Fiscal Year 2025 (FY25) operational and capital budgets. These budgets look to maintain our services and improve upon our operations while managing our resources with a clear understanding that the City must prepare for challenges ahead.

Empowering Progress: Investing in Equity, Talent, and Culture



When I was appointed City Manager in 2022, I discussed my strong belief in the potential of City government to serve as a voice for the Worcester community. Armed with a commitment to carefully consider our past and build a strategy for our future, I have been working with City Councilors, Cabinet, and my colleagues across the city to find ways to improve what we do and how we do it to ensure that it benefits all residents of Worcester. In furtherance of that effort, we have taken the time to reflect on how we think about equity, how we build talent, and how we strengthen our culture. While resources are thin, I believe this budget moves us forward on our path by continuing past progress and laying out the goals and objectives critical to our nascent strategic plan. With this Council's help, we will continue to ensure that we empower progress in a way that unlocks the full potential of Worcester's people and resources.



Revenues	Final FY24 Budget	Proposed FY25 Budget	FY24/25 Change	Percentage Change
Property Tax	377,780,173	396,160,848	18,380,675	4.9%
Local Receipts	52,827,468	56,665,950	3,838,482	7.3%
State Aid Education	367,359,158	387,183,357	19,824,199	5.4%
State Aid General	51,338,904	52,814,265	1,475,361	2.9%
MSBA/Other Available Funds	178,519	178,519	-	0.0%
Free Cash	17,739,514	-	(17,739,514)	-100.0%
Total Revenues	867,223,736	893,002,939	25,779,203	3.0%
Expenditures				
Education (WPS/Assessments)	505,898,599	532,960,820	27,062,221	5.3%
Fixed Costs	174,449,439	165,019,525	(9,429,914)	-5.4%
Contingency	4,186,285	6,677,731	2,491,446	59.5%
Public Safety	109,157,585	112,939,489	3,781,904	3.5%
Public Works & Parks	23,582,544	23,749,616	167,072	0.7%
Other Operational	49,949,285	51,655,758	1,706,473	3.4%
Total Expenditures	867,223,736	893,002,939	25,779,202	3.0%

The annual budget process begins with an analysis of the City's limited revenue streams. Overall revenues are projected to increase by \$25.8M from the FY24 Final Budget, or \$43.5M over the original FY24 Budget not including Budget Adjustments and Free Cash, for a total of \$893M. Revenue growth is experienced in the property tax (\$18.4M or 4.9%), state aid for education (\$19.8M or 5.4%), local receipts (\$3.8M or 7.3%), and local aid (\$1.5M or 2.9%). We anticipate solid growth in the property tax and are budgeting new growth of \$7.5M. State aid is based on the Governor's proposed budget, which will undoubtedly see changes as it navigates the legislative budget committees. The House of Representatives has already released its proposed budget which increases school funding by \$333K and reduces local aid by almost \$1M. Local receipts have been strong in FY24, and we're anticipating continued growth in Motor Vehicle Excise, Licenses & Permits, and especially Investment Income. While high Federal Reserve rates have a negative impact on the City's borrowing, there is a positive impact on the City's bank rates resulting in higher returns than in prior years.

Public budgets in Massachusetts must balance, which means that the \$893M in total projected revenues matches the \$893M in total projected expenditures. As with every year, the majority of this funding goes to education, with \$533M or approximately 60% committed to the Worcester Public Schools, charter schools, school choice, and special education. This represents a \$27M increase in education funding, of which \$23.8M is

dedicated to the Worcester Public Schools. The required increase in the local contribution – \$7.2M for a total of \$145.7M – is the highest in more than a decade. It is important to note that the budget also includes an estimated \$22M for school-related debt service – a number that is not accounted for under Chapter 70 education funding obligations. In that vein, we see increases in debt service (11.5%), pension obligations (2.8%), health insurance (3.3%), and other fixed costs that further impact our ability to direct funding to new or expanded services.

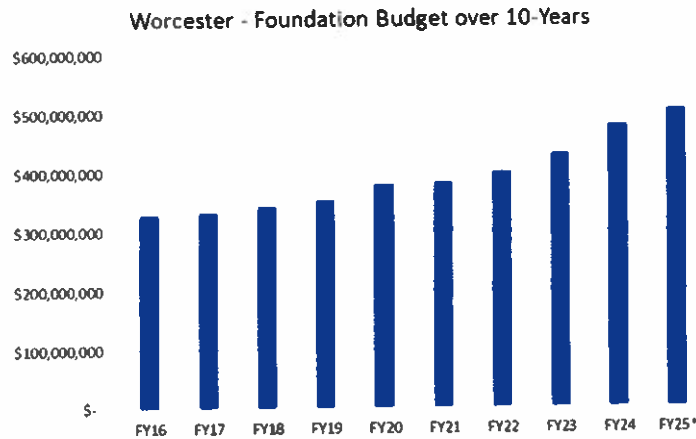
Like last year, I am also committed to providing a 3% Cost of Living Adjustment (COLA) to all staff, recognizing the challenging impact of inflation over the past few years. While non-negotiable to me, this more than \$4M cost understandably limits the amount of funds available for other priorities. At a far lesser scale, I am also committed to providing a 1.5% market adjustment to non-represented staff whose pay increases have not kept pace with collective bargaining agreements. As you know and have supported, over the years we have worked with unions to raise our minimum wage, increase those at the lowest end of the pay scale by two pay grades, provide no cost parking to all staff, and offer COLAs and adjustments to various unions that were not enjoyed by non-represented staff. Equity demands that we address the disparity. Finally, I am also proposing targeted increases to Cabinet. Members of the Cabinet have no automatic step increases and, except for COLAs, base pay for most has not changed for years. We reviewed compensation at some of our sister-cities across Massachusetts and we know our pay scale is flawed. Again, equity demands that we take action. During FY25 and into FY26, we are going to expand that analysis to all management and professional positions to ensure that disparities are addressed and differentials are appropriate.

The result of all these priorities is a budget that invests our limited resources where necessary and in a manner that prepares the City more strategically for the future.

Key Investments

Education

The vast majority of the City's increases were directed to Education. While State Aid for Education rose by \$19.8M, the City's own contribution from local funds increased by \$7.2M under the Chapter 70 formula. This continues a trend that has seen the City's local contribution to Education increase by more than \$20M over the past five years, while overall Chapter 70 Aid has increased by approximately \$100M. In Fiscal 2025, the Worcester Public Schools will receive \$485.7M, a \$23.8M increase over Fiscal 2024. Funding for Charter Schools, School Choice, and Special Education is at \$47.3M, an increase of \$3.2M over Fiscal 2024.



Fixed Costs

Fixed Costs is a critical component of the City's annual budget calculations, including pensions, health insurance, and debt service. In FY25, Fixed Costs are anticipated to be \$165M, a decrease from the FY24 Final Budget due to Free Cash investments in the Bond Rating Stabilization Fund (\$9.5M) and the OPEB Trust Fund (\$5.7M). Without these one-time contributions, Fixed Costs have increased approximately \$5.8M year over year.

The largest increase in Fixed Costs is debt service, which rises nearly \$5M as a result of investments in new schools, parks, and streets and sidewalks. In order to manage this debt load, we must limit our borrowing and find new ways to build revenues and reserves.

I am proposing under separate cover enhancements to the Financial Integrity Plan to solidify our reserves, primarily with one-time revenues. The next largest increase is pensions, which grows by just over \$1M, followed closely by health insurance. We are experiencing some savings in Fixed Costs by reducing the Snow budget by \$500K based on historic utilization. In only two years in the past two decades – 2009 and 2017 – have expenditures exceeded the \$6M allowance for snow.



Funding of over \$20M to various stabilization funds and trusts is a critical element in our ongoing fulfillment of the City's Financial Integrity Plan. Notable contributions within these funds includes \$9.8M to the New High School Construction Fund for increasing debt service related to South High Community School and Doherty Memorial High School, and \$480K to the North High Construction Fund. Over \$2.5M is allocated to the Capital Campaign Stabilization Fund which supports debt service on Worcester Technical High School, Forest Grove Middle School, and library and senior center renovations. The City's two District Improvements Districts – CitySquare and Ballpark – have combined budgets of approximately \$7M, funded by incremental taxes, permit fees, and hotel/meals taxes. We continue to increase our contributions to the OPEB Reserve Fund by 10% annually as we carry out our long-term goal of addressing the approximately \$1.2B liability that OPEB poses.

The City's Contingency Budget is high this year – \$6.7M – due to outstanding union negotiations. Contingency includes only a \$250K base for a neighborhood advocates program and other potential items that might arise throughout the year. However, it also

includes \$4M for COLAs for union employees awaiting new contracts and \$2.5M for prior-year retroactive payments upon contract execution.

Public Safety

After education, public safety is the City's largest expense at \$113M or 12.7% of the FY25 Budget. This category includes Police, Fire, Inspectional Services, and Emergency Communications and reflects an approximately \$3.8M overall increase over FY24. Investments in public safety include new training opportunities in Police, as well as replacement safety equipment and firearms for officers. Police also includes a significant increase in OM to accommodate the demands of a temporary chiller while a longer-term HVAC solution is designed and implemented via the Capital Budget. In Fire, funds were proposed for a new staff position to improve our ability to review fire plans with a greater focus on hazardous processes, as well as a regrade of eight firefighter positions to enable a floating contingent that will reduce mandatory overtime due to mandated temporary promotions of other staff. In Inspectional Services, we're reestablishing the formal Building Commissioner position, adding one inspector for plumbing and gas work, enhancing the department's social work capacity, and finalizing our consolidation of licensing into department. In Emergency Communications, we're regrading certain positions to establish a clearer table of organization, adding three customer service representatives to both improve services and reduce demands on dispatchers, and incorporating an additional expectation of overtime due to lengthened work schedules.

Public Works & Parks

The Department of Public Works & Parks (DPW&P) is the next highest expense at \$23.7M or 2.7% of the FY25 Budget. It reflects a \$167K increase over FY24. DPW&P includes a number of regrades and transfers to realign budgets and tables of organization, increases in overtime to reflect actuals, increases for utility expenses, and increases in park investments, especially in aquatics with the implementation of a new contract to manage staffing of the City's public pools. The City is anticipating a combined 3% increase in water and sewer rates, due to a 4% increase in obligations to the Upper Blackstone, as well as increasing costs for maintenance and repair, utilities, chemical supplies, software, and environmental services. The proposed rates represent a \$0.04 increase on the water rate

and a \$0.35 increase on the sewer rate, or approximately \$4.96 on the average quarterly household bill.

Other City Services

While comprising relatively small percentages of the overall budget, there are many key departments that fulfill core elements of the City's mission due to passion and creativity. In Health & Human Services, we have increased staffing for veterans, we are funding our Youth Council, and we have moved national opioid settlement fund dollars to a special revenue fund offering an improved ability to strategically plan for long-term solutions. In Economic Development, we are preparing for a renewed zoning code while transitioning funding for Discover Central Massachusetts from the American Rescue Plan Act (ARPA) funding back to Ordinary Maintenance to continue our collective efforts to draw new visitors to Worcester and the DCU Convention Center & Arena. In Innovation & Technology, we are increasing our cybersecurity and expanding our presence in the cloud. Across the City, we are looking at reorganizations, efficiencies, technology, and other improvements so that we can continue to do more, and oftentimes more with less.

Centralization

A key aspect of our efforts to do more with less is a strategic approach to centralization. While our City has varied responsibilities and diverse interests, it has one purpose captured by our theme of empowering progress. Progress means finding our voice, working together, and achieving the otherwise impossible. I am working with departments across the City to build centralized systems that will allow us to capitalize on expertise and provide efficiencies for departments to do more. The City Manager's Office serves as the hub of the City Administration, and therefore has an important responsibility defining and explaining all that we do. As part of that effort, I have worked to improve communications among departments, with City Council, with the media, and with the public at large. One element is the creation of a marketing and public relations team. This group, currently including writers and videographers, will continue to expand with the transfer of two positions from Innovation & Technology (DoIT) to the City Manager's Office to focus on web design and outreach, and one position from Public Health to continue to craft our message to the community. A team needs a leader, however, so I've added a

position into the FY25 Budget to serve as Director of Marketing & Public Relations. In HR, we are also looking to craft a team that can collaborate with City departments to recruit and retain a diverse, talented workforce. We have consolidated HR business partners from DPW&P and Police into HR, as well as a Risk Management position from DPW&P. We have added a Leave Management Specialist who can work with supervisors to manage paid leave and the impacts it has on operations. Our new Workday Human Capital Management (HCM) system, which is expected to go live in early 2025, will provide a centralized human resource system serving as a one-stop shop for staff and management alike. In Administration & Finance, we are taking the first steps to centralize procurement, building a system that will both serve and lead departments to ensure the highest value and the lowest price, with opportunities for vendors across the spectrum. We are also refunding the grants acquisition position in the Budget Office, providing centralized support for identifying and submitting grant applications. Finally, in DoIT, I am empowering our technological leads to truly lead on technology, working with departments to ensure that new technologies are innovative, integrated, and secure.

An operating budget is only one aspect of our financial planning. The capital budget has even more impact on our future than today's annual operating budget. Today's capital budget is tomorrow's debt service, as well as tomorrow's operating costs as it relates to utilities, maintenance, fuel, etc. Soliciting feedback from across City leadership, we are proposing an FY25 capital borrowing of \$135.8M, a significant portion of which is Massachusetts School Building Authority (MSBA)-related borrowing or enterprise/self-funded borrowing. Only \$41.5M of the capital budget represents tax levy operational needs, a decrease of almost \$5M from FY24. We have looked to invest in public safety vehicles, City facilities and energy efficiencies, the DCU, street and sidewalk design and construction, a plethora of park projects, and water and sewer needs. We are also investing in technology and equipment, to ensure our staff have the tools they need to do the work they do. One important note on schools. The Superintendent and I have had very productive conversations about the needs and limitations of our shared facilities. As you know, we have a significant number of school-related projects underway and are anticipating future movement on a new Burncoat Middle & High School. A few months ago, with your approval, I created a new School Capital Maintenance Fund to help support

school-related activities. As part of a longer-term strategy, for the next five years I am proposing the City increase its contribution to WPS facility needs by \$1M, supported by Community Development Block Grant dollars, as we look to find new and innovative sources for both City and School building investment.

Empowering Progress

I appreciate the City Council's consideration of these proposed budgets. Crafting a budget is a challenging process and few leave the table completely satisfied, myself included. There is always more we want to do. And in some cases, there is always more that we should do. But we face limited resources, and those limits are undoubtedly going to continue into the future. I believe this budget is a step forward in the right direction as we navigate the needs of today and the demands of tomorrow.

The Fiscal 2025 Operation and Capital Budgets are available on the City's website at the link below:

<http://www.worcesterma.gov/finance/budget-central>

Respectfully submitted,



Eric D. Batista
City Manager

City of Worcester Municipal Strategic Plan

Fiscal Year (FY) 2025 marks the conclusion of the FY20-24 Strategic Plan. Based on the priorities of creating a vibrant, thriving city; providing opportunities for all; building strong neighborhoods; and maintaining a sound fiscal and operational government, that plan was the source for annual Departmental Development Plans (DDPs) to ensure alignment of priorities to achieve the municipality's mission and vision.

Today, Worcester requires a new roadmap for continued and sustainable success so that it can become the best managed city in the country. This can only be achieved by centering equity and inclusion as foundational strategic principles. Equity must be at the heart of the municipality's mission in order to enhance the quality of life for *all* residents. This new framework, based on a fresh mission and vision, will inform municipal DDPs through FY29, based on the following six priority themes:

Public Health & Safety

To protect and improve the health and safety of all community members through an integrated model of prevention, intervention, and suppression.

Affordable Neighborhoods & Reduced Homelessness

To allow all neighborhoods and residents to thrive through measures that will lower homeownership and rental costs, offset inflation, promote and increase accessibility of social safety nets, and disrupt the cycle of chronic homelessness.

Investment in Quality Education

To facilitate expanded resources for students and sustainable investment into capital improvements that will upgrade, modernize, and remediate school buildings.

Clean City Initiatives

To enhance environmental health and residents' quality of life through programs, educational initiatives, and constituent services that reduce pollution, improve landscaping, and move the city toward Zero Waste.

High Performing Government & Strong Financial Health

To establish efficient and streamlined operations, strategic investment and budgeting, and a positive organizational culture built on a core value system and integrity.

Economic Growth

To increase the city's tax base through policies and partnerships that catalyze small business and entrepreneurship, sustain housing production, attract and retain talent and new businesses across industries, and adapt to shifting labor markets.

The full Strategic Plan will be published shortly after the FY25 Budget, with a detailed outline of corresponding objectives and strategies.

The development of the FY25-29 Strategic Plan has been years in the making.

The administration reflected on who Worcester is as a city and who Worcester is as a city *government*. The priority areas were designed to reflect Worcester's evolving demographics, promote equity, and

ensure that no community members are overlooked. They also represent the essential services that a municipal government owes to its residents and must be held accountable for, while maintaining sustainable and efficient operations.

In addition to internal discussion and self-study, the administration embarked on a robust community engagement process, including community surveys, City Manager listening sessions, and stakeholder focus groups. The FY25-29 Strategic Plan also takes into account the extensive feedback that was collected and analyzed during the development of the Worcester Now | Next long-range plan, Urban Forestry Master Plan, Green Worcester Sustainability and Resilience Strategic Plan, and the Worcester Mobility Action Plan. The new Strategic Plan is built upon the same values as those plans and will provide an overarching framework to unify and guide the municipality's work and services over the next five years to make Worcester a more vibrant and thriving city for all.

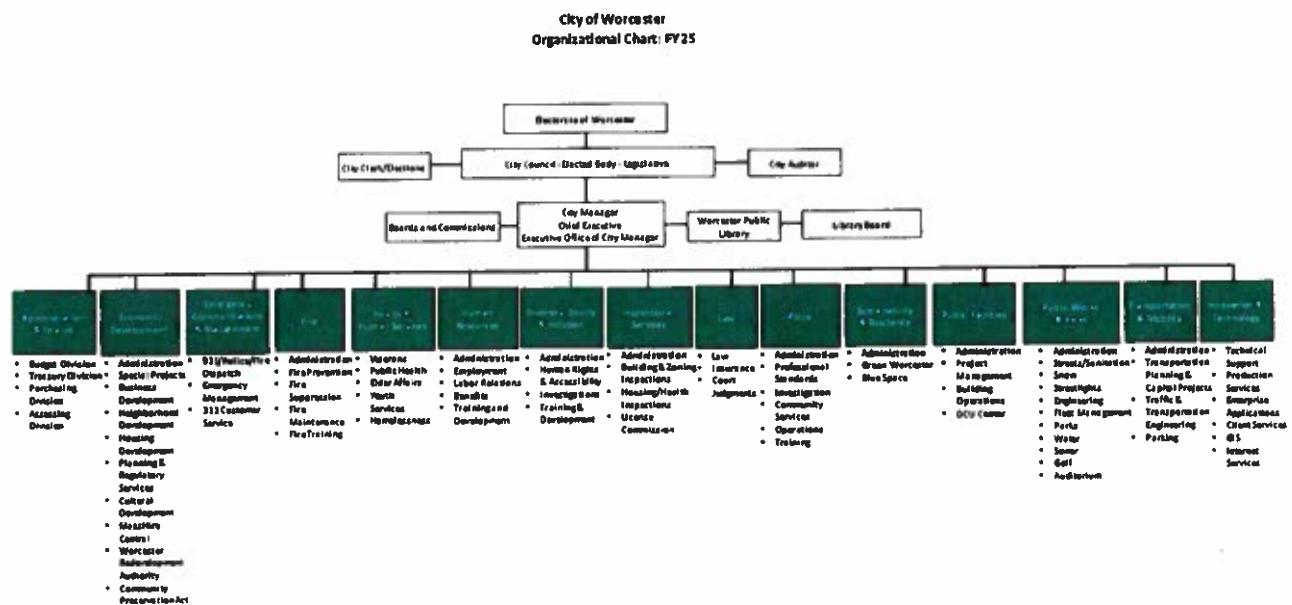
CITIZEN'S GUIDE TO OUR CITY'S FINANCES

Introduction

The residents, tax payers, and business owners rely on our government to provide essential services to our community such as public safety, education, public works, and health and human services. Transparency is critical in achieving the proper level of services while living within the financial constraints of available resources. This document has been prepared as an informative guide for our citizens. The following provides some basic facts about our City:

- Population: 206,518
- Land Area: 38.57 square miles
- Median Household Income: \$63,011
- Median Home Value: \$352,050
- Total FY24 Equalized Valuation: \$18.7 billion
- Fiscal 2025 Operating Budget: \$893 million

The City of Worcester was first established as a town in 1722 and incorporated as a City in 1848. It is currently the second most populous city in the New England region and is located approximately 45 miles west of Boston. The City of Worcester is governed by a Council-Manager, or Plan E, form of government with a popularly elected Mayor, 11 City Council Members (one of whom is the Mayor), and an appointed City Manager. Per the City Charter, the City Manager recommends a balanced budget to the City Council, meaning the revenue estimates equal the proposed expenditures. The City Council may, by majority vote, make appropriations for the purposes recommended. They can also reduce or reject any amount recommended in the annual budget. They cannot, however, increase any amount in an appropriation, nor increase the total of the annual budget.

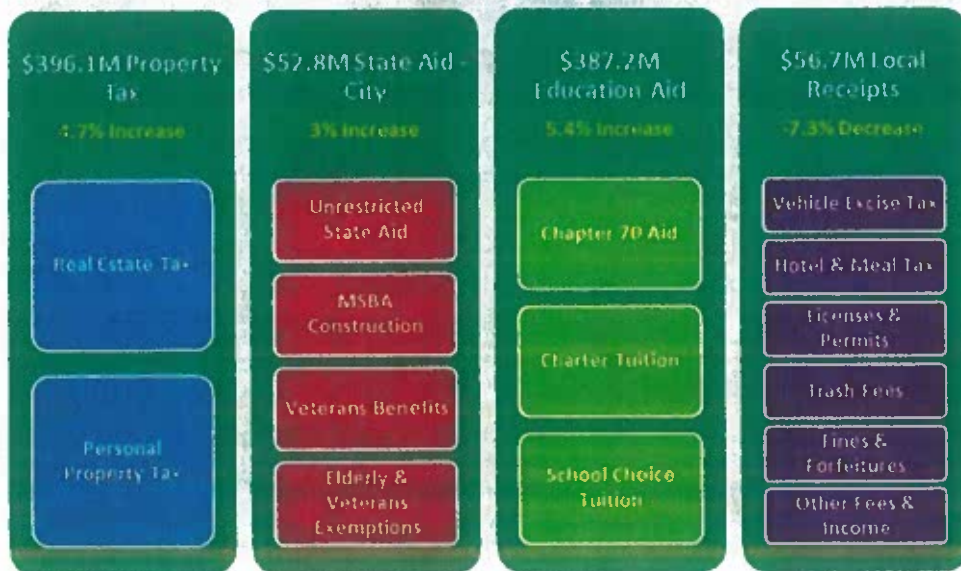
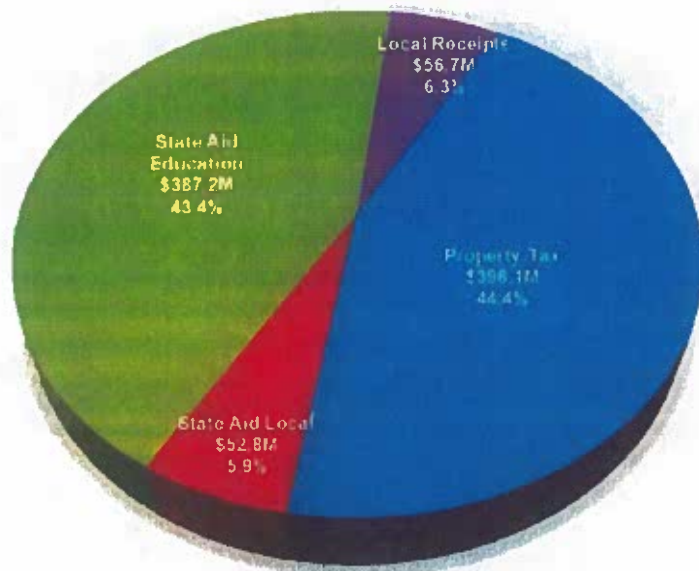


CITIZEN'S GUIDE TO OUR CITY'S FINANCES

Revenue Overview – Sources of Funding for City Services

General fund revenues come in three main forms: property taxes, state aid, and local receipts. As depicted in the graphics below, 44.4% of City revenue comes from property taxes, 49.3% in State Aid – inclusive of City and Education reimbursements, and 6.3% comes from local receipts such as motor vehicle excise, licenses, permits, and other charges. Detail on each area of the City's revenues are provided in the line item summary the follows.

FY25 Revenues: \$893M

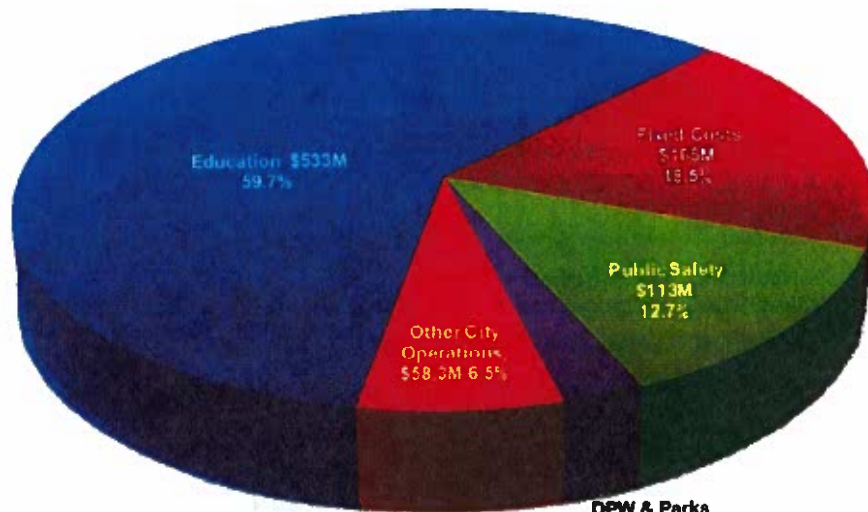


REVENUE & EXPENDITURE SUMMARY

Expenditure Overview – Categories of Expenditures for City Services

Education remains the City's largest expenditure at \$533M or 60% of the general fund expenditures. Fixed costs include pensions, debt, and health insurance and total \$165M, or 18.5%. This leaves \$113M or 12.7% for public safety, \$23.7M or 2.7%, for Public Works and Parks, and \$58.3 or 6.5% for all other City operations. A detailed discussion of each spending area is provided in the following introduction as well as in each of the departmental budget sections in the document that follows.

FY25 Expenditure Budget: \$893M



**DPW & Parks
\$23.7M
2.7%**



REVENUE & EXPENDITURE SUMMARY

Fiscal 2025 Budget Financial Plan

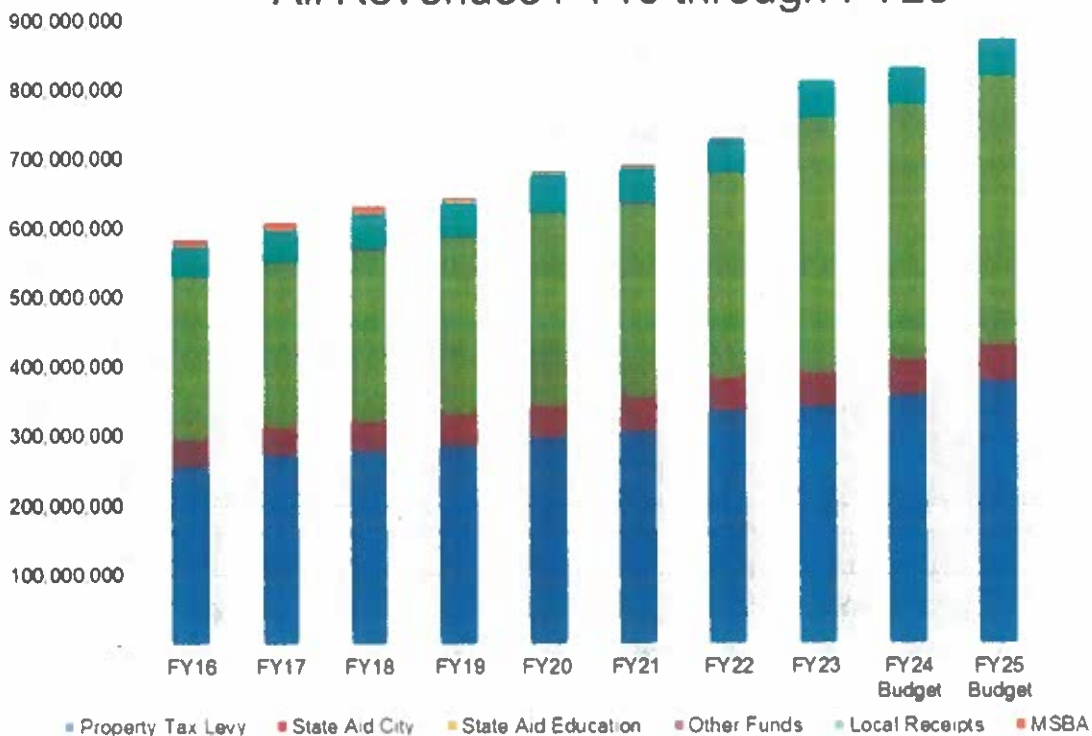
Revenue and Expenditure Overview

The Fiscal 2025 recommended budget is balanced and submitted in accordance with the City Charter and Chapter 44 of the Massachusetts General Laws. All of the revenues or other funding sources for the appropriation recommended in this budget are detailed below. Expenditure appropriation recommendations are summarized in this overview and detailed in each of the departmental sections that follow. The official appropriation order is summarized in the Line Item Budget at the end of the budget document.

Revenue Overview

The Fiscal Year 2025 budget is funded through \$893M in revenues. This is comprised of \$396.1M in property taxes, \$52.8M in State Aid for City operations, \$387.2M in State Aid for Education. Other revenues include \$56.7M in local receipts, and \$178K in other available funds. The following describes each revenue category in detail and provides data from the last ten years to put current revenue estimates in perspective.

All Revenues FY16 through FY25



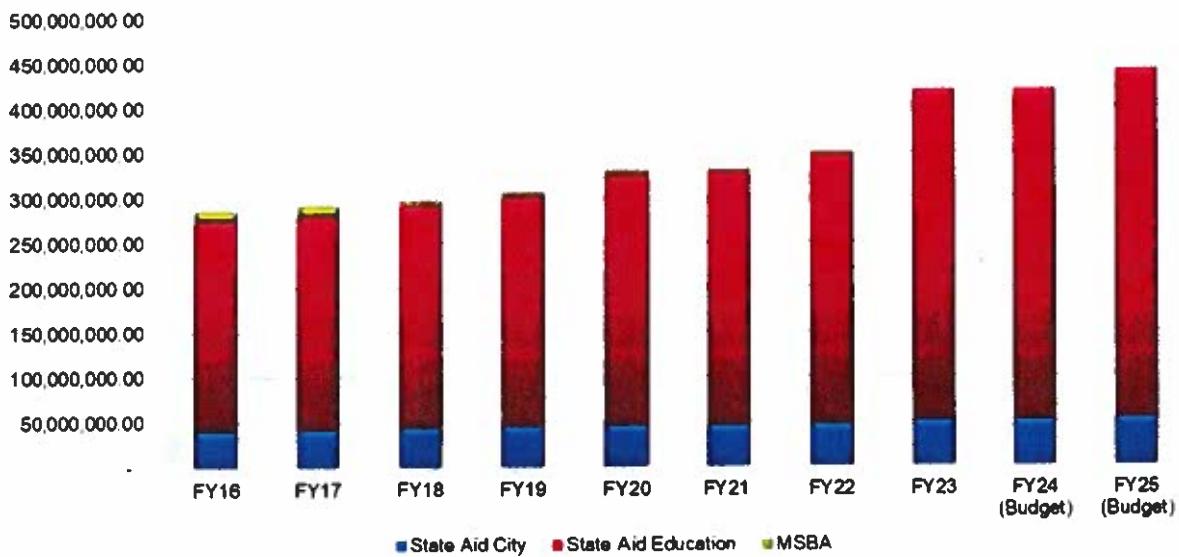
REVENUE & EXPENDITURE SUMMARY

State Aid (Cherry Sheet)

The Cherry Sheet is the name of the official document used by the Commonwealth of Massachusetts to inform cities and towns of the estimated receipts from the Commonwealth for Unrestricted General Government Aid, Education Aid and other state-determined revenue categories. It also informs cities and towns of anticipated intergovernmental charges, including the charges for regional transit and charter school tuition. These amounts are all subject to change based on the final budget for the Commonwealth. The estimates included here are based on the Governor’s proposed budget for Fiscal 2024. The following illustrates the breakdown in categories of State Aid funding as well as a ten-year history.

State Aid Summary	FY24 Budget	FY25 Budget	FY24/25 Change	% Change
State Aid City	49,680,150	51,170,554	1,490,404	3%
State Owned Land	308,772	310,241	1,469	0%
State Exemptions	442,129	458,909	16,780	4%
Veteran’s Benefits	907,853	874,561	(33,292)	-4%
State Aid City Total	51,338,904	52,814,265	1,475,361	3%
State Aid Education	357,541,905	377,102,598	19,560,693	5%
State Aid Charter Schools	9,817,253	10,080,759	263,506	3%
State Aid Education Total	367,359,158	387,183,357	19,824,199	5%

History of State Aid FY16 to FY25





REVENUE & EXPENDITURE SUMMARY

State Aid Categories

The following describes each of the line items on the Cherry Sheet and the State Aid amounts anticipated by the City for Fiscal 2025.

Education Aid – Chapter 70

Massachusetts General Laws Chapter 70 Education Aid provides financial assistance to cities and towns in order to promote the equalization of the burden of school costs across the state. Chapter 70 School Aid is based on a formula that generates a “foundation budget” representing the per-pupil funding required in each community under state law. The state then uses a separate formula to determine a locality’s required contribution for education from local revenues using the Department of Revenue’s Municipal Revenue Growth Factor (MRGF). The result of this formula is the City’s required contribution for education. The difference between the calculated “foundation budget” and the City’s “required contribution” is then funded with Chapter 70 Aid. Chapter 70 Aid for the Worcester Public Schools is projected to be \$377,102,598. This is \$19.6M more than Fiscal 2024. This increase reflects increases called for under the Student Opportunity Act which increases the Foundation Budget each year through Fiscal 2028.




Unrestricted General Government Aid

This State Aid category represents the bulk of the non-educational aid received by cities and towns. The City of Worcester, by formula, receives approximately 4% of the total State appropriation of this category and anticipates receiving \$51,170,554 in Unrestricted General Government Aid, which represents a 3% increase over Fiscal 2024.

Charter School Reimbursement

The Commonwealth provides a declining reimbursement amount to cities and towns for each student that chooses to attend a Charter School. Worcester’s Charter Tuition Reimbursement is estimated to be \$10,080,759. This amount is subject to change as final enrollments in the City’s charter schools are tabulated.

Veterans Benefits



The Commonwealth of Massachusetts reimburses the City 75% of the cost of veterans’ benefits. As a result of the timing for reimbursements from the State, this revenue source represents 75% of the City’s spending on veterans’ benefits for the past 12 months, not an estimate of the coming 12 months. Benefits are paid consistent with Massachusetts General Laws Chapter 115. The Fiscal 2025 reimbursement estimate is \$874,561.

REVENUE & EXPENDITURE SUMMARY

State Owned Land

The Commonwealth provides a reimbursement to cities and towns for tax revenues lost due to state owned land. The reimbursement is based on state calculated values and is based solely on the value of the land itself, not the structures on the property. This receipt is estimated to be \$310,241.

Veterans, Elderly, and Disabled Tax Exemption

Under Chapter 59, Section 5, clause 41C of Massachusetts General Laws, as amended by Section 5 of Chapter 653 of the Acts of 1982, persons who meet statutory criteria including age, status, and income thresholds will receive a state-funded flat tax exemption of \$500-\$1,000. The Fiscal 2025 budget includes a Cherry Sheet allocation of \$458,909 for these exemptions.

Property Taxes

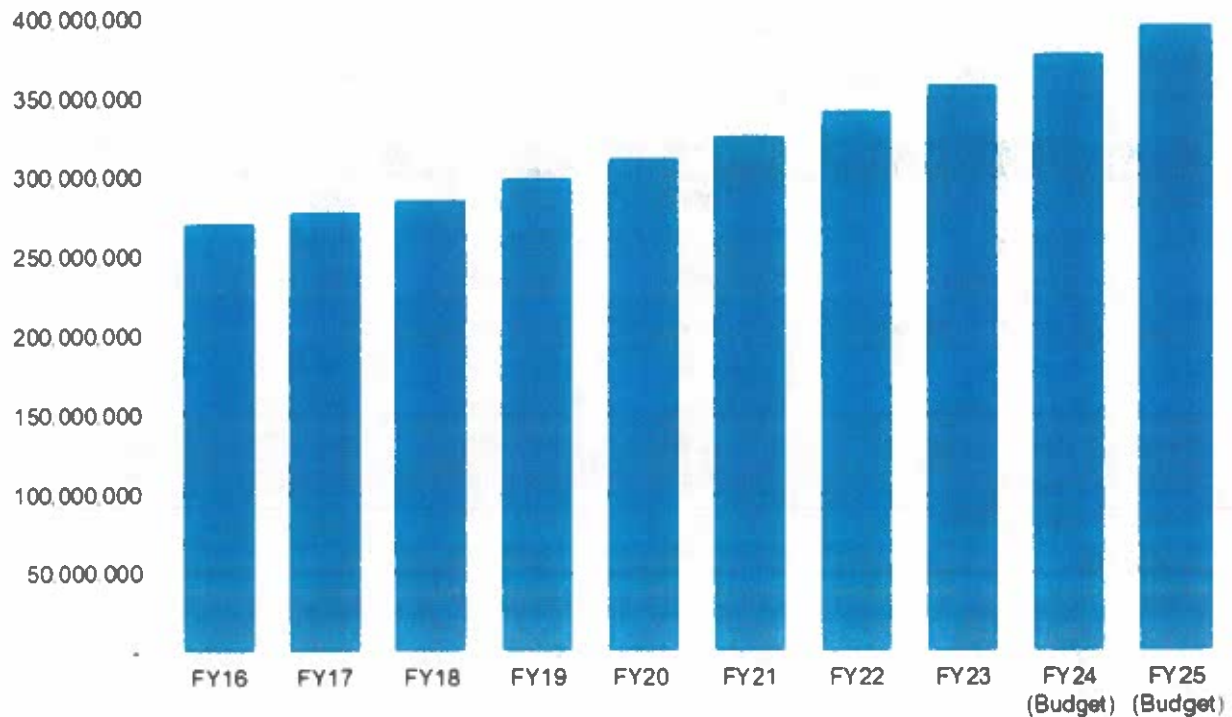
The Fiscal 2025 budget includes property tax revenue increases consistent with the provisions of Proposition 2½, recognizing a 2.5% increase in the property tax levy as well as the value of new construction growth projected to be certified by the Commonwealth. The budget assumes a Proposition 2 ½ increase in the amount of \$10.1M and new growth of \$7.5M. The gross tax levy of \$399.9M is reduced by an amount reserved for exemptions and abatements (Overlay Reserve - \$3.75M) to derive a net tax levy which is subject to appropriation. For Fiscal 2025 the net tax levy is projected to be \$396,160,848.

Property Tax Revenue	FY22	FY23	FY24	FY25
Prior Year Levy	330,817,261	346,631,783	362,956,395	382,272,425
Prior Year Levy Limit	351,294,265	367,273,954	384,220,890	405,536,919
Prior Year Amended New Growth ¹	174,448	926,365	480,246	
2.5% Increase	8,786,718	9,205,008	9,617,528	10,138,423
New Growth	7,018,523	6,815,563	11,218,255	7,500,000
New Levy Limit	367,273,954	384,220,890	405,536,919	423,175,342
Remaining Unused Levy Capacity	20,642,171	21,264,494	23,264,494	23,264,494
New Total Levy	346,631,783	362,956,395	382,272,425	399,910,848
Less Overlay	(5,000,000)	(4,520,263)	(4,000,000)	(3,750,000)
Available Tax Levy	341,631,783	358,436,132	378,272,425	396,160,848

¹ Prior Year Amended New Growth is not budgeted for appropriation

REVENUE & EXPENDITURE SUMMARY

PROPERTY TAX LEVY



Overlay Reserve for Abatements and Exemptions

The overlay reserve is raised by the City Assessor in excess of appropriations and other charges for the purpose of creating a fund to cover abatements and exemptions. Abatements are granted in circumstances where real or personal property has been overvalued or disproportionately valued and appropriate adjustments are made to the original assessed value. The overlay for Fiscal 2025 is set at \$3.75M.

Unused Levy Capacity

Unused levy capacity is the amount of property tax allowed under the proposition 2 1/2 Levy Limit that is not appropriated as part of the fiscal year budget. This amount could be raised through taxation without an override or debt exclusion vote. With the Fiscal 2025 budget, the City has increased the Unused Levy Capacity to \$23.3M. Through the implementation of the City's Financial Integrity Plan, Unused Levy Capacity has increased from \$6M in FY16 to over \$23M in Fiscal 2025. This represents tax relief for both residential and commercial taxpayers in the City.

REVENUE & EXPENDITURE SUMMARY

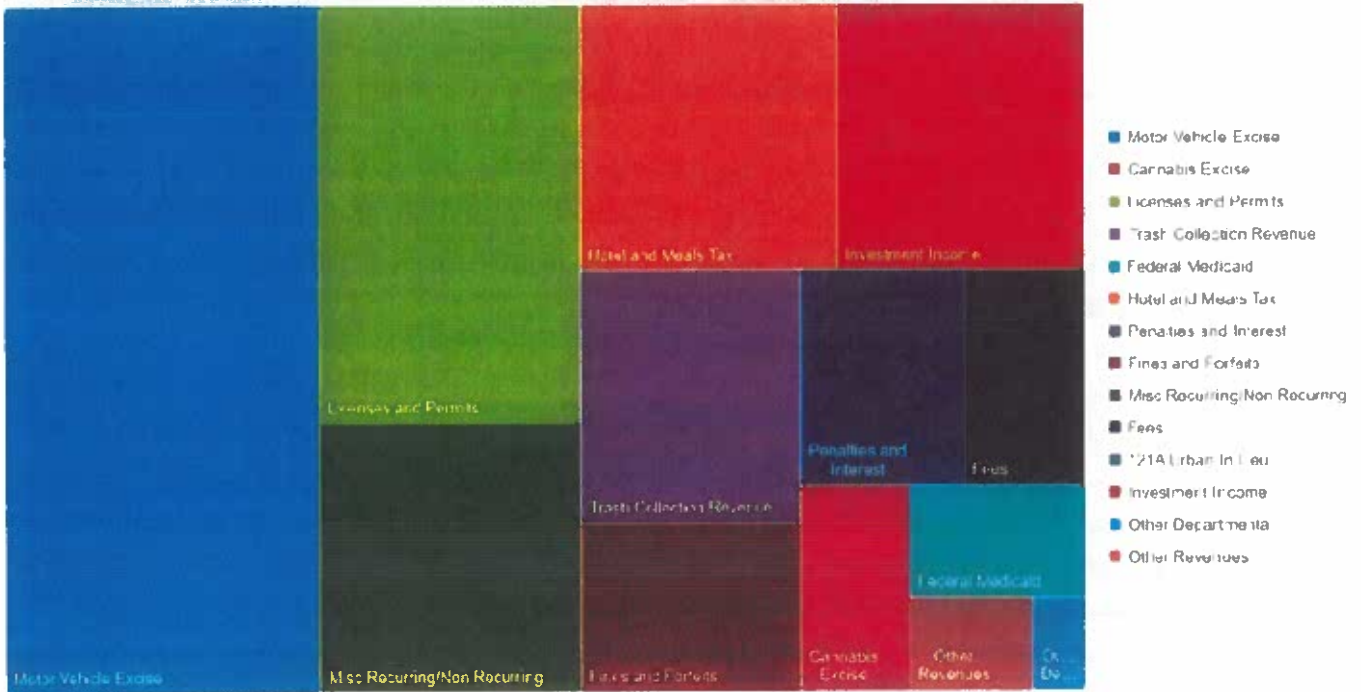
Local Receipts –

The last major category of City revenues is local receipts, comprised of locally generated taxes, fees, and charges. The major contributors include Motor Vehicle Excise taxes, building and other permits, licenses, trash collection fees, as well as various other fines and charges. The Fiscal 2023 and 2024 budget amounts include additional appropriations made at budget recapitulation.

Revenue Summary	FY24 Budget	FY25 Budget	FY25 Change	% Change
Motor Vehicle Excise	15,750,000	16,500,000	750,000	4.76%
Cannabis Excise	1,500,000	1,700,000	200,000	13.33%
Licenses and Permits	7,301,450	8,390,650	1,089,200	14.92%
Trash Collection Revenue	4,250,000	4,250,000	-	0.00%
Federal Medicaid	2,750,000	1,500,000	(1,250,000)	-45.45%
Hotel and Meals Tax	4,845,290	5,200,000	354,710	7.32%
Penalties and Interest	2,102,500	2,682,500	580,000	27.59%
Fines and Forfeits	2,158,000	2,833,000	675,000	31.28%
Misc Recurring/Non				
Recurring	6,118,378	5,410,000	(708,378)	-11.58%
Fees	2,201,350	1,958,800	(242,550)	-11.02%
121A Urban In Lieu	-	-	-	0.00%
Investment Income	2,600,000	5,000,000	2,400,000	92.31%
Other Departmental	380,500	371,000	(9,500)	-2.50%
Cemetery Revenue	460,000	460,000	-	0.00%
Special Assessments	300,000	300,000	-	0.00%
Other Charges	110,000	110,000	-	0.00%
Local Receipts Total	52,827,468	56,665,950	3,838,482	7.27%

REVENUE & EXPENDITURE SUMMARY

Local Receipts FY25: \$56.7M



Motor Vehicle Excise Tax

The Motor Vehicle Excise Tax is assessed annually through the Assessor's Office, with bills and payments processed through the Treasurer's Office. The city or town in which a vehicle is garaged at the time of registration assesses the associated excise tax. Chapter 6A, Section 1, of the Massachusetts General Laws sets the rate of this tax at \$25 per \$1,000 valuation. The City issues bills based on data provided by the Massachusetts Registry of Motor Vehicles. The Registry determines valuation using a statutory formula based on the manufacturer's list price and year of manufacture. The Fiscal Year 2025 revenue estimate for Motor Vehicle Excise is \$16.5M.

Cannabis Excise

Sale of recreational marijuana is taxed at an additional 3% per the local option tax which is distributed to the City after being collected by the Commonwealth. In Fiscal 2025, this revenue source is estimated at \$1.7M.

Licenses and Permits

Revenues are collected associated with licenses and permits issued by the City. These include building, electrical, and plumbing permits. This category also includes charges for weights and measures, liquor licenses, and other City licenses and is budgeted at \$8.4M based on estimated license and permit activity in Fiscal 2025.

REVENUE & EXPENDITURE SUMMARY

Trash Fees

In 1993, the City instituted a "Pay As You Throw" trash collection program, which partially funds the cost of curbside garbage pickup through the collection of a fee attached to the sale of official City trash bags. These bags are \$10.00 per pack of 10 small bags or \$8.75 per pack of 5 large bags. A \$0.25/bag increase was implemented on January 1, 2022, the first such increase in 14 years. The revenues offset some of the cost of trash collection and the City's recycling operation. The revenue estimate is level funded at \$4.25M for Fiscal 2025.

Federal Reimbursements

Medicaid reimbursements for school-based health services is the source for this revenue estimate. The City, through the public school system, is eligible to file for federal reimbursement for health related services provided to special education students with Medicaid benefits. With the approval of the Massachusetts Division of Medical Assistance, the Worcester Public Schools is now a "Medicaid Eligible Provider" and is enrolled in the Medicaid program. The Medicaid reimbursement program allows for the submission of claims, on a per diem rate, for various categories of special education students. Administrative costs incurred by the school system and its vendor UMass to provide these health-based services are also captured and incorporated into claims and submitted for reimbursement. For Fiscal 2025, the revenue estimate is \$1.5M.

Other Excise: Hotel and Meals Taxes

Hotel taxes of 6% and Meals taxes of 0.75% are collected by the Commonwealth and distributed to the City quarterly. The hotel and meals tax is estimated to be \$5.2M in Fiscal 2025, an increase of \$354,710 from Fiscal 2024 in recognition of the likelihood of increased hotel and restaurant activity in Fiscal 2025.

Penalties and Interest

State law dictates the interest rate on delinquent taxes, while City Ordinance sets the rate for water and sewer late charges. Penalties and fees are incurred for delinquency of tax payment, serving notice and issuance of warrants, recording instruments of taking, and other miscellaneous fees. The revenue estimate for this stream is estimated to be \$2.7M.

Fines and Forfeits

This revenue category includes parking tickets, boot removal fees, court fines assessed through motor vehicle violations, and health violation fines. This category is budgeted at \$2.8M for Fiscal 2025.



REVENUE & EXPENDITURE SUMMARY


Miscellaneous Recurring and Non-Recurring Revenues – Prior Year Receipts/Reversions

Miscellaneous recurring and non-recurring revenues are derived primarily from prior year receipts, reversions of prior year's purchase orders, and solar renewable energy credits. Additionally, the administrative indirect charges on federal and federal pass through grants are recognized in this category. The estimate for this revenue stream is \$5.4M.

Fees

Other fees include charges for birth and death records, fire inspection fees, police detail administrative fees, planning board fees, and other departmental fees for services provided. The estimate for this revenue source is \$2M.

121A – In Lieu of



The City of Worcester collects payments in lieu of taxes from certain tax exempt properties within the city. In addition, the City generated revenues from the Urban Development Excise Tax (121A). Chapter 121A, section 10, of the Massachusetts General Laws, states that each city or town is entitled to receive proceeds of the urban redevelopment excise tax paid on its local projects. This excise tax is only valid for the first 40 years of the corporation's existence in the municipality, and is composed of the following: an amount equal to five percent of its gross income in the preceding year and an amount equal to \$10 per \$1,000 of valuation. This revenue source ended in Fiscal 2022.


Investment Income (Interest)

The City regularly invests temporarily idle cash and receives interest on these funds. Interest rates, and hence interest earnings, are subject to market conditions and are currently very strong. The estimated revenue is \$5M.

Other Departmental Revenues

The City collects revenue from the sale of surplus property (usually equipment) sold to the highest bidder. Contained within this category are revenues received from the City's towing contract as well certain other revenues all estimated to total \$371,000 in Fiscal 2025.

Cemetery Fees



Hope Cemetery generates most of its revenue from burial fees and services provided. Other revenues include fees charged for foundations, repair orders, canopy tents, liner boxes, and other miscellaneous receipts. The general fund budget is built on an estimate of \$460,000.

REVENUE & EXPENDITURE SUMMARY

Special Assessments

Special assessments are collected from property owners to provide funds to implement capital improvement projects such as street betterments. The special assessment rates are set by the City Council and are paid in full or financed over a period of years. This revenue category is estimated to be \$300,000.

Other Charges for Services

This category represents the annual rental amount collected for tenants leasing space on properties owned by the City of Worcester and certain recreation fees. This revenue category is estimated to generate \$110,000 in Fiscal 2025.

Other Revenue/Funding Sources

Free Cash

Free cash represents the City's amount of available "fund balance," as certified by the Department of Revenue, including the result of the current fiscal year's revenues, less expenditures net of all transfers in and out of the General Fund, and less any other reductions and amounts identified by the Commonwealth. The amount is certified by the Commonwealth of Massachusetts Department of Revenue and then available for appropriation. The City of Worcester follows the City's Financial Integrity Plan policy regarding the appropriation of Free Cash: 50% is to be appropriated to reserves, 30% is to be appropriated into the City's OPEB Trust, and 20% is available for appropriation in the City's budget. No free cash is assumed in the Fiscal 2025 Budget, however, should free cash be certified at year end, it will be recommended for appropriation according to the above breakdown.

Other Available Funds

Other available funds consist of revenues transferred in from various reserve accounts that are classified as another available fund for the purposes of the Fiscal 2025 budget. The estimate for this revenue source is \$178,519.

Other Available Funds (Non Local Receipt)		FROM	TO	FY24	FY25
DPW Engineering	Reserve Funds		CC1054-800100		
DPW Engineering	Sewer Connection	FD317	CC1054-800100	118,930.00	118,930.00
DPW Streets	Reserve Funds		CC1055-800100		
Subtotal DPW Engineering Funding				118,930	118,930
Hope Cemetery Debt Principal Service			CC1068	48,714.00	48,714.00
Hope Cemetery Debt Interest Service			CC1070	10,875.00	10,875.00
Subtotal Other Funds				59,589	59,589
Total Other Available Funds (Non Local Receipts)				178,519	178,519

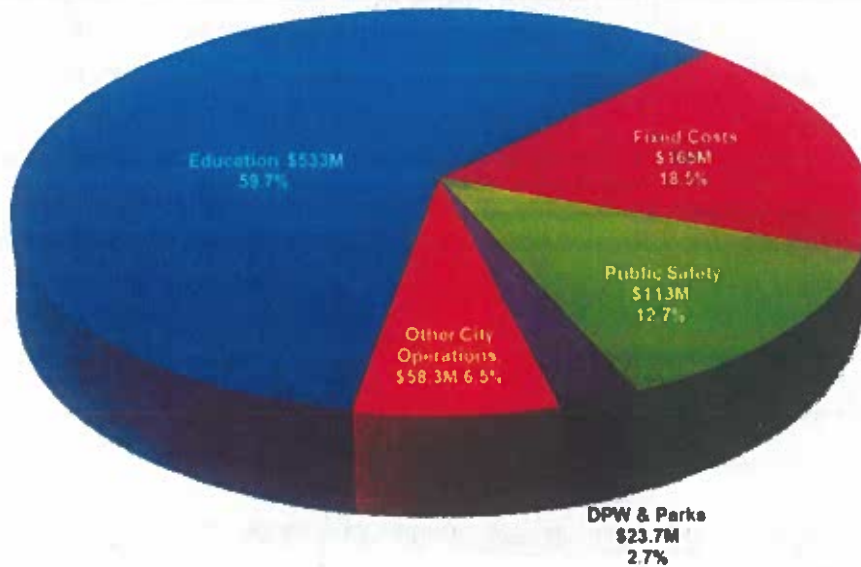


REVENUE & EXPENDITURE SUMMARY

Fiscal Year 2025 Expenditure Overview

The Fiscal 2025 budget appropriates \$893M in revenue to fund the following expenditure areas. The City's expenditure budget is broken into three large categories—Education (including Worcester Public Schools, Charter, and School Choice Tuition), City Operations (categorized by Public Safety, Public Works and Parks, and Other Departments), and City Fixed Costs (debt, pensions, health insurance, required reserve deposits, street lighting, and snow removal). The following chart shows the breakdown by percentage of these expenditures. Education costs account for 59.7% of all City expenditures, fixed costs account for 18.5%, Public Safety (including Police, Fire, Emergency Communications, and Inspectional Services) account for 12.7%, Public Works and Parks account for 2.7% and the remaining 6.5% funds other city operations. Each of the expenditure categories summarized below are presented in more detail in the following sections of this budget document.

FY25 Expenditure Budget: \$893M



Education Funding

Education Costs are driven by the state's calculation of the foundation budget for Public Schools. The Commonwealth determines a local contribution level and funds the balance with State Aid. The Fiscal 2025 appropriation for education is \$533M, which represents an increase of \$50.1M from Fiscal 2024. Of that total amount, \$47.3M provides funding of Charter and Choice schools, leaving a Worcester Public Schools budget of \$485.7M.

REVENUE & EXPENDITURE SUMMARY

Foundation Budget

Chapter 70 of the Massachusetts General Laws defines the terms for education funding in Massachusetts, as implemented by the Department of Elementary and Secondary Education (DESE). Under Chapter 70, each year the State calculates a "Foundation Budget" for each school district that is intended to represent adequate funding for that specific district. The amount of the Foundation Budget is based in part on enrollment; a dollar amount is associated with each level of student - elementary, middle, and high school. Additional amounts per pupil are provided for low income students, English Language Learners, and Special Education students. The formula is designed to provide more funding to those areas with additional challenges. The Worcester Public Schools are a net beneficiary of this formula at the State level, as our school system has a disproportionately high percentage of students who meet the defined demographic categories.

Local Required Contribution

The local required contribution is the amount of school funding that must be provided by the local government for the support of education, per the terms of Chapter 70 of the Massachusetts General Laws. This amount is calculated by the Department of Elementary and Secondary Education (DESE) and increased each year based on the Municipal Revenue Growth Factor. The Municipal Revenue Growth Factor is designed to capture the net increase in municipal revenues from year to year. The formula includes property tax growth due to Proposition 2.5, new growth, local receipts, and State Aid. In this way, the percentage increase of the required contribution is consistent with revenue increases in the City, and is a way for schools to share in revenue growth in any given fiscal year.

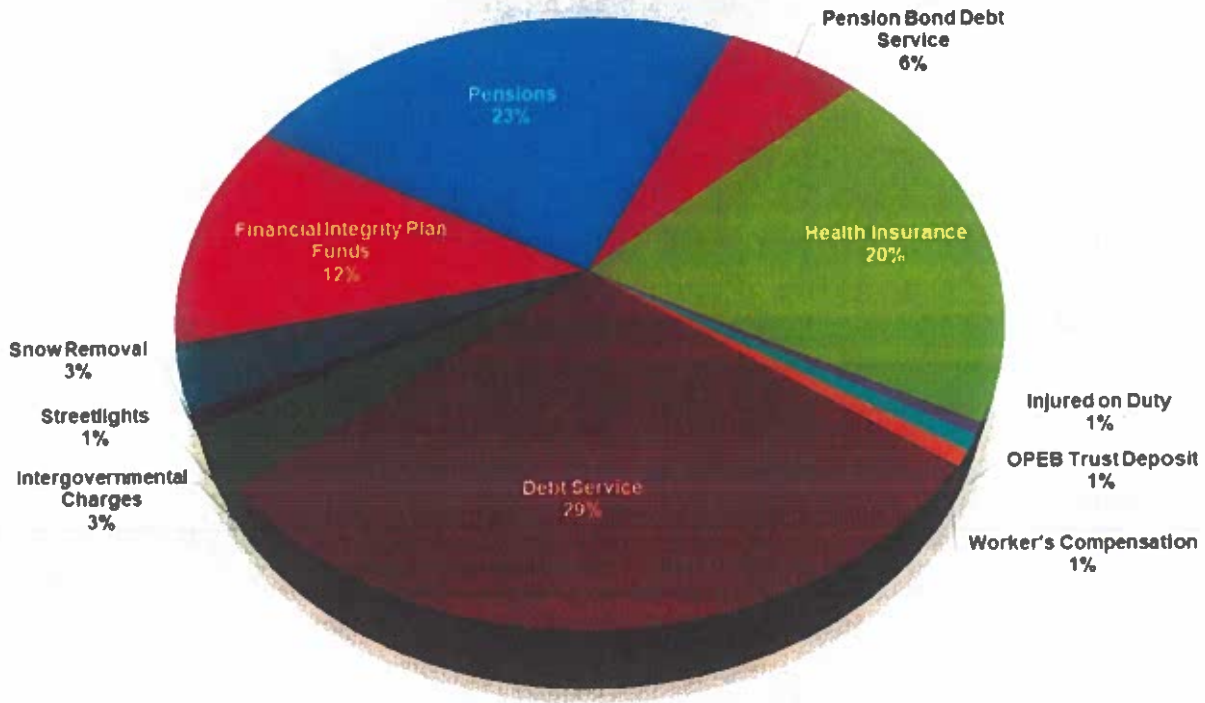
City Fixed Costs

The City's fixed costs are comprised of health insurance, pensions, debt service, snow removal and snow carryover, street lighting, and intergovernmental charges.

Expenditure Summary	FY24 Budget	FY25 Budget
Pensions	37,713,980	38,764,693
Pension Bond Debt Service	10,369,848	10,140,583
Health Insurance	31,804,844	32,855,439
OPEB Trust Deposit	6,654,825	1,071,795
Worker's Compensation	1,335,759	1,336,673
Injured on Duty	1,331,371	1,333,767
Unemployment	119,840	119,840
Debt Service	42,333,297	47,214,226
Intergovernmental Charges	4,705,144	5,255,191
Streetlights	1,495,490	1,495,490
Snow Removal	6,000,000	5,500,000
Financial Integrity Plan Funds	30,585,041	19,931,828
Total Fixed Costs	174,449,439	185,019,525

REVENUE & EXPENDITURE SUMMARY

FY25 Fixed Costs: \$165M



Health Insurance, Workers' Compensation, and Injured on Duty

One of the largest components of the City's fixed costs is health insurance. This cost is split between the City and Public Schools budgets. City health insurance costs are budgeted at \$32.9M. Workers' Compensation is budgeted at \$1.3M, and Injured on Duty is budgeted at \$1.3M in Fiscal 2025.

Pensions

The combined pension contribution required for the City of Worcester is \$38.8M. In addition, the City must make a debt service payment of \$10.1M on the Pension Obligation Bonds issued in 1998 to fund the City's unfunded pension liability. The Debt Service on the Pension Obligation Bond will cease after Fiscal 2028.

Debt Service

The City's borrowing for equipment, infrastructure improvements (including streets and sidewalks), public buildings, as well as the construction and rehabilitation of public schools, are funded through

REVENUE & EXPENDITURE SUMMARY

municipal bond issues. Annual debt service payments meeting all City and enterprise fund obligations total \$102.7M. Principal and interest payments of \$47.2M are to be paid by the City's tax levy budget, and the remainder through enterprise funds and grant programs.

Removal/Snow Carryover

Per the City Manager's Financial Integrity Plan, the Snow Removal budget has a minimum appropriation of \$5M. Based on historic actuals, the Fiscal 2025 budget is \$5.5M, which is a reduction of \$0.5M from Fiscal 2024. This amount is adequate to fund the City's average annual snowfall.

Unemployment

The City must fund unemployment benefits for workers who have lost their jobs. The Fiscal 2025 budget for unemployment is estimated to be \$119,840, which is level funded with the previous fiscal year.

Street lighting

The City has acquired ownership and maintenance control of the City's street lighting network. The costs of the electricity and maintenance contracts for the street lighting network are a fixed cost and known at the beginning of the fiscal year. The Fiscal 2025 budget is funded at \$1.5M.

Intergovernmental Charges

The Commonwealth of Massachusetts mandates certain intergovernmental charges, including charges for the Regional Transit Authority, Registry of Motor Vehicles, and funding for the Central Mass Regional Planning Commission, which are projected to be \$5.3M.

Long Term Financial Plan Funds

The City continues to make deposits to designated reserve funds, per the terms of the City's Financial Integrity Plan. This includes a deposit of \$2.6M to the Capital Campaign fund, which is used to fund ongoing debt service payments associated with the Worcester Technical High School, Library renovations, Forest Grove Middle School, as well as other upcoming capital projects. This category also includes \$4.1M in the CitySquare District Improvement Financing (DIF) fund reserve for public investments in City Square, \$2.9M in the Ballpark DIF fund reserve for Polar Park. Additionally, contributions continue to build the New High School Construction Fund in the amount of \$9.8M. The total contributions to these reserves totals \$19.9M.

REVENUE & EXPENDITURE SUMMARY

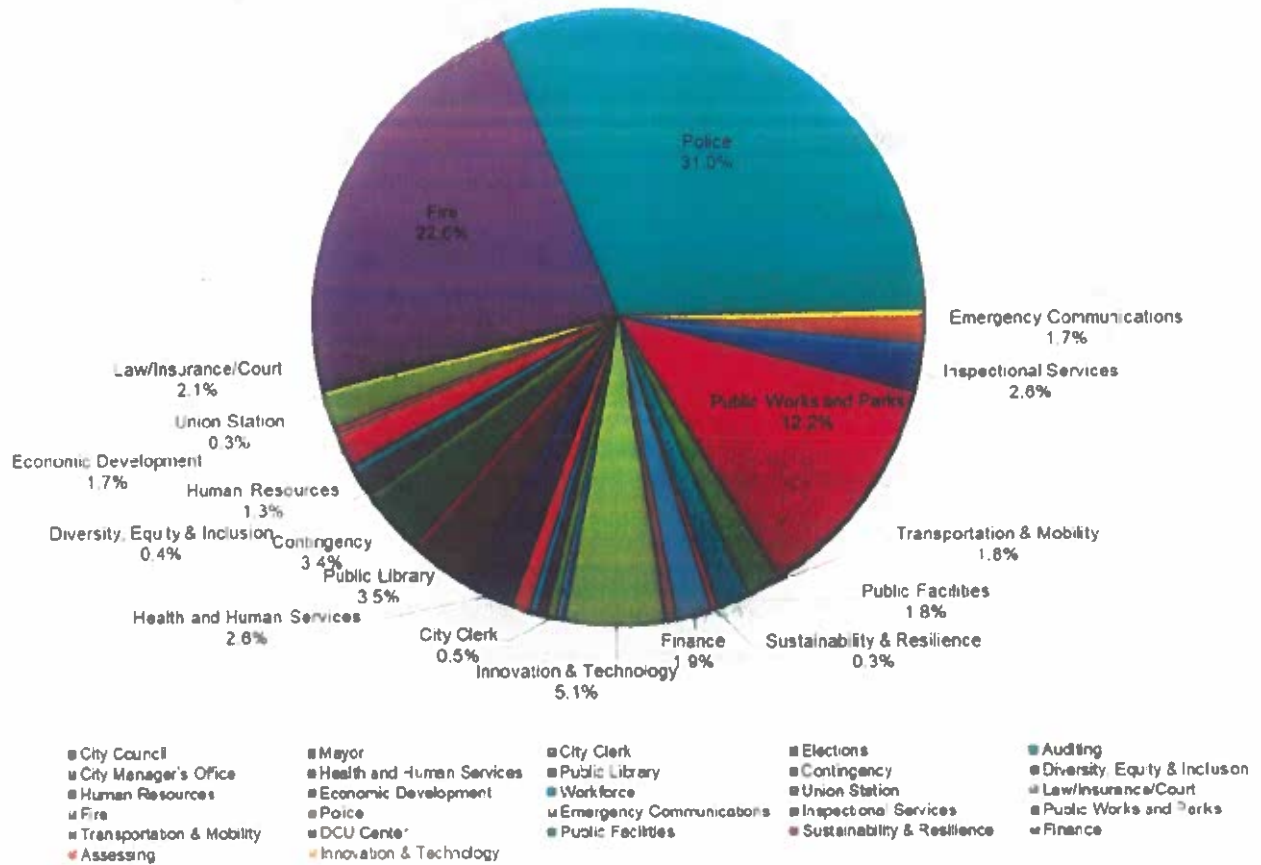
OPEB Reserve Fund

The Fiscal 2025 operational budget continues with the City’s efforts to address the Other Post-Employment Benefits (OPEB) liability. Included in the operational budget is an allocation of \$1,071,795 to the OPEB Reserve fund to prefund the City’s OPEB liability. In addition to this deposit, and per the City’s Financial Integrity Plan, 30% of Free Cash will be appropriated into this account when Free Cash is certified in the fall.

Operational Budgets

The City’s budget for operational departments is based on the funds remaining after all education costs and other fixed costs have been funded. In Fiscal 2025, the amount available for operational budgets is \$195M. Details of each of the operational budgets are included in the subsequent budget sections of the budget document.

FY25 Operational Budgets: \$195M



REVENUE & EXPENDITURE SUMMARY

Expenditure Summary	FY24 Budget	FY25 Budget
City Council	501,768	642,009
Mayor	177,208	186,734
City Clerk	1,057,158	1,051,265
Elections	1,235,742	1,042,037
Auditing	736,442	834,363
City Manager's Office	1,343,120	1,796,207
Health and Human Services	5,358,794	5,111,290
Public Library	6,624,195	6,799,588
Contingency	4,186,285	6,677,731
Diversity, Equity & Inclusion	744,423	850,479
Human Resources	2,198,886	2,580,730
Economic Development	2,642,278	3,292,428
Workforce	200,000	200,000
Union Station	803,305	678,305
Law/Insurance/Court	4,213,419	4,052,120
Fire	44,960,420	44,091,481
Police	55,493,041	60,477,684
Emergency Communications	3,769,762	3,389,291
Inspectional Services	4,934,362	4,981,033
Public Works and Parks	23,582,544	23,749,616
Transportation & Mobility	3,500,579	3,570,585
Public Facilities	3,510,450	3,476,069
Sustainability & Resilience	527,214	587,945
Finance	3,258,975	3,708,900
Assessing	1,169,205	1,194,136
Innovation & Technology	10,146,124	10,000,568
Total City Services	186,875,699	195,022,594

Highlights of the Fiscal 2025 Budget Include:

Revenue:

- City revenues are estimated to increase by \$25.8M, a 3% increase from Fiscal 2024
 - The appropriation of prior year free cash is included in this calculation
- Property Tax revenues are estimated to increase \$18.4M
- State Aid – Education is estimated to increase by \$19.8M
- State Aid – City is estimated to increase by \$1.5M
- Local Receipts are estimated to decrease by \$3.8M



REVENUE & EXPENDITURE SUMMARY

Expenditures:

- Citywide budget increases by \$25.8M, a 3% increase from Fiscal 2023.
- Education spending is anticipated to be \$533M, a \$27.1M increase from Fiscal 2024.
- Operational Budgets increased by \$5.6M, a 3% decrease from Fiscal 2024
- The City contingency fund increased 59.5% to \$6.6M

Enterprise Funds Revenue and Expenditure Summary

Enterprise Revenue	FY24 Budget	FY25 Budget	FY24/25 Change
Sewer	51,090,721	52,936,015	1,845,294
Water	29,425,128	30,405,108	979,980
Golf	1,807,555	1,871,309	63,754

Enterprise Expenditure	FY24 Budget	FY25 Budget	FY24/25 Change
Sewer	51,090,721	52,936,015	1,845,294
Water	29,425,128	30,405,108	979,980
Golf	1,807,555	1,871,309	63,754





The City of
WORCESTER

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REVENUE & EXPENDITURE SUMMARY

Revenue Summary	FY24 Budget	FY25 Budget
Property Tax Levy Total	377,780,173	396,160,848
State Aid City	49,680,150	51,170,554
State Owned Land	308,772	310,241
Urban Renewal		
State Exemptions	442,129	458,909
Veteran's Benefits	907,853	874,561
State Aid City Total	51,338,904	52,814,265
State Aid Education	357,541,905	377,102,598
State Aid Charter Schools	9,817,253	10,080,759
State Aid Education Total	367,359,158	387,183,357
Motor Vehicle Excise	15,750,000	16,500,000
Cannabis Excise	1,500,000	1,700,000
Licenses and Permits	7,301,450	8,390,650
Trash Collection Revenue	4,250,000	4,250,000
Federal Medicaid	2,750,000	1,500,000
Hotel and Meals Tax	4,845,290	5,200,000
Penalties and Interest	2,102,500	2,682,500
Fines and Forfeits	2,158,000	2,833,000
Misc Recurring	6,118,378	5,410,000
Fees	2,201,350	1,958,800
Investment Income	2,600,000	5,000,000
Other Departmental	380,500	371,000
Cemetery Revenue	460,000	460,000
Special Assessments	300,000	300,000
Other Charges	110,000	110,000
Local Receipts Total	52,827,468	56,665,950
Other Funds Total	178,519	178,519
Free Cash*	17,739,514	-
Total Revenues	867,223,736	893,002,939


Expenditure Summary	FY24 Budget	FY25 Budget
Pensions	37,713,980	38,764,693
Pension Bond Debt Service	10,369,848	10,140,583
Health Insurance	31,804,844	32,855,439
OPEB Trust Deposit	6,654,825	1,071,795
Worker's Compensation	1,335,759	1,336,673
Injured on Duty	1,331,371	1,333,767
Unemployment	119,840	119,840
Debt Service	42,333,297	47,214,226
Intergovernmental Charges	4,705,144	5,255,191
Streetlights	1,495,490	1,495,490
Snow Removal	6,000,000	5,500,000
Financial Integrity Plan Funds	30,585,041	19,931,828
Total Fixed Costs	174,449,439	165,019,525
Worcester Public Schools	461,862,571	485,710,712
School OPEB		
Charter, School Choice, & Specie	44,036,028	47,250,108
Total Education	505,898,599	532,960,820
City Council	501,768	642,009
Mayor	177,208	186,734
City Clerk	1,057,158	1,051,265
Elections	1,235,742	1,042,037
Auditing	736,442	834,363
City Manager's Office	1,343,120	1,796,207
Health and Human Services	5,358,794	5,111,290
Public Library	6,624,195	6,799,588
Contingency	4,186,285	6,677,731
Diversity, Equity & Inclusion	744,423	850,479
Human Resources	2,198,886	2,580,730
Economic Development	2,642,278	3,292,428
Workforce	200,000	200,000
Union Station	803,305	678,305
Law/Insurance/Court	4,213,419	4,052,120
Fire	44,960,420	44,091,481
Police	55,493,041	60,477,684
Emergency Communications	3,769,762	3,389,291
Inspectional Services	4,934,362	4,981,033
Public Works and Parks	23,582,544	23,749,616
Transportation & Mobility	3,500,579	3,570,585
DCU Center	-	-
Public Facilities	3,510,450	3,476,069
Sustainability & Resilience	527,214	587,945
Finance	3,258,975	3,708,900
Assessing	1,169,205	1,194,136
Innovation & Technology	10,146,124	10,000,568
Enterprise (Golf)	-	-
Total City Services	188,875,699	195,022,594
Total Expenditures	867,223,736	893,002,939



FISCAL 2025 BUDGET PROCEDURE


The preparation of the Annual Budget for the City of Worcester is governed by the provisions of Chapter 44 of the Massachusetts General Laws. The budget process for Fiscal 2025 was initiated in August 2023, and at that time Budget Division staff met with the City Manager to establish the general budgetary guidelines and expectations for the coming fiscal year.

Following this session, the Administration and Finance Department Budget Division worked with City departments and divisions to update the City's Five Year Fiscal Forecast. In cooperation with the City's budget staff, each department then prepared a draft Fiscal 2025 operating budget. The draft operating budgets, including expenditure and revenue estimates, were submitted to the City Manager in March 2024.



Each department made a presentation to the City Manager justifying proposed budget adjustments and program changes for the coming fiscal year. The budget document was then developed consistent with Massachusetts General Laws, Chapter 44, requiring adequate appropriations for salaries, overtime, ordinary maintenance, debt service, fringe benefits, and capital outlay. Budget Division staff, in cooperation with departments and divisions, then finalized the budget documents for submission to City Council. The legal component of the annual budget document is the line item appropriation order which delineates appropriation amounts by division and appropriation account number.

The City of Worcester budget recommendation is developed in a manner consistent with the City's adopted Financial Integrity Plan. The budget is also developed in a manner that seeks to achieve excellence in the following areas recommended by the Government Finance Officers Association:

- **Policy Document:** The City's annual budget includes key financial policies.
 - **Financial Plan:** The City's budget indicates all revenue sources to be employed to sustain the identified appropriations.
 - **Operations Guide:** The budget document shows the organization and operational divisions of each City department including tables of organization and divisional breakdowns.
 - **Communications Device:** The budget document includes clear and comprehensible revenue and expenditure overviews which describe the overall budget including historical information and explanations of year-over-year changes in major revenue and expenditure categories. The entire budget is available online for public review as soon as it is submitted to City Council.
- 

FISCAL 2025 BUDGET PROCEDURE

By statute, the budget must be submitted to City Council within 170 days after the Council organizes in early January. The submission of the Fiscal 2025 Annual Budget to the City Council was on May 7, 2024.

The City Council has jurisdiction to make reductions, but cannot increase the proposed budget without the recommendation of the City Manager. Following submission of the budget, the City Council has 45 days in which to approve or reduce the proposed appropriation order. Should the Council fail to act within 45 days, the City Manager's recommended budget is appropriated. The Fiscal 2025 Annual Budget becomes effective on July 1, 2024.

Following the adoption of the City budget, the City must reconcile the budget with any changes in revenues and known expenditures prior to the setting of the tax rate in December. The Commonwealth's Department of Revenue evaluates the City budget in order to certify tax rates for the fiscal year. The City's property tax levy is determined by taking the total citywide appropriations and subtracting all known revenue sources other than property taxes. The amount required to balance the budget is the property tax levy for the City, assuming it is less than the City's property tax levy limit or levy ceiling as established by Proposition 2 ½.

The following Calendar summarizes the Budget Process for development and adoption of the Fiscal Year 2025 budget:

Fall 2023: Department meetings are held to address current fiscal year issues and identify implications for future fiscal years. The formal budget process is started at these meetings by assessing needs and budgetary issues citywide.

January 2024 – March 2024: Formal budget materials are distributed and collected for review. Follow up meetings with departments are held to finalize budget requests. City Manager reviews requests and makes recommendations for inclusion in the final budget recommendation.

March 2024 – April 2024: City Manager completes budget recommendations. Budget Office finalizes budget document for submission to City Council.

May 2024 – June 2024: City Council reviews final budget.

July 1, 2024: Fiscal Year 2025 Budget goes into effect.

FISCAL 2025 FINANCE POLICIES

City Charter Article Five—Financial Policies (Operating Budget) Section

5-1. SUBMISSION OF BUDGET

Within the period prescribed by general law, the City Manager shall submit to the City Council an annual budget which shall be a statement of the amounts recommended by him/her for proposed expenditures of the City for the next fiscal year. The annual budget shall be classified and designated so as to show separately with respect to each City agency or undertaking for which an appropriation is recommended as follows:

(1) Ordinary maintenance, which shall also include debt and interest charges matured and maturing during the next fiscal year, and shall be subdivided as follows:

(a) Salaries and wages of officers, officials, and employees other than laborers or persons performing the duties of laborers; and

(b) Ordinary maintenance not included under sub-section (a); and,

(2) Proposed expenditures for other than ordinary maintenance, including additional equipment, the estimated cost of which exceeds one thousand dollars.

The foregoing shall not prevent the City, upon recommendation of the City Manager and with approval, by majority vote, of the City Council, from adopting additional classifications and designations.

Section 5-2. ACTION ON THE BUDGET

(a) Public hearing:

The City Council may, and upon written request of at least ten registered voters shall, give notice of a public hearing to be held on the annual budget, prior to final action thereon, but not less than seven days after publication of such notice in a local newspaper. At the time and place so advertised, or at any time or place to which such public hearing may from time to time be adjourned, the City Council shall hold a public hearing on the annual budget as submitted by the City Manager, at which all interested persons shall be given an opportunity to be heard for or against the proposed expenditures or any item thereof.

FISCAL 2025 FINANCE POLICIES

(b) Adoption:

The City Council may, by majority vote, make appropriations for the purposes recommended and may reduce or reject any amount recommended in the annual budget, but except on

recommendation of the City Manager, shall not increase any amount in or the total of the annual budget, nor add thereto any amount for a purpose not included therein, except as provided in section thirty-three of chapter forty-four of the General Laws. Except as otherwise permitted by law or by this charter, all amounts appropriated by the City Council, as provided in this section, shall be for the purposes specified. In setting up an appropriation order or orders based on the annual budget, the City Council shall use, so far as possible, the same classifications required for the annual budget. If the City Council fails to take action with respect to any amount recommended in the annual budget, either by approving, reducing or rejecting the same, within forty-five days after its receipt of the budget, such amount shall, without any action by the City Council, become a part of the appropriations for the year, and shall be available for the purposes specified.

Failure to submit budget recommendations:

If the City Manager shall fail to submit the annual budget to the City Council within the period prescribed by general law, the City Council shall within thirty days upon its own initiative prepare the annual budget, as far as apt. Within fifteen days after such preparation of the annual budget, the City Council shall proceed to act by voting thereon and all amounts so voted shall thereupon be valid appropriations for the purposes stated therein to the same extent as though based upon a City Manager's annual budget, but subject, however, [to] such requirements, if any, as may be imposed by law. If the City Council fails to take action with respect to any amount recommended in the annual budget, either by approving, reducing, or rejecting the same, within fifteen days after such preparation, such amount shall, without further action by the City Council, become a part of the appropriations for the year, and be available for the purposes specified.

Section 5-3. SUPPLEMENTARY APPROPRIATIONS

Nothing in this section shall prevent the City Council, acting upon the written recommendation of the City Manager, from voting appropriations, not in excess of the amount so recommended, either prior or subsequent to the passage of the annual budget.


In case of the failure of the City Manager to transmit to the City Council a written recommendation for an appropriation for any purpose not included in the annual budget, which is deemed **FISCAL**



2025 FINANCE POLICIES

necessary by the City Council, after having been so requested by majority vote thereof, the City Council, after the expiration of seven days from such vote, upon its own initiative may make such appropriation by a vote of at least two thirds of its members, and shall in all cases clearly specify the amount to be expended for each particular purpose, but no appropriation may be voted hereunder so as to fix specific salaries of employees under the direction of boards elected by the people, other than the City Council.


Section 5-4. TRANSFER OF APPROPRIATIONS



On recommendation of the City Manager, the City Council may, by majority vote, transfer any amount appropriated for the use of any department to another appropriation to the same department, but no transfer shall be made of any amount appropriated for the use of any department to the appropriation for any other department except by a two-thirds vote of the City Council on recommendation of the City Manager and with the written approval of the amount of such transfer by the department having control of the appropriation from which the transfer is proposed to be made. No approval other than that expressly provided herein shall be required for any transfer under the provisions of this section.

Financial Integrity Plan:

In November of 2006, the City Council adopted policies intended to establish the Five Point Financial Plan which was intended to improve the city's long term financial stability. The Five Point Plan included a number of short and long terms goals and procedures followed by the administration during budget preparation as well as ongoing monitoring. In summary, the action of adopting the Financial Integrity Plan has accomplished the following:

- Created the North High Construction Fund and the Bond Rating Stabilization Fund.
 - Established a dedicated reserve building funding source associated with ten years of Massachusetts School Building Authority reimbursements for construction costs incurred by the City in years past.
 - Established an annual borrowing cap.
- 

FISCAL 2025 FINANCE POLICIES

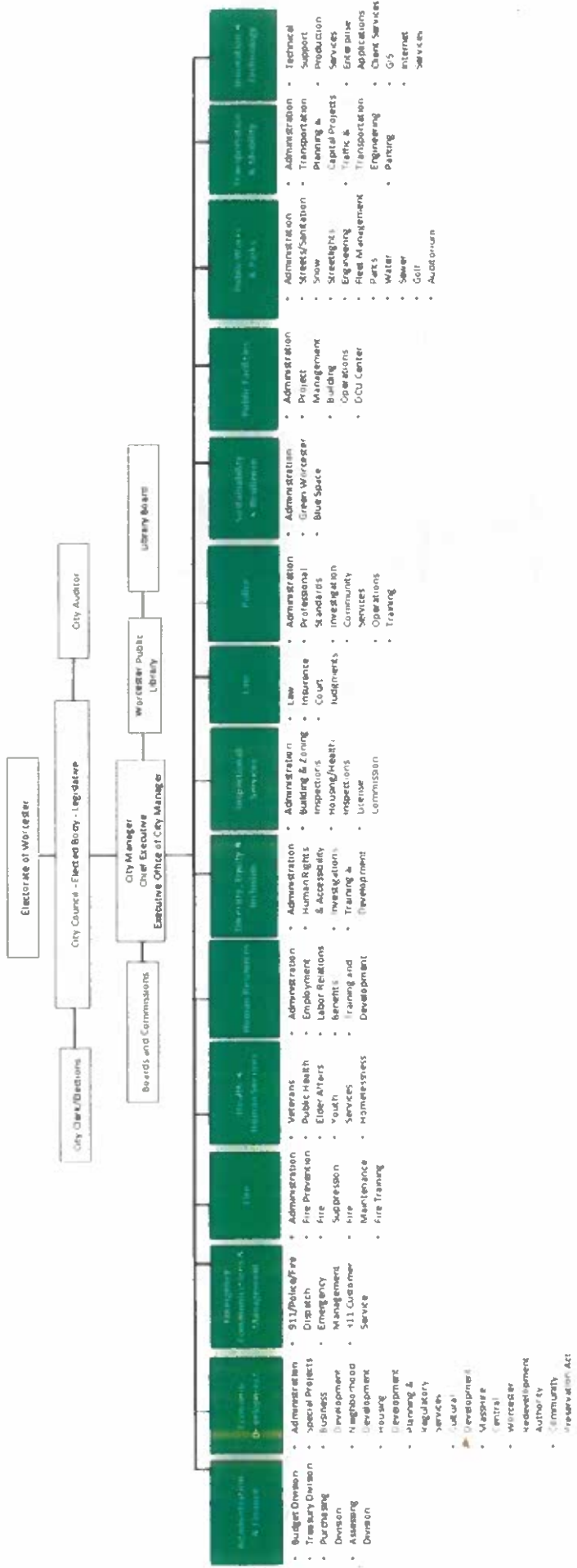
- As amended below and until reserve targets are met, the original plan established a reserve policy that places a limit on the appropriation of net free cash for operations at no more than 20%. The remaining free cash must be appropriated to the Bond Rating Stabilization Fund to build reserves to 5% of city revenues.

In October 2012, the Five Point Plan reserve policy was amended to include the requirement that 30% of net free cash be deposited into the City's Other Post-Employment Benefits (OPEB) Liability Trust Fund to begin to prefund the City's OPEB liability.

On March 28, 2017, the City Manager recommended to the Worcester City Council an update to the City's Long Term Financial Plan and renamed it the Financial Integrity Plan. The recommended Long Term Financial Plan adheres to prudent financial doctrine and practices as follows:

- Created a new High School Construction stabilization account for the construction of two (2) high school replacement projects, South High Community School and Doherty Memorial High School.
- Increased the General Fund reserve level target from 5% to 10% of General Fund revenues.
- Updated the City's annual tax levy supported debt from a fixed amount (adjusted for inflation) to subsequent debt issues being tied to debt service coverage (8-10% of the operating budget).
- Established an OPEB Trust Fund and Commission consistent with the Governmental Accounting Standards Board (GASB) promulgation GASB 45.
- Memorialized the budgetary assumptions and methodology.
- Recommended a practice where any Proposition 2 ½ new growth above the budget estimate shall be added to the unused levy capacity at the time of the tax rate recap.
- Enhanced financial reporting and transparency.

City of Worcester Organizational Chart: FY25





The City of
WORCESTER

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Eric D. Batista
City Manager



CITY OF WORCESTER

May 7, 2024

Attachment for Item # 10.39 A

TO THE WORCESTER CITY COUNCIL

COUNCILORS:

In continuation of our collective efforts to build upon Worcester's standing as one of this country's great mid-sized cities, I submit to your Honorable Body the proposed Fiscal Year 2025 (FY25) operational and capital budgets. These budgets look to maintain our services and improve upon our operations while managing our resources with a clear understanding that the City must prepare for challenges ahead.

Empowering Progress: Investing in Equity, Talent, and Culture

When I was appointed City Manager in 2022, I discussed my strong belief in the potential of City government to serve as a voice for the Worcester community. Armed with a commitment to carefully consider our past and build a strategy for our future, I have been working with City Councilors, Cabinet, and my colleagues across the city to find ways to improve what we do and how we do it to ensure that it benefits all residents of Worcester. In furtherance of that effort, we have taken the time to reflect on how we think about equity, how we build talent, and how we strengthen our culture. While resources are thin, I believe this budget moves us forward on our path by continuing past progress and laying out the goals and objectives critical to our nascent strategic plan. With this Council's help, we will continue to ensure that we empower progress in a way that unlocks the full potential of Worcester's people and resources.



Revenues	Final FY24 Budget	Proposed FY25 Budget	FY24/25 Change	Percentage Change
Property Tax	377,780,173	396,160,848	18,380,675	4.9%
Local Receipts	52,827,468	56,665,950	3,838,482	7.3%
State Aid Education	367,359,158	387,183,357	19,824,199	5.4%
State Aid General	51,338,904	52,814,265	1,475,361	2.9%
MSBA/Other Available Funds	178,519	178,519	-	0.0%
Free Cash	17,739,514	-	(17,739,514)	-100.0%
Total Revenues	867,223,736	893,002,939	25,779,203	3.0%
Expenditures				
Education (WPS/Assessments)	505,898,599	532,960,820	27,062,221	5.3%
Fixed Costs	174,449,439	165,019,525	(9,429,914)	-5.4%
Contingency	4,186,285	6,677,731	2,491,446	59.5%
Public Safety	109,157,585	112,939,489	3,781,904	3.5%
Public Works & Parks	23,582,544	23,749,616	167,072	0.7%
Other Operational	49,949,285	51,655,758	1,706,473	3.4%
Total Expenditures	867,223,736	893,002,939	25,779,202	3.0%

The annual budget process begins with an analysis of the City's limited revenue streams. Overall revenues are projected to increase by \$25.8M from the FY24 Final Budget, or \$43.5M over the original FY24 Budget not including Budget Adjustments and Free Cash, for a total of \$893M. Revenue growth is experienced in the property tax (\$18.4M or 4.9%), state aid for education (\$19.8M or 5.4%), local receipts (\$3.8M or 7.3%), and local aid (\$1.5M or 2.9%). We anticipate solid growth in the property tax and are budgeting new growth of \$7.5M. State aid is based on the Governor's proposed budget, which will undoubtedly see changes as it navigates the legislative budget committees. The House of Representatives has already released its proposed budget which increases school funding by \$333K and reduces local aid by almost \$1M. Local receipts have been strong in FY24, and we're anticipating continued growth in Motor Vehicle Excise, Licenses & Permits, and especially Investment Income. While high Federal Reserve rates have a negative impact on the City's borrowing, there is a positive impact on the City's bank rates resulting in higher returns than in prior years.

Public budgets in Massachusetts must balance, which means that the \$893M in total projected revenues matches the \$893M in total projected expenditures. As with every year, the majority of this funding goes to education, with \$533M or approximately 60% committed to the Worcester Public Schools, charter schools, school choice, and special education. This represents a \$27M increase in education funding, of which \$23.8M is

dedicated to the Worcester Public Schools. The required increase in the local contribution – \$7.2M for a total of \$145.7M – is the highest in more than a decade. It is important to note that the budget also includes an estimated \$22M for school-related debt service – a number that is not accounted for under Chapter 70 education funding obligations. In that vein, we see increases in debt service (11.5%), pension obligations (2.8%), health insurance (3.3%), and other fixed costs that further impact our ability to direct funding to new or expanded services.

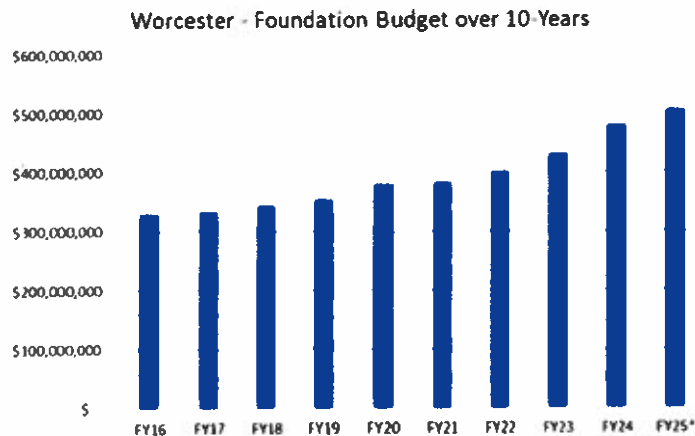
Like last year, I am also committed to providing a 3% Cost of Living Adjustment (COLA) to all staff, recognizing the challenging impact of inflation over the past few years. While non-negotiable to me, this more than \$4M cost understandably limits the amount of funds available for other priorities. At a far lesser scale, I am also committed to providing a 1.5% market adjustment to non-represented staff whose pay increases have not kept pace with collective bargaining agreements. As you know and have supported, over the years we have worked with unions to raise our minimum wage, increase those at the lowest end of the pay scale by two pay grades, provide no cost parking to all staff, and offer COLAs and adjustments to various unions that were not enjoyed by non-represented staff. Equity demands that we address the disparity. Finally, I am also proposing targeted increases to Cabinet. Members of the Cabinet have no automatic step increases and, except for COLAs, base pay for most has not changed for years. We reviewed compensation at some of our sister-cities across Massachusetts and we know our pay scale is flawed. Again, equity demands that we take action. During FY25 and into FY26, we are going to expand that analysis to all management and professional positions to ensure that disparities are addressed and differentials are appropriate.

The result of all these priorities is a budget that invests our limited resources where necessary and in a manner that prepares the City more strategically for the future.

Key Investments

Education

The vast majority of the City's increases were directed to Education. While State Aid for Education rose by \$19.8M, the City's own contribution from local funds increased by \$7.2M under the Chapter 70 formula. This continues a trend that has seen the City's local contribution to Education increase by more than \$20M over the past five years, while overall Chapter 70 Aid has increased by approximately \$100M. In Fiscal 2025, the Worcester Public Schools will receive \$485.7M, a \$23.8M increase over Fiscal 2024. Funding for Charter Schools, School Choice, and Special Education is at \$47.3M, an increase of \$3.2M over Fiscal 2024.

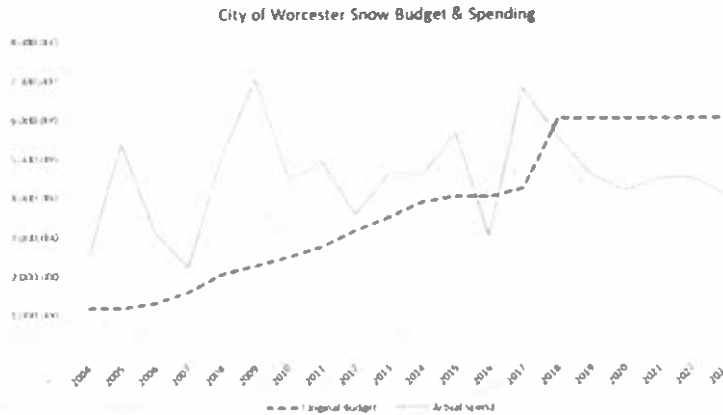


Fixed Costs

Fixed Costs is a critical component of the City's annual budget calculations, including pensions, health insurance, and debt service. In FY25, Fixed Costs are anticipated to be \$165M, a decrease from the FY24 Final Budget due to Free Cash investments in the Bond Rating Stabilization Fund (\$9.5M) and the OPEB Trust Fund (\$5.7M). Without these one-time contributions, Fixed Costs have increased approximately \$5.8M year over year.

The largest increase in Fixed Costs is debt service, which rises nearly \$5M as a result of investments in new schools, parks, and streets and sidewalks. In order to manage this debt load, we must limit our borrowing and find new ways to build revenues and reserves.

I am proposing under separate cover enhancements to the Financial Integrity Plan to solidify our reserves, primarily with one-time revenues. The next largest increase is pensions, which grows by just over \$1M, followed closely by health insurance. We are experiencing some savings in Fixed Costs by reducing the Snow budget by \$500K based on historic utilization. In only two years in the past two decades – 2009 and 2017 – have expenditures exceeded the \$6M allowance for snow.



Funding of over \$20M to various stabilization funds and trusts is a critical element in our ongoing fulfillment of the City's Financial Integrity Plan. Notable contributions within these funds includes \$9.8M to the New High School Construction Fund for increasing debt service related to South High Community School and Doherty Memorial High School, and \$480K to the North High Construction Fund. Over \$2.5M is allocated to the Capital Campaign Stabilization Fund which supports debt service on Worcester Technical High School, Forest Grove Middle School, and library and senior center renovations. The City's two District Improvements Districts – CitySquare and Ballpark – have combined budgets of approximately \$7M, funded by incremental taxes, permit fees, and hotel/meals taxes. We continue to increase our contributions to the OPEB Reserve Fund by 10% annually as we carry out our long-term goal of addressing the approximately \$1.2B liability that OPEB poses.

The City's Contingency Budget is high this year – \$6.7M – due to outstanding union negotiations. Contingency includes only a \$250K base for a neighborhood advocates program and other potential items that might arise throughout the year. However, it also

includes \$4M for COLAs for union employees awaiting new contracts and \$2.5M for prior-year retroactive payments upon contract execution.

Public Safety

After education, public safety is the City's largest expense at \$113M or 12.7% of the FY25 Budget. This category includes Police, Fire, Inspectional Services, and Emergency Communications and reflects an approximately \$3.8M overall increase over FY24. Investments in public safety include new training opportunities in Police, as well as replacement safety equipment and firearms for officers. Police also includes a significant increase in OM to accommodate the demands of a temporary chiller while a longer-term HVAC solution is designed and implemented via the Capital Budget. In Fire, funds were proposed for a new staff position to improve our ability to review fire plans with a greater focus on hazardous processes, as well as a regrade of eight firefighter positions to enable a floating contingent that will reduce mandatory overtime due to mandated temporary promotions of other staff. In Inspectional Services, we're reestablishing the formal Building Commissioner position, adding one inspector for plumbing and gas work, enhancing the department's social work capacity, and finalizing our consolidation of licensing into department. In Emergency Communications, we're regrading certain positions to establish a clearer table of organization, adding three customer service representatives to both improve services and reduce demands on dispatchers, and incorporating an additional expectation of overtime due to lengthened work schedules.

Public Works & Parks

The Department of Public Works & Parks (DPW&P) is the next highest expense at \$23.7M or 2.7% of the FY25 Budget. It reflects a \$167K increase over FY24. DPW&P includes a number of regrades and transfers to realign budgets and tables of organization, increases in overtime to reflect actuals, increases for utility expenses, and increases in park investments, especially in aquatics with the implementation of a new contract to manage staffing of the City's public pools. The City is anticipating a combined 3% increase in water and sewer rates, due to a 4% increase in obligations to the Upper Blackstone, as well as increasing costs for maintenance and repair, utilities, chemical supplies, software, and environmental services. The proposed rates represent a \$0.04 increase on the water rate

and a \$0.35 increase on the sewer rate, or approximately \$4.96 on the average quarterly household bill.

Other City Services

While comprising relatively small percentages of the overall budget, there are many key departments that fulfill core elements of the City's mission due to passion and creativity. In Health & Human Services, we have increased staffing for veterans, we are funding our Youth Council, and we have moved national opioid settlement fund dollars to a special revenue fund offering an improved ability to strategically plan for long-term solutions. In Economic Development, we are preparing for a renewed zoning code while transitioning funding for Discover Central Massachusetts from the American Rescue Plan Act (ARPA) funding back to Ordinary Maintenance to continue our collective efforts to draw new visitors to Worcester and the DCU Convention Center & Arena. In Innovation & Technology, we are increasing our cybersecurity and expanding our presence in the cloud. Across the City, we are looking at reorganizations, efficiencies, technology, and other improvements so that we can continue to do more, and oftentimes more with less.

Centralization

A key aspect of our efforts to do more with less is a strategic approach to centralization. While our City has varied responsibilities and diverse interests, it has one purpose captured by our theme of empowering progress. Progress means finding our voice, working together, and achieving the otherwise impossible. I am working with departments across the City to build centralized systems that will allow us to capitalize on expertise and provide efficiencies for departments to do more. The City Manager's Office serves as the hub of the City Administration, and therefore has an important responsibility defining and explaining all that we do. As part of that effort, I have worked to improve communications among departments, with City Council, with the media, and with the public at large. One element is the creation of a marketing and public relations team. This group, currently including writers and videographers, will continue to expand with the transfer of two positions from Innovation & Technology (DoIT) to the City Manager's Office to focus on web design and outreach, and one position from Public Health to continue to craft our message to the community. A team needs a leader, however, so I've added a

position into the FY25 Budget to serve as Director of Marketing & Public Relations. In HR, we are also looking to craft a team that can collaborate with City departments to recruit and retain a diverse, talented workforce. We have consolidated HR business partners from DPW&P and Police into HR, as well as a Risk Management position from DPW&P. We have added a Leave Management Specialist who can work with supervisors to manage paid leave and the impacts it has on operations. Our new Workday Human Capital Management (HCM) system, which is expected to go live in early 2025, will provide a centralized human resource system serving as a one-stop shop for staff and management alike. In Administration & Finance, we are taking the first steps to centralize procurement, building a system that will both serve and lead departments to ensure the highest value and the lowest price, with opportunities for vendors across the spectrum. We are also refunding the grants acquisition position in the Budget Office, providing centralized support for identifying and submitting grant applications. Finally, in DoIT, I am empowering our technological leads to truly lead on technology, working with departments to ensure that new technologies are innovative, integrated, and secure.

An operating budget is only one aspect of our financial planning. The capital budget has even more impact on our future than today's annual operating budget. Today's capital budget is tomorrow's debt service, as well as tomorrow's operating costs as it relates to utilities, maintenance, fuel, etc. Soliciting feedback from across City leadership, we are proposing an FY25 capital borrowing of \$136M, a significant portion of which is Massachusetts School Building Authority (MSBA)-related borrowing or enterprise/self-funded borrowing. Only \$41.8M of the capital budget represents tax levy operational needs, a decrease of almost \$5M from FY24. We have looked to invest in public safety vehicles, City facilities and energy efficiencies, the DCU, street and sidewalk design and construction, a plethora of park projects, and water and sewer needs. We are also investing in technology and equipment, to ensure our staff have the tools they need to do the work they do. One important note on schools. The Superintendent and I have had very productive conversations about the needs and limitations of our shared facilities. As you know, we have a significant number of school-related projects underway and are anticipating future movement on a new Burncoat Middle & High School. A few months ago, with your approval, I created a new School Capital Maintenance Fund to help support

school-related activities. As part of a longer-term strategy, for the next five years I am proposing the City increase its contribution to WPS facility needs by \$1M, supported by Community Development Block Grant dollars, as we look to find new and innovative sources for both City and School building investment.

Empowering Progress

I appreciate the City Council's consideration of these proposed budgets. Crafting a budget is a challenging process and few leave the table completely satisfied, myself included. There is always more we want to do. And in some cases, there is always more that we should do. But we face limited resources, and those limits are undoubtedly going to continue into the future. I believe this budget is a step forward in the right direction as we navigate the needs of today and the demands of tomorrow.

The Fiscal 2025 Operation and Capital Budgets are available on the City's website at the link below:

<http://www.worcesterma.gov/finance/budget-central>

Respectfully submitted,



Eric D. Batista
City Manager

FISCAL YEAR 2025

EMPOWERING PROGRESS:

INVESTING IN EQUITY, TALENT, AND CULTURE

Annual Operating Budget



The City of
Worcester

Eric D. Batista, City Manager

PARKS, RECREATION & CEMETERY

Jay J. Fink, P.E., Commissioner
50 Skyline Drive
Worcester, Massachusetts 01605
(508) 799-1190

Mission: To provide efficient and effective grounds maintenance, permitting and renovations at/for over sixty parks and playgrounds. In addition, the Division maintains and repairs public park buildings, manages the City's urban forest (street trees) and the Division's comprehensive summer aquatic and recreation programs. The Division is also responsible for maintaining and managing a 160+ acre cemetery (including burials), completing the physical set up for all National, State and Local elections, and providing staff and technical support to the Parks and Recreation Commission, Hope Cemetery Commission, Grand Army of the Republic (GAR) Hall, and Auditorium Board of Trustees.

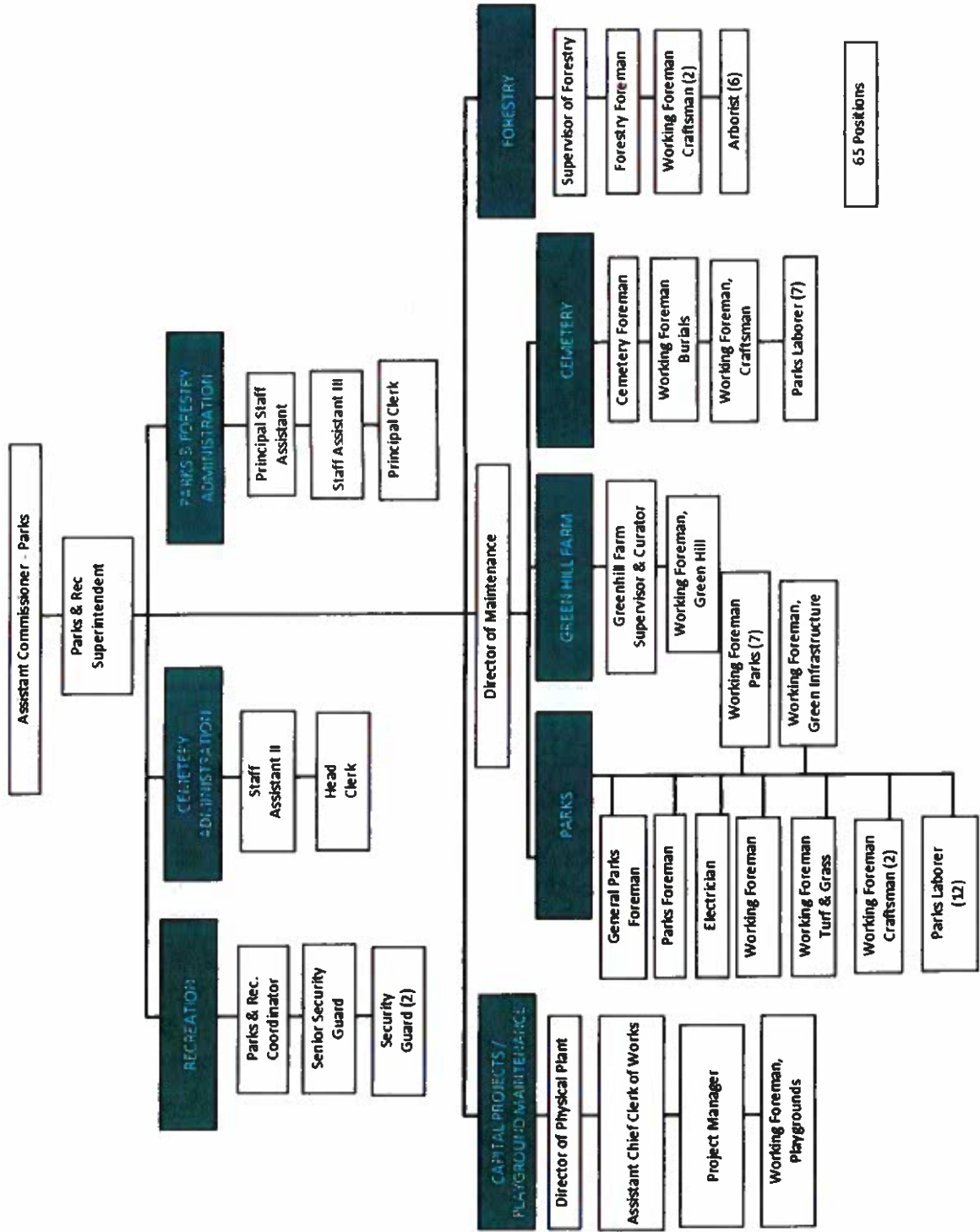
Department Allocation Summary

<u>Expenditures</u>	<u>Actuals</u> <u>Fiscal 2023</u>	<u>Approved</u> <u>Budget for</u> <u>Fiscal 2024</u>	<u>Actuals</u> <u>as of</u> <u>3/31/24</u>	<u>Recommended</u> <u>Appropriation</u> <u>Fiscal 2025</u>
Salaries	\$ 4,633,011.89	\$ 4,621,230.00	\$ 3,006,813.00	\$ 4,511,823.00
Overtime	698,305.05	529,062.00	479,262.00	529,062.00
Ordinary Maintenance	2,462,087.40	2,777,548.00	1,371,181.00	3,150,956.00
Capital Outlay	32,025.50	-	-	-
Total Expenditures	\$ 7,825,429.84	\$ 7,927,840.00	\$ 4,857,256.00	\$ 8,191,841.00
Total Positions	64	64	64	65

Operating Budget Highlights

The tax levy budget for Fiscal 2025 is recommended to be \$8,191,841, which is an increase of \$264,001 from the Fiscal 2024 amount of \$7,927,840. The salary decrease is the net result of the addition of the new Supervisor of Parks Maintenance Position, two regrades of Clerk of Works, and a 3% Cost of Living Adjustment (COLAs) and 1.5% Market Adjustments for non-represented employees. For unions without settled contracts, funding for a similar COLA adjustment has been appropriated to the Contingency budget and will be transferred to departments upon execution of union contracts. These increases were offset by an increase in vacancy factor and the transfer of the aquatics contract to Ordinary Maintenance. The Ordinary Maintenance increase is a result of a new aquatics contract with the YMCA and increases to parks maintenance supplies and services. Overtime will remain level funded to Fiscal 2024.

**DEPARTMENT OF PUBLIC WORKS & PARKS
PARKS / RECREATION / HOPE CEMETERY DIVISION
ORGANIZATIONAL CHART**



JAY J. FINK, P.E., COMMISSIONER

CITY OF WORCESTER - RECOMMENDED APPROPRIATION FOR FISCAL 2025

DEPARTMENT OF PUBLIC WORKS & PARKS

DIVISION OF PARKS / RECREATION / HOPE CEMETERY #CC1076

FY24 TOTAL POSITIONS	APPROVED FY24 AMOUNT	PAY GRADE	TITLE	FY25 TOTAL POSITIONS	RECOMMENDED FY25 AMOUNT
1	\$ 138,657.00	51EM	ASSISTANT COMMISSIONER PARKS	1	\$ 145,450.00
1	88,546.00	46EM	DIRECTOR OF PHYSICAL PLANT	1	92,887.00
0	-	44EM	SUPERVISOR OF PARKS MAINTENANCE	1	104,500.00
1	85,611.00	40M	RECREATION COORDINATOR	1	89,810.00
1	65,344.00	40M	PRINCIPAL STAFF ASSISTANT	1	71,198.00
0	-	45M	ASSISTANT CHIEF CLERK OF WORKS	1	88,043.00
1	83,104.00	40	CLERK OF WORKS, GRADE D	0	-
0	-	42M	PROJECT MANAGER	1	84,922.00
1	80,191.00	39	CLERK OF WORKS, GRADE C	0	-
1	74,663.00	37	STAFF ASSISTANT 3	1	78,333.00
1	46,405.00	24	CUSTOMER SERVICE REP	1	46,584.00
1	51,639.00	4	SENIOR SECURITY GUARD	1	57,762.00
2	100,397.00	2	SECURITY GUARD	2	92,465.00
11	\$ 814,557.00		REGULAR SALARIES	12	\$ 951,954.00
1	\$ 88,610.00	43EM	DIRECTOR OF MAINTENANCE PARKS/CEMETERY	1	\$ 92,952.00
1	71,601.00	40M	GREENHILL FARM SUPERVISOR & CURATOR	1	77,801.00
1	81,079.00	40	ELECTRICIAN	1	81,391.00
1	76,948.00	40	GENERAL PARK FOREMAN	1	80,688.00
1	70,388.00	36	PARKS FOREMAN	1	70,658.00
2	119,497.00	34	WORKING FOREMAN, CRAFTSMAN	2	131,504.00
1	65,500.00	34	WORKING FOREMAN, GARDENER	1	65,752.00
1	41,481.00	34	WORKING FOREMAN PARKS (GREEN INFRASTRUCTURE)	1	65,752.00
10	540,017.00	34	WORKING FOREMAN PARKS	10	639,561.00
12	575,898.00	26	PARK LABORER	12	541,172.00
31	\$ 1,731,019.00		REGULAR SALARIES	31	\$ 1,847,231.00
1	\$ 90,003.00	44EM	SUPERVISOR OF FORESTRY	1	94,414.00
1	70,388.00	36	FORESTRY FOREMAN	1	70,658.00
2	131,000.00	34	WORKING FOREMAN, CRAFTSMAN	2	131,504.00
6	283,710.00	28	ARBORIST	6	290,062.00
10	\$ 575,101.00		REGULAR SALARIES	10	\$ 586,638.00
1	\$ 70,388.00	36	CEMETERY FOREMAN	1	\$ 70,658.00
1	69,457.00	35	STAFF ASSISTANT 2	1	72,856.00
2	131,000.00	34	WORKING FOREMAN BURIALS	2	131,504.00
1	50,524.00	32	HEAD CLERK	1	52,618.00
7	329,303.00	26	PARK LABORER	7	331,251.00
12	\$ 650,672.00		REGULAR SALARIES	12	\$ 658,887.00
64	\$ 3,771,349.00		TOTAL SALARIES - ALL DIVISIONS	65	\$ 4,044,710.00
	(106,313.00)		VACANCY FACTOR		(164,343.00)
	7,389.00		EM INCENTIVE PAY		9,591.00
	252,909.00		CONTRACTUAL STIPENDS-MEO RATES		252,909.00
	152,500.00		HOPE CEMETERY TEMPORARY LABORERS		202,500.00
	245,500.00		PARKS TEMPORARY STAFF		245,500.00
	111,300.00		PARKS STEWARD/ TEMPORARY STAFF		111,300.00
	367,500.00		AQUATICS PROGRAM/TEMPORARY STAFF		-
64	\$ 4,802,134.00		TOTAL RECOMMENDED SALARIES-ALL DIVISIONS	65	\$ 4,702,167.00

JAY J. FINK, P.E., COMMISSIONER

CITY OF WORCESTER - RECOMMENDED APPROPRIATION FOR FISCAL 2025

DEPARTMENT OF PUBLIC WORKS & PARKS

DIVISION OF PARKS / RECREATION / HOPE CEMETERY #CC1076

FY24 TOTAL POSITIONS	APPROVED FY24 AMOUNT	PAY GRADE	TITLE	FY25 TOTAL POSITIONS	RECOMMENDED FY25 AMOUNT
			FUNDING SOURCES:		
	\$ (166,496.00)		PROJECT FUNDS		\$ (176,236.00)
	(14,408.00)		CREDIT FROM GOLF COURSE		(14,108.00)
	<u>\$ (180,904.00)</u>		TOTAL FUNDING SOURCES		<u>\$ (190,344.00)</u>
<u>64</u>	<u>\$ 4,621,230.00</u>		TOTAL RECOMMENDED PERSONAL SERVICES	<u>65</u>	<u>\$ 4,511,823.00</u>
	\$ 52,000.00		RECREATION DIVISION OVERTIME		\$ 52,000.00
	220,000.00		MAINTENANCE DIVISION OVERTIME		220,000.00
	135,000.00		FORESTRY DIVISION OVERTIME		135,000.00
	65,753.00		HOPE CEMETERY DIVISION OVERTIME		65,753.00
	56,309.00		SNOW REMOVAL OVERTIME		56,309.00
	<u>\$ 529,062.00</u>		TOTAL RECOMMENDED OVERTIME		<u>\$ 529,062.00</u>
	\$ 5,000.00		ARCHITECTS		\$ 5,000.00
	20,000.00		AUTO FUEL NO LEAD GAS		20,000.00
	17,000.00		AUTOMOTIVE SUPPLIES		17,000.00
	93,500.00		BUILDING SUPPLIES		93,500.00
	5,500.00		CHEMICAL SUPPLIES		5,500.00
	5,000.00		CLEANING SERVICES		5,000.00
	23,500.00		CUSTODIAL SUPPLIES		26,000.00
	18,200.00		DIESEL FUEL		18,200.00
	156,000.00		ELECTRICITY		156,000.00
	30,500.00		ENVIRONMENTAL SERVICES		43,000.00
	2,600.00		EXTERMINATOR SERVICES		2,600.00
	800.00		FOOD SUPPLIES		800.00
	1,126,672.00		HIRED SERVICES		120,405.00
			HIRED SERVICES - AQUATICS CONTRACT		667,500.00
	20,500.00		IT HARDWARE SUPPLIES & MAINTENANCE		20,500.00
	92,000.00		LANDSCAPING SUPPLIES		167,000.00
	90,026.00		LEASES & RENTALS		29,726.00
	3,350.00		LICENSES		3,350.00
	400,000.00		MAINTENANCE & REPAIR		609,000.00
	179,000.00		MAINTENANCE/REPAIR VEHICLE		179,000.00
	500.00		MEDICAL SUPPLIES		500.00
	4,250.00		MEMBERSHIP DUES		4,250.00
	15,000.00		NATURAL GAS		15,000.00
	9,100.00		NEWSPAPER ADVERTISING		9,100.00
	22,000.00		NON-NETWORK SOFTWARE & SUPPORT		43,696.00
	29,500.00		OFFICE SUPPLIES		29,500.00
	1,400.00		OTHER CHARGES & EXPENDITURES		-
	154,205.00		PARTS/EQUIPMENT SUPPLIES		154,205.00
	24,000.00		PERFORMERS		24,000.00
	900.00		PHYSICIANS		900.00
	13,300.00		POLICE DETAIL		13,300.00
	1,000.00		POSTAGE		1,000.00
	2,000.00		PREPARED MEALS		2,000.00
	21,345.00		PRINTING SUPPLIES & SERVICES		21,345.00
	80,500.00		RECREATIONAL SUPPLIES		80,500.00
	4,200.00		REGISTRATION FEES		4,200.00
	2,400.00		RUBBISH REMOVAL		28,900.00
	13,000.00		SAFETY SUPPLIES		-
	10,600.00		SAND & GRAVEL SUPPLIES		12,000.00

JAY J. FINK, P.E., COMMISSIONER

CITY OF WORCESTER - RECOMMENDED APPROPRIATION FOR FISCAL 2025

DEPARTMENT OF PUBLIC WORKS & PARKS

DIVISION OF PARKS / RECREATION / HOPE CEMETERY #CC1076

FY24 TOTAL POSITIONS	APPROVED FY24 AMOUNT	PAY GRADE	TITLE	FY25 TOTAL POSITIONS	RECOMMENDED FY25 AMOUNT
	7,000.00		SECURITY SERVICES		7,000.00
	3,100.00		SUBSCRIPTIONS		600.00
	25,000.00		TAG DAY		25,000.00
	28,000.00		TELEPHONE		28,000.00
	4,800.00		TRAINING CERTIFICATIONS		4,800.00
	1,300.00		TRAVEL		1,300.00
	.		TREE REMOVAL		440,779.00
	10,000.00		VETERINARIANS		10,000.00
	<u>\$ 2,777,548.00</u>		TOTAL RECOMMENDED ORDINARY MAINTENANCE		<u>\$ 3,150,956.00</u>
	<u>\$ 7,927,840.00</u>		TOTAL RECOMMENDED TAX LEVY		<u>\$ 8,191,841.00</u>



The City of
WORCESTER

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Eric D. Batista
City Manager

CITY OF WORCESTER

cm2024may03114307

Attachment for Item # 10 39 B

May 7, 2024

TO THE WORCESTER CITY COUNCIL

COUNCILORS:

I respectfully request the review, deliberation, and approval of the Fiscal Year 2025 Capital Budget, submitted for the consideration of your Honorable Body.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Eric D. Batista".

Eric D. Batista
City Manager



The City of
WORCESTER

Fiscal Year 2025

Capital Budget

Eric D. Batista, City Manager

Fiscal 2025 CAPITAL IMPROVEMENT PLAN

Budget Message

This comprehensive, five-year Capital Improvement Plan for Fiscal Years 2025-2029 takes into account the collective priorities of our community, City Council, and my administration following the vision of the City Strategic Plan. As we continue to implement a long-term strategy, we also consider the need for flexibility during a time of rising capital borrowing costs.

Many of the capital projects proposed in this Capital Improvement Plan will have a positive impact during Fiscal 2025, whereas some are multi-year programs that will yield results in the coming years. In the table below, projects with prior year loan authorization depict ongoing facility and infrastructure programs for which City Council has previously approved loan orders. Projects with new authorization in Fiscal 2025 represent new projects and/or ongoing projects that require increased loan authority.

Funding Source	Remaining Prior Year Authorization	FY25 New Authorization	FY25 Borrowing	Other Funding (Grants, etc.)
Tax Levy	\$ 38,273,858	\$ 46,371,444	\$ 41,755,302	\$ 32,573,981
ESCO	-	1,200,000	1,200,000	-
Golf Enterprise	150,000	-	75,000	-
Off Street Parking	2,950,000	150,000	1,200,000	-
Water Enterprise	3,700,000	18,070,000	19,655,000	-
Sewer Enterprise	15,296,000	20,430,000	21,266,000	4,500,000
DCU	9,606,708	-	9,606,708	-
WPS - MSBA	41,250,000	-	41,250,000	28,000,000
Grand Total	\$ 111,226,566	\$ 86,221,444	\$ 136,008,010	\$ 65,073,981

In total, this Fiscal 2025 CIP recommends a total annual borrowing of \$136M, \$41.25M or 30% of which is related to Worcester Public Schools – Massachusetts School Building Authority (MSBA) projects. The Fiscal 2025 CIP also includes a total tax levy capital borrowing of \$41.75M, approximately \$3.9M below Fiscal 2024 recommendations; enterprise and self-funded borrowing of \$51.8M, and \$65M in potential grant funding to be invested in the City. I am recommending \$86.2M in new loan authorization for Fiscal 2025 to be approved by City Council. These recommendations include mission critical equipment like new public safety vehicles in Police, and Fire; investments in cloud data transfers and backups through the Department of Innovation & Technology; investments in core assets like our public schools, police headquarters, fire stations, and City Hall; the design of safer, more inclusive streets through the Department of Transportation and Mobility, as well as the maintenance of our streets and parks through the Department of Public Works. Additionally, we are recommending key investments in our Water, Sewer, and Off-Street Parking enterprise accounts.

Fiscal 2025 CAPITAL IMPROVEMENT PLAN

Allocation by Category and Funding Source

Category	FY25 Tax Levy Borrowing	FY25 Self Supporting Debt	Other Funding (Grants, etc.)	FY25 Total Project Investment
Equipment	\$ 8,015,302	\$ 4,206,708	\$ -	\$ 12,222,010
WPS Equipment	500,000	-	-	500,000
Facility Improvements	8,965,000	11,280,000	200,000	20,445,000
WPS Facility Improvement	3,500,000	-	11,000,000	14,500,000
WPS - MSBA Facility Improvement	41,250,000	-	28,000,000	69,250,000
Infrastructure	20,775,000	36,316,000	25,873,981	82,964,981
ESCo Infrastructure	1,200,000	-	-	1,200,000
Grand Total	\$ 84,205,302	\$ 51,802,708	\$ 65,073,981	\$ 201,081,991

Equipment

For Fiscal 2025, I am recommending a total investment of \$12.7M in new equipment borrowing, of which \$8.5M is tax levy supported. Notable purchases include \$3.9M in public safety radio systems, \$745K in Police Cruisers, and \$1.2M in cloud transition related costs.

Other major equipment purchases include:

- \$1.6M in Fire Prevention vehicles
- \$1M in DCU related equipment
- \$750K in both DPW and Parks equipment
- \$2.9M total between Water and Sewer equipment

Facility Improvement

I am recommending an investment of \$104.2M in facility improvements, \$53.7M of which is tax levy supported. The major contributor to this category is MSBA-related projects totaling \$41.25M in anticipated Fiscal 2025 borrowing. Projects include the construction of Doherty Memorial High School, as well as ongoing roof, ADA, and code compliance upgrades at Worcester Arts Magnet Elementary School.

Other facility improvement projects include:

- \$3.5M for non-MSBA school rehabilitation
- \$1.65M for City Hall related improvements
- \$1.2M for Police headquarters HVAC replacement and electrical improvements
- \$920K for the South Division Firehouse replacement project design and other station work
- \$8.6M for DCU renovations
- \$1.6M for Union Station as a match to Federal Transit Authority funding
- \$500K each for both DPW and Parks building projects
- \$1M for the roof of the Worcester Memorial Auditorium
- \$2.7M in total Water & Sewer investments

Fiscal 2025 CAPITAL IMPROVEMENT PLAN

Infrastructure

Of the \$84.2M recommended in infrastructure upgrades, we recommend \$11M in borrowing for resurfacing be allocated to the Department of Public Works, \$1M be allocated to the Department of Transportation for street design and traffic signals, and \$1.2M to Sustainability and Resilience for an audit of our municipal buildings' energy efficiency.

Other infrastructure projects include:

- \$7.3M for various park improvement efforts
- \$19.3M for various sewer infrastructure projects including interceptor rehabilitation and reconstruction projects
- \$15.75M for various water projects including improvements to water mains, as well as repairs and replacement of water meters

WPS Equipment and Facility Improvement

I am recommending a total of \$15M for various equipment purchases and facility repairs at our Worcester Public Schools. This includes \$4.5M for general building rehabilitation, \$1M of which will come from Community Development Block Grant funds and the remainder from Tax Levy; \$10M of ARPA funding for ADA and code compliance projects, and \$500K in capital equipment funding. In addition, as referenced above, I am recommending approximately \$69.25M, including State contributions, for Massachusetts School Building Authority-related projects, primarily to continue the construction of Doherty Memorial High School and complete roof, ADA, and code compliance upgrades at Worcester Arts Magnet Elementary School.

Budget Process

Putting fiscal responsibility first and foremost, the Budget Office developed an analytical budget process ensuring all capital requests are assessed and prioritized to formulate a sound, long-term Capital Improvement Plan. As we evaluate the City's short- and long-term capital needs, our current resources and expectations, and the potential of grant funds, we believe the current proposed Fiscal 2025 Capital Improvement Plan represents a solid investment in the City and will assist in maintaining our capacity to respond to present conditions while setting a foundation for continued growth and expansion.

Capital & Debt Policy

- The City will maintain a multi-year approach for the Capital Improvement Plan
- A capital asset is defined as an asset that has a useful life of one year or more
- Any capital asset to be financed shall have a minimal unit cost of \$5,000, and a useful life of five years or more
- Capital assets with a unit cost of less than \$5,000 and/or a useful life of less than 5 years are to be purchased with cash thru the Operating Budget in the Capital Outlay account
- The City will obtain financing only when necessary
- Debt financing will not be considered appropriate for recurring costs such as operating and maintenance expenditures
- The City will utilize external bond counsel for all debt issues

Fiscal 2025 CAPITAL IMPROVEMENT PLAN

- Continual review of all outstanding debts will be undertaken to determine refunding opportunities
- Refunding will be considered if and when there is an economic benefit of the refunding
- The City will seek to amortize general obligation bonds with level principal and interest costs over the life of the issue
- The City will seek to issue its general bond obligations in a competitive sale unless determined that such a sale method will not produce the best results for the City.

Five Year Debt Service Projection

The following table illustrates the current debt service obligations of the City of Worcester before any of the borrowing included in the Fiscal 2025 Capital Improvement Plan. This table shows the amount of debt retired each year as well as a breakdown of the debt obligations by funding source.

Funding Source	FY25 Total Debt	FY26 Total Debt	FY27 Total Debt	FY28 Total Debt	FY29 Total Debt
Tax Levy	\$45,721,035	\$40,591,494	\$36,832,669	\$33,801,662	\$29,981,428
Water	7,623,870	7,254,498	6,470,965	5,979,830	5,257,828
Sewer	12,429,910	11,602,601	10,906,531	10,100,735	9,744,360
Building Campaign	2,595,780	748,931	224,400	-	-
North High School	1,156,476	1,134,737	1,117,124	980,391	971,429
New High School	13,523,578	15,579,768	13,603,918	13,188,358	12,795,938
Off Street Parking	2,312,511	2,191,315	2,097,956	1,898,954	1,778,341
Airport	5,012	2,783	1,723	-	-
DCU Center	3,433,913	3,200,413	3,063,537	3,003,819	2,366,308
City Square	4,135,688	4,150,678	4,177,879	4,164,973	4,185,008
Golf	225,091	221,099	208,698	187,839	168,657
PILOT Parks	244,003	176,560	155,846	131,100	20,708
CSX Parks	98,946	95,412	92,381	-	-
HUD	37,528	-	-	-	-
Major Taylor Blvd	36,277	56,914	56,234	54,665	52,266
Solar: Net Metering Credits	864,229	864,229	864,229	864,229	864,229
Union Station Garage	288,212	238,729	205,464	-	-
Library Building	25,103	25,103	25,103	25,103	25,103
Fire Stabilization	45,528	44,500	43,400	42,300	41,200
Baseball	6,438,448	6,554,152	7,127,615	7,224,906	7,327,722
Total	\$101,741,138	\$94,713,916	\$87,275,071	\$81,648,804	\$75,580,523

Lee D. Smith
City Manager

Dept.	Category	Project Title	FY25 New Authorization	Prior Year Loan Authorization	Grant/Donation Funds
Emergency Communications	Equipment	Radio/Phone Recording Logger	\$ 320,000	\$	\$
	Equipment	Radio System Replacements	\$ 255,792	\$ 3,340,000	\$
	Emergency Communications Sub-Total		\$ 575,792	\$ 3,340,000	\$

Radio/Phone Recording Logger - Required upgrades to comply with MA State Police OASIS radio system. Scope includes upgrades to all radios including 20 spares, replacement of VHS recorder and management server, and dispatch system. Radio System Replacements - Replacing out-of-date, non-supported phone recording/logging system, which would record all required 911 calls, non-emergency business lines, and radio channels.

Dept.	Category	Project Title	FY25 New Authorization	Prior Year Loan Authorization	Grant/Donation Funds
Police	Equipment	Fire Accident Scene Mapping System	\$ 80,000	\$	\$
	Equipment	Marine Vehicle (14)	\$ 745,000	\$	\$
	Capital Outlay	Microfilmless Building Improvements and Radar Units	\$ 40,000	\$	\$
	Police Sub-Total		\$ 865,000	\$ 825,000	\$

Fire Accident Scene Mapping System - Replacing out-of-date, non-supported automobile accident mapping system. Marine Vehicle (14) - Purchase and replacement of 14 marined police cruisers. Microfilmless Building Improvements and Radar Units - Funding for Police headquarter repairs and the purchase of new radar units.

Dept.	Category	Project Title	FY25 New Authorization	Prior Year Loan Authorization	Grant/Donation Funds
Fire	Equipment	Fire Engine (1) & Ladder (1) Replacements	\$ 3,000,000	\$	\$
	Equipment	Replacement Vehicles (4)	\$ 160,000	\$	\$
	Facility	General Improvements to Stations	\$ 300,000	\$	\$
	Capital Outlay	Utility Equipment	\$ 143,000	\$	\$
Fire Sub-Total		\$ 3,603,000	\$ 3,400,000	\$	

Fire Engine & Ladder Replacements - Authorization for one new engine and one new ladder, to be ordered in FY 25, and delivered in FY 27 and FY 28 respectively. Replacement Vehicles - Replacing 4 Fire Prevention vehicles that have expired their useful life span. General Improvements to Fire Stations - Maintenance to various stations throughout the city to improve station functionality and safety. Utility Equipment - contract funding for safety equipment.

Dept.	Category	Project Title	FY25 New Authorization	Prior Year Loan Authorization	Grant/Donation Funds
DPF	Facility	Union Station - FTA Projects Grant Match	\$ 1,600,000	\$	\$ 1,900,000
	Facility	25 Mincks St. Renovations	\$ 100,000	\$	\$ 700,000
	Facility	WFO Renovation	\$ 1,200,000	\$ 2,000,000	\$ 5,000,000
	Facility	South Drifden Fire Station Replacement	\$ 670,000	\$	\$ 2,500,000
	Facility	2 Cottage Dr. (RECC)	\$ 195,000	\$ 95,000	\$ 1,000,000
	Capital Outlay	Microfilmless Repair, Improvements, and Equipment	\$ 100,000	\$	\$
DPF Sub-Total		\$ 3,775,000	\$ 2,095,000	\$ 10,200,000	

Union Station - FTA Projects Grant Match - City match funding for Federal Transit Authority grant, which provides funding for approved building improvements at Union Station.

25 Mincks St. Renovations - Safety replacements and other ADA related safety improvements.

WFO Renovation - Completion of roof, HVAC, and electrical work at the Police Headquarters.

2 Cottage Dr. (RECC) - Completion of HVAC upgrades to Regional Emergency Communications Center.

Capital Outlay - Miscellaneous repairs, improvements, and equipment purchases.

Project	Category	Project Title	FY25 Borrowing	FY25 Cash Purchase	FY25 New Authorization	Priority Year Loan Authorization	Priority Year Loan Authorization
DPF - City Hall	Facility	City Hall - Envelope Improvements	\$ 1,050,000	\$	\$	\$	\$ 5,000,000
DPF - City Hall	Facility	City Hall - Law Renovations	\$ 400,000	\$	\$	\$	\$ 400,000
DPF - City Hall	Facility	City Hall - Fire Alarm	\$ 200,000	\$	\$	\$	\$ 200,000
			\$ 1,650,000	\$	\$	\$	\$ 5,600,000

City Hall - Envelope Improvements - Continued improvements to the roof and front stairs of City Hall.

City Hall - Law Renovations - Continued design and construction of the Law Department offices at City Hall.

City Hall - Fire Alarm - Continued replacement of the City Hall fire alarm system.

Project	Category	Project Title	FY25 Borrowing	FY25 Cash Purchase	FY25 New Authorization	Priority Year Loan Authorization	Priority Year Loan Authorization
DPF - DCU	Equipment	DCU - Equipment	\$ 1,000,000	\$	\$	\$	\$ 1,000,000
DPF - DCU	Equipment	DCU - Wireless VOIP/Switches	\$ 6,708	\$	\$	\$	\$ 6,708
DPF - DCU	Facility	DCU - Facility Improvements	\$ 8,600,000	\$	\$	\$	\$ 8,600,000
			\$ 9,606,708	\$	\$	\$	\$ 9,606,708

DCU - Equipment - Miscellaneous equipment related purchases necessary to the operation of the DCU center.

DCU - Wireless VOIP/Switches - Carryover costs related to the purchase of wireless VOIP/Switches for the DCU Center.

DCU - Roof Repair - Continued repair related to the DCU Center roof, project management and design work related to ongoing DCU Center construction/repair projects, and other miscellaneous DCU facility related improvements.

Project	Category	Project Title	FY25 Borrowing	FY25 Cash Purchase	FY25 New Authorization	Priority Year Loan Authorization	Priority Year Loan Authorization
DPF - MSBA	Facility	MSBA - Doherty	\$ 41,000,000	\$	\$	\$	\$ 41,000,000
DPF - MSBA	Facility	MSBA - Worcester Arts Magnet	\$ 250,000	\$	\$	\$	\$ 250,000
			\$ 41,250,000	\$	\$	\$	\$ 41,250,000

MSBA - Doherty - Continued construction of the new Doherty High School.

MSBA - Worcester Arts Magnet - Continued roof and ADA code compliance related upgrades.

Project	Category	Project Title	FY25 Borrowing	FY25 Cash Purchase	FY25 New Authorization	Priority Year Loan Authorization	Priority Year Loan Authorization
Transportation and Mobility	Infrastructure	Traffic and Signal Engineering	\$ 250,000	\$	\$ 500,000	\$	\$
Transportation and Mobility	Infrastructure	Annual Street Improvement Program	\$ 300,000	\$	\$ 500,000	\$	\$ 800,000
Transportation and Mobility	Infrastructure	Complete Streets Improvements	\$ 250,000	\$	\$ 500,000	\$	\$ 500,000
Transportation and Mobility	Infrastructure	Transportation Improvement Program	\$ 200,000	\$	\$ 500,000	\$	\$ 200,000
Transportation and Mobility	Capital Outlay	Speed Bumps	\$	\$ 225,000	\$	\$	\$
			\$ 1,000,000	\$ 725,000	\$ 2,000,000	\$	\$ 1,900,000
							\$ 4,725,000

Traffic and Signal Engineering - Replacement and reprogramming of the city's traffic and pedestrian signal system.

Annual Street Improvement Program - Development and design of street improvements to be incorporated into street reconstruction and resurfacing projects to ensure that reconstructed streets comply with Federal and State design requirements and incorporate access, safety, and complete streets improvements consistent with the city's Complete Streets policy and industry best practices.

Complete Streets Improvements - Design cost related to the city's Vision Zero efforts, dedicated to redesigning our street network in order to eliminate fatalities and serious injuries related to automobile collisions, with an emphasis on protecting pedestrians, cyclists, and other micro-mobility users.

Transportation Improvement Program - Project identification, development and design activities to improve the city's transportation network.

Speed Bumps - Funding for temporary speed bumps throughout the city.





Dept	Category	Project Title	FY 15 New Authorization	Prior Year Carry Forward	Grand Total
DPW	Infrastructure	Parking Garages	\$ 790,000	\$	\$ 790,000
DPW	Infrastructure	Parking Lots	\$ 50,000	\$	\$ 50,000
DPW	Infrastructure	Union Station Garage	\$ 400,000	\$	\$ 400,000
DPW	Infrastructure	Off Street Equipment	\$	\$ 50,000	\$ 50,000
DPW	Off Street Parking, Sub-Totals		\$ 1,240,000	\$ 50,000	\$ 1,290,000
Parking Garages - Waterproofing work at Major Taylor Boulevard Garage.					
Parking Lots - Costs related to general improvements to municipal parking lots.					
Union Station Garage - Continued work supported by grant (20% match requirement). Improvements to include deck waterproofing, resurfacing, fire alarm system, and sprinkler upgrade.					
Off Street Equipment - Equipment related to off-street parking enforcement.					

Dept	Category	Project Title	FY 15 New Authorization	Prior Year Carry Forward	Grand Total
DPW	Infrastructure	Resurfacing, Streets, and Sidewalks	\$ 11,000,000	\$	\$ 11,000,000
DPW	Infrastructure	Streetlights	\$ 600,000	\$	\$ 600,000
DPW	Equipment	DPW Capital Equipment	\$ 750,000	\$	\$ 750,000
DPW	Infrastructure	Bridges	\$ 500,000	\$	\$ 500,000
DPW	Infrastructure	Curbs	\$ 100,000	\$	\$ 100,000
DPW	Infrastructure	Private Streets	\$ 250,000	\$	\$ 250,000
DPW	Infrastructure	Dams	\$	\$ 400,000	\$ 400,000
DPW	Facility	DPW Building Improvements	\$ 500,000	\$	\$ 500,000
DPW	Capital Outlay - Snow Equipment		\$ 1,000,000	\$	\$ 1,000,000
DPW	Capital Outlay - Snow Equipment		\$ 11,000,000	\$ 400,000	\$ 11,400,000

Resurfacing, Streets, and Sidewalks - Construction costs for annual street and sidewalk reconstruction programs. Grant support from Chapter 90.

Streetlights - Design, replacement, and construction for the City's streetlight system.

DPW Capital Equipment - Various equipment purchases necessary for DPW operations.

Bridges - Design and construction of needed improvements to City bridges.

Curbs - Installation/replacement of various curbs throughout the city.

Private Streets - Design and construction for the completion of ongoing private street conversion program.

Dams - Construction, repair, and improvements of dams which are not associated with the city's drinking water supply.

DPW Building Improvements - Design, construction, and repair associated with various buildings managed by DPW.

Snow Equipment - Capital outlay funding for snow equipment purchases.

FY 2025-2029 Capital Improvement Program
 CITY OF WORCESTER, MASSACHUSETTS
 Budget Office Division
 FY25 CAPITAL BUDGET

Eric D. Barina
 City Manager

Dept	Category	Project Title	FY25 New Authorization	FY25 Cash Balance	FY25 Borrowing	FY25 Total Available	Priority Item	Priority Item Authorization	Grand Total Available
DPW - Water	Equipment	Water Equipment	\$ 1,600,000	\$ -	\$ -	\$ 1,600,000		\$ 1,600,000	\$ 1,600,000
DPW - Water	Facility	Water Filtration Plant	\$ 1,000,000	\$ -	\$ -	\$ 1,000,000		\$ -	\$ -
DPW - Water	Infrastructure	Water Mains	\$ 9,000,000	\$ -	\$ -	\$ 9,000,000		\$ -	\$ -
DPW - Water	Infrastructure	Water Meters	\$ 2,420,000	\$ -	\$ -	\$ 2,420,000		\$ -	\$ -
DPW - Water	Infrastructure	Water Reservoir/Dams	\$ 825,000	\$ -	\$ -	\$ 825,000		\$ -	\$ -
DPW - Water	Infrastructure	Water Transmission Mains	\$ 3,180,000	\$ -	\$ -	\$ 3,180,000		\$ 1,500,000	\$ 1,500,000
DPW - Water	Facility	Water Pump Station Rehabilitation	\$ 900,000	\$ -	\$ -	\$ 900,000		\$ 500,000	\$ 500,000
DPW - Water	Facility	Water Building Rehabilitation	\$ 430,000	\$ -	\$ -	\$ 430,000		\$ -	\$ -
DPW - Water	Infrastructure	Water Land Acquisition	\$ 200,000	\$ -	\$ -	\$ 200,000		\$ 700,000	\$ 700,000
DPW - Water	Infrastructure	Water System Security	\$ 100,000	\$ -	\$ -	\$ 100,000		\$ -	\$ -
		Total	\$ 30,955,000	\$ -	\$ -	\$ 30,955,000		\$ 3,700,000	\$ 34,655,000

Water Equipment - Various equipment purchases necessary for Water Department related operations.
 Water Filtration Plant - Ongoing projects related to various water filtration plants.
 Water Mains - Necessary improvements to the city's water main network.
 Water Meters - Replacement of water meters at residential, commercial, industrial, and other buildings across the city.
 Water Reservoir/Dams - Improvements to the reservoirs and associated dams that form the source of the city's water supply.
 Water Transmission Mains - Necessary improvements to the city's water transmission main network.
 Water Pump Station Rehabilitation - Ongoing projects at various water pumping stations.
 Water Building Rehabilitation - Design, construction, and repair associated with the main building for the Water Department.
 Water Land Acquisition - Ongoing funding related to land acquisitions and preservation adjacent to reservoirs in order to maintain a quality water supply.
 Water System Security - Measures taken to secure the city's water supply, and other Water Department related infrastructure.

Dept	Category	Project Title	FY25 New Authorization	FY25 Cash Balance	FY25 Borrowing	FY25 Total Available	Priority Item	Priority Item Authorization	Grand Total Available
DPW - Sewer	Infrastructure	Sewer Reconstruction	\$ 3,000,000	\$ -	\$ -	\$ 3,000,000		\$ 6,000,000	\$ 6,000,000
DPW - Sewer	Infrastructure	Sewer Control Plan	\$ 4,000,000	\$ -	\$ -	\$ 4,000,000		\$ 280,000	\$ 280,000
DPW - Sewer	Infrastructure	Sewer Interceptor Rehab	\$ 5,000,000	\$ -	\$ -	\$ 5,000,000		\$ -	\$ -
DPW - Sewer	Infrastructure	Sewer Pump Stations	\$ 3,250,000	\$ -	\$ -	\$ 3,250,000		\$ 6,200,000	\$ 6,200,000
DPW - Sewer	Infrastructure	Sewer Surface Drain	\$ 1,660,000	\$ -	\$ -	\$ 1,660,000		\$ -	\$ -
DPW - Sewer	Equipment	Sewer Equipment	\$ 1,300,000	\$ -	\$ -	\$ 1,300,000		\$ -	\$ -
DPW - Sewer	Equipment	Storage Shelters at Upper Blackstone	\$ 300,000	\$ -	\$ -	\$ 300,000		\$ -	\$ -
DPW - Sewer	Facility	Sewer Building Rehab	\$ 350,000	\$ -	\$ -	\$ 350,000		\$ -	\$ -
DPW - Sewer	Infrastructure	Sewer Green Island Flooding	\$ 240,000	\$ -	\$ -	\$ 240,000		\$ 750,000	\$ 750,000
DPW - Sewer	Infrastructure	Sewer Generators	\$ 500,000	\$ -	\$ -	\$ 500,000		\$ 400,000	\$ 400,000
DPW - Sewer	Infrastructure	Flow Metering Program	\$ 1,666,000	\$ -	\$ -	\$ 1,666,000		\$ 1,666,000	\$ 1,666,000
		Total	\$ 20,286,000	\$ -	\$ -	\$ 20,286,000		\$ 12,296,000	\$ 32,582,000





City Manager
 Eric D. Rubin

Dept	Category	Project Title	FY25 New Authorization	Prior Year Level Authorizations	Special/Discretionary Funds
DPW - Parks	Facility	Auditorium	\$ 1,000,000	\$	\$
DPW - Parks	Infrastructure	Linden Park	\$ 250,000	\$	\$ 1,000,000
DPW - Parks	Infrastructure	Barnett Field	\$ 500,000	\$ 3,000,000	\$
DPW - Parks	Infrastructure	Dog Parks	\$ 150,000	\$ 100,000	\$
DPW - Parks	Infrastructure	Grant Brook Valley Park	\$ 800,000	\$ 150,000	\$ 1,000,000
DPW - Parks	Infrastructure	Lincoln Square Memorial	\$ 250,000	\$ 2,000,000	\$
DPW - Parks	Infrastructure	University Park	\$ 1,000,000	\$ 400,000	\$ 1,000,000
DPW - Parks	Equipment	Parks Capital Equipment	\$ 750,000	\$	\$ 9,650,000
DPW - Parks	Infrastructure	Taconic Street Park Improvements	\$	\$	\$
DPW - Parks	Infrastructure	Sports Courts	\$ 250,000	\$ 55,000	\$
DPW - Parks	Infrastructure	Marginal Safety Surfacing	\$ 1,175,000	\$ 45,000	\$
DPW - Parks	Infrastructure	Security camera installation at various park locations	\$ 250,000	\$	\$
DPW - Parks	Infrastructure	East Park	\$ 1,000,000	\$ 250,000	\$
DPW - Parks	Facility	East Park Little League Building	\$ 500,000	\$ 1,500,000	\$
DPW - Parks	Infrastructure	Green Hill Park	\$ 1,500,000	\$ 100,000	\$
DPW - Parks Sub-Total			\$ 9,575,000	\$ 7,000,000	\$ 12,000,000
Auditorium - Design and construction for the roof of the Worcester Memorial Auditorium. Linden Park - Complete renovation to the existing baseball court, playground and surrounding grass area based on the approved Master Plan. Barnett Field - Department of Environmental Protection required contaminated soil removal Dog Parks - Water access and obstacle purchases. Grant Brook Valley Park - Softball field renovation and parking improvements. Lincoln Square Memorial - Memorial layout will be moved to the original location on the opposite side of the property to facilitate Boys Club housing project, along with a complete rebranding of the memorial. University Park - Completion of ongoing project to construct spray park. Parks Capital Equipment - Various equipment purchases necessary for department related operations. Taconic Street Park Improvements - Completion of current project that includes spray park, rectangle field, playground and dog park. Sports Courts - The repair and resurfacing of existing sports courts. Marginal Safety Surfacing - Replacement to the Blinnwood & Elm Park playground safety surfaces. Security camera install various park locations - Installation & upgrades to camera systems which are tied into WPD real time crime center with a focus on public safety in parks. East Park - Completion of Little League Field renovation. East Park Little League Building - Construction of a new support building at the newly renovated little league field. Green Hill Park - Replacement of 20 year old lighting system with a new LED sports lighting system.					

Dept.	Category	Project Title	FY25 Borrowing	FY25 Cash Purchase	FY25 New Authorization	Prior Year Loan Authorization	Grand Total
DPW - Parks - Golf	Infrastructure	Golf Improvements	\$ 75,000	\$ -	\$ 75,000	\$ 150,000	\$ 225,000
Golf Improvements - Overall improvements to tees, pathways and irrigation system.			\$ 75,000	\$ -	\$ 75,000	\$ 150,000	\$ 225,000

Dept.	Category	Project Title	FY25 Borrowing	FY25 Cash Purchase	FY25 New Authorization	Prior Year Loan Authorization	Grand Total
Sustainability and Resilience	Infrastructure	ESCO	\$ 1,200,000	\$ -	\$ 1,200,000	\$ -	\$ 1,200,000
Sustainability and Resilience	Facility	Francis Perkins Library HVAC	\$ 300,000	\$ -	\$ 300,000	\$ 930,000	\$ 1,230,000
Golf Improvements - Overall improvements to tees, pathways and irrigation system.			\$ 1,500,000	\$ -	\$ 1,500,000	\$ 930,000	\$ 2,430,000

ESCO - Energy use audit on city buildings to identify future high-priority energy efficiency projects.
Francis Perkins Library HVAC - Installation of a new HVAC unit at Francis Perkins Library. Upon completion this will be the city's first building to achieve net-zero emissions under the Green Worcester Plan.

Dept.	Category	Project Title	FY25 Borrowing	FY25 Cash Purchase	FY25 New Authorization	Prior Year Loan Authorization	Grand Total
Innovation and Technology	Equipment	Disaster Hybrid Cloud Transition	\$ 1,000,000	\$ -	\$ 1,000,000	\$ -	\$ 1,000,000
Innovation and Technology	Equipment	Hyper scale Backup Appliance	\$ 200,000	\$ -	\$ 200,000	\$ -	\$ 200,000
Innovation and Technology	Equipment	Switches	\$ 150,000	\$ -	\$ 150,000	\$ -	\$ 150,000
Innovation and Technology	Equipment	HVAC and UPS updates for data room	\$ 260,652	\$ -	\$ 260,652	\$ 100,000	\$ 360,652
Transitioning Technology Audit			\$ 3,600,000	\$ -	\$ 3,600,000	\$ 100,000	\$ 3,700,000

Disaster Hybrid Cloud Transition - Transitioning datacenter to the cloud.
Hyper-scale Backup Appliance - Equipment necessary to backup data that will now be stored in the cloud. Will also provide an extra layer of data security.
Switches - Replacements of switches reaching end of useful life in FY25.
HVAC and UPS updates for data room - Ongoing work on the HVAC unit at the Worcester Technical High School data room.

Dept.	Category	Project Title	FY25 Borrowing	FY25 Cash Purchase	FY25 New Authorization	Prior Year Loan Authorization	Grand Total
Economic Development	Facility	WMA Denholm Redevelopment	\$ 1,000,000	\$ -	\$ 1,000,000	\$ 6,800,000	\$ 7,800,000
WMA Denholm Redevelopment - Costs associated with the redevelopment of the Denholm building.			\$ 1,000,000	\$ -	\$ 1,000,000	\$ 6,800,000	\$ 7,800,000

Dept.	Category	Project Title	FY25 Borrowing	FY25 Cash Purchase	FY25 New Authorization	Prior Year Loan Authorization	Grand Total
Public Schools	Equipment	WPS Equipment	\$ 500,000	\$ -	\$ 500,000	\$ -	\$ 500,000
Public Schools	Facility	WPS Building Improvements	\$ 3,500,000	\$ -	\$ 3,500,000	\$ -	\$ 3,500,000
Public Schools	Facility	WPS Accessibility Improvements	\$ -	\$ -	\$ -	\$ -	\$ -
WPS Equipment - Various equipment purchases necessary for Worcester Public School related operations. WPS Building Improvements - Various building improvement projects needed to keep Worcester Public School facilities in good condition. WPS Accessibility Improvements - Various Accessibility and Code compliance projects currently contracted through Federal ARPA funds.			\$ 4,000,000	\$ -	\$ 4,000,000	\$ -	\$ 4,000,000

WPS Equipment - Various equipment purchases necessary for Worcester Public School related operations.
WPS Building Improvements - Various building improvement projects needed to keep Worcester Public School facilities in good condition.
WPS Accessibility Improvements - Various Accessibility and Code compliance projects currently contracted through Federal ARPA funds.

EQUIPMENT	FY25	FY26	FY27	FY28	FY29
Emergency Communications	\$ 12,151,000	\$ 14,000	\$ 60,000	\$ 60,000	\$ 700,000
Police	\$ 875,000	\$ 700,000	\$ 700,000	\$ 700,000	\$ 700,000
Fire	\$ 148,000	\$ 700,000	\$ 800,000	\$ 2,000,000	\$ 7,000,000
DPS - City Hall	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
DPS - DCU	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
DPS - MSBA	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Transportation and Mobility	\$ 750,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 750,000
Off Street Parking	\$ 750,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 750,000
DPW	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
DPW - Water	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
DPW - Sewer	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000
DPW - Parks - G&T	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000
Sustainability and Resilience	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Innovation and Technology	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Economic Development	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000
Public Schools	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000
Total Equipment	\$ 12,722,010	\$ 6,990,000	\$ 7,400,000	\$ 8,960,000	\$ 6,600,000
Facility Improvements					
Emergency Communications	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
Police	\$ 1,715,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
DPS	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
DPS - City Hall	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000
DPS - DCU	\$ 41,700,000	\$ 41,700,000	\$ 41,700,000	\$ 41,700,000	\$ 41,700,000
DPS - MSBA	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000
Transportation and Mobility	\$ 2,730,000	\$ 2,730,000	\$ 2,730,000	\$ 2,730,000	\$ 2,730,000
Off Street Parking	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000
DPW	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
DPW - Water	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000
DPW - Sewer	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000
DPW - Parks	\$ 3,500,000	\$ 3,500,000	\$ 3,500,000	\$ 3,500,000	\$ 3,500,000
DPW - Parks - G&T	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Sustainability and Resilience	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Innovation and Technology	\$ 3,500,000	\$ 3,500,000	\$ 3,500,000	\$ 3,500,000	\$ 3,500,000
Economic Development	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Public Schools	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Total Facility Improvements	\$ 64,695,000	\$ 15,080,000	\$ 14,750,000	\$ 14,750,000	\$ 14,750,000
Infrastructure					
Emergency Communications	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Police	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Fire	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000
DPS	\$ 15,725,000	\$ 15,725,000	\$ 15,725,000	\$ 15,725,000	\$ 15,725,000
DPS - City Hall	\$ 19,250,000	\$ 19,250,000	\$ 19,250,000	\$ 19,250,000	\$ 19,250,000
DPS - DCU	\$ 7,375,000	\$ 7,375,000	\$ 7,375,000	\$ 7,375,000	\$ 7,375,000
DPS - MSBA	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000
Transportation and Mobility	\$ 57,091,000	\$ 61,990,000	\$ 61,990,000	\$ 59,500,000	\$ 60,500,000
Off Street Parking	\$ 93,052,708	\$ 40,550,000	\$ 39,900,000	\$ 38,400,000	\$ 39,400,000
DPW	\$ 41,455,902	\$ 43,250,000	\$ 43,250,000	\$ 44,810,000	\$ 42,450,000
DPW - Water	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
DPW - Sewer	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
DPW - Parks	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
DPW - Parks - G&T	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Sustainability and Resilience	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Innovation and Technology	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Public Schools	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Total Infrastructure	\$ 57,091,000	\$ 61,990,000	\$ 61,000,000	\$ 59,500,000	\$ 60,500,000
Total Credit Funding Sources	\$ (93,052,708)	\$ (40,550,000)	\$ (39,900,000)	\$ (38,400,000)	\$ (39,400,000)
FY25 - FY29 TOTAL:	\$ 41,455,902	\$ 43,250,000	\$ 43,250,000	\$ 44,810,000	\$ 42,450,000

The above does not include the borrowing amounts of \$1.474 Billion, \$1.474 Billion, \$1.474 Billion, \$1.474 Billion, and \$1.474 Billion.

