

Annual and Special Town Meeting Supplemental Information Handout May 6 and 8, 2019

The following is a summary of proposed Annual and Special Town Meeting actions, balances in funds proposed for utilization during Town Meeting, Article amendments and supplemental information relative to certain Articles. Also included are the Town's Overall Financial Management Policies adopted by the Board of Selectmen.

ANNUAL TOWN MEETING ARTICLES THAT WILL BE AMENDED

(Deleted language shown with strikethrough and added in bold)

Article 10: To see if the Town will vote to transfer from the Stabilization Fund a sum of ~~\$1,359,416~~ **1,264,416** to be expended by the Town Manager for the following purposes; or take any action relative thereto.

Stormwater Detention Basin Rehabilitation	100,000
Vernon at Water St Drain Design	20,000
Sidewalk Improvements	250,000
Traffic Sign Install and upgrade	35,000
(2) F-550 dump trucks w/plow package, sander and wing plow	230,000
Modify truck body with a permanent sander and plow package	50,000
Loader	180,000
Tow-behind stump grinder	60,000
Total DPW	925,000
Fire	
New Rescue Truck	95,000
Ambulance Rechassie	165,000
Total Fire	260,000
	165,000
Police	
HVAC System Controller	88,500
Total Police	88,500
Parks	
Trash Hopper Vehicle	38,523
Ventrac Winter machine with Attachments	47,393
Total Parks	85,916
Total	1,359,416
Total	1,264,416

BACKGROUND INFORMATION VARIOUS ARTICLES

Article 4

The following chart is a summary of expenditures and revenues for Fiscal Years 2018, 2019 and 2020. Within the Uses of Funding section, the appropriations include the budget and all other financial articles approved at previous Town Meetings and those being proposed. Cherry Sheet Offsets, Other Local Expenditures and State and County Charges are areas that need to be accounted for in addition to Town Meeting appropriations. The surplus in Fiscal Year 2018 became part of certified Free Cash and Water and Sewer Retained Earnings. A portion of each was spent at previous Town Meetings. The \$89,805 projected surplus in Fiscal year 2019 is from Water and Sewer Enterprise Fund revenue. The \$428,256 projected surplus in Fiscal year 2020 is from Water, Sewer and Cable Enterprise Fund revenue.

<i>Summary Expenditures and Revenues</i>	Actual	Approved	Projected	FY20 Projected
	<u>Budget FY18</u>	<u>Budget FY19</u>	<u>Budget FY20</u>	<u>Inc/(Dec) Over FY19</u>
<i>Uses of Funding (Amounts to be Raised)</i>				
Appropriations	105,026,751	110,983,082	112,989,731	2,006,649
Water, Sewer and Cable TV Enterprise Fund Budgets	13,828,102	13,393,250	14,227,531	834,281
Special Articles and Transfers	5,105,655	10,426,940	4,781,805	(5,645,134)
Cherry Sheet Offsets	36,597	38,995	38,995	-
Other Local Expenditures	1,289,456	1,088,941	996,630	(92,311)
State and County Charges	<u>1,625,949</u>	<u>1,751,102</u>	<u>1,926,212</u>	<u>175,110</u>
Total Use of Funding	126,912,510	137,682,309	134,960,904	(2,721,405)
<i>Sources of Funding</i>				
Property Taxes	74,363,094	78,360,415	81,177,383	2,816,969
Debt Exclusions	8,029,204	9,059,365	8,127,515	(931,851)
State Estimated Revenues	16,585,377	16,806,200	16,806,200	-
Local Estimated Revenues	11,470,913	9,458,686	9,580,515	121,829
Other Available Funds	<u>19,348,116</u>	<u>24,087,448</u>	<u>19,697,547</u>	<u>(4,389,901)</u>
Total Sources of Funding	129,796,704	137,772,114	135,389,160	(2,382,954)
<i>Surplus/(Deficit)</i>	<i>2,884,194</i>	<i>89,805</i>	<i>428,256</i>	<i>-</i>

<i>General Fund Budget Summary</i>	FY2018	FY2019	FY2020	BUDGET
	<u>EXPENDED</u>	<u>BUDGETED</u>	<u>TM REC</u>	<u>INC/DEC</u>
Total Town Budget Net Allocations and w/o Exempt Debt	36,615,502	37,279,163	38,370,009	1,090,846
Total Exempt Town Debt	4,981,075	6,106,524	5,402,142	(704,382)
Total School Budget Net Allocations	56,142,624	58,319,785	59,708,554	1,388,769
Total Exempt School Debt	3,071,245	2,982,702	2,771,215	(211,487)
Shawsheen Tech	5,566,567	6,201,732	6,593,936	392,204
Essex North Shore Agricultural and Tech. School District	54,777	56,968	129,125	72,157
Water Enterprise Fund	7,037,637	6,960,629	7,162,649	202,020
Sewer Enterprise Fund	5,240,451	5,913,497	6,703,563	790,065
Cable TV Enterprise Fund	-	600,000	361,319	(238,681)
Total Budget Net Allocations/Offsets	118,709,878	124,421,000	127,202,512	2,781,512

Note: FY20 Budget includes all action being proposed at Annual and Special Town Meeting

Raise and Appropriate General Fund	
<u>Annual Town Meeting Article 4: FY20 General Fund</u>	\$112,989,731
Raise and Appropriate Sewer Enterprise Fund	
<u>Annual Town Meeting Article 5: FY20 Sewer Enterprise Budget</u>	\$6,703,563
Raise and Appropriate Water Enterprise Fund	
<u>Annual Town Meeting Article 6: FY20 Water Enterprise Budget</u>	\$7,162,649
Raise and Appropriate Cable TV Enterprise Fund	
<u>Annual Town Meeting Article 7: FY20 Cable TV Enterprise Budget</u>	\$361,319
Transfers Stabilization Fund	
Stabilization Fund Balance May 2019:	\$4,740,967
<u>Annual Town Meeting Article 10: Town Projects, Vehicles and Equipment</u>	<u>(\$1,264,416)</u>
Remaining Balance:	\$3,476,551
Transfer Retained Earning's Water Enterprise Fund	
Water Enterprise Fund Retained Earnings Balance May 2019	\$2,356,468
<u>Annual Town Meeting Article 11: Water Distribution upgrades and vehicle purchases</u>	<u>(\$2,120,000)</u>
Remaining Balance:	\$236,468
Transfer Retained Earning's Sewer Enterprise Fund	
Sewer Enterprise Fund Retained Earnings Balance May 2019	\$5,107,493
<u>Annual Town Meeting Article 5: Transfer within sewer revenue to offset debt increase</u>	<u>(\$1,026,790)</u>
<u>Annual Town Meeting Article 13: Vehicle shared with the Water Department</u>	<u>(\$20,000)</u>
Remaining Balance:	\$4,060,703
Cable Retained Earnings	\$1,200,094
No Transfers, Balance May 2019	
Water Stabilization Fund	\$1,855,165
No Transfers, Balance May 2019	
Sewer Stabilization Fund	
No Transfers, Balance May 2019	\$3,808,962
Transfer Overlay Surplus	
FY20 Overlay Surplus Balance:	\$52,500
<u>Town Meeting Article 15: Seniors and Veterans Tax Relief Program</u>	<u>(\$52,500)</u>
Remaining Balance:	-
Transfer CPA Undesignated	

CPA Undesignated Projected Fund Balance June 30 2019:	\$608,790
<u>Annual Town Meeting Article 18: Field Lights at Little League Fields</u>	(\$458,790)
<u>Annual Town Meeting Article 19: Ella Flemings School Design</u>	<u>(\$150,000)</u>
Remaining Balance:	-

Transfer CPA Open Space Reserve

CPA Open Reserve/Recreation Balance May 2019:	\$119,287
<u>Annual Town Meeting Article 20: Poison Ivy Removal “The Pines” Historic Cemetery</u>	<u>(\$4,200)</u>
Remaining Balance:	\$115,087

Community Preservation Act Fund

CPA Historic Reserve Balance: No Transfers	-
CPA Housing Reserve Balance: No Transfers	\$458,027

Transfer Free Cash Special Town Meeting

FY19 Certified Free Cash Balance:	\$600,000
<u>Special Town Meeting Article 2: Snow and Ice</u>	<u>(\$600,000)</u>
Remaining Balance:	-

FURTHER DETAILED INFORMATION-CERTAIN ANNUAL TOWN MEETING ARTICLES

Article 8 authorize the borrowing of \$98,503,724:

In April 2015, Tewksbury submitted a Statement of Interest (SOI) to the Massachusetts School Building Authority (MSBA) to identify inadequacies of the Louise Davy Trahan Elementary School. In February 2017, MSBA invited Tewksbury to conduct a Feasibility Study and Schematic Design to identify and study possible solutions collaboratively with the MSBA. The Elementary School Building Committee hired an Owners Project Manager, (CBRE Heery) and a Designer (Flansburgh Architects), and the Feasibility Study started in February 2017. The study began with the evaluation of six sites considered for the project. The goal was to select a site based upon geographic location, buildable area and natural features, with minimum to no disruption to students/staff during construction. In its conclusion, the Study identified the best long-term solution to be a new 139,457 square-foot building for 790 students serving grades 2–4 located on the Ryan School campus. The Ryan Elementary School site was selected for its close proximity to the Town Center, opportunity for enhanced resources as part of an academic campus with the Ryan School, and available open building area. The Elementary School Building Committee and the MSBA voted unanimously to approve the site and building option, and to proceed into Schematic Design.

The project being proposed in this Article is a new district wide Elementary School serving grades 2 through 4 with a design enrollment of 790 students replacing the Trahan and North St. Elementary Schools. The proposed project will consist of a 139,457 square foot building located adjacent to the Ryan School at 135 Pleasant Street and will be constructed on the current site of Doucette Athletic Field and its adjacent area and structures. The project will include the replacement of the Doucette Athletic Field and Field House, new bleachers, concession stand and restrooms, site improvements such as: new perimeter loop road around the property to alleviate traffic back up on Pleasant St., storm water run-off, improved sidewalks and parking. The project also calls for removal of the Center School located at 139 Pleasant St. Removal of this building has been reviewed by both Massachusetts and Tewksbury Historical Commission and a Memorandum of Agreement (MOA) is currently being assembled. Project design will include sustainability under LEED-S for schools.

The total project budget is \$98.5 million and MSBA will reimburse the Town a maximum facility grant of \$32,736,619 and the Town's share of the estimated project cost is \$65,767,105 million. A breakdown of the Town's estimated project costs are as follows:

Ineligible Cost (Town Share)	
Construction Cost (Building & Site) that exceeds MSBA cost per square foot cap of \$333sf	\$13,957,179
Administration Offices	\$2,565,000
Gym at 10,000sf (4,000sf greater than MSBA Guidelines)	\$1,710,000
Site Work	\$5,041,976
Athletic Fields, Field House, Concessions Stand, Toilet Bldg.	\$8,517,307
Existing Building Demolition	\$249,600
Hazardous Material Abatement	\$485,000
Other Associated Excluded Project Costs (legal, administration, moving, FFE, IT, professional services etc.)	\$3,246,247
Commissioning Recovery Cost	\$17,825
Contractor Fees, Contingencies, Escalation etc.	\$8,082,501
Town Share of Eligible Cost of \$53.1M x 58.77% (\$53.1M - \$31.2M = \$21.9M)	\$21,894,470
Total	\$65,767,105

Based upon the Town borrowing its share of the cost totaling \$65,767,105 for 20 years at an interest rate of 4.25% and with all Town property values and percentages remaining the same (current FY19) and the split at 1.55, the residential tax impact in the first year is estimated to be \$445.46 per average home value of \$404,963 or \$1.10 per/1000 for Residential Values and \$1.92 per/1000 value for Commercial, Industrial and Personal (CIP) Property Values. Since this borrowing of funds will have a declining debt service over 20 years the first year estimated tax impact will be the highest. Utilizing the same assumptions above the average residential tax impact over 20 years is estimated to be \$349.08 per year.

If approved by Town Meeting, the project schedule is to complete Design February 2020, start Construction May 2020, complete Phase 1(New Building) and Open New School August 2022.

Article 9 authorize the borrowing of \$2,000,000:

This Article will be Withdrawn since bidding this project will be delayed and there will be a better understanding if additional funding is needed prior to Special Town Meeting in October.

Article 10 as amended transfer \$1,264,416 from Stabilization Fund:

Stormwater Detention Basin Rehabilitation \$100,000:

The Town is required to comply with the NPDES Small Municipal Separate Storm Sewer System (MS4) Permit requirements established by the United States EPA. Requirements under the MS4 Permit include stormwater outfall investigation and sampling, public outreach and involvement, and maintaining proper function of the stormwater management system. The MS4 permit and its requirements became effective July 1, 2018. The Town's stormwater management system includes catch basins, manholes, piping, and detention basins. The Town initiated the development of a town-wide Storm Water Management Plan in 2018 outlining tasks necessary to meet the six minimum control measures included in the MS4 Permit. Tasks under this project include an annual request to rehabilitate the detention basins in the Town's system. The focus of this year's efforts will be in the area of the Shawsheen River.

Vernon at Water St Drain Design \$20,000:

This funding will be used to develop plans and specifications for the drain installation on Vernon St.

Sidewalk Improvements \$250,000:

Funds will be used for the design and construction of a new sidewalk on Shawsheen Street. The entire length of Shawsheen Street from Main Street to Vale Street will be designed. However, due to the length of Shawsheen Street and the adjacent physical constraints, construction is proposed to be built in phases. The first phase of the Shawsheen Street sidewalk build-out is identified as Main Street to approximately Mohawk Drive depending on available funding after design and contractual bidding prices.

Traffic Sign Install and Upgrade \$35,000:

Projects under this category are one-time projects intended to improve aspects of design and/or function of roadway infrastructure or enhancements that will improve traffic safety and preservation of public and private property. This request is for replacement of school zone signage at the Heath Brook and Dewing Elementary Schools. The existing electric flashing lights will be replaced with solar powered programmable flashing lights; pavement markings and other signage to comply with the State's MUTCD within School Zones.

(2) dump trucks w/plow package and wings \$230,000:

Replacement of Truck #58 and 6-yard sander with two smaller mid-size dump trucks w/plow package, wing plows and 3-yard sanders. Truck #58 is a 1994 5-ton dump truck with a 6-yard sander. Its service life does not warrant further investment due to mechanical failures and salt deterioration of the cab, body and frame. Two smaller mid-size type models will provide more flexibility in staff assignment and improve route coverage during snow operations especially in neighborhoods constrained by narrow streets. During the construction seasons, the smaller trucks are more practical and manageable for the work of Highway staff.

Modify Body and Plow package \$50,000

Modify Truck #51 body with a permanent sander and plow package. Currently, truck #51 is a 10-wheel dump truck with a multi-function dump body. The sanding unit, which is built into the truck's body, is continually in need of repairs and the undercarriage has extreme rot. Modifying the truck as permanent sander will extend its service life.

Loader \$180,000

Loader #68 is a 2000 Volvo with 12,000 operating hours. It is used for all aspects of DPW work, and is an essential piece of equipment. The transmission and engine need rebuilding and turbo replaced; there is extensive rot. The remaining service life does not warrant continued investment.

Tow-behind stump grinder \$60,000

Purchase a new tow-behind stump grinder for the removal of tree stumps. The Town continues to add to the numerous stumps located adjacent to Town roads. The removal of stumps by Town Forestry Division staff is more cost efficient and expedient than contracted services. The presence of stumps adjacent to private property detracts from the aesthetics of Town roads and adjacent properties. There is currently a backlog of several hundred stumps that need to be removed and cleaned up.

Ambulance Re-chassis \$165,000

Replace 2013 Ford E-450 Horton Ambulance with an ambulance that will continue to meet the needs of the Department and community. The replacement ambulance in the FY2020 request will be a re-chassis of the 2013 Ford E450 Ambulance or replacement of the ambulance with a new ambulance that will meet the needs and space requirements of the Department. The re-chassis option will have a new cab and chassis installed on the existing Horton box. Electrical, mechanical, heating and ventilation systems, and hardware will be replaced as needed. The new chassis and box will be painted and lettered to match the existing fleet. Currently we are restricted by the physical dimensions of the current fire station bays.

Police Station HVAC System Controller \$88,500

The funds provided in this account will be used to replace the Police Department's HVAC system controller software with a Johnson Controls supervisory controller. This is essentially the brain of the HVAC system. We have had all kinds of issues with the existing system, which was installed new in 2007. The life expectancy of this type of system is between 5-10 years, and it is no longer supported.

Trash Hopper Vehicle \$38,523

Purchase a Jacobsen Truckster Trash Hopper to replace the current one for trash pick-up and disposal.

Ventrac Winter machine with Attachments \$47,393

Purchase a Ventrac Winter machine with attachments to snow blow the Livingston Recreation Complex and sidewalks during the Winter and groom fields during the Spring/Summer/Fall.

Article 11 transfer \$2,120,000 from Water Retained Earnings:

Ford Transit Cargo Van \$20,000:

Purchase a new cargo style van where costs are shared between the Water and Sewer Enterprise funds. The van will be dedicated to meter repair activities where all necessary tools, supplies and inventory of meters can be safely stored and located. Currently, staff uses an opened back ranger pickup or police vehicles that have been surplused. The purpose of the van is to provide a dedicated vehicle for meter repair, replacement and customer service.

Water Main Replacement \$2,100,000:

This project requests funds to replace water mains associated with two MassDOT paving and road reconstruction projects along Main Street (Route 38) and Andover Street (Route 133). Water mains that are undersized and/or made of cement-like materials will be replaced with lined ductile iron. The work must be completed prior to the road reconstruction. Water mains to be replaced include those on Main Street from North Street to Colonial Drive; Old Boston Road to Marshall Street; and Andover Street from Waterford Meadows to River Road. If any funds are remaining, they will be used towards other water main projects.

Article 12 authorize the borrowing of \$2,000,000:

This request will fund water main replacement in West Tewksbury on Woburn Street, Park Street, Elm Street, Highland Avenue, Greenwood Avenue, North Billerica Road, and in South Tewksbury on South Street from McLaren Road to Brown Street. If any funds are remaining, they will be used towards other water main projects.

Article 13 transfer \$20,000 from Sewer Retained Earnings:

Ford Transit Cargo Van \$20,000:

Purchase a new cargo style van where costs are shared between the Water and Sewer Enterprise funds. The van will be dedicated to meter repair activities where all necessary tools, supplies and inventory of meters can be safely stored and located. Currently, staff uses an opened back ranger pickup or police vehicles that have been surplused. The purpose of the van is to provide a dedicated vehicle for meter repair, replacement and customer service.

Article 14 Bond Premium

Bond Premium from a July 2016 Bond refinancing must be used to reduce the bonds that were refinanced. As required by State Statute, this article uses a portion of those proceeds (\$60,591.08) to reduce existing Town Exempt Debt Principal.

Article 15 transfer \$52,500 from Overlay Surplus to fund the Senior and Veterans' Tax Relief Work Program

Funding will continue an annual program that allows Seniors and Veterans to work in various Town offices and receive a maximum of \$1,500 to be applied toward their property tax bill. They must own and occupy the property for which Tewksbury taxes are paid and rebate requested. Homeowner or their current spouse must be the home owner domiciled and residing in the home; and be an owner of the property to which a reduction in real estate taxes may be granted. Senior participants in this program must be 60 years of age or older at the time services are provided to the Town. Each year, depending upon the number of applicants, available work and the number of hours an applicant can work, 30-32 individuals on average have taken advantage of the program. The requested funding, which has increased from \$25,000 in previous years, will place up to a minimum of 35 individuals, if they all utilize the maximum allowance.

Article 18 transfer \$458,790 from CPA Undesignated Reserve

New lights, poles and associated electrical work at the Baseball Fields on East Street \$458,790:

Funding is for the removal of existing lighting poles, ballasts, and wiring at the East Street Baseball Fields. The plan is to install new updated and safe lighting poles with new high efficiency LED ballasts.

Article 19 transfer \$150,000 from CPA Undesignated Reserve

Engineering and Design of Renovations Ella Flemings School \$150,000:

Funds will be used for the design of Historic restoration and reuse of Ella Flemings School. There will be a specific focus to restore the first floor classrooms to their historic character.

Article 20 transfer \$4,200 from CPA Open Space Reserve

Poison ivy removal "The Pines" State Hospital Historic Cemetery \$4,200:

Funds will be used for the second step in the restoration of the Tewksbury Hospital Cemetery "The Pines", to treat poison ivy with a glyphosate-based herbicide with an added surfactant to facilitate the destruction of all poison ivy within the cemetery. The long-term goal in regards to "The Pines" Cemetery would be to restore the long neglected cemetery to a state that is conducive to visitors, while maintaining it both as a historical resource and a prominent open space for the Town of Tewksbury.

Article 21 accept the provisions of Chapter 90, §17C of the Massachusetts General Laws:

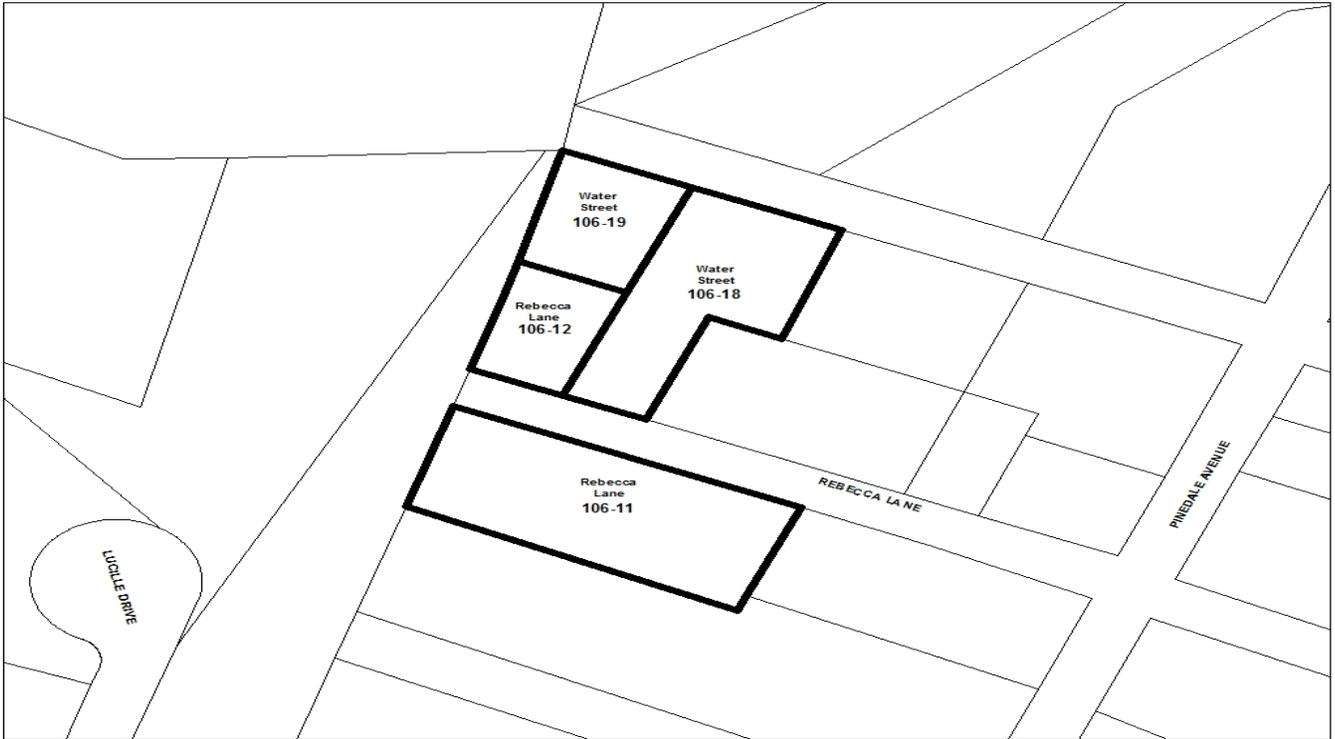
The purpose of this article is to return control to the Town of Tewksbury for reducing speed limits in thickly settled and business districts to improve safety of motorists, cyclists, and pedestrians. Adoption of Chapter 90 § 17C provides the Board of Selectmen with the ability to establish 25 MPH speed limits in these districts where statutory limits have not previously been set by MassDOT. The speed limit for thickly settled and business districts is 30 MPH. Currently the Town is required to seek approval from MassDOT for all speed limit changes. The Selectmen will implement this regulation on a case by case basis where reducing the speed limit to 25 MPH would improve safety. The Tewksbury Police Department (TPD) and Department of Public Works (DPW) will assist the Selectmen when determining the location(s) where 25 MPH speed limits should be established. Although not required by the statute, the process used by the Town for determining if a 25 MPH speed limit is warranted will be similar to that required by MassDOT in that an engineering study will be performed, which will be the basis of the TPD and DPW recommendation. Any proposed speed reduction(s) will be voted on at a Selectmen meeting at which residents will have the ability to provide comment on the matter prior to approval.

Article 22 accept the provisions of Chapter 90, §18B of the Massachusetts General Laws:

The purpose of this article is to expand the authority of the Town of Tewksbury to reduce speed limits in areas with significant pedestrian activity. Currently MassDOT approval is required for all speed limit changes. Adoption of this regulation provides the Board of Selectmen with the ability to establish 20 MPH Safe Zones to improve safety of motorists, cyclists and pedestrians. The Selectmen will have the ability to implement Safe Zones at schools, recreation areas, and other places where reduced speeds will improve safety. The Tewksbury Police Department (TPD) and Department of Public Works (DPW) will assist the Selectmen when determining the location(s) where Safe Zones should be established. Although not required by the statute, the process used by the Town for determining if a Safe Zone is warranted will include an engineering study, which will be the basis of the TPD and DPW recommendation. Any proposed Safety Zone(s) will be voted on at a Selectmen meeting at which residents will have the ability to provide comment on the matter prior to approval.

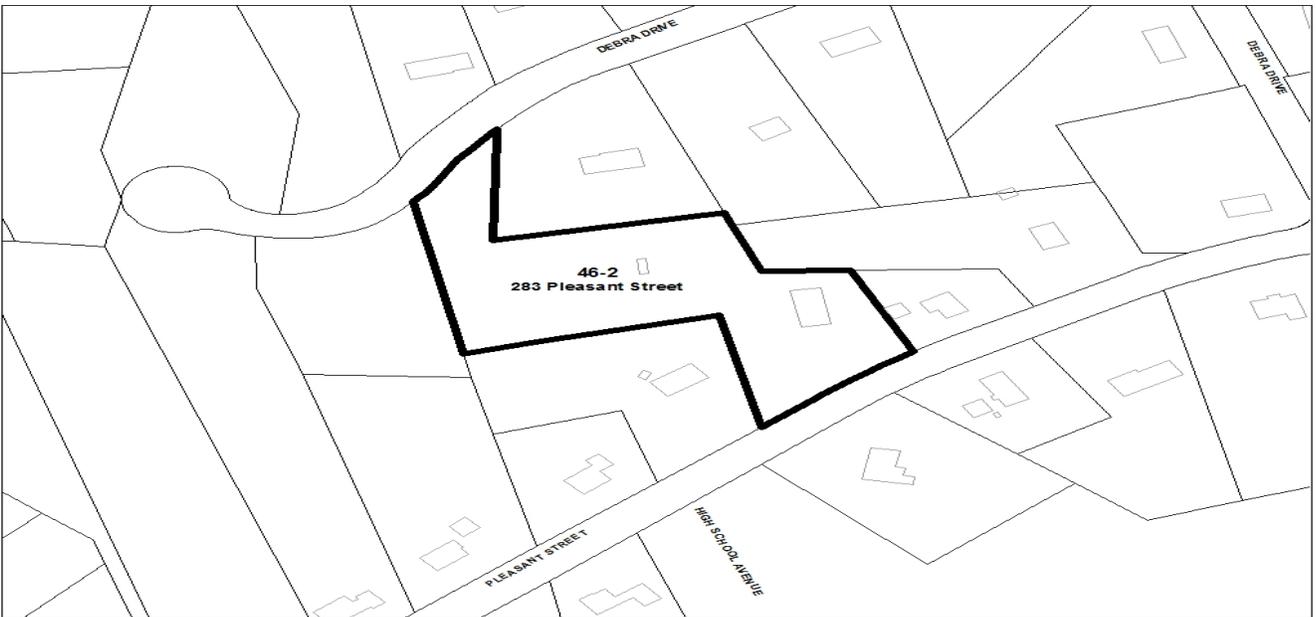
Article 23 sale of Town Land:

In an effort to increase affordable housing in the community, the Local Housing Partnership is seeking approval within this article to authorize the Board of Selectmen to sell Map 106 Parcel 11, valued at \$35,300, .55 acres; Map 106 Parcel 12, valued at \$32,600, .16 acres; Map 106 Parcel 18 valued at \$34,200, .34 acres and Map106 Parcel 19 valued at \$32,900 .18 acre to allow for the building of two (2) affordable houses through a request for proposal process.



Article 24 sale of Town Land:

This article authorizes the Board of Selectmen to sell a parcel of land to be used for building and selling of market rate or affordable home(s). The parcel located at 283 Pleasant Street, Assessor Map 46, Parcel 2, is approximately 2.14 acres and valued by the Assessors at \$240,800 and will be sold through a public procurement process. The parcel in its current condition has become a hazard due to broken glass and unsafe structures. Overgrowth of trees and bushes has become a problem for abutters and its care maintenance is difficult because of the hazardous condition.



Article 26 amend Chapter 2.04 Town Meeting of the Tewksbury General Bylaws:

This By-Law amendment to General and Zoning By-law article(s) in excess of three (3) pages to require a summary in the mailed version of that Town Meeting Warrant. This will limit the number of pages to be printed when mailing the document, which will reduce the overall cost. The summary of that article will indicate the locations where the complete article may be located for review. The complete article will be posted on the Town's website, two copies shall be made available for viewing at the Tewksbury Public Library, Senior Center, and Town Hall at the Town Clerk's Office, and will be included in the Warrant posted in accordance with Massachusetts General Law.

Article 34 Billboard Signs:

This article would amend the zoning bylaw to allow for billboard signs along the Federal Interstate Highways, I-93 and I-495 subject to certain criteria in the bylaw and in accordance to MassDOT and U.S. DOT regulations. State Route 38 is not included in this proposed change.

Billboards: 1) must be located on property zoned for commercial or industrial use (in Tewksbury it would be the industrial, office research and commercial districts) that abuts the Interstate; 2) must be located within 500-feet of at least two business, industrial or commercial facilities; 3) cannot be located closer than 1,500 feet to another one; 4) must not be within 300 feet of a public park, playground, cemetery, forest, reservation area or recreation area; and 5) must not be within 500 feet of the limit of a ramp serving the Interstate.

A current analysis of potential parcels that meet the above criteria based on today's zoning and commercial activity yields approximately 5-7 sites that may be eligible. This is based on a high level analysis. An applicant would have to prove they meet the above criteria in their application to the special permit granting authority. In reality, the number of potential sites could be as low as 3.

The proposed bylaw is also subject to a development agreement that would be executed by the Board of Selectmen. In some communities, there have been agreements that yield approximately \$50,000-100,000 annually in payments to those communities.

FURTHER DETAILED INFORMATION-CERTAIN SPECIAL TOWN MEETING ARTICLES

Special Town Meeting Article 1

The following is a breakdown of the Line-Item funds will be transferred to:

Accounting Regular Salaries \$15,100:

With the retirement of the Finance Director and payout of sick leave and vacation, a deficit is projected in this account.

Assessors Professional Services \$11,472:

The bids for the Real and Personal Property Revaluation is higher than estimated, and the funding requested is the difference.

Administrative Services Part-Time \$5,000:

Additional hours were worked beyond the normal schedule to cover office staff time off, and funding is needed to cover for the remainder of the Fiscal Year.

Town Hall Energy Utilities \$18,000:

The cost of electric utilities is projected to exceed the budget. This budget funds utilities for the Town Hall, Center Fire Station and Town Hall Annex.

Town Hall Non-Energy Utilities \$8,000:

With the conversion of phones from Verizon to the Broadview phone system, additional funds are needed. This Budget funds phone service for all Town Departments.

Town Hall All Other \$1,000:

Funds are needed since there was an increase in the amount of cleaning and maintenance supplies for the Town Hall and Town Hall Annex during Fiscal Year 19. Also, new entrance mats were purchased for the buildings.

Building Regular Salaries \$6,120:

Funds are needed for an employee's longevity benefit in accordance with the Personnel By-Law.

Fire Salaries \$68,540:

Funds are needed for an employee's sick-leave buyback benefit in accordance with the Collective Bargaining Agreement.

Fire Operating-Repairs and Maintenance \$12,000:

Additional Funding is needed to cover unforeseen repairs to the Fire Engines.

Fire Operating-Facility Maintenance \$2,000:

Additional Funding is needed to cover unforeseen repairs to the South Station.

Street Lighting \$20,000:

Street Light costs were higher than expected.

Solid Waste Disposal- Solid Waste Collection \$90,000:

Rubbish collection costs are higher than expected due to the cost of disposing of recyclables.

Town Facilities and Grounds Energy and Utilities \$2,500:

Energy costs were higher than expected at the Recreation Facilities.

Town Facilities and Grounds Repairs and Maintenance \$5,000:

Additional Funding is needed to cover unforeseen repairs to various facilities and additional maintenance to recreation fields.

Town Facilities and Grounds All Other \$4,000:

Funds are needed since there was an increase in the amount of supplies needed this Fiscal Year for the maintenance of facilities and grounds.

Essex North Shore Agricultural and Tech. School District \$67,191:

Tuition assessment increased due to four (4) additional students attending school.

Medicare Tax \$30,000:

Due to the amount of Police Details for the National Grid lock-out the Medicare Tax account is projected to have a deficit June 30.

The following is a breakdown of the Line-Item funds will be transferred from:

Town Group Insurance \$167,732:

There is a projected surplus since the estimated number of employees to enroll into certain plans was less than anticipated.

School Group Insurance \$67,191:

There is a projected surplus since the estimated number of employees to enroll into certain plans was less than anticipated.

Assessors Salaries \$4,000:

Since we have had employee turnover within the Department, the vacancy was not filled immediately and the new employee's salary was less than the previous employee, surplus funds are projected to be available.

Library Salaries \$30,000:

Savings from vacant Technology Specialist Position since we have had employee turnover within the Department, the vacancy was not filled immediately and the new employee's salary was less than the previous employee, surplus funds are projected to be available.

Community Development Salaries \$10,000:

Since we have had employee turnover within the Department, the vacancy was not filled immediately and the new employee's salary was less than the previous employee, surplus funds are projected to be available.

Town Clerk's Salaries \$10,000:

Since we have had employee turnover within the Department, the vacancy was not filled immediately and the new employee's salary was less than the previous employee, surplus funds are projected to be available.

Town Property and Liability Insurance \$77,000:

There is a surplus since the actual insurance premium was less than projected due to premium credits.

Article 2 Snow and Ice

The following is a breakdown of the Line-Item funds will be transferred to:

DPW Snow & Ice-Salaries \$116,000, DPW Snow & Ice-Operating Various Accounts \$423,435 and \$60,565 Capital Outlay:

Funds are needed to cover the cost of snow and ice operations for Fiscal Year 2019 which is in deficit due to the number of events this year. In addition, \$60,565 in Capital Outlay will be used to purchase a sidewalk plow.

The following is a breakdown of the Line-Item funds will be transferred from:

July 1, 2018 Certified Free Cash (Surplus Revenue) \$600,000:

In accordance with the Financial Policy of the Board of Selectmen, \$600,000 from Certified Free Cash is set aside each year for a potential snow and ice deficit. This funding represents the Free Cash set aside.

Overall Financial Management Policies

Introduction

The following financial principles set forth the broad framework for overall fiscal planning and management of the Town of Tewksbury's resources. In addition, these principles address both current activities and long-term planning. The principles are intended to be advisory in nature and serve as a point of reference for all policy-makers, managers and advisors. It is fully understood that Town Meeting retains the full right to appropriate funds and incur debt at levels it deems appropriate, subject of course to statutory limits such as Proposition 2 ½. The principles outlined in this policy are designed to ensure the Town's sound financial condition now and in the future. Sound Financial Condition may be defined as:

- Cash Solvency - the ability to pay bills in a timely fashion
- Budgetary Solvency - the ability to annually balance the budget
- Long Term Solvency - the ability to pay future costs
- Service Level Solvency - the ability to provide needed and desired services

It is equally important that the Town maintain flexibility in its finances to ensure that the Town is in a position to react and respond to changes in the economy and new service challenges without measurable financial stress.

Definitions

Fund Balance – The difference between assets and liabilities reported in a governmental fund (Also known as fund equity).

Undesignated Fund Balance – Monies in the various government funds as of June 30 that are neither encumbered nor reserved, and are therefore available for expenditure once certified as part of free cash.

Stabilization Fund – A fund designed to accumulate amounts for capital and other future spending purposes, although it may be appropriated for any lawful purpose (MGL Ch. 40 §5B). Communities may establish one or more stabilization funds for different purposes and may appropriate into them in any year an amount not to exceed ten percent of the prior year's tax levy. The total of all stabilization fund balances shall not exceed ten percent of the community's equalized value, and any interest shall be added to and become a part of the funds. A two-thirds vote of town meeting or city council is required to establish, amend the purpose of, or appropriate money into or from the stabilization fund.

Free Cash (Also Budgetary Fund Balance) – Remaining, unrestricted funds from operations of the previous fiscal year including unexpended free cash from the previous year, actual receipts in excess of revenue estimates shown on the tax recapitulation sheet, and unspent amounts in budget line-items. Unpaid property taxes and certain deficits reduce the amount that can be certified as free cash. The calculation of free cash is based on the balance sheet as of June 30, which is submitted by the community's auditor, accountant, or comptroller. Important: free cash is not available for appropriation until certified by the Director of Accounts.

Overlay Surplus – Any balance in the overlay account of a given year in excess of the amount remaining to be collected or abated can be transferred into this account. Within ten days of a written request by the chief executive officer of a city or town, the assessors must provide a certification of the excess amount of overlay available to transfer, if any. Overlay surplus may be appropriated for any lawful purpose. At the end of each fiscal year, unused overlay surplus is "closed" to surplus revenue; in other words, it becomes a part of free cash.

Net Assets Unrestricted (formerly Retained Earnings) – An equity account reflecting the accumulated earnings of an enterprise fund that may be used to fund capital improvements, to reimburse the general fund

for prior year subsidies, to reduce user charges and to provide for enterprise revenue deficits (operating loss).

Recurring Revenue Source – A source of money used to support municipal expenditures, which by its nature can be relied upon, at some level, in future years.

Non-Recurring Revenue Source – A one-time source of money available to a city or town. By its nature, a non-recurring revenue source cannot be relied upon in future years. Therefore, such funds should not be used for operating or other expenses that continue from year-to-year.

Policy Statements:

1. The Town Manager shall annually prepare a balanced budget and comprehensive Budget Message as required by state law, town charter and by-laws.
2. Budgets will be established, and funds managed, using “generally accepted” accounting principles.
3. Finances will be managed to maintain financial stability over the long term.
4. Maintain facilities and provide services at a level that will ensure the public well-being and the safety of residents.
5. The town will avoid budgetary procedures that balance current expenditures at the expense of meeting future year’s expenses, such as postponing expenditures, accruing future years’ revenues, or rolling over short-term debt.
6. Ongoing operating costs will be funded by ongoing operating revenue sources. This protects the Town from fluctuating service levels and avoids concern when one-time revenues are reduced or removed. In addition:
 - a. Fund Balances such as Certified Free Cash, Stabilization Fund, Overlay Surplus and Water and Sewer Net Assets Unrestricted (formerly Retained Earnings) should be used only for one-time expenditures such as capital improvements, capital equipment and unexpected or extraordinary expenses. In all cases, use of Fund Balances should be avoided for routine and recurring operational expenses.
 - b. Annually, after Free Cash Certification:
 - At least \$600,000 will be set aside for potential snow and ice deficit;
 - At least \$350,000 will be set aside to be transferred into the Other Post-Employment Benefits Trust Fund;
 - At least 25% of the remaining certified free cash will be used to fund the capital budget and one-time capital expenditures;
 - At least 25% of the remaining certified free cash will be placed in to the Stabilization Fund;
 - c. New operating costs associated with capital projects should be funded through the operating budget but reflected in the capital improvement plan.

Fiscal conditions may affect the implementation of this policy. The allocations stated in this policy do not mean that additional funds cannot be allocated to the Stabilization Fund from Free Cash. It means that these are minimum amounts recommended for the certified Free Cash.

7. The Town will maintain a Stabilization Fund as its main financial reserve in the event of an emergency or extraordinary need and to be used to fund on-time expenses, capital projects or capital equipment. It

shall be the goal of the town to achieve and maintain a balance in the Stabilization Fund of 3% to 5% of its operating budget.

8. Enterprise Funds pursuant to MGL Chapter 40, Section 39, shall be designed to generate sufficient revenues to support the full cost (direct and indirect) of operations and debt and provide debt service coverage, if applicable, and to ensure adequate and appropriate levels of working capital. Fees should be reviewed annually in relation to the cost of providing the service. Ongoing routine, preventive maintenance should be funded on a pay-as-you go basis. The term of debt for enterprise funds generally shall not exceed the useful life of the asset and in no case shall the term exceed thirty years. All enterprise funds shall maintain a reserve of Net Assets Unrestricted which is at a minimum from 3% to 5% of its operating budget.
9. Debt service payable, when taking into consideration debt, exempt from Proposition 2 ½ and financed directly with additional taxes, on an annual basis should be no more than 10% or less than 2% of the annual operating budget. The Town should strive to issue debt for shorter periods than the maximum allowable when the statutory limit exceeds 10 years. The requirements for debt financing shall be an expenditure of at least \$25,000 and a useful life in excess of five (5) years. The term of long-term debt generally shall not exceed the expected useful life of the capital asset being financed and, in no case, shall it exceed twenty years. Long-term debt should not be incurred without a clear identification of its financing sources. The General Fund Non-exempt Debt Service shall not exceed 10 percent of General Fund Revenues. Excess appropriated bond issues shall remain in the Capital Projects Fund at the end of a project completion until appropriated out by Town Meeting vote. Betterments may be assessed on all capital projects where applicable. The Town will attempt to maintain a long-term debt schedule so that at least 50 percent of outstanding principal will be paid within ten years.