

TOWN OF WENHAM



**WARRANT HEARING
MONDAY APRIL 2, 2018**

FY 2019 Budget Summary

- **Article 1 - FY19 Budget Appropriation:
\$18,672,060 - increase of \$816,583 from FY18**
- **Article 3 - HWRSD Operating Override:
\$331,294**
- **Of the \$1,147,877 in total proposed budget increases outlined in Articles 1 and 3, \$305,238 (or 26.6%) are related to municipal expenditures, while the remaining \$842,639 (73.4%) are related to regional and vocational school assessments**

FY 2019 Budget - Revenue Summary

- **Projected Local Receipts: increase of \$317,189**
 - **\$90,664 of which is from new shared inspectional services program with Hamilton (proportional offset in expenses)**
- **Projected Net State Aid: increase of \$11,970**
- **Recommended Use of Free Cash to balance operating budget (Article 2):**
\$750,000 (same amount as last several fiscal years)
 - **Balance of unappropriated Free Cash is \$282,135 if all proposed uses are approved**

FY 2019 Budget – Town Expense Summary

- **Expenditures: \$3,715,187 - increase of \$106,030**
 - Increase in Refuse Collection & Disposal contract (+\$21k)
 - Increase in Regional Retirement Assessment (+\$60k)
 - Increase in Other Post Employment Benefits (+\$40k) – funded from Free Cash at \$30k in FY18
 - Net decrease in all other expense lines (-\$15k)
- **Salaries: \$4,262,961 - increase of \$207,522**
 - 2% Cost of Living Adjustment for all employees
 - Up to 2% merit increases for non-union personnel
 - Other contractual increases
- **Capital: \$172,652 - increase of \$23,001**
 - Another \$255k for other capital needs is recommended to be funded through available Free Cash and Water Surplus

FY 2019 Budget – School Expense Summary

- **HWRSD Assessment (including debt): \$10,053,013 - increase of \$846,835**
 - **5.4% increase in HWRSD operating expenses from FY18 to 19, including decrease of \$177k in projected revenues due to user fee reduction**
 - **6.9% increase in HWRSD net assessment to both towns – after accounting for reduction of \$221k in available Excess & Deficiency funds**
 - **9.2% increase in Wenham’s HWRSD assessment – after accounting for \$214k cost of FY19 student enrollment shift. Wenham’s apportionment amount (based on 3 year rolling average of student enrollment) increased by .75% from FY18 to FY19 to 35.35%**

Financial Impact of Student Enrollment Shift

- Since 2013, Wenham's HWRSD enrollment has increased by 9.8%, while Hamilton's has decreased by 8.3%
- Independent of HWRSD year-over-year operating expense increases, Wenham's HWRSD Assessment has increased by \$1,058,000 over the past 4 years from enrollment shift alone (average of \$265k each year)
- HWRSD Operating Budget has increased by 16.2%, or ~\$4M, over past 4 years - Wenham's Assessment has increased by ~\$2.5M over that same time, while Hamilton's has only increased by ~\$1.5M even though Hamilton has about twice as many children enrolled in the district
- Starting with no excess levy capacity in FY18, Town and HWRSD annual operating expense increases needed to total less than 2.5% for FY19 to stay within levy limit based on these funding constraints and the continuing pressure caused by enrollment shift

FY 2019 Budget – Funding HWRSD Assessment

- **Article 1 includes funding for \$515k of Wenham’s FY19 HWRSD Assessment increase – that amount represents:**
 - **2.5% increase from Wenham’s FY18 Assessment (\$223k)**
 - **Wenham’s FY19 share of enrollment shift costs (\$214k)**
 - **Reduction in Excess & Deficiency funds (\$78k)**

- **Article 3 includes \$331k balance of Wenham’s FY19 HWRSD assessment, subject to approval of school operating override by both Town Meeting and the April 12, 2018 local election ballot**

Tax Rate Impact of Article 1

FY19 Levy Limit	\$15,356,231
Total Valuation FY17	\$792,256,064
FY19 Projected Tax Rate	\$19.38 per \$1000

This is a projected increase of \$.59/1000, or 3.1%, on the current tax rate of \$18.79, resulting in an estimated tax bill increase of \$307 on a median home valued at \$520,450.

Tax Rate Impact of Article 3

Over Levy Limit	\$331,294
Total Valuation FY17	\$792,256,064
Tax Rate Impact per \$1,000	\$.42

This is a projected increase of an additional \$.42 (\$.34/Critical Priorities & \$.08/Reduced User Fees), or 2.2%, on the current tax rate of \$18.79, resulting in an additional estimated tax bill increase of \$219 on a median home valued at \$520,450.

Total Tax Rate Impact of Articles 1 & 3

FY18 Tax Rate	\$18.79
Levy Limit Increase	\$.59
Override Increase	\$.42
Total FY19 Tax Increase	\$ 1.01
Estimated FY19 Tax Rate	\$19.80/1000

If the operating override passes, our FY19 tax rate is projected to rise by 5.4%, resulting in an estimated tax bill increase of \$526 on a median home valued at \$520,450.

FY 2019 Recap – Articles 1+3 (Override)

NET AMOUNT TO BE RAISED	\$ 15,687,516
PRIOR FISCAL YEAR LEVY LIMIT - before debt exclusion	\$ 14,161,216
2 1/2% Increase	\$ 354,030
Forecast New Growth	\$ 100,000
School Override	\$ 331,294
LEVY LIMIT - before adding current year debt exclusion	\$ 14,946,540
PROP 2 1/2 DEBT EXCLUSION	\$ 740,984
School Debt, Town Hall/Police Station, Joint Library, Culverts/Drainage	
LEVY LIMIT - Maximum Allowable Levy	\$ 15,687,524
EXCESS LEVY CAPACITY (Levy Limit minus the Net Amount To Be Raised)	\$ 8
PROPERTY VALUATION	\$792,256,064
TAX RATE (Net Amount to be Raised, divided by Property Valuation x 1000) \$	19.80

Annual Town Meeting – FY 2019

Article 1: Budget Appropriations

Motion: The Finance and Advisory Committee moves that the Town vote to raise and appropriate the total sum of \$18,672,060 to defray the Town’s expenses for FY 2019, all as set forth under the column entitled “Proposed Budget 07/01/18 – 06/30/19” appearing in the warrant under Article 1.

Recommendation of the Board of Selectmen: Favorable Action (3-0-0)

Recommendation of the Finance & Advisory Committee: Favorable Action (5-0-0)

Vote Needed: Simple Majority

Annual Town Meeting – FY 2019

Article 2: Use of Free Cash to Balance the Budget

- **Transfer \$750,000 in FY17 Free Cash to balance the budget**
- **Current Free Cash balance is \$1,232,635 (transfer seeks to use 61% of this amount, leaving a balance of \$482,635)**
- **If all other proposed uses of Free Cash are approved by Town Meeting (Article 6), 77% will have been expended and a balance of \$282,135 will remain**
- **For comparison: FY16 Free Cash was certified at \$1,371,147 and 2017 Annual Town Meeting appropriated \$750,000 or 70.5%, leaving a balance of \$405,147**

Annual Town Meeting – FY 2019

Article 2: Use of Free Cash to Balance the Budget

Motion: The Finance and Advisory Committee moves that the Town vote to transfer the sum of \$750,000 from FY 2017 Free Cash to balance the budget for the period July 1, 2018 to June 30, 2019.

Recommendation of the Board of Selectmen: Favorable Action (3-0-0)

Recommendation of the Finance and Advisory Committee: Favorable Action (5-0-0)

Vote Needed: Simple Majority

Annual Town Meeting – FY 2019

Article 3: Hamilton Wenham Regional School District Operating Expense Override

- **Primary drivers leading to this proposed school operating override include financial impact of student enrollment shift, reduction in available Excess & Deficiency funds, reduction in revenues from user fees, and increases in expenses to address critical priorities**
- **In order for the FY19 HWRSD budget as adopted by the School Committee to be approved, all school budget articles need to be approved in both towns by Town Meeting and in Wenham at the ballot**

Annual Town Meeting – FY 2019

Article 3: Hamilton Wenham Regional School District Operating Expense Override

Motion: The Finance and Advisory Committee moves that the Town vote to raise and appropriate the additional sum of \$331,294 for Wenham's annual assessment for the FY 2019 Hamilton Wenham Regional School District budget; provided, however, that the vote taken hereunder shall be expressly contingent upon approval by the voters at an election of a Proposition 2 ½ override allowing the Town to raise the funds appropriated hereunder outside the limits established by Proposition 2 ½, MGL Chapter 59, Section 21C.

Recommendation of the Board of Selectmen Does Not Recommend Favorable Action (3-0-0)

Recommendation of the Finance and Advisory Committee Does Not Recommend Favorable Action (4-0-0)

Vote Needed: Simple Majority

Annual Town Meeting – FY 2019

Article 4: Debt Exclusion – Winthrop Fire Suppression System

- **Funding for new systems required to comply with state fire code, following extensive renovation work at Winthrop School**
- **Extension granted by the Hamilton Fire Department expires in August 2019**
- **If approved by Town Meeting and at the ballot, Wenham will be responsible for ~\$300k of the project costs, with an estimated tax rate impact of \$.03/1000**

Annual Town Meeting – FY 2019

Article 4: Debt Exclusion – Winthrop Fire Suppression System

Motion: The Finance and Advisory Committee moves that the Town vote in accordance with MGL Chapter 71, Section 16(d) to approve the vote of the Hamilton Wenham Regional School District School Committee to borrow the sum of \$850,000 for the purchase and installation of a fire suppression system at the Winthrop Elementary School, located at 325 Bay Rd, South Hamilton, MA 01982, including the payment of all incidental or related costs; provided, however, that the vote taken hereunder shall be expressly contingent upon approval by the voters at an election of a Proposition 2 ½ debt exclusion allowing the Town to raise the money needed to repay its share of the borrowing outside the limits established by Proposition 2 ½, MGL Chapter 59, Section 21C.

Recommendation of the Board of Selectmen: Favorable Action (3-0-0)

Recommendation of the Finance and Advisory Committee: Favorable Action (3-0-0)

Vote Needed: Simple Majority

Annual Town Meeting – FY 2019

Article 5: Debt Exclusion – Hamilton Wenham Regional School District Safety, Accessibility, and Critical Infrastructure

- **These \$2.6M in projects/acquisitions have been identified as priorities by HWRSD leadership**
- **Includes funding for \$761k for facility and grounds improvements, \$374K for new kitchen equipment, \$800k for new classroom furniture, and \$665k for IT infrastructure**
- **If approved by Town Meeting and at the ballot, Wenham will be responsible for ~\$937k of these project costs, with an estimated FY20 tax rate impact of \$.08/1000**

Annual Town Meeting – FY 2019

Article 5: Debt Exclusion – Hamilton Wenham Regional School District Safety, Accessibility, and Critical Infrastructure

Motion: The Finance and Advisory Committee moves that the Town vote in accordance with MGL Chapter 71, Section 16(d) to approve the vote of the Hamilton-Wenham Regional School District School Committee, to borrow the sum of \$2,600,000 for the purpose of paying costs of various FY19 “Safety, Accessibility and Critical Infrastructure” capital projects within the District as outlined in the District’s Five-Year Capital Plan dated February 13, 2018, including the payment of all incidental or related costs; provided, however, that the vote taken hereunder shall be expressly contingent approval by the voters at an election of a Proposition 2 ½ debt exclusion allowing the Town to raise the money needed to repay its share of the borrowing outside the limits established by Proposition 2 ½, MGL Chapter 59, Section 21C.

Recommendation of the Board of Selectmen: To be given at Town Meeting

Recommendation of the Finance and Advisory Committee: To be given at Town Meeting

Vote Needed: Simple Majority

Annual Town Meeting – FY 2019

Article 6: Funding for FY 2019 Capital Improvement Program

- **Recommendations are in line with commitment to continuing to invest in our facilities and infrastructure, consistent with our 5 Year Capital Improvement Program**
- **These projects/acquisitions have been prioritized as part of annual evaluation process**
- **Proposed use of Free Cash as funding source, same as FY18**

FY 2019 Budget – Town Capital Investments

- **Highway Department** **\$45,000 – Portable truck lift**
- **Highway Department** **\$45,000 – Road capital**
- **Highway Department** **\$40,000 – Front end loader**
- **Fire Department** **\$30,000 – Portable radios**
- **Police Department** **\$17,500 – Administrative vehicle**
- **Building & Grounds** **\$18,000 – Painting of Town Hall exterior**
- **Building & Grounds** **\$5,000 – Purchase of Water utility truck**

Annual Town Meeting – FY 2019

Article 6: Funding for FY 2018 Capital Improvement Program

Motion: The Finance and Advisory Committee moves that the Town vote to transfer \$200,500 from FY 2017 Free Cash to fund the FY 2019 Capital Improvement Program for the following eligible items and amounts, including the acquisition, purchase and equipping of capital items and all incidental and related costs for all capital items and projects, and to authorize the Board of Selectmen to enter into a lease purchase agreement or other contracts for such purposes for up to or more than three years:

Town Hall – Exterior Painting	\$18,000
Fire – Portable Radios	\$30,000
Building & Grounds – Used Utility Vehicle	\$ 5,000
Highway – Portable Truck Lift	\$45,000
Highway - Road Capital	\$45,000
Highway – Front End Loader	\$40,000 <i>(lease/purchase, year 1 of 5 years)</i>
Police – Administrative Vehicle	\$17,500 <i>(lease/purchase, year 1 of 3 years)</i>

Recommendation of the Board of Selectmen: Favorable Action (3-0-0)

Recommendation of the Finance and Advisory Committee: (5-0-0)

Vote Needed: Simple Majority for items A-E; 2/3 Majority of items F & G

Annual Town Meeting – FY 2019

Article 7: Water Department Capital Expenditure

- **Seeks \$55k for purchase of new one-ton utility truck from Water Surplus (current balance of \$221k)**
- **Old utility truck will be repurposed for use by the Building and Grounds Department (Article 6)**

Annual Town Meeting – FY 2019

Article 7: Water Department Capital Expenditure

Motion: The Finance and Advisory Committee moves that the Town vote to transfer \$55,000 from the Water Surplus account to the Water Capital account for the purchase and equipping of a utility truck.

Recommendation of the Board of Selectmen: Favorable Action (3-0-0)

Recommendation of the Finance and Advisory Committee: Favorable Action (5-0-0)

Vote Needed: Simple Majority

Annual Town Meeting – FY 2019

Article 8: Creation of Water Capital Reserve Account And Transfer from Water Operating Budget

- **Town is responsible for maintaining 28 miles of water mains, all of which are 40+ years old - while this critical infrastructure is in relatively good condition, we need to begin preparing for its eventual replacement**
- **Water Commission plans to allocate at least \$35k to this account on an annual basis going forward and can do so without impacting the current water rates**
- **Future expenditure from this capital reserve account can only be made with approval from Town Meeting**

Annual Town Meeting – FY 2019

Article 8: Creation of Water Capital Reserve Account And Transfer from Water Operating Budget

Motion: The Finance and Advisory Committee moves to establish a new Water Capital Reserve account, in accordance with MGL Chapter 41, Section 69B, which fund shall be subject to appropriation by Town Meeting for water system capital expenditures, and, in connection therewith, to transfer \$35,000 from the FY 2019 Water operating budget into this account.

Recommendation of the Board of Selectmen: Favorable Action (3-0-0)

Recommendation of the Finance and Advisory Committee: Favorable Action (5-0-0)

Vote Needed: Simple Majority

Annual Town Meeting – FY 2019

Article 9: Revolving Funds

- **Codifies Iron Rail Rental Revolving fund into Bylaw and caps annual expenditure of \$25k from this account**
- **Creates a Water Mitigation fund, transfers \$20k in existing funds already collected for these purposes into this new account, and caps annual expenditure of \$10k from this account**
- **Keeps annual cap for existing HW Grounds Maintenance account at \$20k**

Annual Town Meeting – FY 2019

Article 9: Revolving Funds

Motion: The Finance and Advisory Committee moves that the Town vote to take the following actions to:

- (a) Amend the General Bylaws, Chapter XXVIII, Revolving Funds, to insert at the end of Section 1 the following the following fund:

Iron Rail Rental

Revenues collected through rental fees from tenants of the Iron Rail property for the purpose of paying for facility maintenance and capital investments; to be expended by the Iron Rail Commission.

Annual Town Meeting – FY 2019

Article 9: Revolving Funds

(b) Amend the General Bylaws, Chapter XXVIII, Revolving Funds, to insert at the end of Section 1 the following new fund:

Water Mitigation

Revenues collected through permitting fees for the purpose of paying for water mitigation initiatives, including but not limited to offering rebates to residents for water saving devices and appliances; to be expended by the Board of Water Commissioners.

and further to transfer to such revolving fund the sum of \$20,900 from available funds in the Water Surplus account already collected for such purposes.

Annual Town Meeting – FY 2019

Article 9: Revolving Funds

(c) Establish fiscal year limitations on expenditures for the revolving funds established by Section 1 of Chapter XXVIII of the General Bylaws, Revolving Funds, and as approved hereunder, with such limitations to remain applicable from fiscal year to fiscal year until such time as they are later amended:

H-W Grounds Maintenance: \$20,000

Iron Rail Rental: \$25,000

Water Mitigation: \$10,000

Recommendation of the Board of Selectmen: Favorable Action (3-0-0)

Recommendation of the Finance and Advisory Committee: Favorable Action (4-0-0)

Vote Needed: Simple Majority

Annual Town Meeting – FY 2019

Consent Articles: Articles 10-13

The Moderator has termed Articles 10 through 13 as consent articles, meaning that they are procedural articles that are voted annually at Town Meeting. Unless there is a request to separate a particular article or articles, they will be opened for consideration as a block, and decided by Town Meeting in a single vote.

Default motions are included in this presentation and on the handout in case any particular article or articles are broken out for individual consideration.

Motion (If needed): The Finance and Advisory Committee moves that the Town accept Articles ____, ____, ____, ____, ____, and ____ as written.



Annual Town Meeting – FY 2019

Article 10: Cemetery and Other Trust Funds

- **Standard acceptance article**
- **Required to enable expenditure of annually accruing funds from trust donations for general or restricted purposes as provided by the terms of gift or trust**

Annual Town Meeting – FY 2019

Article 10: Cemetery and Other Trust Funds

Motion: The Finance and Advisory Committee moves that the Town vote to accept the Cemetery and Other Trust Funds received in FY 2017 as printed in Part I of the Town Report and on file with the Town Clerk.

Recommendation of the Board of Selectmen: Favorable Action (3-0-0)

Recommendation of the Finance and Advisory Committee: Favorable Action (5-0-0)

Vote Needed: Simple Majority

Annual Town Meeting – FY 2019

Article 11: Cemetery Maintenance Fund Transfer

- **Maintenance of cemetery grounds is provided by DPW staff, rather than being privately contracted, at a cost of approximately \$30k/year**
- **Proposed transfer of \$7,500 from Cemetery Sale of Lots fund to offset DPW General Fund expenses for cemetery maintenance**
- **Current balance in the Sale of Lots fund is \$8,957**
- **Additional General Fund revenues from cemetery burials and sale of lots total approximately \$20k/year**

Annual Town Meeting – FY 2019

Article 11: Cemetery Maintenance Fund Transfer

Motion: The Finance and Advisory Committee moves that the Town vote to authorize the Treasurer to transfer \$7,500 from the Sale of Cemetery Lots - Receipts Reserved for Appropriation account for use during FY 2019 for Highway Department expenditures in connection with the care and operation of the three cemeteries in the Town of Wenham.

Recommendation of the Board of Selectmen: Favorable Action (3-0-0)

Recommendation of the Finance & Advisory Committee: Favorable Action (5-0-0)

Vote needed: Simple Majority

Annual Town Meeting – FY 2019

Article 12: Road Work – Chapter 90 Funding

- **Allows the Town to expend funds in anticipation of state reimbursement through the Chapter 90 program**
- **Actual amount of funding available to the Town will not be confirmed until the state appropriates funding in the next month or two - approximately \$150k is anticipated, consistent with funding levels in recent fiscal years and the Governor's bond bill this year**

Annual Town Meeting – FY 2019

Article 12: Road Work – Chapter 90 Funding

Motion: The Finance and Advisory Committee moves that the Town vote to accept such funds as are made available by the commonwealth of Massachusetts under the so-called Chapter 90 program or any other federal or state grant program and transfer from available funds sums necessary for road work and other projects, subject to and in conformance with conditions detailed by the Massachusetts Department of Transportation Highway Division.

Recommendation of the Board of Selectmen: Favorable Action (3-0-0)

Recommendation of the Finance and Advisory Committee: Favorable Action (5-0-0)

Vote Needed: Simple Majority

Annual Town Meeting – FY 2019

Article 13: Recission of Authorized, but Unissued Debt

- **Current balance of \$298,693 in unissued debt from several previously authorized projects**
- **Per bond counsel, these authorizations should be closed out since the projects are now complete and there is no need to issue any new debt for them**

Annual Town Meeting – FY 2019

Article 13: Recission of Authorized, but Unissued Debt

Motion: The Finance and Advisory Committee moves that the Town vote to rescind the authorized, but unissued debt of the Town approved under Article 11 of the April 11, 2015 Annual Town Meeting in the amounts of \$23,000 for DPW Equipment and Finance and Police Department Server and \$14,738 for Software Upgrades and under Article 10 of the May 1, 2010 Annual Town Meeting in the amount of \$260,955 for an Energy Savings Performance Contract (ESCO), which borrowing authority is no longer required for the purposes originally approved.

Recommendation of the Board of Selectmen: Favorable Action (2-0-0)

Recommendation of the Finance & Advisory Committee: (3-0-0)

Vote Needed: Simple Majority

Annual Town Meeting – FY 2019

Article 14: Authorize Borrowing – Iron Rail Capital Needs

- **Seeks to issue up to \$245k in debt for needed capital repairs and improvements at the Iron Rail facility**
- **Projects include roof replacement of the brick building and paving work to the main access road and rear parking area**
- **Annual debt payments will be paid from the Iron Rail Rental Revolving Fund, negating impact of this debt issuance on the tax rate**

Annual Town Meeting – FY 2019

Article 14: Authorize Borrowing – Iron Rail Capital Needs

Motion: The Finance and Advisory Committee moves that the Town vote to appropriate \$245,000 to pay costs of remodeling and improving the Iron Rail facility, including, but not limited to, replacing the roof, gutter, and fascia, repairing masonry, repaving the entrance road and paving the parking lot, and also including the payment of costs incidental or related thereto; that to meet this appropriation, the Treasurer, with the approval of the Selectmen, is authorized to borrow said amount under and pursuant to MGL Chapter 44, or any other enabling authority and to issue bonds or notes of the Town therefor;

Annual Town Meeting – FY 2019

Article 14: Authorize Borrowing – Iron Rail Capital Needs

that the Board of Selectmen and any other appropriate Town officials are authorized to take any other action necessary or convenient to carry out this vote; that any premium received upon the sale of any bonds or notes approved by this vote, less any such premium applied to the payment of the costs of issuance of such bonds or notes, may be applied to the payment of costs approved by this vote in accordance with Chapter 44, Section 20 of the General Laws, thereby reducing the amount authorized to be borrowed to pay such costs by a like amount.

Recommendation of the Board of Selectmen: Favorable Action (2-0-0)

Recommendation of the Finance & Advisory Committee: (3-0-0)

Vote Needed: 2/3 Majority

Annual Town Meeting – FY 2019

Article 15: CPA Appropriations

- **Town adopted the Community Preservation Act in 2005, approving a 3% surcharge on our Wenham real estate taxes (plus a variable state match) which can be used to fund qualifying projects**
- **CPA mandates at least 10% of projected annual revenues be allocated to open space, community housing, and historic preservation**
- **Community Preservation Committee conducts initial screening of grant applications, reviewing eligible needs in the town**
- **CPC's recommended grants for FY 2019 are as follows...**

Annual Town Meeting – FY 2019

Article 15: CPA Appropriations

Motion 1(a): The Community Preservation Committee moves that the Town vote to transfer from FY 2019 Community Preservation Fund estimated annual revenues the total sum of \$117,000, as follows:

- **\$39,000 to the Historic Resources Reserve,**
- **\$39,000 to the Open Space and Recreation Reserve,**
and
- **\$39,000 to the Community Housing Reserve.**

Recommendation of the Board of Selectmen: Favorable Action (3-0-0)

Recommendation of the Finance & Advisory Committee: Favorable Action (5-0-0)

Vote Needed: Simple Majority

Annual Town Meeting – FY 2019

Article 15: CPA Appropriations

Motion 1(b): The Community Preservation Committee moves that the Town vote to transfer the sum of \$265,500 from FY 2019 Community Preservation Fund estimated annual revenues to the FY 2019 Community Preservation Fund Budgeted Reserve.

Recommendation of the Board of Selectmen: Favorable Action (3-0-0)

Recommendation of the Finance & Advisory Committee: Favorable Action (5-0-0)

Vote needed: Simple Majority

Annual Town Meeting – FY 2019

Article 15: CPA Appropriations

Motion 1(c): The Community Preservation Committee moves that the Town vote to appropriate the sum of \$7,500 from FY 2019 Community Preservation Fund estimated annual revenues to the Community Preservation Committee for FY 2019 administrative costs.

Recommendation of the Board of Selectmen: Favorable Action (3-0-0)

Recommendation of the Finance & Advisory Committee: Favorable Action (5-0-0)

Vote Needed: Simple Majority

Annual Town Meeting – FY 2019

Article 15: CPA Appropriations

Motion 2(a): The Community Preservation Committee moves that the Town vote to appropriate the sum of \$2,500 from Community Preservation Fund Balance to the Town of Wenham Cemetery Commission for the purpose of the Fairfield Cemetery Restoration Project, as described in detail in the application submitted to the Community Preservation Committee, including all incidental and related expenses.

Recommendation of the Board of Selectmen: Favorable Action (3-0-0)

Recommendation of the Finance & Advisory Committee: Favorable Action (5-0-0)

Vote needed: Simple Majority

Annual Town Meeting – FY 2019

Article 15: CPA Appropriations

Motion 2(b): The Community Preservation Committee moves that the Town vote to appropriate the sum of \$9,500 from Community Preservation Fund Balance to the Town of Wenham Cemetery Commission for the purpose of the Main Street Gravestone Preservation Project, as described in detail in the application submitted to the Community Preservation Committee, including all incidental and related expenses.

Recommendation of the Board of Selectmen: Favorable Action (3-0-0)

Recommendation of the Finance & Advisory Committee: Favorable Action (5-0-0)

Vote needed: Simple Majority

Annual Town Meeting – FY 2019

Article 15: CPA Appropriations

Motion 2(c): The Community Preservation Committee moves that the Town vote to appropriate the sum of \$46,009.87 from Community Preservation Fund Balance Reserved for Historic Resources and the sum of \$87,240.13 from the Community Preservation Fund Balance for a total sum of \$133,250 for the purpose of paying FY 2019 debt service on the \$2,151,421 supplemental borrowing for the rehabilitation of the 164 year-old Wenham Town Hall Building located at 138 Main Street.

Recommendation of the Board of Selectmen: Favorable Action (3-0-0)

Recommendation of the Finance & Advisory Committee: Favorable Action (5-0-0)

Vote Needed: Simple Majority

Annual Town Meeting – FY 2019

Article 15: CPA Appropriations

Motion 2(d): The Community Preservation Committee moves that the Town vote to appropriate the sum of \$89,455 from the Community Preservation Fund Balance as a grant to the Wenham Museum for the preservation of the historic Clafin-Gerrish-Richards House located at 132 Main Street, Wenham, Massachusetts, and to authorize the Board of Selectmen to enter into a grant agreement with the Museum Board of Trustees upon such terms and conditions as the Board of Selectmen shall deem appropriate, and to authorize said Board to accept a preservation restriction in such house.

Recommendation of the Board of Selectmen: Favorable Action (3-0-0)

Recommendation of the Finance & Advisory Committee: Favorable Action (5-0-0)

Vote needed: Simple Majority

Annual Town Meeting – FY 2019

Article 16: Special Legislation, Appropriation, and Authorize Borrowing: Longfellow Road and South Street Road Improvements and Betterment Assessment

- **Home Rule Petition to state legislature would allow Town to impose betterments on Longfellow Road and South Street residents' property taxes to cover costs of extensive road work on both private ways, including slope stabilization at the ravine on Longfellow**
- **Given significant public safety concerns, Town seeks to make limited financial contribution to the project from available overlay surplus funds**

Annual Town Meeting – FY 2019

Article 16: Special Legislation, Appropriation, and Authorize Borrowing: Longfellow Road and South Street Road Improvements and Betterment Assessment

Motion: The Board of Selectmen moves that the Town vote to approve Article 16 as set forth in the warrant to allow the Town to make permanent improvements to Longfellow Road and South Street, to transfer from overlay surplus the sum of \$60,000 for such purposes, and to assess betterments therefor in the manner agreed upon by the Board of Selectmen and the residents of such roads, and, for such purposes, to petition the General Court for special legislation and take such other actions as may be necessary to effectuate the vote taken hereunder.

Recommendation of the Board of Selectmen: Favorable Action (2-0-0)

Recommendation of the Finance & Advisory Committee: Favorable Action (4-0-0)

Vote needed: 2/3 Majority

Annual Town Meeting – FY 2019

Article 17: Zoning Bylaw Adoption – Marijuana Establishment Ban

- **With the state now issuing licenses to businesses seeking to operate adult use marijuana facilities, the Town needs to establish appropriate local regulations**
- **Municipalities have the right to impose a ban on such facilities under the statute**
- **53% of Wenham residents voted against Question 4 (The Act to Ensure Safe Access to Marijuana) in 2016**
- **This article offers the first of several policy options for how we can address this issue**

Annual Town Meeting – FY 2019

Article 17: Zoning Bylaw Adoption – Marijuana Establishment Ban

Motion: The Planning Board moves that the Town vote to amend the Wenham Zoning Bylaw by inserting a new Section 4.2.5, entitled “Marijuana Establishments”, prohibiting all marijuana establishments in the Town, as set forth in Article 17 in the warrant, and to insert after the words “marijuana-related businesses”, the words, “including medical marijuana treatment centers”.

Recommendation of the Planning Board: Favorable Action (3-1-0)

Recommendation of the Board of Selectmen: Favorable Action (2-0-0)

Vote needed: 2/3 Majority

Annual Town Meeting – FY 2019

Article 18: Bylaw Adoption – Retail Marijuana

- **Would enact a General Bylaw ban on retail marijuana establishments**
- **Included as an option in case Zoning Bylaw ban fails**
- **With the statute and associated regulations still unclear about the validity of a General Bylaw ban, the proposed restrictive Zoning Bylaw outlined in Article 19 will still be acted on even if this is approved**

Annual Town Meeting – FY 2019

Article 18: Bylaw Adoption – Retail Marijuana

Motion: The Board of Selectmen moves that the Town vote to amend the Town’s General Bylaw by inserting a new section, entitled “Marijuana Establishments”, prohibiting all marijuana establishments in the Town, as set forth in Article 18 in the warrant, and to insert after the words “marijuana-related businesses”, the words, “including medical marijuana treatment centers”, and further to authorize the Town Clerk to assign such General Bylaw an appropriate section number.

Recommendation of the Board of Selectmen: Favorable Action (2-0-0)

Vote needed: Simple Majority

Annual Town Meeting – FY 2019

Article 19: Zoning Bylaw Adoption

- **Limits marijuana establishments to retail use only (no on-site consumption) and located in one of the two small business districts on Main Street**
- **Includes 500 foot buffer zone from facilities where minors commonly congregate**
- **Maximum of one license would be issued**
- **Planning Board acts as the Special Permit Granting Authority**

Annual Town Meeting – FY 2019

Article 19: Zoning Bylaw Adoption

Motion: The Planning Board moves that the Town vote to amend the Wenham Zoning Bylaw to address recreational marijuana retailers by amending Section 4.0, Use Regulations, Subsection 4.1 by inserting under “Commercial”, a new use, “Marijuana Retailers”, to be allowed pursuant to a special permit issued by the Planning Board only in the Business District; and by amending Section 10.0, Special Regulations, by inserting a new Subsection 10.3 “Recreational Marijuana Retailers”, as set forth in Article 19 in the warrant.

Recommendation of the Planning Board: Favorable Action (4-0-0)

Recommendation of the Board of Selectmen: Favorable Action (2-0-0)

Vote Needed: Simple Majority

Annual Town Meeting – FY 2019

Article 20: Local Acceptance: Marijuana Retailer Local Sales Tax

- **Local option under The Act to Ensure Safe Access to Marijuana that allows municipalities to impose a 3% local tax on all marijuana retail sales**
- **Only pertains if ban fails and restrictive Zoning Bylaw allowing limited retail marijuana sales is adopted**
- **Provides another local revenue source that is separate from community impact fee established under the statute and negotiated through the Host Community Agreement process**

Annual Town Meeting – FY 2019

Article 20: Local Acceptance: Marijuana Retailer Local Sales Tax

Motion: The Board of Selectmen moves that the Town vote to accept the provisions of MGL Chapter 64N, Section 3 to impose a local sales tax upon the sale or transfer of marijuana or marijuana products by a marijuana retailer operating within the Town to anyone other than a marijuana establishment at a rate of three percent (3%) of the total sales price received by the marijuana retailer as consideration for the sale of marijuana or marijuana products.

Recommendation of the Board of Selectmen: Favorable Action (2-0-0)

Recommendation of the Finance & Advisory Committee: Favorable Action (5-0-0)

Vote needed: Simple Majority

Annual Town Meeting – FY 2019

Article 21: Bylaw Adoption:

Short term Guest Rentals in Homes Bylaw

- **Establishes an annual application process for residents who rent out rooms in their home on a short-term basis that will be administered by the Board of Selectmen**
- **Ensures property owners are in compliance with relevant health, fire, and safety codes**
- **Limits number of guests at licensed properties to a maximum of 4 at any one time**

Annual Town Meeting – FY 2019

Article 21: Bylaw Adoption:

Short term Guest Rentals in Homes Bylaw

Motion: The Board of Selectmen moves that the Town vote to amend the Town's General Bylaw by inserting a new Chapter XXX: Short term Guest Rentals in Homes, to establish an annual licensing process for short term guest rentals in homes designed to protect the health and welfare of the guests, to ensure an orderly and transparent process for operating these small-scale room rental services, to protect the tranquility of residential neighborhoods, and to ensure proper enforcement of said bylaw, as set forth in Article 21 in the warrant.

Recommendation of the Board of Selectmen: Favorable Action (3-0-0)

Vote needed: Simple Majority

Annual Town Meeting – FY 2019

Article 22: Zoning Bylaw Amendment: Accessory Apartments

- Clarifies that bylaw is applicable to all accessory apartments (consistent with state statute) and that affordable accessory apartments must be permitted by a special permit from the ZBA (current practice)
- Special permits for accessory apartments will still be subject to annual review process and can be transferred to new owners if they intend to continue the existing use

Annual Town Meeting – FY 2019

Article 22: Zoning Bylaw Amendment: Accessory Apartments

Motion: The Planning Board moves that the Town vote to amend the Zoning Bylaw Section 4.3, Accessory Uses, by: deleting the strikethrough text and inserting the bold italic text and further by inverting the text of Sections 4.3.2.1. and Section 4.3.2.2., as set forth in Article 22 in the warrant.

Recommendation of the Planning Board: Favorable Action (4-0-0)

Recommendation of the Board of Selectmen: Favorable Action (2-0-0)

Vote Needed: 2/3 Majority

Annual Town Meeting – FY 2019

Article 23: Zoning Bylaw Amendment: Common Driveways

- **Common driveways are used to reduce the number of access points from the street, to protect wetlands, and to preserve rural scenery**
- **Clarifies that each lot needs to have the requisite frontage on a roadway and that common driveways cannot be used to access back land that would otherwise not be buildable**

Annual Town Meeting – FY 2019

Article 23: Zoning Bylaw Amendment: Common Driveways

Motion: The Planning Board moves that the Town vote to amend the Zoning Bylaw by inserting a new paragraph (6) in Section 5.2.6.5, Common Driveways, striking the word “this” and inserting in 5.2.6.5 a reference to Section 5.2.6, Residential Driveways, by deleting the strikethrough text and inserting the bold italic text, as set forth in Article 23 in the warrant.

Recommendation of the Planning Board: Favorable Action (4-0-0)

Recommendation of the Board of Selectmen: Favorable Action (2-0-0)

Vote Needed: 2/3 Majority

Annual Town Meeting – FY 2019

Article 24: Zoning Bylaw Amendment: Personal Wireless Facilities

- **Minor administrative fix to the current Zoning Bylaw, adding a reference to the proper section that was mistakenly omitted when the Bylaw was originally drafted**
- **No policy impact**

Annual Town Meeting – FY 2019

Article 24: Zoning Bylaw Amendment: Personal Wireless Facilities

Motion: The Planning Board moves that the Town vote to amend the Zoning Bylaw to insert in Section 12.4.3.3. a missing reference to Section 12.4.5.6, with text to be inserted shown in bold italics, as set forth in Article 24 in the warrant.

Recommendation of the Planning Board: Favorable Action (4-0-0)

Recommendation of the Board of Selectmen: Favorable Action (2-0-0)

Vote Needed: 2/3 Majority

Annual Town Meeting – FY 2019

Article 25: Local Acceptance: Municipal Veterans Assistance Fund

- **Residents would be given the option to donate to this new fund when submitting quarterly property tax bills**
- **Will provide more timely assistance to local veterans in need of assistance with food, transportation, and heating expenses**
- **State veteran assistance program has restrictive eligibility requirements, limiting options for Wenham residents**
- **Wenham Veterans Committee would work with Veterans Service Officer to allocate funds to those who apply**

Annual Town Meeting – FY 2019

Article 25: Local Acceptance: Municipal Veterans Assistance Fund

Motion: The Board of Selectmen moves that the Town to accept the provisions of MGL Chapter 60, Section 3F to establish a municipal veterans assistance fund, whereby the Town may designate a place on its municipal property tax bills, motor vehicle excise bills, or mail with such bills a separate form for taxpayers to voluntarily check off, donate and pledge an amount of money for support of veterans and veterans services as authorized by the law.

Recommendation of the Board of Selectmen: Favorable Action (3-0-0)

Recommendation of the Finance & Advisory Committee: Favorable Action (5-0-0)

Vote Needed: Simple Majority

Article 26: Local Acceptance: Modification to Senior Circuit Breaker Tax Exemption Program

- Enhances existing property tax exemption program, with expected increase in eligibility/participation from 1% (current) to 5+% (projected) of lowest income seniors
- Exemption amount (currently \$1,000) will increase to ~\$1,030 for FY19 and will annually follow tax rate and property valuation increases going forward
- Potential need to increase overlay funding by ~\$35,000 in FY20 to offset increase in exemptions
- Must also be approved on Spring 2019 ballot and changes would take effect in FY20

Annual Town Meeting – FY 2019

Article 26: Local Acceptance: Modification to Senior Circuit Breaker Tax Exemption Program

Motion: The Board of Selectmen moves that the Town vote in accordance with MGL Chapter 59, Section 5, Clause Forty-First C½, to reduce the eligible age of seniors from 70 to 65 years, and to increase the amount of the exemption from 5% to 10%; provided, however, that such statute must be accepted by the Town at the 2019 Annual Town Election.

Recommendation of the Board of Selectmen: Favorable Action (2-0-0)

Recommendation of the Finance & Advisory Committee: Favorable Action (4-0-0)

Vote Needed: Simple Majority

Annual Town Meeting – FY 2019

Article 27: Modification to Elderly Property Tax Deferral Program Interest Rate

- **Income eligible seniors can defer property taxes by placing a lien on their property**
- **All deferred tax payments are ultimately collected by the Town upon a change in ownership**
- **Current participation in program is very limited**
- **Town has the ability to decrease the rate of interest charged under this program**
- **Proposed 4% rate in line with other area communities**

Annual Town Meeting – FY 2019

Article 27: Modification to Elderly Property Tax Deferral Program Interest Rate

Motion: The Board of Selectmen moves that the Town vote to reduce the rate of interest that accrues on property taxes deferred by eligible seniors under MGL Chapter 59, Section 5, Clause Forty-First A from 8% to 4%, with such reduced rate to apply to taxes assessed for any fiscal year beginning on or after July 1, 2018.

Recommendation of the Board of Selectmen: Favorable Action (3-0-0)

Recommendation of the Finance & Advisory Committee: Favorable Action (5-0-0)

Vote Needed: Simple Majority

Annual Town Meeting – FY 2019

Article 28: Modification to Elderly Property Tax Deferral Program Income Eligibility Levels

- **Increases income eligibility requirements under property tax deferral program from \$20,000 to \$40,000, the maximum allowable by statute**
- **Low participation rate likely due, in part, to very low income eligibility thresholds**
- **Offers greater relief for seniors facing financial pressure of mounting local property taxes**
- **If approved, higher income eligibility standards apply to betterment program in Article 29 as well**

Annual Town Meeting – FY 2019

Article 28: Modification to Elderly Property Tax Deferral Program Income Eligibility Levels

Motion: The Board of Selectmen moves that the Town vote to increase the gross receipts that seniors may have in the prior calendar year to be eligible to defer property taxes under MGL Chapter 59, Section 5, Clause Forty First A from \$20,000 to \$40,000, with such increase to be effective for deferrals granted for taxes assessed for any fiscal year beginning on or after July 1, 2018.

Recommendation of the Board of Selectmen: Favorable Action (2-0-0)

Recommendation of the Finance & Advisory Committee: Favorable Action (4-0-0)

Vote Needed: Simple Majority

Annual Town Meeting – FY 2019

Article 29: Local Acceptance:

Elderly Betterment Assessment Deferral Program

- **Seeks to add new deferral program for income eligible elderly residents to enter into deferral and recovery agreements for payment of assessed betterments**
- **Largely mirrors current property tax deferral program**

Annual Town Meeting – FY 2019

Article 29: Local Acceptance:

Elderly Betterment Assessment Deferral Program

Motion: The Board of Selectmen moves that the Town vote to accept the provisions of MGL Chapter 80, Section 13B, providing a mechanism for income eligible elderly residents to enter into deferral and recovery agreements for the payment of assessed betterments.

Recommendation of the Board of Selectmen: Favorable Action (2-0-0)

Recommendation of the Finance & Advisory Committee: Favorable Action (4-0-0)

Vote Needed: Simple Majority

Annual Town Meeting – FY 2019

Article 30: Local Acceptance and Bylaw Adoption: Administration of Fines

- **Current process for recouping fines issued for bylaw violations requires action through district court**
- **Proposed new local option bylaw applies to violations of water ban and short term rental bylaws, allowing Town to collect fines at local level**
- **Unpaid fines for violations added to residents' property tax bills**

Annual Town Meeting – FY 2019

Article 30: Local Acceptance and Bylaw Adoption: Administration of Fines

Motion: The Board of Selectmen moves that the Town vote to accept the provisions of MGL Chapter 40U in its entirety, allowing for the administration of fines as a result of violations of Chapters XXI and XXX of the Town's General Bylaws and to amend the General Bylaws by adding a new Chapter XXIX, as set forth in Article 30 in the warrant.

Recommendation of the Board of Selectmen: Favorable Action (3-0-0)

Recommendation of the Finance & Advisory Committee: Favorable Action (4-0-0)

Vote Needed: Simple Majority

Annual Town Meeting – FY 2019

Article 31: Change in Moderator Term from 1 Year to 3 Years

- **Moderator presides over Town Meeting, regulates proceedings, decides all questions of order and makes public declarations of all votes**
- **Relatively steep learning curve for newly elected Moderators**
- **In MA, just over 50% of Moderators serve 3 year terms**
- **In Essex County, about 25% of Moderators serve 3 year terms**
- **Last elected position in Wenham with 1 year term**

Annual Town Meeting – FY 2019

Article 31: Change in Moderator Term from 1 Year to 3 Years

Motion: The Board of Selectmen moves that the Town vote to increase the term of the Town Moderator from one year to three years, with the office of Moderator to appear on the ballot at the 2019 Annual Town Election for a term of three years.

Recommendation of the Board of Selectmen: Favorable Action (2-0-0)

Vote Needed: Simple Majority

Annual Town Meeting – FY 2019

Article 32: Bylaw Amendment:

Change in Town Meeting Quorum Requirements

- **Current Town bylaw quorum requirements:**
 - Annual - 5% registered voters (approximately 140)**
 - Special - 2% registered voters (approximately 55)**
- **Concerns about impact of inclement weather and declining participation over last 5 years are motivating factors in decreasing ATM quorum to 120 residents**
- **Increasing STM quorum to 120 residents helps ensure the will of STM accurately reflects input and interests of community**
- **Based on expectation that population levels remain static**

Annual Town Meeting – FY 2019

Article 32: Bylaw Amendment:

Change in Town Meeting Quorum Requirements

Motion: The Board of Selectmen moves that the Town vote to amend Chapter I, Section 1 of the Town's General Bylaws to change the Town Meeting quorum requirement from 5% of registered voters for Annual Town Meeting and 2% of registered voters at Special Town Meeting to a fixed number of 120 registered voters for Annual and Special Town Meeting, as set forth in Article 32 in the warrant.

Recommendation of the Board of Selectmen: Favorable Action (3-0-0)

Vote Needed: Simple Majority

Thank you for attending the Warrant Hearing.

The Annual Town Meeting will take place on Saturday, April 7th, 2018 at Bessie Buker Elementary, 1 School Street. Lunch will be provided by the Wenham Village Improvement Society at 12:00pm. Town Meeting will begin at 1:00pm.

Annual Town Elections will take place on Thursday, April 12th at Wenham Town Hall, 138 Main Street. Polls will be open from 7:00AM until 8:00PM.