

Town of Hanover

Advisory Committee

Recommendations and Commentary

for the

Special Town Meeting

Monday, May 1, 2017



INDEX OF ARTICLES FOR *SPECIAL* TOWN MEETING – 2017

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3	Transfer Meals Tax To OPEB Trust Fund	Finance Director
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6	Disposition – Broadway Fire Station - 207 Broadway, Map 57 Lot 57	Board of Selectmen/Town Manager
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**ADVISORY COMMITTEE MOTIONS & COMMENTARY
SPECIAL TOWN MEETING WARRANT**

Monday, May 1, 2017

ARTICLE 1. PAYMENT OF PRIOR YEAR EXPENDITURES

We move that the Town vote to transfer \$3,733.59 to pay certain unpaid bills, as identified in the chart below:

SOURCE				USE	
Description	TM Ref	Art#	Amount	Description	Amount
Transit Cargo Van	ATM 2015	30	\$ 680.00	FY16 Best Plumbing Specialites Inc.	\$ 233.59
Portable Light Tower	ATM 2014	31	\$ 315.98	FY16 Jon Jolles	\$ 1,750.00
Electronic Message Board	ATM 2014	30	\$ 2,737.61	FY16 Jon Jolles	\$ 1,750.00
			\$ 3,733.59		\$ 3,733.59

***Commentary:** This Article implements a routine housekeeping procedure allowing the Finance Director to pay invoices presented for payment after the close of the fiscal year. Pursuant to State law, a town meeting vote is required to accept and pay these outstanding invoices.*

**ARTICLE 2. RESCIND COMPLETED PROJECTS BORROWING
AUTHORIZATIONS**

We move that the Town not accept this article and take no further action.

***Commentary:** This Article is intended to implement a routine housekeeping procedure to allow the closeout of completed projects and/or purchases where there are no additional expenses to fund. There are no such close outs this year and therefore no action is necessary.*

ARTICLE 3. TRANSFER MEALS TAX TO OPEB TRUST FUND

We move that the Town vote to transfer the meals tax funds collected during FY17 to the OPEB Trust Fund.

***Commentary:** This Article implements an ongoing housekeeping procedure. Article 37 of the May 7, 2012 Annual Town Meeting adopted the meals tax. It further intended that these receipts to go into an OPEB Trust Fund. Town Counsel has advised that because the receipts are General Fund revenue a transfer of the receipts needs to be done on an annual basis.*

ARTICLE 4. APPROPRIATE FUNDS – TRIENNIAL REVALUATION

We move the Town vote to appropriate from the Overlay Surplus Account the sum of \$70,200 to be used as set forth in this Article.

***Commentary:** This Article provides from an appropriation from the overlay surplus account to be used to fund a revaluation, as required by the Department of Revenue. The Advisory Committee supports the recommendation of the Finance Director.*

ARTICLE 5. TRANSFER FUNDS - HANOVER SCHOOLS BUDGET

We move the Town vote to appropriate the sum of \$140,635 from Certified Free Cash to be made available for the FY2017 Hanover Public Schools operating budget.

***Commentary:** When the School Department operating budgets are established, the amount of Chapter 70 education aid that will be made available by the State is uncertain. Late in fiscal year 2016, the Town received State aid in an amount \$140,635 more than anticipated. The aid amount was deposited in the General Fund per Department of Revenue requirements, and became part of the free cash calculation. This Article appropriates an amount equal to the Chapter 70 funds received to be used by the School Department for current year operating costs.*

ARTICLE 6. DISPOSITION – BROADWAY FIRE STATION - 207 BROADWAY, MAP 57 LOT 57

We move that the Town vote Article 6 as printed.

***Commentary:** The Advisory Committee supports the main motion of the Board of Selectmen.*

ARTICLE 7. CREATE WIND TURBINE STABILIZATION FUND

We move the Town vote to establish under Chapter 40, Section 5B of the Massachusetts General Laws, a Wind Turbine Stabilization Fund for the purpose of accepting funds from a variety of sources, said fund to be used exclusively to defray all costs associated with the Wind Turbine.

***Commentary:** This Article creates a stabilization fund that is intended to create a dedicated source of funds for the ongoing repair and maintenance for the Town's wind turbine. The town received a settlement from Hanover Insurance when it took possession of the turbine last year, and the net proceeds from that settlement will stay in the fund to address the need for future major repairs, if they occur. The stabilization fund was suggested by the Town Manager as a vessel for these funds, such that Town Meeting will have a role in future appropriations. The Advisory Committee Supports the recommendation of the Town Manager.*

ARTICLE 8. TRANSFER FUNDS – WIND STABILIZATION FUND

We move the Town vote to transfer funds in the amount of \$153,515.00 from the General Fund to the Wind Turbine Stabilization Fund.

***Commentary:** This Article provides for a transfer of the amount of the settlement from Hanover Insurance from the general fund, where it was deposited, to the stabilization fund created in Article 7, making the resources available for ongoing maintenance and repairs to the town's wind turbine. The settlement was the result of more than a year's worth of negotiation and resulted in the conclusion of the contract and transfer of ownership from the insurance company to the town. The settlement was approved unanimously by the Board of Selectmen. The Advisory Committee Supports the recommendation of the Town Manager.*

ARTICLE 9. TRANSFER FUNDS – WATER CAPITAL PROJECT FUND

We move the Town vote to transfer \$86,556.88 from the Wind Turbine Stabilization Fund to the Water Capital Project Fund.

***Commentary:** This Article implements the final piece in the settlement related to the Town's wind turbine. This transfer will cover expenses incurred by the town during the settlement process. These expenses including repairs and maintenance to the turbine during the settlement discussions and were an approved part of the settlement approved by the Board of Selectmen. The Advisory Committee supports the recommendation of the Town Manager.*

ARTICLE 10. TRANSFER FUNDS – SNOW & ICE EXPENSES

We move that the Town vote to appropriate the sum of \$150,000 from Certified Free Cash to be used as set forth in the Article.

***Commentary:** This Article appropriates from free cash \$150,000 to be used to pay overages in the Department of Public Works operating budget for snow and ice removal. As a result of higher than normal snow and ice events this year, salaries and expenses associated with the Town's snow and ice budget exceeded the originally budgeted amount for fiscal year 2017 by 39%. The Advisory Committee supports the recommendation of the Director of Public Works.*

Town of Hanover

Advisory Committee

Recommendations and Commentary

for the

Annual Town Meeting

Monday, May 1, 2017



INDEX OF ARTICLES FOR ANNUAL TOWN MEETING – 2017

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9	Appropriate CPC Revenues for FY2018	Community Preservation Committee
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**ADVISORY COMMITTEE MOTIONS & COMMENTARY
ANNUAL TOWN MEETING WARRANT**

Monday, May 1, 2017

ARTICLE 1. ACCEPT REPORTS IN ANNUAL TOWN REPORT

We move that the Town accept the 2016 Annual Report as written.

Commentary: *This Article implements a routine housekeeping procedure accepting the Annual Town Report.*

ARTICLE 2. ACCEPT REPORTS OF COMMITTEES & STATE OFFICIALS

We move that the Town vote to hear the reports.

Commentary: *Not applicable. Reports to be made at Town Meeting.*

After reports: We move that the Town accept the reports provided under Article 2.

ARTICLE 3. AUTHORIZE TREASURER TO ACCEPT TRUST FUNDS

We move that the Town vote to authorize the Treasurer/Collector to accept trust funds for the Fiscal Year Ending June 30, 2018.

Commentary: *This Article implements a routine housekeeping procedure allowing the Treasurer/Collector to accept trust funds that are donated to the Town during the fiscal year.*

ARTICLE 4. AUTHORIZE TREASURER TO DISPOSE OF TAX TITLE LAND

We move that the Town authorize the Treasurer/Collector, with the approval of the Board of Selectmen, to dispose of tax title property.

Commentary: *This Article allows the Treasurer/Collector to sell property that the Town has acquired through the tax title foreclosure process. The Advisory Committee observes that the Town currently has tax liens on 47 parcels in Town, with an approximate value of \$1,000,000. We recommend that the Treasurer/Collector and Town Manager explore more aggressive enforcement of tax liens and realization of revenues in connection therewith.*

ARTICLE 5. ENTER INTO COMPENSATING BALANCE AGREEMENTS

We move that the Town vote to authorize the Treasurer/Collector to execute compensating balance agreements for the Fiscal Year ending June 30, 2018.

Commentary: *This Article implements a routine housekeeping procedure allowing the Town Treasurer/Collector the option to enter into compensating balance agreements as a method of cash management. Maintaining minimum balances at financial institutions can lead to reduced cost and fees and in some cases better interest rates. This Article provides the Treasurer/Collector flexibility to structure financial accounts in the best interest of the Town's finances.*

ARTICLE 6. ASSUME LIABILITY TO ALLOW STATE DEP WORK

We move that the Town vote to accept this Article as printed in the Warrant.

***Commentary:** Each year, the Town is required by the State to assume responsibility for liability and damages which may be incurred by the State while improving, developing, maintaining and protecting tidal and non-tidal rivers. This Article will acknowledge and accept that responsibility.*

ARTICLE 7. SET PAY FOR ELECTIVE OFFICERS

We move that the Town set the pay of its elective officers for fiscal year 2018 required by law as follows:

Town Clerk: annual salary to be \$63,929 per year which includes any amounts due under MGL, c.41, §19G.
Moderator: \$100 for Annual Town Meeting, and \$100 for Special Town Meeting.

***Commentary:** The position of Town Clerk is an elected, paid position within the Town government. The salary offered by the Town is posted and known by all candidates who decide to run for this office. The current Town Clerk believes that the salary for this position is below that of Town Clerks in surrounding Towns. The Advisory Committee has taken this into consideration in each of the previous three years, recommending increases of 2% in FY2015, 6% in FY2016 and 5% in FY2017. These recommendations have been implemented by vote of Town Meeting.*

For FY18, the Town Clerk has requested a 26% increase in annual salary. The Town Manager has recommended a 2% increase in line with other Town employees. The Advisory Committee has been presented raw data suggesting that the salary offered by the Town for the Town Clerk position is lower than many surrounding towns. We believe that a more comprehensive evaluation of the scope of services provided and staffing levels needed to support different town clerks in the region should be considered before making dramatic changes in the salary offered to the Town Clerk position. The Advisory Committee is recommending a 3.2% increase for the Town Clerk's annual salary for FY18. We note that the Town Clerk's position will be evaluated in more detail as part of the Classification and Compensation Plan proposed by Article 32. To the extent that more significant increases in the compensation for this position are appropriate, the Advisory Committee recommends that a decision be deferred pending the outcome of the study.

ARTICLE 8. TRANSFER FUNDS FROM OVERLAY RESERVE

We move the Town vote to appropriate from the Overlay Surplus Account the sum of \$200,000 to the School Sick Leave Buyback Fund and the sum of \$100,000 to the Town Sick Leave Buyback Fund.

Commentary: *The overlay account is a special account, established and funded annually with financial requirements determined by the Board of Assessors. The overlay account is used to fund abatements and exceptions. After a request from the Board of Selectmen as required by law, the Board of Assessors met on February 16, 2017 and determined that the overlay account balance of \$763,703.52 was more than necessary to cover anticipated abatements and exceptions. As a result, the Board of Assessors voted to release the sum of \$370,900 to the overlay surplus account. Amounts in the overlay surplus may be appropriated at town meeting for any purpose for which a town may expend funds. At the close of the fiscal year, any balance in the overlay surplus account becomes part of the free cash calculation in July 1 of the following fiscal year.*

Sick leave buyback is a contractual benefit available to School and Town employees enabling them to “cash in” unused sick leave upon retirement or separation from employment. This creates a contingent liability for the Town that could be fiscally damaging to the Town when the liabilities arise. The best way to manage this liability is through the funding of a reserve, which is a practice that the Town has engaged for many years. Over the past 5 years, the average annual transfer into the School Sick Leave Buyback has been \$126,800, however, the annual expenditures going out of the School Sick Leave Buyback over the same period has been \$103,945. Similarly, the average annual transfer into the Town Sick Leave Buyback has been \$92,000, however, the annual expenditures going out of the Town Sick Leave Buyback over the same period has been \$74,255. Stated simply, we are not making up significant ground on this growing liability because average net increase to the School Sick Leave Buyback and the Town Sick Leave Buyback has been \$22,855 and \$17,745, respectively.

As we project these costs into the future, the projected liability, as of the end of fiscal year 2016, associated with the School Sick Leave Buyback is \$1,851,172 and the current balance of the reserve against this liability is only \$333,745. Similarly, the projected liability, as of the end of fiscal year 2016, associated with the Town Sick Leave Buyback is \$1,006,919 and the current balance of the reserve against this liability is only \$588,849. Between the two sick leave buyback programs, the Town’s projected liabilities exceed reserves by \$1,935,496. The Advisory Committee strongly recommends that the Town aggressively increase efforts to enhance these two reserves.

Our recommendation to transfer \$300,000 from the overlay surplus account is an initial step toward bringing the sick leave buyback reserves to an appropriate level. We had hoped to be able to recommend a larger transfer from free cash to supplement these reserves but were prevented from doing so as a result of a drafting issue to Articles 56 and 57. We will address this further in connection with those articles.

ARTICLE 9. APPROPRIATE CPC REVENUES FOR FY2018

We move that the Town vote to appropriate from the Community Preservation Fund FY2018 estimated annual revenues the sum of \$58,199 to meet the administrative expenses and all other necessary and proper expenses of the Community Preservation Committee for Fiscal Year 2018; and further to reserve for future appropriation from the Community Preservation Fund FY2018 estimated revenues the sum of \$116,399 for the acquisition, creation and preservation of open space excluding land for recreational use; \$116,399 for

the acquisition, preservation, restoration and rehabilitation of historic resources; \$116,399 for the acquisition, creation, preservation and support of community housing; \$330,383 for the creation of a budgeted reserve and \$426,208 to provide for Community Preservation Fund debt obligations.

***Commentary:** The Community Preservation Act requires that a minimum of 10% of the annual revenues of the fund must be set aside in each of the three categories of open space and recreational use, historic resources and community housing and an administrative budget of 5%. The budgeted reserve is set up as an additional annual reserve and may be used to fund any eligible Community Preservation projects. This Article also provides funds to support debt payments on previously approved projects.*

ARTICLE 10. GENERAL FUND OPERATING BUDGET

<i>Summary of Vote</i>			
	Town Manager Proposed	Advisory Committee Recommended	Difference
General Government:			
Salaries	\$275,035	\$275,035	
Expenses	\$218,900	\$248,900	\$30,000
Finance Department:			
Salaries	\$831,667	\$776,016	(\$55,651)
Expenses	\$205,453	\$165,293	(\$40,160)
Community Services:			
Salaries	\$1,426,047	\$1,426,047	
Expenses	\$475,128	\$460,104	(\$15,024)
Police:			
Salaries	\$3,591,810	\$3,591,810	
Expenses	\$254,887	\$254,877	
Fire:			
Salaries	\$2,724,985	\$2,724,985	
Expenses	\$270,754	\$270,754	
Hanover Public Schools	\$26,665,115	\$27,165,115	\$500,000
South Shore Vocational	\$725,406	\$797,804	\$72,398
Public Works:			
Salaries	\$1,251,699	\$1,231,699	(\$20,000)
Expenses	\$1,356,305	\$1,356,305	
Facilities:			
Salaries	\$2,002,274	\$1,952,274	(\$50,000)
Expenses	\$1,730,876	\$1,720,876	(\$10,000)
Snow & Ice	\$387,000	\$387,000	
Debt	\$5,013,619	\$5,013,619	
Town Wide Expenses	\$7,647,487	\$7,647,487	
Transfers	\$240,100	\$167,702	(\$72,398)
Total General Fund Operating Budget	\$57,294,547	\$57,633,712	\$339,165
Free Cash	\$ -	\$500,000	\$500,000
Indirect Costs	\$ -	\$ -	
Cemetery Graves & Foundations	\$16,000	\$65,000	\$49,000
Sale of Cemetery Lots	\$10,000	\$10,000	
Title V Receipts Reserved Account	\$38,947	\$38,947	
Ambulance Receipt Reserved Account	\$933,095	\$933,095	
<i>Less Total Transfers</i>	\$998,042	\$1,547,042	\$549,000
To be raised by the 2018 Tax Levy	\$56,296,505	\$56,086,670	(\$209,835)

We move that the Town vote to raise and appropriate \$57,633,712 for a total General Fund Operating Budget, to provide for a reserve fund and to defray the expenses of the Town, and for the purposes listed in the budget document, and to meet said appropriation transfer the sum of \$500,000 from Free Cash, and transfer the sum of \$65,000 from the Cemetery Graves & Foundations account, and transfer the sum of \$10,000 from the Sale of Cemetery Lots account, and transfer the sum of \$38,947 from the Title V Betterment Program, and transfer the sum of \$933,095 from the Ambulance Receipt Reserved account and raise \$56,086,670 from the 2018 Tax Levy.

***Commentary:** The Advisory Committee reviewed the budget department by department, compared each line item to the actual historic annual spending for the past five fiscal years, and questioned spending that seemed over-budgeted. Committee liaisons worked with department heads, requesting additional information and supporting documents on many of the line items. The Advisory Committee held public meetings with each of the department heads to review their requests and attempt to identify possible savings.*

The Advisory Committee ultimately recommended changes to the Town Manager's proposed budget resulting in a reduction of \$209,835 in the amount that will be necessary to be raised by the 2018 Tax Levy. This reduction stems primarily from the tightening of the budget and cutting budgeted line items which are excessive in comparison to actual historic. If approved by Town Meeting, this recommendation is expected to result in a relatively small, but meaningful, reduction in the taxes assessed to residents, as compared to the Town Manager's budget proposal.

The Advisory Committee is recommending two notable increases in spending. First, we recommend an increase of \$30,000 to General Government Expenses for additional legal services requested by the Fireworks Site Focus Committee. This will enable the Town to engage outside legal counsel with extensive experience environmental mitigation projects similar to the Fireworks remediation project. The Fireworks project is too complex, large and important to the Town to not engage the expertise that has been requested by the Fireworks Site Focus Committee.

The Advisory Committee also recommends that the Hanover Public Schools operating budget be increased by \$500,000, to be funded from certified free cash. This increase is proposed to replace the historical practice of funding Special Education expenses through a separate town meeting warrant article. Specifically, over the past three years, the town meeting has approved a specific warrant article, funding from free cash, in the amounts of \$500,000 for FY2015 and FY2016 and \$450,000 in FY2017. The Advisory Committee and the Board of Selectmen are in agreement that there is no benefit to funding Special Education operating expenses through a stand-alone article and that incorporating these costs in to the operating budget more clearly reflects the reality of the situation.

Free Cash is a municipal finance term that deserves some explanation, as we will be using the term, or some variation of the term, repeatedly over the course of town meeting and nothing about it is intuitive. It should also be noted that as used in connection with the town meeting warrant, references to "General Fund Free Cash", "free cash", "certified free cash",

“Certified Free Cash”, and “undesignated fund balance”, all mean essentially the same thing. Free cash is a revenue source that results from the calculation, as of July 1st, of the Town’s remaining, unrestricted funds from its operations of the previous fiscal year based on the balance sheet as of June 30. Thus, in layman’s terms, free cash available as a revenue source at this town meeting is “left-over” monies from fiscal year 2016, certified as of July 1, 2016. Free cash includes (a) tax revenue and other receipts from fiscal year 2016 in excess of what was estimated during the fiscal year 2016 budget process, (b) turn backs of unspent amounts in departmental budget line items for fiscal year 2016, and (c) unexpended free cash from fiscal year 2015. Free cash is not permitted to be used until after an audited balance sheet is reviewed and certified by the State. The Town’s current certified free cash amount is \$2,543,589.

The Massachusetts Department of Revenue, through its Technical Assistance Bureau, “recommends that communities understand the role free cash plays in sustaining a strong credit rating and encourages adopt policies on its use. Under sound financial policies, a community strives to generate free cash in an amount equal to three to five percent of its annual budget. This goal helps deter free cash from being depleted in any particular year, which enables the following year’s calculation to begin with a positive balance. To do this, the community would orchestrate conservative revenue projections and departmental appropriations to produce excess income and departmental turn backs.” As noted above, the Board of Selectmen has implemented a free cash policy and our current free cash balance is well within the recommended levels.

As an unpredictable nonrecurring revenue source, it is generally recommended that the use of free cash be limited to paying one-time expenditures, funding capital projects, or replenishing reserves. Incorporating free cash into revenue source projections for next-year operating expenses should generally be avoided.

ARTICLE 11. WATER ENTERPRISE BUDGET

Personal Services	\$ 1,564,918
Other Expenses	\$ 1,334,000
Debt Service	\$ 343,552
Appropriate for Direct Costs	\$ 3,242,470
Indirect Costs - Reimburse General Fund for Shared Expenses	\$ 463,395
Total Cost - Water Enterprise	\$ 3,705,865

We move that the Town vote to appropriate \$3,242,470 from Water Enterprise receipts to defray Water Enterprise direct costs and that the \$463,395 as appropriated in the General Fund Operating Budget be used for the Water indirect costs, all to fund the total costs of operations of Water Enterprise. Each item is to be expended by the Town Manager in accordance with Chapter 67 of the Acts of 2009 Town Manager Act for the purposes identified and those purposes only, and each item to be considered a separate appropriation for that purpose only.

Commentary: *The Advisory Committee recommends a total Water Enterprise Budget of \$3,242,470 for direct expenses. The indirect costs act as a reimbursement to the General Fund for the expenses related to the Water Enterprise but paid for out of the General Fund. Some examples of these expenses are the town share of health insurance and retirement costs for the Water Department employees.*

ARTICLE 12. ESTABLISHMENT OF SPECIAL EDUCATION RESERVE FUND

We move that the Town accept the provisions of Chapter 40A, Section 13E of the Massachusetts General Laws to establish a Special Education Reserve Fund, or take any other action relative thereto.

Commentary: *This Article will create a special education reserve fund that will allow the town to set funds aside that can then be used to pay for unexpected special education expenses. The Massachusetts Municipal Modernization Act, which was enacted and became effective on November 7, 2016 allows for the creation of this reserve fund.*

ARTICLE 13. PUBLIC SAFETY EMPLOYEE TRAINING

We move that the Town vote to appropriate the sum of \$30,000 from Certified Free Cash to be used for public safety employee training. Said funds to be expended at the direction of the Town Manager for the purposes stated herein.

Commentary: *This Article provides funds necessary for training that is above and beyond the training funded through the Public Safety budgets. The departmental budgets allow for the mandatory training needed. This Article provides funds to allow both the Fire Chief and the Police Chief to have their employees trained in more specialized areas. We support the recommendations of the Fire Chief and Police Chief as to the need for additional training. In future years, the Advisory Committee recommends that the amounts necessary for this type of specialized training be incorporated into the appropriate Public Safety budget and eliminate the practice of using a separate town meeting article for this purpose.*

ARTICLE 14. APPROPRIATE/TRANSFER FUNDS - TOWN HALL CUPOLA

APPROPRIATE FROM:	CERTIFIED FREE CASH	\$ 45,000
TRANSFER FROM:	INSURANCE PROCEEDS ACCOUNT	\$179,500
TOTAL		\$224,500

We move that the Town vote to accept this Article as printed in the Warrant.

Commentary: *This Article allows the transfer of insurance proceeds received in connection with the damage to the Town Hall cupola. In addition, this Article appropriates the sum of \$45,000 from certified free cash to fund the amounts necessary to complete the restoration above and beyond the insurance proceeds. The Advisory Committee recommends that the Town of Hanover complete the repair/restoration of the Town Hall cupola.*

ARTICLE 15. APPROPRIATE FUNDS – AERIAL LADDER REPLACEMENT

(This motion is different than what was printed in the warrant)

We move that the sum of \$325,000 be and hereby is appropriated for the purchase of an aerial ladder truck and any equipment or training costs associated with the aerial ladder truck, and for the payment of costs incidental or related thereto, said funds to be expended at the direction of the Town Manager and the Fire Chief, who are authorized to apply for and accept any Federal or State assistance that may be available for the project, and that to meet this appropriation, the Treasurer, with the approval of the Selectmen is hereby authorized to borrow said amount under and pursuant to Chapter 44, Section 7(1) of the General Laws, or pursuant to any other enabling authority, and to issue bonds or notes of the Town therefor. Any premium received upon the sale of any bonds or notes approved by this vote, and each prior vote of the Town that authorizes the borrowing of money, 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.

***Commentary:** The need to replace the Town's 1989 aerial ladder truck has been included in the Town's capital improvement plan for many years. With an anticipated price tag in excess of \$1,000,000, this capital item and its impact on the Town's finances have been a longstanding concern. Through the diligent work of the Fire Department, in October 2016, the Town was awarded a grant in the amount of \$932,381 from the Aid to Firefighter's Grant Program to be used towards the cost of a new aerial ladder truck. The grant award is contingent on the Town acquiring the ladder truck specified in the application, the additional cost of which is authorized by this Article through a borrowing. The principal and interest will be paid from the ambulance receipts reserve account thereby reducing the impact of this borrowing on the tax levy.*

ARTICLE 16. APPROPRIATE FUNDS – IV INFUSION PUMPS

We move that the Town vote to appropriate the sum of \$24,000 from the ambulance receipt reserve fund for the purchase of three (3) intravenous infusion pumps. Said funds to be expended at the direction of the Town Manager and the Fire Chief.

***Commentary:** This Article authorizes a transfer of funds from the ambulance receipt fund to be used to acquire three intravenous infusion pumps. The Fire Department must comply with the Massachusetts Department of Public Health requirement that all Advanced Life Support ambulances carry the intravenous pumps no later than December 31, 2017. The devices allow precise dosage administration of life saving medicine to patients. The Advisory Committee supports the recommendation of the Fire Chief.*

ARTICLE 17. APPROPRIATE FUNDS – POLICE VEHICLES

We move that the Town vote to appropriate the sum of \$132,000.00 from Certified Free Cash for the police vehicles described in the Article. Said funds to be expended at the direction of the Town Manager for the purposes stated herein.

Commentary: *This Article appropriates \$132,000 from free cash to acquire police vehicles in continuance of the Police Department's systematic replacement and recycling of high mileage vehicles to ensure that the vehicles are on-line and available for police use. The Advisory Committee supports the recommendation of the Police Chief and notes the police vehicles to be replaced are used around the clock and have met their expected useful life.*

ARTICLE 18. ESTABLISH PEG ACCESS & CABLE RELATED FUND

We move that the Town vote to accept this Article as printed in the Warrant.

Commentary: *This Article implements a routine housekeeping procedure establishing a reserve fund that is used to pay all of the cable access activities to include staffing, equipment purchase and to fund educational classes in partnership with the Hanover High School.*

ARTICLE 19. AMEND GENERAL BYLAWS - ESTABLISH AND AUTHORIZE DEPARTMENTAL REVOLVING FUNDS

We move that the Town vote to accept this Article as printed in the Warrant.

Commentary: *Revolving funds are for programs or services with the intent that the money generated from those programs or services will replenish the fund. This article re-authorizes existing funds. Revolving funds are the best way to verify that these programs are self-supporting.*

ARTICLE 20. SET LIMITS ON REVOLVING FUNDS

We move that the Town vote to accept this Article as printed in the Warrant.

Commentary: *This Article establishes limits on spending from various revolving funds. The Advisory Committee supports the recommendation of the Town Manager as to the specific spending limit amounts.*

ARTICLE 21. SUPPLEMENT BOND/NOTE COSTS

We move that the Town vote to accept this Article as printed in the Warrant.

Commentary: *This purpose of this Article is to address a technical issue that arises when refinancing existing debt of the Town. The Massachusetts Municipal Modernization Act, which was enacted and became effective on November 7, 2016, requires net premium proceeds from financing be applied to capital projects. Because prior town meeting articles authorizing debt financing did not anticipate the change in law, they did not include provisions allowing for this treatment of net premiums. This Article effectively updates and revises the prior articles, thereby providing the Town with the flexibility to resize future borrowings and use the premium for the project being financed without further town meeting action. The Advisory Committee recommends passage to ensure that opportunities to refinance on more favorable terms are not slowed or missed as a result of this technical issue.*

ARTICLE 22. REDUCE CPA SURCHARGE

We move that the Town not accept this Article and take no further action.

***Commentary:** The Advisory Committee has been and continues to be critical of the priorities reflected by the types of projects coming from the Community Preservation Committee (CPC) for town meeting vote. In particular, providing for affordable housing – a core objective of the Community Preservation Act (CPA) – has been shortchanged relative to other uses such as the creation of open space and recreation. Developing and maintaining affordable housing alternatives has been identified as a priority for the Town continually, yet over the history of the Town's use of the CPA funding mechanism only 11% of CPA funds allocated by the Town have been used for this purpose. Reducing the CPA surcharge from 3% to 2% will severely limit the ability of the Town to use funds derived from the CPA to address this need.*

The proposed surcharge reduction would result in very modest reductions in residential tax bills. For example, someone owning a residence with an assessed value \$471,362 (the average in Hanover) would see an annual savings of \$61.35 if the surcharge reduction is approved. Reducing the surcharge would also decrease the amount of the State matching funds associated with the CPA funds.

Rather than reducing the surcharge, the Advisory Committee recommends that the CPC and the town meeting voters take a new approach to approving proposed projects. If the project is not addressing a high priority need of the Town, we recommend that the CPC refrain from approving the project and, if they do approve them for presentation to Town Meeting, the residents reject such appropriations. CPA funds are not required to be spent in any given year. The State matching funds are earned when the Town collects the surcharge, not when we spend it. With discipline and resolve, the Town could go several years without spending any CPA funds. At that time, with several million dollars available, the Town would be positioned to utilize the accumulated funds to take on high priority needs such as enhancing affordable housing options.

ARTICLE 23. ROUTE 53 STUDY COMMITTEE DISSOLUTION

We move that the Town vote Article 23 as printed.

***Commentary:** The Advisory Committee supports the dissolution of this committee.*

ARTICLE 24. APPROPRIATE FUNDS – HIGH SCHOOL AUDITORIUM STORAGE

We move the Town vote to appropriate from Certified Free Cash the sum of \$27,000 to be used as set forth in this Article.

***Commentary:** This Article appropriates free cash to be used to convert unfinished space located beneath the seats in the High School Auditorium into storage space. The storage space is needed for various school activities, including storing large sets and other materials needed for theater productions which are presently being disassembled and stored off-site. The Advisory Committee supports the recommendation of the Facilities Engineering Manager and School Superintendent and recommends passage of this Article.*

ARTICLE 25. APPROPRIATE FUNDS – KITCHEN EQUIPMENT MIDDLE & CEDAR SCHOOLS

We move the Town vote to appropriate from Certified Free Cash the sum of \$64,000 to be used as set forth in the Article.

***Commentary:** This Article appropriates free cash to be used to replace kitchen equipment that is past its useful life span. The sum of \$34,000 is proposed to be used to replace the stainless steel serving line equipment at the Middle School. The serving line is original to the school construction and is in such poor condition that it may pose a safety issue to cafeteria workers. The remaining sum of \$30,000 is proposed to be used to insulate the walls of the Cedar School walk-in refrigerator and replace related equipment. The proposed work will increase energy efficiency and reduce the likelihood of food spoilage due to maintenance issues. The Advisory Committee supports the recommendation of the Facilities Engineering Manager and School Superintendent and recommends passage of this Article.*

ARTICLE 26. APPROPRIATE FUNDS – REPAVE AREAS CEDAR SCHOOL

We move that the Town not accept this Article and take no further action.

***Commentary:** While this project will eventually need to occur, the Advisory Committee would like to see a further refined approach and has concluded that it can be deferred to a future year.*

ARTICLE 27. APPROPRIATE FUNDS - TOWN HALL HVAC UNITS

We move that the Town vote to appropriate from Certified Free Cash the sum of \$68,000 to be used as set forth in this Article.

***Commentary:** This Article appropriates free cash to be used for the replacement of 13 individual HVAC units within the 1977 Section of Town Hall. The units are 40 years old and have exceeded their useful life. Many of the present units no longer operate and those still operational are costly to repair and maintain. Replacement of the HVAC units will result in improved efficiency and performance and will reduce operating and maintenance costs. The Advisory Committee supports the recommendation of the Facilities Engineering Manager and recommends passage of this Article.*

ARTICLE 28. APPROPRIATE FUNDS – KITCHEN HV UNIT HIGH SCHOOL

We move that the Town not accept this Article and take no further action.

***Commentary:** The Advisory Committee met with the Facilities Engineering Manager and the School Superintendent regarding this request. We have concluded that it is not in the best interest of the Town to proceed with this project at this time.*

ARTICLE 29. MGL CH. 268A § 21A - ZONING BOARD APPOINTMENT

We move the Town authorize the Board of Selectmen, pursuant to Massachusetts General Laws Chapter 268A, Section 21A, to appoint David Delaney to perform Zoning Board of Appeals duties, whose duties are uncompensated.

***Commentary:** This Article presents an unusual challenge for the Advisory Committee. The Advisory Committee appreciates the hours of time volunteered by members of all appointed and elected committees and boards throughout Town. We are instructed by the Town's By-Laws to consider each Warrant Article and make recommendations as to what is in the best interests of the Town. Volunteering on the Board of Selectmen is a particularly intense time commitment and great responsibility. We look to the Board of Selectmen to be leaders of our Town government, proactively establishing the policies that will shape the Town for decades to come. We respectfully disagree with the motion of the Board of Selectmen and do not recommend passage of this Article.*

ARTICLE 30. TRANSFER FUNDS – COMPLETE VETERAN'S PROJECT

We move that the Town vote to transfer the sum of \$21,806.75 from Article 40 of the 2015 Annual Town Meeting, for the purposes of completing the Veteran's Memorial project at B. Everett Hall Field.

***Commentary:** During the 2015 Annual Town Meeting an amount equal to \$25,000 was appropriated for the purpose of funding the design of the Veteran's Memorial project. Through the diligent efforts of Ray Miller and the Veteran's Memorial Committee, the design work was completed at a cost of \$3,193.25. This article allows the previously approved but unused balance of \$21,806.75 to be used toward completing the project. The Advisory Committee supports the efforts of the Veteran's Memorial Committee and recommends passage.*

ARTICLE 31. TRANSFER FUNDS - SYLVESTER RE-USE STUDY

We move the Town vote to appropriate the sum of \$15,000 from Certified Free Cash to engage a consultant to assist in studying the redevelopment options for the Sylvester School, said funds to be expended at the direction of the Town Manager.

***Commentary:** This Article appropriates free cash to be used to implement the recommendation of the Sylvester School Redevelopment Committee and authorizes the Town Manager to engage a consultant to assist with the development of options for attracting affordable housing developers who will seek to monetize state and/or Federal tax incentives to help finance a private investment in the property, while retaining control over the historical significance of the building.*

ARTICLE 32. APPROPRIATE FUNDS – CLASSIFICATION & COMPENSATION PLAN

We move that the Town vote to appropriate the sum of \$25,000 from Certified Free Cash to be used for a classification and compensation plan for Department Heads and non-union employees.

***Commentary:** This Article appropriates free cash to be used by the Board of Selectmen to engage a consultant to conduct a review of the current organization structure, classification and compensation for Department Heads and non-union employees, including the Town Clerk. The Advisory Committee concurs with the Board of Selectmen's request and supports this initiative. We anticipate that this effort will help identify opportunities for enhanced efficiency and cost savings.*

ARTICLE 33. APPROPRIATE FUNDS – LARGE DUMP TRUCK

We move that the Town vote to appropriate the sum of \$190,000 from Certified Free Cash to purchase and equip a large dump truck, said purchase and equipping to be done at the direction of the Town Manager who is authorized to sell or make appropriate trade-ins.

***Commentary:** This Article appropriates free cash to be used to implement the planned replacement of a 20 years old dump truck/sander with an equivalent vehicle. The Advisory Committee met with the Director of Public Works and is satisfied that the existing vehicle has exceeded its useful life.*

ARTICLE 34. APPROPRIATE FUNDS – PICKUP TRUCK WITH PLOW

We move that the Town vote to appropriate the sum of \$41,000 from Certified Free Cash, to be used as set forth in the Article.

***Commentary:** This Article appropriates free cash to be used to implement the planned replacement of a nine-year old F250 4x4 pickup with an equivalent vehicle. Consistent with the Department of Public Works vehicles rotation plan, the vehicle being replaced by the acquisition will be moved to the water treatment facility and a 2006 pickup truck will be taken out of service and sold. The Advisory Committee met with the Director of Public Works and is satisfied that this proposal is in the best interest of the Town.*

ARTICLE 35. APPROPRIATE FUNDS – DAM INSPECTION/DESIGN

We move that the Town vote to appropriate the sum of \$30,000 from Certified Free Cash to be used as set forth in this Article.

***Commentary:** This Article appropriates free cash to be used to perform inspection; design and repair work to the Curtis Crossing Dam and the Forge Pond Dam. The Curtis Crossing Dam, located in the vicinity of Luddams Ford, is jointly owned by the Towns of Hanover and Pembroke. After meeting with the Director of Public Works, the Advisory Committee is satisfied that the work to be performed pursuant to this proposed expenditure is necessary to bring the dams into compliance with current State Dam Safety Standards. Deficiencies were identified with the Forge Pond Dam and Curtis Crossing Dam in 2006. Work to address the deficiencies was deferred while the Town addressed higher priority needs with the Hackett's Pond Dam and Factory Pond Dam. Further delay is not in the best interest of the Town.*

ARTICLE 36. APPROPRIATE FUNDS – BROADWAY TREATMENT PLANT

(This motion is different than what was printed in the warrant)

We move that the sum of \$80,000 be and hereby is appropriated to pay costs for media replacement and related filter repair work at the Broadway Water Treatment Plant, and for the payment of costs incidental or related thereto, said work to be done and funds to be expended at the direction of the Town Manager and director of Public Works, who are authorized to apply for and accept any Federal or State assistance that may be available for the project, and that to meet this appropriation, the Treasurer, with the approval of the Selectmen is hereby authorized to borrow said amount under and pursuant to Chapter 44, Section 8(7A) of the General Laws, or pursuant to any other enabling authority, and to issue bonds or notes of the Town therefor. Any premium received upon the sale of any bonds or notes approved by this vote, and each prior vote of the Town that authorizes the borrowing of money, 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.

Commentary: This Article authorizes the Town Manager to cause the Town to borrow funds to implement improvements to the Town's water treatment plants and has been recommended by the Director of Public works. As noted last year, the upgrades and improvements are necessary to ensure that the Town comply with Federal regulations and an Administrative Consult Order between the Town and the State. The Advisory Committee supports the recommendation of the Director of Public Works.

ARTICLE 37. APPROPRIATE FUNDS – 2.5 TON VIBRATORY ROLLER

We move that the Town vote to appropriate the sum of \$40,000 from Certified Free Cash to be used as set forth in the Article.

Commentary: This Article appropriates free cash to be used to implement a planned replacement of a 21-year old roller with an equivalent piece of equipment. The vehicle is a specialty vehicle used to compact utility patches and pothole repairs. The Advisory Committee is satisfied that the existing roller has reached the end of its useful life and should be replaced.

ARTICLE 38. APPROPRIATE FUNDS – TRACTOR

We move that the Town vote to appropriate the sum of \$32,000 from Certified Free Cash to be used as set forth in the Article.

Commentary: This Article appropriates free cash to be used for the purchase and equipping of a tractor for the cemetery and public grounds, replacing a Ford tractor that is at the end of its useful life. The Advisory Committee met with the Director of Public Works and encouraged him to consider additional alternatives to the initial proposal. Based on this meeting, a revised proposal was made for a slightly smaller tractor resulting in a cost reduction of \$8,000.

ARTICLE 39. APPROPRIATE FUNDS – WATER MAIN UPGRADES

(This motion is different than what was printed in the warrant)

We move that the sum of \$200,000 be and hereby is appropriated to pay costs to replace and or reinforce the existing water main on Main Street from Plain Street to the center of Town with a 12-inch water main, and for the payment of costs incidental or related thereto, said work to be done and funds to be expended at the direction of the Town Manager and director of Public Works, who are authorized to apply for an accept any Federal or State assistance that may be available for the project, and that to meet this appropriation, the Treasurer, with the approval of the Selectmen is hereby authorized to borrow said amount under and pursuant to Chapter 44, Section 8(5) of the General Laws, or pursuant to any other enabling authority, and to issue bonds or notes of the Town therefor. Any premium received upon the sale of any bonds or notes approved by this vote, and each prior vote of the Town that authorizes the borrowing of money, 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.

Commentary: This Article authorizes the Town Manager to cause the Town to borrow funds to be used for the first year of a multi-year project to reinforce the water mains on Main Street from Plain Street to the center of Town. This work was identified as a need and recommended in the 2001 Water Master Plan and will be performed in advance of the planned asphalt overlay on Main Street. The Advisory Committee supports the recommendation of the Director of Public Works to proceed with this project.

ARTICLE 40. APPROPRIATE FUNDS – WATER TREATMENT PLANTS

(This motion is different than what was printed in the warrant)

We move that the sum of \$2,800,000 be and hereby is appropriated to modify the Pond Street Water Treatment Plant, Beal Water Treatment Plant, Broadway Water Treatment Plant, and Old and New Union Street Standpipes, and the Walnut Hill Standpipe in accordance with the recommendations in the water treatment capital improvement plan, and for the payment of costs incidental or related thereto, said work to be done and funds to be expended at the direction of the Town Manager and director of Public Works, who are authorized to apply for an accept any Federal or State assistance that may be available for the project, and that to meet this appropriation, the Treasurer, with the approval of the Selectmen is hereby authorized to borrow said amount under and pursuant to Chapter 44, Section 8(4) of the General Laws, or pursuant to any other enabling authority, and to issue bonds or notes of the Town therefor. Any premium received upon the sale of any bonds or notes approved by this vote, and each prior vote of the Town that authorizes the borrowing of money, 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.

Commentary: This Article authorizes the Town Manager to cause the Town to borrow funds to implement improvements to the Town's water treatment plants and water storage tanks and has been recommended by the Director of Public works. As noted last year, the upgrades and improvements are necessary to ensure that the Town comply with Federal regulations and an Administrative Consult Order between the Town and the State. The Director of Public Works has worked diligently with the Town's engineering consultant to reduce the financial impact of the proposed improvements and was able to reduce the projected cost from \$4,000,000 to \$2,800,000. The Advisory Committee supports the recommendation of the Director of Public Works.

ARTICLE 41. APPROPRIATE FUNDS – WATER SERVICE VAN

We move that the Town not accept this Article and take no further action.

Commentary: While this vehicle will eventually need to be replaced, the Advisory Committee met with the Director of Public Works and reviewed the vehicle history and usage and jointly determined that the purchase of a new water service van can be deferred to a future year.

ARTICLE 42. APPROPRIATE FUNDS – TOWN HALL MEETING ROOMS

We move the Town vote to transfer the sum of \$35,000 to pay to complete renovations to the Selectmen's meeting room and the second floor meeting room in the Hanover Town Hall, as identified in the chart below:

SOURCE				USE	
Description	TM Ref	Art#	Amount	Description	Amount
Electronic Message Board	ATM 2014	30	186.40	Town Hall Meeting Rooms	35,000.00
DPW One Ton Dump Truck	ATM 2015	23	11,008.00		
Middle School Safety Bollards	ATM 2015	28	14,877.00		
4x4 Rack Body Truck	ATM 2015	32	5,412.00		
Stetson Electrical	ATM 2015	29	3,516.60		
			35,000.00		35,000.00

Commentary: This Article appropriates free cash to be used to implement a key phase of the long term plan to increase the efficiency of the hearing rooms in Town Hall and add additional meeting space with the installation of a moveable wall in the Selectmen's meeting room. The Advisory Committee supports the recommendation of the Town Manager.

ARTICLE 43. APPROPRIATE FUNDS – PHASE II MASTER PLAN

We move the Town vote to appropriate the sum of \$30,000 from Certified Free Cash to be used as set forth in the Article.

Commentary: This Article appropriates free cash to be used to allow the master Plan Committee to complete phase II of its overall Hanover 300 Master Plan. The Master Plan committee has been working with the Metropolitan Area Planning Council to complete this work. The Town's share of \$30,000 will pay for half of the Phase II master plan work with a grant from the State in the amount of \$30,000 to pay the other half.

ARTICLE 44. ADOPT MGL CH. 90 §17C, §18B – SPEED LIMITS

We move the Town accept this Article as written.

***Commentary:** The Advisory Committee supports the motion of the Board of Selectmen.*

ARTICLE 45. APPROPRIATE FUNDS - TECHNOLOGY UPGRADES

We move that the Town vote to appropriate from Certified Free Cash the sum of \$65,000 to be used as set forth in this Article. We further move to form a committee for further study and report back to the next Annual Town Meeting. Said temporary committee will be known as the Information Technology Study Committee and will be comprised of five citizens at-large of the Town, two to be appointed by the Board of Selectmen, two to be appointed by the School Committee, and one to be appointed by the Moderator.

***Commentary:** This Article appropriates free cash to be used to upgrade and replace certain Town-wide technology with an anticipated lifespan of more than five years. The Advisory Committee has concluded that the proposed upgrades are necessary and appropriate, but we believe that they can be completed at a reduced cost. Specifically, the proposal to spend \$65,000 to upgrade six school servers appears high. With respect to future technology upgrade requests, the Advisory Committee recommends that a study committee be established to evaluate the current information technology capabilities of the Town, the current and projected needs and the development of a long-term strategic plan for identifying and prioritizing future technology upgrades.*

ARTICLE 46. AGGREGATION VOTE 1

We move that the Town vote to refer this Article to the Board of Selectmen for further study.

***Commentary:** This Article and the next Article would formally begin the Town down a path to implement an electrical load aggregation program and to become an aggregator, as permitted under State law. Load aggregation is the formation of a group of consumers into a single buying pool for the direct purchase of electricity supply. If the Town were to become an aggregator, each participating resident would ultimately enter into a service agreement directly with the supplier chosen by the Town. As an aggregator, the Town's primary role is to act as a catalyst or agent, introducing interested customers to a suitable supplier. The Town would determine the service constituents want to acquire, solicits bids, and chooses a supplier. If approved and formed the Town, in its role as aggregator and its participants enter a service agreement with the chosen supplier. Once the contracts are entered, the Town's aggregator role is monitoring and overseeing the contract.*

A primary reason often cited for establishing a municipal load aggregation is to provide constituents with a service they want in a manner they cannot obtain competitively from other sources. This is a worthy goal, however, the Advisory Committee is concerned that there has yet to be a full evaluation of the impact of implementing a load aggregation program on Town personnel and resources. Further, the Advisory Committee has not been made aware of the

involvement of key participants in this decision making process – specifically the consumers. The opportunity to select an electricity supplier on behalf of consumers is a new phenomenon. We do not believe that it is in the best interest of the Town to charge down this path without a full exploration of the costs and resources to be incurred by the Town, and a rigorous community involvement effort. If there is interest in this proposal, the Advisory Committee recommends that the Board of Selectmen consider forming a citizens committee to involve the community, while bringing relevant local expertise into the discussion process.

ARTICLE 47. AGGREGATION VOTE 2

We move that the Town vote to refer this Article to the Board of Selectmen for further study.

Commentary: *The Advisory Committee opposes this Article for the reasons noted in our commentary to the previous Article.*

ARTICLE 48. ADD ZONING BYLAW – RECREATIONAL MARIJUANA

Motion to be made at Town Meeting by the Planning Board.

Commentary: *The Advisory Committee supports the Planning Board's motion.*

ARTICLE 49. AMEND ZONING BYLAW, SECTION 6.11.20

Motion to be made at Town Meeting by the Planning Board.

Commentary: *The Advisory Committee supports the motion of the Planning Board.*

ARTICLE 50. APPROPRIATE FUNDS – TOWN CIVIC CAMPUS

We move that the Town not accept this Article and take no further action.

Commentary: *As noted in our commentary relative to the proposal to decrease to the Community Preservation Act surcharge, the Advisory Committee does not believe it is in the best interest of the Town to use CPA funds for expenditures that do not address a high priority need of the Town. While a reconfigured and landscaped area surrounding Town Hall would be nice to have, it does not address a compelling need.*

ARTICLE 51. APPROPRIATE FUNDS - RESTORATION TOWN HALL

We move that the Town vote to accept this Article as printed in the Warrant.

Commentary: *Contrary to the recommendation of the Advisory Committee, the Town voted at the 2015 Annual Town Meeting to undertake a major renovation of Town Hall without a full understanding of the overall costs or the sources to fund it. With the renovation now underway and additional costs identified, it is not in the best interest of the Town to leave the project incomplete. As such, we recommend approval of this Article and hope that there are not many additional Town Hall renovation costs identified.*

ARTICLE 52. APPROPRIATE FUNDS – VETERAN’S HONOR GARDEN

We move that the Town vote to accept this Article as printed in the Warrant.

***Commentary:** This Article appropriates CPA funds to be used to complete the Veteran’s Honor Garden. The Advisory Committee observes that through prior Town Meetings the residents have identified this project as a high priority need of the Town. As such, we support the recommendation of the Veterans Memorial Committee and the Community Preservation Committee.*

ARTICLE 53. APPROPRIATE FUNDS – MULTI-USE RECREATIONAL FACILITY

We move to refer this Article to a newly created committee for further study and report back to the next Annual Town Meeting. Said temporary committee will be known as the Multi-Use Recreational Facility Study Committee and will be comprised of five citizens at-large of the Town, to be appointed by the Moderator.

***Commentary:** The Advisory Committee has not been presented any information about this proposed project. During our March 8th meeting with the Community Preservation Committee to discuss their recommended projects we were informed that this proposal was undergoing modifications related to scope and location. As a result, the CPC took it off the agenda for our meeting. As such, we have not had an opportunity to evaluate or consider the location, the costs to build and the costs and logistics of operating and maintaining the proposed facility. For an undertaking of this nature, we would typically want to understand and consider (a) the scope of the project and all financing sources for the project, (b) the short and long-term maintenance and upkeep costs associated with a proposal, along with identification of the responsible parties and sources for paying these costs, (c) the opinions of the Police and Fire Chiefs regarding public safety relative to the project, (d) the status of all regulatory approvals, and (e) site control and any issues relative to the location and area residents impacted. We understand that this project is currently on the agenda for a Planning Board meeting on May 8, 2017. Given the many unknown variables, we recommend that a temporary committee of citizens at large be formed to provide an objective and independent review of the proposal and the impact of the project on the Town.*

ARTICLE 54. APPROPRIATE FUNDS – HISTORICAL & CULTURAL RESOURCES

We move that the Town not accept this Article and take no further action.

***Commentary:** As noted in our commentary relative to the proposal to decrease the Community Preservation Act surcharge, the Advisory Committee does not believe it is in the best interest of the Town to use CPA funds for expenditures that do not address a high priority need of the Town.*

ARTICLE 55. AMEND BYLAWS – TOWN OWNED/OCCUPIED BUILDINGS

Motion to be made at Town Meeting by Petitioners.

Commentary: *In light of the fact that a ballot question has been added to allow the residents to decide the Town Hall color and the potential for confusion and costs incurred by the Town in connection with inconsistent results between this Article and the ballot question, the Advisory Committee recommends that the Town not adopt this Article and instead rely on the results of the ballot question.*

ARTICLE 56. SCHOOL SICK LEAVE BUYBACK FUND

We move the Town vote to appropriate from Certified Free Cash the sum of \$55,000 to the School Sick Leave Buyback Fund.

Commentary: *As noted previously, sick leave buyback is a contractual benefit available to School employees enabling them to “cash in” unused sick leave upon retirement or separation from employment. This creates a contingent liability for the Town that could be fiscally damaging to the Town when the liabilities arise. The best way to manage this liability is through the funding of a reserve, which is a practice that the Town has engaged over the past several years. Despite these efforts, the projected liability, as of the end of fiscal year 2016, associated with the School Sick Leave Buyback is \$1,851,172 and the current balance of the reserve against this liability is only \$333,745. As such, our current projected liabilities are \$1,517,427 greater than our reserves. The Advisory Committee strongly recommends that the Town aggressively increase efforts to enhance the School Sick Leave Buyback Fund.*

With respect to both this Article 58 and Article 59, the Advisory Committee had intended to provide town meeting with a recommendation to transfer to the applicable reserves some significant amount of certified free cash that had been earmarked for capital appropriations but that was no longer needed because town meeting did not approve the proposed appropriation. We discovered late in the process that the language of the Articles provided by the Town Manager prevented us from recommending more than \$55,000 be transferred under these Articles. We brought this issue before the Board of Selectmen on April 10th to request that they allow us to amend our article and that request was denied. The Advisory Committee is disappointed that this vote limited the ability to even offer the residents here tonight the option of more aggressively funding the School Sick Leave Buyback Fund and or the Town Sick Leave Buyback Fund.

ARTICLE 57. TOWN SICK LEAVE BUYBACK FUND

We move the Town vote to appropriate from Certified Free Cash the sum of \$55,000 to the Town Sick Leave Buyback Fund.

Commentary: *As noted previously, sick leave buyback is a contractual benefit available to Town employees enabling them to “cash in” unused sick leave upon retirement or separation from employment. This creates a contingent liability for the Town that could be fiscally damaging to the Town when the liabilities arise. The best way to manage this liability is through the funding of a reserve, which is a practice that the Town has engaged over the past several years. Despite these efforts, the projected liability, as of the end of FY2016, associated with the Town Sick Leave Buyback is \$1,006,919 and the current balance of the reserve against this*

liability is only \$588,849. As such, our current projected liabilities are \$418,070 greater than our reserves. The Advisory Committee recommends that the Town increase efforts to enhance the Town Sick Leave Buyback Fund using certified free cash.

ARTICLE 58. APPROPRIATE FUNDS - VIOLENCE INTERVENTION AND PREVENTION PROGRAMS

We move that the Town vote to appropriate the sum of \$1,500 from Certified Free Cash to fund services provided to survivors of sexual assault and domestic violence in FY 2018.

Commentary: *Advisory Committee supports this modest funding from free cash for health imperatives related to such an important issue.*

ARTICLE 59. ACCEPT PROVISIONS OF MA GENERAL LAWS, CHAPTER 60A, SECTION 1, PARAGRAPH 7

We move that the Town vote to accept this Article as printed in the Warrant.

Commentary: *The Advisory Committee supports this Article as it will allow the Board of Assessors to grant excise tax exemptions to our Veterans who are former Prisoners of War. The projected financial impacts are anticipated to be modest.*

ARTICLE 60. TOWN CLERK FEE SCHEDULE

We move that the Town amend the Town Clerk's Office fee schedule that is currently on-file with the Town Clerk, so that the new schedule shall add the fees as printed in the Warrant.

Commentary: *The Advisory Committee supports the recommendation of the Town Clerk.*

ARTICLE 61. ACCEPT CHAPTER 90 ROAD GRANT MONIES

We move that the Town vote to accept this Article as printed in the Warrant.

Commentary: *This Article authorizes the Town Manager to accept Chapter 90 funds as allocated by the State legislature for highway improvements in the Town.*

ARTICLE 62. ACCEPT STREETS

Motion to be made at Town Meeting by the Director of Public Works.

