

TOWN OF WELLESLEY



SUPPLEMENTAL REPORT TO THE ANNUAL TOWN MEETING

**MONDAY, MARCH 25, 2019
7:00 P.M.**

**at the
MIDDLE SCHOOL AUDITORIUM
WELLESLEY MIDDLE SCHOOL**

**by the
ADVISORY COMMITTEE**

Please read this Report and bring it with you to Town Meeting.

For more information and updates, please visit www.WellesleyMA.gov.

This page intentionally left blank

TOWN OF WELLESLEY



ADVISORY COMMITTEE

TERM ENDS 2019

Jane Andrews
 Rose Mary Donahue
 Dave Murphy
 Thomas Skelly, Chair
 Andrea Ward, Secretary

TERM ENDS 2020

Todd Cook, Vice Chair
 Mary Gard
 Paul Merry
 Lina Musayev
 Betsy Roberti, Vice Chair

TERM ENDS 2021

Julie Bryan
 Bob Furlong
 Jeff Levitan
 Bill Maynard
 Mary Scanlon

To the Town Meeting Members of the Town of Wellesley:

March 22, 2019

The material on the following pages reflects new information and/or updates relating to Annual Town Meeting, including votes by the Advisory Committee, which have occurred since the printing of the *Advisory Report*. This supplemental report should be read in conjunction with the main *Advisory Report*.

Reprinted below is an updated version of the table that appears on page 2 of the *Advisory Report*. The version below incorporates the recent changes to the FY19 supplemental appropriations requests (Article 7) and the FY20 omnibus budget request (Article 8, Motion 2), as well as the corresponding uses of Free Cash, which are discussed in this supplement.

Key Features of the Proposed FY20 Budget July 1, 2019 – June 30, 2020

	FY19 Budget	FY20 Request	\$ Inc/(Dec)	% Inc/(Dec)
Sources of Funds				
Taxes	\$ 128,943,120	\$ 133,966,698	\$ 5,023,578	3.9%
State Aid	10,347,974	10,682,235	334,261	3.2%
Local Revenue	11,031,434	11,428,143	396,709	3.6%
Free Cash to balance	2,646,079	2,340,000	(306,079)	-11.6%
Other free cash items	-	1,985,670	1,985,670	0.0%
Other Sources	1,615,088	1,476,945	(138,143)	-8.6%
CPA Funds	918,000	887,500	(30,500)	-3.3%
CPA to offset debt	550,244	552,044	1,800	0.3%
Exempt Debt	12,001,845	10,888,408	(1,113,437)	-9.3%
Total Sources	\$ 168,053,784	\$ 174,207,643	\$ 6,153,859	3.7%
Uses of Funds				
School	\$ 74,428,918	\$ 76,783,930	\$ 2,355,012	3.2%
Other Town Departments	37,700,743	38,834,935	1,134,192	3.0%
Employee Benefits	30,049,712	31,072,999	1,023,287	3.4%
Cash Capital	5,305,108	5,913,417	608,309	11.5%
Debt Service (inside Levy)	4,002,083	4,300,000	297,917	7.4%
Other Uses	4,015,131	5,861,910	1,846,779	46.0%
Exempt Debt	12,552,089	11,440,452	(1,111,637)	-8.9%
Total Uses	\$ 168,053,784	\$ 174,207,643	\$ 6,153,859	3.7%
Surplus/(Deficit)	\$ (0)	\$ -		

We appreciate all your efforts to remain informed and look forward to seeing you on Monday.

Sincerely,

Tom Skelly, Chair

ARTICLE 7. To see if the Town will vote to raise and appropriate, transfer from available funds, or borrow a sum of money to supplement or reduce appropriations approved by the 2018 Annual Town Meeting, or to take any other action in relation thereto.

(Board of Selectmen)

ARTICLE 7, MOTION 1: WINTER SUPPLEMENTAL APPROPRIATION

Please see pages 36-37 of the *Advisory Report* for an explanation of the Town's practice with respect to funding winter maintenance. As of March 1, 2019 (the cutoff date used in the *Advisory Report*), the Town had incurred some \$499,424 in FY19 winter maintenance expenses. Available to offset those expenses were the \$357,420 that had been appropriated for FY19 winter maintenance at last year's Annual Town Meeting, as well as an additional \$300,000 that had been approved for inclusion under this Motion as FY19 supplemental funding. However, storms in early March resulted in additional snow treatment, plowing and snow removal events. The Department of Public Works (DPW) now estimates that its FY19 winter maintenance expenditures through March 31, 2019 will be \$807,420, and requests an additional supplemental appropriation of \$150,000. The Board of Selectmen (BOS) approved this request on March 18, 2019, bringing the total supplemental FY19 winter maintenance request under Article 7, Motion 1, to \$450,000.

Advisory recommends favorable action, 12 to 0.

ARTICLE 7, MOTION 2: BOS STAFF SALARY SUPPLEMENTAL APPROPRIATION

At its meeting on March 18, 2019, the Board of Selectmen voted to put forward a second motion under Article 7. This Motion would appropriate \$90,000 from Free Cash to fund the additional cost of salaries for FY19 in the Board of Selectmen/Executive Director's Office. The Chair of the Board of Selectmen explained at the March 20, 2019 Advisory Committee meeting that these costs were attributable primarily to the lump sum payment that was made on the remaining ten months of the prior Executive Director's employment contract. Although approximately half of the cost of that total payment can be absorbed within the FY19 budget for the Executive Director's Office (largely due to the current vacancy in the Assistant Executive Director position), the amount sought in Motion 2 represents the balance required for FY19. Advisory understands that the Executive Director transition impacts only the FY19 budget; no additions or revisions to the FY20 budget request will be required.

Advisory recommends favorable action, 12 to 0.

ARTICLE 8. To see if the Town will vote to raise and appropriate, transfer from available funds, or borrow a sum of money for the following:

- 1) The operation and expenses of certain Town departments, including capital outlay, maturing debt and interest, and the provision of a Reserve Fund;
- 2) Extraordinary maintenance, special capital projects and other capital outlay items for the several Town departments;
- 3) Such purposes as may be voted contingent upon passage by the voters of referendum questions as authorized by Section 21C(g) of Chapter 59 of the General Laws,

and further to authorize the Board of Assessors to use any monies paid to the Town from the Wellesley Municipal Light Plant as an estimated receipt when computing the Fiscal Year 2020 Tax Rate, or to take any other action in relation thereto.

(Board of Selectmen)

Since the publication of the *Advisory Report*, the Board of Selectmen has presented additional information and provided a revised Motion 2 and Motion 3 under Article 8, as described more fully below:

Motion 2: To appropriate the funds detailed in the exhibit shown on the following pages to the respective boards and departments.

Motion 3: To transfer the sum of \$2,340,000 (Two Million Three Hundred Forty Thousand Dollars) from Free Cash, as certified on July 1, 2018, to reduce the tax rate.

ARTICLE 8, MOTION 2

That the following sums of money be appropriated to the Town boards and officials and for the purposes as hereinafter set forth:

Funding Item	Personal Services	Expenses	Total Operations
GENERAL GOVERNMENT			
To the Board of Selectmen for General Government; \$2,612,607 for Personal Services and \$1,964,645 for Expenses. And it is recommended that the sums be allocated as follows:			
Board of Selectmen - Administration			
122 Executive Director's Office	548,020	40,800	588,820
126 Sustainable Energy	34,925	3,225	38,150
199 Central Administrative Services	0	27,700	27,700
133 Finance Department	460,724	10,450	471,174
155 Information Technology	677,584	512,750	1,190,334
145 Treasurer & Collector	343,927	107,200	451,127
195 Town Report	0	4,000	4,000
Board of Selectmen - Human Services			
541 Council on Aging	384,829	59,176	444,005
543 Veterans' Services	0	70,502	70,502
542 Youth Commission	85,436	17,090	102,526
Board of Selectmen - Other Services			
180 Housing Development Corporation	0	6,500	6,500
691 Historical Commission	0	750	750
693 Memorial Day	0	5,000	5,000
692 Celebrations Committee	0	4,700	4,700
176 Zoning Board of Appeals	77,162	7,190	84,352
Board of Selectmen - Shared Services			
151 Law	0	340,000	340,000
945 Risk Management	0	548,762	548,762
135 Audit Committee	0	58,850	58,850
458 Street Lighting	0	140,000	140,000
Subtotal - Board of Selectmen - General Government	2,612,607	1,964,645	4,577,252
Other General Government			
To the following Town boards and officials:			
161 Town Clerk/Election & Registration	272,032	39,815	311,847
141 Board of Assessors	286,263	101,800	388,063
175 Planning Board	285,246	43,000	328,246
185 Permanent Building Committee	0	0	0
152 Human Resources Board	317,688	37,950	355,638
131 Advisory Committee	10,000	22,000	32,000
132 Advisory Committee - Reserve Fund	0	175,000	175,000
Subtotal - Other General Government	1,171,229	419,565	1,590,794
GENERAL GOVERNMENT TOTAL	3,783,836	2,384,210	6,168,046

Funding Item	Personal Services	Expenses	Total Operations
<u>FACILITIES MANAGEMENT - BOARD OF SELECTMEN</u>			
To the Board of Selectmen for Facilities Management, \$4,716,227 for Personal Services and \$3,507,730 for Expenses. And it is recommended that the sums be allocated as follows:			
192 Facilities Management	4,716,227	3,507,730	8,223,957
FACILITIES MANAGEMENT TOTAL - BOARD OF SELECTMEN	4,716,227	3,507,730	8,223,957
<u>PUBLIC SAFETY - BOARD OF SELECTMEN</u>			
To the Board of Selectmen for Public Safety, \$11,916,024 for Personal Services and \$979,043 for Expenses. And it is recommended that the sums be allocated as follows:			
210 Police Department	5,887,143	664,810	6,551,953
299 Special School Police	129,254	3,263	132,517
220 Fire Department	5,351,153	267,270	5,618,423
241 Building Department	533,474	41,000	574,474
244 Sealer of Weights & Measures	15,000	2,700	17,700
PUBLIC SAFETY TOTAL - BOARD OF SELECTMEN	11,916,024	979,043	12,895,067
<u>PUBLIC WORKS</u>			
To the Board of Public Works, \$4,534,263 for Personal Services and \$2,606,354 for Expenses. And it is recommended that the sums be allocated as follows:			
410 Engineering	535,847	65,500	601,347
420 Highway	1,093,825	470,450	1,564,275
454 Fleet Maintenance	165,000	43,462	208,462
430 Park	1,266,331	372,570	1,638,901
440 Recycling & Disposal	1,103,530	1,263,947	2,367,477
450 Management	369,730	24,070	393,800
456 Winter Maintenance	0	366,355	366,355
PUBLIC WORKS TOTAL	4,534,263	2,606,354	7,140,617
<u>WELLESLEY FREE LIBRARY</u>			
To the Trustees of the Wellesley Free Library:			
610 Library Trustees	2,025,452	570,015	2,595,467
LIBRARY TOTAL	2,025,452	570,015	2,595,467
<u>RECREATION</u>			
To the Recreation Commission:			
630 Recreation Commission	343,418	28,741	372,159
RECREATION TOTAL	343,418	28,741	372,159
<u>HEALTH</u>			
To the Board of Health:			
510 Board of Health	539,921	82,685	622,606
523 Mental Health Services	0	244,658	244,658
HEALTH TOTAL	539,921	327,343	867,264

<u>Funding Item</u>	Personal Services	Expenses	Total Operations
<u>NATURAL RESOURCES</u>			
To the Natural Resources Commission:			
171 Natural Resources Commission	227,108	25,000	252,108
172 Morses Pond	0	145,250	145,250
NATURAL RESOURCES TOTAL	227,108	170,250	397,358
NON-SCHOOL TOTAL			
	28,086,249	10,573,686	38,659,935
<u>WELLESLEY PUBLIC SCHOOLS</u>			
To the School Committee, \$69,116,050 in the aggregate for Personal Services and \$7,667,880 for Expenses. And it is recommended that the sum be allocated as follows:			
320 Instruction	49,059,555	2,089,585	51,149,140
330 Administration	1,427,465	153,741	1,581,206
340 Operations	1,530,688	1,237,484	2,768,172
360 Special Tuition/Transportation/Inclusion	17,098,342	4,187,070	21,285,412
Subtotal	69,116,050	7,667,880	76,783,930
SCHOOL TOTAL			
	69,116,050	7,667,880	76,783,930
<u>EMPLOYEE BENEFITS</u>			
To the Board of Selectmen for the purposes indicated:			
914 Group Insurance	0	19,645,390	19,645,390
912 Worker's Compensation	0	287,700	287,700
919 Other Post Empl. Benefits Liability Fund	0	3,432,000	3,432,000
910 Retirement Contribution	0	7,487,909	7,487,909
913 Unemployment Compensation	0	100,000	100,000
950 Compensated Absences	0	120,000	120,000
911 Non-Contributory Pensions	0	0	0
EMPLOYEE BENEFITS TOTAL	0	31,072,999	31,072,999
And further, that the balance on hand in the Workers' Compensation fund on June 30, 2019 and any interest earnings of the program, are appropriated for expenses related to the Workers' Compensation Program of the Town for Fiscal Year 2020.			
ALL PERSONAL SERVICES & EXPENSES			
	97,202,299	49,314,565	146,516,864

<u>Funding Item</u>	Personal Services	Expenses	Total Operations
<u>CAPITAL & DEBT</u>			
To the following Town boards and officials for the purposes indicated:			
<i>Departmental Cash Capital</i>			
400 Board of Public Works - Capital	0	2,276,000	2,276,000
300 School Committee - Capital	0	1,101,028	1,101,028
122 Board of Selectmen - Capital	0	452,089	452,089
161 Town Clerk - Capital	0	0	0
175 Planning Board	0	30,000	30,000
192 Facilities Management - Capital	0	1,850,000	1,850,000
510 Health Department	0	0	0
610 Library Trustees - Capital	0	124,300	124,300
171 Natural Resources Commission - Capital	0	80,000	80,000
172 Morses Pond - Capital	0	0	0
Subtotal - Cash Capital	0	5,913,417	5,913,417
To the Town Treasurer and Collector for:			
700 Current Inside Levy Debt Service	0	4,300,000	4,300,000
700 Current Outside Levy Debt Service -Issued/Unissued	0	11,440,452	11,440,452
Subtotal - Maturing Debt & Interest	0	15,740,452	15,740,452
CAPITAL & DEBT TOTAL	0	21,653,869	21,653,869
<u>RECEIPTS RESERVED FOR APPROPRIATION</u>			
To the Board of Selectmen, to be taken from the Parking Meter Receipts Account:			
293 Traffic & Parking Operations	312,418	662,600	975,018
RECEIPTS RESERVED TOTAL	312,418	662,600	975,018
TOTAL APPROPRIATIONS - ARTICLE 8, MOTION 2			\$ 169,145,751

To meet said appropriations, transfer \$154,145 from the Police Detail account, \$40,710 from Parking Meter Receipts, \$153,536 from Water/Sewer for IT services, \$153,536 from MLP for IT services, and \$552,044 from the CPA Fund to pay for debt service, provided further that of the foregoing appropriations, the amounts are contingent upon passage of motion 8.3 (free cash appropriation).

OMNIBUS BUDGET UPDATE

At its meeting on March 18, 2019, the BOS approved a *revised* FY20 omnibus budget request of \$169,145,751. That revised budget is reprinted in the table above, as well as in the Motion that was distributed to Town Meeting Members on March 19, 2019. The overall FY20 request is \$160,000 less than the original request (\$169,305,751) upon which the *Advisory Report's* discussion and analysis of Article 8, Motion 2 was based. More specifically, the reduction comes from the elimination of the \$140,000 line item for a new Mental Health Services Initiative and the corresponding \$20,000 of projected health insurance benefits that would have accompanied the initiative, which is discussed on pages 70-71 of the *Advisory Report*. The Chair of the BOS indicated at the March 20, 2019 Advisory Committee meeting that the BOS remains supportive of the Mental Health Services Initiative and may bring it forward for consideration at the May 13 Special Town Meeting. Please bear these revisions to the FY20 omnibus budget in mind as you read through pages 39-94 of the *Advisory Report* and encounter references to the original request or to the Mental Health Services Initiative.

The BOS revisions to the omnibus budget, as well as finalization of the motions relating to FY19 supplemental appropriations under Article 7, have led to corresponding revisions in the use of Free Cash, which is discussed on page 43 of the *Advisory Report*. A revised Free Cash table is reprinted below. The specific changes are: First, corresponding with the \$160,000 reduction in the FY20 omnibus budget request, the amount of Free Cash being used in FY20 to balance the budget has been reduced by \$160,000, from \$2,500,000 to \$2,340,000. See the discussion of Article 8, Motion 3, below. Second, as a result of the updated motions under Article 7 for additional winter maintenance and BOS staff salary funding, Free Cash being used for supplemental FY19 appropriations has increased from \$300,000 to \$540,000.

Free Cash Used in ATM18(FY19)		Supplemental 19 at ATM19		Free Cash Used in FY20	
Purpose	Total Appropriation	Purpose	Total Appropriation	Purpose	Total Appropriation
				Article 10 - Special Injury Leave Stabilization	48,672
				Article 11 - SPED Stabilization	500,000
				Article 11 - SPED Stabilization	160,000
				Article 12 - Baler Stabilization Fund	50,000
				Article 17 - Town Hall Exterior	220,598
				Article 20 - MS Systems Design	841,400
				Article 23 - Walnut Street Design	150,000
		Article 7.1 - Snow and Ice removal	450,000	Article 36 - Electronic Voting	15,000
Article 8 - Free Cash to balance	2,646,079	Article 7.2 - BOS Salaries	90,000	Article 8 - Free Cash to balance	2,340,000
Total FY19	\$2,646,079		\$540,000	Total FY20	\$4,325,670

Advisory recommends favorable action, 12 to 0.

ARTICLE 8, MOTION 3

As described on page 94 of the *Advisory Report*, this Motion enables the Town to make a transfer from Free Cash to Available Funds in order to balance the FY20 tax-impact budget. The requested amount is now \$2,340,000, and represents a reduction of \$160,000 from the original request (\$2,500,000) due to the elimination of the Mental Health Services Initiative from the FY20 omnibus budget request.

Advisory recommends favorable action, 12 to 0.

ARTICLE 16. To see if the Town will vote to hear and act on the report of the Community Preservation Committee on the Fiscal Year 2020 Community Preservation Budget, to appropriate or reserve for future appropriation, from FY 2020 Community Preservation Fund annual revenues and reserves, sums of money to meet the administrative expenses and all other necessary and proper expenses of the Community Preservation Committee for the Fiscal Year beginning July 1, 2019, to make debt service payments, and to undertake community preservation projects as recommended by the Community Preservation Committee, as follows:

	<u>Open Space</u>	<u>Historical</u>	<u>Housing</u>	<u>Administrative</u>
Reserve revenues for Specific Purpose and Administrative		(\$165,000)	(\$165,000)	(\$65,000)

Appropriations from Reserves	<u>Open Space</u>	<u>Historical</u>	<u>Housing</u>	<u>Undesignated</u>
Wellesley Free Library – digitization of historic maps		(\$21,500)		
DPW - reconstruction of softball fields**				(\$500,000)
NRC – Restoration of Church Park	(\$30,000)			
NRC-Phase II Reconstruction of Duck Pond Bridge	(\$91,000)			
NRC – Phase I Morse’s Pond Erosion Mitigation	(\$150,000)			
Library Board – Fells Branch Library Children’s/Pollinator Garden**	(\$30,000)			
TOTAL	(\$301,000)	(\$21,500)		(\$500,000)

** These projects have not yet been voted on by the CPC.

North 40 Debt service of \$552,044 appropriated from Undesignated funds and applied to Article 8 Omnibus Budget.

or to take any other action in relation thereto.

(Community Preservation Committee)

ARTICLE 16, MOTION 5: Department of Public Works Appropriation

Please see page 114 of the *Advisory Report* for a description of this project, Phase II of the reconstruction of the Duck Pond Bridge. The final Motion language clarifies that funding for the project (a joint effort of the Natural Resources Commission and the Department of Public Works (DPW)) will be to the DPW, as was the initial design funding for the project approved at last year’s Annual Town Meeting. Advisory re-voted the Motion at its meeting on March 20, 2019 to reflect the correct recipient of the appropriation, and, as with its earlier vote, expressed unanimous support for the project.

Advisory recommends favorable action, 12 to 0.

ARTICLE 19. To see if the Town will vote to raise and appropriate, transfer from available funds, or borrow a sum of money, to be expended under the direction of the Permanent Building Committee, for architectural and engineering construction administration, construction services and associated costs related to the repairs of and modifications to the Middle School Steam Pipe System, replacement of heat exchangers with high efficiency boilers, and for any other services in connection therewith and, for the purpose of meeting such appropriation, to authorize the Town Treasurer, with the approval of the Board of Selectmen, to borrow said sum in accordance with Chapter 44, Section 7(1) of the Massachusetts General Laws, or any other enabling authority and to issue bonds or notes of the Town therefor, and that any premium received by the Town upon the sale of any bonds or notes approved by this vote, less any such premium applied to the payment of the costs of the issuance of such bonds or notes, may be applied to payment of costs approved by this vote in accordance with Chapter 44, Section 20 of the Massachusetts General Laws, thereby reducing the amount to be borrowed to pay such cost by a like amount; or take any other action in relation thereto.

(School Committee)

A full discussion of this Article is presented on pages 122-124 of the *Advisory Report*. At the March 20, 2019 Advisory Committee meeting, the Permanent Building Committee (PBC) presented the final construction bids. The bids were very favorable, resulting in a total project request of \$3,188,950, significantly lower than the originally estimated \$4.2 million project cost. Although PBC will not formally approve the bid until its next meeting (during the week of March 25), both Advisory and PBC were comfortable with the finality of the project request number given the thorough review of the bids that PBC and FMD had conducted over the preceding days.

Passage requires a 2/3 vote.

Advisory recommends favorable action, 12 to 0.

ARTICLE 26. To see if the Town will vote to appropriate the sum of \$19,337.70 (NINETEEN THOUSAND THREE HUNDRED THIRTY-SEVEN DOLLARS AND SEVENTY CENTS), received from the Commonwealth Transportation Infrastructure Fund (“Fund”) pursuant to St. 2016, c. 187, § 8(c)(i) for calendar year 2017 to address the impact of transportation network services on municipal roads, bridges and other transportation network services in the Town including the complete streets program established in Section 1 of Chapter 90I of the General Laws and other programs that support alternative modes of transportation; or take any other action in relation thereto.

(Board of Selectmen)

A discussion of this Article can be found on pages 134-135 of the *Advisory Report*. As noted there, Advisory was awaiting a decision by the Board of Selectmen as to how it proposed to expend the \$19,337.70 in Commonwealth Transportation Infrastructure Fund receipts. At its meeting on March 18, 2019, the BOS voted to allocate the funds to the Board of Public Works for installation of a pedestrian-activated crossing light at the intersection of Walnut and Damien Streets. As explained by the Chair of the Board of Selectmen at the March 20, 2019 Advisory Committee meeting, the selection of this project was supported by the Chief of Police, the Department of Public Works, and the Sustainable Energy Committee, and was originally proposed by a Town Meeting Member who is also a member of the Town’s newly-formed Mobility Working Group. The Chair noted that the project has been on the Traffic Safety Committee’s list for some time and that it is the closest to “shovel ready.” Following this Annual Town Meeting, the BOS intends to establish a more formal process for allocation of future rideshare funds.

Advisory recommends favorable action, 12 to 0.