



TOWN OF SAUGUS MASSACHUSETTS



Capital Improvement Plan (FY2017-FY2027)



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INTRODUCTION

The Town of Saugus' five-year capital improvement plan (CIP) for FY2017-FY2027 will make much-needed investments in Saugus' infrastructure, including Town facilities, schools, roadways and sidewalks, public safety, vehicles and equipment, and water and sewer infrastructure.

The biggest capital improvement investment has been the construction of a brand-new, grades 6-12 Saugus Middle-High School and renovations to the existing Veterans Memorial Elementary School and Belmonte Middle School for \$187 million. The Middle-High School project gained MSBA approval and a grant of up to \$65.1 million.

Town facilities also make up a great deal of the Town's Capital Improvement Plan projects, as well as public safety equipment and vehicles.

What is a capital budget? What is a capital project?

A capital budget is distinct from an operating budget in that the items included in a capital budget are typically large or infrequent expenses, such as construction of a new building or acquisition of a new dump truck, whereas an operating budget includes expense that occur each year or are modest, such as salaries and vehicle maintenance. A capital budget identifies the array of resources to be used to fund a series of capital projects. Saugus projects included in the capital improvement plan range up to \$186 million, across all funding sources.

The Massachusetts Association of Town Finance Committees defines capital projects as "major, non-recurring expenditures, for one of the following purposes:

- Acquisition of land for a public purpose;
- Construction of a new facility or external expansion or major rehabilitation of an existing one. Examples of such Town facilities include public buildings, water and sewer lines, roads and playing fields;
- Purchase of vehicles or major equipment items;
- Any planning, feasibility, engineering or design study related to a capital project or to a capital improvement program consisting of individual projects;
- Equipment for public improvements when they are first constructed such as furniture, office equipment, or playground equipment'
- Major equipment which is expensive and has a relatively long life such as a fire apparatus, garbage trucks, and construction equipment."

What is a capital plan?

According to the Massachusetts Department of Revenue (DOR), a capital plan is a blueprint for planning a community's capital expenditure and "one of the most important responsibilities of local government officials." Putting together multiple years of capital spending into a plan, instead of looking at each other in isolation, has multiple benefits including:

- Impacts on the operating budget can be minimized through thoughtful debt management;
- High-cost repairs and emergency acquisitions can be reduced by implementing regular vehicle and equipment replacement schedules, and by undertaking major facilities improvements, such as replacing roofs, before a problem becomes chronic and damage occurs;
- Large scale, ambitious public improvements can be phased over multiple years;
- Critical parcels of land can be purchased before costs increase;
- Costly mistakes created by lack of coordination – such as paving a street one year and then cutting into it the next year to install a sewer line – can be avoided; and
- Methodical progress can be made toward meeting community goals.

CIP Overview

In the FY2017-FY2027 Capital Improvement Plan, the Town of Saugus has invested in capital projects, ranging from small pay as you go amounts to a Proposition 2 ½ Debt Exclusion for the \$187 million brand-new, grades 6-12 Saugus Middle-High School and renovations to the existing Veterans Memorial Elementary School and Belmonte Middle School.

Funding the CIP may be provided from an array of sources, including, but not limited to:

- General fund debt;
- Proposition 2 ½ Debt Exclusion;
- Pay as You Go projects funded by the general fund;
- Projects funded by water and sewer revenues; and
- State and Federal grants.

ABOUT THE TOWN OF SAUGUS

The Town of Saugus, Massachusetts, is a family-friendly, historic neighborhood town located along the North Shore, ten miles north of Boston. First settled in 1629, Saugus is home to historic sites, top-tier public services, and a thriving business community. Strong community support, a forward-thinking approach to town government, rich recreational opportunities, affordable choices, and easy access to all the amenities that Boston has to offer – they all contribute to making Saugus a town where businesses flourish and families make their home.

According to the United States Census Bureau, the Town of Saugus has a total area of 30.4 km² (11.8 mi²) including 28.5 km² (11.0 mi²) of land and 2.0 km² (0.8 mi²) of water (6.55% of the total). There is a shoreline, but no beach.

As of the 2010 census demographic profile, there were 26,628 people, 10,318 households, and 7,144 families residing in Saugus. According to the 2010-2014 American Community Census Survey, the median household income in Saugus was \$76,141, and the median income for a family was \$90,699.

Infrastructure components for which the Town of Saugus is responsible for include:

Town Facilities

The Town manages a series of buildings and building complexes that serve a multitude of purposes, from Town Hall, to the Public Safety Building, to the Public Library, to the DPW. Each of these facilities must be maintained on a regular basis to ensure the safety and comfort of the working environment.

Saugus Town Facilities	
Town Facility	Location
Lobsterman's Landing	100 Ballard Street
Essex Street Fire Station	120-124 Essex Street
Cemetery	164 Winter Street
Evans	20E Denver Street
Town Hall Annex	23 Main Street
Pump Station	24 Lincoln Ave.
Public Safety Building	27 Hamilton Street
Town Owned Property/House	270 Main Street
Library	295 Central Street
Town Hall	298 Central Street
Youth and Recreation	402 Central Street
American Legion	44 Taylor Street
Senior Center	466 Central Street
DPW	515 Main Street
Canine	515 Rear Main Street
MEG Building	54/58 Essex Street
Former Fire Station	6 Taylor Street
Saugus Middle School / High School Complex	1 Pearce Memorial Drive
Lynnhurst School	10 Elm Street/443 Walnut Street
Ballard School	22-28 Richard Street
Belmonte Steam Academy	25 Dow Street
Former Roby School Administration Building	25 Main Street
Waybright Elementary School	25 Talbot Street

Oaklandvale Elementary School	266 Main Street
Veterans Memorial Elementary School	39 Hurt Avenue

In recent years, the Town has been able to make improvements to increase energy efficiency in numerous Town buildings through grant programs, such as the Massachusetts Department of Energy Resources' Green Communities grant program.

Information Technology

Information Technology is key to Saugus' ability to grow, educate its children, respond to emergencies, and efficiently provide services to its citizens. Investments in IT applications and infrastructure provide town managers with tools to more effectively observe and manage the financial, physical, and human resources of the Town, as well as increase productivity.

Saugus Software Applications

Department	Software
All Departments	Microsoft Office 2010, MUNIS, Comodo Security, CyberReason RandomFree, Malware Bytes, Adobe Reader DC
Accounting	SnipIT, APowerPDF
Inspectional Services	Access2010, ControlCenter 4, ASAP Utilities
Assessor's Office	AssessPro, TeamViewer, Patriot Properties, PDF Architect 5, VADAR
Treasurer/Collector	VADAR, Access 2010, ASAP Utilities, FuelMaster Plus
MIS	LogMeIn, FuelMaster Plus, CCleaner, IPScanner, ITarian Remote Control
Cemetery	Global VPN Client, Foxit PhantomPDF
Senior Center	MySeniorCenter, Print Artist, Access 2010
Public Works	SeeClickFix, PeopleGIS
Town Manager's Office	PeopleGIS

Parks and Open Space

The Town of Saugus is full of unique natural open spaces and state-of-the-art playgrounds. From Breakheart Reservation, an over 600-acre Commonwealth's Department of Conservation and Recreation managed forest with walking trails and swimming holes, to Rumney Marsh, a 2,000-acre salt marsh - among the largest in the North Shore - which is currently undergoing a restoration project that includes a walking path with views of the Boston skyline, to Pranker's Pond, a hidden gem offering secluded fishing spots and walking trails - there are many ways for residents and visitors to enjoy nature all year-round.

Additionally, the Northern Strand Community Trail, which connects Everett, Malden, Revere, Saugus, and Lynn, provides residents with over two miles of former Saugus Branch Railroad right-of-way turned community trail in Saugus, and over eight miles in total. The trail offers beautiful vistas of the Saugus

River and conservation land. In the Winter of 2018, the trail was awarded \$1.5 million by Baker-Polito Administration through the Executive Office of Energy and Environmental Affairs Gateway City Park Program. This funding will go towards wayfinding, interpretive signage, and improved pedestrian and cyclist crossings for better safety.

Below is an inventory of the Parks and Open Space Matrix in Saugus:

Name	Owner	Manager	Primary Purpose	Recreation Potential	Condition	Public Access	Zoning District	Level of Protection	Grant Program	Deed Restriction	GIS Acres
OWNER - TOWN OF SAUGUS											
Anna Parker Playground	Town of Saugus	Department of Public Works & Youth and Recreation Department	Recreation	Active - soccer, playground, tennis, basketball	Excellent	Yes	R	Permanently Protected	None	Article 97	12.26
Ballard School	Town of Saugus	Town of Saugus	Recreation	Active Playground	Good	Yes	R	Limited	None	None	0.66
Bellevue Street	Town of Saugus	Conservation Commission	Conservation	Passive	N/A	Yes	R	Permanently Protected	None	Article 97	0.48
Belmonte Stream Academy	Town of Saugus	School Department & Department of Public Works	Recreation	Active baseball, track, soccer, tennis	Excellent	Yes		Limited	None	None	16.94
Boulder Street Area	Town of Saugus	Conservation Commission	Conservation	Potential for passive use	N/A	Yes	R	Permanently Protected	None	Article 97	3.11
Buchiere (Bristow Street) Park	Town of Saugus	Youth and Recreation Department	Recreation	Active playground, basketball	Excellent	Yes	R	Permanently Protected	None	Article 97	2.38
Curley Property	Town of Saugus	None	Conservation	Passive	N/A	Yes		Permanently Protected	None	Article 97	7.11
David C Penny Memorial Landing	Town of Saugus	Department of Public Works	Recreation	Passive - kayak launch	Good	Yes	R	Limited	None	None	0.24
Evans Elementary School	Town of Saugus	School Department	Recreation	Active - playground & boxing	Good	Yes	R	Limited	None	None	2.57
Glen Park Kettlehole	Town of Saugus	Conservation Commission	Conservation	Passive	N/A	Yes	R	Permanently Protected	None	Article 97	2.53

Name	Owner	Manager	Primary Purpose	Recreation Potential	Condition	Public Access	Zoning District	Level of Protection	Grant Program	Deed Restriction	GIS Acres
Golden Hills	Town of Saugus	Department of Public Works	Conservation	Passive	N/A	Yes	R	Permanently Protected	None	Article 97	3.12
Golden Hills Playground	Town of Saugus	Playground Commission	Recreation	Active playground	Fair	Yes	R	Permanently Protected	None	Article 97	0.78
Golden Hills Pond Park	Town of Saugus	None	Conservation	Passive	N/A	Limited (Residents Only)	R	Limited	None	None	4.06
Grandview Park	Town of Saugus	Youth and Recreation Department	Recreation	Passive	Fair	Yes	R	Permanently Protected	None	Article 97	0.63
Lynn Fells Parkway	Town of Saugus	Conservation Commission	Conservation	Passive	Good	Yes	R	Permanently Protected	None	Conservation Restriction	4.52
Lynnhurst Elementary School	Town of Saugus	Town of Saugus	Recreation	Active playground, softball	Good	Yes		Limited	None	None	7.38
Oaklandvale School	Town of Saugus	Town of Saugus	Recreation	Active playground, basketball	Good	Yes	R	Limited	None	None	16.52
OFF Central Street	Town of Saugus	Conservation Commission	Conservation	Passive	N/A	No	R	Permanently Protected	None	Article 97	4.28
Off Ella Street	Town of Saugus	Conservation Commission	Conservation	Passive	N/A	No	R	Permanently Protected	None	Article 97	9.75
Old Parish Cemetery	Town of Saugus	Cemetery Commission	Historical/Cultural	None	Good	Yes	8	Limited	None	None	0.19
Other Conservation Land	Town of Saugus	Conservation Commission	Conservation	Passive	N/A	Some	Varies	Permanently Protected	None	Article 97	27.34
Pendleton Properties	Town of Saugus	Conservation Commission	Conservation	Passive	N/A	Yes	R	Permanently Protected	None	Article 97	6.37

Name	Owner	Manager	Primary Purpose	Recreation Potential	Condition	Public Access	Zoning District	Level of Protection	Grant Program	Deed Restriction	GIS Acres
Prankers Pond	Town of Saugus	Conservation Commission	Recreation and Conservation	Passive - trail	Fair	Yes	B	Permanently Protected	State Self-Help	Article 97	55.39
Vinegar Hill/ Procopio Property	Town of Saugus	None	Conservation	Passive - trail	N/A	Yes	R	Permanently Protected	None	Article 97	23.44
Riverside Cemetery	Town of Saugus	Cemetery Commission	Historical Cultural	None	Excellent	Yes	R	Limited	None	None	22.14
Rumney Marsh Reservation	Town of Saugus	DCR - Division of State Parks and Recreation	Conservation	Passive	Good	Yes	I, WMUOD	Permanently Protected	None	Article 97	68.16
Salters Mill	Town of Saugus	Conservation Commission	Conservation	Passive	N/A	Yes	I, HMMUCD	Permanently Protected	State Self-help	Article 97	1.44
Saugus MS / HS Complex	Town of Saugus	School Department	Recreation	Active - baseball, softball, fields	Fair	Yes	R	Limited	None	None	19.49
Saugus Housing Authority	Town of Saugus	Saugus Housing Authority	Historical/Cultural	None	Good	Yes	R	Limited	None	None	0.52
Stackpole Field	Town of Saugus	Department of Public Works & Youth and Recreation Department	Recreation	Active - football, baseball, fields	Fair	Yes	R	Permanently Protected	None	Article 97	5.31
Stocker Playground	Town of Saugus	Department of Public Works & Youth and Recreation Department	Recreation	Active - baseball, basketball	Poor	Yes	R	Permanently Protected	Strategic Urban Recreation Facilities	Article 97	4.86
Summit Road	Town of Saugus	Conservation Commission	Conservation	Passive	N/A	Yes	R	Permanently Protected	State Self-help	Article 97	0.79
Veterans Memorial Playground	Town of Saugus	Department of Public Works & Youth and Recreation Department	Recreation	Active - playground, field	Excellent	Yes	R	Limited	None	None	8.59
Vitale Park and Lobstermen's Landing	Town of Saugus	Department of Public Works & Harbor Master	Recreation	Passive	Excellent	Yes	I	Permanently Protected	None	Article 97	0.15

Name	Owner	Manager	Primary Purpose	Recreation Potential	Condition	Public Access	Zoning District	Level of Protection	Grant Program	Deed Restriction	GIS Acres
Waybright School	Town of Saugus	Town of Saugus	Recreation	Active - playground, soccer, softball	Fair	Yes	R	Limited	None	None	18.62
OWNER-OTHER											
Golf Course	Bellevue Golf Club	Bellevue Golf Club	Recreation	Active - golf	Unknown	Limited (Members Only)	R	None	None	None	16.12
Boardman House	Historic New England	Historic New England	Historical/ Cultural	None	Good	No	B	Permanently Protected	None	National Historic Landmark	0.24
Breakheart Reservation	Francis and Jean Meehan	DCR - Division of MassParks	Recreation and Conservation	Passive	Good	Yes	R	Permanently Protected	None	Easement	0.11
Breakheart Reservation	DCR - Division of MassParks	DCR - Division of MassParks	Recreation and Conservation	Passive - trails & swimming	Good	Yes	R	Permanently Protected	None	Article 97	613.08
Cedar Glen Golf Course	Cedar Glen Golf Club	Cedar Glen Golf Club	Recreation	Active - golf	Unknown	Limited (Members Only)	R	None	None	None	29.30
Elks Field	Benevolent Protective Order of Elks	Benevolent Protective Order of Elks	Recreation	Active - Field	Unknown	Limited (Members Only)	R	None	None	None	2.53
Kasabuski Rink	DCR - Division of MassParks	Town of Saugus	Recreation	Active - skating rink, baseball	Fair	Yes	R	Permanently Protected	None	Article 97	3.25
Lynn Woods Reservation	DCR - Division of MassParks	DCR - Division of MassParks	Recreation and Conservation	Passive	Fair/Good	Yes	R	Permanently Protected	None	Article 97	49.27
Malden Anglers Pond	Malden Anglers	Malden Anglers	Recreation	Active - fish & game	Unknown	Limited (Members Only)	R	Unknown	None	None	4.50
Melrose Fish & Game	Melrose Fish & Game	Melrose Fish & Game	Recreation	Active - fish & game	Unknown	Limited (Members Only)	R	None	None	None	0.88

Name	Owner	Manager	Primary Purpose	Recreation	Condition	Public Access	Zoning District	Level of Protection	Grant Program	Deed Restriction	GIS Acres
Near Birch Pond	City of Lynn	Town of Saugus DPW	Water Supply Protection	None	N/A	No	R	Permanently Protected	None	Surface Water Protection Area	178.32
Near Hawkes Pond	City of Lynn	Town of Saugus DPW	Water Supply Protection	None	N/A	No	R	Permanently Protected	None	Surface Water Protection Area	61.59
Near Walden Pond	City of Lynn	Town of Saugus DPW	Water Supply Protection	None	N/A	No	R	Permanently Protected	None	Surface Water Protection Area	197.29
Near Walden Pond	Francis and Jean Meehan	DCR - Division of MassParks	Recreation and Conservation	Passive	Unknown	Yes	R	Permanently Protected	None	Easement	0.01
Off Main Street	The Residences of Stevens Pond	The Residences at Stevens Pond	Recreation and Conservation	Passive - potential for trails	Good	Yes	R	Permanently Protected	None	Conservation Restriction	41.39
Rumney Marsh Reservation	DCR - Division of MassParks	DCR - Division of MassParks	Recreation and Conservation	Passive - trails	Good	Yes	I	Permanently Protected	None	Article 97	459.51
Rumney Marsh Reservation	Saugus Italian American Club	DCR - Division of MassParks	Conservation	None	Unknown	No	I	Permanently Protected	None	Conservation Restriction	459.51
Saugus Iron Works	National Park Service	National Park Service	Historical/ Cultural	Passive - trails	Excellent	Yes	R	Permanently Protected	None	National Historic Landmark	13.43
Saugus River Reservation/ Bacon Property	DCR - Division of MassParks	DCR - Division of MassParks	Other	Passive	N/A	Yes	R	Permanently Protected	None	Article 97	8.36
YMCA	YMCA	YMCA	Recreation	Active - gym	Excellent	Limited (Members Only)	R	None	None	None	2.02

Roadways and Sidewalks

A network of approximately 140 miles of roadways crosses Saugus. This includes nearly 92 miles of accepted local streets, 24 miles of private or unaccepted streets (11 miles are unaccepted; 13 are private), and 24 miles of State roadway maintained by the Massachusetts Department of Transportation (MassDOT). Numbered State roads include:

- Route 1;
- Route 129;
- Route 99; and
- Route 107.

U.S. Route 1 passes through Town along a divided highway, with five exit ramps throughout town. This stretch of Route 1 is a major commuter route in and out of Boston, heading towards the interchange of Interstate 95 and Massachusetts Route 128 in Lynnfield. The route is also shared by a 3/4-mile long concurrency with Route 129, which passes through North Saugus before joining Route 1 to head northward into Lynnfield. Route 99 terminates at Route 1 as well, in the southern end of town. Route 107 passes through the town as the Salem Turnpike through the Rumney Marsh, crossing the Saugus River into Lynn over the Fox Hill Bridge.

School Facilities

The Saugus Public Schools consists of the Saugus Middle-High School Complex, Belmonte Steam Academy, Veterans Memorial Early Learning Center. Previously included were also the Waybright Elementary School, Lynnhurst Elementary School, and Oaklandvale Elementary School, and the Roby School Administration Building.

The Town of Saugus partnered with the Massachusetts School Building Authority (MSBA) to build a new Middle-High School. At a Town-wide election on June 20, 2017, an overwhelming majority of eligible residents in Saugus voted to support and invest in a new, 21st century education plan and Middle-High School District-Wide Master Plan Solution that will continue to prioritize education within the community. This initiative will change the way education is delivered and help the school district achieve its goal to become a top-rated, level 1 school district in Massachusetts.

This initiative created a grades 6-12, new Massachusetts School Building Authority (MSBA) Middle-High School; the current Belmonte Steam Academy was established as an Upper Elementary School for grades 3-5; and the Veterans Memorial School became the Veterans Early Learning Center, a Lower Elementary School for pre-K to grade 2. This vision and the school district's plan will transform the way education is valued within this community. Most importantly, it will provide equal, equitable opportunities for students to access educational resources and reach their highest potential.

The Town has completed the construction of the new Middle-High School Complex as well as the Belmonte Steam Academy and the Veterans Early Learning Center. The Schools opened upon the return to school in April 2021 at the Middle-High School Complex and September 2021 at the Belmonte Steam Academy and the Veterans Early Learning Center.

Sewer

The Town of Saugus sewerage flows to the main sewer lift station located on Lincoln Ave (Lincoln Ave Lift Station – LALS) and is then pumped via an approximate 2-mile-long 30 inch diameter Town owned sewer ductile iron force main to the Lynn Wastewater Treatment Plant for treatment.

The DPW maintains approximately 110 miles of sewer gravity mains and force mains and approximately 10,000 sewer services. The DPW also maintains 11 sewer lift stations. These stations lift sewerage from a low point to a higher point where the sewerage then flows by gravity. The DPW maintains 2 inverted sewer siphons at two separate river crossings. The DPW has performed over \$30 million of improvements to the sewer system over the last 20 years including mains, manholes, services, and lift stations.

Storm Water Collection

In June 2018, Town Meeting members demonstrated their support for a Storm Water Master Plan, and in turn adopt a bylaw that regulates discharges to the municipal drainage system. This effort was intended to bring the town into compliance with federal stormwater regulations.

The bylaw applies to all flows entering the town's municipal storm drainage system, as well as any construction activity that disturbs at least 1 acre of land. A person will need to obtain a stormwater management permit in order to clear, grade or excavate land if the construction results in a land disturbance of 1 acre or more of land.

Objectives of the bylaw include preventing pollutants from entering the town drainage system and state waters; to establish an enforcement agency to implement the regulations; to prohibit non-stormwater and unauthorized discharges and connections to the drainage system; to require the removal of all illicit discharges/connections; and to comply with state and federal statutes relating to stormwater discharges.

Pollutants that the bylaw prohibits from being discharged into the town drainage system include paints, varnishes, and solvents; oil and other automotive fluids; non-hazardous liquid and solid wastes and yard wastes; refuse, rubbish, garbage, litter, or other discarded or abandoned objects, ordnances, accumulations and floatables; pesticides, herbicides, and fertilizers; hazardous materials and wastes; sewage, fecal coliform and pathogens; dissolved and particulate metals; animal wastes; rock, sand, salt, soils; construction wastes and residues; and noxious or offensive matter of any kind.

Some sources of non-stormwater sources are exempt from the bylaw provided that they are not a significant contributor of a pollutant to the drainage system. These exemptions include waterline flushing; flow from potable water sources; springs; natural flow from riparian habitats and wetlands; diverted stream flow; rising groundwater; uncontaminated groundwater infiltration; water from exterior foundation drains, footing drains (not including active groundwater dewatering systems), crawl space pumps, or air conditioning condensation; discharge from landscape irrigation or lawn watering; water from individual residential car washing; discharge from dechlorinated swimming pool water (less than one ppm chlorine) with written authorization to discharge received from the DPW , provided the water is allowed to stand for one week prior to draining and the pool is drained in such a way as not to cause a nuisance; street wash water by methods approved by town; and dye testing, provided verbal notification is given to the DPW prior to the time of the test.

Vehicles and Equipment

Many Town departments, such as the DPW, Fire Department, Police Department, and School District use small and large vehicles and equipment on a daily basis.

The DPW operates the following vehicles/machines: three Foreman's trucks, rider mower, green dump to tow mowers, trash truck, trailer mounted unit, one tone dump old unit, small pick-up, two generator trailers, jetter, service truck, three mud sucker pumps, meter reader vehicles, foreman/utility truck, compressor truck and a 5-ton dump truck.

The Fire Department operates the following vehicles: one Ladder truck, four pumpers, one rescue truck, one squad truck, one pickup truck, four staff vehicles, two trailers (one shelter equipment, one with 4x4), one 4x4 Kawasaki mule off-road vehicle, four towable light towers/generators, one zodiac boat on trailer, and one message board on a trailer.

The Police Department currently has 25 marked units, one pickup truck with two-wheel-drive that is 14 years old, and 17 unmarked vehicles). Some vehicles will be auctioned due to age and repair cost.

Each of these vehicles must be replaced periodically so operations are not negatively impacted.

Water

The Saugus Water Department and its personnel provide clean, safe drinking water to the residents and businesses of the Town of Saugus that meet or exceed all State and Federal standards with the highest level of customer service.

The Town of Saugus is a member of the Massachusetts Water Resources Authority (MWRA) and we receive our water from the MWRA. This supply is protected and the Town performs routine sampling for such parameters as bacteria, lead, and copper to ensure the supply is safe. In the last 6 years, all sampling results have shown these parameters to be below the State and Federal mandated levels for safety therefore resulting in a safe and reliable supply.

The Saugus DPW maintains over 115 miles of water main ranging in diameter sizes from 4 inches to 20 inches. The DPW also maintains approximately 10,000 water services as well as approximately 2,000

water valves and 1,500 hydrants. The DPW has performed approximately \$20 million of improvements to the water system over the last 20 years including main, service, valve and hydrant replacement.

POSSIBLE FUNDING SOURCES

There are a number of ways to finance municipal capital improvement projects. Some of the most common methods are:

Local Resources

- **Municipal Indebtedness:** The most commonly used method of financing large capital projects is general obligation bonds. They are issued for a period of time ranging from 5 to 30 years, during which time principal and interest payments are made. Making payments over time has the advantage of allowing the capital expenditures to be amortized over the life of the project. Funding sources used to pay back the debt can include:
 - **Bonds funded within the tax limits of Proposition 2 ½:** Debt service for these bonds must be paid within the tax levy limitations of proposition 2 ½. Funds used for this debt must be carefully planned in order to not impact the annual operating budget.
 - **Bonds funded outside the tax limits of Proposition 2 ½.** Debt service for these bonds is paid by increasing local property taxes in an amount needed to pay the annual debt service. Known as a Debt Exclusion, this type of funding requires approval by 2/3 vote of Town Meeting and approval of majority voters participating in a ballot vote. Prior to the vote, the impact on the tax rate must be determined so voters can understand the financial implications.
 - **Bonds funded with Enterprise Funds:** Debt service for these bonds is typically paid by user fees, such as water and sewer revenue. Depending upon the type of project, interest costs may be subsidized by the Commonwealth and at times partial grant funds may be available (see below). Enterprise funds do not affect the general operating budget unless general funds are needed to subsidize revenues from the enterprise. Prior to the issuance of debt, the projects must be analyzed for their impact on rates.
- **Capital Outlay / Pay As You Go:** Pay as You Go capital projects are funded with current revenues and the entire cost is paid off within one year so no borrowing takes place. Projects funded with current revenues are customarily lower in cost than those funded by general obligation bonds because there are no interest costs. However, funds to be used for this purpose must be carefully planned in order to not impact the annual operating budget. For this reason, Pay as You Go capital projects are typically lower in value than projects funded by borrowing.
- **Capital Outlay / Expenditure Exclusion:** Expenditure Exclusion projects are similar to Pay as You Go, above, except taxes are raised outside the limits of Proposition 2 ½ and are added to the tax levy only during the year in which the project is being funded. As with a Debt Exclusion, Expenditure Exclusion funding requires approval by 2/3 vote of Town Meeting and approval of majority of voters participating in a ballot vote. Prior to the vote, the impact on the tax rate must be determined so voters can understand the financial implications. Capital outlay expenditures may be authorized for any municipal purpose for which the Town would be authorized to borrow money.
- **Capital Stabilization Fund:** Local officials can set aside money in a stabilization fund – outside of the general fund – to pay for all or a portion of future capital projects. A 2/3 vote of Town Meeting is required to appropriate money into and out of this fund.

- **Sale of Surplus Real Property:** Pursuant to Massachusetts General Laws, when real estate is sold, the proceeds must first be used to pay any debt incurred in the purchase of the property. If no debt is outstanding, the funds “may be used for any purpose or purposes for which the city, town or district is authorized to incur debt for a period of five years or more...except that the proceeds of a sale in excess of five hundred dollars of any park land by a city, town, or district shall be used only by said city, town, or district for acquisition of land for park purposes or for capital improvements to park land” (MGL Chapter 44, Sec. 63).
- **Enterprise Retained Earnings / Stabilization Fund:** Enterprise operations, such as water and sewer, are able to maintain an operating surplus that can be utilized for future enterprise fund costs. These funds can be used to stabilize the user rates, apply to annual budget needs, and/or invest in capital replacement and expansion.
- **Free Cash:** Free Cash is the difference between annual revenues and expenditures and is certified by the Commonwealth each year. After certification, free cash is available for appropriation for any municipal purpose, including capital projects.
- **Special Purpose Funds:** Communities also have established numerous “Special Purpose Accounts” for which the use is restricted for a specific purpose, some of which may be investment in department facilities and equipment. There are numerous state statutes that govern the establishment and use of these separate accounts. Examples include the sale of cemetery lots and off-street parking fees accounts.

Federal, State, and Private Grants and Loans

Special revenue sources include grants or loans from federal, state, or private sources. Examples include:

- **Federal Community Development Block Grant (CDBG):** The U.S. Department of Housing & Urban Development (HUD) “provides communities with resources to address a wide range of unique community development needs.” 5 Funds are granted directly to “entitlement” communities which are cities with a population of at least 50,000 or counties with a population of at least 200,000. To secure entitlement funds, each city must prepare a Consolidated Plan every five years outlining the city’s goals for use of the funds, and an annual plan must be prepared each year. Funding for smaller communities flow through State administered CDBG programs. As it relates to capital projects, HUD funds can be used for: acquisition of real property; relocation and demolition of housing; rehabilitation of residential and non-residential structures; construction of public facilities and improvements, such as water and sewer facilities, streets, neighborhood centers, and the conversion of school buildings for eligible purposes; activities relating to energy conservation and renewable energy resources.
- **Massachusetts Chapter 90 Roadway Funds:** Each year, the Massachusetts Department of Transportation (MassDOT) allocates funds to cities and towns for roadway construction, maintenance, or improvement. Funds may also be used for other work incidental to roadway work, such as the construction of a garage to house related vehicles, or the purchase of related vehicles, equipment, and tools. Chapter 90 is a 100% reimbursable program. Funding is accomplished through the issuance of transportation bonds and apportioned to municipalities based on three factors: 1) accepted road miles, 2) population, and 3) total employment within the municipal borders. Road miles is the most heavily weighted factor at 58.33%; the others are each weighted at 20.83%. A total of \$200 million is available in FY2016.
- **Massachusetts Department of Environmental Protection’s Dam and Seawall Repair and Removal Program:** This program was created in 2013 to provide funding to municipalities to

fund the repair and removal of dams, levees, seawalls, and other forms of flood control. The Dam and Seawall program offers loans at 2% interest on up to \$1 million per project, with a minimum 25% match to be provided by the municipality.

- **Massachusetts Department of Environmental Protection's State Revolving Loan Funds (SRF):** The Clean Water State Revolving Loan Fund (CWSRF) provides financing for sewer and drainage projects intended to reduce sewer overflows and the Drinking Water State Revolving Loan Fund (DWSRF) provides financing to improve the quality of the drinking water system. The CWSRF and DWSRF programs typically offer a mix of low interest (2%) loans and grant funds. Repayment does not begin until two years after the monies have been borrowed.
- **Massachusetts School Building Authority (MSBA):** The MSBA provides funding for school feasibility, design, and construction. Projects must be accepted into the process in response to the submission of a Statement of Interest which identifies a facility problem to be solved. Subsequently, the community must appropriate funding for schematic design and later for construction before the MSBA will commit to its share of the project. If accepted, the MSBA determines the amount of reimbursement it will offer based upon community need, with a minimum base rate of 31%. The percent of reimbursement can then be increased based upon three factors: community income factor, community property wealth factor, and community poverty factor.

Many state departments also offer annual grant opportunities that are available to municipalities typically through a competitive application process. State grant programs including, but not limited to: Green Community grants (project to improve sustainability), Parkland Acquisitions and Renovations for Communities grants (PARC), and the MassWorks Infrastructure Program.

For additional definitions, please refer to Glossary in the appendix.

SAUGUS CAPITAL PLANNING PROCESS (FY2017-FY2027)

The Town of Saugus hired the Edward J. Collins, Jr. Center for Public Management at the University of Massachusetts Boston to facilitate preparation of the Town's five-year Capital Improvement Plan (CIP). The project team met with leadership of all Town departments to explain the process to be followed and discuss the types of projects that would be eligible for funding in the capital plan. In addition, the project team met with Town boards and commissions, which included the Board of Selectmen, School Committee, and many of the other boards and commissions. Departments were provided with a Capital Improvement Project Request Form asking them to describe their proposed project(s), the justification for why each project was needed, the priority placed on the project by the department, and the fiscal year or years in which the funds were needed. In addition, departments were asked to indicate if outside funds might be available to support the project and to anticipate the impact of the project on the Town's operating budget. In particular, departments were asked if any savings could be realized, for example, if the purchase of new equipment could reduce the cost of annual repairs. Department directors were encouraged to contemplate needs over multiple years and to be ambitious with their proposals. Particular attention was paid to equipment needs with a goal of developing a regular replacement schedule that would reduce, if not eliminate, emergency replacement and costly repairs.

Capital Planning Criteria

After reviewing each project request to determine if it was complete and CIP-eligible, the project team prioritized projects based upon the following criteria:

- Preserve or enhance Town assets – Does the proposed project maintain or improve an existing facility? What is the anticipated useful life of the investment? Does the proposed project replace a piece of equipment needed to provide public services? Is the vehicle beyond its reasonable life? Is the acquisition part of a scheduled replacement plan that will keep vehicles operational and preclude major repair costs?
- Increase efficiency and effectiveness of government – Does the project reduce operating costs (e.g., eliminate costly repairs) or increase the effectiveness of government? Does the project reduce potential legal liability (e.g. repair of a broken sidewalk) or threats to operations (e.g., replacement of a needed street sweeper before it breaks down completely)? Does it improve customer service or provide a new, needed service?
- Be a good steward of public resources – Does the project increase revenues? Are outside grant funds available to cover a portion or all of the cost?
- Specific impacts on operating budget – What types of ongoing savings might be realized from the project? Does the project increase operating costs?

CIP PROJECT LISTING (FY2017-FY2027)

COMPLETED PROJECTS - BY DEPARTMENT

Dept.	Project Name	Description	GF Debt	GF Pay as You Go	Water/ Sewer	Fed/State/ Other	Total
Cemetery	Vehicle/Equipment Replacement	This project consists of an investment in a new back-hoe.	\$120,000				\$120,000
Cemetery	Vehicle/Equipment Replacement	This project consists of an investment of a new dump truck	\$60,000				\$60,000
Cemetery	New Vehicle/Equipment	This project consists of investing in a \$50,000 pickup truck. This was approved at 2018 Special Town Meeting.	\$50,000				\$50,000
Cemetery	New Vehicle/Equipment	This project consists of investing in a \$50,000 pickup truck. This was approved at 2018 Special Town Meeting.	\$50,000				\$50,000
Cemetery	New Vehicle/Equipment	This project consists of the investment of a one-ton pickup	\$45,000				\$45,000
DPW	Lincoln Avenue pumping station capital improvements	This project consists of capital improvements to the Lincoln Avenue pumping station. Special Town Meeting 2017 approved this request.			\$4.3M		\$4,300,000
DPW	Lincoln Avenue Reconstruction Project	This project consists of the Lincoln Avenue reconstruction.	\$2 million				\$2,000,000
DPW	Water Pipeline Improvements	This project consists of the design and construction of improvements to the water pipelines.	\$1,324,200				\$1,324,200
DPW	Elm Street Drainage Project	This \$1.2 million investment included the construction and installation of large drainpipes of up to 6 feet in diameter to redirect stormwater away from homeowners' properties and into the	\$1.2 Million				\$1,200,000

DPW	Street Light Relocation	Saugus River. It also included the paving of abutting roads.	\$1,035,000					\$1,035,000
DPW	Highland Avenue Water Line Project	This project consists of the relocation of street light fixtures, removal of fire alarms, and reassembling light fixtures so that Verizon can remove their double poles. Special Town Meeting 2018 approved investing \$45,000 on this project.	\$800,000					\$800,000
DPW	Roadway Improvements	Street resurfacing, handicapped ramps, and sidewalks from Chapter 90 Grant funds					\$638,273	\$638,273
DPW	Sidewalk Repairs Project	This project is an ongoing effort to continue to improve pedestrian safety, increase walkability, and beautify the community by repairing sidewalks across the Town. This work was completed in FY2017, FY2018, FY2019, and FY2020.					\$550,000	\$550,000
DPW	Water Street Bridge Replacement Project	This project replaced the 100-year-old bridge with a new, safer, and more reliable bridge on Route 129 at the Saugus/Wakefield border, made possible through a State grant. Funding through MassDOT Municipal Small Bridge Program					\$500,000	\$500,000
DPW	Prepare Drainage Master Plan	Prepare Town-Wide Drainage Master Plan	\$350,000					\$350,000
DPW	Stormwater Capital Improvements /Master Plan	This project will consist of preparing the Storm Water Facilities Plan and the Storm Water Finance Plan in order to assemble the Stormwater Master Plan. STM 2018 approved this investment.	\$350,000					\$350,000
DPW	Dam Inspection Project	This project consists of dam inspection studies and analysis and design.		\$350,000				\$350,000

DPW	Highland Ave Roadway Reclamation Project	This project consists of the investment in the roadway reclamation and new sidewalks with granite curbing along Highland Avenue.	\$310,000				\$310,000
DPW	Drainage Master Plan	Implemented Town-Wide Drainage Master Plan	\$300,000				\$300,000
DPW	Lincoln Avenue pumping station tank removal	This project was approved by Town Meeting in May 2016 for \$250,000	\$250,000				\$250,000
DPW	Vehicle/Equipment replacement	This project consists of the investment in a new tree truck for the DPW.	\$215,000				\$215,000
DPW	New Fuel Dispenser Upgrades	This project replaced approximately 18-year-old gas pumps that were no longer repairable with brand-new, submersible pumps for both diesel and gasoline tanks at the DPW and Public Safety Building. Full cabinet dispensers and all accessories for the diesel and gasoline tanks were also included as part of the project.	\$160,000				\$160,000
DPW	Dam Inspection Project	This project consists of dam inspection studies and analysis and design.	\$150,000				\$150,000
DPW	Spring Pond Dam Rehabilitation	This project consists of the engineering design, permitting, bid assistance, and construction services for the rehabilitation of Spring Pond Dam, as well as work at Upper and Lower Griswold Pond Dams. This was approved by STM in 2018.	\$150,000				\$150,000
DPW	Roadway Construction/Reconstruction	This \$144,870 project was approved at 2018 Town Meeting. It consists of the construction and reconstruction of various streets and sidewalks in Town.	\$144,870				\$144,870

DPW	New Vehicle/Equipment	This project consists of the replacement of truck 604 (compressor truck)				\$125,000		\$125,000
DPW	Compost Facility Project	This project consists of an investment in improvements to the Town's compost facility.	\$120,000			\$120,000		\$120,000
DPW	New Vehicle/Equipment	This project consists of the investment in a new dump truck. This \$95,000 investment was approved at 2018 Special Town Meeting.	\$95,000			\$95,000		\$95,000
DPW	New Vehicle/Equipment	This project consists of the investment of a new Sewer truck 605.				\$90,000		\$90,000
DPW	Spring Pond Maintenance	This project consists of Spring Pond Maintenance.			\$79,000	\$79,000		\$79,000
DPW	Sewer Pump Station Project #1	This project consists of gas detection devices at the Sewer Pump Station				\$75,000		\$75,000
DPW	Vehicle/Equipment Replacement	This project consisted of the investment of a new sidewalk plow. Approved at 2016 Annual Town Meeting.	\$59,900			\$59,900		\$59,900
DPW	Vehicle/Equipment Replacement	This project consisted of the replacement of truck number 634				\$37,000		\$37,000
DPW	Vehicle/Equipment Replacement	This project consists of investing in a new hot box for trench and pothole repair	\$25,000			\$25,000		\$25,000
DPW	Snow Pretreatment Application System	This project consists of the investment in a liquid calcium snow pretreatment application system.	\$25,000			\$25,000		\$25,000
DPW	Portable Notification System	This project consists of the investment of a portable notification system for the DPW.			\$25,000	\$25,000		\$25,000
DPW	Sewer Pump Station Project #2	This project consists of a holding tank replacement at the Sewer Pump Station				\$18,000		\$18,000

DPW	Sewer Utility Trailer Replacement	This project consists of the investment in a sewer utility trailer replacement.			\$7,000		\$7,000
Economic Dev.	Electric Cars and Charging Station	This project consisted of the investment in two electric vehicles and one charging station for greater and cleaner energy conservation. The town received \$22,500 through Phase III of the Massachusetts Department of Environmental Protection's Electric Vehicles Incentive Program (MassEVIP) to partially fund the vehicles and charging station, and the remainder was funded through Green Community grant funding.			\$53,382		\$53,382
Economic Dev.	Open Space and Recreation Plan	This Plan was prepared as a planning guide for various Town commissions, boards, and officials, as well as residents and stakeholders. The plan reflects the Town's continued desire to protect and preserve environmentally sensitive areas or areas that provide significant open space. Additionally, the plan provides an assessment of the existing recreational facilities in town and looks at what future needs might be for both passive and active recreation in order to accommodate users of all ages.	\$50,000				\$50,000
Economic Dev.	Housing Production Plan	The purpose of the plan is to position the town to better meet local market rate and affordable housing need and demand — as well as work toward reaching the minimum 10 percent affordable housing threshold that protects the town from Chapter 40B developments. \$15,000 from the Dept. of Housing & Comm. Dev.			\$15,000		\$15,000
Economic Dev.	Solar Landfill Project	This project consist of a Solar Landfill Project behind the DPW which brings in \$80,000					No Cost to the Town

		annual and an estimated two million kilowatts in electric credits						
Facilities Dept.	Town Hall Restoration	This project restored the exterior of historic Town Hall. It included removal of all paint and repainting with historic colors used in 1998 renovation; reinstall or remove and replace deteriorated wood; remove paint from chimney and make necessary repairs; and rehang slipped slate and replace missing slate. Town Meeting funded \$200,000 for this project in 2016, then an additional \$400,000 at 2018 STM.	\$600,000					\$600,000
Facilities Dept.	Rooftop Unit Replacement at the Public Safety Building	This project consists of the rooftop unit-1 replacement at the Public Safety Building. \$73,000 was awarded through the 2019 round of Green Communities grant awards.	\$39,027				\$73,000	\$112,027
Facilities Dept.	Public Safety Building RTU	The replacement of a rooftop unit at the Public Safety Building to ensure proper functioning and improved interior air quality and temperatures within the building. Funded through the Green Communities grant.					\$94,066.88	\$94,066
Facilities Dept.	Library Roof-Top Unit	The Roof Top Unit (HVAC) replaced at the Library, which will greatly improve the air quality and comfort of the building, as well as decrease energy bills over time. Funded through the Green Communities grant.					\$86,868	\$86,868
Facilities Dept.	Town Hall Boiler	The replacement of the hot water boiler at Town Hall to reduce energy consumption and costs. Funded through the Green Communities grant.					\$78,046.50	\$78,046
Facilities Dept.	HVAC at Saugus Town Hall	This was approved at the 2019 Fall STM.	\$75,205					\$75,205
Facilities Dept.	Town Hall Lighting	The conversion of fluorescent bulbs to LED bulbs at the Town Hall. Funded through the	\$28,211				\$32,419	\$74,940

Facilities Dept.	Library Energy Management System	Green Communities grant. There is also a utility incentive of \$14,310 for this project.						\$55,283.68	\$55,283
Facilities Dept.	Public Safety Building Lighting	The conversion of fluorescent bulbs to LED bulbs at the exterior of the Public Safety Building. Funded through the Green Communities grant.						\$51,720	\$51,720
Facilities Dept.	Senior Center Lighting Project	The conversion of fluorescent bulbs to LED bulbs at Senior Center interiors and exteriors. Funded through the Green Communities grant. Utility incentives of \$7,450 in addition.	\$30,023.63					\$14,069.37	\$51,543
Facilities Dept.	Vehicle/Equipment Replacement	This project consisted of investing in one vehicle for building maintenance		\$45,000					\$45,000
Facilities Dept.	Town Hall Generator	This project consists of the investment in a new Town Hall generator	\$38,000						\$38,000
Facilities Dept.	Library Lighting	Interior and Exterior LED Lighting replacements at the Library. Funded through the Green Communities grant.					\$33,693		\$33,693
Facilities Dept.	Vehicle/Equipment Replacement	This project consisted of investing in two vehicles for building maintenance (2 Ford 150 cargo vans)		\$23,960					\$23,960
Facilities Dept.	Town Hall Heating System	The replacement of pumps, drives, and motors on the heating system in Town Hall, to include hi-efficiency variable motors, reducing wear-and-tear and energy use costs. Funded through the Green Communities grant.					\$17,246.25		\$17,246
Facilities Dept.	Library Commissioning Advantage	A Commissioning Advantage performed at the Library, which is a process of checking the entire mechanical system to ensure it is functioning at its optimal capacity prior to					\$15,486.22		\$15,486

		making any necessary upgrades. Funded through the Green Communities grant.							
Facilities Dept.	Lighting Retrofit at Town Hall Annex	This project consists of the lighting retrofit at the Town Hall Annex. This funding was awarded through the 2019 round of Green Communities grant awards.					\$12,825	\$12,825	
Facilities Dept.	American Legion Repair Steps	This project consists of the repair of the front entrance steps at the American Legion				\$4,500		\$4,500	
Fire	Expanding Firefighters Staff	This project consisted of expanding firefighter staff by hiring eight new firefighters through the FEMA SAFER grant, which funded salaries and benefits for three years.					\$1.5 Million	\$1,500,000	
Fire	Expanding Firefighters Staff	Received FEMA SAFER grant to hire five new firefighters, and fund their salaries and benefits for three years.					\$884,883	\$884,883	
Fire	New Fire Engine	This project consisted of the investment to purchase a Pierce 1250 G.P.M Pumper fire truck built on an Enforcer chassis to replace a 22-year-old truck.	\$695,000					\$695,000	
Fire	Capital Equipment Purchase	This includes the purchase of an oxygen charging system for the fire department.	\$57,000					\$57,000	
Fire	Vehicle/ Equipment Replacement	This project consisted of the replacement of a department pick-up truck with plow for the fire department. This was approved for \$50,000 at 2018 Special Town Meeting.	\$50,000					\$50,000	
Fire	Executive Car Replacement	This project consisted of the replacement of an executive car for the fire department.				\$35,000		\$35,000	
Fire	Thermal Imaging Cameras	This project consisted of an investment in thermal imaging cameras for the fire department.					\$30,000	\$30,000	
Fire	Rescue Boat Replacement	This project consisted of investing in a new rescue boat for the fire department.				\$2,000		\$2,000	
IT	Phone System Replacement	This project consists of a replacement of the employee phone system.				\$80,000		\$80,000	

IT	Implementation of Town-wide GIS System	Community Compact Grant for \$10,000 for the implementation of a Town-wide GIS system.				\$10,000	\$10,000	\$10,000
Library	Rooftop Units Replacement	This project consists of the inspection and replacements of the rooftop units for heating and A/C	\$30,000			\$30,000		\$30,000
Parks + Play	Bristow Park project	This project included a brand-new, handicap-accessible paly area plus sports areas and a T-ball field, walking track with workout stations for all ages, and a brand-new, on-site parking lot. STM 2015	\$1.3 Million			\$1,300,000		\$1,300,000
Parks + Play	Evans Park Renovation	Construction is underway on the park to build two new regulation-sized basketball courts, restore surrounding sidewalks, curbing, parking, and drainage, and implement security cameras and lighting to increase safety and security on the premises.	\$650,000			\$650,000		\$650,000
Parks + Play	Veterans School Playground	This project included a brand-new playground with wheelchair-accessible inclusive playground equipment and an updated basketball court. STM2015	\$583,000			\$583,000		\$583,000
Parks + Play	Maintenance and Repairs	This project consists of the maintenance and repairs to the Town's parks and playgrounds. This investment was approved at the 2017 Special Town Meeting.		\$500,000		\$500,000		\$500,000
Parks + Play	Capital Improvements to the Parks and Playgrounds	This project consists of security cameras at the Belmonte, Bristow, and Vets, as well as other capital improvements to the parks and playgrounds in the Town. This was approved by Special Town Meeting in 2017.	\$500,000			\$500,000		\$500,000
Parks + Play	Belmonte Middle School project	This project included five new tennis courts for tournament play, a pickleball court, a shot put area adjacent to the track, and lights on the courts for night play. STM2015	\$410,000			\$410,000		\$410,000

Parks + Play	Stackpole Field Improvements	This project consists of improvements to Stackpole Field.	\$20,000				\$20,000
Police	Dispatch radio console replacement	This project consists of the investment in a dispatch radio console replacement at the Police Department.	\$420,000				\$420,000
Police	Vehicle/Equipment Replacement	This project was the investment of four new police cruisers to replace older models. This investment was approved at 2018 Special Town Meeting.	\$220,000				\$220,000
Police	New Vehicles/Equipment	This project consists of the investment in four new police cruisers to replace older models. This is an ongoing investment in equipment.	\$220,000				\$220,000
Public Safety	Town-Wide Traffic Safety Report	This project consists of hiring a traffic engineer to complete a Town-wide traffic safety report and speed limit analysis.				\$39,000	\$39,000
Public Safety	Comprehensive Speed-Limit Analysis	An Engineering Firm is taking a global approach towards addressing speeding and traffic congestion within the Town by identifying and studying areas where traffic volumes and speeds are a concern, and taking a comprehensive look at suggested speed limits for Town streets and identify the best placement for accompanying signage.				\$39,000	\$39,000
Public Safety	Water Heater	This project consists of the replacement of the water heater.	\$25,000				\$25,000
Public Safety	Public Safety Building Flooring	This project consisted of installing new flooring at the public safety building		\$16,500			\$16,500
Public Safety Building	Air Conditioner Replacement	This project consists of an air conditioner replacement at the public safety building.	\$30,000				\$30,000

Public Safety Building	Heating and AC Improvements	This project consists of the replacement of the AC system and controls for the AC system and heating system.				\$283,282	\$283,282
Recycling	CHaRM Center Project	Established the Center for Hard to Recycle Materials facility, the first of its kind in Massachusetts				\$100,000	\$100,000
Recycling	CHaRM Center Improvements	Invested in improvements to the CHaRM Center. Approved by 2016 ATM for \$46,800.	\$46,800			\$46,800	
School	Town School Master Plan Phase 1	The Town of Saugus is currently constructing a new combined Middle High School which is scheduled to be completed August of 2020. The new MHS is the first phase of the Town School Master Plan.	\$118 Million			Up to \$65.1 Million grant from MSBA	\$160,000,000
School	Town School Master Plan Phase 2	The second phase of the Town School Master Plan includes the realignment of schools and grade configurations. The grade alignment and consolidation of school buildings will result in the closing of three elementary schools (Waybright, Lynnhurst and Oaklandvale) and consolidate enrolments and grades into two buildings. The current Belmonte Middle School (currently serves Grades 6-8) will be renovated to accommodate grades 3-5 for the whole District along with the School Administration Office. The Veterans Elementary School (currently serves Pre-K – 5) will require a renovation and addition to accommodate grades Pre K - 2 for the whole District.	\$25,408,907				\$25,408,907
School	Chromebooks	The project consisted of the investment of new chromebooks for \$82,000.	\$82,000				\$82,000
Senior Center	New Vehicles/ Equipment	This project consists of the investment of a transportation van.				\$28,000	\$28,000
Town Clerk	New Voting Equipment	This project consists of the investment in new voting equipment for the Town Clerk's office for the residents to use in elections.	\$73,000				\$73,000
Youth + Rec.	Furnace and A/C Replacement	This project consists of the furnace and A/C replacement at the Youth and Rec. Center				\$88,000	\$88,000

CURRENT PROJECTS BY DEPARTMENT

Dept.	Project Name	Description	GF Debt	GF PAYG	Water/ Sewer	Fed/ State/ Other	Total
DPW	Water Meter Replacement Program	This project consists of a town-wide water meter replacement program included meters, water reading software to an AMI self-reading system, and vehicle			\$6,500,000		\$6,500,000
DPW	Water Pipeline Improvements	This project consists of the design and construction of improvements to the water pipelines Approved at 2000 - 2022 Town Meetings. The program is funded at 0% Interest from MRWA Local Pipeline Assistance Program			\$3,500,000		\$3,500,000
DPW	Pavement Improvement Project	The Town is undergoing a series of pavement improvement projects within several areas of Town over several years in an effort to ensure that the Town's streets are in the best possible condition.	TBD Based on Chapter 90 and other allocation	TBD Based on Chapter 90 and other allocation		TBD Based on Chapter 90 and other allocation	\$639,419 Based on Chapter 90 and other allocation
Economic Dev.	RiverWalk Project	This local development project will span along the Saugus River, providing direct access to the waterfront and economic development opportunities in the area. STM approved \$285,000 for the Town's 20% match in 2018. The Town has received \$1,240,000 from the Seaport Economic Council to date.	\$285,000			\$1,240,000	\$1,525,000
Economic Dev.	Northern Strand Community Trail	This project will design and improve Saugus' portion of the trail. The funding enables the design of the trail, development of bid-ready construction documents, and receipt of all necessary construction permits. Shared \$1.5 million from Executive Office of Energy & Environmental Affairs' Gateway City Parks Program. This project is nearing completion.				\$1.5 Million /Shared	\$1,500,000 /Shared

Economic Dev.	Route 1 Improvement Project	This project included the collaboration with the City of Revere on making necessary improvements to Route 1 and Route 99 to lessen traffic related to the new Encore Casino. The Town has received three shared grants with the City of Revere from the Massachusetts Gaming Commission (MGC)'s Community Mitigation Fund Joint Transportation Planning, totaling \$1.275 million.				\$1.275 million/ shared	\$1,275,000 /Shared
Facilities Dept.	American Legion	This project consists of the replacement of the boiler and conversion to natural gas	\$95,000				\$95,000
Facilities Dept.	Fire/Overhead Doors	This project consists of the replacement of the overhead doors in the Fire Dept vehicle bays. This project was supported by Town Meeting and voted in 2022.		\$150,000			\$150,000
Facilities Dept.	Lighting Retrofit at DPW	This project consists of the lighting retrofit at the DPW. This funding was awarded through the 2019 round of Green Communities grant awards.				\$45,240	\$45,240
Facilities Dept.	School-Belmonte Steam Academy	This project consists of the upgrade HVAC controls	\$20,000				\$20,000
Fire	Fire Apparatus	This project consists of the purchase of a new Aerial Ladder Truck	\$2,100,000				\$2,100,000
Fire	Fire Apparatus	This project consists of the purchase of a new Pumper Truck	\$950,000				\$950,000
Police	New Vehicles/Equipment	This project consists of the investment in four new police cruisers to replace older models. This is an ongoing investment in equipment.	\$325,000				\$325,000

Public Safety	Public Safety Radio Infrastructure	This \$2m investment was approved by 2018 and 2022 Special Town Meeting. Additional funding for this project was awarded through the Comm of MA Earmark program and the federal award of \$1m from the Department of Justice COPS program. This project will implement a new radio communications infrastructure to improve communication and operations.	\$1,000,000			\$1,050,000	\$2,050,000
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FUTURE PROJECTS BY DEPARTMENT

Dept.	Project Name	Description	GF Debt	GF PAYG	Water/Sewer	Fed/ State/ Other	Total
Canine	New Building	This project includes the investment of a new building for the canine and building maintenance departments.	\$350,000				\$350,000
Cemetery	Building #2 New Roof	This project consists of a new roof and bird proofing on the equipment storage building #2	\$15,000				\$15,000
Cemetery	Replace Buildings	This project consists of the replacement of the existing office/garage/and equipment storage buildings					TBD
Cemetery	Building #1 Sewerage Connection	This project consists of connecting building #1's bathrooms to the Town sewerage	\$65,000				\$65,000
Cemetery	Electrical Upgrade	This project is to upgrade electric at Buildings #1 and #2	\$12,000				\$12,000
Cemetery	New Equipment	This project consists of the investment of field mowers	\$30,000				\$30,000
Cemetery	Commercial Leaf Vac (Tow Behind)	This project consists of the investment of a commercial leaf vac (tow behind).	\$13,000				\$13,000
Cemetery	Heat Installation	This project consists of heat installation at the equipment storage building, or Building #2		\$7,500			\$7,500
DPW	Mechanical Equipment	This project consists of mechanical equipment improvements at the DPW.	\$75,000				\$75,000
DPW	Landfill Cap Improvements	This project consists of improvements to the landfill cap.	\$100,000				\$100,000
DPW	Garage Study	This project consists of a garage study at the DPW.	\$25,000				\$25,000
DPW	Air Quality Safety Detectors	This project consists of the investment in and installation of air quality safety detectors.	\$50,000				\$50,000
DPW	Apparatus Bay heating	This project consists of the investment in and installation of Apparatus Bay heating.	\$35,000				\$35,000
DPW	Spring Brook Improvements	This project consists of the design and construction of Spring Brook Improvements	\$150,000				\$150,000

	Design and Construction								
DPW	Town-Wide Brook Improvements	This project consists of improvements to Town-Wide brooks	\$1,250,000						\$1,250,000
DPW	Heating and A/C	This project includes the investment of updated heating and A/C at the DPW Building	\$100,000						\$100,000
DPW	Vehicle/Equipment Replacement	This project consists of the investment in a new sidewalk sweeper	\$120,000						\$120,000
DPW	Water Meter Replacement Program	This project consists of the investment of a water meter replacement program.							\$6.5m
DPW	New Vehicle/Equipment	This project consists of the replacement of the meter reader vehicle				\$30,000			\$30,000
DPW	New Vehicle/Equipment	This project consists of the replacement of truck 603				\$80,000			\$80,000
DPW	New Vehicle/Equipment	This project consists of the replacement of truck 643 (backhoe)				\$140,000			\$140,000
DPW	New Vehicle/Equipment	This project consists of the replacement of truck 620 (5-ton dump truck)				\$85,000			\$85,000
DPW	New Vactor	This project consists of the investment in a new vactor.				\$300,000			\$300,000
DPW	Sewer Pump Station Project #3	This project consists of new fencing at the Sewer Pump Station				\$15,000			\$15,000
DPW	Replace 3 Trench Dewatering Pumps	This project consists of the investment in the replacement of 3 trench dewatering pumps.				\$22,000			\$22,000
DPW	New Vehicles/Equipment	This project consists of the investment in a new mini excavator. This is conventionally borrowed at 4.5% interest.				\$40,000			\$40,000
DPW	Snow Pretreatment Application System	This project consists of the investment in two liquid calcium snow pretreatment trucks/application system.	\$300,000						\$300,000
DPW	Exterior painting & repairs	This project consists of making repairs and painting the exterior of the DPW building.	\$80,000						\$80,000
DPW	Exterior doors	This project consists of replacing the exterior doors of the DPW building.	\$75,000						\$75,000
DPW	Interior painting & repairs	This project consists of making repairs and painting the interior of the DPW building	\$50,000						\$50,000

Facilities Dept.	American Legion HVAC	This project consists of the investment in a new HVAC system at the American Legion.	\$60,000				\$60,000
Facilities Dept.	American Legion Exterior Painting and Fire Escapes	This project consists of the exterior painting and trim of the American Legion as well as replacement or repair of the fire escapes.	\$335,000				\$335,000
Facilities Dept.	American Legion Floor Refinishing	This project consists of the floor refinishing at the American Legion.		\$6,500			\$6,500
Facilities Dept.	Town Hall Interior Plaster	This project consists of the investment in interior painting and plaster renovations at the Town Hall.	\$75,000				\$75,000
Facilities Dept.	Town Hall Auditorium Floor	This project consists of the investment in the auditorium floor at Town Hall.		\$9,500			\$9,500
Facilities Dept.	Town Hall Rug Replacement	This project consists of the replacement of the rugs outside the auditorium		\$5,000			\$5,000
Facilities Dept.	Town Hall Roof Upgrades	This project consists of the upgrades to the roof at Town Hall.		\$7,500			\$7,500
Facilities Dept.	Town Hall Exterior Walkways	This project consists of the improvements to the exterior stairs and walkways at Town Hall.	\$25,000				\$25,000
Facilities Dept.	Town Hall Annex Painting	This project consists of the exterior painting of the Town Hall Annex		\$10,000			\$10,000
Facilities Dept.	Town Hall Annex Fire Escapes	This project consists of renovations to the fire escapes at the Town Hall annex.		\$4,000			\$4,000
Facilities Dept.	Town Hall Annex Interior Painting	This project consists of interior painting at the Town Hall Annex.		\$15,000			\$15,000
Facilities Dept.	Town Hall Annex Basement Cleanup	This project consists of the basement cleanup at the Town Hall Annex.		\$12,000			\$12,000
Facilities Dept.	Animal Control	This project consists of the replacement of the boiler & convert to natural gas.	\$60,000				\$60,000
Facilities Dept.	Roby Building	This project consists of replacing / upgrading the electrical panel for the building.	\$50,000				\$50,000
Fire	Essex Street HVAC & Heat	This project consists of replacing the heat and HVAC at the Essex Street Fire Station.	\$30,000				\$30,000
Fire	Essex Street Exterior Painting	This project consists of making repairs and painting the exterior of the building.	\$50,000				\$50,000
Fire	West Side Fire Station	This project consists of the investment in a West Side Fire Station.	\$20+ Million				\$20+ Million

Fire	Roof Replacement	This project consists of the roof replacement of the Essex Street Fire Station	\$25,000					\$25,000
Fire	Exhaust System Replacement	This project consists of the exhaust system replacement at the Essex St. Fire Station	\$45,000					\$45,000
Fire	Floor Drain Analysis	This project consists of the floor drain analysis and repair at the Essex Street Fire Station	\$70,000					\$70,000
Fire	Floor Tile Replacement	This project consists of the kitchen floor tile replacement at the Essex St. Fire Station	\$5,000					\$5,000
Library	HVAC	This project consists of upgrading/replacing HVAC Unit RTU-3	\$100,000					\$100,000
Library	Carpeting	This project consists of replacing the carpeting in the Library building.	\$90,000					\$90,000
Library	Boiler	This project consists of replacing the existing boiler.	\$95,000					\$95,000
Library	Slate Roof	This project consists of the investment in repairs to the slate roof.	\$75,000					\$75,000
Library	Green Upgrades	This project consists of the upgrade to green technology for heat and HVAC	\$30,000					\$30,000
Library	Interior Painting	This project consists of the interior painting at the Public Library	\$85,000					\$85,000
Lobstermen's Landing	Refrigeration	This project consists of replacing the refrigeration system of the facility.	\$15,000					\$15,000
Lobstermen's Landing	Roof	This project consists of replacing the roof of the building.	\$50,000					\$50,000
Parks + Play	Stackpole Field Building Project	This project consists of the replacement of the current buildings with one larger building	\$125,000					\$125,000
Parks + Play	Stackpole Field Babe Ruth Building	This project consists of improvements to the Babe Ruth Building at Stackpole Field.	\$75,000					\$75,000
Parks + Play	Stackpole Field Bleachers and Press Box	This project consists of the investment of bleachers and a press box at Stackpole Field.	\$205,000					\$205,000
Police	Flooring	This project consists of replacing the flooring in the Shift Commanders Office.	\$15,000					\$15,000
Police	New Vehicles/ Equipment	This project consists of the investment of unmarked cruisers	\$300,000					\$300,000

Police	New Vehicles/ Equipment	This project consists of the investment of a new pick-up truck		\$40,000			\$40,000
Public Safety	Boiler	This project consists of replacing two boilers at the public safety building on Hamilton Street.	\$240,000				\$240,000
Public Safety	Exterior Stairs	This project consists of replacing the exterior stairs of the Public Safety Building.	\$50,000				\$50,000
Public Safety	Exterior Doors	This project consists of replacing the exterior doors of the Public Safety Building.	\$20,000				\$20,000
Public Safety	Security Software System Upgrade	This project consists of the investment in a security software system upgrade for the Public Safety Building.	\$40,000				\$40,000
Public Safety	Security audio/video system replacement	This project consists of the investment in a security audio/video system replacement at the Public Safety Building.	\$100,000				\$100,000
Public Safety	Fire Alarm Sprinklers	This project consists of the replacement of the fire alarm sprinklers.	\$15,000				\$15,000
Public Safety	Front End Computer System	This project consists of the replacement of the front end computer system.	\$28,000				\$28,000
Public Safety	Waterproofing	This project consists of waterproofing at the Public Safety Building	\$14,000				\$14,000
Public Safety	Exterior Decorative Molding	The project consists of the investment in exterior decorative molding at the Public Safety Building.		\$8,500			\$8,500
Public Safety	Roof Inspection and Solar Panels	This project consists of the investment in the roof inspection and solar panels at the Public Safety Building.		TBD			TBD
Public Safety	Interior Painting	This project consists of the investment of interior painting at the Public Safety Building.		\$25,000			\$25,000
Public Safety	New Flooring	This project consists of the investment in new flooring in the training room at the Public Safety Building		\$6,500			\$6,500
Senior Center	Upgrade heat & HVAC controls	This project consists of upgrading the building management systems for heat and hvac.	\$90,000				\$90,000
Senior Center	Roof Replacement	This project consists of replacing the roof of the Senior Center.	\$100,000				\$100,000

Senior Center	Heating and A/C	This project includes the investment in heating and A/C at the Senior Center.	\$625,000				\$625,000
Senior Center	ADA Accessible Doors	This project consists of the investment in ADA Accessible Doors at the Senior Center.	\$15,000				\$15,000
Senior Center	Generator Installation	This project consists of the installation of a new generator at the Senior Center.	\$250,000				\$250,000
Senior Center	Kitchen Upgrade	This project consists of a kitchen upgrade at the Senior Center	\$15,000				\$15,000
Senior Center	Exterior Painting	This project consists of the exterior painting at the Senior Center.	\$100,000				\$100,000
Senior Center	Rugs In Office	This project consists of the investment in the rugs in the office at the Senior Center.		\$4,500			\$4,500
Youth + Rec.	Fire Alarm System	This project consists of the investment of a new fire alarm system at Youth and Rec.	\$40,000				\$40,000
Youth + Rec.	ADA Accessibility	This project consists of the investment of ADA Accessibility improvements at Youth and Rec.	\$50,000				\$50,000
Youth + Rec.	Bathrooms Renovation	This project consists of the upgrade of the two front bathrooms, and removing the sewer ejector system.	\$50,000				\$50,000
Youth + Rec.	Domestic water upgrade	This project consists of a domestic water upgrade at the Youth and Recreation center	\$25,000				\$25,000
Youth + Rec.	Green Upgrades	This project consists of green technology upgrades and solar panels		TBD			TBD
Youth + Rec.	Interior Painting	This project consists of the exterior painting of the Youth and Rec. center	\$25,000				\$25,000

*These are cost estimates and may reflect Town Meeting appropriations, and may not reflect the total full project cost.

APPENDICES

Appendix 1: Select Items from DLS Municipal Finance Glossary

Appendix 2: Sewer Capital Plan

Appendix 3: Water Capital Plan

SELECTED GLOSSARY OF TERMS ----- CAPITAL IMPROVEMENT PROGRAM

Available Funds – Balances in the various fund types that represent non-recurring revenue sources. As a matter of sound practice, they are frequently appropriated to meet unforeseen expenses, for capital expenditures or other onetime costs. Examples of available funds include free cash, stabilization funds, overlay surplus, water surplus, and enterprise net assets unrestricted (formerly retained earnings).

Betterments (Special Assessments) – Whenever part of a community benefits from a public improvement, or betterment (e.g., water, sewer, sidewalks, etc.), special property taxes may be assessed to the property owners of that area to reimburse the governmental entity for all, or part, of the costs it incurred in completing the project. Each property parcel receiving the benefit is assessed a proportionate share of the cost which may be paid in full, or apportioned over a period of up to 20 years. In this case, one year's apportionment along with one year's committed interest computed from October 1 to October 1 is added to the tax bill until the betterment has been paid.

Block Grant – A Block Grant is a Federal grant of money awarded by formula under very general guidelines that allow grantees broad latitude in spending activities. Recipients are normally state or local governments.

Bond – A means to raise money through the issuance of debt. A bond issuer/borrower promises in writing to repay a specified sum of money, alternately referred to as face value, par value or bond principal, to the buyer of the bond on a specified future date (maturity date), together with periodic interest at a specified rate. The term of a bond is always greater than one year.

Bond and Interest Schedule Record (Bond Register) – The permanent and complete record maintained by a treasurer for each bond issue. It shows the amount of interest and principal coming due each date and all other pertinent information concerning the bond issue.

Bond Anticipation Note (BAN) – Short-term debt instrument used to generate cash for initial project costs and with the expectation that the debt will be replaced later by permanent bonding. Typically issued for a term of less than one year, BANs may be re-issued for up to five years, provided principal repayment begins after two years (MGL Ch. 44 §17). Principal payments on school related BANs may be deferred up to seven years (increased in 2002 from five years) if the community has an approved project on the Massachusetts School Building Authority (MSBA) priority list. BANs are full faith and credit obligations.

Bond Authorization – The action of town meeting or a city council authorizing the executive branch to raise money through the sale of bonds in a specific amount and for a specific purpose. Once authorized, issuance is by the treasurer upon the signature of the mayor, or selectmen. (See Bond Issue)

Bond Buyer – A daily trade paper containing current and historical information of interest to the municipal bond business.

Bond Counsel – An attorney or law firm engaged to review and submit an opinion on the legal aspects of a municipal bond or note issue.

Bond Issue – The actual sale of the entire, or a portion of, the bond amount authorized by a town meeting or city council.

Bond Rating(Municipal) – A credit rating assigned to a municipality to help investors assess the future ability, legal obligation, and willingness of the municipality (bond issuer) to make timely debt service payments. Stated otherwise, a rating helps prospective investors determine the level of risk associated with a given fixed-income investment. Rating agencies, such as Moody's and Standard and Poors, use rating systems, which designate a letter or a combination of letters and numerals where AAA is the highest rating and C1 is a very low rating.

Bonds Authorized and Unissued – Balance of a bond authorization not yet sold. Upon completion or abandonment of a project, any remaining balance of authorized and unissued bonds may not be used for other purposes, but must be rescinded by town meeting or the city council to be removed from community's books.

Capital Assets – All tangible property used in the operation of government, which is not easily converted into cash, and has an initial useful life extending beyond a single financial reporting period. Capital assets include land and land improvements; infrastructure such as roads, bridges, water and sewer lines; easements; buildings and building improvements; vehicles, machinery and equipment. Communities typically define capital assets in terms of a minimum useful life and a minimum initial cost. (See Fixed Asset)

Capital Budget – An appropriation or spending plan that uses borrowing or direct outlay for capital or fixed asset improvements. Among other information, a capital budget should identify the method of financing each recommended expenditure, i.e., tax levy or rates, and identify those items that were not recommended. (See Capital Asset, Fixed Asset)

Capital Improvements Program – A blueprint for planning a community's capital expenditures that comprises an annual capital budget and a five-year capital program. It coordinates community planning, fiscal capacity and physical development. While all of the community's needs should be identified in the program, there is a set of criteria that prioritizes the expenditures.

Capital Outlay – The exchange of one asset (cash) for another (capital asset), with no ultimate effect on net assets. Also known as "pay as you go," it is the appropriation and use of available cash to fund a capital improvement, as opposed to incurring debt to cover the cost.

Capital Outlay Expenditure Exclusion – A temporary increase in the tax levy to fund a capital project or make a capital acquisition. Exclusions require two-thirds vote of the selectmen or city council (sometimes with the mayor's approval) and a majority vote in a community-wide referendum. The exclusion is added to the tax levy only during the year in which the project is being funded and may increase the tax levy above the levy ceiling

Chapter 90 Highway Funds – State funds derived from periodic transportation bond authorizations and apportioned to communities for highway projects based on a formula under the provisions of MGL Ch. 90 §34. The Chapter 90 formula comprises three variables: local road mileage (58.33 percent) as

certified by the Massachusetts Highway Department (MHD), local employment level (20.83 percent) derived the Department of Employment and Training (DET), and population estimates (20.83 percent) from the US Census Bureau. Local highway projects are approved in advance. Later, on the submission of certified expenditure reports to MHD, communities receive cost reimbursements to the limit of the grant.

Contingent Appropriation – An appropriation that authorizes spending for a particular purpose only if subsequently approved in a voter referendum. Under MGL Ch. 59 §21C (m), towns may make appropriations from the tax levy, available funds or borrowing, contingent upon the subsequent passage of a Proposition 2½ override or exclusion question for the same purpose. If initially approved at an annual town meeting, voter approval of the contingent appropriation must occur by September 15. Otherwise, the referendum vote must occur within 90 days after the town meeting dissolves. The question may be placed before the voters at more than one election, but if not approved by the applicable deadline, the appropriation is null and void. If contingent appropriations are funded through property taxes, DOR cannot approve the tax rate until the related override or exclusion question is resolved or the deadline passes, whichever occurs first.

Debt Authorization – Formal approval by a two-thirds vote of town meeting or city council to incur debt, in accordance with procedures stated in MGL Ch. 44 §§1, 2, 3, 4a, 6-15.

Debt Burden – The amount of debt carried by an issuer usually expressed as a measure of value (i.e., debt as a percentage of assessed value, debt per capita, etc.). Sometimes debt burden refers to debt service costs as a percentage of the total annual budget.

Debt Exclusion – An action taken by a community through a referendum vote to raise the funds necessary to pay debt service costs for a particular project from the property tax levy, but outside the limits under Proposition 2½. By approving a debt exclusion, a community calculates its annual levy limit under Proposition 2½, then adds the excluded debt service cost. The amount is added to the levy limit for the life of the debt only and may increase the levy above the levy ceiling.

Debt Limit – The maximum amount of debt that a municipality may authorize for qualified purposes under state law. Under MGL Ch. 44 §10, debt limits are set at 5 percent of EQV. By petition to the Municipal Finance Oversight Board, cities and towns can receive approval to increase their debt limit to 10 percent of EQV.

Debt Policy – Part of an overall capital financing policy that provides evidence of a commitment to meet infrastructure needs through a planned program of future financing. Debt policies should be submitted to elected officials for consideration and approval.

Debt Service – The repayment cost, usually stated in annual terms and based on an amortization schedule, of the principal and interest on any particular bond issue.

Enterprise Fund – An enterprise fund, authorized by MGL Ch. 44 §53F½, is a separate accounting and financial reporting mechanism for municipal services for which a fee is charged in exchange for goods or services. It allows a community to demonstrate to the public the portion of total costs of a service that is recovered through user charges and the portion that is subsidized by the tax levy, if any.

With an enterprise fund, all costs of service delivery--direct, indirect, and capital costs--are identified. This allows the community to recover total service costs through user fees if it chooses. Enterprise accounting also enables communities to reserve the "surplus" or net assets unrestricted generated by the operation of the enterprise rather than closing it out to the general fund at year-end. Services that may be treated as

enterprises include, but are not limited to, water, sewer, hospital, and airport services. See DOR IGR 08-101

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

General Obligation Bonds – Bonds issued by a municipality for purposes allowed by statute that are backed by the full faith and credit of its taxing authority.

Levy Limit – A levy limit is one of two types of levy (tax) restrictions imposed by MGL Ch. 59 §21C (Proposition 2½). It states that the real and personal property taxes imposed by a city or town may only grow each year by 2½ percent of the prior year's levy limit, plus new growth and any overrides or exclusions. The levy limit can exceed the levy ceiling only if the community passes a capital expenditure exclusion, debt exclusion, or special exclusion. (See Levy Ceiling)

Massachusetts School Building Authority(MSBA) – Administers the state program that reimburses cities, towns, and regional school districts varying percentages of their school construction costs depending on the wealth of the community or district and the category of reimbursement. Projects that received their first reimbursement payment prior to July 26, 2004 will continue to get annual state payments to offset the related annual debt service. Thereafter, cities, towns, and regional school districts will receive a lump sum amount representing the state's share of the eligible project costs.. (See DOR IGR 06-101)

New Growth – The additional tax revenue generated by new construction, renovations and other increases in the property tax base during a calendar year. It does not include value increases caused by normal market forces or by revaluations. New growth is calculated by multiplying the assessed value associated with new construction, renovations and other increases by the prior year tax rate. The additional tax revenue is then incorporated into the calculation of the next year's levy limit. For example, new growth for FY07 is based on new construction, etc. that occurred between January and December 2005 (or July 2005 and June 2006 for accelerated new growth communities). In the fall of 2006, when new growth is being determined to set the FY07 levy limit, the FY06 tax rate is used in the calculation.

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

Principal – The face amount of a bond, exclusive of accrued interest.

Receipts Reserved for Appropriation – Proceeds that are earmarked by law and placed in separate accounts for appropriation for particular purposes. For example, parking meter proceeds may be appropriated to offset certain expenses for parking meters and the regulation of parking and other traffic activities.

Sale of Cemetery Lots Fund – A fund established to account for proceeds of the sale of cemetery lots. The proceeds may only be appropriated to pay for the cost of the land, its care and improvement or the enlargement of the cemetery under provisions of MGL Ch. 114 §15.

Sale of Real Estate Fund – A fund established to account for the proceeds of the sale of municipal real estate other than proceeds acquired through tax title foreclosure. MGL Ch. 44 §63 states that such proceeds shall be applied first to the retirement of debt on the property sold. In the absence of such debt, funds may generally be used for purposes for which the city or town is authorized to borrow for a period of five years or more

Short-Term Debt – Outstanding balance, at any given time, on amounts borrowed with a maturity date of 12 months or less.

Special Exclusion – For a few limited capital purposes, a community may exceed its levy limit or levy ceiling without voter approval. Presently, there are two special expenditure exclusions: 1) water and sewer project debt service costs which reduce the water and sewer rates by the same amount; and 2) a program to assist homeowners to repair or replace faulty septic systems, remove underground fuel storage tanks, or remove dangerous levels of lead paint to meet public health and safety code requirements. In the second special exclusion, homeowners repay the municipality for the cost plus interest apportioned over a period of time, not to exceed 20 years

Special Revenue Fund – Funds, established by statute only, containing revenues that are earmarked for and restricted to expenditures for specific purposes. Special revenue funds include receipts reserved for appropriation, revolving funds, grants from governmental entities, and gifts from private individuals or organizations.

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

Sewer Capital Plan

The Town plans to borrow for the following projects and items in the latest sewer capital plan:

- \$3.5m for Sewer Rehabilitation in FY2023
 - All but \$500,000 via 2% SRF financing
- \$3.0m for water meter replacement program and meter-reading vehicle in FY2023
 - Conventionally borrowed at 4.5% interest; MWRA funding a possibility, other financing sources

Future Capital Improvements of the Sewer Enterprise System

- \$1.6m for Lift Station Design and Construction
 - Financed through the SRF – Mass Clean Water Trust 2% interest loan
- \$265K for vehicle/equipment replacement – Backhoe, Mini Excavator, and Sewer Truck

Water Capital Plan

The Town plans to borrow for the following projects and items in the latest water capital plan:

- \$1.5m for Water Main Replacements in FY2023
 - Financed through 0% interest MWRA loan
- \$3.0m for the Water Meter Replacement Program and meter reading vehicle beginning in FY2023
 - Conventionally borrowed at 4.5% interest; MWRA funding a possibility, other financing sources
- \$60k for water valve and hydrant replacement in FY2023
 - Financed through pay as you go capital outlay

Future Capital Improvements of the Water Enterprise System

- \$3m for Water Main Replacements
 - Finance through 0% interest MWRA loan
- \$350k for vehicle replacements – Backhoe, Mini Excavator, and 5-ton dump truck
 - Conventionally borrowed at 4.5% interest
- \$60k annually for Valve & Hydrant replacement
 - Financed through pay as you go capital outlay