

TOWN OF SAUGUS  
**MASSACHUSETTS**



**Report of the  
Finance Committee**

**Relative to the  
Warrant Articles  
to be presented to the**

**SPECIAL TOWN MEETING**

**December 7, 2020**

**FINANCE COMMITTEE REPORT**

**Article 2.** To see if the Town will vote to rescind the vote under Article 2 of the 2020 Annual Town Meeting to transfer an amount not to exceed \$2,436,951.00 from the Stabilization Fund as a funding source for Town charges for the ensuing Fiscal Year 2021 and appropriate from Free Cash an amount not to exceed \$1,500,000.00 as a funding source for Town charges for Fiscal Year 2021. (Town Manager)

**Recommendation:** Voted to recommend to rescind the vote under Article 2 of the 2020 Annual Town Meeting to transfer an amount not to exceed \$2,436,951.00 from the Stabilization Fund as a funding source for Town charges for the ensuing Fiscal Year 2021 and appropriate from July 1, 2020 certified Free Cash an amount not to exceed \$1,500,000.00 as a funding source for Town charges for Fiscal Year 2021.

**Article 3.** To see if the Town will vote to increase water rates with all receipts to be held within the Water Enterprise Fund to be used exclusively for water expenses, water maintenance, water debt and interest and water improvement programs, or take any other action relating thereto. (Town Manager)

**Recommendation:** Voted to recommend the Town vote a 4% increase in the water rates for Fiscal Year 2021 with all receipts to be held in the Water enterprise Fund to be used exclusively for water expenses, water maintenance, water debt and interest and water improvement programs.

**Article 4.** To see if the Town will vote to make supplementary appropriations to be used in conjunction with money appropriated under Article 6 of the 2020 Annual Town Meeting during the current fiscal year, and determine whether the money shall be provided by transfer from available funds; or to see what other action the Town wishes to take in the matter.

**Recommendation:** Voted to recommend the following supplemental appropriation to the Fiscal Year 2021 Water Enterprise Fund budget based on the water rate increase of 4% recommended in Article 3 to fund the Water Enterprise Fund budget for Fiscal Year 2021 as follows:

Water Enterprise Fund Revenue	\$6,736,322.00
July 1, 2020 Certified Retained Earnings	<u>\$ 718,070.00</u>
Total Fiscal Year 2021 Appropriation	\$7,454,392.00 (unchanged)

The funding source previously voted by Town Meeting June 2020 was to fund the Fiscal Year 2021 Water Enterprise Fund budget from Water Enterprise Fund Revenue in the amount of \$7,454,392.00.

**Article 5.** To see if the Town will vote to make supplementary appropriations to be used in conjunction with money appropriated under Article 7 of the 2020 Annual Town Meeting during the current fiscal year, and determine whether the money shall be provided by transfer from available funds; or to see what other action the Town wishes to take in the matter. (Town Manager)

**Recommendation:** Voted to recommend the following supplemental appropriation to the Fiscal Year 2021 Sewer Enterprise Fund budget as follows based on the sewer rate increase of 7% voted by the Board of Selectmen to fund the Sewer Enterprise Fund budget for Fiscal Year 2021 as follows:

Sewer Enterprise Fund Revenue	\$4,953,798.00
July 1, 2020 Certified Retained Earnings	<u>\$1,242,233.00</u>
Total Fiscal Year 2021 Appropriation	\$6,196,031.00 (unchanged)

The funding source previously voted by Town Meeting June 2020 was to fund the Fiscal Year 2021 Sewer Enterprise Fund budget from Sewer Enterprise Fund Revenue in the amount of \$6,196,031.00.

**Article 6.** To see if the Town will appropriate a sum of money for purchasing various equipment for town departments, including the payment of costs incidental or related thereto; and to determine whether this appropriation shall be raised by borrowing or otherwise; or to take any other action relative thereto. (Town Manager)

**Recommendation:** Voted to recommend the appropriation of \$250,000.00 for the purchase of police cruisers for the Police Department, including the payment of costs incidental or related thereto; that to meet this appropriation the Treasurer with the approval of the Board of Selectmen is authorized to borrow said amount under G.L. c.44, s7(1) or any other enabling authority; and that the Town Manager is authorized to take any other action necessary or convenient to carry out the project. Any premium received upon the sale of any bonds or notes approved by this vote, less any such premium applied to the payment of the costs of issuance of such bonds or notes, may be applied to the payment of costs approved by this vote in accordance with M.G.L. c.44, s20, thereby reducing the amount authorized to be borrowed to pay such costs by a like amount.

**Article 7.** To see if the Town will vote to raise and appropriate or transfer from available funds a sum of money for the purpose of funding unpaid bills of a prior fiscal year. (Town Manager)

**Recommendation:** Voted to recommend the appropriation of \$53,156.54 for the payment of bills of the prior fiscal year. The funding source of this appropriation is:

Fiscal Year 2020 Carryover – General Fund	\$ 3,487.34
7/1/20 Sewer Enterprise Certified Retained Earnings	<u>\$49,669.20</u>
Total	\$53,156.54

**Article 8.** To see if the Town will vote to appropriate a sum of money for remodeling or repairing town owned buildings and purchasing equipment, including the payment of costs incidental or related thereto; to determine whether this appropriation shall be raised by taxation, transfer of available funds, borrowing or otherwise; or to take any other action relative thereto. (Town Manager)

**Recommendation:** Voted to recommend the appropriation of \$1,250,000.00 for remodeling or repairing town owned buildings and purchasing equipment, including the payment of costs incidental or related thereto; that to meet this appropriation the Treasurer with the approval of the Board of Selectmen is authorized to borrow said sum under G.L. c.44, s7(1) or any other enabling authority; and that the Town Manager is authorized to take any other action necessary or convenient to carry out the projects. Any premium received upon the sale of any bonds or notes approved by this vote, less any such premium applied to the payment of the costs of issuance of such bonds or notes, may be applied to the payment of costs approved by this vote in accordance with M.G.L. c.44, s20, thereby reducing the amount authorized to be borrowed to pay such costs by a like amount.

**Article 9.** To see if the Town will vote to appropriate a sum of money for construction and reconstruction of various streets and sidewalks, including the payment of costs incidental or related thereto; to determine whether this appropriation shall be raised by borrowing or otherwise; or to take any other action relative thereto. (Town Manager)

**Recommendation:** Voted to recommend the appropriation of \$300,000.00 for the construction or reconstruction of various streets and sidewalks. The funding source of this article is July 1, 2020 certified free cash.