

Northborough
Appropriations Committee
Report
Annual Town Meeting
April 22, 2024

**Northborough Appropriations Committee Report
Annual Town Meeting – April 22, 2024**

The Northborough Appropriations Committee consists of six (6) members appointed by the Town Moderator for staggered three-year terms. The role of the Appropriations Committee, by statute and charter, is that of advisory to Town Meeting. All articles in the Town Meeting Warrant involving the appropriation or expenditure of money must be considered by the Appropriations Committee. It must recommend approval or disapproval of same, in whole or in part. Immediately after the presentation of such article at Town Meeting, the Committee must report to the Meeting its recommendation of approval or disapproval of such appropriation or expenditure, together with the reasons thereof. The report that follows is the Committee’s voted recommendations for the Articles on the April 22, 2024, Town Meeting Warrant.

As required by the Charter and Municipal Code of the Town of Northborough, we have made our recommendations on each financial article to you based on the information available to us at the time of our deliberation and may be modified or changed on Town Meeting floor if additional information is forthcoming. Votes on these articles were taken at our meeting on Thursday, April 4, 2024. Town Meeting is the Legislative Body of the Town of Northborough, and the final decision of approval or disapproval of each warrant article is ultimately up to you, the voters.

EXPENDITURES	FY2024 Budget	FY2025 Proposed	Variance	% Change
General Government (Town)	\$25,476,532	\$27,422,535	\$1,946,003	7.64%
Schools				
Northborough K-8	\$28,001,227	\$29,119,597	\$1,118,370	3.99%
Algonquin Reg. HS 9-12	\$14,072,539	\$15,193,847	\$1,121,308	7.97%
Assabet Valley	\$1,301,581	\$1,409,186	\$107,605	8.27%
Warrant Articles				
Tax Levy Funded	\$0	\$10,000	\$10,000	
Reserve Fund	\$175,000	\$175,000	\$0	0.00%
Transfer to Stabilization	\$200,000	\$200,000	\$0	0.00%
Overlay Surplus Capital	\$0	\$600,000	\$600,000	
Free Cash Capital Projects	\$1,105,000	\$2,197,920	\$1,092,920	98.91%
Transfer to OPEB Trust	\$550,000	\$600,000	\$50,000	9.09%
Library Debt Service	\$288,895	\$278,115	-\$10,780	-3.73%
Senior Center Debt Service	\$316,665	\$302,490	-\$14,175	-4.48%
Lincoln Street Debt Service	\$973,975	\$949,275	-\$24,700	-2.54%
Fire Station Debt Service	\$338,500	\$338,500	\$0	100.00%
Other Funds	\$891,826	\$937,643	\$45,817	5.14%
Adjustments	-\$23,648		\$23,648	-100.00%
Subtotal General Fund	\$73,668,092	\$79,734,108	\$6,066,016	8.23%
Water Enterprise Funds	\$2,772,795	\$2,910,441	\$137,646	4.96%
Sewer Enterprise Fund	\$2,508,481	\$2,760,246	\$251,765	10.04%
Solid Waste Enterprise Fund	\$1,040,684	\$1,302,650	\$261,966	25.17%
Subtotal Enterprise Funds	\$6,321,960	\$6,973,337	\$651,377	10.30%
TOTAL ALL FUNDS	\$79,990,052	\$86,707,445	\$6,717,393	8.40%

The FY2025 General Fund (GF) Budget was presented at the March 25th Joint Budget Hearing of the Select Board and Appropriations Committee, which was continued to and closed on April 1st. The Committee encourages residents to view those recorded meetings, which are available for streaming on Northborough Local Access. Overall, the GF Budget is increasing by 8.23%, or \$6,066,016, to \$79,734,108. Enterprise Fund Budgets are increasing 10.03%, or \$651,377, to \$6,973,337. The Total FY2025 Budget across all funds is \$86,707,445, which is an 8.40% increase.

Included in that increase is \$2,797,920 in pay-as-you-go capital projects that will not result in any additional tax impact due to being funded with Free Cash and Overlay Surplus. It has been the Town's practice since 2012 to attempt to pay for smaller capital projects with available funds and/or grant money to minimize future tax impacts on residents. Paying for capital projects with available funds, instead of taking on debt, also enhances the Town's future financial condition by making regular investments in our equipment, buildings, and infrastructure.

As a community, we are anticipating several major building projects over the next 5 years, including a Fire Station Building Project, Town Hall Building/Renovation Project, and the Peaslee Elementary School Building Project. All these projects are in addition to a major downtown revitalization initiative stemming from the work of the Master Plan Implementation Committee, and ongoing road and sidewalk repairs in conjunction with Northborough's recent Complete Streets designation. In a time of rising inflation, this Committee continues to believe that the Town should endeavor to reduce the growth in taxation where possible, and fund major capital projects using one-time money where available, including American Rescue Plan Act funding.

FY2025 American Rescue Plan Act Funding Considerations

Northborough continues to benefit from the award of \$4.5 million of American Rescue Plan Act (ARPA) funds. These funds are treated as a grant from the Federal Government, and the Northborough Select Board has control over the expenditure of these funds. Prior to the start of the FY2025 budgeting process, the Select Board had allocated \$2,344,340 in ARPA funds, leaving \$2,171,843 still to be committed. \$392,440 has since been allocated to new initiatives. The recent funding of \$376,015 for LED lighting replacement is a fitting example that is estimated to save utility costs years into the future. The remaining funds must be obligated by December 2024 and expended by December 2026.

As of the writing of this report, the Select Board has not presented a plan for the remaining funds. No capital budget items were selected and presented to the Financial Planning Committee, which would have allowed deferred projects to get back on schedule. Nor were budget offsets presented to the Appropriations Committee to reduce the FY2025 budget. Any detailed planning is hampered by the lack of clear priorities and criteria by the Select Board.

The Appropriations Committee recommends that the Select Board establish clear priorities and criteria to assess the projects identified by department staff and the public in time to meet the December 2024 obligation and December 2026 completion deadlines. Emphasis should be placed on the short timeline that remains to meet the deadlines. Priority should be given to projects where one-time money avoids the need for borrowing and the associated impact on taxes. Where the direct application of ARPA funds to offset borrowing does not meet the scheduled deadlines, the funding of immediate capital projects allows the use of Free Cash to be applied rather than borrowing.

For example, to offset the borrowing of \$745,842 for Article 17 - CIP: Fire – Engine 1 Replacement and the associated tax impact of \$16.50, the following projects could be funded by ARPA, and the allocation of Free Cash shifted to the Engine 1 Replacement:

- Article 18 - CIP: DPW – Facilities HVAC Upgrades/Modernization (\$250,000)
- Article 19 - CIP: DPW – Police Station Siding Replacement (\$540,000)

Additionally, these projects could be considered for ARPA as the funding source:

- Article 32 - CIP: Feasibility Study for Marguerite E. Peaslee Elementary School (\$900,000)
- Article 39 - Authorization to Fund Spaces for Public Parking (\$10,000)

Rationale for Article Recommendations

Most of the warrant articles reviewed by the Appropriations Committee were unanimously recommended for approval by Annual Town Meeting. The following articles had a split decision or were not recommended for approval. Additional details can be found in the table associated with each article.

- Article 9 - Establishment of Stabilization Fund by Assabet Valley Regional Vocational School District
The Committee discussed the growth of the stabilization account by up to 5% each year, with less controls for review and approval when compared to individual capital project requests. The Committee was split 3-3 in their recommendation for approval.
- Article 15 - Appropriation of Funds for Legal Settlement for Marlborough Sewer Case
At the time of this report, the Committee was waiting on additional information and deferred a formal recommendation until Annual Town Meeting.

- Articles 33, 34, 35 - Solar Power Lease & Purchase Agreement – Proctor School, Lincoln Street School, Zeh School
At the time of this report, the Committee was waiting on additional information and deferred a formal recommendation until Annual Town Meeting.
- Article 40 - Community Preservation Fund – Acquisition of 432 Whitney Street
The Committee discussed the fees and tax revenue that might be generated if the property was developed under the zoned use. The Committee did not recommend approval by a vote of 5 to 1.
- Article 43 - Community Preservation Fund – Restoration of First Parish Church Steeple
The Committee discussed the perception of using public funds for private property. The Committee was unanimous in not recommending approval.

Conclusion

We wish to thank all departments and committees with whom we interact during this budgetary process – Municipal and School – for without their cooperation and collegiality during the budgetary process, it would not have been possible to affect such a positive outcome. The Appropriations Committee would also like to thank Town Administrator Timothy McInerney, Assistant Town Administrator Diane Wackell, and especially Finance Director Jason Little for their input and assistance throughout this Committee’s process. Special thanks to Lynda LePoer and Angie Sowden for their capable administrative support. As always, if you have any questions on our recommendations, we will be pleased to answer them either collectively or individually during debate on any specific article. Below is a summary of our recommendations for each article that requires an appropriation included on the 2024 Annual Town Meeting Warrant.

Respectfully submitted,

Scott Rogers, Chair (2026)

George Brenckle, Vice Chair (2024)

Tim Kaelin, Clerk (2024)

Robert D’Amico (2025)

Janice Hight (2026)

Jeff Knight (2025)

Summary of the Northborough Appropriation Committee Recommendations for FY2025 Warrant Articles

Article	Project	Amount	Vote ¹	Recommend Approval?
3	Prior Years' Bills	\$1,481	6-0-0	YES
4	Town Budget	\$26,445,788	6-0-0	YES
5	Water, Sewer & Solid Waste Enterprise Funds	\$6,973,337	6-0-0	YES
6	Northborough K-8 Public Schools	\$29,119,597	6-0-0	YES
7	Northborough-Southborough Algonquin Regional School District Assessment (ARHS)	\$15,193,847	6-0-0	YES
8	Assabet Valley Regional Technical School District Assessment	\$1,409,186	6-0-0	YES
9	Establishment of Stabilization Fund by Assabet Valley Regional Vocational School District	N/A	3-3-0	SPLIT ²
10	Revolving Funds Authorization of Expenditure Limits	N/A	6-0-0	YES
11	Appropriations Committee Reserve Fund	\$175,000	6-0-0	YES
12	Building Rental Fund Provision	N/A	6-0-0	YES
13	Stabilization Fund Contribution	\$200,000	6-0-0	YES
14	Senior Tax Relief	N/A	6-0-0	YES
15	Appropriation of Funds for Legal Settlement for Marlborough Sewer Case	N/A	Deferred	N/A ³
16	CIP: Police – Cruiser Replacements	\$140,000	6-0-0	YES
17	CIP: Fire – Engine 1 Replacement	\$1,250,000	6-0-0	YES

18	CIP: DPW – Facilities HVAC Upgrades/Modernization	\$250,000	6-0-0	YES
19	CIP: DPW – Police Station Siding Replacement	\$540,000	6-0-0	YES
20	CIP: DPW – Fire Station Brick Repointing and Sealing	\$80,000	6-0-0	YES
21	CIP: DPW – Road Improvements and Maintenance	\$310,000	6-0-0	YES
22	CIP: DPW – Enclosed Public Health Trailer	\$95,000	6-0-0	YES
23	CIP: DPW – Drainage/Sidewalk Improvement Program	\$300,000	6-0-0	YES
24	CIP: DPW – Bucket Truck	\$330,000	6-0-0	YES
25	CIP: DPW – Sidewalk Plow Replacement	\$300,000	6-0-0	YES
26	CIP: DPW – Hook Lift Truck	\$0	0-6-0	PASS OVER ⁴

Article	Project	Amount	Vote ¹	Recommend Approval?
27	CIP: DPW/Water – One-Ton Utility Truck w/Plow Replacements	\$140,000	6-0-0	YES
28	CIP: DPW/Sewer – Inflow & Infiltration (I&I) Mitigation	\$380,000	6-0-0	YES
29	CIP: Peaslee Elementary – Asbestos Encapsulation – Chimney	\$30,000	6-0-0	YES
30	CIP: Melican Middle School – Hot Water System Upgrade	\$30,000	6-0-0	YES
31	CIP: Melican Middle School – Pneumatic Control Repairs	\$72,000	6-0-0	YES
32	CIP: Feasibility Study for Marguerite E. Peaslee Elementary School	\$900,000	6-0-0	YES

33	Solar Power Lease & Purchase Agreement – Proctor School	N/A	Deferred	N/A ⁵
34	Solar Power Lease & Purchase Agreement – Lincoln Street School	N/A	Deferred	N/A ⁵
35	Solar Power Lease & Purchase Agreement – Zeh School	N/A	Deferred	N/A ⁵
39	Authorization to Fund Spaces for Public Parking	\$10,000	6-0-0	YES
40	Community Preservation Fund – Acquisition of 432 Whitney Street	\$1,700,000	1-5-0	NO
41	Community Preservation Fund – Soundproofing of Outdoor Pickleball Courts at Ellsworth McAfee Park	\$54,500	6-0-0	YES
42	Community Preservation Fund – Northborough Affordable Housing Corporation	\$126,856	6-0-0	YES
43	Community Preservation Fund – Restoration of First Parish Church Steeple	\$210,000	0-6-0	NO
44	Community Preservation Fund – Aqueduct Historic Marker	\$4,729	6-0-0	YES
45	Community Preservation Fund – White Cliffs Debt Service	\$176,000	6-0-0	YES
46	Community Preservation Fund – Administrative Fund	\$41,000	6-0-0	YES
47	Rescission of Authorized, Unissued Debt	(\$5,073,806)	6-0-0	YES

1. Numerical votes shown in Yes-No-Abstain order relative to a motion to recommend approval. Fewer than six total votes reflect absence of one or more members.
2. The Committee did not have a majority vote on a recommendation for article 9. There were 3 dissenting members who expressed concern over the potential for the \$250,000 included to start the fund in the FY2025 district budget could increase over time at a rate higher than other budgets.
3. The Committee is supportive of a settlement being reached with the City and the Sewer Enterprise Fund's Free Cash being used as a funding source, however a settlement and its details were not available as of the writing of this report. The Committee deferred voting on its recommendation until Town Meeting.
4. The Committee voted to support passing over this article. The Hook Lift Truck's funding was reallocated to the Police Station Siding article, and the Hook Truck is expected to be considered in the Capital Improvement Plan next year.
5. The Committee was in favor of the proposal for Solar the three school buildings, but it had unanswered questions, and deferred voting on a recommendation until Town Meeting.

Article	Purpose of Article	Committee Recommendation						
☆ NOTE: ALL PROPOSED BUDGET REQUESTS ARE WITHIN THE CONFINES OF PROPOSITION 2½ ☆								
3	<p>Prior Years' Bills</p> <p style="text-align: right;">\$1,481</p>	<p>The Appropriations Committee voted to unanimously recommend approval of this Article.</p>						
<ul style="list-style-type: none"> • Town Meeting action is required to pay bills incurred in prior fiscal years. This Article provides authorization for the Town to pay four bills for goods and services that were incurred in the prior fiscal year. 								
4	<p>Town Budget</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding-left: 40px;"><i>Raised by taxation</i></td> <td style="text-align: right;">\$25,008,145</td> </tr> <tr> <td style="padding-left: 40px;"><i>Plus transfers</i></td> <td style="text-align: right;"><u>1,437,643</u></td> </tr> <tr> <td style="padding-left: 20px;">Total Town Budget</td> <td style="text-align: right;">\$26,445,788</td> </tr> </table>	<i>Raised by taxation</i>	\$25,008,145	<i>Plus transfers</i>	<u>1,437,643</u>	Total Town Budget	\$26,445,788	<p>The Appropriations Committee voted to unanimously recommend approval of this Article.</p>
<i>Raised by taxation</i>	\$25,008,145							
<i>Plus transfers</i>	<u>1,437,643</u>							
Total Town Budget	\$26,445,788							
<ul style="list-style-type: none"> • One-time revenues are limited to \$500,000 in Free Cash, or 1%, to support the operating budget in accordance with the Town's Free Cash Policy. • The FY2025 General Government budget increase is 7.64% or \$1.99M, which includes fixed costs increasing 8.34% or \$938k and the Town Departments increase 7.79% or \$1.01M. • The Town Departments budget increase includes the addition of 3 new full-time positions (Police Patrol Officer, Town Accountant, & Assistant Library Director) as well as part-time positions in Town Clerk, Library and DPW (DPW is adding full-time administrative assistant split with Enterprise Funds). • The FY2025 tax impact for <u>all the General Fund budgets</u> is estimated to be \$614 on the average single-family home valued at \$655,691 (projected at 5% above the FY2025 average single family home value). The actual tax rate will be set by the Department of Revenue in the fall of 2024 using final state aid figures which may decrease the tax impact slightly. • The Budget is legally balanced as presented and within the confines of Proposition 2 ½. 								

Article	Purpose of Article	Committee Recommendation
☆ NOTE: ALL PROPOSED BUDGET REQUESTS ARE WITHIN THE CONFINES OF PROPOSITION 2½ ☆		
5	Water, Sewer & Solid Waste Enterprise Funds <div style="text-align: right;">\$6,973,337</div>	The Appropriations Committee voted to unanimously recommend approval of this Article.
<ul style="list-style-type: none"> • An Enterprise Fund 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. • In total the FY2025 Enterprise Fund budgets are increasing \$651,377 or 10.3%. The Water Enterprise Fund is budgeted at \$2,910,441 which is an increase of \$137,646 or 4.96% due to inflationary expenses. The FY2025 Sewer Enterprise Fund is budgeted at \$2,760,246, which is an overall increase of \$251,765 or 10.04%, mostly due to an anticipated conclusion of a lawsuit surrounding the Town’s Intermunicipal Agreement (IMA) with the City of Marlborough and the Westerly Treatment Plant operating by the City. The Solid Waste and Recycling budget is increasing \$261,966, or 25.17% due to estimates for rebidding the Town’s collection contract, which expires at the end of FY2024. • The Water and Sewer Enterprise Funds are fully funded by user fees; the Solid Waste Enterprise fund is proposed to receive a \$597,000 subsidy from the General Fund, which is increasing \$251,840 or 72.96%. 		

Article	Purpose of Article	Committee Vote and Recommendation
☆ NOTE: ALL PROPOSED BUDGET REQUESTS ARE WITHIN THE CONFINES OF PROPOSITION 2½ ☆		
6	<p data-bbox="243 329 667 362">Northborough K-8 Public Schools</p> <p data-bbox="688 464 835 496" style="text-align: right;">\$29,119,597</p>	<p data-bbox="863 407 1978 440">The Appropriations Committee voted to unanimously recommend approval of this Article.</p>
<ul data-bbox="121 540 1978 784" style="list-style-type: none"> • The FY2025 Northborough K-8 School Budget reflects an increase of \$1,118,370 or 3.99% to \$29,119,597. • According to the Superintendent, approximately half the budget increase is due to non-discretionary Special Education Costs. • The School Committee and Superintendent have presented a fiscally responsible budget that maintains core educational services. • The Appropriations Committee acknowledges the positive collaborative working relationship between the Committee, Town Administrator, the K-8 School Committee, and the Superintendent during this budget process. Please refer to the Superintendent’s FY2025 Budget handout for more detail. 		

Article	Purpose of Article	Committee Vote and Recommendation										
☆ NOTE: ALL PROPOSED BUDGET REQUESTS ARE WITHIN THE CONFINES OF PROPOSITION 2½ ☆												
7	<p>Northborough-Southborough Algonquin Regional School District Assessment (ARHS)</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding-left: 20px;">Operating Assessment</td> <td style="text-align: right;">\$13,421,085</td> </tr> <tr> <td style="padding-left: 20px;">Capital Assessment</td> <td style="text-align: right;">\$242,077</td> </tr> <tr> <td style="padding-left: 20px;">Debt Assessment (Ad/Ren)</td> <td style="text-align: right;">\$645,281</td> </tr> <tr> <td style="padding-left: 20px;">Debt Assessment (Complex)</td> <td style="text-align: right;"><u>\$186,610</u></td> </tr> <tr> <td></td> <td style="text-align: right;">\$15,193,847</td> </tr> </table>	Operating Assessment	\$13,421,085	Capital Assessment	\$242,077	Debt Assessment (Ad/Ren)	\$645,281	Debt Assessment (Complex)	<u>\$186,610</u>		\$15,193,847	<p>The Appropriations Committee voted to unanimously recommend approval of this Article.</p>
Operating Assessment	\$13,421,085											
Capital Assessment	\$242,077											
Debt Assessment (Ad/Ren)	\$645,281											
Debt Assessment (Complex)	<u>\$186,610</u>											
	\$15,193,847											
<ul style="list-style-type: none"> • The overall ARHS operating budget is only going up 4.82%, while assessments are based on enrollment, state aid and the Minimum Local Contribution (MLC) formula dictated by state statute and the governing Regional Agreement. The combined ARHS Operating, Capital, and Debt Assessments to Northborough increase \$1,121,308 or 7.97% to \$15,193,847. • The ARHS Operating Assessment for FY2025 is up 5.21% or \$698,794, while the ARHS Capital Assessment is new for FY2025, and Northborough’s share is \$242,077. The Capital Assessment comprises pay-as-you-go capital items at the High School to repair/enhance the School’s HVAC and lighting systems, and future years are anticipated to include a similar assessment per the District’s capital plan. • The ARHS Debt Assessment for Addition/Renovation (Ad/Ren) decreases by \$6,173 or 0.95% and will remain relatively constant until final payment in FY2027. FY2025 is the first year for the Athletic Complex debt, \$186,610, following approval of the \$8M Athletic Complex project. The Ad/Ren debt is excluded from Proposition 2½ and the Complex debt is not excluded. • The Regional School Committee and Superintendent have presented a fiscally responsible budget that maintains core educational services. • The Appropriations Committee acknowledges the positive collaborative working relationship between the Committee, Town Administrator, the Regional School Committee, and the Superintendent during this budget process. Please reference Superintendent’s FY2025 ARHS Budget handout for more detail. 												

Article	Purpose of Article	Committee Vote and Recommendation
☆ NOTE: ALL PROPOSED BUDGET REQUESTS ARE WITHIN THE CONFINES OF PROPOSITION 2½ ☆		
8	Assabet Valley Regional Technical School District Assessment Operating Assessment \$ 1,286,838 Debt Assessment <u>\$ 122,348</u> \$ 1,409,186	The Appropriations Committee voted to unanimously recommend approval of this Article.
<ul style="list-style-type: none"> • The combined Operating Budget Assessment and Debt Assessment represents an overall increase of \$107,605 or 8.27%. Northborough’s assessment increases with an increase in enrollment: 67 Northborough students attend the school as of October 1, 2024, 3 more than the prior year. • The Operating Assessment for FY2025 is up 9.48%, or \$111,433, to \$1,286,838. The Debt Assessment is down \$3,828 or -3.03%. Northborough’s share of the debt for the School’s addition/renovation project is 6.96%, and that percentage will continue until their 25-year bond is paid off in 2042. The debt is structured with declining debt payments each year. • Please reference Assabet Valley Superintendent’s FY2025 Budget handout for more detail. 		
9	Establishment of Stabilization Fund by Assabet Valley Regional Vocational School District N/A	The Appropriations Committee was split three to three (3-3-0) on their vote to recommend approval of this Article.
<ul style="list-style-type: none"> • To see if the Town will vote to approve the Assabet Valley Regional Vocational Technical School Committee’s vote on January 9, 2024, to establish a Stabilization Fund for the Assabet Valley Regional Vocational Technical School District, pursuant to Section 16G ½ of Chapter 71 of the Massachusetts General Laws, said Stabilization Fund to be invested and to retain its own interest earnings as provided by law and further set up an operational line item to be created to transfer available monies into said Stabilization Fund • The Committee discussed the potential growth of the stabilization account by up to 5% each year, with less controls for review and approval when compared to individual capital project requests. 		

Article	Purpose of Article	Committee Vote and Recommendation
☆ NOTE: ALL PROPOSED BUDGET REQUESTS ARE WITHIN THE CONFINES OF PROPOSITION 2½ ☆		
10	Revolving Funds Authorization of Expenditure Limits <div style="text-align: right;">N/A</div>	The Appropriations Committee voted to unanimously recommend approval of this Article.
<ul style="list-style-type: none"> • Annual reauthorization of expenditure limits for revolving funds for use by certain Town Departments, Boards, Committees, Agencies or Officers pursuant to Massachusetts General Laws, Chapter 44, Section 53E½. Revolving Funds are used where fees are charged for program services and those fees are held in a special fund and used to offset the cost of providing those services. • Total FY2025 expenditure limit for all Revolving Funds is \$1,310,000, which is unchanged from FY2024. 		
11	Appropriations Committee Reserve Fund <div style="text-align: right;">\$175,000</div>	The Appropriations Committee voted to unanimously recommend approval of this Article.
<ul style="list-style-type: none"> • Authorized by Massachusetts General Laws, Chapter 40, Section 6, this fund provides the Town and K-8 School operations with an option for funding extraordinary or unforeseen expenditures during the year without the requirement of a Town Meeting. • The FY2025 Reserve Fund is budgeted at the \$175,000 level and is most often used to cover unanticipated storm expenses. • If unused, Reserve Fund appropriations close out to Free Cash from where they were appropriated, resulting in no additional tax impact. • Transfers from the Reserve Fund require Appropriations Committee approval. 		

Article	Purpose of Article	Committee Vote and Recommendation
☆ NOTE: ALL PROPOSED BUDGET REQUESTS ARE WITHIN THE CONFINES OF PROPOSITION 2½ ☆		
14	<p>Senior Tax Relief</p> <p style="text-align: right;">N/A</p>	<p>The Appropriations Committee voted to unanimously recommend approval of this Article.</p>
<ul style="list-style-type: none"> • This article provides three options to enhance existing senior tax relief programs: A) Doubling Existing Exemptions (MGL, Ch. 59 §5C1/2; B) Tax Deferrals (MGL Ch. 59 §5, Clause 41A; and C) Senior Work-off programs (MGL Ch. 59 §5K) • The “Doubling” exemptions is a unique calculation that must be done for each qualifying senior, and the existing exemptions would not likely double in the first year, since the law requires that taxes paid cannot be less than the prior year. Currently about 100 residents get existing exemptions, and the cost is approximately \$100k which are funded from the Town’s Reserve for Abatements & Exemptions account, which is often called “Overlay.” • Senior Tax deferrals are similar to a reverse mortgage, and the Town adopted a change for FY2024 lowering the statutory interest rate from 8% to 4%, as well as increasing the income threshold to the maximum allowable by law. The change for FY2025 would adjust the income threshold to the current maximum, \$69,000 per the “senior circuit breaker” for individuals. • Senior Workoff Programs enabled by this legislation allow for some criteria be set locally by the Select Board, while an upper limit is set in the State Statute. The proposed language adopts additional local options which require Town Meeting approval. Specifically, it would allow the individual earnings limit to increase to the State minimum wage at 125 hours. The language in article proposes to move the limit to \$2,000 or the 125 hour limit whichever is higher to maximize the benefit to Seniors. The Select Board set a total limit of \$40,000 for the program. • Enhanced Senior exemptions are paid from “Overlay” which is an amount raised annually in the tax levy. 		

Article	Purpose of Article	Committee Vote and Recommendation
☆ NOTE: ALL PROPOSED BUDGET REQUESTS ARE WITHIN THE CONFINES OF PROPOSITION 2½ ☆		
15	Marlborough Sewer Case <div style="text-align: right;">N/A</div>	The Appropriations Committee deferred their recommendation until Annual Town Meeting
<ul style="list-style-type: none"> • The Town has been in litigation with the City of Marlborough following the 2010 expiration of the Intermunicipal Agreement (IMA) governing the Town’s use of the Westerly Sewer Treatment Plant located in Marlborough. The Town and City continued following the terms of the expired IMA whereby the Town paid an operating assessment for its share of the sewage processed at the plant until the City adopted an “out-of-city” rate and applied it to the Town’s use in 2015. The Town objected to the method, did not pay the fees, and instead continued paying estimated payments under the terms of the expired agreement with the hope agreement over a successor IMA could be reached. The City pursued a lawsuit against the Town to enforce its billed amounts. If a judgment is rendered or a settlement can be reached, the Town’s Sewer Free Cash should be applied to pay for it, as the Town has set its Sewer rates and retained Sewer Enterprise Fund balance in anticipation of the judgement and/or settlement. • At the time of this report, the Committee was in favor of this article but was waiting of details on the settlement. The formal recommendation was deferred to the next meeting on April 22 to review any additional information and will be presented at Annual Town Meeting. 		
16	CIP: Police – Cruiser Replacements <div style="text-align: right;">\$140,000</div>	The Appropriations Committee voted to unanimously recommend approval of this Article.
<ul style="list-style-type: none"> • Request to replace two police vehicles. This article supports the continued annual replacement of police cruisers on an established schedule of two vehicles one year and three the next. • Funded from Free Cash with no additional tax impact. 		

Article	Purpose of Article	Committee Vote and Recommendation
☆ NOTE: ALL PROPOSED BUDGET REQUESTS ARE WITHIN THE CONFINES OF PROPOSITION 2½ ☆		
17	CIP: Fire – Rescue 1 Replacement <div style="text-align: right;">\$1,250,000</div>	The Appropriations Committee voted to unanimously recommend approval of this Article.
<ul style="list-style-type: none"> • Request for funding to replace a 2004 Rescue Pumper. This proposal is to purchase a true rescue truck designed and equipped to function as a rescue truck. • Proposed to be funded with a combination of Free Cash (\$492,920), Premium Reserves (\$11,238), and borrowing (\$745,842) • Debt Authorization will require a 2/3 majority vote. If approved, the tax impact for the borrowing likely be negligible in FY2025, other than a potential charge for issuance costs. In FY2026, if bonded for ten years during FY2025, the tax impact would be approximately \$16.50 to the average single family home and would taper downward in subsequent years. 		
18	CIP: DPW - Facilities HVAC Upgrades / Modernization <div style="text-align: right;">\$250,000</div>	The Appropriations Committee voted to unanimously recommend approval of this Article.
<ul style="list-style-type: none"> • Request to fund the replacement of portions of the HVAC systems at the Police Station, Library, and Senior Center. • Funded from Free Cash with no additional tax impact. 		

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19	CIP: DPW – Police Station Siding <div style="text-align: right;">\$540,000</div>	The Appropriations Committee voted to unanimously recommend approval of this Article.
<ul style="list-style-type: none"> • Request to fund repairs to the building exterior at the Police Station building. This project will reappropriate \$70,000 approved in Article 16 at the 2023 Annual Town Meeting for painting the station. • The painting was not conducted due to building condition, which necessitate the siding project originally proposed to cost \$200,000. A recent architectural assessment has led to the estimate increasing to \$540,000. • The additional \$340,000 in Free Cash for this article is redirected from the DPW’s Hook Truck article, which is intended to be passed over and reconsidered for FY2026. • Funded from Free Cash (\$470,000) and the existing article (\$70,000), with no additional tax impact. 		
20	CIP: DPW – Fire Station Brick Repointing and Sealing <div style="text-align: right;">\$80,000</div>	The Appropriations Committee voted to unanimously recommend approval of this Article.
<ul style="list-style-type: none"> • Request to fund the repointing and sealing of the bricks at the Fire Station at 11 Pierce Street. Project is needed to extend life of building while in use, specifically to protect the building’s façade from moisture infiltration. • Funded from Free Cash with no additional tax impact. 		

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21	CIP: DPW – Road Improvements & Maintenance <div style="text-align: right;">\$310,000</div>	The Appropriations Committee voted to unanimously recommend approval of this Article.
<ul style="list-style-type: none"> • Funds needed in addition to the State’s Chapter 90 transportation funding to maintain current road conditions in accordance with the Pavement Management Plan. • Funded from Free Cash with no additional tax impact. 		
22	CIP: DPW – Enclosed Public Health Trailer <div style="text-align: right;">\$95,000</div>	The Appropriations Committee voted to unanimously recommend approval of this Article.
<ul style="list-style-type: none"> • Request to fund the purchase of a new enclosed trailer. The current enclosed trailer serves as an emergency facility with power, temperature control, cabinetry, and lighting. The new trailer will provide improved service for community events and activities such as elections, Applefest, health clinics, and other Town events. • Funded from Free Cash with no additional tax impact. 		
23	CIP: DPW – Drainage/Sidewalk Improvement Program <div style="text-align: right;">\$300,000</div>	The Appropriations Committee voted to unanimously recommend approval of this Article.
<ul style="list-style-type: none"> • Request for funds for repair and replacement of failing drainage and sidewalk infrastructure. • Funded from Overlay Surplus with no additional tax impact. 		

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27	<p>CIP: DPW – One-Ton Utility Truck with Plow Replacement</p> <p style="text-align: right;">\$140,000</p>	<p>The Appropriations Committee voted to unanimously recommend approval of this Article.</p>
<ul style="list-style-type: none"> ▪ Request to fund the purchase of a utility body truck to replace a 2014 model one-ton utility body truck that is used by the Water and Sewer Divisions. As part of this capital item the existing vehicle will be sold to the Northborough/Southborough Regional School District for \$20,000 in lieu of applying the amount as trade-in value. ▪ Funded from Water Enterprise Revenue (\$20,000 to account for the sale), Water Enterprise Fund Free Cash (\$72,000, 60%), and Sewer Enterprise Fund Free Cash (\$48,000, 40%) with no additional tax impact. 		
28	<p>CIP: DPW – Inflow & Infiltration (I&I) Mitigation</p> <p style="text-align: right;">\$380,000</p>	<p>The Appropriations Committee voted to unanimously recommend approval of this Article.</p>
<ul style="list-style-type: none"> ▪ Request for funds to remove non-sanitary flows from the sewer system as mandated by MassDEP under 314 CMR 12.04. The Town has a comprehensive 15-year inflow and infiltration elimination plan, and this is the third year of implementation. For each gallon of storm/groundwater that is removed from the sewer system, which is one less gallon that must be treated and one more gallon of capacity available for future use. ▪ Funded from Sewer Enterprise Fund Free Cash (\$372,399) and Sewer Premium Reserve (\$7,601) with no additional tax impact. 		
29	<p>CIP: School Dept – Peaslee Elementary – Asbestos Encapsulation – Chimney</p> <p style="text-align: right;">\$30,000</p>	<p>The Appropriations Committee voted to unanimously recommend approval of this Article.</p>
<ul style="list-style-type: none"> • Funds needed for the encapsulation of chimney ductwork at Marguerite E. Peaslee Elementary School. Funded from Free Cash with no additional tax impact. 		

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30	CIP: School Dept – Melican Middle School – Hot Water System Upgrade <div style="text-align: right;">\$30,000</div>	The Appropriations Committee voted to unanimously recommend approval of this Article.
<ul style="list-style-type: none"> ▪ Funds needed for upgrades to the hot water system at the Robert E. Melican Middle School. ▪ This article will re-appropriate a surplus balance remaining in Article 28 from 2011 Annual Town Meeting for Green Repairs at the Middle School. Funded from available funds with no additional tax impact. 		
31	CIP: School Dept – Melican Middle School – Pneumatic Controls Repairs <div style="text-align: right;">\$72,000</div>	The Appropriations Committee voted to unanimously recommend approval of this Article.
<ul style="list-style-type: none"> ▪ Funds needed for repairs to the pneumatic controls at the Robert E. Melican Middle School. ▪ This article will re-appropriate the surplus balance remaining in Article 28 from 2011 Annual Town Meeting for Green Repairs at the Middle School. Funded from available funds with no additional tax impact. 		
32	CIP: School Dept – Feasibility Study for Marguerite E. Peaslee Elementary School <div style="text-align: right;">\$900,000</div>	The Appropriations Committee voted to unanimously recommend approval of this Article.
<ul style="list-style-type: none"> ▪ Funds needed for a study that will provide the Town with options to either renovate or rebuild the Peaslee Elementary School. Approval required to advance grant eligibility from the Massachusetts School Building Administration (MSBA). ▪ Funded from Borrowing which requires a 2/3 majority vote. A reimbursement of approximately 50% by MSBA is anticipated so the true cost will be \$450,000. ▪ The tax impact would be approximately \$17 to the average single-family home in the first year that principal is payable and would taper downward in subsequent years if bonded for five years. 		

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☆ NOTE: ALL PROPOSED BUDGET REQUESTS ARE WITHIN THE CONFINES OF PROPOSITION 2½ ☆		
33	Lease & Power Purchase Agreement (PPA)- Proctor School <div style="text-align: right;">N/A</div>	The Appropriations Committee deferred their recommendation until Annual Town Meeting
<ul style="list-style-type: none"> • The article allows for 168kw solar system mounted to School’s roof pursuant to a PPA for 20 years. • The article will provide the School Department with \$10,000 utility savings annually and will reduce the School’s carbon footprint. • Budget capacity in the School Department’s budget will be gained through utility savings. • At the time of this report, the Committee was in favor of this article but was waiting for background information about the selection of PPA as the strategy and 20 years as the term. • The formal recommendation was deferred to the next meeting on April 22 to review any additional information and will be presented at Annual Town Meeting. 		
34	Lease & Power Purchase Agreement (PPA)- Lincoln Street School <div style="text-align: right;">N/A</div>	The Appropriations Committee deferred their recommendation until Annual Town Meeting
<ul style="list-style-type: none"> • The article allows for 237kw solar system mounted to School’s roof pursuant to a PPA for 20 years. • The article will provide the School Department with \$15,000 utility savings annually and will reduce the School’s carbon footprint. • Budget capacity in the School Department’s budget will be gained through utility savings. • At the time of this report, the Committee was in favor of this article but was waiting for background information about the selection of PPA as the strategy and 20 years as the term. • The formal recommendation was deferred to the next meeting on April 22 to review any additional information and will be presented at Annual Town Meeting. 		

Article	Purpose of Article	Committee Vote and Recommendation
☆ NOTE: ALL PROPOSED BUDGET REQUESTS ARE WITHIN THE CONFINES OF PROPOSITION 2½ ☆		
35	Lease & Power Purchase Agreement (PPA) - Zeh School <div style="text-align: right;">N/A</div>	The Appropriations Committee deferred their recommendation until Annual Town Meeting
<ul style="list-style-type: none"> • The article allows for a solar system mounted to School’s roof pursuant to a PPA for 20 years. • The article will provide the School Department with \$10,000 utility savings annually, and will reduce the School’s carbon footprint. • Budget capacity in the School Department’s budget will be gained through utility savings. • At the time of this report, the Committee was in favor of this article but was waiting for background information about the selection of PPA as the strategy and 20 years as the term. • The formal recommendation was deferred to the next meeting on April 22 to review any additional information and will be presented at Annual Town Meeting. 		
39	Authorization to Fund Spaces for Public Parking <div style="text-align: right;">\$10,000</div>	The Appropriations Committee voted to unanimously recommend approval of this Article.
<ul style="list-style-type: none"> • Authorization and funding for the purpose of leasing land along route 20 for the purpose of providing public parking. • Funded by taxation, and tax impact would be approximately \$1.50 to the average single-family home and is included in the \$614 estimate for the overall budget. 		

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40	Community Preservation Fund: Acquisition of 432 Whitney Street <div style="text-align: right;">\$1,700,000</div>	The Appropriations Committee voted to five to 1 (1-5-0) to NOT recommend approval of this Article.
<ul style="list-style-type: none"> ▪ Funds requested for the purpose of acquiring the 23.77+/- acres of land located at 352 Whitney Street for open space/passive recreation purposes and the development of up to eight affordable low-income dwelling units. ▪ Funded from the CPA Unreserved Fund (\$817,653), Conservation Fund (\$664,073) and CPA Revenues (\$218,274). ▪ The Committee discussed the fees and tax revenue that might be generated if the property was developed under the zoned use. 		
41	Community Preservation Fund: Soundproofing of Outdoor Pickleball Courts at Ellsworth McAfee Park <div style="text-align: right;">\$54,500</div>	The Appropriations Committee voted to unanimously recommend approval of this Article.
<ul style="list-style-type: none"> ▪ This project involves installation of ultraviolet (UV) tolerant soundproofing onto the top line of the existing fencing system to block the impact noise generated by pickleball sports. It will reduce noise below nuisance levels. • Funded from CPA Revenues. 		
42	Community Preservation Fund: Northborough Affordable Housing Corporation <div style="text-align: right;">\$126,856</div>	The Appropriations Committee voted to unanimously recommend approval of this Article.
<ul style="list-style-type: none"> ▪ Funds requested for the purpose of the creation and support of affordable housing by the NAHC. Transfers/Reimbursements will be contingent on funding agreement between NAHC and the Town's CPC and Select Board. ▪ Funded from CPA Revenues. 		

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43	Community Preservation Fund: Restoration of First Parish Church Steeple <div style="text-align: right;">\$210,000</div>	The Appropriations Committee voted to unanimously to NOT recommend approval of this Article.
<ul style="list-style-type: none"> ▪ Funds requested for First Parish Northborough Unitarian-Universalist Church for the structural restoration of the steeple. ▪ Funded from CPA Revenues. ▪ The Committee discussed the perception of using public funds for private property. 		
44	Community Preservation Fund: Aqueduct Historic Marker <div style="text-align: right;">\$4,729</div>	The Appropriations Committee voted to unanimously recommend approval of this Article.
<ul style="list-style-type: none"> ▪ Funds requested for the purchase and installation of a historic marker for the Aqueduct Bridge. ▪ Funded from CPA Revenues. 		
45	Community Preservation Fund: White Cliffs Debt Service <div style="text-align: right;">\$176,000</div>	The Appropriations Committee voted to unanimously recommend approval of this Article.
<ul style="list-style-type: none"> ▪ Funds requested for the seventh of ten payments required for the debt on the White Cliffs purchase. ▪ Funded with \$164,641 CPA Revenues and \$11,359 CPA Premium Reserve. 		

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46	Community Preservation Fund: Administrative Fund <div style="text-align: right;">\$41,000</div>	The Appropriations Committee voted to unanimously recommend approval of this Article.
<ul style="list-style-type: none"> ▪ Funds requested for the purpose of maintaining the CPA's annual Administrative Fund. ▪ Funded from CPA Revenues. 		
47	Rescind Authorized, Unissued Debt <div style="text-align: right;">(\$5,073,806)</div>	The Appropriations Committee voted to unanimously recommend approval of this Article.
<ul style="list-style-type: none"> ▪ Rescinding unissued debt is a housekeeping issue. There are 6 prior year borrowing authorizations from 2011 through 2016 Town Meetings for which debt was not issued either in part or in whole and the borrowing authority is no longer needed. Town Meeting action is required to rescind the authority to borrow. ▪ No tax impact. 		
Articles 1-2 and 36-38 and 48-65 do not require a recommendation from the Appropriations Committee		

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