

**SPECIAL TOWN MEETING ON THURSDAY, APRIL 4, 2002
AT 7PM AT DOUGLAS MIDDLE/HIGH SCHOOL**

Finance Committee Message

The mid-year Special Town Meeting scheduled for April 4th proposes to revise ownership and cancel borrowing related to the Old Elementary School on Gleason Court. The transfer of funds within our current FY02 budget will supplement the costs associated with closing the Town's financial books and performing the annual Town Audit. Ambulance usage has increased and the expenses for this service require a transfer from Ambulance Reserved Receipts. School requests for an increase, through borrowing by debt exclusion under Proposition 2 ½, to the school project funding and a Capital multi-purpose request to borrow and fund within our budgetary limits eight (8) time-sensitive, community improvement projects.

The Finance Committee is pleased to announce that we are working cooperatively with newly hired Town Administrator, Kenneth Mahony and Town Accountant, Richard Mathieu to build our budget for the next fiscal year. Our budget process is well under way and the FY03 budget should be ready for final recommendation soon.

Respectfully Submitted,
Pamela Holmes, Finance Committee Chair

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Article 1. Old Elementary School Disposition:

To see if the Town will vote to concur in the action of the School Committee to turn the Old Elementary School with associated land over to the Town under the control of the Board of Selectmen or to take any other action thereto.

Explanation: Legal requirements for the transfer of this school to the Board of Selectmen must be documented in order to move forward with expending funds for building stabilization and exploration of other uses.

Finance Committee voted to recommend this article

Article 2. Old Elementary School Bonds:

To see if the Town will vote to rescind its earlier authorization at the January 19, 2000 Special Town Meeting, to issue Bonds in the amount of \$2,464,107 for the repair and conversion of the Old Elementary School or to take any other action thereto.

Explanation: The Town voted to borrow money to renovate the Old Elementary School for use by the Schools. This was not done because the Town voted to fund a new High School. The financial records of the Town should be cleared of un-used authorizations.

Finance Committee voted to recommend this article

Article 3. Transfer Funds for Town Audit Account:

To see if the Town will vote to transfer \$15,000 from 189.000 Community Development 870.000 Equipment / Capital Item, to 136.000 Town Audit 801.000 Contractual Services or to take any other action thereto.

Explanation: The numbers within this article are the accounting numbers used to classify departments and their individual line items. The Town funded the unexpected amount of \$15,000. to close the financial records for the Fiscal Year 2001 through use of the appropriation for the Town Audit. Since we must audit the books, this amount has been identified as available from the Community Development Department's Equipment for use through a transfer.

Finance Committee voted to recommend this article

Article 4. Transfer Funds for Ambulance Account:

To see if the Town will vote to transfer \$2,500 from the Ambulance Reserve account to the Ambulance Expense account 231.000 Ambulance 726.000 Operating Expenses or to take any other action thereto.

Explanation: The numbers within this article are the accounting numbers used to classify departments and their individual line items. Ambulance Department has had more usage than planned and needs to have additional funds appropriated for Operating Expenses.

Finance Committee voted to recommend this article

Article 5. Funds for New School Project:

To see if the Town will vote to raise and appropriate, or transfer from available funds, or borrow \$770,000 in addition to sums previously appropriated for the purpose of the construction, purchase of equipment and furnishing of both a new high school and modifications to existing schools herein referred to as the "New School" Project, and to authorize the Treasurer, with the approval of the Board of Selectmen, to issue any bonds or notes that may be necessary for such purpose as authorized by the General Laws, Chapter 44, Section 7 (3), or any other general or special law, provided, however, that this appropriation and debt authorization shall be contingent upon the passage of a Proposition 2 ½ debt exclusion referendum under General Laws Chapter 59, paragraph 21C (k). Further, these funds be available to the School Building Committee established for the purpose of overseeing said project appointed by and under the direction of the School Committee.

Explanation: The School Committee has requested an additional amount of money for funding the current school building project. This amount requested matches a promised reimbursement to the Town through School Building Assistance for constructing a new \$1,000,000 cafeteria at the Elementary School. This \$770,000, as stated by the SBA, will eventually be reimbursed over a period of 20 years. It must be voted as a debt-exclusion and added as an additional amount to the current school project. A Ballot question will also be put to voters during an election.

Finance Committee voted to recommend an amended article. See below:

“Finance Committee moves to borrow \$770,000 in addition to sums previously appropriated for the purpose of the construction, purchase of equipment and furnishing of both a new high school and modifications to existing schools herein referred to as the “New School” Project, and to authorize the Treasurer, with the approval of the Board of Selectmen, to issue any bonds or notes that may be necessary for such purpose as authorized by the General Laws, Chapter 44, Section 7 (3), or any other general or special law, provided, however, that this appropriation and debt authorization shall be contingent upon the passage of a Proposition 2 ½ debt exclusion referendum under General Laws Chapter 59, paragraph 21C (k). Further, these funds be available to the School Building Committee established for the purpose of overseeing said project appointed by and under the direction of the School Committee. Additionally, that these funds be used for the specific needs identified by the School Committee in its request for this borrowing; 1. Project Management, 2. Relocation of existing portable classrooms at the Elementary School, 3. Air-conditioning of the classrooms in the New School, 4. Lightning protection for the New School.”

The School Committee and School Building Committee are pleased to report the new High School construction project continues to remain on time and on budget. We are also very pleased to report the availability of \$770,000 of new state funding. We will receive this money as the 77% reimbursement on the \$1,000,000 Elementary School Cafeteria project approved with the High School project in October 2000. The School Committee must seek Town Meeting approval to use this funding as part of the overall construction project. With the additional funds we can increase professional oversight of the entire project and restore building features that were regrettably pulled from the project budget due to extreme construction inflation.

Project Management: The School Building Committee will hire a Project Management firm to oversee construction of the new High School and both cafeteria additions. We feel this is a very worthwhile investment due to the importance of the project and necessity to keep to our budget and timeline. The hiring of a Project Management firm comes on the recommendation of the Northbridge Building Committee, who recently completed a similar project on time and on budget with the aid of a Project Management firm.

Moving Modular Classrooms: We have four modular classrooms located at the Elementary School, which must be removed to make room for the cafeteria addition. The state Department of Education also requires these classrooms be removed before they will fund this \$770,000 grant. Rather than remove them from the system and decrease student capacity, we will move them to the existing Middle/High School.

Building Project Features: Inflation hit the construction industry very hard during 2001, and as a result we cut important features from the High School project. With these funds we can restore some of these features, most importantly lightning protection and classroom air conditioning. Lightning protection is clearly important to protect the computer equipment in the building, and classroom air conditioning will allow us to expand summer programs and increase community use of the new High School.

The School Committee will hold a Public Information Meeting on the status of the school construction project on Tuesday, April 2 at 7:00pm in the Middle/High School Library. We will discuss and answer questions on the building layout, project timeline, and usage of the new \$770,000 state funding.

Article 6. Funding for Capital Projects:

To see if the Town will vote to raise and appropriate, transfer from available funds, or borrow the sum of \$605,000 to fund the capital projects listed below, and in the event of borrowing, to authorize the Treasurer with the approval of the Board of Selectmen to issue bonds or notes pursuant to Chapter 44 of the General Laws, or any other lawful authority, or take any other action relative thereto:

1. Remove hazardous material and re-roof the building referred to as The Old Elementary School.
2. Construct a connector drive way between the new Elementary School and the Middle / High School.
3. Replace roof, copper gutters, down spouts, repair chimney, replace roof hatch and perform miscellaneous repairs to the Town Library.
4. Remove hazardous materials remaining in the Old Town Hall.
5. Place fiber optic cable in drive between Elementary School and Middle / High School.
6. Construct new concrete pads and add new electrical connections at the Transfer Station.
7. Supplement available funds for lead paint removal and window replacement at the Early Childhood Center.
8. Repair the Old Fire Station roof.

Explanation: The Capital projects listed in this article have been identified by the Capital Improvement Committee as part of the Capital Plan. This total amount has been proposed by the new Town Administrator to be bundled, borrowed short-term and paid for through use of amounts from the Capital Budget over a period of 5-6 years. Since the Town's tax-rate has been set, the Town statutorily does not have the ability to "raise and appropriate" any more money this year.

Finance Committee voted to recommend this article with language to borrow or transfer from available funds.



**Town of Douglas
29 Depot Street
Douglas, MA 01516**

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**Special Town Meeting
Thursday, November 15, 2001
Douglas Middle/High School Auditorium**