



Town of Hudson

MASSACHUSETTS 01749-2134

To: Registered Voters

From: Thomas Gregory

Date: May 6, 2024

Re: Annual Town Meeting – Summary of Warrant Articles

The purpose of this memorandum is to provide to the registered voters attending the Annual Town Meeting on May 6, 2024 a summary of each of the articles which appear on the Warrant as well as the quantum of vote required for each article. While this summary is intended to provide a brief explanation of the articles, please remember that the Warrant remains the official document to be considered at the Annual Town Meeting.

Article 1 – This article was placed on the Warrant to anticipate receipt of invoices after the Town closed the FY2023 books. State statute requires that Town Meeting approve any bill of a prior fiscal year. There were four (4) bills received this year after the books were closed: one (1) for office supplies in the Executive Assistant’s Office; one (1) for HVAC repairs to the library; and, two (2) from a police department clothing vendor which total \$1,605.14. It is requested that previously certified and available Free Cash (i.e., previous year surplus funds) be used to pay these bills. A 4/5ths vote of Town Meeting is necessary for the passage of this article.

Article 2 – This article recommends that \$230,789 be transferred from previously certified and available Free Cash for the purpose of resolving projected current fiscal year departmental deficits including a deficit in the snow and ice control expenses account. At their meeting on April 23, 2024, the Finance Committee recommended favorable action. A majority vote of Town Meeting is required for the passage of this article.

Article 3 – This article, occurring each year, recommends funding a municipal general fund operating budget for the fiscal year that begins on July 1, 2024 and ends on June 30, 2025. The article includes the salaries and expenses of all municipal departments, including the school department, as well as debt service costs and operating support such as health insurance and the pension assessment. The Town’s assessment from the Assabet Valley Regional Technical High School is also included in this article. A majority vote of Town Meeting is required for the passage of this article.

Article 4 – On November 20, 2023, Town Meeting approved a borrowing authorization in the amount of \$975,950 for a new Fire Pumper. The purpose of this article was to give the Town the ability to place the order, anticipating that it would take some time for the pumper to be assembled and delivered. It was explained in November that a recommendation would follow at the 2024 Annual Town Meeting to pay for the pumper using previously certified and available Free Cash and rescind the borrowing. This article rescinds the borrowing and Article 5 funds the acquisition using Free Cash. A majority vote of Town Meeting is required for the passage of this article.

Article 5 – This article, occurring each year, recommends the adoption of a plan of capital improvements and acquisitions for FY2025 to be funded by a transfer of \$3,142,450 from previously certified and available Free Cash. Included in this article is a \$300,000 request to supplement the Town’s Chapter 90 apportionment from the state for roadway improvements. Hudson’s projected Chapter 90 apportionment for FY2025 is approximately \$580,000. A majority vote of Town Meeting is required for the passage of this article.

Article 6 – The Department of Public Works (DPW) is requesting that Town Meeting approve the acquisition of two (2) Vactor trucks for the water department. One was a scheduled replacement and the other is a replacement due to a loss which occurred as a result of a fire at the DPW garage on February 14, 2023. In order to expedite delivery to the Town of one of the Vactor trucks, the vendor has offered a multi-year lease purchase finance agreement. Town Meeting is required to authorize these types of multi-year agreements. A 2/3rds vote of Town Meeting is required for the passage of this article.

Article 7 – This article requests that Town Meeting appropriate from the Insurance Recovery Account proceeds received as a result of a fire that occurred at the Public Works garage on February 14, 2024. The total loss incurred was \$3,180,291.28, a figure which was finalized on April 26, 2024, after the Select Board signed the Warrant. State statute allows municipalities the ability to expend up to \$150,000 in insurance proceeds without further appropriation, and requires that Town Meeting authorize the expenditure above this amount. In this case, the amount over the statutory cap is \$3,030,291.98. A majority vote of Town Meeting is required for the passage of this article.

Article 8 – In November of 2018, Town Meeting authorized the establishment of a DPW Capital Stabilization Fund to capture unexpended balances from DPW-related capital projects and equipment acquisitions so that these funds would stay within this department for future capital projects. Town Meeting is being asked to use this funding source to pay for new computer equipment for the DPW. A 2/3rds vote of Town Meeting is required for the passage of this article.

Article 9 – In November of 2022, Town Meeting authorized the establishment of enterprise funds for water, sewer, and stormwater operations. This article recommends a FY2025 water enterprise fund budget. Beginning in FY2024, all water revenues and expenses were segregated in this separate fund. In addition, any year-end surplus remaining from water operations will be certified by the Department of Revenue as retained earnings which can only be used for water purposes in subsequent years. This article is a recurring article each May. A majority vote of Town Meeting is required for the passage of this article.

Article 10 – Similar to Article 9, this article recommends a FY2025 sewer enterprise fund budget. Beginning in FY2024, all sewer revenues and expenses were segregated in this separate fund. In addition, any year-end surplus remaining from sewer operations will be certified by the Department of Revenue as retained earnings which can only be used for sewer purposes in subsequent years. This article will be a recurring article each May. A majority vote of Town Meeting is required for the passage of this article.

Article 11 – Similar to Articles 9 and 10, this article recommends a FY2025 stormwater enterprise fund budget. Beginning in FY2024, all stormwater revenues and expenses were segregated in this separate fund. In addition, any year-end surplus remaining from stormwater operations will be certified by the Department of Revenue as retained earnings which can only be used for stormwater purposes in subsequent years. This article will be a recurring article each May. A majority vote of Town Meeting is required for the passage of this article.

Article 12 – In March, the Town received the cost estimate for renovations to Fire Headquarters and the estimate was considerably higher than anticipated. Multiple discussions with the architect were held to reduce the scope of the project to a level the Town could afford. The Finance Committee will be considering recommending the sum of \$1,200,000 from previously certified and available Free Cash to make up the difference between funds currently available for this project and funds needed. A majority vote of Town Meeting is required for the passage of this article.

Article 13 – This article, sponsored by the Veterans Director, requests that Town Meeting vote to accept local option increases to tax abatements for service-connected disabled military veterans. All of the abatements shown in the chart are partially reimbursed in varying amounts by the Division of Local Services (DLS). The amounts not reimbursed by the DLS are funded by the Overlay Reserve maintained by the Town’s Board of Assessors. A majority vote of Town Meeting is required for the passage of this article.

Article 14 – A regional school district may, upon a majority vote of all the members of the regional school district school committee and, with the approval of a majority of the local appropriating authorities [Town Meeting], establish a stabilization fund and may include in its annual budget for deposit in the stabilization fund an amount not exceeding five percent of the aggregate amount apportioned to the member municipalities for the preceding year. Expenditures out of the stabilization fund are authorized for any purpose for which regional school districts may borrow money and require a 2/3rds vote of the members of the regional district school committee. A 2/3rds vote of Town Meeting is required for passage of this article.

Article 15 – This article, occurring each year, recommends that a total of \$432,125 be appropriated from the PEG Access and Cable Related Fund, a special revenue fund, to support the operating costs of the HUD Access Television Studio as well as the costs associated with the Town’s Internet Network operations. These funds are derived from fees collected from customers by the cable operators in Hudson in connection with the franchise and required by cable licensing agreements to be used in support of public, educational, and government (PEG) programming. A majority vote of Town Meeting is required for passage of this article.

Article 16 – This article, occurring each year, recommends that \$25,000 be raised and appropriated and transferred into the Unemployment Compensation Trust Fund to fund the costs associated with reimbursements to the Commonwealth for unemployment compensation benefits and administration. These expenses had previously been carried in the operating budget until Town Meeting established a trust fund in May 2017 to better respond to fluctuations in expenses from year to year. A majority vote of Town Meeting is required for the passage of this article.

Article 17 – This article, occurring each year, recommends that \$278,000 be transferred from Overlay Surplus into the Workers Compensation Trust Fund to fund the annual premium associated with this required insurance coverage. Overlay Surplus are funds that have been released by vote of the Board of Assessors and can be appropriated for any lawful purpose. The Workers Comp premium expense had previously been carried in the operating budget until Town Meeting established a trust fund in May 2017 to better respond to fluctuations in premium costs from year to year. A majority vote of Town Meeting is required for the passage of this article.

Article 18 – This article recommends that \$605,000 be transferred from previously certified and available Free Cash to the Town’s General Stabilization Fund. In November of 2023, Town Meeting approved an appropriation of \$1,210,000 from the General Stabilization Fund to initiate a significant investment in upgrading the Town’s municipal financial platform. Because Free Cash is not available as a funding source in the fall, the recommendation was to “borrow” from the General Stabilization Fund and replenish the fund incrementally over the next couple of years. This article is the first reimbursement payment which represents 50% of the original appropriation. A majority vote of Town Meeting is required for the passage of this article.

Article 19 – At the time this article was included on the Warrant, there was an expectation that a recommendation would follow to transfer a sum of money from Free Cash to the Other Post-Employment Benefit Liability Trust Fund. Because of the competing demands on the use of Free Cash at this Town Meeting, there are not sufficient funds to transfer for this purpose. The Finance Committee, as a result, has no recommendation of the subject matter of this article.

Article 20 – This article, occurring each year, recommends that \$100,000 be raised and appropriated for transfer into the Reserve Fund to provide for extraordinary or unforeseen expenditures in FY2025. General Laws, Chapter 40, Section 6 grants the Finance Committee exclusive control of releasing funds from the Reserve Fund upon request. A majority vote of Town Meeting is required for the passage of this article.

Article 21 – This article, occurring every year, recommends that funds be appropriated or reserved from the community preservation annual revenues in specific amounts recommended by the Community Preservation Committee for FY2025. Towns that have adopted the Community Preservation Act (CPA) generate monies through the implementation of a local CPA property tax (1% in Hudson) and through the receipt of annual matching funds from the statewide CPA trust fund. The statewide CPA trust fund revenues are derived from a surcharge placed on all real estate transactions at the state’s registries of deeds. Total CPA estimated revenue to the Town is shown below. A majority vote of Town Meeting is required for the passage of this article.

Total Estimated Surcharge Revenue	\$590,816
Interest	\$40,000
CP2 Actual State Match November 2023 - 21.02%	\$123,315
Total Estimated Town and State CPA Revenue	\$754,131

Article 22 – This article recommends four (4) appropriations from the Community Preservation undesignated fund balance for the following purposes: \$30,000 for the restoration of the Liberty Park Monument; \$214,500 for Morgan Bowl Bleacher and Facilities Design Services; \$1,100 for additional historic signs for the Historic Commission; and, \$200,000 in matching funds for the Massachusetts Central Rail Trail Design Grant. A majority vote of Town Meeting is required for the passage of this article.

Article 23 – This article recommends that \$75,413.10 in FY2025 Community Preservation Funds (a 10% set-aside of total estimated CPA revenue) be transferred from the Community Preservation Reserve for Community Housing Fund Balance to the Municipal Affordable Housing Trust. A majority vote of Town Meeting is required for the passage of this article.

Article 24 – This article recommends that \$104,000 be transferred from the Community Preservation Undesignated Fund Balance to pay the FY2025 debt service costs associated with the Centennial Beach renovation project borrowing. This article will appear on the Warrant each year until the debt for this project has been retired. A majority vote of Town Meeting is required for the passage of this article.

Article 25 – This article, occurring on the Warrant each year, recommends that \$709,512 be appropriated to offset the operating costs of maintaining joint police and fire dispatch. Once Town Meeting approves this article, these funds are raised on the tax recapitulation sheet in December during the tax rate setting process. In an agreement signed in 2010, the Hudson tenants within the Highland Commons Shopping Center are required to provide public safety fees to the Town to cover the costs of the Town’s dispatch operations. A majority vote of Town Meeting is required for the passage of this article.

Article 26 – This article, occurring on the Warrant each year, recommends that \$16,100 be transferred from previously certified and available Free Cash to cover Hudson’s share of the ongoing expenses related to invasive weed control on Lake Boon. The Lake Boon Commission was created in 1941 by the State Legislature to regulate recreational activities and the use of motorboats on Lake Boon. Expenses are allocated between Stow and Hudson, with Stow responsible for 2/3rds and Hudson responsible for 1/3rd. A majority vote of Town Meeting is required for the passage of this article.

Article 27 – This article recommends that \$3,000 be transferred from previously certified and available Free Cash to cover the costs of OARS, Inc., a local non-profit organization, which performs annual water quality monitoring of the Assabet River in Hudson as well as services to control invasive water chestnut plants in the Assabet River in Hudson. A majority of vote of Town Meeting is required for the passage of this article.

Article 28 – This article requests that Town Meeting authorize a borrowing of \$675,000 so that the Department of Public Works may acquire a new vactor truck for use by the Water Division. The borrowing authorization is being requested in the event that the FY2024 water retained earnings are insufficient to cover the full cost of the vactor truck. A 2/3rds vote of Town Meeting is required for the passage of this article.

Article 29 – This article, occurring on the Warrant each year, requests that Town Meeting authorize the annual spending limit for all of the Town’s revolving funds. A revolving fund is a fund intended to capture fees or other revenue so that expenses related to the purpose of the fund may then be paid. Revolving funds have been established in the Town’s General Bylaws, and each year Town Meeting authorizes a spending limit for each revolving fund. A majority vote of Town Meeting is required for the passage of this article.

Article 30 – This article, occurring on the Warrant each year, recommends that the Town accept \$225,000 from Hudson Light and Power. These funds represent a payment in-lieu-of taxes to the Town of Hudson. When approved, these funds will be applied to Line 48 (Contributory Retirement and Pensions) in the operating budget (see Article 3). A majority vote of Town Meeting is required for the passage of this article.

Article 31 – This article, occurring on the Warrant each year, provides an opportunity for the formal acceptance of the Annual Town Report. A majority vote of Town Meeting is required for the passage of this article.

Article 32 – This article requests that Town Meeting authorize the Department of Public Works to enter into multi-year contract for the operation of the Town’s Wastewater Treatment Plant. The recommended change in the model of operation reflects the increasing difficulty municipalities are experiencing hiring employees who have the necessary state-mandated licenses to perform the required tasks. A request for proposals was issued earlier in the year to qualified engineering firms. A majority vote of Town Meeting is required for the passage of this article.

Articles 33 and 34 – These articles request that Town Meeting authorize the Select Board to accept drainage easements at 106 Park Street and 108 Park Street, respectively. During the previous two years, significant damage to drainage infrastructure has occurred at the intersection of Brigham Street and Park Street. The Department of Public Works commissioned an engineering study and a borrowing authorization was approved at the November 2023 Special Town Meeting to redesign and reconstruct the drainage culverts. These easements would provide a legal mechanism for the Town to maintain the portion of this drainage infrastructure that is sited on private property. A 2/3rds vote of Town Meeting is required for the passage of these articles.

Article 35 – This article requests that Town Meeting authorize the Select Board to accept a confirmatory easement plan over and under a parcel of real property on Main Street. The article corrects an error with the metes and bounds on the existing plan; and, requests that Town Meeting authorize the Select Board to extinguish the existing incorrect easement plan. A 2/3rds vote of Town Meeting is required for the passage of this article.

Article 36 – This is a petitioned article which requests that \$20,000 be transferred from available funds (Free Cash) to fund addiction-related services provided by the Addiction Referral Center in Marlborough. A majority vote of Town Meeting is required for the passage of this article.

Article 37 – This is a petitioned article requesting that the Town Meeting vote to place a question on an upcoming election asking the voters to decide whether to become an MBTA Community. A majority vote of Town Meeting is required for the passage of this article.

Articles 38-41 – These are petitioned articles which request that the Town either convey or lease, as the case may be, various parcels of real property which are purported by the petitioners to be owned by the Town of Hudson. A 2/3rds vote of Town Meeting is required for the passage of this article.

cc: Select Board
Finance Committee
All Departments
Interested Parties