

## **Board of Selectmen**

*Glenn D. Trindade, Chair*

*Maryjane White, Vice-Chair*

*Richard A. D'Innocenzo, Clerk*

*Dennis P. Crowley*

*John A. Foresto*



Medway Town Hall  
155 Village Street  
Medway, MA 02053  
Phone (508) 533-3264  
Fax (508) 321-4988

# **TOWN OF MEDWAY**

## **COMMONWEALTH OF MASSACHUSETTS**

### **Board of Selectmen's Meeting**

**March 20, 2017 7:00 PM**

**Sanford Hall, Town Hall**

**155 Village Street**

### **Agenda**

7:00 PM

- Call to order; Recitation of the Pledge of Allegiance
- Public Comments

#### Other Business

1. Fiscal Year 2016 Audit Presentation – Melanson & Heath; Quarterly Investment Report and Tax Title Informational Discussion
2. Discussion with Board of Water/Sewer Commissioners – Fiscal Year 2018 Budget
3. Consideration of Appointment – Conservation Commission – (1 Vacancy) Kathy Clark, Margery Queenan
4. Vote Articles and Recommendations - May 8, 2017 Annual Town Meeting Warrant (ATM Articles 3, 4, 5, 7, 10, 11 and 31-49)
5. Discuss/Vote – Accept Mass. General Law Chapter 32B, Sections 21-23 (Employee/Retiree Health Insurance)
6. Special Event Approval – 15<sup>th</sup> Annual ALS TDI Tri-State Trek – June 23, 2017
7. One-day Liquor License Requests for Events to be Held at Thayer Homestead
  - a. Caroline Ferns – March 24, 2017gLE
  - b. Shari Daly/Medway HS Gymnastics – April 27, 2017
  - c. Richard MacDougall – June 3, 2017
  - d. Karyl Wong – July 23, 2017
8. Action Items from Previous Meeting
9. Approval of Minutes
10. Town Administrator's Report
11. Selectmen's Reports
12. Approval - Authorization for Town Administrator to Execute Health Insurance Agreement
13. Executive Session: Exemption 6. To consider the purchase, exchange, lease or value of real property if the chair declares that an open meeting may have a detrimental effect on the negotiating position of the public body; (58 Oakland Street) The Board will not return to public session.

---

For more information on agenda items, please visit the Board of Selectmen's page at  
[www.townofmedway.org](http://www.townofmedway.org)

Upcoming Meetings, Agenda and Reminders

April 3, 2017 --- Regular Meeting  
April 18, 2017 ---- Regular Meeting (holiday week)

# **AGENDA**

## **ITEM #1**

**Fiscal Year 2016 Audit Presentation – Melanson & Heath; Quarterly Investment Report and Tax Title Informational Discussion**

**Associated backup materials attached:**

- FY16 Audit Materials



January 11, 2017

Michael Boynton  
Town Administrator  
Town of Medway  
155 Village Street  
Medway, Massachusetts 02053

10 New England Business  
Center Dr. • Suite 107  
Andover, MA 01810  
(978)749-0005  
melansonheath.com

Additional Offices:  
Nashua, NH  
Manchester, NH  
Greenfield, MA  
Ellsworth, ME

Dear Mr. Boynton,

During the course of our 2016 audit we identified certain areas where improvements and/or efficiencies could be made. The following summarizes these issues very briefly:

Prepare to Implement GASB 74 and 75 for OPEB

Beginning in fiscal year 2017, the Town will be required to implement the Governmental Accounting Standards Board (GASB) Statement 74 *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB)*, and in fiscal year 2018 GASB Statement 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. GASB 74 applies if a trust fund has been established to fund future OPEB costs, and GASB 75 applies whenever OPEB benefits are offered. GASB has taken the position that OPEB is a form of compensation and the liability/expense should be recognized while the employee provides service to the government. GASB Statements 74 and 75 replace Statements 43 and 45, and require the full net OPEB liability and related expenses to be presented on the government's accrual basis financial statements. Previously, the liability was recorded incrementally, generally increasing based on the degree to which a government funded the annual required contribution. It is expected that the implementation of these accounting standards will have a material impact on the Town's financial statements, including the recording of a larger net OPEB liability and substantial new disclosures.

We recommend the Town begin planning for the implementation of GASB 74 and 75, which includes gaining an understanding of the new requirements, educating applicable financial statement users, and ensuring that actuarial valuations are performed in a timely manner and in compliance with the new requirements. More specifically, since the Town has established an OPEB Trust Fund, GASB 74 will require additional required supplementary information in the fiscal 2017 audited financial statements; however, the Town will also need a valuation prepared under GASB 45 in order to record the Town's liability on its government-wide financial statements. Therefore it is critical that the Town coordinate with its actuary to discuss the need for two valuation reports, one prepared under GASB 74 and one under GASB 45. It will be also important for the Town to maintain an adequate system of documentation to support the employee census data

information provided to the actuary, since this information will now be subject to annual audit testing.

### Prepare for New Single Audit Guidelines Over Procurement

In fiscal year 2016, there were new requirements related to the Single Audit Act as a result of OMB's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (UG). Included in these new requirements were new procurement rules over purchases made with federal grant funds, which differ in certain respects from Massachusetts procurement laws (MGL Ch.30b, et al). The OMB provided a grace period of two full fiscal years after the effective date of the Uniform Guidance to allow entities to comply with the new procurement standards. Consequently, the new procurement standards will be effective as of July, 1 2017. Under the new requirements, Federal award recipients must:

- Establish written policies and procedures for the following:
  - Procurement in compliance with new procurement standards
  - Standards of conduct covering conflicts of interest
  - Process for conducting proposal evaluations
- Maintain certain records to detail the history of procurement
- Implement oversight procedures to ensure contractors perform in accordance with terms

Differences to MGL Ch. 30B include:

- Under the new rules, purchases of \$3,000 - \$10,000 must have evidence of obtaining/evaluating prices from more than one source; MGL Ch. 30B does not contain any requirements for purchases under \$10,000.
- There are no exemptions allowed under the new procurement standards; MGL includes exemptions for certain types of purchases such as Special Education services and supplies.
- Sole source/no competition purchases are only allowed in certain situations and are not dependent on the purchase amount; MGL sole source requirements are less specific.

We recommend the Town review the new requirements and modify their own procurement policy to ensure compliance with Uniform Guidance.

### Document Policies and Procedures Over Federal Awards

In fiscal year 2015, there were significant new requirements related to Federal awards, established through OMB's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (UG). The new requirements stipulate that federal award recipients must document their policies and procedures over certain

aspects of financial and program management. Specifically, written policies are required for the following:

- Cash management
- Determination of allowable costs
- Employee travel
- Procurement
- Subrecipient monitoring and management

We recommend the Town ensure that written policies and procedures are compiled and adopted as soon as practicable to avoid any new single audit compliance findings in fiscal year 2017.

#### Other Issues

##### Treasurer

- Old outstanding checks should be voided and removed from bank reconciliations and moved to a tailing liability at least annually.

##### Assessor

- Old uncollectable receivables (some dating back to 1997) should be formally abated.

##### Accountant

- All journal entries should contain dual signatures documenting preparer and reviewer.

##### Other

- Policies and procedures should be written to document requirements and pay for extended hours worked by salaried employees.

We encourage the Town to implement these recommendations in order to improve controls and efficiencies. I will be available to discuss these with you in more detail at your convenience.

Sincerely,



Frank R. Biron, CPA  
President



10 New England Business  
Center Dr. • Suite 107  
Andover, MA 01810  
(978)749-0005  
melansonheath.com

Michael Boynton  
Town Administrator  
Town of Medway  
155 Village Street  
Medway, MA 02053

Additional Offices:  
Nashua, NH  
Manchester, NH  
Greenfield, MA  
Ellsworth, ME

Dear Mr. Boynton:

We have audited the financial statements of the Town of Medway, Massachusetts as of and for the year ended June 30, 2016 and have issued our report thereon dated January 11, 2017. Professional standards require that we advise you of the following matters relating to our audit.

#### **Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Town solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our findings regarding significant control deficiencies over financial reporting *and material weaknesses* and material noncompliance, and other matters noted during our audit in a separate letter to you dated January 11, 2017.

## **Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

## **Compliance with All Ethics Requirements Regarding Independence**

The engagement team and others in our Firm have complied with all relevant ethical requirements regarding independence. Safeguards that have been applied to eliminate threats to independence or reduce them to an acceptable level include annual certification by all Firm staff of independence.

## **Qualitative Aspects of the Entity's Significant Accounting Practices**

### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the Town is included in the notes to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during the year ended June 30, 2016. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

### *Significant Accounting Estimates*

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are:

- Estimated lives and depreciation methods for depreciable assets.
- Collectability of receivables.
- Net OPEB obligation.
- Net pension liability.
- Estimated liability for potential tax refunds.

Management's estimates of the above are based on various criteria. We evaluated the key factors and assumptions used to develop these estimates and determined that it is



reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

### *Financial Statement Disclosures*

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. We noted no particularly sensitive disclosures affecting the Town's financial statements.

### **Identified or Suspected Fraud**

We have not identified or obtained information that indicates that fraud may have occurred.

### **Significant Difficulties Encountered during the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

### **Uncorrected and Corrected Misstatements**

As an added service to the Town, we assisted in compiling the government-wide financial statements, including consolidating various funds into governmental activities, converting to the accrual basis of accounting, and recording all long-term assets, long-term liabilities, and net position classifications. This consolidation and conversion process was based on information from the Town's accounting records.

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. None of the misstatements identified by us as a result of our audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole or applicable opinion units.

### **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Town's financial statements or the auditors' report. No such disagreements arose during the course of the audit.

### **Representations Requested from Management**

We have requested certain written representations from management, which are included in the letter dated January 11, 2017.

### **Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

### **Other Significant Matters, Findings or Issues**

In the normal course of our professional association with the Town, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Town's auditors.

### **Other Information in Documents Containing Audited Financial Statements**

Pursuant to professional standards, our responsibility as auditors for other information in documents containing the Town's audited financial statements does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to corroborate such other information. However, in accordance with such standards, we have read the information (if applicable) and considered whether such information, or the manner of its presentation, was materially inconsistent with the presentation in the financial statements.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

This report is intended solely for the information and use of the governing body and management of the Town and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,



January 11, 2017

**TOWN OF MEDWAY, MASSACHUSETTS**

**Annual Financial Statements**

**For the Year Ended June 30, 2016**

**Town of Medway, Massachusetts**

**TABLE OF CONTENTS**

	<b><u>PAGE</u></b>
<b>INDEPENDENT AUDITORS' REPORT</b>	1
<b>MANAGEMENT'S DISCUSSION AND ANALYSIS</b>	4
<b>BASIC FINANCIAL STATEMENTS:</b>	
<b>Government-Wide Financial Statements:</b>	
Statement of Net Position	12
Statement of Activities	13
<b>Fund Financial Statements:</b>	
<b>Governmental Funds:</b>	
Balance Sheet	14
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities in the Statement of Net Position	15
Statement of Revenues, Expenditures, and Changes in Fund Balances	16
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	17
Statement of Revenues and Other Sources, and Expenditures and Other Uses - Budget and Actual - General Fund	18
<b>Proprietary Funds:</b>	
Statement of Net Position	19
Statement of Revenues, Expenses, and Changes in Fund Net Position	20
Statement of Cash Flows	21
<b>Fiduciary Funds:</b>	
Statement of Fiduciary Net Position	22
Statement of Changes in Fiduciary Net Position	23
<b>Notes to Financial Statements</b>	24
<b>REQUIRED SUPPLEMENTARY INFORMATION:</b>	
Schedule of OPEB Funding Progress	54
Schedule of Proportionate Share of the Net Pension Liability	55
Schedule of Pension Contributions	56



10 New England Business  
Center Dr. • Suite 107  
Andover, MA 01810  
(978)749-0005  
melansonheath.com

## INDEPENDENT AUDITORS' REPORT

To the Board of Selectmen  
Town of Medway, Massachusetts

Additional Offices:  
Nashua, NH  
Manchester, NH  
Greenfield, MA  
Ellsworth, ME

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Medway, Massachusetts, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the Table of Contents.

### **Management's Responsibility for the Financial Statements**

The Town's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion

on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Medway, Massachusetts, as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, the Schedule of OPEB Funding Progress, the Schedule of Proportionate Share of Net Pension Liability, and the Schedule of Pension Contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the *Governmental Accounting Standards Board*, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with evidence sufficient to express an opinion or provide any assurance.

### *Other Reporting Required by Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 11, 2017 on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial report-

ing and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

*Melanson Heath*

January 11, 2017

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

As management of the Town of Medway, Massachusetts, we offer readers this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2016.

### **A. OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the basic financial statements. The basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of our finances in a manner similar to a private-sector business.

The Statement of Net Position presents information on all assets, liabilities, and deferred outflows/inflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position is improving or deteriorating.

The Statement of Activities presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities include general government, public safety, education, public works, health and human services, and culture and recreation. The business-type activities include water, ambulance service, sewer, and solid waste collection activities.

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. All of the funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.



**Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

An annual appropriated budget is adopted for the general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

**Proprietary funds.** Proprietary funds are maintained as follows:

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Specifically, enterprise funds are used to account for water, ambulance, sewer, and solid waste collection operations.

Proprietary funds provide the same type of information as the business-type activities reported in the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water, ambulance, sewer and solid waste funds, which are considered to be major funds.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

**Notes to financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information

which is required to be disclosed by accounting principles generally accepted in the United States of America.

## **B. FINANCIAL HIGHLIGHTS**

- As of the close of the current fiscal year, the total of assets exceeded liabilities by \$99,403,143 (i.e., net position), a change of \$1,397,393 in comparison to the prior year.
- As of the close of the current fiscal year, governmental funds reported combined ending fund balances of \$20,547,128, a change of \$1,041,972 in comparison to the prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$6,898,188, a change of \$291,025 in comparison to the prior year.
- Total long-term debt (i.e., bonds payable) at the close of the current fiscal year was \$38,498,858, a change of \$(2,348,165) in comparison to the prior year.

## **C. GOVERNMENT-WIDE FINANCIAL ANALYSIS**

The following is a summary of condensed government-wide financial data for the current and prior fiscal years.

	<u>NET POSITION</u>					
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Current and other assets	\$ 29,703	\$ 27,018	\$ 5,664	\$ 7,765	\$ 35,367	\$ 34,783
Capital assets	115,794	115,150	36,582	35,690	152,376	150,840
Deferred outflows	3,937	689	119	21	4,056	710
<b>Total assets</b>	<b>149,434</b>	<b>142,857</b>	<b>42,365</b>	<b>43,476</b>	<b>191,799</b>	<b>186,333</b>
Long-term liabilities outstanding	67,565	65,489	11,163	10,423	78,728	75,912
Other liabilities	9,576	8,845	2,457	3,571	12,033	12,416
Deferred inflows	1,587	-	48	-	1,635	-
<b>Total liabilities</b>	<b>78,728</b>	<b>74,334</b>	<b>13,668</b>	<b>13,994</b>	<b>92,396</b>	<b>88,328</b>
Net position:						
Net investment in capital assets	86,828	84,625	23,517	25,435	110,345	110,060
Restricted	9,012	8,602	-	-	9,012	8,602
Unrestricted	(25,134)	(24,704)	5,180	4,047	(19,954)	(20,657)
<b>Total net position</b>	<b>\$ 70,706</b>	<b>\$ 68,523</b>	<b>\$ 28,697</b>	<b>\$ 29,482</b>	<b>\$ 99,403</b>	<b>\$ 98,005</b>

**CHANGES IN NET ASSETS**

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 3,268	\$ 2,869	\$ 5,271	\$ 5,130	\$ 8,539	\$ 7,999
Operating grants and contributions	18,739	16,266	-	-	18,739	16,266
Capital grants and contributions	1,346	262	-	-	1,346	262
General revenues:						
Property taxes	33,449	31,524	-	-	33,449	31,524
Excises	1,883	1,915	-	-	1,883	1,915
Penalties and interest on taxes	213	267	-	-	213	267
Grants and contributions not restricted to specific programs	1,257	1,183	-	-	1,257	1,183
Investment income	112	90	1	10	113	100
Other	306	401	205	41	511	442
<b>Total revenues</b>	<b>60,573</b>	<b>54,777</b>	<b>5,477</b>	<b>5,181</b>	<b>66,050</b>	<b>59,958</b>
<b>Expenses:</b>						
General government	2,974	2,925	-	-	2,974	2,925
Public safety	3,718	3,506	-	-	3,718	3,506
Education	38,512	32,682	-	-	38,512	32,682
Public works	2,966	2,992	-	-	2,966	2,992
Human services	560	519	-	-	560	519
Culture and recreation	1,026	5,055	-	-	1,026	5,055
Employee benefits	7,375	6,840	-	-	7,375	6,840
Interest on long-term debt	869	877	-	-	869	877
Intergovernmental	750	705	-	-	750	705
Water	-	-	2,241	2,153	2,241	2,153
Ambulance	-	-	647	591	647	591
Sewer operations	-	-	1,625	1,386	1,625	1,386
Solid waste	-	-	1,375	1,258	1,375	1,258
<b>Total expenses</b>	<b>58,750</b>	<b>56,101</b>	<b>5,888</b>	<b>5,388</b>	<b>64,638</b>	<b>61,489</b>
Change in net position before transfers	1,823	(1,324)	(411)	(207)	1,412	(1,531)
Transfers in (out)	360	71	(374)	(246)	(14)	(175)
Change in net position	2,183	(1,253)	(785)	(453)	1,398	(1,706)
Net position - beginning of year	68,523	69,776	29,482	29,935	98,005	99,711
Net position - end of year	\$ 70,706	\$ 68,523	\$ 28,697	\$ 29,482	\$ 99,403	\$ 98,005

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, total net position was \$99,403,143, a change of \$1,397,393 from the prior year.

The largest portion of net position \$110,344,802 reflects our investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding. These capital assets are used to provide services to citizens; consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of net position \$9,011,898 represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position reflects a deficit balance of \$(19,953,557) caused primarily by unfunded post-employment benefits and pension liability (see Notes 19 and 20).

**Governmental activities.** Governmental activities for the year resulted in a change in net position of \$2,182,981. Key elements of this change are as follows:

General fund operations, as discussed further in Section D	\$ 1,529,383
Community preservation surplus - operating results	250,946
Nonmajor funds - accrual basis	2,094,521
Depreciation expense in excess of principal debt service	(668,569)
Change in other post employment benefits liability	(2,261,793)
Change in net pension liability	(487,089)
Other GAAP accruals	<u>1,725,582</u>
Total	<u>\$ 2,182,981</u>

**Business-type activities.** Business-type activities for the year resulted in a change in net position of \$(785,588). Key elements of this change are as follows:

Water operations	\$ (292,570)
Ambulance operations	(52,046)
Sewer operations	(316,711)
Solid waste operations	<u>(124,261)</u>
Total	<u>\$ (785,588)</u>

#### **D. FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS**

As noted earlier, fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources.

Such information is useful in assessing financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, governmental funds reported combined ending fund balances of \$20,547,128, a change of \$1,041,972 in comparison to the prior year. Key elements of this change are as follows:

General fund operating results	\$ 1,529,383
Community preservation	250,946
Nonmajor funds	<u>(738,357)</u>
Total	<u>\$ 1,041,972</u>

The general fund is the chief operating fund. At the end of the current fiscal year, unassigned fund balance of the general fund was \$6,898,188 while total fund balance was \$12,257,442. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Refer to the table below.

<u>General Fund</u>	<u>6/30/16</u>	<u>6/30/15</u>	<u>Change</u>	<u>% of Total General Fund Expenditures</u>
Unassigned fund balance	\$ 6,898,188	\$ 6,607,163	\$ 291,025	15.0%
Total fund balance	\$ 12,257,442	\$ 10,728,059	\$ 1,529,383	26.6%

The total fund balance of the general fund changed by \$1,529,393 during the current fiscal year. Key factors in this change are as follows:

Excess revenues over budget	\$ 1,503,139
Budgetary appropriation surplus	886,369
Excess of tax collections over budget	238,123
Shortfall of current year encumbered appropriations to be spent in the subsequent year over prior year encumbrances spent in the current year	(110,116)
Change in stabilization/fiscal stability	(23,132)
Use of free cash	(975,000)
Other timing issue	<u>10,000</u>
Total	<u>\$ 1,529,383</u>

Included in the total general fund balance are the Town's stabilization and fiscal stability accounts with the following balances:

	<u>6/30/16</u>	<u>6/30/15</u>	<u>Change</u>
General trust stabilization	\$ 2,041,113	\$ 1,925,866	\$ 115,247
General operating stabilization	83,700	683,407	(599,707)
Stabilization storm reserve	213,171	212,389	782
Stabilization health insurance	52,884	52,699	185
Stabilization ESCO	82,195	125,298	(43,103)
Stabilization capital improvements	342,101	340,905	1,196
Stabilization DPS facility	504,436	2,168	502,268
Fiscal stability	<u>804,159</u>	<u>804,159</u>	<u>-</u>
Total	<u>\$ 4,123,759</u>	<u>\$ 4,146,891</u>	<u>\$ (23,132)</u>

**Proprietary funds.** Proprietary funds provide the same type of information found in the business-type activities reported in the government-wide financial statements, but in more detail.

Unrestricted net position of the enterprise funds at the end of the year amounted to \$5,179,984, a change of \$1,132,270 in comparison to the prior year.

Other factors concerning the finances of proprietary funds have already been addressed in the entity-wide discussion of business-type activities.

#### **E. GENERAL FUND BUDGETARY HIGHLIGHTS**

There were no material differences between the original budget and final amended budget.

#### **F. CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital assets.** Total investment in capital assets for governmental and business-type activities at year-end amounted to \$152,376,504 (net of accumulated depreciation), a change of \$1,536,085 from the prior year. This investment in capital assets includes land, buildings and system, improvements, and machinery and equipment.

Major capital asset events during the current fiscal year included the following:

- \$1,863,797 – Water main replacement

Additional information on capital assets can be found in the Notes to the Financial Statements.

**Long-term debt.** At the end of the current fiscal year, total bonded debt outstanding was \$38,498,858, all of which was backed by the full faith and credit of the government.

Additional information on long-term debt can be found in the Notes to the Financial Statements.

### **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the Town of Medway, Massachusetts' finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Office of Finance Director  
Town of Medway, Massachusetts  
155 Village Street  
Medway, Massachusetts 02053

## TOWN OF MEDWAY, MASSACHUSETTS

## STATEMENT OF NET POSITION

JUNE 30, 2016

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Current:			
Cash and short-term investments	\$ 26,490,498	\$ 3,818,932	\$ 30,309,430
Receivables, net of allowance for uncollectibles:			
Property taxes	872,045	-	872,045
Excises	64,312	-	64,312
User fees	-	1,222,281	1,222,281
Departmental and other	519,733	-	519,733
Intergovernmental	551,140	623,213	1,174,353
Noncurrent:			
Receivables, net of allowance for uncollectibles:			
Property taxes	1,206,052	-	1,206,052
Capital Assets:			
Land and construction in progress	47,296,398	4,735,079	52,031,477
Other capital assets, net of accumulated depreciation	68,497,685	31,847,342	100,345,027
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	<u>3,936,569</u>	<u>118,823</u>	<u>4,055,392</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>149,434,432</b>	<b>42,365,670</b>	<b>191,800,102</b>
<b>LIABILITIES</b>			
Current:			
Warrants payable	957,408	99,928	1,057,336
Accrued liabilities	2,298,847	102,617	2,401,464
Notes payable	3,129,450	1,379,498	4,508,948
Tax refunds payable	508,444	-	508,444
Other current liabilities	267,762	12,957	280,719
Current portion of long-term liabilities:			
Bonds payable	2,335,494	858,985	3,194,479
Capital lease	26,562	-	26,562
Compensated absence	50,960	3,812	54,772
Noncurrent:			
Bonds payable, net of current portion	25,513,983	9,790,396	35,304,379
Capital lease, net of current portion	27,426	-	27,426
Compensated absence, net of current portion	458,638	34,320	492,958
Accrued other post-employment benefits	22,729,457	769,671	23,499,128
Net pension liability	18,836,389	568,565	19,404,954
<b>DEFERRED INFLOWS OF RESOURCES</b>	<u>1,587,473</u>	<u>47,917</u>	<u>1,635,390</u>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<b>78,728,293</b>	<b>13,668,666</b>	<b>92,396,959</b>
<b>NET POSITION</b>			
Net investment in capital assets	86,827,782	23,517,020	110,344,802
Restricted for:			
Grants and other statutory restrictions	8,292,961	-	8,292,961
Permanent funds:			
Nonexpendable	110,869	-	110,869
Expendable	608,068	-	608,068
Unrestricted	<u>(25,133,541)</u>	<u>5,179,984</u>	<u>(19,953,557)</u>
<b>TOTAL NET POSITION</b>	<b>\$ <u>70,706,139</u></b>	<b>\$ <u>28,697,004</u></b>	<b>\$ <u>99,403,143</u></b>

The accompanying notes are an integral part of these financial statements.



TOWN OF MEDWAY, MASSACHUSETTS

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2016

	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Governmental Activities:</b>							
General government	\$ 2,973,899	\$ 468,564	\$ 530,361	\$ -	\$ (1,974,974)	\$ -	\$ (1,974,974)
Public safety	3,717,934	489,024	30,416	-	(3,198,494)	-	(3,198,494)
Education	38,511,693	2,156,740	17,066,957	371,094	(18,916,902)	-	(18,916,902)
Public works	2,966,223	7,505	502,010	975,173	(1,481,535)	-	(1,481,535)
Health and human services	560,455	78,285	99,136	-	(383,034)	-	(383,034)
Culture and recreation	1,026,395	67,811	509,771	-	(448,813)	-	(448,813)
Employee benefits	7,375,238	-	-	-	(7,375,238)	-	(7,375,238)
Interest	868,923	-	-	-	(868,923)	-	(868,923)
Intergovernmental	749,461	-	-	-	(749,461)	-	(749,461)
<b>Total Governmental Activities</b>	<b>58,750,221</b>	<b>3,267,929</b>	<b>18,738,651</b>	<b>1,346,267</b>	<b>(35,397,374)</b>	<b>-</b>	<b>(35,397,374)</b>
<b>Business-Type Activities:</b>							
Water services	2,241,174	2,013,199	-	-	-	(227,975)	(227,975)
Ambulance	646,957	549,768	-	-	-	(97,189)	(97,189)
Sewer	1,624,489	1,353,260	-	-	-	(271,229)	(271,229)
Solid waste	1,375,140	1,354,823	-	-	-	(20,317)	(20,317)
<b>Total Business-Type Activities</b>	<b>5,887,760</b>	<b>5,271,050</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(616,710)</b>	<b>(616,710)</b>
<b>Total</b>	<b>\$ 64,637,981</b>	<b>\$ 8,538,979</b>	<b>\$ 18,738,651</b>	<b>\$ 1,346,267</b>	<b>(35,397,374)</b>	<b>(616,710)</b>	<b>(36,014,084)</b>
<b>General Revenues and Transfers:</b>							
Property taxes					33,449,333	-	33,449,333
Excises					1,882,519	-	1,882,519
Penalties, interest and other taxes					212,804	-	212,804
Grants and contributions not restricted to specific programs					1,257,202	-	1,257,202
Investment income					112,014	1,133	113,147
Miscellaneous					306,127	204,476	510,603
Transfers, net					360,356	(374,487)	(14,131)
<b>Total general revenues</b>					<b>37,580,355</b>	<b>(168,878)</b>	<b>37,411,477</b>
<b>Change in Net Position</b>					<b>2,182,981</b>	<b>(785,588)</b>	<b>1,397,393</b>
<b>Net Position:</b>							
Beginning of year					68,523,158	29,482,592	98,005,750
End of year					\$ 70,706,139	\$ 28,697,004	\$ 99,403,143

The accompanying notes are an integral part of these financial statements.

TOWN OF MEDWAY, MASSACHUSETTS

GOVERNMENTAL FUNDS

BALANCE SHEET

JUNE 30, 2016

	<u>General</u>	<u>Community Preservation</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>				
Cash and short-term investments	\$ 15,567,974	\$ 5,851,211	\$ 5,071,313	\$ 26,490,498
Receivables:				
Property taxes	2,597,627	-	-	2,597,627
Excises	157,540	-	-	157,540
Departmental and other	6,453	9,670	503,878	520,001
Intergovernmental	<u>24,000</u>	<u>-</u>	<u>527,140</u>	<u>551,140</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 18,353,594</u></b>	<b><u>\$ 5,860,881</u></b>	<b><u>\$ 6,102,331</u></b>	<b><u>\$ 30,316,806</u></b>
<b>LIABILITIES</b>				
Warrants payable	\$ 687,159	\$ -	\$ 270,249	\$ 957,408
Accrued liabilities	2,011,984	-	96,333	2,108,317
Notes payable	-	-	3,129,450	3,129,450
Tax refunds payable	508,444	-	-	508,444
Other liabilities	<u>246,181</u>	<u>-</u>	<u>21,581</u>	<u>267,762</u>
<b>TOTAL LIABILITIES</b>	<b>3,453,768</b>	<b>-</b>	<b>3,517,613</b>	<b>6,971,381</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<b>2,642,384</b>	<b>9,669</b>	<b>146,244</b>	<b>2,798,297</b>
<b>FUND BALANCES</b>				
Nonspendable	-	-	110,869	110,869
Restricted	-	-	4,854,074	4,854,074
Committed	2,472,090	5,851,212	-	8,323,302
Assigned	2,887,164	-	-	2,887,164
Unassigned	<u>6,898,188</u>	<u>-</u>	<u>(2,526,469)</u>	<u>4,371,719</u>
<b>TOTAL FUND BALANCES</b>	<b><u>12,257,442</u></b>	<b><u>5,851,212</u></b>	<b><u>2,438,474</u></b>	<b><u>20,547,128</u></b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b><u>\$ 18,353,594</u></b>	<b><u>\$ 5,860,881</u></b>	<b><u>\$ 6,102,331</u></b>	<b><u>\$ 30,316,806</u></b>

The accompanying notes are an integral part of these financial statements.

TOWN OF MEDWAY, MASSACHUSETTS

RECONCILIATION OF TOTAL GOVERNMENTAL FUND  
BALANCES TO NET POSITION OF GOVERNMENTAL  
ACTIVITIES IN THE STATEMENT OF NET POSITION

JUNE 30, 2016

<b>Total governmental fund balances</b>	<b>\$ 20,547,128</b>
• Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	115,794,083
• Revenues are reported on the accrual basis of accounting and are not deferred until collection.	2,185,271
• In the statement of activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due.	(190,530)
• Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.	(51,142,520)
• Certain changes in the net pension liability, which are deferred to future reporting periods, are not reported in the governmental funds.	<u>(16,487,293)</u>
<b>Net position of governmental activities</b>	<b>\$ <u>70,706,139</u></b>

The accompanying notes are an integral part of these financial statements.

TOWN OF MEDWAY, MASSACHUSETTS  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2016

	<u>General</u>	<u>Community Preservation</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>				
Property taxes	\$ 32,375,196	\$ 663,831	\$ -	\$ 33,039,027
Excises	1,941,671	-	-	1,941,671
Penalties, interest and other taxes	212,804	-	-	212,804
Charges for services	-	-	2,616,163	2,616,163
Intergovernmental	11,525,611	259,507	4,532,508	16,317,626
Licenses and permits	782,315	-	-	782,315
Fines and forfeitures	19,013	-	-	19,013
Investment income	85,046	24,014	2,958	112,018
Miscellaneous	<u>217,827</u>	<u>-</u>	<u>587,191</u>	<u>805,018</u>
Total Revenues	47,159,483	947,352	7,738,820	55,845,655
<b>Expenditures:</b>				
Current:				
General government	2,858,773	-	560,592	3,419,365
Public safety	3,476,352	-	141,710	3,618,062
Education	25,600,284	-	5,332,552	30,932,836
Public works	2,529,258	-	1,736,609	4,265,867
Health and human services	383,153	-	184,223	567,376
Culture and recreation	522,073	138,635	435,367	1,096,075
Employee benefits	6,769,145	-	-	6,769,145
Debt service	3,251,305	484,053	10,494	3,745,852
Intergovernmental	<u>749,461</u>	<u>-</u>	<u>-</u>	<u>749,461</u>
Total Expenditures	46,139,804	622,688	8,401,547	55,164,039
Excess (deficiency) of revenues over expenditures	1,019,679	324,664	(662,727)	681,616
<b>Other Financing Sources (Uses):</b>				
Transfers in	732,486	-	88,987	821,473
Transfers out	<u>(222,782)</u>	<u>(73,718)</u>	<u>(164,617)</u>	<u>(461,117)</u>
Total Other Financing Sources (Uses)	509,704	(73,718)	(75,630)	360,356
Excess (deficiency) of revenues and other sources over expenditures and other uses	1,529,383	250,946	(738,357)	1,041,972
Fund Equity, at Beginning of Year	<u>10,728,059</u>	<u>5,600,266</u>	<u>3,176,831</u>	<u>19,505,156</u>
Fund Equity, at End of Year	<u>\$ 12,257,442</u>	<u>\$ 5,851,212</u>	<u>\$ 2,438,474</u>	<u>\$ 20,547,128</u>

The accompanying notes are an integral part of these financial statements.

TOWN OF MEDWAY, MASSACHUSETTS

RECONCILIATION OF THE STATEMENT OF REVENUES  
EXPENDITURES, AND CHANGES IN FUND BALANCES OF  
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2016

**Net changes in fund balances - total governmental funds** \$ 1,041,972

- Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital outlay purchases	4,165,216
Depreciation	(3,521,613)

- Revenues in the Statement of Activities that do not provide current financial resources are fully deferred in the Statement of Revenues, Expenditures and Changes in Fund Balances. Therefore, the recognition of revenue for various types of accounts receivable (i.e., real estate and personal property, motor vehicle excise, etc.) differ between the two statements. This amount represents the net change in deferred revenue.

376,027

- The issuance of long-term debt (e.g., bonds and leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any effect on net position:

Repayments of debt	2,853,044
Repayment of capital lease	25,726

- In the statement of activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due.

23,885

- Some expenses reported in the Statement of Activities, such as compensated absences and other post-employment benefits, do not require the use of current financial resources and therefore, are not reported as expenditures in the governmental funds.

(2,294,187)

- Certain changes in the net pension liability, which are deferred to future reporting periods, are not reported in the governmental funds.

(487,089)

**Change in net position of governmental activities**

\$ 2,182,981

The accompanying notes are an integral part of these financial statements.

TOWN OF MEDWAY, MASSACHUSETTS

GENERAL FUND

STATEMENT OF REVENUES AND OTHER SOURCES, AND EXPENDITURES AND OTHER USES  
- BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original Budget	Final Budget		Positive (Negative)
<b>Revenues and Other Sources:</b>				
Taxes	\$ 32,137,073	\$ 32,137,073	\$ 32,137,073	\$ -
Excises	1,500,000	1,500,000	1,941,671	441,671
Penalties, interest and other taxes	109,000	109,000	212,804	103,804
Intergovernmental	11,426,813	11,426,813	11,525,611	98,798
Licenses and permits	306,000	306,000	782,315	476,315
Fines and forfeits	15,000	15,000	19,013	4,013
Investment income	46,000	46,000	64,494	18,494
Miscellaneous	16,000	16,000	217,827	201,827
Transfer in	617,953	617,953	776,170	158,217
Use of free cash	975,000	975,000	975,000	-
<b>Total Revenues and Other Sources</b>	<b>47,148,839</b>	<b>47,148,839</b>	<b>48,651,978</b>	<b>1,503,139</b>
<b>Expenditures and Other Uses:</b>				
General government	2,992,449	2,992,449	2,753,288	239,161
Public safety	3,524,644	3,524,644	3,494,013	30,631
Education	25,587,961	25,587,961	25,555,528	32,433
Public works	2,653,476	2,653,476	2,628,729	24,747
Health and human services	410,004	410,004	383,153	26,851
Culture and recreation	445,525	445,525	443,174	2,351
Debt service	3,509,060	3,509,060	3,294,587	214,473
Intergovernmental	714,743	714,743	749,461	(34,718)
Employee benefits	7,121,477	7,121,477	6,771,037	350,440
Transfers out	179,500	179,500	179,500	-
Tax title	10,000	10,000	10,000	-
<b>Total Expenditures and Other Uses</b>	<b>47,148,839</b>	<b>47,148,839</b>	<b>46,262,470</b>	<b>886,369</b>
Excess (deficiency) of revenues and other sources over expenditures and other uses	\$ -	\$ -	\$ 2,389,508	\$ 2,389,508

The accompanying notes are an integral part of these financial statements.

## TOWN OF MEDWAY, MASSACHUSETTS

## PROPRIETARY FUNDS

## STATEMENT OF NET POSITION

JUNE 30, 2016

	Business-Type Activities Enterprise Fund				Total
	Water Fund	Ambulance Fund	Sewer Fund	Solid Waste Fund	
<b>ASSETS</b>					
Current:					
Cash and short-term investments	\$ 1,247,528	\$ 333,919	\$ 1,089,547	\$ 1,147,938	\$ 3,818,932
User fees, net of allowance for uncollectibles	263,224	81,524	721,824	155,709	1,222,281
Intergovernmental	623,213	-	-	-	623,213
<b>Total current assets</b>	<b>2,133,965</b>	<b>415,443</b>	<b>1,811,371</b>	<b>1,303,647</b>	<b>5,664,426</b>
Noncurrent:					
Capital assets					
Land and construction in progress	4,376,780	-	358,299	-	4,735,079
Other capital assets, net of accumulated depreciation	19,747,204	168,040	11,932,098	-	31,847,342
<b>Total noncurrent assets</b>	<b>24,123,984</b>	<b>168,040</b>	<b>12,290,397</b>	<b>-</b>	<b>36,582,421</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	<b>42,176</b>	<b>24,332</b>	<b>20,277</b>	<b>32,038</b>	<b>118,823</b>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>26,300,125</b>	<b>607,815</b>	<b>14,122,045</b>	<b>1,335,685</b>	<b>42,365,670</b>
<b>LIABILITIES</b>					
Current:					
Warrants payable	43,524	19,373	34,651	2,380	99,928
Accrued liabilities	72,116	2,420	23,621	4,460	102,617
Notes payable	1,304,498	-	75,000	-	1,379,498
Other liabilities	12,957	-	-	-	12,957
Current portion of long-term liabilities:					
Bonds payable	632,985	30,000	196,000	-	858,985
Compensated absences	2,720	544	-	548	3,812
<b>Total current liabilities</b>	<b>2,068,800</b>	<b>52,337</b>	<b>329,272</b>	<b>7,388</b>	<b>2,457,797</b>
Noncurrent:					
Bonds payable, net of current portion	7,645,396	60,000	2,085,000	-	9,790,396
Compensated absences, net of current portion	24,484	4,901	-	4,935	34,320
Accrued other post-employment benefits	273,480	176,474	132,725	186,992	769,671
Net pension liability	201,812	116,430	97,025	153,298	568,565
<b>Total noncurrent liabilities</b>	<b>8,145,172</b>	<b>357,805</b>	<b>2,314,750</b>	<b>345,225</b>	<b>11,162,952</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<b>17,008</b>	<b>9,812</b>	<b>8,177</b>	<b>12,920</b>	<b>47,917</b>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<b>10,230,980</b>	<b>419,954</b>	<b>2,652,199</b>	<b>365,533</b>	<b>13,668,666</b>
<b>NET POSITION</b>					
Net investment in capital assets	13,161,361	78,040	10,277,619	-	23,517,020
Unrestricted	2,907,784	109,821	1,192,227	970,152	5,179,984
<b>TOTAL NET POSITION</b>	<b>\$ 16,069,145</b>	<b>\$ 187,861</b>	<b>\$ 11,469,846</b>	<b>\$ 970,152</b>	<b>\$ 28,697,004</b>

The accompanying notes are an integral part of these financial statements.

TOWN OF MEDWAY, MASSACHUSETTS  
 PROPRIETARY FUNDS  
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
 FOR THE YEAR ENDED JUNE 30, 2016

	Business-Type Activities Enterprise Fund				Total
	Water Fund	Ambulance Fund	Sewer Fund	Solid Waste Fund	
<b>Operating Revenues:</b>					
Charges for services	\$ 2,013,199	\$ 549,768	\$ 1,353,260	\$ 1,354,823	\$ 5,271,050
Other	<u>204,476</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>204,476</u>
Total Operating Revenues	2,217,675	549,768	1,353,260	1,354,823	5,475,526
<b>Operating Expenses:</b>					
Operating expenses	1,290,137	610,685	1,193,831	1,375,140	4,469,793
Depreciation	<u>731,850</u>	<u>32,072</u>	<u>354,115</u>	<u>-</u>	<u>1,118,037</u>
Total Operating Expenses	<u>2,021,987</u>	<u>642,757</u>	<u>1,547,946</u>	<u>1,375,140</u>	<u>5,587,830</u>
Operating Income (Loss)	195,688	(92,989)	(194,686)	(20,317)	(112,304)
<b>Nonoperating Revenues (Expenses):</b>					
Investment income	-	-	1,133	-	1,133
Interest expense	<u>(219,187)</u>	<u>(4,200)</u>	<u>(76,543)</u>	<u>-</u>	<u>(299,930)</u>
Total Nonoperating Revenues (Expenses), Net	<u>(219,187)</u>	<u>(4,200)</u>	<u>(75,410)</u>	<u>-</u>	<u>(298,797)</u>
Income (Loss) Before Transfers	(23,499)	(97,189)	(270,096)	(20,317)	(411,101)
<b>Transfers:</b>					
Transfers in	-	150,000	43,282	-	193,282
Transfers out	<u>(269,071)</u>	<u>(104,857)</u>	<u>(89,897)</u>	<u>(103,944)</u>	<u>(567,769)</u>
Change in Net Position	(292,570)	(52,046)	(316,711)	(124,261)	(785,588)
Net Position at Beginning of Year	<u>16,361,715</u>	<u>239,907</u>	<u>11,786,557</u>	<u>1,094,413</u>	<u>29,482,592</u>
Net Position at End of Year	<u>\$ 16,069,145</u>	<u>\$ 187,861</u>	<u>\$ 11,469,846</u>	<u>\$ 970,152</u>	<u>\$ 28,697,004</u>

The accompanying notes are an integral part of these financial statements.



TOWN OF MEDWAY, MASSACHUSETTS  
 PROPRIETARY FUNDS  
 STATEMENT OF CASH FLOWS  
 FOR THE YEAR ENDED JUNE 30, 2016

	Business-Type Activities Enterprise Funds				Total
	Water Fund	Ambulance Fund	Sewer Fund	Solid Waste Fund	
<b><u>Cash Flows From Operating Activities:</u></b>					
Receipts from customers and users	\$ 4,072,250	\$ 534,565	\$ 1,402,206	\$ 1,418,183	\$ 7,427,204
Payments to vendors and employees	<u>(1,427,048)</u>	<u>(566,086)</u>	<u>(1,196,220)</u>	<u>(1,365,696)</u>	<u>(4,555,052)</u>
Net Cash Provided By (Used For) Operating Activities	2,645,202	(31,523)	205,986	52,487	2,872,152
<b><u>Cash Flows From Noncapital Financing Activities:</u></b>					
Transfers in	-	150,000	43,282	-	193,282
Transfers out	<u>(269,071)</u>	<u>(104,857)</u>	<u>(89,897)</u>	<u>(103,944)</u>	<u>(567,769)</u>
Net Cash Provided By (Used For) Noncapital Financing Activities	(269,071)	45,143	(46,615)	(103,944)	(374,487)
<b><u>Cash Flows From Capital and Related Financing Activities:</u></b>					
Acquisition and construction of capital assets	(1,907,187)	-	(103,332)	-	(2,010,519)
Principal payments on bonds and notes	(918,102)	(30,000)	(196,000)	-	(1,144,102)
Proceeds of notes payable	730,879	-	75,000	-	805,879
Interest expense	<u>(219,187)</u>	<u>(4,200)</u>	<u>(76,543)</u>	<u>-</u>	<u>(299,930)</u>
Net Cash (Used For) Capital and Related Financing Activities	(2,313,597)	(34,200)	(300,875)	-	(2,648,672)
<b><u>Cash Flows From Investing Activities:</u></b>					
Investment income	-	-	1,134	-	1,134
Net Cash Provided By Investing Activities	-	-	1,134	-	1,134
Net Change in Cash and Short-Term Investments	62,534	(20,580)	(140,370)	(51,457)	(149,873)
Cash and Short-Term Investments, Beginning of Year	<u>1,184,994</u>	<u>354,499</u>	<u>1,229,917</u>	<u>1,199,395</u>	<u>3,968,805</u>
Cash and Short-Term Investments, End of Year	<u>\$ 1,247,528</u>	<u>\$ 333,919</u>	<u>\$ 1,089,547</u>	<u>\$ 1,147,938</u>	<u>\$ 3,818,932</u>
<b><u>Reconciliation of Operating Income to Net Cash Provided By (Used For) Operating Activities:</u></b>					
Operating income (loss)	\$ 195,688	\$ (92,989)	\$ (194,686)	\$ (20,317)	\$ (112,304)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:					
Depreciation	731,850	32,072	354,115	-	1,118,037
Changes in assets and liabilities:					
Receivables	(30,166)	(15,203)	48,947	63,360	66,938
Due from other governments	1,884,741	-	-	-	1,884,741
Other assets	(34,792)	(20,072)	(16,727)	(26,429)	(98,020)
Warrants and accounts payable	(168,638)	11,145	(21,831)	(6,200)	(185,524)
Other liabilities	64,698	61,703	30,980	33,114	190,495
Accrued liabilities	(21,182)	(21,450)	(5,871)	(8,514)	(57,017)
Net pension liability	<u>23,003</u>	<u>13,271</u>	<u>11,059</u>	<u>17,473</u>	<u>64,806</u>
Net Cash Provided By Operating Activities	<u>\$ 2,645,202</u>	<u>\$ (31,523)</u>	<u>\$ 205,986</u>	<u>\$ 52,487</u>	<u>\$ 2,872,152</u>

The accompanying notes are an integral part of these financial statements.

TOWN OF MEDWAY, MASSACHUSETTS  
 FIDUCIARY FUNDS  
 STATEMENT OF FIDUCIARY NET POSITION  
 JUNE 30, 2016

	Private Purpose Trust Funds	Other Post-Employment Benefits Trust Fund	Agency Funds
<b><u>ASSETS</u></b>			
Cash and short-term investments	\$ 974,827	\$ 351,264	\$ 440,272
Receivable	-	-	71,419
Other assets	-	-	20,000
Total Assets	974,827	351,264	531,691
<b><u>LIABILITIES AND NET POSITION</u></b>			
Accounts payable	300	-	49,866
Escrow deposits	-	-	472,935
Other liabilities	-	-	8,890
Total Liabilities	300	-	531,691
<b><u>NET POSITION</u></b>			
Total net position held in trust	\$ 974,527	\$ 351,264	\$ -

The accompanying notes are an integral part of these financial statements.

TOWN OF MEDWAY, MASSACHUSETTS  
 FIDUCIARY FUNDS  
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 FOR THE YEAR ENDED JUNE 30, 2016

	<u>Private Purpose Trust Funds</u>	<u>Other Post-Employment Benefits Trust Fund</u>
<b>Additions:</b>		
Investment income	\$ 5,189	\$ 377
Miscellaneous	<u>100,113</u>	<u>100,000</u>
Total additions	105,302	100,377
<b>Deductions:</b>		
Education	<u>47,086</u>	<u>-</u>
Total deductions	<u>47,086</u>	<u>-</u>
Net increase	58,216	100,377
<b>Net position:</b>		
Beginning of year	<u>916,311</u>	<u>250,887</u>
End of year	<u>\$ 974,527</u>	<u>\$ 351,264</u>

The accompanying notes are an integral part of these financial statements.

# TOWN OF MEDWAY, MASSACHUSETTS

## Notes to Financial Statements

### 1. Summary of Significant Accounting Policies

The accounting policies of the Town of Medway, MA (the Town) conform to generally accepted accounting principles (GAAP) as applicable to governmental units. The following is a summary of the more significant policies:

#### A. Reporting Entity

The Town is a municipal corporation governed by an elected Board of Selectmen. As required by generally accepted accounting principles, these financial statements present the government and applicable component units for which the government is considered to be financially accountable. In fiscal year 2016, it was determined that no entities met the required GASB 14 (as amended) criteria of component units.

#### B. Government-wide and Fund Financial Statements

##### Government-wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

##### Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-wide Financial Statements

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as is the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as *program revenues* include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes and excises.

Fund Financial Statements

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The Town reports the following major governmental funds:

- The *general fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The *community preservation fund* accounts for funds used for the acquisition, creation, and preservation of open space, historic resources, and community housing.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from

providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The government reports the following major proprietary funds:

- Water operations
- Ambulance services
- Sewer operations
- Solid waste collection fund

The *private-purpose trust fund* is used to account for trust arrangements, other than those properly reported in the pension trust fund or permanent fund, under which principal and investment income exclusively benefit individuals, private organizations, or other governments.

The *other post-employment benefits trust fund* is used to account for assets that are dedicated to providing benefits to retirees. These funds reduce the unfunded actuarial liability of healthcare and other post-employment benefits. Contributions to this fund are irrevocable.

The *agency funds* account for fiduciary assets held by the Town in a custodial capacity as an agent on behalf of others. Agency funds report only assets and liabilities, and therefore, have no measurement focus.

#### D. Cash and Short-Term Investments

Cash balances from all funds, except those required to be segregated by law, are combined to form a consolidation of cash. Cash balances are invested to the extent available, and interest earnings are recognized in the general fund. Certain special revenue, proprietary, and fiduciary funds segregate cash, and investment earnings become a part of those funds.

Deposits with financial institutions consist primarily of demand deposits, certificates of deposits, and savings accounts. A cash and investment pool is maintained that is available for use by all funds. Each fund's portion of this pool is reflected on the combined financial statements under the caption "cash and short-term investments". The interest earnings attributable to each fund type are included under investment income.

For purpose of the statement of cash flows, the proprietary funds consider investments with original maturities of three months or less to be short-term investments.

**E. Property Tax Limitations**

Legislation known as "Proposition 2½" has limited the amount of revenue that can be derived from property taxes. The prior fiscal year's tax levy limit is used as a base and cannot increase by more than 2.5 percent (excluding new growth), unless an override is voted. The actual fiscal year 2016 tax levy reflected an excess capacity of \$751,728.

**F. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial individual cost of more than \$10,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40
Building improvements	20
Roads and improvements	20
Infrastructure	30-75
Vehicles	5
Office equipment	5
Computer equipment	5

**G. Compensated Absences**

It is the Town's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vested sick and vacation pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

## H. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt, and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position.

### I. Fund Equity

Fund equity at the governmental fund financial reporting level is classified as "fund balance". Fund equity for all other reporting is classified as "net position".

Fund Balance - Generally, fund balance represents the difference between the current assets and current liabilities. The Town reserves those portions of fund balance that are legally segregated for a specific future use or which do not represent available, spendable resources and therefore, are not available for appropriation or expenditure. Unassigned fund balance indicates that portion of fund balance that is available for appropriation in future periods.

The Town's fund balance classification policies and procedures are as follows:

- 1) Nonspendable funds are either unspendable in the current form (i.e., inventory or prepaid items) or can never be spent (i.e., perpetual care).
- 2) Restricted funds are used solely for the purpose in which the fund was established. In the case of special revenue funds, these funds are created by statute or otherwise have external constraints on how the funds can be expended.
- 3) Committed funds are reported and expended as a result of motions passed by the highest decision making authority in the government (i.e., Town Meeting).
- 4) Assigned funds are used for specific purposes as established by management. These funds, which include encumbrances, have been assigned for specific goods and services ordered but not yet paid for. This account also includes fund balance (free cash) voted to be used in the subsequent fiscal year.
- 5) Unassigned funds are available to be spent in future periods.

When an expenditure is incurred that would qualify for payment from multiple fund balance types, the Town uses the following order to liquidate liabilities: restricted, committed, assigned, and unassigned.



Net Position - Net position represents the difference between assets/deferred outflows and liabilities/deferred inflows. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The remaining net position is reported as unrestricted.

J. Use of Estimates

The preparation of basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures for contingent assets and liabilities at the date of the basic financial statements and the reported amounts of the revenues and expenditures/expenses during the fiscal year. Actual results could vary from estimates that were used.

2. Stewardship, Compliance, and Accountability

A. Budgetary Information

At the annual town meeting, the Finance Committee presents an operating and capital budget for the proposed expenditures of the fiscal year commencing the following July 1. The budget, as enacted by town meeting, establishes the legal level of control and specifies that certain appropriations are to be funded by particular revenues. The original budget is amended during the fiscal year at special town meetings as required by changing conditions. In cases of extraordinary or unforeseen expenses, the Finance Committee is empowered to transfer funds from the Reserve Fund (a contingency appropriation) to a departmental appropriation. "Extraordinary" includes expenses which are not in the usual line, or are great or exceptional. "Unforeseen" includes expenses which are not foreseen as of the time of the annual meeting when appropriations are voted.

Departments are limited to the line items as voted. Certain items may exceed the line item budget as approved if it is for an emergency and for the safety of the general public. These items are limited by the Massachusetts General Laws and must be raised in the next year's tax rate.

Formal budgetary integration is employed as a management control device during the year for the General Fund and Proprietary Funds. Effective budgetary control is achieved for all other funds through provisions of the Massachusetts General Laws.

At year-end, appropriation balances lapse, except for certain unexpended capital items and encumbrances which will be honored during the subsequent year.

**B. Budgetary Basis**

The general fund final appropriation appearing on the "Budget and Actual" page of the fund financial statements represents the final amended budget after all reserve fund transfers and supplemental appropriations.

**C. Budget/GAAP Reconciliation**

The budgetary data for the general and proprietary funds is based upon accounting principles that differ from generally accepted accounting principles (GAAP). Therefore, in addition to the GAAP basis financial statements, the results of operations of the general fund are presented in accordance with budgetary accounting principles to provide a meaningful comparison to budgetary data.

The following is a summary of adjustments made to the actual revenues and other sources, and expenditures and other uses, to conform to the budgetary basis of accounting.

<u>General Fund</u>	<u>Revenues and Other Financing Sources</u>	<u>Expenditures and Other Financing Uses</u>
Revenues/Expenditures (GAAP basis)	\$ 47,159,483	\$ 46,139,804
Other financing sources/uses (GAAP basis)	<u>732,486</u>	<u>222,782</u>
Subtotal (GAAP Basis)	47,891,969	46,362,586
Remove effect of combining stabilization and general fund	23,132	-
Adjust tax revenue to accrual basis	(238,123)	-
Reverse beginning of year appropriation carryforwards from expenditures	-	(802,187)
Add end-of-year appropriation carryforwards from expenditures	-	692,071
To record use of free cash	975,000	-
Other timing issue	<u>-</u>	<u>10,000</u>
Budgetary basis	<u>\$ 48,651,978</u>	<u>\$ 46,262,470</u>

**D. Deficit Fund Equity**

The following funds had deficits as of June 30, 2016:

Chapter 90	\$ (361,779)
Title II Teacher Quality	(13,616)
Title I FY16	(8,317)
94-142	(153,187)
SPED program improvement	(2,208)
DHCD FY16 earmark	(158,447)
Local preparedness	(3,066)
State 911 support incentive grant	(29,922)
Route 109 earmark	(131,480)
MADEP storm water	(29,310)
Aging mastery program	(597)
Police cruiser computer	(49,381)
Upgrade radio infrastructure	(20,951)
Middle School wing renovation	(150,000)
McGovern windows	(505,638)
Sidewalk plow	(156,976)
DPS facility design	(52,504)
Route 109 construction	(4,636)
Brentwood drainage	(638,615)
Library carpeting	(55,839)
	<u>\$ (2,526,469)</u>

The Town's special revenue and capital project funds reflect various individual deficit fund balance accounts which will be funded by future departmental revenues, bond proceeds, and transfers from other funds.

**3. Cash and Short-Term Investments**

The custodial credit risk for investments is the risk that, in the event of a failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

*Custodial Credit Risk - Deposits.* Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned. Massachusetts General Law Chapter 44, Section 55, limits the Town's deposits "in a bank or trust company or banking company to an amount not exceeding sixty percent of the capital and surplus of such bank or trust company or banking company, unless satisfactory security is given to it by such bank or trust company or

banking company for such excess.” The Town does not have a deposit policy for custodial credit risk.

The Town did not have any bank balances that were exposed to custodial credit risk as uninsured, uncollateralized, and collateral held by pledging bank’s trust department not in the Town’s name.

**4. Taxes Receivable**

Real estate and personal property taxes are levied and based on values assessed on January 1 of every year. Assessed values are established by the Board of Assessor’s for 100% of the estimated fair market value. Taxes are due on a quarterly basis and are subject to penalties and interest if they are not paid by the respective due date. Real estate and personal property taxes levied are recorded as receivables in the fiscal year they relate to.

Fourteen days after the due date for the final tax bill for real estate taxes, a demand notice may be sent to the delinquent taxpayer. Fourteen days after the demand notice has been sent, the tax collector may proceed to file a lien against the delinquent taxpayers’ property. The Town has an ultimate right to foreclose on property for unpaid taxes. Personal property taxes cannot be secured through the lien process.

Taxes receivable at June 30, 2016 consist of the following (in thousands):

Real Estate		
2016	\$ 358	
2015	32	
2014	2	
2013	2	
Prior	<u>(12)</u>	
		382
Personal Property		
2016	386	
2015	387	
2014	2	
2013	1	
Prior	<u>14</u>	
		790
Tax Liens		1,340
Deferred Taxes		<u>86</u>
Total		<u>\$ 2,598</u>

**5. Allowance for Doubtful Accounts**

The receivables reported in the accompanying entity-wide financial statements reflect the following estimated allowances for doubtful accounts (in thousands):

	<u>Governmental</u>	<u>Business-Type</u>
Property taxes	\$ 520	\$ -
Excises	\$ 93	\$ -
Utilities	\$ -	\$ 315
Other	\$ -	\$ 14

**6. Intergovernmental Receivables**

This balance represents reimbursements requested from Federal and State agencies for expenditures incurred in fiscal 2016.

**7. Interfund Fund Transfers**

Transfers between Governmental and Business-Type Activities do not offset by \$14,131. This is due to transfers between the Agency and Governmental funds.

The Town reports interfund transfers between various funds. Most transfers result from budgetary or statutory actions, whereby funds are moved to accomplish various expenditure purposes. The sum of all transfers presented in the table agrees with the sum of interfund transfers presented in the governmental and proprietary fund financial statements. The following is an analysis of interfund transfers:

<u>Governmental Funds:</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 732,486	\$ 222,782
Community Preservation Fund	-	73,718
Nonmajor Funds:		
Special Revenue Funds	54,269	164,617
Capital Project Funds	34,718	-
Subtotal Nonmajor Funds	88,987	164,617
<u>Business-Type Funds:</u>		
Water Fund	-	269,071
Ambulance Fund	150,000	104,857
Sewer Fund	43,282	89,897
Solid Waste Fund	-	103,944
Subtotal Business-Type Funds:	193,282	567,769
Grand Total	\$ <u>1,014,755</u>	\$ <u>1,028,886</u>

## 8. Capital Assets

Capital asset activity for the year ended June 30, 2016 was as follows (in thousands):

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Governmental Activities:</b>				
Capital assets, being depreciated:				
Buildings and improvements	\$ 89,168	\$ 354	\$ -	\$ 89,522
Machinery, equipment, and furnishings	11,122	798	(162)	11,758
Infrastructure	<u>30,479</u>	<u>1,649</u>	<u>-</u>	<u>32,128</u>
Total capital assets, being depreciated	130,769	2,801	(162)	133,408
Less accumulated depreciation for:				
Buildings and improvements	(31,045)	(2,147)	-	(33,192)
Machinery, equipment, and furnishings	(8,000)	(675)	162	(8,513)
Infrastructure	<u>(22,505)</u>	<u>(700)</u>	<u>-</u>	<u>(23,205)</u>
Total accumulated depreciation	<u>(61,550)</u>	<u>(3,522)</u>	<u>162</u>	<u>(64,910)</u>
Total capital assets, being depreciated, net	69,219	(721)	-	68,498
Capital assets, not being depreciated:				
Land	21,228	-	-	21,228
Construction in progress	<u>24,703</u>	<u>1,365</u>	<u>-</u>	<u>26,068</u>
Total capital assets, not being depreciated	<u>45,931</u>	<u>1,365</u>	<u>-</u>	<u>47,296</u>
Governmental activities capital assets, net	<u>\$ 115,150</u>	<u>\$ 644</u>	<u>\$ -</u>	<u>\$ 115,794</u>
	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Business-Type Activities:</b>				
Capital assets, being depreciated:				
Buildings and improvements	\$ 14	\$ -	\$ -	\$ 14
Machinery, equipment, and furnishings	2,384	15	-	2,399
Infrastructure	<u>54,617</u>	<u>28</u>	<u>-</u>	<u>54,645</u>
Total capital assets, being depreciated	57,015	43	-	57,058
Less accumulated depreciation for:				
Buildings and improvements	(14)	-	-	(14)
Machinery, equipment, and furnishings	(1,113)	(143)	-	(1,256)
Infrastructure	<u>(22,966)</u>	<u>(975)</u>	<u>-</u>	<u>(23,941)</u>
Total accumulated depreciation	<u>(24,093)</u>	<u>(1,118)</u>	<u>-</u>	<u>(25,211)</u>
Total capital assets, being depreciated, net	32,922	(1,075)	-	31,847
Capital assets, not being depreciated:				
Land	615	-	-	615
Construction in progress	<u>2,153</u>	<u>1,967</u>	<u>-</u>	<u>4,120</u>
Total capital assets, not being depreciated	<u>2,768</u>	<u>1,967</u>	<u>-</u>	<u>4,735</u>
Business-type activities capital assets, net	<u>\$ 35,690</u>	<u>\$ 892</u>	<u>\$ -</u>	<u>\$ 36,582</u>

Depreciation expense was charged to functions of the Town as follows (in thousands):

Governmental Activities:	
General government	\$ 194
Public safety	321
Education	1,949
Public works	933
Culture and recreation	<u>125</u>
Total depreciation expense - governmental activities	<u>\$ 3,522</u>
Business-Type Activities:	
Water	\$ 732
Ambulance	32
Sewer	<u>354</u>
Total depreciation expense - business-type activities	<u>\$ 1,118</u>

#### 9. Deferred Outflows of Resources

Deferred outflows of resources represent the consumption of net assets by the Town that is applicable to future reporting periods. Deferred outflows of resources have a positive effect on net position, similar to assets.

The following is a summary of deferred outflow of resources balances as of June 30, 2016:

	<u>Entity-wide Basis</u>	
	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Pension related:		
Differences between expected and actual experience	\$ 381,665	\$ 11,520
Net difference between projected and actual pension investment earnings	2,531,316	76,406
Changes in proportion and differences between contributions and proportionate share of contributions	<u>1,023,588</u>	<u>30,897</u>
	<u>\$ 3,936,569</u>	<u>\$ 118,823</u>

#### 10. Warrants Payable

Warrants payable represent 2016 expenditures paid by July 15, 2016.

## 11. Anticipation Notes Payable

The Town had the following notes outstanding at June 30, 2016:

	<u>Interest Rate</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Balance at 6/30/16</u>
MWPAT CW11-20	0.15%	04/15/12	04/15/17	\$ 500,000
MWPAT T5 97-1086-C	0.00%	12/12/12	12/12/15	200,000
General obligation	1.25%	09/22/15	09/15/16	2,314,450
General obligation	1.25%	09/22/15	09/15/16	615,000
General obligation	1.25%	09/22/15	09/15/16	264,898
General obligation	1.25%	09/22/15	09/15/16	75,000
General obligation	1.25%	09/22/15	09/15/16	539,600
Total				<u>\$ 4,508,948</u>

The following summarizes activity in notes payable during fiscal year 2016:

	<u>Balance Beginning of Year</u>	<u>New Issues</u>	<u>Maturities</u>	<u>Balance End of Year</u>
MWPAT CW11-20	\$ 500,000	\$ -	\$ -	\$ 500,000
MWPAT T5 97-1086-C	200,000	-	-	200,000
General obligation	-	2,314,450	-	2,314,450
General obligation	-	615,000	-	615,000
General obligation	-	539,600	-	539,600
General obligation	-	264,898	-	264,898
General obligation	-	75,000	-	75,000
MWPAT DW-13-13A	<u>1,722,600</u>	<u>-</u>	<u>(1,722,600)</u>	<u>-</u>
Total	<u>\$ 2,422,600</u>	<u>\$ 3,808,948</u>	<u>\$ (1,722,600)</u>	<u>\$ 4,508,948</u>

## 12. Capital Lease Obligations

The Town is the lessee of certain equipment under a capital lease expiring in 2018. Future minimum lease payments under the capital lease consisted of the following as of June 30, 2016:

<u>Fiscal Year</u>	<u>Capital Leases</u>
2017	\$ 28,317
2018	<u>28,317</u>
Total minimum lease payments	56,634
Less amounts representing interest	<u>2,646</u>
Present Value of Minimum Lease Payments	<u>\$ 53,988</u>



### 13. Long-Term Debt

#### A. General Obligation Bonds

The Town issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities. General obligation bonds currently outstanding are as follows:

<u>Governmental Activities:</u>	<u>Serial Maturities Through</u>	<u>Interest Rate(s) %</u>	<u>Amount Outstanding as of 6/30/16</u>
MWPAT (Title V Septic Mgmt.)	08/01/18	0.00%	\$ 19,965
Multipurpose	04/15/22	3.73%	1,025,000
MWPAT (Title V Septic Mgmt.)	08/01/23	0.00%	29,512
Multipurpose	11/15/25	4.00%	5,990,000
Multipurpose	10/15/29	2.92%	405,000
Surface refunding	08/15/23	2.54%	80,000
Town hall remodeling	08/15/20	2.28%	75,000
Energy conservation	08/15/29	3.00%	2,780,000
General obligation	02/15/32	2.02%	4,000,000
General obligation	09/15/32	1.98%	4,030,000
Multipurpose	05/15/33	2.22%	5,305,000
General obligation	03/15/16	3.00%	4,110,000
<b>Total Governmental Activities:</b>			<b>\$ 27,849,477</b>

<u>Business-Type Activities:</u>	<u>Serial Maturities Through</u>	<u>Interest Rate(s) %</u>	<u>Amount Outstanding as of 6/30/16</u>
Water well	10/15/29	3.18%	\$ 1,200,000
Water well	10/15/29	3.15%	375,000
Water equipment	10/15/17	2.18%	50,000
Meters	10/16/19	2.45%	420,000
Water storage tank	08/15/29	2.99%	550,000
Well	08/15/29	2.97%	400,000
Water	02/15/32	2.02%	2,195,000
General obligation	03/15/16	3.00%	265,000
MWPAT DW13-13	07/15/35	2.00%	1,440,381
MWPAT DW13-13A	07/15/36	2.00%	1,383,000
Sewer projects	04/21/17	5.00%	6,000
Sewer projects	10/15/29	3.17%	1,155,000
Sewer projects	08/15/29	3.01%	700,000
General obligation	09/15/32	1.98%	140,000
Sewer projects	03/15/16	3.00%	280,000
General obligation	02/15/32	2.02%	90,000
<b>Total Business-Type Activities:</b>			<b>\$ 10,649,381</b>

**B. Future Debt Service**

The annual payments to retire all general obligation long-term debt outstanding as of June 30, 2016 are as follows:

<u>Governmental</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 2,335,494	\$ 803,158	\$ 3,138,652
2018	2,320,494	733,985	3,054,479
2019	2,305,494	659,047	2,964,541
2020	2,203,599	584,278	2,787,877
2021	2,178,599	514,164	2,692,763
2022 - 2026	9,755,797	1,662,929	11,418,726
2027 - 2031	5,480,000	576,047	6,056,047
2032 - 2033	1,270,000	45,650	1,315,650
Total	<u>\$ 27,849,477</u>	<u>\$ 5,579,258</u>	<u>\$ 33,428,735</u>

<u>Business-Type</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 858,985	\$ 292,321	\$ 1,151,306
2018	840,549	271,009	1,111,558
2019	813,169	246,548	1,059,717
2020	780,845	220,659	1,001,504
2021	678,581	197,592	876,173
2022 - 2026	3,166,055	718,713	3,884,768
2027 - 2031	2,623,922	281,286	2,905,208
2032 - 2033	887,275	45,946	933,221
Total	<u>\$ 10,649,381</u>	<u>\$ 2,274,074</u>	<u>\$ 12,923,455</u>

**C. Changes in General Long-Term Liabilities**

During the year ended June 30, 2016, the following changes occurred in long-term liabilities (in thousands):

	Total Balance <u>7/1/15</u>	Additions	Reductions	Total Balance <u>6/30/16</u>	Less Current Portion	Equals Long-Term Portion <u>6/30/16</u>
<b><u>Governmental Activities</u></b>						
Bonds payable	\$ 30,703	\$ -	\$ (2,853)	\$ 27,850	\$ (2,336)	\$ 25,514
Other:						
Capital lease	80	-	(26)	54	(27)	27
Compensated absences	477	33	-	510	(51)	459
Accrued other post-employment benefits	20,467	2,262	-	22,729	-	22,729
Net pension liability	16,689	2,147	-	18,836	-	18,836
Totals	<u>\$ 68,416</u>	<u>\$ 4,442</u>	<u>\$ (2,879)</u>	<u>\$ 69,979</u>	<u>\$ (2,414)</u>	<u>\$ 67,565</u>

	Total Balance 7/1/15	Additions	Reductions	Total Balance 6/30/16	Less Current Portion	Equals Long-Term Portion 6/30/16
<b><u>Business-Type Activities</u></b>						
Bonds payable	\$ 10,145	\$ 1,383	\$ (879)	\$ 10,649	\$ (859)	\$ 9,790
Other:						
Compensated absences	39	-	(1)	38	(4)	34
Accrued other post-employment benefits	619	151	-	770	-	770
Net pension liability	504	65	-	569	-	569
Totals	<u>\$ 11,307</u>	<u>\$ 1,599</u>	<u>\$ (880)</u>	<u>\$ 12,026</u>	<u>\$ (863)</u>	<u>\$ 11,163</u>

#### 14. **Deferred Inflows of Resources**

Deferred inflows of resources are the acquisition of net assets by the Town that are applicable to future reporting periods. Deferred inflows of resources have a negative effect on net position, similar to liabilities.

The following is a summary of deferred inflow of resources balances as of June 30, 2016:

	<u>Entity-wide Basis</u>		<u>Fund Basis</u>		
	<u>Governmental</u>	<u>Business-type</u>	<u>Governmental Funds</u>		
	<u>Activities</u>	<u>Activities</u>	<u>General Fund</u>	<u>Community Preservation</u>	<u>Nonmajor</u>
Unavailable revenues	\$ -	\$ -	\$ 2,642,384	\$ 9,669	\$ 146,244
Pension related:					
Changes in assumptions	\$ 1,587,473	\$ 47,917	\$ -	\$ -	\$ -

#### 15. **Restricted Net Position**

The accompanying entity-wide financial statements report restricted net position when external constraints from grantors or contributors are placed on net position.

Permanent fund restricted net position is segregated between nonexpendable and expendable. The nonexpendable portion represents the original restricted principal contribution, and the expendable represents accumulated earnings which are available to be spent based on donor restrictions.

## 16. Governmental Funds - Balances

Fund balances are segregated to account for resources that are either not available for expenditure in the future or are legally set aside for a specific future use.

The Town implemented GASB Statement No. 54 (GASB 54), *Fund Balance Reporting and Governmental Fund Type Definitions*, which enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying existing governmental fund type definitions.

The following types of fund balances are reported at June 30, 2016:

Nonspendable - Represents amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. This fund balance classification includes general fund reserves for prepaid expenditures and nonmajor governmental fund reserves for the principal portion of permanent trust funds.

Restricted - Represents amounts that are restricted to specific purposes by constraints imposed by creditors, grantors, contributors, or laws or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation. This fund balance classification includes general fund encumbrances funded by bond issuances, various special revenue funds, and the income portion of permanent trust funds.

Committed - Represents amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Town's highest level of decision-making authority. This fund balance classification includes special article appropriations approved at Town Meeting and various special revenue funds.

Assigned - Represents amounts that are constrained by the Town's intent to use these resources for a specific purpose. This fund balance classification includes general fund encumbrances that have been established by various Town departments for the expenditure of current year budgetary financial resources upon vendor performance in the subsequent budgetary period, and surplus set aside to be used in the subsequent year's budget.

Unassigned - Represents amounts that are available to be spent in future periods, general stabilization fund, and deficit funds.

Following is a breakdown of the Town's fund balances at June 30, 2016:

	General Fund	Community Preservation	Nonmajor Governmental Funds	Total Governmental Funds
<b>Nonspendable</b>				
Nonexpendable permanent funds	\$ -	\$ -	\$ 110,869	\$ 110,869
<b>Total Nonspendable</b>	<b>-</b>	<b>-</b>	<b>110,869</b>	<b>110,869</b>
<b>Restricted</b>				
Bonded capital projects	-	-	517,716	517,716
Special revenue funds	-	-	3,622,864	3,622,864
Expendable permanent funds	-	-	713,494	713,494
<b>Total Restricted</b>	<b>-</b>	<b>-</b>	<b>4,854,074</b>	<b>4,854,074</b>
<b>Committed</b>				
Reserve for continuing appropriations				
General government	224,286	-	-	224,286
Education	11,714	-	-	11,714
Public works	237,144	-	-	237,144
Stabilization storm reserve	213,171	-	-	213,171
Stabilization health insurance	52,884	-	-	52,884
Stabilization ESCO	82,195	-	-	82,195
Stabilization capital improvements	342,101	-	-	342,101
Stabilization DPS facility	504,436	-	-	504,436
Fiscal stability	804,159	-	-	804,159
Community preservation	-	5,851,212	-	5,851,212
<b>Total Committed</b>	<b>2,472,090</b>	<b>5,851,212</b>	<b>-</b>	<b>8,323,302</b>
<b>Assigned</b>				
Encumbrances				
General government	6,146	-	-	6,146
Public safety	36,315	-	-	36,315
Education	100,581	-	-	100,581
Public works	75,027	-	-	75,027
Culture and recreation	859	-	-	859
Reserve for excluded debt	403,480	-	-	403,480
Reserve for debt service	547,599	-	-	547,599
Reserved for expenditures	1,717,157	-	-	1,717,157
<b>Total Assigned</b>	<b>2,887,164</b>	<b>-</b>	<b>-</b>	<b>2,887,164</b>
<b>Unassigned</b>				
Special revenue	-	-	(891,929)	(891,929)
Capital projects	-	-	(1,634,540)	(1,634,540)
General trust stabilization	2,041,113	-	-	2,041,113
General operating stabilization	83,700	-	-	83,700
General fund	4,773,375	-	-	4,773,375
<b>Total Unassigned</b>	<b>6,898,188</b>	<b>-</b>	<b>(2,526,469)</b>	<b>4,371,719</b>
<b>Total Fund Balance</b>	<b>\$ 12,257,442</b>	<b>\$ 5,851,212</b>	<b>\$ 2,438,474</b>	<b>\$ 20,547,128</b>

## 17. General Fund Unassigned Fund Balance

The unassigned general fund balance reported on the balance sheet is stated in accordance with generally accepted accounting principles (GAAP), which

differs in certain respects from the Massachusetts Uniform Municipal Accounting System (UMAS). The following paragraphs summarize the major differences.

The accompanying financial statements include an estimate for future potential tax refunds, which is not recognized under UMAS.

The following summarizes the specific differences between GAAP basis and budgetary basis of reporting the general fund unassigned fund balance:

GAAP basis balance	\$ 6,898,188
Stabilization fund	(2,124,813)
Tax refund estimate	<u>508,444</u>
Statutory (UMAS) Balance	<u>\$ 5,281,819</u>

**18. Commitments and Contingencies**

Outstanding Legal Issues - There are several pending legal issues in which the Town is involved. The Town's management is of the opinion that the potential future settlement of such claims would not materially affect its financial statements taken as a whole.

Grants - Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Town expects such amounts, if any, to be immaterial.

**19. Post-Employment Healthcare and Life Insurance Benefits**

**Other Post-Employment Benefits**

GASB Statement 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions*, requires governments to account for other post-employment benefits (OPEB), primarily healthcare, on an accrual basis rather than on a pay-as-you-go basis. The effect is the recognition of an actuarially required contribution as an expense on the Statement of Activities when a future retiree earns their post-employment benefits, rather than when they use their post-employment benefit. To the extent that an entity does not fund their actuarially required contribution, a post-employment benefit liability is recognized on the Statement of Net Position over time.

**A. Plan Description**

In addition to providing the pension benefits described, the Town provides post-employment healthcare and life insurance benefits for retired employees through the Town's plan. The benefits, benefit levels, employee contributions, and employer contributions are governed by Chapter 32 of the Massachusetts General Laws. As of July 1, 2015, the actuarial valuation date, approximately 152 retirees and 310 active employees meet the eligibility requirements. The plan does not issue a separate financial report.

**B. Benefits Provided**

The Town provides medical, prescription drug, mental health/substance abuse, and life insurance to retirees and their covered dependents. All active employees who retire from the Town and meet the eligibility criteria will receive these benefits.

**C. Funding Policy**

Retirees contribute 50% of the cost of the health plan, as determined by the Town. The Town contributes the remainder of the health plan costs on a pay-as-you-go basis.

**D. Annual OPEB Costs and Net OPEB Obligation**

The Town's fiscal 2016 annual OPEB expense is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost per year and amortize the unfunded actuarial liability over a period of thirty years. The following table shows the components of the Town's annual OPEB cost for the year ending June 30, 2016, the amount actually contributed to the plan, and the change in the Town's net OPEB obligation based on an actuarial valuation as of July 1, 2015.

Annual Required Contribution (ARC)	\$ 3,863,172
Interest on net OPEB obligation	738,023
Adjustment to ARC	<u>(1,124,597)</u>
Annual OPEB cost	3,476,598
Contributions made	<u>(1,063,846)</u>
Increase in net OPEB obligation	2,412,752
Net OPEB obligation - beginning of year	<u>21,086,376</u>
Net OPEB obligation - end of year	<u>\$ 23,499,128</u>

The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation were as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2016	\$ 3,476,598	31%	\$ 23,499,128
2015	\$ 4,096,263	26%	\$ 21,086,376
2014	\$ 3,940,458	25%	\$ 18,062,845

The Town's net OPEB obligation as of June 30, 2016 is recorded as a component of the "other long-term liabilities" line item.

**E. Funded Status and Funding Progress**

The funded status of the plan as of July 1, 2015, the date of the most recent actuarial valuation was as follows:

Actuarial accrued liability (AAL)	\$ 36,572,225
Less actuarial value of plan assets	<u>(250,887)</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$ 36,321,338</u>
Funded ratio (actuarial value of plan assets/AAL)	<u>0.7%</u>
Covered payroll (active plan members)	<u>\$ 19,023,211</u>
UAAL as a percentage of covered payroll	<u>191%</u>

Actuarial valuations of an ongoing plan involve estimates of the value of reported amount and assumptions about the probability of occurrence of events far into the future. Examples included assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of OPEB Funding Progress, presented as required supplementary information following the Notes to the Financial Statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

**F. Actuarial Methods and Assumptions**

Projections of benefits for financial reporting purposes are based on the plan as understood by the Town and the plan members and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the Town and plan members to



that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2015, actuarial valuation the entry age actuarial cost method was used. The actuarial value of assets was not determined as the Town has not advance funded its obligation. The actuarial assumptions included a 4.0% investment rate of return and an initial annual healthcare cost trend rate of 8%, which decreases to a 5% long-term rate for all healthcare benefits after 2019. The amortization costs for the initial UAAL is a level percentage of payroll for a period of 30 years, on a closed basis.

## **20. Retirement System**

The Town follows the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, with respect to the employees' retirement funds.

### **A. Plan Description**

Substantially all employees of the Town (with the exception of school department employees who serve in a teaching capacity) are members of the Norfolk County Contributory Retirement System (the System), a cost sharing, multiple-employer public employee retirement system (PERS). Eligible employees must participate in the System. The pension plan provides pension benefits, deferred allowances, and death and disability benefits. Chapter 32 of the Massachusetts General Laws establishes the authority of the System, contribution percentages and benefits paid. The System Retirement Board does not have the authority to amend benefit provisions. Additional information is disclosed in the System's annual financial reports publically available from the System located at 480 Neponset Street, Building 15, Canton, Massachusetts 02021 or from the System's website at [www.norfolkcountyretirement.org](http://www.norfolkcountyretirement.org).

### **Participant Retirement Benefits**

The System provides for retirement allowance benefits up to a maximum of 80% of a member's highest 3-year average annual rate of regular compensation for those hired prior to April 2, 2012 and the highest five-year average annual rate of regular compensation for those first becoming members of the Massachusetts System on or after that date. However, per Chapter 176 of the Acts of 2011, for members who retire on or after April 2, 2012, if in the 5 years of creditable service immediately preceding retirement, the difference in the annual rate of regular compensation between any 2 consecutive years exceeds 100 percent, the normal yearly amount of the retirement allowance shall be based on the average annual rate of

regular compensation received by the member during the period of 5 consecutive years preceding retirement. Benefit payments are based upon a member's age, length of creditable service, level of compensation and group classification.

A retirement allowance may be received at any age, upon attaining 20 years of service. The plan also provides for retirement at age 55 if the participant was a member prior to January 1, 1978, with no minimum vesting requirements. If the participant was a member on or after January 1, 1978 and a member of Groups 1 or 2, then a retirement allowance may be received if the participant (1) has at least 10 years of creditable service, (2) is age 55, (3) voluntarily left Town employment on or after that date, and (4) left accumulated annuity deductions in the fund. Members of Group 4, have no minimum vesting requirements, however, must be at least age 55. Groups 2 and 4 require that participants perform the duties of the Group position for at least 12 months immediately prior to retirement.

A participant who became a member on or after April 2, 2012 is eligible for a retirement allowance upon 10 years creditable service and reaching ages 60 or 55 for Groups 1 and 2, respectively. Participants in Group 4 must be at least age 55. Groups 2 and 4 require that participants perform the duties of the Group position for at least 12 months immediately prior to retirement.

A retirement allowance consists of two parts: an annuity and a pension. A member's accumulated total deductions and a portion of the interest they generate constitute the annuity. The difference between the total retirement allowance and the annuity is the pension. The average retirement benefit is approximately 80-85% pension and 15-20% annuity.

#### Participant Refunds

Employees who resign from service and who are not eligible to receive a retirement allowance are entitled to request a refund of their accumulated total deductions. Members voluntarily withdrawing with at least 10 years of service or involuntarily withdrawing, receive 100% of the regular interest that has accrued on those accumulated total deductions. Members voluntarily withdrawing with less than 10 years of service get credited interest each year at a rate of 3%.

#### Participants Contributions

Participants contribute a set percentage of their gross regular compensation annually. Employee contribution percentages are specified in Chapter 32 of the Massachusetts General Laws. The employee's individual contribution percentage is determined by their date of entry into the system. In addition, all employees hired on or after January 1, 1979 contribute an

additional 2% on all gross regular compensation over the rate of \$30,000 per year. The percentages are as follows:

Before January 1, 1975	5%
January 1, 1975 - December 31, 1983	7%
January 1, 1984 - June 30, 1996	8%
Beginning July 1, 1996	9%

For those members entering a Massachusetts System on or after April 2, 2012 in Group 1, the contribution rate will be reduced to 6% when at least 30 years of creditable service has been attained.

#### Employer Contributions

Employers are required to contribute at actuarially determined rates as accepted by the Public Employee Retirement Administration Commission (PERAC).

The Town's contribution to the System for the year ended June 30, 2016 was \$1,902,885, which was equal to its annual required contribution.

#### B. Summary of Significant Accounting Policies

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the System and additions to/deductions from System's fiduciary net position have been determined on the same basis as they are reported by System. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

#### C. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2016, the Town reported a liability of \$19,404,954 for its proportionate share of the net pension liability. The net pension liability was measured as of January 1, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2016. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At January 1, 2016, the Town's proportion was 3.572257 percent.

For the year ended June 30, 2016, the Town recognized pension expense of \$2,392,067. In addition, the Town reported deferred outflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 393,185	\$ -
Changes of assumptions	-	1,635,390
Net difference between projected and actual earnings on pension plan investments	2,607,722	-
Changes in proportion and differences between contributions and proportionate share of contributions	<u>1,054,485</u>	<u>-</u>
Total	<u>\$ 4,055,392</u>	<u>\$ 1,635,390</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
2016	\$ 1,001,897	\$ 419,331
2017	1,001,897	419,331
2018	1,001,897	419,331
2019	838,804	377,397
2020	<u>210,897</u>	<u>-</u>
Total	<u>\$ 4,055,392</u>	<u>\$ 1,635,390</u>

**D. Actuarial Assumptions**

The total pension liability in the January 1, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

COLA	3% of the first \$15,000 of retirement income
Salary increases	3.5% - 5.5%
Investment rate of return	8.00%

It is assumed that both pre-retirement mortality and beneficiary mortality is represented by the RP-2014 Blue Collar Mortality with Scale MP-2014, fully generational. Mortality for retired members for Group 1 and 2 is repre-

sented by the RP-2014 Blue Collar Mortality Table set forward five years for males and three years for females, fully generational. Mortality for retired members for Group 4 is represented by the RP-2014 Blue Collar Mortality Table set forward three years for Group 1 and 2 is represented by the RP-2000 Mortality Table set forward six years. Mortality for disabled members for Group 4 is represented by the RP-2000 Mortality Table set forward two years. Generational adjusting is based on Scale MP-2014.

The long-term expected rate of return on pension plan investments was selected from a best estimate range determined using the building block approach. Under this method, an expected future real return range (expected returns, net of pension plan investment expense and inflation) is calculated separately for each asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return net of investment expenses by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major class are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Domestic equity	32.00%	9.40%
International equities	17.50%	9.70%
Fixed income	19.00%	3.40%
Real estate	9.00%	7.70%
Private equity	8.50%	13.60%
Hedge funds	9.00%	7.90%
Real assets	5.00%	7.90%

#### E. Discount Rate

The discount rate used to measure the total pension liability was 8.0%. The projection of cash flows used to determine the discount rate assumed that the plan member contributions will be made at the current contribution rate and that employer contributions will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments to current active and inactive plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**F. Sensitivity of the Proportionate Share of the Net Pension Liability to Change in the Discount Rate**

The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 8.0 percent, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (7.0%) or 1 percentage-point higher (9.0%) than the current rate:

<u>Fiscal Year Ended</u>	<u>1% Decrease (7.0%)</u>	<u>Current Discount Rate (8.0%)</u>	<u>1% Increase (9.0%)</u>
June 30, 2016	\$ 24,336,309	\$ 19,404,954	\$ 15,195,904

**G. Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued System financial report.

**21. Massachusetts Teachers' Retirement System (MTRS)**

**A. Plan Description**

The Massachusetts Teachers' Retirement System (MTRS) is a public employee retirement system (PERS) that administers a cost-sharing multi-employer defined benefit plan, as defined in Governmental Accounting Standards Board (GASB) Statement No. 67, Financial Reporting for Pension Plans. MTRS is managed by the Commonwealth on behalf of municipal teachers and municipal teacher retirees. The Commonwealth is a non-employer contributor and is responsible for all contributions and future benefit requirements of the MTRS. The MTRS covers certified teachers in cities (except Boston), towns, regional school districts, charter schools, educational collaboratives, and Quincy College. The MTRS is part of the Commonwealth's reporting entity and does not issue a stand-alone audited financial report.

Management of MTRS is vested in the Massachusetts Teachers' Retirement Board (MTRB), which consists of seven members—two elected by the MTRS members, one who is chosen by the six other MTRB members, the State Treasurer (or their designee), the State Auditor (or their designee), a member appointed by the Governor, and the Commissioner of Education (or their designee), who serves ex-officio as the Chairman of the MTRB.

**B. Benefits Provided**

MTRS provides retirement, disability, survivor, and death benefits to members and their beneficiaries. Massachusetts General Laws (MGL) estab-

lishes uniform benefit and contribution requirements for all contributory PERS. These requirements provide for superannuation retirement allowance benefits up to a maximum of 80% of a member's highest three-year average annual rate of regular compensation. For employees hired after April 1, 2012, retirement allowances are calculated on the basis of the last five years or any five consecutive years, whichever is greater in terms of compensation. Benefit payments are based upon a member's age, length of creditable service, and group creditable service, and group classification. The authority for amending these provisions rests with the Legislature.

Members become vested after ten years of creditable service. A superannuation retirement allowance may be received upon the completion of twenty years of creditable service or upon reaching the age of 55 with ten years of service. Normal retirement for most employees occurs at age 65. Most employees who joined the system after April 1, 2012 cannot retire prior to age 60.

The MTRS' funding policies have been established by Chapter 32 of the MGL. The Legislature has the authority to amend these policies. The annuity portion of the MTRS retirement allowance is funded by employees, who contribute a percentage of their regular compensation. Costs of administering the plan are funded out of plan assets.

**C. Contributions**

Member contributions for MTRS vary depending on the most recent date of membership:

<u>Hire Date</u>	<u>% of Compensation</u>
Prior to 1975	5% of regular compensation
1975 - 1983	7% of regular compensation
1984 to 6/30/1996	8% of regular compensation
7/1/1996 to present	9% of regular compensation
7/1/2001 to present	11% of regular compensation (for teachers hired after 7/1/01 and those accepting provisions of Chapter 114 of the Acts of 2000)
1979 to present	An additional 2% of regular compensation in excess of \$30,000

**D. Actuarial Assumptions**

The total pension liability for the June 30, 2015 measurement date was determined by an actuarial valuation as of January 1, 2015 rolled forward to June 30, 2015. This valuation used the following assumptions:

- (a) 7.5% investment rate of return, (b) 3.5% interest rate credited to the annuity savings fund and (c) 3.0% cost of living increase per year.

- Salary increases are based on analyses of past experience but range from 4.0% to 7.5% depending on length of service.
- Mortality rates were as follows:
  - Pre-retirement - reflects RP-2014 Employees table projected generationally with Scale BB and a base year of 2014 (gender distinct).
  - Post-retirement – reflects RP-2014 Healthy Annuitant table projected generationally with Scale BB with a base year of 2014 (gender distinct).
  - Disability – assumed to be in accordance with the RP-2014 Healthy Annuitant table projected generationally with Scale BB and a base year 2014 set forward 4 years.

Investment assets of the MTRS are with the Pension Reserves Investment Trust (PRIT) Fund. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage. Best estimates of geometric rates of return for each major asset class included in the PRIT Fund's target asset allocation as of June 30, 2015 and 2014 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>	
		<u>2015</u>	<u>2014</u>
Global equity	40.0%	6.9%	7.20%
Core fixed income	13.0%	2.4%	2.50%
Private equity	10.0%	8.5%	8.80%
Real estate	10.0%	6.5%	6.30%
Value added fixed income	10.0%	5.8%	6.30%
Hedge funds	9.0%	5.8%	5.50%
Portfolio completion strategies	4.0%	5.5%	0.00%
Timber/natural resources	4.0%	6.6%	5.00%
<b>Total</b>	<b><u>100.0%</u></b>		

#### E. Discount Rate

The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rates and the Commonwealth's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rates. Based on those assumptions, the net position was projected



to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**F. Sensitivity Analysis**

The following illustrates the sensitivity of the collective net pension liability to changes in the discount rate. In particular, the table presents the MTRS collective net pension liability assuming it was calculated using a single discount rate that is one-percentage-point lower or one-percentage-point higher than the current discount rate (amounts in thousands):

<u>Fiscal Year Ended</u>	<u>1% Decrease to 6.5%</u>	<u>Current Discount Rate 7.5%</u>	<u>1% Increase to 8.5%</u>
June 30, 2015	\$ 25,449,000	\$ 20,489,643	\$ 16,221,000

**G. Special Funding Situation**

The Commonwealth is a nonemployer contributor and is required by statute to make all actuarially determined employer contributions on behalf of the member employers. Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 68, Accounting and Financial Reporting for Pensions (GASB 68) and the Commonwealth is a nonemployer contributing entity in MTRS. Since the employers do not contribute directly to MTRS, there is no net pension liability to recognize for each employer.

**H. Town Proportions**

In fiscal year 2015 (the most recent measurement period), the Commonwealth's proportionate share of the MTRS' collective net pension liability and pension expense that is associated with the Town was \$53,635,439 and \$4,350,311 respectively, based on a proportionate share of .261769%. As required by GASB 68, the Town has recognized its portion of the collective pension expense as both a revenue and expense in the government-wide Statement of Activities.

**22. Risk Management**

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the Town carries commercial insurance. There were no significant reductions in insurance coverage from the previous year and have been no material settlements in excess of coverage in any of the past three fiscal years.

**TOWN OF MEDWAY, MASSACHUSETTS  
SCHEDULE OF OPEB FUNDING PROGRESS  
REQUIRED SUPPLEMENTARY INFORMATION**

**June 30, 2016  
(Unaudited)**

**Other Post-Employment Benefits**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percent- age of Covered Payroll [(b-a)/c]
7/1/2015	\$ 250,887	\$ 36,572,225	\$ 36,321,338	0.7%	\$ 19,023,211	190.9%
7/1/2013	\$ 50,489	\$ 38,407,572	\$ 38,357,083	0.1%	\$ 18,282,384	210.1%
7/1/2011	\$ -	\$ 31,351,424	\$ 31,351,424	0.0%	N/A	N/A
7/1/2009	\$ -	\$ 29,616,372	\$ 29,616,372	0.0%	N/A	N/A
7/1/2007	\$ -	\$ 37,604,481	\$ 37,604,481	0.0%	N/A	N/A

See Independent Auditors' Report.

**TOWN OF MEDWAY, MASSACHUSETTS**  
**SCHEDULE OF PROPORTIONATE SHARE**  
**OF THE NET PENSION LIABILITY**  
**REQUIRED SUPPLEMENTARY INFORMATION**

**JUNE 30, 2016**  
**(Unaudited)**

Norfolk County Retirement System

<u>Fiscal Year</u>	<u>Proportion of the Net Pension Liability</u>	<u>Proportionate Share of the Net Pension Liability</u>	<u>Covered Payroll</u>	<u>Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll</u>	<u>Plan Fiduciary Net Position Percentage of the Total Pension Liability</u>
June 30, 2016	3.57226%	\$19,404,954	\$ 9,768,080	198.66%	58.60%
June 30, 2015	3.31514%	\$17,193,151	\$ 9,196,377	187.00%	60.10%

Massachusetts Teachers' Retirement System

<u>Fiscal Year</u>	<u>Proportion of the Net Pension Liability</u>	<u>Proportionate Share of the Net Pension Liability</u>	<u>Commonwealth of Massachusetts' Total Proportionate Share of the Net Pension Liability Associated with the Town</u>	<u>Total Net Pension Liability Associated with the Town</u>	<u>Covered Payroll</u>	<u>Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll</u>	<u>Plan Fiduciary Net Position Percentage of the Total Pension Liability</u>
June 30, 2016	0.26177%	\$ -	\$ 53,635,439	\$ 53,635,439	\$ 16,593,307	0.00%	55.38%
June 30, 2015	0.26546%	\$ -	\$ 42,198,485	\$ 42,198,485	\$ 16,276,664	0.00%	61.64%

*Schedules are intended to show information for 10 years. Additional years will be displayed as they become available*

See Independent Auditors' Report.

**TOWN OF MEDWAY, MASSACHUSETTS**

**SCHEDULE OF PENSION CONTRIBUTIONS  
REQUIRED SUPPLEMENTARY INFORMATION**

**JUNE 30, 2016  
(Unaudited)**

<u>Norfolk County Retirement System</u>					
<u>Fiscal Year</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to the Contractually Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
June 30, 2016	\$ 1,902,885	\$ 1,902,885	\$ -	\$ 9,768,080	19.48%
June 30, 2015	\$ 1,565,052	\$ 1,565,052	\$ -	\$ 9,196,377	17.00%

*Schedules are intended to show information for 10 years. Additional years will be displayed as they become available*

See Independent Auditors' Report.

# **AGENDA**

## **ITEM #2**

**Discussion with Board of Water/Sewer  
Commissioners – Fiscal Year 2018 Budget**

**Associated backup materials attached:**

- Associated Warrant Articles

**Note:** Additional backup material will be provided under separate cover.

**ARTICLE 3**

(Appropriation: FY18 Water Enterprise Fund)

To see if the Town will vote to raise and appropriate or transfer from available funds the sum of \$2,545,734 for the maintenance of the Water Department Enterprise Fund as follows, or to act in any manner relating thereto:

Direct Costs

Amount	Amount
Salaries	\$ 697,603
Expenses	611,100
Debt	946,054
<b>Direct Costs Total</b>	<b>\$2,254,757</b>

Indirect Costs

And further to raise and appropriate or transfer from available funds the sum of \$290,977 for indirect costs consisting of health insurance, workers' compensation, Medicare, liability insurance, administrative and operational services.

<b>Indirect Costs Total</b>	\$290,977
-----------------------------	-----------

<b>Total \$2,5</b>	<b>45,734</b>
--------------------	---------------

And further that the above listed appropriations be funded as follows:

Fees for Service [User Fees]	\$2,545,734
<b>Total \$2,5</b>	<b>45,734</b>

**WATER SEWER COMMISSION**

**BOARD OF SELECTMEN RECOMMENDATION:** **To Be Determined**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 4** (Appropriation) **n: FY18 Sewer Enterprise Fund)**

To see if the Town will vote to raise and appropriate or transfer from available funds the sum of \$1,666,810 for the maintenance of the Sewer Department Enterprise Fund as follows, or to act in any manner relating thereto:

Direct Costs

Amount	Amount
Salaries	\$ 250,427
Expenses	1,050,250
Debt	242,832
<b>Direct Costs Total</b>	<b>\$1,543,509</b>

Indirect Costs

And further to raise and appropriate or transfer from available funds the sum of \$123,301 for indirect costs consisting of health insurance, workers' compensation, Medicare, liability insurance, administrative and operational services.

<b>Indirect Costs Total</b>	\$123,301
-----------------------------	-----------

<b>Total \$1,666,810</b>	<b>66,810</b>
--------------------------	---------------

And further that the above listed appropriations be funded as follows:

Fees for Service [User Fees]	\$1,622,000
Sewer Betterment Stabilization	17,055

Sewer Retained Earnings	27,755
<b>Total \$1,6</b>	<b>66,810</b>

**WATER SEWER COMMISSION**

**BOARD OF SELECTMEN RECOMMENDATION: To Be Determined**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 5** (Appropriation: FY18 Solid Waste Enterprise Fund)

To see if the Town will vote to raise and appropriate or transfer from available funds a sum of \$1,644,157 to operate the Solid Waste/Recycling Department Enterprise Fund as follows, or to act in any manner relating thereto.

Direct Costs

Amount	Amount
Salaries	\$ 342,425
Expenses	1,117,342
Debt	14,626
<b>Direct Costs Total</b>	<b>\$1,474,393</b>

Indirect Costs

And further to raise and appropriate or transfer from available funds the sum of \$169,764 for indirect costs consisting of health insurance, workers' compensation, Medicare, liability insurance, administrative and operational services.

<b>Indirect Costs Total</b>	\$169,764
-----------------------------	-----------

<b>Total \$1,6</b>	<b>44,157</b>
--------------------	---------------

And further that the above listed appropriations be funded as follows:



Trash Recycling Fees/Bag Revenues	\$1,450,000
Solid Waste Retained Earnings	194,157
<b>Total \$1,6</b>	<b>44,157</b>

**PUBLIC SERVICES DEPT.**

**BOARD OF SELECTMEN RECOMMENDATION: To Be Determined**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 7** (Free Cash Appropriation: Capital and Other Items)

To see if the Town will vote to appropriate the sum of \$1,837,954 from Certified Free Cash for the purpose of funding the following capital and other items, including associated engineering, personnel, maintenance and legal service costs; said appropriations to be expended by June 30, 2018, with unexpended funds as of June 30, 2018 being returned to the General Fund, or act in any manner relating thereto:

<b>Project Depart</b>	<b>ment</b>	<b>Cost</b>
Various Road and Sidewalk Repair	DPS	\$445,000
Classroom Furniture – Middle School	School	\$302,667
Food Service Equipment Replacement	School	\$110,000
Boiler Replacements Design – McGovern and Memorial	School	\$40,000
Fire Alarm System – McGovern	School	\$95,000
Passenger Van	School	\$55,000
Service Truck Replacement	School	\$36,000
Technology Replacements	Info. Services	\$161,500
System-wide Town Security Cameras	Info. Services	\$86,667
Generator Replacement	Police	\$90,000
Facility and Systems Security Improvements	Police	\$80,800
Digitize Police Logs and Arrest Reports	Police	\$6,300
Roof and Gutter Repairs	Library	\$60,000

Lower Level A/C Unit Replacement	Library	\$10,000
Replace Inspector's Vehicle AWD/4WD	Inspectional Svcs.	\$25,000
Sidewalk Repair and Access Improvement	Council on Aging	\$25,000
Gas Stove Replacement	Council on Aging	\$6,000
ALS Equipment and Turnout Gear	Fire	\$158,020
Replace Turnout Gear	Fire	\$45,000
<b>Free Cash Total</b>		<b>\$1,837,954</b>

**CAPITAL IMPROVEMENT  
PLANNING COMMITTEE**

**BOARD OF SELECTMEN RECOMMENDATION:** **To Be Determined**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 10** (Transfer – Retained Earnings – Sewer Enterprise)

To see if the Town will vote to transfer from Sewer retained earnings the sum of \$50,000 for Fiscal Year 2018 from the Sewer Enterprise Fund for the purpose of funding the following project(s), including associated engineering, personnel, maintenance and legal services costs:

<b>Project Department</b>	<b>ment</b>	<b>Cost</b>
Various Sewer Collection Projects	SEWER	\$50,000
<b>Total</b>		<b>\$50,000</b>

Or act in any manner relating thereto.

**PUBLIC SERVICES DEPT.**

**BOARD OF SELECTMEN RECOMMENDATION:** **Approve**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 11** (Transfer – Retained Earnings – Water Enterprise)

To see if the Town will vote to transfer from Water retained earnings the sum of \$73,000 for Fiscal Year 2018 from the Water Enterprise Fund for the purpose of funding the following project(s), including associated engineering, personnel, maintenance and legal services costs:

Project Department		Cost
Replace Truck (2004 Chevy Silverado) WATER		\$58,000
Various Water System Improvements	WATER	\$15,000
Total		\$73,000

Or act in any manner relating thereto.

**PUBLIC SERVICES DEPT.**

**BOARD OF SELECTMEN RECOMMENDATION:**

**To Be Determined**

**FINANCE COMMITTEE RECOMMENDATION:**

# **AGENDA**

## **ITEM #3**

**Consideration of Appointment – Conservation Commission – (1 Vacancy) Kathy Clark, Margery Queenan**

**Associated backup materials attached:**

- Kathy Clark Resume
- Margery Queenan Resume

**Note:** The term length for the appointee will be three years, expiring on 6/30/2020.

# Kathy Clark

## Utilization Review Clinician - Bournemouth Hospital

Medway , MA 02053.

### Work Experience

Utilization Review Clinician

Bournemouth Hospital

-

Brookline, MA

-March 2007 to Present

Monitor and assess current level of care for assigned cases and recommends changes to the clinical team.

- Conduct clinical reviews with the designated insurers. Coordinate collection of all pertinent clinical data to support hospital level of care. Initiate appeals as requested and complete data collection as requested for Quality Index.

Emergency Services Clinician

Riverside Emergency Services

-

Norwood, MA

-October 2003 to December 2009

Provided telephone screening and triage to consumers calling ES 24 hour hotline

- Provided face-to-face evaluations of consumers in crisis
- Collaborated with family, providers and insurers during and in support of the evaluation/disposition process
- Provided ongoing support of Crisis Stabilization Unit consumers and provides clinical support to staff

Volunteer providing pet care support for people living

MSPCA

-

Boston, MA

-

July 1999 to October 2009

with HIV/AIDS

Evaluation and Referral Specialist

Metrowest Medical Center  
-December 2005 to May 2007

Evaluated patients presenting in need of mental health or substance abuse assessments. Facilitate admissions, discharges and referrals from the Emergency Department, coordinate treatment planning with outside providers, arrange for outpatient follow-up and provide emergency family interventions as needed.

- Obtained insurance authorization for all patients evaluated who need admission to mental health or substance abuse programs.
- Assisted in the office with admission screening from outside providers.

Visit Supervisor

Children's Supervised Visitations, Inc  
-  
Framingham, MA  
-

June 2001 to March 2004

Ensured safe, conflict-free visits between children and their non custodial parents

- Conducted interventions as necessary,
- Recorded and monitored visits
- Conducted intake interviews
- Supervised exchanges of children between designated family members
- Provide case management and support.
- Assisted with grant writing and program development

Worked as a parent coordinator, off-site supervisor, mediator and case manager

Facilitator

Children's Supervised Visitations, Inc  
-  
Boston, MA  
-

December 2002 to October 2003

- Evaluated potential group members
- Worked with co-facilitator
  - Documented progress notes for each client

#### Volunteer Work

#### ANIMALS AS INTERMEDIARIES

-

Concord, MA

-April 2001 to January 2002

Assisted with nature based therapy programs at child and elder sites

#### Horticultural Assistant

#### MASS HORTICULTURAL SOCIETY : ELM BANK

-

Wellesley, MA

-

June 2000 to April 2001

#### Personal Assistant

#### GUNTHER SCHULLER

-

Newton, MA

-June 1998 to June 2000

Personnel Assistant and secretary to composer/conductor/author/musician Gunther Schuller.

- Maintained Mr. Schuller's personal and professional schedule, travel arrangements, transportation and correspondence,
- Catalogued his music library
- Coordinated projects with Mr. Schuller's recording and publishing companies

#### Senior Zoo Keeper

#### Zoo New England

-

Boston, MA

-1985 to 1989

1989-1997

- Care and feeding of exotic animal collection specializing in primates
- Oversaw daily operation of African Tropical Forest Building; supervised keepers, volunteers and interns

- Member Risk Management Committee and Chair of the Environmental Enrichment Committee
- Designed and taught class taught through Boston and Brookline Adult Education: Understanding Gorilla Behavior

Veterinary Technician

Framingham Animal Hospital

-

Framingham, MA

-

1976 to 1985

Performed medical treatments, diagnostic procedures and assisted with surgical procedures as directed by the veterinary staff

- Maintained pharmaceutical inventory

## **Education**

MA in Counseling Psychology

Framingham State College -

Framingham, MA

2003

Anthropology

Harvard University Extension School -

Cambridge, MA

1996

BA in Anthropology/English

University of Massachusetts -

Boston, MA

1980



# MARGERY A. QUEE [REDACTED]

## SUMMARY

Business professional with several years experience in the health insurance industry with a focus on sales administration, compliance with federal and state regulatory requirements, product types and plan design specifications and vendor management. Excellent organizational skills, attention to detail and ability to manage multiple priorities. Work effectively in a team-oriented environment as well as independently.

## WORK EXPERIENCE

Tufts Health Plan, Watertown, MA 2013 – present

### **Sales Program Manager**

- Serves as Sales Department's primary contact and Subject Matter Expert (SME) for SBCs (Summaries of Benefits and Coverage) and commercial large and small group products and plan designs.
- Responsible for project requirements, development, implementation, communication, training and oversight of all SBC system modifications.
- Maintains vendor relationships and administers operational policies/procedures that impact employer groups, brokers, consultants and members.
- Participates in cross functional teams identifying systems impact, workflows and timelines of regulatory and corporate projects.

CIO Executive Council (an IDG company), Framingham, MA 2011 – 2012

### **Program Engagement Administrator**

- Administered the welcoming and on-boarding of all new and renewing participants in a leadership development program for IT executives.
- Analyzed and reported on participants' engagement in their first 90 days in the program and facilitated outreach to program participants at 3, 6 and 9 month intervals.
- Created participant exit process to elicit feedback and keep participants connected for future engagement opportunities.
- Responsible for workflow documentation, process improvement and operational enhancements.

Cigna Healthcare, Hooksett, NH 2008 – 2011

### **Sr. Contracts Analyst, 2010 - 2011**

- Analyzed policy plan provisions, funding type and group health insurance benefits to ensure compliance with federal and state legislation.
- Generated legislation reports; outperformed a standard 2 day turnaround time with .3 days and .7 days during peak workloads.
- Served as a SME and consultant for internal matrix partners in regard to healthcare reform legislation and client plans.

### **Employer Services Liaison, 2008 - 2010**

- Responded to inquiries from employer groups, sales and individual members regarding enrollment, billing and account status.



# **AGENDA**

## **ITEM #4**

**Vote Articles and Recommendations - May 8  
Annual Town Meeting Warrant  
(ATM Articles 3, 4, 5, 7, 10, 11 and 31 – 49)**

**Associated backup materials attached:**

- May 8 Annual Town Meeting Warrant
- Summary of Proposed Amendments, Planning & Economic Development Board

**Note:** Vote to include articles in the warrant, and vote recommendations.

**TOWN OF MEDWAY**  
**WARRANT FOR MAY 8, 2017**  
**ANNUAL TOWN MEETING**

**NORFOLK ss:**

To either of the Constables of the Town of Medway

**GREETINGS:**

In the name of the Commonwealth of Massachusetts, you are hereby required to notify and warn the inhabitants of said Town who are qualified to vote in Town affairs to meet at the **Medway High School, 88 Summer Street**, on **Monday, May 8, 2017** at 7:30 PM, then and there to act on the following articles:

**ARTICLE 1:** (ESCO Stabilization Reserve Transfer)  
To see if the Town will vote to transfer the sum of \$34,396 from the ESCO Stabilization Fund to the Fiscal Year 2017 Debt Service expense account for the purpose of funding ESCO related debt service, or act in any manner relating thereto.

**BOARD OF SELECTMEN**

**BOARD OF SELECTMEN RECOMMENDATION:** **Approve**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 2:** (Appropriation: FY18 Operating Budget)  
To see if the Town will vote to fix the salary and compensation of all elected officers of the Town, provide for a Reserve Fund, and determine what sums of money the Town will raise and appropriate, including appropriation from available funds, to defray charges and expenses of the Town including debt and interest, for the Fiscal Year ending June 30, 2018, or to act in any manner relating thereto.

**BOARD OF SELECTMEN**

**BOARD OF SELECTMEN RECOMMENDATION:** **To Be Determined**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 3:** (Appropriation: FY18 Water Enterprise Fund)

To see if the Town will vote to raise and appropriate or transfer from available funds the sum of \$2,545,734 for the maintenance of the Water Department Enterprise Fund as follows, or to act in any manner relating thereto:

Direct Costs

Amount	Amount
Salaries	\$ 697,603
Expenses	611,100
Debt	946,054
<b>Direct Costs Total</b>	<b>\$2,254,757</b>

Indirect Costs

And further to raise and appropriate or transfer from available funds the sum of \$ 290,977 for indirect costs consisting of health insurance, workers' compensation, Medicare, liability insurance, administrative and operational services.

<b>Indirect Costs Total</b>	<b>\$290,977</b>
-----------------------------	------------------

<b>Total \$2,5</b>	<b>45,734</b>
--------------------	---------------

And further that the above listed appropriations be funded as follows:

Fees for Service [User Fees]	\$2,545,734
<b>Total \$2,5</b>	<b>45,734</b>

**WATER SEWER COMMISSION**

**BOARD OF SELECTMEN RECOMMENDATION: To Be Determined**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 4:** (Appropriation: FY18 Sewer Enterprise Fund)

To see if the Town will vote to raise and appropriate or transfer from available funds the sum of \$1,666,810 for the maintenance of the Sewer Department Enterprise Fund as follows, or to act in any manner relating thereto:

Direct Costs

Amount	Amount
Salaries	\$ 250,427
Expenses	1,050,250
Debt	242,832
<b>Direct Costs Total</b>	<b>\$1,543,509</b>

Indirect Costs

And further to raise and appropriate or transfer from available funds the sum of \$ 123,301 for indirect costs consisting of health insurance, workers' compensation, Medicare, liability insurance, administrative and operational services.

<b>Indirect Costs Total</b>	\$123,301
-----------------------------	-----------

<b>Total \$1,6</b>	<b>66,810</b>
--------------------	---------------

And further that the above listed appropriations be funded as follows:

Fees for Service [User Fees]	\$1,622,000
Sewer Betterment Stabilization	17,055
Sewer Retained Earnings	27,755
<b>Total \$1,6</b>	<b>66,810</b>

**WATER SEWER COMMISSION**

**BOARD OF SELECTMEN RECOMMENDATION: To Be Determined**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 5:** (Appropriation: FY18 Solid Waste Enterprise Fund)  
 To see if the Town will vote to raise and appropriate or transfer from available funds a sum of \$1,644,157 to operate the Solid Waste/Recycling Department Enterprise Fund as follows, or to act in any manner relating thereto.

Direct Costs

Amount	Amount
Salaries	\$ 342,425
Expenses	1,117,342
Debt	14,626
<b>Direct Costs Total</b>	<b>\$1,474,393</b>

Indirect Costs

And further to raise and appropriate or transfer from available funds the sum of \$ 169,764 for indirect costs consisting of health insurance, workers' compensation, Medicare, liability insurance, administrative and operational services.

<b>Indirect Costs Total</b>	\$169,764
-----------------------------	-----------

<b>Total \$1,6</b>	<b>44,157</b>
--------------------	---------------

And further that the above listed appropriations be funded as follows:

Trash Recycling Fees/Bag Revenues	\$1,450,000
-----------------------------------	-------------

Solid Waste Retained Earnings	194,157
<b>Total \$1,6</b>	<b>44,157</b>

**PUBLIC SERVICES DEPT.**

**BOARD OF SELECTMEN RECOMMENDATION: To Be Determined**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 6:** (Appropriation: FY18 Ambulance Enterprise Fund)  
 To see if the Town will vote to raise and appropriate or transfer from available funds the sum of \$872,994 to operate the Ambulance Enterprise Fund as follows, or act in any manner relating thereto.

Direct Costs

Amount	Amount
Salaries \$422	,489
Expenses	230,225
Debt	72,400
<b>Direct Costs Total</b>	<b>\$725,114</b>

Indirect Costs

And further to raise and appropriate or transfer from available funds the sum of \$ 147,880 for indirect costs consisting of health insurance, workers' compensation, Medicare, liability insurance, administrative and operational services.

<b>Indirect Costs Total</b>	<b>\$147,880</b>
-----------------------------	------------------

<b>Total \$872</b>	<b>,994</b>
--------------------	-------------

And further that the above listed appropriations be funded as follows:

General Fund Appropriation	\$150,000
Ambulance Retained Earnings	87,994
Insurance and Fees for Service	635,000
<b>Total \$872</b>	<b>,994</b>

**FIRE DEPARTMENT**

**BOARD OF SELECTMEN RECOMMENDATION: To Be Determined**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 7:** (Free Cash Appropriation: Capital and Other Items)

To see if the Town will vote to appropriate the sum of \$1,837,954 from Certified Free Cash for the purpose of funding the following capital and other items, including associated engineering, personnel, maintenance and legal service costs; said appropriations to be expended by June 30, 2018, with unexpended funds as of June 30, 2018 being returned to the General Fund, or act in any manner relating thereto:

<b>Project Department</b>	<b>ment</b>	<b>Cost</b>
Various Road and Sidewalk Repair	DPS	\$445,000
Classroom Furniture – Middle School	School	\$302,667
Food Service Equipment Replacement	School	\$110,000
Boiler Replacements Design – McGovern and Memorial	School	\$40,000
Fire Alarm System – McGovern	School	\$95,000
Passenger Van	School	\$55,000
Service Truck Replacement	School	\$36,000
Technology Replacements	Info. Services	\$161,500
System-wide Town Security Cameras	Info. Services	\$86,667
Generator Replacement	Police	\$90,000
Facility and Systems Security Improvements	Police	\$80,800
Digitize Police Logs and Arrest Reports	Police	\$6,300
Roof and Gutter Repairs	Library	\$60,000
Lower Level A/C Unit Replacement	Library	\$10,000
Replace Inspector's Vehicle AWD/4WD	Inspectional Svcs.	\$25,000
Sidewalk Repair and Access Improvement	Council on Aging	\$25,000
Gas Stove Replacement	Council on Aging	\$6,000
ALS Equipment and Turnout Gear	Fire	\$158,020
Replace Turnout Gear	Fire	\$45,000
<b>Free Cash Total</b>		<b><u>\$1,837,954</u></b>

**CAPITAL IMPROVEMENT  
PLANNING COMMITTEE**

**BOARD OF SELECTMEN RECOMMENDATION:**

**To Be Determined**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 8:**

(Free Cash Appropriation: Oak Grove Project)

To see if the Town will vote to appropriate the sum of \$74,400 from Certified Free Cash for the purpose of funding initial land acquisition costs, including but not limited to any legal and technical costs associated thereto, for the purpose of implementing a redevelopment and/or urban renewal plan for the so-called Oak Grove project, with said funds to be expended under the direction of the Community Development Department in consultation with the Redevelopment Authority, or act in any manner relating thereto:

**CAPITAL IMPROVEMENT**



**PLANNING COMMITTEE**

**BOARD OF SELECTMEN RECOMMENDATION:** **To Be Determined**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 9:** (Repurpose Community Development Funds – Master Plan)  
 To see if the Town will vote to repurpose the sum of \$45,000 previously voted under Article 4 of the May 2014 Annual Town Meeting, originally for a Community Development Program, for the purpose of providing for technical and consulting services for the 2019 Update of the Medway Master Plan or act in any manner relating thereto:

**CAPITAL IMPROVEMENT  
 PLANNING COMMITTEE and  
 BOARD OF SELECTMEN**

**BOARD OF SELECTMEN RECOMMENDATION:** **Approve**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 10:** (Transfer – Retained Earnings – Sewer Enterprise)  
 To see if the Town will vote to transfer from Sewer retained earnings the sum of \$50,000 for Fiscal Year 2018 from the Sewer Enterprise Fund for the purpose of funding the following project(s), including associated engineering, personnel, maintenance and legal services costs:

<b>Project Department</b>	<b>ment</b>	<b>Cost</b>
Various Sewer Collection Projects	SEWER	\$50,000
<b>Total</b>		<b>\$50,000</b>

Or act in any manner relating thereto.

**PUBLIC SERVICES DEPT.**

**BOARD OF SELECTMEN RECOMMENDATION:** **Approve**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 11:** (Transfer – Retained Earnings – Water Enterprise)  
 To see if the Town will vote to transfer from Water retained earnings the sum of \$73,000 for Fiscal Year 2018 from the Water Enterprise Fund for the purpose of funding the following project(s), including associated engineering, personnel, maintenance and legal services costs:

<b>Project Department</b>	<b>ment</b>	<b>Cost</b>
Replace Truck (2004 Chevy Silverado)	WATER	\$58,000
Various Water System Improvements	WATER	\$15,000
<b>Total</b>		<b>\$73,000</b>

Or act in any manner relating thereto.

**PUBLIC SERVICES DEPT.**

**BOARD OF SELECTMEN RECOMMENDATION:** **To Be Determined**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 12:** (Free Cash Transfer to General Stabilization)  
To see if the Town will vote to transfer the sum of \$100,000 from Certified Free Cash to the General Stabilization Fund, or act in any manner relating thereto.

**BOARD OF SELECTMEN**

**BOARD OF SELECTMEN RECOMMENDATION:** **Approve**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 13:** (Lease-Purchase Air Packs)  
To see if the Town will vote to appropriate the sum of \$263,200 for the procurement of self-contained breathing apparatus for the Medway Fire Department, and to meet this appropriation the Board of Selectmen is authorized to enter into a lease-purchase agreement with a qualified vendor and financing program exceeding three years, with funding for said program to be provided under Section 1a of the Host Community Agreement between the Town and COMMCAN, Inc. dated May 16, 2016, or to act in any manner relating thereto.

**FIRE/EMS DEPTS.**

**BOARD OF SELECTMEN RECOMMENDATION:** **Approve**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 14:** (Appropriation: Health Care Reimbursement Account)  
To see if the Town will vote to Raise and appropriate the sum of \$150,000 to the Health Care Reimbursement Account, or act in any manner relating thereto.

**BOARD OF SELECTMEN**

**BOARD OF SELECTMEN RECOMMENDATION:** **Approve**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 15:** (Appropriation: OPEB Trust)  
To see if the Town will vote to raise and appropriate the sum of \$100,000 to the Town of Medway Other Post-Employment Benefits (OPEB) Trust account, or act in any manner relating thereto.

**BOARD OF SELECTMEN**

**BOARD OF SELECTMEN RECOMMENDATION:** Approve

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 16:** (Appropriation: Medway Day)  
To see if the Town will vote to raise and appropriate the sum of \$9,500 for Medway Day, or act in any manner relating thereto.

**BOARD OF SELECTMEN**

**BOARD OF SELECTMEN RECOMMENDATION:** Approve

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 17:** (Transfer to Athletic Fields Stabilization Fund)  
To see if the Town will vote to transfer the sum of \$50,000 from the Parks Revolving Fund to the Athletic Fields Stabilization Fund, or act in any manner relating thereto.

**PARKS AND RECREATION COMMISSION**

**BOARD OF SELECTMEN RECOMMENDATION:** Approve

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 18:** (Appropriation: Community Preservation Committee)  
To see if the Town will vote to act on the report of the Community Preservation Committee for the Fiscal Year 2018 Community Preservation budget and to appropriate, or reserve for later appropriations, monies from the Community Preservation Fund annual revenues or available funds for the administrative expenses of the Community Preservation Committee, the payment of debt service, the undertaking of community preservation projects and all other necessary and proper expenses for the Fiscal Year 2018, as follows:

CPC Administrative Expenses	\$15,000
CPC Salaries	5,000
CPC Debt Expense	463,475
<u>Transfer To Affordable Housing Trust:</u>	
Affordable Housing Trust Coordinator	20,000
Affordable Housing Trust Administrative	2,000
Total Direct Costs	\$505,475

**Reserves:**

**10% of Estimated  
Fund Revenues**

Open Space	91,076
Community Housing	69,076
Historical Preservation	91,076

or act in any manner relating thereto.

**COMMUNITY PRESERVATION COMMITTEE**

**BOARD OF SELECTMEN RECOMMENDATION: To Be Determined**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 19:** (Fund Trail Kiosks and Signage)

To see if the Town will vote to transfer from available Community Preservation Act Fund Open Space Reserves the sum of \$10,000 to the Open Space Committee to fund the costs of producing identification and wayfinding signage for Medway's various open space areas and trails, or to act in any manner relating thereto.

**OPEN SPACE COMMITTEE**

**BOARD OF SELECTMEN RECOMMENDATION: Approve**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 20:** (Fund Adams Street Meadow Parking Area)

To see if the Town will vote to transfer from available Community Preservation Act Fund Open Space Reserves the sum of \$2,000 to the Open Space Committee to fund the costs of natural surface materials for developing a small parking area at the Adams Street meadow site, or to act in any manner relating thereto.

**OPEN SPACE COMMITTEE**

**BOARD OF SELECTMEN RECOMMENDATION: Approve**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 21:** (Fund Open Space Master Plan)

To see if the Town will vote to transfer from Community Preservation Act Fund Open Space Reserves the sum of \$25,000 to the Community and Economic Development Department to fund the costs to update the Town of Medway's official Open Space and Recreation Plan, or to act in any manner relating thereto.

May 8, 2017 Annual Town Meeting Warrant



upon such terms and conditions as the Board of Selectmen shall determine to be appropriate, to be under the management and control of Board of Selectmen for general municipal purposes, and, further, to see if the Town will vote to transfer \$15,000 from Certified Free Cash to pay costs of purchasing the property and for the payment of all other costs incidental and related thereto and to authorize the Board of Selectmen and Town officers to take all related actions necessary or appropriate to carry out this acquisition, or act in any manner relating thereto.

**BOARD OF SELECTMEN**

**BOARD OF SELECTMEN RECOMMENDATION:** **To Be Determined**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 25:** (Accept MGL Ch. 138 – Cordials & Liqueurs)  
 To see if the town will vote to accept the provisions of the following paragraph of General Laws chapter 138, Section 12: “A common victualler, who holds a license under this section to sell wines and malt beverages may, upon written approval, also sell liqueurs and cordials pursuant to said license, subject, however, to all other licensing provisions of this chapter.”, or act in any manner relating thereto.

**BOARD OF SELECTMEN**

**BOARD OF SELECTMEN RECOMMENDATION:** **Approve**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 26:** (Amend General Bylaws – Revolving Funds; Authorize FY18 Spending Limits)  
 To see if the Town will vote pursuant to the provisions of G.L. c.44, §53E½, as most recently amended, to amend the General By laws by inserting a new by law establishing various revolving funds, specifying the departmental receipts to be credited to each fund, the departmental purposes or programs for which each fund may be expended, and the entity authorized to expend each fund, such bylaw to provide as follows:

**Revolving Funds**

There are hereby established in the Town of Medway pursuant to the provisions of G.L. c.44, §53E½, the following Revolving Funds:

<b>Program or Purpose</b>	<b>Authorized Representative or Board to Spend</b>	<b>Department Receipts</b>
Self-supporting parks and recreation services	Department of Public Services	Fees and charges received from permitting parks, fields, and recreational activities.

Dial-a-ride van service for seniors and disabled; shuttle service to Norfolk commuter rail station, and other necessary transportation services	Council on Aging Department	Fees, charges or donations received in connection with transportation services provided through the Council on Aging and the Greater Attleboro Taunton Regional Transit Authority (GATRA) reimbursement.
Library printer, copier and fax expenses	Library Department	Fees or charges received in connection with public use of this equipment.
Library meeting room	Library Department	Fees or charges received in connection with public use of meeting rooms.
Thayer Homestead partial self-support of property	Town Administrator	Fees or charges received in connection with rental of the facility.
Tobacco license compliance inspections	Health Department	Tobacco license fees

Expenditures from each revolving fund set forth herein shall be subject to the limitation established annually by Town Meeting or any increase therein as may be authorized in accordance with G.L. c.44, §53E½.

And, further, to set FY2018 spending limits for such revolving funds as follows:

<b>Program or Purpose</b>	<b>FY 2018 Spending Limit</b>
Self-supporting parks and recreation services	\$150,000
Dial-a-ride van service for seniors and disabled; shuttle service to Norfolk commuter rail station, and other necessary transportation services	\$120,000
Library printer, copier and fax expenses	\$3,000
Library meeting room	\$1,000
Thayer Homestead partial self-support of property	\$50,000
Tobacco license compliance inspections	\$2,500

Or take any other action relative thereto.

**BOARD OF SELECTMEN  
(For the Various Departments Indicated)**

**BOARD OF SELECTMEN RECOMMENDATION:** Approve

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 27:** (Amend General Bylaws: License or Permit Denial)

May 8, 2017 Annual Town Meeting Warrant

12

To see if the Town will vote to amend Medway General Bylaws Section XVI, License or Permit Denial, Section 16.1, to conform to recent amendments to Massachusetts General Law Chapter 40, Section 57, as follows:

Section 16.1: insert after the word “annually”, the following: “, and may periodically”; and delete the words: “for not less than a twelve month period”.

Or act in any manner relating thereto.

**BOARD OF SELECTMEN**

**BOARD OF SELECTMEN RECOMMENDATION:** Approve

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 28:** (Amend General Bylaws: Fire Dept.)

To see if the Town will vote to amend the Town of Medway General By-Laws, Article III, by eliminating in its entirety the wording in Section 3.2.1 and replacing it with the following:

“Any call firefighter of the Medway Fire Department must be a resident of the Town of Medway or a municipality which is contiguous to the Town of Medway.”,

And, by also eliminating in its entirety Section 3.3 of said Article III and reserving this section number for future use, or act in any manner relating thereto.

**BOARD OF SELECTMEN**

**BOARD OF SELECTMEN RECOMMENDATION:** Approve

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 29:** (Amend General Bylaws: Stormwater Regulation)

To see if the Town will vote to amend the Medway General By-Laws Stormwater Management Article XXVI by replacing the language in its entirety with the proposed text dated [redacted] as found on file in the Office of the Town Clerk and at the Medway Public Library, or act in any manner related thereto.

**BOARD OF SELECTMEN**

**BOARD OF SELECTMEN RECOMMENDATION:** Approve

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 30:** (Amend Zoning and General Bylaws – New Noise Bylaw)

To see if the Town will vote to amend the Zoning Bylaw by deleting Paragraph C. 2. Noise of Section 7.3 Environmental Standards and to amend the General Bylaws by adding a new section X Noise Regulations as follows:



## X. Noise Regulations

### X.1 Prohibited Noise

It shall be unlawful for any person to willfully create, assist in creating, continue or allow to continue any excessive, unnecessary, or unusually loud noise which disturbs the peace or quiet of any neighborhood or which causes discomfort or annoyance to any reasonable person of normal sensitiveness in the area. The standards which shall be considered in determining whether a violation of the provisions of this section exists shall include, but not be limited to, the following:

1. The level of the noise.
2. The intensity of the noise.
3. Whether the nature of the noise is usual or unusual.
4. Whether the origin of the noise is natural or unnatural.
5. The level and intensity of the background noise, if any.
6. The proximity of the noise to residential sleeping facilities.
7. The nature and zoning of the area within which the noise emanates.
8. The density of the inhabitation of the area within which the noise emanates.
9. The time of day or night the noise occurs.
10. The duration of the noise.
11. Whether the noise is recurrent, intermittent or constant.
12. Whether the noise is produced by commercial or non-commercial activity.

X.2. Exemptions. None of the terms or prohibitions of Section 1 shall apply or be enforced against:

- a) Emergency Vehicles. Any police or fire vehicle or any ambulance while engaged in necessary emergency business.
- b) Highway and utility maintenance and construction. Necessary excavation in or repairs of bridges, streets or any public utility installation by or on behalf of the Town or any public utility or any agency of the Commonwealth of Massachusetts.
- c) Public address. The reasonable use of amplifiers or loudspeakers for public addresses which are non-commercial in nature.
- d) Parades and school bands. School bands, duly licensed parades and other authorized activities.
- e) Noise caused by agricultural, farm related, or forestry-related activities as defined by Massachusetts General Law, Chapter 128, Section 1A, as amended from time to time, including, but not limited to, the operation of farm equipment, sawmills, harvesting equipment, noises from farm animals, and the like.

X.3. Enforcement. The Police Department shall be charged with the enforcement of the provisions of this bylaw. A verbal warning to abate the noise violation shall be given first; only if a person refuses to abate a noise violation after being warned to do so by a police officer shall any penalty be imposed.

X.4. Penalties. The first violation of this bylaw shall be punished by a fine of \$50. The second violation of this bylaw within twelve months after the first violation shall be punished by a fine of not less than two hundred dollars. Further violations within twelve months after the last violation shall be punished by a fine of two hundred dollars. Each such act which either continues or is repeated more than one-half hour after issuance of a written notice of violation of this bylaw shall be a separate offense and shall be prosecuted as a separate offense. If the violation occurs on the

premises of rental property which is owned by a non-resident owner, then the owner will be notified in writing that the violation has occurred.

X. 5. Variances. The Board of Selectmen shall have the authority to grant special variances to this bylaw. Any person or entity seeking a special variance to this bylaw shall file an application with the Board of Selectmen that demonstrates that bringing the source of sound or activity for which the special variance is sought into compliance with this by law would constitute an unreasonable hardship on the applicant, on the community or on other persons. The Board of Selectmen shall establish procedures for processing applications for such special variances, including such hearing as the Board of Selectmen deems appropriate.

X.6. Severability. If any provision of this bylaw is held to be unconstitutional or otherwise invalid by any court of competent jurisdiction, the remaining provisions of the bylaw shall not be invalidated.

Or act in any manner relating thereto.

**BOARD OF SELECTMEN**

**BOARD OF SELECTMEN RECOMMENDATION: To Be Determined**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 31:** (Amend Zoning By laws – Nonconforming Uses and Structures)

To see if the Town will vote to amend Section 5.5. Paragraph B Nonconforming Uses and Structures of the Zoning Bylaw as follows:

**B. Commencement of Construction or Operation.** Construction or operations under a building permit or special permit shall conform to any subsequent amendments to this Zoning Bylaw, unless the use or construction is commenced within a period of not more than ~~six~~ **twelve** months after the issuance of the permit and in any case involving construction, unless such construction is continued through to completion as continuously and expeditiously as is reasonable.

Or act in any manner relating thereto.

**PLANNING AND ECONOMIC DEVELOPMENT BOARD**

**BOARD OF SELECTMEN RECOMMENDATION:**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 32:** (Amend Zoning By laws: Flood Plain/Wetland Protection District)

To see if the Town will vote to amend the Zoning Bylaw, Sub-Section 5.6.1 Flood Plain/Wetland Protection District by revising Paragraph C. Applicability as follows:

**C. Applicability.** The Flood Plain/Wetland Protection District includes:

All special flood hazard areas designated as Zone A or AE on the Norfolk County Flood Insurance Rate Map (FIRM) issued by the Federal Emergency Management Agency (FEMA) for the administration of the National Flood Insurance Program as may be updated or revised. The map panels of the Norfolk County FIRM that are wholly or partially within the Town of Medway are panel numbers 25021C - 0136E, 0137E, 0138E, 0139E, 0141E, 0142E, 0413E, and 0144E with a preliminary date of June 12, 2009 and an effective date of July 17, 2012. The exact boundaries of the District may be defined by the 100-year base flood elevations shown on the FIRM and further defined by the Norfolk County Flood Insurance Study (FIS) with an effective date of July 17, 2012. The FIRM and FIS report are incorporated herein by reference and are on file with the Town Clerk, Planning and Economic Development Board, Conservation Commission, Building Department and Board of Assessors.

**And by deleting items 2-5 in Paragraph C. Applicability as noted below:**

- ~~2. All land bordering any natural water body that lies within a horizontal distance of twenty-five feet from the mean high water line except as otherwise defined on the Flood Plain/Wetland Protection District Map.~~
- ~~3. All water bodies encircled by boundary lines of the District.~~
- ~~4. All that land along the following named brooks and their tributaries: Stall Brook, Hopping Brook, Chicken Brook and certain unnamed brooks and streams that lie within a horizontal distance of twenty-five feet of the thread of said brooks and streams except as otherwise defined on the Flood Plain/Wetland Protection District Map.~~
- ~~5. All those wetlands which may be described as upland swamps or marshes which lie at the source of the brooks or their tributaries or which lie in surface depressions without drainage outlets, as defined on the Flood Plain/Wetland Protection District Map.~~

**And by changing the name of Sub-Section 5.61 from Flood Plain/Wetland Protection District to Flood Plain District.**

**And by changing all references to Flood Plain/Wetland Protection District in Sub-Section 5.6.1 to Flood Plain District.**

**And by changing the reference to Flood Plain/Wetland Protection district in Paragraph C. 1 Overlay Districts in Section 4.1 Districts and in Paragraphs A and B in Section 4.2 Zoning Map to Flood Plain District.**

Or to act in any manner relating thereto.

**PLANNING AND ECONOMIC DEVELOPMENT BOARD**

**BOARD OF SELECTMEN RECOMMENDATION:**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 33:** (Amend Zoning Bylaws: Correct Internal Cross References)

To see if the Town will vote to amend the Zoning Bylaw at various locations throughout to correct the numbering of internal cross references to other sections or sub-sections of the Bylaw as follows:

In Sub-Section 5.6.2 Adaptive Use Overlay District, Paragraph E. Medway Mill Conservation Subdistrict.

- In the opening paragraph, by deleting the reference to SECTION 1 and inserting **5.6.2. A.** in its place.
- In item 1. Permitted Uses, by deleting the reference to Section D(1) and D(2) and inserting **5.6.2.D.1. and D.2.** in its place.

In Section 7.2 Signs, Sub-Section 7.2.2 Exempt Signs, Paragraph A. 16. c., by deleting references to Paragraphs 7 and 8 and replacing those with **7.2.4 and 7.2.5** in its place.

In Section 7.2 Signs, Sub-Section 7.2.6 Administration, Paragraph A. 1, by deleting the reference to Paragraph 5 and inserting **7.2.2** in its place.

In Section 7.3 Environmental Standards, by deleting the reference in Paragraph A. to Section 3 and inserting **SECTION 5.** in its place.

In Section 8.1 Infill Housing, by deleting the reference in Paragraph C. Basic Requirements, 4. to Section 5.5.1 and inserting **Section 8.1.** in its place.

In Section 8.5 Adult Retirement Community Planned Unit Development, Paragraph H. Open Space, 2. by deleting the reference to Section 5.5.3.(F) and inserting **8.4. F.** in its place.

In Section 8.4 Open Space Residential Development, Paragraph I. Special Permit Procedures, 3. Decision, by deleting the reference in a. to Section 5.5.3 and inserting **Section 8.4** in its place.

Or to act in any manner relating thereto.

## PLANNING AND ECONOMIC DEVELOPMENT BOARD

### BOARD OF SELECTMEN RECOMMENDATION:

### FINANCE COMMITTEE RECOMMENDATION:

#### ARTICLE 34: (Amend Zoning Bylaws: New Definitions)

To see if the Town will vote to amend the Zoning Bylaw, SECTION 2 DEFINITIONS by adding certain **new definitions** in alphabetical order, by revising other definitions, and inserting Figure A as follows: (deletions are noted with a ~~strike through~~):

**Assisted Living or Congregate Living Facility:** An assisted living residence facility as defined by G.L. c. 19D.

**Buffer Area** – Natural, wooded, vegetated, open areas, earthen berms or mounds, landscaped areas or any combination thereof including fences and walls, used to physically separate or screen one use or property from another use or property or provide a visual or sound barrier between adjacent properties by shielding or reducing noise, lights or other intrusions.

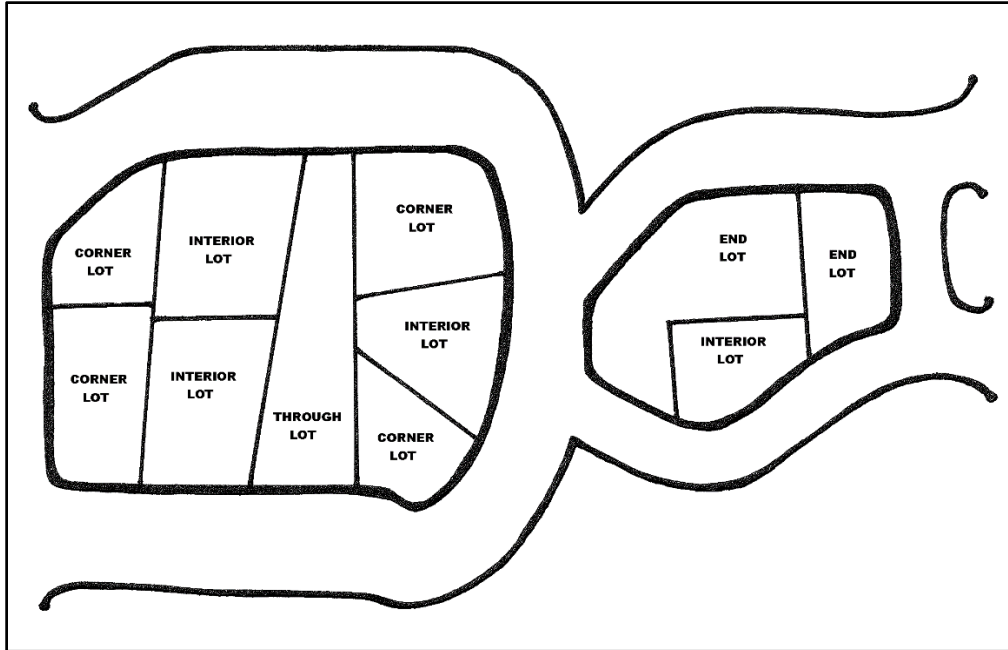
**Frontage:** That portion of a lot which fronts on a street or streets from which physical access to the principal building on the lot can be provided. Frontage is measured as the distance between the points of intersection of the side lot lines with the front lot line. In the case of a corner lot bounding more than one street, the measurement on both streets may be used to determine if the lot meets the minimum frontage requirements of the particular zoning district. With a corner lot, the frontage is measured from the side lot line to the midpoint of the arc that constitutes the corner rounding at the intersection of the two streets. See Section 6.2., Paragraph E.

**Lot:** A single area of land in one ownership defined by bounds or boundary lines in a recorded deed or shown on a recorded plan.

- **Lot, Corner:** A lot that is contiguous with the intersection of two streets meeting at an angle of less than one-hundred and thirty-five degrees. A corner lot has two front lot lines. A lot that is contiguous with one street and located at an arc of said street which is less than one hundred and thirty-five degrees shall also be defined as a corner lot.
- **Lot, End:** A lot that is contiguous with the intersections of one or more streets meeting at an angle of less than one-hundred and thirty-five degrees at two or more points. An end lot has at least three front lot lines. A lot that is contiguous with one or more streets and located at an arc of said streets which is less than one hundred and thirty-five degrees at two or more points shall also be defined as an end lot.
- **Lot, Interior:** Any lot which is not a Corner Lot or an End Lot.
- **Lot, Through:** An interior lot having a pair of parallel, or approximately parallel, front lot lines and street frontages.

*See Figure A – Lot Types*

#### **FIGURE A – Lot Types**



**Lot Area:** The total area of a lot, including land over which permanent easements have been granted, but not including the area of any adjacent street rights-of-way.

**Lot Line:** A line of record bounding a lot that divides one lot from another lot or from a way or any public space.

- **Lot Line, Front:** A lot line separating a lot from a street right of way.
- **Lot Line, Rear:** A line separating a lot from other lots or from land in a different ownership, being the boundary of a lot which is opposite or approximately opposite the front lot line. Any lot line other than a front or side lot line.
- **Lot Line, Side:** Any lot line other than a front or rear lot line. Any lot line which intersects a front lot line.

**Manufacturing** – The transformation or processing of raw materials or substances, components or parts into new finished or semi-finished products by the use of machines, tools, and labor through a mechanical, chemical or other process. Also includes May also include the blending of materials, fabrication, and the assembly of component parts, and the packaging of products for distribution, storage and sale.

- **Assembly** – The putting together of manufactured parts to make a machine or other completed product
- **Fabrication** – A manufacturing process in which an item is made from raw or semi-finished materials instead of being assembled from ready-made components or parts
- **Packaging** – The enclosing or protecting of manufactured products for distribution, storage, sale and use.
- **Processing** – A manufacturing process in which a series of mechanical or chemical operations takes place on something in stages or a sequence of actions taken in order to change or preserve something during production

- **Light Manufacturing** – The manufacturing of finished products or parts from predominantly previously prepared materials, which may include processing, fabrication, assembly, treatment, and packaging of such products, provided that all manufacturing activities are contained entirely within a building and any resulting noise, dust, glare, odor, smoke, heat, and vibration are confined entirely within the building.

**Tract:** An area, piece of land, property, site, parcel, or lot or a combination thereof.

**Two Family House/Duplex:** A building intended and designed to be occupied by two families living independently in separate dwelling units within the same building, each of which has direct access to the outside.

Or to act in any manner relating thereto.

**PLANNING AND ECONOMIC DEVELOPMENT BOARD**

**BOARD OF SELECTMEN RECOMMENDATION:**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 35:** (Amend Zoning Bylaws: Schedule of Uses, Table 1)  
To see if the Town will vote to amend the Zoning Bylaw, Section 5.4 Schedule of Uses, TABLE 1: Schedule of Uses as shown below:

**NOTE: Table 1 Legend**

Y: A use permitted by right

N: A prohibited use

SP: A use that may be allowed by special permit from the Zoning Board of

Appeals

<b>TABLE 1: SCHEDULE OF USES</b>										
	<b>AR-I</b>	<b>AR-II</b>	<b>VR</b>	<b>CB</b>	<b>VC</b>	<b>C-V</b>	<b>BI</b>	<b>I-I</b>	<b>I-II</b>	<b>I-III</b>
<b>C. RESIDENTIAL USES</b>										
Detached single-family dwelling— <b>house</b>	Y	Y	Y	N	Y	N	N	N	N	N
Two family <b>house/duplex</b> dwelling, provided that the exterior of the dwelling has the appearance of a single-family <b>house</b> dwelling.	N	SP	SP	N	N	N	N	N	N	N
<b>E. INDUSTRIAL AND RELATED USES</b>										
Manufacturing, processing, fabrication, packaging and	N	N	N	N	N	N	Y	Y	Y	Y

assembly, and storage of goods manufactured on the premises										
<b>Light Manufacturing</b>	<b>N</b>	<b>N</b>	<b>N</b>	<b>N</b>	<b>N</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>

Or to act in any manner relating thereto.

**PLANNING AND ECONOMIC DEVELOPMENT BOARD**

**BOARD OF SELECTMEN RECOMMENDATION:**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 36:** (Amend Zoning Bylaws: OSRD)  
 To see if the Town will vote to amend the Zoning Bylaw, Section 8.4, Open Space Residential Development (OSRD) as described below:

**By inserting a new Paragraph D. Affordable Housing as follows and relabeling Paragraphs D through J to become E through K.**

**D. Affordable Housing.** An OSRD is subject to Sub-Section 8.6 Affordable Housing of this By law.

**And by revising existing Paragraph E. Density and Dimensional Regulations, Item 3. as follows:**

**E. Density and Dimensional Regulations**  
 3. ~~There shall be a buffer area at least 15 feet side, consisting of natural vegetation, earthen materials and/or landscaping and/or fencing, located along the boundary of the site where it abuts existing neighborhoods unless waived by the Planning and Economic Development Board. The fifteen foot area from the side and rear lot lines of the subject parcel shall serve as a buffer area as defined in this By law. No buildings, structures, roadway s, above ground utilities or other infrastructure shall be constructed within this buffer area, however fencing/stone walls and walking paths/trails are permitted.~~

**And by inserting a new Item 4 as follows and relabeling the current item #4 to become #5.**

4. No buildings or structures shall be constructed within fifty feet from the street right-of-way line of a public way or within fifty feet from the side and rear lot lines.

Or to act in any manner relating thereto.

**PLANNING AND ECONOMIC DEVELOPMENT BOARD**

**BOARD OF SELECTMEN RECOMMENDATION:**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 37:** (Amend Zoning Bylaws: ARCPUD Definition and ARCPUD Regulations)



To see if the Town will vote to amend the Zoning Bylaw, SECTION 2 DEFINITIONS by amending the definition for Adult Retirement Community Planned Unit Development (ARCPUD) in SECTION 2 DEFINITIONS as follows:

**Adult Retirement Community Planned Unit Development (ARCPUD):** A master-planned development of land ~~as a unified, self-contained~~ for a residential community, constructed expressly for use and residency by persons who have achieved a minimum age requirement for residency of fifty-five years of age or older in accordance with G.L. c. 151B, § 4 and also incorporating the preservation and/or establishment of natural open space areas as an integral element of the development. ~~An ARCPUD shall be permitted only in an Adult Retirement Community Overlay District and only upon the granting of a special permit by the Planning and Economic Development Board. An ARCPUD shall include at least one of the Adult Retirement Community Residential Uses defined below in this Section — 2 of the Zoning By-law. The Planning and Economic Development Board in its granting of the ARCPUD special permit may specifically authorize other appropriate uses.~~ An ARCPUD may include a variety or combination of housing types that may be sold or leased to individual residents, or may be operated or ~~managed~~ sponsored as a coordinated unit by a corporation or organization having among its principal purposes the provision of housing and resident services for retired and/or aging persons.

And by amending Section 8.5, Adult Retirement Community Planned Unit Development as specified below:

**By amending Paragraph B. Applicability to read as follows:**

B. Applicability. The Planning and Economic Board may grant a special permit for an Adult Retirement Community Planned Unit Development (ARCPUD), ~~ARCPUD Assisted Living Residence Facility, ARCPUD Congregate Living Facility, or ARCPUD Long Term Care Facility~~ for any tract of land with ten (10) or more acres, whether in one parcel or a set of contiguous parcels in the AR-I and AR-II district.

**And by amending Paragraph D. Use Regulations, item 1. to read as follows:**

1. The ARCPUD shall include at least one of the following residential uses.
  - a. ~~Congregate housing~~
  - a. b. Assisted living residence facility
  - b. e. Long-term care facility
  - c. d. Coordinated unit
  - d. e. Independent living residence facility
  - e. f. ~~Residential~~ Subdivision

**And by amending Paragraph D. Use Regulations, item 2. to read as follows:**

2. The ARCPUD may include any one or more of the following:
  - a. Detached single-family house ~~dwelling or cottage~~
  - b. Townhouse
  - c. Two-family house/duplex ~~Multifamily dwelling~~
  - d. Multifamily dwelling or apartment house
  - ~~d.~~ e. Conservation, agricultural, and recreation uses
  - ~~e.~~ f. Accessory uses, provided that aggregate floorarea for accessory uses shall not exceed 5 percent of the total gross floor area of the buildings in the ARCPUD:
    - i. Local convenience retail, up to a maximum of 4,500 sq. ft. of gross floor area
    - ii. Medical office or clinic
    - iii. Adult day care

- iv. Community center

**And by amending Paragraph E. Density and Dimensional Regulations, item 2. as follows:**

- 2. For purposes of this Section 8.5, a housing unit shall be defined as equal to:
  - a. A home site in an ARCPUD Subdivision, a dwelling unit in an ARCPUD Independent Living Residence Facility, an ARCPUD Coordinated Unit, a townhouse, or a dwelling unit as defined in Section 2 of this Zoning Bylaw;
  - b. Two studios or suites of rooms apartments/suites in an ARCPUD Assisted Living Residence Facility or Congregate Living Facility;

**And by amending Paragraph E. Density and Dimensional Regulations, item #5 as follows:**

- 5. No buildings or structures shall be constructed within fifty 50 feet from the street right-of-way line of a public way or within fifty 50 feet from the side and rear perimeter lot lines. The 50-foot buffer shall be maintained in its natural state or a landscaped open space.

**And by amending Paragraph E. Density and Dimensional Regulations by inserting a new item #6 as follows and relabeling current items #6 and #7 to become items #7 and #8.**

- 6. The fifteen foot area from the side and rear lot lines of the subject parcel shall serve as a buffer area as defined in this Bylaw. No buildings, structures, roadways, above ground utilities or other infrastructure shall be constructed within this buffer area, however fencing/stone walls and walking paths/trails are permitted.

**And by amending Paragraph H. Open Space, by adding item 5. as follows:**

- H. Open Space. At least 40 percent of the total land area of the ARCPUD shall be set aside and maintained as open space in accordance with the following standards:
  - 5. Buffer areas required by E. 6 may be included in the required open space area.

**And by inserting a new Paragraph E. Affordable Housing as follows and relabeling Paragraphs E through M to become F through N.**

- E. Affordable Housing. Except for a long-term care facility, an ARCPUD is subject to Section 8.6 Affordable Housing of this Bylaw.

Or to act in any manner relating thereto.

**PLANNING AND ECONOMIC DEVELOPMENT BOARD**

**BOARD OF SELECTMEN RECOMMENDATION:**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 38:**

(Amend Zoning Bylaws: Special Permits)

To see if the Town will vote to amend Paragraphs B, C and D in Section 3.4. SPECIAL PERMITS of the Zoning Bylaw as follows:

**3.4 SPECIAL PERMITS**

B. **Public Hearing.** The special permit granting authority shall hold a public hearing within sixty-five days of receipt of a special permit application, and shall issue a decision no later than ninety days from the ~~close date~~ of the public hearing. Notification requirements for a public hearing shall be in accordance with G.L. c. 40A, § 11.

C. **Decision Criteria.** Unless otherwise specified herein, special permits shall be granted by the special permit granting authority only upon its written determination that the adverse effects of the proposed use will not outweigh its beneficial impacts to the town or the neighborhood, in view of the particular characteristics of the site, and of the proposal in relation to that site. In making its determination, the special permit granting authority, in addition to any specific factors that may be set forth in other sections of this Zoning Bylaw, shall make findings on all of the applicable criteria specified below: ~~The determination shall include findings that all of the following criteria for granting a special permit are met:~~

~~1.2. The proposed site use is in an appropriate location for the proposed use, and is not detrimental to the neighborhood and does not significantly alter the character of the zoning district.~~

2.3. Adequate and appropriate facilities will be provided for the operation of the proposed use.

3. The proposed use as developed will not create a hazard to abutters, vehicles, pedestrians or the environment.

4.5. The proposed use will not cause undue traffic congestion or conflicts in the immediate area.

5.4. The proposed use will not be detrimental or otherwise offensive to the adjoining zoning districts and neighboring properties due to the effects of lighting, flooding, odors, dust, smoke, noise, vibration, sewage, refuse materials, or other undesirable visual, site or operational attributes of the proposed use, or other nuisances.

6. The proposed use as developed will not adversely affect the surrounding neighborhood or significantly alter the character of the zoning district.

7.4. The proposed use is in harmony with the general purpose and intent of this Zoning Bylaw.

8.6. The proposed use is consistent with the goals of the Medway Master Plan.

9. The proposed use will not be detrimental to the public good.

D. **Conditions.** Special permits may be granted with such reasonable conditions, safeguards, or limitations on time or use, including performance guarantees, as the special permit granting authority may deem necessary to serve the purposes of this Zoning Bylaw. Such conditions may include but shall not be limited to the following:

1. Deadline to commence construction.

2. Dimensional standards more restrictive than those set forth in Section 6 of this Zoning Bylaw.

3. Limitations on signage, number of vehicles or parking spaces, noise, or hours of operation of construction equipment.
4. Limitation of size, method or hours of operation, extent of facilities, or other operating characteristics of a use.
5. Requirements pertaining to integrated emergency or alarm systems, maintenance, landscaping, dust control, wastewater disposal or water supply, bond or other performance guarantee.
6. Requirements for independent monitoring, at the expense of the applicant, and reporting to the Building Inspector, if necessary to ensure continuing compliance with the conditions of a special permit or of this Zoning Bylaw.
7. Term for years with or without automatic renewals, to the extent allowed by law.
8. The date of when the special permit shall commence.
9. On-site and off-site mitigation measures to ensure that the petitioner properly alleviates the development's impacts on the neighborhood and/or community.
10. Other limitations as may be reasonably related to reducing any adverse impact on, or increasing the compatibility of the proposed use, structure or activity with, the surrounding area.

Or to act in any manner relating thereto.

## PLANNING AND ECONOMIC DEVELOPMENT BOARD

### BOARD OF SELECTMEN RECOMMENDATION:

### FINANCE COMMITTEE RECOMMENDATION:

### ARTICLE 39: (Amend Zoning Bylaws: Accessory Building or Use Definition)

To see if the Town will vote to amend the Zoning Bylaw, SECTION 2. DEFINITIONS by deleting the existing definition of *Accessory Building or Use* and by inserting the following definitions instead:

~~**Accessory Building or Use:** A building or use customarily incidental to and located on the same lot with a principal building or use or on an adjoining lot under the same ownership.~~

**Accessory Building or Structure:** A detached building or structure located on the same lot as the principal building or on an adjoining lot under the same ownership and in the same zoning district, which is customarily incidental and subordinate to the principal building

**Accessory Use:** A use of land or of a building or structure or a portion thereof located on the same lot as the principal use or on an adjoining lot under the same ownership and in the same zoning district, which is customarily incidental and subordinate to the principal use.

And by adding a new Section 6.3 Accessory Buildings and Structures in SECTION 6 DIMENSIONAL REGULATIONS as follows:

**6.3 Accessory Buildings or Structures**

A. In a residential zoning district, there shall be no more than five accessory buildings or structures on any lot unless authorized by special permit from the Zoning Board of Appeals.

B. In a residential zoning district, an accessory building or structure shall not exceed 3,000 sq. ft. in gross floor area unless authorized by special permit from the Zoning Board of Appeals.

C. In a residential zoning district, the area of any single accessory building or structure shall not exceed the gross floor area of the principle residential building on the premises unless authorized by special permit from the Zoning Board of Appeals.

D. In any zoning district, the primary and accessory buildings and structures shall not exceed the maximum lot coverage requirements specified in TABLE 2 DIMENSIONAL AND DENSITY REGULATIONS of this Bylaw.

E. In reviewing special permit applications for accessory buildings or structures in residential zoning districts, the Zoning Board of Appeals shall consider the *Medway Design Review Guidelines* applicable to residential zones.

And by amending Section 6.1 TABLE 2. DIMENSIONAL AND DENSITY REGULATIONS as follows:

TABLE 2. DIMENSIONAL AND DENSITY REGULATIONS										
Requirement AR-I		AR-II	VR	CB	VC	C-V	BI	I-1	I-2	I-3
Maximum Lot Coverage (pct. of lot) (Primary and accessory buildings and structures)	25%	30%	30%	80%	80%	40%	40%	NA	NA	NA

Or to act in any manner relating thereto.

**PLANNING AND ECONOMIC DEVELOPMENT BOARD**

**BOARD OF SELECTMEN RECOMMENDATION:**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 40:** (Amend Zoning Bylaws: Lot Frontage and Setbacks)  
 To see if the Town will vote to amend the Zoning Bylaw, Section 6.2 General Provisions by revising Paragraph E. Lot Frontage, item 2. Measurement of Lot Frontage as follows:

**E. Lot Frontage**

2. Measurement of Lot Frontage.

- a. Frontage is measured in a continuous line along the sideline of the street right-of way between points of intersection of the side lot lines with the street- right-of way line. The measurement of lot frontage excludes jogs in the street width, backup strips and other irregularities in the street line.
- ~~b. The minimum frontage for a Corner Lot or End Lot shall be provided from one contiguous line along the front lot line, from the point of intersection with a side lot line to the midpoint of the corner are.~~
- b. For a Corner Lot or End Lot, the measurement of multiple front lot lines may be used, however the entire minimum length of frontages shall be continuous without any breaks.
- c. For Through Lots, only one front lot line may be used to meet the minimum frontage length requirement.

And by inserting a new Paragraph F. Setbacks as follows:

**F. Setbacks**

- a. Minimum setbacks. Every lot must have at least the minimum lot setbacks set forth in TABLE 2 Dimensional and Density Regulations for the zoning district in which the lot is located.
- b. For a Corner or End Lot, the required minimum front setback shall be required from all front lot lines.
- c. For Through Lots, the front setback shall be required on all front lot lines; side setbacks shall be required on all remaining side and rear lot lines.

Or to act in any manner relating thereto.

**PLANNING AND ECONOMIC DEVELOPMENT BOARD**

**BOARD OF SELECTMEN RECOMMENDATION:**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 41:**

(Amend Zoning Bylaws: Affordable Housing)

To see if the Town will vote to amend the Zoning Bylaw by adding or revising the definitions in SECTION 2 DEFINITIONS as follows:

**Affordable Housing Unit** A dwelling unit that is affordable to and occupied by a Low or Moderate Income Household and meets the requirements for inclusion on the Subsidized Housing Inventory. ~~Affordable units shall remain as affordable units in perpetuity. These units shall have the same construction methods, physical characteristics as, and be intermingled with other units in the subdivision or development.~~

**Affordable Housing Trust Fund** : An account established and operated by the Town for the exclusive purpose of creating or preserving affordable housing units in the Town of Medway.

**Area Median Income (AMI)**: The median income for households within the designated statistical area that includes the Town of Medway, as reported annually and adjusted for household size by the U.S. Department of Housing and Urban Development for the Boston Standard Metropolitan Statistical Area.

**Deed Rider**: A legally binding instrument in a form consistent with LIP requirements which runs with the land to ensure the long-term affordability of an Affordable Housing Unit. It specifies the terms and conditions under which an Affordable Housing Unit may be occupied, refinanced, improved, marketed and sold. A deed rider is appended to the deed of any Affordable Housing Unit and recorded with the relevant registry of deeds or land court registry district.

**DHCD**: Massachusetts Department of Housing and Community Development and its successors, as established and currently existing pursuant to G.L. c. 23B and c. 6A.

**Eligible Household**: Any household whose total income does not exceed eighty (80) percent of the Area Median Income of households in the Boston Standard Metropolitan Statistical Area adjusted for family size, or such other equivalent income standard as may be determined by the Medway Affordable Housing Trust Fund. Also referred to as Qualified Purchasers and Renters.

**Equivalent Affordable Housing Unit Value**: An amount equal to the difference between the median sale price for market rate single family homes sold in Medway during the thirty six months preceding the date of application, as determined by the Board of Assessors based on deeds recorded with the Norfolk Registry of Deeds for arms-length transactions, and the purchase price of a home that is affordable to a qualified purchaser as determined by (DHCD), assuming a household size of four, or one person per bedroom plus one additional person with the number of bedrooms being the average number in the development, whichever is less. For developments other than single family detached structures (e.g. duplexes or multifamily condominiums) the Planning and Economic Development Board may substitute the median sale price of the applicable type of market rate dwelling unit for the median sale price of single family homes in the preceding formula.

**LIP**: Massachusetts Local Initiative Program pursuant to G.L. c. 40B.

**Medway Affordable Housing Trust**: An organization established by the Town of Medway pursuant to G.L. c. 44, § 55C to support the creation and preservation of affordable housing in order to secure rental and homeownership opportunities for Low or Moderate Income Households.

**Medway Affordable Housing Trust Fund**: A fund established by the Town of Medway pursuant to G.L. c. 44, § 55C for the purpose of receiving, holding, investing, and/or expending funds to reduce the cost of housing for Qualified Purchasers and Renters, or for the purpose of encouraging, creating, preserving, or subsidizing the construction or rehabilitation of housing for Qualified Purchasers and Renters. Sources of receipts for the Fund shall be as specified in Section 2.18 of the Medway General Bylaws.

**Mixed-Use Development:** A development project that combines retail/commercial, service, and/or office uses with residential in the same building or on the same site.

**Off-Site Unit:** An Affordable Housing Unit produced by the Applicant on a site other than the primary residential development in compliance with Section 8.6 of the Medway Zoning Bylaw.

**Regulatory Agreement:** A tri-party contract provided by DHCD and entered into by DHCD, the Town of Medway and the developer of Affordable Housing Units. The Agreement specifies the rights and responsibilities of the three parties throughout a housing unit's term of affordability including compliance monitoring, enforcement of affordable housing restrictions, and affirmative fair housing marketing requirements. A Regulatory Agreement is recorded with the relevant registry of deeds or land court registry district.

**And by replacing Section 8.6 Affordable Housing in its entirety by inserting the following in its place:**

### **8.6 Affordable Housing**

A. **Purpose and Intent.** The purpose of this Affordable Housing Bylaw is to create housing opportunities in Medway for people of varying ages and income levels; to increase the supply of affordable housing for Eligible Households with low and moderate incomes; to promote a mix and geographic distribution of affordable housing throughout the town; to provide housing options for people who work in Medway; and to create housing units eligible for listing in the Subsidized Housing Inventory. At a minimum, affordable housing produced through this Section should comply with the requirements set forth in G.L. c. 40B § 20-23 and related regulations, guidelines issued by DHCD, and other affordable housing programs developed by the Commonwealth of Massachusetts or the Town of Medway.

#### **B. Applicability.**

1. In applicable zoning districts, this Section shall apply to the following uses:
  - a. Any Two Family House or Multifamily Development or Mixed-Use Development that results in a net increase of six or more Dwelling Units, whether by new construction or by the alteration, expansion, reconstruction, or change of existing residential or non-residential space, whether on one or more contiguous parcels.
  - b. Any development of detached single-family Dwellings that results in a net increase of ten or more Dwelling Units.
  - c. Open Space Residential Development (OSRD) approved pursuant to an OSRD special permit under Section 8.4 of this Zoning Bylaw.
  - d. Adult Retirement Community Planned Unit Development (ARCPUD) approved pursuant to an ARCPUD special permit under Section 8.5 of this Zoning Bylaw.
2. Multifamily Developments, Mixed-Use Developments, or single-family developments shall not be segmented to avoid compliance with this Section. Segmentation shall mean one or more divisions of land that cumulatively result in a net increase of ten or more lots or Dwelling Units above the number existing thirty-six months earlier on any parcel or set



of contiguous parcels held in common ownership on or after the effective date of this Section.

3. This Section shall not apply to the construction of single-family dwellings on individual lots if said lots were in existence prior to the effective date of this Section.
4. For projects not listed herein, Affordable Housing Units may be provided voluntarily in exchange for density bonus pursuant to a special permit from the Planning and Economic Development Board.

**C. Mandatory Provision of Affordable Housing Units.**

1. In any development subject to this Section, the percentage of Affordable Housing Units required will be as specified in Table 11, *Affordable Housing Units Required by Project Size*:

TABLE 11	
Affordable Housing Units Required by Project Size	
Project Size (Units)	Percent Affordable Units
6-12*	10%
13-17	12%
18-20	15%
21 and over	20%

\*Projects consisting of less than 10 single-family detached units do not require an affordable set-aside.

2. The table above may generate a fractional Affordable Housing Unit. A fractional Affordable Housing Unit of 0.5 or higher shall be rounded up to the next whole number. Fractional housing units of less than 0.5 shall require a payment equal to the product of the fraction multiplied by the cash contribution for a whole Affordable Housing Unit as specified in Paragraph D. 3. herein. The Applicant may choose to have the fractional housing unit of less than 0.5 rounded up to the next whole number, rather than converted to a cash payment.
3. **Deed rider.** Any Affordable Housing Unit shall have a Deed Rider to regulate the future resale of the property. The Applicant is required to prepare a Deed Rider for each Affordable Housing Unit that is consistent with that used in the LIP and the Regulatory Agreement approved by DHCD for recording with the appropriate Registry of Deeds or Registry District of the Land Court.

**D. Methods of Providing Affordable Housing Units.** The Planning and Economic Development Board in consultation with the Medway Affordable Housing Trust and Affordable Housing Committee may authorize one or more of the following methods for providing Affordable Housing Units, alone or in combination.

1. **On-Site units.** Construction of Affordable Housing Units within the development shall be permitted by right.
2. **Off-Site Units.** Creation of Affordable Housing Units on a lot or parcel that is not included in the subject development.

- a. Off-Site Units may be constructed by the Applicant or be an existing Dwelling Unit that is rehabilitated.
  - b. Off-Site Units need not be located in the same zoning district as the development.
  - c. The Planning and Economic Development Board shall approve the location of the Off-Site Units.
  - d. The Applicant shall provide a demonstration of site control, documenting that the Applicant or a related entity holds title, ground lease, option, or contract for purchase.
  - e. The Applicant shall demonstrate that the land is developable and suitable for the number of Affordable Housing Units required in conformance with this Zoning Bylaw and any relevant state and local regulations governing the property.
  - f. The Applicant shall provide a demonstration of the necessary financing to complete the off-site development or rehabilitation.
  - g. The Applicant shall provide an architect's conceptual site plan with unit designs and architectural elevations, a demonstration that the site plan can meet the Site Plan Review standards set forth in Section 3.5 of this Zoning Bylaw.
  - h. Preservation of existing Dwelling Units for affordable housing, rather than construction of Off-Site Units, may be accomplished by purchasing deed restrictions and providing funds for capital improvements.
  - i. The Planning and Economic Development Board may require that the Applicant submit appraisals of the off-site property in question, as well as other data relevant to the determination of equivalent value.
3. **Payment of a fee in lieu of Affordable Housing Units**
- a. Such payments shall be made to the Medway Affordable Housing Trust.
  - b. The payment shall be an amount equal to the required number of Affordable Housing Units multiplied by the median sales price of a Medway market-rate home comparable in type, size, and number of bedrooms over a period of eighteen months prior to the date of application submission. The amount of such payment shall not be decreased based on the value of an Affordable Housing Unit. Data for sales price shall be that as provided by the Medway Assessing Department.
  - c. Payments in lieu of Affordable Housing Units shall not be accepted as part of a rental development, either Mixed-Use Development or Multifamily Development.
  - d. Payments in lieu shall be made according to *Table 12 - Schedule for Completion of Affordable Housing Units* set forth in Paragraph I herein.
4. In no event shall the total value of newly constructed or rehabilitated Off-Site Units and/or cash payments provided be less than the median price of a Medway market-rate home comparable in type, size, and number of bedrooms over a period of eighteen months prior to the date of application submission multiplied by the number of Affordable Housing Units required under Paragraph C.1.

**E. Density Bonus; Affordable Housing Special Permit.**

1. The Planning and Economic Development Board may grant an Affordable Housing special permit, by a four-fifths vote, to modify or waive this By law's dimensional and density requirements as specified in Section 6.1 in order to increase the number of market-rate units to help offset the affordable housing requirement:
  - a. **On-site provision of Affordable Housing Units.** A density bonus may be granted to increase the number of market-rate units by the required number of Affordable Housing Units under Paragraph C. For example, for a development that must provide two Affordable Housing Units and the developer chooses to include those on the premises, two additional on-site market-rate units may be allowed.
  - b. **Off-site provision of Affordable Housing Units.** A density bonus may be granted to increase the number of market-rate units by one-half the required number of affordable units under Paragraph C. For example, for a development that must provide two Affordable Housing Units and the developer chooses to provide those off-site, one additional on-site market rate unit may be allowed.
  - c. No density bonus shall be granted when the requirements of this Section are met with a payment in lieu of Affordable Housing Units pursuant to Paragraph D. 3.
  - d. The density bonus may be granted for a development not subject to Paragraph B.1 that provides Affordable Housing Units voluntarily.
2. **Adjustment of Dimensional Requirements.** When the subject development is a subdivision, the Board may adjust the minimum lot area, minimum lot frontage, and minimum front, rear, and side setbacks required in the underlying zoning district for the subject development to allow for the increase in total number of Dwelling Units as long as the layout of all lots meets the following requirements:
  - a. No individual lot shall be reduced in area or frontage to less than eighty percent of the required minimum in the district, and
  - b. Any lot with an Affordable Housing Unit shall be no smaller in area and frontage than the median of the lot area and frontage of all the lots in said development.
3. **Type of Dwelling Unit.** The Board may authorize types of Dwelling Units not otherwise permitted in the underlying zoning district to allow for the increase in the total number of market rate Dwelling Units. For example, in a district where only single-family dwellings are allowed by right, a development with an affordable housing density bonus may be designed to include duplexes, townhouses, or multi-family dwellings for both the market rate and Affordable Housing Units.

**F. Location and Comparability of Affordable Housing Units.**

1. The permit application for the proposed development shall include a plan showing the proposed locations of the Affordable Housing Units.
2. On-site Affordable Housing Units shall be proportionately distributed throughout a development in terms of location and unit type, size and number of bedrooms in accordance with the LIP requirements. For example, a development consisting of a mix of single-

- family detached homes, attached townhouses, and apartments shall include Affordable Housing Units of each housing type in proportion to the market-rate units.
3. On-site Affordable Housing Units shall be as conveniently located to the development's common amenities as the market rate units.
  4. Newly constructed on and off-site Affordable Housing Units shall comply at a minimum with the LIP Design and Construction Standards as they may be amended, including the requirement that Affordable Housing Units shall be indistinguishable from market-rate units as viewed from the exterior.
  5. On-site Affordable Housing Units shall:
    - a. Be equivalent to the market-rate units in terms of design, quality of construction and workmanship, mechanical, plumbing, heating and cooling systems, roofing, insulation, windows and energy efficiency; and
    - b. Include a garage(s) and/or parking space if the market-rate units include a garage(s) and/or parking space; and
    - c. Contain good quality and highly durable interior finishes, flooring, lighting and plumbing fixtures, and appliances that are consistent with contemporary standards for new housing and installed with equivalent workmanship to the market rate units.
    - d. Be provided product and system warranties equivalent to those supplied for market rate units.
    - e. Include an equivalent quantity of cabinets, countertops, appliances, lighting and plumbing fixtures, and closets to those provided for market rate units.
  6. Off-site rehabilitated units for affordable housing shall comply at a minimum with the following criteria:
    - a. Exterior renovations/improvements shall reflect the character of the surrounding neighborhood.
    - b. DHCD's HOME/HSF/CIPF/CATNHP Construction/Rehabilitation Guidelines as may be amended.
    - c. State Building Code as amended by Massachusetts regulations 780 CMR, as may be amended.
  7. Newly constructed Affordable Housing Units shall contain at least the minimum amount of interior living space, excluding basement space, as specified in the LIP Design and Construction Standards. The Planning and Economic Development Board may make reasonable exceptions for the size and number of bedrooms of existing Dwelling Units that are purchased and resold or rented as Affordable Housing Units with an appropriate deed restriction.
  8. The owners and tenants of market-rate and on-site Affordable Housing Units shall have the same rights and privileges to use any common amenities within the development.

9. The Building Inspector may inspect the premises to ensure that the developer has complied with these requirements and if necessary, require reasonable changes to achieve compliance.

**G. Affordable Purchase and Rental Prices.**

1. The initial affordable purchase price shall comply with the LIP Guidelines in effect when the Regulatory Agreement is filed with DHCD. The calculations used to determine an affordable purchase price shall be consistent with the terms, rates, fees, down payments, and other requirements of first-time homebuyer mortgage products available from lending institutions licensed by the Commonwealth of Massachusetts in accordance with the requirements of DHCD.
2. The initial affordable rent shall comply with DHCD requirements and LIP Guidelines in effect when the affordable housing special permit application is filed.

**H. Applicant Responsibilities.**

1. **Marketing Plan for Affordable Housing Units.** The Applicant shall select Qualified Purchasers and Renters via lottery under an Affirmative Fair Housing Marketing Plan prepared and submitted by the Applicant and approved by the Planning and Economic Development Board in consultation with the Medway Affordable Housing Committee or the Medway Affordable Housing Trust. The marketing plan shall comply with LIP Guidelines in effect on the date of filing the Regulatory Agreement with DHCD.
2. **Regulatory Agreement.** For both ownership and rental projects, the Applicant shall prepare the Regulatory Agreement in consultation with and for approval by the Town of Medway and DHCD. Said Regulatory Agreement will be executed by DHCD, the Town of Medway, and the Applicant. The Applicant shall record the Regulatory Agreement with the Norfolk County Registry of Deeds or Registry District of the Land Court.
3. **Deed Restriction.** The Applicant shall prepare a Deed Rider for each Affordable Housing Unit that is consistent with that used in the LIP and the Regulatory Agreement to be recorded with the Norfolk County Registry of Deeds or Registry District of the Land Court.

**I. Timing of Construction of Affordable Housing Units**

1. On-site Affordable Housing Units shall be constructed in accordance with Table 12 below. Proportionality shall be determined by the number of building permits issued for affordable and market-rate units. In accordance with the table below, Affordable Housing Units shall not be the last units to be built in any development that is subject to this Section.

<b>TABLE 12</b>	
<b>Schedule for Completion of Affordable Housing Units</b>	
<b>Percent Market-Rate Units</b>	<b>Percent Affordable Units</b>
Up to 30%	None required
30% plus 1 unit	At least 10%
Up to 50%	At least 30%
Up to 75%	At least 50%
75% plus 1 unit	At least 70%

TABLE 12	
Schedule for Completion of Affordable Housing Units	
Percent Market-Rate Units	Percent Affordable Units
Up to 90%	100%

2. Construction or rehabilitation of Off-Site Units shall be completed prior to issuance of the building permit for the unit representing fifty -one percent of the development triggering this Section.
3. In the case of payments in lieu of Affordable Housing Units, the following methods of payment may be used at the option of the Applicant:
  - a. The total amount due shall be paid upon the release of any lots or, in the case of a development other than a subdivision, upon the issuance of the first building permit; or,
  - b. The total amount due shall be divided by the total number of market rate units in the development. The resulting quotient shall be payable at, or prior to, the closing of each market rate unit; or,
  - c. A combination of the above methods if approved by the Planning and Economic Development Board.

**J. Preservation of Affordability.**

1. Homeownership and rental Affordable Housing Units provided under this Section shall be subject to the requirements of guidelines issued by DHCD and a DHCD approved Deed Rider that complies with LIP requirements as they may be amended for inclusion in the Chapter 40B Subsidized Housing Inventory and is enforceable under G.L. c. 184, § 26 or §§ 31-32. Units required by and provided under the provisions of this Section shall remain affordable to the designated income group in perpetuity, or for as long as legally permissible.
2. No building permit for any unit in a development subject to this Section shall be issued until the Town has approved the Regulatory Agreement and the Applicant has submitted it to DHCD. Further, the building permit representing fifty-one percent of the development shall not be issued until the Regulatory Agreement has been approved by DHCD and recorded with the Norfolk County Registry of Deeds or Registry District of the Land Court.
3. For homeownership units, issuance of the certificate of occupancy for any Affordable Housing Unit is contingent on a DHCD-approved Deed Rider signed by the qualified purchaser.
4. Subsequent resale of an Affordable Housing Unit shall be made to a qualified affordable housing purchaser in accordance with the deed restriction.
5. The purchaser of an Affordable Housing Unit shall execute a Deed Rider in a form provided by the DHCD, granting, among other things, the Town of Medway the right of first refusal to purchase the property in the event that a subsequent qualified purchaser cannot be found.

**PLANNING AND ECONOMIC DEVELOPMENT BOARD**

**BOARD OF SELECTMEN RECOMMENDATION:**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 42:** (Amend Zoning Bylaws: SECTION 8. Special Regulations, Add Section 8.10 Temporary Moratorium on Non-Medical Marijuana Establishments) To see if the Town will vote to amend the Zoning Bylaw, SECTION 8. SPECIAL REGULATIONS, by adding a new Section 8.10 as follows:

**8.10 TEMPORARY MORATORIUM ON NON-MEDICAL MARIJUANA ESTABLISHMENTS**

A. **Purposes.** On November 8, 2016, the voters of the Commonwealth approved a law regulating the cultivation, processing, distribution, possession and use of marijuana for recreational purposes (new G.L. c. 94G, Regulation of the Use and Distribution of Marijuana Not Medically Prescribed). The law, which allows certain personal use and possession of marijuana for persons at least twenty-one years of age took effect on December 15, 2016 and (as amended on December 30, 2016; Chapter 351 of the Acts of 2016) requires a Cannabis Control Commission to issue regulations regarding the licensing of commercial activities by March 15, 2018 and to begin accepting applications for licenses by April 1, 2018.

The law authorizes municipalities to adopt ordinances or bylaws regulating the time, place and manner of operations of marijuana establishments. Further it authorizes municipalities to enact ordinances or bylaws or hold local ballot questions to impose additional limitations regarding the types and number of Marijuana Establishments to be allowed in a community and whether to allow for marijuana cafes for the consumption of marijuana and marijuana products on the premises where they are sold.

Currently under the Zoning Bylaw, a non-medical Marijuana Establishment (hereinafter, a “Non-Medical Marijuana Establishment”), as defined in G. L. c. 94G §1 is not specifically addressed. Regulations to be promulgated by the Cannabis Control Commission may provide guidance on certain aspects of local regulations of Non-Medical Marijuana Establishments. The regulation of Non-Medical Marijuana Establishments raises novel and complex legal, planning, and public safety issues. The Town needstime to study and consider the regulation of Non-Medical Marijuana Establishment and address such issues. Questions and concerns have been raised regarding the timeline for implementation, local control mechanisms, regulation of marijuana products, amount of tax, licensing of non-medical marijuana establishments, and additional matters. The Town needs to consider the potential impact of the State regulations on local zoning, and to undertake a planning process to consider amending the Zoning Bylaw regarding regulation of Non-Medical Marijuana Establishments.

The Town intends to adopt a temporary moratorium on the use of land and structures in the Town for Non-Medical Marijuana Establishments so as to allow the Town sufficient time to engage

in a planning process to address the effects of such structures and uses in the Town and to enact bylaws in a manner consistent with sound land use planning goals and objectives.

B. **Definitions.** As used in this Sub-Section, the following term shall have the following meaning:

**Non-Medical Marijuana Establishment:** A marijuana cultivator, marijuana testing facility, marijuana product manufacturer, marijuana retailer or any other type of marijuana-related business as defined by G.L. c. 94G.

C. **Temporary Moratorium.** For the reasons set forth above and notwithstanding any other provision of the Zoning Bylaw to the contrary, the Town hereby adopts a temporary moratorium on the use of land or structures for Non-Medical Marijuana Establishments and other uses related to personal use of marijuana. The moratorium shall be in effect through June 30, 2018 or until such time as the Town adopts Zoning Bylaw amendments that regulate Non-Medical Marijuana Establishments, whichever occurs earlier. During the moratorium period, the Town shall undertake a planning process to consider how the Town will address the potential impacts of Non-Medical Marijuana Establishments in the Town, and to consider the Cannabis Control Commission's regulations regarding Non-Medical Marijuana Establishments, and shall consider amending the Zoning Bylaw in response to these new issues. This temporary moratorium shall not affect in any way the use of land or structures for Registered Marijuana Dispensaries, (for medical marijuana), which are governed by Section 8.9 of this Zoning Bylaw.

Or to act in any manner relating thereto.

**PLANNING AND ECONOMIC DEVELOPMENT BOARD**

**BOARD OF SELECTMEN RECOMMENDATION:**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 43:** (Amend Zoning Bylaws: AR-I & AR-II Zoning Boundary Changes)

To see if the Town will vote to rezone the following parcels as shown on a map titled "Proposed Changes to AR-I & AR-II Zoning Districts, January 3, 2017, MAP 5 OF 7" on file with the Town Clerk and to amend the Zoning Map accordingly, such that:

The following split parcels shall be rezoned so that the portion which is presently zoned Agricultural Residential I district shall be zoned Agricultural Residential II district, so that the entire parcel is zoned Agricultural Residential II:

Address	Medway Assessor's Parcel ID #	Parcel Size	Current Owner
10 Clover Lane	21-070	.68	Joseph & Shari Meehan
8 Clover Lane	21-069	.68	Paul & Deborah Rossi
6 Clover Lane	21-068	.68	Michael & Janice Kaslosky
4 Clover Lane	21-067	.68	Michael & Dawn Heffron



2 Clover Lane	21-066	.68	Stephen & Gail Kadlik
13 Delmar Road	30-021	.4	Edward & Helen Richard
15 Delmar Road	30-022	.87	Matthew Parabolicoli & Heidi Dragon
17 Delmar Road	30-023	1.446	Dale & Vanessa Lambirth
0R Maple Street (also listed in Article B)	30-010 .5		Robert Briggs

The following split parcels shall be rezoned so that the portion which is presently zoned Agricultural Residential II district shall be zoned Agricultural Residential I district, so that the entire parcel is zoned Agricultural Residential I:

Address	Medway Assessor's Parcel ID #	Parcel Size	Current Owner
60 Winthrop Street	21-062	10	Michael & Elaine Ruggieri
50 Winthrop Street	30-003	14	Town of Medway Conservation Commission
38 Winthrop Street (also listed in Article 44)	30-005	32.00	Shady Oaks Rlty, Robert Briggs Et. Al. Trst.

The following parcels shall be rezoned from the present zoning in the Agricultural Residential I district to Agricultural Residential II district, so that the entire parcel is zoned Agricultural Residential II:

Address	Medway Assessor's Parcel ID #	Parcel Size	Current Owner
62 Winthrop Street	21-063	.25	Bernard & Donna Peck
64 Winthrop Street	21-064	.25	Anne Marie Price
66 Winthrop Street	21-065	.25	Steven & Myra Abate

And to act in any manner relating thereto.

**PLANNING AND ECONOMIC DEVELOPMENT BOARD**

**BOARD OF SELECTMEN RECOMMENDATION:**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 44:** (Amend Zoning Bylaws: AR-I & AR-II Zoning Boundary Changes)

To see if the Town will vote to rezone the following parcels as shown on a map titled "Proposed Changes to AR-I & AR-II Zoning Districts, January 3, 2017, MAP 6 OF 7" on file with the Town Clerk and to amend the Zoning Map accordingly, such that:

The following split parcels shall be rezoned so that the portion which is presently zoned Agricultural Residential I district shall be zoned Agricultural Residential II district, so that the entire parcel is zoned Agricultural Residential II:

Address	Medway Assessor's Parcel ID #	Parcel Size	Current Owner
0R Maple Street (also listed in Article 43)	30-010 .5		Robert Briggs
23 Maple Street	30-008	.735	Thomas & Kathleen Gay
28 Winthrop	39-005	.7	David & Phyllis Linardy
19 Winthrop Street	39-071	1.18	Sheila Donovan

The following split parcels shall be rezoned so that the portion which is presently zoned Agricultural Residential II district shall be zoned Agricultural Residential I district, so that the entire parcel is zoned Agricultural Residential I:

Address	Medway Assessor's Parcel ID #	Parcel Size	Current Owner
38 Winthrop Street (also listed in Article 43)	30-005	32.00	Shady Oaks Rlty, Robert Briggs Et. Al. Trst.
30 Winthrop Street	39-004	3.29	Robert Briggs
25 Winthrop Street	38-010	47	Shady Oaks Realty Trust
11-R Winthrop Street	39-078	4.4	Town of Medway
0R Oak Street	47-032	9.15	Town of Medway Conservation Commission
16R Oak Street (also listed in Article 45)	38-011	30.1	Town of Medway Conservation Commission

The following parcels shall be rezoned from the present zoning in the Agricultural Residential II district to Agricultural Residential I district, so that the entire parcels is zoned Agricultural Residential I.

Address	Medway Assessor's Parcel ID #	Parcel Size	Current Owner
11-R Winthrop Street	39-078	4.4	Town of Medway
0 Oak Street	39-074	10.0	Town of Medway Conservation
0 Oak Street	39-074-0001	.060	Town of Medway Conservation
2-B Oak Street	47-033	3.29	Town of Medway

Or to act in any manner relating thereto.

**PLANNING AND ECONOMIC DEVELOPMENT BOARD**

**BOARD OF SELECTMEN RECOMMENDATION:**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 45:** (Amend Zoning Bylaw: AR-I & AR-II Zoning Boundary Changes)

To see if the Town will vote to rezone the following parcels as shown on a map titled “Proposed Changes to AR-I & AR-II Zoning Districts, January 3, 2017, MAP 7 OF 7” on file with the Town Clerk and to amend the Zoning Map accordingly, such that:

The following split parcels shall be rezoned so that the portion which is presently zoned Agricultural Residential I district shall be converted to Agricultural Residential II district, so that the entire parcel is zoned Agricultural Residential II:

<b>Address</b>	<b>Medway Assessor's Parcel ID #</b>	<b>Parcel Size</b>	<b>Current Owner</b>
3 Independence Lane	46-031	1.443	James & Darlene Lane
1 Independence Lane	46-032	.826	John & Tanya Green
2 Independence Lane	46-041	.574	Mendes Realty Trust
4 Independence Lane	46-042	.518	John Khoury
56 Summer Street	46-028	6.0	Michael & Paulene DelGenio
62 Summer Street	46-040	.96	Dennis & Susan Nickerson
39 Highland Street	46-023	1.5	Francis Davis
37 Highland Street	46-024	1.219	Barbara Phillips & Marlene Levine Phillips
35 Highland Street	46-025	1.312	Daniel & Barbara Tramontozzi
33 Highland Street	46-026	1.25	Harlan Peterson
31 Highland Street	47-092	1.04	Glen & Tammy Reed
31A Highland Street	47-093	1.02	Robert & Charlene Coakley
3 Brandywine Road	47-005	1.585	Brian & Tina Marie Bartel
5 Brandywine Road	47-006	1.824	John & Rosanne Hamblin
6 Brandywine Road	47-008	1.01	Edward & Eileen Paulsen
3 Daniels Road	47-009	1.01	Susan Steinhauer
5 Daniels Road	47-010	.769	Robert & Stephanie Kenney

The following split parcels shall be rezoned so that the portion which is presently zoned Agricultural Residential II district shall be zoned Agricultural Residential I district, so that the entire parcel is zoned Agricultural Residential I:

Address	Medway Assessor's Parcel ID #	Parcel Size	Current Owner
16R Oak Street (also listed in Article 44)	38-011	30.1	Town of Medway Conservation Commission

The following parcels shall be rezoned from the present zoning in the Agricultural Residential I district to Agricultural Residential II district, so that the entire parcel zoned Agricultural Residential

Address	Medway Assessor's Parcel ID #	Parcel Size	Current Owner
0 Independence Lane	46-033	.019	Town of Medway
46 Summer Street	46-034	.23	Peter & Regina Bates
48 Summer Street	46-035	.23	Tara & Christopher Rice
50 Summer Street	46-037	.417	Kristopher Loper
58 Summer Street	46-038	.39	Sally Newton
60 Summer Street	46-039	.46	Vicki Boyd
64 Summer Street	46-021	.3	BHR Development
41 Highland Street	46-022	.75	Daniel & Stephanie McMullin
32 Highland St	47-001	.6879	Erin & Gregory Cabral
30 Highland St	47-002	.593	Richard & Jessica Scalzo
8 Brandywine Road	47-007	1.01	Gary & Lauri Kline

II:

And to act in any manner relating thereto.

**PLANNING AND ECONOMIC DEVELOPMENT BOARD**

**BOARD OF SELECTMEN RECOMMENDATION:**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 46:** (Amend Zoning Bylaws: AR-I & VC Zoning Boundary Changes)

To see if the Town will vote to rezone the following parcels as shown on a map titled "Proposed Changes to AR-I & VC Zoning Districts, January 3, 2017" on file with the Town Clerk and to amend the Zoning Map accordingly, such that:

The following split parcel shall be rezoned so that the portion which is presently zoned Village Commercial district shall be zoned Agricultural Residential I district, so that the entire parcel is zoned Agricultural Residential I:

Address	Medway Assessor's Parcel ID #	Parcel Size	Current Owner
41 Broad Street	50-010	21.90	Hidden Acres Realty II, LLC

And to act in any manner relating thereto.

**PLANNING AND ECONOMIC DEVELOPMENT BOARD**

**BOARD OF SELECTMEN RECOMMENDATION:**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 47:** (Amend Zoning Bylaws: AR-II & IND-III Zoning Boundary Changes)

To see if the Town will vote to rezone the following parcels as shown on a map titled "Proposed Changes to AR-II & IND-III Zoning Districts, January 3, 2017" on file with the Town Clerk and to amend the Zoning Map accordingly, such that:

The following split parcels shall be rezoned so that the portion which is presently zoned Industrial III district shall be zoned Agricultural Residential II district, so that the entire parcel is zoned Agricultural Residential II:

Address	Medway Assessor's Parcel ID #	Parcel Size	Current Owner
1 Lost Hill Drive	64-007	1.078	Matthew & Kelly Rice
2 Lost Hill Drive	64-013	.92	John & Eileen Aviza
5 Lost Hill Drive	54-125	1.5	Jeffrey & Eileen Kalukin
28 Fox Run Road	64-020	4.82	Marie Fortune
0 Granite Street	64-066	11.54	Boston Edison/NSTAR
40 Granite Street	64-073	10.79	Bertrand & Julie Goemaere
42 Granite Street	74-002	7.5	Michael Charney
19 Alder Street	54-126	1.687	Edward Griffin

And to act in any manner relating thereto.

**PLANNING AND ECONOMIC DEVELOPMENT BOARD**

**BOARD OF SELECTMEN RECOMMENDATION:**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 48:** (Amend Zoning Bylaws: IND-II & AR-II Zoning Boundary Changes)

To see if the Town will vote to rezone the following parcels as shown on a map titled “Proposed Changes to IND-II & AR-II Zoning Districts, January 3, 2017” on file with the Town Clerk and to amend the Zoning Map accordingly, such that:

The following split parcel shall be rezoned so that the portion which is presently zoned Agricultural Residential II district shall be zoned Industrial II district, so that the entire parcel is zoned Industrial II:

Address	Medway Assessor’s Parcel ID#	Parcel Size	Current Owner
34 West Street	66-012	48.7	Sithe West Medway LLC NStar Services Co.

The following parcels shall be rezoned from the present zoning in the Agricultural Residential II district to Industrial II district, so that the entire parcel is zoned Industrial II:

Address	Medway Assessor’s Parcel ID#	Parcel Size	Current Owner
30 West Street	66-011	.7	New England Power Company Property Tax Dept
12 West Street	66-010	.2	Sithe West Medway LLC NStar Services Co.

And to act in any manner relating thereto.

**PLANNING AND ECONOMIC DEVELOPMENT BOARD**

**BOARD OF SELECTMEN RECOMMENDATION:**

**FINANCE COMMITTEE RECOMMENDATION:**

**ARTICLE 49:** (Amend Zoning Bylaws: CB & AR-II Zoning Boundary Changes)

To see if the Town will vote to rezone the following parcels as shown on a map titled “Proposed Changes to CB & AR-II Zoning Districts, January 3, 2017” on file with the Town Clerk and to amend the Zoning Map accordingly, such that:

The following split parcels shall be rezoned so that the portion which is presently zoned Agricultural Residential II district shall be zoned Central Business district, so that the entire parcel is zoned Central Business:

Address	Medway Assessor’s Parcel ID #	Parcel Size	Current Owner
123 Main Street	48-047	6.3	Maritime Housing Fund
117 Main Street	40-071	4.112	CMR Investments LLC

And to act in any manner relating thereto.

**PLANNING AND ECONOMIC DEVELOPMENT BOARD**

**BOARD OF SELECTMEN RECOMMENDATION:**

**FINANCE COMMITTEE RECOMMENDATION:**



**TOWN OF MEDWAY**  
**Planning & Economic Development Board**  
155 Village Street  
Medway, Massachusetts 02053

*Andy Rodenhiser, Chairman*  
*Robert K. Tucker, Vice-Chairman*  
*Thomas A. Gay, Clerk*  
*Matthew J. Hayes, P.E.*  
*Richard Di Iulio*

March 16, 2017

## **Summary of Proposed Amendments to Medway Zoning Bylaw & Map**

The Planning and Economic Development Board has submitted a series of nineteen proposed amendments to the Medway Zoning Bylaw and Map to the Board of Selectmen for inclusion on the warrant for Medway's May 8, 2017 Annual Town Meeting. In an effort to provide information to Medway residents about the proposed changes, the Board is holding two public information sessions.

- **Community Forum** - Wednesday, February 22, 2017 at 7 pm at the Thayer Homestead, 2B Oak Street.
- **Official public hearing** – Tuesday, March 21, 2017 at 7:15 pm in Sanford Hall at Medway Town Hall, 155 Village Street.

The proposed amendments to the Medway Zoning Bylaw and Map are summarized below:

**ARTICLE 31: Nonconforming Uses** - This article changes the length of time from six to twelve months that construction of a project under a building or special permit must commence after issuance of the permit before an approved project has to conform to subsequent zoning bylaw amendments. This change is required per recent state legislation.

**ARTICLE 32: Flood Plain/Wetland Protection District** – This article deletes the wetland protection district so that this section of the Bylaw will only pertain to properties located within official flood plains. At the time the flood plain/wetland protection district provisions were first adopted, the Town did not have a separate wetlands protection bylaw. It now does, so there is no need to have this duplicative bylaw.

**ARTICLE 33: Correction of Internal References** – At the May 2015 annual town meeting, the Town approved a major recodification of the zoning bylaw. Since then, we have discovered a number of spots where internal cross references to other sections of the bylaw are not accurate because they use the former bylaw's numbering system. This article corrects those incorrect internal cross references by replacing the existing references with the accurate ones.

**ARTICLE 34: Definitions** – This article adds a series of new definitions and revises several existing definitions. The added definitions include: buffer area, corner lot, end lot, interior lot, through lot, assembly, fabrication, packaging, processing, light manufacturing, and tract. Revised definitions are for assisted living/ congregate living facility, frontage, lot area, rear lot line, side lot line, manufacturing, and two-family house.



**ARTICLE 35: Table of Uses** – This article adds light manufacturing to the Table of Uses and makes other minor text adjustments to ensure that use terms are consistent with various definitions. Click [HERE](#) to review the complete text of the proposed article.

**ARTICLE 36: Open Space Residential Development (OSRD)** – This article proposes to amend the OSRD section of the bylaw to clarify what constitutes a buffer area and adds a requirement that no buildings can be constructed within fifty feet of the perimeter or a right of way line. The article also specifies that OSRDs are subject to the Bylaw’s affordable housing requirements.

**ARTICLE 37: Adult Retirement Community Planned Unit Development (ARCPUD)** – This article amends the ARCPUD section of the bylaw to refine the definition of an ARCPUD, to add two-family house/duplex to the list of types of ARCPUD units, and to specify that ARCPUDs are subject to the Bylaw’s affordable housing requirements. The amendment also clarifies what constitutes a buffer area and adds a requirement that no buildings can be constructed within fifty feet of the perimeter or a right of way line. It also provides that the buffer area can be counted toward the open space requirement.

**ARTICLE 38: Special Permits** – This article revises the list of decision criteria for which a special permit granting authority has to make findings as part of its decision making. It also expands the types of conditions that may be included in a decision including on and off site mitigation measures.

**ARTICLE 39: Accessory Uses and Structures** – This article revises the definition for accessory building and use by splitting it into two separate definitions, one for accessory use and another for accessory building or structure. It also establishes several special permit options for accessory buildings or structures.

**ARTICLE 40: Lot Frontage and Setbacks** - This article adds further details on how frontage is measured for various types of lots. It also addresses front setbacks for corner, end and through lots.

**ARTICLE 41: Affordable Housing** – This article is a complete reworking of this section of the bylaw. It was developed in consultation with planning consultants from the Metropolitan Area Planning Council. Changes include:

- Revising some of the definitions particular to affordable housing
- Adjusting which development projects are subject to the affordable housing requirements
- Increasing the percentage of affordable housing units required in a development based on the size of the development project. The larger the project, the higher the percentage.
- Modifying the density bonus depending on whether the affordable housing units are provided on or off-site.
- Removing the off-site donation of land as an option for meeting the affordable housing requirements
- Revising provisions regarding off-site provision of affordable housing units to specify that both new construction and rehabilitation of existing units are allowed

**ARTICLE 42: Temporary Moratorium on Non-Medical Marijuana Establishments** - This article adds a new section to the bylaw to establish a temporary moratorium on the use of land and structures in Medway for non-medical marijuana establishments. There is much confusion relating to how municipalities may regulate non-medical marijuana establishments. A moratorium until June 30, 2018 will provide time for the Town to develop its regulations once the State adopts its regulations. The intent is to bring forth Medway regulations for Town Meeting consideration in May 2018.

*Summary of Proposed Amendments to Medway Zoning Bylaw & Map  
March 16, 2017*

**Zoning Map Boundary Changes** – This is a series of seven articles to clean-up the boundary lines of zoning districts so that boundary lines are coterminous with parcel lines. Also, parcels which presently have split zoning will have only one zoning classification.

**ARTICLE 43:** 12 properties on Clover Lane, Delmar Road, Maple Street and Winthrop Street.

**ARTICLE 44:** 13 properties on Maple Street, Winthrop Street and Oak Street.

**ARTICLE 45:** 29 properties on Summer Street, Highland Street, Independence Lane, Brandywine, Road, Daniels Road and Oak Street.

**ARTICLE 46:** 1 property on Broad Street.

**ARTICLE 47:** 8 properties on Granite Street, Lost Hill Drive, Fox Run Road, and Alder Street.

**ARTICLE 48:** 3 properties on West Street.

**ARTICLE 49:** 2 properties on Main Street.

# **AGENDA**

## **ITEM #5**

**Discuss/Vote – Accept. Mass. General Law  
Chapter 32B, Sections 21-23 (Employee/Retiree  
Health Insurance)**

**No associated backup materials.**

**Proposed Motion:** I move that the Board accept Mass. General Law, chapter 32B, sections 21 through 23, and to engage in the process to change health insurance benefits under this statute.

# AGENDA

## ITEM #6

**Approval – ALS TDI Tri-State Trek – June 23,  
2017**

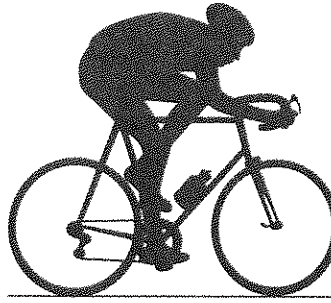
**Associated backup materials attached:**

- Correspondence with Event Details
- Police Chief's Recommendations

**Proposed Motion:** I move that the Board approve the request for cyclists to travel through Medway for the Tri-State Trek annual fundraising event on June 23, 2017, subject to fulfillment of the Police Chief's recommendations.

THE ALS THERAPY DEVELOPMENT INSTITUTE

# TRI-STATE TREK



Town of Medway  
Karen Kisty, Operations Manager  
155 VILLAGE ST  
Medway, MA 02053

February 22, 2017

Dear Ms. Kisty,

On **Friday, June 23, 2017**, 200 cyclists will travel through your town on their way from Boston to Greenwich, CT in the 15th annual ALS TDI Tri-State Trek. The event benefits the ALS Therapy Development Institute, a nonprofit biotechnology company based in Cambridge, Massachusetts.

Amyotrophic Lateral Sclerosis (ALS), Lou Gehrig's disease, is a neurodegenerative disorder that paralyzes the body but leaves the mind intact. Patients, on average, live between two to five years. There are currently no effective therapeutics to slow or stop the disease. The ALS Therapy Development Institute is driven by a single, profoundly important goal – to discover viable treatments for ALS as quickly as possible.

Enclosed is a proposed route with the specific date that we plan to be in your location. Please forward this along to the proper channels. If applicable, we have indicated any rest areas that we are planning to stop at in your town. We have a comprehensive insurance policy for the event that recognizes your town as additionally insured under ALS TDI's insurance. The necessary insurance certificate is attached. Please forward along any permit applications to the address below. You can return these forms via e-mail, fax or regular mail. All my contact is below.

Thank you so much for your time. If you have any questions or concerns please feel free to contact me.

Best regards,

**Ben Engle**

*Development Director*

ALS Therapy Development Institute | [www.als.net](http://www.als.net)

300 Technology Square, Suite 400

Cambridge, MA 02139

Direct: 617.441.7213

Fax: 617.441.7299

Email: [bengle@als.net](mailto:bengle@als.net)

**ALS** THERAPY DEVELOPMENT  
**INSTITUTE**

300 Technology Square  
Suite 400  
Cambridge, MA 02139  
[www.als.net](http://www.als.net)



Day One -- Friday, June 23, 2017					
Town	Direction	Landmark	Street Name	Note	Cum. Mi
Medway	Straight		Fisher Street	Crossing Town Border	
Medway	Left		Milford Street		25.6
Medway	Right	Traffic Light	Summer Street	126 South	26.1
Medway	Right		Main Street/Hartford Ave/Rte. 126		26.7
Medway	Quick Bear Left	At Fork	Main Street	Bear left @ West/Main St Fork to Stay on Main St	27.1

Tri-State Trek Support Phone # (617) 441-7211. Please note that this cue sheet is meant for reference and certain aspects (such as cumulative mileage or landmarks) may be slightly inaccurate.





# Medway Police Department

315 Village Street  
Medway, MA 02053

Phone: 508-533-3212  
FAX: 508-533-3216  
Emergency: 911

Allen M. Tingley  
Chief of Police

February 27, 2017

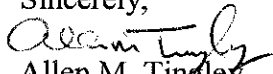
To: Michael Boynton  
Town Administrator

From: Allen M. Tingley  
Chief of Police

Re: Tri-State Trek Bicycle Ride

I have reviewed the route the Tri-State Bike Ride. The bicyclist will travel down Fisher Street and turn left onto Milford Street, right on Summer Street and then right onto Village Street and continue into Bellingham. The bicyclist will be traveling through town on Friday June 23, 2017 between the hours of 6:30AM to 8:30AM. Due to the time of day and the amount of heavy traffic that travels east and west on Milford Street. I would recommend the Tri-State Trek organization hire one detail officer to cover the intersection of Milford and Fisher Street to safely cross the bicyclist onto Milford Street. I will also have the on-duty officers; patrol the bicycle route during the ride to further assure the safety of the bicyclists.

Sincerely,

  
Allen M. Tingley  
Chief of Police



# AGENDA

## ITEM #7

### **One-day Liquor License Requests for Events to be Held at Thayer Homestead**

- a. Caroline Ferns –March 24, 2017
- b. Shari Daly/Medway HS Gymnastics – April 27, 2017
- c. Richard MacDougall – June 3, 2017
- d. Karyl Wong – July 23, 2017

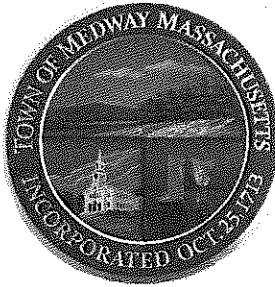
#### **Associated backup materials attached:**

- Applications
- Police Chief's Recommendations

**Proposed Motion:** I move that the Board approve one-day liquor licenses for Caroline Ferns, Shari Daly, Richard MacDougall and Karyl Wong for their events to be held at the Thayer Homestead on March 24, April 27, June 3 & July 23, 2017 subject to Police Chief's recommendations and proof of appropriate insurance coverage.

**Board of Selectmen**

Medway Town Hall  
155 Village Street  
Medway, MA 02053  
Phone (508) 533-3264  
Fax (508) 321-4988



**TOWN OF MEDWAY  
COMMONWEALTH OF MASSACHUSETTS**

**APPLICATION FOR SPECIAL ONE-DAY LIQUOR LICENSE**

MGL c.138, §14

Application for the purpose of selling or dispensing the following beverages permitted by law. A Section 12 license holder may not also be granted a Section 14 (one-day) license unless event is held at a separate location. A person holding a Section 14 license cannot purchase alcoholic beverages from a package store. Purchase must be made from a licensed wholesaler/importer, manufacturer, farmer-winery/brewery, or special permit holder.

For Profit Businesses are eligible for wine and malt license only.

Application must be submitted at least two weeks prior to event.

There is no fee for this license.

All Alcohol \_\_\_\_\_ Wine and Malt

Event Medway High School Lacrosse Boosters Event Date 3/24/17

Name of Organization/Applicant Caroline Ferns

Address

Phone

Non-Profit Organization Y  N \_\_\_\_\_ (Attach non-profit certificate of exemption)

Event Location Thayer House

Event Hours 7-11 pm (No later than 1:00 AM; Last call 12:30 AM)

Is event open to the general public? Y \_\_\_\_\_ N  Estimated attendance 90

Will there be an age restriction? Y  N \_\_\_\_\_ Minimum age allowed: 21

How, where and by whom will ID's be checked? \_\_\_\_\_

Is there a charge for the beverages? Y \_\_\_\_\_ N  Price Structure: \_\_\_\_\_

Alcohol server(s) (Attach Proof of Alcohol Server Training) TBD

Provisions for Security or Detail Officer \_\_\_\_\_

Does the applicant have knowledge of State liquor laws? Y \_\_\_\_\_ N \_\_\_\_\_

Experience \_\_\_\_\_

**The following may be required:**

Police Dept. – Detail; Fire Dept. – Detail; Board of Health – Food Permit; Building Dept. – Tent Permit

Applicant's Signature *CFerns* Date of Application 2/27/17

Applicant's Name (Please Print) Caroline Ferns

The Board of Selectmen's Office will forward this application to the Police, Fire, and Building Departments and the Board of Health for approval and recommendations.

Police Department \_\_\_\_\_  
315 Village St \_\_\_\_\_ Date \_\_\_\_\_

Fire Department \_\_\_\_\_  
44 Milford St \_\_\_\_\_ Date \_\_\_\_\_

Board of Health \_\_\_\_\_  
Town Hall, 2<sup>nd</sup> Fl \_\_\_\_\_ Date \_\_\_\_\_

Building Department \_\_\_\_\_  
Town Hall, 1<sup>st</sup> Fl \_\_\_\_\_ Date \_\_\_\_\_



# Medway Police Department

315 Village Street  
Medway, MA 02053

Phone: 508-533-3212  
FAX: 508-533-3216  
Emergency: 911

Allen M. Tingley  
Chief of Police

March 8, 2017

To: Michael Boynton  
Town Administrator

From: Allen M. Tingley  
Chief of Police

Re: One-Day Liquor request – Thayer House – MHS Lacrosse Boosters

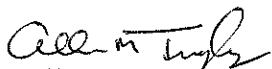
I have reviewed the application for the <sup>one</sup> day wine and malt license request for the MHM Lacrosse Boosters Party scheduled for March 24, 2017 at the Thayer House.

I approve of the issuing of the permits with the following condition.

There will be no on-street parking on either side of Oak Street or Mechanic Street. Additional parking may be found at the Choate Park complex and in the rear parking lot off of Winthrop Street.

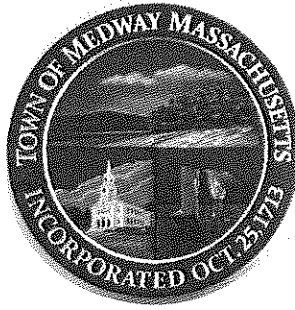
The beer and wine will be purchased from a licensed alcohol wholesale distributor, as indicated on the license application and the Town of Medway's Alcohol Policy and that a responsible adult will be checking ID's of individuals served beer and wine at this event.

Respectfully Submitted

  
Allen M. Tingley  
Chief of Police

**Board of Selectmen**

Medway Town Hall  
155 Village Street  
Medway, MA 02053  
Phone (508) 533-3264  
Fax (508) 321-4988



**TOWN OF MEDWAY  
COMMONWEALTH OF MASSACHUSETTS**

**APPLICATION FOR SPECIAL ONE-DAY LIQUOR LICENSE**

MGL c.138, §14

Application for the purpose of selling or dispensing the following beverages permitted by law. A Section 12 license holder may not also be granted a Section 14 (one-day) license unless event is held at a separate location. A person holding a Section 14 license cannot purchase alcoholic beverages from a package store. Purchase must be made from a licensed wholesaler/importer, manufacturer, farmer-winery/brewery, or special permit holder.

For Profit Businesses are eligible for wine and malt license only.

Application must be submitted at least two weeks prior to event.

There is no fee for this license.

All Alcohol \_\_\_\_\_ Wine and Malt

Event MMH HIGH SCHOOL GYMNASTIC BANQUET Event Date APRIL 27 2017

Name of Organization/Applicant MMH HIGH SCHOOL GYMNASTICS / SHARI DALY

Add \_\_\_\_\_  
Pho \_\_\_\_\_  
Non-Profit Organization   (Attach non-profit certificate of exemption)

Event Location THAYER HOMESTEAD

Event Hours 5-11 (No later than 1:00 AM; Last call 12:30 AM)

Is event open to the general public? Y \_\_\_\_\_ N  Estimated attendance 40-50 PEOPLE

Will there be an age restriction? Y \_\_\_\_\_ N  Minimum age allowed: \_\_\_\_\_

How, where and by whom will ID's be checked? SHARI DALY & BRE VACCA  
AT SITE (TEAM MOM & COACH)

Is there a charge for the beverages? Y \_\_\_\_\_ N  Price Structure: \_\_\_\_\_

Alcohol server(s) (Attach Proof of Alcohol Server Training) NONE

Provisions for Security or Detail Officer NONE

Does the applicant have knowledge of State liquor laws? Y  N

Experience \_\_\_\_\_

**The following may be required:**

Police Dept. – Detail; Fire Dept. – Detail; Board of Health – Food Permit; Building Dept. – Tent Permit

Applicant's Signature Shari Daly Date of Application JANUARY 18 2017

Applicant's Name (Please Print) SHARI DALY

The Board of Selectmen's Office will forward this application to the Police, Fire, and Building Departments and the Board of Health for approval and recommendations.

Police Department \_\_\_\_\_  
315 Village St \_\_\_\_\_ Date

Fire Department \_\_\_\_\_  
44 Milford St \_\_\_\_\_ Date

Board of Health \_\_\_\_\_  
Town Hall, 2<sup>nd</sup> Fl \_\_\_\_\_ Date

Building Department \_\_\_\_\_  
Town Hall, 1<sup>st</sup> Fl \_\_\_\_\_ Date



# Medway Police Department

315 Village Street  
Medway, MA 02053

Phone: 508-533-3212  
FAX: 508-533-3216  
Emergency: 911

Allen M. Tingley  
Chief of Police

February 16, 2017

To: Michael Boynton  
Town Administrator

From: Allen M. Tingley  
Chief of Police

Re: One-Day Liquor request – Thayer House – Gymnastic Banquet

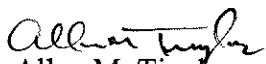
I have reviewed the application for the <sup>one</sup> day wine and malt license request for the MHM Gymnastic Banquet scheduled for April 27, 2017 at the Thayer House.

I approve of the issuing of the permits with the following condition.

There will be no on-street parking on either side of Oak Street or Mechanic Street. Additional parking may be found at the Choate Park complex and in the rear parking lot off of Winthrop Street.

The beer and wine will be purchased from a licensed alcohol wholesale distributor, as indicated on the license application and the Town of Medway's Alcohol Policy and that a responsible adult will be checking ID's of individuals served beer and wine at this event.

Respectfully Submitted

  
Allen M. Tingley  
Chief of Police



Town of Medway

**BOARD OF SELECTMEN**

155 Village Street, Medway MA 02053  
Ph. (508) 533-3264 Fax: (508) 321-4899

**APPLICATION FOR SPECIAL ONE-DAY LIQUOR LICENSE**

MGL c.138, §14

Application for the purpose of selling or dispensing the following beverages permitted by law. A Section 12 license holder may not also be granted a Section 14 (one-day) license unless event is held at a separate location. A person holding a Section 14 license cannot purchase alcoholic beverages from a package store. Purchase must be made from a licensed wholesaler/importer, manufacturer, farmer-winery/brewery, or special permit holder.

For Profit Businesses are eligible for wine and malt license only.

Application must be submitted at least two weeks prior to event.

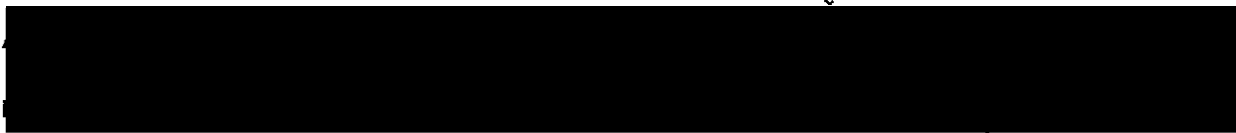
Fee: \$0

All Alcohol \_\_\_\_\_ Wine and Malt X

Event Sean MacDougall MHS Graduation Event Date 06/03/2017

Event Location Thayer House Hours 8:00AM to 11:00PM  
(No later than 1:00 AM; last call 12:30 AM)

Name of Organization/Applicant Richard MacDougall



Non-Profit Organization? Y \_\_\_\_\_ N ✓ (If yes, attach non-profit certificate of exemption)  
TAX ID# \_\_\_\_\_ (If applicable)

Is event open to the general public? Y \_\_\_\_\_ N ✓ Estimated attendance 125

Will there be an age restriction? Y \_\_\_\_\_ N ✓

How, where and by whom will ID's be checked? If they request a beverage

Is there a charge for the beverages? Y \_\_\_\_\_ N ✓ Price structure: \_\_\_\_\_

Name of Alcohol server(s) (Attach Proof of Alcohol Server Training)



Does the applicant have knowledge of State liquor laws? Y  N

Experience No Serving Minors or intoxicated individuals

Provisions for Security, Detail Officer N/A

The following may be required:

Police Dept. – Detail; Fire Dept. – Detail; Board of Health – Food Permit; Building Dept. – Tent Permit

Applicant's Signature Richard MacDougal II Date of Application 2/6/2017

Applicant's Name Richard MacDougal II

The Board of Selectmen's Office will forward this application to the Police, Fire, and Building Departments and the Board of Health for approval and recommendations.

Police Department \_\_\_\_\_  
315 Village St \_\_\_\_\_ Date

Fire Department \_\_\_\_\_  
44 Milford St \_\_\_\_\_ Date

Board of Health \_\_\_\_\_  
Town Hall, 1<sup>st</sup> Fl \_\_\_\_\_ Date

Building Department \_\_\_\_\_  
Town Hall, 1<sup>st</sup> Fl \_\_\_\_\_ Date



# Medway Police Department

315 Village Street  
Medway, MA 02053

Phone: 508-533-3212  
FAX: 508-533-3216  
Emergency: 911

Allen M. Tingley  
Chief of Police

February 27, 2017

To: Michael Boynton  
Town Administrator

From: Allen M. Tingley  
Chief of Police

Re: One day liquor license- Thayer Property- MacDougall Graduation party

I have reviewed the request from Richard MacDougall for a one day liquor license (wine and Malt) for a graduation party, to be held at the Thayer House, 2B Oak Street, on June 3, 2017.

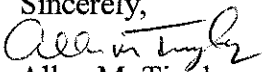
I approve of the issuance of this one day liquor license with the stipulation:

The alcoholic beverages served at the party will be purchased from a licensed alcohol wholesale distributor, as indicated on the license application and the Town of Medway's Alcohol Policy.

A responsible adult, with some knowledge of Mass Liquor Laws will be checking ID's of all individuals served beer and wine at this event.

There will be no on-street parking on either side of Mechanic Street and Oak Street. Additional parking may be found at the Choate Park Complex and in the rear parking lot off of Winthrop Street.

Sincerely,

  
Allen M. Tingley  
Chief of Police



## Town of Medway

### BOARD OF SELECTMEN

155 Village Street, Medway MA 02053  
Ph. (508) 533-3264 Fax: (508) 321-4899

#### APPLICATION FOR SPECIAL ONE-DAY LIQUOR LICENSE

MGL c.138, §14

Application for the purpose of selling or dispensing the following beverages permitted by law. A Section 12 license holder may not also be granted a Section 14 (one-day) license unless event is held at a separate location. A person holding a Section 14 license cannot purchase alcoholic beverages from a package store. Purchase must be made from a licensed wholesaler/importer, manufacturer, farmer-winery/brewery, or special permit holder.

For Profit Businesses are eligible for wine and malt license only.

Application must be submitted at least two weeks prior to event.

Fee: \$50 (May be waived at Board of Selectmen's discretion)

All Alcohol  Wine and Malt \_\_\_\_\_

Event Bridal Shower

Name of Organization/Applicant Kevin Young



Non-Profit Organization Y \_\_\_\_\_ N

Attach non-profit certificate of exemption

Event Location Thayer Homestead

Event Date July 23, 2017

Event Hours (No later than 1:00 AM; Last call 12:30 AM) 12p-3p

Is event open to the general public? Y \_\_\_\_\_ N

Estimated attendance 50 people

Will there be an age restriction? Y \_\_\_\_\_ N

Minimum age allowed:

How, where and by whom will ID's be checked? private party, only  
two guests invited are under 21

Is there a charge for the beverages? Y \_\_\_\_\_ N X  
Price structure: \_\_\_\_\_

Alcohol server(s)  
Attach Proof of Alcohol Server Training  
\_\_\_\_\_

Provisions for Security, Detail Officer φ

Does the applicant have knowledge of State liquor laws? Y \_\_\_\_\_ N X  
Experience n/a

The following may be required:  
Police Dept. – Detail; Fire Dept. – Detail; Board of Health – Food Permit; Building Dept. – Tent Permit

Date of Application 1126/17

Applicant's Signature Karyl Wong

Applicant's Name Karyl Wong

Ac \_\_\_\_\_  
Ph \_\_\_\_\_

The Board of Selectmen's Office will forward this application to the Police, Fire, and Building Departments and the Board of Health for approval and recommendations.

Police Department \_\_\_\_\_  
315 Village St \_\_\_\_\_ Date

Fire Department \_\_\_\_\_  
44 Milford St \_\_\_\_\_ Date

Board of Health \_\_\_\_\_  
Town Hall, 2<sup>nd</sup> Fl \_\_\_\_\_ Date

Building Department \_\_\_\_\_  
Town Hall, 1<sup>st</sup> Fl \_\_\_\_\_ Date



# Medway Police Department

315 Village Street  
Medway, MA 02053

Phone: 508-533-3212  
FAX: 508-533-3216  
Emergency: 911

Allen M. Tingley  
Chief of Police

February 27, 2017

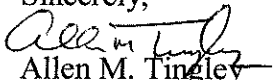
To: Michael Boynton  
Town Administrator

From: Allen M. Tingley  
Chief of Police

Re: One day liquor license- Thayer Property- Bridal Shower

I have reviewed the request from Karyl Wong for a one day alcohol license for a bridal shower, to be held at the Thayer House, July 23, 2017. I approve of the issuance of this one day alcohol license with the stipulation that the alcohol for the party, will be purchased from a licensed alcohol wholesale distributor, as indicated on the license application and the Town of Medway's Alcohol Policy. There will be no on-street parking on Mechanic Street and Oak Street. A responsible adult, with some knowledge of Mass liquor laws will be checking ID's of individuals served alcohol at this event.

Sincerely,

  
Allen M. Tingley  
Chief of Police

# **AGENDA**

## **ITEM #8**

**Action Items from Previous Meetings**

**Associated backup materials attached:**

- Action Items List

	DATE	ACTION ITEMS BOS	WHO	COMPLETED
<b>1</b>	<b>7/6/2010</b>	Street acceptance progress	S. Affleck-Childs	Ongoing
<b>2</b>	<b>9/20/2010</b>	Route 109 Project	DPS	Ongoing
<b>3</b>	<b>2/3/2014</b>	Cable license renewals ; Mtg of Cable Advisory Com; Ascertainment Process	TA/CAC	Ongoing
<b>4</b>	<b>7/28/2014</b>	DPS Facility Building Project	DPS/TA/Committee	On hold
<b>5</b>	<b>4/4/2016</b>	Recreational Facility Improvements	BOS	Ongoing
<b>6</b>	<b>10/17/2016</b>	Benches at memorial park across from Police Station	TA/DPS	
<b>7</b>	<b>12/5/2016</b>	Urban Renewal Plan submission to State	Redevel. Authority	

# **AGENDA**

# **ITEM #9**

## **Approval of Minutes**

### **Associated backup materials attached:**

- Draft 2/21/17 Minutes



1 **MEDWAY BOARD OF SELECTMEN**  
2 155 VILLAGE STREET • MEDWAY, MASSACHUSETTS 02053  
3 (508) 533-3264 • FAX: (508) 533-3281  
4

Glenn Trindade, Chairman  
Maryjane White, Vice Chairman  
Richard D'Innocenzo, Clerk  
John Foresto, Member  
Dennis Crowley, Member

5 **Board of Selectmen's Meeting Minutes**

6 **February 21, 2017 at 7:00 p.m.**

7 **Sanford Hall, 155 Village Street**  
8

9 **Present:** Chairman Trindade; Selectmen John Foresto and Rick D'Innocenzo; Town  
10 Administrator Michael Boynton.

11  
12 At 6:45 p.m., Chairman Trindade called the meeting to order and led in the Pledge of  
13 Allegiance.

14  
15 **Executive Session:**

16 *The Board reviewed the following information: (1) Notes from 2/1/17 Building*  
17 *Committee Meeting – 123 Holliston Street; (2) Map of Parcel - 58 Oakland Street; and*  
18 *(3) Email Correspondence – Dave Damico.*  
19

20 **Chairman Trindade moved that the Board enter into executive session under**  
21 **Exemption 6: To consider the purchase, exchange, taking, lease, or value of real**  
22 **property if such discussion may have a detrimental effect on the negotiating position**  
23 **of the governmental body [123 Holliston St and 58 Oakland St] and return to Public**  
24 **Session thereafter; Selectman Foresto second; No discussion; Roll call vote:**  
25 **Trindade aye, Foresto aye, D'Innocenzo aye.**  
26

27 **At X the Board returned to public session.**  
28

29 **Public Comments:** None  
30

31 **Gift Acceptance – Flag from the USS Arizona – Presented by John Larney,**  
32 **Memorial Committee:**

33 Memorial Committee member John Larney explained that Major Richard Keaough is a  
34 part-time resident of Hawaii and was at the 75<sup>th</sup> anniversary of the USS Arizona on  
35 December 7, 2016. He would like to donate the flag that was flown on the USS Arizona  
36 to the Town. Mr. Larney also presented the certificate of authenticity to the Board. The  
37 Board discussed the appropriate location to display the flag. Chairman Trindade said  
38 Major Keaough was one of Medway's original Eagle Scouts. Mr. Larney said Major  
39 Kehoe will be the Grand Marshall of the Memorial Day parade.  
40

41 The Board also briefly discussed the relocation of the Eagle Scout plaques at Town Hall.  
42

43 **? (person sitting next to Chief Trufant)** thanked the BOS for their continued support of  
44 the Memorial Committee.  
45

1 **Selectman D’Innocenzo moved that the Board accept the Memorial Committee’s**  
2 **donation of a Flag formerly flown from the USS Arizona; Selectman Foresto**  
3 **second; No discussion; All ayes 3-0-0.**

4  
5 Town Administrator Boynton thanked Chief Trufant and Richard Parella for their work  
6 on the Christmas parade. 2017 is the 25<sup>th</sup> anniversary of this event. This event is funded  
7 by private donations.

8  
9 **Joint Meeting with Water Sewer Commission to Appoint Water Sewer**  
10 **Commissioner to Fill Vacancy; Appointment Consideration - Francis (Ted) Kenney,**  
11 **Jr.:**

12 *The Board reviewed the following information: (1) Letter of Interest.*

13  
14 Chairman of the Water and Sewer Commission Bob Wilson and member Leo O’Rourke  
15 called their meeting to order. They explained that member Chan Rogers had to resign  
16 during his term. The Commission would like to appoint Mr. Kenney as an interim  
17 member. His term would expire on May 16, 2017. Mr. Kenney provided the Board with a  
18 summary of his background. He has been a resident of Medway for 37 years.

19  
20 **Selectman Foresto moved that the Board appoint Francis (Ted) Kenney, Jr. as a**  
21 **Water & Sewer Commissioner for a term to expire May 16, 2017; Selectman**  
22 **D’Innocenzo second; No discussion; All ayes 5-0-0.**  
23 **(Combined vote BOS and Water Sewer)**

24  
25 **Leo O’Rourke moved to adjourn the joint meeting of the Water and Sewer**  
26 **Commission; Chairman Wilson second; No discussion; All ayes 2-0-0.**

27  
28 **Presentation - Capital Budget Recommendations – Capital Improvement Planning**  
29 **Committee:**

30 *The Board reviewed the following information: (1) Memo, Kelly O’Rourke – CIPC*  
31 *Chair; and (2) FY18 Rankings.*

32  
33 CIPC members Kelly O’Rourke, Tracy Malcolm, and Peter Sigrist attended the meeting.  
34 The CIPC annually reviews the Town’s capital needs and creates a 5 year plan.  
35 Chairman O’Rourke explained that the Committee works closely with Administrator  
36 Boynton to get his day to day perspective. They also meet with department heads. The  
37 Committee prepares its ranking for the upcoming fiscal year and compares it to  
38 Administrator Boynton’s ranking. Ms. O’Rourke highlighted several projects that are on  
39 the Committee’s list that did not appear on Administrator Boynton’s list, including the  
40 following:

- 41 • Turnout gear for the fire department - The request is for \$70,000. The Committee  
42 proposed funding \$35,000 this year and \$35,000 the following.
- 43 • Various bridge improvements - Administrator Boynton said this is on the radar  
44 and they are hoping to use some of the money for roads on these items. He said  
45 both the Sanford Street Bridge and Shaw Street are projects that need to be done  
46 in conjunction with Franklin, which poses logistical challenges.

- 1 • Master Plan update – The last Master Plan was done in 2009 and the next one will  
2 be due in 2019. Likely this would require the services of a consulting firm. The  
3 Master Plan is separate from the Open Space Plan. The Master Plan is critical to  
4 compete for state funding. The Board discussed the cost of this project.
- 5 • Senior Center roof and Choate Park roof - Hoping the Choate Park roof can be  
6 done as part of the EPFRAC project.

7  
8 In addition, the CIPC proposed reduced funding for school furniture and town wide  
9 cameras to balance Free Cash. Administrator Boynton said \$417,000 of the \$425,000 for  
10 snow and ice removal has been spent. It is likely that the salt shed will need to be filled  
11 and would cost about \$35,000. Administrator Boynton said he would suggest reducing  
12 the money for roads to cover any deficit. The funding from Free Cash for roads is in  
13 addition to any funds received through Chapter 90.

14  
15 The Board asked for clarification on the need for the police station generator. In addition,  
16 Selectman Foresto asked Administrator Boynton to make sure the purchase of new  
17 vehicles won't adversely impact the Town's Green Community status. He also asked if  
18 the next vehicle could be an electric powered vehicle. Chairman Trindade provided  
19 clarification on the senior center walk-in refrigerator request. He said they are looking at  
20 used appliances to save money. The initial radio box system will be funded by a new  
21 assisted living facility in Town. The Town will need to pay for the additional boxes in the  
22 municipal buildings. Resident Charlie Myers asked the Town to consider the cost of  
23 buying capital items versus the potential increased energy costs.

24  
25 Administrator Boynton and the Board thanked the Committee for all their hard work.

26  
27 **Review/Approve – Municipal Aggregation – Energy Committee:**

28 *The Board reviewed the following information: (1) Aggregation Plan – Town of Medway;*  
29 *(2) Comments on the Posted Aggregation Plan and Responses; (3) Samples/Drafts –*  
30 *Town of Medway's Notification of its Power Supply Program and its business envelope;*  
31 *Town's Opt-Out Reply card; and (4) Area Towns with Aggregation Plans and Programs;*  
32 *Opt-Out information summary.*

33  
34 Energy Manager Bob Weiss, Bernie Lynch from Colonial Power Group and Energy  
35 Committee members Larry Ellsworth, Matt DeSorbo, and Sebastian Downs attended the  
36 meeting. Town Meeting voted to have the Town implement a community aggregation  
37 plan in May 2016. The Energy Committee chose Colonial Power Group as the  
38 consultants. The aggregation plan has been posted and public comments received. The  
39 Energy Committee is asking the BOS to adopt the plan. Administrator Boynton said the  
40 plan contains boilerplate language and is similar to other towns. He stressed the  
41 importance of residents reviewing the plan when it is received. The next step is review by  
42 the DOER and DPU.

43  
44 Selectman Foresto said he attended the last Energy Committee meeting and reviewed the  
45 plan.

1 **Selectman Foresto moved that the Board adopt the proposed Town of Medway**  
2 **Community Choice Power Supply Program Aggregation Plan for submission to the**  
3 **Massachusetts Department of Public Utilities; Selectman D’Innocenzo second;**  
4 **Resident Charlie Myers said the plan is not complete enough and should contain**  
5 **additional elements the Town plans to look at. He said the Town is going to**  
6 **continually research as items, including energy storage. He also suggested some**  
7 **language tense changes. The Energy Service Agreement (ESA) was not included as**  
8 **well. Mr. Myers urged the BOS to table this item for one meeting so these issues can**  
9 **be addressed. Mr. Lynch said the ESA is not required to be included. What has**  
10 **been posted on the website is a draft of an agreement. The plan is drafted to give the**  
11 **Town the most flexibility. Bob Weiss said the tense changes will be submitted. Mr.**  
12 **Weiss confirmed the agendas were posted. Mr. Weiss said no action was taken at the**  
13 **December 21, 2016 meeting; All ayes 3-0-0.**

14  
15 Chairman Trindade thanked the Committee for all their hard work.

16  
17 **Review/Approve – May 8, 2017 Annual Town Meeting Warrant:**

18 *The Board reviewed the following information: (1) May 8, 2017 Annual Town Meeting*  
19 *Warrant; and (2) Article 26- Proposed By-Law Amendments.*

20  
21 The Board agreed to postpone this item until the next meeting when all members can  
22 participate.

23  
24 **Vote – Accept Mass. General Law Chapter 32B, Sections 21-23 (Employee/Retiree**  
25 **Health Insurance) and to Initiate Process for Fiscal Year 2018 Health Insurance**  
26 **Renewal:**

27 *The Board reviewed the following information: (1) Proposed FY18 HMO Plan changes.*

28  
29 Administrator Boynton said this topic was discussed briefly at the previous meeting. The  
30 rate increase of 28.7% for FY18 was completely unexpected. Administrator Boynton said  
31 this is about \$1.4 million, which has been addressed as part of the budget. Tufts presented  
32 the Town with an option that would include only a 7% rate increase but would introduce  
33 deductibles. Chairman Trindade said he thinks the Board needs more time to discuss this  
34 topic. Administrator Boynton said he has a meeting next Tuesday with the Insurance  
35 Advisory Committee. The Board agreed to postpone this item to the following meeting.

36  
37 **Special Event Permit – American Legion Scholarship Road Race – June 17, 2017:**

38 *The Board reviewed the following information: (1) Correspondence from American*  
39 *Legion Race Coordinator; (2) Proposed Race Route; and (3) Police Chief’s*  
40 *Recommendations.*

41  
42 **Selectman Foresto moved that the Board approve a special event permit for the**  
43 **American Legion Scholarship Road Race to be held on June 17, 2017 subject to**  
44 **Police Chief’s recommendations; Selectman D’Innocenzo second; No discussion; All**  
45 **ayes 3-0-0.**

**Approval of Warrants:**

# 17-35S	2/23/17
School Expenses	\$306,715.28
#17-35P	
Town Payroll	\$346,178.08
#17-35SP	
School	\$828,372.16

**TOTAL \$1,481,265.52**

**Selectman D’Innocenzo moved that the Board approve the warrant as read; Selectman Foresto second; No discussion; All ayes 3-0-0.**

**One-day Liquor License Request – Alicia Dupras– Thayer Homestead – March 4, 2017:**

*The Board reviewed the following information: (1) Application; and (2) Police Chief’s Recommendations.*

**Selectman D’Innocenzo moved that the Board approve a one-day liquor license for Alicia Dupras for her event to be held at Thayer Homestead on March 4, 2017 subject to Police Chief’s recommendations and proof of appropriate insurance coverage; Selectman Foresto second; No discussion; All ayes 3-0-0.**

**Town Administrator’s Report**

- Snow and ice removal budget update. Thanked DPS for their work during the storms.
- Joint meeting with EPFRAC on March 13, 2017.
- Budget meeting March 4, 2017.
- Attending Tri-County budget meeting next Friday.

**Selectmen’s Reports:**

D’Innocenzo

- Congratulated high school winter teams on a great season.

**At X:00 p.m., Chairman Trindade moved to adjourn to executive session with no intent of returning to public session under Exemption 2; Selectman Foresto second; No discussion; Roll Call Vote: Trindade aye, Foresto aye, D’Innocenzo aye.**

Respectfully submitted,

- 1
- 2 Michelle Reed

# **AGENDA**

# **ITEM #10**

**Town Administrator's Report**

# **AGENDA**

# **ITEM #11**

**Selectmen's Reports**



# AGENDA

## ITEM #12

### **Approval – Authorization for Town Administrator to Execute Health Insurance Agreement**

#### **Associated backup materials attached:**

- Proposed Healthcare Plan
- Health Care Reimbursement Arrangement
- Insurance Side Letter Agreement

**Proposed Motion:** I move that the Board authorize the Town Administrator to execute the health insurance agreement as negotiated between the Town and Union as presented March 20, 2017.

## Town of Medway - Proposed Health Plans Designs - FY'2018

<u>Current Plan Benefits</u>	<u>THP HMO - Proposed Your Choice HMO</u>	<u>Tufts PPO - Proposed Your Choice PPO</u>
Physician Office Visit / Well Care	Covered In Full	Covered in Full
PCP office visit	<b>\$30 Copay per visit</b>	<b>\$30 Copay per visit</b>
Specialist office visit	<b>\$45 Copay per visit</b>	<b>\$45 Copay per visit</b>
Plan Year Deductible	<b>\$300 ind/\$900 fam</b>	<b>\$300 ind/\$900 fam In Network \$400 ind/\$800 fam Out of</b>
Out-of-Pocket Maximum	\$3k/\$6k Medical & RX	\$3k/\$6k Medical & RX
Coinsurance	NA	20% Coinsurance Out of Network Only
Emergency Room	<b>\$100 Copay after ded</b>	<b>\$100 Copay after ded</b>
IN-PT Hospital Admission	<b>\$300 or \$1,500 Copay after ded</b>	<b>\$300 or \$1,500 Copay after ded</b>
OUT-PT Surgical Day Care Ambulatory Surgical Facility	<b>\$250 Copay after ded</b>	<b>\$250 Copay after ded</b>
Lab & X-rays	Covered In Full	Covered In Full
CAT Scans, MRI, PET Scans, Nuclear Imaging	<b>\$100 Copay after ded</b>	<b>\$100 Copay after ded</b>
RX - 30 Day Retail 90 Day Mail Order	<b>\$10 / \$30 / \$65 \$25 / \$75 / \$165</b>	<b>\$10 / \$30 / \$65 \$25 / \$75 / \$165</b>

**NOTE: The above is a summary of the proposed benefits. For a complete description of all benefits you should refer to the final Summary of Benefits and Coverage that will be provided during the Open Enrollment Period.**

**TOWN OF MEDWAY  
HEALTH CARE REIMBURSEMENT ARRANGEMENT  
REIMBURSEMENT REQUEST FORM**

Name	SS#	
Home Address	Address Change: Yes____ No____	
City	State	Zip
Phone:  Work ( )                      Home/Cell ( )	Email:	

Complete the information below for expenses incurred by you, your spouse, or dependent children for which you request reimbursement. You must provide the Carrier's **Explanation of Benefits (EOB)** as evidence the expenses were incurred. Allowable expenses are as follows:

1. Inpatient Co-Pay (Maximum \$300 per admission)
2. Outpatient Surgical Procedures Co-Pay (Maximum \$250 per occurrence)
3. Hospital Emergency Room Co-Pay (Maximum \$100 per occurrence)
4. Deductible Expenses (Maximum \$300 for Individual Subscribers and \$600 for Family Subscribers) For the deductible expense please submit your request after you receive the Explanation of Benefits noting that you have satisfied either the individual or family deductible. Be sure to provide all information requested on this form. Incomplete forms will be returned to you. Print or type the information requested, sign and date the form. Mail or fax this form and supporting documentation to the below contact.

<b>HCRA MEDICAL EXPENSES INCLUDE:</b>					
<b>Prescription drug co-pays, over certain limits during the Fiscal Year</b>					
	Provider of Service (hosp, surg facility, etc.)	Person Receiving Service	Dates of Service (MO/DAY/YR)	Amount of Expense Claimed	Actual Expense (Deductible, Inpatient, Outpatient, ER)
1					
2					
3					
4					

I request payment from my health reimbursement account as indicated above for the expenses listed. To the best of my knowledge and belief, my statements in this reimbursement request are complete and true. I am claiming reimbursement only for eligible expenses incurred during the plan year and for my eligible dependents. I certify that these expenses have not previously been reimbursed under this or any other benefit pan and will not be claimed as an income tax deduction. I authorize my Health Reimbursement Arrangement account to reimburse me the amount requested.

Employee Signature \_\_\_\_\_ Date \_\_\_\_\_

Submit claim and expense documentation to:

**Katherine Bird  
Human Resources  
Town of Medway**

**Town of Medway**

*And*

**Medway Federation of Teachers Local 3645**

**Medway Permanent Firefighters Association**

**Medway Police Association**

**Massachusetts Laborers' District Council-Medway Public Employees Local Union**

**Medway Public Schools Paraprofessionals Unit**

**Medway Public Schools Secretaries Unit**

**Medway Public Schools Custodians**

**Medway Public Schools Food Services Association**

**Side Letter of Agreement**

**RE: Tufts Health Plans Design Changes**

**Date: March 16, 2017**

This document will serve as memorandum of agreement between the Town of Medway and the collective bargaining units listed above, each with representation on the Medway Insurance Advisory Committee, to replace the current Tufts Plan HMO Basic, POS Basic, and PPO Basic with the Tufts Your Choice HMO and PPO, and further to establish a system for reimbursement of certain copays and deductibles subject to a maximum threshold and as shown herein.

Each of the collective bargaining units agree to and accept these and complete plan design changes presented to the Insurance Advisory Committee on Tuesday February 28, 2017. As a follow up to the unions' acceptance, the Town will, for Fiscal Year 2018 (July 1, 2017 through June 30, 2018), seek a combined appropriation of \$200,000 to fund a Health Care Reimbursement Account, and, should this overall budgeted maximum be approved by Town Meeting in May of 2017, the Town will reimburse the following:

**COPAYS:**                   **Inpatient Hospital Stay (Maximum \$300 per admission)**  
**Outpatient Hospital Procedures (Maximum \$250 per occurrence)**  
**Hospital Emergency Room Services (Maximum \$100 per occurrence)**

**DEDUCTIBLES:**       **\$300 maximum for Individual Subscribers**  
**\$600 maximum for Family Subscribers**

Insurance subscribers wishing to submit reimbursement requests shall do so on an approved Town form, after reaching the above thresholds, and each request must be submitted along with an official explanation of benefits issued by the Insurance carrier. All submissions shall be made to Human Resources. It is agreed by the parties that upon depletion of the funding in the so-called Health Care Reimbursement Account, reimbursements hereunder shall cease.

The parties agree that obligations for reimbursement of copays and deductibles specified herein shall be for Fiscal Year 2018, and further acknowledge that any continuation of the reimbursement program beyond Fiscal Year 2018 will be evaluated and decided by the Town as part of the Fiscal Year 2019 budget process.

The Town and the Union Parties listed herein agree that the proposed plan designs as presented to the Insurance Advisory Committee on February 28, 2017 and attached here and agreed hereto shall be valid for a period of two (2) fiscal years (FY'2018 & FY'2019), provided that if the health insurance rate increase for Fiscal Year 2019 is greater than 5.0%, the Town may seek alternative plan designs pursuant to authority granted to it under and through Massachusetts General laws.

The Town agrees that the Insurance Advisory Committee shall be included in any health insurance procurement process for Fiscal Year 2019 for their review and input.

*The parties listed below agree to the terms and conditions contained herein, and acknowledge and affirm our authorization/authority to enter into this agreement. We further acknowledge that the agreement as constructed and presented is binding upon the parties subject to the specific terms contained herein.*

**FOR THE UNIONS:**

**FOR THE TOWN:**

---

Megan Morrison  
Federation of Teachers Union,  
School Secretaries Unit, &  
Paraprofessionals Unit Representative

---

Michael Boynton  
Town Administrator

---

Matthew Reardon  
Medway Police Association Representative

---

Craig Vinton,  
Medway Permanent Firefighters Representative

---

John Picconi,  
Municipal Employees Union Representative

---

Richard Iapicca,  
School Custodians Representative

---

Pat Mailman,  
School Food Services Association Representative