

**WESTWOOD  
FINANCE AND WARRANT COMMISSION**

**WARRANT AND RECOMMENDATIONS  
FOR THE SPECIAL TOWN MEETING**



**SPECIAL TOWN MEETING  
MONDAY, OCTOBER 18, 2021 - 5:00 P.M.  
WESTWOOD HIGH SCHOOL**



*PROPOSED HANLON-DEERFIELD SCHOOL BUILDING*



The Commonwealth of Massachusetts

Norfolk ss:

To either of the Constables of the Town of Westwood in said County, GREETING:

In the name of the Commonwealth of Massachusetts, you are hereby directed to notify the inhabitants of said Town of Westwood qualified to vote in elections and town affairs to meet outdoors at Flahive Field, 200 Nahatan Street in said Westwood, on Monday October 18, 2021 at 5:00 in the evening, with a rain date of Tuesday, October 19, 2021 at 5:00 in the evening, there and then to act on the following Article:

### **ARTICLE 1 – Elementary Schools Building Project**

To see if the Town will vote to appropriate, borrow or transfer from available funds, an amount of money to be expended under the direction of the School Building Committee to pay costs of design, constructing, equipping, and furnishing a new Paul R. Hanlon Elementary School, to be located at 790 Gay Street, in Westwood, Massachusetts, including costs of site work and all other costs incidental and related thereto, which school facility shall have an anticipated useful life as an educational facility for the instruction of school children of at least 50 years, and for which the Town may be eligible for a school construction grant from the Massachusetts School Building Authority (“MSBA”). The Town acknowledges that the MSBA’s grant program is a non-entitlement, discretionary program based on need, as determined by the MSBA, and any project costs the Town incurs in excess of any grant approved by and received from the MSBA shall be the sole responsibility of the Town. Any grant that the Town may receive from the MSBA for the Project shall not exceed the lesser of (1) thirty-nine and thirty-five hundredths percent (39.35%) of eligible, approved project costs, as determined by the MSBA, or (2) the total maximum grant amount determined by the MSBA, or to take any other action relative thereto.

**MOTION:** That the Town appropriates Eighty-Four Million Six Hundred Ten Thousand Three Hundred Eighty-Six Dollars (\$84,610,386) to pay costs of designing, constructing, equipping, and furnishing a new Paul R. Hanlon Elementary School, to be located at 790 Gay Street, in Westwood, Massachusetts, including costs of site work and all other costs incidental and related thereto (the “Project”), which school facility shall have an anticipated useful life as an educational facility for the instruction of school children for at least 50 years, and for which the Town may be eligible for a grant from the Massachusetts School Building Authority (“MSBA”), said amount to be expended under the direction of the School Building Committee. To meet this appropriation, the Treasurer, with the approval of the Select Board, is authorized to borrow said amount under G.L. c. 44, or pursuant to any other enabling authority. The amount appropriated by this vote shall be expended in addition to the \$1,750,000 appropriated to pay feasibility study costs related to the Project under Article 14 of the Warrant at the Annual Town Meeting held on May 30, 2018, and the \$1,460,000 appropriated to pay design costs of the Project under Article 13 of the Warrant at the Annual Town Meeting held on May 3, 2021, resulting in a total cost of the Project of \$87,820,386. The Town acknowledges that the MSBA’s grant program is a non-entitlement, discretionary program based on need, as determined by the MSBA, and any project costs the Town incurs in excess of any grant approved by and received from the MSBA shall be the sole responsibility of the Town; provided further that any grant that Town may receive from the MSBA for the Project shall not exceed the lesser of (1) thirty-nine and thirty-five hundredths percent (39.35%) of eligible, approved project costs, as determined by the MSBA, or (2) the total maximum grant amount determined by the MSBA, and that the amount of borrowing authorized pursuant to this vote shall be reduced by any grant amount set forth in the Project Funding Agreement that may be executed between the Town and the MSBA. No amounts shall be borrowed or expended pursuant to this vote unless the Town shall have voted to exempt the amounts required for the payment of interest and principal on the borrowing authorized by this vote from the limitations on taxes imposed by G.L. c. 59, §21C (Proposition 2½). Any premium received upon the sale of any bonds or notes approved by this vote, less any such premium applied to the payment of the costs of issuance of such bonds or notes, may be applied to the payment of costs approved by this vote in accordance with G.L. c. 44, §20, thereby reducing the amount authorized to be borrowed to pay such costs by a like amount.



Norfolk ss:

To either of the Constables of the Town of Westwood in said County,  
GREETING.

In the name of the Commonwealth of Massachusetts you are hereby directed to notify the inhabitants of said Town who are qualified to vote in elections to vote at:

Precinct One - Senior Center  
Precinct Two - William E. Sheehan School  
Precinct Three - Paul R. Hanlon School  
Precinct Four - Downey School

On Tuesday, the twenty sixth day of October, 2021 from 7:00:AM to 8:00PM for the following purpose:

To cast their vote in the Special Town Election on the Following question:

Question 1:

Shall the Town of Westwood be allowed to exempt from the provisions of proposition two and one-half, so-called, the amounts required to pay for the bonds issued in order to pay costs of designing, constructing, equipping, and furnishing a new Paul R. Hanlon Elementary School, to be located at 790 Gay Street, in Westwood, Massachusetts, including costs of site work and all other costs incidental and related thereto?



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#### 2021- 2022 FINANCE AND WARRANT COMMISSION

Dianne McCarthy, Chair  
George Hertz, Vice-Chair  
William C. Bruce, Jr.  
James Ferraro  
Lauren FitzPatrick  
Michael Gay  
Angeila Hughes  
Peter Ittig  
Caitlyn Jurczak  
Thomas Kilgarriff  
George Laham  
Nadine Moujahed  
Kristina Patyiewicz  
Christopher Peroda  
Alexander Yale

Jane O'Donnell, Administrator



## WESTWOOD FINANCE AND WARRANT COMMISSION

### A MESSAGE TO RESIDENTS

### FROM CHAIR DIANNE MCCARTHY

Dear Resident,

On behalf of the 2021/2022 Finance and Warrant Commission (FinCom), I am asking that you please attend the Special Town Meeting on Monday, October 18, 2021 at Westwood High School.

The Special Town Meeting Warrant consists of only one article, *School Committee – 1: Elementary Schools Building Project*. This article is intended to see if the Town will vote to appropriate, borrow or transfer from available funds, an amount of money to be expended under the direction of the School Building Committee to pay costs of design, constructing, equipping, and furnishing a new Paul R. Hanlon Elementary School, which will consolidate the current Hanlon Elementary School and the Deerfield Elementary School, to be located at 790 Gay Street, in Westwood, Massachusetts.

The 15-member FinCom has spent considerable time and effort in studying all the issues related to this project over the last several years and prior to their presentation to you at this Special Town Meeting. FinCom also conducted a public hearing on September 20 in order to solicit input from residents following detailed and informative presentations by the article sponsors.

Following the listing of this article, herein, is the FinCom recommendation as well as our comments (italicized text) summarizing the purpose of the article and the reasons for FinCom's recommendation.

We urge you to review the issues to be voted on October 18 and to plan to attend and participate in the important decisions pertaining to our Town.

Sincerely,

Dianne McCarthy, Chair



## What Goes On At Westwood Town Meetings?

### A Message from the Town Moderator...

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**Our Town Meeting is conducted in accordance with the Town Bylaws (Chapter 138) and Massachusetts Law. Some major matters of procedure are summarized below.**

#### **General Information**

- The moderator presides at the meeting, oversees debate, preserves order and decorum, rules on procedural matters, and declares the results of all votes.
- One hundred and seventy-five (175) registered voters constitute a quorum.
- Registered voters are entitled to attend, address the meeting and vote. Guests may attend the meeting, but can address the meeting only with the approval of the Moderator.
- Warrant articles are presented in numerical order. A motion to take an article out of order requires a 2/3 vote of those present and voting.

#### **Motions, Motions to Amend, and Votes Required**

- An article in the warrant states a question for the town meeting to answer. A motion is a proposed answer to the question.
- The recommendation of the Finance and Warrant Commission is the first motion under an article and is considered the main motion.
- The motion of the Finance and Warrant Commission is open for discussion by the voters.
- Motions to amend the main motion, which are within the scope of the warrant article, may be made on town meeting floor.
- Ordinarily motions require a majority vote of the voters present and voting to pass. Certain motions require a 2/3, 4/5 or even a 9/10, as governed by Massachusetts law or the Town Bylaws. The moderator will announce the voting requirement before each vote is taken.

#### **Motions for Indefinite Postponement and Motions to Reconsider**

- A motion for indefinite postponement is equivalent to a motion that no action be taken under the article and such motion may not be amended.
- If the voters defeat the motion for indefinite postponement, then, after a motion, the voters may then vote on the substance of the article itself.
- A motion to reconsider an article may only occur on the same night the article was voted and shall require a two-thirds (2/3) vote of those present and voting. An article may not be "reconsidered" more than once.

#### **Rules of Debate and Vote Counting**

- A voter desiring to speak should rise, await recognition by the moderator, identify themselves by name and address when recognized and stand while speaking.
- All votes are taken by voice vote or electronic vote as determined by the moderator. The Moderator will then announce whether the motion carried. Seven (7) votes may doubt the ruling of if the Moderator by standing or raising their hands., The moderator shall then, without debate, conduct an electronic vote or may order a vote by secret written ballot.

## **ARTICLE 1 – Elementary Schools Building Project**

To see if the Town will vote to appropriate, borrow or transfer from available funds, an amount of money to be expended under the direction of the School Building Committee to pay costs of design, constructing, equipping, and furnishing a new Paul R. Hanlon Elementary School, to be located at 790 Gay Street, in Westwood, Massachusetts, including costs of site work and all other costs incidental and related thereto, which school facility shall have an anticipated useful life as an educational facility for the instruction of school children of at least 50 years, and for which the Town may be eligible for a school construction grant from the Massachusetts School Building Authority (“MSBA”). The Town acknowledges that the MSBA’s grant program is a non-entitlement, discretionary program based on need, as determined by the MSBA, and any project costs the Town incurs in excess of any grant approved by and received from the MSBA shall be the sole responsibility of the Town. Any grant that the Town may receive from the MSBA for the Project shall not exceed the lesser of (1) thirty-nine and thirty-five hundredths percent (39.35%) of eligible, approved project costs, as determined by the MSBA, or (2) the total maximum grant amount determined by the MSBA, or to take any other action relative thereto.

**The Finance and Warrant Commission, by a vote of 10 in favor and 2 opposed, recommends**

**MOTION:** That the Town appropriates Eighty-Four Million Six Hundred Ten Thousand Three Hundred Eighty-Six Dollars (\$84,610,386) to pay costs of designing, constructing, equipping, and furnishing a new Paul R. Hanlon Elementary School, to be located at 790 Gay Street, in Westwood, Massachusetts, including costs of site work and all other costs incidental and related thereto (the “Project”), which school facility shall have an anticipated useful life as an educational facility for the instruction of school children for at least 50 years, and for which the Town may be eligible for a grant from the Massachusetts School Building Authority (“MSBA”), said amount to be expended under the direction of the School Building Committee. To meet this appropriation, the Treasurer, with the approval of the Select Board, is authorized to borrow said amount under G.L. c. 44, or pursuant to any other enabling authority. The amount appropriated by this vote shall be expended in addition to the \$1,750,000 appropriated to pay feasibility study costs related to the Project under Article 14 of the Warrant at the Annual Town Meeting held on May 30, 2018, and the \$1,460,000 appropriated to pay design costs of the Project under Article 13 of the Warrant at the Annual Town Meeting held on May 3, 2021, resulting in a total cost of the Project of \$87,820,386. The Town acknowledges that the MSBA’s grant program is a non-entitlement, discretionary program based on need, as determined by the MSBA, and any project costs the Town incurs in excess of any grant approved by and received from the MSBA shall be the sole responsibility of the Town; provided further that any grant that Town may receive from the MSBA for the Project shall not exceed the lesser of (1) thirty-nine and thirty-five hundredths percent (39.35%) of eligible, approved project costs, as determined by the MSBA, or (2) the total maximum grant amount determined by the MSBA, and that the amount of borrowing authorized pursuant to this vote shall be reduced by any grant amount set forth in the Project Funding Agreement that may be executed between the Town and the MSBA. No amounts shall be borrowed or expended pursuant to this vote unless the Town shall have voted to exempt the amounts required for the payment of interest and principal on the borrowing authorized by this vote from the limitations on taxes imposed by G.L. c. 59, §21C (Proposition 2½). Any premium received upon the sale of any bonds or notes approved by this vote, less any such premium applied to the payment of the costs of issuance of such bonds or notes, may be applied to the payment of costs approved by this vote in accordance with G.L. c. 44, §20, thereby reducing the amount authorized to be borrowed to pay such costs by a like amount.

(School Committee)

***The Finance and Warrant Commission, by a vote of 10 in favor and 2 opposed, recommends approving this article after engaging in numerous public meetings, presentations by the Westwood Public Schools and the School Building Committee (SBC), presentations by the Assistant Town Administrator/Town Finance Director, the review of answers to written questions by the article sponsors, and open deliberations; FinCom supports this warrant article for the new Hanlon-Deerfield School project.***

**Background.** This project began in 2017 when Westwood submitted a Statement of Interest to the Massachusetts School Building Authority (MSBA) to modernize (renovate or replace) the Deerfield, Hanlon and/or Sheehan elementary schools after a Master Capital Needs Study was conducted by Westwood Public Schools in 2015. MSBA accepted Westwood into their program and eventually the project was expanded to include consolidation of the Hanlon and Deerfield Schools. It is important to note Westwood was one of only 15 out of 83 submissions that were invited and ultimately accepted by the MSBA. Since 2018, Westwood has been working with the MSBA to accomplish the goal of securing approval for a new school to be fund by both the state and the town. In April 2021, the MSBA voted to grant the Town of Westwood a reimbursement amount of up to \$18,235,725 for the construction of a new Hanlon-Deerfield school, if, the project is approved by the residents at their Special Town Meeting by a two-thirds vote and, by a majority at a Special Town Election, both to occur in October of 2021. Since this is a debt exclusion, override article, it requires a two-thirds vote at the Special Meeting. In July 2018, the School Committee (SC) appointed the School Building Committee (SBC) to oversee this project. Since that time the SC & SBC have held more than 75 open public meetings to engage the community in the project. The Finance and Warrant Commission has heard presentations on this project and debated and voted on funding for this project many times since December 2018 including:

- January 2018 - presentation of the proposed warrant article to request funding for MSBA feasibility study
- March 2018 - FinCom Hearing on the project, FinCom unanimous vote to recommend that the Town appropriate \$1.75M for the feasibility study
- January 2019 - Update to FinCom on the progress of the project
- February and November 2020 - Updates to FinCom on the progress of the project
- December 2020 - School Committee hosted the Select Board and FinCom at a public meeting to discuss the project status
- January 2021 - FinCom discussion of the borrowing article for \$1.46M in project bridge funding
- March 2021 - FinCom Final Public Hearing and Recommendation, by a vote of 12 in favor and 2 opposed, that the Town appropriate \$1.46M in bridge funding for the project

**Summary of the Cost of the Project including the Feasibility Study and Bridge Funding:**

|                             |                     |
|-----------------------------|---------------------|
| Total Project Cost          | \$87,820,386        |
| Less MSBA Reimbursement     | (\$18,235,725)      |
| <b>Net Cost to Westwood</b> | <b>\$69,584,661</b> |

The estimated total cost of the construction of the Hanlon/Deerfield Elementary School is \$87,820,386 which is prior to debt service. Once the cost of debt service is included, the total cost of the project is 93,449,269 assuming a thirty-year bond at 2%. The MSBA will reimburse the town approximately 20.8% of the \$87, 820,386 amount. The estimated cost to Westwood is \$69,584,661. The Town’s Director of Finance has prepared several charts shown on pages 10 and 11 of this report. These charts show the Average Annual Cost including both Principal and Interest as well as the cost per \$100,00 of home values and the impact on the average and a range of home values in town. The charts also include a summary of Town’s debt exempt payments outside of proposition 2 ½.

**Issues Raised and Discussed at Finance and Warrant Commission Meetings:**

During the Commissions meetings, members discussed tax relief for seniors, the Sheehan School capital needs, and the members concerns about the structural issues affecting operations at the Town’s main fire station.



**Tax Relief for Seniors:**

Concerns were raised about the sufficiency of programs the Town offers for seniors to assist with real estate taxes. Our analysis indicated that Westwood has adopted some of the most generous options for tax relief based upon, age, assets and income that is allowed by state legislation. For example, under chapter 59 section 41c, residents over 65 may apply for a \$1,000 exemption. This is on par with similar programs in the neighboring towns of Dedham, Needham and Wellesley. In addition, Westwood offers its senior citizens a deferral program, a senior tax work-off program for up to 100 of its citizens and a Town and resident-funded Aid to the Elderly Fund which, is one of the most generous in the state. Detailed information on these and other tax relief programs for veterans and visually impaired residents is available on the Assessors section of the Town website.

**Additional Capital Projects to be discussed and analyzed over the next five years:**

**The Sheehan School:**

The School Committee has noted the need to address the capital needs of the Sheehan School as part of the Master Capital Needs Study which was conducted by Westwood Public Schools in 2015. In May 2021 the School Committee commissioned a high-level study for Sheehan and in June 2021, the School Committee submitted an SOI to the MSBA for Sheehan. Please note that in December 2020, the design team estimated the base repair cost for Sheehan (to bring the building up to code only) at \$27.1M and estimated the renovations/addition and new construction costs to range from \$50M to \$60M. This program will have to be fully vetted by the School Committee and the Select Board to determine how to address these needs for possible future design and funding at some future date. FinCom will review and analyze any future warrant articles on this issue. The Sheehan School is not part of this Warrant Article.

**Fire Station One:**

During the Finance and Warrant Commissions deliberations, concerns were raised about the structural and safety issues at the Town's main fire station (Station One). In FY21 and 22, both the DPW and the Fire Department have taken short-term capital and operational programs to extend the building's usability for several years. However, it is apparent that the capital issues affecting Fire Station One must be addressed. The Town will be drafting a Request for Proposals (RFP) in FY22 to conduct a Feasibility Study along with funding requests for the Fire Headquarters facility. This study will help identify options including renovation, additions and new construction as well as site location options. In the most recently published five-year Town Capital Plan, there is an estimated cost for the Analysis and Design shown as \$1,250,000 and Construction Cost is shown as \$15,000,000. The plan is to release an RFP in FY2022 and to discuss the results of that study and its recommendations shortly thereafter with a possible presentation for funding at an FY23 town meeting after a thorough review and recommendation by the Finance and Warrant Commission.

**Summary:**

This Hanlon-Deerfield project will replace two of Westwood's elementary schools that have reached the end of their useful lives. The alternative to this project is to perform basic repairs to each individual school at an estimated combined cost of \$41.7M. This would bring those schools up to code but with zero improvements to the current learning environment for our students.

# Hanlon/Deerfield New Elementary School Project

Construction of New Hanlon/Deerfield Elementary School will be financed by:

- Direct Grant from Massachusetts School Building Authority (MSBA)
  - The reimbursement grant is paid as the project progresses.
- Town issued long term debt exempt bond.

|                                |                     |
|--------------------------------|---------------------|
| Estimated Total Cost           | \$87,820,400        |
| • MSBA Estimated Reimbursement | <u>\$18,235,725</u> |
| • Town Estimated Town Cost     | \$69,584,675        |

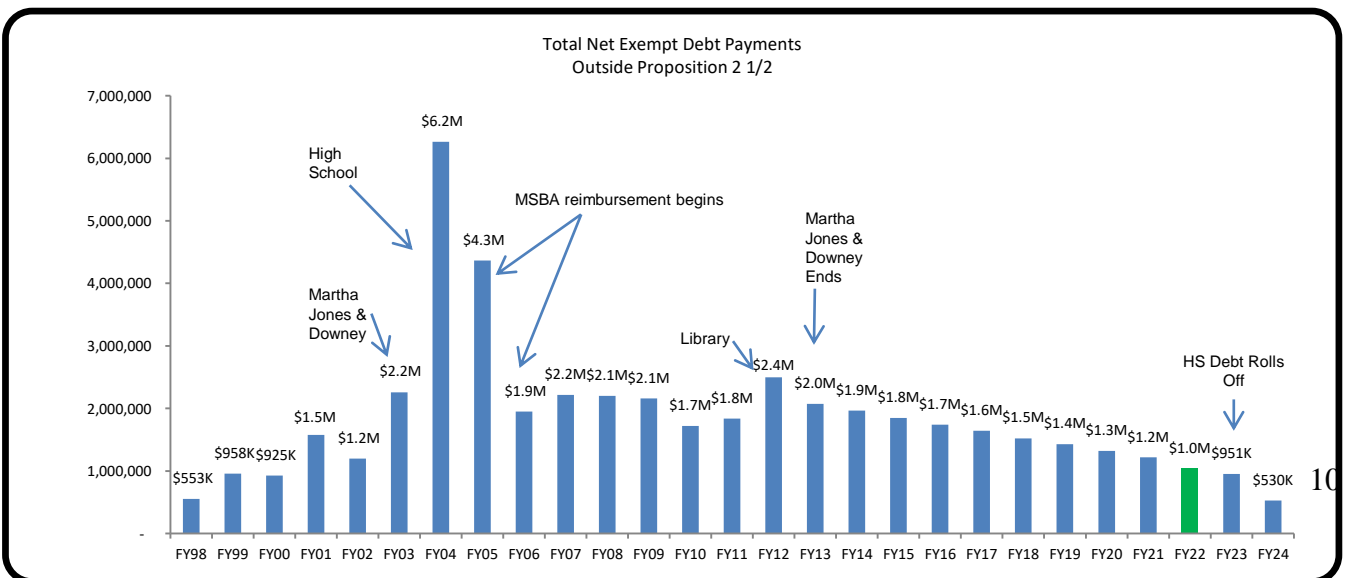
## Debt /Tax Estimates

A bond will be issued as 30 year level debt service payment long term bond.

| 2% Interest/30 Years | Principal and Interest Debt Service | Cost per \$100,000 of Home Value | Cost per DOR Average Home FY21 Value of \$837,300<br>FY21 Tax Bill \$12,375 |
|----------------------|-------------------------------------|----------------------------------|---|
| Total Cost           | \$93,449,269                        | \$1,655                          | \$13,855  |
| Average Annual Cost  | \$3,114,976                         | \$55                             | \$462   |

## Debt Exemption Authorization

- When a borrowing authorization is approved as a Debt Exemption, the exact annual principal and interest payment, net of any reimbursement, is raised outside the limits of Proposition 2 1/2. When the debt repayment ends, the tax collection ends.
- The Town has approved many debt exemption projects, most of which have been completed, with only the High School and Library still in repayment. The High School 20 year debt will be completed next year, in FY23.



# Hanlon/Deerfield New Elementary School Project

## High School Debt Completion

The current \$44M 20 year bond issued for the High School, reimbursed at 59% by MSBA, will be completed next year, in FY2023. This completes the Town's largest borrowing.

| Town share of annual payment, after \$1.4M annual MSBA Subsidy | Net Principal and Interest (FY23) | Cost per \$100,000 of Home Value | Annual Cost for Average Westwood Home |
|--|-----------------------------------|----------------------------------|---------------------------------------|
| Last Year of Payment – Drop in Taxes                           | (\$406,000)                       | (\$7.20)                         | (\$60)                                |

## Summary of Interest Rate Impact for Hanlon/Deerfield project

- The Town will issue a 30 year level debt service payment bond.
- The actual cost will depend on the interest rate of the bond.
- The lower the interest rate, the lower the total cost.
- The Town currently holds a AAA credit rating.

This chart summarizes the annual tax impact for different interest rate scenarios:

| Interest Rate | Annual Principal and Interest Debt Service | Annual Cost per \$100,000 of Home Value | Annual Cost for Average Westwood Home Value of \$837,300 |
|---------------|--|---|--|
| 2%            | \$3,114,976                                | \$55                                    | \$462  |
| 3%            | \$3,569,434                                | \$63                                    | \$529  |
| 4%            | \$4,058,069                                | \$72                                    | \$602  |

The chart below shows the tax impact on various home assessment levels:

|   | Home Assessed Value | FY21 Current Tax Bill | Estimated Annual Tax Impact of Schools Project |
|---|---------------------|-----------------------|--|
| 50% of Homes Fall into this value range | \$500,000           | \$7,390               | \$275  |
|   | \$600,000           | \$8,868               | \$330  |
|   | \$700,000           | \$10,346              | \$385  |
|   | \$800,000           | \$11,824              | \$440  |
|   | \$900,000           | \$13,302              | \$495  |
|   | \$1,000,000         | \$14,780              | \$550  |
|   | \$1,200,000         | \$17,736              | \$660  |
|   | \$1,600,000         | \$23,648              | \$880  |
|   | \$2,000,000         | \$29,560              | \$1,100  |
|   | \$2,200,000         | \$32,516              | \$1,210  |

A report listing all FY21 home values can be found in the Assessor's Office section of the Town Website.