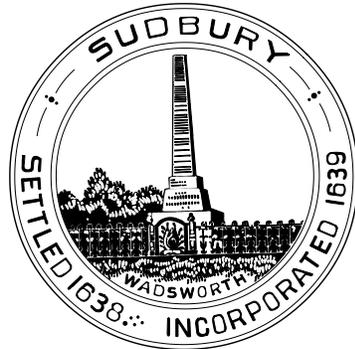


# Town of Sudbury Massachusetts



## OFFICIAL WARRANT

### SPECIAL TOWN ELECTION

**TUESDAY, DECEMBER 4, 2012**

**POLLS OPEN 7:00 A.M. – 8:00 P.M.**

Precincts 1, 1A, 2 and 5: Fairbank Community Center, 40 Fairbank Rd.  
Precincts 3 and 4: Town Hall, 322 Concord Rd.

If you are not a registered voter, the Town Clerk will have extended voter registration hours from 9 a.m. – 8 p.m. on Wednesday, November 14, 2012  
(deadline for registering to vote at the Special Town Election)



**TOWN OF SUDBURY  
SPECIAL TOWN ELECTION WARRANT**

Commonwealth of Massachusetts  
Middlesex, ss.

To the Constable of the Town of Sudbury:

GREETINGS:

In the name of the Commonwealth of Massachusetts, you are hereby required to notify and warn the inhabitants of the Town of Sudbury qualified to vote in Town Elections, that voters residing in Precincts 1, 1A, 2 and 5 should meet at the Fairbank Community Center and voters residing in Precincts 3 and 4 should meet at the Town Hall in said Town on Tuesday, December 4, 2012 between the hours of seven o'clock in the forenoon and eight o'clock in the evening, to cast their votes on the following question:

**BALLOT QUESTION NO. 1**

*Shall the Town of Sudbury 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 remodel, reconstruct, or make extraordinary repairs consisting of partial roof repair/replacement at the General John Nixon Elementary School at 472 Concord Road, including the payment of all costs incidental or related thereto?*

YES \_\_\_\_

NO \_\_\_\_

SUMMARY: Under Article 4, of the September 24, 2012 Special Town Meeting, the Town voted to appropriate \$808,000 (\$788,000 project cost +\$20,000 issuance costs for debt) to perform partial roof repair/replacement and pay all expenses connected therewith at the General John Nixon School, 472 Concord Rd., which project is eligible for grant funding under the Massachusetts School Building Authority's (MSBA) Accelerated Repair Program with the exception of bonding costs. This ballot question seeks to exclude the principal and interest to pay for the Town's portion of this project from the Proposition 2 ½ levy limit whether or not the MSBA grant is awarded. Funding approval at the Special Town Meeting together with a favorable vote on this Ballot Question is a prerequisite of the MSBA grant.

As usual, the Town's share of the project would be temporarily funded during the course of construction through the issuance of Bond Anticipation Notes. The amount of the bond issued at the completion of the project would be net of MSBA grant funding received and would be based upon the actual costs incurred on the project. As an example, if the amount of the bond issued for the Town's portion of the project is \$532,000, the estimated annual debt service impact on the tax rate beginning in FY14 would be \$0.02 per \$1,000 of property assessment. In this example, the tax impact on a \$621,410 home valuation is estimated at \$10 in year one, declining to a low of \$9 over the ten-year bond period.

A “yes” vote on this question will authorize the Town to fund this project outside of the Town’s levy limit and therefore allow the project to proceed; a “no” vote will mean the project cannot proceed.

**ARGUMENT FOR PASSAGE:** General John Nixon School, originally built during 1960 was renovated and reopened as an elementary school during 1991. A major addition was constructed during 1995 due to growing school enrollment. The roof over the original classrooms and administrative wing is now in critical need of a new roof with insulation conforming to the recently adopted stretch code.

This project has been reviewed by the Sudbury Permanent Building Committee [PBC], consulting engineering firms, Facilities Director and the Massachusetts School Building Authority [MSBA], which invited Sudbury to participate in its Accelerated Repair Program which will fund up to 36.89% of eligible, approved costs. The MSBA Accelerated Repair program offers a one-time opportunity to capture approximately \$290,000 in state funding for this important project. Sudbury should replace this roof before its failure disrupts school operations requiring expedited replacement. In any event, the roof requires replacement during the summer of 2013. Sudbury will also realize the energy benefits of a newly-insulated roof. Reducing energy consumption and annual repair/maintenance costs make this project a sound investment.

**ARGUMENT IN OPPOSITION:** In these difficult economic times any increase in the Town’s debt, which is now in decline, will cause hardship to many residents because of the real estate tax revenue needed to pay debt service. Exempting the debt from the limits of Proposition 2 ½ and thus not affecting the levy limit also undermines the efforts of those seeking to control costs by limiting spending. This project should be included in a long-range capital financial plan which would review all projects both current and proposed and prioritize them in the context of need and debt.

**BALLOT QUESTION NO. 2**

*Shall the Town of Sudbury accept Chapter 169 of the Acts of 2012, An Act Authorizing the Town of Sudbury to Establish a Means Tested Senior Citizen Property Tax Exemption, enacted by the Senate and House of Representatives in General Court and approved by the Governor on July 27, 2012?*

YES \_\_\_\_

NO \_\_\_\_

**SUMMARY:** This Special Act results from the action of Sudbury voters at the January 19, 2011 Special Town Meeting to petition the Legislature to allow the Town of Sudbury to implement a means tested senior citizen property tax exemption. While preserving the current exemptions received by senior citizens, those seniors whose income qualifies them for the Circuit Breaker exemption and who make application under this program would be eligible to receive an additional property tax exemption, capped at 50%, if they meet the criteria set forth in the Act and are approved by the Board of Assessors. The criteria include 10-year Sudbury residency, age 65 and above with any joint applicant to be age 60 and above, and the value of the home no greater than the average Sudbury home plus 10%.

The funds for this program would be derived from a burden shift within the residential tax levy. In the first year of implementation, the total of all exemptions granted under this Act would equal 0.5%

of the fiscal year's total residential tax levy; in the second and third years the total of the exemptions granted will be set by the Board of Selectmen in a range of 0.5% to 1% percent of the residential levy.

The Act expires in 3 years of implementation and may be revoked by ballot prior to expiration.

A "yes" vote means the Act shall take effect 30 days after the vote. A "no" vote means the Act shall not take effect.

**ARGUMENT FOR PASSAGE:** A "Yes" will provide relief to 200-300 senior residents who qualify, by limiting their property taxes to 10% of income. The funds will be provided by increasing the property tax on *all* residents by ½ to 1 percent (\$40 to \$80 for a property tax bill of \$8,000). Sudbury has struggled for almost fifteen years to find a way to support older residents of limited means whose property taxes are very big part of their income. In 2010 we finally found the right approach; it has been approved by Selectmen, Finance Committee, Town Meeting, Legislature and Governor.

### **THIS IS THE RIGHT WAY**

1. Known beneficiaries: This bill helps only about 20% of senior families, those whose property taxes still exceed 10% of income after receiving the circuit-breaker credit.
2. Known costs: If the fund isn't large enough, the benefit will be scaled back. It can't cost more than ½ percent the first year, or more than 1 percent thereafter.
3. Strict income qualifications: At least 10 years in Sudbury; Age 65+; Large homes do not qualify. And, "assessors may deny an application if they find the applicant has excessive assets" (see section 2 below).
4. Maximum property tax reduction of 50% means beneficiaries still fully pay their share of town services.
5. Helping seniors stay in Sudbury helps reduce future tax increases for everyone because when senior families leave, younger families invariably move in, adding to our school costs.

**ARGUMENT IN OPPOSITION:** Applications for this benefit are restricted to property owners meeting eligibility requirements under the State Circuit Breaker income tax credit and other criteria set forth in the Act to provide relief of property tax up to 10% of their income. Income eligibility for a married couple for 2011 was capped at \$78,000 and at \$52,000 for a single applicant. This level of income may not indicate a real need. The assessed value of the domicile affected must be no greater than the prior year's average assessed value of a single-family residence plus 10%. Based on 2012, homes assessed at \$683,549 would qualify. This is higher than 68% of single family homes in Sudbury. Further, there is no definition of assets which may be held by an applicant and no requirement to disclose assets to the town. A homeowner could claim credit under this Act to preserve wealth for transfer to family or to accumulate additional assets for their heirs. All residences will be impacted by the "burden shift" in taxes under this exemption. This "burden shift" may have unintended consequences and may impose significant hardship on others who are unqualified for any relief, but are experiencing financial difficulties and struggling to keep their own homes. If this is a way to keep seniors in their homes, it should not penalize others. There are means currently in place to help seniors such as the Circuit Breaker income tax credit, reverse mortgages or utilization of Sudbury's tax deferral plan.

The full text of Chapter 169 of the Acts of 2012 is printed below.

*An Act Authorizing the Town of Sudbury to Establish a Means Tested Senior Citizen Property Tax Exemption*

SECTION 1. With respect to each qualifying parcel or real property classified as Class one, residential in the town of Sudbury there shall be an exemption from the property tax equal to the total amount of tax that would otherwise be assessed without this exemption less the sum of (i) 10 per cent of the total annual qualifying income for purposes of the state's "circuit breaker" income tax credit, and (ii) the amount of the state's "circuit breaker" credit the applicant was eligible to receive in the year prior to the application being filed. The percentage of total annual qualifying income may be raised by section 3. In no event shall property taxes be reduced by more than 50 per cent by this exemption. The exemption shall be applied to the domicile of the taxpayer only. For the purposes of this act, "parcel" shall be a unit of real property as defined by the assessors under the deed for the property and shall include a condominium unit.

SECTION 2. The board of assessors may deny an application if they find the applicant has excessive assets that place them outside of the intended recipients of the senior exemption created by this act. Real property shall qualify for the exemption under section 1 if all of the following criteria are met:

(a) the qualifying real property is owned and occupied by a person whose prior year's income would make the person eligible for the circuit breaker income tax credit under subsection (k) of section 6 of chapter 62 of the General Laws;

(b) the qualifying real property is owned by a single applicant age 65 or older at the close of the previous year or jointly by persons either of whom is age 65 or above at the close of the previous year and if the joint applicant is 60 years of age or older;

(c) the qualifying real property is owned and occupied by the applicant or joint applicants as their domicile;

(d) the applicant or at least 1 of the joint applicants has been domiciled in the town of Sudbury for at least 10 consecutive years before filing an application for the exemption;

(e) the maximum assessed value of the domicile is no greater than the prior year's average assessed value of a Sudbury single family residence plus 10 per cent; and

(f) the board of assessors has approved the application.

SECTION 3. The exemption under section 1 shall be in addition to any other exemption allowable under the General Laws, except that there shall be a dollar cap on all the exemptions granted by this act equal to .5 per cent of the fiscal year's total residential property tax levy for the town of Sudbury, including the levy for the regional high school if not included in the town of Sudbury's tax levy at some subsequent date with the total exemption amount granted by this act allocated proportionally within the tax levy on all residential taxpayers. After the first year of such exemption, the total cap on the exemptions granted by this act

shall be set annually by the board of selectmen within a range of .5 to 1 per cent of the residential property tax levy for the town of Sudbury, including the levy for the regional high school. In the event that benefits to the applicants may be limited because the percentage established annually by the selectmen would otherwise be exceeded, the benefits shall be allocated by raising the total annual qualifying income percentage as required in section 1 as necessary to not exceed the cap. In the event the cap exceeds the need for the exemption, the total cap on the exemptions granted by this act shall be reduced to meet the need.

SECTION 4. A person who seeks to qualify for the exemption under section 1 shall, before the deadline established by the board of assessors, file an application, on a form to be adopted by the board of assessors, with the supporting documentation of the applicant's income and assets as described in the application. The application shall be filed each year for which the applicant seeks the exemption.

SECTION 5. Acceptance of this act by the town of Sudbury shall be by an affirmative vote of a majority of the voters at any regular or special election at which the question of acceptance is placed on the ballot. Sections 1 to 4, inclusive, and sections 7 and 8 shall take effect 30 days after an affirmative vote by the town.

SECTION 6. This act may be revoked by an affirmative vote of a majority of the voters at any regular or special town election at which the question of revocation is placed on the ballot. Revocation of sections 1 to 4, inclusive, and sections 7 and 8 shall take effect 30 days after an affirmative vote by the town.

SECTION 7. No exemption shall be granted under this act until the Department of Revenue certifies a residential tax rate for the applicable tax year where the total exemption amount is raised by a burden shift within the residential tax levy.

SECTION 8. This act shall expire after 3 years of implementation of the exemption.

And you are required to serve this Warrant by posting an attested copy thereof at the Town Hall at least seven days before the time appointed for said meeting.

Hereof fail not and make due return by your doing thereon to the Town Clerk at or before the time of meeting aforesaid.

Given under our hands this seventh day of November, two thousand and twelve.

SELECTMEN OF SUDBURY:

Lawrence W. O'Brien  
Robert C. Haarde  
John C. Drobinski

Board of Selectmen  
Sudbury, MA 01776

U.S. POSTAGE  
PAID  
Permit No. 4  
Sudbury, MA 01776  
ECRWSS

POSTAL PATRON  
SUDBURY  
MASSACHUSETTS 01776

SPECIAL TOWN ELECTION  
Tuesday, December 4, 2012

