

# Town of Southwick, Massachusetts

454 College Highway, Southwick, MA 01077

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## Finance Committee's Pro's & Con's of the Annual Town Meeting

### Article 7.

PRO: Approval of the FY12 Town Budget will allow for proper allocation of resources and seamless transition from FY11 to FY12. Approval will allow the Town to properly support its functions of operation and support to our citizens in the current economy.

CON: Failure to approve the FY12 Town Budget would cause the Town to cease to support programs and operations critical to the safety and welfare of its citizens. It would be extremely difficult, if not impossible, to raise sufficient funds to continue to support the citizens of Southwick.

### Article 13.

PRO: This Article represents the Town's funding portion of the School District for FY2012. The requested funds represent a leveled service budget from last year and are critical to the operation of the district in our community.

CON: A lack or reduction in funding will create a severe hardship on the education process for the children in our community and job losses for the personnel.

### Article 14.

PRO: This Article allows the School District to incur this debt to maintain their Capitol Improvement schedule. The items listed on the Capitol Expenditures list are items whose lifespan are nearing the end. By maintaining a rotation of some items, the transportation fleet, and replacing others, the School District is keeping everything in working order.

CON: If this article were not to pass, additional repair costs could be incurred due to the lack of materials needed to maintain the capitol needs of the schools.

### Article 15.

PRO: The taxpayers agreed to pay an additional 3% tax annually towards the Community Preservation Fund. The government matches the taxpayer contribution. In the past it was a dollar-for-dollar match, although that has not been the case over the past couple of years. This Article outlines the transfers of the individual reserves within the Community Preservation Fund at a rate of 10% as required by the laws that rule the Community Preservation Committee, which the Town of Southwick has agreed to. The balance of the tax generated monies, 70%, will be deposited in their General Fund.

CON: If we do not approve this article, we would be in violation of our agreement with the Commonwealth and Town of Southwick therefore possibly leading to a discussion to end this agreement.

### Article 16.

PRO: This Article allows the transfer of monies, not to exceed 4% of the collect taxes, to be used for administrative and operational expenses of the Community Preservation Committee. This provision is allowed under the agreement.

CON: None

**Article 17.**

PRO: This article is requesting to use money from the current C.P.C. Historical line to purchase items necessary to preserve historical documents from Southwick for future use and data.

CON: If the money is not used from this designated account, it may be requested to be taken from the general Town cash fund.

**ARTICLE 18.**

PRO: A yes vote on this article will the establishment of a account to accrue funds related to "Other Post Employment Benefits" in accordance with the Governmental Accounting Standards Board Standard 45 (GASB). Up until the year 2008 when the state took action to pass legislation that would permit cities and towns to create a funding tool to address the retiree health care and other post employment costs including life insurance, these costs were on a pay as you go approach. Acceptance of the fund and future deposits of funds through Town Meeting votes to it will assist the town in being proactive in how it meets this obligation and at the same time demonstrate to outside bond rating agencies our fiscal house is in order.

CON: A no vote on this article will result in the Town continuing to pay "Other Post Employment Benefits" on a pay as you go basis. This funding action may lead to a limited ability to cover all expenses at some point in the future.