



***Town of Nantucket***  
***2021 Annual Town Meeting***  
***BACKUS PLAYING FIELD***

***Saturday, June 5, 2021***

***9am – 5pm***

***(Rain Date: Sunday, June 6, 2021/9am – 5pm)***

***The Voter's Guide to***  
***Warrant Articles***

## INTRODUCTION

*Greetings, Nantucket Voter!  
And welcome to the 2021 Annual Town Meeting.*

Due to the on-going COVID-19 Global Pandemic, the 2021 Annual Town Meeting will be a “Back to Basics” Town Meeting. The following is information for you to prepare:

- Town Meeting will be outdoors under tents at the Backus Playing Field.
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- Physically distanced seating will be set up; face coverings are requested.
- There will be porta-potties available with hand sanitizing stations nearby; a water bottle refill area will also be available.
- Parking will be in designated areas; you will be directed where to park upon your arrival.
- We will not have our usual screen to project motions, amendments, maps, or other information – *if you have a positive motion or amendment that you intend to make, please contact the Moderator directly at [sfa@sfapc.com](mailto:sfa@sfapc.com) to discuss how it will be handled. You may want to plan to bring sufficient copies to distribute to the voters in attendance at the meeting.*
- You should plan to bring:
  - o Your own water bottle
  - o Your own snacks/lunch (no food will be sold on the school premises)
  - o Your own sunscreen as necessary
  - o A portable charger if you are bringing a cell phone or other device
  - o The Warrant with Motions that you should have received in the mail, along with a writing utensil for notes
- If you are a Non-Voter, you should plan to bring your own chair as we may not have sufficient chairs for everyone.
- Non-Voters will have an area where they may view the proceedings; however, they are not entitled to participate in the Meeting, except as provided as follows in the Code of the Town of Nantucket:

*Chapter 44 (Town Meetings)  
Article I (Government of Town Meetings)  
§44-2 (Restriction of speech)*

*B. The Chairman or Vice Chairman (or his designee) of the Advisory Committee of Nonvoting Taxpayers will be allowed to speak, but not vote, at Annual and Special Town Meetings on matters of concern to the nonvoting taxpayers.*

- There will be a handout table located at the entrance into the Town Meeting area with materials directly related to Town Meeting warrant articles, as well as extra warrants. Handouts must be pre-checked with the Town Clerk in advance, and must meet the requirements of [Nantucket Town Meeting Traditions and Procedures](#) (available on the Town website).
- No large-scale Zoning Maps related to the Articles will be available at the site – 8½” x 11” paper reference copies of the maps will be available for viewing. You may also view the [Zoning Maps](#) in advance on the Town website [2021 Annual Town Meeting](#) page.
- We will use E-Voting with handheld devices as we did for the 2020 Annual Town Meeting. Prior to commencing Town Meeting, there will be a test to ensure that everyone understands how to use the devices.
- Trash bins will be available; please be sure to keep track of any trash that you generate and dispose of it properly. It would be greatly appreciated if attendees would “pack in and pack out.”
- Please do not bring your pet(s) with you.
- Smoking/vaping and alcoholic beverages are not permitted on school grounds.
- As this is our first complete Town Meeting during a continuing global pandemic, as well as our first outdoor Town Meeting, please attend with mutual respect and consideration for each other and the procedures.

### *Some information about Town Meeting:*

Warrant articles are written to conform to the language of various Laws and Codes and are crafted to accomplish intended administrative and legal purposes. The language is necessarily technical and does not always allow the articles to be easily understood. This Guide provides an easy-to-understand overview of the warrant articles; it explains the objective(s) of an article and how the article would realize those objectives.

The Guide takes no position on any article. It is meant for informational purposes only and is not legally binding. There will likely be Technical Amendments to Motions that arise after the warrant goes to print. Those amendments are not covered in this Guide. They will be addressed as one of the first orders of business at the beginning of Town Meeting.

Also not covered are citizen-sponsored articles, except in unusual circumstances. Citizen sponsors are expected to represent their own articles and sponsors often make informational handouts available at the handout table. The non-citizen articles discussed in this guide have been written by Town Boards, Committees, Town staff, and Town Counsel.

Voters vote on the MOTION to an article. See the Town Moderator's [\*Nantucket Town Meeting Traditions and Procedures\*](#) booklet (available at the handout table) for details on voting, amendments and other procedures.

In case you wondered...How are motions and recommendations developed for Town Meeting warrant articles?

-- In the fall, the warrant for the Annual Town Meeting “opens” to citizen petitions - usually mid-October to mid-November. During this “open” period, citizens are encouraged to meet with Town Counsel if they have ideas about a potential article. Multiple sessions are scheduled to help citizens craft their language to accomplish their intended purpose. Nantucket is one of the Commonwealth’s few towns to offer its citizens this service.

-- Several other groups expend considerable effort reviewing and preparing financial and other articles for Town Meeting: the Planning Board, the Community Preservation Committee, the Real Estate Assessment Committee, the Health and Human Services Contract Review Committee, the Finance Committee, Capital Program Committee, the Enterprise Funds: Airport Commission, Nantucket Board of Water Commissioners, Our Island Home, Sewer and Solid Waste, as well as Town Administration, and finally the Select Board.

-- In August of 2020, the **Capital Program Committee** (CapCom) began its review of all General Fund and Enterprise Fund capital project requests. (CapCom is a 7-member group comprised of at-large citizens appointed by the Select Board, plus representatives from the Finance Committee, Nantucket Planning and Economic Development Commission (NP&EDC),

and Select Board.) CapCom typically meets once a week through December. Every department submitting request(s) attends at least one meeting, and often several.

-- In December, the **Finance Committee** (a 9-member group appointed by the Select Board) begins its comprehensive review of all warrant articles. From December through early-March the Committee typically meets 1-2 times a week, generally at 4:00 PM. Department Heads, Committee Chairs, and citizen sponsors all speak before the FinCom to represent their article. All meetings are posted and open. Several are public hearings when citizens are encouraged to attend and ask questions.

-- During January and February, the **Planning Board** holds public hearings on both citizen and Board-sponsored Zoning Articles. All meetings are posted and open; many are public hearings where citizens are encouraged to learn and ask questions.

-- Except for zoning articles, each article on the warrant has a Finance Committee Motion. Zoning articles have Planning Board Motions. There also may be Comments to various articles by the Planning Board, Finance Committee, or Select Board. This Guide does not address their Comments.

On to the Guide...

### *Sense of the Meeting Request*

Just prior to Article 1, you will see a “Sense of the Meeting Request Regarding Small Mesh Fishing Gear Closure”. Occasionally, a “Sense of the Meeting Request” is sought to gauge the reaction of Town Meeting to a particular issue, mostly in response to a legislative initiative. In this case, a Sense of the Meeting is requested due to pending legislation concerning changes to mobile fishing gear equipment restrictions in Massachusetts waters. The Sense of the Meeting request asks Town Meeting voters if they would support a prohibition of this type of fishing gear entirely from Nantucket waters. This vote is not binding but could be used at legislative hearings on the proposed changes. An identical Sense of the Meeting Request was on the Warrant at the 2017 and 2019 Annual Town Meetings. The proponents have asked for the request to be before the voters again so that it may remain within the state’s legislative session.

### *Article 1 – Receipt of Reports*

Article 1 follows the State law (Chapter 40, s. 49) that requires the Select Board to provide an Annual Town Report. The Report contains the reports of specific (and other) agencies and departments of the Town. The Annual Town Report is typically published just before the Annual Town Meeting and covers the activities of the Town departments for the prior Fiscal Year. A copy of the Fiscal Year 2020 Annual Town Report is on the handout table. Fiscal Year 2020 is July 1, 2019 – June 30, 2020.

**The Finance Committee’s Motion is positive.**

### *Article 2 – Appropriation: Unpaid Bills*

With few exceptions, Massachusetts municipalities are not legally allowed to pay bills from prior fiscal years in the current fiscal year without the approval of Town Meeting. “Unpaid bills” are generally bills which arrived after the close of a fiscal year, were inadvertently not paid or received, or could not be paid for budgetary or other reasons in the fiscal year within which they were incurred.

**The Finance Committee’s Motion is positive. The funding source is Free Cash (defined in the Glossary herein) for the General Fund bills, Current Year Budgets or Retained Earnings (see Glossary) for the Enterprise Fund bills.**

### *Article 3 – Appropriation: Prior Year Articles*

From time to time, previously approved capital projects are completed “under budget”. In such cases, Town Meeting can re-appropriate the remaining funds to other eligible projects. If the original funding was borrowed, leftover funds may only be re-appropriated for projects that are similar to the type of project for which the original borrowing was incurred. If the original funding was not borrowed, the funding may be re-appropriated to any other project or funding source (for example, Free Cash or Stabilization Fund).

**The Finance Committee’s Motion is to:**

- **consolidate DPW road improvement capital articles, to provide additional funding for Island-wide road repairs;**
- **consolidate earlier Information Technology/GIS capital articles to IT professional services to promote a safe, secure and reliable Town technology infrastructure;**
- **reappropriate completed Airport capital projects to provide funds for Airport Fuel Farm Repairs;**
- **consolidate an Our Island Home capital software article to Our Island Home Renovations.**

**Please refer to the list included in the warrant for Article 3.**

**This article is not expected to have an impact on the tax rate.**

*Article 4 – Revolving Accounts: Spending Limits for FY 2022 (July 1, 2021 – June 30, 2022)*

A revolving account receives revenue generated by a particular activity which is used to pay for items related to that activity. These accounts operate outside of the General Fund. For example, the Town’s Beach Improvement Revolving Account receives revenue from the sale of beach driving permits. Those proceeds are then used for expenses such as printing and purchasing beach stickers and maps, beach signage and fencing, police beach patrols, and ATV (All-Terrain Vehicle) expenses.

Town Meeting sets an annual Spending Limit on each revolving account; this limit is based on a historical review of past years’ spending. Each revolving account is listed in the Finance Committee’s Motion.

**The Finance Committee’s Motion is positive and sets forth the Spending Limit for each account for the coming Fiscal Year.**

*Article 5 – Appropriation: Reserve Fund*

The Town, under Massachusetts General Law, can make appropriations by a vote of Town Meeting to a Reserve Fund – available by law for “extraordinary or unforeseen expenditures” that may arise during the year. Money available in the Reserve Fund may be accessed only through a vote of the Finance Committee and any such appropriation may not exceed five percent of the prior year’s tax levy. Five percent of the prior year (FY 21 tax levy was \$81,091,677) would be \$4,054,584.

**The Finance Committee’s Motion is to appropriate \$500,000 for the FY 2022 Reserve Fund.**

*Article 6 – Fiscal Year 2021 (July 1, 2020 – June 30, 2021) General Fund Budget Transfer*

Transfers of funds between different departments and within a specific department’s budget, including between the “salary” and “other expense” categories, requires a vote of Town Meeting. Toward the end of a fiscal year, such transfers afford the Town flexibility to adjust (or “true up”) the budget to fund remaining departmental needs as the Fiscal Year draws to a close. This Article will “true up” department budgets using already appropriated funds. There is no impact on the taxpayer.

**The Finance Committee’s Motion is positive and utilizes funding already appropriated at the 2020 Annual Town Meeting.**

*Article 7 – Personnel Compensation Plans for Fiscal Year 2022 (July 1, 2021 – June 30, 2022)*

This Article seeks approval of the compensation schedules for positions outside of collective bargaining units, or without employment contracts, or otherwise not covered by the Town’s personnel policies. The Article primarily lays out employee compensation schedules for *per diem* (“by the day”) employees, seasonal and temporary employees, as well as elected officials. Funding for the positions listed is contained within various departmental budgets.

**The Finance Committee’s Motion is positive.**

*Article 8 – Appropriation: Fiscal Year 2022 (July 1, 2021 – June 30, 2022) General Fund Operating Budget*

Article 8 asks the Town Meeting to approve a General Fund operating budget for Town departments and agencies. The proposed expenditures are detailed in the Finance Committee’s Motion. Of note in the General Fund operating budget is continuing and additional funding for payroll (\$210,000) and first-time funding of an operating budget (\$275,000) for the Town’s Housing Office. These additional amounts are in support of other affordable housing articles in the 2021 Annual Town Meeting Warrant. The FY 2022 General Fund operating budget, which is balanced and lives within the projected revenues of the Town, is proposed to increase by 7.42% over FY 2021.

The tax rate is not expected to increase as a result of this budget.

**The Finance Committee’s Motion is positive.**

*Article 9 – Appropriation: Health and Human Services*

Each year, the Town of Nantucket executes grant agreements with non-profit agencies to provide various health and human services to island residents. The Town has accorded importance to this appropriation and provided it for over 20 years. This appropriation provides needed services



without expansion of Town departments and personnel in fields that are not considered municipal services.

There is a specific process in place for agencies to seek an allocation of the available funding. A rigorous review process, managed by the Town's Human Services Contract Review Committee, evaluates agencies' goals and funding requests each year. The Committee's annual recommendations are reviewed and endorsed by the Select Board before the Finance Committee's consideration. Following Town Meeting approval, grant agreements are executed with each agency. The agreements contain reporting and other oversight provisions meant to ensure proper use of the funds. The tax rate is not expected to increase because of this article.

For FY 2022, the allocation was level-funded at \$650,000. An additional \$95,000 from a Special Stabilization Fund for Substance Abuse Efforts is recommended for allocation.

The additional funding is generated from the local share of the retail marijuana tax and Community Benefit Agreements with the marijuana dispensaries.

**The Finance Committee's Motion is positive.**

*Article 10 – Appropriation: General Fund Capital Expenditures*

Capital expenditures are "big-ticket" items meant to last five years or longer. The Town Code (Chapter 11, section 12.2 A and B) defines them as:

"A. A capital expenditure is a non-recurring expenditure for land, buildings and/or building improvements having a useful life equaling or exceeding 10 years, or an expenditure for municipal infrastructure and equipment having a useful life equaling or exceeding five years."

"B. Furthermore, capital expenditures must have aggregate direct and indirect costs, even if expended in multiple fiscal years, equaling or exceeding a dollar amount to be hereafter set forth by the Capital Program Committee. Any change in the dollar amount must have a two-thirds majority vote by the Committee. Furthermore, \$50,000 is to be established as the initial amount until otherwise set forth in accordance with this article."

The Town's annual capital project review process begins in August. Proposed projects are reviewed by: Town Administration, the Select Board, the Capital Program Committee, and the Finance Committee. Capital projects are generally funded by: 1) the General Fund and/or other available funds, 2) the re-appropriation of funds, 3) Free Cash or 4) Borrowing. Borrowing requires a two-thirds vote of Town Meeting, and subsequent approval by the voters at an election if it requires a debt or capital exclusion.

Several items this year totaling \$751,160 are contingent upon a Capital Outlay Exclusion to be put before the voters at the Annual Town Election on June 15, 2021.

**The Finance Committee’s Motion is positive for the listed proposed projects and funding sources. If the Capital Exclusion is approved by the voters at both the Town Meeting and the Town Election, the tax rate will increase by approximately \$25.76 for a property with a residential exemption valued at \$1,353,868 (average year-round property value) for just one year. In summary, funding sources for the \$24,121,150 worth of capital projects would be as follows:**

<b>\$3,455,860</b>	<b>FY 22 Tax Levy and Other General Revenues (<i>Contingent upon Capital Outlay Exclusion</i>)</b>
<b>\$4,992,254</b>	<b>Free Cash</b>
<b>\$15,515,900</b>	<b>Borrowing</b>
<b>\$107,136</b>	<b>Article Reappropriation</b>
<b><u>\$50,000</u></b>	<b>Transfer from Ambulance Reserve Fund</b>
<b>\$24,121,150</b>	<b>Total</b>

**Borrowing funds requires a quantum vote of two-thirds.**

*Article 11 – Appropriation: Newtown Road Transportation Improvements*

This is a request to appropriate \$1,200,000 by borrowing, contingent upon a Debt Exclusion at the June 15, 2021 Annual Election, for the costs associated with bicycle, pedestrian, roadway, and traffic calming improvements along Newtown Road.

**The Finance Committee’s Motion is positive. The tax rate is expected to increase if the project is approved. Assuming a conservative borrowing rate of four percent for 20 years, the annual tax bill for a property with a residential exemption valued at \$1,353,868 (average year-round property value) will increase by approximately \$3.24 for 20 years.**

**Borrowing funds requires a quantum vote of two-thirds.**

*Article 12 – Reconstruction of Lover’s Lane*

This is a request to appropriate \$3,272,892 by borrowing, contingent upon a Debt Exclusion at the June 15, 2021 Annual Election, to reconstruct Lover’s Lane from Old South Road to the Boulevard. The project includes adding a multi-use path along the road and installing drainage structures to improve long-standing drainage issues along the road.

**The Finance Committee’s Motion is positive. The tax rate is expected to increase if the project is approved. Assuming a conservative borrowing rate of four percent for 20 years, the annual tax bill for a property with a residential exemption valued at \$1,353,868 (average year-round property value) will increase by approximately \$8.39 for 20 years.**

**Borrowing funds requires a quantum vote of two-thirds.**

*Article 13 – Appropriation: Construction and Improvements to Children’s Beach Storm Water Pump Station*

This is a request to appropriate \$4,300,000 by borrowing, contingent upon a Debt Exclusion at the June 15, 2021 Annual Election for the purpose of making improvements to the Children’s Beach Storm Water Pump Station, including the costs of professional services for design, permitting, engineering, construction, construction supervision, materials, and other related professional services, and any other costs incidental and related thereto. The proposed improvements, including replacement of the storm water pump station, are based on a 2020 modelling study of the entire Children’s Beach watershed and allows for sea level rise projections.

**The Finance Committee’s Motion is positive. The tax rate is expected to increase if the project is approved. Assuming a conservative borrowing rate of four percent for 20 years, the annual tax bill for a property with a residential exemption valued at \$1,353,868 (average year-round property value) will increase by approximately \$10.97 for 20 years.**

**Borrowing funds requires a quantum vote of two-thirds.**

*Article 14 – Appropriation: Supplemental Funding for Construction of Nobadeer Field House*

This is a request to appropriate \$1,000,000 by borrowing, contingent upon a Debt Exclusion at the June 15, 2021 Annual Election, to pay supplemental costs of designing, constructing, equipping, and furnishing a field house to be located at the Nobadeer playing fields.

**The Finance Committee’s Motion is positive. The tax rate is expected to increase if the project is approved. Assuming a conservative borrowing rate of four percent for 20 years, the annual tax bill for a property with a residential exemption valued at \$1,353,868 (average year-round property value) will increase by approximately \$2.74 for 20 years.**

**Borrowing funds requires a quantum vote of two-thirds.**

*Article 15 – Appropriation: Enterprise Funds Operations*

Enterprise Funds under law are intended to fund their operations through user fees and other self-generated revenue. Enterprise Funds are subsidized by the General Fund when Enterprise Fund revenue does not cover the Enterprise operations. The Town of Nantucket has five Enterprise Funds:

Nantucket Memorial Airport  
Our Island Home\*

Sewer  
Solid Waste\*  
Water Department

*\*Has required a General Fund subsidy since inception*

**It is important to note that while the Finance Committee’s Motion is positive and lists the proposed General Fund subsidy(s) for each Fund where applicable, the Motion contains language that makes the \$5,000,000 subsidy for Our Island Home contingent upon the passage of a Proposition 2½ override. Our Island Home’s budget has relied on a General Fund subsidy since its inception and, since conversion to an Enterprise Fund in 2011, on its own retained earnings to attain a balanced budget. Revenues generated by the Our Island Home operation do not entirely cover its expenses. Most recently, we are seeing declining retained earnings and increasing reliance on the General Fund subsidy. The use of retained earnings, which is a one-time revenue source, and can change on a yearly basis, is not fiscally sound. Increasing reliance on the General Fund budget means there are less resources available for other municipal operations and services. The override will allow the Town to budget properly for the continued operations of the Island Home and allow retained earnings to be used for one-time items such equipment purchases and facility improvements. The goal of the override is to create a predictable stable funding subsidy for Our Island Home in accordance with financial management best practices. In the last four Budget Messages, Town Administration has recommended consideration of an override for Our Island Home. Specific information as to the Our Island Home budget may be found in the Budget Messages, which are in the [Budget Information](#) section of the Town’s website.**

**The tax rate is expected to increase if the override is approved. The annual tax bill for a property with a residential exemption valued at \$1,353,868 (average year-round property value) will increase by approximately \$169.98.**

**Borrowing funds requires a quantum vote of two-thirds.**

*Article 16 – Appropriation: Enterprise Funds Capital Expenditures*

Proposed Enterprise Fund capital projects follow the same review process as General Fund capital projects. Most Enterprise Fund capital projects are funded by that fund’s Retained Earnings, or, more typically, through a borrowing (requiring a two-thirds vote of Town Meeting). Any such debt is repaid over time from the Enterprise Fund’s operating budget. If the debt service for a particular project is beyond what the Enterprise Fund can reasonably generate, the Town will seek approval of the voters for a debt exclusion at an election. In certain circumstances, the Town may use Free Cash to fund the capital expense. Neither a debt exclusion or a Free Cash disbursement is proposed.

**The tax rate is not expected to increase as a result of these projects.**

**The Finance Committee's Motion is positive and Article 16 lists the proposed projects and funding sources.**

*Article 17 – Enterprise Funds: Fiscal Year 2021 (July 1, 2021 – June 30, 2021)  
Budget Transfers*

This article is similar to Article 6 (General Fund Budget Transfers). It authorizes transfers of funds between salaries and expenses or additional funding from another source. It requires a vote of Town Meeting.

**The Finance Committee's Motion is positive.**

*Article 18 – Appropriation: Waterways Improvement Fund*

The Town of Nantucket is entitled to establish a Waterways Improvement Fund, into which it may deposit income derived from mooring permit sales, rental of Town Pier slips, and the Town's share of boat excise taxes. Appropriations from the fund must be for waterways-related purposes and require a vote of Town Meeting. Annually, applicable projects and some personnel costs are budgeted from the Waterways Fund. For FY 2022, Article 18 would authorize the Town to spend money on the regular annual items.

**The Finance Committee's Motion is positive to appropriate \$367,000 from the fund for FY 2022.**

*Article 19 – Appropriation: Ambulance Reserve Fund*

Receipts from the Town's ambulance service are deposited into this fund, and expenditures made from this fund support the ambulance service. That support includes supplies, equipment, and personnel costs for up to six full-time firefighter/EMT positions and/or paramedic positions, and the periodic replacement of ambulances.

**The Finance Committee's Motion is positive to appropriate \$736,841 from the Fund for FY 2022.**

*Article 20 – Appropriation: Ferry Embarkation Fee*

The Town's share of the 50-cent ferry ticket surcharge has been approximately \$200,000 annually. Since initiation of this fee, the Town has used the funds for seasonal law enforcement through the Police Department budget. Each year Town Meeting must appropriate the funds. The Fiscal Year 2022 appropriation will be used again for seasonal law enforcement and is in-line with the projected receipts.

**The Finance Committee's Motion is positive to appropriate \$250,000 for seasonal law enforcement purposes for FY 2022.**

*Article 21 – Appropriation: County Assessment*

The County Assessment is an amount that Nantucket County charges its one (and only) Town for the County's rather limited services to the Town. The assessment covers a portion of expenses for the Registry of Deeds and for legal services, professional services, and other expenses associated with County Administration items. This Article will not increase the tax rate.

**The Finance Committee's Motion is positive to appropriate \$174,455 for the FY 2022 County Assessment.**

*Article 22 – Appropriation: Finalizing Fiscal Year 2022 (July 1, 2021 – June 30, 2022) County Budget*

Article 22 is included in the warrant in the unlikely event that the Finance Committee, acting as the County Review Committee, votes a denial of all or part of the proposed County budget. (This has never happened since the enactment of the County Charter.) With this article, the County Commissioners could seek such a denial to be overturned by Town Meeting.

**The Finance Committee's Motion is to take no action, since the County budget of \$174,455 was approved by the County Review Committee as presented.**

*Article 23 –Appropriation: Affordable Housing Trust Fund*

Numerous citizen and Town-sponsored articles regarding affordable housing were proposed and considered in this warrant. These articles came from a variety of sources and, at times, contained overlapping recommendations. Through extensive deliberation and discussion, several articles addressing affordable housing were recommended by the Finance Committee. The total sum of those recommendations is \$15,400,000. The purpose of Article 23 however, was deemed by the Finance Committee to be included in other articles.

**The Finance Committee's Motion is Not to Adopt.**

*Article 24 – Appropriation: Affordable Housing Trust Fund*

This is a citizen-sponsored article and not explained here, as noted in the Introduction to this Guide.

*Article 25 – Rescind Unused Borrowing Authority*

Cities, towns, and districts may rescind or reduce borrowing authorizations to the extent that no liabilities have been incurred and/or where projects have been completed under budget. No recommendation has been made to rescind any borrowing authority.

**The Finance Committee's Motion is take no action.**

*Article 26 – Appropriation: Other Post-Employment Benefits Trust Fund*

The most common type of post-employment benefits is a pension. Other Post-Employment Benefits (or OPEB) include health insurance and dental, vision, prescription or other healthcare benefits provided to eligible retirees, and, possibly, their beneficiaries; and certain types of life insurance. The Town currently funds the costs for OPEB as part of the operating budget, but actuarial studies suggest that these costs will rise significantly in future years. The appropriation under Article 26 is intended to anticipate these future costs by setting aside money in a trust fund for meeting future OPEB obligations.

Funding this trust fund annually is a prudent financial practice that improves the Town’s credit rating. This will be the eighth year that the Town has opted to make this appropriation. The tax rate is not expected to increase as a result of this Article.

**The Finance Committee’s Motion is positive to appropriate \$500,000 from the FY 2022 tax levy.**

*Article 27 – Renewal of Board of Health Septic System Betterment Loan Program*

This Article seeks to borrow \$2,000,000 from the Commonwealth/State. The funds borrowed will then be loaned to property owners – through an established program with the Board of Health – to repair, replace, and/or upgrade their septic systems. All costs associated with the loan program will be borne by the property owners.

**The Finance Committee’s Motion is positive.**

*Article 28 – Special Stabilization Fund for Substance Abuse Efforts*

This Fund was established to support substance-abuse prevention and mental health programs. Fifty percent of the revenue collected annually from the local-option marijuana tax is deposited into this Fund. Pursuant to host community agreements with retail marijuana facilities, this article allows 100% of the revenue generated by community impact fees to be deposited into the Fund. The tax rate is not expected to increase as a result of this Article.

**The Finance Committee’s Motion is positive.**

*Article 29 – Appropriation for FY 2022 Senior Work-off Program*

The senior work-off program allows eligible senior citizens to work in various Town departments. The maximum each senior is allowed to work is 100 hours in a calendar year. The money earned by the seniors is applied to their real estate tax bill. This program has been valuable to both the Town and the seniors. The program has allowed eligible seniors to gain credits toward their tax bills through work, while allowing the Town to benefit from their experience and expertise. This year, funds are needed to support the program. The tax rate is not expected to increase as a result of this Article.

**The Finance Committee’s Motion is positive to transfer \$25,000 from the Overlay Surplus Account.**

*Article 30 – Appropriation for Special Purpose Stabilization Fund for Airport Employee Accrued Liabilities*

This Stabilization Fund was authorized at the 2017 Annual Town Meeting, with an initial appropriation of \$200,000. It is intended to cover accrued liabilities for compensated absences (e.g., accrued unused vacation and sick days) owed to Airport employees upon termination of Town employment. This year, the proposed appropriation is \$100,000. The tax rate is not expected to increase as a result of this Article.

**The Finance Committee’s Motion is positive to appropriate \$100,000 from Certified Retained Earnings of the Airport for the Stabilization Fund.**

*Article 31 – Appropriation for Special Purpose Stabilization Fund for Town Employee Accrued Liabilities*

This Stabilization Fund was authorized at the 2018 Annual Town Meeting, without an initial appropriation. As with Article 30, it is intended to cover accrued liabilities for compensated absences (e.g., accrued unused vacation and sick days) owed to Town employees upon termination of Town employment. This year, the Article remains unfunded.

**The Finance Committee’s Motion is to take no action on the Article.**

*Articles 32-33 – Community Preservation Committee: FY 2022 Appropriations; Fiscal Year 2021 Budget Transfers*

These two articles are citizen-sponsored on behalf of the Community Preservation Committee (CPC). The CPC is a municipal group that recommends annual expenditures for allowed purposes. Community Preservation funds are received through a three percent surcharge on Nantucket property owners’ tax bills plus a state funded “match.” The funds received may be spent only on projects in the statutory categories of: Open Space Conservation/Recreation, Historic Preservation, and Community Housing, as well as administrative expenses of the CPC. The appropriation recommendations (Article 32) are for new and/or continuing projects for FY 2022. The transfers (Article 33) return unspent fund balances from earlier projects.

The appropriation will have no impact on the tax rate.

**The Finance Committee’s Motion is positive.**

*Articles 34 – 38*

These are citizen’s articles and are not explained here, as noted in the Introduction to this Guide. The Finance Committee has Comments to several of these Articles, as does the Select Board. It



should be noted that while each of these citizen articles seeks an appropriation, there is no funding source identified and none of these are contained within the Town's proposed FY 2022 spending plan – with the exception of Article 38, which is explained in the Finance Committee Comment.

### *Articles 39 – 64 – Zoning Articles*

These are a combination of Planning Board and citizen-sponsored zoning articles. All have Planning Board Motions and Finance Committee Comments.

The Planning Board Report (at the end of the Warrant) provides an overall explanation of these articles along with a Glossary of Terms related to zoning articles. In addition, a zoning district comparison between the years 2005 and 2020 indicates how the percentage of the land area of the island within each district has changed over time. The Land Use Implementation Schedule contained within the Master Plan provides clear direction to the Board; and, Town Meeting voters have consistently supported map change articles that further implementation. In 2005, when the Board first began the research necessary to draft the Master Plan, 8.65% of the island was in a high density (minimum lots size of 5,000 square feet or less) zoning district and 81.75% was in a low density (minimum lot sizes of 40,000 square feet or more) zoning district. Today, 3.47% of the island is in a high-density zoning district and 86.92% is in a low-density zoning district. Progress has been achieved in many areas, but more work needs to be done to advance Master Plan goals related to phasing out certain zoning districts, matching the zoning district to the character of the area, and aligning the zoning district with the Town and Country Overlay Districts. The articles presented to you by the Planning Board in the 2021 Annual Town Meeting Warrant continue the work necessary to accomplish the land-use related goals of the Master Plan that were previously approved by Town Meeting.

### *Articles 62 – 69*

These are citizen-sponsored articles and not explained here, as noted in the Introduction to this Guide.

### *Article 70 – Bylaw Amendment: Noise*

The current noise bylaw has been modified numerous times since its adoption, without the benefit of a comprehensive review for legality, consistency, effectiveness, or modernization. The Article proposes the deletion of existing language to be replaced with wording that is more useful to residents and visitors, as well as enforcement personnel; and, to modify some of the restrictions to address a recent increase in complaints regarding construction noise, including: (1) a reduction in hours for certain construction and landscaping noise in the “Core Historic Districts” for Town and ‘Sconset from July 1<sup>st</sup> through Labor Day when such noise is currently prohibited from 8:00 PM to 7:30 AM and is proposed to be prohibited from 6:00 PM to 8:00 AM; (2) the addition of noise standards specific to air conditioning and air handling equipment,

and (3) the removal of noise tables, which are outdated and have been found to be difficult to understand and enforce.

**The Finance Committee's Motion is positive.**

*Article 71*

This is a citizen-sponsored article and not explained here, as noted in the Introduction to this Guide.

*Article 72 – Bylaw Amendment: Council for Human Services*

This bylaw amendment increases the membership of the Council for Human Services from seven to nine. There is no budgetary impact.

**The Finance Committee's Motion is positive.**

*Articles 73 – Bylaw Amendment: Animals*

This bylaw amendment introduces a tiered fine system for violations of the Animals bylaw. There is no budgetary impact.

**The Finance Committee's Motion is positive.**

*Article 74 – Bylaw Amendment: Car Rental Agencies, Registration of*

The Select Board sponsored this warrant article on behalf of the Airport Commission which requested the article as follows:

*This Article would amend the Town's Car Rental Bylaw to allow the Select Board to adjust the current cap on the number of rental car licenses available in the Town. The cap was implemented in 1996, and all of the licenses have previously been issued, although not all are used. The cap prevents competition by new entrants into the rental car market, especially at the airport, and, given the rise in ridesharing and car-sharing apps, no longer serves as a meaningful restraint on car traffic on the island. Under this article, the Select Board would be able to adjust the cap to meet current conditions. In addition, Rental Vehicle Medallions would no longer be transferable, preventing car rental agencies from holding onto licenses without using them in order to limit competitors from accessing them.*

**Due to a variety of concerns expressed in its Comment, the Finance Committee's Motion is not to adopt the Article.**

*Articles 75 – 82*

These are citizen-sponsored articles and not explained here, as noted in the Introduction to this Guide.

*Article 83 – Bylaw Amendment Board of Sewer Commissioners/Town Sewer District Map Changes – Evergreen Way and Monohansett Road); Articles 84 – 89* Nantucket has two sewer districts: the Town Sewer District and the Siasconset Sewer District. Proposals to add (or remove) parcels to a Sewer District undergo internal administrative review by the Health Director, Sewer Director, Director of Planning, and the Town Real Estate Specialist. The review scores each parcel using specific criteria for determining if a property qualifies for inclusion, and recommendations are made to the Select Board, acting as the Board of Sewer Commissioners. Pursuant to the Nantucket Sewer Act, if the Board votes affirmatively to add the parcels, a majority vote of Town Meeting is necessary for final approval. If the Board votes not to add the parcels, a two-thirds vote of Town Meeting is required to add the parcels.

Article 83 is a Town-sponsored article. Articles 84 - 89 are citizen-sponsored and went through the same review. The Select Board acting as Sewer Commissioners voted as follows:

Article 83 – endorsed (parcels met the required criteria)

Article 84 – endorsed (parcel met the required criteria)

Article 85 – did not endorse (parcels did not meet the required criteria – would need a 2/3 vote to amend the Sewer District)

Article 86 – did not endorse (parcels did not meet the required criteria – would need a 2/3 vote to amend the Sewer District)

Article 87 – did not endorse (parcels did not meet the required criteria – would need a 2/3 vote to amend the Sewer District)

Article 88 – did not endorse (parcels did not meet the required criteria – would need a 2/3 vote to amend the Sewer District)

Article 89 -- did not endorse (parcels did not meet the required criteria – would need a 2/3 vote to amend the Sewer District)

In all cases, if Town Meeting approves the requested parcels for inclusion in the sewer district, the owner(s) of the property must comply with any and all conditions of the Town prior to any sewer construction or installation. These include (but are not limited to) payment for engineering, construction, condition assessment and capacity analysis of the current and potential upgrade of the force main and/or sewer line to which the property would be connected.

**The Finance Committee Motions support the votes taken by the Select Board acting as the Sewer Commissioners.**

*Articles 90 – 91*

These are citizen-sponsored articles and not explained here, as noted in the Introduction to this Guide.

## *Upcoming Home Rule Petition Articles*

*So... what's a Home Rule Petition?*

*Massachusetts cities and towns are subject to the General Laws of the Commonwealth.*

*Sometimes though, a city or town requires special legislation (via a "Home Rule Petition") to address a unique need or issue – perhaps an exemption (or an addition) to the law. Any such request for special legislation must first be approved by Town Meeting and then enacted by the State legislature. Thousands of Home Rule Petitions are submitted annually by Massachusetts cities and towns and years may pass before they are enacted.*

### *Article 92 – Home Rule Petition: Real Estate Exchange of Nantucket Islands Land Bank's Nobadeer Playing Fields for the Town of Nantucket's Mill Hill Park*

This article seeks voter as well as legislative authorization for the Land Bank to convey 14.8 acres of land consisting of the Nobadeer playing fields to the Town in exchange for the Town's 16.5 acres at Mill Hill Park/Dead Horse Valley. Due to the slight disparity in acreage, the Land Bank has also included a sliver of land at 174 Orange Street to facilitate an extension of the Milestone Road bike path through the Rotary area. All of the parcels to be exchanged are deed-restricted for recreational, open space or public park purposes, and therefore need legislative approval in order to effectuate the conveyances. The Town has made a substantial investment in building the fields at Nobadeer Farm Road and exclusively manages the facility. The Land Bank specializes in the management of parkland and Mill Hill Park would greatly benefit from their stewardship. The result of this action is that the Town will gain ownership and control of the playing fields on Nobadeer Farm Road in addition to some land to extend the bike path at the Rotary, and the Land Bank will gain ownership and control of Mill Hill Park/Dead Horse Valley.

**The Finance Committee's Motion is positive.**

### *Article 93 – Home Rule Petition: Amending the Town Charter Relative to the Audit Committee*

This article was submitted at the request of the Town Government Study Committee, which provided the following explanation:

*After studying the structure of other Massachusetts communities, the Town Government Study Committee recommends expanding the membership of the Audit Committee and memorializing its charge in the Town Charter. Adding two members from the community at-large will add individuals who are not as closely involved in the workings of the Town as the members of the Select Board and Finance Committee. This should give more balance and allow oversight from a point of view that should be more independent and objective in executing the responsibilities of the Audit Committee.*

**The Finance Committee's Motion is positive.**

*Article 94 – Home Rule Petition: Town Charter – Select Board  
Amendment/Airport Capital Projects*

This Article authorizes the Select Board to borrow or transfer funds for the benefit of the Nantucket Memorial Airport. If approved, the Select Board would be able to approve appropriations to facilitate qualification for Federal grants and loans – without a vote of Town Meeting - provided that such appropriation would then be reduced by the amount of any grants or loans received prior to the issuance of bonds. The Article acknowledges that a mechanism is required to facilitate Federal grant approval more frequently than provided through Annual Town/Special Town Meetings.

**The Finance Committee’s Motion is positive.**

*Article 95 – Home Rule Petition: Issuance of Pension Obligation Bonds and Notes*

If passed in the State Legislature, this article would authorize the Town of Nantucket to issue, at one time or from time to time, bonds or notes for the purpose of funding the portion of the unfunded pension liability of the Barnstable County Retirement Association allocable to the Town of Nantucket, Nantucket County, and the Nantucket Islands Land Bank. This is the first step in a process to gain authorization from the State and the article does not represent any immediate authorization to borrow.

**The Finance Committee’s Motion is positive.**

*Articles 96 – 97*

These are citizen-sponsored articles and not explained here, as noted in the Introduction to this Guide.

*Upcoming Real Estate Articles*

*A few words about real estate articles:*

*These are permissive articles. That means the Select Board is authorized (but not required) to act on each of them. Approval of any articles (including citizen articles) does not ensure action. Approval means only that the Board may act. The citizen real estate articles, while not explained in this Guide, were reviewed by the Town’s Real Estate Specialist as well as the Town’s Real Estate Assessment Committee and those recommendations and/or comments are reflected in the Finance Committee Motions and/or Comments to those articles.*

*Article 98 – Long-term Lease Authorization/Airport*

The intent of this Article is to request approval to provide a term longer than the currently authorized 20 years for construction of hangars and other development at the Airport by third-party developers. The Airport is requesting the ability to provide 40-year terms to allow

developers sufficient time to amortize their investments. The longer term is necessary to encourage developers to invest private capital into the airport.

**The Finance Committee’s Motion is positive.**

*Articles 99 – 100 – Real Estate Acquisition (114 Orange Street) and Real Estate Conveyance (114 Orange Street)*

These are companion articles which allow the Town to acquire a portion for storm water drainage purposes; and, also to convey the entire parcel to the Land Bank.

**The Finance Committee’s Motion is positive.**

*Article 101 – Real Estate Acquisition (64 North Liberty Street)*

This Article allows for the acquisition of property to be used for storm water drainage purposes. Storm water drainage is a significant problem in this area.

**The Finance Committee’s Motion is positive.**

*Articles 102 – 110*

These are citizen articles and are not explained here, as noted in the Introduction to this Guide.

*Article 111 – Appropriation: Stabilization Fund*

The Stabilization Fund (aka the “Rainy Day Fund”) is what municipalities typically rely on to fund extraordinary items (e.g., large legal settlements). The Stabilization Fund is intended to “stabilize” the budget when emergencies arise, or to fund unanticipated significant future capital projects that should not be postponed. Currently, Town policy requires that the balance in the Stabilization Fund equal at least five percent of revenue (which the Town now achieves). The Town is not seeking an appropriation into or from the Fund for FY 2020. This article recurs annually whether or not an appropriation will be sought.

**The Finance Committee’s Motion is to take no action.**

*Article 112 – Appropriation: Free Cash*

The Town’s certified Free Cash for use in FY 2021 and FY 2022 is \$9,655,001. The Town proposes to use approximately \$9,587,254 (see Articles 2, 8 and 10) to fund items in both fiscal years. Because the earlier articles if passed authorize the use of Free Cash, no additional appropriation of Free Cash should be needed.

**The Finance Committee’s Motion is take no action.**

## Glossary of Terms

**Appropriation:** Approval by Town Meeting to spend money for specific purposes defined by a warrant article.

**Betterment:** A betterment or special assessment “is a special property tax that is permitted where real property within a limited and determinable area receives a special benefit or advantage, other than the general advantage to the community, from the construction of a public improvement.” *Definition from: “Massachusetts Department of Revenue Division of Local Services, Betterments and Special Assessments”.*

**Budget:** The Town’s annual plan of financial operations that includes an estimate of proposed revenues and budgeted expenditures in the current fiscal year. Budget expenses for operations include payroll, utility costs, supplies, annual maintenance, and repairs, etc. The annual capital budget is for big ticket items expected to last for more than five years.

**Capital Outlay Exclusion:** A Capital Outlay Exclusion allows the Town to increase its total property tax levy above the limit set by Proposition 2½. The amount of the exclusion is added to the levy limit for one year only. A Capital Outlay Exclusion requires both a two-thirds quantum at a Town Meeting and a simple majority at a Town Election.

**Community Preservation Act:** A State law that provides for a three percent surcharge (which is partially matched by the Commonwealth) on property tax bills to fund local projects in the categories of affordable housing, open space and recreation, and historic preservation.

**Debt Exclusion:** A Debt Exclusion allows the Town to increase its total property tax levy above the limit set by Proposition 2½. The amount of the annual debt service payment is added to the levy limit for the life of the debt. A Debt Exclusion requires both a two-thirds quantum at a Town Meeting and a simple majority at a Town Election. *NOTE: Surprisingly, Debt Exclusion Ballot questions do not contain amounts. The wording of these Questions is strictly regulated by the state and towns are not allowed to include the amounts. Nor are Towns allowed to have any explanatory information at the Election as it could be construed as influencing the voters. If a voter wants to know the amount of the debt exclusion, he/she may ask the Town Clerk for additional information. The Town Clerk is permitted to provide the minutes or final vote of Town Meeting on the article on which the Debt Exclusion was contingent, which would contain the amount.*

**Debt Service:** Payment of interest and principal to those who loan the Town money (technically, the holders of the Town’s bonds and notes).

**Enterprise Funds:** An organizational structure that helps a community to direct the costs for certain services to those who use those services – in other words, the user pays. Sometimes, a particular service cannot support itself and requires a subsidy from the General Fund. Nantucket has six enterprise funds (Airport, Our Island Home, Solid Waste, Sewer, Wannacomet Water, Siasconset Water), two of which require a General Fund subsidy (Our Island Home, Solid Waste).

**Fiscal Year:** A 12-month period running from July 1 – June 30, commonly used in municipal government as the time period within which budget funds will be spent. Most of the monies appropriated at the 2021 Annual Town Meeting are for the Fiscal Year 2022, which starts on July 1, 2021, and ends June 30, 2022.

**Free Cash:** A dollar value, which must be certified by the State, and represents revenues that exceeded expectations and expenses that were below projections. Town Meeting approval is required to spend Free Cash. In Nantucket, Free Cash is generally used for one-time items such as capital projects, but not to balance the budget.

**General Fund:** The major Town fund created with Town receipts and tax revenues from which most Town expenses are spent. The General Fund contains several categories defined in the budget, such as personnel costs.

**Levy:** The amount a community raises through the property tax. The levy can be any amount up to the levy limit, which is re-established every year in accordance with Proposition 2½ provisions.

**Override:** A majority vote by Town Meeting and an election to permanently increase the levy limit.

**Proposition 2½:** A law approved by Massachusetts voters in 1980. It sets a limit of two and a half percent on the year-to-year increase of real and personal property taxes that a community may levy on its taxpayers.

**Retained Earnings:** The Free Cash for an Enterprise Fund.

**Stabilization Fund:** A “rainy day” fund that is a special reserve account created primarily to provide for capital improvements and unforeseen circumstances. It requires a two-thirds vote of Town Meeting to disburse money from this fund and appropriate it for expenditure. Appropriation into the Fund may not exceed ten percent of the prior year’s tax levy. The current balance in Nantucket’s Stabilization Fund exceeds the threshold recommended by the state.



**Warrant:** A list of the articles to be acted upon by Town Meeting. The language of an article frequently conforms to the style of the code into which it will be placed if passed, such as zoning.

*Prepared by Town Administration, May 2021*