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**TOWN OF HAMILTON
FINANCE & ADVISORY COMMITTEE
DECEMBER 8, 2015**

The Hamilton Finance & Advisory Committee: Rick Sprenkle, Nick Tensen, David Wanger, Joe Hughes, John Kain met at the Senior Center at 7:05 p.m. on Tuesday, December 8, 2015. Finance Director Brian Connolly, Selectmen Bill Wilson and Shawn Farrell, Community Preservation Committee members: Tom Catalano, Ray Whipple, Jay Butler, and Community Projects Coordinator Dorr Fox also present.

Call to order

Rick Sprenkle called the Hamilton Finance & Advisory Committee meeting to order at 7:05 p.m.

Public Comment

None.

Minutes Approval – November 7, 2015

David Wanger entertained a motion to approve the November 7, 2015 meeting minutes. Nick Tensen seconded the motion. VOTE: Unanimous.

Discussion with CPC members regarding CPA surcharge rate for FY'17

Discussion ensued about how the Town is in its 11th year with Community Preservation Act and due to the large scale project application requests (i.e., Town Hall renovation, turf field, Patton Homestead improvements, playground at Winthrop School) that the CPC is receiving, it does not have the ability to fund all projects with available CPA funds.

Discussion addressed if the Town raised the 2% CPA surcharge to 3% this would cost the average median household \$51 more a year. However, the state match to the Town would increase from \$110,000 to \$272,510 annually. With the Town's contribution and state match under a 3% surcharge scenario, the total annual CPA funding would be \$799,801 which would enable reserves to be replenished, and increase the Town's ability to bond CPA projects (although bonding is not against the state's contribution it is against the Town's surcharge rate). With the 3% surcharge Hamilton would also be

eligible for a second state match process done each year. The Town could also consider increasing the surcharge to 2.5% but this would be a tax increase without opportunity for the second annual round of state match. A citizens' petition from an outside party other than a Town board would be needed for a Town Meeting warrant article to move a proposed simple majority vote to increase the CPA surcharge from 2% to 3% to the Town election.

Discussion addressed how there are 156 communities that participate in CPA in the Commonwealth, Wenham is currently at 3% surcharge. Also mentioned was that the state match is dependent upon fees raised from real estate transactions so it can vary from year to year and be diluted by number of participating communities. Some communities have lowered their CPA surcharge which is done with a Town Meeting vote. The BOS has not voted yet on raising the CPA surcharge but will assess advantage and affordability. The CPC is looking for a recommendation from the BOS and FinCom on consideration of raising the CPA surcharge from 2% to 3% that could be presented at ATM.

Also mentioned was the CPC's evaluation of project applications for CPA funding eligibility including Hamilton Housing Authority building maintenance, turf field at the HWRHS (which may not qualify under CPA, there may be opposition to the Town funding a school project with CPA funds, and this could be possibly be funded through private funding), feasibility of Town Hall renovation, and Patton Homestead improvements. The CPA funds slated toward grant for Essex County Greenbelt Association's acquisition of Sagamore Hill land does not preclude moving forward with turf field project. In addition, that an abatement on CPA surcharge is available to low income residents who apply. Also noted was how projects funded through CPA do not impact the tax rate compared to when projects are funded through the Town's General Fund.

Discussion was on \$100,000 for Weaver Pond parking lot and if that could be funded with CPA funds. Also mentioned was facility usage (expand use of Senior Center and ECO at public safety building). As well as how the HWRSD is not likely to have just a 2% cost increase for FY'17, and the importance of managing school district head count relative to attrition. In addition, that Hamilton's waste enterprise is not self-sustaining and what can be done to eliminate \$80,000 deficit.

Review and vote on reserve fund transfer requests

Wanger moved to approve \$13,736 for unforeseen salary costs resulting from the 1 year agreement with AFSCME Administrative Assistants union membership. Tensen seconded the motion. VOTE: Unanimous.

Wanger moved to approve \$2,295 for unforeseen costs associated with the implementation of a "trade zone" at the Public Safety Building. Tensen seconded the motion. VOTE: 3-1 with Tensen opposed. John Kain had to leave meeting at 9:08 p.m. before vote was taken.

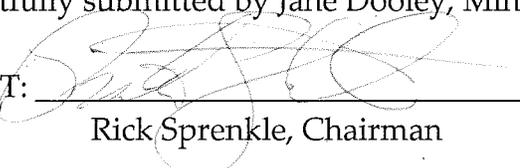
Discuss the upcoming HWRSD budget presentation on Dec. 17

Discussion addressed preparation for HWRSD budget presentation on Dec. 17. In addition, that the FinCom will review member assignment to liaison roles, Chapter 61 parcels, certification of tax rate, efficiencies for Hamilton in conjunction with Wenham, and how the Town is addressing payment in lieu of taxes for tax-exempt properties in Hamilton.

Sprenkle entertained a motion for the FinCom to adjourn at 9:45 p.m. Wanger so moved. Tensen seconded the motion. VOTE: Unanimous.

Respectfully submitted by Jane Dooley, Minutes Secretary

ATTEST: _____


Rick Sprenkle, Chairman

1/23/16