

**TOWN OF HAMILTON
FINANCE & ADVISORY COMMITTEE
JULY 17, 2014**

The Finance & Advisory Committee met at Hamilton Town Hall at 7:03 p.m. on Thursday, July 17, 2014 with Rick Sprenkle, Nancy Gerardi-Walsh, Charles Chivakos and Jeff Stinson present. Finance Director Deborah Nippes-Mena also present.

Call to order

Rick Sprenkle called the meeting to order at 7:03 p.m.

Discuss and vote new organizational structure

Discussion ensued on creating written document of policies on FinCom general operating procedures especially related to voting on leadership by the Committee (i.e., chair, vice chair and secretary). Also addressed were changes that have occurred relative to FinCom responsibilities as the result of the change in Hamilton to Town manager form of government.

Charles Chivakos moved that the Finance & Advisory Committee vote on a slate of officers for the Committee: Rick Sprenkle as Chair, Jeff Stinson as Vice Chair, and Nancy Gerardi-Walsh as Secretary (she will organize agendas and post meetings). The motion was seconded by Jeff Stinson. VOTE: Unanimous.

Also mentioned was that Town Moderator Bruce Ramsey would decide on candidate for the FinCom fifth member position since an individual who had been considered for the slot who had a bonding background is moving out of Town. The second choice candidate, Shawn Farrell, is still being considered. Sprenkle agreed to ask Ramsey if he wanted to put forward a candidate. Discussion addressed need for a candidate interested in long term planning since the Town's bond work is heavily regulated by statute.

Review STM schedule

Discussion ensued on Patton Park pool project working group and goal to put out an RFP for development and engineering documents for another view of the pool project. An estimated cost for this project is likely not to be available until October 1, 2014. Therefore, the STM warrant would not have any

recommendations on the articles, all recommendations would be done on Town Meeting floor.

Also addressed was that August and September would have heavy meeting schedules including the need to schedule three dates to review three-year forecast and CIP as well as need to schedule three joint meeting dates with the Board of Selectmen especially related to pool project RFP.

Objectives for Fiscal 2015

Discussion ensued about whether or not the FinCom wanted a mission statement, as well as the significance of presenting information to reflect forward planning while meeting objective of balancing Town services with the affordability of tax rate. Also addressed was having ongoing operating policies on how business is conducted, and to streamline policies and processes every year (i.e., standardize timing when budget process begins every year).

Discussion was on reaching agreement on how communication should be done between FinCom and HWRSD where there could be a joint meeting to foster understanding between the two entities (i.e., controlling costs as a group). Also mentioned was for the FinCom to get the HWRSD budget calendar. In addition, it is the FinCom's duty to act with due diligence to protect the Town's assets (i.e., when FinCom agreed to pay \$80,000 for new siding at school administration building which did not correlate with "wear and tear" leasing contract). This applies to long term planning since there is no plan for school administration building where 11,000 square feet is being rented. Evergreen study recommended that employees in this building be moved to high school site.

Discussion addressed how CIP template has been completed reflecting projects and projected schedule for long term planning that Nippes-Mena will forward to the Committee for its review. Also recommended was for the FinCom to work as a group on school budget and that FinCom could work in groups of two on other specific budget topics especially for pre-meeting planning so members could attend meetings informed. This would not include deliberation in email to comply with Open Meeting Law. The Committee addressed its interest in scheduling meetings with school officials. Also, how the school budget would be posted on the HWRSD website once it approved by HW School Committee. Discussion ensued about scheduling consistent FinCom meetings on second Tuesday of the month.

Discussion addressed how all FinCom members should be involved with the school for a clear understanding of what HWRSD is budgeting (i.e., teacher contract and building plans) so FinCom can present options and describe consequences of budget decisions to the Selectmen and Town Meeting. Also mentioned was for FinCom to understand longer term commitments and cost benefits such as OPEB.

Liaison assignments for Fiscal 2015

The Committee agreed to maintain its existing liaison assignments: Gerardi-Walsh, general government and public health, Chivakos, public safety, Sprenkle, public works and enterprises, and Stinson, recreation, COA, HW library. Some of the liaison responsibility (i.e., enterprises) will be delegated once the fifth FinCom member is appointed.

Discussion ensued about how all of the members would attend meetings with school personnel at the outset of discussions with HWRSD. Also noted was that the FinCom chair was supposed to get a quarterly report from HWRSD per the school contract with the towns, and the FinCom could ask for standard financial reports compared to budget from the school. Also mentioned was the inconsistent budget format that was presented by different departments during current fiscal year budget process where data was missing (i.e., HW library).

Discussion addressed presenting financial information in a simple format with data presented clearly to show costs and tradeoffs, especially at Town Meetings (i.e., expenses, bonds) with the school budget being an integral part relative to Town's ability to pay and deliver all services. Also, that FinCom's focus should be beyond the annual budget looking at 10 to 20 years out since Hamilton is a graying community and the increasing expense of HWRSD due to smaller number of students, lack of development to support this, and more residents on fixed incomes.

Minutes approval – June 18, 2014

These minutes were distributed to the FinCom two weeks ago for review while some members reported they did not receive. Sprenkle explained that the minutes would be approved as presented since there is not a quorum of members who attended that meeting (John McWane is no longer on Committee). Gerardi-Walsh and Sprenkle had not both read the minutes so the approval was delayed until the FinCom's next meeting.

Discuss and vote a request for reserve transfer

Discussion ensued about the Town receiving a grant for \$225,695 for replacing all exterior lighting (HWRSD buildings as well) including street lights with LEDs. The Town has to contribute \$50,000 towards the cost of the grant project. Annual electric bill savings on the street lights will be \$25,520. The utility will give Hamilton the lights and the Town will maintain the lights which are projected to last 10 years. Discussion addressed light pollution and how the lights would be directed down to minimize this. Nippes-Mena offered to discuss this topic with Town Manager Michael Lombardo and DPW Director Bill Redford.

Chivakos moves that the Finance & Advisory Committee approve a transfer of \$50,000 towards the street lighting improvement project. Gerardi-Walsh seconded the motion. VOTE: Unanimous.

Also addressed was two grants from the Massachusetts Cultural Council for a Capital Improvement Plan for the Patton Homestead to identify status and cost of any needed replacements, and a feasibility study to understand cost of setting up a non-profit organization that would be responsible for managing the Patton Homestead (i.e., since conducting tours are not a Town business). These grants require a 50% match and the request is for \$14,000 (\$7,000 apiece).

Discussion ensued about how there is no policy for reserve transfers. The transfer funds can be replenished at STM or when the C. P. Berry land sale closes in October and the trust for managing the Patton Homestead would be reimbursed. The Town is applying for other grants that will require matches.

Sprenkle entertained a motion to approve \$14,000 for the Patton Homestead grants. Stinson moved to approve the transfer of \$14,000 in reserve funds for the Patton Homestead. Chivakos seconded the motion. VOTE: Unanimous.

Next meeting and topics

The FinCom's next meeting is on Tuesday, August 12 at 6:30 p.m. Recommendations for topics included: proposed warrant articles for STM, budget calendar, FY'14 balance sheet, projected Free Cash, possibly invite Jeff Sands and Michael Harvey to meeting but agenda item has to be defined (Gerardi-Walsh offered to meet with them individually first to explain there could be a joint kick-off meeting and to find out available dates), follow-up

topics from CIP and 3-year forecast and cost increases FinCom is willing to support in budget cycle.

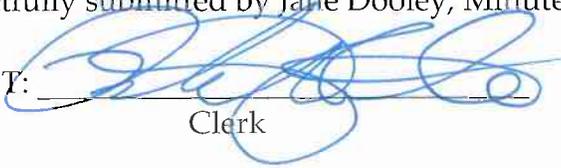
Discussion addressed how the FinCom could meet with the HW School Committee, steps the Town is taking to integrate its CIP with the HWRSD's CIP, and the facilities study recommendation to consolidate the elementary school buildings into one facility. Also mentioned was how each Town department is responsible for its pages on Hamilton's website, and that the Town manager is working on contracting with a public relations/communications company relative to information on the website. Currently minutes and contracts can be found on the Town website.

It was reiterated that FinCom needs to schedule three dates before August 12 to review three-year forecast and CIP with the Board of Selectmen especially related to pool project RFP. FinCom members will send dates they are available to Nippes-Mena (i.e., July 23, 26 and 29 or August 11) who said Maureen Hickey will post the meeting dates.

Sprenkle entertained a motion to adjourn at 8:53 p.m. Stinson so moved. Chivakos seconded the motion. VOTE: Unanimous.

Respectfully submitted by Jane Dooley, Minutes Secretary

ATTEST: _____


Clerk

