

TOWN OF HAMILTON
BOARD OF SELECTMEN
FEBRUARY 13, 2012

Board of Selectmen met at Hamilton Town Hall at 7:00 p.m. on Monday, February 13, 2012 with Jennifer Scuteri, David Carey, Marc Johnson, and Jeff Hubbard present. Town Manager Michael Lombardo, Finance Director Deborah Nippes-Mena and Finance Committee Chair John McWane also present.

Accept minutes (January 30, and February 6, 2012)

Jeff Hubbard entertained a motion for the Board of Selectmen to accept the January 30, 2012 regular session minutes. Jennifer Scuteri so moved. Marc Johnson seconded motion. VOTE: Unanimous.

Board will accept February 6, 2012 minutes at subsequent meeting when there is a quorum of members who attended.

Public Comment

None.

Town Manager's report

Town Manager Michael Lombardo noted that bins were ordered for new trash program with kickoff planned for mid-March. A color brochure, how-to reference guide is being produced for each household. Articles on the new program will appear in the local newspaper and Patch online news service.

Chairman/Selectmen reports

Scuteri reported on Patton Family Gift Advisory Committee meeting where members identified strengths, weaknesses, opportunities and risks associated if Town were to accept Patton property gift. It could provide public access to the river. In addition, the stretch code would apply if any building occurred in the future at the site.

Committee discussion about designating subcommittees to address development, recreational uses, historic benefits of house, as well as ongoing relationship with Gordon College. A Committee site walk is scheduled for February 18.

Committee's goal is to provide voters with information for an Annual Town Meeting vote. Considerations are that the property will no longer provide real estate taxes, costs would have to be offset by revenues, and that there are opportunities for the Town once it owns the site but there will be upfront expenses. A public input session at BOS meeting will address the matter.

Hubbard mentioned that at the last Community Preservation Committee meeting downtown improvements such as the replacement of trees, and installation of gas lanterns, benches and archway were discussed in context of historic preservation. He will develop slides for a presentation at the next BOS meeting in two weeks.

David Carey raised issue of how local merchants would be inclined to spend \$50,000 that Town is raising through meals tax to cover some of their costs.

One Day Liquor License –Hamilton Gardens

Scuteri entertained a motion for the Board of Selectmen to approve a one day liquor license for Hamilton Gardens on March 1 from 7 to 10 p.m. (where 75 to 99 people are expected to attend). Hubbard so moved. Carey seconded motion. VOTE: Unanimous.

Board of Health Mutual Aid Agreement

This agreement extends the police and fire agreement in place to public health, includes discussion of public health entity and provides support for other Essex County jurisdictions (there could be inoculations). Comments from Town Counsel Donna Brewer have been incorporated into agreement.

Scuteri entertained a motion to provide Town Manager Michael Lombardo with the authority to enter into this mutual aid agreement with North Shore communities. Hubbard so moved. Johnson seconded motion. VOTE: Unanimous.

Sign Gift Acceptance Agreement for donation to Patton Park Playground

Donations to the Patton Park Playground fund can be sent to Lombardo or Finance Director Deborah Nippes-Mena. A gift form is on the Town's website. Fundraising will be done in the spring. Contractors would construct playground equipment. Recreation board will provide comments on plan relative to actual equipment and costs. Discussion about whether or not multiple gifts can be received at once by Town.

Scuteri entertained a motion to approve acceptance of the gift from Charlotte for the Patton Park Playground. Hubbard so moved. Johnson seconded motion. VOTE: Unanimous.

FY'13 Budget

Lombardo explained that there is a reorganization plan that could effect the budget and will be discussed at the next BOS meeting. The Capital Improvement Plan will be addressed at a work session on March 3. Board will help prioritize what should be worked on in the next five years as well what should be funded in the FY'13 budget.

He provided an overview of proposed budget with assumptions that state aid will be level funded, local receipts are down by nearly 9%, health insurance is up 7.4%, student population shift to Hamilton results in \$119,000 increase in Town's share to regional school district, departments have put together barebones level services budget with the exception of scheduled colas and step increases.

Property taxes carry the financial burden of spending plan by 98%. Budget changes are tied to local receipts being down and state reimbursement (\$41,000 last year not expected this year), \$200,000 from free cash reserves will be used to offset budget increases.

Expenditures include general government – police, fire, health and human services, joint departments, educational services including vocational school and Hamilton-Wenham Regional school district (consumes lion's share of budget), and debt service.

Town expenditures include a modest cola of 1.4% that is being negotiated, tax title land court costs for legal services, \$3,000 increase in postage from Town clerk due to rate hikes and election, replacement of \$38,000 police cruiser and

four radios to meet state broadband requirement, five-year rolling average for DPW snow budget, health and human services, and \$14,000 reduction in landfill monitoring and cost to cap landfill should come in at \$2 million approved at Town Meeting to be bonded.

Joint departments – library may increase hours, recreation department utilities no longer funded through recreation revolving fund now paid through general fund, ECO narrow banding and sick leave buyback for expected retirement.

Unclassified – \$50,000 for senior tax abatement, 4% for retirement, 7.19% and 9.39% for health and other insurance including for Patton estate in case it is vacant (if house is in use costs would go down), other post retirement employee benefit costs to build up trust in next 30 years with liability just under \$4 million, school shares in this obligation brings the number up to \$8 million plus, with \$25,000 added to fund yearly, and \$100,000 added to the Stabilization Fund.

Total expenditures budget is \$24,409,064 when local receipts are netted out and debt service is added so the total budget is \$22,708, 784 or a 1.78% increase.

John McWane commented on this year's \$200,000 budget contribution to free cash to build up the account. Guidelines are being studied for 3% to 5% of free cash in account to ensure there is enough cash so Town does not have to borrow to pay its bills. Also, Finance Director Deborah Nippes-Mena said the number to consider would keep the standard high for a good Moody's rating and that the rating for the regional school district is based on the financial strength of the weakest of the three entities.

He noted that \$9,000 abatement would be used for senior tax reduction program. A warrant article will be required to move the funds. Also mentioned was shift of students in HWRSD from Wenham to Hamilton which increases Hamilton's share of the current budget by \$118,000 and potential \$2 million in Excess & Deficiency fund for the schools at the end of FY 2011 and potential for reimbursement to the supporting communities.

Discussion ensued about bonding being used to fund school's contribution toward new Cutler School installation. Also that E&D funding could be used for NEASC probation correction or renovation of High School auditorium. Debt is being paid off for Middle School and High School. Future discussions will address debt capacity and what will be done for capital expenditures.

McWane mentioned that for the coming year the tax rate for the current draft of FY 2013 budget would be \$17.58 although if valuation is down 1.5% the number would become \$18.03. In addition, the Myopia Hunt Club is filing to be classified at a different tax rate as well as the loss of tax revenue from Patton property. Discussion about tax levy limit and that for FY'13 there will be \$1.3 million under the limit. Taxes went up 1.5% but could have gone up 3% if not for the \$500,000 windfall from schools.

Lombardo said general spending is up .5%. Departments have had modest requests. Johnson noted that there are still savings to come in the trash program and possibly snow removal before budget is finalized. McWane said the state cherry sheet funding has leveled off.

Discussion about property values stabilizing in middle and lower priced housing, need to moderate tax bills while considering reality of capital costs, efforts to market Town, and activity to get schools financially sound.

Also mentioned was that tax rate has grown modestly and other communities' tax rates are catching up to Hamilton. Next steps include joint FinCom meetings and reorganization of Town departments, expectation of preliminary budget for schools on February 16, what should be done when school has excess cash (i.e., Cutler boiler), ATM articles need to be submitted since warrant closes March 19, if meals tax should have its own stabilization fund, plans in preparation for Hamilton Development Corporation if goes through and need to appropriate money, and what properties in Town would be appropriate for cottage bylaw.

BOS goals

Carey described how a welder in Town has volunteered to build a steel frame to house downtown business map at MBTA commuter rail stop.

Other business

Next BOS meetings on February 27. Scuteri entertained a motion to adjourn at 8:24 p.m. Hubbard so moved. Johnson seconded motion. VOTE: Unanimous.

Respectfully submitted by Jane Dooley, Minutes Secretary

ATTEST: _____
Clerk