

TOWN OF HAMILTON
BOARD OF SELECTMEN
MAY 7, 2012

The Board of Selectmen met at Hamilton Town Hall at 6:00 p.m. on Monday, May 7, 2012 with Jennifer Scuteri, Marc Johnson, Jeff Stinson and Jeff Hubbard present. Town Manager Michael Lombardo, Finance Director Deborah Nippes-Mena, Finance Committee Chair John McWane, Town Clerk Jane Wetson, Town Moderator Bruce Ramsey, EDC member Bob Bullivant, and Planning Board Chair Peter Clark also present.

Call to order

Chair Jennifer Scuteri called the meeting to order.

Public Comment

None.

Town Manager's report

Town Manager Michael Lombardo explained that the Town had received a letter from Comcast describing how as of June 5, 2012, the local access cable television channel will be changed from channel 10 to channel 8.

Chairman/Selectmen report

Scuteri mentioned that the Friends of Patton Park have raised \$38,000 towards the new Patton Park playground and the Fast Chicks Race this past weekend raised an additional \$5,000.

Accept minutes (April 19th, April 23rd, April 30th Regular/Executive Session)

Board Clerk Jeff Hubbard entertained a motion for Selectmen to accept the April 19, 2012 Board of Selectmen regular session minutes. Scuteri so moved. Marc Johnson seconded motion. VOTE: Unanimous.

Hubbard entertained a motion for Selectmen to accept the April 23, 2012 Board of Selectmen regular session minutes. Scuteri so moved. Jeff Stinson seconded motion. VOTE: 4-0-1 with Johnson abstaining because he did not attend.

Hubbard entertained a motion for Selectmen to accept the April 23, 2012 Board of Selectmen executive session minutes. Stinson so moved. Scuteri seconded the motion. VOTE: 4-0-1 with Johnson abstaining because he did not attend.

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

Hubbard entertained a motion for Selectmen to accept the April 30, 2012 Board of Selectmen executive session minutes. Scuteri so moved. Johnson seconded motion. VOTE: Unanimous.

FY'13 Budget

Cemetery Funds

Discussion ensued about three trusts that provide funds for the Hamilton Cemetery: \$275,000 in perpetual care, \$139,000 in sales for lots and graves, and \$12,000 for flowers for a total of \$426,000 in cemetery accounts. In a few past years the Town has taken \$20,000 annually from the interest earned in the perpetual care trust. There is currently \$97,000 in interest in the perpetual care fund although not all of it is available.

Discussion was about if funds should be used to buy land since there are 200 plots left in the cemetery. In addition, it was noted that there is a 67% shortfall of money coming in to support the cemetery compared to the cemetery costs of \$120,000 that Hamilton pays annual to run the cemetery (pay for FTE and part time employee salaries as well as seasonal help expense primarily for grounds maintenance). The Town makes up the difference in revenue to expense.

Also, the interest rate on the trust funds is 2% a year. DPW Administrative Assistant Allison Jenkins is researching if the cost of plots in Hamilton is underpriced compared to other towns. Town officials discussed the importance of the historical cemetery to Hamilton and if there is a possibility to use Community Preservation Act funds to purchase land under historic category.

In addition, there was discussion about whether or not perpetual care should be required for all plots, which is not currently done, as a means to help offset maintenance costs since the entire cemetery is mowed.

Free Cash

Discussion ensued about the Town's free cash and what percentage of it could possibly be used to offset the tax rate. For FY'11, Hamilton had \$1,350,982 in free cash, without the Meals Tax revenue included it is \$999,540.12. For FY'12 the total projected expenses for the year are \$25,121,139 with net revenue to expense at \$350,000 bringing free cash to \$1,349,811 or 5.4%.

Finance Director Deborah Nippes-Mena mentioned that there is \$300,000 in fund deficits for Chapter 90 grant reimbursements and \$80,000 in Sagamore land grant. The FY'13 budget will be more than \$25 million and does not include warrant articles and allowance for abatements so free cash would be 5.3%.

Discussion ensued with Finance Committee Chair John McWane about HWRSD returning \$290,000 in Excess & Deficiency funds to the supporting communities for FY'12 and if it can be certified before the tax rate is set at the end of the calendar year, it could offset tax rate.

Also discussed was McWane's recommendation that \$350,000 of Hamilton's free cash be used to offset tax rate, Lombardo and Nippes-Mena are in favor of \$300,000 for this purpose. Lombardo mentioned that his considerations are capital costs the Town expects to incur moving forward related to infrastructure (i.e., as much as \$14 million and part of the expense is renovations to Town's water supply lines), as well as frontline vehicles that would not be bonded.

Also, Lombardo said if the Town is working toward maintaining a specific tax rate number rather than maintaining level services this would result in consideration of reductions and streamlining services versus using free cash. Nippes-Mena noted that free cash reserves are essentially for running local government and affect the Town's bond rating.

Selectmen were in favor of McWane's suggestion of \$350,000 but Scuteri and Stinson were interested in the outcome of full Finance Committee vote on the issue that will occur this week. Selectmen will meet at 8 a.m. on Saturday, May 12 before ATM to finalize Board recommendations.

Discussion ensued where Hubbard was interested in meeting with Town manager to discuss details on proposed FY'13 budget relative to changes recommended in consultant's report.

Discussion was about Council on Aging director's position being posted and that it would be funded with existing budget and that a plan is needed before any new programs would be adopted.

Other items

Discussion ensued on Wenham ATM voting not to support \$500,000 giveback to towns from HW Regional School Committee and that Committee has said it would giveback \$800,000 of \$1.6 million in E&D when it is certified.

Also mentioned was differences of opinion Town officials have with School Committee about school district budget matters since Committee supported an increased versus level services budget that the towns asked for, \$100,000 should be recognized as increased revenue from state, addition of IT person in HWRSD for \$85,000 a year, \$216,000 in new equipment where Hamilton representatives recommend half of this amount as appropriate.

In addition, \$500,000 of capital improvements in HWRSD operating budget that McWane said should be paid for from E&D. Also, that the improvements to Winthrop and Cutler Schools should not be paid for in the operating budget especially since these are Hamilton-owned properties.

Discussion ensued on School Administration and School Committee not supporting virtual DPW or attending Capital Management Committee meetings. Lombardo agreed to send Board a draft letter of intent on CMC strategy regarding large projects to be done this summer. Also mentioned was the need for the School Committee to be fiscally responsible since it has been under spending the HWRSD budget and budgeted a \$1.5 million increase for the next school year.

Discussion on how HWRSD has still not purchased staffing software where \$80,000 is encumbered that could help with large Advanced Placement classes and other staffing issues. Also, discussed was that the School Committee can make independent decisions from what the towns have opined that they would like to see happen. In addition, there was mention of outcome if Hamilton does not vote the same as Wenham to support the School Committee's budget as presented at ATM on May 12 and if Hamilton Selectmen would call another Town Meeting to address HWRSD budget.

Proposed staffing changes

Lombardo mentioned that the only staffing change proposed in the budget is elevating the Planning Coordinator position to full time Planning and Development Services with \$43,000 increase a year in annual salary. Budget does not include any cola increases since union contract negotiations have not been completed so they would be addressed at fall STM. Proposed cuts in staffing are not going to occur this year (i.e., ECO director) and other structural changes can be done that won't effect the position, a decision will be made during fiscal year. Also proposed was operating expense of \$35,000 for employee to manage Patton property if gift is accepted.

Appoint Joe Orlando as an Alternate to the Planning Board

Scuteri entertained a motion to appoint Joe Orlando as an alternate to the Planning Board. Hubbard so moved. Johnson seconded motion. VOTE: Unanimous.

Warrant Hearing for Annual Town Meeting May 12, 2012

There will be three, 10-minute presentations at ATM by Scuteri, McWane and Lombardo.

Article 1-1, Election of Officers, will have no action at ATM

Article 1-2, Reports, motion by Johnson

Article 1-3, Consent Motion, could consist of 10 non-controversial articles and any article where a Town Meeting voter calls hold will be taken out of Consent Motion for separate discussion and action, motion by Scuteri

Article 2-9, Community Preservation Committee Budget, will be addressed after

Article 5-1, Accept Gift of Patton Homestead, motion by Johnson. Stacy Carpenter will make motion on Article 5-1.

Article 2-1, Appropriation Transfer from Overlay Surplus to FY12 Allowance for Abatements & Exemptions, motion by McWane

Article 2-2, Appropriation Increase for FY12 Waste Reduction Enterprise Budget To Accommodate Purchases of Bins, motion by McWane

Article 2-3, Waste Reduction Enterprise Retained Earnings, motion by McWane

Article 2-4, Compensation/Classification Table, motion by David Carey

Article 2-5, General Town Appropriations, does not include colas for FY13 since conclusion not reached with union contract negotiations, school certified budget included, motion by McWane

Article 2-6, Water Enterprise Budget, motion by McWane

Article 2-7, Waste Reduction Enterprise Budget, motion by McWane

Article 2-8, North Shore Regional Vocational School District Budget, motion by David Ketchum

Article 2-10, Annual Financial Actions, motion by McWane

Article 2-11, Annual Authorization of Revolving Funds, motion by Johnson

Article 2-12, OPEB Trust Fund, motion by McWane

Article 2-13, Retained Earnings for Capital Purchases for Water Enterprise, motion by Carey

Article 2-14, Debt Borrowing for Vehicle and Howard Street Culvert, motion by Johnson

Article 2-15, Debt Borrowing for Water Enterprise Distribution System Replacement Program, motion by Johnson

Article 2-16, Capital Appropriation for Side Walks, motion by Stinson

Article 2-17, Fund for Downtown Improvements, motion by Hubbard. Discussion on need for more information on costs and anticipated funding from transfer or available funds (i.e., Meals Tax revenue) for warrant/appendices and intent relative to future Hamilton Development Corporation as well as need for Selectmen's vote on matter that will occur at BOS meeting on Saturday, May 12 at 8 a.m.

Article 3-1, V.F. Flood Plain District (FEMA Flood Maps), motion by Peter Clark

Article 5-2, Citizen's Petition –Right of Way Study and Topographic Survey for Essex Street Sidewalk and Trail, motion by Rudolph Pisano

Article 5-3, Discover Hamilton Trail Easement, motion by Tom Catalano

Article 5-4, Rescind Vote of May 2006 ATM Article 5-1 to Sell Town-owned Land, motion by Stinson

Article 5-5, Drainage Easement on Gregory Island Road, motion by Johnson

Article 6-1, Free Cash Application, motion by McWane

Patton Family Gift Advisory Committee Update and vote on Town Meeting Recommendation

Discussion ensued with members of Patton Family Gift Advisory Committee about report and letter written describing recommendation and Committee vote for Town Meeting voters' consideration (i.e., costs, recreational and development uses) when Town decides whether or not to accept Patton property gift.

Discussion was about economics, and use of site for potential for bed and breakfast, Gordon College archives, and wedding event center. Town officials have budgeted \$35,000 annual funding to maintain house and operate recreation fields. Intention is for Hamilton to retain the property but there conditions in the agreement if the Town decides it cannot continue with ownership the property could be sold with half of the proceeds going to a designated charity. It was noted that the Town is considering acceptance of the gift now since this is when Mrs. Joanne Patton offered it to Hamilton.

Scuteri entertained a motion for the Selectmen to make a favorable recommendation on Article 5-1, Accept Gift of Patton Homestead, at ATM. Hubbard so moved. Stinson seconded motion. VOTE: Unanimous.

Scuteri entertained a motion for the Selectmen to make a favorable recommendation on Article 2-9, Community Preservation Committee Budget, at ATM. Stinson so moved. Hubbard seconded motion. VOTE: Unanimous.

Town Meeting presentations and preparation

Slide presentations will be given to Assistant to the Town Manager Christine Lindberg in preparation for ATM. Selectmen reiterated that the Board is meeting at 8 a.m. on Saturday morning, May 12 to vote on any outstanding recommendations (i.e., whether or not the Town should use \$300,000 or \$350,000 of free cash to offset the tax rate). Town Counsel Donna Brewer is working on ATM warrant scripts.

Other business

Next BOS meeting is May 12, 2012.

Scuteri entertained a motion at 9:50 p.m. for Selectmen to go into Executive Session pursuant to M.G.L. c. 30A, Section 21 (a)(7) – To comply with the provisions of M.G.L. c. 66, Section 10 and M.G.L. c. 4, Section 7, cl. 26: Consider a motion to go into Executive Session pursuant to M.G.L. c.30A, Section 21(a)(7) for the purpose of complying with the provisions of M.G.L. c.66, Section 10 and M.G.L. c.4, Section 7, cl. 26, not to return to regular session. Hubbard so moved. Johnson seconded motion. Roll call vote: Hubbard, yes, Stinson, yes, Johnson, yes, Scuteri, yes.

Respectfully submitted by Jane Dooley, Minutes Secretary

ATTEST: _____

Clerk