

TOWN OF HAMILTON
BOARD OF SELECTMEN
Joint Meeting with Wenham Selectmen,
Hamilton and Wenham Finance Committees
MARCH 27, 2012

The Board of Selectmen and Hamilton Finance Committee met with Wenham counterparts at Wenham Town Hall at 6:30 p.m. on Tuesday, March 27, 2012 with Jennifer Scuteri, David Carey, Marc Johnson and Jeff Hubbard present. Town Manager Michael Lombardo also present.

Call to order

Chair Jennifer Scuteri called the meeting to order.

FY2013 HWRSD Budget – Review and consideration of position by the Selectmen and Finance Committees from Hamilton and Wenham

Selectmen and Finance Committees from Hamilton and Wenham met with HWRSD Interim Superintendent Peter Gray and HW Regional School Committee members Alexa McCloughan and Larry Swartz to discuss FY2013 HWRSD budget.

The two towns have not been notified of a recent vote by the HW Regional School Committee regarding Hamilton's support of a level services regional school district budget and Wenham's interest in a level-spending budget. On March 21, 2012 the regional School Committee reviewed a total school district budget for \$29,247,717 and what was needed to balance that budget.

Gray described the most up-to-date school budget iteration as part of the HWRSD personnel's analysis of the amount of money the school district has specifically addressing \$1,465,866 Excess & Deficiency funds for FY'11 currently being certified by the Department of Revenue. The intent is to get it certified and determine an amount to be available to the towns before tax rates are set next fall. Any dollar amount beyond 3% in E&D comes back to the towns to offset assessments.

This year there would be no additional assessments to the towns or giveback to Hamilton and Wenham until the E&D is certified for FY'12. A net appropriation for schools from the towns discussed for this year was \$22,624,000.

Discussion ensued where \$673,000 could be put off for now or given back to the towns in FY'13, this depends upon whether or not the school district bonds its share of the new Cutler boiler installation. If bonding were used, the \$673,000 could go back to the towns. The School Committee has not taken a formal vote on whether or not to bond the boiler. There are placeholders on the two towns' ATM warrants to address boiler bonding issue to rescind a prior ATM vote in both Hamilton and Wenham for the school district to bond.

In addition, there could also be as much as \$700,000 coming into the district from revolving funds.

Other considerations by the HWRSD are \$106,000 in National Grid rebate funds for approximately half the cost of electrical upgrades for lighting in all schools to be done this summer, \$121,000 for Americans with Disabilities Act structural changes needed at Cutler School to accommodate a student (four bathrooms and one ramp), \$111,000 prepaid for out of district costs, and \$222,752 for capital projects identified in last year's budget.

The School Committee's intent is to have 3% of the regional school budget in E&D after all budget proposals are finalized. In response to John McWane, Gray said it was an option to use some of the combination of reduced expenditures and additional revenues totaling as much as \$600,000 for capital projects. McWane mentioned Hamilton's interest in using some of the E&D funds to reduce user fees and repair the High School auditorium.

Continuing discussion about bonding the boiler where it would have to be in place by HWRSD by June 30, or that both towns would have to vote to rescind previous votes to have boiler bonded.

Also discussed was if taxpayers would agree by Town Meeting vote to have HWRSD bond \$500,000 for first year of work in a three-year plan to address \$4.5 million of deferred maintenance at the school facilities.

Also mentioned by Jennifer Scuteri was format of budget and agreement of Budget Process Committee for more definition on SPED budget and information on how FY'12 versus FY'13 budget is allocated by schools that would be presented to the towns. Gray agreed this could be done in some form and include capital costs. It was noted that there is \$500,000 of choice tuition built into the budget.

Scuteri also suggested a comparison be done with cohort school districts to explain to voters the higher per pupil cost in HWRSD. School Committee should have a finalized budget by April 5 and expects E&D certification to be known in mid-April. McCloughan agreed to find a date when the five boards can meet again in the near future to discuss regional school budget.

Discussion about main HWRSD budget drivers including \$500,000 in choice, and contracted personnel salaries that increase 4% annually. McWane mentioned that he is uncomfortable integrating capital costs with the HWRSD operating budget.

Discussion about typical increase from one year to the next in school budget as \$1 million, necessity of proposed four additional positions that Hamilton does not support, and that focus for the next year should be to find efficiencies throughout the district by looking at staffing patterns with an eye to meeting student and parent needs. Also mentioned was declining enrollment and staff as well as that 97 choice slots that are being filled.

There was a related discussion initiated by Jeff Hubbard about why identified excess funds in the school district are applied toward expenses rather than automatically toward reducing school support assessment from the two communities.

School Committee members said they heard the concerns and are trying to reach a compromise to keep systems running. Also that as soon as the regional school board votes on budget that voters would be notified.

Discussion reiterated need for another five-board meeting in April, that clarification is needed on expense line items and expense budget FY'12 and FY'13, as well as a level-service budget for FY'12 and FY'13, what is the capital plan and total expected cost, cost per pupil for HWRSD and other high-performing districts with similar median income (i.e., user fees), what are the new initiatives and what is certified E&D for FY'11 and how is it going to be used.

Discussion on draft virtual DPW Memorandum of Understanding and details are being worked out on who oversees custodial services/costs, and who pays for unemployment and material costs. The draft MOU could be ready for Selectmen approval next week. Also mentioned was that a five-year rolling plan would be established that includes a list of repairs and renovations required at all municipal and school facilities.

Other business

Next BOS meeting is April 2.

Scuteri entertained a motion for the Board to adjourn its regular session at 8:44 p.m. and enter into executive session pursuant to M.G.L. c.39, Section 23B(3) for the purpose of discussing strategy with respect to collective bargaining or litigation, and that an open meeting may have a detrimental effect on the bargaining or litigating position of the public body. David Carey so moved. Hubbard seconded motion. Roll call vote: Scuteri, yes, Carey, yes, Johnson, yes, Hubbard, yes.

Respectfully submitted by Jane Dooley, Minutes Secretary

ATTEST: _____

Clerk