

# HAMILTON FINANCE AND ADVISORY COMMITTEE

Minutes of Meeting

October 17, 2019

FinCom members present: John Pruellage, Christina Schenk-Hargrove, Valerie McCormack, Nick Tensen (7:25), and David Wanger (Chair).

This Hamilton Finance and Advisory Committee (FinCom) meeting was called to order at 7:03 pm at the Council on Aging Building, Bay Road, Hamilton.

## **Public Comment**

Richard Boroff was present and recording the meeting.

## **Discussion regarding Town status of potential changes to waste reduction and collection policies, potentially with members of the Waste Reduction Committee.**

David Wanger said the Waste Reduction Committee was not present at the meeting due to the storm. Richard Boroff was present and was speaking as a resident and as a member of the Open Space Committee. Mr. Boroff was also a member of the Planning Board. Mr. Boroff said the Waste Reduction Committee planned on proposing every other week pick up of trash and implementing a pay as you go program. Currently, trash was collected weekly. Mr. Boroff thought the changes were short sighted because residents will throw trash on sites such as the Audubon locations, open spaces, or along the roads in town.

Richard Boroff said the other issue was in regard to the negligible savings, which were \$600,000 (5% of the overall budget). The total cost for each of the 3,000 households would be \$200 annually. Mr. Boroff said even if the cost were doubled, it was not much money. Mr. Boroff said the Town should stay with weekly trash pickup as the cost of having a truck drive around to pick up bags was the same cost as weekly trash pickup. The Town would be spending the same amount of money even if they considered the cost of collecting money from the sale of blue bags. Mr. Boroff said that as the policy only saved pennies, the change was only one of emotion, which had nothing to do with the FinCom. David Wanger explained that the FinCom oversaw all municipal questions, according to law. In response to Mr. Wanger's question as to how the Town could save money for trash collection, Mr. Boroff said Casella should consider picking up metals but other practical solutions should be addressed by the Waste Reduction Committee. Mr. Wanger recalled that the FinCom had met with the Committee and had asked them to return with ideas on how to reduce the burden within the budget.

David Wanger explained that small budget items, when in combination with other small items became a large part of the budget. Mr. Wanger intended to address the issue of Town revenue not keeping pace with Town costs at Town Meeting. The Town needed to find ways to economize. Richard Boroff noted the social impact of the change and referred to his wife, who

was no longer able to solve problems due to Alzheimer's disease. Changes would create a hardship on her and other seniors. Mr. Boroff found the proposed changes socially inappropriate. Mr. Wanger hoped the Waste Reduction Committee and Mr. Boroff could have a joint discussion of the financial implications and policy issues. Mr. Wanger would alert Mr. Boroff when the Waste Reduction Committee could meet.

John Pruellage said there was a goal to reduce solid waste, which would be attained by every other week collection. Richard Boroff suggested that the Town could hold a workshop on red wiggler worms for composting. Mr. Boroff discussed shredding computer paper and newspapers for mulching. Mr. Boroff said composting had been forced upon the Town by one member of the committee and he refused to comply.

According to Richard Boroff, many people in town felt the cost in weekly pickup was negligible. Christina Schenk-Hargrove asked if people dumped their trash when every other week pick up was previously in place. Mr. Boroff did not know. Ms. Schenk-Hargrove suggested that enforcement of the law would be more appropriate than changing the waste policy. Mr. Boroff responded that there would be a cost of enforcing the law and that the police did not want to patrol Chebacco Woods or Harvard Woods. Ms. Schenk-Hargrove compared the social reasons for not changing trash pickup for seniors to the social reasons for those worried about the environment.

David Wanger said saving \$600,000 was worth exploring as the FinCom's responsibility was to look for ways to reduce the tax burden. Richard Boroff said he was willing to pay the increase to mitigate the issue for seniors and that the majority will say that they want higher taxes for being able to throw away their trash. In response to Mr. Boroff reiterating that people would throw their trash in open spaces, Mr. Wanger suggested using video surveillance. Mr. Boroff said the Selectmen had received 50 e-mails on the topic.

**Discussion regarding preparation for Special Town Meeting, including which members will move comment on specific Warrant articles.**

David Wanger said that three articles were part of the consent agenda (2-3, 2-8, and 3-1). If one or more of the articles were held, then the FinCom would become the mover of the article. Nick Tensen would potentially move article 2-3 (budget adjustments). John Pruellage would potentially move article 2-8 (garage doors) and 3-1 (amendment to the compensation tables resulting from the reallocation of reserve monies for salary).

David Wanger would move article 2-2 (education reduction) and Christina Schenk-Hargrove would move article 2-1 (prior year bills). Mr. Wanger said there would be an opportunity for the FinCom to comment on other items even though they were not the movers of the article, including article 2-5 (affordable housing). It was decided that no one wanted to comment on the article. Members discussed that the Habitat for Humanity project on Asbury St. was still in negotiations but the article was agreeing to a specific amount of money from the Community

Preservation Committee if the project moved forward. Members were under the impression that abutters were not in opposition of the proposal. It was agreed that no one wanted to comment on article 2-4 (water improvements).

Doug Trees had reportedly submitted an alternative plan for the renovation of Town Hall, which might affect articles 2-6 and 2-7. The option, which kept the Town Hall in a pristine historic state (including minor repairs) with a modernized ramp to a new modern building that included an elevator, had been distributed to members. Parking and public works were accommodated by using the area out back. Reportedly a couple of the Selectmen were interested in discussing the option. David Wanger said there might be a motion on the floor to consider Option C.

Valerie McCormack was concerned that Option C would set the Town Hall Building Committee back a year. Christina Schenk-Hargrove wondered where the additional land out back came from. John Pruellage noted the Town Hall Building Committee had already reviewed eight concepts. Nick Tensen said one reason Option B was preferred was that expansion was available but if expansion was needed in Option A, the DPW administrative offices could be moved into new garage space out back, which would be less expensive as it was a one-story addition. David Wanger thought the Historic District Commission would come forward at Town Meeting to support Option B. Mr. Pruellage would comment on article 2-6 and 2-7 focusing on the minimal difference in borrowing costs amortized over 30 years between Option A and Option B. It was agreed that while the FinCom liked Option B, they wanted to ensure that one option was chosen.

The FinCom would be available to comment on article 3-2 (Home Rule petition for Highland St. property tax relief). David Wanger did not think residents would question the article as it had already approved a demonstration of favorable sentiment. Shawn Farrell would move the article and Christina Schenk-Hargrove would comment for the FinCom if necessary.

Members of the FinCom did not feel that they would need to comment on articles 2-9 (water treatment) or article 3-3 (income limitation extension for senior tax relief). If a comment were required, the FinCom commentary could be read.

In his introduction, David Wanger would discuss the tax rate and tax burden compared to what it might buy in terms of student burden per household, which would not include police fire, public works, or town administration. Mr. Wanger would applaud the democratic process and assure attendees that they had the ability to set the tax rate.

#### **Discussion of FinCom goals and projects for FY20 and Liaison assignments.**

Christina Schenk-Hargrove reported that she had attended a School Committee meeting. The audit received a clean bill of health with a suggestion to clean up its policies. A comment on Other Post Employment Benefits (OPEB) was that the return rate of 3.2% was low because no money had been set aside for the liability. The current liability was \$36.8M, a \$1.8M increase from the prior year. David Wanger noted that Hamilton's share was two-thirds. According to

Ms. Schenk-Hargrove, some resistance to putting funds away for the liability had been heard, but another member noted that it had cost the School money by deferring the funding.

According to Christina Schenk-Hargrove, some School employees had retired with lower level employees being hired, some hires had been delayed, and some administrative positions had shifted, which resulted in savings to the 2020 budget. The current budget deficit was \$300,000, which was less than the previous deficit of \$638,000. There were 52 (\$433,000) special needs outplacements, which increased to 56 (\$540,000) including transportation. The Schools were not considering using Excess and Deficiency (E&D) funds because these were not operating costs. Using the Circuit Breaker was being considered. John Pruellage said Marisa Batista could be consulted about not using the E&D funds. Mr. Pruellage recalled that the Schools would have a public presentation in January and the deficit from FY 20 would be pushed into FY21.

Christina Schenk-Hargrove said there were twelve pending out of district placements, which could result in a cost of \$600,000 to \$1M. The Schools would be discussing why the out of district needs were happening and attempt to institute programs in house to accommodate needs. Nick Tensen recalled that two years ago, the Schools set up a program, which had two or three students in it. David Wanger recalled that at the last All Town Meeting, the FinCom recommended against an additive to their budget and a motion from the floor to meld the additive to the General Budget was passed. Those additional monies were to develop in house programs that would reduce the out of district migration, according to Mr. Wanger. Mr. Tensen said the first part was to fund a program for a couple of students and then enhance the program. John Pruellage said the previous superintendent said the effort reduced the number of potential candidates for out of district placement. Mr. Pruellage said there was a larger systemic issue with the cost of 56 students at an average of \$75,000 each not including transportation. The total cost was \$5M. Valerie McCormack said the new program might attract students from other districts, which would increase revenue. Mr. Pruellage said the program should have started ten years ago. Christina Schenk-Hargrove reported that the School indicated that one approach was to focus on early education to catch problems earlier.

Health insurance costs of new hires was unknown but could equate to \$80,000. There might be additional costs if employees went on leave. The School Resource Officer (SRO) was not discussed at the School Committee meeting. David Wanger said the Town paid two-thirds of the Schools' budget and the Schools were 60% of the Town budget. Mr. Wanger hoped for a better relationship with the Schools as the Town had no control over their budget.

David Wanger said there was a quandary regarding the SRO issue as Hamilton suggested that the item be a part of the School budget to become a shared cost of the two towns instead of Hamilton paying the whole thing because the marijuana farm, which was the source of funding, had not moved forward. Wenham did not want the item to be a part of their budget. The source of funding (marijuana farm) was no longer a project and the Police Chief had already hired another officer for the position. Mr. Wanger said if the Town of Hamilton did not want to fund the

position for FY21, it needed to be communicated by December. Mr. Wanger said the FinCom had indicated that it would be improvident to hire another officer to the Police Chief but he proceeded anyway. Valerie McCormack said the SRO visited elementary schools but focused on the middle and high schools, which Wenham children attended.

**Committee member and liaison updates.**

David Wanger said he had met with Darcy Dale and Joe Domelowicz twice a month. Christina Schenk-Hargrove would share her list of assignments with Valerie McCormack.

Nick Tensen reported on the Waste Reduction Committee who would articulate the value of changing to every other week trash collection. Mr. Tensen said there were two goals: 1) was more composting out of the mainstream to reduce weight and 2) selling blue bags as revenue. The blue bag revenue previously dropped from \$70,000 to \$45,000. The higher price of blue bags would force those who used them to pay more, which started the pay as you throw program. John Pruellage said it was clear that tonnage went down once every other week had been implemented and then ramped back up as weekly collection was revived. Composting also decreased. Mr. Tensen said the dumping fee on compost had increased to \$45 per ton and \$93 for trash in two years.

Members wondered if the town would buy into every other week pickup. John Pruellage said the problem was that some people were concerned with the financial aspect while others had an environmental goal of reducing landfill or burnt waste. It was agreed that it would be the Selectmen's policy decision. Privatization was considered more expensive than the Town paying or a pay as you throw program as private haulers were more expensive than a group price. Members considered Richard Boroff's opinion that it was a minimal part of his tax bill, but David Wanger wondered at what point it would become a tax burden. John Pruellage questioned if it was a service or an environmental issue. David Wanger asked how the Town could encourage composting instead of general trash.

**Adjournment**

John Pruellage made motion to adjourn.

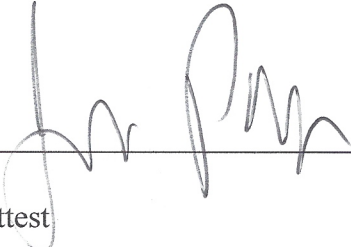
Seconded by Nick Tensen.

Vote: Unanimous in favor to adjourn at 8:58 pm.

Prepared by:

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Marcie Ricker

  
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Attest

Date