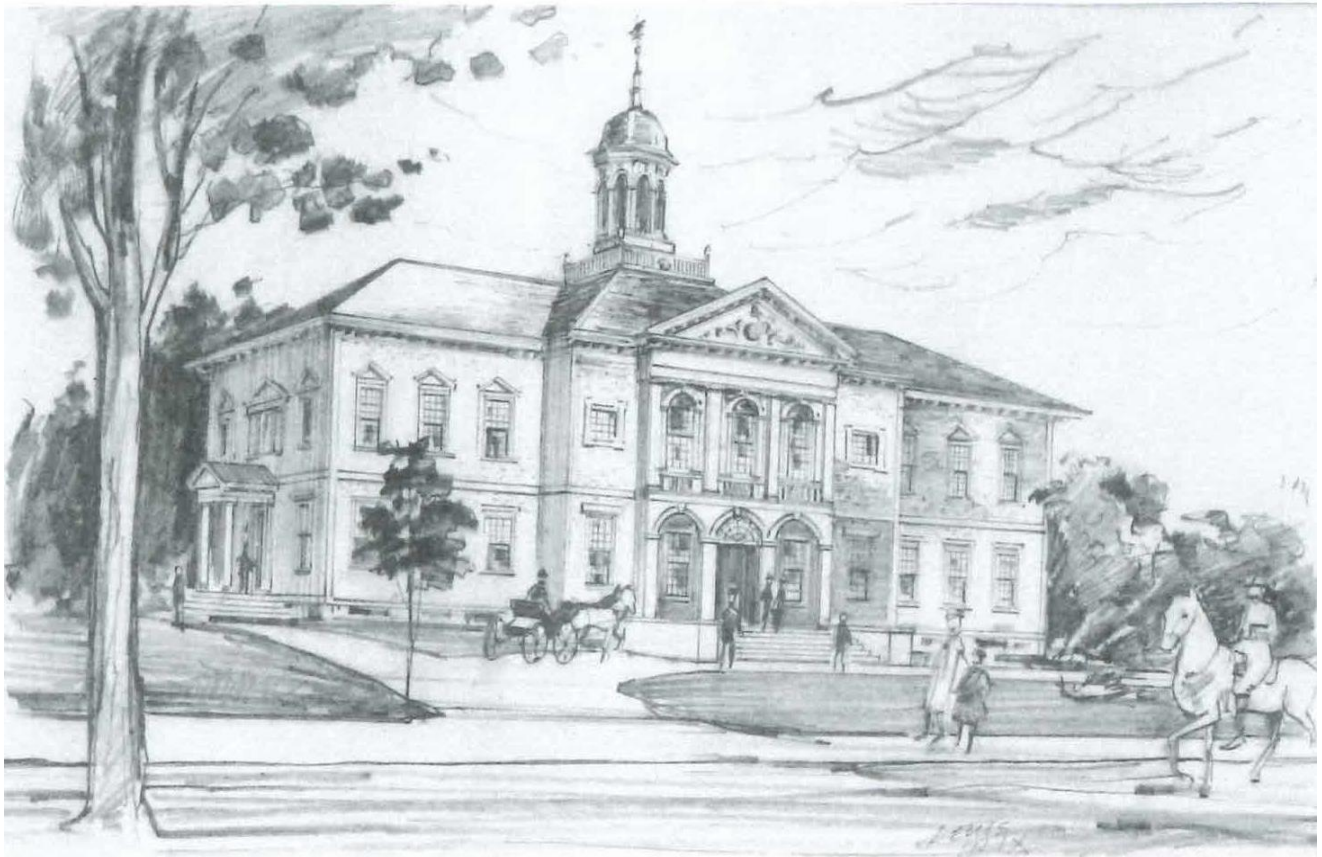


# ***Town of Hamilton Massachusetts***

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## **Annual Town Report**



**2019**



# **Town of Hamilton**

## **Massachusetts**

**July 1, 2018 through June 30, 2019**



### **Board of Selectmen**

Shawn Farrell, Chair

Scott Maddern, Vice-Chair

William Olson, Secretary

Allison Jenkins, Selectwoman

Jeffrey Hubbard, Selectman

### **Town Manager**

Joseph J. Domelowicz Jr.





Incorporated: June 21, 1793

Government  
Open Town Meeting  
Five-member Board of Selectmen with Town Manager

Annual Town Meeting  
First Saturday in April

Annual Town Election  
First Thursday in April following Town Meeting

Town Census: 8,020

Area: 14.99 Square Miles

Fiscal 2019 Tax Rate: \$16.48

Tax Levy: \$27,354,265

Congressional District: Sixth  
Senatorial District: First Essex and Middlesex  
Representative District: Fourth Essex  
Councilor District: Fifth

State Officials  
Congressman: Seth Moulton, Representative 6th District  
Senator: Bruce E. Tarr, Gloucester  
Representative, Brad Hill, Ipswich

Schools:  
Winthrop Elementary School (PK-5)  
Cutler Elementary School (K-5)  
Buker Elementary School K-5)  
Miles River Middle School (6-8)  
Hamilton-Wenham Regional High School (9-12)

Town Website  
[www.hamiltonma.gov](http://www.hamiltonma.gov)

Town Hall Hours  
Monday: 8:00 AM - 4:30PM  
Tuesday: 8:00AM - 6:30PM  
Wednesday: 8:00AM - 4:30PM  
Thursday: 8:00AM - 4:30PM  
Friday: 8:00AM - 12:30PM

## 2019 Hamilton Elected Officials

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### **BOARD OF SELECTMEN**

**(Elected 3 year term)**

Rosemary Kennedy	2022
Darcy Dale	2022
Jeffrey Miles Hubbard	2020
Shawn M. Farrell, Chairman	2021
William A. Olson	2021

### **TOWN CLERK**

**(Elected 3 year term)**

Sharon George (Interim)	2020
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### **BOARD OF ASSESSORS**

**(Elected 3 year term)**

Chris Campbell	2022
Joseph Shaktman	2020
Steven G. Ozahowski, Chair	2021

### **PLANNING BOARD**

**(Elected 3 year term) Patrick Reffett, Coordinator**

Daniel Hamm	2022
Will Wheaton	2022
Janel Curry	2022
Peter B. Clark,	2020
Richard L. Boroff	2020
Brian D. Stein, Chairman	2021
Frederick G. Mitchell	2021

### **HOUSING AUTHORITY**

**(Elected 5 year term) Kate McGuire (Coordinator)**

Leon Purington, State Appointed	2013
Theresa Mimi Fanning	2024
Clarence N. Trepanier	2020
Sherryl L. Leonard	2021
Michelle F. Horgan	2022

### **TOWN MODERATOR**

**(Elected 1 year term)**

William Bowler	2020
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### **H-W LIBRARY TRUSTEE**

**(Elected 3 year term)**

Judith Bubriski (Wenham)	2022
Nichole R. Gray	2022
Dolores M. Boghdan	2020
Dorothy A. Goudie (Wenham)	2020
Dianne L. Johnson (Hamilton)	2021
Julie Clay (Wenham)	2021

### **H-W REGIONAL SCHOOL COMMITTEE**

**(Elected 3 year term)**

David Polito	2022	W
Jeanise A. Bertrand	2022	W
Michelle Bailey	2022	W
Gene K. Lee	2020	H
Michelle Horgan	2020	H
Peter Alan Wolczik, Jr	2021	W
Stacey L. Metternick	2021	W



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## ***Board of Selectmen***

The Board of Selectmen functions as the Chief Executive body of the Town. Its five members are elected to three-year terms with one or two seats up for election each year. The Board acts as the chief policy-making body of the Town and directly supervises the activities of the Town Manager. The Town Manager is responsible for supervising the day-to-day operation of all town departments falling under the direct control of the Board of Selectmen.

The Board of Selectmen typically meet every other Monday evening at 6:30 p.m. Meetings are usually held in the Memorial Room at Hamilton Town Hall.

Meetings are broadcast live on your cable public access station. Comcast subscribers can view the meeting on Channel 10 and Verizon subscribers can view it on Channel 37.

The Board of Selectmen extends warm wishes to all our residents and visitors. Hamilton is a great town, steeped in history with generous open spaces, great schools, library, recreation, and senior services. We are in excellent financial condition, with an AAA bond rating and had a clean audit from Clifton Larson & Allen. As a small town, we regionalize much of our services; schools, library and recreation including a new pool are among if not the best in the region.

We welcome the input of all our residents with participatory meetings, surveys, community events and many appointed boards and committees.

The plan to make Green Meadows farm a medical marijuana growing facility ended up being withdrawn by the proponents, after pressure from some of the abutters and the property was sold to Essex County Greenbelt Association. This was unfortunate because of lost revenue for the town and loss of funding for a school resource officer. We have maintained the school resource officer by shifting the cost to the school budget.

Hamilton adopted the complete streets policy and created a Complete Streets Advisory Committee. The purpose of this policy is to enable the Town of Hamilton to provide safe, convenient, and accessible routes for all users of local roadways, trails, and transit systems; including pedestrians, bicyclists, transit riders, motorists, buses, and emergency vehicles.

Funding was approved at town meeting to help improve our Water plant with upgrades to pretreat our water to help filter more organic material, TTHMs, out before it is treated. We have looked into two types of systems and have chosen a system that uses granular activated carbon (GAC).

The town continues to have water bans based on water levels in the Ipswich River, our main source of water. We have completed 3 of 4 phases of water infrastructure improvements and capital from a town meeting vote is encumbered for upgrades for a pretreatment plant to be constructed at our water plant to improve our water quality. We continue to look for water sources in the Greater Coastal Basin to alleviate some of our water supply issues.

The 550 Highland Home Rule Petition was approved at Special Town Meeting in October 2019, and is awaiting approval from the state. This will make the DCR conservator's house tax exempt as long as the house remains up kept and in the DCR Curatorship program.

The Ameresco Solar Array construction was completed at the former landfill site and will be online soon. Also, the Marsh Rats Gun Club signed a new lease agreement to resume their activities at the landfill site again.

A Capital Committee was formed and will help the Town to understand, and consider the relative need, timing and cost of capital expenditures and the effect capital expenditures may have on the financial condition of the Town. It shall act as an

## *BOARD OF SELECTMEN (CONTINUED)*

effective advisory board to review anticipated capital projects, and to help make annual recommendations to the Town to effect responsible capital planning and budgeting.

The Hamilton Wenham Library hired a new Director, Kim Butler.

After many years in litigation and delay the proposed Cell Phone Tower behind Town Hall will be constructed in the near future with landscaping to improve/shield the view of the tower from Bay Road and the historic district

Interim town clerk Sharon George joined us when our previous Town Clerk resigned. Ms. George, an experienced and professional Town Clerk was hired to fill the role until the next election.

Gordon Conwell Theological Seminary Task Force was formed to work with the college to see what the school could do to improve it's relationship with the town and honor the initial PILOT agreement with the town years ago in new and innovative ways. The Task Force is advisory to the Town Manager and has been meeting with a committee formed by the college to discuss partnership and programs that would benefit the town and its residents.

Ray Burnet was appointed fire chief in July

In July the Board of SAElectmen and Water Department hosted a meeting at the American Legion, AP Gardener Post, to talk about the past, present and future of water use in Hamilton.

Our Representative in the State House, Brad Hill, was key in helping the town to join the CATA (Cape Anne Transport Authority) Regional Transportation district. As a member of the CATA District, Hamilton will now have access to on-demand public transportation for our Seniors and others that rely on transportation services for doctors appointments, shopping and other necessary appointments. The Town saved \$10,000 a year by joining CATA.

Hamilton was experiencing an above average amount of power outages. Many complaints about National Grid were made. The Board of Selectmen, Town Manager and Representative Brad Hill worked together to push National Grid to improve their service. National Grid explained the difficulty of their infrastructure in that Hamilton's power lines did not have any loops to isolate outages between Beverly and Ipswich. After several meetings, updates to our electricity service were made in the form of a massive tree trimming campaign (trees were a major component of downed power lines) and several pieces of equipment were installed in town to help isolate power outages.

Chap 59 Sect 5 Claus 41a of MGL Senior tax filing was changed to \$58,000 to help seniors in town lower their tax burden.

Sharon Road residents petitioned the town to close one side of the road entering their neighborhood. There was a history of drivers ignoring signs on times for road use, using it as a cut through, and speeding. The town agreed to shut the Asbury Street outlet and will shortly do the required work to make the change permanent by removing the short section of road and landscaping the area where the road used to be.

The Planning Board has completed an update to the Housing Section of Master Plan that will be key in updating the town's master plan.

Angelo Salomone was hired as building inspector as part of the town's joint venture with Wenham on Inspectional Services. We have renewed the agreement and have been able to improve our service and save the taxpayers money through this new joint venture.

## *BOARD OF SELECTMEN (CONTINUED)*

We wrote a plan for the Massachusetts Vulnerability Program with the help of Anne Gero, and the Metropolitan Area Planning Council. The MVP is a program that helps towns assess their needs and resilience to climate change and provides grants to help improve the town's ability to cope with climate change. The town applied for its first MVP grant to conduct a study of options for drinking water supply.

We received an update in October from Good Energy, the firm that managed our municipal energy aggregation program. Participation in this program has saved town residents, more than \$180,000 in electricity costs over the first two years of the program.

The Open Space Committee has completed the Open space and Recreation Plan and submitted it to the state for approval. Completion and acceptance of the plan by the state makes us eligible for state grants for projects that support open space and recreation.

The town also adopted an updated Hazard mitigation plan, which is a proactive effort to identify actions that can be taken to reduce the dangers to life and property from natural and manmade hazard events.

Our Town Manager worked very hard to form a shared Human Resources position with Manchester and Rockport. This has been a much-needed position for the town for a very long time. We are very happy to see it finally come to fruition and very happy to have hired Michelle Lee Carroll to fill the position as Regional Human Resources Director.

The Town Clerk's Office received new voting machines and we sold our surplus machines to help offset the cost. The new machines have many improvements over the old ones and will help our valued poll workers to do their job more efficiently.

Our Affordable Housing Trust completed an updated Housing Production Plan to make sure we are doing all we can to become compliant with the States 40B Laws and make Hamilton a welcoming place for people of diverse economic and racial backgrounds. They have also partnered with Habitat for Humanity to build 7 units of affordable housing on Asbury Street.

The Hamilton Development Corporation found a developer, Traggorth, to develop the property at 59/63 Willow Street into 18 rental units of which ½ will be affordable units. This project will help towards our Affordable housing goal, as all 18 units will count towards the affordable goal of 10%.

Our Superintendent Mike Harvey and Assistant Superintendent Jeff Sands left the district and Interim Superintendent Julie Kuginburger joined us while the HWRSC looked for a permanent Superintendent. We are working on improving our relationship with the Hamilton Wenham School Committee by having more joint meetings to understand each other's goals and the financial impact of each other's needs to help our taxpayers and to maintain a high ranking school district.

After many years of dedicated service Jim Hankin retired as our Conservation Agent and Bert Comins has replaced him and is doing a fine job.

We entered an agreement with Wenham for a shared fueling station for town vehicles. Our fueling tank was in need of replacement and with the possibility of upcoming town hall improvements the time was right to make the decision to work with Wenham to start this shared fueling program.

For some time we have been trying to improve our Veterans Services and are happy to say that effective July 1, 2020, our Veterans Services will be delivered through an Inter Municipal Agreement (IMA) with Cape Ann Veterans Services by the

## *BOARD OF SELECTMEN (CONTINUED)*

Gloucester Veterans Agent Adam Cucuru. By becoming part of the Cape Ann Veterans Services we save the taxpayers a significant amount of money and will be able to better serve our veterans

As you can see we have been quite busy. On behalf of the BOS we appreciate you taking the time to read our town report. Thank you.

Respectfully,

Shawn Farrell

Chair Hamilton Select Board



## ***Finance & Advisory Committee***

The Finance and Advisory Committee ("FIN COM"), five volunteers appointed by the Moderator for terms of up to three years, has by virtue of statutory and by-law provisions responsibilities to make recommendations to the Board of Selection ("BOS") and to town meetings regarding any or all municipal questions. FIN COM's authority extends beyond budgeting matters to include subjects of public interest and municipal governance, and all issues submitted by warrant to town meeting. The background of current members includes corporate administration, entrepreneurial activity, and law practice.

Thus, FIN COM is involved in annual review and formation of the town's budget, including revenues, expenditures, capital needs, financing determinations, and allocation of reserves, attempts to engage with the School Committee regarding the district budget, pursues other issues of relevance to town governance or operation, and reviews and determines recommendations on all warrant articles. FIN COM works closely with the Finance Director and collaborates with the BOS and the Town Manager. During preparation of the operating budget, FIN COM members meet with department heads to review needs and economies, and we wish to acknowledge the expertise and integrity of these managers as they pursue the public interest. The following relate some of the areas of FIN COM concern and involvement.

This report is being drafted during FY20, in the midst of planning and preparation for FY21, so fiscal commentary will relate in general terms indicia of the current and reasonably foreseeable landscape....and the projections are not favorable.

Notwithstanding municipal-side efforts to control expenditures by promoting level service budgeting, coming as close to year-to-year level funding as is reasonably achievable given compensation and other personnel related cost increases for Town employees and the increasing cost of goods and services purchased by the Town, expenditures increasingly outpace income, placing incremental burden on the property tax, the primary source of revenue. This revenue/expenditure disproportion is significantly aggravated by the funding required to satisfy the school district proposed budget....Hamilton funds approximately 65% of the school district budget, an amount approximating 60% of the Town's annual budget. The FY20 property tax rate, \$16.98 ( a 50 cent per thousand of valuation over the FY19 rates), when combined with continuing increases in valuation, resulted in an additional \$463.00 tax on the median valued home( \$530,500), producing an annual tax burden of \$9008 , an amount significantly less than Hamilton's share of the estimated per-pupil school budget cost, a funding shortfall exacerbated by municipal-side funding needs for police, fire, public works, senior services, library, recreation, executive and administrative staff, the purchase of goods and services, etc., assets required for community benefit, including the school system. Added to these obligations are funding required to supply quality water and to maintain the water infrastructure. Current water rates and equipment maintenance fees, unchanged for five years, need to be increased to avoid continued deficit operations and to fund system maintenance. We continue to have an excellent bond rating, and to maintain reserves in line with sound financial policy; but we should not dip into reserves to mitigate continuing funding obligations, for these we are tax rate dependent. Efforts to stimulate commercial tax base are stymied by market conditions and by understandable neighborhood density concerns....we prize our rural/open space setting. Superimposed upon the particulars of our fiscal environment are the constraints upon our ability to raise taxes imposed by Proposition 2&1/2, a statute which prohibits increasing the tax levy more than 2&1/2 percent above the prior year levy, plus the tax producing value of new growth, without an override vote by registered voters. While we manage to avoid year-to-year municipal-side budget increase triggering the need for override votes, the school district budget, a significant component of Hamilton's total budget, appears to be propelling us toward override territory on a reasonably foreseeable annual basis, and this exposure has proven to be disharmonious.

Since more than sixty percent of the total town budget funds Hamilton's portion of the school budget, and given the statutorily created autonomy of the School Committee, a status ultimately subject to the right of town meeting to approve or not the School Committee's budget request, FIN COM has attempted to collaborate with the School Committee and with

## *FINANCE & ADVISORY COMMITTEE (CONTINUED)*

school administration, and while interpersonal relations have markedly improved, the bottom line measure, the school FY21 budget request, appears to remain comparatively outsized, multiple times more than the municipal figure for FY21.

In addition to the school related budget/tax burden problem, the District has not included a funding schedule for its Other Post Employment Benefits ( OPEB ) liability, a statutorily established benefit requiring public employers to fund health insurance for retirees. The District's estimated current liability approximates \$40M, and increases annually. This is a funding obligation of the two towns, with Hamilton's share estimated at \$24M+/-, more than a \$15.00 increase on the tax rate.

The School Committee wishes to attract and to retain excellent staff to preserve a quality education experience, but the Town has identical goals for public safety, public works, health department, senior services, town hall – administrative personnel, and all other employees in terms of the resources and services they provide to the community, including of course the school district. The continuing incremental trend in school related costs cannot be sustained. As Hamilton's population ages, and our tax burden reflects a comparative disconnect with other communities, thereby discouraging growth, our fiscal problems will worsen. FIN CON hopes the School Committee will join in the cost vigilance necessary to maintain and enhance overall community vitality. Without School Committee exercise of cost restraint, community interests must be addressed at town meeting.

In addition to the budget formation process, FIN COM has been active regarding non-tax revenue sources and operational efficiencies including: increasing building permit costs and related fees, FIN COM's recommendation contributed to adoption of a revised permit/fee schedule; pursuit of payments in lieu of taxes from entities such as Pingree School and Gordon-Conwell Seminary which receive municipal services but are exempt by statute from any obligation to contribute any fair share of costs, (similar tax exempt institutions in other communities have agreed to make such payments in lieu of taxes); review of waste management and disposal as the current arrangement results in significant budget cost; reducing costs of certain municipal services by service/cost sharing with other towns ... library and recreation are templates for this approach; investigation of fiscal and environmental benefits of solar energy installations ; and the long overdue adaption of financial policies which will lay the foundation for pursuit of comprehensive financial planning. FIN COM is monitoring the status of the Patton Homestead undertaking, and the progress of commercial development as pursued by the Hamilton Development Corporation, and, as appropriate, we shall make recommendations as to both. We are collaborating with the Capital Committee and the Town Hall Building Committee, hopefully assisting as these groups pursue their respective charges. We are attempting to coordinate with all citizen based boards and committees to adopt common goals to which respective knowledge and talents can be directed.

As citizens make decisions regarding funding for desired levels of public service, we enjoy the essence of democracy... participatory governance, citizen control undiluted by a multiplex of levels of elected officials and bureaucracies. The luxury of our form of governance can be squandered by absence of participation, by apathy, and by manipulation orchestrated by concerted action of discrete interest groups. As volunteers, FIN COM members occasionally may channel Sisyphus as we encounter various obstacles, but we are rewarded by the sense of contributing to the community. You, as citizens, can join in that contribution by participation, by attending meetings, by joining committees and, of course, by coming together at the twice-a-year legislative session, the town meeting, the assembly that renders basic governance decisions, the assembly to which FIN COM ultimately is responsible.

David Wanger, Chairman  
Nicholas Tensen

Respectfully submitted,  
Christina Shenk-Hargrove     John Pruellage  
Valerie McCormack

## ***Patton Homestead & Patton Homestead Inc.***

The historic Patton Homestead is a community asset where families, the community and Veterans enrich their lives through cultural events, seasonal festivals, military focused programming, Veterans' gatherings and social events.

The Patton Homestead director, Kaleigh Paré, oversees the public and private events on the Homestead property, as well as the preservation and fundraising efforts. She reports to the Town Manager.

Patton Homestead Inc. is an independent 501(c)3 non-profit which signed an agreement in August 2018 to help advise the Town relative to the Homestead and to fundraise for the property's capital and programming needs. Their 8-member Board of Directors includes residents of Hamilton and other towns. Their Directors have expertise and connections in public relations, the military community, nonprofit management, state and local government, historic preservation, and other areas. Their website is <https://pattonhomestead.org/>.

This past year has seen successes and challenges. The Patton Homestead hosted a number of well attended events this past year, including military themed and community focused events. Over the last year (Feb. '19 – Feb. '20 we've hosted over 2,500 people on the property.

### **Military events:**

- The annual Military Service Day (organized by the American Legion Post 196) which brought a crowd of about 1,200 people to the property to see the vintage military equipment, reenactors, and to hear the speakers.
- This past June marked the 75th anniversary of D-Day, for which PHI hosted a week-long series of events that drew about 300 people to the Homestead.
- In January, we honored the 75th anniversary of the Battle of the Bulge with a panel of speakers which drew a crowd of about 80 people and brought in \$1400.
- PHI organized a 10K / 1K road race along the Purple Heart Trail from the Homestead, around the tank at Patton Park, and back to the Homestead over Veterans Day weekend, which attracted about 75 runners.

### **Community Events:**

- The Patton Homestead partnered with the Hamilton-Wenham Rec. Department and the group, Kites Over New England this past September to hold a free kite flying day at the Homestead. Over 100 people attended, some brought their own kites from home, but many chose to purchase or make a kite with the folks from KONE.
- We co-hosted story times with Early Childhood Partners on a number of occasions where kids 0-5 and their caregivers came for to read a story, play games, and do a simple craft or go on a scavenger hunt around the property.

In August we hosted Secretary for Housing and Economic Development, Michael Kennealy for a tour of the Homestead property. Joining in the event was Secretary Kennealy, Senator Tarr, Representative Hill, their staff, Selectman Hubbard, board members of PHI and the Wenham Museum, DPW Director Olson, and Director Paré.

## *PATTON HOMESTEAD (CONTINUED)*

Our priorities for 2020 include:

- Upgrades and renovations to the carriage bay of the stables for event uses. We are working with the electrical students at Essex North Shore Aggie Tech to clean up old wiring and provide better lighting to the carriage bay of the stables during spring 2020. Roof repairs and painting will follow shortly.
- Increased income from private and public events. Much of this past year has been dedicated to introducing the Patton Homestead to the wider community, getting the name out there, and learning what ways the public would like to use the property. We expect this next year will see a boost in income generating activities, including rentals for private parties and admission fees for public events, such as lectures.
- Landscaping and gardening improvements. The goal is to highlight the historic landscaping features put in place by the Patton family, such as named trees and the historic rose garden, while increasing accessibility to the property for everyone.
- Continuing to build partnerships across Hamilton, the North Shore, and beyond. We can't thank our partners enough for the work they have done on behalf of and in conjunction with the Patton Homestead this past year. Special thanks to Patton Homestead Inc., Hamilton Historical Society, the Wenham Museum, and American Legion Post 196. Over the next year, we're prioritizing relationship building with partners both in Hamilton and beyond.

Kaleigh Paré was hired as the first Director of the Patton Homestead in February 2019. She'd like to acknowledge the help of staff in other Town departments for their assistance in working through challenges, organizing events, and keeping the property looking clean and neat (particularly the staff in the Public Works, Finance, Recreation, and Council on Aging departments, and the Town Manager's office). We'd like to send additional appreciation to our outside partners for bringing life to the Homestead property over the last year: Wenham Museum, Patton Homestead Inc., Hamilton Historical Society, and American Legion Post 196.

Kaleigh Paré

Director of Patton Homestead

[kpare@hamiltonma.gov](mailto:kpare@hamiltonma.gov)

978-626-0020

<https://www.hamiltonma.gov/about/patton-homestead/>

## ***Hamilton Historical Society***

Thank you to the Town of Hamilton for our wonderful space at the Patton Homestead. We are settled in and organized. As our space is handicap accessible, we are now able to welcome all those who are interested in our history. Even longtime residents have learned something new by visiting us and of course, we learn from them.

We had a busy year with speakers on topics ranging from Puritans and the Quakers in the Massachusetts Bay Colony to Rome and Colonial America. We also brought in a book appraiser to value books for residents, free of charge. Both of these events were well attended. None of this would be possible without the co-operation of the Hamilton-Wenham Library, as they allowed us to use their meeting room.

Our Annual Meeting was held in the beautiful Trophy Room at the A.P. Gardner American Legion Post. This was a new location for us and we will enthusiastically return year after year. Our program was called, "Where is It?, Who is It? And Do You Remember this Business?". It was an interactive program, showing pictures of Hamilton and the audience sharing their memories of the people, places and things of Hamilton. We honored our outgoing President, Raymond Whipple, our interim President, Emily Cook and installed our new President, Anne Marie Cullen.

To celebrate our accommodations, we held an Open House in November. We explored "Hamilton in Winter" with a exhibition of pictures ranging from ice houses on Chebacco Lake to the current day. We were excited by the attendance and enthusiasm of our guests.

As the year heads for a close, our plans for the upcoming year include increasing our membership, continue our speakers' program and to re-create a 1940's living room/kitchen for Military Day in July 2020. While the day celebrates the men and women of the military, we want to acknowledge the men and women of the Home Front.

Please visit us at the Patton Homestead at 650 Asbury Street. We are open to the public on Thursdays from 1 pm to 3 pm or by appointment.

Respectfully submitted,  
Anne Marie Cullen, President  
Hamilton Historical Society

## ***Town Clerk***

The Town Clerk's Office serves as a general information center to the public, including posting of all board meetings according to the Open Meeting Law. Numerous requests are filled for certified copies of vital records, general information about the Town and its activities, genealogical information, business listings, and legal decisions by Town boards.

The Town Clerk is responsible for local and state elections, recording and certification of all official actions from town meetings, census maintenance, voter registration, maintenance and issuance of vital records and swearing into office all elected officials and board and committee appointments. We also process and issue marriage licenses, dog licenses, raffle permits, flammable permits and business certificates throughout the year.

<b>Town Population as of 12-31-2019</b>	7,854
<b>Registered Voters as of 12-31-2019</b>	5,829
<b>Marriage Intentions Filed</b>	20
<b>Marriage Licenses Issued</b>	20
<b>Births Recorded</b>	85
<b>Burial Permits</b>	15
<b>Deaths Recorded</b>	46
<b>Dog Licenses Issued</b>	1,137
<b>Kennel Licenses Issued</b>	4
<b>Business Certificates Issued</b>	38
<b>Raffle/Bazaar Permits Issued</b>	7

### **Elections and Registrations**

*This year we had two Town Meetings (April 6 and October 19), one Election (Annual Town Election April 11). The minutes are on file in the Town Clerk's Office. They are also on the Town Clerks web page.*

#### **Summary of Elections & Town Meeting for FY 2019**

April 6, 2019 **Annual Town Meeting** had 182 registered voters in attendance which was 3.2% of the 5766 registered voters.

April 11, 2019 **Annual Town Election** had 985 ballots cast, which was 17% of the 5766 registered voters.

October 19, 2019 **Special Town Meeting** had 94 registered voters in attendance which was 1.6% of the 5784 registered voters.



To the Honorable Board of Selectmen and the Citizens of Hamilton:



I am pleased to offer you this annual report highlighting the activities and accomplishments of your Police Department during the calendar year of 2019.

As in past years, I have had the great fortune of speaking with many of you regarding concerns you would like to see addressed. As a result of these discussions, I have been able to examine and address many of these issues to your satisfaction. As part of our Department Mission Statement, we will continue to build upon our commitment to the community, focusing on promoting a safe environment through a police-citizen partnership with an emphasis on mutual trust, integrity, fairness, honesty and professionalism.

2019 statistics indicate that property crimes in Hamilton are slightly higher in 2019 versus 2018. As a result, we are asking all citizens to remain vigilant and call us immediately if they detect anything suspicious in nature or out of the ordinary. By collaborating together we can better serve and protect our community. Although I consider Hamilton a very safe town to live and raise a family in, I am still encouraging all residents to lock their homes and vehicles.

As a result of a recent opening, Officer Joseph "Jake" Santarelli was promoted from reserve officer to the rank of full-time officer. To obtain this position, Officer Santarelli successfully passed a rigorous assessment process which I believed produced an excellent candidate for this position and the town. I am also pleased to announce Officer Kent Richards as Hamilton's first "School

Resource Officer". Officer Richards was raised in Hamilton and graduated from the Hamilton Wenham High School. Officer Richards started with the department as a reserve officer in 1994 and was promoted to full time status in 2001. The School Resource Officer Program is an outstanding opportunity to develop positive relationships with students, while collaborating with educators, mental health professionals and proactively addressing any and all school safety issues. The implementation of an effective SRO program which supports the positive development of our youth is an essential part of what your School Resource Officer is responsible for.

I would also like to commend Sergeant Karen Wallace as well as Officer Michael Girolimon and Officer Jeffrey Cross for an outstanding job. On August 30th, 2019 at approximately 8:37 pm, the Hamilton Communications Center received a 911 call from a resident on Hatfield Road who stated that his wife is going into labor and would not make it to the Hospital. Sergeant Wallace along with Officer Girolimon and Officer Cross responded to the residence. Upon arrival, Sergeant Wallace retrieved the Medical Bag from the cruiser and entered the residence. Immediately upon entering officers could hear the screams of a woman and were directed to the first floor bathroom. Sergeant Wallace was able to open the door and see the expecting mother lying on the bathroom floor. Due to the limited size of the bathroom and with the expecting mother up against the door, Sergeant Wallace squeezed her way into the bathroom to assess





## POLICE DEPARTMENT (CONTINUED)

the situation. Upon entering the bathroom, Sergeant Wallace observed the crowning of the infants head, Sergeant Wallace immediately supported the head, removed the umbilical cord and together with the mother, delivered the baby on the bathroom floor. Sergeant Wallace conducted post-delivery care for the child and the mother until the arrival of the Paramedics.



Above and beyond the mandated yearly in-service training, officers are continuously being sent for specialty training updating them in new laws and trends resulting in better service to the citizens of Hamilton. We continue to work diligently with other Federal, State and Local law enforcement agencies as well as the District Attorney's Office in an effort to thwart criminal activity and provide a safe community for our citizens.

In these trying fiscal times we continue to work efficiently and effectively with other departments within the town in an effort to maximize resources while minimizing costs. We are always exploring ways to provide the same if not better services to our residents while reducing overall spending.

The accomplishments set forth in this report could not have been met without the extraordinary contributions of the police officers and dispatchers at the Hamilton Police Department. I am very proud of the dedicated and compassionate work they perform each day.

We will continue to provide Hamilton residents and guests the highest level of professional law enforcement services possible. We will strive for crime reduction through proven techniques and approaches. Solving quality of life issues and working closely with the public is our goal. I as well as all of the Hamilton Officers and Dispatchers sincerely



appreciate the support we receive from our community. It is this cooperative effort that makes our community a special place to live and work.

Respectfully Submitted,

*Russell M. Stevens*

Russell M. Stevens  
Chief of Police

Classification	2019
Motor Vehicle Citations Warnings	373
Motor Vehicle Citations Civil	117
Motor Vehicle Citations Criminal Complaints	69
Motor Vehicle Citation Arrests	20
Operating Under the Influence	6
Motor Vehicle Verbal	574
Parking Tickets	34
Motor Vehicle Accidents Total	90
Motor Vehicle Accidents Investigated	77
Crimes Against Persons	7
Crimes Against Property	86
Crimes Against Society	33
Marijuana Citations	X
Water Citations	X
Municipal Citations	5
Animal Calls	588
Medical Calls	428
Alarms	351
Pistol Permits/FID Cards.	135
<b>Total Arrests</b>	<b>72</b>
<b>Traffic Stops</b>	<b>994</b>
<b>Total Calls for Service</b>	<b>20847</b>

(Statistical tabulation based on calendar year)



## ***Hamilton Fire Department***

It has been a whirlwind of change here at the Hamilton Fire Department this past year. I was first sworn in as the probationary Fire Chief on January 1, 2019 following Chief Philip Stevens's retirement on 12/31/18. This was for a period of six months to see if it was the right fit for the Town and myself. After the vetting out period, I was confirmed as the second Strong Fire Chief, in the Town of Hamilton on July 15<sup>th</sup> 2019 at Board of Selectman meeting.

I had many goals for the department this past year and with the departments help and teamwork we took on the challenge. We made great strides in implementing many of these goals. Listed below are just some the of things we accomplished.

- ✓ Hired a full time firefighter to fulfill a vacant position.
- ✓ Replaced the Fire Prevention officer vacancy from within.
- ✓ Implemented online open burning permit platform for Town's people.
- ✓ Initiated a web based recruiting campaign of Call Firefighters.
- ✓ Hired five new Call Firefighters.
- ✓ Performed in house testing of fire hose (an NFPA requirement).
- ✓ Wrote the request for proposal for the ambulance contract.
- ✓ Revamped the Driver Training Program.
- ✓ Reorganized the fire station's file and record keeping system.
- ✓ Facilitated the repairs of the fire station doors.
- ✓ Instrumental in bringing the Massachusetts Fire Call/Volunteer recruit class to the Hamilton Fire station.
- ✓ Completed & submitted the Town of Hamilton Service Zone Plan.

I want to thank each and every member for their help and comradery this past year. I am proud of the way we pulled together to make the Department better.



I appreciate the support that both the Town's government and residents have shown me over the past year.

It has always been my pledge that our Department and I would make the Town's residents as safe as possible.

*Raymond A. Brunet, Fire Chief*

## *FIRE DEPARTMENT (CONTINUED)*

### **STAFFING:**

We had some significant staffing changes within the department. The Hamilton Fire Department is a combination department, comprised of a mix of fulltime and part time firefighters. Last year our firefighting force consisted of four fulltime firefighters and twenty four part-time firefighters. They serve the residents of Hamilton day and night 24/7 at a moment's notice, whenever the tone goes off.

Kristine Ellis was hired on July 1, 2019 to fill a fulltime firefighter vacancy. She had been a call firefighter since 2004 working part time for the Department. She is a hard working individual, who puts in 110 percent and we are fortunate to have her.

***Kristine Ellis***



Robert Wallace was selected to fill the Fire Prevention officer vacancy that opened up when I moved up to Fire Chief. Throughout the year he worked tirelessly to acquire the skills necessary to perform in his new role. His ongoing efforts, dedication and hard work earned him the promotion to Lieutenant in charge of Fire Prevention Officer on July 25, 2020.

***Robert Wallace***



We launched a call fire fighter recruitment campaign using Facebook and the Towns sign board as the medium. The job posting provided us with a group of excellent candidates. After an interview process we hired five of the applicants to

## *FIRE DEPARTMENT (CONTINUED)*

become Hamilton Call Firefighters. Four of these firefighters are in the processes of completing the Massachusetts Call Volunteer Training and will earn their Firefighter 1&2 certification. One of them already had his training and certifications.



**Ross Appleton**



**Colt Donahue**



**Dan Grew**



**Dan McCormack**



**Scott Seller**

**HAMILTON FIRE DEPARTMENT****2019 Personnel Roster**

<b><u>NAME</u></b>	<b><u>RANK</u></b>	<b><u>Status</u></b>	<b><u>Year of Service</u></b>
Raymond Brunet	Fire Chief	(FT)	<b>31 years</b>
Kenneth R. Brand	Deputy Chief	(PT)	<b>41 years</b>
David Dolan	Lieutenant	(PT)	<b>13 years</b>
Andrew Ellison	Lieutenant/EMT	(PT)	<b>19 years</b>
Robert Wallace	Lieutenant /EMT	(FT)	<b>8 years</b>
Ross Appleton	Probationary/FF	(PT)	<b>9 months</b>
Frank Cirinna	Firefighter	(PT)	<b>10 years</b>
Stephen Collins	Firefighter	(PT)	<b>22 years</b>
Alexander Dale	Firefighter /EMT	(PT)	<b>8 years</b>
Colt Donahue	Probationary/FF	(PT)	<b>11 months</b>
Jared Dolan	Firefighter/EMT	(FT)	<b>13 years</b>
Zack Dolan	Firefighter/EMT-P	(PT)	<b>10 years</b>
Kristine Ellis	Firefighter/EMT	(FT)	<b>16 years</b>
Timothy Everitt	Firefighter	(PT)	<b>3 years</b>
Jerome Frontiero	Fire Mechanic	(PT)	<b>5 years</b>
Ryan Goodwin	Firefighter/EMT	(PT)	<b>14 years</b>
Dan Grew	Probationary/FF	(PT)	<b>9 months</b>
Christian Hassel	Firefighter/EMT	(PT)	<b>8 years</b>
Dan McCormack	Probationary/FF	(PT)	<b>9 month</b>
Justin Mullen	Firefighter/EMT	(PT)	<b>6 years</b>
Andre Painchaud	Firefighter/EMT-P	(PT)	<b>17 years</b>
Lukas Painchaud	Firefighter	(PT)	<b>(resigned 7/1/19)</b>
Kent Parsons	Firefighter/EMT-P	(PT)	<b>3 years</b>
Chris Raymond	Firefighter/EMT	(PT)	<b>3 years</b>
Dave Raymond	Firefighter/EMT	(PT)	<b>5 years</b>
Thomas Raymond	Firefighter/EMT	(PT)	<b>4 years</b>
Scott Seiler	Firefighter	(PT)	<b>9 months</b>
Benjamin Tuneburg	Firefighter	(PT)	<b>12 years</b>
Rick Villa	Firefighter/EMT	(PT)	<b>3 years</b>
<i>Glen Preston</i>	Fire Instructor	(PT)	
Skip Mullen	Fire Instructor	Retired Fulltime Firefighter	<b>12 years</b>
Kevin Baird	Chaplin	(Volunteer)	<b>6 Years</b>
Sandy Painchaud	Photographer	(Volunteer)	<b>17 Years</b>

## *FIRE DEPARTMENT (CONTINUED)*

### **TRAINING:**

The Hamilton Fire Department strives to be professional. We train our members monthly in order to keep our firefighter skills sharp and current with the latest technologies. We are proud to say that fifteen members of the department are nationally certified Emergency Medical Technicians. Each and every one of them must complete 24 hours of continuing education per year to stay proficient.

This past year we revamped our driver training program. These efforts allowed us to work with firefighters that haven't previously been taught how to operate the fire apparatus. This provided our department with much needed new drivers and pump operators.

I successfully lobbied the Massachusetts Firefighting Academy to host their Call Volunteer recruit certification program at our station. This class is set up to teach new candidates the skills they need to do the job of firefighting. When they have completed the 309 hour course, they will be certified by the Massachusetts Training Council as nationally certified level Firefighter 1&2. By having the class here this makes it much easier for recruits to attend from the local area. Presently, we have four of our new firefighters in the program.

### **EQUIPMENT:**

2017 Pierce Impel 1500 gallon per minute pumper, "Engine 1"

1985 International Ranger Pumper, "Engine 2"

2004 Pierce Saber, 1250 GPM Pumper, "Engine 3"

2014 Pierce Impel Quint Pumper & Ladder, "Ladder 4"

2006 Ford F-550 Brush truck & Medical, "Squad 5"

2015 F-250 Utility Pick up Chiefs Truck, "Squad 8"

208 F-250 Utility Pick up, "Squad 7"

1994 E350 Support Cascade unit, "Cascade 6"

Jay Fronterio is our part time fire mechanic. He has been with for over six years and does an excellent job keeping up with our equipment repairs. If it wasn't for Jay, our outside repair and maintenance costs would increase drastically.

### **INCIDENTS:**

The primary mission of our department is protecting the lives and properties of the town against emergencies, whether they are manmade or natural disasters. We provide these services with caring, compassionate customer service.

The Fire Department responded to a total of 1191 calls in 2019. Breakdown of incident calls by type are listed below. This year the number of calls has increased slightly from the previous year. The slowest month was recorded in November, with 69 runs in total. Conversely, the busiest month was October with 139 calls.

Throughout the year we responded, in addition, but not limited to, mutual aid to other communities, hundreds of medical aids, vehicle fires, motor vehicle accidents, cooking fires, chimney fires, and many public assists.

## *FIRE DEPARTMENT (CONTINUED)*

Mutual aid is a vital resource throughout this region which allows cities and towns extra man power and equipment as needed. In the course of our duties, we received mutual aid from area departments seventeen times. We delivered mutual aid to our neighbors sixteen times.

### **INCIDENTS – 2019**

Fires	10
Rescue	325
Hazardous Condition (No fire)	41
Good Intent	29
False Calls	213
Severe Weather	14
Service Call	131
Special Incident Type	6

<b>Total Fire Calls</b>	<b>763</b>
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<b>Emergency Medical Calls</b>	<b>428</b>
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<b>TOTAL CALLS:</b>	<b>1191</b>
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### **FIRE PREVENTION:**

The Department continues to educate the community, including seniors and school children.

These efforts are partly funded with monies received from the S.A.F.E. Grant. This year we were awarded \$1,754.00 for the school aged SAFE program and \$ 2,400.00 for the Senior SAFE Program from the Mass Department of Fire Services. These funds were used to purchase materials to supplement our public education programs. Our firefighters visited with each classroom from Pre-K through 5<sup>th</sup> grade, and made many in home visits with seniors installing smoke/Co Alarms and residential lockboxes.

In addition, the Fire Department co-hosted with the Police Department a Public Safety Day at the Public Safety Building. This is a great opportunity to meet the Town's people and to further educate public.

We currently have two firefighters that are certified child safety seat installers. Last year alone, they kept 73 children safe by checking and/or installing their car seats.

Educational facilities are mandated by Massachusetts NFPA 1 Fire Code to conduct four fire drills per year per school, of which two can be substituted with lock down drills. Fire and lock down drills were practiced at all the public schools as well as Pingree School and Gordon Conwell Theological Seminary. We have continued with our A.L.I.C.E. training. The fire department has been actively working with Kent Richards, the new School Resource Officer. We have collaborated with officer Richards to revise our active shooter policies and procedures. We held mock active shooter drill that police officers and fire fighters took part in to better prepare themselves in the event on an incident.

## *FIRE DEPARTMENT (CONTINUED)*

The inspection department has been busy with variety of Fire Prevention service which is listed below.

### **PREVENTION STATS**

Permits – 302

Inspections –351

Plan Review – 12

Public Education – 89

Fire Drills and/or lock downs – 44

Senior SAFE Program (Smoke/CO Detectors, Lock Boxes) –5 homes

Fire Prevention Programs – 2

### **OPEN BURNING:**

We launched our new online burning permit application program. This allows residents to buy and activate their burning permits on line without leaving their homes.

Open burning season is from January 15 to May 1. We again kept our permit fees the same as last year, \$20 for the season with a discounted rate of \$10 for senior citizens. We have a few agricultural burning permits holder left within the town. The Department of Environmental Protection Agency continues to change the requirements for farms that limit them from qualifying. The farms that are still allowed to burn can do it year round with the Fire Chiefs approval as long as weather conditions are favorable. Because of this they are charged a higher rate of \$50/year.

- Open Burning Permits-318
- Agricultural Permits – 3



## Highlights from throughout 2019



Dog Rescue



Ice training Hamilton/Essex



Public Safety day



Our Fire recruits at the Massachusetts Firefight Academy gas school



Commendations for Hamilton Firefighter's that saved a woman's life at house fire.



## ***Board of Health***

The Board of Health is responsible for implementing and overseeing the laws, policies and regulations of the Board of Health, the Massachusetts Department of Public Health and the Massachusetts Department of Environmental Protection. Responsibilities of the Board of Health include, inspections, permitting of septic installers, septic haulers, Title 5 inspectors and septic maintenance professionals, retail food establishments, retail tobacco, public and semi-public swimming pools, recreational camps for children, and keeping of animals/stables. In addition, the Board of Health conducts health clinics, addresses concerns of public nuisance, air quality, noise control, insect control, beaver and mosquito management, food protection, housing complaints, Title 5 compliance and communicable disease reporting.

The Board of Health consists of three members serving a three-year term. David Smith serves as Chair and Dr. Giselle Perez and Walter Row as members. Walter resigned at the end of October after serving on the Board for three years. The newest member is Christopher Small. Leslie Whelan is the Health Agent and Nancy Stevens the Administrative Assistant. Chris Lee is our Public Health Nurse. Roberta Cody is our Food, Camp and Pool Inspector, Hayes Demeule was appointed as our Animal Inspector and Anne Jackman as Assistant Animal Inspector.

The Board on March 13th held a Joint Boards Hearing in Wenham Town Hall with the Wenham Board of Health on a new regulation entitled “Prohibiting Tobacco Products in Schools,” which would create enforcement fines that could be levied against anyone using tobacco products (including but not limited to cigarettes, e-cigarettes, nicotine products) on a school campus. The regulation was endorsed by the Hamilton-Wenham Regional School District administration and was passed by both Boards and went into effect for the new school year beginning in August 2019. The School District administration felt this new Regulation would help them get under control a virtual epidemic of vaping in the schools.

The Board members toured Brick ends Farm on June 1st to observe first hand and learn about the composting operations there and to better understand the potential sources of odors from those composting operations.

The Board received a request from a resident to promulgate a ban on the herbicide Roundup and subsequently entertained discussion on the subject at several Board meetings and conducted its own research on the subject. Based on advice of Town Counsel, the Board declined to issue a ban because the Commonwealth preempts such bans by local governments.

The Board investigated a series of concerns from residents about the quality of the Town’s public water supply triggered by an exceedance of a standard in December 2018. The Board worked cooperatively with the Town DPW and Tim Olson to understand the concerns and the ongoing efforts to correct the problems. The residents’ concerns were addressed and satisfactorily answered in a well-attended “Discussion on Town Water” hosted by the DPW and Tim Olson on July 29th.

The Board of Health continued vaccinating residents during flu season. The Hamilton and Wenham Boards of Health collectively joined together and held four Flu Vaccine Clinics (three for residents and one for middle/high school students). There were approximately 490 residents and students vaccinated with the help of nursing students and Medical Reserve Corp. volunteers. The Health Department's flu clinics are run efficiently and smoothly in a cost-effective manner.

The Public Health Nurse has been assisting new mothers relative to the first year of a postpartum program. The Northshore Mother Home Visiting Partnership is designed to connect new mothers and their babies with their community, while assessing for postpartum depression and making referrals to medical professionals when needed.

## *BOARD OF HEALTH (CONTINUED)*

The Board continues to work at the local and regional level on emergency response planning relative to infectious disease emergencies, bioterrorist events and natural disasters. Hamilton participates in a coalition of 14 surrounding cities and towns working closely together to develop emergency plans and mutual aid. Our Public Health Nurse, in collaboration with our

Emergency Management Director, has organized and trained a group of volunteers to open an emergency shelter in Hamilton, should the need arise.

The Northeast Massachusetts Mosquito Control and Wetlands Management District monitors for mosquito-borne diseases in the region. This year virus levels were low with no Eastern Equine Encephalitis in the region. The Board prefers not to "routinely" spray. Taking personal protective measures and draining standing water in your yard is the best protection against mosquito bites and mosquito-borne diseases.

The following is a yearly report of permits issued, plan reviews,

	2019
Septic Disposal System Construction (New) Plan Review	4
Septic Disposal System Construction (Repair) Plan Review	44
Septic Title 5 Inspection Report Review	109
Septic Construction Inspections	70
Soil Evaluation Inspections	32
Septic Disposal System Installer License	30
Septic Disposal System Hauler License	10
Septic Title 5 Inspector License	15
Septic Operation & Maintenance Provider License	7
Food/Retail Service Permits	33
Temporary Food/Retail Service Permits	25
Seasonal Food Service Permits	6
Keeping of Animal Permits	58
Stable Permits	58
Wells Permits	1
Public Swimming Pools Permits	4
Recreational Camps Permits	2
Tobacco Sales Permits	5
Complaints — Housing/Nuisance	5

Total fees collected in calendar year 2019 were \$46,435.

### HAMILTON BOARD OF HEALTH

David B. Smith, Chair  
Giselle K. Perez, PhD  
Walter A. Row  
Christopher H. Small

## ***Eastern Essex District of Veteran Services***

Veterans Services is charged under Massachusetts General Laws Chapter 115 with providing services to Veterans, surviving spouses, and dependents. The Town funds this program for their resident Veterans, surviving spouses, and dependents, and is subsequently reimbursed 75% by the Commonwealth. It is the responsibility of the department to follow the process dictated by the Department of Veteran Services so that the Town receives the allowed reimbursement. The department is also tasked with the responsibility of assisting Veterans and their families with VA benefits; ensuring that each Veteran and/or family member receives all benefits that are available to them.

### **Organizational Chart:**

District Director/Veteran Services Officer: Karen Tyler

Direct Reports:

- Assistant to the Director: Kathy Collins
- Administrative Assistant: Jeanne Commette

### **Goals achieved/large projects accomplished:**

- The District Director earned accreditation from the National Association of Veteran Service Officers. The accreditation training was four days long and the test consisted of 100 questions.
- The Department created and launched a new website and linked it to the Town of Hamilton website. We worked with CivicPlus for three months developing the website. Once completed, we received training on how to maintain the website in-house. [www.eessexvets.com](http://www.eessexvets.com)
- We set up monthly office hours in each of the Towns to increase convenient accessibility for Veterans and surviving spouses. Veterans can also schedule office visits at our Ipswich office.
  - o The Town of Hamilton is the 2<sup>nd</sup> Tuesday of the month at the Council on Aging.
- We processed 83 VA Claims for Veterans and surviving spouses in the District. These benefits include: Service-Connected Disability, Aid and Attendance, Pension, Death Benefits, Burial, Education, and more.
- We have increased home visits by having the office staffed by a part-time administrative assistant. The District Director and Assistant to the Director are now able to conduct home visits without compromising coverage at the office. We now have staff that can handle phone calls and walk-ins; therefore, providing our Veterans and surviving spouses with dependable service.

### **Priorities for 2020:**

- Increase Outreach by attending Veteran Collaboratives, Health Fairs, Veteran Events, Veteran Resource Fairs, and all available forms of networking.
- Quarterly Newsletter, which will include articles about Veteran Benefits, current Veteran issues, an interview "Vet to Vet", upcoming events, contacts, and more. It will be posted to the website, distributed electronically, and printed to ensure it reaches a wide audience.
- Help organize a POW/MIA Chair of Honor Ceremony for Hamilton/Wenham.
- Collaborate with local towns and Veteran leaders to discuss Veteran engagement.
- Veteran Resource Fair on the Northshore, which will include Veteran-related vendors, Veteran Groups, different programs available to Veterans, and more.

### **Significant statistics:**

There was an increase in both Chapter 115 Benefits and Veteran Administration Benefits.

Currently receiving VA Benefits:

- Veteran Compensation: 53 Veterans total \$1,034,136
- Dependency & Indemnity Compensation: 5 widows/widowers total \$85,860
- Death Pension: 2 surviving spouses total \$28,320
- Total Awards Veterans and surviving spouses: 60 recipients \$1,148,316
- Submitted 83 VA Claims for the District in 2019

## *EASTERN ESSEX DISTRICT OF VETERAN SERVICES (CONTINUED)*

- 2019 Town of Hamilton Ch115 Benefits: \$22,558
  - o Town will received the full 75% reimbursement from the State

### **Personnel Changes and Acknowledgements:**

The Department hired a new Part-Time Administrative Assistant for 19.5 hours per week. She previously worked at Endicott College for 27 years; her last role was Director of Web Operations. She brings a great deal of technical, media design, and communications experience to the job. She is highly motivated to participate in our mission to better serve our Veterans. She is the wife of a Vietnam Veteran and a member of the Hamilton American Legion Auxiliary Post 194 and the Danvers Chapter of DAR (Daughters of the American Revolution).

### **Department staff and Board of Directors**

Karen Tyler, District Director/Veteran Service Officer

Kathleen Collins, Assistant to the Director

Jeanne Commette, Part-Time Administrative Assistant

Michael Flynn, Board Member, Essex

Doug Dawes, Board Member, Georgetown

**Jeffrey Hubbard, Board Member, Hamilton**

Linda Alexson, Board Member, Ipswich

Michael Doyle, Board Member, Newbury

Robert Snow, Board Member, Rowley

John Clemenzi, Board Member, Wenham

Robert Janes, Board Member, West Newbury

Karen Summit, Treasurer, Rowley

## ***Council-on-Aging***

The Council on Aging is a community based social service organization with its mission focusing on those individuals that are age 60 and older. We provide information and referral for services and programs that help you stay in your home and community as long as possible. We also offer health and wellness programs, as well as social programs. A portion of funding is provided yearly by the Executive Office of Elder Affairs through the Formula Grant. The balance of the annual budget is provided through municipal appropriations voted at Annual Town Meeting.

Some of the highlights and changes which occurred during this time include:

- Increase from the Social Services Coordinator with numbers showing a 4% increase in new seniors being seen for the first time (unduplicated) and 17% increase in seniors who have used our services in a previous year (duplicated). SHINE (Serving the Health Information Needs of the Elderly) posted 204 appointments booked in 2019
- Senior Transportation provided 1,332 round trips for seniors to 9 communities. 524 were medical transports; 808 were non-medical/leisure trips.
- Meals on Wheels delivered 7898 meals in 2019 with 1,397 people served a daily congregate lunch at the Senior Center.
- The Council on Aging received a \$2,000 grant from the Melrose Foundation geared toward the purchase of cell phones for seniors. This is to ensure that seniors have access to a cell phone in order to receive emergency updates via Code Red during the course of an extreme weather event
- New England Bio Labs awarded the Council on Aging with a \$2,000 grant to help wheelchair dependent seniors gain access to their doctor appointments in Salem, Peabody and Danvers.
- The Council on Aging created a new program, Polished, a low cost dental cleaning for seniors which will be held quarterly.
- A new program was initiated called Generals for Generations which sends one or two HWRSD Honor Society students into seniors' homes to provide weekly help for chores such as fall clean-up, moving furniture, changing light bulbs, etc.
- Counselor and students from the Myles River Middle School have started a monthly tech seminar for seniors to work with them to better understand how to use their tech devices
- Boy Scout Trent Blatz completed his Eagle Scout project at the Senior Trent, a 14 x 14 patio, which was dedicated in November
- The Council on Aging in conjunction with the Hamilton Police Department created a check-in program for seniors called RUOK? in the event of an extreme weather event to ensure their safety
- Continuation of programs and activities include Cribbage, Reader's Club, weekly Farmer's Market sponsored and supplied by ACORD Food Pantry, weekly movies, weekly board games, Red Sox game day get-togethers, Patriot's Game Day, Low Vision and Lunch group, painters group, Seniors Helping Seniors, strength training for seniors, monthly audiology check-ups, quarterly updates from town department heads to seniors, Bingo and Hot Dogs, Arthritis Foundation exercise class, Parkinson's Fitness Class, historical snapshots of Hamilton, fuel assistance, 2 yearly flu clinics, monthly meeting with constituent aide to Senator Bruce Tarr, fall yard sale at senior center, free book and DVD lending library, new Medicare Card seminar, MA Office of Consumer Affairs on senior scams, Senior Circuit Breaker Tax Credit seminar, Home Modification Program for Seniors seminar, ACORD Food Pantry food drive as well as an ACORD cooking demonstration, presentation of new electric aggregation program for Hamilton residents and much more
- Representative Brad Hill sponsored a cook-out for our seniors this summer. Fifty seniors came out to enjoy entertainment ahead of time along with a BBQ cooked by Rep. Hill and other volunteers.
- Seniors enjoyed trips to 6 different venues this year including Currier Museum, Wolfeboro, NH, Scituate Lighthouse, a tour of Cape Ann, Conway Scenic Railway and a step-on tour of Marblehead.
- Button Cell Battery rebate program collected 10 pounds of used batteries which raised \$1,000 for activities, programs and equipment.

## *EASTERN ESSEX DISTRICT OF VETERAN SERVICES (CONTINUED)*

- The Hamilton-Wenham Cultural Council sponsored a St. Patrick's Day presentation by Roger Ticknell accompanied by a free lunch of corned beef and cabbage.
- Brunch with Bruce Tarr in which seniors were updated by Senator Tarr as to legislation currently being proposed on Beacon Hill.
- The Hamilton Fire Department secured a grant which allowed the installation of lock boxes at residents' homes to be used to gain access inside in the event of an emergency.

Respectfully submitted,

Mary Beth Lawton  
Director, Hamilton Council on Aging



### Mission Statement

The Hamilton-Wenham Public Library is a publicly funded institution dedicated to the common good by serving the informational, educational, cultural, and recreational needs of the community and encouraging its patrons in the lifelong pursuit of learning and personal growth. The Library will be responsive to the needs of its diverse users, advocate and support the use of appropriate technology, build an excellent collection, commit itself to the highest ideals of library service and the principles of intellectual freedom, and provide a welcoming meeting place for the community.

### Vision Statement

Our patrons are inspired about the Hamilton-Wenham Public Library because they know that it is a dynamic and welcoming destination, and a portal to a commonwealth of information, creative programs, leading-edge technology, and materials to satisfy every curiosity.

We believe all questions and requests are important and we strive for excellence in the quality of answers we offer. We listen to our patrons, surprise them with superior service, and embrace change when it will improve our library.

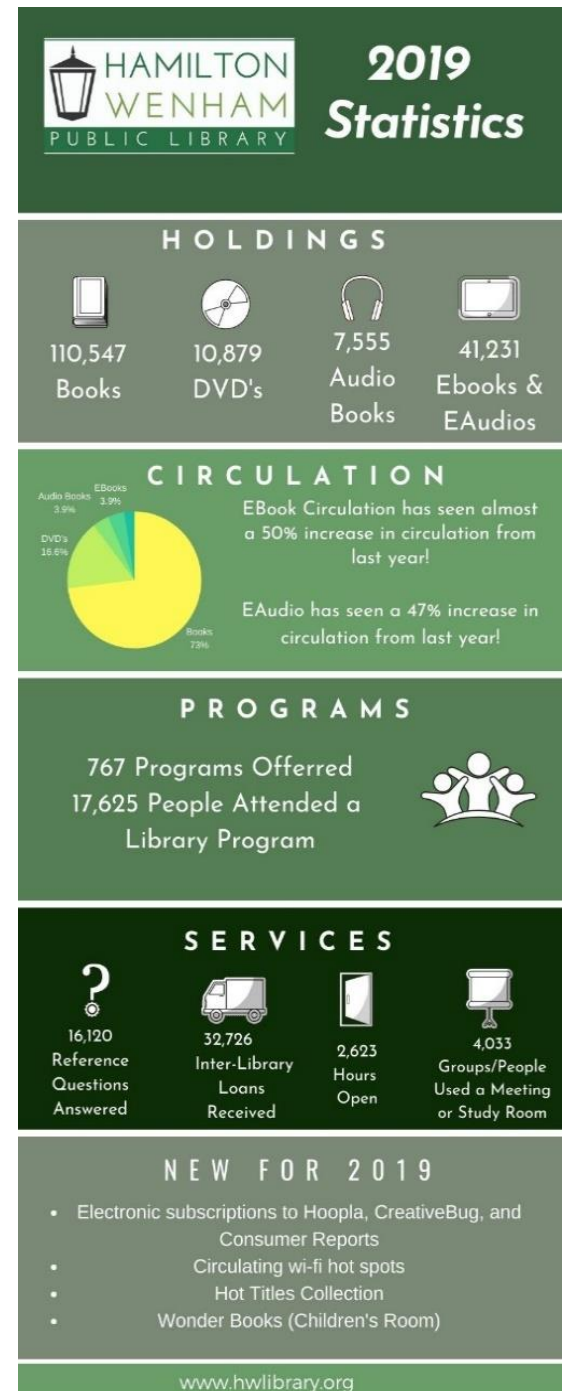
We develop community partnerships that minimize duplication of efforts and strengthen our library as a valuable resource to every member of our two towns. We promote the joy of reading and the value of lifelong learning to all.

### 2019 Accomplishments

- Successful transition to new Library Director
- Completion of updated Library Strategic Plan
- Purchase and installation of new phone system
- Updated design of the Library logo

### 2020 Goals

- Streamline and unify Library social media presence
- Implement new calendar, room reservation, and museum pass software
- Install new audio-visual equipment in the large meeting room
- Evaluate changing collections and space needs
- Successful launch of Library mobile app



## *HAMILTON-WENHAM LIBRARY (CONTINUED)*

### **Personnel Changes**

In 2019 the Library said good-bye to two long-standing full-time staff members in Library Director Jan Dempsey and Head of Technical Services Nancy Day.

Nancy retired in January after a thirty-eight year career at the Library. She was responsible for purchasing both the fiction and non-fiction collections. Nancy also founded the Literary Luncheon book group which is still meeting every month at the Library.

Jan retired in April after fourteen-years as Library Director and twenty-eight years working in Massachusetts public libraries. Jan is a lover of the environment (in particular bees) and worked hard on the pollinator gardens around the Library. She is a passionate advocate for the Library and was dedicated to creating a library space that the community could be proud of.

We thank them both for their dedicated service to the communities of Hamilton and Wenham and wish them rest, relaxation, and continued adventures!

### **Leadership**

#### **Board of Trustees:**

Nichole Gray, Chair (2022)  
Dorothy Goudie, Vice Chair (2020)  
Julie Clay, Secretary (2021)  
Dolores Boghdan (2020)  
Judith Bubriski (2022)  
Dede Johnson (2021)

#### **Library Staff:**

Kim Butler, Director  
Rob Pondelli, Assistant Director  
Kim Claire, Young Adult Librarian  
Karen D'Ambrosio, General Service Librarian  
Lorraine Der, Children's Librarian  
Amy Dziewit, Head of Circulation  
Sarah Lauderdale, Head of Reference  
Lewis Parsons, Head of Technical Services  
Rebecca Shea, Adult Services Librarian

#### **Part-Time Staff:**

Elizabeth Bellucci  
Christine Burns  
Jeannine Curtis  
Jeanne Duffy  
Anne Hanrahan  
Josh Lear  
Kathy Lindsay  
Charlotte Minasian  
Julie Niemann  
Linda Platt  
Christina Trudel

#### **Volunteers:**

Kathy Carter  
Jennifer Drake  
Heidi Simone  
Diane Nunziato  
Lucille Lynch  
Sandy Barton  
Betty Ferris  
Nathaniel Morris

### **Partners**

The Friends of the Hamilton-Wenham Public Library are a vital and integral partner for the Library. They fund all of our discounted museum passes, special events and programs, staff training, and technology. In 2020 the Friends will be funding the complete upgrade to the audio-visual equipment in the large meeting room. Under the leadership of the Friends board,



## *HAMILTON-WENHAM LIBRARY (CONTINUED)*

and their chair Dede McManus, they work tirelessly to fundraise to support the Library. New Friends members are always welcome!

We thank all of our wonderful patrons for their continued support in 2019. Be sure to follow us on Facebook, Twitter, and Instagram and book mark our website to find out the latest happenings at the Library in 2020.

Respectfully submitted

Kim Butler

Library Director



May the 4th Be With You



Vehicle Night



Read to Tessie Party



Happy Halloween

## ***Joint Board of Library Trustees of Hamilton and Wenham***

The Joint Board is responsible for the custody and management of the Library and its services and facilities located at 14 Union Street in Hamilton, and members are active participants in promoting and supporting the mission statement of the Library.

### **Goals achieved in 2019:**

- Submitted the 2019 Five-Year Strategic Plan to the Massachusetts Board of Library Commissioners.
- Hired Kim Butler as the new Library Director.
- Strengthened relationships between the Library staff and the trustees.

### **Goals for 2020:**

- Be champions of the Library staff and the Library Director.
- Advocate for the Library at public meetings and events.
- Promote the joy of reading and the value of lifelong learning.

In FY'19, the Library received the following amounts in trust fund income, monetary gifts, State Aid, and grants.

\$1,403 in Trust Fund income

\$3,390 in monetary gifts

\$21,352 in State Aid

\$ 582 from the Cultural Council for Library programs

Trust Fund income was used for Library materials, staff development and upkeep of the Children's Room aquarium. State Aid funds were used in FY'19 for repairs to the building and elevator, database subscriptions, and software and electronic subscription services. Gift funds were used to purchase Library collection materials.

In April we said goodbye to Jan Dempsey, who retired after 14 years as Library Director, and welcomed Kim Butler as our new Library Director. The transition of Library Directors has been seamless, a tribute to our outstanding staff, and the dedication and passion of Jan and Kim. Nichole Gray and Judy Bubriski were both elected for a second term as Library trustees.

Respectfully submitted,

Nichole Gray, Chair

Dorothy Goudie, Vice-Chair

Julie Clay, Secretary

Dede Johnson, Liaison to the Friends

Judith Bubriski

Dolores Boghdan

## ***Hamilton-Wenham Recreation Department***

The Hamilton Wenham Recreation Department provides a wide variety of programs designed to improve the quality of life for residents by meeting physical and recreational needs. We promote lifelong lessons through play, education, and community wide events.

In 2019, the HW Recreation Department:

- Added two new community special events – Fall Kite Festival & Flashlight Candy Cane Hunt.
- Increased attendance at Veterans Memorial Pool by offering a longer season, special events, increased food offerings, and a free Senior Swim on Sunday mornings.
- Modified the Summer Park Program to allow more participants to create a smaller wait list thus increasing our participation by over 25%
- Replaced the basketball systems (pole, backboard, rims) at Patton Park
- All Recreation Center lighting was replaced with new LED Lighting (Green Communities Grant). We expect to see a cost savings with the addition of the new lighting but more importantly a reduction in the building's carbon footprint.
- Continued our maintenance program of the Recreation Center by screening the gym floor and replacing the locking system on the entrance door.
- Offered a wider array of programs and expanded our weekend offerings which led to a 15% increase in our overall participation compared to 2018. This continues the trend of participations increasing by at least 15% for the past 5 years.

The HW Recreation Department's priorities for the year included:

- Add and improve upon existing community and special events
- Better use of technology to streamline communication and exchange of information between our office and program participants and the general public.
- Increase our concession offerings at the Veterans Memorial Pool to help increase revenue
- Continually make improvements to and maintain the Recreation Center to ensure that facility remains safe.
- Increase participation across all of our different programs and events by at least 18% by working with local partners to expand our offerings and class locations.

Significant Statistics:

- Saw a 21% increase in attendance at Veterans Memorial Pool from the Summer of 2018. The pool was open on July 4th and the season ran until Labor Day (not offered in 2018). The pool also offered free Senior Swim on Sunday mornings throughout the summer.
- Patton Park Summer Program saw a 27% increase in participation from the Summer of 2018. The Patton Park Summer Park Program has had a 171% increase since 2016.
- Overall participation has increased by 14% from 2018 to 2019.

### **Pool Statistics**

#### ***Memberships Sold***

Family :	192
Youth Individual:	48
Adult Individual:	22
Senior Individual:	21
Caretaker:	29

## *HAMILTON-WENHAM RECREATION DEPARTMENT (CONTINUED)*

### ***Swim Lesson/Swim Team Registration***

Swim Team: 87 Participants

Swim Lessons: 85 Participants

### ***Pool Attendance***

Total Number of Membership Scans: 6,440

Total Number of Drop-Ins: 1,385

Total Days of Operation: 82

Average Daily Attendance: 101

### ***Summer Park Program Attendance***

Total Registrations for Program in Summer of 2019: 1,740

Total Registrations for Program in Summer of 2018: 1,341

#### **Staff:**

Sean Timmons – Recreation Director

Danielle Kiely – Administrative Assistant

#### **Rec Committee:**

Steve Ozahowski – Chair (Hamilton)

Brad Tilley (Hamilton)

Len Dolan (Wenham)

John Cusolito (Wenham)

Denis Curran (Wenham)

## ***Hamilton Affordable Housing Trust***

The mission of the Hamilton Affordable Housing Trust is to increase the availability of affordable housing in Hamilton. Approximately three years ago, the Trust embarked on a program to determine alternative sites that could be appropriate for affordable housing. The Trust established a clearly defined vetting process which allowed for a straight forward approach to selecting potential locations for the development of affordable housing in our community. Many locations were vetted over this three year period, including privately owned and town owned sites.

The Trust was awarded Community Preservation Committee funds to create affordable housing in town with partner developers. The Trust approved a grant for Habitat for Humanity North Shore to purchase 270 Asbury Street for the purpose of creating two affordable family homes. Habitat for Humanity completed these homes in December 2018 and they are currently occupied.

The Trust also worked with Harborlight Community Partners to develop both senior and family affordable housing. Harborlight was planning to redevelop 59 Willow Street into twenty senior apartments. The Trust executed an agreement to provide \$300,000 for the purchase of the site. This project was tied to the creation of family housing on another site within the Town. The Trust worked with Harborlight to create the family affordable housing on a site off of Longmeadow Way. While the number of units and the land area changed a few times during the year, the final version of this project would have consisted of approximately fifty units on approximately nineteen acres of land. This version of the project required more funds than the Affordable Housing Trust had been previously appropriated. The Trust decided to request the additional funds at Fall Town Meeting. However, this funding was not approved at Town Meeting. At this time, neither project is anticipated to move forward.

In the fall of 2018, the Hamilton Planning Board negotiated with the developer of the proposed Canter Brook project. It was determined that Canter Brook would donate \$435,000 to the Hamilton Affordable Housing Trust to create affordable housing. Half of the funds will be submitted by December 2019. The second half will be submitted by December 2020.

The Trust has seen a change in its membership this year. The Board of Selectmen's representative, Bill Wilson, left the Trust when his term as a Selectman expired. Bill Olson has replaced him as the Board of Selectmen representative. Michael Lombardo, former Town Manager, also left the Trust when he left his position as the Town Manager. Joseph Domelowicz, the current Town Manager, has replaced him on the Trust. We thank both Bill Wilson and Michael Lombardo for their hard work and commitment to the Town and the Trust. Russ Tanzer was re-elected chairman of the Trust. The Trust is currently discussing changing the membership of the Trust to require that all members are residents of the Town.

The Trust is working with the Town's Gordon Conwell Task Force to explore creating affordable housing at the campus.

The Trust is evaluating a Ten Percent Down program leveraging existing Massachusetts Housing Finance and Massachusetts Housing Partnership programs. Conceptually, the amount contributed by the Town would be secured by a deferred payment junior mortgage at the Federal Funds Rate with a deed restriction for affordability.

We as a Trust pledge to continue to make affordable housing a reality in our town using smart growth principals as designed by the Commonwealth of Massachusetts.

## ***FY 20 Community Preservation Act Approved Projects***

### **FY 2020 Community Preservation Act Approved Projects**

**Approved at the April 6, 2019 Annual Town Meeting and at the October 19, 2019 Special Town Meeting**

<b>Project:</b>	Donovan Playing Fields Bond Payment
<b>Cost:</b>	\$41,200
<b>CPA Purpose:</b>	Open Space and Recreation
<b>Project Description:</b>	To fund the debt service for the Donovan Acquisition
<b>Project:</b>	Sagamore Conservation Project Bond Payment
<b>Applicant</b>	Essex County Greenbelt Association
<b>Cost:</b>	\$112,300
<b>CPA Purpose:</b>	Open Space and Recreation
<b>Project Description:</b>	To fund the debt service for the Sagamore Hill Conservation Project.
<b>Project:</b>	Town Hall Restoration/Renovation Project / OPM and Design Services
<b>Applicant</b>	Town Hall Building Committee / DPW
<b>Cost:</b>	\$150,000
<b>CPA Purpose:</b>	Historic Preservation
<b>Project Description:</b>	To fund the restoration/renovation of the Town Hall
<b>Project:</b>	The Community House Restoration Project
<b>Applicant</b>	The Community House
<b>Cost:</b>	\$100,000
<b>CPA Purpose:</b>	Historic Preservation
<b>Project Description:</b>	To fund the restoration of the Community House
<b>Project:</b>	Community Housing - Reserve
<b>Cost:</b>	\$47,000
<b>CPA Purpose:</b>	Community Housing
<b>Project Description:</b>	To reserve \$47,000 for the Community Housing Reserve
<b>Project:</b>	CPA Administration
<b>Cost:</b>	\$23,500
<b>CPA Purpose:</b>	Administration
<b>Project Description:</b>	To fund administration costs up to 5% of CPA revenues.

## *FY 20 COMMUNITY PRESERVATION ACT APPROVED PROJECTS (CONTINUED)*

**Project:** Town Hall Restoration/Renovation Project / OPM and Design Services  
**Applicant** Town Hall Building Committee / DPW  
**Cost:** \$250,000  
**CPA Purpose:** Historic Preservation  
**Project Description:** To fund the restoration/renovation of the Town Hall

**Project:** Hamilton Affordable Housing Trust  
**Applicant** Hamilton Affordable Housing Trust  
**Cost:** \$200,000  
**CPA Purpose:** Community Housing  
**Project Description:** To fund the creation of affordable housing through the Affordable Housing Trust via support of the Habitat for Humanity Project at 434 and 436 Asbury Street.

## ***Conservation Commission***

The Hamilton Conservation Commission's primary task is the administration and enforcement of the state Wetlands Protection Act (Ch. 131 §40) and the Town's Conservation By-Law, Chapter 17 of the Town's General Bylaws. The Commission also fulfills its mandate by funding environmental education programs in the regional school system, and by organizing and publicizing various conferences and events that seek to protect open space and inform residents of the value of preservation of woodlands and scenic areas as well as trail access and management.

### Conservation Commission jurisdiction and procedure:

The Commission's jurisdiction includes all proposed changes in land use within the borders of the Town which will occur within defined wetlands or within 100 feet of the defined edge of wetlands, or within 200 feet of perennial streams and rivers. The Commission considers applications (known as "Requests for Determination" and also "Notices of Intent") for work in these areas at public meetings and/or public hearings. The Commission or the Commission Coordinator holds site walks to review conditions at the proposed work area. The Commission then decides if a permit (either a "Negative Determination" or an "Order of Conditions") shall issue. Once a project is completed, the Commission reviews post project conditions to establish that the project was finished in the same manner as it was originally proposed and that no damage to resource areas has occurred. A Certificate of Compliance is then issued and the process is complete. The Commission also investigates violations of the Wetlands Act and local Conservation By-Law and the Commission issues Enforcement Orders or Violation Notices if appropriate.

Asides from conducting public hearings and holding open public meetings to review and analyze the various applications, the Commission, through their Coordinator, may on any given day do any or all of the following:

- Respond to residents' questions and concerns about wetlands permitting,
- Conduct preliminary site evaluations to determine applicability of jurisdiction,
- Perform various compliance inspections,
- Reply to building contractor and wetlands consultant questions and concerns,
- Interact with various state agencies most notably the Commonwealth's Department of Environmental Protection and;
- Work with the other Town departments to address issues of common concern.

### 2019 Noteworthy Events:

- Conservation Coordinator, Jim Hankin, retired mid-year. Afterward Marcie Ricker and other staff in the Planning & Inspections Department assisted the Commission and applicants until Albert Comins was hired in 2020.
- Commissioners attended the annual MACC Conference in Worcester in March 2019

### 2019 Filings and Other Regulatory Decisions

8 Requests for Determination

3 Orders of Conditions and Orders of Resource Area Delineation

5 Certificates of Compliance



## ***Historic District/Historical Commission***

Members of the Historic District Commission in 2019 included Edwin Howard, Stefanie Serafini, Jack Hauck, Elizabeth Wheaton, Kristen Weiss, Katherine Mittelbush, Scott Clements, Margaret Meahl and Olivia Hyde. Mr. Howard served as the Chair of the Commission.

The primary mission of the Historic District Commission is to review alterations to preserve the historic character of the Historic District that is centered on Bay Road. Owners of property within the District must apply to the Historic District Commission for Certificates of Appropriateness for changes to their property that are visible from Bay Road and town ways. The Commission also serves as the town-wide historical commission.

The Commission held ten meetings in 2019 and completed three regulatory reviews. The Commission reviewed the following Application of Appropriateness submissions:

<b>Address</b>	<b>Description</b>	<b>Decision</b>
690 Bay Road	Request to replace windows	Certificate of Non-Applicability Issued
310 Lake Drive	Demolition Request	Property did not meet demolition delay criteria
624 Bay Road	Request to install signs	The applicant withdrew their submission

In 2019, the Commission published a request for proposals for a consultant to draft a new Historic District Guidebook. The Commission ultimately selected Eric Dray and Gretchen Schuler as the consultant team to draft the guidebook. Mr. Dray and Ms. Schuler worked closely with the Commission over the course of the year to draft new guidelines. The Historic District Guidebook is scheduled to be completed in 2020.

The Commission worked closely with the Town Hall Building Committee, providing important oversight of the preservation of historic features on both the exterior and interior of the building. The Commission also spent time working with Everest Infrastructure Partners to develop a plan to mitigate the impact of the proposed cell tower on the Historic District's viewshed.

## ***Sealer of Weights and Measures***

I hereby submit my 2019 Report as Sealer of Weights and Measures for the Town of Hamilton. I inspected, sealed, adjusted, or condemned, a total of 53 Measuring Units. Two thousand and fifteen dollars was collected for fees.

The Sealer of Weights and Measures enforces laws regarding pricing and delivery which protects the citizens of Hamilton and those who visit the town. All commercially used measuring and weighing devices such as gasoline meters, home heating oil trucks, scales, and scanners, are annually tested as mandated by Massachusetts Law. If a device is approved, an approval and security seal will be attached. If a device is not approved, the business cannot use the device until it is fixed or replaced. The Sealer of Weights and Measures will respond to all complaints about pricing, weight, and deliveries. He also will conduct random inspections.

Respectfully Submitted,

Leonard Rose  
Inspector of Weights and Measures

Patrick Reffett  
Director of Planning & Inspectional Services

<b>2019 SUMMARY OF INSPECTIONS</b>			
<b>COMPANY</b>	<b>ADDRESS</b>	<b>DATE INSPECTED</b>	<b>FEE</b>
A & M Motors	203 Highland Street	1-11-2019	\$400.00
CVS Pharmacy	15 Walnut Road	3-6-2019	\$50.00
Meadowbrook Farm	247 Essex Street	4-26-2019	\$50.00
Cumberland Farms	121 Bay Road	5-2-2019	\$490.00
Family Medicine Associates LLC	15 Railroad Avenue	6-5-2019	\$25.00
Connolly's Pharmacy	44 Bay Road	10-31-2019	\$50.00
Hamilton Convenience	178 Bay Road	11-08-2019	\$280.00
Welch & Lamson Inc	305 Willow Street	11-8-2019	\$180.00
Crosby's Marketplace	15 Walnut Street	12-26-2019	\$490.00
			\$2,015.00

## ***Hamilton Inspectional Services***

The Inspectors and the Inspectional Services Department strive to protect the health, safety, and general welfare of the citizens of the Town of Hamilton by ensuring work permitted by the Department meets the required Codes, Town Bylaws, Laws and Regulations.

411 Building Permits were issued in 2019 which was a 9.4% increase from the previous year. There were 23 Building Permits issued for the construction of new dwellings, 34 permits were issued to install generators, 25 permits were issued for the installation of a roof top solar array, 46 permits were issued to construct or renovate bathrooms, and 33 permits were issued for kitchen renovations. The remainder of the Building Permits issued were for various interior and exterior repairs and construction.

258 Electrical Permits were issued and 267 Plumbing & Gas Fitting Permits were issued.

In December 2017 the amount charged for fees was increased which was reflected in a 48.7% increase of the total fees collected in 2018.

In 2019 \$251,928 was collected for Building, Electrical and Plumbing & Gas Fitting permit fees which was a 35% increase from 2018. The increase of the total fees collected in 2019 was due to the increase of permits issued, as well as the type of construction projects.

\$24,096,537 was spent by property owners on materials and labor for the construction, electrical work, plumbing and gas fitting work done in 2019; a 65% increase from 2018.

223 Building Permits were properly closed and Certificates of Completion or Certificates of Occupancy were issued.

Annual Inspections of Food Establishments, Schools, Daycare Facilities, Lecture Halls, Churches, Residential Assisted Living Facilities, and Private and Public Schools were performed by the Building Inspector and the Fire Inspector.

Patrick Reffett is the Director of Planning and Inspectional Services, Angelo Salamone is the Building Inspector, Robert J. Brown is the Electrical Inspector, Kevin Dash is the Plumbing & Gas Fitting Inspector. And Mary-Ellen L. Feener is the Administrative Assistant.

All applications may be found on the Town web site: [hamiltonma.gov](http://hamiltonma.gov), or by visiting Town Hall during the regular hours of business. There is a lot of pertinent and useful instructions and information on the Inspectional Services/Building Department web page.

If a Building Permit is issued for your property a Certificate of Completion or a Certificate of Occupancy will be issued once the work is completed and approved. A copy of the Certificate of Completion or the Certificate of Occupancy will be filed in the folder for the property. It is important that the paperwork is finalized because lenders, buyers and appraisers etc. do review property files and not having the proper final documentation could delay a sale or the refinancing of a mortgage. It is the responsibility of the contractor and/or the property owner to ensure the proper paperwork was submitted and finalized.

Respectfully for the Inspectional Services Department,

Angelo Salamone, Building Inspector  
Patrick Reffett, Director of Planning and Inspectional Services

## ***Hamilton Planning Board***

Members of the Hamilton Planning Board in 2019 started with Brian Stein as chair, Rick Mitchell as clerk and members Peter Clark, Edwin Howard, Richard Boroff, Janel Curry and Daniel Hamm. Christopher Shepherd and Laura Walsh were the two associate members.

In town wide elections following Annual Town Meeting Planning Board member Edwin Howard was not reelected and William Wheaton was elected to the board. Janel Curry resigned in September and Laura Walsh was appointed to fill the vacancy.

Throughout the year Planning & Inspections Director, Patrick Reffett assisted the Planning Board.

During 2019 the Hamilton Planning Board held twenty-two (22) regular meetings, and two (2) executive sessions.

### **Regulatory Actions by the Hamilton Planning Board in 2019**

A range of regulatory applications and reviews came before the Planning Board which serves as the permit granting authority for Site Plan Review, Approval Not Required (ANR) applications, Subdivision applications, and Special Permit applications.

**Site Plan Reviews** - The Planning Board, on behalf of the Town, provided site plan review on four (4) projects through the course of the year.

1. In accordance with MGL Ch. 40A, Sec 10 and the Zoning Bylaw a Site Plan Review was conducted for an application from the Hamilton Wenham Regional High School Baseball Boosters Organization for a scoreboard to be located at Patton Park, 308-388 Bay Road, Assessors map 56, Lot 6, in the R1B zoning district. The Board heard the proposal to build an illuminated scoreboard as part of the existing baseball field. Approved.
2. In accordance with MGL Chapter 40A, Sec 11, the Board discussed a request from the Permittee Canter Brook Capital LLC. for a Minor Modification to the Canter Brook Senior Housing Special Permit to approve a FORM K, Partial Release of Covenant. Approved.
3. In accordance with Section 10.6 of the Hamilton Zoning By-Law, a Site Plan Review from Green Meadows Farm, LLC, Hamilton, MA, for a Medical Marijuana Cultivation and Processing Facility was heard by the Board within three public hearings but was formally withdrawn without prejudice by the applicant. In conjunction with the proposal a Stormwater Management Special Permit application was also submitted and withdrawn. Both Accepted.
4. In accordance with Section 10.6 of the Hamilton Zoning By-Law, the Board held a public hearing to begin its Formal Site Plan Review of a proposed project for 59-63 Willow Street as submitted by the Hamilton Development Corporation (HDC) for a mixed use project containing multi-family dwellings and commercial space. Chairman Brian Stein recused himself from the hearing(s) as did Rick Mitchell who are both members of the HDC. Dan Hamm chaired the hearings. The Board determined that a professional Peer Review would be helpful to the Board and public to review traffic, parking and drainage aspects of the project. Approved.
5. In accordance with provisions of Chapter 40A, Sec 11, MGL, a public hearing was held at the request of Canter Brook Capital LLC for a Minor Modification of the Senior Housing and Stormwater Special permit issued on Jan. 20, 2016 (as extended) under Sec V.E of the Hamilton Zoning Bylaw on property at 354 Highland Street, Assessors Map 28, Parcel 8. The Owner requested a partial release on the Covenant to allot it to install foundations for two buildings with four units. Approved.
6. An Abbreviated Site Plan Review was held for a signage application for a public information sign at the Public Safety/Senior Center property (265-299 Bay Road) for a combined sign. Approved.

## *PLANNING BOARD (CONTINUED)*

**Form A - Approval Not Required (ANR)** Reviews – The Planning Board performed six (6) Form A – ANR reviews during 2019. Properties included:

1. In accordance with MGL Ch. 41, Sec 81 the owners of 10 and 12 Donald Road, to divide and redistribute the existing parcels by moving lot lines. Approved.
2. In accordance with the meaning of the Subdivision Control Law, the applicant submits a petition for 6 Overhead Drive in district R1-B to modify lots 4A and 1A by transferring a portion of land from for A to 1A, 6,125 s.f. Approved.
3. In accordance with the meaning of the Subdivision Control Law, Robert Patton on behalf of the Patton Family Limited Partnership proposed to modify property lot lines on the parcel otherwise known as Hamilton Assessors Map 19 Lot 4. The property is in the RA zoning district. Approved.
4. In accordance with MGL 41, Sec 82P and Hamilton Subdivision Regulations The 466 Highland Street Realty Trust and Britton Family LLC request was submitted to the Board to modify property lot lines on the parcel otherwise known as Hamilton Assessors Map 20 - Lot 5 and Lot 11. The property is partially within the RA and R1B zoning districts. Approved.
5. In accordance with MGL Chapter 41, Sec 81, the Britton Family LLC sought an endorsement to reconfigure lot lines to form three building parcels with frontage onto Porter Lane. Approved.
6. In accordance with MGL Ch. 41, Sec 81, the Owner/Applicant of 6 Bridge St., Assessors Map 49 Lot 31, sought a Form A, Approval Not Required endorsement to reconfigure lot lines to for two lots in compliance with ZBA decision Number 11 of 2019, Dated November 12, 2019. Approved.

**Pre-Application Conferences** – The Planning Board conducted two (2) such conferences during 2019.

1. A Conceptual 40B Project presentation by developer Peter Conant was provided to the Board and the public regarding his project which was intended for a portion of the Gordon Conwell Seminary property. The presentation was for informational purposes and any later formal application would be reviewed by the Zoning Board of Appeals consistent with MGL. The project was later retracted before a formal application was submitted.
2. In accordance with Hamilton Zoning Bylaw Section 10.6, the Planning Board heard an informal presentation and gave preliminary comments upon a preliminary application submitted by the Hamilton Development Corporation (HDC) for property located at 59-63 Willow St. The project was later submitted as a Site Plan Review project consistent with Business (B) Zoning.

**Special Permit Applications** (and related actions) – seven (7) Special Permit applications came to the Planning Board during 2019. These include:

1. 354 Highland Ave - In accordance with M.G.L. Chapter 40A, Section 11, Minor modifications of a previously approved Special Permit with two motions. The first was “to approve a partial release of the covenant for the Villages at Canter Brook Estates to be able to construct the building for units 1, 2, and 3” and the second “to approve the proposed architectural changes for the Villages of Canter Brook Estates as shown on the plans submitted by the applicant with the changes acceptable to the Board and approved by the Board” Both were Approved.

## *PLANNING BOARD (CONTINUED)*

2. Continued from 2018. In accordance with MGL Chapter 40A, Section 11, and the Hamilton Zoning Bylaw Section 7.2, A Public Hearing was held to erect a micro-system receiver/transmitter upon and atop a new pole at 161 Bay Road. The project was later withdrawn without prejudice by Mobilitie.
3. In accordance with MGL Chapter 40A, Section 11 the board discussed a Minor Modification to the Canter Brook Senior Housing Special Permit to allow proposed signage which exceeds the dimensions of the previously approved signage. Approved.
4. In accordance with the Town of Hamilton Stormwater Management Permit Rules and Regulations of August, 2010, (General By-Law Ch.XXIX) An Abbreviated Stormwater Management Special Permit for 47 Winthrop St. - Approved with Waivers.
5. In accordance with MGL Ch. 40A Sec 11, a Minor Modification to the Canter Brook Senior Housing Special Permit to approve a Form K Partial Release of Covenant was discussed. Approved.
6. A Stormwater Management Special Permit application from Green Meadows Farm, LLC, Hamilton, MA, was formally withdrawn without prejudice. Accepted.

A previously permitted project from 2017 to approve an amendment to the existing site plan approval for HWRS athletic fields issued by the ZBA was discussed. A future decision would be signed once received.

### **Definitive Subdivision Plans**

1. In accordance with MGL Chapter 40A, Section 11 and the Hamilton Zoning Bylaw Section 7.2, a Definitive Subdivision Plan by Nazir Shamsuddin consisting of the subdivision and reformation of parcels of land located at 46 and 48 Meyer Road to create two new lots and make various subdivision improvements was accepted and approved. The approval is being contested by abutters in Land Court.

### **Miscellaneous Public Hearings**

In accordance with MGL Chapter 40A, Section 11 and the Hamilton Zoning Bylaw Section 7.2, a public hearing was held to consider the Special Permit by Mobilitie LLC to erect a micro-system receiver/transmitter upon and atop a new pole to support local wireless service. Withdrawn.

### **Planning Board Legislative Actions**

1. Discussed the Proposed Street Acceptance Policy for recommendation to the Board of Selectmen - Recommendation Approved and sent to the Board of Selectmen for approval. The Board also suggested that it be presented at a future Town Meeting.
2. Considered an amendment to the Hamilton ZBL in Section 6.3 to allow the Town to regulate signs within all zoning districts - Amended and accepted to go forward to Town Meeting.
3. Considered amendments to the ZBL in Sec 7.3 to allow the Town to regulate Microcell and/or Small Cell Wireless Facilities and renumber the existing 7.3 (Wind Energy Facilities) to become 7.4 - Amended and accepted to go forward to Town Meeting.
4. Consider amendments to the ZBL to add a definition for Area Median Income (AMI) and modify the Inclusionary Housing bylaw (Section 8.3) in appropriate sections to allow the Town to impose inclusionary housing requirements as part of applicable projects. - Amended and accepted to go forward to Town Meeting.

## *PLANNING BOARD (CONTINUED)*

### **Planning Initiatives and Discussions**

1. In response to voting at Fall Town Meeting, Planning Board members believe that more public outreach is necessary to appropriately plan for future growth in Hamilton. Members are cognizant that in order for new and different zoning articles to gain public approval such proposed new legislation must have early public support and understanding based on current data. Further, members believe that updating the residential component of the 2004 Master Plan is a good way to best determine what residents will support with respect to future residential growth. Generally the Board believes the Master Plan to still be a highly applicable and relevant document with a strong reflection of community preferences and a means to preserve the quality of life in Hamilton.
1. Accordingly the Planning Board decided to review and revise the Residential Housing section of the 2004 Master Plan. The following action steps have been taken.
  - A. The board met with the consultants to discuss how two forums would be conducted.
  - B. The Board discussed outcomes of the Presentation conducted on Sept. 19, 2019, and considered next steps including possible bylaw amendments.
  - C. One forum was held with about 30 participants to determine potential locations for building of future housing.

### **Executive Sessions**

1. The Board went into E.S. for Purpose 7 of Section 22 of Mass. Open Meeting Law to review and approve draft Executive Session minutes regarding 46-48 Meyer Road from Nov. 21, 2017 and Oct 16, 2018 and to determine whether such minutes may be released.
2. The Board went into E.S. to vote to release the minutes of the Executive Session of Nov. 21, 2017.
3. The Board went into E.S. pursuant to G.L. c.30A, 21(a)(3) to discuss strategy with respect to litigation involving 46 and 48 Meyer Road, known as Maguire v. Town of Hamilton Planning Board, et al. , Land Court Case No. 2019 Misc., 00023d6.

### **Miscellaneous Board Discussions**

1. The Board discussed the background, land use capability, remaining land area, general planning implications, etc. of the Commercial Overlay District, formerly the Hamilton Landfill on Chebacco Road.
2. The board heard a presentation by a Metropolitan Area Planning Council (MAPC) representative regarding preparation of a Hazard Mitigation Plan being prepared by the MAPC on behalf of the town.

Respectfully submitted,

*Patrick Reffett, Planning Director*

## ***Zoning Board of Appeals***

The Zoning Board typically meets on the first Wednesday of the month in the Memorial Room on the first floor of Town Hall. The public is welcome and encouraged to attend the meetings of the Town of Hamilton Zoning Board of Appeals.

The Hamilton Zoning Board of Appeals has three appointed Board Members: Chairman William Bowler, John Rodenhizer, and Kimberly Dietel. The Chairman has the authority to designate Associate Board Members and there are two individuals: Bruce Gingrich and Winifred Whitman.

The Zoning Board hears and decides applications for Special Permits and petitions for variances, hears and decides appeals from decisions of a Zoning Administrator, hears and acts on Comprehensive Permits, reviews and makes recommendations to other special permit granting authorities, and makes findings on nonconforming uses and structures.

In 2019 there were eight meetings of the Zoning Board of Appeals:

- There was one Public Hearing requesting to allow Accessory Apartments in a dwelling which was approved by Board
- There was one Public Hearing requesting to have an In-Law Apartment in a single family dwelling which were approved by Board
- The Board approved five Special Permits Applications due to non-conforming lot size, and/or where the proposed construction did not conform to the Bylaw and the required set-backs.
- The Board approved one application for relief from the required dimensional requirements for signs for a sign in the downtown area.
- Three applications for Public Hearings were heard by the Board and then they were withdrawn by the applicant(s) and the Board accepted the withdrawals without prejudice

Massachusetts General Laws and the Town Zoning Bylaws dictate how a Zoning Board may conduct business; from posting agendas and processing applications to how decisions are rendered, written and filed. If you would like to learn more about the Roles and Responsibilities of Zoning Board Members, State Zoning Law, the Town Zoning Bylaws, or to view Agendas and Meeting Minutes, you may want to visit the Town web site: [hamiltonma.gov](http://hamiltonma.gov)

Respectfully for the Zoning Board of Appeals,

William Bowler, Chairman

Patrick Reffett, Director of Planning & Inspectional Services



## ***Department of Public Works***

Department of Public Works employees continue to perform their many and varied functions and continue to provide public services to the residents and other departments. FY19 included the following highlights:

### Administration:

- Promotions: In August Peter Cobb was promoted from Highway Foreman to the new Assistant Director of Public Works. Peter leaving the Highway Department led to a series of internal promotions, Ron Serozynski was promoted from Highway Heavy Equipment Operator to Highway Foreman and Scott McCulloch was promoted from Highway Truck Driver/Laborer to Highway Heavy Equipment Operator. Tim Campbell left Hamilton DPW in December to pursue a career in Public Safety.

### Highway:

- Roadway Improvements: In September the Town contracted with D&R Paving, Inc. to mill and overlay a series of roadways throughout Town. D&R Paving will return in the spring to complete the contract which will include new sidewalk along Linden Street and a few other small sidewalk areas throughout Town. Funds were provided by MassDOT Chapter 90.
- Tree Maintenance: DPW contracted with Cicoria Tree Services to continue to assist the Town with the performed routine tree maintenance and removed diseased and hazardous trees throughout Town.
- NPDES MS4 Permit Compliance: The Town of Hamilton is regulated under the EPA 2016 Municipal Separate Storm Sewer System (MS4) Permit for their stormwater system. As part of this permit in 2019, the Town continued to develop and implement a public education and outreach program and encouraged public involvement. A Stormwater Management Plan (SWMP) and an Illicit Discharge Detection and Elimination (IDDE) program were developed which included mapping and prioritizing regulated stormwater outfalls within the town. Hamilton will continue to implement and improve Best Management Practices over the next five years (i.e. the permit term) to protect water quality and reduce discharge pollutants into the stormwater system.
- Chebacco Road: In September 2019, Woodard & Curran's team met with Town officials and residents to gather input on the Chebacco Road reconstruction project. Following the meeting, the design team then flagged wetlands, conducted field survey, and performed geotechnical investigations within the project area which runs from Essex Street to the Manchester by the Sea town line. Geotechnical investigations that were conducted included borings to look for ledge and test pits to evaluate options for reconstructing Chebacco Road. The design team also developed alternative roadway layouts for the relocation of an unpaved section of Chebacco Road which is located on land owned by Manchester by the Sea and which currently runs along Gravelly Pond.
- MassDOT Complete Streets Program: A Complete Streets Committee was formed in February 2019 to prioritize pedestrian and bicycle travel in Hamilton and identify critical places for improvements. In accordance with the guidance of the MassDOT Complete Streets Funding Program, the Committee met several times over the past year to create a priority list of projects. The projects include creating new neighborhood sidewalk networks, plans for a bicycle route throughout town, and improved non-vehicular connections between residential areas and transit, schools and retail destinations. The Committee hosted a public informational meeting to receive feedback from Hamilton residents. The resulting Prioritization Plan was approved by MassDOT in September 2019. The Committee anticipates applying for Grant funding to construct one of the identified projects this spring.

## DEPARTMENT OF PUBLIC WORKS (CONTINUED)

### Facilities:

- Hamilton Town Hall Preservation: The DPW Director continues to be an active member of the Town Hall Building Committee charged with the preservation project for Town Hall. The THBC has tasked the Owners Project Manager (OPM), Design Technique, Inc. design consultants, LLB Architects, LLC to continue to progress the rehabilitation and preservation designs. At FTM, the THBC witnessed noticeable support from the Hamilton residents to preserve the interior staircase on the northside of the building. The THBC provided the feedback to the design team and since then has continued to refine the floor layout and exterior addition for the new elevator. The THBC also received and successfully meet recommendations from the Hamilton Historical District Committee (HHDC). Design plans are continuing to move forward and the Committee will be hosting public events and pushing updated information out in 2020.
- Patton Homestead: In the fall of 2019 DPW outfit the north wing of the Patton Homestead for the home of the Hamilton Historical Society as well as performed some interior modifications to the stable to allow group events.
- LED Communication Sign: Hamilton DPW issued the Solicitation for Quotes for the new LED Communication Sign to be installed in front of the Public Safety Building at 268 Bay Road. Plans are to have this sign installed in the spring of 2020.
- Emergency Generator at the Council on Aging: The DPW successfully procured the installation and services for the new emergency generator at the Council of Aging building located at 299 Bay Road. This emergency generator will allow the COA building to maintain power during outage times to provide an emergency shelter for the residents of Hamilton.

### Cemetery:

- Cemetery Paving: The Town contracted with D&R Paving, Inc. to pave the roadway surrounding the new plotted section in the Hamilton Cemetery.
- Cemetery Software: The Town has purchased a subscription to Cemetery Find, new on-line cemetery database software. Residents can search for interment records through the Town website.

### Parks:

- Patton Park Drainage: During 2019 the DPW established a contract with an engineering consulting firm to investigate drainage and flooding issues that have been ongoing at both the parking area and the Town's baseball field at Patton Park. To date multiple site visits have been held to observe the site conditions, a full topographic survey of the parking lot and ball field has been completed, and a number of preliminary-level alternate approaches have been developed to address the drainage issues. Next steps will include a review of the preliminary plans with the Conservation Commission to receive permitting input, the development of final construction-ready plans and specifications with construction cost estimates, and project bidding.

### Vehicle Maintenance:

- Equipment Replacement: Maintenance of public works and other Town owned vehicles continues at the DPW facility. As part of the vehicle replacement program, the Town purchased a new Cemetery Truck for the Cemetery Department.

### Sanitation:

## DEPARTMENT OF PUBLIC WORKS (CONTINUED)

- Household Hazardous Waste Day: The annual Household Hazardous Waste Day was held on October 5<sup>th</sup>, 2019 and nearly 100 vehicles brought material for disposal.
- Styrofoam Collection Event: In January 2019, with the assistance from the Waste Reduction Committee held its' first styrofoam collection day at the Winthrop School. Over 40 pounds of styrofoam was collected.
- Waste Collection: The Town continues to provide scheduled leaf pick-ups in the fall and spring and continues to provide monthly E-Waste drop off events to allow residents to leave: monitors, televisions, computers, white goods, etc. for a small fee at Town Hall.
- Recycle Dividends Program (RDP): The Department of Public Works continues to prepare solid waste annual reports to MassDEP to receive state funding through the annual Recycle Dividends Program "RDP" which has allowed the Town to purchase solid waste and recycling materials as well as pay for printing and postage for Townwide educational mailers.

### Water Department:

- Phase 4 Water System Improvements: In 2019, the Department of Public Works and Water Department staff worked with Stantec Consulting Services to identify and prioritize water system improvements based on age and condition of water main, hydrant functionality and capacity of the water distribution network. Phase 4 Water System Improvements Project includes approximately 8,100 linear feet of water main and service replacement on Forest Street, Village Lane, Beech Street, Woodbury Street, and Partridgeberry Lane. In addition, ten inoperable fire hydrants are to be replaced under the Project. Construction is expected to begin in the late spring of 2020.
- Water Treatment/Source Water Improvements: In response to the Notice of Non-compliance (NON) issued by MassDEP in December 2018, the Town's water system consultant prepared and submitted a Compliance Plan back in June 2019 summarizing the events that led to the totaltrihalomethanes (TTHM) violation, corrective actions that were taken by the Town to return back into compliance, and the Town's long-term plan to prevent future MCL violations.

The Town identified two infrastructure issues that likely contributed to the TTHM exceedance including faulty piping within the plant's backwash tanks and the recent use of the Idlewood No. 2 well which was determined to have elevated Total Organic Compounds (TOC) levels. With elevated TOCs in the raw water that is oxidized with sodium hypochlorite, required for removing iron and manganese at the plant, TTHMs are being formed and carried through into the distribution system. Corrective actions were taking involving the replacement of the faulty piping and the discontinued the use of the Idlewood No. 2 well. In addition to addressing the two infrastructure issues, the Town also begun to perform routine flushing of the system to remove organic material and reduce the water age to further mitigate the formation of TTHMs.

Based on the results of the monthly water quality sampling, the actions implemented by the Town to address the exceedance have proven to be effective, with monthly TTHMs levels consistently below the MCL of 80 ppb. As of June 2019, the Town has been back in compliance and recently gained approval from MassDEP to cease the required monthly sampling and return to the quarterly sampling required per the Stage 2 DBP Rule.

As mentioned previously, one of the corrective actions taken by the Town was the discontinued use of the Idlewood No. 2. This well is one of the Town's large water producers for the Town's water system and the future use of this well, and the others, will be necessary to meet system demands, particular during the higher peak periods in the summer. The current water plant processes are not designed to remove TOCs from the raw water which has led the Town to commission an evaluation of pre-treatment system alternatives to remove/reduce TOCs within the source wells. This study is on-going and is

## *DEPARTMENT OF PUBLIC WORKS (CONTINUED)*

expected to be completed by June 2020. The results of this study will be submitted to MassDEP for their concurrence and approval to proceed with the design and construction of the recommended TOC removal system at the plant.

- Well Maintenance: Two wells were serviced in 2019. The Caisson Well was cleaned and redeveloped and Idlewood 1 Satellite well was repaired following a redevelopment. Both wells are in service and producing optimum withdrawal to satisfy the water demand of the Town.
- Water System Master Plan: The Town contracted with Dewberry Engineers Inc. for completing a Water System Master Plan which evaluated the adequacy of the existing water system to meet current and future demands over the next twenty years. A new hydraulic model of the water distribution system was created as part of the work to assist in identifying where improvements were required to alleviate hydraulic limitations and increase available fire protection including the siting of a new water storage tank. This model was also used to conduct a water age system analyses. The Town has also recently executed a contract for performing a test well exploration program for siting a new satellite replacement well for Idlewood No. 2 in efforts to improve the water quality, which is scheduled to commence in March 2020.

### Hamilton Landfill

- Landfill Closure Certification: The Department of Public Works continues to prepare quarterly, and annual environmental monitoring reports MassDEP to maintain conformance with the Landfill Closure Certification.



## ***Special Town Meeting – October 13, 2018***

At the close of registration on October 3, 2018 there were 5,979 registered voters.

Precinct 1– 131

Precinct 2– 104

Precinct 3– 149

Assistant Town Moderator/Teller William Bowler

328 Essex Street

Appointed Tellers:

Susan Ackerman 16 Greenbrook Road

Anne Gero 180 Asbury Street

Denise Kelly 2 Beech Street

Laura Macphail 100 Ortins Road

Frederick Mills 15 Arthur Avenue

Robert Woodbury 484 Bridge Street

The Moderator declared a quorum present (75) and the Warrant returned showing it had been properly served, opened the Special Town Meeting at 9:00 A.M. with 384 voters checked and present.

The Moderator introduced himself as Jeff Melick and thanked residents for attending. Mr. Melick said: “There are a number of people who have volunteered and worked hard to put together the physical facilities and lighting, etc. to make this meeting possible today and I’d like to thank them publicly for their efforts. We couldn’t do this without their kind assistance.”

Pledge of Allegiance

Town Moderator stated: “I would like to start with four general reminders. First if you are a registered voter in Hamilton, you should have picked up a voter card at the table in the foyer. If you haven’t and wish to vote, then I ask you to get one now. You will need to raise the card to cast your vote on the issues we decide here today. Second, please turn your cell phone to silent. If you need to take or make a call, please leave the room to do so. Third, we welcome nonvoters to the Town Meeting,

but do ask that you sit in the visitors’ area in the back left so it will be easier to know who is able to vote and who is not. Voters should not stand against the wall and if they leave, they won’t be allowed back into the room until the vote is completed. Fourth, registered voters also sit in the overflow room in the cafeteria. I have appointed William Bowler to be the assistant moderator there and I would like to express my gratitude that he is willing to do that for us today. There is a pro and con to having the overflow room. The pro is that it allows voters with children to sit in there, participate in the voting and ensure their children are okay. The con is that it takes longer to get votes counted. I have erred on the side of supporting parents coming to Town Meeting by continuing the tradition of having this room available. People in the cafeteria desiring to speak to any article must come to the microphones in the auditorium.

To assist me with vote counting, I have appointed six tellers, two for each of the sections in this room. The sections are the left, as you look forward, the center, and the right and front. Mr. Bowler will serve as the teller for the overflow room. The tellers for this room, who have been properly sworn, are as follows: Ann Gero, Denise Kelly, Bob Woodbury, Susan Ackerman, Fred Mills, and Laura MacPhail. I would like to thank them for doing this for us.”

Jeff Melick introduced Jeff Hubbard (Selectmen), Scott Maddern (Selectmen), Bill Olson (Selectmen) Shawn Farrell (Selectman Chair), Joe Domelowicz (Town Manager), Phil Stearns (FinCom Chair), David Wanger (FinCom), John Pruellage (FinCom), Darcy Dale (FinCom), Nick Tensen (FinCom), Marisa Batista (Finance Director), Donna Brewer (Town Counsel), Andrea Carlson (Town Clerk), and Allison Jenkins (Selectmen).

## *SPECIAL TOWN MEETING (CONTINUED)*

Town Moderator said: "I hope you all read and brought your copy of the Town Warrant. If you did not there may still be some extra copies in the foyer. The agenda for the meeting is the Warrant. It was prepared by the Board of Selectmen. To bring an agenda item before the meeting, I will recognize a member of the sponsoring board, committee, or individual so they can make a motion. If the motion is seconded, I will recognize the proponent to speak to you about it first. Once they are done, I will ask the FinCom for their opinion, then open discussion up to you. If you wish to speak, you must first ask me to recognize you. To save time, I ask that you already be standing at one of the microphones in the room. They are on the right and left side of the room. Once you're recognized, please state your name and street address. You may then make comments or ask questions about the motion. You will have three minutes to do so. Your comments and questions must be within what we call the four corners of the motion. Please do not make comments about any person or group who is in favor of or against the motion, just comment on the merits of the motion itself. Please no applause. All motions to amend a motion must be submitted to the Town Clerk in writing. If you need assistance in framing it, Town Counsel will provide you with some assistance. No more than one motion to amend may be pending at the same time. A vote is first taken on the motion to amend, and then any subsequent motions to amend, which would be considered, and then on the main motion whether it is amended or not. As I mentioned, when a vote is taken, I will ask you to raise your voter cards and I will then decide visually whether there is the necessary majority or 2/3 or 4/5 majority vote. If I am in doubt, or seven voters question the vote immediately after I declare the outcome, I will have the vote counted by the tellers. In the event someone moves the previous question, what they are asking is that all discussion on the motion cease and that we take an immediate vote. A motion to move the previous question requires a 2/3 vote.

However, if I as moderator do not believe there has been an appropriate amount of discussion on the motion because there are a lot of people in line waiting to speak or if the discussion just started, I have the right to postpone consideration of the motion to move the previous question.

Finally, let me say this. I am aware that some of the articles here have engendered a lot of emotion on behalf of some people on one side or the other. Please keep in mind that those who will be standing before you speaking about the motion have the town's best interests in their heart. You may not agree with them, but that's alright. Disagreement is a natural thing. It is part of our democratic process. But please keep your comments to the merits of the motions and not the people involved. I want to make sure that everybody that wants to stand up and speak about something, feels comfortable in doing so. That is the essence of Town Meeting government. It is okay to disagree. It is not ok to be disagreeable.

Finally an announcement as to Holds. Some of our motions will include a listing of items that will be voted on as a group unless a voter shouts Hold on the item. When there is a shouted Hold during the reading of a list for consideration by the meeting, the identity of the voter requesting the hold must be ascertained first. This information is for the minutes of the meeting and to save meeting time when a held item is considered later in the meeting. If I am unable to identify a voter requesting a Hold I may disregard the Hold.

We will begin with brief reports by Shawn Farrell, the Chairman of the Board of Selectmen." Town Moderator recognized Shawn Farrell.

### **Board of Selectmen Report**

Shawn Farrell read: "Thank you Mr. Moderator. Good morning everyone and welcome to Special Town Meeting. First I would like to say thank you to all the

## *SPECIAL TOWN MEETING (CONTINUED)*

people involved in front and behind the scenes who helped put this meeting together and thank you to all the boards and committees who volunteer their time and effort. All your hard work is truly appreciated. And thank you all for attending today.

Town meeting is one of the purest forms of democracy and your opportunity to guide the future of our town. I appreciate the time you are taking out of your days to be here for our town. Before we get to the issues I just want to take a quick moment to share with you some updates on town business.

I would like to take this opportunity to welcome our new Town Manager, Joe Domelowicz. He has gotten off to a running start and I am encouraged by his approach to the issues Hamilton faces and the way he has conducted himself so far. I would like to thank Chief Russ Stevens for all his help with the Town Manager search and filling in as acting Town Manager when it was needed. Our police department recently finished the accreditation process and passed with flying colors. We are one of 78 police departments accredited in the state.

Fiscally we are in great shape and our reserves are strong. We had a clean audit and have maintained our AAA bond rating. We continue to maintain our three-year forecast and five-year capital plan. Our Finance Director Marisa Batista helped the town secure a Community Compact Grant from the state to review and work on our financial policies and we are working through them now. As part of this process The Board of Selectmen is developing capital and reserve policies before this year's budgeting cycle begins. We have been fiscally responsible and kept our operating budget increases to a minimum. If you recall last year's increase was around 1%.

Our school enrollment is down 7% over the last five years and we need to work on finding a way to decrease school costs to reflect this decline by working with the School Committee during their budget process.

Trash costs have grown because of increased recycling tipping fees associated with a drop in the Chinese market. We have just recently renamed our recycling Committee the Waste Reduction Committee to reflect our goal of reducing our waste and not just focusing on recycling. Please take the time to educate yourself on our compost program as compost typically accounts for the most weight in our trash program and the more we compost, the more money we will save. If you did not receive a mailer about our composting and recycling program, I encourage you to go to the Town website to see what can and cannot go in your compost and recycling. There is also information in the lobby today.

Our Council on Aging is strong and serving almost 2,000 of our growing senior population and our senior transportation program is the envy of other towns with a wait time of around 15 minutes. The COA would like to add that they and we wish Lucy Frederiksen our Social Services Specialist a speedy recovery from a recent surgery.

Our joint Recreation Department has had another great year with huge growth as a result of the pool and continues to offer great programming to our residents. The two centerpieces of Patton Park have been improved. The gazebo has had the old railings removed and steps have been built that surround the structure. The Patton Park Tank has also had a much-needed facelift courtesy of a local scout, Hugh Gist, for his Eagle Scout project. We have worked with Wenham to regionalize our inspection services and look forward to the efficiencies it will generate.

Our Vacant and Dilapidated Buildings Bylaw that was voted in favor of last Town Meeting, has been approved by the Attorney General and is being enforced. Green



## *SPECIAL TOWN MEETING (CONTINUED)*

Meadows Farm has been approved for an indoor medical marijuana farm on the property. You may recall that we voted no to marijuana retail in Hamilton at a past Town Meeting and that still will be the case. A host community agreement was signed with Green Meadow Farm and the Town will receive 1.5% of the revenue generated until a threshold of \$6 million in profit by the farm is met and then the Town will receive 1.75% after that. We will also gain money to pay for a school resource officer as part of the agreement. I would like to thank Bob Patton for his commitment to give back to the Town of Hamilton during the negotiation process.

Our Town Hall Building committee has hired an Owners Project Manager and has begun the process of looking into the rehabilitation of our Town Hall. The Town Manager has started a Gordon Conwell Theological Seminary Task Force to look into working with the seminary to figure out how the seminary and the Town can work together to come to an agreement on their payment in lieu of taxes or some other form of compensation. They have had a handful of meetings with the seminary and will continue to negotiate over the next few months.

We purchased a new fire truck that arrived in August to replace our previous Engine #1. Chief Phil Stevens is retiring at the end of December after 37 years of hard work and dedication to the Town of Hamilton. Please join me in a round of applause to honor Chief Stevens and to congratulate Ray Burnett who will be filling his shoes starting in January as acting Fire Chief.

Town Meeting voted to approve a Municipal Aggregation Program at a previous Town Meeting to reduce the electrical supply rate for our citizens. The Town partnered with the Town of Gloucester to go out to bid for a reduced electrical rate. The bid from Nextera was locked in about a week ago at 11.4 cents per kWh including 5% of the supply coming from

renewable sources. Residents can also opt for 0% renewable rate of 11.3 cents per kWh and 100% renewable rate of 13.4 cents per kWh. National Grid's announced supply rate per kWh will be 13.4 cents as of Nov 1st if we had stayed with the utility. Citizens will see the benefit of the program in an upcoming utility bill.

Our water treatment plant has been having updates made to it so that we can treat the water more efficiently and operate as it was designed. We expect the update to be finished in the next month. We expect to remove the water ban at the next Board of Selectmen's meeting. The water main replacement project that was voted through over several Town Meetings is going well. 22,000 feet have been replaced so far.

Our partnership with Ameresco to place a three-acre solar array at the Town landfill is getting closer to coming to fruition. The project will generate 1 million kWh of electricity annually for purchase by the Town. The purchase price will be .02/cents a kWh below the National Grid retail price. Ameresco will also pay approximately \$10,000 annually through a lease payment or PILOT. Total anticipated benefit to the Town is \$30K annually.

You may recall at last Town Meeting an advisory vote was taken to not tax the DCR Property on Highland Street. The Board of Selectmen is interested in reaching an accommodation with Mr. & Mrs. Kaminski, the residents of 550 Highland Street, and has asked the Town Manager and

Town Counsel to begin meeting with the Kaminski's to accomplish that. At the same time the Board of Selectmen is working aggressively with the State administration and legislature to change the law to make 550 Highland Street not taxable as soon as possible. This week there will also be a scheduling conference with the judge pertaining to the lawsuit

## *SPECIAL TOWN MEETING (CONTINUED)*

involving Varsity Wireless' proposed cell phone tower behind Town Hall.

The owner of 133 Essex Street has closed sections of the Chebacco Woods Trails that go through the property and the town is weighing its options to keep the trails open that have been used by the general public for hiking, horseback riding, and other passive recreational use continually for more than 20 years. We feel we have a strong case to keep the trails open for our citizens to enjoy.

We are working with our State representatives to address the amount of power outages in Hamilton and have an upcoming meeting with National Grid to work on solutions.

The Town and Habitat for Humanity partnered together to build two affordable units on Asbury Street that are near completion.

So as you can see, we have a lot going on. There are many important issues being brought before us to vote on today. We are all here because we care about the future of Hamilton, There is no us or them in this room, we are all neighbors. So while we may not all agree on these issues, let us not forget to treat each other as such. We are all in this together. Thank you."

Town Moderator recognized the Town Manager, Joe Domelowicz

Joe Domelowicz thanked residents for welcoming him to town.

Town Moderator read: "We will now begin going through the Articles in the Warrant."

### **SECTION 1: REPORTS, PROCEDURES**

#### **ARTICLE 2018/10 1-1 Reports.**

Town Moderator read: "To hear reports of Town Officers and selected committees and to take action thereon or relative thereto. Reports will appear in the Town Report for Calendar Year 2018."

Town Moderator recognized Shawn Farrell.

Shawn Farrell said: "I move that the reports of Town Officers and Committees be received and placed on file.

Seconded.

Shawn Farrell said he would like to take action on the reports.

Bill Shields (721 Bay Rd.) requested information regarding the three pending Citizen's Petition's for paying bills, hiring counsel and having a report with regard to the cell tower litigation. Mr. Farrell responded that the report was not yet complete. The Selectmen were waiting for litigation to wrap up.

Vote: Motion carries.

#### **ARTICLE 2018/10 Consent Motion**

Town Moderator read: "I will now entertain a motion to consolidate in one consent motion, the following articles to be taken up and voted on as one motion. Shout out Hold as the list is read. Any article for which there is an accepted Hold will be deleted from the Consent Motion and taken up and considered separately according to its place on the Warrant.

The Motions to be consolidated into one consent motion will pertain to the following:

2-1 FY'19 Budget Adjustments, 2-2 Appropriation for Fire Equipment, 2-3 Prior Year Bills, and 4-1 By-law Amendment Personnel By-law."

Town Moderator recognized Shawn Farrell.

## *SPECIAL TOWN MEETING (CONTINUED)*

Shawn Farrell said: "I move that the numbered motions for the articles read by the Moderator be approved by one vote, each motion to be deemed a separate action under the Warrant Article having the same corresponding number."

Seconded.

Shawn Farrell noted that due to the efficiency of Town Meeting, the articles were considered together.

Moderator read: "Since the motion for Article 2-3 requires a 9/10th vote, I will only call the consent motion as approved if it is unanimous."

Vote: Motion carries.

### **SECTION 2: FINANCIAL ACTIONS**

#### **ARTICLE 2018/10 2-4. Community Preservation Funds**

Town Moderator read: "To see if the Town will appropriate monies from Community Preservation Fund special revenues, specific reserves, or other available funds for the undertaking of community preservation projects as recommended by the Community Preservation Committee, or take any action thereon or relative thereto.

I will now read the recommendations of the Community Preservation Committee. Shout out a Hold for any item for which you would like separate discussion. The proposed financial actions area follows:

Item 1 – Open Space and Recreation – to appropriate \$17,000 from the Community Preservation Fund Balance to fund the removal of invasive species in Weaver Pond in Patton Park, with the condition that the effort commence prior to November 1, 2019.

Item 2 – Open Space and Recreation – to appropriate \$10,000 from the Community Preservation Fund Balance to fund the rehabilitation/replacement of the two basketball hoop systems at the basketball courts in Patton Park, with the condition that the effort commence prior to July 1, 2019.

Item 3 – Historic Preservation – to appropriate \$5,500 from the Community Preservation Fund Balance to fund the restoration of the cannons in Patton Park, with the condition that the effort commence prior to July 1, 2019.

Item 4 – Historic Preservation – to amend the vote on the motion for Article 2-7 of the November 4, 2017 Special Town Meeting to permit the appropriation from the Historic Preservation Reserves to fund both the Owners Project Manager (OPM) and design services for the restoration of Hamilton Town Hall, no further appropriations needed." Town Moderator noted that no "Holds" had been heard.

Town Moderator recognized Jay Butler.

Jay Butler (78 Old Cart Road/CPC Chairman) said: "I move that the Town act on the Community Preservation Committee recommended specified projects and appropriate \$17,000 from the Community Preservation Fund Balance to fund the removal of invasive species in Weaver Pond in Patton Park, with the condition that the effort commence prior to November 1, 2019, appropriate \$10,000 from the Community Preservation Fund Balance to fund the rehabilitation/replacement of the two basketball hoop systems at the basketball court in Patton Park, with the condition that the effort commence prior to July 1, 2019, appropriate \$5,500 from the Community Preservation Fund Balance to fund the restoration of the cannons in Patton Park, with the condition that the effort commence prior to July 1, 2019, and amend the vote on the motion for Article 2-7 of the November 4, 2017 Special Town meeting to permit the appropriation from the Historic Preservation

## *SPECIAL TOWN MEETING (CONTINUED)*

reserves to fund both the Owners Project Manager (OPM) and design services for the restoration of Hamilton Town Hall, no further appropriation needed.”  
Seconded.

Jay Butler presented a slide regarding the grant requests and explained the needs. The Patton Park weed eradication had been done ten years prior. DeRosa Engineering would apply herbicide and use a hydro-rake to remove the invasive species. The Hamilton Recreation Department had requested the replacement of the basketball systems. A donation from Hamilton Wenham Youth Basketball would also be used to fund the project. The DPW requested to restore the cannons at Patton Park. A local firm would do the work to restore the cannon. A portion of the GoFundMe page overflow from a Boy Scout’s Patton tank project would be used to supplement the cost. The final item corrected an oversight for the \$75,000 grant awarded the previous year. The original grant application was clear that the money was for OPM and some design services. Design services wording was not used in the original article.

Vote: Motion carries.

ARTICLE 2018//10 2-5 Appropriate and Transfer Funds to the Patton Homestead Fund. Town Moderator read: “To see if the Town will raise and appropriate or transfer from available funds a sum of money to the Patton Homestead Fund to fund Fiscal Year 2019 operating costs, or take any action thereon or relative thereto.”

Town Moderator recognized Carin Kale.

Carin Kale said: “I move to see if the Town will raise and appropriate and transfer to the Patton Homestead Fund \$90,011 to fund Fiscal Year 2019 operating costs.”

Seconded.

Carin Kale (36 Rock Maple Ave/President of Patton Homestead Inc.) noted the support received in the past. The budget had two parts including \$30,000 for a six month Director salary who would report to the Town Manager, be responsible for day to day management, and bring in revenue. \$63,000 for ongoing maintenance and start-up costs was also being requested. \$20,000 of the request would go back to the General Fund to represent the overhead expenses incurred by DPW Director and Town Manager’s time. Revenue from the Wenham Museum was noted. Reasons to Support the Operating Budget were due to revenue potential, the use of the community asset, the need for transparency and clear reporting of operating costs versus revenue, the existence of momentum including the parking lot and renovations completed, and its affordability. A capital campaign was planned for further renovations and a business plan was being developed. Senator Tarr was successful at obtaining a \$750,000 grant earmarked (for next July) for renovations in a State Capital Bond Bill. Patton Ridge condominiums brought in over \$1M to the Town and generated \$150,000 in taxes annually. Ms. Kale indicated that the Homestead was not losing money. Mrs. Patton had sent a letter and agreed with the recommendation.

John Pruellage (FinCom) provided insight into the favorable recommendation to the article and thanked members of the Patton Homestead Board for their being an example of volunteers in the community. Mr. Pruellage said FinCom shared the view of the Patton Homestead being a cultural asset. The FinCom was unanimously in favor of the article with reservations such as if the Town should be operating an event venue and if the business was viable. The FinCom expressed objectivity in the process and asked for the Summary be more objective but their comments were not taken, according to Mr. Pruellage. The FinCom had challenged the Patton Homestead Board to take a number of actions, which they were in the process of doing.

## *SPECIAL TOWN MEETING (CONTINUED)*

Actions included a more robust business plan, more granular revenue and expense projections, and an understanding of the potential for fund raising and grants. The FinCom wanted more viable milestones by next spring in order to track the progress of the project. Mr. Pruellage said the Town could not fund the project as the Town had many other competing priorities. Mr. Pruellage indicated that hiring a Director would be a way to see the process through. The FinCom was not yet convinced that the project was viable long term even though they shared the Committee's enthusiasm and wanted to see the project take the next step. Mr. Prueallage added that this article would allow that.

Lynnette Fallon (38 Goodhue St.) asked about current funds, how much it cost currently, the run rate and balance. Carin Kale responded that was why the previous Town Meeting approved the special fund to create transparency. Ms. Kale said \$6,000 went to the General Fund while costs were paid out of Homestead Fund. Jerry Fallon (38 Goodhue St.) asked if the grant from the State was absolute to which Ms. Kale responded that the Governor had signed it but they would not be received until July 2019. Mr. Fallon asked why two Selectmen had voted against it.

Allison Jenkins (75 Plum St.) said she voted against it because of a statement made but fully supported the Homestead and article currently. Jeff Hubbard (85 Miles River Road) said he voted against it because the Town had funded it for eight years and ancillary activity such as this were ones the government should not be involved in if they wanted to reduce or have level taxes.

Jackie Hodge (222 Cutler Road) questioned the full time Director. Carin Kale said it would be a full time position with benefits. The decision was based on input from the interim Town Manager.

Susan Lawrence (105 Rock Maple Ave) asked to whom the director would report, to which Ms. Kale responded it would be the Town Manager as the non-profit did not own the property. Lynnette Fallon asked about the balance of the Homestead Fund to which Ms. Kale responded that it was about \$20,000 for day to day operations. Allison Jenkins clarified that the previous Town Finance Directors were not the issue with the accounting of the project, but the previous Town Manager had restricted the accounting. Bill Dery (356 Chebacco Road) wanted to have a complete accounting of what had been spent and how much more would be needed before approving the article. Mr. Dery said there was \$1.5M in repairs needed. Ms. Kale said the group was working with a consultant to determine needs. Ms. Kale noted the money given to the Town upon the condominium sale and the taxable income from the condominiums.

Vote: Motion carries.

### **ARTICLE 2018/10 2-6 Funds for Affordable Housing – Longmeadow Project.**

Town Moderator read: "To see if the Town will appropriate or transfer a sum of money from available sources to the Affordable Housing Trust for the purpose of reducing the number of housing units to be developed by Harborlight and/or its partners at the Longmeadow Way location, such award to be subject to such terms and conditions as are acceptable to the Affordable Housing Trust or take any action thereon or relative thereto."

Town Moderator recognized Marc Johnson.

Marc Johnson said: "I move that the Town transfer \$600,000 from Certified Free Cash to the Affordable Housing Trust for the purpose of creating housing units to be developed by Harborlight and/or its partners at the Longmeadow Way location, such award to be subject to developing no more than 50 affordable units and no less than 40 affordable units, and not to be used

## *SPECIAL TOWN MEETING (CONTINUED)*

for legal fees, and upon such other terms and conditions as are acceptable to the Affordable Housing Trust.”

Seconded

Mr. Johnson explained the 40B requirements noting the town was at 3%, which would drop when some units dropped off. There was no State law enforcing the requirement except that a developer could supersede local zoning. Mr. Johnson showed slides of the potential development of 40 units between Longmeadow 3 and Longmeadow 5. The preliminary sketch, schematic site plan, and schematic elevations were shown. Detailed plans would be presented to the ZBA for approval. The Affordable House Trust (AHT) would be spending \$1.3M for Longmeadow Way, which would be \$32,000 per unit. Funding sources included \$300,000 from AHT, which were provided previously by the CPC. \$400,000 would be from the Canterbrook Senior Housing Project, which was already agreed to by the Planning Board. \$600,000 from free cash was the remaining need, which was what the article was asking.

According to Marc Johnson, Harborlight had an agreement with the Hamilton Development Corporation to purchase Willow St. to construct 20 senior affordable units. Harborlight had conditioned the agreement stating that they needed a companion project anywhere in town because the State liked family or workforce housing. The linkage was Harborlight getting permission from the State. \$300,000 was previously committed for that project for a total of \$1.6M for both developments. Longmeadow 3 and 5 would be sold by Harborlight as affordable or market rate units. They budgeted \$700,000 if an affordable restriction were placed on the houses but they would be valued at \$250,000 each. The Town would cover the shortfall for the property for a cost of about \$200,000 but the AHT didn't want to commit future Town Meetings for those dollars, so the AHT would allow additional density for up to ten units.

If eight units were provided, the Town would not need to fund the project further.

Marc Johnson said the Affordable Housing Trust wanted 40 units not 100 or 200 units. The cost and social consequences would be wrong for the Town of Hamilton. Mr. Johnson showed a comparative analysis of the school costs, which compared the number of units and their costs considering Hamilton's share of the regional system. Mr. Johnson also compared the cost of a \$600,000 ask and the cost of educating hundreds of new students. Mr. Johnson also referred to the work of the AHT in trying to accomplish their goals.

Town Moderator recognized Phil Stearns.

Phil Stearns (FinCom) said: “Good Morning. I want to thank the Affordable Housing Trust. For many years, they have done a lot of work trying to resolve an issue that Hamilton has because it is clear that Hamilton needs Workforce Housing. Teachers, police, town employees, seniors and other current residents would all benefit from more affordable local housing and it stands to reason that 40 to 50 units will have less impact on the town than a higher number. However, the FinCom thought the Summary in the Warrant for Article 2-6 was somewhat biased and left out important information. FinCom wrote a second summary and submitted it to the Board of Selectmen for consideration. We received no response from the Board of Selectmen, other than the fact that the original summary was used without our suggested changes. We thought it was relevant to remind voters that the CPC declined to appropriate funds for this purpose on August 9th, 2018.

The Finance Committee's “No” recommendation was based on the original article that we voted on September 5th. At that time the article was significantly different from the current motion. The amount of funding and the source of the funding were not specified. At our meeting, we were verbally informed

## *SPECIAL TOWN MEETING (CONTINUED)*

that the amount of the ask would be up to \$1M that would be used to limit the development to 48 units +/- . There was no guarantee that Harborlight Community Partners (HCP) would accept this money if offered. It was verbally explained that HCP would want additional funding of up to \$700,000 for the existing homes at Longmeadow. If this amount is not achieved through a sale, then the Town would be asked to make up the difference or additional units could be added. \$300,000 has already been earmarked for Longmeadow by the AHT. At that time the total appeared to be \$1M plus \$300,000 plus the difference for existing homes maybe \$250,000-500,000. This total is in the \$1.5 to \$1.8 million range. And another \$300,000 is already being held somehow to support 20 units on Willow St.

There is uncertainty about what the alternatives are: The ask to the CPC in early August stated that 'Harborlight has recently discussed constructing up to 100 units of Affordable housing on the site. In this current ask the number is 200 units of market rate housing a percentage of which will be affordable. The origin of these numbers has not been made clear. There is uncertainty about what the site can support: To our knowledge, there have been no septic or other site engineering studies done. It is possible that the site cannot support 200 units or even 100

units. Maybe we should find out what the site can hold before investing Town money. FinCom has not seen any agreement with Harborlight concerning costs, terms and conditions. So far all we've had is word of mouth. Our conclusion, when we voted, was that there was too much uncertainty to commit Town resources and that there was still time to get more information before a decision had to be made. We can wait until we see a formal proposal from a developer and then negotiate based on facts.

Unfortunately, FinCom cannot make a recommendation on the current Motion as just presented because there was no time for us to give 48 hours for notice to hold a meeting to discuss it. We saw it for the first time on Wednesday. One final point: The town is currently in the process of developing Financial Policies. The next policies on deck are Financial Reserves and Capital Planning. These will include targets for Free Cash and our Stabilization Fund. It is also recommended by MA Dept. of Revenue that we add a new fund called a Capital Stabilization Fund that can accrue money to help us with future capital expenditures such as buildings and equipment. Allocating \$600,000 from Free Cash before we finalize the fund targets in these policies could leave our reserves short of where we want to be. Personally, I can't speak for the committee, but I have not seen enough to change my opinion."

Dave Thompson (103 Essex St.) spoke against the proposal. Jack Lawrence (105 Rock Maple) spoke against the proposal. Bill Dery (356 Chebaco Road) spoke against the proposal. Jean Towne (20 Savoy Rd) spoke against the proposal. Bill Olson (419 Highland St./Board of Selectmen/AHT) spoke in favor of the proposal. Bob Curry (713 Bay Road) spoke against the proposal. Marc Johnson responded. Anna Siedzik (227 Highland St.) spoke in favor of the proposal. Rosemary Kennedy (61 Rust St.) spoke against the proposal. Dawn Thibeault (10 Annies Lane) spoke in favor of the proposal. Allie Moffet (2 Smithwood Terrace) spoke against the proposal. Ron Huth (34 Maple St.) spoke in favor of the proposal. Richard Boroff (40 Moynihan Rd) spoke in favor of the proposal. Lynnette Fallon (38 Goodhue St.) spoke against the proposal. Patrick Gray (151 Asbury St.) spoke in favor of the proposal. Bill Shields (721 Bay Road) spoke against the proposal.

Motion made by Tracy Lutz (39 Chestnut St.) to vote on the previous motion.

Seconded.

Town Moderator explained that a Motion to move the previous Motion needed a 2/3rds majority.

## *SPECIAL TOWN MEETING (CONTINUED)*

Vote: Motion carries and Town Moderator declared a 2/3rds vote.

Vote: Main Motion does not carry.

Town Moderator explained that Marc Johnson had been told he would be able to respond to comments at the end of the discussion. Jeff Melick added that he had followed protocol for when the Motion to move the original motion was made. Mr. Melick said the vote was overwhelmingly against the article.

### **SECTION 3: PLANNING/ZONING ACTIONS**

#### **ARTICLE 2018/10 3-1 Zoning By-law Amendment – Accessory Apartments.**

Town Moderator read: “To see if the Town will amend the Zoning By-law deleting current Sections 3.6 and 3.7 and substituting therefor as Section 3.6 the language set forth in Appendix A, or take any action thereon or relative thereto. Town Moderator recognized Rick Mitchell.

Rick Mitchell said: “I move that the Town amend the Zoning By-law deleting current Sections 3.6 and 3.7 and substituting therefor as Section 3.6 the language set forth in Appendix A of this Warrant.

Seconded.

Rick Mitchell presented slides and explained the key elements of the article. Mr. Mitchell said the proposal was a continuation of an update of Zoning By-law rewrites. Mr. Mitchell noted the three current By-laws that allowed accessory apartments in the Zoning by-law. The recommendation of the consultant was to consolidate this into one workable By-law. According to Mr. Mitchell, homeowners would be able to build an apartment as part of their house with no more than two bedrooms and one bath. Other requirements were

noted such as parking, landscaping and access. Air BnB would not apply. The special permit would expire when the home was sold.

David Geikie (230 Highland St.) spoke against the expiration of the permit. Rick Mitchell responded that a potential buyer would see the special permit on the recorded deed. Dan Bakinowski (42 Woodbury St.) questioned the permit he received and its potential expiration. Mr. Bakinowski also questioned the “whichever is less” portion of the By-law. Mr. Mitchell thought it would expire upon sale but then said only going forward, special permits would expire. Mr. Bakinowski said the ZBA informed him the permit would not expire. Donna Brewer responded that he would be grandfathered with no sunset clause being in the current By-law. Rosemary Kennedy (61 Rust St.) requested clarification to the expiration dates, use, and downtown applicability due to small lots. Mr. Mitchell responded that accessory apartments were currently allowed under three By-laws. As the previous By-laws allowed for 25% of the home, the new By-law said 900 sf. Bill Dery (356 Chebacco Road) questioned section 5.3 noting it would not apply.

Motion made by Bill Dery who said: “I move to amend the motion to delete 5.2 from Appendix A of this Warrant.”

Seconded.

Rick Mitchell said it was a friendly amendment.

Charles Chivakos (27 Village Lane) supported the amendment.

Vote: Motion to amend carries.

Rick Mitchell said: “I move to amend Appendix A of the Warrant by deleting “whichever is less” from Section 4.4.”

Seconded

Darcy Dale (58 Woodbury St.) asked if a special permit would expire while a variance would not expire. Donna



## *SPECIAL TOWN MEETING (CONTINUED)*

Brewer said a special permit would trail with the deed. Allison Jenkins (75 Plum St./Board of Selectmen) said the By-law was for an accessory apartment and not a two family.

After conferring with Bill Bowler (ZBA), Donna Brewer said two family housing would not change and this would only affect Section 3.6 and 3.7. The special permit would run with the land.

Town Moderator said: "The motion is to amend Appendix A of the Warrant by deleting "whichever is less" from Section 4.4."

Vote: Motion carries.

Town Moderator said: "The motion is that the Town amend the Zoning By-law by deleting the current sections 3.6 and 3.7 and substituting therefore from Section 3.6 the language set forth in Appendix A of the Warrant with the deletion of Section 5.2 in Appendix A and the words "whichever is less" from Section 4.4."

Second

Town Moderator noted the vote required a 2/3rds majority.

Vote: Motion carries. Town Moderator noted the 2/3rds majority.

### **ARTICLE 2018 10 3-2. Delete Conservancy District from Zoning By-law.**

Town Moderator read: "To see if the Town will amend the Zoning By-law by deleting Section 9.3 CONSERVANCY DISTRICT as set forth in Appendix B or take any action thereon or relative thereto."

Town Moderator recognized Allison Jenkins.

Allison Jenkins said: "I move that the Town amend the Zoning By-law by deleting Section 9.3 CONSERVANCY DISTRICT."

Seconded.

Allison Jenkins recalled the previous Town Meeting had discussed the topic. The consultant had indicated that the By-law was unenforceable and was open to lawsuits. Residents amended the motion to give time to study the topic for Special Town Meeting. Since Annual Town Meeting, Ms. Jenkins had conducted research to find that in 1965, Annual Town Meeting passed the By-law to protect the wetlands but since then, other laws were enacted to protect the wetlands. Some would like to see the district remain and those residents could approach the Town with a new By-law that would increase protection for wetlands, species, or meadows to be voted upon, according to Ms. Jenkins.

Gretel Clark (823 Bay Road) spoke in favor.

Vote: Motion carries. Town Moderator declared a 2/3rds vote.

## **SECTION 5 OTHER APPROPRIATIONS AND ACTIONS**

### **ARTICLE 2018/10 5-1 Approve Solar Power Purchase Agreement, Lease of Former Town Landfill and Structured Tax Agreement.**

Town Moderator read: " To see if the Town will authorize the Board of Selectmen to lease, for a maximum of thirty (30) years with the option to renew, upon such terms and conditions as acceptable to the Board of Selectmen, a portion of Town land formerly the Town landfill located at 500 Chebacco Road, Assessors' Map 75, Lot 1 and further to enter into a Solar Power Purchase Agreement and to negotiate and execute a structured tax agreement pursuant to Chapter 59, Section 38H of the General Laws with Ameresco for the purposes of constructing, maintaining,

## *SPECIAL TOWN MEETING (CONTINUED)*

and operating a solar array facility or take any action thereon or relative thereto.”

Town Moderator recognized Scott Maddern.

Scott Maddern read: “I move that the Town authorize the Board of Selectmen to lease, for a maximum of thirty (30) years with the option to renew, upon such terms and conditions as acceptable to the Board of Selectmen, a portion of Town land formerly the Town landfill located at 500 Chebacco Road, Assessors’ Map 75, Lot 1 and further enter into a Solar Power Purchase Agreement and to negotiate and execute a structured tax agreement pursuant to Chapter 59, Section 38H of the General Laws with Ameresco for the purposes of constructing, maintaining, and operating a solar array facility.”

Seconded.

Scott Maddern described the Article which allowed for the lease of the landfill.

Bill Dery (356 Chebacco Rd) asked about a right of way for the Rod and Gun Club and paving Chebacco Road from the entrance site to the Manchester line. Scott Maddern responded that the project would not interfere with the Rod and Gun Club. The paving of the road was contingent on State funds and a capital plan for paving. Neighbors were ready but the current layout of the road was not accurate and the Town was considering new water sources. Mr. Maddern said all the water came from the Ipswich Watershed and Chebacco Road was in the North Coastal Basin, which could be accessed at the same time as paving Chebacco Road.

Vote: Motion carries.

## **ARTICLE 2018/10 5-2 Grant Easement Former Town Landfill.**

Town Moderator read: “To see if the Town will grant an easement to National Grid to install, maintain, operate, repair, reinstall, or replace utility pole lines and a substation for three phase power for a solar array installation at the former Town landfill, 500 Chebacco Road, Assessors’ Map 75, Lot 1, or take any action thereon or relative thereto.”

Town Moderator recognized Jeff Hubbard.

Jeff Hubbard read: “I move that the Town grant an easement to National Grid to install, maintain, operate, repair, reinstall, or replace utility pole lines and a substation for three phase power for a solar array installation at the former Town landfill, 500 Chebacco Road, Assessors’ Map 75, Lot 1.”

Second.

Bruce Ramsey (28 Goodhue St) asked about the size of the substation portion. Scott Maddern thought it might be 100 sf.

Vote: Motion carries.

## **SECTION 6: CLOSING FINANCIAL ACTIONS**

### **ADJOURNMENT**

The Moderator announced that the Annual Town Meeting was dissolved at 12:10 pm.

A TRUE COPY: ATTEST:

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Andrea J. Carlson  
Town Clerk

## **APPENDIX A**

### **Accessory Apartments**

#### **1. Purpose and Intent**

The intent of this section is to allow Apartments in owner-occupied single-family dwellings. Its purpose is to:

- 1.1. Add moderately-priced rental units to the housing stock to meet the needs of small households, both young and old;
- 1.2. Make housing units available to moderate-income households who might otherwise have difficulty finding housing in the town;
- 1.3. Provide older homeowners with a means of obtaining rental income, companionship, security and services, and thereby to enable them to stay more comfortably in homes and neighborhoods they might otherwise be forced to leave.

#### **2. Special Permit Granting Authority**

The Zoning Board of Appeals is the Special Permit Granting Authority (SPGA) under this bylaw section.

#### **3. Procedure**

Applications to the SPGA for a Special Permit must provide the following:

- 3.1. Be signed by 100% of the record title ownership interest of a single family detached dwelling and shall include a copy of the deed to the applicant. If ownership is held in other than by an individual, applicant shall submit a Schedule of Beneficiaries or other evidence of ownership satisfactory to the SPGA.
  - 3.2. Include a floor plan of the Apartment, whether in the main dwelling or a detached structure such as a barn, garage, or other such building on the lot where it is to be located, and all elevations where exterior modifications are proposed. Additionally, a site plan is required to show access, parking, entry, and other essential site features. All plans shall be drawn to scale and identify the existing structure and proposed modifications to create the Apartment.
  - 3.3. Include written verification by the Board of Health that the sewage disposal system shall have sufficient capacity to accommodate the Apartment within Title 5 of the State Environmental Code and the Rules and Regulations of the Board of Health.
- #### **4. Requirements**
- 4.1. Modifications of the exterior of the dwelling shall be completed in a manner that maintains the appearance of the dwelling as a single-family dwelling.
  - 4.2. Modifications of the exterior of the detached accessory building intended to house the Apartment shall maintain the appearance and essential character of the accessory structure.

## *SPECIAL TOWN MEETING (CONTINUED)*

4.3. The Apartment will be a complete, separate housekeeping unit that functions as a separate unit from the principal dwelling.

4.4. The Apartment shall contain no more than two (2) bedrooms and one (1) bathroom; and the apartment shall not exceed 900 S.F. of gross floor area of the building in which the Apartment is to be located.

4.5. Any new outside entrance to serve an Apartment shall be located on the side or in the rear of the building unless the SPGA deems otherwise appropriate given the layout and function of the building. 4.6. A landscape plan shall illustrate any new entrances, parking areas and any other added physical development which in the opinion of the SPGA deserves landscape treatment. This provision will not be used as a means to require the pre-existing property to be re-landscaped but will specially focus on the aesthetics of the new site features.

4.7. The Apartment shall not be held in, or transferred into separate ownership from, the principal dwelling under a condominium or cooperative form of ownership, or otherwise.

4.8. An Apartment shall not be used in any way for any commercial purpose or activity, regardless of other provisions of the zoning bylaw.

4.9. At least one (1) off street, on site, parking space must be available for exclusive use by occupants of the Apartment or their invitees.

4.10. In the R-1A, R-1B, and RA Districts, accessory apartments shall not be allowed in single-family dwellings located on lots that are non-confirming for lack of required lot area, unless said lot is at least 10,000 S.F. in size unless the SPGA determines that a lot smaller than 10,000 S.F. is capable of accommodating an Apartment which provides on-site, off-street parking and has confirmation from the Board of Health that the site can address its septic system demands.

4.11. Alterations to accommodate an Apartment shall be limited to one (1) structure on the lot. If the dwelling is located on a lot smaller than 10,000 square feet, then the alterations shall not expand the footprint or the envelope of the building, as it existed on the effective date of this bylaw section, by more than twenty-five (25) percent, or five hundred (500) S.F., whichever is less.

4.12. The Owner of the lot shall reside on the property in either the principal dwelling or the accessory apartment.

4.13. The sanitary disposal system for the Apartment and principal structure shall comply with the applicable Hamilton Board of Health and Title 5 regulations, provided that compliance of the sanitary disposal system shall not require the application of Subpart E of 310 CMR 15.00.

4.14. Utilities such as water, electric, oil, and gas necessary for the Apartment shall be extensions of the existing utilities serving the principal single-family dwelling. No new utility services or meters shall be installed for the use of the Apartment.

4.15. The Special Permit shall be issued to the Owner and shall specify which dwelling unit will be Owner-occupied.

## *SPECIAL TOWN MEETING (CONTINUED)*

4.16. The Special Permit shall be recorded at the Registry of Deeds or registered at the local Registry division of the Land Court. Prior to the issuance of a building permit, the applicant must submit proof of the recording or registration of the Special Permit to the Building Inspector and the Director of Planning and Inspections.

4.17. When a structure which has received a Permit for an Apartment is sold, the new Owner, if he or she wishes to continue to exercise the Permit, must within thirty (30) day of the sale, submit a sworn and notarized written statement to the Building Inspector stating that he or she will occupy either the principal dwelling or the Apartment on the premises as their primary year-round residence.

4.18. No more than one (1) Apartment shall be allowed on any lot.

4.19. The creation of an Apartment within a principal single-family residence must be done so that the Apartment either shares a common floor-ceiling assembly with the principal dwelling or a common wall connector as defined in Section 11.0 of this zoning bylaw.

4.20. Violation of any of the above provisions shall be subject to enforcement by the Building Inspector in accordance with the applicable provisions of Section 10.00 Administration and Enforcement of the zoning bylaw.

### 5. Termination

The Special Permit shall terminate immediately upon any of the following events:

5.1. Two Years from the date of the grant of the Special Permit, if a substantial use thereof and has not commenced, or in the case of a permit for construction. If construction has not commenced within one year from the date of the grant of the Special Permit.

5.2. Violation of any term or condition of the Special Permit that the Owner fails to cure within two weeks' written notice mailed by certified mail, return receipt requested.

### DEFINITIONS –

**Apartment:** An additional dwelling unit, subordinate in size and accessory to the principal dwelling unit on the lot, located in either the principal dwelling or an accessory structure on the lot. An Apartment is constructed so as to maintain the appearance and essential character of the single family dwelling or accessory structure to which it is added.

**Owner:** The individuals in whom record title ownership is held. If ownership is held in a trust or other non-individual ownership, the beneficiaries as shown on a Schedule of Beneficiaries or other evidence of ownership.

## **APPENDIX B**

### **9.3 — CONSERVANCY DISTRICT.**

**9.3.1 Purpose.** The Conservancy District is intended for the following purposes:

1. The preservation and maintenance of groundwater quality and quantity;
2. The protection of watershed resources upon which the inhabitants depend for water supply;
3. For the enhancement of water quality by encouraging infiltration and percolation through natural soils;
4. To protect the public health and safety, persons and property against hazards of flood water inundation;
5. For the protection of the community against the costs which may be incurred when unsuitable development occurs in swamps, marshes, along watercourses, or in areas subject to floods;
6. To preserve and increase the amenities of the Town; and
7. To conserve natural conditions, wild life, and open spaces for the education, recreation and general welfare of the public.

**9.3.2 Permitted Uses.** Only the following uses are permitted in the Conservancy District

(Note: Construction or alteration in Conservancy District will usually also require application to the Hamilton Conservation Commission under the Wetlands Protection Act and the Hamilton Wetlands By-law):

1. Conservation of water, plants, wildlife, and ponds;
2. Passive recreation activities which do not require paving, filling, or construction of facilities that may degrade water quality, including but not limited to nature study, walking, pond skating, canoeing, fishing, horseback riding, and hunting where otherwise legally permitted;
3. Agricultural uses, forestry, horticulture and floriculture including grazing of animals and harvesting of crops, provided that use of chemical fertilizers, pesticides or defoliants found by the Board of Health or the Conservation Commission to be inconsistent with the purposes of this Conservancy District may be regulated by said Boards. (Note: See also Board of Health Animal Regulations); and
4. Religious and educational uses on land owned or leased by the Commonwealth of Massachusetts, or its agencies, subdivisions or bodies politic, or by a religious sect or denomination, or by a non-profit educational corporation. (Note: Site Plan Review may be required. See Section 10.6.).

(Note: Construction or alteration in Conservancy District will usually also require application to the Hamilton Conservation Commission under the Wetlands Protection Act and the Hamilton Wetlands By-law.)

**9.3.3 Special Permit.** Subject to a special permit by the Zoning Board of Appeals under specified conditions as provided for in Section 10.5, and only when the Conservation Commission has reported to the Zoning Board of Appeals that such activities will not have adverse effects relating to water quality or recharge, upstream or downstream flooding and drainage, and water storage capacity in the Conservancy District, the following uses are permitted:

1. Nonresidential Buildings and Structures, such as boathouses, duckwalks and landings;

## *SPECIAL TOWN MEETING (CONTINUED)*

- ~~2. Stands for sale of produce raised on the premises, provided that any such Building or Structure permitted by the Zoning Board of Appeals shall be designed, placed and constructed to offer minimum obstruction to the flow of water and shall be firmly anchored to prevent floating away and thus threatening other buildings or blocking of openings in restricted sections of the watercourse below (Note: Special permit and site plan review required per Sections 10.5 and 10.6.);~~
- ~~3. Dams, changes in watercourses, or drainage works, only as part of an over all drainage basin plan;~~
- ~~4. Uses, whether or not on the same parcel as activities permitted as a matter of right, which activities are necessary in connection with scientific research or scientific development or related production provided the Zoning Board of Appeals finds that the proposed use does not substantially derogate from the public good, and that the proposed use does not include impermeable ground cover in excess of 10% of the total lot area, or any storage of chemical substances which have the potential for degrading groundwater quality. (Site plan review under Section 10.6);~~
- ~~5. Wind Energy Facilities and Utility Scale Wind Energy Facilities, subject to the standards set forth in Section 7.3; and~~
- ~~6. When any land shown on the Zoning Map as being in the Conservancy District is proven to the satisfaction of the Zoning Board of Appeals, after reference of the proof to and report by the Conservation Commission, Planning Board and Board of Health, as being in fact not subject to flooding or not unsuitable because of drainage conditions for residential use, and that neither construction activities nor the use of such land for residence will interfere with the general purposes for which Conservancy Districts have been established, and will not be detrimental to the public health, safety or welfare, the Zoning Board of Appeals may, by grant of a special permit, permit the use of such land for Single Family Dwellings under all the provisions of this By law applying to the Residence District in which the land lies.~~

### ~~9.3.4 Prohibited Uses. Except as provided, above, the following are prohibited in the Conservancy District:~~

- ~~1. Land filling and dumping of any natural or other materials;~~
- ~~2. Construction of Buildings or Structures;~~
- ~~3. Paving and other impermeable surfaces;~~
- ~~4. Construction of roads and driveways;~~
- ~~5. Permanent storage of materials or equipment;~~
- ~~6. Storage of chemical substances which may degrade water quality;~~
- ~~7. Commercial borrow operations;~~
- ~~8. Construction of dams, drainage systems and changes in watercourses which may speed drainage through or around a natural watershed, thereby reducing opportunities for water quality renovation by percolation or infiltration through soils; and~~
- ~~9. Alteration of terrain which may result in increased discharge of stormwater runoff into the District.~~

~~9.3.5 Reversion. If for any reason the restrictions or requirements contained in this Section shall be or become invalid as to any land shown on the Zoning Map as being in the Conservancy District, then such land shall thereafter be subject to the regulation for the district in which the land lies.~~

## ***Annual Town Meeting- April 6, 2019***

At the close of registration on March 15, 2019 there were 5766 registered voters.

Precinct 1 — 70

Precinct 2 — 67

Precinct 3 — 45

### **Assistant Moderator & Overflow:**

William Bowler     328 Essex Street

### **Appointed Tellers:**

#### **Left**

Jeffrey Hubbard     85 Miles River Road

Mary Beth Lawton 104 Gregory Island Road

#### **Center**

Allison Jenkins     75 Plum Street

Forester Tim Clark 308 Sagamore Street

#### **Right & Front**

Bruce Ramsey     28 Goodhue Street

Marc Johnson     6 Patton Drive

The Moderator declared a quorum present (75) and the Warrant returned showing it had been properly served, opened the Annual Town Meeting at 9:00 A.M. with 182 voters checked and present.

### **Pledge of Allegiance**

Mr. Melick stated: "Good morning, my name is Jeff Melick and I'm the Town Moderator. Welcome to the April 6, 2019 Annual Town Meeting, and thank you for coming. We will start as we always do by saying the Pledge of Allegiance." Mr. Melick thanked the video crew for their work.

Town Moderator recognized Steve Ozohowski.

Steve Ozohowski (Willow St.) thanked Buddy Campbell for his 18 years of service with the Assessor's Department.

Mr. Melick announced the bake sale in the lobby. The sale was to fund a safe place for after the prom.

Mr. Melick stated: "I'd like to start with four general reminders. First, if you are a registered voter in Hamilton you should have picked up a voter card at the table in the foyer. If you haven't and wish to vote, then I ask you to get one now. You will need to raise the card to cast your vote on the issues we decide here today. Second, please turn your cell phone to silent. If you need to take or make a call, please leave the room to do so. Third, we welcome nonvoters to the Town Meeting, but do ask that you sit in the visitors' area so it will be easier to know who is able to vote and who is not. Fourth, registered voters may also sit in the overflow room. I have appointed Bill Bowler to be the assistant moderator there. People in the cafeteria desiring to speak to any article should come to the microphones in the auditorium."

Mr. Melick asked for six volunteers to serve as tellers. Tellers were sworn in.

Mr. Melick introduced "Donna Brewer (Town Counsel), Andrea Dello Russo (Town Clerk), Joe Domelowicz, (Town Manager), Shawn Farrell (Board of Selectmen Chair), Scott Maddem (Selectmen), Jeff Hubbard (Selectmen), Bill Olson (Selectmen) Allison Jenkins (Selectmen), Phil Stearns (FinCom, Chair), Nick Tensen (FinCom), David Wanger (FinCom), John Pruellage (FinCom), Darcy Dale (FinCom), and Marisa Batista (Finance Director). I have asked non-resident Town officials and those assisting the Selectmen or Finance Committee to be present here so they may be available to answer questions. Members of the press and the video crew have also been allowed to be present. We will begin with brief reports by Shawn Farrell, Joe



## *ANNUAL TOWN MEETING (CONTINUED)*

Domelowicz, and Phil Stearns and then we will review some rules of conduct for this Annual Town Meeting and proceed with the meeting's business."

Town Moderator recognized Shawn Farrell.

### Board of Selectmen Report

Shawn Farrell read: "Good morning and Welcome to Annual Town Meeting. First I'd like to say thank you to all the people involved to help put this meeting together and thank you to all the Boards and Committees who volunteer their work every day. All your hard work is truly appreciated. Town Meeting is one of the purest forms of democracy and your opportunity to guide the future of Hamilton. I appreciate all of you taking the time to come here today. Before we get to the Warrant, I just want to take a moment to share with you some of the updates of business in town from our Fall Town Meeting. Fiscally we are in great shape and our reserves are strong. I am happy to say the Town of Hamilton has maintained Standard and Poor's AAA bond rating, its highest rating. Noting strong budgetary flexibility, strong liquidity and strong financial management, the Town also received a clean bill of health through its annual audit process. We are proud of bond rating and successful audits. Combined with good working financial controls and management. We continue to maintain our three year forecast and five year Capital Plan. In the next handful of months, we will be reorganizing the staff in the finance department and are looking forward to the new efficiencies it will bring. The Town's Community Compact Grant through the State worked on our financial policies. We are working through them now and will continue to do so over the next few months. We also recently established a Capital Committee. They will work hard to prioritize the Town's capital needs and timing of these asks. We are hopeful that the Town of Wenham and Regional School Committee will work with us to help coordinate these capital needs for the three entities. When we work together, we all benefit. In our Tax Collector's office, Cheryl Booth will be retiring in June after many, many years of service and starting another

chapter of her new life. We wish her the best. We recently began the process of starting a Municipal Vulnerability Preparedness Program to access preparedness to climate change over the next seven years. Phasing in this program, opens up opportunities to get State grants and to improve our infrastructure to combat climate change and help us be prepared for the future. Our joint Recreation Department has had another great year and continues to offer great programming to our residents. In Patton Park, the gazebo has been updated, the tank has had a much needed facelift and was rededicated on Veterans' Day. The two Patton Park cannons have been refurbished with CPC funding and look great. Weaver Pond at Patton Park will also have the invasive species removed through a CPC grant as well starting in the next few weeks. The Planning Board has started to work on the Housing Section of the Master Plan. It's had several public forums and a survey to gain insight into what the Town would like to see for the future of housing in Hamilton. There will be another housing public forum on April 29, 2019 at the library. The Town and Habitat for Humanity partnered together to build two affordable units on Asbury St. and they have been completed and are now occupied. The Canterbrook development, approved by the Planning Board over a process of several years has begun construction and will be adding 23 new homes in Hamilton and will most likely be our largest source of real estate tax. A judgement in the case of Varsity Wireless vs. the Town of Hamilton and the Planning Board was heard recently. This case was over the denial of a Special Permit of the Planning Board to place a cell phone tower behind Town Hall. The site was approved by previous Town Meeting for such a use. Three Planning Board members did not agree with the placement. The case lingered on far longer than expected and we are pleased the judge has made his conclusion. The Town's Motion to strike was allowed. The judge ruled that the terms of the agreement for judgement would be entered and a permit would be issued to build the tower. The issuance of the permit will address the communications coverage gap in Hamilton and therefore lead to improved wireless service for the Town's citizens. The Town will also receive financial benefits: lease payments, co-location fees, and utilities

## *ANNUAL TOWN MEETING (CONTINUED)*

payments as a result of the issuance of the permit. In addition, the agreement saves the Town the cost of future litigation. The citizens of the Town will benefit from the Town's ability to use those funds for other public purposes. Moreover the agreement for judgement has multiple concessions by Varsity that will benefit the Town, including restrictions on site clearing, generator testing, lighting, and signage associated with the facility. You may recall at last Annual Town Meeting, an advisory vote was given to make the historic curatorship program at Bradley Palmer State Park by 50 Highland St. tax exempt. The Board of Selectmen has worked

with the Kaminskis to make this so. We have currently submitted a Home Rule Special Act releasing the property from taxation as long as it is in the curatorship. We are hopeful that will be approved. The owner of 133 Essex St. has closed a section of Chebacco Woods trails that go through that property and the Town is weighing its options to keep the trails open that have been used by generations of the public for hiking, horseback riding, and other passive recreational uses that have continued for more than 20 years. We feel we have a strong case to keep the trails open for citizens to enjoy. We have had a great group of citizens to help collect data for our case. I want to thank them now for all the effort to keep the trails open. Green Meadows Farm has been approved for an indoor medical marijuana farm on the property. Site work has begun. A Host Community Agreement was signed with Green Meadows Farm and the Town and as part of the impact fee associated with the project, we will also gain funds to pay for a School Resource Officer, who will be hired this summer. Our Town Hall Building Committee has been busy and has hired an Owner's Project Manager (OPM) and has begun the process of rehab of our Town Hall. Designs and cost estimates have been submitted to the Committee just recently and the presentation given for the much needed improvements at our Town Hall. Our Water Treatment Plant has had updates made to it so we can treat the water more efficiently and operate it as it was originally designed. Today there is a Warrant Article for more capital to move

the Water Treatment Plant further by reducing the organic compounds in the water by pretreating it. The monies would go to building an addition onto the current facility. The water main replacement project that was voted over several Town Meetings is going well. Phase III is completed with over 22,000' of water pipe replaced so far. We have been working with our State Representatives as well to address the amount of power outages in Hamilton and have had several productive meetings with National Grid. As a result, National Grid has done extensive tree trimming in town to help mitigate the outages from tree damage. National Grid is now doing monthly patrols of the entire feeder and will do an annual infra-red scan of the supply line. They will also install new equipment on Woodbury St. and Essex St. to help with power supply to that section of Town. We are glad to welcome Kaleigh Pare to our staff as the Patton Homestead Director. She has been key to developing a Business Plan with our Town Manager for the Homestead. We look forward to the Homestead being used to its best potential for our citizens. One addition to the Homestead is that it is now home to the Hamilton Historical Society. They are no longer in the basement of Town Hall. This year we participated in the wreaths across America on Veterans' Day. With private donations and money from the Cemetery Fund, we were able to place 700 wreaths on Veterans' graves. Also our condolences go out to the Heath family for the recent passing of Tony Heath. He was one of our beloved members of the American Legion Post 194. He will be missed. The Town will be offering discounted rain barrels for purchase in the next few weeks to help conserve water this summer Please check the Town website over the next few days for more information. At this time I would like to recognize that this is Scott Maddem's and Allison Jenkins' last Town Meeting as Selectpersons. I wanted to thank them for all they have contributed over their terms in office. I also encourage you all to come out and vote at the upcoming elections on Thursday. As you just heard, we have a lot going on. There are many important issues being brought to vote today. We are here because we care about the future of Hamilton. Please be respectful of your neighbors and give them a chance to speak if they so choose. Thank you.

## *ANNUAL TOWN MEETING (CONTINUED)*

Town Moderator recognized Joe Domelowicz

Domelowicz said: "Good Morning and thank you for letting me speak. I promise I will be brief. In the seven months or so that I have been here, I met a lot of folks in this room and it has been great meeting you. I hope I get to meet the rest of you in the next months and years. The conversation I keep having with people here in Hamilton is that how much they want to preserve and protect the Hamilton they love. That's great because that's why I wanted to come here is because I wanted to help preserve and protect a community like this. I think it is important to recognize the conservation even though it has the same theme is not the same conversation any two times. Everyone in this room has something different about Hamilton that they love. Everyone in this room advocates for those things. It's our job here today is to try to figure out how to get all of that stuff brought forward as much as possible. There's going to be a need to compromise. There's going to be a need to listen to people but the thing that makes us a community is being courteous to each other. So I hope as we listen to the different discussion today, we keep that in mind that we are courteous of each other and that we realize that everyone here is trying to do the same thing we are. They are trying to preserve Hamilton."

Town Moderator recognized Phil Stearns.

### Finance and Advisory Committee Report

Phil Stearns read: "Good morning and welcome. I hope everyone received the report the Finance Committee distributed with the Warrant this year. We undertook this effort to clarify for you The Finance Committee's thinking on the Articles. In most cases we are in agreement with the Board of Selectmen, but in some cases we hold different opinions. Since the Warrant is a Board of Selectmen document, this is a way to communicate the reasoning behind our votes. We have a number of issues in our Town that need attention or will need attention soon: Our water plant is struggling.

FinCom supports ongoing efforts to improve our water system and to develop additional water resources. Unfortunately, the Water Enterprise fund is beginning to use Retained Earnings to cover operating expenses, so we must anticipate future water rate increases. The cost of trash collection and recycling continues to climb. Breaking this cycle will require effort: separating organics helps but even with that, reduced services or increased expenses and probably some combination of both seems likely. We have an aging population. There are more seniors in town (1,964) than there are school-aged students (1,091). Linked to that is our need for more senior housing, but we also need more affordable/worker housing and housing for young families and town employees, including school employees, who are ultimately town employees. (More on that later.) Despite strong effort, we have failed to realize PILOT (Payments in Lieu of Taxes) or other contributions from the major tax-exempt entities in town, some of who incur significant Town expense. This effort will continue to be addressed in FY20. The Finance Committee supports the Town Manager's efforts to increase our use of shared services where appropriate to grow the Town's labor pool at reasonable cost. Regarding the issue of continuous funding of the Patton Homestead; while recognizing emotions attached to this asset, the FinCom must act on the basis of economic criteria and we ask that you listen to John Pruellage's explanation of our vote for Article 2-12. The Board of Selectmen has recently created a Capital Expense Committee (CapCom) to assist the Town Manager, FinCom and BOS in developing a 5-year capital plan with input from citizens to help establish priorities. The FinCom supports this effort and encourages qualified citizens to volunteer. This past year the FinCom and BOS approved new Financial Policies for: Disbursement, Revenue Turnover, Travel Reimbursement, Financial Reserves and Capital Planning. In the next fiscal year we will work on additional Financial Policies including Cost Allocation, Debt Management and Forecasting. Having clear well thought out Financial Policies will serve the town well. Hamilton is in good financial shape. We are

## *ANNUAL TOWN MEETING (CONTINUED)*

within the Prop. 2 1/2 levy limit, but our headroom is decreasing. [excess levy capacity: FY19 \$1,953,690, FY20 \$977,564] This year our expenses, with transfers and school costs will increase 8.2%. That magnitude of growth on the expense side is not sustainable for long, if we want to remain within the levy limit. On the bright side, the tax rate will remain below where it was in FYs '14, '15 and '16, and this budget will help prepare us for future capital demands and unanticipated expenses. The other half of the tax calculation is: Property valuations: which, in FY19 (from July 1, 2018 to July 1, 2019) increased an average of 5.79%. A conservative assumption of a 3% increase was made for the FY20 tax rate projection.

Our tax structure is also linked to the nature of our Town. We have limited commercial space, significant open space and a highly ranked school system all of which add value to our Town. The School District represents over 60% of our operating budget so it is incumbent on us to insure we get the best return possible on this investment, which we can continue to do by monitoring the District's yearly budget expenses and increases. Hamilton continues to enjoy a AAA bond rating and we have significant borrowing capacity. [Borrowing capacity under debt limit \$76,688,925] Maintaining our strong bond rating will lessen the cost of future borrowing. The use of Free Cash for tax mitigation is an "artificial" tax reduction and is not sustainable. For a couple of years we used excess Free Cash to lower the tax rate. This Free Cash' was generated due to actual receipts being in excess of revenue estimates and some unused departmental budget line items. In recent years estimates have been tighter. In other words, we're doing a better job of estimating revenues and expenses. The result is less Free Cash, and, as you will see in the Warrant, we want to be conservative with how this Free Cash is used. If you found the FinCom Report useful, we will plan to do it again. With that in mind, it would be very helpful going forward if the Board of Selectmen

would endeavor to lock in all Warrant Articles further in advance of Town Meeting. Some Articles were not voted by the Board of Selectmen until the day before the documents had to go to press. FinCom recommendations on various Articles (2-3, 2-4, 2-8, 2-13, 2-14, 2-20 and 3-1, 3-2 and 3-3) were based on incomplete or subsequently changed information. We recommend that the Board of Selectmen complete their voting and finalize all Articles at least two weeks before the documents go to press. This year's fire drill has led to inaccuracies in the Warrant and the FinCom Report. It also created unnecessary stress for Town employees who had to re-do significant work to prepare for today. I want to thank them for their efforts. Allocating Free Cash, Tax rates, Operating Budgets, Capital Plans, School Budgets, School Capital Planning, Trash Collection, Town Hall renovations, Workforce Housing all require long term planning and focused implementation. We encourage you to educate yourself about the candidates for the Board of Selectmen, the Planning Board, and the School Committee. The people you elect have a lot of work before them and these decisions will have a significant impact on our Town. Thank you. Now, let's get to work."

Mr. Melick stated: "I hope you all read and brought your copy of the Town Warrant. If you did not, there may still be some extra copies in the foyer. The agenda for the meeting is the Warrant. It was prepared by the Board of Selectmen. To bring an agenda item before the meeting, I will recognize a member of the sponsoring board, committee or individual so they can make a motion. If the motion is seconded, I will recognize the proponent to speak to you about it. Once they are done, I will open discussion up to you. If you wish to speak, you must first ask me to recognize you. To save time, I ask that you already be standing at one of the microphones in the

room. They are on the right and left side of the room. Once you're recognized, please state your name and street address. You may then make comments or ask questions about the motion. You will have three minutes to do so. Your comments and questions must be within

## *ANNUAL TOWN MEETING (CONTINUED)*

what we call 'the 4 corners of the motion.' Please do not make comments about any person who is in favor of or against the motion, just comment on the merits of the motion. It's okay to disagree, but please do not be disagreeable. Please, no applause. If someone applauds after a particular motion, it may make someone else less likely to speak against it. Some people are more willing to speak in front of people than others. The applause may make someone who is barely willing to speak not want to speak at all. My job is to make sure that doesn't happen. My job is to encourage those who want to speak to speak and to help them feel comfortable doing it. That applies to all of you. Otherwise the very purpose of this meeting to listen and consider the viewpoints of fellow citizens is undermined. In the same manner, there is to be no booing or hissing, which unfortunately has happened in the past.

All motions to amend a motion must be submitted to the Town Clerk in writing. If you need assistance in framing it, Town Counsel will provide you with some assistance. No more than one motion to amend may be pending at the same time. A vote is first taken on the motion to amend and then on the main motion. As I mentioned, when a vote is taken, I will ask you to raise your voter cards and I will then decide visually whether there is the necessary majority, 2/3 vote or 4/5 majority votes. If I am in doubt, or seven voters question the vote immediately after I declare the outcome, I will have the vote counted by the tellers. In the event someone moves the previous question, what they are asking is that all discussion of the motion cease and we take an immediate vote. There is no debate on that. A motion to move the previous question requires a two-third vote, however if I as Moderator do not believe there has been enough discussion, I can delay that until another time when I feel enough discussion has taken place. Finally, an announcement on Holds. Some of our motions include a listing of items that will be voted on as a group unless a person shouts 'Hold' on a particular item. When there is

a shouted hold, and I encourage you to say it loudly so I can hear it, I'll condition the acceptance on the Hold on obtaining the identity of the voter requesting it. This information is for the minutes of the meeting and to save meeting time when a Hold is considered later in the meeting. If I am unable to identify the requester of the Hold, I will ask you to identify yourself OK, we will now begin going through the Articles in the Warrant."

### **SECTION 1: ELECTIONS, REPORTS, PROCEDURES**

#### **ARTICLE 2019/4 1-1 Election of Officers**

Town Moderator read: "To elect the following Town and School District Officers at the Annual Town Election on Thursday, April 11, 2019 from 7:00 a.m. to 8:00 p.m. at the Hamilton Wenham Recreation Gymnasium.

Town Moderator for one year.

Two members of the Board of Selectmen for three years.

Assessor for three years.

Three members of the Planning Board for three years.

Housing Authority for five years.

Hamilton-Wenham Public Library Trustee for three years.

Three members of the Hamilton-Wenham Regional School Committee for three years.

Moderator read: "To vote on Article 1-1 is by ballot on Thursday, April 11, 2019 at the Hamilton-Wenham Recreation Gymnasium. The polls will open at 7:00 a.m. and close at 8:00 p.m.

#### **ARTICLE 2019/4 1-2 Reports**

Town Moderator read: "To hear reports of Town Officers and selected committees and to take action thereon or relative thereto. Reports will appear in the Town Report for Calendar Year 2018."

Town Moderator recognized Shawn Farrell.

Shawn Farrell said: "I move that the reports of Town Officers and Committees be received and placed on file." Seconded.

## *ANNUAL TOWN MEETING (CONTINUED)*

Vote: Motion carries.

### **ARTICLE 2019/4 1-3 Consent Motion**

Town Moderator read: "To see if the Town will consolidate in one consent motion containing the motions for those articles that, in the opinion of the Moderator, are not controversial and can be passed without debate, or take any other action thereon or relative thereto."

Town Moderator said: "I will now read the list of articles to be taken up and voted on as one motion. Shout out Hold as the list is read. Any article motion for which there is an accepted Hold will be deleted from the Consent Motion and taken up and considered according to its place on the Warrant.

Motion for Article numbers: 2-1 Prior Year Bills, 2-2 Compensation/Classification Table, 2-7 Annual Financial Actions, 2-9 Annual Budget for Revolving Funds, 2-11 OPEB Trust Fund, 2-15 Grant Appropriations, and 2-16 Personnel Service and Union Contracts.

Town Moderator recognized Shawn Farrell.

Motion by Shawn Farrell who said: "I move that the numbered motions as set forth in Proposed Consent Motions List for this 2019 Annual Town Meeting, a copy of which has been delivered to the Town Clerk to be filed with the minutes of this meeting with copies made available to voters in attendance, be approve by one vote, each motion to be deemed a separate action under the Warrant Article having the same corresponding number."

Seconded.

Vote: Motion carries unanimously

## **SECTION 2: FINANCIAL ACTIONS**

### **ARTICLE 2019/4 2-3 Capital Expenditures**

Town Moderator read: "To see if the Town will raise and appropriate or transfer from available funds money for the purpose of capital expenditures and further, to authorize the Town Manager to administer and expend funds from said accounts, or take any action thereon or relative thereto."

Town Moderator recognized John Pruellage

John Pruellage said: "I move that the Town raise and appropriate \$238,000 and transfer from certified free cash \$70,003 for the purpose of undertaking the projects set forth in Appendix B to the 2019 Appendix Book, and further to authorize the Town Manager to administer and expend funds to effectuate these projects."

Seconded.

Mr. Pruellage said the total of \$308,003 was comprised of six different items including new voting machine, replacement fire, police, and DPW vehicles, road and sidewalk repairs and renovations to the Patton Park concession stand. Originally, the FinCom thought the entire amount should have been done through appropriation rather than using free cash. Many expense are recurring in nature. However, subsequent to their recommendation, the Selectmen and Town Manager changed the funding recommendation to use \$70,000 of free cash. The rationale was that some items such as voting machines and fire truck were one time in nature. The change would reduce the effective tax rate but would reduce the Town's free cash. As a general policy, the FinCom is against using free cash to mitigate the tax rate. FinCom met prior to Town Meeting. While unanimously feeling that proper procedure was not met, choosing the source of funding without input from FinCom, the FinCom revote their recommendation to see if anything changed based on new funding. The vote was to recommend favorable action on the article. Rather than 5-0 the recommendation was 3-2. The two dissenting votes thought using a portion of this \$70,000 in free cash would not be an appropriate use.

## *ANNUAL TOWN MEETING (CONTINUED)*

Lynnette Fallon (38 Goodhue St) Asked about the free cash policy and what the dollar amount was in free cash.

Marisa Batista replied that free cash policy was 5% minimum and if all motions passed, the Town would still be at 5.3%. Free cash was certified at \$2.7M in 2018 and if articles pass, free cash would be \$1.7M.

Evelyn Anziano (36 Bridge St.) wondered about the tax rate based on the change.

Mr. Pruellage said the original recommendation required more taxation versus using \$70,000 of free cash, the projected tax rate would decrease by \$.04 per \$1,000 valuation. The \$.18 would be reduced to \$.14.

Vote: Motion carries.

### **ARTICLE 2019/4 2-4 General Town Departmental Appropriations**

Town Moderator read: "To see if the Town will raise and appropriate or transfer from available funds, money to defray the expenses of schools and all other Town expenses for the Fiscal Year beginning July 1, 2019, or take any action thereon or relative thereto." (Expected requests Town \$12,261,701 and School District \$19,352,094).

Town Moderator said: "This is our annual general town and school omnibus appropriations article."

Town Moderator recognized Mike Harvey, Superintendent of Schools to do a report on the School District Budget.

Mike Harvey offered the Mission of the HWRSD, which was to educate our children to become adults with good character and demonstrate mastery of knowledge and skills needed to be successful members of our global economy and engaged citizens of the 21st century. The District served 1715 students from Hamilton and

Wenham in five schools. Dr. Harvey gave a brief overview of the highlights of the School. Last year 143 students graduated many of which scored high on the Advanced Placement testing. 31% took an Advanced Placement test. Two students were recognized at a National level. MCAS testing showed the District was far higher than the State. Dr. Harvey showed students in the DECA program, which stressed community involvement and service. A Robotics Team, art, and writing were noted. The Budget was a level service budget with a funding of Other Post-Employment Benefits (OPEB). Total salaries, special education tuitions, health insurance, and Essex Retirement was the vast majority of the School budget. An actuarial study had been conducted with a \$35M OPEB liability. A Trust Fund would be established in FY20 with a \$250,000 deposit. The total budget was \$33.7M, which included the \$1.9M increase (5.9%). The debt service was discussed. Dr. Harvey announced that the 20 year bond for Miles River Middle School and high school renovations would be paid off in one month. Debt services expenses would decrease \$1.7M. Total debt service expense would be about \$400,000. Funding sources included a decrease of \$1.1M due to paying off debt, the District will no longer see a payment from MSBA. Total Assessment after subtract funding sources from expenses is \$29.8M apportioned to the two Towns. Hamilton's share was \$19.1M, which was a \$716,000 (3.9%) increase from the previous year. Dr. Harvey presented a history from FY15 to FY20 the total change was 21% over five year, with a 4.37% average per year. Hamilton's net assessment increased at an average rate of 2.65%. Wenham increased 8% due to population shifts. \$1.1M in costs shifted from Hamilton to Wenham in the last five years. Dr. Harvey presented a comparison with other towns in the State. Hamilton's cost per year per student was \$18,356. Dr. Harvey thanked the Selectmen and FinCom. The Student Resource Officer was being funded through Hamilton rather than the District.

A resident thanked Dr. Harvey for his many years of service to the Town.

## *ANNUAL TOWN MEETING (CONTINUED)*

Town Moderator recognized Joe Domelowicz to do a report on the Town Budget.

Joe Domelowicz said "Good morning and thank you, on behalf of our Finance Director, Marisa Batista and all of our department heads, thank you for allowing us the opportunity to present our 2020 budget. We are pleased to say the budget presented here today has been endorsed by both the Board of Selectmen and the Finance and Advisory Committee. This budget proposes a spending plan for 2020 that protects the current level of service, reduces risks for the town and properly compensates our employees. The total budget increase in the 2020 budget is just under \$2.4 million over the current year. This includes \$824,000 in new spending on stabilization funds, in keeping with our newly adopted fiscal policies. It also includes a \$706,000 increase for the schools and about \$868,000 increase for town services. The increased town costs include costs beyond our control, such as insurances and contractual increases and a contingency for three on-going union negotiations and three new positions, a School Resource Officer, a Shared/Regional Human Resources Director and an Assistant Public Works Director. This is a balanced budget. You can see in this slide that town revenues are projected to increase by 7.8 percent and our proposed budget increase for town and schools is also 7.8 percent. You can also see here that the budget increases spending from Free Cash, but as mentioned before, that spending is mostly directed into stabilization funds to protect the town's future. On this slide, you can see the breakdown of town spending. Despite the increased spending in the town budget, spending on schools and fixed costs such as debt service, insurance and non-service related still makes up 73.5 percent of town spending overall. Conversely property taxes revenues continue to make up 87 percent of town revenues. So nearly 74 percent of our costs are beyond our control to budget and 87 percent of our revenues come from local property taxes. That presents our greatest challenge. This budget also includes an operating capital budget, with about \$308,000 in spending on capital needs. You can see on

this slide that we are proposing a total of almost \$2.9 million in capital projects, but many of these are bonding projects which you will vote on a bit later. In an effort to be sensitive to the tax rate, we have also proposed that about \$145,000 of the budgetary spending on capital projects also comes from Free Cash. The proposed water department budget proposes no increase in water rates and will have no impact on the tax rate. We feel it is important to recognize here that five years ago, when the Board of Selectmen proposed a rate hike for the first time in many years, they pledged to hold the rate steady for the next five years. This water budget fulfills that pledge, but it relies on almost \$178,000 of retained earnings, (free cash for enterprise funds), and essentially depletes the fund's reserves. We are forecasting that the fund will need a rate hike in FY 2021. The towns newly adopted financial reserves policies are also respected in this budget proposal. Our new reserves policies, commonly accepted as best practices in municipal financing, call for us to aim for 5% of budget in Free Cash. We are at 5.3%. This budget proposal, though utilizing some free cash, maintains 5% of budget as Free Cash. This budget also increases our General Stabilization Fund account to 3.4% of the general fund budget. Overall, we are making strong commitments to stabilizing our future fiscal health. We are also establishing for the first time a Capital Stabilization Fund and maintaining our commitment to funding our OPEB liability on a schedule previously adopted by other Town Meetings. Again, one area of weakness in this budget is our use of reserves in the water enterprise fund. We expect to have to address this next year. This next slide shows the past five years of our use of Free Cash in the annual budget. As you can see, going back to FY'15 the town has historically used a substantial portion of its Free Cash to balance the budget even against an increasing tax rate. If you look at FY'15, the town had a tax rate of \$17.09. In FY16 it went up to \$17.25. Despite the fact you were using Free Cash to help balance the budget and suppress the tax rate. This year the tax rate would increase a little to \$16.90. We are still under those high years and using no Free Cash to balance the budget. Finally, we would like to share with you where your tax



## *ANNUAL TOWN MEETING (CONTINUED)*

dollar goes by department. Again, nearly \$10.00, \$9.84 to be exact, goes to fund public education, a worthwhile expense and one that definitely improves your home values. Another \$2.60 goes to overhead costs such as debt service, insurances and that sort of thing. This cost is unavoidable, uncontrollable, and it is difficult to quantify the return to the taxpayer. That leaves just \$4.46 per thousand that provides for public safety, public works, health, cultural activity, recreation and general government. These are the quality of life services that you folks expect. I hope you enjoyed our presentation."

Town Moderator read each appropriation and asked that for any item a voter would like to discuss separately be noted by a hold.

\$2,230,772.12 for General Town Government  
\$3,104,336.35 for Public Safety  
\$19,101,708.00 for Hamilton Wenham Regional School District.  
\$203,630.00 for Essex North Shore Agricultural & Technical School District  
\$2,079,290.89 for Department of Public Works  
\$326,003.07 for Health and Human Services  
\$1,038,286.62 for Culture and Recreation  
\$3,483,012.00 for Unclassified  
Totaling \$31,567,039.05"

Town Moderator recognized Phil Stearns.

Phil Stearns read: "I move that the Town raise and appropriate the sums read by the Moderator for schools and all other Town expenses which are set forth in the 2020 Fiscal Year Budget in Appendix B of the 2019 Appendix Book and Appendix C of the 2019 Appendix Book with the coffections read by the Moderator. There were no exceptions for items held."  
Seconded.

Phil Stearns said: "Since the original Finance Committee vote, these numbers have changed. However, we met this morning before the meeting and concluded by a 3-2 vote these changes would not change our recommendation. The Finance Committee met jointly with the Board of Selectmen multiple times during the development of this budget including joint meetings with the School Committee and a focused meeting with District Administration. The Finance Committee's report for this article details our opinion and since you already have it, I don't want to take time rehashing it here. Two key points: On the Town side this budget helps prepare us for unforeseen contingencies and future needs by allocating Free Cash to the Stabilization Fund and a new Capital Stabilization Fund per our new Financial Policies. Using Free Cash to prepare us for the future is a better use of our limited resources that a brief, unsustainable reduction in the tax rate. On the School District side, which is also funded by your tax dollars, cooperation from District Administration while vetting the school budget was better this year. Unfortunately, as pointed out by Dr. Harvey, most of the cost increases are beyond the control of the School Committee and Administration including the almost \$900k increase for out-of-district tuition. However, concerning the largest budget item, Personnel Costs, we believe COLA increases for school employees should not be higher than for other Town employees, as they have been. We will continue to press this point during future collective bargaining negotiations as all Town employees deserve fair and equal treatment. The Finance Committee voted to approve the revised School Budget (w/o SRO funds) at our meeting on Mar. 27th.

Jerry Fallon (38 Goodhue St.) asked how many students were covered in the out-of-district costs.

Dr. Harvey responded it included 52 students.

Vote: Motion carries.

## *ANNUAL TOWN MEETING (CONTINUED)*

Brad Hill was present to award Scott Maddern and Allison Jenkins with House of Representatives citations for their service as Selectmen.

### **ARTICLE 2019/4 2-5 School District Capital Expenditures**

Town Moderator read: "To see if the Town will raise and appropriate or transfer fottn available funds money for the purpose of capital expenditures as approved by the Hamilton Wenham Regional School District or take any action thereon or relative thereto." (Expected request \$0.00).

Town Moderator recognized Scott Maddern.

Mr. Maddern said: "I move that the Town take no action on this article."

Seconded.

Scott Maddern said: "The Town was in the process of its annual mapping of an operating budget and a capital budget. Even though there is nothing in the amount, we want to create this as an annual event."

Town Moderator recognized Phil Stearns.

Phil Stearns said: "This Article asks for nothing and has no impact. The Board of Selectmen chose to include it as a way to remind the District of their responsibilities. The key point here is that the School Committee and Administration failed to provide any Capital Plan after their Plan last year was defeated at this meeting. There were items in last year's plan that we believe are important for the safety, facilities maintenance and education of our students. We expected a reasoned 5-year Capital Plan to be included with the school budget and hope the Committee and Administration will give this responsibility the attention it deserves. At the March 28th School Committee meeting it was decided to work on the Capital Budget after the Town Meetings." Vote: Motion carries.

### **ARTICLE 2019/4 2-6 Water Enterprise Budget**

Town Moderator read: "To see if the Town will approve the FY'20 Water Enterprise Budget or take any action thereon or relative thereto." (Expected request \$1,844,184.00).

Town Moderator recognized Nick Tensen.

Nick Tensen said: "I move that the Town raise and appropriate from the Water Department receipts and retained earnings the sum of \$1,844,184.00 to fund the FY20 budget of the Water Enterprise as set forth in Appendix D to the 2019 Appendix Book."

Seconded.

Mr. Tensen said the Water Enterprise fund was funded through water receipts. This year the Town was starting to utilize the retained earnings that accumulated over the last few years. A water increase would be due by 2021.

Vote: Motion carries.

### **ARTICLE 2019 4 2-8 Community Preservation Budget**

Town Moderator read: "To see if the Town will act on the Report of the Community Preservation Committee on the Fiscal Year 2020 Community Preservation Budget and specified other projects and appropriate or reserve for later appropriation monies from community preservation fund annual revenues, specific reserves or other available funds for the administrative expense of the Community Preservation Committee, the payment of debt service, the undertaking of community preservation projects and all other necessary and proper expenses for the year, or take any actions thereon or relative thereto."

Town Moderator read: "Please turn to Appendix E. There is one correction I wish to bring to your attention. The amount from the Community Preservation Fund Balance should be \$65,300 not \$67,000, for the second project, the debt services for the Sagamore Hill conservation project.

## *ANNUAL TOWN MEETING (CONTINUED)*

I will now read the recommendations of the Community Preservation Committee. Shout out a Hold for any item which you would like separate discussion. The proposed financial actions are as follows:

1. Appropriate \$41,200 from the Community Preservation Fund Balance to fund the debt service for the Donovan Acquisition. This bond will be paid in full in FY2020.
2. Appropriate \$112,300 (65,300 from the Community Preservation Fund Balance and \$47,000 from the FY19 Community Preservation Revenues) to fund the debt service for the Sagamore Hill conservation project. This bond will be paid in full in FY2032.
3. Appropriate \$150,000 from the Community Preservation Fund Balance as requested by the Town Hall Building Committee for the Hamilton Department of Public Works to fund the OPM and design services for the restoration/renovation of the Town Hall.
4. Appropriate \$197,000 (\$150,000 from the Community Preservation Fund Balance and \$47,000 from the FY20 Community Preservation Fund Revenues) to fund the restoration/renovation of the Community House. The project must commence by July 1, 2010. Jeanne Maurand (21 Garfield Ave) held the item.
5. Reserve \$47,000 of FY20 Community Preservation Fund Revenues to the Community Housing Reserve.
6. Appropriate \$23,500 of FY20 Community Preservation Fund Revenues for administration costs including, but not limited to, annual Community Preservation Coalition membership fees, signs publicizing CPA projects and salary for part-time Community Projects Coordinator position."

Town Moderator recognized Jay Butler (78 Old Cart Road).

Jay Butler read: "I move that the Town appropriate or reserve for future appropriation monies from community preservation fund annual revenues, specific reserves or other available funds for the administrative expenses of the Community Preservation Committee, the payment of debt service, the undertaking of community preservation projects and all other necessary and proper expenses for the year as read by the moderator, excepting those items held, with each item to be considered a separate appropriation and further that the Town authorize the Board of Selectmen to execute agreements, on terms acceptable to the Board, to the extent necessary to effectuate the public benefits of such projects."

Seconded.

Jay Butler said the Community Preservation Committee was paying off bonds, the administration costs were constant, and there were two grants. The Community House would celebrate their 100 year anniversary. They were raising money for renovations and restoration of the building. Mr. Butler read the list of items the Community House would pursue with funding. The total for part one would be \$290,000. They asked for a \$197,000 grant. The Committee approved the grant but a motion would be made to reduce the amount. The second grant is the Town Hall. At a previous Town Meeting, \$75,000 was approved for an OPM and architect. The designs had been released. The \$150,000 would continue work to get to the next Town Meeting. Another ask would happen later in the Town Meeting.

Town Moderator said Town Meeting would be voting for all the items except for the held item.

Vote: Motion carries.

Town Moderator recognized Scott Maddern.

Scott Maddern said: "I move that the Town appropriate 100,000. (\$50 000 from the Community

Preservation Fund Balance and \$47,000 (from the FY20 Community Preservation Fund Revenues) to fund the

## *ANNUAL TOWN MEETING (CONTINUED)*

restoration/renovation of the Community House. The project must commence by July 1, 2020."

Seconded.

Scott Maddern explained that Wenham reduced the amount requested. The Selectmen questioned why if Wenham was paying \$50,000, why would Hamilton pay \$200,000, which was not in accordance with the Hamilton 2/3 vs. Wenham 1/3 of regional costs. Hamilton decided to pay \$50,000. The \$100,000 would be a Hamilton provision of the 2/3rds vs. 1/3rds.

Scott Maddern restated: "I move that the Town appropriate or reserve for future appropriation monies from the community preservation fund annual revenues, specific reserves or other available funds \$100,000 (\$53,000 from the Community Preservation Fund Balance and \$47,000 from the FY20 Community Preservation Fund Revenues) to fund the restoration/renovation of the Community House. The project must commence by July 1, 2020."

Seconded

Jay Butler asked Town Moderator to recognize Melissa Elmer (Executive Director of the Community House).

Town Moderator recognized Melissa Elmer.

Melissa Elmer thanked the Town for previous CPA grants. The Community House submitted a proposal to address issues in their capital campaign wherein they would be raising \$3M. The heating system, fire issues, front doors, and other structural issues were needed. The Community House invested over \$75,000 in maintenance to the facility. Ms. Elmer said over 1,000 visitors visit every week. The Community House offered a theatre program, summer concerts at Patton Park, Ski Bradford, Community Block Party and a new enrichment program (before and after school). The Community House offered a sense of community that makes the community special. Without CPA funding, the Community House

would fall into disrepair. Ms. Elmer understood that there were many compelling causes competing for CPA funding. In the spirit of community pride and understanding that we are all in this together and learning that other projects such as Town Hall are in need of funding, the position of the Board was that they would be content with the new grant. The Board felt a grant for \$150,000 between the two towns would allow them to take care of the most critical items.

Allison Jenkins (75 Plum St.) as a resident of the town, said the motion had been changed to \$100,000 to be voted upon and it has been represented that the Selectmen had voted upon that recommendation. As a Board member, this was the first time she had heard of it. The Board had only voted upon the \$50,000 motion. This was not a vote of the Board as they had yet to take one.

Scott Maddern said he thought he was clear that the Board separated all the amounts into two different votes one was \$50,000 and he made a motion to consider this. Allison Jenkins (75 Plum St.) thanked Mr. Maddern for the clarification but disagreed that it was presented that way.

Lynette Fallon (38 Goodhue St.) noted that the Town was voting on a motion that could be voted upon regardless of the Selectmen's vote. Ms. Fallon asked about the matching funds and the balance of the account.

The Town Moderator reread the motion, which could be voted upon irrespective on how the Selectmen voted on it.

Jay Butler said the annual revenue due to 2% surcharge was about \$450,000 with a State match of 19%, which was projected to be 11.75% this year. After review of all obligations, there would be \$582,000 as a balance before collecting the next year. Town Meeting was asked to approve \$250,000, which would leave a balance of \$352,000.

## *ANNUAL TOWN MEETING (CONTINUED)*

Jeanne Maurand (21 Garfield Ave.) spoke in favor but wanted to emphasize the Hamilton Wenham aspect of the Community House. The vision had changed to the North Shore Community. Ms. Maurand wanted to have the money be spent for Hamilton and Wenham.

Christina Comparato (644 Bay Rd.) said she was on the Board of the Community House and a resident of Hamilton. Ms. Comparato spoke in favor of the article. Vote: Motion carries.

### **ARTICLE 2-19/4 2-10 Hamilton Development Corporation**

Town Moderator read: "To see if the Town will raise and appropriate or transfer from available funds a sum of money to the Hamilton Development Corporation or take any action thereon or relative thereto. (Expected request is \$74,880.00)

Town Moderator recognized Rick Mitchell.

Rick Mitchell said: "I move that the Town raise and appropriate \$74,880 to the Hamilton Development Corporation."

Seconded.

Mr. Mitchell offered an overview of initiatives the Corporation had taken. The goal was to sell a property after it had been approved for 21 units by the Planning Board. The permit would substantially increase the value of the property, yield tax revenue increase, bring people downtown, address severe shortages in rental options in Hamilton and allow the Corporation to use the proceeds of the sale with the goal to beautifying downtown Hamilton. Mr. Mitchell showed slides of potential improvements. Keeping the existing telephone poles would be a \$2M project. Removing the poles would be a \$3M project. Mr. Mitchell said it would be five years before work could begin. The sale of Willow St. would cover a significant portion of the costs and grants would be sought. The Corporation had met with business

owners who were concerned about parking, signage, and permitting events downtown. Flower baskets and wreaths had been provided by the Corporation by using the Meal's Tax money.

Jennette Beauregard (50 Hamilton Ave.) thought the vision illustrated in slides was ridiculous but hoped for fostering businesses. Ms. Beauregard would vote for the funding.

Jerry Fallon (38 Goodhue St) asked how much money was in the account and asked about the Willow St. mortgage.

Mr. Mitchell responded that there was \$168,000, which paid for consultants and administrative costs. Mr. Mitchell added the drawings were conceptual. A balloon payment for \$400,000 would be due soon but the Corporation would talk to the bank about extending the terms. Evelyn Anziano (36 Bridge St.) asked about crosswalks.

Town Moderator reminded Ms Anziano that the article was not about a specific project but funding for the Hamilton Development Corporation.

Mr. Mitchell said this was a conceptual drawing for what could be done to connect the two parts of the downtown district.

Lynnette Fallon (38 Goodhue St) said she was confused about the budget of \$168,000 and wanted to understand the revenues of the separate legal entity. The Meal's Tax was a tax paid by Hamilton residents.

Mr. Mitchell explained that the budget started at the beginning of the fiscal year with \$168,000. The Corporation was a public non-profit and didn't need to pay taxes but paid \$7,000. DOrr Fox's salary, consultants, payments for business owners' items, and flower baskets were all funded through the account.

Ms. Fallon asked about revenues that included 2% Meal's Tax.

Mr. Mitchell said Meal's Tax was a .75% tax on any meals purchased in Hamilton that went to the State and then it came back to the Town. This year, it was \$74,880.

## *ANNUAL TOWN MEETING (CONTINUED)*

Vote: Motion carries.

### **ARTICLE 2019/4 2-12 Patton Homestead Operating Budget**

Town Moderator read: "To see if the Town will raise and appropriate or transfer from available funds a sum of money to the Patton Homestead Fund to fund Fiscal Year 2020 operating costs, or take any action thereon or relative thereto (Expected request if \$86,343.00)"

Town Moderator recognized Scott Maddern.

Scott Maddern read: "I move that the Town raise and appropriate \$86,343 to the Patton Homestead Fund,

Seconded.

Joe Domelowicz introduced Kaleigh Pare, the new Patton Homestead Director. Mr. Domelowicz recalled that last year, Town Meeting gave \$90,000 to hire a Director. Mr. Domelowicz said the operation of the property had created frustration and turmoil. A lack of direction has led some to feel that the property may not be worth it. We want to help change that. The request for \$86,000 would manage the Homestead, program events, and provide a home for the Hamilton Historical Society, which moved into the Homestead at the end of last month. The operating budget included about \$42,000 in indirect costs that get charged to the Homestead, which would go back to the Town. That leaves \$44,000 to implement the Business Plan. Having asked for \$100,000 last fall and \$44,000 this spring would show that they were trying to be diligent with the Town's funds. The \$86,000 will pay for the Director's salary. The Director had only been on the job for seven weeks and has made a Business Plan, made connections in the community, booked events, and started a program for public activities. The money would pay basic utilities, insurance and provide an appropriate home in the north wing. The Wenham Museum was in the south wing. The northern most room in the building would provide additional meeting space for Boards and Committees. Mr.

Domelowicz noted the momentum of hiring Kaleigh Pare and recalled that they had submitted a \$408,000 grant request to the State for capital improvements. A feasibility study had been concluded with a consultant, the Power Success Four. Their report was online and they believed the facility could be successful. There were now six people on the Board of Directors. Our partnerships with others in the community had improved. The Homestead was asked to develop a Business Plan that would be self-sustaining. The Plan allowed for several paths for success and included several decision points, opportunities to assess our progress, and a marketing campaign. The Homestead Business Plan offered a varied pricing structure and options for events and programs for revenue streams to attract visitors. The Business Plan was on the website. We anticipate using the site for weddings and events but also pop up cafes in the stables on Friday evenings. The decision points come in August, November, and January prior to formalizing a budget for the following year. The fourth decision point would come after Town Meeting so any issues can be responded to. Mr. Domelowicz said he knew there were people present who thought the property had been mismanaged and he recognized and tried to respond to that. Town Meeting asked us to hire a Director, give an operating budget, and asked us to create a Business Plan. All that has been done. In October, the Selectmen made it one of his goals to try to have the Patton Homestead self-sustaining. Mr. Domelowicz was trying to do that but he needed the resources to do it.

Kaleigh Pare described the Homestead and Business Plan including pivot points. The goal would be to be self-sustaining within three years. Within seven weeks, Ms. Pare booked six events and had five more in the works. Ms. Pare saw the site breaking into three categories: free public use, free or low cost public programming, and private event rentals. Grants and sponsorships as well as rentals would allow for the meeting of goals.

## *ANNUAL TOWN MEETING (CONTINUED)*

John Pruellage explained the position of FinCom who made no recommendation. In the past meetings, the FinCom unanimously recommended the funding of the Patton Homestead. The FinCom had not been convinced of the long term viability but wanted to see the Homestead hire a director and develop a Business Plan. The original gift foresaw the possibility that it might not be a successful long term venture for the Town by allowing for a provision to sell the property with half of the proceeds going to the Town and the other half going to a Patton family charity. At the time of making their recommendation, the Business Plan had not yet been completed. The FinCom did not want to give an unfavorable recommendation to prejudice the article. Now that the Business Plan has been established, they look forward to working with the Patton Homestead to further develop it.

Carin Kale (36 Rock Maple Ave. and President of Patton Homestead, Inc.) spoke in favor of the article.

Doug Trees (557 Bay Road) spoke against the article noting it was a residential structure that needed to be converted to an assembly use. Mr. Trees asked why the FinCom could not respond to the \$30,000 potential revenue versus the \$150,000 costs.

John Pruellage responded that no Business Plan was available at the time of recommendation but they would meet with the Patton Homestead Board and Director before making recommendations in the future.

Joe Domelowicz said most events would be in the stables so an occupancy was not needed. The Building Inspector and Fire Inspector both gave approval for the ability to use the property with up to 49 people inside. Future improvements would build up to a larger capacity. Mr. Domelowicz reiterated that the Town was absolutely within its rights to use the facility.

Ray Whipple (49 Mill St. and President of the Historical Society) spoke in favor of the article.

Forrester Tim Clark (308 Sagamore St) spoke in favor of the article.

Bob Curry (713 Bay Road) suggested having a conversation with Patton Ridge residents to prepare them for the future of the Homestead.

Joe Domelowicz said he had reached out to the residents and that some were present when the Business Plan was developed. Mr. Domelowicz wanted to be sensitive to them regarding noise and traffic.

Bill Bunidge (30 Cunningham Dr.) spoke in favor of the article.

Vote: Motion carries.

### **ARTICLE 2019/4 2-13 Stabilization Fund**

Town Moderator read: To see if the Town will raise and appropriate or transfer from available funds a sum of money to the Stabilization Fund, or take any action thereon or relative thereto. (Expected request is \$322,654.00).

Town Moderator recognized Phil Stearns

Phil Stearns read: "I move that the Town transfer form certified free cash \$321,087.00 to the Stabilization Fund.

Seconded.

Mr. Stearns said: "Since the original Finance Committee vote, these numbers have changed. However, we met this morning before the meeting and concluded by a 3-2 vote these changes would not change our recommendation. The Stabilization Fund is a long time established fund that is considered 'Best Practice' for government accounting. This fund acts as a buffer for Town finances in the case of unforeseen events such as excess snow removal, major equipment or facilities failure or other emergencies. It can also be used as a revenue source in the Town budget. We have instituted a policy to maintain a minimum balance of 5% of our General Operating Fund Revenues. Approval of this article will bring us to 3.5% of target. Any use of these

## *ANNUAL TOWN MEETING (CONTINUED)*

funds will require a 2/3rds vote at Town Meeting." Vote: Motion carries.

A resident believed the Moderator was out of order by not asking for a not in favor count. Town Counsel confirmed that Town Moderator's words were appropriate.

### **ARTICLE 2019/4 2-14 Capital Stabilization Fund**

Town Moderator read: To see if the Town will establish a Capital Stabilization Fund for the special purpose of funding capital budgets and all incidental and related costs, and further to raise and appropriate or transfer from available funds money to fund this special purpose Stabilization Fund or take any action thereon or relative thereto. (Expected request \$579,122.00).

Town Moderator recognized Phil Stearns

Phil Stearns read: "I move that the Town establish a Capital Stabilization Fund for the special purpose of funding capital budgets and all incidental and related costs and transfer from certified free cash \$503,023.000 to the Stabilization Fund.

Seconded.

Mr. Stearns said: "Since the original Finance Committee vote, these numbers have changed. However, we met this morning before the meeting and concluded by a 3-2 vote these changes would not change our recommendation. The Capital Stabilization Fund was a new fund we want to establish today. It's part of the financial policies that we have been working on. It's another 'Best Practice' that we want to adopt. The purpose of this fund is to put aside money to pay for future Capital Expenses. Capital Expenses include items such as: road paving, water treatment, building renovation and repair, major equipment purchases etc. Putting money aside to help fund these future projects can preserve debt capacity. Any use of these funds will require a 2/3rds vote at Town Meeting."

Jeanette Beauregard (50 Hamilton Ave) asked why a separate stabilization fund was needed. Mr. Stearns replied that the regular stabilization fund was for ongoing operating expenses while Capital Stabilization Fund would be used to fund the Capital Plan. Vote: Motion carries. Town Moderator declared a two-thirds vote.

### **ARTICLE 2019/4 2-17 Debt Water Distribution System**

Town Moderator read: "To see if the Town will amend its action taken under Article 2015/4 2-14 of the Warrant at the Annual Town Meeting held on April 11, 2015, which vote authorized the borrowing of \$5,000,000 to pay costs of water distribution system improvements, including the payment of all costs incidental and related thereto, so that such funds may, in addition, be borrowed and expended to pay costs of additional phases of the water distribution system and facilities, including the payment of all other costs incidental and related thereto, or take any action thereon or relative thereto."

Town Moderator recognized Nick Tensen.

Nick Tensen read: "I move that the Town amend its action taken under Article 2015/4 2-14 of the Warrant at the Annual Town Meeting held on April 11, 2015, which vote authorized the borrowing of \$5,000,000 to pay costs of water distribution system improvements, including the payment of all costs incidental and related thereto, so that such funds may, in addition, be borrowed and expended to pay costs of additional phases of the water distribution system and facilities, including the payment of all other costs incidental and related thereto."

Seconded.

Nick Tensen said the article would continue the water distribution work being done with ancillary costs for valves and water tank. The article broadens the appropriation.



## *ANNUAL TOWN MEETING (CONTINUED)*

Vote: Motion carries.

### **ARTICLE 2019/4 2-18 Debt-Water Treatment Plant**

Town Moderator read: "To see if the Town will appropriate \$1,500,000 or some other amount, to pay costs of water treatment plant improvements project, including the payment of all costs incidental and related thereto, to determine whether this amount shall be raised by borrowing or otherwise, or take any action thereon or relative thereto."

Town Moderator recognized Nick Tensen.

Nick Tensen said: "I move that the Town appropriate \$1,500,000 to pay costs of water treatment plant improvements, including the payment of all costs incidental and related thereto, and that to meet this appropriation, the treasurer, with the approval of the Selectmen, is authorized to borrow said amount under and pursuant to Chapter 44, Section 8(5) of the General Laws, or pursuant to any other enabling authority, and to issue bonds or notes of the Town therefor." Seconded.

Nick Tensen said the water treatment plant was doing a good job treating water for minerals and metals but the source now had organics that were getting into the system. When the water is introduced it makes the purification system less effective. The objective is to build a pre-treatment facility that will clear up the organics before they were introduced in the water treatment facility.

Jerry Fallon (38 Goodhue St) noted the Town had exceeded State levels and asked about closing down a well.

Shawn Farrell responded that the notice went out because a disconnected pipe allowed solids to reenter the system. The issue was fixed quickly but the numbers spiked for a couple of days. Idlewood II is offline because it had the most amount of organics in it. The Town was doing temporary fixes to keep the numbers down.

Bob Curry (713 Bay Rd) noted the Ipswich River was being tapped to the bottom. Our water usage is outstripping the water source.

Vote: Motion carries. Town Moderator declared a two-thirds vote.

### **ARTICLE 2019/4 2-19 Debt-Chebacco Road Paving Project**

Town Moderator read: "To see if the Town will appropriate \$1,000,000 or some other amount, to pay costs of paving Chebacco Road, including the payment of all costs incidental and related thereto, to determine whether this amount shall be raised by borrowing or otherwise, or take any action thereon or relative thereto."

Town Moderator recognized John Pruellage.

John Pruellage read: "I move that the Town appropriate \$1,000,000 to pay the costs of paving Chebacco Road, including the payment of all costs incidental and related thereto, and that to meet this appropriation, the Treasurer, with the approval of the Selectmen, is authorized to borrow said amount under and pursuant to Chapter 44, Section 8(5) of the General Laws, or pursuant to any other enabling authority, and to issue bonds or notes of the Town therefor. Seconded.

Town Moderator recognized Shawn Farrell.

Shawn Farrell said there was an unpaved section of Chebacco Road. The DPW constantly regraded the road. It is a public safety issue for postal, police and fire.

Silas Nary (8 Villa Road) noted how much traffic would go down Chebacco Road once it was paved and the effect paving would have on Chebacco Woods. Mr. Nary was concerned with safety. Mr. Nary was for paving the road but before it was done, measures to prevent problems should be considered.

Al DeGroot (193 Chebacco Road) said there were many curves to mitigate speed but once the straight away occurred, cars sped up. Work needed to be done before decisions were made including involving neighbors.

## *ANNUAL TOWN MEETING (CONTINUED)*

Safety issues should be addressed. More research needed to be done.

Shawn Farrell said the Board of Selectmen just adopted a Complete Street Policy, which would dictate the width of the road, etc. The Town would work with the design team and neighbors to make sure the road was not a cut through and mitigate the traffic through signage and patrolling. Tom Thorne (384 Chebacco Road) said the article was vague.

Joe Domelowicz responded that the article was for funding. The project required a public process with neighbors and the Conscom and would also need to go through the Complete Streets Bylaw. The project would not happen until the process played out.

Vote: Motion carries with Town Moderator declaring a two thirds majority.

### **ARTICLE 2019/4 2-20 Town Hall Improvements**

Town Moderator read: "To see if the Town will appropriate \$75,000, or some other amount, to pay costs of Town Hall OPM and design services, including the payment of all costs incidental and related thereto, to determine whether this amount shall be raised by borrowing or otherwise, or take any action thereon or relative thereto.

Town Moderator recognized Mike Toomey (11 Hickory Ln) and Town Hall Committee Building Chairman) read: "I move that the Town transfer from certified free cash \$75,000 to pay costs of the Town Hall OPM and design services, including the payment of all costs incidental and related thereto.

Seconded.

Mr. Twomey presented the work of the Committee during the last year. The last Town Meeting held at Town Hall was 1953. Mr. Twomey noted all the uses in the history of Town Hall. The cupola was ready to fall down. 1990 public meetings were banned due to lack of handicapped access until a ramp was constructed in

1992. The Town Hall was built in 1898 and is registered in the National Registry of Historic Places. Mr. Twomey gave a history of the conceptual design phase and offered Building Code issues. There were no major deficiencies in the structure. LLB Architects did a space requirements study. Mr. Twomey showed eight options being considered. The Committee considered the most cost effective solution but was still looking for input from the Town. The Committee looked at parking issues. The most cost effective choice was \$8,583,000 including hard and soft costs based on conceptual drawings. Plan included having an updated budget and design by this fall Town Meeting to request more funds to have construction documents ready for Spring Town Meeting 2020. Ground would be broken July 2020.

Doug Trees (557 Bay Rd) spoke against the cost of the project, which was \$650 per square foot.

Mr. Trees referred to the empty space at the Patton Homestead.

Steve Dexter (8 Honeysuckle Rd) spoke in favor of the article referring to City Hall in Gloucester.

Mike Twomey responded the cost included every impact including soft costs.

Vote: Motion carries.

## **SECTION 3: PLANNING/ZONING ACTIONS**

### **ARTICLE 2019/4 3-1 Sign Bylaw**

Town Moderator read: "To see if the Town will amend the Zoning By-law Section 6.3 "Signs" by deleting the current text and replacing it with the text set forth in Appendix F to the 2019 Appendix Book or take any action thereon or relative thereto."

Town Moderator recognized Brian Stein.

Brian Stein said: "I move that the Town amend the Zoning By-law Section 6.3 'Signs' by deleting the current text and replacing it with the text set forth in Appendix F to the 2019

## *ANNUAL TOWN MEETING (CONTINUED)*

Warrant Book."

Seconded.

Brian Stein said the article was a cleanup of the existing By-law. Permanent signs required a permit from the Building Inspector while temporary signs would be allowed with provisions under the By-law.

Vote: Motion carries. Town Moderator declared a two-thirds majority.

### **ARTICLE 2019/4 3-2 Inclusionary Housing Bylaw**

Town Moderator read: "To see if the Town will amend the Zoning Bylaw Section 8.3 'Inclusionary Housing' by revising the text as set forth in Appendix G to the 2019 Appendix Book or take any action thereon or relative thereto."

Town Moderator recognized Brian Stein.

Brian Stein said: "I move that the Town amend the Zoning By-law Section 8.3 'Inclusionary Housing' by revising the text as set forth in Appendix G to the 2019 Appendix Book." Seconded.

Brian Stein said the minor amendment would allow for an increased (from 2x the area median income to 3x the area median income) cash contribution to the Affordable Housing Trust as well as defining area median income. The in lieu of payment for not providing an affordable unit on site would be increased from \$146,000 to \$276,000.

Vote: Motion carries. Town Moderator declared a two-thirds majority.

### **ARTICLE 2019/4 3-3 Wireless Facilities Bylaw**

Town Moderator read: "To see if the Town will amend the Zoning Bylaw by renumbering the current Section 7.3 'Wind Energy Facilities' as Section 7.4 and inserting a new Section 7.3 'Small Wireless Facilities in Public and Private Rights of Way and Upon Public and Private Property' with the text set forth in Appendix H to the

2019 Appendix Book or take any action thereon or relative thereto.

Town Moderator recognized Brian Stein

Brian Stein said: "I move that the Town amend the Zoning By-law by renumbering the current Section 7.3 'Wind Energy Facilities' as Section 7.4 and inserting a new Section 7.3 'Small Wireless Facilities' with the text set forth in Appendix H to the 2019 Appendix Book."

Seconded.

Brian Stein said the By-law was added to address the placement, heights, and aesthetics of small wireless facilities. The By-law would define them and give the Planning Board purview over them.

Vote: Motion carries. Town Moderator declared a two-thirds majority.

## **SECTION 4: TOWN BY-LAW AMENDMENTS**

### **ARTICLE 2019/4 4-1 Affordable Housing Trust Bylaw**

Town Moderator read: "To see if the Town will amend the Town By-laws Chapter XXXII 'Hamilton Affordable Housing Trust' by striking the current language of Section 3 and 7 and substituting therefore the language set forth in Appendix I of the 2019 Warrant Book or take any action thereon or relative thereto."

Town Moderator recognized Bill Olson

Bill Olson said: "I move that the Town amend the Town Bylaws Chapter XXXII 'Hamilton Affordable Housing Trust' by striking the current language of Section 3 and 7 and substituting therefore the language set forth in Appendix I of the 2019 Warrant Book."

Seconded.

Town Moderator recognized Bill Olson.

## *ANNUAL TOWN MEETING (CONTINUED)*

Mr. Olson said the current makeup of the Committee should be five residents of the Town. The Town Manager would be an advisory member. The second change was to change the quorum requirements. Currently the quorum required was four members but as a five member board, three was more consistent with other towns.

Vote: Motion carries.

### **SECTION 5 OTHER APPROPRIATIONS AND ACTIONS**

#### **ARTICLE 201/4 5-1 Establish OPEB Trust**

Town Moderator read: "To see if the Town will accept the provision of Section 20 of Chapter 32B of the Massachusetts General Laws, as amended by Section 15 of Chapter 218 of the Acts of 2016, establishing an Other Post-Employment Benefits Liability Trust Fund (OPEB); to authorize the Board of Selectmen and Treasurer to execute a declaration of trust creating an expendable trust for the purpose of holding monies appropriate to such fund; to designate the Treasurer as the trustee of such trust; to authorize the transfer of any and all monies currently held for the purpose of paying retiree health and life benefits to such trust; and to authorize the trustee to invest and reinvest the monies pursuant to the 'prudent investor rule' of G.L. c 203C Sections 1-11 or otherwise as permitted by law, or take any action thereon or relative thereto.

Town Moderator recognized David Wanger

David Wanger read: "I move that the Town accept the provisions of Section 20 of Chapter 32B of the Massachusetts General Laws, as amended by Section 15 of Chapter 218 of the Acts of 2016, establishing an Other Post-Employment Benefits Liability Trust Fund; to authorize the Board of Selectmen and Treasurer to execute a declaration of trust creating an expendable trust for the purpose of holding monies appropriate to such fund; to designate the Treasurer as the trustee of such trust; to authorize the transfer of any and all monies currently held for the purpose of paying retiree health and life benefits to such trust; and to authorize the trustee to invest and reinvest the monies pursuant to the 'prudent investor rule' of G.L. c 203C, Sections 1-11 or otherwise permitted by law."

Second.

David Wanger said the Town had accumulated \$500,000 toward an ultimate liability of over \$7.7M. Those funds were intended to pay the OPEB liability to retirees. The legal means to devote the funds to their purpose was to create an irrevocable trust.

Vote: Motion carries.

### **SECTION 6: CLOSING FINANCIAL ACTIONS**

#### **ADJOURNMENT**

The Moderator announced that the Annual Town Meeting is recessed until April 11, 2019 at 7:00 am at the Hamilton Wenham Recreation Center.

## ***Annual Town Election- April 11, 2019***

[illegible]

### **Overview**

The Town's financial position continued to improve during fiscal year 2019. Total assessed valuation increased by 5.8% in fiscal year 2019 to \$1,669,716,936, reflecting a strong Real Estate market for residential property. Income levels remained strong with a median household income (in 2018 dollars) for the Town of Hamilton of \$133,333, according to the U.S. Census Bureau. The unemployment rate for the Town (according to Homefacts.com as of September of 2019) was 2.1%, remaining below the statewide and national averages of 2.9% and 3.6%, respectively.

Standard and Poor's (S&P) reaffirmed the Town's bond rating at AAA (S&P's highest rating). Analysts noted that the rating reflects a strong budgetary flexibility, strong liquidity and strong financial management.

**General Fund:** The general fund is the chief operating fund of the Town. At the end of fiscal year 2019, unassigned fund balance of the general fund totaled \$4,627,108, while the total fund balance was \$7,034,706. The Town recognized a budgetary surplus of approximately \$1,603,000 and utilized approximately \$589,000 of reserves to fund appropriations during fiscal year 2019. The Town's certified free cash for fiscal 2019 was \$2,778,632. The Spring Town Meeting committed \$979,260 of free cash by voting to fund the purchase of a pickup truck for the fire department and voting machines, fund the Town Hall OPM and design services, prior years grant deficit, payment of prior year bills and transfers to the Stabilization funds in accordance to newly adopted financial policies.

The Town's local receipts remain constant and the collection of committed taxes remains strong as evidenced by our +/- 99.5% collection rate. However, spending in all major categories has increased over time. With costs continuing to be on the rise and the slow, steady growth in revenues will likely result in future budget pressures.

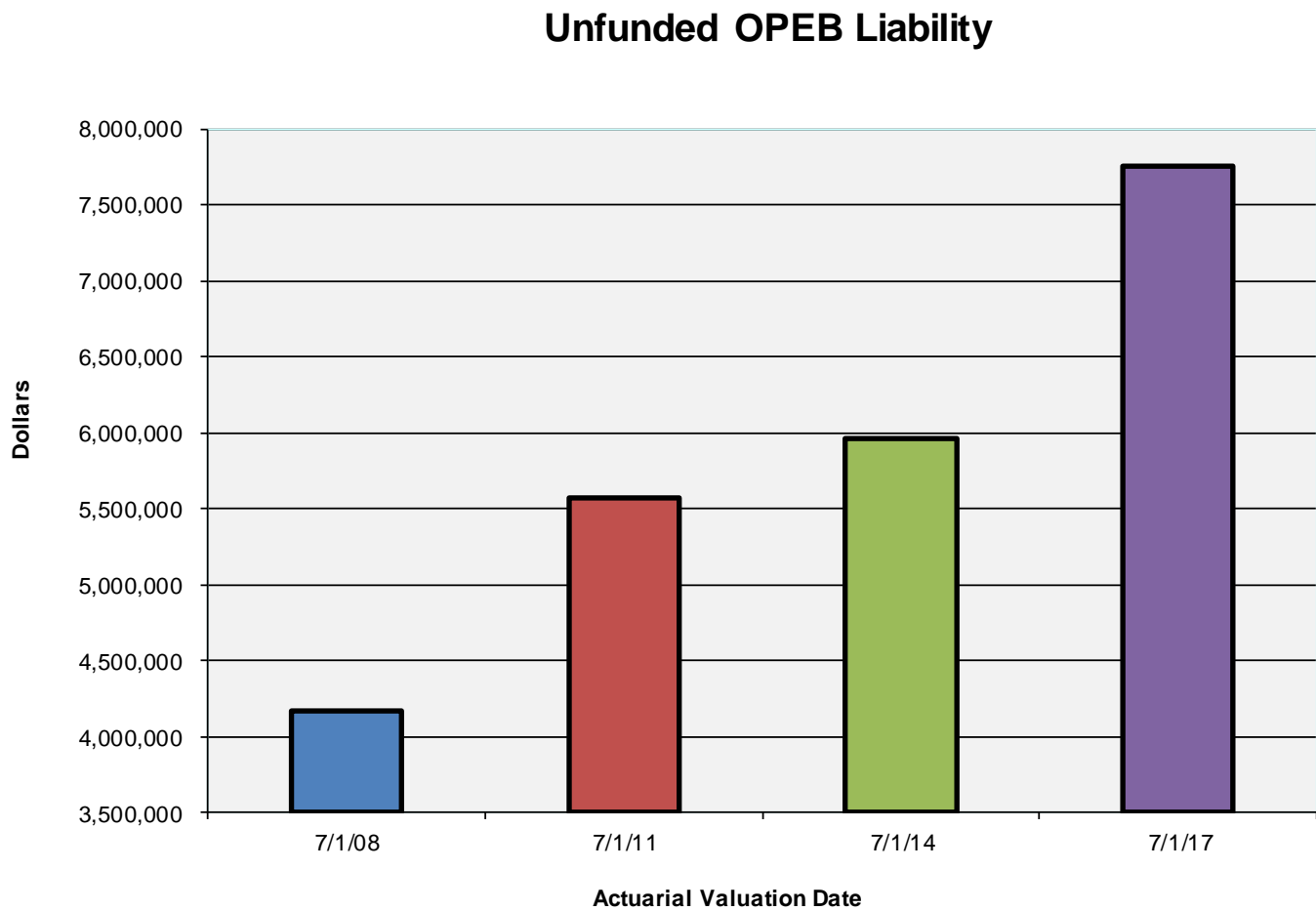
**Other Governmental Funds:** The Town's other funds – Gifts, Grants, Revolving, Capital Projects and Trusts – all closed the year with positive balances, with the exception of minor deficits in four grant funds and the Bridge Street Capital Project deficit of \$163,021. The Town continues to work with state agencies to obtain reimbursement in order to cover the deficit in the fund. Currently, the Town has two major ongoing Capital Projects: Water Distribution and Water Treatment Plant projects.

**Community Preservation Fund:** The State continues to match local CPA surcharges. The match received in FY2019 (\$78,798) was 19.1% of the FY18 surcharge receipts of \$413,337. The anticipated match is carefully monitored by the Community Preservation Committee and the State continues to request that Towns budget conservatively for this revenue. Collection of CPA surcharge revenue remains robust, with approximately 97.7% of committed receipts actually collected. Debt service for the Donovan Property and Sagamore Hill land acquisition is a substantial annual CPA Fund obligation (\$156,400 principal and interest payment in FY19); the Donovan Property debt matures in FY20 and Sagamore Hill debt matures in FY32.

**Enterprise Funds:** During fiscal year 2019, the water enterprise fund operating revenues were \$1,666,715 to an operating expense of \$1,122,659 resulting in operating income of \$544,056. The year closed with an outstanding receivable in water user charges of \$421,398.

**Other Post-Employment Benefits (OPEB)**

At the end of fiscal year 2019, the OPEB Trust total fund balance was \$521,747. An updated Actuarial Report for OPEB will be performed during fiscal year 2020. The graph below shows the unfunded liability as of July 1, 2017:



## ***Board of Assessors***

For Fiscal Year 2019, the total assessed taxable valuation of Hamilton is \$1,669,716,936 with a property tax levy of \$27,516,529. The fiscal year 2019 tax rate as certified by the Department of Revenue is \$16.48 up \$.26 from the previous year. Building permits issued in 2019 resulted in an additional \$145,718 in tax levy growth.

In 2019, the Board of Assessors completed their mandatory 5 year Certification of values adjusting all properties in the town of Hamilton as required by the Department of Revenue. Under Massachusetts's law, this Board is required to value all of Hamilton's 2923 properties at 100 percent of their full and fair cash valuation, thereby insuring an equitable distribution of the property tax levy. The town's average residential single-family valuation is \$600,426. More importantly, we believe that we have met our statutory obligation to re-establish proper assessment level and uniformity throughout the town of Hamilton. Final Department of Revenue certification of assessed valuations was granted in December and property tax bills were subsequently mailed at the end of December. The current valuation and levy percentages based upon property class are as follows:

<b>Class</b>	<b>Valuation</b>	<b>%</b>	<b>Taxes Paid</b>	<b>%</b>
Residential	\$1,591,353,800	95%	\$26,225,511	95%
Commercial	\$63,996,500	4%	\$1,054,662	4%
Industrial	\$730,400	1%	\$12,037	1%
Personal	\$13,636,236	1%	\$224,725	1%
<b>TOTALS</b>	<b>\$1,669,716,936</b>	<b>100%</b>	<b>\$27,516,935</b>	<b>100%</b>

Also in 2019, the Assessor's office processed applications for excise abatements, CH91, Elderly, Veteran Exemptions, and CPA Exemptions.

We would like to assure all property owners that the Board of Assessors will continue its effort to meet the challenge of maintaining equitable assessments in this current real estate market.

Respectfully submitted,  
Gelean M. Campbell, Chairman  
Steven Ozahowski, Member  
Peter J. Kane, Member



## ***Treasurer/ Collector***

I hereby submit my Annual Report as Treasurer/Collector for the Town of Hamilton for the fiscal year ended June 30, 2019.

<b>July 1, 2018</b>	<b>\$11,878,269.64</b>
<b>Receipts</b>	<b>\$35,837,929.86</b>
<b>Disbursements</b>	<b>(\$35,910,576.23)</b>
<b>June 30, 2019</b>	<b>\$11,605,169.04</b>

Respectfully Submitted,

*Peggy McLoughlin, CMMT, CMMC*

*Treasurer/Collector*

***TREASURER/ COLLECTOR (CONTINUED)***

		July - December	January - June	Total
<b>COLLECTIONS</b>	<b>YEAR</b>			
<b>REAL ESTATE</b>	<b>2019</b>	\$ 12,505,329.00	\$ 14,401,282.00	\$ 26,906,611.00
	<b>2018</b>	\$ 155,520.00	\$ -	\$ 155,520.00
		\$ 12,660,849.00	\$ 14,401,282.00	\$ 27,062,131.00
<b>PERSONAL PROPERTY</b>	<b>2019</b>	\$ 118,521.00	\$ 130,243.00	\$ 248,764.00
Prior to	<b>2018</b>	\$ 132.00	\$ 12.00	\$ 144.00
		\$ 118,653.00	\$ 130,255.00	\$ 248,908.00
<b>MOTOR VEHICLE EXCISE</b>	<b>2019</b>	\$ -	\$ 1,048,461.00	\$ 1,048,461.00
	<b>2018</b>	\$ 149,146.00	\$ 37,518.00	\$ 186,664.00
	<b>2017</b>	\$ 2,216.00	\$ 3,487.00	\$ 5,703.00
Prior to	<b>2016</b>	\$ 300.00	\$ 231.00	\$ 531.00
		\$ 151,662.00	\$ 1,089,697.00	\$ 1,241,359.00
<b>BOAT EXCISE</b>	<b>2019</b>	\$ 1,857.00	\$ 320.00	\$ 2,177.00
	<b>2018</b>	\$ 15.00	\$ -	\$ 15.00
		\$ 1,872.00	\$ 320.00	\$ 2,192.00
<b>WATER</b>				
<b>Rates</b>		\$ 894,361.00	\$ 687,681.00	\$ 1,582,042.00
<b>General Billing</b>		\$ 626.00	\$ 5,035.00	\$ 5,661.00
<b>Liens</b>		\$ 6,116.00	\$ 36,665.00	\$ 42,781.00
<b>Penalties &amp; Interest</b>		\$ 6,551.00	\$ 3,081.00	\$ 9,632.00
		\$ 907,654.00	\$ 732,462.00	\$ 1,640,116.00
<b>CPA</b>	<b>2019</b>	\$ 205,255.00	\$ 245,058.00	\$ 450,313.00
	<b>2018</b>	\$ 2,279.00	\$ -	\$ 2,279.00
<b>Interest</b>		\$ 270.00	\$ 278.00	\$ 548.00
		\$ 207,804.00	\$ 245,336.00	\$ 453,140.00
<b>TAX TITLES</b>		\$ 52,160.00	\$ 33,478.00	\$ 85,638.00
<b>PENALTIES &amp; INTEREST</b>		\$ 8,269.00	\$ 5,760.00	\$ 14,029.00
<b>TOTAL</b>		<b>\$ 14,108,923.00</b>	<b>\$ 16,638,590.00</b>	<b>\$ 30,747,513.00</b>

**TOWN OF HAMILTON, MASSACHUSETTS  
FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION  
YEAR ENDED JUNE 30, 2019**



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OUTSOURCING  
AUDIT, TAX, AND  
CONSULTING

**TOWN OF HAMILTON, MASSACHUSETTS  
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## INDEPENDENT AUDITORS' REPORT

Honorable Board of Selectmen  
Town of Hamilton, Massachusetts

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town of Hamilton, Massachusetts, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Town of Hamilton, Massachusetts' basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



Honorable Board of Selectmen  
Town of Hamilton, Massachusetts

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town of Hamilton, Massachusetts, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.


### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (located on pages 3 through 10), general fund and community preservation fund budgetary comparisons and certain pension and other postemployment benefits information (located on pages 61 through 67) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 22, 2019, on our consideration of the Town of Hamilton, Massachusetts' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Hamilton, Massachusetts' internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

Boston, Massachusetts  
November 22, 2019

**TOWN OF HAMILTON, MASSACHUSETTS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2019**

As management of the Town of Hamilton, Massachusetts (Town), we offer readers of these financial statements this narrative overview and analysis of the Town's financial activities for the fiscal year ended June 30, 2019.

**Financial Highlights**

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$15,087,267 (net position). The Town had an unrestricted deficit at the end of the current fiscal year totaling \$10,690,237.
- The Town's total net position increased by \$1,212,207 in the current fiscal year.
- At the end of the fiscal year, unassigned fund balance for the general fund totaled \$4,627,108 or 15.28% of total general fund expenditures and transfers out.
- The Town's total bonded debt decreased by \$1,308,181 during the fiscal year.

**Overview of the Basic Financial Statements**

This discussion and analysis is intended to serve as an introduction to the basic financial statements, which consists of the following three components:

1. Government-wide financial statements
2. Fund financial statements
3. Notes to the basic financial statements

This report also contains required supplementary information in addition to the basic financial statements.

**Government-Wide Financial Statements.** The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the Town's nonfiduciary assets, deferred outflows, liabilities, and deferred inflows, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes, earned but unused vacation leave, etc.).

**TOWN OF HAMILTON, MASSACHUSETTS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2019**

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). Governmental activities include general government, public safety, education, public works, health and human services, culture and recreation and debt service (interest). Business-type activities include the water and waste removal operations.

The government-wide financial statements can be found on pages 12 through 14 of this report.

**Fund Financial Statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds can be divided into the following categories and are described below:

1. Governmental funds
2. Proprietary funds
3. Fiduciary funds

**Governmental Funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on near-term inflows and outflows of expendable resources, as well as on balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term effect of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town maintains 95 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the general fund and community preservation (special revenue) fund, which are considered to be major funds. Data from the other 93 governmental funds are combined into a single, aggregated presentation titled nonmajor governmental funds.

The basic governmental funds financial statements can be found on pages 15 through 18 of this report.



**TOWN OF HAMILTON, MASSACHUSETTS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2019**

**Proprietary Funds.** The Town maintains one type of proprietary fund.

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town uses enterprise funds to account for its operations. The water enterprise fund is considered to be a major fund.

The basic proprietary fund financial statements can be found on pages 19 through 21 of this report.

**Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town's programs. The accounting used for fiduciary funds is similar to that used for proprietary funds.

Private-purpose trust funds are reported and combined into a single, aggregate presentation in the fiduciary funds financial statements under the caption "private purpose trust funds".

The basic fiduciary fund financial statements can be found on pages 22 through 23 of this report.

#### **Notes to the Basic Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 24-60 of this report.

#### **Required Supplementary information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Presented in this information is the budget comparison for the general fund and community preservation fund and certain pension and other postemployment benefits information, which can be located on pages 61 through 67 of this report.

#### **Government-Wide Financial Analysis**

The following tables present current and prior year data on the government-wide financial statements.

#### **Net Position**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The Town's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$15,087,267 at the close of the fiscal year and are summarized as follows:

**TOWN OF HAMILTON, MASSACHUSETTS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2019**

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
<b>Assets</b>						
Current Assets	\$ 11,429,092	\$ 10,063,613	\$ 1,813,096	\$ 3,785,342	\$ 13,242,188	\$ 13,848,955
Noncurrent Assets (Excluding Capital Assets)	398,552	395,279	-	-	398,552	395,279
Capital Assets (Net)	21,307,730	21,128,034	12,190,544	11,703,051	33,498,274	32,831,085
Total Assets	33,135,374	31,586,926	14,003,640	15,488,393	47,139,014	47,075,319
<b>Deferred Outflows of Resources</b>	2,674,172	1,556,056	168,637	93,986	2,842,809	1,650,042
<b>Liabilities</b>						
Current Liabilities (Excluding Debt)	970,810	948,564	1,636,253	2,748,616	2,607,063	3,697,180
Noncurrent Liabilities (Excluding Debt)	19,428,614	16,477,300	1,156,775	984,242	20,585,389	17,461,542
Current Debt	774,770	784,770	523,412	523,412	1,298,182	1,308,182
Noncurrent Debt	4,273,730	5,048,500	5,456,971	5,980,382	9,730,701	11,028,882
Total Liabilities	25,447,924	23,259,134	8,773,411	10,236,652	34,221,335	33,495,786
<b>Deferred Inflows of Resources</b>	638,940	1,277,594	34,281	76,921	673,221	1,354,515
<b>Net Position</b>						
Net Investment in Capital Assets	16,823,870	16,475,428	4,970,794	5,037,238	21,794,664	21,512,666
Restricted	3,982,840	3,817,953	-	-	3,982,840	3,817,953
Unrestricted	(11,084,028)	(11,687,127)	393,791	231,568	(10,690,237)	(11,455,559)
Total Net Position	\$ 9,722,682	\$ 8,606,254	\$ 5,364,585	\$ 5,268,806	\$ 15,087,267	\$ 13,875,060

The largest portion of the Town's net position reflects its investment in capital assets (e.g., land, intangible assets, construction in progress, improvements, buildings, machinery and equipment, vehicles, library books, software, and infrastructure); less any related outstanding debt used to acquire those assets. These capital assets are used to provide services to citizens; consequently, these assets are not available for future spending. Although the investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Town's net position represents resources that are subject to external restrictions on how they may be used.

The Town has no unrestricted net position available for the support of governmental activities. Such resources have been consumed with the recognition of net pension and other postretirement benefit liabilities. The Town has \$393,791 that may be used to support business-type activities.

**TOWN OF HAMILTON, MASSACHUSETTS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2019**

**Changes in Net Position**

For the fiscal year ended June 30, 2019, the Town's total net position increased by \$1,212,207, compared to a decrease of \$44,602 in the prior fiscal year. These amounts are summarized as follows:

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
<b>Revenues</b>						
Program Revenues:						
Charges for Services	\$ 1,540,679	\$ 1,266,284	\$ 1,666,715	\$ 1,680,449	\$ 3,207,394	\$ 2,946,733
Operating Grants and Contributions	753,962	454,100	17,324	33,184	771,286	487,284
Capital Grants and Contributions	421,763	106,956	-	-	421,763	106,956
General Revenues:						
Real Estate and Personal Property Taxes	27,354,265	25,452,108	-	-	27,354,265	25,452,108
Motor Vehicle and Other Excise Taxes	1,221,229	1,193,494	-	-	1,221,229	1,193,494
Meals Tax	75,014	74,880	-	-	75,014	74,880
Penalties and Interest on Taxes	79,213	90,764	-	-	79,213	90,764
Payments in Lieu of Taxes	34,580	32,589	-	-	34,580	32,589
Community Preservation Surcharges	453,639	414,332	-	-	453,639	414,332
Grants and Contributions not Restricted to Specific Programs	826,983	799,618	-	-	826,983	799,618
Unrestricted Investment Income	152,573	14,428	-	-	152,573	14,428
<b>Total Revenues</b>	<b>32,913,900</b>	<b>29,899,553</b>	<b>1,684,039</b>	<b>1,713,633</b>	<b>34,597,939</b>	<b>31,613,186</b>
<b>Expenses</b>						
General Government	3,121,414	3,582,168	-	-	3,121,414	3,582,168
Public Safety	4,577,949	4,378,611	-	-	4,577,949	4,378,611
Education	18,621,919	17,635,769	-	-	18,621,919	17,635,769
Public Works	2,687,835	1,995,812	-	-	2,687,835	1,995,812
Health and Human Services	849,765	747,825	-	-	849,765	747,825
Culture and Recreation	1,979,848	1,702,216	-	-	1,979,848	1,702,216
Hamilton Development Corporation	65,000	65,000	-	-	65,000	65,000
Debt Service - Interest	124,920	155,536	-	-	124,920	155,536
Water	-	-	1,357,082	1,394,851	1,357,082	1,394,851
<b>Total Expenses</b>	<b>32,028,650</b>	<b>30,262,937</b>	<b>1,357,082</b>	<b>1,394,851</b>	<b>33,385,732</b>	<b>31,657,788</b>
Change in Net Position Before Transfers	885,250	(363,384)	326,957	318,782	1,212,207	(44,602)
Transfers, Net	231,178	280,715	(231,178)	(280,715)	-	-
<b>CHANGE IN NET POSITION</b>	<b>1,116,428</b>	<b>(82,669)</b>	<b>95,779</b>	<b>38,067</b>	<b>1,212,207</b>	<b>(44,602)</b>
Net Position - Beginning of Year	8,606,254	8,688,923	5,268,806	5,230,739	13,875,060	13,919,662
<b>NET POSITION - END OF YEAR</b>	<b>\$ 9,722,682</b>	<b>\$ 8,606,254</b>	<b>\$ 5,364,585</b>	<b>\$ 5,268,806</b>	<b>\$ 15,087,267</b>	<b>\$ 13,875,060</b>

Governmental activities increased the Town's net position by \$1,116,428. In the prior year, governmental activities decreased the Town's net position by \$82,669. The key element of this change relates to the net increase in fund balance of the general fund of \$1,179,109, as compared to an increase \$85,383 in the prior year.

Business-type activities increased the Town's net position by \$95,779. In the prior year, business-type activities increased the Town's net position by \$38,067. The key element of this change is a slight reduction in expenses in fiscal year 2019.

**TOWN OF HAMILTON, MASSACHUSETTS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2019**

**Fund Financial Statement Analysis**

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds**

The focus of the governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the Town's financing requirements.

At the end of the current fiscal year, the governmental funds reported combined ending fund balances totaling \$10,147,965, an increase of \$1,270,066 in comparison with the prior year. Approximately \$4,447,000 represents unassigned fund balance. The remainder of fund balance includes the following constraints:

- Nonspendable (\$285,541)
- Restricted (\$3,548,522)
- Committed (\$1,781,348)
- Assigned (\$85,765)

The general fund is the chief operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the general fund totaled \$4,627,108, while total fund balance was \$7,034,706. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures and transfers out. Unassigned fund balance represents 15.28% of total general fund expenditures and transfers out, while total fund balance represents 23.23% of that same amount.

The balance of the Town's general fund increased by \$1,179,109 during fiscal year 2019. The Town recognized a budgetary surplus of approximately \$1,603,000 (excluding encumbrances and continuing appropriations) and utilized approximately \$589,000 of reserves to fund appropriations during fiscal year 2019.

Financial highlights of the Town's other major governmental fund is as follows:

The fund balance of the community preservation fund (special revenue) decreased by \$69,349 during the current fiscal year. The fund recognized \$453,104 in surcharges, \$78,798 in intergovernmental revenue, \$23,037 of investment income, and transfers in of \$217,152. Expenditures and transfers out of \$741,440 and \$100,000, respectively, were incurred during the fiscal year.

**Proprietary Funds**

The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

**TOWN OF HAMILTON, MASSACHUSETTS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2019**

Unrestricted net position of the water enterprise fund at the end of the year amounted to \$393,791. The water fund had an increase in net position for the year of \$95,779. Other factors concerning the finances of this fund have already been addressed in the discussion of the Town's business-type activities.

### **General Fund Budgetary Highlights**

The original general fund budget totaled \$30,512,847. During the year, appropriations were increased by \$246,929 for various purposes and were funded by tax revenues.

During the year, general fund revenues exceeded budgetary estimates, while expenditures and encumbrances and continuing appropriations were less than budgetary estimates, resulting in a positive budget to actual variance of approximately \$1,259,000. Encumbrances and continuing appropriations totaled \$344,018 at year-end.

### **Capital Asset and Debt Administration**

#### **Capital Assets**

The Town's investment in capital assets for its governmental and business type activities at the end of the fiscal year totaled \$33,498,274 (net of accumulated depreciation). This investment in capital assets includes land, intangible assets, improvements, buildings, machinery and equipment, vehicles, library books, software, infrastructure and construction in progress. The total increase in the investment in capital assets for the current fiscal year totaled \$667,189 or 2.03%.

Major capital asset events that occurred during the current fiscal year include the following:

- Town Hall and Patton Homestead construction in progress (\$504,000)
- Firetruck lease (\$550,000)
- Water system infrastructure completion (\$5,050,000)

The following table summarizes the Town's capital assets (net of accumulated depreciation):

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$ 2,373,848	\$ 2,373,848	\$ 283,912	\$ 283,912	\$ 2,657,760	\$ 2,657,760
Intangible Assets	1,750,000	1,750,000	-	-	1,750,000	1,750,000
Land Improvements	2,512,530	2,670,986	-	-	2,512,530	2,670,986
Buildings	7,834,632	8,167,798	2,094,664	2,174,374	9,929,296	10,342,172
Machinery and Equipment	1,189,383	792,908	15,086	19,607	1,204,469	812,515
Vehicles	1,219,445	1,357,174	112,045	138,042	1,331,490	1,495,216
Infrastructure	3,890,003	3,915,401	9,684,837	4,845,900	13,574,840	8,761,301
Construction in Progress	537,889	99,919	-	4,241,216	537,889	4,341,135
Total Capital Assets	<u>\$ 21,307,730</u>	<u>\$ 21,128,034</u>	<u>\$ 12,190,544</u>	<u>\$ 11,703,051</u>	<u>\$ 33,498,274</u>	<u>\$ 32,831,085</u>

Additional information on the Town's capital assets can be found in Note 5 of this report.

**TOWN OF HAMILTON, MASSACHUSETTS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2019**

**Long-Term Debt**

At the end of the current fiscal year, total bonded debt outstanding was \$11,028,883, which is backed by the full faith and credit of the Town, and consists entirely of general obligation bonds.

The Town's total bonded debt decreased by \$1,308,181 during the current fiscal year.

Additional information on the Town's long-term debt can be found in Note 10 of this report.

**Requests for Information**

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, Town Hall, 577 Bay Road, Hamilton, Massachusetts 01936.

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**TOWN OF HAMILTON, MASSACHUSETTS  
STATEMENT OF NET POSITION  
JUNE 30, 2019**

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Hamilton Development Corporation
<b>ASSETS</b>				
Current Assets:				
Cash and Cash Equivalents	\$ 5,333,667	\$ 1,125,071	\$ 6,458,738	\$ -
Restricted Cash and Cash Equivalents	2,777,518	260,633	3,038,151	165,423
Investments	1,391,752	-	1,391,752	-
Restricted Investments	1,122,366	-	1,122,366	-
Receivables, Net of Allowance for Uncollectible Amounts:				
Real Estate and Personal Property Taxes	312,047	-	312,047	-
Tax and Utility Liens	94,761	5,994	100,755	-
Motor Vehicle and Other Excise Taxes	88,455	-	88,455	-
Community Preservation Surcharges	3,806	-	3,806	-
Water Charges	-	421,398	421,398	-
Departmental and Other	20,680	-	20,680	-
Intergovernmental	284,040	-	284,040	-
Total Current Assets	11,429,092	1,813,096	13,242,188	165,423
Noncurrent Assets:				
Receivables, Net of Allowance for Uncollectible Amounts:				
Real Estate Tax Deferrals	36,564	-	36,564	-
Tax Foreclosures	361,988	-	361,988	-
Capital Assets Not Being Depreciated	4,661,737	283,912	4,945,649	339,500
Capital Assets, Net of Accumulated Depreciation	16,645,993	11,906,632	28,552,625	224,723
Total Noncurrent Assets	21,706,282	12,190,544	33,896,826	564,223
Total Assets	33,135,374	14,003,640	47,139,014	729,646
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Related to OPEB	762,051	47,021	809,072	-
Related to Pensions	1,912,121	121,616	2,033,737	-
Total Deferred Outflows of Resources	2,674,172	168,637	2,842,809	-
<b>LIABILITIES</b>				
Current Liabilities:				
Warrants Payable	536,247	58,320	594,567	-
Accrued Payroll	124,869	5,360	130,229	-
Other Liabilities	11,779	-	11,779	2,960
Accrued Interest	33,005	55,586	88,591	-
Capital Lease Obligations	46,322	-	46,322	-
Compensated Absences	27,701	4,243	31,944	-
Total OPEB Liability	190,887	12,744	203,631	-
Short-Term Notes Payable	-	1,500,000	1,500,000	-
Long-Term Bonds and Notes Payable	774,770	523,412	1,298,182	-
Mortgage Loan Payable	-	-	-	16,449
Total Current Liabilities	1,745,580	2,159,665	3,905,245	19,409
Noncurrent Liabilities:				
Capital Lease Obligations	439,038	-	439,038	-
Compensated Absences	249,307	38,186	287,493	-
Total OPEB Liability	7,738,097	469,442	8,207,539	-
Net Pension Liability	11,002,172	649,147	11,651,319	-
Long-Term Bonds and Notes Payable	4,273,730	5,456,971	9,730,701	-
Mortgage Loan Payable	-	-	-	431,702
Total Noncurrent Liabilities	23,702,344	6,613,746	30,316,090	431,702
Total Liabilities	25,447,924	8,773,411	34,221,335	451,111
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Related to Pensions	638,940	34,281	673,221	-
<b>NET POSITION</b>				
Net Investment in Capital Assets	16,823,870	4,970,794	21,794,664	116,072
Restricted for:				
Other Postemployment Benefits	540,485	-	540,485	-
Community Preservation	911,262	-	911,262	-
Affordable Housing	474,855	-	474,855	-
Permanent Funds:				
Expendable	325,663	-	325,663	-
Nonexpendable	285,541	-	285,541	-
Other Specific Purposes	1,445,034	-	1,445,034	-
Unrestricted	(11,084,028)	393,791	(10,690,237)	162,463
Total Net Position	\$ 9,722,682	\$ 5,364,585	\$ 15,087,267	\$ 278,535



**TOWN OF HAMILTON, MASSACHUSETTS  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2019**

Functions/Programs	Expenses	Program Revenues			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense)/ Revenue
<b>Primary Government:</b>					
Governmental Activities:					
General Government	\$ 3,121,414	\$ 185,667	\$ 326,948	\$ -	\$ (2,608,799)
Public Safety	4,577,949	739,254	76,724	100,000	(3,661,971)
Education	18,621,919	-	-	-	(18,621,919)
Public Works	2,687,835	116,159	65,985	321,763	(2,183,928)
Health and Human Services	849,765	58,730	80,186	-	(710,849)
Culture and Recreation	1,979,848	440,869	202,694	-	(1,336,285)
Hamilton Development Corporation	65,000	-	-	-	(65,000)
Debt Service-Interest	124,920	-	1,425	-	(123,495)
Total Governmental Activities	32,028,650	1,540,679	753,962	421,763	(29,312,246)
Business-Type Activities:					
Water	1,357,082	1,666,715	17,324	-	326,957
Total Primary Government	33,385,732	3,207,394	771,286	421,763	(28,985,289)
<b>Component Units:</b>					
Hamilton Development Corporation	\$ 102,809	\$ 32,150	\$ 65,000	\$ -	\$ (5,659)

**TOWN OF HAMILTON, MASSACHUSETTS  
STATEMENT OF ACTIVITIES (CONTINUED)  
YEAR ENDED JUNE 30, 2019**

	Primary Government		
	Governmental Activities	Business-type Activities	Component Unit
<b>CHANGES IN NET POSITION</b>			
Net (Expense) Revenue (From Previous Page)	\$ (29,312,246)	\$ 326,957	\$ (28,985,289)
<b>GENERAL REVENUES</b>			
Real Estate and Personal Property Taxes	27,354,265	-	27,354,265
Motor Vehicle and Other Excise Taxes	1,221,229	-	1,221,229
Meals Tax	75,014	-	75,014
Penalties and Interest on Taxes	79,213	-	79,213
Payments in Lieu of Taxes	34,580	-	34,580
Community Preservation Surcharges	453,639	-	453,639
Grants and Contributions not Restricted to Specific Programs	826,983	-	826,983
Unrestricted Investment Income	152,573	-	152,573
Transfers, Net	231,178	(231,178)	-
Total General Revenues and Transfers	30,428,674	(231,178)	30,197,496
<b>CHANGE IN NET POSITION</b>	1,116,428	95,779	1,212,207
Net Position - Beginning of Year	8,606,254	5,268,806	13,875,060
<b>NET POSITION - END OF YEAR</b>	<u>\$ 9,722,682</u>	<u>\$ 5,364,585</u>	<u>\$ 15,087,267</u>
			<u>\$ 278,535</u>

**TOWN OF HAMILTON, MASSACHUSETTS  
GOVERNMENTAL FUNDS —  
BALANCE SHEET  
JUNE 30, 2019**

<b>ASSETS</b>	<b>General</b>	<b>Community Preservation</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
Cash and Cash Equivalents	\$ 5,333,667	\$ -	\$ -	\$ 5,333,667
Investments	1,391,752	-	-	1,391,752
Receivables, Net of Allowance for Uncollectible Amounts:				
Real Estate and Personal Property Taxes	312,047	-	-	312,047
Real Estate Tax Deferrals	36,564	-	-	36,564
Tax Liens	94,761	-	-	94,761
Motor Vehicle and Other Excise Taxes	88,455	-	-	88,455
Community Preservation Surcharges	-	3,806	-	3,806
Departmental and Other	-	-	20,680	20,680
Intergovernmental	-	-	284,040	284,040
Due from Other Funds	163,021	-	-	163,021
Tax Foreclosures	361,988	-	-	361,988
Restricted Assets:				
Cash and Cash Equivalents	682	834,688	1,942,148	2,777,518
Investments	539,803	103,444	479,119	1,122,366
<b>Total Assets</b>	<b>\$ 8,322,740</b>	<b>\$ 941,938</b>	<b>\$ 2,725,987</b>	<b>\$ 11,990,665</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Warrants Payable	\$ 357,438	\$ 30,202	\$ 148,607	\$ 536,247
Accrued Payroll	96,206	474	28,189	124,869
Other Liabilities	11,779	-	-	11,779
Due to Other Funds	-	-	163,021	163,021
<b>Total Liabilities</b>	<b>465,423</b>	<b>30,676</b>	<b>339,817</b>	<b>835,916</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue	822,611	3,806	180,367	1,006,784
<b>FUND BALANCES</b>				
Nonspendable	-	-	285,541	285,541
Restricted	540,485	907,456	2,100,581	3,548,522
Committed	1,781,348	-	-	1,781,348
Assigned	85,765	-	-	85,765
Unassigned	4,627,108	-	(180,319)	4,446,789
<b>Total Fund Balances</b>	<b>7,034,706</b>	<b>907,456</b>	<b>2,205,803</b>	<b>10,147,965</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 8,322,740</b>	<b>\$ 941,938</b>	<b>\$ 2,725,987</b>	<b>\$ 11,990,665</b>

See accompanying Notes to Financial Statements.

**TOWN OF HAMILTON, MASSACHUSETTS  
GOVERNMENTAL FUNDS —  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 2019**

	General	Community Preservation	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>				
Real Estate and Personal Property Taxes	\$ 27,118,787	\$ -	\$ -	\$ 27,118,787
Motor Vehicle and Other Excise Taxes	1,222,074	-	-	1,222,074
Meals tax	75,014	-	-	75,014
Tax Liens	90,777	-	-	90,777
Payments in Lieu of Taxes	34,580	-	-	34,580
Community Preservation Surcharges	-	453,104	-	453,104
Charges for Services	94,150	-	790,914	885,064
Intergovernmental	1,012,777	78,798	539,227	1,630,802
Penalties and Interest on Taxes	79,213	-	-	79,213
Licenses and Permits	369,275	-	-	369,275
Fines and Forfeitures	3,825	-	7,551	11,376
Departmental and Other	240,530	-	49,891	290,421
Contributions	-	-	29,676	29,676
Refund of Grant	-	-	300,000	300,000
Investment Income	145,623	23,037	22,531	191,191
Other	-	-	598	598
Total Revenues	<u>30,486,625</u>	<u>554,939</u>	<u>1,740,388</u>	<u>32,781,952</u>
<b>EXPENDITURES</b>				
Current:				
General Government	2,079,899	226,616	298,826	2,605,341
Public Safety	3,331,912	-	402,351	3,734,263
Education	18,582,829	-	-	18,582,829
Public Works	1,682,878	-	421,721	2,104,599
Health and Human Services	292,386	189,916	31,498	513,800
Culture and Recreation	1,028,065	168,508	385,047	1,581,620
Hamilton Development Corporation	65,000	-	-	65,000
Pension Benefits	921,648	-	-	921,648
Employee Benefits	810,821	-	-	810,821
Property and Liability Insurance	218,055	-	-	218,055
State and County Charges	241,322	-	-	241,322
Debt Service:				
Principal	630,000	125,000	-	755,000
Interest	128,708	31,400	-	160,108
Total Expenditures	<u>30,013,523</u>	<u>741,440</u>	<u>1,539,443</u>	<u>32,294,406</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>473,102</u>	<u>(186,501)</u>	<u>200,945</u>	<u>487,546</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from Capital Leases	549,917	-	-	549,917
Premium from Issuance of Bonds and Notes	-	-	1,425	1,425
Transfers In	421,001	217,152	191,361	829,514
Transfer Out	(264,911)	(100,000)	(233,425)	(598,336)
Total Other Financing Sources (Uses)	<u>706,007</u>	<u>117,152</u>	<u>(40,639)</u>	<u>782,520</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>1,179,109</u>	<u>(69,349)</u>	<u>160,306</u>	<u>1,270,066</u>
Fund Balances - Beginning of Year	<u>5,855,597</u>	<u>976,805</u>	<u>2,045,497</u>	<u>8,877,899</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 7,034,706</u>	<u>\$ 907,456</u>	<u>\$ 2,205,803</u>	<u>\$ 10,147,965</u>

See accompanying Notes to Financial Statements.

**TOWN OF HAMILTON, MASSACHUSETTS  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TOTAL FUND BALANCES TO THE STATEMENT OF NET POSITION  
JUNE 30, 2019**

<b>Total Fund Balance - Governmental Funds</b>	\$ 10,147,965
Capital assets (net of accumulated depreciation) used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	21,307,730
Other assets are not available to pay for current period expenditures and, therefore, are reported as deferred inflows of resources in the governmental funds	1,006,784
In the statement of net position, interest is accrued on outstanding long-term debt, whereas in the governmental funds interest is not reported until due	(33,005)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.	
Bonds and Notes Payable, Net	(5,048,500)
Capital Lease Obligations	(485,360)
Compensated Absences	(277,008)
Net Pension Liability	(11,002,172)
Total OPEB Liability	(7,928,984)
In the statement of net position, deferred outflows of resources are reported for amounts related to pensions	1,912,121
In the statement of net position, deferred outflows of resources are reported for amounts related to OPEB	762,051
In the statement of net position, deferred inflows of resources are reported for amounts related to pensions	(638,940)
<b>Net Position of Governmental Activities</b>	<u><u>\$ 9,722,682</u></u>

*See accompanying Notes to Financial Statements.*

**TOWN OF HAMILTON, MASSACHUSETTS**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES OF GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2019**

**Net Change in Fund Balances - Total Governmental Funds** \$ 1,270,066

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. These amounts represent the related activity of the current period.

Capital Outlays	1,142,186
Depreciation	(954,767)

In the statement of activities, the loss on the disposals of capital assets is reported, whereas in the governmental funds the disposals are not reported as financial resources. As a result, the change in net position differs from the change in fund balance by the net book value of the capital assets disposed. (7,723)

Revenues in the statement of activities that do not provide current financial resources are reported as deferred inflows of resources in the governmental funds. Therefore, the recognition of revenue for various types of accounts receivable (i.e., real estate and personal property, motor vehicle excise, etc.) differ between the two statements. This amount represents the net change in deferred inflows of resources. 130,525

The issuance of long-term debt (e.g., bonds and leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any impact on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities (when material). These amounts represent the related activity of the current period.

Bond Maturities	755,000
Net Amortization of Bond Premiums	29,770
Capital Lease Proceeds	(549,917)
Capital Lease Maturities	64,557

In the statement of activities, interest is accrued on outstanding long-term debt, whereas in the governmental funds interest is not reported until due. This amount represents the net change in accrued interest payable 5,418

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported in the governmental funds. These amounts represent the net changes:

Compensated Absences	70,255
Total OPEB Liability	(615,426)
Net Pension Liability	(1,980,286)

In the statement of activities, deferred outflows related to pensions are amortized and recognized as pension expense. This amount represents the net change in deferred outflows related to pensions. 953,859

In the statement of activities, deferred outflows related to OPEB are amortized and recognized as OPEB expense. This amount represents the net change in deferred outflows related to OPEB. 164,257

In the statement of activities, deferred inflows related to pensions are amortized and recognized as pension expense. This amount represents the net change in deferred inflows related to pensions. 638,654

<b>Changes in Net Position of Governmental Activities</b>	<b>\$ 1,116,428</b>
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*See accompanying Notes to Financial Statements.*

**TOWN OF HAMILTON, MASSACHUSETTS  
PROPRIETARY FUNDS —  
STATEMENT OF FUND NET POSITION  
JUNE 30, 2019**

	Business-Type Activities - Enterprise Fund Water
<b>ASSETS</b>	
Current Assets:	
Cash and Cash Equivalents	\$ 1,125,071
Restricted Cash and Cash Equivalents	260,633
Receivables, Net of Allowance for Uncollectible Amounts:	
Water Charges	421,398
Water Liens	5,994
Total Current Assets	<u>1,813,096</u>
Noncurrent Assets:	
Capital Assets Not Being Depreciated	283,912
Capital Assets, Net of Accumulated Depreciation	<u>11,906,632</u>
Total Noncurrent Assets	<u>12,190,544</u>
Total Assets	<u>14,003,640</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Related to OPEB	47,021
Related to Pensions	<u>121,616</u>
Total Deferred Outflows of Resources	<u>168,637</u>
<b>LIABILITIES</b>	
Current Liabilities:	
Warrants Payable	58,320
Accrued Payroll	5,360
Accrued Interest	55,586
Compensated Absences	4,243
Total OPEB Liability	12,744
Short-Term Notes Payable	1,500,000
Long-Term Bonds and Notes Payable	<u>523,412</u>
Total Current Liabilities	<u>2,159,665</u>
Noncurrent Liabilities:	
Compensated Absences	38,186
Total OPEB Liability	469,442
Net Pension Liability	649,147
Long-Term Bonds and Notes Payable	<u>5,456,971</u>
Total Noncurrent Liabilities	<u>6,613,746</u>
Total Liabilities	<u>8,773,411</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Related to Pensions	<u>34,281</u>
<b>FUND NET POSITION</b>	
Net Investment in Capital Assets	4,970,794
Unrestricted	<u>393,791</u>
Total Net Position	<u>\$ 5,364,585</u>

See accompanying Notes to Financial Statements.

**TOWN OF HAMILTON, MASSACHUSETTS  
PROPRIETARY FUNDS —  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
YEAR ENDED JUNE 30, 2019**

	Business-Type Activities - Enterprise Fund Water
<b>OPERATING REVENUES</b>	
Charges for Services	\$ 1,660,704
Other	6,011
Total Operating Revenues	<u>1,666,715</u>
<b>OPERATING EXPENSES</b>	
Cost of Service and Administration	801,506
Depreciation	<u>321,153</u>
Total Operating Expenses	<u>1,122,659</u>
<b>OPERATING INCOME (LOSS)</b>	<u>544,056</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>	
Investment Income	17,324
Interest Expense	<u>(234,423)</u>
Total Nonoperating Revenues (Expenses), Net	<u>(217,099)</u>
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	<u>326,957</u>
Transfers In	174,900
Transfers Out	<u>(406,078)</u>
Total Transfers, Net	<u>(231,178)</u>
<b>CHANGE IN FUND NET POSITION</b>	95,779
Fund Net Position - Beginning of Year	<u>5,268,806</u>
<b>FUND NET POSITION - END OF YEAR</b>	<u><u>\$ 5,364,585</u></u>

*See accompanying Notes to Financial Statements.*



**TOWN OF HAMILTON, MASSACHUSETTS  
PROPRIETARY FUNDS —  
STATEMENT OF CASH FLOWS  
YEAR ENDED JUNE 30, 2019**

	Business-Type Activities - Enterprise Fund Water
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from Customers and Users	\$ 1,639,892
Payments to Vendors	(1,542,487)
Payments to Employees	(340,495)
Net Cash Provided (Used) by Operating Activities	(243,090)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Transfers Out	(406,078)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Transfers In	174,900
Proceeds from the Issuance of Bonds and Short-Term Notes	1,500,000
Acquisition and Construction of Capital Assets	(808,646)
Principal Payments on Bonds and Notes	(2,015,000)
Interest Expense	(218,479)
Net Cash Used by Capital and Related Financing Activities	(1,367,225)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Investment Income	17,324
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	(1,999,069)
Cash and Cash Equivalents - Beginning of Year (Includes \$2,202,154 Reported as Restricted in the Water Enterprise Fund)	3,384,773
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b> (Includes \$260,633 Reported as Restricted in the Water Enterprise Fund)	\$ 1,385,704
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES</b>	
Operating Income	\$ 544,056
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:	
Changes in Assets and Liabilities not Requiring Current Cash Flows:	
Depreciation	321,153
Net Pension Liability	132,213
Deferred Outflows of Resources Related to Pensions	(63,684)
Deferred Outflows of Resources Related to OPEB	(10,967)
Deferred Inflows of Resources Related to Pensions	(42,640)
Total OPEB Liability	41,089
Effect of Changes in Operating Assets and Liabilities:	
Water Charges	(28,796)
Water Liens	1,973
Warrants Payable	(1,138,991)
Accrued Payroll	(364)
Compensated Absences	1,868
Total Adjustments	(787,146)
Net Cash Provided by Operating Activities	\$ (243,090)

See accompanying Notes to Financial Statements.

**TOWN OF HAMILTON, MASSACHUSETTS  
FIDUCIARY FUNDS —  
STATEMENT OF FIDUCIARY NET POSITION  
JUNE 30, 2019**

	Private Purpose Trust Funds
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 18,515
Investments:	
Equities	8,540
Fixed Income Securities	<u>31,630</u>
Total Assets	<u>58,685</u>
<b>NET POSITION</b>	
Assets Held in Trust for Other Purposes	<u><u>\$ 58,685</u></u>

*See accompanying Notes to Financial Statements.*

**TOWN OF HAMILTON, MASSACHUSETTS  
FIDUCIARY FUNDS —  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
YEAR ENDED JUNE 30, 2019**

	Private Purpose Trust Funds
<b>ADDITIONS</b>	
Contributions:	
Private Donations	\$ 16,664
Net Investment Income:	
Interest	<u>1,059</u>
Total Additions	17,723
<b>DEDUCTIONS</b>	
Other	<u>16,626</u>
<b>CHANGE IN NET POSITION</b>	1,097
Net Position - Beginning of Year	<u>57,588</u>
<b>NET POSITION - END OF YEAR</b>	<u><u>\$ 58,685</u></u>

*See accompanying Notes to Financial Statements.*

**TOWN OF HAMILTON, MASSACHUSETTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. General**

The basic financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies are described herein.

**B. Reporting Entity**

The Town of Hamilton, Massachusetts (Town) is a municipal corporation that is governed by an elected Board of Selectmen (Board).

For financial reporting purposes, the basic financial statements include all funds, organizations, agencies, boards, commissions, and institutions that are not legally separate from the Town.

The Town has also considered all potential component units for which it is financially accountable as well as other organizations for which the nature and/or significance of their relationship with the Town are such that exclusion would cause the Town's basic financial statements to be misleading or incomplete.

**Discretely Presented Component Unit**

Discretely presented component units are entities that are legally separate from the Town, but the nature and/or significance of their relationship with the Town is such that exclusion would cause the financial statements to be misleading or incomplete. The Town has included the Hamilton Development Corporation (Corporation) as a discretely presented component unit because there is a potential for the organization to provide specific financial benefits or to impose specific financial burdens on the Town.

The Corporation was established pursuant to Chapter 151 of the Acts of 2012 (Act) enacted by the Massachusetts State Legislature. The primary purpose of the Corporation, a body politic and corporate, is to improve the living standards of the citizenry of the Town by fostering the improvement of employment opportunities and develop, manage and operate public facilities and infrastructure necessary to improve the Town's economy. The Corporation is governed by a 5-member board of directors appointed by the Board of Selectmen. The Corporation does not issue a separate audited financial statement.

**Joint Ventures**

A joint venture is an organization (resulting from a contractual arrangement) that is owned, operated or governed by two or more participants as a separate and specific activity subject to joint control in which the participants retain an ongoing financial interest or ongoing financial responsibility. Joint control means that no single participant has the ability to unilaterally control the financial or operating policies of the joint venture.

**TOWN OF HAMILTON, MASSACHUSETTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Joint Ventures (Continued)**

The Town participates in several joint ventures (described below) with other municipalities to pool resources and share the costs, risks and rewards of providing goods and services to venture participants directly, or for the benefit of the general public or specified recipients.

**Hamilton-Wenham Library**

During fiscal year 1998, the Town entered into an agreement with the Town of Wenham (Joint Library Agreement) to construct and operate a joint public library to be operated under the direction of a Joint Board of Library Trustees. The construction project was completed during fiscal year 2002, and the Joint Library began operations during fiscal year 2002. Operating and administrative expenditures are apportioned to the Towns of Hamilton and Wenham based on their assessed values on their last three tax recapitulation sheets. The Town of Wenham is the administrator for all matters associated with the management and operation of the Joint Library. Accordingly, all revenues and expenditures associated with the Joint Library are accounted for by the Town of Wenham. During fiscal year 2019, the Town paid approximately \$780,900 to the Town of Wenham to cover the Town's portion of the operating and administrative costs.

Complete financial statements for the Town of Wenham and the Joint Library can be obtained directly from the Town of Wenham, located at 184 Main Street, Wenham, Massachusetts, 01984.

**Hamilton-Wenham Recreation Department**

The Towns of Hamilton and Wenham operate a joint recreation department (Department). Operating and administrative expenditures are apportioned to the Towns of Hamilton and Wenham based on their assessed values on their last three tax recapitulation sheets. The Town of Hamilton is the administrator for all matters associated with the management and operation of the Department. Accordingly, all revenues and expenditures associated with the Department are accounted for by the Town of Hamilton. During fiscal year 2019, the Department's operating and administrative expenditures totaled approximately \$189,000. The Town of Wenham paid the Town of Hamilton approximately \$84,000 for their share of the Department's costs.

The Department's activities are accounted for in the Town of Hamilton's general fund. Neither Town has an equity interest in the operation of the Department.

**Hamilton-Wenham Inspectional Services**

The Towns of Hamilton and Wenham operate a joint inspectional services/building department for the administration and enforcement of the Massachusetts State Building Code, Electrical, Plumbing, and Architectural Access Codes; as well as zoning by-laws and general by-laws of each Town. Operating and administrative expenditures are apportioned to the Towns of Hamilton and Wenham based on the previous calendar year's populations and permit volumes.

**TOWN OF HAMILTON, MASSACHUSETTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The Town of Wenham is the administrator for all matters associated with the management and operation of the Department. Accordingly, all revenues and expenditures associated with the Department are accounted for by the Town of Wenham. The Town of Hamilton paid the Town of Wenham approximately \$74,000 for their share of the Department's costs.

The Department's activities are accounted for in the Town of Hamilton's general fund. Neither Town has an equity interest in the operation of the Department.

**Veterans' Memorial Pool at Patton Park**

The Towns of Hamilton and Wenham operate a joint pool (Pool) that is used for the summer park and recreation program offered by the Hamilton-Wenham Joint Recreation Committee (Committee). The capital costs associated with the design and construction of the Pool were allocated 66.4% to the Town of Hamilton and 33.6% to the Town of Wenham. The Town of Hamilton is the administrator for all matters associated with the management and operation of the Pool. Costs associated with the operation and maintenance of the Pool are paid from revenues collected in a pool revolving fund maintained by the Town of Hamilton. The Town of Wenham will be annually charged an administrative fee based upon a calculation of the Town of Hamilton's indirect costs of administration associated with the Pool. During fiscal year 2019, the Town of Wenham paid the Town of Hamilton approximately \$2,111 for their share of indirect costs of administration associated with the Pool.

The Pool's operational activities are accounted for in the Town of Hamilton's Pool revolving fund (special revenue). Neither Town has an equity interest in the operation of the Pool.

**Hamilton-Wenham Regional School District**

The Hamilton-Wenham Regional School District (District) is governed by a 6-member school committee consisting of one appointed and two elected representatives from the Town. The Town is indirectly liable for the District's debt and other expenditures and is assessed annually for its share of operating and capital costs. Operating costs are apportioned amongst the Towns based on the assessed values on their last three tax recapitulation sheets. Capital costs, including debt service, are apportioned amongst the Towns based on a combination of the 3-year valuation average and pupil enrollments. For the fiscal year ended June 30, 2019, the Town's assessment for operating and capital costs totaled approximately \$17,746,000 and \$628,000, respectively.

Complete financial statements for the District can be obtained directly from the District located at Administrative Offices, 5 School Street, Wenham, Massachusetts, 01984.

**TOWN OF HAMILTON, MASSACHUSETTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**North Shore Technical School**

The North Shore Technical School is governed by a sixteen-member school district committee consisting of one elected representative from each member town, including the Town of Hamilton. The Town is indirectly liable for the North Shore Technical School debt and expenditures and is assessed annually for its share of operating and capital costs. For the fiscal year ended June 30, 2019, the Town's assessment for operating and capital costs totaled approximately \$187,000 and \$22,000, respectively. Separate financial statements may be obtained by writing to the Treasurer of the North Shore Technical School at 30 Log Bridge Road, Middleton, Massachusetts 01949.

**C. Implementation of New Accounting Principles**

For the year ending June 30, 2019, the Town implemented the following pronouncements issued by the GASB:

- GASB Statement No. 83, Certain Asset Retirement Obligations
- GASB Statement No. 88, Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements

The implementation of these GASB Statements had no reporting impact for the Town.

**D. Government-Wide and Fund Financial Statements**

**Government-Wide Financial Statements**

The government-wide financial statements (statement of net position and the statement of activities) report information on all nonfiduciary activities of the primary government and the discretely presented component unit. Governmental activities, which are primarily supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which are primarily supported by user fees.

**Fund Financial Statements**

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and displayed in a single column.

Fiduciary funds are reported by fund type.

**TOWN OF HAMILTON, MASSACHUSETTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Measurement Focus, Basis of Accounting, and Basis of Presentation**

**Government-Wide Financial Statements**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded when the liabilities are incurred. Real estate and personal property taxes are recognized as revenues in the fiscal year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The statement of activities demonstrates the degree to which the direct expenses of a function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include the following:

- Charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment.
- Grants and contributions that are restricted to meeting the operational requirements of a specific function or segment.
- Grants and contributions that are restricted to meeting the capital requirements of a specific function or segment.

Taxes and other items not identifiable as program revenues are reported as general revenues.

Except for charges between the general fund and enterprise funds, the effect of interfund activity has been eliminated from the government-wide financial statements. Elimination of the charges between the general fund and enterprise fund would distort the direct costs and program revenues reported for the functions affected.

**Fund Financial Statements**

**Governmental funds** financial statements are reported using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with current expendable available resources.



**TOWN OF HAMILTON, MASSACHUSETTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)**

**Fund Financial Statements (Continued)**

Real estate and personal property tax revenues are considered available if they are collected within 60-days after the end of the fiscal year. Investment income is susceptible to accrual. Other receipts and tax revenues become measurable and available when the cash is received and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria is met. Expenditure driven grants recognize revenue when the qualifying expenditures are incurred and all other grant requirements are met.

The following major governmental funds are reported:

The *general fund* is used to account for and report all financial resources not accounted for and reported in another fund.

The *community preservation fund* is a special revenue fund used to account for the 2% local real estate tax surcharge on nonexempt property (and matching state trust fund distribution) that can be used for open space, historic resource, and affordable housing purposes. Property exempt from the surcharge consists of the first \$100,000 of all residential property and also property owned by low-income residents or seniors with low or moderate income as defined by Massachusetts Department of Revenue (DOR) guidelines. Disbursements from this fund must originate from the Community Preservation Committee and be approved by Town Meeting.

The nonmajor governmental funds consist of special revenue, capital projects, and permanent funds that are aggregated and presented in the nonmajor governmental funds column on the governmental funds financial statements. The following describes the general use of these fund types:

*Special revenue funds* are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

*Capital projects funds* are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

*Permanent funds* are used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the government's programs and benefit the government or its citizenry.

**TOWN OF HAMILTON, MASSACHUSETTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)**

**Fund Financial Statements (Continued)**

**Proprietary funds** financial statements are reported using the flow of economic resources measurement focus and use the accrual basis of accounting, whereby revenues are recorded when earned and expenses are recorded when the liabilities are incurred. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary funds principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The following proprietary fund is reported:

The *water enterprise fund* (major fund) is used to account for the activities of the water department.

**Fiduciary funds** financial statements are reported using the flow of economic resources measurement focus and use the accrual basis of accounting. Fiduciary funds are used to account for assets held in a trustee capacity for others that cannot be used to support the government's programs.

The following fiduciary fund type is reported:

The *private-purpose trust fund* is used to account for trust arrangements, other than those properly reported in the permanent fund, under which principal and investment income exclusively benefits individuals, private organizations, or other governments.

**F. Cash and Cash Equivalents and Investments**

**Government-Wide and Fund Financial Statements**

Cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with an original maturity of three months or less from the date of acquisition. Investments are carried at fair value.

**TOWN OF HAMILTON, MASSACHUSETTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**G. Accounts Receivable**

**Government-Wide and Fund Financial Statements**

The recognition of revenue related to accounts receivable reported in the government-wide and proprietary funds financial statements are reported under the accrual basis of accounting. The recognition of revenue related to accounts receivable reported in the governmental funds financial statements are reported under the modified accrual basis of accounting.

**Real Estate Taxes, Personal Property Taxes, and Tax Liens**

Real estate and personal property taxes are levied and based on values assessed on January 1 of every year. Assessed values are established by the Board of Assessors for 100% of the estimated fair market value. Taxes are due on August 1, November 1, February 1 and May 1 and are subject to penalties and interest if they are not paid by the respective due date.

Real estate tax liens are processed six months after the close of the valuation year on delinquent properties and are recorded as receivables in the fiscal year they are processed.

**Motor Vehicle Excise Taxes**

Motor vehicle excise taxes are assessed annually for each vehicle registered in the Town and are recorded as receivables in the fiscal year of the levy. The Commonwealth is responsible for reporting the number of vehicles registered and the fair values of those vehicles to the Town. The tax calculation is the fair value of the vehicle multiplied by \$25 per \$1,000 of value.

**Community Preservation Surcharges**

Community preservation surcharges are levied annually at a rate of 2% of residents' real estate tax bills with exemptions for the first \$100,000 of residential property and property owned by qualified persons with low income and seniors with low or moderate income as defined by DOR guidelines. The surcharge is due with the real estate tax on a quarterly basis each August 1, November 1, February 1 and May 1 and are subject to penalties and interest if they are not paid by the respective due date. Overdue surcharges are included on the tax liens processed on delinquent real estate taxes. Surcharges are recorded as receivables in the fiscal year of the levy.

**Water Charges and Water Liens**

User fees are levied quarterly based on individual meter readings and are subject to penalties and interest if they are not paid by the respective due date. Unbilled user fees are based on actual subsequent billings and are recorded as revenue in the current period. Water liens are processed in December of each year and are included as a lien on the property owner's tax bill. Water charges are recorded as receivables in the fiscal year of the levy.

**TOWN OF HAMILTON, MASSACHUSETTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**G. Accounts Receivable (Continued)**

**Departmental and Other**

Departmental and other receivables primarily consist of police details and are recorded as receivables when accrued.

**Intergovernmental**

Various state and federal operating and capital grants are applied for and received annually. For nonexpenditure driven grants, revenue is recognized as soon as all eligibility requirements imposed by the provider have been met. For expenditure driven grants, revenue is recognized when the qualifying expenditures are incurred and all other grant requirements are met.

**H. Allowance for Uncollectible Amounts**

The allowance for uncollectible amounts is estimated based on historical trends and specific account analysis for the following accounts receivable:

- Personal property taxes
- Motor vehicle and other excise taxes
- Departmental and other

At June 30, 2019, the allowances related to these accounts receivable are immaterial and therefore not reported.

The following types of accounts receivable are secured via the lien process and are considered 100% collectible. Accordingly, an allowance for uncollectible amounts is not reported.

- Real estate taxes and tax liens
- Community preservation surcharges
- Water charges and liens
- Loans

Intergovernmental receivables are considered 100% collectible.

**I. Inventories**

**Government-Wide and Fund Financial Statements**

Inventories are recorded as expenditures at the time of purchase. Such inventories consist primarily of supplies and are not material in total to the government-wide and fund financial statements and therefore are not reported.

**TOWN OF HAMILTON, MASSACHUSETTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**J. Restricted Assets**

**Government-Wide and Fund Financial Statements**

Assets are reported as restricted when limitations on their use change the nature of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation.

**K. Capital Assets**

**Government-Wide and Proprietary Fund Financial Statements**

Capital assets, which consist of land, intangible assets, construction in progress, improvements, buildings, machinery and equipment, vehicles, library books, software and infrastructure (e.g., roads, water mains and similar items), are reported in the applicable governmental or business-type activities column of the government-wide financial statements.

Capital assets are recorded at historical cost or at estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at the estimated acquisition value at the date of donation.

All purchases and construction costs in excess of \$10,000 are capitalized at the date of acquisition or construction, respectively, with expected useful lives of greater than one year.

Depreciable assets are depreciated on a straight-line basis. The estimated useful lives of capital assets are as follows:

Capital Asset Type	Estimated Useful Life (in years)
Improvements	20
Buildings	40 - 50
Machinery and Equipment	5 - 10
Vehicles	5 - 10
Library Books	10
Software	5
Infrastructure	20 - 50

The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized and are treated as expenses when incurred. Improvements are capitalized.

**Governmental Funds Financial Statements**

Capital asset costs are recorded as expenditures in the acquiring fund in the fiscal year of the purchase.

**TOWN OF HAMILTON, MASSACHUSETTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**L. Interfund Receivables and Payables**

During the course of its operations, transactions occur between funds that may result in amounts owed between funds.

**Government-Wide Financial Statements**

Transactions of a buyer/seller nature between governmental funds are eliminated from the governmental activities in the statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the statement of net position as "internal balances".

**Fund Financial Statements**

Transactions of a buyer/seller nature between funds are not eliminated from the individual fund statements. Receivables and payables resulting from these transactions are classified as "Due from other funds" or "Due to other funds" on the balance sheet.

**M. Interfund Transfers**

During the course of its operations, resources are permanently reallocated between funds.

**Government-Wide Financial Statements**

Transfers between governmental funds are eliminated from the governmental activities in the statement of activities. Any residual balances outstanding between the governmental activities and business-type activities are reported in the statement of activities as "Transfers, Net".

**Fund Financial Statements**

Transfers between funds are not eliminated from the individual fund statements and are reported as transfers in and transfers out.

**N. Deferred Outflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time.

Deferred outflows of resources related to pensions and OPEB are reported in the government-wide and proprietary funds statements of net position.

**TOWN OF HAMILTON, MASSACHUSETTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**O. Deferred Inflows of Resources**

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Unavailable revenue is reported in the governmental funds balance sheet. Unavailable revenue represents billed receivables that do not meet the availability criterion in accordance with the current financial resources measurement focus and the modified accrual basis of accounting.

Deferred inflows of resources related to pensions are reported in the government-wide and proprietary funds statements of net position.

**P. Net Position and Fund Balances**

**Government-Wide Financial Statements and Proprietary Fund Financial Statements (Net Position)**

Net position represents the residual difference between assets and deferred outflows less liabilities and deferred inflows.

Net position is reported as restricted when amounts are restricted by outside parties for a specific future use.

Net position has been "restricted" for the following:

"Other postemployment benefits" represents amounts restricted (in accordance with MGL, Chapter 32B, Section 20) for other postemployment benefits.

"Community preservation" represents amounts restricted for the purpose of acquiring land for conservation, recreational, and affordable housing projects.

"Affordable housing" represents amounts restricted (in accordance with MGL, Chapter 44, Section 55C) for the creation and preservation of affordable housing within the Town.

"Permanent funds – expendable" represents amounts held in trust for which the expenditures are restricted by various trust agreements.

"Permanent funds – nonexpendable" represents amounts held in trust for which only investment earnings may be expended.

"Other specific purposes" represents other restrictions placed on assets from outside parties.

**TOWN OF HAMILTON, MASSACHUSETTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**P. Net Position and Fund Balances (Continued)**

**Governmental Funds Financial Statements (Fund Balances)**

The following fund balance classifications describe the relative strength of the spending constraints:

*Nonspendable* – represents amounts that cannot be spent either because they are in nonspendable form (i.e., prepaid amounts) or because they are legally or contractually required to be maintained intact (i.e., principal of permanent fund).

*Restricted* – represents amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

*Committed* – represents amounts that can be used only for specific purposes imposed by a formal action of Town meeting, which is the highest level of decision-making authority for the Town. Committed amounts may be established, modified, or rescinded only through actions approved by Town meeting.

*Assigned* – represents amounts that do not meet the criteria to be classified as restricted or committed but are intended to be used for specific purposes. Under the Town's structure, authorized assignments for noncontractual encumbrances can be made by individual department heads.

*Unassigned* – represents the residual fund balance for the General Fund and the negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting assigned fund balance amounts.

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is depleted in the order of restricted, committed, assigned and unassigned.

Encumbrance amounts have been assigned for specific purposes for which resources already have been allocated.

**Q. Long-Term Debt**

**Government-Wide and Proprietary Fund Financial Statements**

Long-term debt is reported as liabilities in the government-wide and proprietary fund statements of net position. Material bond premiums and discounts are amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.



**TOWN OF HAMILTON, MASSACHUSETTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Q. Long-Term Debt (Continued)**

**Governmental Fund Financial Statements**

The face amount of governmental funds long-term debt is reported as other financing sources when the debt is issued. Bond premiums and discounts, as well as issuance costs, are recognized in the current period. Bond premiums are reported as other financing sources and bond discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual bond proceeds received, are reported as general government expenditures.

**R. Investment Income**

Excluding the permanent funds, investment income derived from major and nonmajor governmental funds is legally assigned to the general fund unless otherwise directed by Massachusetts General Law (MGL).

Investment income from permanent funds and the proprietary funds are retained in the respective funds.

**S. Compensated Absences**

Employees are granted vacation and sick leave in varying amounts based on collective bargaining agreements, state laws, and executive policies.

**Government-Wide and Proprietary Fund Financial Statements**

Vested or accumulated vacation and sick leave are reported as liabilities and expensed as incurred.

**Governmental Fund Financial Statements**

Vested or accumulated vacation and sick leave, which will be liquidated with expendable available financial resources, are reported as expenditures and fund liabilities upon employee retirements and resignations.

**T. Pensions**

**Government-Wide and Fund Financial Statements**

For purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Essex Regional Retirement System (ERRS) and additions to/deductions from ERRS's fiduciary net position have been determined on the same basis as they are reported by ERRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**TOWN OF HAMILTON, MASSACHUSETTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**U. Post Retirement Benefits**

**Government-Wide and Fund Financial Statements**

In addition to providing pension benefits, and as more fully described in Note 11, the Town provides health insurance coverage for current and future retirees and their spouses.

**V. Use of Estimates**

**Government-Wide and Fund Financial Statements**

The preparation of basic financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure for contingent assets and liabilities at the date of the basic financial statements and the reported amounts of the revenues and expenditures/expenses during the fiscal year. Actual results could vary from estimates that were used.

**W. Total Column**

**Government-Wide Financial Statements**

The total column presented on the government-wide financial statements represents consolidated financial information.

**Fund Financial Statements**

The total column presented on the fund financial statements is presented only to facilitate financial analysis. Data in this column is not the equivalent of consolidated financial information.

**X. Refund of Grant**

**Fund Financial Statements**

The nonmajor governmental funds report a refund of grant revenue in the amount of \$300,000. This represents a grant award paid by the Town in fiscal year 2018 which was returned to the Town by the grantee in fiscal year 2019.

**NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**A. Budgetary Information**

Municipal Law requires the adoption of a balanced budget that is approved by Town Meeting vote. The Finance Committee presents an annual budget to Town Meeting, which includes estimates of revenues and other financing sources and recommendations of expenditures and other financing uses. Town Meeting, which has full authority to amend and/or reject the budget or any line item, adopts the expenditure budget by majority vote.

**TOWN OF HAMILTON, MASSACHUSETTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)**

**A. Budgetary Information (Continued)**

Increases subsequent to the approval of the annual budget require majority Town Meeting approval via Special Town Meeting.

The majority of appropriations are noncontinuing which lapse at the end of each fiscal year. Others are continuing appropriations for which the governing body has authorized that an unspent balance from a prior fiscal year be carried forward and made available for spending in the current fiscal year.

Generally, expenditures may not exceed the level of spending (salaries, expenses, and capital) authorized for an appropriation account. However, the Town is statutorily required to pay debt service, regardless of whether such amounts are appropriated.

An annual budget is adopted for the general fund and community preservation fund in conformity with the guidelines described above. The original fiscal year 2019 approved budget for the general fund and community preservation fund authorized appropriations of \$30,512,847 and \$509,900, respectively. During the fiscal year, appropriations were increased for the general fund and community preservation fund by \$246,929 and \$32,500, respectively.

The Accountant's office has the responsibility to ensure that budgetary control is maintained. Budgetary control is exercised through the accounting system.

**B. Individual Fund Deficits**

At June 30, 2019, the following fund deficits exist in the governmental funds:

Fund	Amount	Funding Source
Bridge Street Culvert Project	\$ 163,021	State grant
Police Revolving Fund	13,350	Available funds
Fire Grant	3,948	State grant
Total	<u>\$ 180,319</u>	

**NOTE 3 DEPOSITS AND INVESTMENTS**

The municipal finance laws of the Commonwealth authorize the Town to invest temporarily idle cash in bank term deposits and certificates of deposits, and treasury and agency obligations of the United States government, with maturities of one year or less; U.S. treasury or agency repurchase agreements with maturities of not more than 90 days; money market accounts; and the state treasurer's investment pool – the Massachusetts Municipal Depository Trust (MMDT). The Treasurer also has expanded investment powers as it relates to certain trust funds (as defined by the Commonwealth), permanent funds, and fiduciary funds.

**TOWN OF HAMILTON, MASSACHUSETTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)**

The MMDT meets the criteria of an external investment pool and operates in accordance with applicable state laws and regulations. The Treasurer of the Commonwealth serves as Trustee. The reported value of the pool is the same as the fair value of pool shares.

A cash and investment pool is maintained that is available for use by all funds with unrestricted cash and investments. The deposits and investments of the permanent funds, private purpose trust funds and the Hamilton Development Corporation are held separately from other Town funds.

**A. Deposits - Custodial Credit Risk**

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the Town's deposits may not be recovered. The Town and the Hamilton Development Corporation do not have policies for custodial credit risk of deposits. As of June 30, 2019, \$3,428,546 of the Town's bank balance of \$9,038,583 was uninsured and uncollateralized. As of June 30, 2019, the Hamilton Development Corporation was not exposed to custodial credit risk.

**B. Investments Summary**

The Town's investments at June 30, 2019 are presented in the following table. All investments are presented by investment type, with debt securities presented by maturity.

Investment Type	Total Amount	Investment Maturities (in Years)	
		Less Than 1	1 - 5
<u>Debt Securities:</u>			
U.S. Treasuries	\$ 347,379	\$ 297,216	\$ 50,163
U.S. Agencies	369,654	-	369,654
Corporate Bonds	624,419	166,895	457,524
Mutual Bond Funds	229,267	229,267	-
Certificates of Deposit	131,702	-	131,702
External Investment Pool (MMDT)	56,213	56,213	-
Total Debt Securities	<u>1,758,634</u>	<u>\$ 749,591</u>	<u>\$ 1,009,043</u>
<u>Other Investments:</u>			
Equity Securities	437,887		
Equity Mutual Funds	<u>413,980</u>		
Total Other Investments	<u>851,867</u>		
Total Investments	<u>\$ 2,610,501</u>		

**C. Investments - Interest Rate Risk of Debt Securities**

Interest rate risk for debt securities is the risk that changes in interest rates of debt securities will adversely affect the fair value of an investment. The Town does not have a policy for interest rate risk of debt securities.

**TOWN OF HAMILTON, MASSACHUSETTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)**

**D. Investments - Custodial Credit Risk**

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town does not have a policy for custodial credit risk of investments. As of June 30, 2019, the Town's investments were not exposed to custodial credit risk.

**E. Investments - Credit Risk of Debt Securities**

Credit risk for investments is the risk that an issuer or other counterparty to a debt security will not fulfill its obligations. The Town does not have a policy for credit risk of debt securities. As of June 30, 2019, the credit ratings of the Town's investments in debt securities, exclusive of exempt U.S. Treasuries of \$347,379, are as follows:

Quality Ratings*	Total Amount	Investment Type				
		U.S. Agencies	Corporate Bonds	Certificates of Deposit	Mutual Bond Funds	External Investment Pool (MMDT)
AAA	\$ 44,988	\$ -	\$ 44,988	\$ -	\$ -	\$ -
AA+	369,654	369,654	-	-	-	-
AA	45,732	-	45,732	-	-	-
A+	90,059	-	90,059	-	-	-
A	94,630	-	94,630	-	-	-
A-	97,356	-	97,356	-	-	-
BBB+	251,654	-	251,654	-	-	-
Unrated	417,182	-	-	131,702	229,267	56,213
Total	\$ 1,411,255	\$ 369,654	\$ 624,419	\$ 131,702	\$ 229,267	\$ 56,213

\* Per the rating scale of Standard and Poor's (Nationally recognized statistical rating organization)

**F. Investments - Concentration of Credit Risk**

Concentration of credit risk is the risk of loss attributed to the magnitude of the Town's investment in a single issuer. The Town does not have a policy for concentration of credit risk. As of June 30, 2019, the Town was not exposed to concentration of credit risk.

**G. Investments - Fair Value Measurements**

The Town categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

**TOWN OF HAMILTON, MASSACHUSETTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)**

The Town has the following recurring fair value measurements as of June 30, 2019:

Investment Type	Fair Value	Fair Value Measurements Using	
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
<u>Equity Securities:</u>			
Equity Mutual Funds	\$ 413,980	\$ -	\$ 413,980
Equity Securities:	437,887	437,887	-
Total Equity Securities	851,867	437,887	413,980
<u>Debt Securities:</u>			
U.S. Agency Securities	369,654	-	369,654
U.S. Treasury Securities	347,379	-	347,379
Corporate Bonds	624,419	-	624,419
Certificates of Deposit	131,702	-	131,702
Mutual Bond Funds	229,267	-	229,267
Total Debt Securities	1,702,421	-	1,702,421
Total Investments by Fair Value Level	2,554,288	\$ 437,887	\$ 2,116,401
<u>Investments Measured at Amortized Cost:</u>			
External Investment Pool (MMDT)	56,213		
Total Investments - Town	\$ 2,610,501		

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities relationship to benchmark quoted prices.

**TOWN OF HAMILTON, MASSACHUSETTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 4 ACCOUNTS RECEIVABLE**

At June 30, 2019, receivables for the individual major governmental funds and nonmajor governmental funds, in the aggregate, including the applicable allowances for uncollectible amounts, are as follows:

	Gross Amount	Allowance for Uncollectibles	Net Amount
<u>Receivables:</u>			
Real Estate and Personal Property Taxes	\$ 312,047	\$ -	\$ 312,047
Real Estate Tax Deferrals	36,564	-	36,564
Tax Liens	94,761	-	94,761
Motor Vehicle and Other Excise Taxes	88,455	-	88,455
Community Preservation Surcharges	3,806	-	3,806
Departmental and Other	20,680	-	20,680
Intergovernmental	284,040	-	284,040
Total	\$ 840,353	\$ -	\$ 840,353

At June 30, 2019, receivables for the water enterprise fund consist of the following:

	Gross Amount	Allowance for Uncollectibles	Net Amount
<u>Receivables:</u>			
Water Charges	\$ 421,398	\$ -	\$ 421,398
Water Liens	5,994	-	5,994
Total	\$ 427,392	\$ -	\$ 427,392

**TOWN OF HAMILTON, MASSACHUSETTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 5 CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2019 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities:</b>				
Capital Assets Not Being Depreciated:				
Land	\$ 2,373,848	\$ -	\$ -	\$ 2,373,848
Intangible Assets	1,750,000	-	-	1,750,000
Construction in Progress	99,919	504,210	(66,240)	537,889
Total Capital Assets Not Being Depreciated	4,223,767	504,210	(66,240)	4,661,737
Capital Assets Being Depreciated:				
Improvements	3,379,175	-	-	3,379,175
Buildings	14,620,129	-	-	14,620,129
Machinery and Equipment	1,794,816	549,917	(143,641)	2,201,092
Vehicles	2,800,279	45,236	(38,619)	2,806,896
Library Books	265,666	-	-	265,666
Software	20,765	-	-	20,765
Infrastructure	8,586,593	109,063	(3,244,967)	5,450,689
Total Capital Assets Being Depreciated	31,467,423	704,216	(3,427,227)	28,744,412
Less Accumulated Depreciation for:				
Improvements	(708,189)	(158,456)	-	(866,645)
Buildings	(6,452,331)	(333,166)	-	(6,785,497)
Machinery and Equipment	(1,001,908)	(153,442)	143,641	(1,011,709)
Vehicles	(1,443,105)	(175,242)	30,896	(1,587,451)
Library Books	(265,666)	-	-	(265,666)
Software	(20,765)	-	-	(20,765)
Infrastructure	(4,671,192)	(134,461)	3,244,967	(1,560,686)
Total Accumulated Depreciation	(14,563,156)	(954,767)	3,419,504	(12,098,419)
Total Capital Assets Being Depreciated, Net	16,904,267	(250,551)	(7,723)	16,645,993
Total Governmental Activities Capital Assets, Net	\$ 21,128,034	\$ 253,659	\$ (73,963)	\$ 21,307,730



**TOWN OF HAMILTON, MASSACHUSETTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 5 CAPITAL ASSETS (CONTINUED)**

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-Type Activities:</b>				
Capital Assets Not Being Depreciated:				
Land	\$ 283,912	\$ -	\$ -	\$ 283,912
Construction in Progress	4,241,216	-	(4,241,216)	-
Total Capital Assets Not Being Depreciated	4,525,128	-	(4,241,216)	283,912
Capital Assets Being Depreciated:				
Buildings	3,454,199	-	-	3,454,199
Machinery and Equipment	41,848	-	-	41,848
Vehicles	335,662	-	-	335,662
Infrastructure	8,453,666	5,049,862	(841,181)	12,662,347
Total Capital Assets Being Depreciated	12,285,375	5,049,862	(841,181)	16,494,056
Less Accumulated Depreciation For:				
Buildings	(1,279,825)	(79,710)	-	(1,359,535)
Machinery and Equipment	(22,241)	(4,521)	-	(26,762)
Vehicles	(197,620)	(25,997)	-	(223,617)
Infrastructure	(3,607,766)	(210,925)	841,181	(2,977,510)
Total Accumulated Depreciation	(5,107,452)	(321,153)	841,181	(4,587,424)
Total Capital Assets Being Depreciated, Net	7,177,923	4,728,709	-	11,906,632
Total Business-Type Activities Capital Assets, Net	<u>\$ 11,703,051</u>	<u>\$ 4,728,709</u>	<u>\$ (4,241,216)</u>	<u>\$ 12,190,544</u>
	Beginning Balance	Increases	Decreases	Ending Balance
<b>Hamilton Development Corporation:</b>				
Capital Assets Not Being Depreciated:				
Land	\$ 339,500	\$ -	\$ -	\$ 339,500
Capital Assets Being Depreciated:				
Buildings	260,550	-	-	260,550
Less Accumulated Depreciation For:				
Buildings	(29,313)	(6,514)	-	(35,827)
Total Capital Assets Being Depreciated, Net	231,237	(6,514)	-	224,723
Total Discretely Presented Component Units Capital Assets, Net	<u>\$ 570,737</u>	<u>\$ (6,514)</u>	<u>\$ -</u>	<u>\$ 564,223</u>

**TOWN OF HAMILTON, MASSACHUSETTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 5 CAPITAL ASSETS (CONTINUED)**

Depreciation expense was charged to functions/programs of the primary government as follows:

**Governmental Activities:**

General Government	\$ 75,653
Public Safety	308,199
Education	39,090
Public Works	237,818
Health and Human Services	2,771
Culture and Recreation	291,236
Total Depreciation Expense - Governmental Activities	<u>\$ 954,767</u>

**Business-Type Activities:**

Water	<u>\$ 321,153</u>
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**Discretely Presented Component Unit:**

Hamilton Development Corporation	<u>\$ 6,514</u>
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**NOTE 6 INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

Interfund transfers for the fiscal year ended June 30, 2019 are summarized as follows:

Transfers Out:	Transfers In:				Total
	General Fund	Community Preservation Fund	Nonmajor Governmental Funds	Water Enterprise Fund	
General Fund	\$ -	\$ -	\$ 90,011	\$ 174,900	\$ 264,911 (1)
Community Preservation Fund	-	-	100,000	-	100,000 (2)
Nonmajor Governmental Funds	14,923	217,152	1,350	-	233,425 (3)
Water Enterprise Fund	406,078	-	-	-	406,078 (4)
Total	<u>\$ 421,001</u>	<u>\$ 217,152</u>	<u>\$ 191,361</u>	<u>\$ 174,900</u>	<u>\$ 1,004,414</u>

(1) Represents budgeted transfers from the general fund to the Patton Homestead fund (\$90,011). Also represents budgeted transfer to the water enterprise fund for debt service costs (\$174,900).

(2) Represents budgeted transfer from the community preservation fund to the affordable housing trust fund.

**TOWN OF HAMILTON, MASSACHUSETTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 6 INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)**

(3) Represents budgeted transfers from the sale of lots and graves fund (\$2,000) and from the Patton Homestead fund (\$12,923) to the general fund for indirect costs. Also represents transfer from the affordable housing trust fund to the community preservation fund (\$217,152). Also represents transfer from the Clark property fund to the conservation fund (\$1,350).

(4) Represents a budgeted transfer from the water enterprise fund to the general fund for indirect costs.

Interfund receivables and payables between funds at June 30, 2019 are summarized as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Bridge Street Culvert Fund	163,021 (1)

(1) Represents interfund advance of a state grant.

**NOTE 7 SHORT-TERM FINANCING**

Short-term debt may be authorized and issued to fund the following:

- Current operating costs prior to the collection of revenues through issuance of revenue anticipation notes (RAN) or tax anticipation notes (TAN).
- Capital project costs and other approved expenditures incurred prior to obtaining permanent financing through issuance of bond anticipation notes (BAN) or grant anticipation notes (GAN).

Short-term loans are general obligations and carry maturity dates that are limited by statute. Interest expenditures and expenses for short-term borrowings are accounted for in the general fund and enterprise funds, respectively.

Details related to the short-term debt activity for the fiscal year ended June 30, 2019 is as follows:

**Notes Payable – Water Enterprise Fund**

Type	Description	Origination Date	Maturity Date	Interest Rate	Balance at June 30, 2018	Increases	Decreases	Balance at June 30, 2019
BAN	Water	12/1/17	11/30/18	2.25%	\$ 1,500,000	\$ -	\$ (1,500,000)	\$ -
BAN	Water	11/30/18	11/13/19	3.00%	-	1,500,000	-	1,500,000
Total					<u>\$ 1,500,000</u>	<u>\$ 1,500,000</u>	<u>\$ (1,500,000)</u>	<u>\$ 1,500,000</u>

**TOWN OF HAMILTON, MASSACHUSETTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 8 LONG-TERM OBLIGATIONS**

The following represents a summary of changes that occurred in long-term obligations during the fiscal year ended June 30, 2019:

	Balance June 30, 2018	Increases	Decreases	Balance June 30, 2019	Current Portion
<b>Governmental Activities:</b>					
Bonds and Notes Payable	\$ 5,555,000	\$ -	\$ (755,000)	\$ 4,800,000	\$ 745,000
Unamortized Bond Premium	278,270	-	(29,770)	248,500	29,770
Total Bonds and Notes Payable	5,833,270	-	(784,770)	5,048,500	774,770
Capital Lease Obligations	-	549,917	(64,557)	485,360	46,322
Compensated Absences	347,263	-	(70,255)	277,008	27,701
Total	<u>\$ 6,180,533</u>	<u>\$ 549,917</u>	<u>\$ (919,582)</u>	<u>\$ 5,810,868</u>	<u>\$ 848,793</u>
<b>Business-Type Activities:</b>					
Bonds and Notes Payable	\$ 6,365,000	\$ -	\$ (515,000)	\$ 5,850,000	\$ 515,000
Unamortized Bond Premium	138,794	-	(8,411)	130,383	8,412
Total Bonds and Notes Payable	6,503,794	-	(523,411)	5,980,383	523,412
Compensated Absences	40,561	-	1,868	42,429	4,243
Total	<u>\$ 6,544,355</u>	<u>\$ -</u>	<u>\$ (521,543)</u>	<u>\$ 6,022,812</u>	<u>\$ 527,655</u>
<b>Discretely Presented Component Unit</b>					
Mortgage Loan Payable	<u>\$ 463,813</u>	<u>\$ -</u>	<u>\$ (15,662)</u>	<u>\$ 448,151</u>	<u>\$ 16,449</u>

Except for bonds issued for the community preservation fund, long-term liabilities of governmental activities are generally liquidated by the general fund. Long-term debt issued for community preservation projects are liquidated by the community preservation fund.

**TOWN OF HAMILTON, MASSACHUSETTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**NOTE 9 CAPITAL LEASE OBLIGATION**

The Town leases a fire truck under a capital lease for which payments conclude in fiscal year 2028. The lease began in fiscal year 2019 and requires payments annually for 10 years. The lease agreement contains a bargain purchase option which would allow the Town to purchase the fire truck at the end of the lease term. The cost of the lease for the year ended June 30, 2019 was \$64,557, and is reported as a public safety expenditure of the general fund.

The future minimum lease payments are as follows at June 30, 2019:

<u>Fiscal Years Ending June 30,</u>	<u>Amount</u>
2020	\$ 64,557
2021	64,557
2022	64,557
2023	64,557
2024	64,557
2025	64,557
2026	64,557
2027	64,557
2028	<u>64,553</u>
Total Minimum Lease Payments	581,009
Less: Amounts Representing Interest	<u>(95,649)</u>
Present Value of Minimum Lease Payments	<u>\$ 485,360</u>

Machinery and equipment and the related accumulated depreciation under the capital lease is as follows:

	<u>Governmental Activities</u>
<u>Asset:</u>	
Machinery and Equipment	\$ 549,917
Less: Accumulated Amortization	<u>(27,496)</u>
Total	<u>\$ 522,421</u>

**TOWN OF HAMILTON, MASSACHUSETTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 10 LONG-TERM DEBT**

Details related to the outstanding indebtedness at June 30, 2019, and the debt service requirements, are as follows:

**Bonds and Notes Payable - Governmental Funds**

Project	Maturity Date	Interest Rate %	Outstanding at June 30, 2018	Issued	Redeemed	Outstanding at June 30, 2019
Library Refunding	5/15/2020	2.00 - 3.00	\$ 220,000	\$ -	\$ (110,000)	\$ 110,000
Donovan Property	5/15/2020	2.00 - 3.00	80,000	-	(40,000)	40,000
Energy Services Contract (ESCO)	5/15/2020	2.00 - 3.00	55,000	-	(30,000)	25,000
Landfill Closure	3/15/2022	2.00	150,000	-	(40,000)	110,000
Public Safety Building - Refunding	9/15/2025	2.00 - 4.00	2,225,000	-	(290,000)	1,935,000
Fire Truck	5/15/2027	2.00 - 4.00	630,000	-	(70,000)	560,000
Landfill Capping	5/15/2030	2.00 - 4.00	1,030,000	-	(90,000)	940,000
Sagamore Hill Land Acquisition	3/15/2032	2.00 - 3.00	1,165,000	-	(85,000)	1,080,000
Total Governmental Funds			<u>\$ 5,555,000</u>	<u>\$ -</u>	<u>\$ (755,000)</u>	<u>\$ 4,800,000</u>

Debt service requirements for principal and interest for governmental bonds payable in future fiscal years are as follows:

Fiscal Year	Principal	Interest	Total
2020	\$ 745,000	\$ 135,908	\$ 880,908
2021	555,000	112,058	667,058
2022	555,000	93,808	648,808
2023	520,000	74,008	594,008
2024	515,000	57,758	572,758
2025	510,000	45,958	555,958
2026	505,000	30,758	535,758
2027	240,000	23,433	263,433
2028	165,000	18,758	183,758
2029	165,000	14,105	179,105
2030	165,000	9,453	174,453
2031	80,000	4,800	84,800
2032	80,000	2,400	82,400
Total	<u>\$ 4,800,000</u>	<u>\$ 623,200</u>	<u>\$ 5,423,200</u>

**TOWN OF HAMILTON, MASSACHUSETTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 10 LONG-TERM DEBT (CONTINUED)**

**Bonds and Notes Payable - Water Enterprise Fund**

Project	Maturity Date	Interest Rate %	Outstanding at June 30, 2018	Issued	Redeemed	Outstanding at June 30, 2019
Water Bonds Refunding	05/15/20	2.00 - 3.00	\$ 330,000	\$ -	\$ (165,000)	\$ 165,000
Water System Reconstruction	05/15/35	2.00 - 4.00	4,230,000	-	(255,000)	3,975,000
Water System Reconstruction	03/15/37	2.00 - 3.00	1,805,000	-	(95,000)	1,710,000
Total Enterprise Funds			<u>\$ 6,365,000</u>	<u>\$ -</u>	<u>\$ (515,000)</u>	<u>\$ 5,850,000</u>

Debt service requirements for principal and interest for water enterprise fund bonds payable in future fiscal years are as follows:

Fiscal Year	Principal	Interest	Total
2020	\$ 515,000	\$ 170,323	\$ 685,323
2021	350,000	155,823	505,823
2022	345,000	146,273	491,273
2023	345,000	134,373	479,373
2024	345,000	122,473	467,473
2025	345,000	113,073	458,073
2026	345,000	103,673	448,673
2027	345,000	94,573	439,573
2028	345,000	85,473	430,473
2029	340,000	75,997	415,997
2030	340,000	66,655	406,655
2031	340,000	57,313	397,313
2032	340,000	47,113	387,113
2033	340,000	36,913	376,913
2034	340,000	26,713	366,713
2035	340,000	16,206	356,206
2036	95,000	5,700	100,700
2037	95,000	2,850	97,850
Total	<u>\$ 5,850,000</u>	<u>\$ 1,461,511</u>	<u>\$ 7,311,511</u>

**TOWN OF HAMILTON, MASSACHUSETTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 10 LONG-TERM DEBT (CONTINUED)**

**Discretely Presented Component Unit – Mortgage Loan Payable**

The Hamilton Development Corporation has a \$448,151 outstanding mortgage obligation at June 30, 2019. Loan payments for principal and interest in future fiscal years are as follows:

Fiscal Year	Principal	Interest	Total
2020	\$ 16,449	\$ 19,911	\$ 36,360
2021	431,702	16,013	447,715
Total	<u>\$ 448,151</u>	<u>\$ 35,924</u>	<u>\$ 484,075</u>

The Town is subject to various debt limits by statute and may issue additional general obligation debt under the normal debt limit. At June 30, 2019, the Town had authorized and unissued debt of \$3,100,000 for a water distribution system replacement.

**NOTE 11 OTHER POSTEMPLOYMENT BENEFITS**

**Plan Description** – The Town provides health and life insurance coverage for its retirees and their survivors (hereinafter referred to as the Plan) as a single-employer defined benefit Other Post Employment Benefit (OPEB) plan. Chapter 32B of the MGL assigns authority to establish and amend benefit provisions. Changes to plan design and contribution rates must be accomplished through the collective bargaining process. The Plan does not issue a stand-alone financial report since there are no assets legally segregated for the sole purpose of paying benefits under the Plan. The Plan holds no assets accumulated in a trust that meets the criteria of GASB Statement No. 75, paragraph 4 because the Plan assets held in trust are not irrevocable.

The number of participants as of June 30, 2017, the latest actuarial valuation, is as follows:

Active Employees	60
Retired Employees	<u>39</u>
Total	<u>99</u>

**Benefits Provided** – The Town provides healthcare and life insurance benefits for retirees and their dependents for the duration of retirement. An employee hired before April 2, 2012 shall become eligible to retire under the plan upon attainment of age 55 as an active member and completion of 10 years of service, or an employee shall be able to retire with 20 years of service regardless of age. Those hired on or after April 2, 2012 shall be eligible to retire upon attainment of age 60 with 10 years of creditable service. The benefit terms provide for payment of 55% of health insurance premiums for non-Medicare-eligible retirees and 55% of supplemental health insurance premiums for Medicare-eligible retirees. The benefit terms also provide for payment of 75% of premiums for \$15,000 of life insurance benefits for retirees. Dental insurance coverage is also offered but at no cost to the Town.



**TOWN OF HAMILTON, MASSACHUSETTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 11 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**Funding Policy** – The contribution requirements of Plan members and the Town are established and may be amended by the Town. The required health insurance contribution rates of Plan members and the Town are 45% and 55%, respectively. The Town currently contributes enough money to the Plan to satisfy current obligations on a pay-as-you-go basis. The costs of administering the Plan are paid by the Town.

**Methods and Assumptions** – Projections of benefits for financial reporting purposes are based on the substantive Plan (the Plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and Plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedules of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

The significant methods and assumptions used to measure the total OPEB liability as of the latest actuarial valuation are as follows:

Discount Rate	3.00% (20-year municipal bond rate)
Inflation	2.75%
Healthcare Cost Trend Rates	5.00% in FY2019, and staying at that level through FY2020 and later
Pre-Retirement Mortality	The assumed pre-retirement mortality table is the RP-2000 Employees Mortality Table projected generationally with scale BB and a base year 2009 for males and females.
Post-Retirement Mortality	The assumed post-retirement mortality table is the RP-2000 Healthy Annuitant Mortality Table projected generationally with scale BB and a base year 2009 for males and females.
Disabled Mortality	RP-2000 Healthy Annuitant Table projected generationally with Scale BB and a base year 2012 for males and females.
Mortality Experience Study	The mortality assumptions reflect PERAC's recent experience analysis published in 2014 (based on the years 2006-2011), updated to reflect data through January 1, 2015 for post-retirement mortality, and professional judgment. As such, mortality assumptions reflect observed current mortality as well as expected mortality improvements.

**TOWN OF HAMILTON, MASSACHUSETTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 11 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**Total OPEB Liability** – The Town's total OPEB Liability of \$8,411,170 was measured as of July 1, 2018 for the year ended June 30, 2019 and was determined by an actuarial valuation as of July 1, 2017.

Changes in the total OPEB liability are as follows:

	Total OPEB Liability
Balance at June 30, 2017	\$ 7,754,655
Changes for the Year:	
Service Cost	284,193
Interest of Liability and Service Cost	238,471
Change in Assumptions	314,827
Benefit Payments	(180,976)
Net Changes	656,515
Balance at June 30, 2018	<u>\$ 8,411,170</u>

*Sensitivity of the total OPEB liability to changes in the discount rate* - The following presents the total OPEB liability calculated using the discount rate of 3.00%, as well as what the total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.00%) or 1-percentage-point higher (4.00%) than the current rate:

	1% Decrease (2.00%)	Current Discount Rate (3.00%)	1% Increase (4.00%)
Total OPEB Liability	\$ 10,115,316	\$ 8,411,170	\$ 7,093,213

*Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates* - The following presents the total OPEB liability, as well as what the total OPEB liability would be if it were calculated using healthcare cost trend rates that is 1-percentage-point lower (4.00%) or 1-percentage-point higher (6.00%) than the current rate:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB Liability	\$ 5,873,540	\$ 8,411,170	\$ 11,772,647

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB* - For the year ended June 30, 2019, the Town recognized OPEB expense of \$684,923. At June 30, 2019, the Town reported deferred outflows of resources related to OPEB of \$809,072 from contributions subsequent to the measurement date (\$203,631), changes in assumptions (\$256,200), and differences between expected and actual experience (\$349,241).

**TOWN OF HAMILTON, MASSACHUSETTS  
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**NOTE 11 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

The \$203,631 reported as deferred outflows related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2020. The \$605,441 reported as deferred outflows of related to OPEB from differences between expected and actual experience (\$349,241) and changes in assumptions (\$256,200) will be recognized in OPEB expense as follows:

<u>Year Ended June 30:</u>	<u>Amount</u>
2020	\$ 162,259
2021	162,259
2022	162,259
2023	96,972
2024	21,692
Total	<u>\$ 605,441</u>

**NOTE 12 FUND BALANCES**

The constraints on fund balances as listed in aggregate in the Governmental Funds Balance Sheet are detailed as follows:

	<u>General</u>	<u>Community Preservation</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Nonspendable:</b>				
Permanent Fund Principal	\$ -	\$ -	\$ 285,541	\$ 285,541
<b>Restricted for:</b>				
Other Post Employment Benefits	540,485	-	-	540,485
Community Preservation	-	907,456	-	907,456
Affordable Housing	-	-	474,855	474,855
Capital	-	-	255,103	255,103
General Government	-	-	536,092	536,092
Public Safety	-	-	135,434	135,434
Public Works	-	-	208,035	208,035
Health and Human Services	-	-	138,301	138,301
Culture and Recreation	-	-	352,761	352,761
Subtotal Restricted	<u>540,485</u>	<u>907,456</u>	<u>2,100,581</u>	<u>3,548,522</u>
<b>Committed to:</b>				
Subsequent Year's Expenditures	979,260	-	-	979,260
Recreation Fields Stabilization	543,835	-	-	543,835
Continuing Appropriations - General Government	<u>258,253</u>	<u>-</u>	<u>-</u>	<u>258,253</u>
Subtotal Committed	<u>1,781,348</u>	<u>-</u>	<u>-</u>	<u>1,781,348</u>
<b>Assigned to:</b>				
General Government	30,953	-	-	30,953
Public Safety	18,392	-	-	18,392
Public Works	25,705	-	-	25,705
Health and Human Services	50	-	-	50
Culture and Recreation	<u>10,665</u>	<u>-</u>	<u>-</u>	<u>10,665</u>
Subtotal Assigned	<u>85,765</u>	<u>-</u>	<u>-</u>	<u>85,765</u>
<b>Unassigned</b>	<u>4,627,108</u>	<u>-</u>	<u>(180,319)</u>	<u>4,446,789</u>
Totals	<u>\$ 7,034,706</u>	<u>\$ 907,456</u>	<u>\$ 2,205,803</u>	<u>\$ 10,147,965</u>

**TOWN OF HAMILTON, MASSACHUSETTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**NOTE 13 STABILIZATION FUNDS**

The Town maintains general and recreation field stabilization funds that were established under MGL Chapter 40, Section 5B. Additionally, Appropriations in and out of the stabilization funds require two-thirds vote of Town meeting. Investment income is retained by the funds.

The balance of the general and recreation field stabilization funds at June 30, 2019 total \$880,098 and \$543,835, respectively, and are reported in the general fund as unassigned (\$880,098) and committed (\$543,835) fund balance.

**NOTE 14 RISK FINANCING**

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Town carries commercial insurance.

The Town participates in a health insurance risk pool trust administered by Massachusetts Interlocal Insurance Association (Association), which was founded to establish insurance cost stability for Massachusetts' entities. The Association offers a variety of premium based plans to its members with each participating governmental unit being charged a premium for coverage based on rates established by the Association. The Town is obligated to pay the Association its required premiums and, in the event that the Association is terminated, its pro-rata share of a deficit, should one exist. These premium based payments are recorded as expenditures in the General Fund.

Workers' compensation activities are recorded in the General Fund where expenditures are recognized when the claims are expected to be paid with current expendable available resources. As of June 30, 2019, there were no outstanding workers' compensation claims.

**NOTE 15 PENSION PLAN – ESSEX REGIONAL RETIREMENT SYSTEM**

**General Information about the Pension Plan**

*Plan description.* Employees of the Town deemed eligible by the Essex Regional Retirement Board are provided with pensions through the Essex Regional Retirement System (ERRS) - a cost-sharing multiple-employer defined benefit pension plan administered by the Essex Regional Retirement Board. Membership in the ERRS is mandatory immediately upon the commencement of employment for all permanent, full time employees (except for school department employees who serve in a teaching capacity). The ERRS issues a publicly available financial report that can be obtained online at <https://www.essexregional.com/home/pages/annual-audits> or by contacting the ERRS located at 491 Maple Street, Suite 202, Danvers, Massachusetts, 01923.

**TOWN OF HAMILTON, MASSACHUSETTS  
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**NOTE 15 PENSION PLAN – ESSEX REGIONAL RETIREMENT SYSTEM (CONTINUED)**

*Benefits provided.* Chapter 32 of the MGL assigns authority to establish and amend benefit provisions of the plan. The plan provides for retirement allowance benefits up to a maximum of 80% of a member's highest three-year average annual rate of regular compensation for those hired prior to April 2, 2012. For persons who became members on or after April 2, 2012, average salary is the average annual rate of regular compensation received during the five consecutive years that produce the highest average, or, if greater, during the last five years (whether or not consecutive) preceding retirement. Benefit payments are based upon a member's age, length of creditable service, level of compensation, and group classification.

There are three classes of membership in the plan; Group 1, Group 2 and Group 4. Group 1 consists of general employees which includes clerical and administrative positions. Group 2 consists of positions that have been specified as hazardous. Lastly, Group 4 consists of police officers, firefighters, and other hazardous positions.

Members become vested after ten years of creditable service. A superannuation retirement allowance may be received upon the completion of 20 years of service or upon reaching the age of 55 with 10 years of service if hired after 1978 and if classified in groups 1 or 2. A person who became a member on or after April 2, 2012 is eligible for a superannuation retirement allowance upon reaching the age of 60 with 10 years of service if in group 1, 50 years of age with 10 years of service if in group 2, and 55 years of age if hired prior to 1978 or if classified in group 4. Normal retirement for most employees occurs at age 65 (except for certain hazardous duty and public safety positions, whose normal retirement is at age 55).

A retirement allowance consists of two parts: an annuity and a pension. A member's accumulated total deductions and the interest they generate constitute the annuity. The differential between the total retirement benefit and the annuity is the pension. The average retirement benefit is approximately 80-85% pension and 15-20% annuity.

Members who become permanently and totally disabled for further duty may be eligible to receive a disability retirement allowance. The amount of benefits to be received in such cases is dependent on several factors, including whether or not the disability is work related, the member's age, years of creditable service, level of compensation, veterans' status, and group classification.

Survivor benefits are extended to eligible beneficiaries of members whose death occurs prior to or following retirement.

**TOWN OF HAMILTON, MASSACHUSETTS  
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**NOTE 15 PENSION PLAN – ESSEX REGIONAL RETIREMENT SYSTEM (CONTINUED)**

*Contributions.* Chapter 32 of the MGL assigns authority to establish and amend contribution requirements of the plan. Employers are required to pay an actuarially determined annual appropriation. The total appropriation includes the amounts to pay the pension portion of each member's retirement allowance, an amount to amortize the actuarially determined unfunded liability to zero in accordance with the plan's funding schedule, and additional appropriations in accordance with adopted early retirement incentive programs. The pension fund appropriations are allocated amongst employers based on covered payroll. Active member employees contribute between 5 and 11% of their gross regular compensation. The percentage rate is keyed to the date upon which an employee's membership commences. Members hired on or after January 1, 1979, contribute an additional 2% of annual regular compensation in excess of \$30,000. Contributions to the pension plan from the Town were \$921,648 for the year ended June 30, 2019.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2019, the Town reported a liability of \$11,651,319 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2018 for which update procedures were used to roll forward the total pension liability to the December 31, 2018 measurement date. The Town proportion of the net pension liability is a blended rate of the proportionate share of active employer's covered payroll and direct charges for early retirement incentives.

At June 30, 2019, the Town's proportion was 2.758%, which compared to a proportion of 2.535% at June 30, 2018.

For the year ended June 30, 2019, the Town recognized pension expense of \$1,335,310. At June 30, 2019, the Town reported deferred outflows of resources related to pensions of \$2,033,737; \$617,704 for changes of assumptions, \$816,762 for changes in proportion and differences between employer contributions and proportionate share of contributions and \$599,271 for net difference between projected and actual investment earnings on pension plan investments. The Town reported deferred inflows of resources related to pensions of \$673,221; \$101,056 for differences between expected and actual experience and \$572,165 from changes in proportion and differences between employer contributions and proportionate share of contributions.

The net amount reported as deferred outflows/inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	<u>Amount</u>
2020	\$ 397,252
2021	327,748
2022	222,341
2023	413,175
Total	<u>\$ 1,360,516</u>

**TOWN OF HAMILTON, MASSACHUSETTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 15 PENSION PLAN – ESSEX REGIONAL RETIREMENT SYSTEM (CONTINUED)**

*Actuarial assumptions.* The total pension liability was determined using the following actuarial assumptions:

Salary increases:	Based on years of service, ranging from 7.50% at 0 years of service decreasing to 3.75% after 5 years of service
Mortality Rates:	Pre-Retirement - The RP-2000 Employee Mortality Table projected with scale BB and Generational Mortality
	Health-Retiree - The RP-2000 Healthy Annuitant Mortality Table projected with scale BB and Generational Mortality
	Disabled Retiree - The RP-2000 Healthy Annuitant Mortality Table, set forward two years, projected with scale BB and Generational Mortality

Investment rate of return: 7.50%, annually

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	21.00 %	6.16 %
Core Fixed Income	15.00	1.89
International Equities - Developed Markets	13.00	6.69
Private Equity	13.00	10.00
Hedge Fund, GTAA, Risk Parity	11.00	3.68
Real Estate	10.00	4.58
High-Yield Fixed Income	8.00	4.00
International Equities - Emerging Markets	5.00	9.47
Commodities	4.00	4.77
Totals	100.00 %	

**TOWN OF HAMILTON, MASSACHUSETTS  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 15 PENSION PLAN – ESSEX REGIONAL RETIREMENT SYSTEM (CONTINUED)**

*Discount rate.* The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from employers will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the Town's proportionate share of the net pension liability to changes in the discount rate.* The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 7.50%, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Town's Proportionate Share of the Net Pension Liability	\$ 14,404,670	\$ 11,651,319	\$ 9,334,867

*Pension plan fiduciary net position.* Detailed information about the pension plan's fiduciary net position is available in the separately issued ERRS financial report that can be obtained online at <https://www.essexregional.com/home/pages/annual-audits>.

**NOTE 16 COMMITMENTS**

The Town has entered into, or is planning to enter into, contracts totaling approximately \$10,000,000 for the design and reconstruction of its water system and facilities. Of the \$10,000,000 authorized for the water system and facilities, \$6,900,000 has been funded through the issuance of bonds.

**NOTE 17 CONTINGENCIES**

Various legal actions and claims are pending against the Town. Litigation is subject to many uncertainties, and the outcome of individual litigated matters is not always predictable. Although the amount of liability, if any, at June 30, 2019, cannot be ascertained, management believes any resulting liability should not materially affect the financial position of the Town at June 30, 2019.

The Town participates in a number of federal award programs. The amount, if any, of expenditures, which may be disallowed by the granting agencies, cannot be determined at this time, although the Town expects such amounts, if any, to be immaterial.



**TOWN OF HAMILTON, MASSACHUSETTS**  
**GENERAL FUND — SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE — BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**YEAR ENDED JUNE 30, 2019**

	Prior Year Encumbrances and Continuing Appropriations	Original Budget	Supplemental Appropriations and Transfers	Final Budget
<b>REVENUES</b>				
Real Estate and Personal Property Taxes	\$ -	\$ 27,060,614	\$ 246,929	\$ 27,307,543
Motor Vehicle and Other Excise Taxes	-	1,076,700	-	1,076,700
Meals Tax	-	65,000	-	65,000
Tax Liens	-	-	-	-
Payments in Lieu of Taxes	-	32,000	-	32,000
Charges for Services	-	-	-	-
Intergovernmental	-	990,643	-	990,643
Penalties and Interest on Taxes	-	77,900	-	77,900
Licenses and Permits	-	245,100	-	245,100
Fines and Forfeitures	-	6,950	-	6,950
Departmental and Other	-	173,750	-	173,750
Investment Income	-	8,000	-	8,000
Total Revenues	-	29,736,657	246,929	29,983,586
<b>EXPENDITURES</b>				
Current:				
General Government	202,934	2,486,231	21,573	2,710,738
Public Safety	-	2,835,441	23,245	2,858,686
Education	-	18,598,451	-	18,598,451
Public Works	28,991	1,763,157	109,800	1,901,948
Health and Human Services	887	315,578	-	316,465
Culture and Recreation	798	1,045,090	2,300	1,048,188
Hamilton Development Corporation	-	65,000	-	65,000
Pension Benefits	-	921,648	-	921,648
Employee Benefits	-	944,226	-	944,226
Property and Liability Insurance	-	228,895	-	228,895
State and County Charges	-	241,322	-	241,322
Debt Service:				
Principal	-	630,000	-	630,000
Interest	-	137,908	-	137,908
Total Expenditures	233,610	30,212,947	156,918	30,603,475
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(233,610)	(476,290)	90,011	(619,889)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	421,001	-	421,001
Transfers Out	-	(299,900)	(90,011)	(389,911)
Total Other Financing Sources (Uses)	-	121,101	(90,011)	31,090
<b>NET CHANGE IN FUND BALANCE</b>	(233,610)	(355,189)	-	(588,799)
Fund Balance - Beginning of Year	3,995,987	3,995,987	3,995,987	3,995,987
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 3,762,377</u>	<u>\$ 3,640,798</u>	<u>\$ 3,995,987</u>	<u>\$ 3,407,188</u>

See accompanying Independent Auditors' Report.

Actual	Current Year Encumbrances and Continuing Appropriations	Actual and Encumbrances and Continuing Appropriations	Variance Positive/ (Negative)
\$ 27,190,216	\$ -	\$ 27,190,216	\$ (117,327)
1,222,074	-	1,222,074	145,374
75,014	-	75,014	10,014
90,777	-	90,777	90,777
34,580	-	34,580	2,580
94,150	-	94,150	94,150
1,012,777	-	1,012,777	22,134
79,213	-	79,213	1,313
369,275	-	369,275	124,175
3,825	-	3,825	(3,125)
240,529	-	240,529	66,779
24,812	-	24,812	16,812
30,437,242	-	30,437,242	453,656
2,070,648	289,206	2,359,854	350,884
2,781,995	18,392	2,800,387	58,299
18,582,829	-	18,582,829	15,622
1,682,878	25,705	1,708,583	193,365
292,386	50	292,436	24,029
1,028,065	10,665	1,038,730	9,458
65,000	-	65,000	-
921,648	-	921,648	-
810,821	-	810,821	133,405
218,055	-	218,055	10,840
241,322	-	241,322	-
630,000	-	630,000	-
128,708	-	128,708	9,200
29,454,355	344,018	29,798,373	805,102
982,887	(344,018)	638,869	1,258,758
421,001	-	421,001	-
(389,911)	-	(389,911)	-
31,090	-	31,090	-
1,013,977	(344,018)	669,959	1,258,758
3,995,987	-	3,995,987	-
\$ 5,009,964	\$ (344,018)	\$ 4,665,946	\$ 1,258,758

See accompanying Independent Auditors' Report.

**TOWN OF HAMILTON, MASSACHUSETTS  
COMMUNITY PRESERVATION FUND — SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE — BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
YEAR ENDED JUNE 30, 2019**

	Prior Year Encumbrances and Continuing Appropriations	Original Budget	Supplemental Appropriations and Transfers	Final Budget
<b>REVENUES</b>				
Community Preservation Surcharges	\$ -	\$ 421,766	\$ -	\$ 421,766
Intergovernmental	-	50,000	-	50,000
Investment Income	-	-	-	-
Total Revenues	-	471,766	-	471,766
<b>EXPENDITURES</b>				
Current:				
Administrative	-	23,500	-	23,500
Projects, Acquisitions, and Other	315,112	230,000	32,500	577,612
Debt Service:				
Principal	-	125,000	-	125,000
Interest	-	31,400	-	31,400
Total Expenditures	315,112	409,900	32,500	757,512
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(315,112)	61,866	(32,500)	(285,746)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	217,152	-	217,152
Transfers Out	-	(100,000)	-	(100,000)
Total Other Financing Sources (Uses)	-	117,152	-	117,152
<b>NET CHANGE IN FUND BALANCE</b>	(315,112)	179,018	(32,500)	(168,594)
Fund Balance at Beginning of Year	980,693	980,693	980,693	980,693
<b>FUND BALANCE AT END OF YEAR</b>	\$ 665,581	\$ 1,159,711	\$ 948,193	\$ 812,099

See accompanying Independent Auditors' Report.

Actual	Current Year Encumbrances and Continuing Appropriations	Actual and Encumbrances and Continuing Appropriations	Variance Positive/ (Negative)
\$ 453,104	\$ -	\$ 453,104	\$ 31,338
78,798	-	78,798	28,798
14,897	-	14,897	14,897
546,799	-	546,799	75,033
19,213	4,287	23,500	-
565,827	11,785	577,612	-
125,000	-	125,000	-
31,400	-	31,400	-
741,440	16,072	757,512	-
(194,641)	(16,072)	(210,713)	75,033
217,152	-	217,152	-
(100,000)	-	(100,000)	-
117,152	-	117,152	-
(77,489)	(16,072)	(93,561)	75,033
980,693	-	980,693	-
\$ 903,204	\$ (16,072)	\$ 887,132	\$ 75,033

See accompanying Independent Auditors' Report.

**TOWN OF HAMILTON, MASSACHUSETTS  
PENSION PLAN SCHEDULES  
JUNE 30, 2019**

**SCHEDULE OF TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
ESSEX REGIONAL RETIREMENT SYSTEM (1)(2)**

	2019	2018	2017	2016	2015
Town's proportion of the net pension liability	2.758%	2.535 %	2.741 %	2.628 %	2.746 %
Town's proportionate share of the net pension liability	\$ 11,651,319	\$ 9,538,820	\$ 10,559,951	\$ 9,546,806	\$ 9,315,055
Town's covered payroll	\$ 3,761,561	\$ 3,613,506	\$ 3,526,675	\$ 3,470,734	\$ 3,333,273
Town's proportionate share of the net pension liability as a percentage of its covered payroll	309.75%	263.98 %	299.43 %	275.07 %	279.46 %
Plan fiduciary net position as a percentage of the total pension liability	51.89 %	55.40 %	51.12 %	51.01 %	52.27 %

(1) Amounts presented were determined as of December 31 of each year, respectively.

(2) Data is being accumulated annually to present 10 years of the reported information.

**SCHEDULE OF TOWN'S CONTRIBUTIONS  
ESSEX REGIONAL RETIREMENT SYSTEM (1)**

	2019	2018	2017	2016	2015
Actuarially Required Contribution	\$ 921,648	\$ 789,304	\$ 794,132	\$ 721,863	\$ 704,356
Contributions in Relation to the Actuarially Required Contribution	(921,648)	(789,304)	(794,132)	(721,863)	(704,356)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Town's Covered Payroll	\$ 3,761,561	\$ 3,613,506	\$ 3,526,675	\$ 3,470,734	\$ 3,333,273
Contributions as a Percentage of Covered Payroll	24.50 %	21.84 %	22.52 %	20.80 %	21.13 %

(1) Data is being accumulated annually to present 10 years of the reported information.

*See accompanying Independent Auditors' Report.*

**TOWN OF HAMILTON, MASSACHUSETTS  
OTHER POSTEMPLOYMENT BENEFITS SCHEDULE  
JUNE 30, 2019**

The following schedule provides information related to the Town's other postemployment benefits plan:

**SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS\***

	Measurement Date 6/30/2018	Measurement Date 6/30/2017
<b>Total OPEB Liability</b>		
Service Cost	\$ 284,193	\$ 232,636
Interest	238,471	232,202
Differences Between Expected and Actual Experience	-	556,505
Change in Assumptions	314,827	-
Benefits payments	<u>(180,976)</u>	<u>(354,621)</u>
Net Change in Total OPEB Liability	656,515	666,722
Total OPEB liability - Beginning	<u>7,754,655</u>	<u>7,087,933</u>
<b>Total OPEB liability - Ending</b>	<b><u>\$ 8,411,170</u></b>	<b><u>\$ 7,754,655</u></b>
Covered payroll	\$ 4,938,721	\$ 4,794,875
Total OPEB Liability as a Percentage of Covered Payroll	170.31%	161.73%

\*Data is being accumulated annually to present 10 years of the reported information.

See Notes to the Financial Statements for summary of significant actuarial methods and assumptions.

*See accompanying Independent Auditors' Report.*

**TOWN OF HAMILTON, MASSACHUSETTS  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2019**

**NOTE 1 BUDGETARY – GAAP RECONCILIATION**

For budgetary financial reporting purposes, the Uniform Massachusetts Accounting System basis of accounting (established by the Commonwealth) is followed, which differs from the GAAP basis of accounting. A reconciliation of budgetary-basis to GAAP-basis results for the general fund and community preservation fund for the fiscal year ended June 30, 2019, is presented below:

**General Fund**

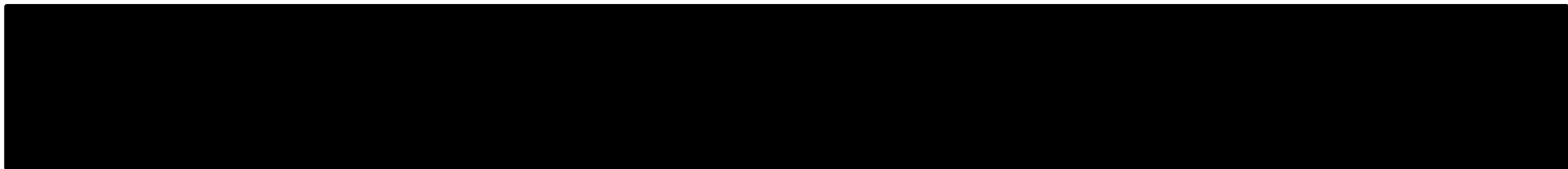
	Revenues	Expenditures	OFS/ (OFU), Net	Fund Balance
Budgetary basis as reported on the schedule of revenues, expenditures and changes in fund balance - budget and actual	\$ 30,437,242	\$ 29,798,373	\$ 31,090	\$ 4,665,946
<u>Adjustments and Reclassifications</u>				
Activity of stabilization fund recorded in the general fund for GAAP purposes	78,763	4,151	-	880,098
Activity of other post employment benefits fund recorded in the general fund for GAAP purposes	28,054	2,397	125,000	540,485
Activity of recreation stabilization fund recorded in the general fund for GAAP purposes	13,994	2,703	-	543,835
To record capital lease	-	549,917	549,917	-
Net change in recording 60-day receipts	(71,428)	-	-	60,324
To record encumbrances and continuing appropriations	-	(344,018)	-	344,018
GAAP basis as reported on the statement of revenues, expenditures and changes in fund balances	<u>\$ 30,486,625</u>	<u>\$ 30,013,523</u>	<u>\$ 706,007</u>	<u>\$ 7,034,706</u>

**Community Preservation Fund**

	Revenues	Expenditures	OFS/ (OFU), Net	Fund Balance
Budgetary basis as reported on the schedule of revenues, expenditures and changes in fund balance - budget and actual	\$ 546,799	\$ 757,512	\$ 117,152	\$ 887,132
<u>Adjustments</u>				
Net change in recording investment income	8,140	-	-	4,252
To record encumbrances and continuing appropriations	-	(16,072)	-	16,072
GAAP basis as reported on the statement of revenues, expenditures and changes in fund balances	<u>\$ 554,939</u>	<u>\$ 741,440</u>	<u>\$ 117,152</u>	<u>\$ 907,456</u>

**NOTE 2 SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS**

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.







***Town of Hamilton  
Massachusetts  
2019***