WARRANT

For

Annual Town Meeting

May 1, 2021
9:00 a.m.
Hamilton-Wenham Regional High School
Football Stadium

Annual Town Election

May 6, 2021
7:00 a.m. – 8:00 p.m.
Hamilton-Wenham Recreation Gymnasium

Please recycle this warrant after the Town Meeting.

Town By-Laws

CHAPTER II

RULES AND PROCEDURE OF TOWN MEETINGS

SECTION 1. All articles in the warrant shall be taken up in the order of their arrangement, unless otherwise decided by a two-thirds vote, except that unanimous consent shall be required for inclusion of an Article in a "Consent Motion" group of Articles that will be taken up by the meeting for voting on the group.

SECTION 2. In case of motions to amend, or to fill out blanks, the one expressing the largest sum or the longest time shall be put first, and an affirmative vote thereon shall be a negative vote on any smaller sum or shorter time.

SECTION 3. The report of a committee shall be deemed properly before a meeting if a request for its acceptance is included in an article of the warrant and a copy is published in the Special Report or is filed with the Town Clerk fifteen days prior to the meeting. A vote to accept a final report shall discharge the committee but shall not be equivalent to a vote to carry out its recommendations. A vote on recommendations included in a committee report shall only be in order under an article to that effect in the warrant. A vote to accept a report of progress shall continue the committee under its original authority unless otherwise specified.

SECTION 4. If an article of the Warrant has once been acted upon and disposed of, it shall not be again considered at the meeting except by a two-thirds vote.

SECTION 5. No money shall be appropriated from the Stabilization Fund except by a 2/3 vote at a Town Meeting.

SECTION 6. Only registered voters of the Town shall be admitted and entitled to vote at any Annual or Special meeting provided that upon prior request the Moderator may admit to the meeting persons who are not registered voters and in his discretion may permit them to speak on a subject. Any person so permitted to speak at a meeting shall announce his full name and address to the meeting.

SECTION 7. Motions at Town Meeting shall be made orally, but the Moderator may require any motion also to be submitted in writing. Unless otherwise directed thereby the Moderator shall appoint all committees created by the vote of the Town.

SECTION 8. The conduct of all Town Meetings not prescribed by law or by the foregoing rules shall be determined by the rules of practice contained in the most current edition of Town Meeting Time**,** A Handbook of Parliamentary Law.

SECTION 9. On matters requiring a two-thirds vote, either by statute or these By-Laws, a count need not be taken and the vote need not be recorded unless the vote declared is immediately questioned by seven or more voters as provided in General Laws, Chapter 39, Section 15.

TABLE OF CONTENTS

WARRANT ARTICLE	DESCRIPTION	PAGE NO.
SECTION 1	**ELECTIONS, REPORTS, PROCEDURES**	
2021/5 1-1	Election of Officers	**2**
2021/5 1-2	Reports	**2**
2021/5 1-3	Article for Consent Motion	**3**
SECTION 2	**FINANCIAL ACTIONS**	
2021/5 2-1	Compensation/Classification Table **(Appendix A)**	**3**
2021/5-2-2	Prior Year Bills	**3**
2021/5 2-3	General Town Departmental Appropriations **(Appendix B and C)**	**3**
2021/5 2-4	Capital Expenditures **(Appendix D)**	**4**
2021/5 2-5	Water Enterprise Budget **(Appendix E)**	**4**
2021/5 2-6	Annual Financial Actions	**4**
2021/5 2-7	Revolving Fund	**5**
2021/5 2-8	Hamilton Development Corporation	**6**
2021/5 2-9	OPEB Trust Fund	**6**
2021/5 2-10	Patton Homestead Operating Budget **(Appendix F)**	**6**
2021/5 2-11	Stabilization Fund	**7**
2021/5 2-12	Community Preservation Budget **(Appendix G)**	**8**
2021/5 2-13	Community Preservation – Patton Park Tennis Courts	**8**
2021/5 2-14	Community Preservation – Town Hall Building Project	**9**
2021/5 2-15	Town Hall Building Project	**9**
SECTION 3	**OTHER APPROPRIATIONS AND ACTIONS**	
2021/5 3-1	Easement to Alter Layout of Chebacco Road	**10**
2021/5 3-2	Power Purchase Agreement for Library Solar Project	**10**
2021/5 3-3	PILOT for Library Solar Project	**11**

Please note: **The appendices are available at the Town Hall, on-line @ www.hamiltonma.gov and at the meeting. They were omitted from the warrant mailing to save on printing and postage costs.**

ESSEX, SS

TO THE CONSTABLE OF THE TOWN OF HAMILTON:

GREETINGS:

In the name of the Commonwealth of Massachusetts, you are hereby directed to notify and warn the inhabitants of the Town of Hamilton qualified to vote in election and town affairs, to meet at the Hamilton-Wenham Regional High School Football Stadium, 775 Bay Road in said town, on Saturday, the first day of May, in the year Two Thousand Twenty-one (May 1, 2021) at nine o'clock in the morning (9:00 a.m.), then and there to act on the following articles.

SECTION 1: ELECTIONS, REPORTS, PROCEDURES

ARTICLE 2021/5 1-1 *Election of Officers*	To elect the following Town and School District Officers at the Annual Town Election on Thursday, May 6, 2021 from 7:00 a.m. to 8:00 p.m. at the Hamilton-Wenham Recreation Gymnasium, located at 16 Union Street, Hamilton, Massachusetts. ☐ Town Moderator for one year ☐ Two members of the Board of Selectmen for three years ☐ One member of the Board of Assessors for three years ☐ Two members of the Planning Board for three years ☐ One member of the Housing Authority for five years ☐ Two Hamilton-Wenham Public Library Trustees for three years ☐ Two members of the Hamilton-Wenham Regional School Committee for three years Question: Shall the Town of Hamilton be allowed to exempt from the provisions of proposition two and one-half, so-called, the amounts required to pay for the bond issued in order to pay costs of the design, construction, renovations and improvements to, and equipping, the Town Hall located at 577 Bay Road, excluding costs to be paid from the Community Preservation Fund, and including design and construction of the renovations to a temporary Town Hall facility and relocation costs and all other incidental or related costs? YES ___ NO ___.
ARTICLE 2021/5 1-2 *Reports*	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 2020 and be posted to the Town of Hamilton website.
ARTICLE 2021/5 1-3	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

Article for Consent Motion	can be passed without debate, or take any action thereon or relative thereto. Expected Consent Motion to include articles: (2-1, 2-5, 2-6, 2-7, 2-8, 2-9, 2-10)

SECTION 2: FINANCIAL ACTIONS

ARTICLE 2021/52-1 *Compensation/ Classification Table*	To see if the Town will amend the Personnel Bylaw by adopting changes to the classification and compensation table as set forth in Appendix A, or take any action thereon or relative thereto. [The Proposed Compensation/Classification Table appears as **Appendix A** to the 2021 Appendix Book.] ***Brief Summary:*** *The Classification/Compensation table reflects a cost of living increase for settled contracts and non-union employees. Collective Bargaining Agreements under negotiation are identified as such and do not reflect any cost of living increases.* ***Fiscal Year 2022 Tax Rate Impact:*** *The tax rate impact of this article is reflected in Article 2-3, the Town budget article, as the Classification/Compensation Table is only one part of a formula used to determine the various wages and salaries contained within the Town budget.* ***The Board of Selectmen (5-0) recommends favorable action. The Finance and Advisory Committee (5-0) recommends favorable action.***
ARTICLE 2021/52-2 *Prior Year Bills*	To see if the Town will raise and appropriate, transfer from available funds, or borrow pursuant to any applicable statute, a sum of money to pay any unpaid bills incurred in prior years, or take any action thereon or relative thereto. *Expected request $57.50* *A 4/5 vote is required to approve this article.* ***Brief Summary:*** *This article provides for payment of a prior year bill which was not submitted prior to the fiscal year ending on June 30, 2020. The town has one uunpaid invoice from Kelly and Ryan for 2019 Motor Vehicle Demands and 2020 Boat Excise Demand billings.* ***Fiscal Year 2022 Tax Rate Impact:*** Payment of this bill will have a negligible effect on the tax rate. ***The Board of Selectmen (5-0) recommends favorable action. The Finance and Advisory Committee (5-0) recommends favorable action.***
ARTICLE 2021/52-3 *General Town Departmental Appropriations*	To see if the Town will raise and appropriate, or transfer from available funds, a sum of money to defray the expenses of schools and all other Town expenses for the Fiscal Year beginning July 1, 2021, or take any action thereon or relative thereto. *(Expected requests Town - $12,625,126 and School District - $21,787,353- Total Combined Budgets not including capital and transfers is $34,412,479)* [The proposed budget appears as **Appendix B** to the 2021 Appendix Book.] [The approved school budgets appears as **Appendix C** to the 2021 Appendix Book.] ***Brief Summary:*** *This article is to approve the general operating budget for the Town and Schools of $34,412,479.*

	The total Town budget, including Capital and Transfers represents a reduction of 4 percent or $555,702 less than in the current fiscal year. *The HWRSD budget request represents an increase of net total school spending by over $1.01 million -- an increase of 4.9% or $1,010,447 for Hamilton.* *The ENSATSD budget represents an increase of total school spending by over $1.04 million – an increase of 11% or $31,645 for Hamilton.* ***The Board of Selectmen recommends (5-0) favorable action. The Finance and Advisory Committee (5-0) recommends favorable action.***
ARTICLE 2021/52-4 *Capital Expenditures*	To see if the Town will raise and appropriate or transfer from available funds a sum of money for the purpose of funding 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. *(Expected request $338,638)* ***Brief Summary:*** *This article would provide funds for various projects contained within the Fiscal Year 2022 Capital Projects Plan.* [Please refer to **Appendix D** to the 2021 Appendix Book.] ***Fiscal Year 2022 Tax Rate Impact:*** *It is anticipated that Free Cash will be utilized for these appropriations.* ***The Board of Selectmen (5-0) recommends favorable action. The Finance and Advisory Committee (5-0) recommends favorable action.***
ARTICLE 2021/52-5 *Water Enterprise Budget*	To see if the Town will approve the FY2022 Water Enterprise Budget, as set forth in Appendix E, or take any action thereon or relative thereto. *(Expected request $1,992,065)* [The proposed budget appears as **Appendix E** to the 2021 Appendix Book.] ***Brief Summary:*** *The FY22 operating budget for the Water Enterprise represents an increase of $15,285 or 0.8%. Retained earnings in the amount of $242,565 were used to balance the budget.* ***Fiscal Year 2022 Tax Rate Impact:*** *The Water Department is supported by water fees; adoption of the budget will not impact the tax rate.* ***The Board of Selectmen (5-0) recommends favorable action. The Finance and Advisory Committee (5-0) recommends favorable action.***
ARTICLE 2021/22-6 *Annual Financial Actions*	To see if the Town will authorize the following financial actions, or take any action thereon or relative thereto. A. To transfer $2,000 from the Cemetery Sale of Lots and Graves Fund to the General Fund to be used for cemetery purposes; B. To transfer $129.07 from the Clark Property Fund to the Conservation Fund; C. To transfer $403,833 from the Water Enterprise Fund to the General Fund to be used for indirect expenses; D. To transfer $39,021 from the Patton Homestead Fund to the General Fund to be used

for indirect expenses;

Brief Summary: *This article occurs annually as part of the budget process.*

Fiscal Year 2021 Tax Rate Impact: *The proposed transfers from the Cemetery Sale of Lots and Graves, ~~1~~Water Enterprise Funds and Patton Homestead Funds will* ***reduce*** *the estimated tax rate by approximately $0.25 per $1,000 assessed valuation, or $158 tax assessment on the average home valued at $631,000.*

The Board of Selectmen (5-0) recommends favorable action. The Finance and Advisory Committee (5-0) recommends favorable action.

ARTICLE 2021/62-7

Revolving Fund

To see if the Town will vote to amend Section 5 of Ch. XXXIV of the General Bylaws by deleting the text shown in strike-through and adding the text shown in bold as follows:

A Revolving Fund	**B** Department, Board, Committee, Agency or Officer Authorized to Spend from Fund	**C** Fees, Charges or Other Receipts Credited to Fund	**D** Program or Activity Expenses Payable from Fund	**E** Restrictions or Conditions on Expenses Payable from Fund	**F** Other Requirements/ Reports	**G** Fiscal Years
Recreation and Parks	Town Manager	Recreation Program Fees **and Receipts from pool passes and pool program**	Salaries, expenses, supplies, and contractual services to operate recreational programs**, including the pool, and capital expenses to operate and maintain the pool**	None	Balance available for expenditure	All years on or after July 1, ~~2018~~**2021**
~~Pool Fund~~	~~Town Manager~~	~~Receipts from pool passes and pool program~~	~~Salaries, expenses, supplies, contractual services and related capital expenses to operate and maintain the pool~~	~~None~~	~~Balance available for expenditu~~	~~All years on or after July 1, 2018~~

	And further, to transfer any balance remaining in the Pool Fund at the close of FY2021 to the Recreation and Parks Revolving Fund, and set the limit on the total amount that may be expended from the Recreation and Parks Revolving Fund for the fiscal year beginning July 1, 2021 at $475,000, with such expenditure limit to be applicable from fiscal year to fiscal year unless otherwise amended by Town Meeting prior to July 1 for the upcoming fiscal year; or take any action thereon or relative thereto. ***Brief Summary:*** *This article seeks to combine the Parks and Recreation and Pool Revolving Funds into a single Parks and Recreation Revolving Fund and also authorizes the fiscal year 2022 expenditure cap on the new Recreation and Parks Revolving Fund, per MGL Chapter 44, Section 53E 1/2. Language has been included so that the amount approved shall remain in effect, thereby eliminating the need to vote on the limits each year unless the Town wishes to amend the amounts in future years.* ***Fiscal Year 2022 Tax Rate Impact:*** *This article sets the cap on spending within the individual Revolving Fund, as noted above. The money within this fund is raised through fees generated by the services provided and are not from the General Fund. There is no Tax Rate Impact as a result of this vote.* ***The Board of Selectmen recommends (5-0) favorable action. The Finance and Advisory Committee (5-0) recommends favorable action.***
ARTICLE 2021/52-8 *Hamilton Development Corporation*	To see if the Town will raise and appropriate the sum of $66,051 to the Hamilton Development Corporation, or take any action thereon or relative thereto. *(Expected request is $66,051)* ***Brief Summary:*** *At the 2010 Annual Town Meeting the Town accepted the provisions of M.G.L.c.64L, Section 2(a) to impose a local meals excise tax. At the same meeting the Town approved that such funds were to be used for the purpose of supporting economic development in the downtown commercially zoned district.* ***Fiscal Year 2022 Tax Rate Impact:*** *If adopted, the proposed transfer means that funds generated by the meals tax cannot be applied to other projects or programs in the Town's annual budget, which could otherwise reduce the tax rate.* ***The Board of Selectmen (4-1) recommends favorable action Selectwoman Kennedy voted against. The Finance and Advisory Committee (5-0) recommends favorable action.***
ARTICLE 2021/52-9 *OPEB Trust Fund*	To see if the Town will raise and appropriate the sum of $125,000 for the purpose of funding the Other Post-Employment Benefits (OPEB) Liability Trust Fund, or take any action thereon or relative thereto. ***Brief Summary****: This article proposes to appropriate $125,000 towards the Town's unfunded liability for health and life insurance benefits of both current and future retired employees. Appropriations for this liability were first made at the 2010 Annual Town Meeting. Governmental Accounting Standards requires all local governments to account for other post-employment benefits (OPEB) using an accrual methodology over participants' active working career. The Town's most recent actuarial study (as of July 1, 2019) indicated that the Town had an actuarially determined unfunded liability of*

	approximately $7.7 million. The Town has already set aside approximately $823,548 for this long-term liability. ***Fiscal Year 2022 Tax Rate Impact**: The allocation of these funds to the OPEB Trust Fund will increase the estimated tax rate by approximately $0.07 per $1,000 assessed valuation, or $45.00 tax assessment on the average home valued at $631,000.* ***The Board of Selectmen (5-0) recommends favorable action. The Finance and Advisory Committee (5-0) recommends favorable action.***
ARTICLE 2021/52-10 *Patton Homestead Operating Budget*	To see if the Town will approve the FY2022 Patton Homestead Enterprise Fund Budget, as set forth in Appendix F, or take any action thereon or relative thereto. *(Expected request to be 131,830).* [The budget appears as **Appendix F** to the 2021 Appendix Book.] ***Brief Summary**: This represents the costs of the Director and Homestead support and maintenance costs. Separately, there is a $39,021 transfer back to the General Fund for support cost. Funds will support the implementation of the Business Plan, the Patton Homestead Director, and maintenance costs for the property.* ***Fiscal Year 2022 Tax Rate Impact**: This article poses no impact to the tax rate as the Patton Homestead operating budget is supported by a combination of rental and event income as well as transfers from the Patton fund's capital reserves as deemed necessary.* ***The Board of Selectmen (5-0) recommends favorable action. The Finance and Advisory Committee (5-0) voted to recommend favorable action.***
ARTICLE 2021/52-11 *Stabilization Fund*	To see if the Town will transfer $346,036 from Free Cash to the Stabilization Fund, or take any action thereon or relative thereto. *(Expected request is $346,036)* ***Brief Summary**: This article requests an appropriation to be added to the Stabilization Fund. This fund may be used for any purpose in the future, but requires a vote of Town Meeting in order to transfer and spend any of these funds. The Town has approved a policy to maintain a minimum balance of 5% of the current general fund operating budget in its general stabilization fund and to annually appropriate a minimum of 0.5% of general fund operating revenues to this fund until the target minimum balance is met. The requested amount represents 1.0% of the general fund operating revenues. The Town had previously set aside approximately $1,434,376 to this fund, with this appropriation the Stabilization Fund will reach 5.1% of general fund operating revenues in keeping with our Financial Policies and best practices in municipal financing.* *A 2/3 vote is required to approve this Article pursuant to Chapter II, Section 5 of the Town's General Bylaws.* ***Fiscal Year 2022 Tax Rate Impact**: None, as it is anticipated that the funds will come from Certified Free Cash.* ***The Board of Selectmen (5-0) recommends favorable action. The Finance and Advisory Committee (5-0) recommends favorable action.***
ARTICLE 2021/52-12	To see if the Town will act on the Report of the Community Preservation Committee on the Fiscal Year 2022 Community Preservation Budget and specified other projects and

Community Preservation Budget	appropriate or reserve for later 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 set forth in Appendix G, or take any action thereon or relative thereto. [The Budget appears as **Appendix G** of the 2022 Appendix Book.] ***Brief Summary:*** *The Community Preservation Budget supports many requests made by different groups and organizations each year. Please refer to Warrant Appendices for list of projects.* ***Fiscal Year 2022 Tax Rate Impact:*** *The Community Preservation Budget is funded from a 2% surcharge on to the property tax plus State matching funds. This is noted as a separate line item on your tax bill.* ***The Board of Selectmen recommends favorable action (5-0). The Finance and Advisory Committee (5-0) recommends favorable action.***
ARTICLE 2021/52-13 *Community Preservation – Patton Park Tennis Courts*	To see if the Town will vote, pursuant to G.L. c.44B, to appropriate $32,000 from the Community Preservation Fund Open Space and Recreation Account for the purpose of repairing and restoring the Patton Park tennis courts including any incidental or related costs; and provided further that if construction has not commenced by November 15, 2022, any funds from this appropriation will be returned to the Community Preservation fund only after a vote by the Community Preservation Committee determining that it is unlikely the remaining appropriated funds will need to be spent to this effect, or take any action thereon or relative thereto. ***Brief Summary:*** *This article seeks to allocate funds set aside in the Community Preservation Fund Open Space and Recreation Account for the purpose of funding the repair and restoration of the Patton Park tennis courts.* ***Fiscal Year 2022 Tax Rate Impact :*** *The Community Preservation Budget is allocated from a 2% surcharge on to the property tax plus State matching funds. This is noted as a separate line item on your tax bill.* ***The Board of Selectmen (5-0) recommends favorable action. The CPC (7-0) recommends favorable action. The Finance and Advisory Committee (5-0) recommends favorable action.***
ARTICLE 2021/52-14 *Community Preservation – Town Hall Building Project*	To see if the Town will vote, pursuant to G.L. c.44B, to appropriate a sum of $1,000,000 for the restoration, rehabilitation and preservation of the historic Town Hall located at 577 Bay Road set forth in an application dated March 8, 2021 approved by the Community Preservation Committee and on file with the Town Clerk, including but not limited to design, project management and construction costs, and all incidental and related costs, i.e., those project costs designated by the Community Preservation Committee as eligible to be funded under the Community Preservation Act; such sum to be added to the sum of $3,000,000 appropriated under Article 2020/11 2-7, and to meet said appropriation, the Treasurer, with the approval of the Board of Selectmen, is authorized to borrow all or a

	portion of said amount under G.L. 44B, §11, G.L. c.44, §§7 or 8 and/or any other enabling authority and to issue bonds or notes of the Town therefor, and while these will be general obligation bonds of the Town, it is anticipated that they shall be repaid through the Community Preservation Fund, and, further, any premium received by the Town upon the sale of any bonds or notes approved by this vote, less any such premium applied to costs of issuance of such bonds or notes, may be applied to costs approved by this vote with a reduction of borrowing authority therefore by a like amount in accordance with G.L. c.44, §20; provided, however, that the expenditure of these funds shall not be authorized if Town Meeting fails to approve Article 2021/5 2-15, or if construction of the Town Hall project fails to commence by November 15, 2022, or take any action thereon or relative thereto. *A 2/3 vote is required to approve this article.* ***Brief Summary:*** *This article seeks to defray the cost of General Fund borrowing, by providing an additional $1,000,000 to the Town Hall Renovation and Preservation Project, thus reducing the size of the request for debt-exclusion vote from voters. The passage of Article 2021/5 2 -14 with borrowing commencing in the summer of 2021 would require funding for the first interest payment of $80,000. Said amount has been appropriated in the earlier vote on article 2-12.* ***Fiscal Year 2022 Tax Rate Impact:*** *The Community Preservation Budget is allocated from a 2% surcharge on to the property tax plus State matching funds. This is noted as a separate line item on your tax bill.* ***The Board of Selectmen (5-0) recommends favorable action. The CPC (7-0) recommends favorable action. The Finance and Advisory Committee (5-0) recommends favorable action.***
ARTICLE 2021/5 2-15 *Town Hall Building Project*	To see if the Town will vote to appropriate $3,400,000 and authorize the Treasurer, with the approval of the Board of Selectmen, to borrow said sum in accordance with General Laws Chapter 44, Section 7 or any other enabling authority, for the purpose of funding the design, construction, renovations and improvements to, and equipping, the Town Hall located at 577 Bay Road, excluding costs to be paid from the Community Preservation Act under Article 2020/11 2-7 and Article 2021/5 2-14, and including design and construction of the renovations and improvements to a temporary Town Hall facility and relocation costs and all other incidental or related costs, and further to authorize the Board of Selectmen to apply for and accept any federal state and/or other grants or loans available for the project, and to enter into any and all agreements related thereto; provided, however, that the appropriation authorized hereunder shall be expressly contingent upon approval by the voters of the Town to assess taxes in excess of the amount allowed under Proposition 2 ½, so-called, for the amounts required to pay principal and interest on bonds or notes issued for the purposes set forth herein; and further, that any premium received upon the sale of any bonds or notes approved by this vote, less any such premium applied to the payments of the costs of issuance of such bonds or notes, may be applied to payment of costs approved by this vote in accordance with Chapter 44, Section 20 of the General Laws, thereby reducing the amount authorized to be borrowed to pay such costs by a like amount, or take any action thereon or relative thereto. *(Expected request is $3,400,000)* *A 2/3 vote is required to approve this article.*

	Brief Summary: *This article seeks funding for the portions of the Town Hall Building Project, which are not funded with CPA funds. The proposed Town Hall Building project has progressed through the design development phase. If approved, these funds, together with funds sought in a related article on this warrant, will be utilized to fund the construction. This article cannot be acted on, without an affirmative vote at the Town Election on May 6, 2021.* ***Fiscal Year 2022 Tax Rate Impact:*** *The passage of this Article (2021/5 2-15) with borrowing commencing in the summer of 2021 would require funding for the first interest payment of $68,000. Future Debt service costs will be appropriated in future fiscal years. The allocation of these funds will increase the estimated tax rate by approximately $0.15 per $1,000 assessed valuation, or $95 tax assessment on the average home valued at $631,000 in the first year and decreasing over the course of the borrowing.* ***The Board of Selectmen (5-0) recommends favorable action. The Finance and Advisory Committee (5-0) recommends favorable action.***

SECTION 3: OTHER APPROPRIATIONS AND ACTIONS

ARTICLE 2021/6 3-1 *Acquisition of Easement to Alter Layout of Chebacco Road*	To see if the Town will vote to acquire a permanent easement for all purposes for which public ways are commonly used in the Town and a temporary construction easement from the Town of Manchester-by-the-Sea in, on and under the parcels of land approximately shown as "Proposed Permanent 40' Easement 33,530 Sq. Ft., 0.77 Acres" and "Proposed Temporary Construction Easement 20,916 Sq. Ft., 0.48 Acres" on a plan entitled "Town of Hamilton & Town of Manchester-By-The-Sea Proposed Easement Plan", prepared by Woodard & Curran, dated February, 2021, on file in the Town Clerk's office, as the same may be amended, which acquisition will alter the layout of Chebacco Road to include said parcel of land and to petition the Metropolitan Area Planning Council to discontinue any portions of the existing layouts of Chebacco Road lying outside the altered layout; and to transfer the care, custody and control of said discontinued portions from the Board of Selectmen for public way purposes to the Board of Selectmen for the purpose of conveyance; and to authorize the Board of Selectmen to convey to the Town of Manchester-by-the-Sea all of the Town's right, title and interest in and to said discontinued portions; and, further, because the Manchester property is subject to a conservation restriction held by the Town, to authorize the Board of Selectmen to petition the General Court pursuant to Article 97 of the Amendments to the Massachusetts Constitution to change the use of a portion of said conservation property and authorize the Town of Manchester-by-the-Sea to convey the public way and temporary construction easements to Hamilton; and to accept a conservation restriction in the discontinued portions of Chebacco Road, or take any action thereon or relative thereto. . ***Brief Summary****: This article allows the Town, as part of the Chebacco Road Infrastructure Project, to alter the layout of a portion of Chebacco Road away from a natural resource area to a new location, on land identified by the Assessors as Parcel 71-1 and owned by the Town of Manchester-By-The-Sea. An affirmative*

	vote under this article will allow the Town to accept a public way easement and a temporary construction easement from the Town of Manchester-By-The-Sea; and further, because the Town holds a conservation restriction on the Manchester land, this article authorizes the Board of Selectmen to petition the General Court pursuant to Article 97 of the Amendments to the Massachusetts Constitution to allow the change the use of said portion of conservation land to public way and temporary construction purposes, to authorize the Town of Manchester-By-The-Sea to convey the easements to the Town, and, as mitigation for the loss of conservation land, to accept a conservation restriction in the discontinued portions of the roadway. *A 2/3 vote is required to approve this article.* ***Fiscal Year 2022 Tax Rate Impact***: *None.* ***The Board of Selectmen (5-0) recommends favorable action. The Finance and Advisory Committee (5-0) recommends favorable action.***
ARTICLE 2021/6 3-2 *Power Purchase Agreement for Library Solar Project*	To see if the Town will vote to authorize the Board of Selectmen to (i) enter into one or more net metering credit purchase agreements with one or more owners of renewable energy facilities for terms of up to 30 years, and (ii) take any actions and execute any other documents and ancillary agreements necessary, convenient, or appropriate to accomplish the foregoing and to implement and administer the net metering credit purchase agreements, all of which agreements and documents shall be on such terms and conditions and for such consideration as the Board of Selectmen deems in the best interests of the Town; or take any action thereon or relative thereto. ***Brief Summary:*** *This article seeks authorization to enter into a net metering power purchase agreement with the owner of the renewable energy facility located on the Library roof for a period of up to 30 years.* ***Fiscal Year 2022 Tax Rate Impact:*** *None. It is estimated that the power purchase agreement will reduce the Town's electricity costs annually as the Town will be purchasing the net metering credits at a discounted price.* ***The Board of Selectmen (5-0) recommends favorable action. The Finance and Advisory Committee (5-0) recommends favorable action.***
ARTICLE 2021/6 3-3 *PILOT for Library Solar Project*	To see if the Town will vote to authorize the Board of Selectmen to enter into an agreement for Payment-In-Lieu-Of-Taxes ("PILOT") pursuant to the provisions of G.L. c.59, §38H(b), or any other enabling legislation, on such terms and conditions and for such term of years as the Board of Selectmen deems in the best interest of the Town, for taxes attributable to a solar facility to be installed, owned and operated by _____, or its affiliates, successors or assigns, on the Library roof located at 14 Union Street, Assessors Map __, Parcel __, and further to authorize the Board of Selectmen to take such action as may be necessary or convenient to carry out the vote taken hereunder, or take any action thereon or relative thereto.

	Brief Summary:*This article provides for a PILOT payment to be paid to the Town, as a result of a new Solar Array on the Library roof. This PILOT agreement allows the Hamilton Wenham Library solar project to go forward and satisfies the tax obligation to the Town of Hamilton.* ***Fiscal Year 2022 Tax Rate Impact***: *None.* ***The Board of Selectmen (5-0) recommends favorable action. The Finance and Advisory Committee (5-0) recommends favorable action.***

ADJOURNMENT

Given under our hands this 15th day of April, 2021.

HAMILTON BOARD OF SELECTMEN

Shawn M. Farrell, Chair

William Olson

Rosemary Kennedy

Darcy Dale

Jamie Knudsen

Hamilton, Massachusetts

I have this day served this warrant as directed by Chapter 1, Section 1b of the Town By-laws.

755398/HAML/0001

APPENDIX A
COMPENSATION / CLASSIFICATION TABLE
FISCAL YEAR 2022

Wage Grid

Note # = See footnote - end of Compensation Table

Exempt Positions

Note #	Grade	Steps	I	II	III	IV	V	VI	VII	VIII
2	21	Chief of Fire (40 Hrs)	106,454.40	108,576.00	110,739.20	112,944.00	115,211.20	117,520.00	119,870.40	122,262.40
2	21	Chief of Police (40 Hrs)	106,454.40	108,576.00	110,739.20	112,944.00	115,211.20	117,520.00	119,870.40	122,262.40
11	21	Director of Finance/Accountant (40 Hrs)	106,454.40	108,576.00	110,739.20	112,944.00	115,211.20	117,520.00	119,870.40	122,262.40
	21	Director of Public Works (40 Hrs)	106,454.40	108,576.00	110,739.20	112,944.00	115,211.20	117,520.00	119,870.40	122,262.40
	20	Director of Planning & Development (40 Hrs)	102,398.40	104,436.80	106,516.80	108,638.40	110,801.60	113,027.20	115,294.40	117,603.20
	18	Human Resources Director (40 Hrs)	91,124.80	92,955.20	94,806.40	96,699.20	98,633.60	100,609.60	102,627.20	104,686.40
	18	Building Commissioner (40 Hrs)	91,124.80	92,955.20	94,806.40	96,699.20	98,633.60	100,609.60	102,627.20	104,686.40
	18	Director of Health & Human Services (24 Hrs)	54,674.88	55,773.12	56,883.84	58,019.52	59,180.16	60,365.76	61,576.32	62,811.84
	16	Assistant DPW Director (40Hrs)	83,054.40	84,718.40	86,403.20	88,129.60	89,897.60	91,686.40	93,516.80	95,388.80
	15	Recreation Director (40 Hrs)	80,392.00	81,993.60	83,636.80	85,300.80	87,006.40	88,753.60	90,521.60	92,331.20
1	14	Director of Assessors (37.5 Hrs)	74,256.00	75,738.00	77,259.00	78,799.50	80,379.00	81,978.00	83,616.00	85,293.00
1	14	Treasurer-Collector (37.5 Hrs)	74,256.00	75,738.00	77,259.00	78,799.50	80,379.00	81,978.00	83,616.00	85,293.00
	13	Council on Aging Director (40 Hrs)	78,416.00	79,976.00	81,577.60	83,200.00	84,864.00	86,569.60	88,296.00	90,064.00
	12	Town Clerk (Elected - Salary based on 40 Hrs)	72,612.80	74,068.80	75,545.60	77,064.00	78,603.20	80,184.00	81,785.60	83,428.80
	10	Patton Homestead Director (25 Hrs)	40,599.00	41,405.00	42,237.00	64,623.00	65,910.00	67,236.00	68,581.50	69,946.50

Hourly Positions

	Grade	Steps	I	II	III	IV	V	VI	VII	VIII
10		Public Health Nurse (19 Hrs)	43.00							
	12	Chief Appraiser (10 Hrs)	34.91	35.61	36.32	37.05	37.79	38.55	39.32	40.11
	12	Assistant Finance Dir./Town Accountant (37.5 Hrs)	34.91	35.61	36.32	37.05	37.79	38.55	39.32	40.11
	11	Sealer of Weights & Measures (<19 Hrs)	33.42	34.09	34.77	35.47	36.18	36.90	37.64	38.39
	10	Asst. to the Town Manager/CPA Coordinator (37.5 Hrs)	31.23	31.85	32.49	33.14	33.80	34.48	35.17	35.87
	10	Conservation Coordinator (19 Hrs)	31.23	31.85	32.49	33.14	33.80	34.48	35.17	35.87
7	10	Energy Manager (<19 Hrs)	31.23	31.85	32.49	33.14	33.80	34.48	35.17	35.87
	9	Assistant Treasurer/Collector (37.5 Hrs)	29.18	29.76	30.36	30.97	31.59	32.22	32.86	33.52
	8	Fire Equipment Mechanic (<19 Hrs)	27.77	28.33	28.90	29.48	30.07	30.67	31.28	31.91
	8	Reserve Patrolman	27.77	28.33	28.90					
	7	Accounting Assistant (15.5 Hrs)	24.71	25.20	25.70	26.21	26.73	27.26	27.81	28.37
	7	Facilities Maintenance Technician (40 Hrs)	24.71	25.20	25.70	26.21	26.73	27.26	27.81	28.37
	7	Information/Media Specialist (<19 Hrs)	24.71	25.20	25.70	26.21	26.73	27.26	27.81	28.37
	7	Social Services Specialists (<19 Hrs)	24.71	25.20	25.70	26.21	26.73	27.26	27.81	28.37
	7	Emergency Center Dispatcher *(P/T)*	24.71	25.20	25.70					
	4	Clerk/Typist (<19 Hrs)	17.06	17.40	17.75	18.11	18.47	18.84	19.22	19.60
	4	Custodian (<19 Hrs)	17.06	17.40	17.75	18.11	18.47	18.84	19.22	19.60
		Matron	20.54	21.78	23.09	24.48				

APPENDIX A
COMPENSATION / CLASSIFICATION TABLE
FISCAL YEAR 2022

Collective Bargaining Unions

Administrative Assistant Union - *Hourly Compensation table established by Union Contract.*

	7/1/19 - (existing agreement expires 6/30/22)								
Grade	**Steps**	**I**	**II**	**III**	**IV**	**V**	**VI**	**VII**	**VIII**
6	Administrative Assistants	23.97	24.45	24.94	25.44	25.95	26.47	27.00	27.54
7	Administrative Assistants	24.83	25.33	25.84	26.36	26.89	27.43	27.98	28.54

Grades 6 & 7 are based on the Administrative Union Contract wage grid

Under Negotiations

8 ***DPW Union*** - *Hourly Compensation table established by Union Contract.*

	7/1/17 (existing agreement expires 6/30/21)								
Grade	**Steps**	**I**	**II**	**III**	**IV**	**V**	**VI**	**VII**	**VIII**
9	Foreman	28.61	29.18	29.76	30.36	30.97	31.59	32.22	32.86
9	Mechanic	28.61	29.18	29.76	30.36	30.97	31.59	32.22	32.86
9	Plant Operator-Primary	28.61	29.18	29.76	30.36	30.97	31.59	32.22	32.86
7	Heavy Equipment Operator	24.23	24.71	25.20	25.70	26.21	26.73	27.26	27.81
6	Truck Driver/Laborer	23.39	23.86	24.34	24.83	25.33	25.84	26.36	26.89

Firefighter Union - *Hourly Compensation table established by Union Contract.*

	7/1/19 (existing agreement expires 6/30/22)								
Grade	**Steps**	**I**	**II**	**III**	**IV**	**V**	**VI**	**VII**	**VIII**
8	Firefighter/EMT	27.77	28.33	28.90	29.48	30.07	30.67	31.28	31.91
11	FF/Lieutenant-Inspector	33.42	34.09	34.77	35.47	36.18	36.90	37.64	38.39
13	FF/Captain-Inspector	37.70	38.45	39.22	40.00	40.80	41.62	42.45	43.30
	EMT Certification Stipend *(Bi-weekly)*	130.00							
	On-Call Stipend *(per night)*	25.00							

APPENDIX A
COMPENSATION / CLASSIFICATION TABLE
FISCAL YEAR 2022

Police Union - *Hourly Compensation table established by Union Contract.*

	7/1/19 (existing agreement expires 6/30/22)						
	PATROLMAN						
	Steps	**I**	**II**	**III**	**IV**	**V**	**VI**
	Upon completion of years of service	**0**	**1 yrs.**	**5 yrs.**	**10 yrs.**	**15 yrs.**	**20 yrs.**
	Employees Hired Prior to 7/1/2010						
1, 3	W/O College Degree	28.04	29.08	29.82	30.53	31.26	32.43
1, 3	BA/BS	33.66	34.90	35.77	36.63	37.52	38.92
1, 3	MA/MS	35.07	36.36	37.27	38.16	39.07	40.53
	Employees Hired After 7/1/2010						
1, 3	W/O College Degree	28.04	29.08	29.82	30.53	31.26	32.43
1, 3	BA/BS	30.85	32.00	32.80	33.59	34.39	35.68
1, 3	MA/MS	35.07	36.36	37.27	38.16	39.07	40.53

SERGEANT						
Steps	**I**	**II**	**III**	**IV**	**V**	**VI**
Upon completion of years of service	**0**	**1 yrs.**	**5 yrs.**	**10 yrs.**	**15 yrs.**	**20 yrs.**
Employees Hired Prior to 7/1/2010						
BA/BS	39.72	41.18	42.21	43.22	44.27	45.93
MA/MS	41.38	42.90	43.98	45.03	46.10	47.83
Employees Hired After 7/1/2010						
BA/BS	36.40	37.76	38.70	39.64	40.58	42.10
MA/MS	41.38	42.90	43.98	45.03	46.10	47.83

LIEUTENANT						
Steps	**I**	**II**	**III**	**IV**	**V**	**VI**
Upon completion of years of service	**0**	**1 yrs.**	**5 yrs.**	**10 yrs.**	**15 yrs.**	**20 yrs.**
Employees Hired Prior to 7/1/2010						
BA/BS	43.08	44.67	45.79	46.89	48.03	49.82
MA/MS	44.89	46.54	47.71	48.84	50.01	51.88
Employees Hired After 7/1/2010						
BA/BS	39.49	40.96	41.98	43.00	44.02	45.67
MA/MS	44.89	46.54	47.71	48.84	50.01	51.88

APPENDIX A
COMPENSATION / CLASSIFICATION TABLE
FISCAL YEAR 2022

Under Negotiations

8	***Police & Fire Signal Operator Union -*** *Hourly Compensation table established by Union Contract.*									
		7/1/17 (existing agreement expires 6/30/21)								
	Grade	**Steps**	**I**	**II**	**III**	**IV**	**V**	**VI**	**VII**	**VIII**
4	**7**	Dispatcher	24.23	24.71	25.20	25.70	26.21	26.73	27.26	27.81

Other Municipal Positions

	Elected/Appointed Positions (MGL 41 s.108 & 108A)	**Annual Salary**
	Town Manager	145,656.00
	Finance Director	T/B/D
	Chief of Police	161,378.36
	Chief of Fire	127,449.00
	Selectmen/Chairman	3,225
	Board of Assessors/Chairman	2,936
	Selectmen/Members	2,852
	Board of Assessors/Members	2,193
	Board of Appeals/Chairman	1,681
	Board of Health/Chairman	873
	Board of Health/Members	495

	Call Firefighters Rank	**Hourly Wage**	**Certified 5%**
	Deputy Chief	30.42	31.94
	Captain	28.18	29.59
	Lieutenant	25.92	27.22
	Senior Firefighter (7.5% Increase)	24.21	25.42
	Firefighter w/ CPR 1st. Responder	22.52	23.65
	Probationary Firefighter	19.16	n/a
	On-Call Stipend (per night)	25.00	

	Occasional Help	**Range of Compensation**	
	Registrar of Voters (annually)	400.00	
	Seasonal Employee	13.50	24.00
		Jul/Dec 2021	**Jan/Jun 2022**
	Poll Worker	13.50	14.25
	Warden (Elections/Registration)	14.50	15.25
	Senior Work-Off Program	13.50	14.25

	Professional Stipends	**Annual Rate**
	Electrical Inspector	22,000
	Plumbing Inspector	15,000
5	Animal Control Officer/Inspector	13,250
9	Meeting Stipend	4,156
	Animal Pick-Up (Deceased)	2,400
	Wildlife Officer	2,400
	EMT Certification (Police Officers)	1,750
	Call Fire Deputy Chief	1,500
	Harbormaster	1,200
	Professional Certifications	1,000
	Call Fire Captain	750
	Call Fire Training Officer	500
	Accreditation Stipend (Police)	750

Legend Notes

1	Position also receives either a "Professional Stipend" or additional compensation for certification. See M.G.L. Ch. 41, Sec. 19K & 108P.
2	Differs from Wage Grid table; see "Other Municipal Positions" section for additional information.
3	Shift differential is 7% for Evening and 9% for Midnight shift.
4	Shift differential is 5% for Evening and 7% for Midnight shift.
5	Position is shared with the Town of Manchester-by-the-Sea; 50% cost sharing.
6	Position funded through the Community Preservation Act Fund and Affordable Housing Trust.
7	Position is shared with the Town of Wenham and HWRSD; cost sharing in accordance with contract/approved hours.
8	Under negotiations; contract expires 6/30/2020.
9	Assistant to the Town Manager/Community Preservation Coordinator
10	Temporary rate due to additional responsibilites as a result of COVID-19
11	Position transitioning to a contractual employee. Pay has yet to be determined but will not exceed $125,000

APPENDIX B
FY2022 GENERAL FUND PROJECTED BUDGET

	FY2018 ACTUALS	FY2019 ACTUALS	FY2020 ACTUALS	FY2021 BUDGET	FY2022 PROJECTED	FY21/22 BUDGET $ Change	FY21/22 BUDGET % Change
GENERAL GOVERNMENT							
122 Selectmen							
Personnel Expenses	39,423.43	39,469.77	39,862.97	38,555.27	42,539.17	3,983.90	10.3%
Operating Expenses	5,930.99	170.00	-	4,800.00	3,300.00	(1,500.00)	-31.3%
Total Selectmen	45,354.42	39,639.77	39,862.97	43,355.27	45,839.17	2,483.90	5.7%
123 Town Manager							
Personnel Expenses	265,505.28	183,081.67	202,539.34	299,064.34	213,959.38	(85,104.96)	-28.5%
Operating Expenses	81,336.13	92,781.08	93,433.74	250,814.36	102,484.00	(148,330.36)	-59.1%
Total Town Manager	346,841.41	275,862.75	295,973.08	549,878.70	316,443.38	(233,435.32)	-42.5%
132 Fin Com/Reserve							
Expenses	325.00	180.00	180.00	425.00	425.00	-	0.0%
Reserve Fund	-	-	-	61,558.52	100,000.00	38,441.48	62.4%
Total Fin Com	325.00	180.00	180.00	61,983.52	100,425.00	38,441.48	62.0%
135 Finance/IT Dept							
Personnel Expenses	188,048.23	180,417.25	238,720.68	213,523.28	225,409.99	11,886.71	5.6%
Operating Expenses	175,793.50	175,557.75	174,857.81	184,895.55	197,613.35	12,717.80	6.9%
Capital Expenses	3,208.39	1,669.66	1,906.95	3,500.00	3,500.00	-	0.0%
Total Finance/IT Dept	367,050.12	357,644.66	415,485.44	401,918.83	426,523.34	24,604.51	6.1%
141 Assessor							
Personnel Expenses	159,073.26	165,874.48	149,959.72	165,955.72	161,467.74	(4,487.98)	-2.7%
Operating Expenses	8,373.05	17,078.66	3,745.31	17,691.00	16,091.00	(1,600.00)	-9.0%
Total Assessor	167,446.31	182,953.14	153,705.03	183,646.72	177,558.74	(6,087.98)	-3.3%
145 Treasurer/Collector							
Personnel Expenses	185,420.35	197,336.50	144,545.78	185,494.68	191,480.20	5,985.52	3.2%
Operating Expenses	37,241.21	37,134.02	38,290.29	47,385.00	47,750.00	365.00	0.8%
Total Treasurer/Collector	222,661.56	234,470.52	182,836.07	232,879.68	239,230.20	6,350.52	2.7%

APPENDIX B
FY2022 GENERAL FUND PROJECTED BUDGET

	FY2018 ACTUALS	FY2019 ACTUALS	FY2020 ACTUALS	FY2021 BUDGET	FY2022 PROJECTED	FY21/22 BUDGET $ Change	FY21/22 BUDGET % Change
151 Town Counsel							
Retainer	35,500.00	36,583.37	80,604.55	84,000.00	84,000.00	-	0.0%
Expenses	109,552.78	87,181.29	32,885.40	42,000.00	42,000.00	-	0.0%
Total Town Counsel	145,052.78	123,764.66	113,489.95	126,000.00	126,000.00	-	0.0%
152 Human Resources							
Personnel Expenses	-	-	-	-	92,955.20	92,955.20	#DIV/0!
Operating Expenses	-	-	-	-	1,808.00	1,808.00	#DIV/0!
Total Human Resources	-	-	-	-	94,763.20	94,763.20	#DIV/0!
161 Town Clerk							
Personnel Expenses	97,738.45	112,071.15	83,612.26	123,970.30	127,586.28	3,615.98	2.9%
Operating Expenses	12,975.40	13,503.75	12,657.74	21,458.00	15,442.00	(6,016.00)	-28.0%
Total Town Clerk	110,713.85	125,574.90	96,270.00	145,428.30	143,028.28	(2,400.02)	-1.7%
162 Elections & Registration							
Personnel Expenses	6,454.51	15,392.61	10,399.77	34,351.35	11,762.80	(22,588.55)	-65.8%
Operating Expenses	17,197.30	17,938.51	14,352.25	31,520.00	20,570.00	(10,950.00)	-34.7%
Total Elections & Registration	23,651.81	33,331.12	24,752.02	65,871.35	32,332.80	(33,538.55)	-50.9%
171 Conservation Commission							
Personnel Expenses	30,607.24	33,273.88	29,321.15	30,612.31	31,844.19	1,231.88	4.0%
Operating Expenses	3,649.00	885.52	861.39	1,425.00	1,425.00	-	0.0%
Total Conservation Commission	34,256.24	34,159.40	30,182.54	32,037.31	33,269.19	1,231.88	3.8%
172 Planning							
Personnel Expenses	112,662.42	115,918.96	116,150.91	119,982.09	121,587.55	1,605.46	1.3%
Operating Expenses	6,089.66	1,521.74	12,488.84	15,450.00	4,700.00	(10,750.00)	-69.6%
Total Planning	118,752.08	117,440.70	128,639.75	135,432.09	126,287.55	(9,144.54)	-6.8%
174 Chebacco Woods							
Operating Expenses	2,500.00	1,940.71	1,275.59	2,500.00	2,500.00	-	0.0%
Total Chebacco Woods	2,500.00	1,940.71	1,275.59	2,500.00	2,500.00	-	0.0%
192 Facilities							
Personnel Expenses	67,378.75	70,138.10	72,121.11	84,499.40	83,881.09	(618.31)	-0.7%
Operating Expenses	210,618.57	181,366.46	185,537.13	173,563.75	191,506.25	17,942.50	10.3%
Total Facilities	277,997.32	251,504.56	257,658.24	258,063.15	275,387.34	17,324.19	6.7%
Subtotal General Government	1,862,602.90	1,778,466.89	1,740,310.68	2,238,994.92	2,139,588.19	(99,406.73)	-4.4%

APPENDIX B
FY2022 GENERAL FUND PROJECTED BUDGET

	FY2018 ACTUALS	FY2019 ACTUALS	FY2020 ACTUALS	FY2021 BUDGET	FY2022 PROJECTED	FY21/22 BUDGET $ Change	FY21/22 BUDGET % Change
PUBLIC SAFETY							
210 Police Department							
Personnel Expenses	1,414,441.76	1,484,694.46	1,517,127.24	1,697,967.76	1,725,238.74	27,270.98	1.6%
Operating Expenses	115,370.15	111,652.81	92,059.02	111,445.00	124,262.25	12,817.25	11.5%
Capital Expenses	-	-	14,284.12	-	18,980.05	18,980.05	#DIV/0!
Total Police Department	1,529,811.91	1,596,347.27	1,623,470.38	1,809,412.76	1,868,481.04	59,068.28	3.3%
233 Emergency Report Center							
Personnel Expenses	267,310.72	268,121.65	290,548.85	312,149.52	316,408.12	4,258.60	1.4%
Operating Expenses	50,255.46	46,085.69	38,956.05	41,044.75	43,952.25	2,907.50	7.1%
Total Emergency Report Center	317,566.18	314,207.34	329,504.90	353,194.27	360,360.37	7,166.10	2.0%
220 Fire Department							
Personnel Expenses	610,842.81	598,381.94	596,667.98	674,124.47	723,784.41	49,659.94	7.4%
Operating Expenses	75,874.30	77,300.49	96,589.22	97,465.01	103,133.05	5,668.04	5.8%
Capital Expenses	7,480.75	29,693.26	89,626.83	83,944.76	111,702.52	27,757.76	33.1%
Total Fire Department	694,197.86	705,375.69	782,884.03	855,534.24	938,619.98	83,085.74	9.7%
241 Inspectional Services							
Personnel Expenses	102,447.32	61,106.79	52,365.72	55,427.30	187,214.22	131,786.92	237.8%
Operating Expenses	4,198.42	251.93	-	2,700.00	9,050.00	6,350.00	235.2%
Assessment	-	73,531.53	105,033.00	129,413.00	-	(129,413.00)	-100.0%
Total Inspectional Services	106,645.74	134,890.25	157,398.72	187,540.30	196,264.22	8,723.92	4.7%
291 Emergency Management							
Operating Expenses	-	1,099.22	839.78	21,100.00	21,100.00	-	0.0%
Total Emergency Management	-	1,099.22	839.78	21,100.00	21,100.00	-	0.0%
292 Animal Control							
Personnel Expenses	29,800.08	29,800.08	33,779.87	33,930.00	33,930.00	-	0.0%
Operating Expenses	2,011.67	269.98	267.44	1,850.00	1,850.00	-	0.0%
Total Animal Control	31,811.75	30,070.06	34,047.31	35,780.00	35,780.00	-	0.0%
919 Street Lights							
Operating Expenses	20,448.70	17,369.96	16,854.47	27,000.00	27,000.00	-	0.0%
Total Street Lights	20,448.70	17,369.96	16,854.47	27,000.00	27,000.00	-	0.0%
Subtotal Public Safety	2,700,482.14	2,799,359.79	2,944,999.59	3,289,561.57	3,447,605.61	158,044.04	4.8%

APPENDIX B
FY2022 GENERAL FUND PROJECTED BUDGET

	FY2018 ACTUALS	FY2019 ACTUALS	FY2020 ACTUALS	FY2021 BUDGET	FY2022 PROJECTED	FY21/22 BUDGET $ Change	FY21/22 BUDGET % Change
DEPARTMENT OF PUBLIC WORKS							
421 Public Works							
Personnel Expenses	147,413.75	155,427.57	233,379.69	254,899.32	265,163.38	10,264.06	4.0%
Operating Expenses	106,991.29	37,758.40	37,447.00	28,300.00	27,100.00	(1,200.00)	-4.2%
Total Public Works	254,405.04	193,185.97	270,826.69	283,199.32	292,263.38	9,064.06	3.2%
422 Highway							
Personnel Expenses	277,786.71	197,021.41	196,922.42	227,890.06	245,103.46	17,213.40	7.6%
Operating Expenses	181,678.07	133,096.81	154,593.39	126,400.00	155,400.00	29,000.00	22.9%
Capital Expenses	-	-	-	-	-	-	#DIV/0!
Total Highway	459,464.78	330,118.22	351,515.81	354,290.06	400,503.46	46,213.40	13.0%
423 Snow & Ice							
Personnel Expenses	82,227.73	74,363.59	59,035.15	89,175.00	89,175.00	-	0.0%
Operating Expenses	179,597.33	112,303.97	102,087.20	179,250.00	179,250.00	-	0.0%
Total Snow & Ice	261,825.06	186,667.56	161,122.35	268,425.00	268,425.00	-	0.0%
425 Vehicle Maintenance							
Personnel Expenses	-	86,446.00	89,439.19	80,053.14	64,237.68	(15,815.46)	-19.8%
Operating Expenses	-	58,645.36	43,204.59	68,637.50	66,150.00	(2,487.50)	-3.6%
Total Vehicle Maintenance	-	145,091.36	132,643.78	148,690.64	130,387.68	(18,302.96)	-12.3%
429 Cemetery							
Personnel Expenses	73,187.34	79,451.96	81,388.31	75,605.32	90,705.64	15,100.32	20.0%
Operating Expenses	8,519.46	8,405.92	6,962.12	10,000.00	10,000.00	-	0.0%
Total Cemetery	81,706.80	87,857.88	88,350.43	85,605.32	100,705.64	15,100.32	17.6%
433 Waste, Recycling & Landfill							
Personnel Expenses	4,265.51	4,345.52	3,796.75	5,400.53	5,545.94	145.41	2.7%
Operating Expenses	656,434.73	719,358.39	754,156.12	773,650.00	800,980.00	27,330.00	3.5%
Enterprise Subsidy	-	-	-	-	-	-	#DIV/0!
Total Waste, Recycling & Landfill	660,700.24	723,703.91	757,952.87	779,050.53	806,525.94	27,475.41	3.5%
650 Parks & Fields							
Personnel Expenses	56,455.05	64,340.85	57,924.35	58,484.26	72,922.10	14,437.84	24.7%
Operating Expenses	7,457.14	1,908.91	8,656.31	5,150.00	5,150.00	-	0.0%
Total Parks & Fields	63,912.19	66,249.76	66,580.66	63,634.26	78,072.10	14,437.84	22.7%

APPENDIX B
FY2022 GENERAL FUND PROJECTED BUDGET

	FY2018 ACTUALS	FY2019 ACTUALS	FY2020 ACTUALS	FY2021 BUDGET	FY2022 PROJECTED	FY21/22 BUDGET $ Change	FY21/22 BUDGET % Change
651 HWRSD Fields & Grounds							
Personnel Expenses	11,668.76	-	-	-	-	-	#DIV/0!
Total HWRSD Fields & Grounds	11,668.76	-	-	-	-	-	0.0%
Subtotal Public Works	1,793,682.87	1,732,874.66	1,828,992.59	1,982,895.13	2,076,883.20	93,988.07	4.7%
HEALTH & HUMAN SERVICES							
511 Public Health Dept							
Personnel Expenses	121,765.20	127,686.49	126,069.83	81,270.12	125,090.12	43,820.00	53.9%
Operating Expenses	3,407.99	2,663.42	3,569.46	19,235.00	32,110.00	12,875.00	66.9%
Total Public Health Dept	125,173.19	130,349.91	129,639.29	100,505.12	157,200.12	56,695.00	56.4%
541 Council on Aging							
Personnel Expenses	79,619.20	78,268.06	79,894.45	89,270.12	90,070.49	800.37	0.9%
Operating Expenses	27,039.58	26,765.84	34,384.56	34,286.16	29,361.16	(4,925.00)	-14.4%
Total Council on Aging	106,658.78	105,033.90	114,279.01	123,556.28	119,431.65	(4,124.63)	-3.3%
543 Veterans Benefits							
Operating Expenses	18,676.17	21,908.74	30,031.68	35,000.00	35,000.00	-	0.0%
Administration Fee	31,920.32	35,093.91	35,851.55	15,000.00	15,000.00	-	0.0%
Total Veterans Benefits	50,596.49	57,002.65	65,883.23	50,000.00	50,000.00	-	0.0%
Subtotal Health & Human Services	282,428.46	292,386.46	309,801.53	274,061.40	326,631.77	52,570.37	19.2%
CULTURE & RECREATION							
610 Library							
Assessment	722,436.12	758,664.20	843,339.60	879,299.26	823,895.09	(55,404.17)	-6.3%
Indirect Costs	22,627.47	22,235.76	25,141.21	31,262.34	27,095.47	(4,166.87)	-13.3%
State contribution	12,211.48	12,148.94	12,762.94	12,314.00	12,929.70	615.70	5.0%
Total Library	757,275.07	793,048.90	881,243.75	922,875.60	863,920.26	(58,955.34)	-6.4%
630 Recreation							
Personnel Expenses	99,900.40	127,410.78	132,096.71	136,752.30	142,297.98	5,545.68	4.1%
Operating Expenses	20,917.65	29,729.48	22,232.10	22,675.00	24,150.00	1,475.00	6.5%
Total Recreation	120,818.05	157,140.26	154,328.81	159,427.30	166,447.98	7,020.68	4.4%
Subtotal Culture & Recreation	878,093.12	950,189.16	1,035,572.56	1,082,302.90	1,030,368.24	(51,934.66)	-4.8%

APPENDIX B
FY2022 GENERAL FUND PROJECTED BUDGET

	FY2018 ACTUALS	FY2019 ACTUALS	FY2020 ACTUALS	FY2021 BUDGET	FY2022 PROJECTED	FY21/22 BUDGET $ Change	FY21/22 BUDGET % Change
UNCLASSIFIED							
148 Salary Reserve	-	-	-	7,691.00	54,854.85	47,163.85	613.2%
149 Capital Spending	602,890.79	289,836.81	318,462.28	415,000.00	338,638.00	(76,362.00)	-18.4%
692 Celebrations	6,033.97	11,623.00	1,407.50	12,950.00	12,950.00	-	0.0%
722 Debt Service	978,375.97	933,607.50	912,753.18	669,000.35	714,418.77	45,418.42	6.8%
820 State Assessments	234,072.00	241,322.00	247,245.00	250,232.55	252,384.68	2,152.13	0.9%
911 Retirement	789,304.00	921,648.00	987,370.00	1,072,029.00	1,183,676.00	111,647.00	10.4%
913 Unemployment	3,790.80	8,049.81	35.61	48,820.00	47,640.00	(1,180.00)	-2.4%
914 Health & Life Insurance	755,497.72	743,670.56	782,328.81	960,350.00	986,004.00	25,654.00	2.7%
916 Other Insurance	209,542.68	218,055.40	231,968.75	256,721.00	272,216.00	15,495.00	6.0%
917 Medicare Tax	61,937.55	60,320.52	58,607.80	74,259.34	79,904.77	5,645.43	7.6%
992 Transfer to Special Revenue	22,422.42	90,011.00	90,739.94	91,391.75	-	(91,391.75)	-100.0%
996 Transfer to OPEB	100,000.00	125,000.00	125,000.00	125,000.00	125,000.00	-	0.0%
996 Transfer to Stabilization	-	-	321,087.00	247,757.00	346,035.87	98,278.87	39.7%
996 Transfer to Capital Stabilization	-	-	503,023.00	907,592.00	-	(907,592.00)	-100.0%
997 Transfer to Agency - HDC	65,000.00	65,000.00	74,880.00	50,000.00	66,051.00	16,051.00	32.1%
Subtotal Unclassified	3,828,867.90	3,708,144.60	4,654,908.87	5,188,793.99	4,479,773.94	(709,020.05)	-13.7%
SCHOOLS							
300 Schools							
HWRSD Assessment	16,776,063.00	17,746,438.00	18,686,626.00	20,227,833.00	21,131,336.00	903,503.00	4.5%
ENSATSD Assessment	205,457.00	186,867.00	183,462.00	229,890.00	259,623.00	29,733.00	12.9%
HWRSD Debt Service	625,208.40	627,646.91	255,156.95	263,904.00	370,848.00	106,944.00	40.5%
ENSATSD Debt Service	15,576.00	21,877.00	19,903.00	23,634.00	25,546.00	1,912.00	8.1%
Total Schools	17,622,304.40	18,582,828.91	19,145,147.95	20,745,261.00	21,787,353.00	1,042,092.00	5.0%
TOTAL GENERAL FUND	**28,968,461.79**	**29,844,250.47**	**31,659,733.77**	**34,801,870.91**	**35,288,203.95**	**486,333.04**	**1.4%**
TOTAL TOWN (EXCLUDING HWRSD)				**14,310,133.91**	**13,786,019.95**	**(524,113.96)**	**-3.7%**
TOTAL TOWN (EXCLUDING HWRSD & FINANCIAL RESERVE TRANSFERS)				**13,154,784.91**	**13,439,984.08**	**285,199.17**	**2.2%**

APPENDIX B
Town Debt Service (excluding CPA and Water) for Fiscal Year 2022

	FY2018 Actuals	FY2019 Actuals	FY2020 Actuals	FY2021 Budget	FY2022 Projected	$ Change	% Change
DEBT SERVICE							
Interest/Issuance Costs							
Public Safety Bldg	78,600	67,000	55,500	44,200	33,000	(11,200)	-25.3%
ESCO	2,550	1,650	750	-	-	-	#DIV/0!
Library	10,050	6,600	3,300	-	-	-	#DIV/0!
Water (Town)	15,000	9,900	4,950	-	-	-	#DIV/0!
Ladder/Pumper Truck	21,700	19,600	17,500	15,400	13,300	(2,100)	-13.6%
Landfill Capping	33,558	30,858	28,158	25,458	22,908	(2,550)	-10.0%
Landfill Closure	3,287	3,000	2,200	1,400	700	(700)	-50.0%
Chebacco Road Paving	-	-	15,395	31,171	27,920	(3,251)	-10.4%
Town Hall Project	-	-	-	-	68,000	68,000	#DIV/0!
Short-term (bond anticipation notes)	4,631	-	-	16,371	13,591	(2,780)	-17.0%
Total Interest/Issuance Costs	$ 169,376	$ 138,608	$ 127,753	$ 134,000	$ 179,419	$ 45,419	33.9%
Principal							
Public Safety Bldg	290,000	290,000	285,000	280,000	280,000	-	0.0%
ESCO	30,000	30,000	25,000	-	-	-	#DIV/0!
Library	115,000	110,000	110,000	-	-	-	#DIV/0!
Water (Town)	170,000	165,000	165,000	-	-	-	#DIV/0!
Ladder/Pumper Truck	70,000	70,000	70,000	70,000	70,000	-	0.0%
Landfill Capping	90,000	90,000	90,000	85,000	85,000	-	0.0%
Landfill Closure	44,000	40,000	40,000	35,000	35,000	-	0.0%
Chebacco Road Paving	-	-	-	65,000	65,000	-	0.0%
Total Principal	$ 809,000	$ 795,000	$ 785,000	$ 535,000	$ 535,000	$ -	0.0%
TOTAL DEBT SERVICE (EXCLUDING SCHOOL DEBT)	**$ 978,376**	**$ 933,608**	**$ 912,753**	**$ 669,000**	**$ 714,419**	**$ 45,419**	**4.9%**
School Debt (Principal & Interest)							
Middle/High School	460,018	462,869	-	-	-	-	#DIV/0!
Cutler Roof/Other	85,560	83,124	83,777	81,709	80,614	(1,095)	-1.3%
Buker & Winthrop Boilers & Windows	79,631	76,901	73,623	76,824	76,297	(527)	-0.7%
Winthrop School Fire Suppression	-	-	97,756	95,792	84,331	(11,461)	-12.0%
FY21 Capital Projects	-	-	-	-	129,606	129,606	#DIV/0!
ENSATSD	15,576	21,877	19,903	23,634	25,546	1,912	8.1%
Short-term (bond anticipation notes)	-	4,753	-	9,579	-	(9,579)	-100.0%
Total School Debt	$ 640,785	$ 649,524	$ 275,059	$ 287,538	$ 396,394	$ 108,856	37.9%
TOTAL DEBT SERVICE	**$ 1,619,161**	**$ 1,583,132**	**$ 1,187,812**	**$ 956,538**	**$ 1,110,813**	**$ 154,275**	**16.1%**

Appendix C
SCHOOL BUDGET

HAMILTON-WENHAM
REGIONAL SCHOOL DISTRICT

Hamilton-Wenham RSD FY22 Final Budget
Passed by School Committee on March 10, 2021
School District Treasurer's Certification
Certification of Town Receipt

I, Don Gallant Hamilton-Wenham Regional School District's District Treasurer here do certify the FY22 Final Budget passed by the School Committee on March 10,2021.

_____
Treasurer Signature

_____
Member Town Certification of Receipt

_____
Date Delivered

HAMILTON-WENHAM REGIONAL SCHOOL DISTRICT

Superintendent's FY22 Final Budget Recommendation
Combined Operating & Debt Service Town Assessments
As of March 10, 2021

	FY21	FY22	Increase $	Increase %
Hamilton				
Operating Budget After Offsets and Revenue Sources	$ 20,227,834	$ 21,131,336	$ 903,502	4.47%
Debt Service	$ 263,903	$ 370,848	$ 106,945	40.52%
Hamilton Combined Total	$ 20,491,737	$ 21,502,184	$ 1,010,447	4.93%
Wenham				
Operating Budget After Offsets and Revenue Sources	$ 11,447,446	$ 11,660,930	$ 213,483	1.86%
Debt Service	$ 149,349	$ 204,646	$ 55,296	37.02%
Wenham Combined Total	$ 11,596,796	$ 11,865,575	$ 268,780	2.32%
Total				
Operating Budget After Offsets and Revenue Sources	$ 31,675,280	$ 32,792,265	$ 1,116,985	3.53%
Debt Service	$ 413,253	$ 575,494	$ 162,242	39.26%
Combined Assessment	**$ 32,088,532**	**$ 33,367,759**	**$ 1,279,227**	**3.99%**

Debt Service Assessment Summary					
				64.44%	35.56%
	Principal	Interest	Total	Hamilton Share	Wenham Share
Cutler Roof & Summer 2013 Projects	$ 95,000	$ 30,100	$ 125,100	$ 80,614	$ 44,486
Buker Boiler & Winthrop Boiler/Glass	$ 95,000	$ 23,400	$ 118,400	$ 76,297	$ 42,103
Winthrop Sprinkler System	$ 125,000	$ 5,867	$ 130,867	$ 84,331	$ 46,536
FY21 Capital Projects	$ 191,600	$ 9,527	$ 201,127	$ 129,606	$ 71,521
Net Assessment			$ 575,494	**$ 370,848**	**$ 204,646**

Capital Assessment Calculation			
Calculation of Individual Town Assessments			
	Total	Hamilton Share	Wenham Share
Cutler Roof & Summer 2013 Projects			
100% Apportioned by Enrollment	$ 125,100	$ 80,614.44	$ 44,485.56
Enrollment			
10/1/2018	1,715	1,091	624
10/1/2019	1,765	1,130	635
10/1/2020	1,630	1,072	558
	5,110	3,293	1,817
		64.44%	35.56%
Buker Boiler & Winthrop Boiler/Glass Projects			
100% Apportioned by Enrollment	$ 118,400.00	$ 76,296.96	$ 42,103.04
Enrollment			
10/1/2018	1,715	1,091	624
10/1/2019	1,765	1,130	635
10/1/2020	1,630	1,072	558
	5,110	3,293	1,817
		64.44%	35.56%
Winthrop Sprinkler			
100% Apportioned by Enrollment	$ 130,867.22	$ 84,330.84	$ 46,536.38
Enrollment			
10/1/2018	1,715	1,091	624
10/1/2019	1,765	1,130	635
10/1/2020	1,630	1,072	558
	5,110	3,293	1,817
		64.44%	35.56%
FY21 Capital Projects			
100% Apportioned by Enrollment	$ 201,126.78	$ 129,606.10	$ 71,520.68
Enrollment			
10/1/2018	1,715	1,091	624
10/1/2019	1,765	1,130	635
10/1/2020	1,630	1,072	558
	5,110	3,293	1,817
		64.44%	35.56%

FY22 Final Operating Budget Calculation

General Fund Operating Overview							
	FY18 ACT	FY19 ACT	FY20 ACT	FY21 BUD	FY22 BUD	$ Difference	%
Operating Expense - Gross, before offsets & Overlays	$ 31,466,748	$ 33,330,038	$ 35,372,286	$ 37,023,572	$ 38,738,975	$ 1,715,403	4.63%

Operating Offsets							
	FY18 ACT	FY19 ACT	FY20 ACT	FY21 BUD	FY22 BUD	$ Difference	%
Recurring Offsets							
School Choice	$ 241,703	$ 265,000	$ 385,000	$ 476,360	$ 399,500	$ (76,860)	-16.13%
Preschool Tuition	$ 75,740	$ 84,407	$ 94,445	$ 95,607	$ 75,740	$ (19,867)	-20.78%
Facilities Rental	$ 1,461	$ 2,000	$ -	$ 2,000	$ 2,000	$ -	0.00%
Special Ed Grants	$ -	$ -	$ 406,287	$ 366,747	$ 392,747	$ 26,000	7.09%
Circuit Breaker Offset	$ 924,160	$ 1,094,160	$ 1,102,223	$ 776,000	$ 934,096	$ 158,096	20.37%
Total Offsets	**$ 1,243,065**	**$ 1,445,567**	**$ 1,987,955**	**$ 1,716,714**	**$ 1,804,083**	**$ 87,369**	5.09%

General Fund After Offsets							
	FY18 ACT	FY19 ACT	FY20 ACT	FY21 BUD	FY22 BUD	$ Difference	%
Operating Expense - Gross, after offsets & Overlays	$ 30,223,683	$ 31,884,471	$ 33,384,331	$ 35,306,858	$ 36,934,892	$ 1,628,034	4.61%

Operating Funding Sources							
	FY18 ACT	FY19 ACT	FY20 ACT	FY21 BUD	FY22 BUD	$ Difference	%
Revenues							
Chapter 70-Base Aid	$ 3,606,706	$ 3,687,076	$ 3,714,665	$ 2,969,125	$ 3,715,561	$ 746,436	25.14%
State Transportation	$ 340,686	$ 330,837	$ 385,868	$ 332,124	$ 372,065	$ 39,941	12.03%
Charter School Reimbursement	$ 11,867	$ 13,726	$ 1,542	$ -	$ -	$ -	#DIV/0!
Medicaid Reimbursement	$ 175,036	$ 171,954	$ 88,455	$ 95,000	$ 45,000	$ (50,000)	-52.63%
Interest Income	$ 13,675	$ 25,631	$ 19,661	$ 18,000	$ 10,000	$ (8,000)	-44.44%
Prior Year Unexpended Encumbrances	$ 15,473	$ 90,982	$ 26,108	$ -	$ -	$ -	#DIV/0!
Other Income	$ 81	$ 6,167	$ 3,372	$ -	$ -	$ -	#DIV/0!
Total Revenues	$ 4,163,523	$ 4,326,372	$ 4,239,671	$ 3,414,249	$ 4,142,627	$ 728,378	21.33%
Transfers In From Other Funds							
Excess and Deficiency	$ 568,821	$ 347,218	$ 147,396	$ 217,329	$ -	$ (217,329)	-100.00%
Other Revolving Accounts	$ 25,983	$ 12,662	$ -	$ -	$ -	$ -	#DIV/0!
Total Transfers	$ 594,804	$ 359,880	$ 147,396	$ 217,329	$ -	$ (217,329)	-100.00%
Total Funding Sources	**$ 4,758,327**	**$ 4,686,252**	**$ 4,387,067**	**$ 3,631,578**	**$ 4,142,627**	**$ 511,049**	**14.07%**

NET OPERATING BUDGET	**$ 25,465,356**	**$ 27,198,218**	**$ 28,997,264**	**$ 31,675,280**	**$ 32,792,265**	**$ 1,116,985**	**3.53%**

Calculation of Individual Town Assessments							
	FY18 ACT	FY19 ACT	FY20 ACT	FY21 BUD	FY22 BUD	$ Difference	%
Town of Hamilton				$ 20,227,834	$ 21,131,336		
Capital Debt Assessment "Shift"				$ -	$ -		
Net Operating Assessment	$ 16,776,063	$ 17,746,438	$ 18,686,426	$ 20,227,834	$ 21,131,336	$ 903,502	4.47%
	65.40%	64.65%	64.05%	63.86%	64.44%		
Town of Wenham				$ 11,447,446	$ 11,660,930		
Capital Debt Assessment "Shift"				$ -	$ -		
Net Operating Assessment	$ 8,870,590	$ 9,708,859	$ 10,488,321	$ 11,447,446	$ 11,660,930	$ 213,483	1.86%
	34.60%	35.35%	35.95%	36.14%	35.56%		

Summary by DESE Category	FY18 Actuals	FY19 Actuals	FY20 FTE	FY20 Budget	FY20 Actuals	FY21 FTE	FY21 Budget	FY22 FTE	FY22 Budget	Change FY21 $	To FY22 %
Administration	$ 1,107,495	$ 1,097,981	8.61	$ 1,208,488	$ 992,140	6.94	$ 1,229,833	7.47	$ 1,383,565	$ 153,732	12.50%
Capital, Operations, Maintenance	$ 2,288,962	$ 2,221,673	17.86	$ 2,188,334	$ 2,071,927	15.25	$ 2,285,561	16.25	$ 2,366,101	$ 80,540	3.52%
Guidance, Counseling, Testing	$ 1,067,619	$ 1,118,011	13.78	$ 1,132,103	$ 1,126,908	13.78	$ 1,141,839	13.78	$ 1,147,345	$ 5,506	0.48%
Inst. Materials	$ 831,931	$ 870,461	-	$ 901,817	$ 685,373	-	$ 872,397	-	$ 854,757	$ (17,641)	-2.02%
Instructional Leadership	$ 2,831,552	$ 3,027,285	31.23	$ 3,144,508	$ 2,954,380	26.17	$ 2,571,133	26.27	$ 2,618,506	$ 47,373	1.84%
Insurance, Retirement, Other	$ 3,933,325	$ 4,206,515	-	$ 4,486,189	$ 4,534,453	0.86	$ 5,399,815	0.86	$ 5,927,024	$ 527,209	9.76%
Other Teaching Services	$ 2,266,182	$ 2,532,491	63.56	$ 2,589,061	$ 2,482,888	59.90	$ 2,796,326	68.08	$ 3,014,610	$ 218,284	7.81%
Prof. Dev.	$ 181,488	$ 171,951	-	$ 233,944	$ 138,886	-	$ 262,196	3.60	$ 636,021	$ 373,825	142.57%
Pupil Services	$ 2,055,694	$ 2,343,752	7.25	$ 2,596,474	$ 2,473,423	8.97	$ 2,728,507	8.97	$ 2,864,857	$ 136,350	5.00%
Teachers	$ 11,692,876	$ 12,240,941	157.08	$ 12,616,826	$ 12,805,737	152.70	$ 12,973,972	153.70	$ 13,183,707	$ 209,735	1.62%
Tuitions	$ 3,209,626	$ 3,498,978	-	$ 3,853,666	$ 5,106,171	-	$ 4,761,992	-	$ 4,742,482	$ (19,510)	-0.41%
Grand Total	$ 31,466,748	$ 33,330,038	299.37	$ 34,951,408	$ 35,372,286	284.56	$ 37,023,572	298.98	$ 38,738,975	$ 1,715,403	4.63%

APPENDIX D

2022 Capital Program					
Department	Priority	Item	Cost	Funding Source	Article
Highway	1	NPDES Phase III-V Compliancy	$60,000.00	Free Cash	2021/5 2-4
Facilities	3	Public Safety Building HVAC	$70,000.00	Free Cash	2021/5 2-4
Library	3	Replace Roof	$152,638.00	Free Cash	2021/5 2-4
Police	1	Police Cruiser	$56,000.00	Fre Cash	2021/5 2-4
Highway	5	Planer Attachment for Deere Loade	$35,000.00	Operations	2021/5 2-3
Fire	1	Squad Truck	$185,000.00	Operations	2021/5 2-3
Facilities	1	Town Hall Renovation/Code Compli	$3,400,000.00	Bonding*	2021/5 2-15
* Total Bonding			$3,400,000.00		2021/5 2-15
Total Free Cash			$338,638.00		2021/5 2-4
Total Operations			$220,000.00		2021/5 2-3
* Request shown here would have to be approved by town voters at a subsequent Town Election for ballot question approval as a debt-exclusion question.					

APPENDIX E
Water Enterprise Fund

	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Budget	FY22 Projected	FY21/22 $ Change	FY21/22 % Change
Source of Funds:							
Usage Charges	1,619,501	1,581,316	1,622,896	1,600,000	1,700,000	100,000	6.3%
Penalty & Interest Charges	9,160	9,279	12,757	5,000	5,000	-	0.0%
Interest Income	26,194	17,324	9,281	4,000	4,000	-	0.0%
Water Lien	39,855	43,286	36,226	35,000	35,000	-	0.0%
Misc Income (backflow testing and water service applications)	10,842	6,011	13,636	5,500	5,500	-	0.0%
Subtotal Direct Revenues	*1,705,552*	*1,657,216*	*1,694,796*	*1,649,500*	*1,749,500*	*100,000*	*6.1%*
Retained Earnings	-	*60,296*	*217,684*	*327,280*	*242,565*	(84,715)	-25.9%
Transfers from Other Funds	-	-		-	-	-	0.0%
Total Source of Funds	1,705,552	1,717,512	1,912,480	1,976,780	1,992,065	15,285	0.8%
Use of Funds:							
Permanent Wages	314,260	341,999	330,516	384,279	404,184	19,905	5.2%
Contract Services	215,151	190,259	175,780	195,100	195,100	-	0.0%
Professional Services	89,210	64,600	67,606	72,000	73,500	1,500	2.1%
Equipment Supplies	14,684	12,918	15,850	20,150	17,650	(2,500)	-12.4%
Water Supplies	48,761	36,694	36,533	45,800	45,800	-	0.0%
Misc Expenses	7,228	3,975	3,953	21,900	20,400	(1,500)	-6.8%
Debt Service	568,125	558,579	603,760	795,898	801,598	5,700	0.7%
Operating Capital	75,488	92,054	43,935	60,000	30,000	(30,000)	-50.0%
Indirect Costs	386,157	406,078	*419,630*	381,653	403,833	22,180	5.8%
Prior Year Encumbrance	120,803	1,127	15,213	-	-	-	0.0%
Total Use of Funds	1,839,867	1,708,282	1,712,774	1,976,780	1,992,065	15,285	0.8%
Beginning Fund Balance	1,255,158	1,120,843	1,069,777	1,051,799	724,519	(327,280)	-31.1%
Net Income/(Loss)	(134,315)	9,230	199,706	-	-	-	0.0%
Retained Earnings		(60,296)	(217,684)	(327,280)	(242,565)	84,715	-25.9%
Ending Fund Balance	*1,120,843*	*1,069,777*	*1,051,799*	*724,519*	*481,954*	*(242,565)*	*-33.5%*
FB - Reserved for Encumbrances	*1,159*	*15,213*	*7,734*	-	-	-	-
FB - Reserved for Expenditures	*35,771*	*177,684*	*327,280*	-	-	-	-
FB - Reserved for Cont Appropriations	*75,000*	*21,400*	-	-	-	-	-
Unreserved Fund Balance	**1,008,913**	**855,480**	**716,785**	**724,519**	**481,954**	**(242,565)**	**-**
				projected	*projected*		

APPENDIX F
Patton Homestead Operating Budget

	FY 18 Actual	FY 19 Actual	FY 20 Actual	FY 21 Budget	FY 22 Projected	FY21/22 $ Change	% Change
Source of Funds:							
Rental Revenue	-	4,500	3,500	6,000	6,000	-	0.0%
Event Revenue	-	340	2,415	20,000	10,000	(10,000)	-50.0%
Revenue from Inc.ubate	-	-	-	-	45,830	45,830	#DIV/0!
Earnings on Investments	203	512	249	-	-	-	#DIV/0!
Non-Recurring Revenue	-	-	1,188		-	-	#DIV/0!
Subtotal Direct Revenues	*203*	*5,352*	*7,353*	*26,000*	*61,830*	35,830	137.8%
Unreserved Fund Balance	-	-	30,000	-	-	-	#DIV/0!
Capital Reserves	-	-	-	-	70,000	70,000	#DIV/0!
Transfer from General Fund	*35,811*	*90,011*	*86,343*	*90,571*	-	(90,571)	-100.0%
Total Source of Funds	36,014	95,363	123,696	116,571	131,830	15,259	13.1%
Use of Funds							
Permanent Wages	-	21,337	59,208	40,902	42,558	1,656	4.0%
Medicare	-	304	859	593	617	24	4.0%
Utilities/Fuel Charges	524	11,092	10,620	13,000	15,000	2,000	15.4%
Repair & Mtc Bldgs/Grds	393	13,845	5,306	6,000	11,100	5,100	85.0%
Custodial Services	-	610	1,120	2,500	3,000	500	20.0%
Litigation Services	875	1,804	780	500	2,000	1,500	300.0%
Consultative Services	1,538	8,000	-	500	1,500	1,000	200.0%
Voice Data & Video Service	204	3,145	3,578	3,575	4,000	425	11.9%
Advertising & Printing	-	-	52	1,000	1,000	-	0.0%
Public Safety Details	-	236	480	-	-	-	#DIV/0!
Office Expenses	-	2,131	67	500	500	-	0.0%
HVAC/Elect/Plumbing	-	199	-	-	-	-	#DIV/0!
Buildings & Groundskeeping	96	1,951	334	2,000	2,000	-	0.0%
P&C Insurance	-	6,336	-	-	-	-	#DIV/0!
Other Expenses	-	-	400	1,000	1,000	-	0.0%
Direct/Indirect Costs	-	12,923	42,176	44,501	39,021	(5,480)	-12.3%
Total Use of Funds	3,629	83,912	124,979	116,571	123,296	6,725	5.8%
Beginning Fund Balance	-	32,385	43,836	12,553	-	(12,553)	-100.0%
Net Income/(Loss)	32,385	11,451	(1,283)	-	8,534	8,534	#DIV/0!
Unreserved Fund Balance	-	-	(30,000)	-	-	-	#DIV/0!
Ending Fund Balance	32,385	43,836	12,553	12,553	8,534	(4,019)	#DIV/0!
				projected	*projected*		

Notes: We are anticipating a revenue shortfall for FY21 therefore a zero balance is being carried for FY22 beginning Fund Balance

APPENDIX G
COMMUNITY PRESERVATION COMMITTEE

Article 2021/5 2-12

1) Administration - Expense
To appropriate $28,715 of FY22 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.

2) Open Space and Recreation – Project
To appropriate $108,900 from FY22 Community Preservation Fund Revenues to fund the debt service for the Sagamore Hill conservation project. This bond will be paid in full in FY2032.

3) Community Housing – Reserve
To reserve $65,000 of FY22 Community Preservation Fund Revenues to the Community Housing Reserve.

Article 2021/5 2-13

Open Space and Recreation – Project
To appropriate $32,000 of FY22 Community Preservation Fund Revenues to fund the repair and restoration of the Patton Park tennis courts.

Article 2021/5 2-14

Historic Preservation – Project
To appropriate $80,000 of FY22 Community Preservation Fund Revenues to fund the first debt service payment for the Town Hall Building Project.

April 16, 2021

From: Hamilton Finance and Advisory Committee

Commentary and Recommendations on the Warrant for:

ANNUAL TOWN MEETING

Saturday May 1, 2021

Hamilton-Wenham Regional High School, Football Stadium

Please bring this report to Town Meeting

To the Citizens of Hamilton:

The Finance and Advisory Committee (FINCOM) appreciates this opportunity in advance of the Annual Town Meeting (ATM) to provide our views and the reasons for our recommendations regarding the warrant articles to be voted on by you at ATM.

FINCOM's statutory responsibility is to recommend the action we consider appropriate as to any or all municipal questions. As citizens, your entitlement and responsibility is to consider and vote on all such questions presented to you on the town meeting warrant. As Hamilton residents, we are fortunate to have retained the most direct and democratic form of governance, the town meeting. But that means that only those that attend will ultimately make these decisions. Too often, a small minority of citizens make decisions at town meeting that will affect all citizens. FINCOM encourages you to participate in the decision-making process by attending ATM.

We take our responsibility regarding our recommendations very seriously. We perform our due diligence, including welcoming any proponents and opponents of the various articles to our meetings, so that each side can educate us before we make our recommendation. Although it isn't always possible, we endeavor to reach consensus within our committee before making our final recommendation. As such, while our ultimate recommendation on an issue may be boiled down to a "Yes" or a "No", not every issue is that cut and dry for us and often our written recommendations will highlight concerns and/or reservations. Accordingly, we urge you to read these prior to ATM as we believe that they often may provide you with more information than our ultimate recommendation.

The Warrant, which is written and adopted by the Board of Selectmen (BOS), contains Articles which will fund your town and school operations for fiscal year 2022. There are also Articles for funding our OPEB trust fund and Stabilization fund, allocation of CPC funds and authorizing a solar panel project for the library

roof. Finally, funding for the renovation and modernization of your Town Hall is an issue that should be of special note for ATM.

To avoid repetition, this document should be read in conjunction with the Warrant and the appropriate Appendices. Please refer to those documents for the wording of the articles, summaries and fiscal impact as prepared by the BOS, Town Manager, Finance Director and Town Counsel.

ARTICLES 2021/5 1-1 and 1-2

These articles are self-explanatory and do not require additional comment, except to say that the Ballot question included in 1-2 will be required if there is a favorable vote on Article 2-15.

ARTICLES 2021/5 1-3 Article for Consent Motion

Certain of the articles described below and as listed in the Warrant will be consolidated into a single motion for approval. These articles include administrative and house-keeping matters, and similar issues that the BOS considers to be uncontroversial. Consolidating those articles is efficient and streamlines the Town Meeting process. Any citizen may ask that any article be removed from the Consent Agenda and be discussed separately.

ARTICLE 2021/5 2-1 Compensation/Classification Table

Article 2-1 proposes amendments to the Town's Personnel By-Law by adopting changes to the Classification and Compensation Table as set forth in Appendix A to the Warrant.

The requested changes include cost of living increases for settled contracts and non-union employees. In addition, the following substantive changes were made:

1) Building Commissioner was added at 40 hours/week as part of Hamilton taking over as the lead town for Inspectional Services

2) Director of Health and Human Services was added at 24 hours/week as part of the Health Department reorganization

3) Town Clerk was increased to 40 hours/week from 37.5 hours/week, with such hours being commensurate with the scope of work

4) Health Agent hourly position was eliminated as part of the Health Department reorganization

5) Public Health Nurse hours were reduced to 19 hours as part of the Health Department reorganization, but the hourly rate was increased on a temporary basis due to COVID-19

6) A Grade 5 Clerk/Typist was removed from hourly positions due to a retirement

7) A Meeting Stipend was added for the Assistant to the Town Manager/Community Preservation Coordinator

FINCOM agrees with the adjustments, but does continue to note its concern regarding compensation increase disparity as between Town and HWRSD personnel, with the latter receiving increases more generous than increases granted to Town employees. We hope for prospective recognition of and gradual remedy for this disparity by the Town, and the exercise of prospective restraint by the School Committee in their collective bargaining negotiations. As FINCOM previously has observed, this is an issue of fairness in recognizing service, and in avoiding unnecessary negative morale.

The Finance and Advisory Committee recommends FAVORABLE ACTION (5-0) on Article 2-1.

ARTICLE 2021/5 2-2 Prior Year Bills

Prior Year Bills in the Amount of $57.50

Our fiscal year (FY) runs from July 1st through June 30th. The bills in question reflect services received and purchases made prior to the end of FY20 for which invoices were not received until after the end of the fiscal year.

When this happens, the town government must come back to the town to appropriate the funds to pay these year prior year bills. There is no question that the goods and services included in this Article were received, and FINCOM believes that the funds should be appropriated and the following bills paid:

- Invoice from Kelly and Ryan for 2019 Motor Vehicle Demands and 2020 Boat Excise Demand billings in the amount of $57.50.

The Finance and Advisory Committee recommends FAVORABLE ACTION (5-0) on Article 2-2.

ARTICLE 2021/5 2-3 General Town Departmental Appropriations

Article 2-3 is the annual budget appropriation for your town government and the School District (HWRSD). Please reference Appendices B & C of the Warrant.

Before discussing the details of this year's budget, it bears a look back at the FY21 budget as the last year has been an extraordinary one to say the least. As you might remember, because of the uncertainty of the COVID-19 pandemic and the potential that it would have a significant impact on State funding and revenues, the FY21 Town budget decreased 5.2% from the prior year's budget, excluding financial reserve transfers. On the school side, although the HWRSD reduced its proposed expenditures by approximately $1,200,000, this was offset by a commensurate loss in projected revenue so the assessment to the two towns was not effectively reduced. Regardless, reductions in proposed FY21 expenditures were made by both the Town and HWRSD but at least a portion of these reductions were meant to be temporary and/or would result in a permanent diminution of services if continued into FY22. Examples of these items were reductions in maintenance, elimination of seasonal DPW workers, delayed public safety hirings and a reduction in teaching staff at HWRSD.

Accordingly, the proposed FY22 budget increases on both the Town and HWRSD budgets reflects, at least in part, a "return to normal" in terms of some of these programs and services. Total spending is $35,288,261 which represents an increase of 1.4% over FY21.

On the Town side, the total operating budget is $13,088,763, which is an increase of 2.6% over FY21. This does not include financial reserve transfers and other financing uses, which are $412,087. As these amounts will either come from Free Cash or represent anticipated transfers from collected Meals Tax, they are not a true indication of town spending and/or will not affect the tax rate and are the subject of **Articles 2-8** and **2-11**. Note that the total operating budget does include capital spending and transfer to the OPEB Fund, which are the subject of **Articles 2-4** and **2-9**, respectively.

The increase in Town spending proposed for FY22 includes negotiated salary increases from settled contracts and contingency funds for two collective bargaining units (DPW and ECO). In addition, it includes adding back seasonal DPW workers, custodial services and highway tree maintenance, all of which were cut during FY22, accounting for $71,000 in increased expenses over FY21. Health insurance is also projected to increase by 7%. Finally, the reorganization of the Health Department, including the hiring of a Director of Health and Human Services, which will increase the costs in this department by $57,000 over FY21, although a significant portion of this increase was due to a clerical position remaining unfilled in FY21 which will be hired only on a part-time basis as a result of this re-organization. Overall, after excluding financial transfers, personnel accounts for 60.8% of the Town's operating budget. The increase in personnel

costs over FY21 was $506,649 or 6.8% over FY21. That increase, which was larger than the total operating budget increase of $328,131, was partially offset by reductions in other areas such as capital expenses and other one-time expenses in FY21 (e.g., funding the Master Plan). General operating expenses, largely recurring in nature, only increased 0.1%. As personnel costs are either uncontrollable or can only be avoided by cutting personnel, which usually results in a decrease in services, this highlights the difficulty in keeping costs from rising year to year.

A few other increases of note: Inspectional Services increased in cost by approximately $8,724 as a result of Hamilton taking over administration of the department from Wenham. This however, is more than offset by the revenue increase from Wenham as a result of the change, which is at least $60,000. Trash collection services also increased by $24,000 as a result of an increase in our contracted collection rates. In addition, the replacement of a frequently used Fire Squad Truck requires an annual lease payment of $39,000 for the next five years. Likewise, the lease payments for the replacement of a Police Cruiser adds another $19,000.

It should be noted that the FY22 town operating budget does not include funds for the Patton Homestead, as it had in prior years, which will be supporting its own operating budget deficits directly from the dedicated Patton Fund, which has already been funded. See the commentary on **Article 2-10** for further detail.

On the School District side, the assessment from HWRSD is $21,502,184 which is 4.9% over FY21. Approximately 1% of this 4.9% increase was the result of a relatively significant shift in enrollment towards Hamilton during the 2020-2021 School Year, which increases the overall assessment to our town. Although the pandemic contributed to a decrease in school enrollment for both towns, decreases were greater in Wenham resulting in a net shift of enrollment to Hamilton of 19 students. Overall the total assessment to the two towns was up by 4.0%.

In addition, the North Shore Vocational School assessment and debt service were $259,623 and $25,546, respectively, which in the aggregate represented an increase of 12%. However, given that the North Shore Vocational School represents just over 1% of the total school budget, the total school budget expenses increased by 5.0% over FY21.

The break-out of school spending is as follows:

	FY21	FY22	Increase	% Change
HW Regional Schools (HWRSD)	$20,227,833	$21,131,336	$903,503	4.5%
HW Regional Debt Service	$263,904	$370,848	$106,944	40.5%
North Shore Vocational School	$229,890	$259,623	$29,733	12.9%
NS Vocational Debt Service	$23,634	$25,546	$1,912	8.1%
TOTAL	**$20,745,261**	**$21,787,353**	**$1,042,092**	**5.0%**

After netting out debt service, the HWRSD operating assessment increased by approximately 4.5%, or $903,503, although almost 20% of this increase, or approximately $177,000 was due to the enrollment shift. The primary drivers behind this increase were an increase in spending of $1.7M (between the two towns), while revenue and other offsets increased by approximately $511K as the District is projecting FY22 revenue to approach pre-pandemic levels. It should also be noted that the projected decline in revenue for FY21 is not expected to be as severe as first anticipated; however, any surplus is not available for FY22 budgeting purposes as an offset or funding source. In accordance with ordinary budgeting procedures there is a delay in the availability of any such surplus, until after it is certified in FY22. The impact of any surplus on the FY23 budget will be determined next year.

Regarding the increase in HWRSD operational spending in FY22, over half of this $1.7M amount is due to level service funding, which includes COLAs and other increases for existing personnel that is mandated by collective bargaining agreements. This belies the fact that the provisions of these collectively bargained agreements directly affect the fiscal well-being of the HWRSD and the two towns and any above average increases in these amounts have a detrimental effect. With significant collective bargaining agreements currently in negotiation for future years, we urge the HWRSD to strike agreements that are fair and disciplined in the context of similar employees and communities.

The majority of the remaining spending increase is attributable to the HWRSD's "Recovery Plan" and/or new investments. While the "Recovery Plan" is aimed at adding back approximately 3/4 of the 21 FTEs that were cut in FY21 amidst the pandemic, the process of adding positions was more nuanced than merely adding the same positions back. A conscious decision was made to replace positions with lower cost alternatives and to creatively provide additional administrative assistance with fewer heads. In addition, a continued investment is proposed to be made in certain special education initiatives that focus on early intervention, which can result in future savings in special education costs while providing a higher level of educational services.

Finally, the HWRSD does include $100,000 as a set aside to fund the school's Other Post-Employment Benefits (OPEB) liability, which is currently approaching $40M. This is a small but encouraging first step in building a meaningful OPEB fund and we applaud the decision to keep this amount in the budget despite significant pressure to limit overall spending. Ultimately, the two towns are on the hook for this future liability which will continue to be an ever-growing burden on annual budgets. Given rising healthcare costs, the annual cost for "Insurance, Retirement, Other" in the HWRSD operating budget have risen by over 50%, or $2M, since FY18, an annual compounded growth rate of almost 11%.

Although the overall budget increase for the HWRSD was larger than we had hoped it would be, and ultimately such increases are not sustainable (as discussed below), we are encouraged by two things. The collaboration between the HWRSD School Committee and Administration, the BOS and FINCOM was much greater than in years past. We met earlier in the budget process, we had a series of meetings and engaged in thoughtful and, at times, difficult discussions. When the two towns requested school budget cuts to help avoid a potential Proposition 2½ override, the school delivered cuts that, while not as high as originally asked, were enough for the towns to meet their goals. As our budgets are inextricably linked, this level of collaboration is encouraging for future years.

Overall, while this article deals with authorizing the budgetary spending, implicit in the budget is the level of revenue the town expects to receive. As the revenue impact and loss of state funds was not as drastic as originally expected in FY21, local receipts revenue is projected to increase by 15.7% and state aid is expected to stay relatively constant. Although still below FY20 levels, the gap has narrowed. However, it should be noted that the vast majority of our revenue is from the tax levy assessed against town residents, which accounts for 90% of the Town's revenue (and thereby funds 90% of the Town's total budget). As a result, the latest projections anticipate that the Town's tax rate will increase from $17.51 to $17.86 per thousand.

But there are limitations on the use of property taxes to fund the Town's budget. Proposition 2½ limits annual increases in the tax levy to 2.5% of the prior year. If you want to spend beyond this level, it requires an override vote by the residents of the town. You are, however, allowed to "bank" spending/taxation below the limit for future years. As of the FY18 budget, the Town had over $2.9M in excess levy capacity. However, spending in the last four years (annual growth rates of 3.4% and 5.4% for the Town and schools respectively) has resulted in this excess capacity being all but eliminated. We entered the FY22 budget process with only $321K in excess capacity making a Prop 2½ override vote a real possibility. As a result of discipline in our budget we have managed to avoid an override and we estimate that we will still have approximately $226K of unused capacity for future years.

However, for future years the margin for error is razor thin with respect to avoiding an override. Without excess capacity, it means in practical terms that your annual costs cannot be greater than 2.5%, unless there is increased revenue from other sources or commercial or residential growth (there are also some exceptions, such as debt exclusions relating to projects like the Town Hall renovation and future school facilities). For this reason, FINCOM recommends that spending by the Town and by the schools be controlled, and that the Town focus on revenue enhancements, including commercial development and new growth.

The warning here is that future budget increases of greater than 2.5% will lead to a series of overrides or mandated spending cuts. While we recommend approval

of this budget, we must continue to practice discipline in all areas and strive to make our spending as efficient as possible. FINCOM is currently working on budgetary projection models so that we can provide guidance and insight to the Town and its citizens and we will share these publicly in the near future.

The Finance and Advisory Committee recommends FAVORABLE ACTION (5-0) on Article 2-3.

ARTICLE 2021/5 2-4 Capital Expenditures

Article 2-4 is an appropriation for capital expenditures for the Town for FY22. The expected request of $338,638.00 is a portion of the capital expenditures recommended for FY22 by the Town's Capital Committee (CAPCOM) after discussions and deliberation among the CAPCOM, FINCOM and BOS. Certain additional items are proposed as separate Articles in the Warrant. The full list is attached as Appendix D to the Warrant.

The $338,638.00 is comprised of the following four different items:

1) **NPDES Phase III-V Compliance ($60,000)**

   Rationale/Purpose of Spend: These funds will be used to comply with EPA regulations related to National Pollutant Discharge Elimination Systems, specifically systems necessary to mitigate polluted stormwater runoff.

2) **Public Safety Building HVAC ($70,000)**

   Rationale/Purpose of Spend: The public safety building has been in need of repairs to the HVAC system for several years. Repairs were deferred last year due to the anticipated economic effects of the pandemic. These repairs are now critical and overdue.

3) **Replace Roof of Library**

   Rationale/Purpose of Spend: The Library and the Recreation Center, which are operated jointly by Hamilton and Wenham require repairs and replacement of the roof. A portion of this cost had been included in the FY21 budget, but it was determined that initial estimates were low and that the project cost will be considerably higher than originally anticipated. As discussed in **Articles 3-2** and **3-3**, the Towns are trying to limit some future costs by installing solar panels to generate revenue and/or reduce energy costs for the two buildings.

4) **Replace Patrol SUV ($56,000)**

Rationale/Purpose of Spend: The replacement SUV is part of the Town's gradual fleet replacement so that older vehicles with a lot of mileage get replaced on a regular basis. Generally, the plan calls for the purchase of a new fleet vehicle every year, with the occasional purchase of 2 vehicles. Although FY21 was originally planned to have 2 vehicles purchased, one of these vehicles was deferred to this year. The second replacement vehicle will be leased, and is included in the operating budget.

We recommend that the Town approve spending on these items due to there being a clear need for each of these items and they are an appropriate expenditure of Town funds. In addition, we recommend that the Town use free cash for these items instead of other sources (e.g., bonding or appropriation) given that 1) these expenses are of a one-time nature, 2) the Town ended FY2020 with more free cash than it had anticipated due to expenditure freezes implemented during the year in anticipation of decreased revenues during the pandemic, and 3) raising and appropriating for all these expenses would likely require a Proposition 2 ½ override. FINCOM reiterates its concern about using free cash to fund capital expenses, especially if those expenses are recurring and otherwise operational in nature. Eventually this practice would deplete the Town's free cash, vitally needed in uncertain times, and mask the true operational expenses of the Town. We recommend additional financial guidelines regarding the funding sources of annual capital expenditures would be helpful and we look forward to working with the BOS and the Capital Committee in this regard.

Furthermore, it should be noted that the set aside for the Capital Stabilization Fund at ATM in 2020 brought the balance at such time to approximately $1,412,520, which is slightly in excess of the Town's target of $1.3 million.

Finally, as these capital expenditures are anticipated to come from Certified Free Cash, approval of these items will not impact the tax rate.

The Finance and Advisory Committee recommends FAVORABLE ACTION (5-0) on Article 2-4.

ARTICLE 2021/5 2-5 Water Enterprise Budget

The Water Enterprise Budget is solely supported by the Water Enterprise Fund, which is funded by individual water bills. Recently, the water rates were increased by the BOS for the first time in five years. This increase was anticipated when the previous water rates were increased. At such time, the water rates were set at a level in order to build up a surplus in Retained Earnings within the Water Enterprise Fund, which it did, and then gradually draw this down as operating costs increased over five years. As anticipated, and due in part to water restrictions the past couple of years which decreased water revenues, this surplus has been drawn down and

has been used to pay for budgeted expenses. As a result, Retained Earnings within the Water Enterprise Fund of $242,565 are being used to partially fund the FY22 budget. Our financial policy with regard to the enterprise funds, requires the Town to "maintain a minimum reserve amount of 20% of the operation's total budget.

When the BOS recently increased the water rates a decision was made to modestly increase the water rates rather than to dramatically increase the water rates and build up retained earnings that will be drawn down in future years as had been done previously. In addition, the flat rate infrastructure charge was increased to better match the amount spent on capital related to the water infrastructure that all water consumers benefit from. The Board of Selectmen will determine what, if any, rate changes will be required for FY22. These increases are intended to cover operating and debt service costs only, there being no capital projects planned for FY22.

The Finance Committee finds this budget to be controlled and reasonable. And although there is no tax impact on the town, the town residents should anticipate that there may be another water rate increase in the near future. Based on the projected Water Enterprise Fund balance at the end of FY21, it is likely to occur in FY22.

The Finance Committee anticipates an impending need for substantial investments in water source supply and infrastructure improvement, with the potential availability of federal funding for such issues, and therefore recommends that the Town undertake a timely study of our needs and of the availability of funding sources to mitigate the foreseeable burden on rate payers.

The Finance and Advisory Committee recommends FAVORABLE ACTION (5-0) on Article 2-5.

ARTICLE 2021/5 2-6 Annual Financial Actions

Article 2-6 is an annual "house-keeping" exercise where the town transfers funds to the General Fund from two funds and, with respect to the Clark Property Fund, between funds:

1) $2,000 is transferred from the Cemetery Sale of Lots and Graves Fund to the General Fund as an off-set to help repay the cemetery expenditures that come from the General Fund.
2) $129.07 is to be transferred as an annual transfer of funds derived from the interest that has accumulated in the Clark Property Fund. The interest is transferred to the Conservation Fund annually.
3) $403,833 is to be transferred from the Water Enterprise Fund to the General Fund to off-set the indirect costs that are incurred on behalf of the Water

Department. These indirect costs would include, for example, the time spent by Town employees when bills are paid for the Water Department, or collecting water payments, or any administrative or other work performed by non-water department employees, debt cost, health insurance, etc. The Massachusetts DOR recommends that these indirect costs be accounted for in order to know the full costs of providing water service to the Town. The Town is reimbursed for these indirect costs and with this information on indirect costs, the town can recover costs by relying on user fees, and to maintain revenue/retained earnings to use for debt service, operating and capital expenses.

4) $39,021 is to be transferred from the Patton Homestead Fund to the General Fund to be used for indirect costs.

As these transfers effectively reimburse the Town's General Fund, the net effect of these transfers is to reduce the tax rate for citizens of Hamilton.

The Finance and Advisory Committee recommends FAVORABLE ACTION (5-0) on Article 2-6.

ARTICLE 2021/5 2-7 Revolving Fund

This article seeks to combine the Pool Fund with the Recreation and Parks Revolving Fund. While the Pool and Recreation programs are very closely intertwined, their funding has historically been kept in separate accounts, due to rules that are no longer in existence. Having two separate funds has created administrative costs and created an undue burden on staff, with no benefit. Additional complications can arise from having the funds separate, such as this past year, when the pool could not be opened but still had some costs, causing a deficit that required a transfer from the Recreation and Parks Fund. The extra work of requesting, approving, and transferring funds would not have been necessary if there had been a combined fund.

The article also sets the spending limit for the Parks and Recreation Fund, which is based on the amount of money the fund is expected to raise through fees generated by the services provided.

This article has no tax effect.

The Finance and Advisory Committee recommends FAVORABLE ACTION (5-0) on Article 2-7.

ARTICLE 2021/5 2-8 Hamilton Development Corporation

The Hamilton Development Corporation (HDC) is a publicly-chartered organization whose charge is to support planned economic development using public and private funds. Its main source of income is the approved use of the Town's meals tax revenue.

HDC's major development project is 59/63 Willow Street (Mac's Shoe), a one-acre parcel purchased by HDC in 2014 for $600,000, with the intent to develop the property for commercial use. Initial commercial development efforts were not successful, and the HDC then proposed a bylaw amendment allowing for multi-unit residential and commercial ("mixed") uses in the commercial district, thereby expanding the potential for development of the Willow Street parcel.

Town Meeting approved the amendment in 2016, but an initial affordable housing project in 2018 fell through. Undaunted, HDC began in 2019 steps for mixed use development, engaging architectural, engineering and legal resources to develop plans for site approval by the Planning Board of a mixed-use project. The Planning Board held a series of public hearings on this HDC proposal for 18 market rate rental units and 2400 square feet of commercial space. Abutters and neighbors were given formal notice and were invited to provide input on the design and siting of the proposed project. In December of 2019, the Planning Board approved the permitting of the project, and in February of 2020, HDC issued a request for proposals for private development of the approved project. In March, the HDC received a bid from Traggorth Companies, with a proposal to make nine of the units affordable contingent on receiving funds from the Hamilton Affordable Housing Trust. In April, the Trust voted to contribute $500,000 towards the proposed affordable housing component of the project. Traggorth requested and received notice of approval of funding from the Massachusetts Department of Housing & Community Development to support financing of the project, and in January of 2021, HDC formally transferred ownership of the Willow Street site to Traggorth. Site clearing began in March 2021, and project completion is estimated for the latter part of 2022.

With more than 25% of the residential units classified as affordable, all 18 rental units will be credited toward the 10% affordable housing that Hamilton is required by law, and will contribute to the need for rental units. In financial terms, this parcel was initially purchased by HDC for $600,000, was sold to Traggorth for $1,000,000, leaving $538,000 after payment of the mortgage, and $213,00 after netting out carrying and development costs. Upon full occupancy, the estimated new tax revenue (real estate and excise) will exceed $45,000 annually. It is anticipated that the new residents will bring added support to local businesses.

By the initiative of the BOS, specific attention was paid to the interests and concerns of abutters and neighbors, thereby establishing a template for pursuit of future development projects. The HDC intends to explore new opportunities for

investing in mixed-use projects; additionally, HDC has other downtown projects promoting local business environment. Just recently, with the HDC's assistance the Town was awarded a $50,000 grant to help market businesses in the downtown area.

Last year, FINCOM acknowledged HDC's cooperation in reducing its annual appropriation request. Through its persistence and diligence, the HDC is working to promote commercial development and the production of revenue streams in mitigation of the real estate tax burden. FINCOM again acknowledges this contribution to the welfare of our community.

The Finance and Advisory Committee supports the HDC's mission and budget and recommends FAVORABLE ACTION (5-0) on Article 2-8.

ARTICLE 2021/5 2-9 OPEB Trust Fund

Beginning with the 2010 Annual Town Meeting, the Finance Committee has recommended, and the Town Meetings have concurred, making annual contributions toward funding by accrual the Town's Other Post-Employment Benefits (OPEB) obligations, which the most recent actuarial study estimated the unfunded liability to be approximately $7.7 million. As a result of these annual contributions, the Town has already set aside approximately $824,000 for this long-term liability.

As related by the Town's actuary, Odyssey Advisors, in its October 2018 description of the accounting standard applicable to Town's OPEB Plan: "The philosophy behind the accounting standard is that these post-employment benefits are part of the compensation earned by employees in return for their services, and the cost of these benefits should be recognized while employees are providing those services, rather than after they have retired. This philosophy has already been applied for years to defined benefit pensions; and (the accounting standards) extend this practice to all other post-employment benefits" (p.8).

That same Plan description further relates that the annual required contribution of the Town "represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost (of OPEB obligations) each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years" (p.25). There will be periodic actuarial assessments of the status of the Town's OPEB Plan, but we believe that the recommended $125,000 contribution made pursuant to the 30-year amortization schedule may gradually increase to reflect future medical trends and costs.

Currently, retired employees choosing to participate in the benefit plan pay 45% of health insurance premium cost, 100% of dental coverage, and 25% of life insurance cost. Currently the Town's portion of these costs gets appropriated. It is

anticipated that as the Trust Fund grows in value, eventually the Fund will be sufficient to satisfy current and future obligations.

During preparation of this commentary, FINCOM learned that by apparent inadvertent omission, a previous town meeting vote to establish a trust for accumulation of OPEB designated funds, restricting their use solely for OPEB purposes, had not been implemented by required Board of Selectmen adoption of trust documents. This omission has been rectified, thereby properly implementing vote of the previous Town Meeting.

The Finance and Advisory Committee recommends FAVORABLE ACTION (5-0) on Article 2-9

ARTICLE 2021/5 2-10 Patton Homestead Operating Budget

At prior Town Meetings, we unanimously recommended the appropriation of funds to provide for the ongoing operating costs of the Patton Homestead and to allow for the hiring of a Director, Kaleigh Pare. However, our recommendation was not without its qualifications. While we noted the cultural importance of the Patton Homestead and collectively shared the Patton Homestead Board's enthusiasm for the project, we stated that we were not yet convinced that the project was viable over the long term. We challenged the Patton Homestead Board to take a number of actions that we felt would be necessary to continue to fund the enterprise. These actions included: 1) the development of a more robust business plan, 2) the development of more granular revenue and expense projections, 3) an understanding of the potential for fund raising and grants for the Homestead and 4) the establishment of financial milestones that we could track in 2019 and beyond if the Patton Homestead continued to require additional funding. It was understood that the hiring and assistance of a Director for the Patton Homestead would be necessary and helpful in taking these actions.

While the Director has done an excellent job of creating interest in the property, unforeseen issues have greatly delayed her success in making the homestead profitable. Social distancing has reduced expected revenue from rentals, presentations and lectures that were scheduled to be held at the Homestead. The budget request has also been reduced to. In addition, it is projected that $39,021 of this $131,830 will be coming back to the General Fund for health and life insurance costs, property & casualty insurance and allocation of town employees time spent on Patton Homestead matters.

Whether the Homestead is a financially viable asset to the town remains to be seen, but regardless of what is ultimately done with the property, money needs to be allocated for its continued maintenance, and it will need the Director to do whatever work is necessary in either continuing with the current plan or transitioning the property. We feel that to date we have not seen a more robust business plan, nor any actual significant revenue or sources of revenue on which

to base any calculations. We feel that other options need to be explored with some detail, perhaps considering having another entity operate the property and/or owning the property.

The Finance and Advisory Committee recommends FAVORABLE ACTION (5-0) on Article 2-10.

ARTICLE 2021/5 2-11 Stabilization Fund Transfer

Based on the recommendations of the Finance Department, FINCOM and the BOS, the Town adopted a Financial Reserves policy, the purpose of which is set forth below:

> "To help the Town stabilize finances and maintain operations during difficult economic periods, this policy establishes prudent practices for appropriating to expending reserve funds. With well-planned sustainability, Hamilton can use its reserves to finance emergencies and other unforeseen needs, to hold money for specific future purposes, or in limited instances, to serve as revenue sources for the annual budget. Reserve balances and policies can also positively impact the Town's credit rating and consequently its long-term cost to fund major projects."

This Article moves funds from existing Free Cash to the Stabilization Fund in accordance with that policy. As previously established, this fund requires a two-thirds (2/3) majority vote to move funds into, and a two-thirds (2/3) majority of Town Meeting voters to move funds out of the fund. Therefore, this money is protected from being used for anything other than a use favored by a two-thirds (2/3) majority of Town Meeting voters.

The Town's Financial Reserves policy states that the Town will endeavor to annually appropriate a minimum of ½ of 1% (0.5%) of the total General Fund operating revenues to the general stabilization fund until the target minimum of five percent (5%) of general fund operating budget is met. The current fund balance is $1,434,376, which represents approximately 4.1% of general fund operating budget. The expected request of $346,036, if approved, represents approximately 1.0% of General Fund operating revenues and will bring the balance above our target at approximately 5.1% of the FY21 budget. The expected request is anticipated to come from Certified Free Cash that the Town has at its disposal, so it will not impact the tax rate.

The Finance and Advisory Committee recommends FAVORABLE ACTION (5-0) on Article 2-11.

ARTICLE 2021/5 2-12 Community Preservation Budget

The Community Preservation Committee (CPC) budget is supported by a 2% tax surcharge plus State matching funds. It should be noted that as more Commonwealth towns and cities have participated in this program, the matching funds have decreased over the past several years.

The CPC is charged with providing support to various town projects: historical, open space and community housing. Two of the projects are dealt with separately in **Articles 2-13** and **2-14**. The remaining projects will be:

1.	Appropriate an amount from FY22 Community Preservation Fund Revenues to fund the debt service for the Sagamore Hill conservation project	$108,900
2.	Reserve FY22 Community Preservation Fund Revenues to the Community Housing Reserve.	$65,000
3.	Appropriate FY22 Community Preservation Fund Revenues for administrative costs	$28,715

For more detail, see **Appendix G** to the Warrant. The CPC budget is limited by the surcharge and State match. Given the amount of CPC spending in prior years, FINCOM encourages the accumulation of reserves for future larger projects. For each fiscal year, the community must spend or reserve at least 10% of the annual revenues in the fund for each of the act's community preservation purposes: open space, historic resources and affordable housing. Annual administrative and operating expenses appropriations may not exceed 5% of the year's estimated annual revenues.

The Finance and Advisory Committee recommends FAVORABLE ACTION (5-0) on Article 2-12.

ARTICLE 2021/5 2-13 Community Preservation—Patton Park Tennis Courts

The Community Preservation Committee (CPC) budget includes a request for $32,000 to repair and restore the Patton Park tennis courts. The resurfacing is not routine maintenance, and is an appropriate use of CPC funds, which reduces the tax burden on residents as it includes state matching funds.

The Finance and Advisory Committee recommends FAVORABLE ACTION (5-0) on Article 2-13.

ARTICLE 2021/5 2-14 Community Preservation – Town Hall Building Project

Overview: FINCOM believes the Town Hall renovation is necessary.

At the Fall 2020 Special Town Meeting the CPC proposed contributing $3,475,000 to the Town Hall renovation and it was approved. This Annual Town Meeting the CPC has proposed increasing their contribution by $1,000,000 to $4,475,000.

Town Hall is an historic building requiring renovation. As a result, its restoration fits perfectly into the CPC's historic preservation mandate. CPC cannot fund new or non-historic building like our schools or a new Town Hall, but it can fund historic preservations like our existing Town Hall.

The CPC's funding sources include an established 2% tax surcharge plus a State-provided match. Since this CPC bond payment is already built into our tax rate, there is no additional taxation to fund this CPC contribution. The CPC contribution will not impact our tax rate. Moreover, although the State contributions can't fund bond payments, the State contributions can be used for other grants, like this year's Patton Park tennis courts work.

FINCOM's biggest concern is if the CPC contributes $4,475,000 to the Town Hall preservation would it take away from other future or competing projects? The answer is no.

First, there are no projects in the pipeline requesting funds. Even so, the CPC maintains a "Future Anticipated Projects" list on its website. The list already anticipates requests for a turf field and affordable housing and the CPC anticipates funding them. Second, the CPC's only current bond payment is Sagamore Hill. Even with the proposed $4,475,000 historic preservation bond, the CPC would still have approximately $275,000 a year for future grants and/or bond payments. This means, after the Town Hall contribution, its future bond capacity would still be approximately $2,000,000.

Bottom line, a Town Hall renovation is required, and this CPC contribution is an appropriate and effective funding source. It does not impact our tax rate, nor does it compete or jeopardize any present or future CPC projects.

The Finance and Advisory Committee recommends FAVORABLE ACTION (5- 0) on Article 2-14.

ARTICLE 2021/5 2-15 Town Hall Building Project

Overview: The Town Hall Building Committee (THBC) is seeking $3,400,000 to fund the Town Hall renovations not funded by CPC funds.

FINCOM is convinced our 123-year-old Town Hall requires renovating. As stated in our Fall report, issues include:

- Safety – electrical and plumbing not up to code, lack of fire protection.
- Mechanical – HVAC systems failing.
- Structural deterioration in multiple areas.
- Lack of ADA compliance.
- Inefficient layout and working conditions.

Why is this request being reintroduced after it was defeated in Fall 2020?

The situation has changed considerably and therefore the request has changed. First, the budget and funding have changed, reducing the tax rate impact. Second, 'time is of the essence'. Delay will increase the cost and abandonment will mean losing already spent money.

The budget presented at Fall town meeting was approximately $8,887,000. The budget was reduced $298,000 by removing overly conservative contingencies. At the same time steel price increased $82,000. The net effect lowered the budget $216,000 to $8,671,000.

The biggest change is the CPC providing an additional $1,000,000 contribution from $3,475,000 to $4,475,000. The annual CPC assessment is already funded by Town taxes. Whether it is spent on the Town Hall or not it is already baked into our tax rate. Using CPC money does not change our taxes. Moreover, using CPC money on an historic preservation is exactly what the funds are meant for. See a fuller CPC discussion/analysis in **ARTICLE 2021/5 2-15 Community Preservation – Town Hall Building Project** of this report.

The lower budget and increased CPC contribution combine to reduce the taxpayer funding request $1,216,000 or 27% to $3,400,000.

Is this project affordable and will it interfere with other projects?

The first-year impact on the tax rate drops from the originally proposed $0.22 to $0.15 per $1000 of valuation, which amounts to $24 a quarter on the average $631,400 house. In future tax years, the annual cost declines as the bond is paid down.

If approved at ATM and on the ballot, this debt will be a “Debt Exclusion,” excluded from the Town’s Prop 2 ½ calculations. In other words, this project’s cost will not contribute to the potential of any future Prop 2 ½ overrides.

Finally, this project will not be an impediment to other projects, such as school buildings and facilities. The School Committee has unanimously supported the Town Hall renovation project.

Other factors:

As stated, steel prices have already gone up. However, the THBC has a firm bid-in-hand and the General Contractor will honor that bid through May 2021. Noting the economy is improving and building material cost are going up, a delay will require rebidding and expected higher costs.

The town has already spent $1.1 million on this project. Although a sunk cost is no reason to continue a flawed venture, this is not a flawed project. This is a necessary renovation that will happen now or soon. Abandoning it now will lose the $1.1 million already spent. And restarting later will require a similar preconstruction investment.

Additionally, interest rates are historically low. Rates may stay low, but they may not. Current rates guarantee low payments. Waiting risks higher rates and correspondingly higher costs.

Taken together, the need to renovate, the reduced budget, the additional CPC contribution reducing the tax burden, the knowledge that delays will lead to higher costs, and the School Committee support, FINCOM concludes that time is of the essence and the town should act now and approve the Town Hall renovation.

The Finance and Advisory Committee recommends FAVORABLE ACTION (5- 0) on Article 2-15.

ARTICLE 2021/5 3-1 Acquisition of Easement to Alter Layout of Chebacco Road

This article allows the Town, as part of the Chebacco Road Infrastructure Project, to alter the layout of a portion of Chebacco Road away from a natural resource area to a new location. As it seems to further protection of natural resources and costs the town nothing, we are in favor of this article.

The Finance and Advisory Committee recommends FAVORABLE ACTION (5-0) on Article 3-1.

ARTICLE 2021/5 3-2 Power Purchase Agreement for Library Solar Project

From the library roof having sprung leaks sufficient to require roof replacement has sprouted this positive idea of installing a solar project on the new roof. This project is expected to generate in the first year both savings in library operating costs for electricity, estimated at $2,700, and in lieu of tax payments to Hamilton, estimated at $1,600. The combined effect of Warrant **Articles 3-2** and **3-3** is to authorize the Board of Selectmen to enter into the necessary agreements for the purchase of electricity generated by this project and for the receipt of the payments in lieu of taxes.

The Finance and Advisory Committee recommends FAVORABLE ACTION (5-0) on Article 3-2.

ARTICLE 2021/5 3-3 PILOT for Library Solar Project

This article also concerns the proposed solar array atop the library roof. Towns are allowed, per statute, to collect PILOT (*Payment In Lieu Of Taxes)* payments from the use of any property owned by the town. PILOT payments are meant to compensate towns for property taxes lost due to a tax-exempt ownership or use, such as Solect using the roof of the Library located in Wenham to generate solar energy. As this could mean more income for the Town we recommend it.

The Finance and Advisory Committee recommends FAVORABLE ACTION (5-0) on Article 3-3.

Respectfully Submitted,

Hamilton Finance and Advisory Committee

John Pruellage, Chair
Christina Schenk-Hargrove, Vice Chair
Valerie McCormack, Clerk
David Wanger
Nick Tensen

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Saturday, May 1, 2021

ANNUAL TOWN MEETING

Hamilton-Wenham Regional High School
Football Stadium

9:00 a.m.

DEMOCRACY IS NOT A SPECTATOR SPORT

Please bring this warrant with you to the Town Meeting. Thank you.

755398/HAML/0001