

# Select Board

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January 31, 2022

Present:

- Select Board: Mr. Bill Ramsey, Chair, Ms. Liz Klein and Mr. Joe Fisher
- Mr. Tom Mayo, Town Administrator
- Ms. Michelle Monsegur, Assistant Town Administrator for Finance
- Mr. Art Robert, Assistant Town Administrator for Operations

## **6:00 PM: Call to order**

Mr. Ramsey called the meeting to order and read the following statement:

“This meeting is being held remotely as an alternate means of public access pursuant to an Order issued by the Governor of Massachusetts dated March 12, 2020 Suspending Certain Provisions of the Open Meeting Law. You are hereby advised that this meeting and all communications during this meeting may be recorded by the Town of Hingham in accordance with the Open Meeting Law. If any participant wishes to record this meeting, please notify the chair at the start of the meeting in accordance with M.G.L. c. 30A, § 20(f) so that the chair may inform all other participants of said recording. “

He announced that Select Board members participating in the meeting were himself, Bill Ramsey, Ms. Liz Klein, and Mr. Joe Fisher. The meeting was conducted both in person and remotely via Zoom.

## **Pledge of Allegiance**

## **Approval of Minutes**

**Vote: Mr. Fisher made a motion to approve the minutes dated January 24, 2022. Ms. Klein seconded.**

## **Roll Call Vote:**

**Mr. Fisher: yes**

**Ms. Klein: yes**

**Mr. Ramsey: yes**

## **Agreement with Williamson Electrical Company, Inc. d/b/a Williamson Pump & Motor**

Mr. Matt Cahill, Assistant DPW Superintendent, reported that one of the two pumps at the Broad Cove Pump Station has failed. He explained that they are requesting an emergency waiver from public notice and bidding requirements for emergency pump station repairs at the Broad Cover Sewer Pump Station, which is the largest pumping station in Town. Ms. Kathy Reilly, Procurement and Contracts Manager, said that, because they are in an emergency situation a waiver at the State level is required and the Town has been approved. Part of the emergency is that the lead time for receiving the new pump is approximately four months, due to supply issues.

Mr. Clark Frazier, 15 Bonnie Briar Circle, Sewer Commissioner, made some comments about the seriousness of having only one pump working at a pumping station. He felt that the approval by the Select Board should happen, given the emergency nature of the situation, but he also suggested that the vote be ratified by the Sewer Commission. He pondered the effect of the cost on next year's Sewer rates. In addition, he reported that he has discussed an emergency plan with Town Engineer, J.R. Frey that could be implemented, in the event that the remaining pump should fail. Mr. Cahill explained that

maintaining an emergency plan for very long would be quite problematic. The Sewer Commission is communicating with the public as required by the DEP.

Because the Sewer Commission had a quorum and a meeting was not posted, Chairman Ramsey suggested that they should not take comments from any other commission members, in order to comply with the Open Meeting Law.

**Vote: Ms. Klein made a motion to authorize the Town Administrator to sign the Agreement with Williamson Electrical Company, Inc. d/b/a Williamson Pump & Motor for emergency pump station repairs at the Broad Cove Sewer Pump Station in an amount not to exceed \$299,686.25. Mr. Fisher seconded.**

**Roll Call Vote:**

**Mr. Fisher: yes**

**Ms. Klein: yes**

**Mr. Ramsey: yes**

#### **2023 Annual Town Meeting Warrant Article Discussion**

##### **Article T: Naming By-law**

This agenda item was postponed until the next meeting of the Select Board.

##### **Article V: Permitting and Design of Inner Harbor Coastal Structures**

JR Frey, Town Engineer, presented. He explained that the Engineering Department and the Harbor Development Committee are requesting authorization at Town Meeting for the expenditure of up to \$355,000 towards additional permitting and design of harbor coastal structures related to the ongoing harbor resiliency program, as well as any permitting associated with other harbor projects that the Town anticipates undertaking over the course of the next 5-10 years. The contract will be with Foth Engineering, who has done a significant amount of work in Hingham harbor. Most recently, Forth has obtained a chapter 91 license for the harbor mooring plan. They were also the permitting consultant for the recently completed boat ramp project.

**Vote: Mr. Fisher made a motion to recommend favorable action on Article V. Ms. Klein seconded.**

**Roll Call Vote:**

**Mr. Fisher: yes**

**Ms. Klein: yes**

**Mr. Ramsey: yes**

##### **Article R: Amend General By-laws Article 18: Fees for Plumbing and Gas Permits**

Mr. Art Robert explained that Articles R and Z both ask Town Meeting approval to update the General By-laws by changing the fees for plumbing and gas permits and to change the fees for electrical permits. The articles also ask that the Select Board be given permission to periodically change these fees without

Town Meeting approval. He said that He said that the Building Department fee schedules are overdue for adjustment for two reasons:

1. The plumbing and gas fees were last changes in 2012 and the electrical fees were last changed in 2009.
2. The Revolving fund balance has decreased over time, with expenditures exceeding revenues.

Building Commissioner, Mr. Mike Clancy, reported that he has compared Hingham's fees to ten communities that either border Hingham or are similar in size or commercial activity. Hingham has not increased fees in quite a long time. Mr. Clancy noted that most of the communities he researched regularly updated their fees every 6-10 years. The comparisons show that Hingham's proposed fees generally fall near the middle, among peer groups. The proposed fee increases would cover the cost of performing the inspections and he felt that they would also still be reasonable. The Select Board was in receipt of all the proposed fee increases. Members of the Board discussed the proposed fees with Mr. Clancy. Topics discussed included feedback Mr. Clancy has received from contractors, the impact of fuel prices on the fees, the impact from residential electric vehicle charging stations, and solar panel inspections and fees.

**Vote: Mr. Fisher made a motion to recommend favorable action on Article R. Ms. Klein seconded.**

**Roll Call Vote:**

**Mr. Fisher: yes**

**Ms. Klein: yes**

**Mr. Ramsey: yes**

**Article Z: Amend General By-laws Article 29: Electrical Permit Fees**

**Vote: Ms. Klein made a motion to recommend favorable action on Article Z. Mr. Fisher seconded.**

**Roll Call Vote:**

**Mr. Fisher: yes**

**Ms. Klein: yes**

**Mr. Ramsey: yes**

**Massachusetts School Building Authority Project Funding Agreement for the William L. Foster Elementary School Project and all associated documents**

Ms. Aisha Oppong, Director of Business and Support Services, and Mr. Ray Estes, 92 Fort Hill Street, member of the School Building Committee, presented. Mr. Estes explained that the Project Funding Agreement is the main and last key agreement that is signed by the MSBA and the Town. It outlines the processes and requirements associated with the project in order to receive the grant payments over time. The agreement also addresses other financial matters. The agreement contains a lengthy list of attachments which covers every submission that the Town has made, all certifications, the educational plan and other items. Along with the signature of the Chair of the Select Board, certification of legal counsel would also be required. They plan to have Town Counsel, Mr. John Coughlin, sign that

certification. Mr. Estes also said that, as requested, they plan to copy the Town Administrator's Office on any correspondence with the MSBA related to this project and its budget. Mr. Ramsey was looking forward to continuing with this project.

**Vote: Mr. Fisher made a motion to authorize the Chair of the Select Board to execute the Project Funding Agreement between the Town of Hingham and the Massachusetts School Building Authority (MSBA) for the William L. Foster Elementary School Project and to sign all associated documents as required by the MSBA relating to this Project. Ms. Klein seconded.**

**Roll Call Vote:**

**Mr. Fisher: yes**

**Ms. Klein: yes**

**Mr. Ramsey: yes**

#### **Potential Reserve Fund Transfer for the School Department**

Ms. Aisha Oppong and Dr. Margaret Adams, HPS Superintendent, presented. Dr. Adams explained the amount requested is necessary to ensure ADA accessibility to the playgrounds at South Elementary for a disabled student/s with mobility challenges. Updating the playground would enable accessibility to most of the swings and ensure that the student can access the lower playground. While South School currently meets basic ADA requirements, they feel an ethical and moral obligation to make the playground as accessible to the mobility-challenged students as their peers. \$44,000 of the cost will be covered by the Reserve Fund Transfer and the difference of \$23,402 will be covered by the School's Building Revolving Account. The School Department has been working every year to increase capital but it has not been sufficient.

Ms. Michelle Ayer, 41 Hemlock Road, Chair of the School Department, commented while the school is technically ADA compliant, she felt that these changes were necessary so that all of the children could access the same areas as their classmates. Chair Ramsey fully supported the request. Ms. Oppong hoped that the project could be completed in the next few months. Going forward, Ms. Oppong said that they plan to continue to make all of the playgrounds accessible to children with mobility issues. Mr. Ray Estes also commented that the School Building Committee has anticipated this issue and plans to make every inch of the new Foster School accessible to all children, including the playground.

**Vote: Ms. Klein made a motion to recommend a transfer from the Reserve Fund to School Department/Other Contracted Services in the amount of \$44,400. Mr. Fisher seconded.**

**Roll Call Vote:**

**Mr. Fisher: yes**

**Ms. Klein: yes**

**Mr. Ramsey: yes**

#### **Preliminary FY24 Budget Discussion**

Mr. Mayo and Ms. Monsegur presented. Mr. Mayo was happy to report that they were able to downsize the deficit from the original projected \$7.5M from last week down to \$6.2M. He explained that the revenue numbers for a couple of main categories came in this past week. He reported that the Motor Vehicle Excise Tax numbers were higher than projected Statewide and in Hingham. Additionally, the Town also received favorable numbers for Q2 meals tax revenues, licenses, and investment income, which was up significantly. He explained that expenses have gone down and revenue has been trending upwards and all of this contributed to the \$1.3M gain in the deficit. Mr. Fisher clarified that there has not been a change in the model, but rather that the Town saw a change in their revenue numbers. Mr. Mayo anticipated a continuing downward trend in the deficit as pending healthcare costs are realized in March. The Governor will also report her budget in March, which could possibly include an increase in State aid to Hingham.

Mr. Mayo and Ms. Monsegur presented on the following topics:

- The current budget situation
- How we got here
- Override basics
- Proposed balanced budget and service impacts
- Property tax relief
- Next steps

Mr. Mayo explained the current budget situation as follows:

- The Town is entering the FY24 budget season with a significant deficit that results from adding critical capacity to school and municipal services during COVID-19.
- Hingham is experiencing the same challenges as many Massachusetts communities where the cost of providing services has **outpaced revenue growth allowed under Proposition 2 ½**.
- The Town used one-time Federal and local reserve funds in FY22 and FY23 to offset these deficits.
- As we move away from the pandemic and seek to bridge the funding gap permanently, the Town must either reduce services to balance the FY24 budget or raise recurring revenue through an override to maintain current operations.

Ms. Monsegur explained how the Town got to the current deficit. She reminded everyone of the economic pressure the Town was facing during the pandemic, which led to the creation of the FY21 Financial Management Plan. It was created in collaboration with the Select Board, The Advisory Committee and the School Department. The plan was adopted in May of 2020. The plan proposed to “use Unassigned Fund Balance coupled with prudent financial management controls to close the anticipated budget gap and offset any incremental revenue shortfalls that may arise in FY21.” The plan was unanimously adopted by Town Meeting in June of 2020. While the Town was able to get through FY21 without using as much of Unassigned Fund Balance as initially projected, the pandemic had exacerbated structural deficits in both the municipal and school budgets and acute needs emerged in the schools.

Going into FY22, the Select Board, the Advisory Committee and the School Department all recommended adding capacity across the Town through the FY22 budget. Combined with other increases, the Town needed \$4,959,009 of one-time money to balance FY22 budget. These funds included Federal funds (\$1.4M from ESSER, \$1.2M from ARPA) and Unassigned Fund Balance (Town's "rainy day" fund) AdCom and the Select Board signaled need to control growth and explore an override in FY23 or near future. Annual Town Meeting unanimously adopted the FY22 budget with use of one-time funds to support additional capacity in schools and municipal services.

FY23 planning included the formation of a Sustainable Budget Task Force to begin developing a long-term financial management plan. Between September and January 2022, Municipal, school, and former AdCom leaders worked together to explore revenue opportunities, analyze expenditures, and identify ways to fund the Town's budget going forward. The most significant take-away of the work of the Sustainable Budget Task Force was that the Town should consider proposing a potential override in FY24 to maintain or grow services. In April 2022 the Town unanimously chose to maintain the added positions and services, employ \$3.8 million in available federal and local one-time monies to balance the budget. AdCom's report in the ATM 2022 Warrant recommended that *"The use of one-time revenue is not sustainable, and the Town needs to reconcile revenues with expenses through an override. While the SBTF identified several potential revenue options, they are insufficient to meet the near-term budgetary needs and it is expected that an override will be placed before the citizens at the 2023 Annual Town Meeting and 2023 Annual Election. At that point, citizens will have the opportunity to approve an increase in taxes to permanently fund the level of services they desire. If insufficient revenue is raised, then the Town will have to reduce expenditures to match revenues. This action would include reducing staff and services."*

Ms. Monsegur explained an override as a voter-approved, permanent tax increase designed to provide a community with the ability to generate sufficient revenues to fund costs that are likely to continue into the future, such as annual operating and fixed expenses. Mr. Mayo presented information on the lack of new growth, which has added to the Town's deficit. Approval of an override would require a majority vote at Town Meeting on April 24, 2023 as well as a majority vote at the Town Election on April 29, 2023.

Mr. Mayo explained that the Town is required by State law to adopt a balanced budget. The approach used to achieve a balanced budget was as follows:

- Meet contractual obligations and legal requirements
- Maintain core municipal services
- Remove new positions/services added in FY22
- Spread impact among municipal departments/service sectors
- Demonstrate community impact

He informed the Board of the proposed balanced budget and service impacts. Proposed Municipal reductions include the following:

- General Government - \$514,108
- Public Safety - \$660,270
- Public Works - \$489,873
- Human Services - \$148,393
- Culture and Recreation - \$495,567

For a full list of proposed cuts to services and personnel cuts, please view the complete presentation on the Hingham website at <https://www.hingham-ma.gov/DocumentCenter/View/17456/Preliminary-FY24-Budget-and-Override-Discussion-January-31-2023>. If the override were to fail, these reductions would take place on July 1, 2023.

Next steps in the process are as follows:

- Ongoing Outreach/Information Campaign
- Finalize Balanced Budget/Reductions
- Finalize Financial Forecast (early March)
- Finalize Override Proposal
- Implementation of the online Tax Impact Calculator
- Financial Management Plan
- Send Warrant to printer on/around March 24, 2023
- Annual Town Meeting on Monday, April 23, 2023
- Town Election on Saturday, April 29, 2023

Ms. Monsegur explained the various tax relief programs that could help offset the tax impact of an override on certain residents who qualify. She highlighted the fact that participation in the the Town's Senior Means Tester Tax Exemption. She also mentioned three Warrant Articles that offer additional tax relieve this year:

- Article O Increase Veterans' Tax Workoff amount by \$375 per year
- Article W – Double all current statutory exemptions
- Article M – Permanently extend the Senior Means-Tested Tax Exemption

For more information on these tax relief programs, please call the Assessor's Office at 781-741-1455 or email them at [assessors@hingham-ma.gov](mailto:assessors@hingham-ma.gov). For more information on the proposed override, please visit [www.hingham-ma.gov/override.com](http://www.hingham-ma.gov/override.com). Feel free to email questions to [override@hingham-ma.gov](mailto:override@hingham-ma.gov).

The members of the Select Board made comments and there was a discussion regarding the presentation. Chair Ramsey commented that the Board had been preparing for this override for the past two years. He said that the members of the Select Board and the Advisory Committee are committed to what is in the best interest of the Town. He added that the proposed cuts are significant and will impact everyone in Town. The Board also discussed where Hingham falls in terms of property tax rates with regard to benchmark communities. The Board also discussed Fund Balance and the how the use of it is guided by the Town's Financial Management Plan. Mr. Fisher commented that the whole override discussion has highlighted the importance of maximizing the Town's revenues. Mr. Mayo

added that there will be many opportunities for public discussion on the topic of the Town's budget and potential override in the upcoming months.

Mr. Glen Mangurian, 4 Huckleberry Hill Lane, made some comments on the frequency of overrides. He said that it is not possible to run a town like Hingham without any overrides. He commented that Hingham has not had an override in 14 years. In his opinion, having an override is not bad management, but rather is a result of a good management plan. He brought up the question of how often to have an override and the potential impact on tax bills.

Ms. Michelle Ayer, 41 Hemlock Road, member of the School Committee, said that the School Department and the School Committee are dedicated to working together with the Town and to working with the Advisory Committee and the Select Board to come up with the best budget that they can to ensure that all the residents of the Town get the services that they need without an undue burden. She added that the Town could count on the School Committee to be good partners and stewards financially, but also to make sure that they are meeting the needs of the students that they are charged with advocating for.

Chair Ramsey encouraged residents to give the Select Board feedback and to ask questions of them regarding the potential override. He asked residents to stay active and engaged.

**Appointments** (for a list of Talent Bank Applicants, please visit [Hingham-ma.gov/SB](http://Hingham-ma.gov/SB))

There were no appointments.

**Public Comment**

"The Hingham Select Board encourages community engagement and welcomes questions and comments as agenda items are discussed at the meeting. In addition, we have set aside up to fifteen minutes for public comment for items that fall under the purview of the Select Board and are not already on tonight's agenda. If any guests wish to speak, please seek to be recognized. Once recognized, state your name and address and address your comments to the Chair. Comments will be limited to three minutes per speaker and must relate to topics within the scope of the responsibilities of the Select Board. Speakers are encouraged to present their remarks in a respectful manner and not to indulge in personalities. The Public Comment period is not a time for debate by members of the Select Board. The Select Board is not adopting or endorsing any of the comments made during the Public Comment period."

There were no comments from the public.

**Town Administrator and Select Board Reports**

Mr. Mayo reported that the Town recently had their rating call for the annual bond issuance, which will be \$83M this year. This would cover funding for the two major building projects: the new Foster elementary School and a new Public Safety Building. Mr. Mayo anticipated that the Town would receive the highest possible rating. The Town's Aaa bond rating is a significant factor in calculating this rating.



Mr. Ramsey reported that he recently attended a memorial service for Peter Hall, who was the founder of the Hingham Militia and a tremendous student of Hingham's history. He extended his condolences to his family.

**Vote: Mr. Fisher made a motion to adjourn. Ms. Klein seconded.**

**Roll Call Vote:**

**Mr. Fisher: yes**

**Ms. Klein: yes**

**Mr. Ramsey: yes**

**The meeting adjourned at 8:22 PM.**

**Documents:** A complete meeting packet of supporting documentation is on file and available for public review in the Select Board office