

Advisory Committee Meeting Minutes

Meeting Date – March 01, 2022

Remote Meeting via Zoom

In Attendance: J. Strehle, G. Danis, N. MacDonald, D. Anderson, B. Black, D. Cooper, R. Curley, M. Goulet, A. Macdonald, A. McElaney, S. Melia, E. Sheehan, T. Sherwood, Town Accountant S. Nickerson.

Absent: K. Dziergowski, C. Kirk,

1. Call Meeting to Order

At 7:02pm Chair Strehle 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 Chairman 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.”

2. Comments from the Public Regarding Items Not on the Agenda

None

3. Warrant Article Hearings and Potential Votes

Article BB: Reduction of Speed Limits

Ms. Cooper prepared the Comment for this Article and presented an overview. She noted that the Traffic Committee has been receiving complaints for years particularly in the downtown area and that they Recommend reducing the speed limit to 25 MPH in the downtown and on some local roads. She explained that the Article does not change any speed limits but authorizes the process where the Select Board could do so. The cost of the new signs is anticipated to be around \$15,000, which can likely be covered by an equipment only grant. She also noted that the Select board voted unanimously in favor of this Article. Mr. Curley was hoping for limits of less than 25MPH but sees that the statute does not allow for that; he also noted that the Town can post 'advisory' speed limits as they deem appropriate. Town Engineer JR Frey offered that there is a danger in posting too many signs as people often begin to ignore all signs. Ms. Black asked about the process to update GPS programs that provide speed limit information; Mr. Frey explained that it depends on the service the citizen uses (Tomtom, Waze, etc.). The Recommended motion was approved by roll call vote, 9-0.

Article R: Public Safety Facility Funds for Pre-Construction Costs

Ms. MacDonald prepared the Comment for this Article and presented an overview. She provided a brief history of the project: TM 2015-2016 authorized monies for reconstruction and then new site selection for North Station which was unsuccessful; in 2019, 335 Lincoln Street became available and allowed for a broadened scope to create a Public Safety Facility that could solves a number of infrastructure issues in town (Police, Fire, Town Hall, and Senior Center); Fall 2020 STM authorized the purchase of the property on the recommendation of the Building Committee after an extensive feasibility study; TM 2021 authorized \$1.6MM for schematic and design documents (\$1.25MM from the Hersey House proceeds and \$350K from unassigned Fund Balance); the Committee has spent \$1,019,835 to date; they hope to begin construction in Spring 2023 with occupancy in Fall 2024;

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renovations for the Senior Center can begin once the Police Department has moved out of Town Hall; TM 2020 authorized funds for that redesign. For the PSF, the architect selected is KBA and the OPM is Hill International. Ms. MacDonald noted that if this Article is approved, the goal of the Committee is to have bid documents ready for use immediately after a hoped-for positive action by the proposed Special Town Meeting this fall. Ms. MacDonald noted that TM 2021 authorized \$1.6MM to cover all costs associated with the design documents as well as OPM fees through all design phases and that OPM fees for the construction phase, if approved, will be incorporated into that funding request; cost estimates based on schematic design were \$38MM and new cost estimates should be out this month in time for this to be updated before TM. Public Safety Facility (PSF) Building Committee Chair Bob Garrity called his Committee to order. Mr. Garrity noted that the PSF Committee has had preliminary meetings with the permitting boards. Sean Schmigle of KBA presented the design of the PSF. Mr. Garrity noted there are two non-electric systems in the design – one for heating the bays and the other for heating domestic water as it was determined that the technology that exists today is not practical for those purposes; the building is built with capacity to swap those systems as technologies emerge. Mr. McElaney asked for a definition of 'secured parking lot,' Mr. Schmigle described it as parking that is fenced and has security cameras. Mr. McElaney inquired about the glass used; Mr. Schmigle noted that the design calls for bullet resistant glass and they are still determining which areas need additional security. Mr. McElaney asked if there will be jersey barriers to protect the building; Mr. Schmigle noted the design calls for stone walls at the entrances. Mr. McElaney asked what is preventing people from pulling onto the building apron; Mr. Schmigle noted there will be three parking spots near the apron as well as signage pointing the public to the proper parking areas. Ms. Black expressed her appreciation for the lower-carbon design and inquired when solar panels will be installed. Mr. Garrity noted that there is a different bidding process to procure solar panels and it is not typically included in the construction documents for municipal buildings. Paul Kalous (Hill) noted that solar technology is improving quickly, and it is better to procure the panels when the building is closer to completion. Ms. Black inquired if the intent is to have the solar panels at the time the building opens; Mr. Garrity noted that this is a decision for the Town Administrator as his understanding is that there is a larger project to acquire solar panels for buildings in Town. Ms. Black expressed concern that the building will need to have systems retrofit relatively soon; Mr. Garrity noted that only a few areas need to be retrofit and that there is not current technology that meets the needs of the PSF. Mr. Schmigle noted that capacity is being built into the design so that systems can be replaced as technologies emerge. Ms. Black inquired about charging stations for vehicles; Mr. Schmigle noted that eight charging stations are in the current design and there is capacity to add more. There was general discussion on the comment. John Borger, HNZ (53 Lafayette Avenue) noted that HNZ investigated gas-fired technologies and feels there is a grey area; he expressed HNZ support for the project and noted that 7% non-electric is reasonable and should not slow down the proposal. He also recommends that AdCom reads the proposal recently released by the Dept of Energy Resources which defines stretch codes and still allows the use of fossil fuels if there are pathways to remediation and that there are solar panels on the roof; Mr. Borger stated that this project meets both those criteria. Elliott Place, HNZ (91 Kimble Beach Road) also expressed HNZ endorsement for this project. The recommended motion passed by roll call vote, 11-0

Mr. Garrity adjourned the PSF Building Committee Meeting

Article AAA: Amend Zoning By-Law: Gender Neutral and other Term Revisions

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Mr. McElaney prepared the comment for this Article and presented an overview. He noted that this Article will amend the Zoning By-laws in a similar fashion to the recent changes to the Town's General By-laws and includes the retirement of the term 'grandfather' as this terminology has been determined to have racist origins. Community Planning Director Emily Wentworth clarified that the Select Board does not vote on Zoning Articles and noted the Select Board support for the Article. The Planning Board voted unanimously in favor of this Article. There was general discussion regarding the comment. The recommended motion was approved by roll call vote 12-0

Article HH: Transfer Borrowed but Unspent Funds

Vice Chair Danis prepared the comment for this Article and provided an overview. This Article asks to repurpose unspent funds from four previous school projects for a total of \$1,101,791.28; the funds will be repurposed for the Plymouth River School Window Project. There was discussion regarding the comment. The recommended motion was approved by roll call vote 12-0

4. Discussion on FY 2023 Budget

Mr. Anderson prepared a document that describes go forward options for getting to a balanced budget.

Hingham FY 2023 Budget		
Town Forecast v1.2 (2-18-22): Total Appropriation	\$	139,881,231
Forecast Deficit		(\$1,563,944)
Reverse v1.2 Forecast use of Stabilization Fund		(\$2,161,425)
Adjusted 2/18/22 Deficit		(\$3,725,369)
Non-recurring Federal funds included in 2-18-22 Forecast **		1,783,115
Adjusted 2/18/22 Deficit excluding non-recurring Federal funds		(\$5,508,484) <i>Implied FY '24 deficit all else equal</i>
Included in 2-18-22 Forecast:		
Municipal additional requests	\$	893,662
Education additional requests		850,609
Total	\$	1,744,271
** Non-recurring Federal funds		
ARPA	\$	1,383,115
ESSER		400,000
Total		\$1,783,115

As yet unknown impacts:

- Health insurance
 - Current budgeted amount \$ 7,119,766
 - Potential savings in forecast when GIC quote is received
 - 2.5% \$ 177,994
 - 5.0% \$ 355,988
- Plymouth County ARPA funds for "lost revenue"
- Final State Aid Number

Pro Forma Deficit/Surplus - various scenarios				
Scenario	Changes from 2-18-22 Forecast	Impact on Deficit: Increase/(Decrease)	Pro Forma Surplus/(Deficit)	Notes
Adjusted 2/18/22 Deficit	No Stabilization Fund usage	2,161,425	(\$3,725,369)	
A	No Municipal Add'l requests	(893,662)	(\$2,831,707)	
B	No Education Add'l requests	(850,609)	(\$2,874,760)	
A + B	Both A and B (i.e. no additional requests)	(1,744,271)	(1,981,098)	
C	Use Fund balance to close A + B Deficit	(1,981,098)	\$0	FB use equal to adjusted Deficit
D	ATM and ballot approved Operating Override to cover SCENARIOS A + B, i.e. no new requests	(1,981,098)	\$0	- Select Board must recommend Override - Override proposal requires a back-up budget should the Override fail
E	ATM and ballot approved Operating Override to cover new requests	(3,725,369)	\$0	- Sustainable Budget Task Force: "it does not make sense for the Town to consider an override in FY23." - Both scenarios (D and E) likely require an additional Operating Override at ATM 2023

Unassigned Fund Balance		
Unassigned Fund Balance in excess of 20% TAE as of 6/30/21	\$	12,083,036 <i>Amount in excess of 20% of TAE as of 6/30/21</i>
Fire capital (use in FY23)	2,230,000	
HHS Tennis courts (use in FY23)	864,000	
Proposed Future Offset Foster debt impact (use FY26-28)	4,700,000	
Proposed Future Offset PSF debt impact (use FY26-28)	2,300,000	
Total Proposed planned for use		(10,094,000)
Remaining Amount in excess of 20% of TAE as of 6/30/21	\$	1,989,036
Scenario C Usage (see above)		(1,981,098)
Adjusted Remaining Amount - Pro forma for uses above	\$	7,938

Chair Strehle provided an overview of the FY23 budget process; she noted that a lot of FY22 and FY23 budgets used non-recurring federal funds to balance and that these funds will not be available for FY23; she noted that when the Town budget process for FY24 will begin with a \$5.5MM deficit before salary increases or additional requests; if AdCom does

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not recommend any additional requests for FY23, the deficit starting point for FY24 is \$3.8MM before any increases in salary and additional requests. She noted that this year's decisions will affect next year and that it is not practical to do an override this year, nor does anyone want to cut services requiring us to use unassigned Fund Balance; the question becomes now much to fund in additional requests. She noted that last year AdCom recommended unanimously and the Town supported adding 38 positions to the budget that did not have a recurring revenue source and that no new revenue sources supports those positions again this year; departments still have unmet needs; it is understood that there will be an override next year or positions will need to be cut from the budget; we have a healthy Fund Balance but intended uses for those funds have been identified. Mr. Curley asked if using returned funds from Article HH increases the Town's borrowing capacity; Town Accountant Sue Nickerson noted that Article HH will not cover the whole PRS Windows Project and that it does not increase capacity as the Town has not borrowed the money yet. Mr. Curley noted that if he were voting from the floor of TM as a citizen that he would most likely be voting for all the additional requests, but as a member of AdCom he believes the citizens of the Town should be able to vote on increasing the budget to accommodate the year-over-year payment of those additional requests through an override. Ms. MacDonald noted that in general she does not support using Fund Balance for onetime expenses but that the Fund Balance is high enough to support funding a few of the critical unmet needs that citizens have been very vocal about. Mr. McElaney noted that his understanding is that the budget appeared to be supported until the State determined that municipalities could not use the proceeds from the Stabilization Fund (\$2.1MM) for operating expenses. He noted that the Town Administrator has earmarked \$7MM of excess Fund Balance as an offset for future projects but not until FY27/28. He also noted that it still leaves almost \$2MM and suggested that the Fund Balance should be maintained at 20%. Ms. Nickerson clarified that the \$2MM above the 20% is earmarked for Article K and that the Town Administrator believes the Town should keep \$2MM as a minimum for reserves. Mr. McElaney believes the Town should use Fund Balance to replace the amount expected from the Stabilization Fund. Chair Strehle clarified that the Select Board has said they do not support cuts in services or an override for this year and supports using Fund Balance to fill the budget gap; to her knowledge they have not weighed in on additional requests. The choice is to use a small amount of Fund Balance to close the budget gap and how much beyond that to support additional departmental requests. She noted that traditionally, AdCom works to get to a balanced budget and then adds back in additional requests as any available recurring funds allow; the current budget gap is \$1.563MM and there are \$1.6M in additional requests. Mr. McElaney believes the Town should fund all the additional requests through Fund Balance that is currently earmarked as offsets for the PSF and Foster projects. Chair Strehle noted that this approach means the Town will carry over a \$5.5MM deficit to next year. Mr. McElaney noted that the Town is required to put forward a balanced budget to do an override, thus next year's Warrant would have to show two options, one without all the added positions and one with and Town Meeting will have to vote. Chair Strehle noted that the School's Strategic Plan has not been completed and one can assume it will add new positions as well. Ms. Black noted that it has been clear for some time that the Town needs to do an override. She noted that the \$5MM deficit was expected and thinks the Town should fund the grant writer and the sustainability coordinator; she would like to hear from the ACES committee before commenting on the school's needs. Mr. Danis noted that the Town has a plan to use most of the excess Fund Balance in ways consistent with our Financial Policy. He noted that the positions being asked for are reasonable and in line with the goals and aspirations of the Town. He noted that 36 positions were added last year that are not funded with recurring revenue and will not be this coming year either; he noted that the way to properly fund these positions is through an override and that no new positions

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should be added until an override is passed. Mr. Macdonald noted that he had agreed with new positions last year because it was a crisis but that adding again now without the Town's approval through an override is not fair to the taxpayers. Mr. Anderson noted that the normal budget process works to get to a balanced, level services budget and then looks to fund new positions with any additional monies; in a 'normal' year AdCom would not add new requests in the current scenario; he noted that last year's circumstances were extraordinary but does not support adding new unfunded positions this year. Ms. Sherwood noted that a significant portion of this year's budget is covered through one time money. Mr. Anderson clarified that the \$5.5MM deficit starting point next year includes last year's additions plus this year's level services budget plus FY23 additional requests; he noted that once new adds and one time money are removed, the FY24 starting deficit reduces to \$3.8MM. Ms. Sherwood expressed concern about adding new positions and that every \$1MM in override equates to a 1.1% increase in property taxes; therefore, including prop 2 1/2, the current deficit scenario requires an 8% tax increase simply to cover the \$5.5MM. She noted that the largest override in MA history was the \$10MM override done by Winchester last year and that a typical override is only a few hundred thousand. She believes this is an extraordinary amount of money to spend before passing an override. Mr. Macdonald believes the Town should view this as an opportunity to do a master planning effort to add value without FTE's or money. Mr. Curley noted that an override is a permanent tax increase and that the use of Fund Balance to close the operating deficit is also a tax increase in that it increases the overall amount of the budget leading to a need for a more significant override or personnel cuts if an override fails; he noted that additional request spending should be done through an override. He also expressed support for a supplemental budget being presented at the proposed Fall STM. Ms. Cooper views the first three Town requests as critical; she expressed support for a Grant Writer and Sustainability Coordinator and noted that both positions could potentially be covered by grants; she would like to hear from ACES before commenting on the school budget. Ms. MacDonald liked the idea put forward in the Sustainable Budget Task Force to spread budget dollars as a defined split across municipal and school departments; she expressed support to identify a sum of money that AdCom might be comfortable with and assign it with this same principal. Mr. McElaney questioned why Fund Balance can only be used on capital projects as the Town historically underestimates revenues and overestimates spending during the budget season. Mary Power (1 King Phillip Path) offered three observations: 1) at the anticipated Fall STM, citizens will want to know an order of magnitude for the override next year; 2) how can the Town make sure that an override is successful next year and thinks the AdCom should create an override time line; and 3) she noted that what is discussed as positions this year equates to people next year.

5. Warrant Process Update

Chair Strehle asked everyone to stay current with their Articles and sending to the editors.

6. Discussion of Advisory Committee Housekeeping Items

- Tuesday - final forecast, Article GG
- Meetings March 8, 10, 15, 17
- AdCom will finish the year on zoom

7. Matters not anticipated within 48 hours of meeting

None.

8. Adjourn

The meeting was adjourned at 10:15pm by roll call vote, 10-0.

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Documents Distributed for this Meeting

- Agenda
- Draft meeting minutes for February 15. February 17
- Updated forecast
- Draft Articles HH, CC, EE, GG
- Citizen communications

Respectfully submitted,

Nancy MacDonald
Advisory Committee Secretary

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