

Board of Selectmen

March 18, 2021

Remote meeting via telephone conference call

Present:

- Board of Selectmen: Ms. Mary Power (Chair), Mr. Joseph Fisher and Mr. Bill Ramsey
- Mr. Tom Mayo, Town Administrator
- Ms. Michelle Monsegur, Assistant Town Administrator

7:00 PM: Call to order

Ms. Power 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.

Ms. Power announced that the meeting was being broadcast live by Harbor Media and asked if anyone else was recording or taking photographs. There were no responses.

Ms. Power also said that the Board of Selectmen members who were participating remotely were herself, Mary Power, Chair, Joe Fisher, and Bill Ramsey.”

2021 Annual Town Meeting Warrant Article Discussion

Ms. Power announced that Lisa Campbell, Director of Human Resources, David Pace, Chair of the Personnel Board, and Courtney Orwig, member of the Personnel Board, were also in attendance.

7:04 PM: Mr. David Pace called to order the meeting of the Personnel Board.

Article D: Report of the Personnel Board

Mr. Pace explained that conducting Collective Bargaining on behalf of the Board of Selectmen is one of the main functions of the Personnel Board. He reported that there are 6 unions for Town employees, with 5 union agreements expiring this past year. The Personnel Board recommended for all 5 to be extended for one year. Four accepted their recommendation. He reported that their most important accomplishment this year has been a comprehensive Wage and Classification Schedule. While the Personnel Board regularly reviews position, this was the first comprehensive study in the past 20 years. Part of the plan included review 80+ union and non-union employees and compared them with Hingham's 20 benchmark towns. Their research showed that Hingham had fallen below the median in some of the positions and they recommended making equity adjustments to those positions to bring the employees in line with the median of Hingham's 20 Town comparisons. He reported a total of approximately \$120,000 is wage adjustments. Mr. Pace said that the Personnel Board is now confident that Hingham is in line with the median of the 20 town comparison and that there is a fair and equitable plan in place for the employees. Mr. Pace felt that this was a big accomplishment for the Board. Mr.

Pace reported that Article D includes a proposed 2% wage increase for Town employees starting on July 1, 2021.

Article E: Salaries of Town Officers

Mr. Pace reported the following salaries of Town officers:

Board of Selectmen: \$2,000

Chair of the Board of Selectmen: \$2,500

Assessors: \$1,800

Chair of the Board of Assessors: \$2,000

Town Clerk: Grade 13

Municipal Light Board: \$214

Mr. Fisher noted that there were some proposed changes to the Personnel By-law. Mr. Pace explained that any classification changes would result in a change to the by-law. Mr. Pace also thanked Ms. Lisa Campbell and Ms. Michelle Monsegur for their help with the Wage and Classification Study. Mr. Ramsey asked if it would be all right for the Board of Selectmen to vote on their own salaries. Mr. Mayo explained that he has spoken with Town Counsel who advised that it would be fine to do so. Ms. Power thanked the Personnel Board for their work on the Wage and Classification Study. She noted that a copy of the Personnel Report would be included in the Warrant. Ms. Monsegur acknowledged the support from the Personnel Board during the Wage and Classification Study.

Vote: Mr. Fisher made a motion to recommend favorable action of Article D. Ms. Power seconded.

Roll Call Vote:

Mr. Fisher: yes

Mr. Ramsey: yes

Ms. Power: yes

Vote: Mr. Ramsey made a motion to recommend favorable action of Article E. Mr. Fisher seconded.

Roll Call Vote:

Mr. Fisher: yes

Mr. Ramsey: yes

Ms. Power: yes

Extension of License Agreement with mPathy LLC for Temporary COVID-19 Testing Site at 308 Cushing Street

Ms. Power noted that Mr. Jackson Stone had joined the Board. Ms. Monsegur summarized that the Board had initially signed a 3-month agreement with mPathy in December 2020 for a Covid testing site at 308 Cushing Street. Ms. Monsegur was pleased to report that the need for testing has decreased over the past few weeks from 250 test per day to approximately 150 tests per day. As the need for testing diminishes, she proposed scaling back operations from 6 days per week to 4 days per week. The new agreement with mPathy would have the test site open on Mondays, Wednesdays, Thursdays, and Saturdays for another 3-month period.

Mr. Stone reported that mPathy has tested 13,000 individuals through March 2, 2021 and has vaccinated 70 people, mainly teachers. He said that it was his pleasure to serve the community in this way. Mr. Ramsey said that the Board had received some very complimentary feedback from residents about the testing site. Ms. Monsecur clarified that the Town is planning to use CARES Act funds to cover costs for the testing site, but noted that costs could also be covered under the American Rescue Plan. Mr. Fisher asked if there had been any traffic issues at 308 Cushing Street. Ms. Monsecur said that they began with a 2-officer Police detail but have scaled back to 1 officer because there have not been any traffic issues. Mr. Fisher also asked if there had been any safety issues at the testing site. Mr. Stone said that they have Covid protocols posted and have not run into any significant issues. Ms. Power asked if the second agreement included the possibility to further scale back or discontinue testing at the site if numbers continue to decrease. Ms. Monsecur noted that it was included in the agreement. Ms. Power went on to read a letter from a resident who was very complimentary of their experience at the site. She thanked Mr. Stone for his service to the Town.

Vote: Mr. Ramsey made a motion to authorize the Town Administrator to sign the extension of License Agreement with mPathy LLC for a Temporary COVID-19 Testing Site at 308 Cushing Street for a three-month period commencing March 5, 2021. Mr. Fisher seconded.

Roll Call Vote:

Mr. Fisher: yes

Mr. Ramsey: yes

Ms. Power: yes

FY22 Financial Forecast Update

Town Administrator Mayo presented an updated 5-Year Forecast, stating that it was one possible path to a balanced budget. Ms. Monsecur explained changes to the forecast since it was previously presented on March 8, 2021. She said that they had removed all of the additional budget request from Town and School Departments and had shown a balanced budget with a surplus of \$274,000. She explained that the new scenario shows the additional Municipal and School requests added back in the budget. She explained the changes to revenues and expenditures, including:

- An increase in Local Receipts of \$150,000 as a result of new Transfer Station fees
- An increase in Excess Overlay due to the Board of Assessors voting to release \$225,000 from that account
- A decrease of \$46,000 the amount budgeted for the Senior Means Tested Tax Exemption

Ms. Monsecur also explained that the Town plans to fund \$1.37 million of the School's FY22 Budget Request through Federal ESSR III funds. She noted that the FY23 budget would include those items funded with ESSR II and ESSR II Federal Funds in FY22.

She said that there had also been some changes to employee benefits to reflect the hiring of additional positions as requested by the School Department, including:

- An additional of \$175,000 in health insurance
- An additional \$25,000 in Medicare

Ms. Monsecur also explained the use of Fund Balance for one-time uses for municipal and School Department lost revenue and continued to explain the changes to the 5-Year Forecast and the Article 6 Details as seen in the following chart.

FORECAST V 1.4 3/17/21							
FIVE YEAR FORECAST							
	ACTUALS	ESTIMATE	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST
SOURCES	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
Tax Levy							
Levy	79,426,526	82,762,765	86,508,690	89,371,407	92,255,693	95,212,085	98,242,387
2 1/2 % increase	1,985,663	2,069,069	2,162,717	2,234,285	2,306,392	2,380,302	2,456,060
New growth	1,350,576	1,676,856	700,000	650,000	650,000	650,000	650,000
Debt exclusions	3,530,261	3,400,160	3,627,941	3,506,882	3,382,311	3,272,922	3,171,338
Unused Levy Capacity	(500,000)	(500,000)	0	0	0	0	0
Uncollected Tax Levy		(801,208)	0				
Total Tax Levy	85,793,026	88,607,642	92,999,348	95,762,575	98,594,396	101,515,309	104,519,785
Other Revenue							
State Aid	11,634,678	11,563,088	10,070,347	10,070,347	10,070,347	10,070,347	10,070,347
Local Receipts(2.5% FY2023-2026)	10,538,147	9,662,429	9,257,767	10,955,351	11,229,235	11,509,966	11,797,715
Fund Balance	940,813	4,783,337	3,582,817	800,000	415,000	0	0
SSCC	1,829,220	1,766,742	1,889,280	1,889,280	1,889,280	1,889,280	1,889,280
Weir River Water System	0	10,597,979	12,416,193	12,881,507	12,881,507	12,881,507	12,881,507
Sewer	2,688,025	3,638,157	3,492,259	3,756,637	4,044,908	4,359,383	4,702,606
Light Plant (\$450K Min.)	481,387	500,000	500,000	500,000	500,000	500,000	500,000
Meals Tax Reserves	121,874	0	0	0	0	0	0
Stabilization Fund	178,836	178,836	178,836	178,836	178,836	178,836	178,836
Excess Overlay	0	450,000	225,000				
Waterways Fund		58,500	0				
Total Other Revenue	28,412,980	43,199,068	41,612,499	41,031,958	41,209,112	41,389,319	42,019,841
Total Sources	114,206,006	131,806,710	134,611,848	136,794,533	139,803,508	142,904,628	146,539,626
USES							
State Assessments	969,878	1,090,510	1,121,849	1,177,941	1,236,839	1,298,680	1,363,614
Overlay	351,792	381,576	703,970	850,000	850,000	850,000	850,000
Other expenses / deficits	0	100,000	100,000	100,000	100,000	100,000	100,000
Total	1,321,670	1,572,086	1,925,819	2,127,941	2,186,839	2,248,680	2,313,614
Appropriations							
Capital Outlay	2,071,190	3,520,186	2,495,880	2,700,000	2,800,000	2,900,000	3,000,000
Article 6	105,460,355	123,663,840	129,476,855	133,207,645	136,209,337	139,392,698	142,863,397
Article 4&5 (2.0% Inc/Yr FY2023 to 2026)	0	146,632	705,306	1,143,281	1,590,015	2,045,685	2,510,467
Other articles	733,251	1,168,600	0	0	0	0	0
Total appropriation	108,264,796	128,499,258	132,678,041	137,050,926	140,599,352	144,338,383	148,373,884
Total Uses	109,586,466	130,071,344	134,603,860	139,178,867	142,786,191	146,587,063	150,687,479
EXCESS (Shortfall)	4,619,540	1,735,366	7,988	(2,384,335)	(2,982,683)	(3,682,435)	(4,147,853)
ARTICLE 6 - DETAIL							
FORECAST V 1.4 3/17/21							
	ACTUALS	ESTIMATE	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST
SALARIES & WAGES - TOWN	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
General Government	2,564,193	2,862,561	3,057,625	3,057,625	3,057,625	3,057,625	3,057,625
Police	5,551,805	5,872,554	5,927,898	5,927,898	5,927,898	5,927,898	5,927,898
Fire	5,402,993	5,602,688	5,632,401	5,632,401	5,632,401	5,632,401	5,632,401
Other Public Safety	472,805	512,325	516,000	516,000	516,000	516,000	516,000
Public Works	2,924,785	3,427,015	3,497,378	3,497,378	3,497,378	3,497,378	3,497,378
Human Services	660,758	717,097	721,270	721,270	721,270	721,270	721,270
Culture & Recreation	1,644,596	1,759,420	1,840,873	1,840,873	1,840,873	1,840,873	1,840,873
Salaries & Wages	19,221,935	20,753,660	21,193,445	21,193,445	21,193,445	21,193,445	21,193,445
Other Expenses (2.0% inc/yr FY2023-2026)	6,757,198	8,589,005	9,226,023	9,410,543	9,598,754	9,790,729	9,986,544
TOTAL TOWN BUDGET	25,979,133	29,342,665	30,419,468	30,603,988	30,792,199	30,984,174	31,179,989
EDUCATION BUDGET							
Salaries & Wages (2.0% Inc/yr FY2023-2026)	53,555,146	56,730,985	50,145,186	51,595,620	52,627,532	53,680,083	54,753,685
Other Expenses (2.0% inc/yr FY2023-2026)	0	0	10,270,701	10,476,115	10,685,637	10,899,350	11,117,337
TOTAL EDUCATION BUDGET	53,555,146	56,730,985	60,415,887	62,071,735	63,313,170	64,579,433	65,871,022
EMPLOYEE BENEFITS							
Health Ins. (10% Inc 2023-2026)	6,143,855	6,679,255	7,146,355	7,860,991	8,647,090	9,511,799	10,462,978
Other Post-employment Benefits(OPEB)	1,153,245	1,194,156	1,267,567	1,267,567	1,289,173	1,313,773	1,412,523
Retirement	4,773,356	5,090,917	5,443,559	5,427,901	5,788,472	6,171,545	6,579,257
Other (10.0% Inc/yr FY2023-2026)	1,305,838	1,430,850	1,462,935	1,609,229	1,770,151	1,947,166	2,141,883
DEBT SERVICE :							
Excluded Debt	5,826,609	6,096,615	4,122,877	3,806,776	3,685,718	3,561,147	3,451,758
Non Excluded Debt	2,040,482	1,832,769	1,584,499	1,827,878	1,778,163	1,721,754	1,535,242
Unused Non Excluded Debt Capacity		2,744	0	321,735	371,450	427,859	614,371
UNCLASSIFIED(10% Inc/yr FY2023-2026)	751,803	767,183	1,028,087	1,130,896	1,243,985	1,368,384	1,505,222
SOUTH SHORE COUNTRY CLUB	1,996,795	1,766,742	1,889,280	1,889,280	1,889,280	1,889,280	1,889,280
WEIR RIVER WATER SYSTEM	0	10,597,979	12,416,193	12,881,507	12,881,507	12,881,507	12,881,507
MWRA (10.0% Inc/yr FY2023-2026)	1,934,093	2,130,980	2,280,148	2,508,163	2,758,979	3,034,877	3,338,365
TOTAL APPROPRIATIONS	105,460,355	123,663,840	129,476,855	133,207,645	136,209,337	139,392,698	142,863,397

Mr. Fisher asked for an explanation of “Excess Overlay.” Ms. Monsegur explained that that was an account that the Assessor’s Office uses to reserve and pay for tax abatements and exemptions. If there are left over funds at the end of the year, they becomes Excess Overlay, which the Town may apply to the budget as a source of revenue. There was some additional discussion regarding State Aid. Regarding Federal Fund available to the Town, Ms. Monsegur said that \$3.6 million has been made available to the Town through the CARES Act and can be used until December 31, 2021. Mr. Mayo anticipated that the Town may receive additional benefits and services from the State and the County, but no additional funds from the Federal Government.

To summarize, Ms. Power explained that “Forecast Version 1.4” shows a balanced budget as of March 8, 2021, with one exception. This budget includes:

- A Capital Outlay incremental request of \$500,000
- Forecast 1.4 = \$300,000
- \$200,000 in benefit costs for 36 proposed full-time new hires

She also said that changes of increased revenue and reduced expenses include the following:

- An additional \$225,000 in Overlay (one-time revenue)
- An additional \$150,000 for Transfer Station fees (ongoing revenue)
- A decrease of \$46,030 Overlay for costs associated with the Senior Means Tested costs
- An decrease of \$100,000 of Unclassified funds for Medicare costs

A significant change to the forecast is the addition to Fund Balance of \$2,367,817 in Federal funding, which includes:

- \$937,437 to fund education lost revenue and non-recurring expenses
- \$1,430,380 to fund balance to offset temporary local receipt revenue

Ms. Power said that the Forecast V1.4 of \$4,959,009 includes all items in the Forecast V1.3 plus:

- \$430,000 from ESSR 2 (Education)
- \$1,215,000 from the American Rescue Act Government funding
- \$946,132 from ESSR 3 (Education)

She added that the budget has been balanced through the use of Federal money and noted that the Board is still awaiting details on the American Rescue Fund and ESSR3 funds and associated restrictions. Ms. Power stated that without the use of one-time money, an override would be required to fund the budget as presented. She addressed some pros and cons of an override versus the use of one-time money.

Additional consideration she presented were:

- Community support for Foster School-which plan is less risky?
- Potential for unbudgeted Covid expense
- If one-time money is used, the Board needs to clearly communicate the implications to the Town-and that an override is coming.
- Which is more likely to be successful; and override in FY22 or FY23?

Ms. Power stated that the School Department and Committee have committed to address the rate of growth in the education budget as part of the proposed Education Strategic Plan, and that commitment is a main reason why she supports using one-time money to fund the expense budgets s presented.

Mr. Fisher felt that it was important to socialize the idea of an override and worried that there might not be enough time to do so before Town Meeting. He did also point out the financial implications of waiting a year. He said that waiting a year would for an override would result in asking the Town for additional money next year. He felt that he would like to keep those funds with the residents due to the financial implications they have already faced due to the pandemic.

Mr. Ramsey cited some outstanding questions regarding the Federal funds. He asked if there was any idea when they would know if they could use this money to offset the cost of hiring full-time employees, as requested by the Schools. Mr. Mayo reported that he had heard from Plymouth County that new guidance would be provided on this in the next week. Mr. Ramsey said that, while he had previously agreed that the Town should go ahead with an override this year, but now feels that we cannot ask residents to increase taxes while leaving Federal money on the table. He stressed the importance of using every dollar the Town has to assist the schools with the needs identified. While he felt he would support an override next year, his main concern was pushing a potentially larger override in FY23 and potentially asking for additional money for the Foster School project. Board members agreed that they support the budget requests put forward by the Superintendent and the Town Administrator. Ms. Power said that their discussion centered on how to fund those budgets. Ms. Power noted that pushing the override until next year would put residents in the position where they have to agree to the override or the Town will have to lay off employees. Ms. Power stressed that she did not want to jeopardize the Foster School project by asking for money from residents for both an override and the foster project. There was some additional discussion of using one-time money to balance the budget for the next two years. Ms. Power noted that scenario would cost the Town approximately \$8.8 million in one-time money over the course of the next two years and would not be in compliance with the Town's Financial Policy.

Mr. Dave Beaulier, 18 Mast Hill Road, asked for additional funding options that could include two smaller amounts. Ms. Power said that it could be an option as long as the Federal funds were distributed by the required timeframes. She also questioned whether asking for money from residents on multiple occasions may turn off taxpayers.

Mr. Matt Cosman, 12 Summit Drive, asked for more details on using one-time money two years in a row. Ms. Power explained that doing this would require \$8.8 million in one-time money, including \$5 million next year and \$3.8 million the following year. She also explained that this would not be in conformance with the Town's Financial Policy because the Town would be using Fund Balance to pay for ongoing expenses. Ms. Power also reported that if the Town's Fund Balance drops below the 20% threshold, it could affect the Town's Aaa bond rating.

Ms. Rebecca Silva, 3 Stonegate Lane, thanked the Board of Selectmen for recommending the full school budget, commented that she has several children in HPS and advocated for fully funding the schools.

Ms. Priya Howell, 26 Del Prete, asked several budget-related questions including if it was possible to pass an override but put off on collecting it for one year. Ms. Power advised that would not be possible, that the Town would have to implement it right away. Ms. Powell thanked the Board for supporting the Schools' Recovery Budget.

Leslie Lippmann, 1 Rocky Run, commented that property taxes correlate with the success of Hingham's schools. Ms. Power said that she felt there was an opportunity for a public discussion regarding an override and the many different benefits to the public, even for residents without children in the public schools.

Ms. Diane DiNapoli, 26 Gardner Street, asked if it was possible to add a caveat to the budget that the school budget not increase by a certain number per year. Ms. Power stated this might be part of the scope of the financial planning and override discussions going forward. Mr. Fisher was not in favor of a binding restriction.

Ms. Power commented that she appreciated the time investment that residents have been putting in to attend the remote meetings of the Board of Selectmen. She appreciated residents engaging and letting the Board know what is important to them. She also appreciated the respectful manner in which residents have been engaging.

Public Comment

"The Board of Selectmen has set aside up to 15 minutes for public comment for items not on the Board's agenda, but within the purview of the Board of Selectmen, during which time we typically follow the guidelines of open meeting. We encourage speakers to present remarks in a respectful manner and not to indulge in personalities. The Public Comment time is not a period of debate for the Board of Selectmen and the Board is neither adopting nor endorsing any of the comments made during the Public Comment period."

There were no comments from the public.

Vote: Mr. Ramsey made a motion to adjourn. Mr. Fisher seconded.

Roll Call Vote:

Mr. Fisher: yes

Mr. Ramsey: yes

Ms. Power: yes

The meeting adjourned at 8:47 PM.

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