

## HULL FINANCIAL PLANNING COMMITTEE MINUTES

TUESDAY, APRIL 6, 2010

### FINANCIAL PLANNING COMMITTEE MEMBERS

Domenico Sestito (Selectman), Chair  
Dennis Blackall (Selectman), Vice Chair  
Roger Atherton, (Citizen-at-large), Clerk  
Richard Kenney (Advisory Board) - absent  
Brian McCarthy (Citizen-at-large, Council on Aging)  
Stephanie Peters (School Committee)  
Kevin Richardson (School Committee) - absent  
Charles Ryder (Advisory Board, alternate)  
John Silva (Citizen-at-large, former Selectman)  
Charleen Tyson (Advisory Board) - absent

### STAFF MEMBERS

Marcia Bohinc (Town Accountant)  
Philip Lemnios (Town Manager)  
Kathleen Tyrell (Superintendent of Schools)

### MINUTES

The meeting was called to order by Sestito at 6:04 PM at Town Hall in the Selectmen's Meeting room. He led the pledge of allegiance. He asked for consideration of the 3/9/10 Minutes, submitted by Dr. Atherton to FPC members and staff by e-mail. Dr. Silva moved approval of the Minutes, seconded by Blackall, vote: approval unanimous.

Sestito asked McCarthy to report on the Town-Owned Land Sub-Committee (S/C) progress. Twenty properties had been identified from the original list of 65 for immediate analysis and evaluation. The next meeting of the S/C is April 13 to examine further research on these properties. It appears that many of these can be sold by the Board of Selectmen (BoS), although they can decide to take them to Town Meeting if that seems appropriate. Lemnios described the process of determining deed information and title research. For some properties Town Hall already has most of the data, but for others rather time-consuming research will be required. Lampke indicated he would reach out to local law school students for assistance. For some of the top priorities and most marketable properties, the data have been difficult to find. McCarthy added that some have conservation restrictions and others will require outreach to the neighborhoods. Some that may seem small now by current zoning by-laws could be grandfathered (earlier zoning laws might apply), so could be buildable, but will require detailed research to determine. Some small lots, and therefore not buildable, could be of interest to abutters, which would also require effort to ascertain. Lemnios mentioned that some of the Town records list properties inconsistently, as an example of the need to research various records in various locations, but the outcome of the investigation could be valuable to the Town.

Sestito asked what is the timetable for completion? Lemnios responded that the 3 best properties need extensive further research, but he will focus on those properties that make the most sense to pursue – in terms of likely value and the least encumbrances. Blackall questioned the timing of the cash flow, as to when the Town would actually obtain the money. McCarthy responded that there were at least 7 properties he felt could be sold fairly quickly, if the research goes well and could be worth \$140,000 to \$200,000 per lot depending on location. Lemnios mentioned that there are lots of side issues, such as easements, conditions the BoS might wish to impose, and even decisions about whether and when to dispose of properties during these economic times. He is in favor of establishing a process and basic guidelines for the disposition of these properties.

Sestito asked the group to come to the next meeting with more specifics. Blackall suggested that a schedule would

provide greater certainty. McCarthy insisted that the research being done in the Assessor's Office and the Legal Office would determine results and these were outside the control of the S/C. He thinks there are 3 basic areas with possibly 7 parcels, and he thinks the S/C can make recommendations within 90 days depending on the results of the research. Dr. Silva asked what actions would then be necessary. McCarthy recommended two public hearings and, if the feedback is positive, the BoS could contemplate selling the property; if the feedback is negative, then the BoS should consider taking the issue to Town Meeting. Lemnios pointed out that once the S/C has decided a property is saleable (buildable), then it would recommend action to the full FPC, which in turn would make its recommendation to the BoS. It would be up to the BoS to decide whether, when, and how it should be sold.

Dr. Silva then asked whether the Town will get an outside assessment of the potential value of these properties. Lemnios said the Town would need to demonstrate a methodology and one critical way is to obtain an independent appraisal. McCarthy indicated that although the general market is depressed, the value of land, especially with water views in a Town like Hull with scarce buildable property left, has held value very well. McCarthy thanked Dr. Atherton and Peters for their hard work on the S/C and Lampke and Lemnios for their efforts.

Sestito asked if the FPC should consider establishing a third S/C. After discussion, it was decided that this was perhaps premature due to the heavy workloads imposed, in the near future, on those preparing for and doing the work required for the Town Meeting and elections coming up in May. It seems better to think about future S/Cs after re-grouping in June. Blackall suggested the FPC decide what the next two or three priorities might be, so we could move quickly when ready.

Sestito then called on Blackall to review the progress of the 21st Century School and Budget Update S/C. He thanked Lemnios, Bohinc, Dr. Silva, Richardson, and Kennney for their contributions to the report he presented. He proposed that the FPC send this report to the BoS, as a DRAFT, in order to expedite the process. He suggested the FPC, after studying the report, could meet prior to the next BoS meeting to finalize and convey any last minute changes to them, but the BoS would have the chance to absorb the essence of the document beforehand. He then summarized the Report, section by section. Dr. Silva questioned the assumption of a 3% cut in State funding, as he had heard it would be greater than that. Lemnios responded that the cut was going to be more like 4.8%, but that the number keeps changing and the report needs to be finalized. The BoS can be kept advised as to the latest number and the differential impact on the conclusions presented in the report.

Peters questioned the tone of the report as seemingly demanding action whereas the FPC's role is advisory. She thought the terminology was too strongly worded. Blackall commented that, after many years as a consultant, his writing style, usually addressed to high-level executives, is action-oriented and intended to evoke results, not a call for further study or analysis. Dr. Silva asked why in the recommendations there was no consideration of a local meal tax? Lemnios responded that it could put Hull restaurants at a competitive disadvantage and that the best course of action was to work with other nearby towns to take a regional approach. Dr. Silva questioned what the State was doing with regard to GIC (Group Insurance Commission)? Lemnios responded that the current legislature was reluctant to reduce or eliminate the requirement that 70% of the union members must agree to any change, and that makes change impossible as the unions see that as giving away bargaining rights. Dr. Tyrell added that there is good news with the Teachers' Union, as an agreement seems near that will help the Town and the Schools.

McCarthy suggested that the FPC not give the report as a draft until we had a chance to review in more depth. He said it is a good report and only needs some tweaks. Blackall commented that the recommendations were not intended as criticisms, but to convey a sense of urgency and the need for immediate action. He felt the FPC should get something to the BoS quickly. Sestito indicated we need time to review. We agreed to meet again on Monday, April 12 at 5:00 PM to make comments, suggestions, and finalize the report, so it could be given to the BoS prior to their meeting on April 13.

Dr. Silva moved the FPC meeting be adjourned; seconded by McCarthy; vote: unanimous in favor. Meeting ended at 7:09 PM.

Respectfully submitted: Dr. Roger Atherton, Clerk