

**Meeting Minutes of the Hanover Select Board Special Meeting held in a Hybrid Format with both in person attendees in the First Floor Hearing Room of Hanover Town Hall as well as remote attendees via Zoom videoconference, on Tuesday, January 2, 2024 at 6:30pm.**

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**Call meeting to order and Pledge of Allegiance**

At 6:30pm the Chair called the meeting to order.

Present at Town Hall were Chair Vanessa O'Connor, Vice Chair Rhonda Nyman, and Selectman John Tuzik and via Zoom Selectman Steve Louko. Selectman Delany was unable to attend.

Present at Town Hall were Town Manager Joe Colangelo (TM), Assistant Town Manager, HR Director, CDMI Director Ann Lee (ATM), and Director of Public Affairs, Licensing and Insurances Janet Tierney (DPA).

All rose and recited the Pledge of Allegiance.

**Public Comments**

In accordance with Select Board Policy 2-6, the Chair requested any public comments, seeing none.

**Appointments**

**Julie Fobert - Affordable Housing Trust**

The Chair took a moment to thank Tom Burke for his years of service on the Affordable Housing Trust, and welcomed Julie Fobert before the Board via Zoom. The Chair requested any questions or comments regarding Ms. Fobert's proposed appointment. The Board requested that Julie tell the Board about herself. Ms. Fobert discussed her background and interest in serving on the Affordable Housing Trust. Via roll call vote the Board voted to appoint Julie Fobert to the Affordable Housing Trust Board of Trustees.

Selectman Louko, aye, Chair O'Connor, aye, Vice Chair Nyman, aye, Selectman Tuzik, aye.

**Anne Fitzgerald - Historical Commission**

Anne Fitzgerald appeared before the Board and spoke on her background and interest in serving on the Historical Commission, noting that she had already attended a meeting and is looking forward to working with the Commission Members.

The Chair requested any questions or comments. Vice Chair Nyman commented that she knows Anne professionally and personally and thinks that Anne will be an asset to the Commission.

The Chair noted that Anne had come highly recommended by Peter Johnson of the Historical Commission as well. The Chair asked for any question or comments from the Historical Commission seeing none. Via Roll Call Vote, the Board voted to appoint Anne Fitzgerald to the Historical Commission. Roll Call Vote: Selectman Louko, aye, Chair O'Connor, aye, Vice Chair Nyman, aye, Selectman Tuzik, aye.

**Ratification of the Town Moderator's reappointments to the Parks and Recreation Committee: Adam Hill, Mike Jorgenson, and Jennie Beliveau**

The Chair noted that the Moderator appointments before the Board tonight are reappointments and thanked the reappointees for their service on the Parks and Rec Committee. The Chair requested

Approved  
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any questions or comments, seeing none. Via Roll Call Vote the Board voted to ratify the Town Moderator's reappointments of Adam Hill, Mike Jorgenson and Jennie Beliveau to the Parks and Rec Committee.

Roll Call Vote: Selectman Louko, aye, Chair O'Connor, aye, Vice Chair Nyman, aye, Selectman Tuzik, aye.

### **Ratification of the Town Manager's appointment of George Joukov to the Conservation Commission**

George Joukov appeared before the board, and spoke on his interest in serving on the Conservation Commission. The Chair requested any questions or comments from the Board. Selectman Louko confirmed with TM that Mr. Joukov would be appointed to the open Associate Member seat on the Conservation Commission. Via Roll Call Vote the Board voted to ratify the Town Manager's appointment of George Joukov as Associate Member of the Conservation Commission.

Roll Call Vote: Selectman Louko, aye, Chair O'Connor, aye, Vice Chair Nyman, aye, Selectman Tuzik, aye.

### **Budgeting and Finance**

#### **Discussion Second Draft of the Fiscal Year 2025 Operating Budget**

Finance Director Chelsea Stevens, FD, appeared before the Board.

TM noted we there are two separate line item budgets available online this evening, a Draft Line Item Levy Limit Base Operating Budget and a Draft Line Item Override Operating Budget, both available for viewing on the Town Website along with all the previous documents which have been presented on this topic. TM then presented the Second Draft of the FY25 Operating Budget Presentation, attached, and noted that this year the process started two months earlier than it has in the past.

The Chair clarified with TM that in the base budget, for positions where there is ARPA funding or grant funding involved, the ROCCC Dispatch program grant for example, those position and program are partially funded using non-Town funds but not in a way that is consistent beyond 2025, so come 2026 those positions and the ROCCC program will be fully funded through the Town's Budget and so there is going to be a significant increase in the amount the Operational funds that will need to go towards those costs if they are not addressed in the Override Budget. TM stated that between the ARPA funded positions and the ROCCC Dispatch contract the town will be looking at a roughly \$600,000 increase to the Operating Budget in FY26 from FY25. TM noted that if that isn't accounted for in the Override Budget the Town will be right back in the same position again next year having not reset the budget at all. The Board discussed the presentation with regards to Veterans Benefits with TM and FD and requested further details. The Chair requested that the Director of Community Services be invited to an upcoming meeting to discuss and provide more detail on the budgeting process for Veterans Benefits.

The Board inquired about whether or not the Town has to fund FY26 expenses now. TM stated that no, the Town doesn't legally have to, but the Town certainly does have to pay its portion of the contract. TM further commented that Hanover hasn't had an override in 30 years and in looking forward in future years and seeing that there will be increases coming in some areas, in order to set Hanover up for more sustainable budgeting and avoid going to voters every 5 or 6 years to ask for overrides as other towns do, the idea is to reset to get us to a new baseline and use

that to put towards the stabilization fund which should be funded on a regular basis and has not been funded in a very long time. TM further stated that that would be a sound financial decision at this time. As asked, FD informed all that the stabilization fund is a reserve fund which requires a 2/3 majority vote at Town Meeting to take any money out of it. It is intended to be an emergency reserve more for a one-time purchase or one-time budget issue because you are only planning to use it for that one year. It is not something that you would take from each year. In the past the Town has used special articles using Free Cash to put money in the stabilization fund and currently FD believes there is either \$2 Million or \$2.5 Million in the reserve but she will provide the exact amount at the next meeting. FD noted that the amount in the stabilization reserve is looked at when determining the Town's bond rating and FD believes that they recommend having 3% of the Operating Budget in the reserve account but she will double check for the next meeting. FD also noted that the Town currently has under the recommended amount in reserve.

As asked TM informed all that Town wide expenses are expenses that impact the School and the Town so they don't fit perfectly within the Town or the School Budgets. FD informed all that the following would fall under Town wide Expenses: Town Audit, Pension/Retirement, Workers Compensation Insurance, Regional Dispatch, Unemployment Insurance and Compensation, Group Health Insurance, Life Insurance, Employee Medical and Risk Management and the detail is included in the Soft right Budget available online. When asked for a recent example of something the stabilization fund has been used for, FD informed all that to her recollection it has not been used in the time she has been with the Town which is about 10 years now, as it is intended as more of an emergency fund for a really bad year, further noting that if you use it once you will wind up in the same position again the following year it is intended to be more of a stopgap for a bad year. Selectman Tuzik discussed wants versus needs with TM. TM commented that this is the type of feedback that we like to get from the various Boards and in particular the School side and if the Select Board and the School Committee points out what they would like then let's make it so. Selectman Louko discussed the concern that the reset will become the new base and then there may be future increases on top of that and so wants versus needs should be looked at. The Vice Chair recommended forward thinking regarding new ways to bring revenues to the Town.

Resident Carlo Agostino appeared before the Board and discussed an ongoing issue with having the roadway paved in front of his house between Xhengo Way and Stone Meadow and the constant thump coming out of Xhengo Way. The Chair inquired if there is anything in the FY25 Chapter 90 funding or set aside for roadway repairs or would further discussion be necessary as to how it is addressed. TM agreed to speak with the DPW Director and DPW Superintendent to try to get Mr. Agostino a resolution to the issue. At the Chair's request TM agreed to set up a meeting with TM, the DPW Director, Mr. Agostino, other Board Members and the Chair to discuss this issue.

Resident Lauren Nauman appeared before the Board via Zoom and inquired what the proposed residential mill rate would be with and without the override and also at the last meeting Ms. Nauman had requested a list of Town owned properties that had been identified that could potentially be sold for profit and she wanted to check on the status of that. The Chair informed all that the current tax rate split rate between residential and commercial is 1.04. The Chair clarified that the year's budget they are discussing is FY25 and that does not line up with the voted tax rate. FD confirmed that the budget is done before the tax rate split is voted on. FD informed

that quarter 1 and quarter 2 billing is based upon the prior year because the tax rate has not been set yet and then quarter 3 and quarter 4 are the actual tax rate so it is best to look at the entire year to determine how much your taxes have increased from year to year.

TM informed all that there is a current list of all Town owned properties on the website whether they are owned and controlled by the Select Board, School Committee, Conservation Commission or the Parks and Rec Committee, and none are currently identified for sale. TM further informed all that there is a policy in place on how to go about identifying properties for sale. FD informed all that as to the process, depending on who owns it, if or instance the property was owned and controlled by the Select Board, the recommendation to sell would be brought before the Select Board, and then would need to go to Town Meeting for approval for sale before the Town could actually sell it and then the Town would put out an invitation for bids, and then the money would go into the sale of property receipts reserved fund to then be appropriated at a future Town Meeting. The Chair offered to send Ms. Nauman the link to the list. Ms. Nauman confirmed that she has seen the list online and understands that some are unbuildable or used for conservation purposes but requested that they be looked at. The Chair stated that it is a helpful ask and said there is value in evaluating that list and mentioned the possibility of the Select Board establishing a committee or group that could work in conjunction with the Finance Department to look at the properties to see if some are worth further investigation.. FD informed all that the Treasurer's Office has also been looking into some tax title land and taking ownership of that. It involves a longer process but once that process is completed, the land would eventually be put up for auction and that would provide revenue to the Town as well. The Chair stated that she would meet with TM and FD to discuss how to go about forming a group to look at some of these things and to the extent that we can get some resident help it is something we can absolutely look into. The Chair thanked Ms. Nauman for the suggestion.

The Chair recognized someone titled "Guest" online, Rachel Hughes identified herself and told the Chair she did not mean to raise her virtual hand.

Resident Mike Cianciola appeared before the Board and noted the amount of increase in the School Department Budget of 12.9%, further noting that the salary line from FY24 to FY25 is increasing by \$2 Million which is a 6.7% and \$800,000 more than the following years. Mr. Cianciola stated he plans to ask the Superintendent about it but also asked that TM to look into it as well in order to understand their budget and why it is a 6.7% increase.

Seeing no further questions, the Chair stated that the Board will continue to offer TM feedback in terms of the direction the Board is headed in and what they are thinking in terms of this Budget. The Chair stated that her thoughts are that to the extent we are able to make the base budget work, it is a short-sited solution and ultimately we would end up in the same position, with the increases from ROCCC Dispatch and ARPA funded positions already putting us on a trajectory of being in the same position a year from now. The Chair stated that practically speaking letting the residents vote both at Town Meeting and on the Ballot as to whether they want to move forward with an override or not is the most practical solution with both of those options in both forums. The Chair stated that she knows that this conversation will continue for the rest of January and beyond but

for the sake of moving things forward and getting this to the Advisory Committee the Chair welcomed the Board Members to offer any comments or feedback they have.

Selectman Louko commented that he was having a hard time with the concept of the reset and that using ARPA funds for the operating budget and now losing that funding is creating inflation for the Town's residents. He stated that he does not feel good about it and wishes that we did not have to do it. Selectman Louko further stated that he feels the base budget presents an alternative and he feels it is fair to give that choice to the voters at Town Meeting and at the Ballot box and see what they say.

Selectman Louko inquired as to whether or not the Apartment Buildings in Town are paying the higher split rate that the Select Board set. TM agreed to check with the Assessor and report back to him.

Seeing no further questions or comments the Chair thanked TM and FD and everyone for their continued work in getting us through this tougher than usual budgeting year, further noting that she is confident that Hanover will still operate and still run and we will all be o.k. but it is an important discussion to have.

### **Continued Discussion of the Fiscal Year 2025 +5 Year Capital Plan**

TM spoke on the Draft Fiscal Year 2025 + 5 Year Plan, attached, and informed all that next week TM and FD will have a more formal proposal on what to use Free Cash for. He asked that the Select Board Members review the list and further noted that many of the items listed as FY25 Capital requests will not be able to be funded, but next week as part of the budget presentation TM and FD will include what they are proposing for capital expenditures for Town Meeting Warrants to go along with the Operating Budget.

Selectman Louko inquired as to whether the King Street Water Main replacement would be coming off of the Capital Budget because the work is being done now. TM stated he believes yes, but will confirm with the DPW Director and let the Board know.

Selectman Louko inquired about the possibility of having flaggers instead of police details to reduce costs and if could it be put on a future agenda. The Chair requested that Chief Kane be invited to a future meeting to hear from him on that.

Resident Mike Cianciola appeared before the Board and asked about possible items that will impact us years from now, for instance, filtering for PFAS, the South Shore VoTech expansion and the aging Middle School. Stating that it would be nice to hear about the impacts of other things coming down the horizon that may also impact the citizen's taxes.

### **Annual and Special Town Meeting**

#### **Review Updated DRAFT Annual Town Meeting Warrant**

TM ran through the current Draft of the Annual Town Meeting Warrant, attached.

When asked, FD informed all that she is meeting with the Assessor in the next week and will have an update for the Board on the details of the Senior Tax Exemption Article.

### **Approve Contribution to Town Manager's Deferred Compensation Plan Pursuant to the Town Manager's Contract**

TM recused himself. The Chair stated that in the Town Manager's contract there is a provision that TM has a base salary and additionally he is eligible to receive a 4 5 7 deferred compensation plan contribution in his name at the end of each year, so the decision before the Board is whether to and how much of that compensation to award him pursuant to his contract. ATM clarified for the Chair that the full amount would be \$19,000. The Chair informed all that TM accepted a lesser salary with the understanding that the deferred compensation component of his salary would be something he would receive on the other end to make up for that. The Chair stated that as this has been previously discussed and based on TM's performance, and the requirements in his contract for last year the Board was fine with awarding that, the Chair did not see any reason to change that practice for this year.

The Chair welcomed any comments. Selectman Louko mentioned that he would have a difficult time awarding this without having previously performed the Town Manager evaluation and receiving an update from the Town Manager on the Goals set by the Select Board.

The Chair clarified that the Board is currently discussing compensation tied to the period that ran from July 1, 2022 to June 30, 2023 and that would have been part of the evaluation that would have taken place last year, noting that it is a good point and do plan to have the discussion on the Town Manager's performance this year, but the year the Board is discussing has already come and gone.

ATM informed the Board that this is a time sensitive item that was supposed to be addressed by December 31<sup>st</sup> and had been on the Agenda for the last meeting, however the last meeting in December was cancelled due to a storm.

Via roll call vote, the Board voted to approve the contribution in the amount of \$19,000 to the Town Manager's deferred compensation plan pursuant to the Town Manager's contract.

Roll call vote: Selectman Louko, abstained, Chair O'Connor, aye, Vice Chair Nyman, aye, Selectman Tuzik, aye.

The Chair stated that she thinks that the Board should set some parameters or a clear policy about how the Board goes about performing the Town Manager evaluation to help future Boards understand the timeline and to be sure that the timeline is built into the process as well as to avoid some of the concerns that Selectman Louko has.

TM returned to the meeting.

### **Select Board Forum**

Chair discussed the storm that necessitated the cancellation of the last meeting and caused the loss of power to approximately 65% of the Town which was restored to most within 48 hours. The Chair wanted to recognize the massive effort that came from town and school to make sure that things went smoothly and things were cleared as quickly as possible and thanked all of the Town employees for their work on that.

Vice Chair Nyman stated that she appreciates the work TM does and that she thinks he does a great job. The Vice Chair went on to say that the Town Manager evaluation should be a priority

for the Board and the Board has to do its due diligence and clean up the policies that the Board is behind on.

The Chair agreed that it is important, noting that it has been a challenging couple of last years, so she does not fault any past Chairs or Board Members, but the Town Manager evaluation is on the Select Board goals. The Chair informed all that ATM has sent the Chair some examples of past evaluations used which the Chair will forward to the Board and can be used in the current evaluation process which will take place in the Spring. All agreed to put this on an upcoming agenda and get the materials to TM in advance.

Selectman Tuzik commented that the Town Manager's role is a performance-oriented position, a formal evaluation is important, but noted that TM is evaluated on his performance on a daily/weekly basis and certainly challenged by the Board on a regular basis. The Chair agreed that a lot of this does take place in the back and forth we have with him and the back and forth in the meetings but for the sake of transparency and efficiency it is good to have a formal process. The Chair thanked Vice Chair Nyman and Selectman Louko for the reminder on that.

Selectman Louko requested an update on the progress of the goals the Board voted on last year. The Chair noted that the goals voted on are goals prepared for the Select Board to affect and that being said the Chair agreed to get input from TM and present an update to the Board at the meeting after next.

The Chair confirmed for the Board that the Select Board will be meeting every week until the end of January.

TM informed the Board that he hopes to have the Board vote on the budget on January 29<sup>th</sup>.

### **Adjourn**

The meeting ended and adjourned at 8:36pm.