

HAMILTON FINANCE AND ADVISORY COMMITTEE
Minutes of Meeting
August 7, 2019

Members Present: John Pruellage, Christina Schenk-Hargrove, Nick Tensen, and David Wanger (Chair).

Others Present: Brad Bradshaw (potential member), Russ Stevens (Police Chief), Joe Domelowicz (Town Manager), and Marisa Batista (Finance Director)

This Hamilton Finance and Advisory Committee meeting was called to order at 7:00 pm at the Hamilton Council on Aging Building, Bay Road, Hamilton.

Public Comment

None.

Discussion with Finance Director and/or Town Manager regarding finance related updates and specifically: HWRSD FY19 budget deficit, the FY21 budget calendar, and Special Town Meeting in the fall.

Marisa Batista requested the transfer of \$10,500 to be transferred from the FinCom Reserve Fund to the program line item for the purpose of funding Council on Aging (COA) related transportation through Beauport transportation. Previously there was no extra charge but under the new contract, the payment was required. Joe Domelowicz sought other quotes, one of which, was much higher. Mr. Domelowicz said he had met with Cape Ann Transportation Authority (CATA) and may contract with them as funding through the cherry sheet might augment transportation services. There was \$100,000 in the FinCom Reserve Fund.

Motion made by John Pruellage to transfer from the FinCom Reserve, the amount of \$10,500 to fund program expenses regarding transportation associated with the COA.

Nick Tensen seconded.

Vote: Unanimous in favor.

Motion made by John Pruellage to expend from the budgeted line item for the purpose to fund \$180 to pay the Association of Town Finance Committee annual dues from July 1, 2019 through June 30, 2020.

Seconded by Christine Schenk-Hargrove.

Vote: Unanimous in favor.

Marisa Batista explained that she had not yet closed the year-end accounts due to Finance Department vacancies. Ms. Batista said year-end expenditures accounted for 97.3% of the Budget, closing with \$800,000 in excess, which would be added to free cash. The amount was due to vacancies and healthcare savings. Ms. Batista was unsure of the revenue. The treasurer would provide a final number and calculations would then be completed. Dollars spent this year versus last year would be provided by Ms. Batista, who would also provide a quarterly report after closing the year out. The 97.3% included the School Budget.

According to Marisa Batista, the Water Enterprise didn't meet estimates for revenues and was short by \$130,000. Revisions to the FY20 budget would probably not occur as Tim Olson did not believe there would be a water ban. David Wanger asked Ms. Batista to keep the "trust" items on her task list.

School District updates were discussed. Before Jeff Sands departed his position, he sent a memo regarding the projected \$638,000 estimated deficit that would likely be funded through Excess and Deficiencies. The overage was due to the troubled special education trend. David Wanger recalled that he had spoken with Michelle Horrigan (School Committee) regarding cooperation between the FinCom and the School Committee. After Ms. Horrigan put the topic on the agenda, Mr. Wanger attended the meeting to find the Committee chastised Ms. Horrigan for having the conversation. Mr. Wanger noted that two of the Committee members were visually

smiling over language about collaboration with other agencies. Mr. Wanger was never recognized and was never able to discuss the topic. Mr. Wanger had given his e-mail to the new Superintendent who would contact him regarding a meeting but Mr. Wanger was never contacted. Mr. Wanger said he was concerned that the transfer to cover the deficiency was approved without discussion. Joe Domelowicz said the Schools had already depleted their reserves and hoped the new Administration would be more open to collaborative efforts.

David Wanger hoped the FinCom could become more involved earlier to have a meaningful discussion than the tripartite meeting in November but thought the School Committee might feel it was an intrusion of their domain. It was noted that in the previous year, there was a positive experience but the Superintendent and Finance Director were both now departed. Marisa Batista and Joe Domelowicz wanted to have a joint meeting with the FinCom or representative from the Fincom and the School Committee or a representative from the School Committee after Special Town Meeting to discuss the budget calendar before the budget was already formed. Mr. Domelowicz hoped to approach the Administration and then the School Committee in an effort to elevate the collaborative experience. Mr. Wanger added that Wenham was in the same financial situation as the previous year and was not eager to incur expenses.

The FY21 budget calendar and Special Town Meeting in the fall was discussed. Marisa Batista was concerned that the budget calendar began right after Special Town Meeting. Ms. Batista was concerned that August 5, 2019 was too early to close the Warrant as the end of FY19 had not been completed. Joe Domelowicz said the Warrant closing meant that no new articles could be added but existing ones could be reviewed and amended. There were twelve items to date.

Prior year bills were discussed. All items added up to \$3,400. One item was six hours of police training. The bill was never received, according to Russ Stevens. John Pruellage would talk to Tim Olson regarding the late DPW bills. Nick Tensen would speak with public safety about late bills. The education appropriation was a decrease as Wenham did not approve the OPEB funding. Collective bargaining transfers for \$60,000 went into salary reserves but was now being appropriated to individual departments. Debt service items were for the water improvement loan, which included Phase 4 water improvement (\$10M). Marisa Batista said \$35,000 was the first payment of the loan. Chief Stevens said the rolling racks (\$224) were for fire hoses that had been ordered and shipped in June and invoiced in July.

Rosemary Kennedy reportedly planned on having an updated draft of the Conservation By-law. The Community Preservation Committee would be invited to discuss their proposed items. There would be \$200,000 for the Affordable Housing Trust and \$200,000 for the Town Hall Building project. The remainder of funding for Town Hall would need to be bonded. The request for the bonding article would be \$607,700 to complete the design of Option A, which would fund up through construction documents for a bid. Annual Town Meeting would have a hard number to approve. The cost included the cost difference between Option A and Option B. An estimate for Option B would cost an additional \$400,000 according to Joe Domelowicz. David Wanger noted that the FinCom recommended Option B. John Pruellage added that there might be a motion on Town Meeting floor to amend the article to instate Option B. While Option B was considered more flexible and kept the character of the building, the cost differential might be close to \$1M, according to Mr. Domelowicz. Christine Schenk-Hargrove noted that the Town Hall Building Committee was tasked to bring forth one option. Mr. Wanger responded that the statutory foundation empowered and required the FinCom to make recommendations regarding all municipal matters. The Town Hall Building Committee reportedly thought the less expensive option would be more likely to be approved.

The 550 Highland St. Home Rule Petition was discussed. Joe Domelowicz explained that the Counsel for the State Legislature rejected the petition because Town Meeting voted to take action and what was to be taken action on. The vote was specifically worded to have the State Legislature take action as it was only advisory to ask the Board of Selectmen to do something. The act would be retroactive for assessments made and not collected as long as the property was in the conservator program and met the terms of the lease with the Department of Conservation and Recreation.

The Amendment to Chapter 59, Section 5, Clause 41A, laws increasing income limit for senior household tax filers was discussed. Joe Domelowicz said the article was to increase from about \$40,000 to \$58,000 in the income per year for seniors who wanted to delay paying their property taxes. Taxes would be due upon the sale or when heirs assumed the property.

The repair of non-functioning overhead garage doors of the public safety building for \$25,800

was discussed. Russ Stevens said the ask was for the non-working Fire Department doors. The 15' doors were 12 years old and had never worked properly. The warranty period has lapsed.

The DPW and Fire Chief used funds to test one door and the solution worked. This ask would be for the remaining doors.

The revision of Annual Town Meeting language on Article 2-18, which would allow \$1.5M to be used for either water treatment plant improvements or well development was discussed. The article provided for flexibility in water improvement, according to Joe Domelowicz. Funds could be used for pre-treatment or finding another well. Discussion ensued regarding organics and the need for pre-treatment in an effort not to exceed TTHM thresholds. A new well could be located as a satellite well to the Idlewood II well or another well in the North Coastal Basin.

The revised compensation table based on union agreements was discussed. A clerical error had occurred in the budget. Tim Olson was being paid the proper amount but was categorized in the wrong grade.

The Special Town Meeting schedule was discussed. Warrants needed to be submitted to the printer on September 27th and mailed on October 4th. The Warrant had to be posted fourteen days prior to Town Meeting. The cost of \$800 to \$900 was given by Marisa Batista for the FinCom to send their recommendations separately from the Warrant. The cost did not include printing.

David Wanger emphasized the importance of having the FinCom offer their recommendations to the Selectmen before the printing. Recommendations would need to be made by September 18th.

Discussion regarding Town Building Committee updates.

The topic was previously discussed earlier in the meeting.

Discussion regarding the status of the Green Meadow facility and Community Host Agreement, including discussion regarding SRO/hiring of additional police officer.

David Wanger wanted to ensure that the discussion did not include the merits of having a School Resource Office (SRO). Mr. Wanger recalled that the FinCom had been left out of the discussions of the Host Community Agreement. The topic was discussed and voted on as part of the budget. The Pattons withdrew their permit request and the compensation to the Town was not forthcoming. The compensation was the source of the SRO funding. Had the Schools kept the item in their budget, Hamilton would not be responsible for the full amount. Wenham had not wanted to pay for the officer.

David Wanger referred to the statute that said the SRO was defined as a duly sworn municipal police officer with necessary training or a special officer appoint by the Chief. Mr. Wanger found the provision dis-junctioned. Mr. Wanger continued that the Chief of Police shall assign the SRO subject to appropriation and therefore if no appropriation was available, it would be nullified. Mr. Wanger added that the statute discussed the ability to apply for a waiver for both elementary and secondary schools. Russ Stevens said the superintendent and the Police Chief needed to agree and sign off on the waiver. The statute mandated if the Chief of Police in consultation with the Superintendent had not found not sufficient resources, State Police could get involved. The Chief of Police would consult with the State Police to ensure assignment. Mr. Wanger said the requirement may not be necessary as the fund was no longer available as the language in the Host Community Agreement included the costs to be paid out of proceeds. For FY20, Hamilton would be responsible but the vote was predicated by the assumption of the agreement and anticipated revenue, which was no longer forthcoming. Mr. Wanger read that the Hamilton Town Manager would provide to the Schools the anticipated costs. Mr. Wanger noted that Hamilton was responsible this year but not the following years as there were no funds.

David Wanger said hiring an SRO this year meant that next year the police officer would be laid off. Joe Domelowicz said the Selectmen and the FinCom had voted for the item as it was reasonable to assume the project would go forward. Mr. Domelowicz said an officer could be hired this year and an officer might retire the following year. The Police Chief and the Superintendent had already interviewed candidates. The Wenham FinCom did not approve the item as it was not a broad based need in Wenham. Mr. Wanger cautioned about each department adding \$60,000 to their budgets and the cumulative effect of individual departmental interests.

While Mr. Domelowicz said it had already been budgeted for, Mr. Wanger responded that it would not require expenditure.

The Russ Stevens said in 2007, there were 15 officers and now only 13. The Chief of Police had

the ability to reassign the SRO, according to David Wanger. Chief Stevens said the spirit of the language was written in the event of an emergency but Mr. Wanger responded that was not specified and could be widely interpreted. The Selectmen would be the final arbitrator with the FinCom making recommendations. Joe Domelowicz said he and the Police Chief made decisions about staff as part of the day to day operations of the municipality. Mr. Domelowicz added that resources had been budgeted and were available.

Discussion regarding Town water sources and maintenance.

The topic would be a future meeting discussion.

Discussion of Town Counsel and other litigation costs review.

KP Law and the Town had signed a letter of engagement with some amendments from the FinCom included. A FinCom representative would attend the six month review meeting. Joe Domelowicz said he would provide monthly bills to the FinCom. The six month review time would be a good measure as it would include Town Meeting busy periods and less busy times of year.

Discussion regarding topics/agenda of upcoming joint FinCom meeting with Wenham

Joe Domelowicz would provide notes from the Selectmen. August 28, 2019 was the tentative date but the Capital Committee had requested the date as well. David Wanger would contact the Capital Committee to determine if the date was acceptable to them and reschedule the Wenham FinCom meeting if necessary.

Discussion regarding FinCom vacancies and meeting with potential candidates.

Brad Bradshaw was present. The application process was described. The three year term would be appointed by Bill Bowler, Town Moderator. Joe Domelowicz would update the FinCom page to reflect recent changes in members.

Discussion of FinCom goals and projects for FY20

The FinCom would pursue monitoring the Hamilton Development Corporation, Patton Homestead, and waste issues. The Selectmen had asked to put together a broad based task force to study the waste issue. A member of the FinCom, Selectmen, and general public would be appointed. A public meeting would be held in early September to discuss options available. The Selectmen would make a decision. David Wanger noted the \$600,000 cost was a big budget driver. Joe Domelowicz said "pay as you go" was the most cost effective waste solution. Mr. Domelowicz added that composting was also beneficial as it was heavier than trash and transportation was lower because the facility was in Hamilton. It was suggested that composting and recycling could be collected weekly and trash every other week. Nick Tensen would be the FinCom representative to the task force. Other goals would be discussed at the next meeting.

Committee Member and Liaison Updates.

John Pruellage noted the Planning Board would hold a presentation on Master Plan updates in September. The liaison assignment list was distributed.

Review and approval of available minutes.

Motion made by Nick Tensen to adopt the minutes of June 26, 2019.

Seconded by Christine Schenk-Hargrove.

Vote: Unanimous in favor.

Determine/Discuss agenda or next meeting.

Special Town Meeting article proponents would be invited to the meeting of August 21, 2019.

The Hamilton Development Corporation and Patton Homestead would be covered by liaison assignees until after Special Town Meeting.

Adjournment

John Pruellage made motion to adjourn.

Seconded by Christine Schenk-Hargrove.

Vote: Unanimous to adjourn at 9:32.

Prepared by:



8/23/19