

HAMILTON FINANCE AND ADVISORY COMMITTEE  
Minutes of Meeting  
Via Zoom 88989704592  
Passcode 904691  
December 16, 2020

Members Present: John Pruellage, Christina Schenk-Hargrove, David Wanger, Nicholas Tensen, and Valerie McCormack

Others Present: Marisa Batista (Finance Director) and Jack Lawrence (Capital Committee)

This meeting was called to order by John Pruellage at 6:40 p.m. with a quorum established via Zoom.

Roll Call: Nick Tensen – here, David Wanger – here, Christina Schenk-Hargrove – here, John Pruellage – here and Valerie McCormack was expected to attend shortly.

**Public Comment**

John Pruellage told Jack Lawrence to feel free to comment where he would like.

**Discussion with Peter Britton regarding 550 Highland Street**

John Pruellage reported that Peter Britton would not be at this meeting. David Wanger spoke to Peter Britton in New York this afternoon and they had hoped that Kevin Kaminski would attend but neither will be present. The question that was discussed is what is the town's responsibility for taxes due on the state property inhabited by the Kaminisi's. Town Manager, Joseph Domelowicz had corresponded that there had been an agreement with the town that there would be no reimbursement for taxes paid. There is a 3-paragraph petition that the legislature adopted that states it is improper to impose personal tax obligation on state property. With the help of David Wanger, it was agreed that FinComm would have a moderating role if the situation would be expending money for either tax reimbursement or legal fees.

Marisa Batista commented that before her time, the Assessor's Office contacted the Division of Local Services and they said that there needed to be a tax assessment and that in order to file an abatement all back taxes would need to be paid. FY14 and FY15 were the only years where the taxes were paid. It seems the property continued to be assessed although the taxes were put on hold when the Home Rule Petition that came from a town meeting stated that the Kaminski property would no longer be assessed.

**Discussion with Finance Director regarding any finance-related updates**

A draft FY22 Budget Prep Guidance letter was sent to Department Heads requesting their budget goals be submitted by December 22, 2021. No discussion was held with FinComm prior to the letter being sent out which was problematic especially when increases were being

referenced. John Pruellage agreed to relay the message that next year FinComm should see the draft before it is sent out to be sure that it is consistent with previous FinComm discussions.

### **Discussion regarding upcoming FY2022 budget**

#### **a. Discussion regarding meeting with HWRSD on December 17th**

John Pruellage and Christina Schenk Hargrove will be attending the school meeting tomorrow and David Wanger asked them to obtain information about Op-ed and the June '21 actuarial estimate of \$51 million, the topic of employee salary and complement and lastly, capital expenditures. John Pruellage added special education planning to the list of topics to be discussed.

#### **b. Modifications to budget schedule**

Budget meetings for Department Heads are scheduled for January 11, 2021. Meeting dates for FinComm liaison meetings and FinComm/Board of Selectman joint meetings have not been scheduled yet. Joseph Domelowicz requested that Department Heads submit their capital budgets by December 18, 2021.

John Pruellage and Jack Lawrence agreed that FinComm and the Capital Committee should meet the week of January 11, 2021 after the budget meeting to discuss their findings ahead of the joint meeting in February. John Pruellage requested a breakdown of non-union employees from Marisa Batista before the liaison meetings.

### **Discussion regarding 5 year town forecast**

John Pruellage put Marisa Batista's 5-year town forecast on the screen for comments and discussion. Marisa Batista explained that the forecast had not yet been approved and that the table was meant to be a working document. The spread sheet is showing a 3-year average of the past 3 budgets and does not actually drive the future growth but it is indicative of it. In some cases, like in column J, the average led to the growth factor which was a starting point however, if there is a drop in one year, it is going affect the average and will flow through the future years. This chart was last updated in October so the actual STM articles and capital need to be adjusted. Further discussion on the school budget being one line item is needed. Marisa Batista also explained to FinComm that the new growth and the allowance for abatements were just estimates.

John Pruellage commented that what he would like to do would be to break it into 2 parts. One where there are certain plug numbers, for example real estate valuation, and then have a list of assumptions that will then flow through to other growth factors so that each year the growth factor does not need to be changed and then it will flow through to the rest of the forecast. The second part would be to have the ability to change the growth factor percentage so different scenarios could be run to determine the future year's tax rate.

Questions were raised about the Capital Stabilization and General Stabilization accounts and whether during the town's crisis pandemic situation if it made sense to keep adding to those

accounts. Marisa Batista explained that the budget process needs to be completed before they would know how much money is available. The money could be used to avoid a potential override versus funding the stabilization accounts.

**Committee Member and Liaison Updates**

Nick Tensen shared that the Town Hall Building Committee’s proposal was turned down and that he would be attending the post mortem tomorrow. Nick Tensen will report the findings to FinComm on January 6, 2021.

Christina Schenk-Hargrove reported that upgrades to the Patton Homestead were going to cost about \$25,000 which is less than the original estimate. FinComm’s main concern was that the contract not be legally binding.

John Pruellage and Jim Purdy from Wenham FinComm recently attended the Library Trustees meeting. The meeting was a productive collaboration of the two towns. Estimates are being sought for solar panels for the library and rec center which would impact the cost of the roof replacement that is needed.

**Determine/Discuss agenda for next meeting**

Members agreed to discuss Inc.Ubate concerns at the next meeting on January 6, 2021.

**Review and approval of available minutes**

John Pruellage asked FinComm to hold off on the approving minutes until the next meeting.

**Other topics not reasonably anticipated as determined by the Chair**

FinComm agreed to meet next on January 6, 2021. A change in the meeting time or date will be discussed at that meeting.

**Adjournment**

Motion made by Valerie McCormack to adjourn at 9:45 p.m.

Seconded by Nick Tensen.

Roll Call Vote: Nick Tensen – aye, Valerie McCormack – aye, Christina Schenk-Hargrove – aye and John Pruellage – aye.

Prepared by:



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Ann Schlecht

12/16/2020

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Attest

