

HAMILTON FINANCE AND ADVISORY COMMITTEE

Minutes of Meeting

Via Zoom 82892584696

May 28, 2020

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

Others present: Darcy Dale and Marisa Batista.

This Hamilton Finance and Advisory Committee (FinCom) meeting was called to order at 6:30 pm via Zoom.

Public Comment

Discussion of FY21 budget and fiscal projections, currently contemplated revisions to prior determination and related subject matter.

David Wanger said he heard the School Committee had voted on the cuts associated with State aid reductions. Valerie McCormack said details had not been forthcoming to date. Mr. Wanger responded that the School Committee did not vote on a review of assessments to the Towns. The Selectmen voted to defer their decision based on the outcome of School Committee deliberations in two weeks. According to Darcy Dale, the Selectmen had unanimously agreed to support the Town-side of the budget. A recommendation could be made on Town Meeting floor in the event the School Committee changed their budget request.

David Wanger thanked John Pruellage for assembling the commentary. Mr. Wanger wrote the minority report for Article 2-3, which was sent to Nick Tensen for review. Mr. Wanger had asked Marisa Batista for clarification regarding the tax impact if the Schools' request for the additional 5% was approved. Ms. Batista said the calculation might cause confusion as it was not a simple number as all of the number was not from taxation alone. Ms. Batista said that if the \$603,000 was paid through taxation and all factors associated with Article 2.2 were the same, the tax rate would increase from 17.47 (assuming Article 2.2 passed) to 17.82. Mr. Wanger wanted the information to be included for taxpayer comprehension of what they were voting for in Article 2-3. Ms. Batista said the Warrant had been signed the day of the meeting.

Marisa Batista described the options on how bond premiums were applied. The Town was offered a reduction on the borrowing amount or a credit for debt service to be used at a later date. Ms. Batista said most towns used the reduction of borrowing immediately. Another option was to use the credit for future borrowing. Ms. Batista said the article was not for current borrowing but was a general authorization. Ms. Batista preferred to lower the borrowing immediately.

Members discussed Article 2-2 and the HWRSD spending. Nick Tensen noted that 66% of the School budget was Hamilton's responsibility so the 8.25% increase was \$1.5M for Hamilton. Marisa Batista said the increase would be \$2.3M. Anna Siedziek was not speaking for the

School. District but said the \$2.5M original budget increase that had been approved in February by the School Committee, had been cut \$1.2M due to cuts in State aid. David Wanger questioned how the \$1.274 increase would give Hamilton a \$1.5M increase. John Pruellage said the appropriation revenue had been reduced so the Town would still need to appropriate the funding. Mr. Pruellage added that the Schools' spending stayed the same but if the revenue decreased, the appropriation would increase.

Nick Tensen asked if the Schools reduced their budget with the caveat that if they received funding, it would be included. Ann Siedziek responded that the \$1.2782M cut was not specific but the Schools were waiting for guidance by DESE. The overall budget was cut to reflect the State revenue cut rather than local assessment. Ms. Siedziek said the administration would need to increase hand washing stations, bus runs, food service, and many unknowns in response to the virus.

Members discussed the Patton Homestead budget, \$90,571 of which \$44,500 would be given back to the General Fund for insurance and other employee time. Kaleigh Pare's time had been reduced from 37.5 hours to 25 hours. Previously the budget had been \$118,272.

Discussion regarding ATM, including scheduling, logistics, warrant articles, and related subject matter;

Article 3.1 had not been voted upon previously.

Motion made by John Pruellage to recommend favorably Article 3.1.

Christina Schenk-Hargrove seconded.

Roll call vote: Valerie McCormack – aye, Christina Schenk-Hargrove – aye, John Pruellage – aye, Nick Tensen – aye, and David Wanger – aye. Unanimous in favor.

Article 2.4. David Wanger suggested an itemized text as the Warrant had a specific objective for various projects.

Articles 2.2 and 2.3 were discussed. Marisa Batista noted that numbers listed were not only the Hamilton Wenham Regional School District but North Shore Vocational School as well. It was noted that some of the Schools' budget numbers were still missing. It was agreed that the School Committee had not changed their proposal to date. Christina Schenk-Hargrove wanted to soften the phrase to indicate that some members of the FinCom might change their stance on the article. David Wanger said he would write a minority report. Ann Siedziek said the terminology sounded like the School Committee had been withholding information but they were simply waiting for guidance from the State. Nick Tensen said the FinCom should not worry about how the Schools would reduce their budget. The School Budget was \$32,088,532, which would be apportioned to each town.

David Wanger noted that the Town budget had been reduced by 5.2%, which was reduced from an increase of FY20 of 2.5%. Valerie McCormack said the Schools had cut arts and sports,

which were considered drastic. Marisa Batista said the Town had lost three positions due to retirement positions that would not be refilled. Full time positions had been reduced to 15 hours a week and another position was lost. Ms. McCormack said she was not sure how many positions would be lost in the Schools. Mr. Wanger said it was not within the FinCom's power to determine how the Schools would spend their money. Ms. McCormack wanted to work with the Schools. Mr. Wanger said the FinCom had repeatedly expressed the hope to work together. Christina Schenk-Hargrove noted that communications had improved.

Other Topics not anticipated by the Chairman.

David Wanger and Nick Tensen agreed to remain on the Committee for one year after reviewing Section 2 Article 6.

Next Meeting

The FinCom would meet again on June 2, 2020 at 6:00 via Zoom.

Adjournment

Motion made by Nick Tensen to adjourn at 8:02.

Valerie McCormack seconded.

Roll call vote: Valerie McCormack – aye, Christina Schenk-Hargrove – aye, Nick Tensen – aye, John Pruett – aye, and David Wanger – aye. Unanimous in favor.

Prepared by:

Marcie Ricker

_____ 7/22/2020
Attest Date