

HAMILTON BOARD OF SELECTMEN  
MINUTES OF LEGISLATIVE ROUNDTABLE MEETING

Teleconference

May 5, 2020

Hamilton Selectmen Present:	Chair Jeffrey Hubbard, Shawn Farrell, William Olson, Darcy Dale, and Rosemary Kennedy
Wenham Selectmen Present:	Catherine Harrison, Chair Jack Wilhelm, and John Clemenzi
HW Regional School Committee Present:	Michelle Bailey, Chair David Polito, Peter Wolczik, Michelle Horgan, and Stacey Metternick
Town Manager:	Joe Domelowicz
Wenham Town Administrator:	Anthony Ansaldi
Others Present:	Finance Director Marisa Batista, Interim Superintendent of Schools Dr. Julie Kukenberger, and Assistant Superintendent of Finance and Administrative Vincent Leone

*\* This meeting was conducted via Zoom teleconference with all the above participants remaining in their homes.*

Hamilton Board of Selectmen (BOS) Chair Jeff Hubbard took roll call at approximately 4:18 p.m. The full Board was present. There was a delay from the 4 p.m. start time while waiting for State Representative Brad Hill and State Senator Bruce Tarr to arrive. Wenham BOS did not have a quorum at the start; the sole participating member was Catherine Harrison, although Chair Jack Wilhelm and John Clemenzi arrived later in the meeting. The School Committee had a quorum with four members attending. Per the agenda, no votes were to be taken.

**Joint Roundtable Discussion with the Hamilton BOS, Wenham BOS, and Hamilton Wenham Regional School Committee**

Rep. Hill noted he'd been in close contact with the two towns' and the schools' leaders throughout the crisis [pandemic] and thanked them for their partnership. He said it had been a busy eight weeks. He'd had a conference call with Governor Charlie Baker today about local aid for the current fiscal year. He said the Governor feels strongly that with the Federal help they're receiving, the State will get to the finish line (end of FY'20) without seeing cuts to local aid. However, regarding FY'21, he was concerned. He said \$3 trillion was already spent during this crisis. There is almost \$3.5 billion in the "rainy day account" and a lot of that will be used going into FY'21, so things won't be as bad as they otherwise would have been. He said a revenue drop of between \$2.5 billion to \$3 billion is expected. In light of the education bill passed last year, he and Sen. Tarr want to keep their promise of more education funding, but he didn't think they would see the increases they had hoped for. He discussed various aspects of the phased reopening of the economy planned for May 18.

As things stand, Rep. Hill said Wenham wouldn't be allowed to hold its Town Meeting at the high school because town meetings have to be held within town borders; however, there is a bill proposed that would allow it, which is currently being deliberated on. The House will meet tomorrow from their homes as there were a couple of virus cases at the State House. He added that lottery proceeds had seen a 30% to 40% drop in just eight weeks. Darcy Dale asked for specifics of the remote meeting being held tomorrow, wondering if the public can tune in. He gave details, saying he would be watching the same streaming as the public may watch and said he will be calling in his vote.

School Committee member Michelle Bailey noted Sen. Tarr had joined the meeting. Sen. Tarr said the Senate was continuing to have sessions live-streamed, as was the House. He said there was a shortfall in April that exceeds \$2 billion, but part of that is attributable to the postponement of the due date for income tax payments—a timing issue. To cover the gap, the State needs to do some borrowing, which requires a roll call vote (2/3 majority). Essentially the State will sell bonds and repay them back within a short period of time. He said he feels confident the State can meet its obligations through the end of this fiscal year, but doing so depends on how the process goes. The bill originates with the House and is then sent to the Senate. The next fiscal year, he said, will be much more challenging situation. There is an unemployment rate of about 24% to 26%, which could get even worse in the second quarter. It will be a fairly long time before the State can replenish the stabilization fund, so they must withdraw from it in a careful way, maximizing all the federal reimbursement they can get.

Ms. Harrison asked if they had a sense of what the budget process will look like for FY'21 and when a budget might be available. Rep. Hill said his understanding is that they are waiting to get better numbers. They are looking at possibly just having one budget (combining the House and Senate budgets) and perhaps doing a 1/12 budget; his hope is the House will have a preliminary budget plan in the middle of June with a final in the fall. Sen. Tarr said they started with an estimate in January and now it is almost totally irrelevant. On average, economists have predicted a shortfall of somewhere between \$4

billion to \$5 billion. They hope to work from a singular budget, but there are many permutations being discussed. It may make more sense to take smaller bites rather than trying to project for the whole year.

Ms. Bailey said the Schools don't know what the money from the State will be, but don't seem to have the same option to approve their budget in chunks; she asked for advice. Rep. Hill said the School Committee should move forward expecting to see a cut of about 20% to their local aid. He said his hope was that because of last year's education bill, they won't see that deep a cut, but he wanted them to be prepared. Sen. Tarr discussed that cities and towns are being given an opportunity to do 1/12 budgets and might extend that as it is hard to conduct a whole year's budgeting process.

Ms. Bailey asked (pertaining to Town Meeting) if the Governor was going to allow large gatherings (groups of more than 10). Rep. Hill said some towns have been granted the ability to reduce their quorum requirements. He added towns were looking to hold their town meetings outside. Sen. Tarr said he thought they'd be allowed to reduce their quorums to not lower than 10% and have the meetings in a remote location. He said legislation allowing for that was moving ahead. He said he looked up cuts during the recession of FY'09 and '10 to see what was done. He found that unrestricted general aid (UGA) was reduced by 23.8%, special education was reduced by 42.1%, and transportation for schools was reduced by 30.5%. He said to keep in mind that was for two fiscal years.

Shawn Farrell noted Hamilton's bylaw ties its election to its Town Meeting. He wanted to know what they would do about the election if something happens and they can't hold Town Meeting and have to go to 1/12 budget. Rep. Hill said they'd have to revisit the legislation making its way through now and change some language. He pointed out another piece in the pending legislation gives school districts the ability to pay for services that aren't necessarily rendered in the present time, for example, school transportation, since sometimes it might be advantageous to continue making the payments, although current State law says you can't pay for anything unless you've actually already received the services.

Dr. Kukenberer said pertaining to their collaborative partners, kids are still receiving services and there is not a contracted agreement in place currently. Rep. Hill said they were trying to provide some relief and appreciated her making that point.

Ms. Harrison asked about Wenham's election date and noted the overrides and debt exclusion articles are on the ballot and it wouldn't be good to have them separated too far from each other.

Sen. Tarr reminded the panelists things can't be allowed to change [reopen] until health indicators are moving in the right direction, which may go past the May 18 timeframe. Ms. Harrison said she was proud of the administration for holding on to the health guidelines and thought it prudent.

Ms. Bailey asked if they should apply the 20% reduction figures to transportation and circuit breaker reimbursement. Rep. Hill said they should use 20% as the round figure, but was hoping things would come in better than that. He said they will know better in July. Ms. Bailey said if extra money comes in, they can't spend it if it isn't budgeted. She asked if they held a Special Town Meeting, could they use that money. He said he thought yes. Mr. Ansaldi agreed. He said they were holding off on capital items until fall Town Meeting. There was a discussion about holding off on warrant articles that weren't of the highest priority. Sen. Tarr said if they were fortunate enough to have a change in situation and if there were more revenue than predicted, he and Rep. Hill would make a commitment to return those funds to the communities.

School Committee Chair David Polito asked about "low hanging fruit," such as the fact that marijuana dispensaries aren't open now while liquor stores are. He said the State is missing out on that revenue. Also, it was noted that golf courses aren't open and many people want them to reopen. Mr. Polito and the public were advised to go to the link on Mass.gov and send in their testimonies so the State could hear these opinions.

Mr. Hubbard asked about the CPA [Community Preservation Act] funds situation, which he gathered was grim. Sen. Tarr said no aspect of the State budget is left untouched; it's just a matter of degree. He said CPA funds come from recording fees at the registry, and that presents an element of volatility. Boston joining the CPA relatively recently has resulted in less reimbursement money available in the pool for other cities and towns. He said they had added a line item after the fact to put some more money into it because it is such a successful program.

School Committee member Stacey Metternick asked if there would be a spending freeze at the MSBA [Massachusetts School Building Authority]. Rep. Hill said his concern is that the drop in sales tax revenue would result in a drop in funds given to the MSBA. He said it was a good conversation they needed to have.

Ms. Bailey said before everything happened [COVID-19 virus], the Schools already had approved budgets, but now are needing to revisit that. She said it sounded like the guidance was to expect 20% less in State aid. Rep. Hill confirmed anyone doing budgeting was going back and revisiting, as they are also doing at the State level.

Interim School Superintendent Dr. Julie Kukenberger asked if there was value in having a 1/12 budget and looking toward the fall for holding the Town Meeting. Ms. Dale said from what she understood about the 1/12 budget, not all payments come due equally and Hamilton had been trying to head that complication/problem off. Town Manager Joe Domelowicz said Hamilton gets most of its revenues from property tax revenue and not from the State, so there was something to be said for giving it [the budget] their best guess and moving ahead.

Ms. Bailey said the picture of what education looks like will change and they don't even know what it will look like. She said towns pay their assessments monthly, but perhaps in July and August the assessment could be reduced some and then made up when they do

know what their budget is. Dr. Kukenberger said they definitely need direction. They were already looking at a 20% reduction in Chapter 70 funds and have responsibility to notify staff as to whether or not they have employment. Cutting \$800K equals cutting about 10 teachers, she pointed out.

Assistant Superintendent of Finance and Administrative Vincent Leone said he wanted to confirm what percentage would be cut from the circuit breaker. Rep. Hill said he would look at a 20% cut [of what they are getting for 2020] across the board. He was wanting to be optimistic because of what they did last year for education, but wanted them to be prepared. He said he'd rather have them deal with a windfall than a greater loss than expected.

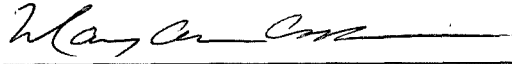
Ms. Harrison said the School Committee and two towns needed brainstorm to gain clear understanding of their situations. Mr. Hubbard agreed and asked Dr. Kukenberger if she could work out a schedule to touch base. Dr. Kukenberger said she would and suggested the Finance and Advisory Committees join them. Ms. Bailey thanked Rep. Hill and Sen. Tarr for their time and for their work over these last eight weeks.

### **Adjournment**

Ms. Dale made motion to adjourn for the BOS at 5:20 p.m. Ms. Farrell seconded the motion. A roll call vote was taken with "ayes" from Mr. Farrell, Ms. Dale, Rosemary Kennedy, William Olson, and Mr. Hubbard, (5-0) unanimous.

Ms. Bailey made a motion to adjourn for the School Committee. Michelle Horgan seconded the motion. A roll call vote was taken with "ayes" from Peter Wolczik, Ms. Bailey, Ms. Metternick, and Mr. Polito, (4-0) unanimous among those present.

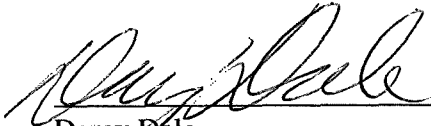
Prepared by:



Mary Alice Cookson  
Minutes Secretary

7-15-2020  
Date

Attest:



Darcy Dale  
Board of Selectmen Clerk

7-15-2020  
Date