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**TOWN OF HAMILTON
FINANCE AND ADVISORY COMMITTEE
Minutes of Meeting
October 20, 2021
Council on Aging Building
299 Bay Road, Hamilton, MA
6:30 pm**

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

Call to Order

This FinCom meeting was called to order by Christina Schenk-Hargrove at 6:30 pm with a quorum established.

Public Comment

Discussion of any Finance Related Updates with the Town Manager and/or Finance Director.

Alex Magee was unable to attend. Members discussed that the updated revenue numbers were correct and included details of from where funds had been derived. While members did not have time to review the document in detail, the 3% over budget was a positive, especially considering that \$300,000 had not yet been collected. Revenues had been above what had been estimated. Meal tax had decreased, due to the pandemic. Members noted that the revenue generated from State owned land was interesting. Conservation Commission revenue was 500% more than expected. It was noted that when shared programs with Wenham were paid (by Wenham) the amount was recorded as revenue. At the next meeting, members would review the document line by line.

The Budget calendar had previously been highlighted by Alex Magee. Instructions to department heads would be issued in the end of October/beginning of November. Joe Domelowicz would be asked to send the instructions to the FinCom for their review. Manpower sheets would be completed. The budget would be inputted into MUNIS on November 19th. Capital requests were due on November 4th. Department budget reviews, which involved the FinCom, would be conducted between November 30th and December 2nd. Members discussed the process and the level of detail that the FinCom scrutinized departmental budgets. Mr. Domelowicz or Alex Magee would need to attend the FinCom meetings when the budget was discussed.

Christina Schenk-Hargrove recalled the tri-board (five chairs) meeting, noting that the Schools were being very accommodating and generous with meetings and willingness to give updates. The Superintendent would present the School Budget to the School Committee on December 15, 2021. Ms. Schenk-Hargrove said she had introduced the concept of the Forecast Model to the members of the meeting. Another meeting with Town presentations was scheduled for

November 10, 2021. Other tri-board meetings were scheduled for December 8, 2021 and January 13, 2022.

Members wondered how much Excess and Deficiency had accumulated since aid was better than projected. Members agreed that it would be helpful if the Superintendent and School Finance Director could attend a FinCom meeting as was done last year. Christina Schenk-Hargrove said at the last tri-board meeting, she had asked how past decisions, such as the investment into special education, had resulted. John Pruellage wanted to know if enrollment had bounced back. At the tri-board meeting, the School Finance Director had noted that personnel costs were a big issue as contracts had not been completed last year when the budget was set. The 1% increase from last year, might require more than a 2% increase in personnel cost in the FY23 budget. The increase was not enough to cover actual costs. The three-year contracts controlled a large portion of the School budget.

The American Rescue Plan Act fund of \$2.4M had not been committed. The Town Manager had produced a spreadsheet of potential projects that could use the money. The Town Manager had reportedly submitted the spreadsheet as part of his report at the end of the Select Board meeting. Members discussed that determining which financial policy would define who would decide how the money was spent and which items would be appropriate should be defined.

Forecasting Model Update and Action Steps.

John Pruellage said Alex Magee had found an item on the debt exclusion that would be discussed. The schedule for a roll out would be the next step.

Status of Legal Services Invoices.

In an effort to determine if the retainer had been set at an appropriate level, John McGrath had reviewed the invoices and turned the information into Excel spreadsheets. Members noted that it appeared the agreement had worked well. The contract would need to be reviewed to determine if items that had been categorized as non-retainer should have been included in the retainer. The average hourly rate was \$230. The non-retainer hourly rate was \$200. The previous Town attorney hourly rate was unknown. There might be several rates in the contract. Christina Schenk-Hargrove thought the amounts were reasonable.

Members questioned the three invoices included in the June retainer. Invoices had been submitted on June 11, June 18, and June 30, 2021. Joe Domelowicz or Alex Magee would be asked about the reasoning. Another month included a higher retainer amount and July did not have a retainer amount. The retainer per month was \$6,500 or \$78,000 over twelve months for a total of \$122,000. The retainer had been \$7,500 per month and had been reduced to \$6,500. Members agreed that it was Mr. Domelowicz' responsibility to review the invoices but if invoices were sent to the FinCom periodically, they could be put into a model to be used at the next contract negotiation period. John McGrath would review outside council information as well.

School Budget

The topic had been covered in a previous discussion.

Special Town Meeting Script

Nick Tensen would move and discuss article 2-1. John Pruellage would move and discuss article 2-2. Members discussed the passage of 2-2 at Annual Town Meeting and how the appropriated money needed to be rectified. Members agreed not to speak in regard to the Highland St. property and hoped the discussion would present a neutral tone. Members agreed that they needed to be well versed on all articles to ensure that articles were presented and defended properly.

Patton Homestead

Joe would be invited to the next meeting to discuss the property. The property was a budget item and there was a profit and loss statement that should be discussed. An agreement with shared workspace (Incubate) outlined that the Town would share in the entity's profit. Incubate had only been operational since June or July 2021. The original two-year contract was very general regarding expenses but had been improved upon. Investment was included by Incubate. This was the first concrete revenue generating contract for the property. Incubate had the ability to leave the contract but the Town did not. The Town did have the ability to sell the property. If sold, 50% of the proceeds would go back to the Patton family. The Town already sold a portion of the property; the proceeds of which funded fields and the property itself. The FinCom was supportive of the land acceptance. Members would discuss the profit and loss statement at the next meeting.

Liaison updates.

Nick Tensen reported that he had met with Tim Olson (DPW Director). Mr. Olson had found developing a mandatory composting program to be time consuming and was concerned with the blue bag program. The potential lack of enforcement when trash was picked up, resulted in the lack of blue bag purchases, which resulted in a reduction of revenue. The mandatory compost program allowed for weekly trash pickup, which also may have resulted in less need to purchase blue bags. Members agreed that rules and expectations should be publicized.

Nick Tensen reported that the cell tower should be energized within the next couple of weeks. After the transformer was energized, Verizon would do the connection but it had been reported that Verizon might be months behind.

Nick Tensen reported on the water pipe replacement project (Phase IV), which was coming to a conclusion. Small streets were proportionally more expensive to replace than entire neighborhoods. Mr. Tensen thought the multi-decade projects should be staggered with capital being built up each year to fund them. Even though a long range view might be helpful, nothing was scheduled for the future. The project manager for the water infiltration system (\$2.7M) would start in six months. The project, which was on the CapCom plan, should be completed in one year.

Nick Tensen discussed the fuel tank situation, which was currently shared with Wenham at their facility. The old underground tanks could be brought back online or new above ground tanks (\$450,000) could be installed. Mr. Tensen hoped that the DPW would consider using an in-town fuel station by possibly changing local By-laws to allow 24 hour service. Mr. Domelowicz and Mr. Olson would discuss the potential of options.

Christina Schenk-Hargrove reported that Carin Kale (Town Clerk) had announced at the recent Select Board meeting that the Town, which had a reduced population of 7,561, would be reducing their precincts from three to two. Time and money savings would be experienced due to a need for fewer workers, machines, and required alternative polling locations. The reduction of population was due to the reduction of students (275) at Gordon College. The general Town population increased but not enough to offset the decrease from the reduction of students.

Christina Schenk-Hargrove said the Select Board would create a clean policy for events happening at the Patton Homestead.

Review and Approval of Available Minutes

Motion made by John Pruellage to adopt the minutes of September 22, 2021 as amended.

Seconded by John McGrath.

Vote: Unanimous in favor

Motion made by John Pruellage to adopt the minutes of October 6, 2021 as amended.

Seconded by Nick Tensen.

Vote: Unanimous among voting members. John McGrath abstained due to absence. (3:0:1).

Determine/Discuss Agenda for Next Meeting

The budget would consume a great deal of time in the upcoming meetings. Legal invoices and other items would remain in the agenda.

Adjournment

Motion made by Nick Tensen to adjourn at 9:01 pm.

Seconded by John Pruellage.

Vote: Unanimous in favor.

Documents reviewed

Legal invoice spreadsheet.

Respectfully submitted as approved at the November 3, 2021 meeting.

Marcie Ricker

Approved.

N. TENSEN
11/9/21
NICHOLAS TENSEN