

Advisory Committee Meeting Minutes

Date: February 9, 2021

Place: Remote Meeting via Zoom

In attendance: Committee Members Bob Curley, Julie Strehle, Andy McElaney, Evan Sheehan, Dave Anderson, Davalene Cooper, Kristin Dziergowski, Victor Baltera, Tina Sherwood, Libby Claypoole, Alan Macdonald, Brenda Black, Eryn Kelley, Nancy MacDonald, George Danis and Town Accountant Sue Nickerson.

Absent: No one

1. Call meeting to order: The AdCom joined the Board of Selectmen (BOS) and the School Committee (SC) for a discussion of the Town Financial Forecast and a review of the second quarter results under the FY 21 Financial Management Plan adopted at the 2020 All Town Meeting. BOS Chair Mary Power called the BOS meeting to order at 7:00 pm and read the following statement:

“This meeting is being held remotely as an alternate means of public access pursuant to an Order issued by the Governor of Massachusetts dated March 12, 2020 Suspending Certain Provisions of the Open Meeting Law. You are hereby advised that this meeting and all communications during this meeting may be recorded by the Town of Hingham in accordance with the Open Meeting Law. If any participant wishes to record this meeting, please notify the Chairman at the start of the meeting in accordance with M.G.L. c. 30A, § 20(f) so that the chair may inform all other participants of said recording.”

Chair Curley called the AdCom to order at 7:02 pm and adopted the statement read by BOS Chair Power.

Agenda items Board of Selectmen:

- **FY 21 Financial Management Plan: Quarter 2 Financial Review:** Town Administrator Tom Mayo stated that the Q2 report shows a projected surplus of \$1.2 million dollars. He further noted that potential FEMA reimbursements for COVID-19 expenses could increase the surplus to \$2.0 million. This surplus means the Town could return \$1.3 million dollars to Fund Balance, thereby reducing the amount of Fund Balance used to balance the FY 21 budget from the previously allocated \$3.3 million to \$2.0 million. If the FEMA reimbursement is received the Town could return \$2.0 million to Fund Balance.

Mr. Mayo stated that, on the revenue side, the FY 21 tax receipts are on target and that the State has committed to fully fund local aid as part of the State FY 21 budget. These positive results are partially offset by lower revenue from motor vehicle excise taxes, meals tax receipts, ambulance fees, and investment income. Mr. Mayo added that expenses were on target and that the Town is still in Tier 1 of the Financial Management Plan. Mr. Mayo noted that the schools are currently showing a \$2.2 million dollar shortfall due primarily to COVID-19 related expenses and that the Town expects to be reimbursed for most of these expenses. John Ferris, School Business Manager, stated that after reimbursement he expects a shortfall of several hundred thousand dollars which is very manageable within the overall school budget.

Mr. Mayo then provided an update on the Town's reimbursements under the CARES ACT. The Town has been allocated \$3.6 million dollars for COVID-19 related expenses and has so far submitted requests totaling \$2.2 million. He further noted the deadline for submitting requests for reimbursement has been extended to December 31, 2021 and that he fully expects that the Town will have sufficient expenses to claim its entire allocation.

AdCom member Victor Baltera asked Mr. Mayo about the status of capital and personnel spending that had been deferred during Q1 of the Financial Management Plan. Mr. Mayo stated that, based on Q1 results, some of the open positions have been filled and the Town is actively trying to fill the remainder. Capital spending has also occurred although the Town may defer purchases if deferring them will not adversely affect the operation of the Town or the safety of its workforce or residents.

- Preliminary FY 22 Financial Forecast: Mr. Mayo presented the Forecast which presents actual results for FY 20, estimated FY 21 results and a forecast for FY 22 through and including FY 26. He focused on FY 22 and noted that revenues are projected to be \$129.8 million while expenses are forecast at \$136.9 million, resulting in a deficit of \$7.1 million. Mr. Mayo stressed that this forecast will change over time as more information becomes available but that the Town will be looking at a deficit that will need to be addressed.

Mr. Mayo stated that, in the past, the Town has levied \$500,000 less than allowed but this year will tax the full levy. The additional \$500,000 is being used to fund the means tested senior citizen tax abatement program passed at the 2019 Annual Town Meeting. This amount will be added to the Overlay account. Mr. Mayo noted that, in addition to the levy, State aid will be fully funded with shortfalls expected in excise taxes, meals tax, ambulance fees and investment income.

Following Mr. Mayo’s presentation there was a discussion of the possibility of an override and the impact on an average homeowner’s tax bill, a discussion on the possibility of increasing new growth and investment income receipts, and the adoption of a tiered tax rate with one rate for commercial property and another for residential. Ms. Power stated that an override of \$1.0 million dollars would increase an average homeowner’s annual tax bill by \$116 forever. Mr. Mayo stated that new growth has slowed during the pandemic so additional revenue from this source could not be anticipated. Additionally, Town Accountant Sue Nickerson stated that State Law restricts municipal investment to low risk options.

AdCom Chair Curley stated that Fund Balance should not be used for recurring expenses and that the Town needed to find a way to equalize revenues and expenses. Committee member Evan Sheehan noted that the forecast regularly underestimates the school budget by using an annual increase of 2% whereas the actual rate of growth is closer to 4.5%.

3. 2021 Annual Town Meeting Warrant Article Discussion: AdCom Chair Curley presented Article S which makes changes to Article 14 of the Town of Hingham General By-laws: Advisory Committee. Mr. Curley noted that this Article seeks to change the existing by-law as follows:

- Section 2: Fix the start date of a member term as either the first day of a fiscal year if a member is appointed prior to the start of a new fiscal year or the date of appointment if a member is appointed after the start of a fiscal year;
- Section 3: Update the requirement for posting meeting notices to that required under the Open Meeting Law Statute;
- Section 5: Adopt gender neutral language throughout the By-law.

The AdCom recessed at 8:35 pm and reconvened at 8:40 pm to address additional items on its agenda.

4. AdCom agenda: Budget Hearings:

c. Health Imperatives: Nancy MacDonald presented this budget and recommended the following amounts:

Category	FY 22 budget request	\$ change to FY 21	% change
Salaries	0	-	-
Expenses	\$2,700	-	-
Total	\$2,700	-	-

Ms. MacDonald noted the amount in the budget is the amount requested by Health Imperatives, a non-profit located in Brockton, MA. Ms. MacDonald noted that Health Imperatives offers Violence Intervention and Prevention programs in Hingham and throughout Southeastern Massachusetts. In response to a question about increasing the size of the grant Ms. MacDonald referred to the request letter from Health Imperatives, stated that this grant is consistent with Hingham’s historical contribution amount and felt we should honor the request letter.

d. South Shore Women’s Center: Nancy MacDonald presented this budget and recommended the following amounts:

Category	FY 22 budget request	\$ change to FY 21	% change
Salary	0	-	-
Expense	\$3,700	-	-
Total	\$3,700	-	-

Ms. McDonald noted that the amount in the budget is the amount requested by South Shore Resource and Advocacy Center, a non-profit located in Plymouth, MA. Ms. MacDonald noted that the Center provides emergency crisis intervention support along with counseling and educational programs throughout Southeast Massachusetts, including Hingham.

e. Recreation Commission: Dave Anderson presented this budget. Director of Recreation Mark Thorell requested, and Mr. Anderson recommended the following amounts:

Category	FY 22 budget request	\$ change to FY 21	% change
Salaries	\$108,096	-	-
Expenses	0	-	-
Total	\$108,096	-	-

Mr. Anderson noted that this budget is flat to FY 21 and that the only expense in the budget is for the salary of the Director. All other Recreation Department costs, which include staff and program expenses, are paid for by program fees. In FY 20, the Department had net revenue of \$1.3 million, payroll costs of \$563 thousand, program expenses of \$658 thousand and an excess of \$100 thousand dollars. Mr. Anderson also noted that the budget includes additional spending of \$241,180 for the fields’ management program (below). Chair Curley inquired whether part of the excess could be used to offset the Director’s salary. The excess varies from year to year and is usually lower. It was not deemed feasible to provide for such an offset.

Director of Recreation Mark Thorell stated that the mission of the Department is to assist all residents in enhancing their physical, social, and emotional wellbeing. The Department, prior to COVID-19 offered over 200 self-funded programs and generated over \$1.3 million dollars annually.

COVID-19 significantly affected the Department by forcing the cancellation of many in-person programs. The Department was able to offer ZOOM classes in some cases and was able to offer a modified summer program.

A key initiative of the Department is to act upon the recently completed study of Town fields by Weston and Sampson. The Department has requested \$381,180 (offset by \$140,000 in user fees for a net of \$241,180) to develop and implement a broad based field management program for all the fields, regardless of jurisdiction, in Town.

5. Review and approval of Meeting Minutes from February 2nd: Minutes were approved, with revisions, by a roll call vote of 13-0-0 (Libby Claypoole was absent during the vote).

4. Budget Hearings- resumed discussion of agenda item 4:

a. Town Hall: Brenda Black presented this budget. Assistant Town Administrator Michelle Monsegur requested, and Ms. Black recommended the following amounts:

Category	FY 22 budget request	\$ change to FY 21	% change
Salaries	\$257,966	(\$3,353)	(1.3%)
Expenses	\$452,667	(\$1,135)	(0.3%)
Total	\$710,633	(\$4,488)	(0.6%)

Ms. Monsegur noted that Salaries were down slightly as the elimination of the part time lunchroom staff was partially offset by an increase in the custodian staff expense. Expenses decreased due to a reduction in food and lunchroom costs as this area was closed due to COVID-19. Offsetting this reduction were increases in building repairs and maintenance, expenses related to 335 Lincoln Street and COVID-19 related telephone expense.

Ms. Monsegur stated that COVID-19, in addition to forcing the closing of the lunchroom, impacted Town Hall by reducing in-person meetings and gatherings and resulting in enhanced safety precautions. Staff were required to work remotely initially before returning on a hybrid basis.

b. Town Meeting: Brenda Black presented this budget. Assistant Town Administrator Michelle Monsegur requested, and Ms. Black recommended the following amounts:

Category	FY 22 budget request	\$ change to FY 21	% change
Salaries	\$2,692	-	-
Expenses	\$40,750	\$5,250	14.8%
Total	\$43,442	\$5,250	13.7%

Ms. Monsegur noted that Salaries are flat to FY 21 and that Expenses increased due to increased leasing/equipment rental costs and the transfer of expenses for the Town Meeting stenographer from the Town Clerk's budget to the Town Meeting budget.

f. Selectmen: Andy McElaney presented this budget. Town Administrator Tom Mayo requested, and Mr. McElaney recommended, the following amounts:

Category	FY 22 budget request	\$ change to FY 21	% change
Salaries	\$493,753	\$10,052	2.1%
Expenses	\$83,590	\$10,550	14.4%
Total	\$577,342	\$20,602	3.7%

Mr. McElaney noted that Salary expenses increased due to step increases and the higher than planned starting salary for the Procurement Manager. Expenses increased due to the transfer of certain expenses from the "unclassified" budget to the Selectmen's budget. These expenses are for the Town Report, Caretaker of Clocks, Repair of Clocks, and Plymouth County Extension Services accounts.

Town Administrator Tom Mayo noted that the budget includes an additional spending request for \$35,000 in consulting services. This request is to provide professional communications support to the Town's strategic and public outreach efforts.

g. Legal: Andy McElaney presented this budget. Town Administrator Tom Mayo requested, and Mr. McElaney recommended the following amount:

Category	FY 22 budget request	\$ change to FY 21	% change
Legal Services	\$257,000	-	-

Mr. McElaney noted that the budget request is flat to FY 21 but that historical spending reflects the fact that this budget has a significant structural deficit. He further noted that Mr. Mayo has requested additional spending in the amount of \$25,000 in an attempt to begin to address this deficit.

6. Warrant Articles Update: Chair Curley noted that proposed Article BBB has been withdrawn and that the proposed Article to recognize Town volunteers has been forwarded to the Attorney General's office for review since it seeks to change the Town by-laws. Chair Curley further stated that Article 4 will include the results of the Wage

Classification Plan which benchmarked Town salaries for certain positions. This process will result in equity salary adjustments to certain positions.

7. Liaison Reports:

- Eryn Kelley noted that the proposed site plan review Article from the Planning Board was being withdrawn for this year;
- Victor Baltera noted that proposed Article CCC is under discussion and might be withdrawn. The Accessory Dwelling Unit by-law changes are also still being discussed with no recommendation reached. The Planning Board continued the hearing on the remaining three possible Articles to February 22nd.

8. Housekeeping:

- a. Meeting Times: Chair Curley noted that the next AdCom meeting would be on February 11. This meeting would start as a joint Board of Selectmen/AdCom meeting to hear a Community Preservation Committee presentation. The AdCom would then not meet again until February 23rd;
- b. Policies and Procedures update: No update;
- c. Town Meeting and Related Deadlines:
 - Chair Curley noted that the BOS expects to hear all Warrant Articles by early March and that the AdCom should finish reviewing them by the end of March in order to comply with the March 29th deadline for the Warrant;
 - Town Counsel is reviewing the timeline for a possible override;
 - Annual Town Meeting is still being planned for May 8th (rain dates May 15th or 16th) and that a possible election date would be May 22nd but that this requires legislative action.
- d. Other: Julie Strehle noted that the Community Preservation Committee liaison group was finalizing a draft comment which will be distributed to the AdCom prior to the February 11th joint meeting with the Board of Selectmen.

9. Items not anticipated within 48 hours: None

10. Adjourn: Motion to adjourn at 10:24 pm by roll call vote of 13-0-0 (Libby Claypoole was absent during the vote)

Respectfully submitted,

George Danis, Secretary

List of Documents Distributed for this Meeting:

- Agenda
- Warrant Articles

- Budget Books
- Meeting Minutes from February 2, 2021