Finance Committee

TOWN OF HALIFAX

499 Plymouth Street

Halifax, MA 02338

**Meeting Minutes**

**Monday , November 15, 2021**

**Committee Members Present**: Tom Connolly, Michael Bennett, Michael O’Brien, Jon Schmaling, Cheryll Zarella Burke and Todd Dargie

Also, in attendance in the audience were: Sandy Nolan, Charlie Seelig, Chief Chaves, Ashley Disesa, Brian Kling and one other unidentified caller

**Tom called the meeting to order at 6:03pm**

**Tom entertained a motion to accept the minutes of 11/8/21**

Motion: Michael Bennet

Second: Todd Dargie

**AIF (Cheryll abstained because she was not present at the prior meeting)**

Tom Connolly said he wanted to take a minute to thank Charlie Seelig for his many contributions to the Town of Halifax as a whole and especially for his outstanding guidance to the Finance Committee. Tom said he could not have done so well with the Committee without the input from Charlie. He said Charlie would be sorely missed. Charlie thanked Tom for his kind words and said he had appreciated working with the Finance Committee, and he hoped they would continue to work hard and also use Sandy as a source for numbers. He said he would try and put together more information before he left in a few days.

**Tom entertained a motion to approve the Reserve Fund Transfer Request in the amount of $11,000 for the New Town Administrator Recruitment costs.**

Motion: Michael Bennett

Second: Jon Schmaling

**AIF**

Todd asked if we are trying to get an interim Town Administrator on deck or are we just skipping right to trying to find a Town Administrator. Charlie said that the RFT was for the company of Paradigm, and they will provide some suggestions on Interim Town Admins who might be available. He hopes they will hire someone soon after that. Todd asked if the request for $11,000 included the salary of the interim town administrator. Charlie said it would not. Tom asked if the salary of the interim would qualify under and RFT as unforeseen. Charlie said the salary may have to come as a line-item transfer later in the year. However, the salary might be greater and then they would need more money and must deal with that as it came up.

Jon asked what the major need was for an outside firm to do the search. He was wondering if we should wait and see who applies first. Charlie said the firm is well regarded and is the way most towns go at this point. Charlie said they know the players in the game, and they will write the advertising for the job etc. Sandy said because of the caliber of the job the Town would want to hire a company to do it, just like they do for the Police Chief or the Fire Chief. Tom said the employment market is such now, that you need to hire a company to do this. Everyone is fighting for a limited number of candidates. Michael Bennett mentioned that the outline would also be about getting information and then vetting and recruitment. Cheryll mentioned that if we had an HR department we wouldn’t have to go through the whole process because they could give more input. Charlie said HR would give a lot of input, however we don’t have one. Cheryll asked if the Fin Com could be part of the process of meeting with potential candidates. Charlie said he thought that was a good idea. Linda added that Hanson has found that hiring a firm is the way to go when hiring a town administrator. Hanson has been through quite a few and used different processes and this was what worked best.

Tom asked Charlie about the 1% COLA to match the unions (per Charlie’s email). Tom said his company is working on the FY23 wage analysis data. Tom said in regard to the FY22 and the 1% in made sense to make sure and make the Wage and Personnel people match to the unions insce the unions had already received the 1%. Charlie said the 1% would have to be voted in May. Fin Com would need to propose it for the January public hearing with the Selectmen and then vote the change in May. Charlie said it could be changed at the special town meeting in May. Charlie said all the unions except the highway have already received it. The Highway would need to be voted in May also. Then during the May Annual Town Meeting, you could vote the FY23 wages. Everyone agreed they would wait and propose this for the annual public hearing in January.

Tom asked Charlie about his email about Juneteenth. Charlie said it was declared a holiday by the State in June 2021. The state didn’t mandate that towns pay it. Currently offices will be closed on Juneteenth 2022. He said the unions will put pressure on the BOS to make it a paid holiday like all other State holidays. Charlie wants Wage and Personnel employees to get the same holiday benefit as the unions, so this too should be on the January public hearing. Tom asked if employees under the FLSA suffered a reduction in pay the last year. Charlie said hourly didn’t suffer because it was a Saturday in June 2021. Both Chiefs contracts said holiday is not counted. Tom asked currently how many holidays the town employees are paid for. Charlie said he believed it was 12 including the half holidays. Juneteenth would make 13 paid holidays.

Charlie brought up the discussion of setting a wage rate for a recording secretary if the BOS hire one. He said Pam McSherry is already got a lot on her plate and may have even more now that he is leaving. Charlie said the BOS want a per hour basis recording secretary. It could be Grade 2 step 1 or Grade 4 step 1. Charlie said if the Fin com and BOS agree, they can set a temporary wage rate until the next annual town meeting. Tom asked how Fin Com facilitates this. Charlie said the BOS may make a vote on the 22nd or 23rd if Fin Com votes for it tonight.

**Tom entertained a motion to concur with the BOS to authorize the setting of a temporary wage rate for a recording secretary to between Grade 2 step 1 and Grade 4 step 1.**

Motion: Michael Bennett

Second: Cheryll

**AIF**

Tom asked about the police matron rate email. Charlie said he wanted it regularized. He thinks it best to have everyone paid the same rate for mall matrons doing the same job. If there is a problem getting applicants the raise the rate in general. Charlie said the BOS and the Fin Com can work out what they think the rate should be. Sandy said the outlier is the police admin assistant. She already works 40 hours so if she did a matron detail, she has to be paid time and a half but she would be the exception. Sandy said you don’t want to set the rate around her because then you would have to pay the matrons $30+ per hour. She said the dog officer would also have a rate of $26.50 if she was full time, but she isn’t yet. Sandy said it is best to set a flat rate but consider everything. Tom asked Linda to add Chief Chaves to the next agenda to get his opinion on this matter.

Charlie and Sandy mentioned that originally, he suggested that at the Town meeting someone could call for reconsideration of Article 4 in order to handle putting any leftover money into the Retirement assessment versus Stabilization if necessary. Sandy said it was better to do a separate article so that it doesn’t look to people as if something is trying to be snuck in. Charlie said that putting the money towards the retirement assessment which will climb for the next several years, was a smart idea. Why not take advantage of the good returns on investment. Tom asked if there was any fiduciary responsibility if the funds didn’t do well. Charlie said no. He said the assessment is closing in on 1.4 million dollars each year. Charlie said we would be ahead of the game if we put the money remaining from town meeting into the retirement instead of the stabilization. Charlie said the Fin Com should consider the article for the annual town meeting.

There was no other correspondence.

Public participation: Charlie said the financial outlook for the town for 5 years is not great. We will be living off the property tax mostly. Charlie said the amount is sizable, however we are not seeing increases in Chapter 70 funds as we used to. Local receipts will be steady. Excise will likely not go up because of shortages in new cars. The ambulance receipts have also leveled off. He said retirement will increase by 8% over the next decade. He said the Charter school costs are going up. He said the big headache for the town is going to be the Silver Lake Assessment. He said it will be going up continually 2% if charter schools keep increasing, we will get his with an assessment population of 30% 10/1/20, to 30.8% for 10/1/21 in 10/1/22 it will be 30.9% projection and 10/1/23 projection is 32.3% increase in student population. We are going to get hit badly with a 4.5% overall assessment increase from Silver Lake. He said FY25 is going to really hit us for Silver Lake. He said right now for FY23 we have about $263,000 under the levy before any across the board raises. He aid eventually we would be running a deficit. He said that trying to keep $300,000 under the levy is going to become impossible. He said inflation is a small problem in the big picture. He said he thinks there will be a huge amount of tension between Proposition 2 and a half and inflation at 5-6%. Unions will fight for a COLA that matches inflation to be fair to employees.

Tom asked if those school numbers were static demography. Charlie said yes, using the current student population and advancing them through grades. Tom asked if it is a revenue problem we are facing or an expense issue. He said he wanted to know if the limited commercial development is hurting us in Halifax. Charlie said we would need a larger tax base than from businesses. He said changing the view on businesses in town might help a bit. Tom asked If the marijuana revenue stream would be material. Charlie said it will be volatile revenue at first while we try to figure out realistically how much revenue marijuana will generate regularly. He believes the community impact fee will eventually disappear. He said the biggest problem for Halifax is it’s distance from the highways.

Tom asked about cell towers and solar farms for revenue. Charlie said we already get $50-50K in general revenue for cell towns on the water towner. If new solar farms com in they will pay the normal property tax rate. It is up to the developer to come to town, but no one is knocking on the door.

Jon said Zoning bylaw review subcommittee has started and he waned to know if fin com members have any information, they would like sent back to that committee.

Charlie said he will leave some financial assumptions before he leaves, but Fin Com will have to work the budget from there.

Calendar: Tom asked about meeting on 11/22 since there was no new information and it was a holiday week. All agreed not to meet. Cheryll asked about meeting in person. Tom said maybe some kind of combination would work out eventually due to schedules.

**Tom entertained a motion to adjourn at 7:15pm**

Motion: Michael Bennett

Second: Cheryll

**AIF**

Respectfully submitted,

Linda Cole, Secretary \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Michael Bennett, Clerk