Finance Committee

TOWN OF HALIFAX

499 Plymouth Street

Halifax, MA 02338

**Meeting Minutes**

**Monday , April 25, 2022**

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

Also, in attendance in the audience were: Cesar Calouro, Sandy Nolan, Chief Chaves, Barbara Gaynor Toni Ross, Ashley Dieses and Sue Lawless

**Tom called the meeting to order at 6:00pm**

**Tom entertained a motion to accept the minutes of 4/4/22**

Motion: Cheryll

Second: Michael

**AIF**

**Tom entertained a motion to accept the minutes of 4/11/22**

Motion: Michael

Second: Cheryll

**AIF**

Tom said that the Board of Selectmen had put in a Reserve Fund Transfer request in the amount of $20,000 for the law account. He mentioned that the amount of suits seems “substantial” for Halifax. Ashley said that the cases listed in the agenda were all the cases that had been paid in FY22 to date. She said that part of the issue was that the Board of Selectmen could not have foreseen not having a Town Administrator and Charlie had done a lot for the Town, such as writing policies and helping with grants and now the Board of Selectmen were sending that type of thing to the law firm to handle because they didn’t want to do it wrong or illegally and they are not as accustomed to it as Charlie was. She said she thinks the law bills will go down a bit when we have a permanent Town Administrator who might be able to take back over some of those duties. Tom asked if the interim Town Administrator could handle some of it. Ashley said that there are also a lot of Host Agreements that are coming through the Town now because of marijuana establishments and those agreements need to be reviewed by legal. She said they are trying to keep things in line and as up to date as possible until they get a permanent Town Administrator. Tom asked if this $20,000 was only going to pay the March bill would the Board of Selectmen then be looking for another Reserve Fund Transfer. Ashley said that Sandy had said they should be fine paying the rest. Sandy corrected Ashely to say that she believed this money would pay for the March bill and beginning on May 1st they could start to look at line items to see if there was a place to do Line Item transfers in order to be able to pay the law bills. Sandy said there is not enough money in the Reserve Fund to fund the law account through the end of the year. Ashley said one place to do a Line Item transfer would be in the Town Administrator salary line. She thought there would be plenty of money left there to pay the law bills. Sandy said there may be enough to pay one month’s bills based on what is used on average. Tom said it is important that the Town defend itself and so we must use the lawyers and in turn pay the bills. Todd asked what the amount of the March bill was. Sandy said about $19,000. She said there is currently about $4,000 left in the law account but there are other small lawyers that we use and we have to leave money for them also, so she thought it was best to ask for $20,000. Todd said it appeared that 4 out of 6 cases listed were related to the Selectmen. Ashley said she wanted to make it clear that those cases involved a private resident who happens to be a Selectmen and they are not cases that involve the Board of Selectmen. Ashely said that it would be good to see the breakdown of where the money for each case is at. She said people would probably be surprised to learn that not as much money is being spent on some cases as people think. Sandy said that since some cases have been going on for years there is less money being spent on those cases currently. Ashely said that she was only talking about the FY22 law account and not prior years spending on those cases. Tom said the discussion in general is not on the rights of a private citizen to sue the town. Ashely said if anyone wanted to look at details of spending the law bills are public record.

**Tom entertained a motion to approve the Reserve Fund Transfer in the amount of $20,000 to the Law Account**

Motion: Michael

Second:Cheryll

**AIF**

Tom checked with committee members that they had all received their warrants in their mail at home. Everyone had. Tom asked Sandy if there was any new information on the articles that they had not yet made recommendations on. Sandy said there really wasn’t anything new to share. She did mention that the Finance Committee may not have to make recommendations on articles not related to money, but that was up to them to decide. Cheryll asked if anyone new if the retail marijuana shop on Route 106 in Halifax was open yet. Tom said he thought it was based on the traffic he had seen there. Michael said that the website indicated they were not yet open. Cheryll asked if the town would get more money in once the shop opened. Sandy said they would pay a local sales tax and that would go to the general fund and hopefully that would help offset taxes a bit in the future. Sandy said this year would be hard to tell because no one knows what to expect yet but by next FY we will have a good idea of estimated revenue from the establishment. Tom said that at the meeting next week he would like to run through the articles that still have no recommendations for them. He wasn’t to talk about the rules should be for making or not making recommendations and base it on stability and financial impact so that the Finance Committee keeps a uniform message even as things change.

Tom asked the Committee if they had opinions on moving from 3 Selectmen to 5 Selectmen as it has very little impact financially. He said he wondered if we stick to 3 and continue to have no Town Administrator, could that mean things get backed up and then that has a financial impact on the Town. Jon said he agrees with Tom that the $3,000 spent ($1500 per selectmen) might be worth it just to get two more people working at the issues. Cheryll said she thinks it is important that if you move to 5 selectmen then there is diversity in the board. Tom agreed that diversity in the board is important. Todd said he is not opposed to increasing the number of members. Michael said he is unsure why we would need 5. He thinks it is the fact that there are so many recusals by members of the Board of Selectmen that are the problem. He thinks all the recusals (for various reasons) slow down the process of what can actually be done. He feels we would be fine with 3 Selectmen if we just had ones that didn’t have to recuse themselves so often. Tom said he appreciates how dedicated the members of the Finance Committee are and that they have been meeting every Monday for several months in order to prepare for Town meeting. Jon asked if the town funds 5 members but then can’t get 5 people to run, what happens to the money. Sandy said it would return to the general fund. Tom asked if the article passes then when would the election for the members take place, would it be next May. Sandy said she believes it would be for the following year. Sandy said that since there is currently no Treasurer/Collector, the Selectmen may force a Special Election and if they do, they may possibly try and put the Board of Selectmen candidates on there as well. Sandy said they had even talked about June or July, so that could affect this FY if they do that. Sandy said she thinks it is smarter to do the election in the fall when there is already an election happening for the primary.

Sandy said she had updated the budget sheets in the One Drive to reflect a new amount for Abatements and Exemptions. She said it was $165,000 but she has moved it to $200,000 based on the request of the Assessing department. The new lawyers want to settle the Walmart and Solar cases and the Assessors will need that money to cover the settlements. Sandy said that would bring the amount below the levy limit up and if the unions settle for a wage increase and they do likewise for the Wage and Personnel employees, then we would end up about $75,000 under the levy limit versus $225,000 under the limit last year.

Barbara Gaynor questioned whether Elected Officials are entitled to Town insurance. Linda said all elected officials have the option to take town insurance. Barbara said that was something to consider when you say going to 5 Selectmen would only cost $3,000 more. Tom agreed if one took insurance, it would be far more costly than the $1500 and thanked Barbara for bringing that to their attention to consider.

Cheryll asked about signing the Reserve Fund Transfer and Linda said she would email to those who couldn’t stop by Town Hall and those that can, could just swing by the office.

**Tom entertained a motion to adjourn at 6:33pm**

Motion: Michael Bennett

Second: Cheryll

**AIF**

**Respectfully submitted,**

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

Michael Bennett, Clerk