

**Advisory Committee
Meeting Notes
September 13, 2022
Hingham Town Hall**

In Attendance: G. Danis, N. MacDonald, T. Sherwood, C. Kirk, A. Macdonald, A. McElaney, S. Melia, K. Curley, J. Price. C. Tully, K. Dziergoski, J. Griffin, B, Black, D. Cooper, L. Kruzer, A. Macdonald, S. Melia, Town Accountant S. Nickerson

Absent: K. Curley

The meeting was called to order at 7:03pm and read the following statement

This meeting is being held in person and/or remotely as an alternate means of public access pursuant to Chapter 107 of the Acts of 2022 and all other applicable laws temporarily amending 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 chair 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.

Questions from the public on items not on the agenda

None.

Approval of Minutes from August 23 and August 30, 2022, meetings

The meetings from the August 23 were approved 11-0-1 by roll-call vote. The August 30, 2022 meetings were approved 10-0-3 by roll-call vote.

Presentation and discussion of preliminary financing options for funding the proposed new Public Safety Building and Foster School

Tom Mayo (Town Administrator) and Michelle Monsegur (Asst. Town Administrator for Finance) Projected Tax Impacts: Foster School and Public Safety Facility Debt Exclusion Projects

The Town has not been funding large capital projects for a long period of time. We need to create a cyclical approach to rebuilding and repairing our capital infrastructure.

The Select Board is working to determine the amount of an operational override that will be necessary to continue the provision of existing services. For the past several years, the rate of growth of Town revenues has been outpaced by the rate of growth of expenditures. Thus it is inevitable that financial forecasts project budget deficits. When current revenues and expenditures are rolled forward, the forecast is for a budget deficit of \$4.88M in FY24. To right-size the Town's budget, an operational override may be necessary.

Janet Morley, from Capital Markets Advisors, discussed trends in municipal market data as well as the Fed rate hike impact on interest rates. As of right now, it is expected that there will be additional rate hikes in September and in the months following.

Many structures were evaluated by the finance team:

- 20 Year Term, Level Principal (Both)
- 30-Year Term, Level Debt Service (Both)
- Hybrid: 30 Year Term, Level Debt Service (Foster) and 30 Year Term, Level Principal (Foster)

Important considerations in considering the length of the term:

- The lifetime and usefulness of the building
- Equity to the taxpayers
- Net present value range is layered over the chart showing debt capacity over time
- Interest rate predictions

Rick Manley, Town Bond Counsel, noted that communities around MA are taking advantage of the 30 year term financing to finance large building projects.

Other important considerations for long term debt:

- Projected tax impacts
- Estimated median taxpayer impact with and without the use of Unassigned Fund Balance from the proposed Stabilization Fund
- Property tax relief opportunities

Next Steps

- Finalizing permitting
- Select Board & AdCom Warrant Article votes
- Tax Impact Calculator
- October outreach blitz
- Special Town Meeting on November 1, 2022
- Ballot vote on November 8, 2022

Review and Discussion: Updated draft comments for Articles A, B and C

A - Foster: The comment was forwarded to Ray Estes (Vice Chair for School Building Committee) for his input and he has responded with his suggestions. A. Macdonald is continuing to work to strengthen the Article with project history.

B - PSFB: N. MacDonald has received comments which she will be incorporating. The financing information in the comment needs to be updated with information from the Town Administrator's and finance team's support.

C - Stabilization Fund: The liaisons and AdCom committee engaged in discussion about using specific numbers to predict the reduction in the tax impact for the capital projects, and if there were plans in place to make any changes to the Article if only one of the projects were to pass.

The Advisory Committee will be meeting in two weeks to look at final drafts and vote on the Articles, scheduled for September 28th or 29th.

Liaison Reports

Climate Action Planning Committee – The September 14th meeting is being postponed and will be rescheduled.

South Shore Country Club Pool – The project was approved by the Planning Board. A small number of abutters filed an appeal with the Superior Court of the Planning Board’s decision. The current bid holds for two weeks and there is no likelihood of the appeal being resolved before then. Whether and, if so, when the pool project will go forward must await the outcome of the appeal.

Discussion of Advisory Committee housekeeping items

- Next meeting will be on Wednesday September 28, 2022, with planned vote on Warrant Articles and discussion on the related comments
- Potential meeting on Thursday September 29, 2022, to finalize the vote and comments on the Warrant Articles

Matters not anticipated within 48 hours of meeting

None.

Adjourn

The meeting was adjourned at 9:25pm by roll-call vote.

Documents Distributed for this Meeting:

AdCom Agenda September 13, 2022

STM Article B - Public Safety Facility Funds for Construction 09-2022 DRAFT v2

Arlingtons Guide to Budget FY 2022.pdf

ARLINGTON override research packet.pdf

MA Override Votes FY20-23

NORWOOD override research packet.pdf

SHREWSBURY override research packet.pdf

Respectfully submitted,
Tina Sherwood
Secretary, Advisory Committee