

Finance Committee Meeting

June 3, 2020 6:00 PM EST
Zoom Remote Meeting Platform
Millis, MA 02054

In Attendance:

Jodie Garzon, Chairman
Peter Berube, Vice Chairman
Joyce Boiardi
Jim Borgman
Cathy MacInnes
Shawn Power
Craig Schultze
Katie Tieu
Michael Guzinski, Town Administrator
Carol Johnston, Town Finance Director
James McKay, DPW Director

Jodie Garzon called the Finance Committee Meeting to order at 6:02 PM.

FY21 Municipal Operating Budget Review and Discussion:

Mike Guzinski advised the committee that there have been no significant changes to the Select Board's recommendation for the FY21 Operating Budget since May 18, 2020; the Finance Director confirmed there have been no changes. Jodie Garzon note that the budget presented includes a 5% reduction to certain line items from the FY21 Proposed Operating Budget presented in February. Peter Berube inquired if there was an update on potential State or Federal Aid funding; Mike Guzinski speculated that Chapter 70 Funding would be unchanged but a possible 10% reduction to Local Aid could be made. The Legislature is attempting to file a Relief Bill for Cities and Towns in the Commonwealth. The Federal Government is considering a Relief Bill; the scope of the bill is not known at this time. Any relief efforts will not be known until late July or August. In the event no relief is in sight, adjustments to the FY21 Operating Budget can be made at the November Town Meeting. Carol Johnston clarified that if indeed, the Chapter 70 funding is level funded, it is the largest part of the town's State Aid; the town's finances should be fine. Mike Guzinski noted that the town did receive another \$79,000.00 from CommCan from the HCA (Host Community Agreement) and an additional \$160,000.00 in 3% Sales Tax Revenues is expected which will be available for appropriation at the November Town Meeting. Craig Schultze noted that between the HCA and Sales Tax Revenues the town has approximately \$350,000.00 in total from Marijuana Revenue Sales for the Fall Town Meeting. Mike Guzinski clarified that those funds are twofold: (1) is limited specifically to Marijuana Sale Impacts and (2) as Town Meeting sees fit to appropriate - hopefully mitigating any additional cuts to Staff or Service.

June 2020 Warrant Articles Review, Discussion and Recommendations:

Mike Guzinski had sent the Draft Town Meeting Motions a few minutes prior to the start of tonight's meeting and they will be forwarded to the committee tomorrow for review prior to their next meeting. The Finance Director and Town Administrator are available if any committee members have any questions.

Article #1 Unpaid Bills is a typical article and does not require a lot of deliberation.

Article #2 FY20 Additional Wages and Expenses has no dollar amount determined at this time. The Select Board will be reviewing and approving Inter-Departmental Transfers at their June 15, 2020 at which time the amount for that article will be available.

Article #3 FY21 Operating Budget does not have a motion and in turn the committee cannot inquire on that article's funding sources until next week.

Articles #4 Sewer Enterprise Fund, Article #5 Water Enterprise Fund and Article #6 Stormwater Enterprise Fund, the motions were just finalized within the last hour and can be discussed at the June 10, 2020 Finance Committee Meeting.

Article #7 Consent Article encompasses a number of Warrant Articles:

- Amendments to the Personnel Plan
- Board of Health Appointing Authority
- FY21 Revolving Funds
- Community Preservation Fund Appropriations

Jodie Garzon asked the Town Administrator to elaborate on how a Consent Article works. Mike Guzinski explained that a Consent Article is widely used in many communities and serves a useful purpose to streamline the Town Meeting process. Town Counsel and the Town's Current Moderator as well as the Town Administrator have had discussions on what Articles should be included in the Consent Article for the June 2020 Town Meeting. If there are concerns at Town Meeting with one of the items included in the Consent Article, that item can be voted on separately. Peter Berube inquired if the Personnel Plan is tied to the Operating Budget and/or the Enterprise Funds; it is as there is a portion of Salaries included in the Personnel Plan that is included in both. Mike Guzinski noted that the Select Board has approved an increase of 2.5% to Salaries and Stipends in the Personnel Plan that are consistent with CBA (Collective Bargaining Agreements) as well as adjustments to meet minimum wage requirements for certain positions. Jodie Garzon noted that the amendments to the Personnel Plan would probably be the only questionable item in the Consent Article.

Article #8 Independent Annual Audit in the amount of \$36,500.00 is ironically not included in the Consent Article; Town Counsel opined that it should be separated due to the way the Final Warrant was written – the dollar amount was not included. Next year, this article will be included in the Consent Article.

Article #9 Capital Items has been adjusted by the Select Board to include 2/3 of the cost of the DPW Radio Communication System which will be funded through appropriations from the Water and Sewer Enterprise Funds; the other 3rd will be funded by remaining funds in the FY20 DPW General Fund Budget. Hopefully the system will be in place by the end of the summer.

Article #10 School Department – New Computer Lease is another Capital Item but does require the town to enter into a New Lease Agreement which requires a separate article and a Town Meeting Vote.

Article #11 Reallocation of DPW Capital Project Expenses redistributes unused funds from previous years DPW projects to the current DPW Building Renovation Project. Costs for labor and materials have increased leaving no contingency for the project and the PBC (Permanent Building Committee) believes these funds are needed to complete the project. It should be noted that the DPW staff is working on the ground work preparation for this project to help offset costs. This subject was discussed at length at Monday's Select Board's Meeting. Jim McKay elaborated on the increase of costs for the project.

Article #12 Ratify Water Infrastructure Maintenance Contract requires a Town Meeting Vote and is the town's best way in the long run to conduct the preventative maintenance annually rather than face a potentially larger expense in the future. In the first year of the contract, the leak at the Farm Street Tank and the hatches on both tanks (Farm and Walnut) will be addressed. The contract has been forwarded to the committee. Town Counsel has reviewed the Cancellation Clause of the contract.

Article #13 Community Preservation Fund Historic Resource Reserve Fund Project is for the preservation of the Henry F. Walling map – Phase I for \$600.00

Article #14 Community Preservation Fund Memorial Fields Improvements Project in the amount of \$74,558.49 will be further discussed next week; Nate Maltinsky will be invited to provide details of this article as well as Article #13.

Article #15 Board of Assessors – FY21 Personal Property Interim Year Inspections is conducted annually with certification in 2023 by the Department of Revenue. A consulting firm is utilized to conduct the inspections.

Article #16 Medicare/Medicaid Reimbursement Services is a standard article in the amount of \$5,000.00 and will most likely be added to the Consent Article next year. The service generates approximately \$30,000.00 to \$40,000.00 in funds to the town.

Article #17 Unemployment Insurance Fund in amount of \$75,000.00 is being requested; the fund is starting to deplete. In future years, this item will be part of the Operating Budget.

Old Business/New Business:

The following Warrant Articles were assigned to each Finance Committee member to present at the June 29, 2020 Town Meeting:

Article #1 Unpaid Bills – Joyce Boiardi

Article #2 FY20 Additional Wages and Expenses – Joyce Boiardi

Article #3 FY21 Operating Budget – Jodie Garzon

Article #4 Sewer Enterprise Fund – Doug Riley

Article #5 Water Enterprise Fund – Doug Riley

Article #6 Stormwater Enterprise Fund – Doug Riley

Article #7 Consent Article – Katie Tieu

Article #8 Independent Annual Audit – Jim Borgman

Article #9 Capital Items – Peter Berube

Article #10 School Department – New Computer Lease – Peter Berube

Article #11 Reallocation of DPW Capital Project Expenses – Craig Schultze

Article #12 Ratify Water Infrastructure Maintenance Contract – Craig Schultze

Article #13 Community Preservation Fund Historic Resource Reserve Fund Project – Shawn Power

Article #14 Community Preservation Fund Memorial Fields Improvements Project – Shawn Power

Article #15 Board of Assessors – FY21 Personal Property Interim Year Inspections – Cathy MacInnes

Article #16 Medicare/Medicaid Reimbursement Services – Cathy MacInnes

Article #17 Unemployment Insurance Fund – Jim Borgman

The committee will endeavor to keep their presentation of each article at Town Meeting as concise as possible while welcoming any resident's concerns or questions. Their intent is not to portray an expedited meeting but an opportunity for individuals to voice their opinion.

Meeting Minutes Approval:

Peter Berube made a motion to recommend approval of the May 20, 2020 Finance Committee Meeting Minutes; Cathy MacInnes seconded. Vote: 6/0 1 Abstained, motion carries.

Adjourn:

Peter Berube made a motion to adjourn the Finance Committee Meeting at 7:07 PM; Craig Schultze seconded. Vote: 7/0 motion carries unanimously.

Respectfully submitted,
Deirdre Gilmore