

Finance Committee Meeting

June 24, 2020 6:00 PM EST
Zoom Remote Meeting Platform
Millis, MA 02054

In Attendance:

Jodie Garzon, Chairman
Peter Berube, Vice Chairman
Doug Riley, Clerk
Joyce Boiardi
Jim Borgman
Cathy MacInnes
Shawn Power
Craig Schultze
Katie Tieu
Michael Guzinski, Town Administrator
Carol Johnston, Town Finance Director
James McCaffrey, Select Board Chairman
Erin Underhill, Select Board Clerk
Donna Cabibbo, Town Moderator
James McKay, DPW Director

Jodie Garzon called the Finance Committee Meeting to order at 6:04 PM.

Jodie Garson opened the Pre-Town Meeting/Public Hearing at 6:07 PM

Article #1 Unpaid Bills in the amount of \$1,056.32 approves payment of bills from previous Fiscal Years.
The Finance Committee recommends approval of this article.

Article #2 FY20 Additional Wages and Expenses
Mike Guzinski addressed this article - assuming the committee approves the Interdepartmental Transfers later this evening, this article can be recommended for dismissal.

Article #3 FY21 Operating Budget
Jodie Garzon – This article represents the Operating Budget for the town as a whole. The Finance Committee recommends approval of this article but the vote was not unanimous. There are several members of the Finance Committee and other individuals in town that feel the 5% reduction to the budget should be larger due to the uncertainty in State Aid and Local Receipts. The committee had lengthy discussions on this article and voted on the budget presented to them by the Select Board, Town Administrator and Finance Director. Unofficially, Mike Guzinski heard the State is asking School Districts to utilize level funded Chapter 70 Revenues for July and August and Municipalities to anticipate a 10% reduction to Unrestricted General Aid. It is uncertain when the State will finalize their numbers. Carol Johnston received a Bulletin from the Department of Revenue on the FY21 Cherry Sheet and Monthly Local Aid Distributions. For July and August, they are using the FY20 Cherry Sheet figures. The School Department will be providing lunches during the summer months, the cost will be paid from the Food Service Budget which is separate from the General Fund. The funds are reimbursable from Federal Aid as well as COVID-19 response funds. Pete Berube asked that the School Committee provide information on how these costs are being tracked and reported to avoid future funding of a deficit to the Food Service Budget; the town previously had to fund a \$40,000.00 deficit in the fund. Shawn Power inquired if the Elementary and Secondary School Emergency Relief Fund was factored into the FY21 Budget. Carol Johnston clarified it is strictly a School Department Fund and not part of the General Fund.

Articles #4 Sewer Enterprise Fund, Article #5 Water Enterprise Fund and Article #6 Stormwater Enterprise Fund

Doug Riley explained that all three Enterprise Funds' Revenues are generated by User Fees and are annual Operating Budget Items. He inquired why the DPW Street Sweeper Borrowing is not listed under the Stormwater Enterprise Fund; there is no Debt Service Line Item in the Stormwater Budget. Carol Johnston confirmed the Street Sweeper Borrowing is included in the General Fund Debt Service Line Item and has not been moved to the Stormwater Budget; it would require a Town Meeting Vote. At the time the Borrowing for the Street Sweeper was approved, the Stormwater Enterprise Fund had not been established. Doug Riley believes it would be worthwhile moving the debt into the Stormwater Enterprise Fund Budget; Craig Schultze agreed, it would free up some funds in the General Fund without raising the Stormwater Assessment if there are enough funds in the Stormwater Enterprise Fund Reserves to cover the Principal and Interest. Mike Guzinski assured the committee the Select Board can review this topic for future consideration. Jim McKay feels it should be split equally between the General Fund and the Stormwater Enterprise Fund. He noted that the Catch Basin Cleaning funds were redirected into the General Fund and not used to offset Stormwater rates. The Finance Committee recommends approval of all three articles.

Article #7 Consent Article includes:

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

Katie Tieu explained all of the above are annual articles that will be voted on as one Consent Article. Carol Johnston clarified that the School Food Service Fund and School Transportation Fund are both Revolving Funds that have existed for a long time however were never included in the Warrant; they needed to be and therefore were included. The Finance Committee recommends approval of this article.

Article #8 Independent Annual Audit in the amount of \$36,500.00

Jim Borgman stated this is an annual audit of all accounts and all departments in the town. The Finance Committee recommends approval of this article.

Article #9 Capital Items

Pete Berube explained this article will make transfers from Free Cash and Enterprise Funds for the articles listed in the June 2020 Warrant. The total amount is \$485,100.00 for seven items: (2) are for School Department Leases, (1) is for Police Vehicle Lease, (1) is for Crosswalk Signals. The next three are from Enterprise Funds: (1) is for Drinking Water Assessment, (1) is for Water Tank Maintenance Program and finally a DPW 2-way Radio Communication System which will be compatible with the Police and Fire Radio Communication System. The Finance Committee recommends approval of this article.

Article #10 School Department – New Computer Lease

Pete Berube this article in the amount of \$23,300.00 funded by transfer from Free Cash allows the town to enter into a 3-year Lease and requires a 2/3 Vote at Town Meeting. The Finance Committee recommends approval of this article.

Article #11 Reallocation of DPW Capital Project Expenses

Craig Schultze - this article transfers \$135,887.97 from three previously approved Warrant Articles related to the DPW Building to the current DPW Building Project for a total project cost of \$4,035,887.97.

The Finance Committee recommends approval of this article.

Article #12 Ratify Water Infrastructure Maintenance Contract

Craig Schultze – this article authorizes the Select Board to enter into a 20-year contract to maintain the town's water tanks on Farm Street and Walnut Street. The contract includes all routine maintenance and repairs and is a better alternative than replacing the tanks. Jim McKay confirmed it is a 15-year contract with anticipated costs of \$1,600,000.00.

The Finance Committee recommends approval of this article.

Article #13 Community Preservation Fund Historic Resource Reserve Fund Project
Shawn Power – this article funds the preservation of the Henry F. Walling map – Phase I in the amount of \$600.00 from Community Preservation Funds.
The Finance Committee recommends approval of this article.

Article #14 Community Preservation Fund Memorial Fields Improvements Project
Shawn Power – this article in the amount of \$74,558.49 will fund the much-needed improvements to the Memorial Fields including fencing and will improve safety measures on the fields.
The Finance Committee recommends approval of this article.

Article #15 Board of Assessors – FY21 Personal Property Interim Year Inspections
Cathy MacInnes – this article in the amount of \$15,600.00 will be used to perform annual valuation on Personal Property by an outside firm.
The Finance Committee recommends approval of this article.

Article #16 Medicare/Medicaid Reimbursement Services
Cathy MacInnes – this is a standard article in the amount of \$5,000.00. It is used to pay an outside firm to recoup Medicare/Medicaid funds of approximately \$30,000.00 - \$40,000.00 annually for the School Department.
The Finance Committee recommends approval of this article.

Article #17 Unemployment Insurance Fund
Jim Borgman – this article in amount of \$75,000.00 will replenish the Unemployment Insurance Fund.
The Finance Committee recommends approval of this article.

The FY21 Operating Budget that will be presented at Town Meeting does not appropriate any Stabilization Funds.

Jodie Garzon closed the Pre-Town Meeting/Public Meeting at 6:39 PM.

Review Town Meeting Procedures

Donna Cabibbo outlined the procedures and setup of the High School Gymnasium for the Monday, June 29, 2020 Town Meeting. Social Distancing measures will be in place and masks will be available to attendees. There will be a section for unmasked participants. Jodie Garzon clarified that the committee will be seated on the bleachers facing the chairs of the audience. Each member will come forward to one of three microphones to address their assigned article. She recommends bringing only the materials needed to present each article. Remarks should be kept brief while still being informative. The Finance Committee will need to meet a quorum but all members are not obligated to attend. Donna Cabibbo recommended the committee continue to wear their masks while speaking and to use the microphones; there will be circulation fans in use.

Jim McCaffrey noted that typically the Select Board and the Finance Committee meet separately before the start of Town Meeting to address any last-minute issues or changes to the articles. This year the Select Board will meet via Zoom at 5:00 PM. Although there are no anticipated adjustments, if there are, the Finance Committee can be contacted in Room #104 of the Middle/High School.

In order to participate in Town Meeting, residents must physically attend.

FY20 Interdepartmental Transfers Review, Discussion and Vote:

Mike Guzinski provided the committee with (2) Interdepartmental Transfers the Select Board approved on Monday evening. The first is in the amount of \$122,227.00 to cover FY20 deficits in:

- General Insurance: \$35,272.00
- Employee Benefits: \$13,942.00
- Public Safety: \$63,013.00

The above is offset by Short Term Interest in Debt Service in the amount of \$122,227.00.

The second is in the amount of \$3,009.00 to cover a FY20 deficit in Sewer Enterprise Fund Overtime and is offset by Sewer Enterprise Fund Expenses.

Pete Berube made a motion to recommend approval of an Interdepartmental Transfer as follows: Transfer from Debt Service in the amount of \$122,227.00 to offset deficits in General Insurance \$35,272.00, Employee Benefits \$13,942.00 and Public Safety \$63,013.00; Katie Tieu seconded. Roll Call Vote: Jodie Garzon – aye, Pete Berube – aye, Doug Riley – aye, Shawn Power – aye, Katie Tieu – aye, Craig Schultze – aye, Cathy MacInnes – aye, Jim Borgman – aye, Joyce Boiardi – aye motion carries unanimously.

Pete Berube made a motion to recommend approval of a Transfer from Sewer Enterprise Fund Expenses in the amount of \$3,009.00 to offset a deficit in Sewer Enterprise Salaries; Shawn Power seconded. Roll Call Vote: Jodie Garzon – aye, Pete Berube – aye, Doug Riley – aye, Shawn Power – aye, Katie Tieu – aye, Craig Schultze – aye, Cathy MacInnes – aye, Jim Borgman – aye, Joyce Boiardi – aye motion carries unanimously.

June 2020 Warrant Article #2 Recommendations:

Craig Schultze made a motion to recommend dismissal of Article #2, FY20 Additional Wages and Expenses; Cathy MacInnes seconded. Roll Call Vote: Jodie Garzon – aye, Pete Berube – aye, Doug Riley – aye, Shawn Power – aye, Katie Tieu – aye, Craig Schultze – aye, Cathy MacInnes – aye, Jim Borgman – aye, Joyce Boiardi – aye motion carries unanimously.

Approve Bills Payable:

Cathy MacInnes made a motion to recommend approval of payment to Community Newspaper in the amount of \$54.12 to advertise Pre-Town Meeting; Pete Berube seconded. Roll Call Vote: Jodie Garzon – aye, Pete Berube – aye, Doug Riley – aye, Shawn Power – aye, Katie Tieu – aye, Craig Schultze – aye, Cathy MacInnes – aye, Jim Borgman – aye, Joyce Boiardi – aye motion carries unanimously.

Cathy MacInnes made a motion to recommend approval of payment to Our Town Publishing in the amount of \$4,779.00 for printing the Finance Committee's Report; Pete Berube seconded. Roll Call Vote: Jodie Garzon – aye, Pete Berube – aye, Doug Riley – aye, Shawn Power – aye, Katie Tieu – aye, Craig Schultze – aye, Cathy MacInnes – aye, Jim Borgman – aye, Joyce Boiardi – aye motion carries unanimously.

Old Business/New Business:

Joyce Boiardi and Jim Borgman will be unable to attend the June 29, 2020 Town Meeting. Their Warrant Articles were reassigned as follows:

Article #1 Unpaid Bills – Jodie Garzon
Article #2 FY20 Additional Wages and Expenses – Jodie Garzon
Article #8 Independent Annual Audit – Pete Berube
Article #17 Unemployment Insurance Fund – Pete Berube

Meeting Minutes Approval - Postponed:

Adjourn:

Peter Berube made a motion to adjourn the Finance Committee Meeting at 7:06 PM; Craig Schultze seconded. Vote: 9/0 motion carries unanimously.

Respectfully submitted,
Deirdre Gilmore