

Finance Committee Meeting

April 26, 2023, 7:00 PM EST
Veterans Memorial Building – Room #229
900 Main Street Millis, MA 02054
Participation Via Zoom Remote Platform

Committee Members In Attendance:

Pete Berube, Chair
Jodie Garzon, Vice Chair
Peter Underhill, Clerk
Joyce Boiardi
Michael Krone
Jonathan Loer
Cathy MacInnes
Sara Reyes
John Steadman

Invited Guest:

Michael Guzinski, Town Administrator
Carol Johnston, Finance Director
Steven Catalano, School Committee Chair
Erin Underhill, Select Board Chair
Ellen Rosenfeld, Select Board Clerk
Marc Conroy, School Committee Member
Lisa Hardin, Town Clerk
Kathi Smith, Assistant Town Clerk
James McCaffrey, Millis Resident
Bonnie Hilton, Millis Resident

Pete Berube called the Finance Committee Meeting to order at 7:02 PM.

Pete Berube opened the Pre-Town Meeting/Public Hearing at 7:03 PM.

Spring 2023 Town Meeting Warrant Article Discussion and Recommendations:

Brutus Cantoreggi, Town Moderator, will be available to conduct the May 2023 Town Meeting.

Article #1 Unpaid Bills

Joyce Boiardi: I move that the Town vote to transfer from Free Cash the sum of \$1,611.11, transfer the sum of \$71.21 from Sewer Retained Earnings and transfer the sum of \$6,553.27 from Water Retained Earnings, for a total of \$8,235.59 to pay the following unpaid bills incurred by Town departments from previous fiscal year(s):

<u>Department</u>	<u>Vendor</u>	<u>Amount</u>
Building	WB Mason	\$ 627.40
DPW-General	WB Mason	\$ 459.40
DPW-General	Eversource	\$ 336.64
Weights & Measures	J. Allshouse	\$ 46.80
Weights & Measures	J. Allshouse	\$ 140.87
DPW-Sewer	Eversource	\$ 71.21
DPW-Water	Clean Harbors	\$6,503.92
DPW-Water	Eversource	\$ 49.35
	Total	\$8,235.59

This is a standard article at the Spring and Fall Town Meetings.

The Finance Committee recommends approval of Article #1. This article requires a 4/5th Majority Vote.

Article #2 FY23 Additional Wages and Expenses

Jon Loer: This is a standard article which balances the current fiscal year budget through transfers totaling \$135,858.64:

- Transfer from:

- Town General Government \$42,000.00
- Health and Human Services \$43,858.64
- Free Cash \$50,000.00
- Transfer to:
 - General Insurance \$22,508.00
 - Public Safety \$61,271.10
 - Public Works \$11,079.54
 - Culture and Recreation \$41,000.00

The Finance Committee recommends approval of Article #2. This article requires a Simple Majority Vote.

Article #3 FY24 Operating Budget

Pete Berube: This article appropriates funding necessary to operate the Town of Millis in FY24, July 1, 2023 – June 30, 2024. The Town Operating Budget is \$41,855,721.00. Funding sources and transfers include:

- Taxation \$39,840,187.00
- Ambulance Fund \$ 616,356.00
- Cemetery Perpetual Care Interest \$ 332.00
- Cemetery Sale of Lots \$ 7,285.00
- Cell Tower Revenue \$ 55,776.00
- Bond Premium Release \$ 102,515.00
- Marijuana Impact Fees (Free Cash) \$ 271,314.00
- Free Cash \$ 233,453.00
- Sewer Indirect Costs Transfer to the General Fund \$ 253,439.00
- Water Indirect Costs Transfer to the General Fund \$ 309,759.00
- Stormwater Indirect Costs Transfer to the General Fund \$ 165,305.00

Discussion regarding the Transfer of Enterprise Funds to the General Fund outlined how the Select Board voted to approve such transfers which would typically include the following percentages from FY24 Budgets:

- Town Administrator/Select Board 10.0%
- Legal 10.0%
- Accounting 10.0%
- Treasurer/Collector 20.0%
- Assessor 5.0%
- IT Administration 5.0%
- Health Insurance 3.1%
- Pension 12.3%
- Worker's Compensation 3.10%

The above percentages were reviewed by an outside consulting firm, Community Paradigm Associates, LLC, and are common practice in surrounding communities. The above percentages would total \$827,613.00. However, the Select Board voted to increase Indirect Costs by 2.5% from FY23; \$728,503.00. The DPW Staff performs multiple tasks within the Water, Sewer and Stormwater Enterprise Funds as well as General Fund. In the past several years, the town has strived to increase the DPW General Fund Staff.

The FY24 Operating Budget includes a 6% increase to both the Municipal and School Department Operating Budgets. The additional 2% is necessary to bridge the gap in SPED Costs and fund limited Above Level Service to Municipal Departments. Above Level Service funding include additional hours to the Council on Aging to fund an Operations Manager and increased hours for the IT Director. The 6% increase to the School Department Operating Budget will require partial cuts equivalent to seven positions. At the November 2022 Town Meeting, \$500,000.00 was appropriated for Road and Sidewalk Improvements. The Select Board and Finance Committee are required to present a balanced budget to Town Meeting.

The Governor's FY24 Budget does include supplemental funding for Special Education to assist communities with increased Special Education costs. Chapter 70 Funding had a minimal increase and will not cover Millis' SPED costs.

The Finance Committee recommends approval of Article #3. This article requires a 2/3rd Majority Vote. Erin Underhill called the Select Board Meeting to order at 7:27 PM.

Article #4 Supplemental FY24 Budget – Free Cash

Pete Berube: I move that the Town vote to transfer from Free Cash the sum of \$538,697.00 for supplemental funding for the School Department, said supplemental funding being intended to support special education related services for the fiscal year beginning July 1, 2023.

The Finance Committee requested the Select Board amend the May 2023 Town Meeting Warrant to separate the supplemental funding of the School Department FY24 Deficit; Free Cash and Stabilization Funds.

Approval of both Article #4 and 5 at the May 2023 Town Meeting will be a temporary solution to a permanent problem. However, it buys time for the State to recalculate its Chapter 70 Fund Model and perhaps appropriate additional funding for Special Education needs. If additional State Funding does not come to fruition, the town will have no alternative but request an overall Operational Override for FY25.

School Department COVID-19 Staff Funding details are available at the link below:

https://www.millisma.gov/sites/g/files/vyhlif901/f/uploads/millis_school_department_fy24_shortfall.pdf

Marc Conroy confirmed, the majority of funding covered Substitute Teachers no longer employed by the School Department.

A portion of the FY24 School Department Deficit is due to Out of District Costs as well as additional mandates for Special Education. Mr. McCaffrey noted the School Department is required to meet State Mandates similar to DEP mandates for PFAS Treatment.

The Finance Committee recommend approval of Article #4.
This article requires a Simple Majority Vote.

Article #5 Supplemental FY24 Budget – Stabilization Fund

Pete Berube: I move that the Town vote to transfer from the Stabilization Fund the sum of \$400,000.00 for supplemental funding for the School Department, said supplemental funding being intended to support special education related services for the fiscal year beginning July 1, 2023.

The Select Board and Finance Committee have full confidence the Stabilization Fund will be replenished within the next three years to adhere to the Town's Stabilization Policy.

The Finance Committee recommends approval of Article #5.
This article requires a 2/3rd Majority Vote.

Article #6 SEIU #888, Firefighters Local #4704, AFSCME Council 93 Local #1301 Contract Ratifications

Mike Krone: I move that the Town vote to ratify the following collective bargaining agreements: SEIU Local 888, Professional Firefighters of Millis Local #4704, and AFSCME Council 93 Local 3901, all retroactive to July 1, 2022.

The Finance Committee recommends approval of Article #6.
This article requires a Simple Majority Vote.

Article #7 Sewer Enterprise Fund

Cathy MacInnes: I move that the Town vote to raise and appropriate from Sewer Department Receipts, the following sums to operate the Sewer Enterprise Fund beginning July 1, 2023: Salaries/Wages \$306,574.00 and Expenses \$1,331,252.00 for a total of \$1,637,826.00.

The Finance Committee recommends approval of Article #7. This article requires a Simple Majority Vote.

Article #8 Water Enterprise Fund

Cathy MacInnes: I move that the Town vote to raise and appropriate from Water Department Receipts, the following sums to operate the water enterprise fund beginning July 1, 2023: Salaries/Wages \$362,396.00 and Expenses \$1,647,340.00 for a total of \$2,009,736.00.

The Finance Committee recommends approval of Article #8. This article requires a Simple Majority Vote.

Article #9 Stormwater Enterprise Fund

Cathy MacInnes: I move that the Town vote to raise and appropriate from Stormwater Department Receipts, the following sums to operate the stormwater enterprise fund beginning July 1, 2023: Salaries/Wages \$244,697.00 and Expenses \$482,036.00 for a total of \$726,733.00.

The Finance Committee recommends approval of Article #9. This article requires a Simple Majority Vote.

Article #10 Consent Agenda

Jodie Garzon: I move that the Town vote to approve the items as written in the Warrant as Consent Article #10.

- (1) Amendments to the Personnel Plan
- (2) Board of Health Appointing Authority
- (3) Revolving Funds
- (4) Community Preservation Fund

The four consent items require annual approval at the Spring Town Meeting. The first item amends the Personnel Plan; Mike Guzinski noted the FY24 Personnel Plan Salary Schedule includes a 2% Cost of Living Allowance and the changes to benefits will bring the Personnel Plan inline with Collective Bargaining Agreements. The plan includes (3) Full-Time Employees: DPW Director, Council on Aging Director and Assistant Town Administrator/Human Resources Manager as well as other Part-Time or Stipend Positions.

The second item authorizes the Board of Health to appoint any of its members to another Town Office or Position for which it has appointing authority. The third item authorizes departments which have separate revenues to use them as they see fit up to the Revolving Fund limit. The forth item allocates the Community Preservation Funds into various reserves as required in the Community Preservation Act for administrative expenses, community preservation projects and any other expenses for FY24.

The Finance Committee recommends approval of Article #10. This article requires a Simple Majority Vote.

Article #11 Community Preservation Open Space/Recreation Reserve Fund – Oak Grove Farm Trail Improvements

John Steadman: I move that the Town vote to transfer the sum of \$35,000.00 from the Community Preservation Open Space Reserve Fund for Phase II of the Oak Grove Farm Trail Improvement Project.

The Finance Committee recommends approval of Article #11. This article requires a Simple Majority Vote.

Article #12 Capital Items

Jon Loer: This article will fund the following:

• DPW Dump Truck with Plow and Sander	\$ 95,527.00
• DPW Heavy Duty 10 Ton Trailer	\$ 23,000.00
• Library Building Repairs	\$ 30,500.00
• School Wireless Upgrade	\$ 68,000.00
• Sewer Department Infiltration and Inflow Investigation	\$137,630.00
• Well #3 PFAS Treatment Facility Final Design	\$272,900.00
• Water Department Chlorine/PH Analyzer Replacement	<u>\$ 31,200.00</u>
Total:	<u>\$658,757.00</u>

The Capital Items will be funded by:

• Free Cash	\$ 43,606.00
• Transfer from the Water Enterprise Reserve Fund	\$178,704.00
• Transfer from the Sewer Enterprise Reserve Fund	\$153,427.00
• Transfer from the Stormwater Enterprise Reserve Fund	\$ 15,798.00
• Various Unused Appropriated Funds from Previous Town Meeting Articles	<u>\$267,222.00</u>
Total:	<u>\$658,757.00</u>

Due to Article #4, there is limited Free Cash available for Capital Items. The Finance Department found a solution to fund the FY24 Capital Needs by redirecting unused appropriated funds from (19) previous Town Meeting Warrant Articles.

The Finance Committee recommends approval of Article #12. This article requires a Simple Majority Vote.

Article #13 New Bus Lease for Schools – Year One

Sara Reyes: I move that the Town vote to borrow under the provisions of M.G.L. Chapter 44 or any other enabling authority, the sum of \$614,605.00 for the lease/purchase of up to six Buses for the Millis Schools.

This article authorizes the town to enter into a new 5-year lease to purchase agreement for up to six new School Busses. The first-year cost of \$122,921.00 is included in Article #3 FY24 Operating Budget.

The Finance Committee recommends approval of Article #13. This article requires a 2/3rd Majority Vote.

Article #14 New Police Cruiser Lease – Year One

Sara Reyes: I move that the Town vote to borrow under the provisions of M.G.L. Chapter 44 or any other enabling authority, the sum of \$66,911.00 for the lease/purchase(s) of one Police Cruiser.

This article authorizes the town to enter into a new three-year lease to purchase agreement for one replacement Police Cruiser. The first-year cost of \$22,303.67 is included in Article #3 FY24 Operating Budget.

The Finance Committee recommends approval of Article #14. This article requires a 2/3rd Majority Vote.

Article #15 Establish Millis Net Zero Goal

This article was submitted by the Millis Energy Committee and is intended to encourage the Select Board and all Town Boards and Committees to develop a Municipal Net Zero Action Plan by March 2024 to meet State and Federal goals and incentives by eliminating or offsetting municipal emissions by 2050.

The Finance Committee recommends approval of Article #15. This article requires a Simple Majority Vote.

Article #16 Amend Plastic Bag Reduction ByLaw

Jodie Garzon: I move that the Town vote to delete Article XXIII of the Millis General Bylaws in its entirety and replace it with the language as written in the warrant.

Approval of this article would eliminate conflicting and/or ambiguous language in the current Plastic Bag Reduction ByLaw.

The Finance Committee recommends approval of Article #16. This article requires a Simple Majority Vote.

Article #17 Unemployment Insurance Fund

John Steadman: I move that the Town vote to transfer from Free Cash, the sum of \$25,000.00 for the Unemployment Insurance Fund.

This is a routine article which will replenish the Town's Unemployment Insurance Fund to cover unemployment claims.

The Finance Committee recommends approval of Article #17. This article requires a Simple Majority Vote.

Article #18 Special Education Stabilization Fund

Joyce Boiardi: I move that the Town vote to establish a Special Education Stabilization Fund in accordance with MGL Chapter 40 Section 13E.

This article would establish the Special Education Stabilization Fund to cover Tuition and Transportation costs up to 2% of overall Special Education Costs. Appropriation of funds will be considered at the November Town Meeting.

The Finance Committee recommends approval of Article #18. This article requires a Simple Majority Vote.

Article #19 Stabilization Fund

The town has established a Stabilization Fund Policy which requires 5% of the General Fund Operating Budget be reserved for use in emergency or unforeseen circumstances. At this time, there are no available funds to appropriate. However, should funds become available at the May 2023 Town Meeting, the town could vote to appropriate monies to the fund.

Mr. McCaffrey recommended the Finance Committee simply vote to dismiss Article #19. Pete Berube noted the committee had lengthy discussions on this article and its decision to vote to recommend is dependent on Article #5.

Mike Guzinski noted any unappropriated funds would roll into Free Cash to be appropriated at the November Town Meeting.

The Finance Committee recommends approval of Article #19. This article requires a Simple Majority Vote.

Article #20 Petitioned Article

Peter Underhill: I move that the Town vote to dismiss Article 20.

This is a Petitioned Article proposing the Town of Millis Select Board send correspondence to State Representatives, Governor, Senators, Attorney General, Department of Public Health, Department of Environmental Services and several other governing authorities to address the petitioner's concerns regarding the health and safety of wireless exposure.

The Finance Committee recommends dismissal Article #20.
This article requires a Simple Majority Vote.

Pete Berube closed the Pre-Town Meeting/Public Meeting at 8:21 PM.

Board and Committee Liaison Updates:

Pete Berube thanked John Steadman for his time and contributions to the Finance Committee. There is currently an opening for one member of the committee. Members are appointed by the Town Moderator, Brutus Cantoreggi.

Bills Payable:

Jodie Garzon made a motion to recommend approval of payment to Gatehouse Media in the amount of \$124.88 for advertising the Pre-Town Meeting/Public Hearing; Peter Underhill seconded. Vote: 9/0 motion carries unanimously.

Joyce Boiardi made a motion to recommend approval of payment to Ourtown Publishing in the amount of \$6,748.80 for printing the Finance Committee Report; Jodie Garzon seconded. Vote: 9/0 motion carries unanimously.

Finance Committee Meeting Minutes Approval:

Jodie Garzon made a motion to approve the March 29, 2023 Finance Committee Meeting Minutes; Joyce Boiardi seconded. Vote: 9/0 motion carries unanimously.

Jodie Garzon made a motion to approve the April 12, 2023 Finance Committee Meeting Minutes; Joyce Boiardi seconded. Vote: 9/0 motion carries unanimously.

Adjourn Meeting:

Joyce Boiardi made a motion to adjourn the Finance Committee Meeting at 8:33 PM; Jodie Garzon. Vote: 9/0 motion carries unanimously.

Respectfully submitted, Deirdre Gilmore