

## Finance Committee Meeting

July 12, 2023 7:00 PM EST  
Veterans Memorial Building – Room #229  
900 Main Street Millis, MA 02054

### Committee Members In Attendance:

Pete Berube, Chair  
Jodie Garzon, Vice Chair  
Joyce Boiardi  
Michael Krone  
Jonathan Loer  
Cathy MacInnes  
Sara Reyes  
Jen Zarutskie

### Invited Guest:

Michael Guzinski, Town Administrator  
Carol Johnston, Finance Director  
James McKay, DPW Director  
Jane Hardin, Millis Tri-County School Committee Representative  
Dan Hayes, Tri-County Business Manager  
Trip Elmore, Dore, and Whittier Company  
Brian Mushnick, Norfolk Tri-County School Committee Representative and Building Committee Chair

Pete Berube called the Finance Committee Meeting to order at 7:09 PM.

Pete Berube welcomed the committee's newest member, Jen Zarutskie and thanked her for volunteering. Residents interested in volunteering should contact the Town Clerk's Office or the Assistant Town Administrator.

### Discuss and Approve FY23 Inter-Department Transfers:

Carol Johnston explained the FY23 Inter-Department Transfers are necessary to balance the FY23 Operating Budget.

General Fund Deficits include:

- Finance Committee \$ 4,200.00
    - Printing costs were higher than expected
  - General Insurance \$ 6,500.00
    - Insurance costs were higher than expected
  - Employee Benefits \$30,000.00
    - Benefits higher than expected
  - Debt Service \$ 1,100.00
    - Short Term Debt Interest was higher than expected
  - Cherry Sheet Assessments \$13,000.00
    - Charter School Assessment was higher than expected
- Total: \$54,800.00

General Fund Surpluses include:

- IT Consulting Services \$15,000.00
  - IT Software Maintenance \$11,227.00
  - Reserve Fund \$28,573.00
- Total: \$54,800.00

Carol noted that Medicaid Costs are a best guess, overtime is unpredictable, Health Insurance costs fluctuate depending on new hires and the Cherry Sheet Assessments are uncontrolled. The Finance Committee FY24 Budget was level funded and will be in a deficit.

Jodie Garzon made a motion to recommend approval of the above-listed transfers; Joyce Boiardi seconded. Vote: 8/0 motion carries unanimously.

Water Enterprise Fund Salary Deficit:

- Water License Fees \$37,600.00

Water Enterprise Fund Surplus:

- Water Special Projects \$37,600.00

The Water Enterprise Fund is charged for each DPW Staff member holding a Water License. This item was not budgeted for FY23, but it was for FY24. The Special Projects Budget Line Item was a new line item in FY23 and was intended to cover the Lead Line Inventory Project. The project was presented at the November Town Meeting; it required a borrowing and Town Meeting Vote.

Jodie Garzon made a motion to recommend approval of the above transfer; Joyce Boiardi seconded. Vote: 8/0 motion carries unanimously.

Financial Update:

The Governor has not received the budget; it should be received by the end of August for approval. The Cherry Sheet is expected to have an increase in revenues of \$34,000.00 and a decrease in expenses of \$26,000.00. Chapter 70 Funds will have a \$20,000.00 increase and a \$14,000.00 increase in Unrestricted General Government Funds. The expense reduction is for Charter School Spending. A 1/12<sup>th</sup> budget was approved in June to get through July 31, 2023. Any Supplemental State Aid for SPED will be decided by mid-August and shortly after, Millis will be notified of any additional funding.

DPW Update:

The Select Board approved the following Enterprise Fund Rate increases:

- Water 10%
  - Increase in materials and chemicals
  - PFAS Plant
- Sewer 5%

There was no change to the Stormwater Rate of \$33.00 per 1,000 square feet of Impervious Surface. Stormwater regulations will become more stringent in the next 6 – 10 years which will require more funding.

The Capital Assessment Fee was reduced, from \$72.89 to \$61.83. There is the option of factoring in the Capital Assessment Fee into the Water Rates which would benefit low usage users. The Capital Assessment Fee is used to maintain the Water System Infrastructure.

FY24 Sidewalk and Road Improvement Projects include:

- Plain Street from Main Street to Village Street
- Auburn Road from the Prospect Hill Cemetery Entrance to Main Street
- Village Street from 289 Village Street to Acorn Street; westbound lane only
- Spring Street from Plain Street to Village Street
- Sidewalks will be installed from Village Street to the Primavera Parking Lot

Chapter 90 Funds total \$349,903.66. At the November 2022 Town Meeting, \$500,000.00 was appropriated for road and sidewalk improvements. MASS DOT Bidding Guidelines restrict the town from putting a project out to bid unless the funding is available. The DPW Crew will perform a portion of the sidewalk installation reducing the cost of the project. Route 109, which is owned by the Town of Millis, will hopefully be paved in FY25 with \$1 million in Mass DOT funds. The Senator and State Rep earmarked these funds for Millis.

Kleinfelder provided a handout with an update on the D'Angelis (Wells #1 & 2) PFAS Treatment Facility. Mass DEP inspected the facility on June 28, 2023, all PFAS were not detectable. The facility was partially funded, \$2.4 million, with ARPA (American Rescue Plan Act) Funds. An additional PFAS Treatment Facility will be needed at Well #3, the cost, approximately \$6.88 million will be offset by an EPA Grant, \$3.5 million. The remainder will be a Water Enterprise Fund Borrowing. If an SRF (State Revolving Fund) Loan is secured, the interest rate will be zero percent. Thirty percent of the design is complete. The FY25 Operating Budget will be adjusted to include PFAS Facility Operating Costs. Pete Berube commended Jim McKay and his staff for the hard work needed to manage the numerous DPW programs/projects. The WMP (Water Management Permit) was approved by the DEP which includes amendments to the Watering Ban allowing watering for recreational areas.

#### Tri-County Vocational High School Construction Project:

On October 24, 2023, eleven communities will vote whether to approve a \$285,992 million construction project for the Tri-County Vocational High School. The impact of the cost to the town will be significant and is dependent on how many students from Millis enroll each year. An overview of the project is available on the town's website:

[https://www.tri-countybuilding.com/files/ugd/7870a5\\_26e521f9652444a0be34c8dea278106f.pdf](https://www.tri-countybuilding.com/files/ugd/7870a5_26e521f9652444a0be34c8dea278106f.pdf)

The current building was constructed in 1974 – 1977 and was fully funded by the State. The building has been maintained but is beyond its life expectancy, is not ADA compliant, not equipped with a fire suppression system and is in disrepair.

The school is used as an Adult Educational Facility at night, offers AP classes and has various programs to help students achieve their career goals.

The MSBA is restricted by the Legislature in determining the percentage to fund standard vs vocational schools; the percentage of funding will be available prior to the October 24<sup>th</sup> vote. Reimbursement varies and the cost to construct a vocational school is much higher than traditional schools. The reimbursement amount will be presented to the Board of Directors on August 30, 2023. The maximum amount of reimbursement is approximately \$81 million. A \$200 million borrowing is expected and \$6 million has been built into the Operating Budget.

Mike Guzinski explained the concern is the process of funding the project. Since Proposition 2 ½ was established, a large-scale project like this will require a Debt Exclusion. If a Debt Exclusion is not approved, the Operating Budget will be significantly impacted, and town services will be reduced. The Select Board is considering holding two elections on October 24<sup>th</sup>; (1) for the project and (1) for the debt exclusion. Bonding for the project will not take place until FY27/28. If the school project passes and the debt exclusion does not, the Select Board will determine the impact on the town's operations. The election for the project will be held from 12:00 PM to 8:00 PM in all eleven communities in the district. The committee expressed their concern with having both elections on the same day.

The benefits of providing a more comprehensive facility are:

- Improved Football and Track Fields
- Additional AP Programs
- Improved Welding, HVAC, Plumbing and Carpentry Programs
- Improved gymnasium and auditorium to host large events
- Summer camps
- Better security throughout the school
- Improved parking areas

The new building will last fifty years, and the facility operating costs are expected to stay at the current increase of 3 – 3.5% annually. Consideration to renovate the building was discussed but ultimately it makes more sense to build a new building behind the current building eliminating any disruption to the students. It was noted that field improvements are not reimbursed by the MSBA however the project team deemed the improvements would enhance the overall experience for the students. The Select Board hope to take a position on the project. The Finance Committee should take a position on the project due to its impact on the town's overall finances. Outreach to the community should happen prior to the October Election. The project detail is available at [www.tri-countybuilding.com](http://www.tri-countybuilding.com).

#### Approve Bills Payable:

Jodie Garzon made a motion to recommend approval of payment to WB Mason in the amount of \$14.69; Cathy MacInnes seconded. Vote: 8/0 motion carries unanimously.

Jodie Garzon made a motion to recommend approval of payment to Clear Gov in the amount of \$5,834.95; Sara Reyes seconded. Vote: 8/0 motion carries unanimously.

#### Finance Committee Meeting Minutes Approval:

Jodie Garzon made a motion to approve the May 3, 2023 Finance Committee Meeting Minutes as written; Cathy MacInnes seconded. Vote: 7/0 1 abstained. Motion carries.

#### Adjourn Meeting:

Jodie Garzon made a motion to adjourn the Finance Committee Meeting at 8:48 PM; Joyce Boiardi seconded. Vote: 8/0 motion carries unanimously.

Respectfully submitted,  
Deirdre Gilmore