

Finance Committee Meeting

August 30, 2023 7:00 PM EST
Veterans Memorial Building – Room #229
900 Main Street Millis, MA 02054

Committee Members In Attendance:

Pete Berube, Chair
Peter Underhill, Clerk
Joyce Boiardi
Michael Krone
Jonathan Loer
Cathy MacInnes
Sara Reyes
Jen Zarutskie

Invited Guest:

Michael Guzinski, Town Administrator

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

A Tri-Board Meeting: Finance Committee, School Committee and Select Board, is scheduled for Wednesday, September 6, 2023 at 7:00 PM. The meeting will be held at the Veterans Memorial Building in Room #229.

Tri-County Vocational High School Construction Project:

On October 24, 2023 between 12:00 PM – 8:00 PM, eleven communities will vote to approve a \$285.992 million construction project for the Tri-County Vocational High School. The collective votes of all eleven communities will decide the project's fate by a simple majority. The committee discussed whether they should take a position on the project. The committee is an Advisory Committee for Town Meeting Warrant Articles. Mike Guzinski noted the Finance Committee could take a position due to the significant financial cost associated with the project and the implications to the community. Millis' annual cost for the project could range between \$400,000.00 - \$800,000.00 depending on the number of Millis Students attending Tri-County. Mike Krone objected to the committee taking a position/recommendation on the project. The Finance Committee will vote on whether they should take a position on the project when all members are present. If the project is approved, a Debt Exclusion will be necessary. If a Debt Exclusion is not approved, the Operating Budget will be drastically affected.

The Select Board received notification of the project this past Spring. The Select Board has discussed having two ballot questions on October 24th, (1) for the project and (1) for the debt exclusion. Some committee members suggested holding two elections; the Debt Exclusion Ballot Question at a later date. If the Debt Exclusion passes, it will then need approval at the November Town Meeting. The Finance Committee will have to make a recommendation regarding the Debt Exclusion Warrant Article. The Select Board will meet on Thursday, September 14th to make their final decision on when the Debt Exclusion Ballot Question will take place.

Outreach to the community is crucial prior to the October Election. Ideally, an informational meeting could be held with Jane Hardin, Millis Tri-County School Committee Representative and Brian Mushnick, Norfolk Tri-County School Committee Representative and Building Committee Chair in attendance. It was suggested the community should know how the Finance Committee views the project and the implications to town operations if the Debt Exclusion is not supported. The project cost will not take effect until FY27 but a plan to fund it should be in place. It is difficult to determine where operational adjustments would be made three years down the road. Also, it should be determined whether there are potential benefits such as access to the facilities/fields, and if so, the community could be made aware. Historically, Town Meeting votes 95% in favor of the Finance Committee's recommendations. The Debt Exclusion Ballot will be worded indicating the cost will fluctuate each year based on enrollment. It was noted, if Millis residents do not support the project but the other communities do, Millis is obligated to pay the project's assessment for thirty years. A more in-depth discussion on the project will take place at the Tri-Board Meeting. Each community in the Tri-County District is handling the funding of the project differently. The overall sense from the eleven communities is that the project will be supported.

FY25 Budget Discussion:

Prior to the FY25 Budget Cycle, discussions and tough decisions will need to be made regarding:

- School Deficit - \$900,000.00
 - FY24 funding was temporary
- Loss of HCA Marijuana Impact Funds - \$500,000.00
 - Positions and Programs, if continued, will need to be included in the Operating Budget

- Stabilization Fund Replenishment - \$400,000.00
 - Policy requires repayment within three years
- Tri-County Assessment
- High School/Middle School Renovation Project

Pete Berube's intent is for the committee to draft a memo to include their opinion on the Town's Operating Budget prior to the next budget cycle which will begin in January 2024. Budgets need to be examined and cuts be considered before a potential Operational Override next May. If the Finance Committee is in agreement with this intent, they could issue guidance on the Operating Budget. For example, across the board percentage decrease to all budgets or zero new growth to each budget. Capital Item Spending Restrictions – limited to only critical needs. The committee is cognizant that tough decisions will need to be made.

Mike Guzinski communicated to the committee that the Governor has signed the budget and a net increase in Local Aid was \$16,202.00; 0.26%. Millis is one of the 119 minimum aid communities and therefore receives less Local Aid.

Pete Berube asked the members to give him feedback on the Finance Committee's role in preparing the FY25 Budget. Fine tuning the budgets will have less of an impact on the taxpayers. Mike Krone agreed and suggested the School Department's FY25 Budget be reviewed in November. Municipal Department preliminary budgets should be reviewed earlier as well. FY25 Salary Information is available through the Collective Bargaining Agreements and Personnel Contracts. The committee would like to give advice and does not intend to overstep their boundaries. This topic will be an ongoing discussion and the committee hopes to have some guidelines by October or November.

September 6, 2023 Tri-Board Meeting Topics:

The Tri-County Building Project and Debt Exclusion Elections will be discussed. Any committee member wishing to add a topic can email Pete Berube directly.

A change to the Marijuana HCAs (Host Community Agreements) Legislature was signed by the Governor. However, Millis and other communities are not considering the change retroactive. The CCC (Cannabis Control Commission) Regulations are vague but do allow up to an eight-year HCA. The town is currently in a five-year HCA; the fifth year begins this Fall. The HCA Funds, \$501,021.90, were used to fund positions and programs and a decision will have to be made how/if to fund the costs in FY25. The Police Department Marijuana Stipend, \$12,000.00, is contractual.

Other potential topics could be regionalization of services, the Senior Center and any potential shortfalls in FY24.

A request was made to have hard copies of all budgets going forward.

Approve Bills Payable:

Peter Underhill made a motion to recommend approval of payment to the Association of Town Finance Committees in the amount of \$190.00; Cathy MacInnes seconded. Vote: 8/0 motion carries unanimously.

Finance Committee Meeting Minutes Approval:

Mike Krone made a motion to approve the July 12, 2023 Finance Committee Meeting Minutes as written; Sara Reyes seconded. Vote: 7/0 1 abstained. Motion carries.

The Capital Planning Committee is scheduled to meet on Wednesday, September 13, 2023.

Adjourn Meeting:

Peter Underhill made a motion to adjourn the Finance Committee Meeting at 8:10 PM; Joyce Boiardi seconded. Vote: 8/0 motion carries unanimously.

Respectfully submitted,
Deirdre Gilmore