

Finance Committee Meeting

September 27, 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
Peter Underhill, Clerk
Joyce Boiardi
Michael Krone
Jonathan Loer
Cathy MacInnes
Sara Reyes
Jen Zarutskie

Invited Guest:

Michael Guzinski, Town Administrator
Jane Hardin, Millis Tri-County School Committee Representative
Lisa Hardin, Town Clerk

Pete Berube called the Finance Committee Meeting to order at 7:01 PM.

Vote Finance Committee Position on the Tri-County Vocational High School Construction Project (TCVHSCP):

The Finance Committee voted 6/3 in favor of voting a position on the TCVHSCP at last week's meeting. Members of the Finance Committee attended the Select Board's Meeting on September 25, 2023. In attendance were representatives of Tri-County, their presentation to the Select Board is available at the link below:

https://www.millisma.gov/sites/g/files/vyhlif901f/uploads/tri-county_presentation_for_select_board_-_september_25_2023.pdf

Jon Loer outlined the financial hurdles the Town will face in the upcoming years:

- School Department Operational Deficit ~\$1.3 million
 - The Spring 2024 Town Meeting will most likely propose an Operational Override to bridge that gap.
- Middle/High School Renovation/New Construction
- TCVHSCP
- PFAS Treatment Facility Construction – Well #3
 - A Federal Grant has been secured to offset some of the costs.

The above items will substantially impact taxpayers and residents should consider what is in the best overall interest of the town. Residents are encouraged to vote at the October 24, 2023 Election which will include two Ballot Questions:

- TCVHSCP
- Limited 30-year Debt Exclusion to fund the TCVHSCP
 - The Debt Exclusion will fluctuate each year based on enrollment.

The question was raised why the community was not made aware of the above Ballot Questions in a timelier manner; the TCVHSCP was known three years ago. Jane Hardin made Town Officials aware of the project but that information was not disseminated to residents. Several Tri-County Community Meetings were held; the district, consisting of 11 communities, voted unanimously in favor of new construction. Mike Krone noted the facility has a new roof and HVAC System and a renovation should be considered. In addition, not enough information was made available to the public, Jen Zarutskie agreed. The Finance Committee was not represented at the Tri-County Community Meetings and will not be represented at the Millis Middle/High School Project. The Town will be faced with an increased assessment by Tri-County either way; new construction or renovation.

Jane Hardin's role as the Town of Millis' Tri-County School Committee Member, an appointed position, is to put forth to Town Officials the information available at the time. It is the responsibility of Town Officials to present the information to the public.

New Construction will be partially supplemented, 29%. A renovation to the facility will cost approximately \$180 million, which will not have any funding from the MSBA, as opposed to the new build \$285 million. If supported, the project's construction is expected to commence January 2025.

The residents of Millis will have the opportunity to cast their vote on October 24, 2023. However, if the other communities within the district vote in favor of the project, Millis will be required to fund their assessment based on enrollment. Sara Reyes voiced her desire to fund the Millis Middle/High School Project which would be an overall benefit to the community and will increase property values. Jodie Garzon noted that the New Clyde Brown Elementary School Project at first, appeared as a hard ask until the project's reimbursement from MSBA made it more palatable to support. Jon Loer noted that if the Debt Exclusion does not pass and the project is supported, the Town of Millis will potentially face significant cuts to current services. Cathy MacInnes and Michael Krone reiterated their concern with the committee taking a position on the project; it will not be included in a Town Meeting Warrant. The Finance Committee makes their recommendations to Town Meeting on the Warrant Articles presented to them by the Select Board. Pete Berube expressed his concern with the duplication of courses offered at both a Traditional and Vocational High School and acknowledged the fact that there is a need for individual's possessing Technical and Trade expertise which makes the decision tougher.

Lisa Hardin expressed her concern with transparency to the residents and the lack of information provided considering the potential ramifications to taxpayers which is dependent on the October 24, 2023 Ballot results.

Jon Loer made a motion the Finance Committee vote not in favor of the TCVHSCP; Mike Krone seconded. Roll Call Vote: Jen Zarutskie – aye, Sara Reyes, aye, Cathy MacInnes – nay, Jodie Garzon – nay, Jon Loer – aye, Michael Krone – aye, Peter Underhill – nay, Joyce Boiardi – nay, Pete Berube – aye. Vote: 5/4 motion carries.

The members have the opportunity to issue a Minority Report. It was suggested the four members who voted against the motion have a clear and concise summary which will be provided to the community within ten to fourteen days.

Mike Krone suggested the committee vote to support or oppose the Debt Exclusion should the project move forward. The consequences of the Ballot Questions should be made public. Jodie Garzon agreed, while her position on the project is in the minority, she agrees with the opinions of the majority.

Mike Krone made a motion the Finance Committee take a position on the Debt Exclusion; Jon Loer seconded.

Mike Guzinski clarified, if the TCVHSCP and one-time Debt Exclusion pass, an Annual Vote at subsequent Spring Town Meetings will be needed to appropriate funds for each year's assessment. The Town's Operating Budget includes a Debt Line Item which will vary year to year depending on the project's assessment which is dependent on enrollment. The impact to taxpayers will not be in effect for 3 – 4 years. The authorization would be in place when the assessments are due. An alternative would be to delay the authorization of a Debt Exclusion until the project is underway. The public should be aware of the consequences/impact to Town Services if a Debt Exclusion is not supported.

Roll Call Vote: Jen Zarutskie – aye, Sara Reyes, aye, Cathy MacInnes – nay, Jon Loer – aye, Michael Krone – aye, Joyce Boiardi – aye, Peter Underhill – aye, Jodie Garzon – aye, Pete Berube – aye. Vote: 8/1 motion carries.

Jon Loer made a motion the Finance Committee recommend approval of the proposed Debt Exclusion should the TCVHSCP pass; Peter Underhill seconded.

Cathy MacInnes expressed her concern with the committee taking a position, it's premature; the Select Board has not yet voted or disclosed the impact should the Debt Exclusion not pass. Sara Reyes supports the committee taking a position; the community need to be well versed in what they are voting for and the impact it will have on taxes and Town Services.

Roll Call Vote: Jen Zarutskie – aye, Sara Reyes, aye, Cathy MacInnes – nay, Jon Loer – aye, Michael Krone – aye, Joyce Boiardi – aye, Peter Underhill – aye, Jodie Garzon – aye, Pete Berube – aye. Vote: 8/1 motion carries.

The committee's intent is to provide to the community their position on both the TCVHSCP and Debt Exclusion prior to the October 24, 2023 Election.

November 6, 2023 Town Meeting Warrant Article Discussion:

Mike Guzinski noted the November 2023 Town Meeting Warrant will be finalized at the October 12, 2023 Select Board Meeting and outlined the Warrant Articles the Select Board are considering:

- FY24 Operating Budget Adjustments; Marijuana Impact Fee Program and Positions Funding as well as OPIOD Funds
- OPEB (Other Post Employment Benefits) Audit
- Capital Items
 - The Capital Planning Committee is in the process of ranking the Capital Item Requests and plan on presenting their recommendations to the Finance Committee on October 18th which is when the Finance Committee's Final Recommendations will be made.
- PFAS Treatment Facility Borrowing Authorization – Well #3
 - James McKay, DPW Director, will be available October 11th to give an update on the project as well as any DPW Capital Item Requests.

- Increase School Bus Lease Authorization
 - The funds to increase the School Bus Fleet will be provided by the School's Operating Budget. This Warrant Article is simply an authorization.
- SPED Fund Transfer
- Chapter 111F Fund Transfer
 - Includes Police and Fire & Rescue Personnels' Out on Injury Costs and is authorized by the State. It is used to fund operations when department staff is depleted requiring additional overtime costs.
- Transfer to OPEB
- Transfer to Stabilization Fund

Recommended funding for the above Warrant Articles will be available within the next two weeks.

Free Cash Update:

Free Cash has been certified resulting in:

- General Fund Free Cash: \$3,266,213.00
 - FY24 New Growth was estimated at approximately \$1,098,055.00.
 - Unusually high back taxes were collected.
- Sewer Enterprise Fund Retained Earnings: \$ 311,291.00
- Water Enterprise Fund Retained Earnings: \$ 247,171.00
- Stormwater Enterprise Fund Retained Earnings: \$ 760,789.00

Peter Berube noted the town is very fortunate to have this amount of Free Cash for the Fiscal Year and will hopefully replenish the Stabilization Fund at the November 2023 Town Meeting. The Special Education Fund is limited to a certain percentage of budgeted expenditures and are limited to unexpected costs. Carol Johnston will be available at next week's meeting to answer any questions.

Finance Committee Meeting Minutes Approval:

Jodie Garzon made a motion to approve the September 20, 2023 Finance Committee Meeting Minutes as written; Michael Krone seconded. Vote: 9/0. Motion carries unanimously.

Adjourn Meeting:

Jon Loer made a motion to adjourn the Finance Committee Meeting at 8:25 PM; Cathy MacInnes seconded. Vote: 9/0 motion carries unanimously.

Respectfully submitted,
Deirdre Gilmore