

## Finance Committee Meeting

January 3, 2024 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 in Attendance:

Michael Guzinski, Town Administrator  
Kris Fogarty, Recreation Director  
Marc Conroy, School Committee Chair

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

### Reserve Fund Transfer Request – Recreation Department:

Mike Guzinski explained the request is due to program success and expansion. As a result, the Expense Budget has been completely depleted. The request for \$30,000.00 will cover expenses through April, at which time an Inter-Department Transfer can cover expenses for the remainder of the Fiscal Year. The FY25 Expense Budget will be increased and offset by anticipated revenues. The FY24 Expense Line was budgeted for \$56,798.00; expenses as of January 2, 2023 are \$77,076.33. The Expense Budget was underestimated for FY24. The department's expenses on average are approximately \$112,000.00. The Reserve Fund is budgeted annually for \$50,000.00 for emergencies.

For the past two Fiscal Years, all revenues were deposited into the General Fund and are expected to be \$204,096.00 in FY24; an 18% increase. Previously, the Recreation Department's Expenses were funded by a Revolving Fund which was dissolved in FY23. There are pros and cons to operating the department with a Revolving Fund. Further discussion and consideration will be given to re-establishing one during the FY25 Budget Cycle.

Jodie Garzon made a motion to approve a Reserve Fund Transfer in the amount of \$30,000.00 to the Recreation Department Expense Budget; Joyce Boiardi seconded. Vote: 8/0. Motion carries unanimously.

### Millis Public Schools Update:

Marc Conroy provided a handout illustrating the anticipated shortfall for FY25; \$959,790.00. The shortfall for FY24 was covered by Free Cash, \$538,697.00 and Stabilization Funds, \$400,000.00. The Stabilization Fund was replenished at the November 2023 Town Meeting.

In FY25, a 4% increase to the Operating Budget, 4.5% increase to the Salaries Budget and a 3% increase to the Out of District Tuition Budget is expected. The Teachers Collective Bargaining (3-year) Agreement will expire in May 2025. The Teacher's contract includes cost of living, step and lane increases. Lane increases are associated with education and credits. The anticipated increase in the Salaries Budget would only decrease if staff chose to retire. There is a state-wide retirement incentive where the individual's longevity is increased for three years which will give them the maximum retirement amount. Millis does not offer incentives for early retirement.

If the FY25 shortfall is not funded, 15 FTEs (Full Time Equivalent) staff will be laid off. Staff FTEs are not necessarily teachers, they could be administration or paraprofessional staff. The committee would like to know specifically what fifteen staff members would be cut to get a sense of the effects on the schools if the shortfall is not funded. The School Committee is hoping an Operational Override will pass. Prior to the results of an override, specific staff member cuts will not be provided. The 7 FTEs cut in FY24 included reductions in hours as well as layoffs. It was noted that a reduction in hours from 40 to 20 per week still qualifies the individual for healthcare coverage.

A request was made for the Finance Director to provide the total savings seen in FY24 with 7 FTE cuts. The information will be helpful when considering an Operational Override. The last proposal for an override was in 2011. The School Committee has not formally discussed their desired amount above the shortfall to seek in an override. The Select Board ultimately decides the override question, including the amount, for both the Warrant and Ballot after consultation with the School and Finance Committees. Specific details of what the override could include have not yet been discussed by the Select Board. Funding estimates from the state are not expected

until at least March. It is expected State Aid will be level funded for FY25; \$30.00 per student. It is also expected that New Growth will be less than previous years. The MBTA is working diligently to recommend Zoning ByLaw changes that may assist with New Growth in town. The town is working toward shared services to help alleviate operating costs. The town has received a \$45,000.00 grant to study Human Resources and possible share services in that area.

The override for the Middle/High School renovation/replacement will be in May 2025. The project is currently in the design phase.

#### Update on Storm Costs:

Mike Guzinski made the committee aware the most recent storm had approximately \$18,300.00 in overtime, of which ½ was for the Fire and Rescue Department. He hopes the Commonwealth will help offset the cost. Recognition was given to Police, Fire & Rescue as well as the DPW crews for their response to the emergency.

#### FY25 Budget Recommendations/Guidance:

The committee would like to review and discuss the School Department FY25 Operating Budget earlier in the Budget Cycle and understands, while the data is not final, it's worthwhile to have ample time to review prior to a recommendation for an Operational Override. The Select Board, School Committee and Finance Committee will have to consider options to reduce the overall costs to the town's Operating Budget. Transparency is paramount and the committee hopes to work with the Select Board and School Committee to take the steps necessary to move forward.

Revenue projections are vital in decision making and play a key role in the committee's recommendations. New Growth has been underestimated in previous years but is expected to diminish in future years; Regency at Glen Ellen is in its final stages and while the town seeks new opportunities for future growth, it is limited. The MBTA Committee is working diligently to propose options for future development throughout town. This will require ByLaw changes that will be presented at the November 2024 Town Meeting and require a 2/3 majority vote. Underdeveloped parcels of land have the potential of generating revenue which in turn will help to offset the overall cost to the taxpayer. Further information is available: <https://www.millisma.gov/mbta-3a-advisory-committee>

#### Board and Committee Liaison Updates:

The committee will discuss FY25 Recommendations/Guidance, Policies and Procedures as well as the Re-Organization of the Committee at their meeting, scheduled for January 17, 2024. The committee's Operating Policies and Procedures is available at the link below:

[https://www.millisma.gov/sites/g/files/vyhlif901f/uploads/finance\\_committee\\_operating\\_policies\\_and\\_procedures\\_2021.pdf](https://www.millisma.gov/sites/g/files/vyhlif901f/uploads/finance_committee_operating_policies_and_procedures_2021.pdf)

The Community Preservation Committee held a public meeting recently and is considering using their funds to accommodate Senior Housing although the use of the funds is limited.

#### Bills Payable:

Jodie Garzon made a motion to approve payment in the amount of \$124.88 to Gatehouse Media for advertising the November Pre-Town Meeting/Public Hearing; Joyce Boiardi seconded. Vote: 8/0. Motion carries unanimously.

#### Finance Committee Meeting Minutes Approval:

Jodie Garzon made a motion to approve the November 6, 2023 Finance Committee Meeting Minutes; Pete Berube seconded. Vote: 8/0. Motion carries unanimously.

It was noted, the members are volunteers and are encouraged to stay the course through the FY25 Budget Cycle.

#### Adjourn Meeting:

Joyce Boiardi made a motion to adjourn the Finance Committee Meeting at 9:01 PM; Jodie Garzon seconded. Vote: 8/0 motion carries unanimously.

Respectfully submitted,  
Deirdre Gilmore