

Tri-Board Meeting

February 15, 2023 7:00 PM EST
Veterans Memorial Building Room #130
Zoom Remote Meeting Platform
Millis, MA 02054

In Attendance:

Finance Committee

Peter Berube, Chair
Jodie Garzon, Vice Chair
Joyce Boiardi
Jonathan Loer
Cathy MacInnes
Sara Reyes

Select Board

Erin Underhill, Chair
Craig Schultze, Vice Chair
Ellen Rosenfeld, Clerk

School Committee

Steven Catalano, Chair
Marc Conroy
Robyn Briggs

Michael Guzinski, Town Administrator
Karen Bouret DeMarzo, Assistant Town Administrator and Human Resources Manager
Carol Johnston, Finance Director
Robert Mullaney, School Superintendent
Terry Wiggan, Director of School Finances and Human Resources

Pete Berube called the Finance Committee Meeting to order at 7:05 PM.

Erin Underhill called the Select Board Meeting to order at 7:06 PM.

Steven Catalano called the School Committee Meeting to order at 7:08 PM.

SPED Funding Update and Discussion:

Steve Catalano made the group aware that Erin Underhill reached out to State Representatives, James Arena DeRosa and Rebecca Rausch and scheduled a meeting with them, Steve Catalano and Marc Conroy; unfortunately, there is no emergency funding available at this time to alleviate the FY24 SPED costs. Several communities throughout the Commonwealth are facing the same deficit. Erin Underhill noted that appeal letters to the Governor will be sent before March 1st when the Governor's budget is finalized. Any adjustments to the Circuit Breaker Formula would not occur for the FY24 Budget Cycle and therefore any emergency funding would not be available by the Spring Town Meeting.

Based on the School's current enrollment, there are twenty Out-of-District Students, outside of Out-of-District, one student is attending Bridgewater State University and three students are in extended evaluation which most likely will result in Out-of-District placement in FY24. An additional student has moved to Millis recently that will require SPED. Two students will "age out" of SPED mandated funding.

There is an increase of \$603,460.00 in SPED Tuition costs, which includes the 14% overall tuition costs and additional students going Out-of-District. Additional SPED Teachers totaling \$300,127.00 as well as \$241,317.00 in additional Paraprofessionals. The School Department endeavors to keep students in district which requires additional staffing. Twenty five percent of the School Department Budget is spent on SPED. Additional students going Out-of-District will require two additional vans in the amount of \$100,000.00 as well as additional drivers and fuel costs.

As a result, the School Department is facing a \$1,343,787.00 deficit. The School Committee has had numerous conversations on how to bridge the gap in the School Department's FY24 Budget. In order to offset the deficit, a detrimental impact will be seen including a 10% loss in staffing; classes sizes will increase significantly. Expenses are approximately 10% of the overall budget

and are at the bare minimum. There are no projected retirements or open positions to warrant a hiring freeze.

The Tri-Board previously agreed to a 4% Operating Budget increase for all departments. Mike Guzinski asked for clarification if the \$1.3 million deficit included a 4% increase to the School Operating Budget. Marc Conroy clarified their contracts and overall Operating Budget for FY24 is at 4%, the deficit is above the 4%.

Craig Schultze suggested the next step is to review Revenue Projections and to consider an Operational Override; the last one was in 2008. New Growth could help to bridge the gap of the deficit.

The FY23 School Department deficit was funded by Free Cash in the amount of \$361,000.00 of which approximately \$200,000.00 was from Marijuana Impact Fees. The \$1.3 million deficit is additional. The current Free Cash balance is \$1,163,680.71 of which \$271,000.00 is funded from Marijuana Impact Fees. The only "must fund" item for the May Town Meeting is Unpaid Bills; obligations from previous Fiscal Years.

Ellen Rosenfeld broached the question if there are possible staffing cuts at the School Department that would not have a detrimental impact on the education of students. Marc Conroy confirmed there are no staff that could be released without having an impact. The School Department's Base Operating Budget is \$18,188,000.00 which does include Marijuana Impact Fees or the \$361,000.00 funded to cover the FY23 SPED deficit. Circuit Breaker Funding for FY24 is estimated at 10% of actual costs; \$172,000.00.

The School Superintendent and Director of School Finances and Human Resources have reviewed the possible cuts to staff to offset the deficit. However, it was noted that School Department Staff are under Collective Bargaining Agreements which will dictate any possible cuts. Incentives for early retirements are not a viable option at this time.

It was noted by Ellen Rosenfeld, this is a situation that will continue and needs to be addressed. Karen Bouret DeMarzo confirmed there is no wiggle room in cutting Municipal Staff.

Craig Schultze proposed funding \$800,000.00 from Free Cash to fund the School Department deficit. New Growth and Revenue Projections should be available within three weeks. Health Insurance Costs will impact the FY24 Operating Budget. Marc Conroy advised that if indeed an Operational Override is necessary, communication to the public is very important.

There are a number of variables that would require an Operational Override; Healthcare Costs, SPED Funding, and Municipal Staffing needs. New Growth estimates will dictate the direction the Town will need to take. Carol Johnston cautioned the group that New Growth is certified by the State in September. The estimate for FY23 was \$800,000.00 but the actual was \$1.5 million. FY23 was an exceptional year for New Growth.

Capital needs for the May 2023 Town Meeting would require approximately \$300,000.00 - \$350,000.00 from the General Fund; all other requests will be funded by the Water, Sewer and Stormwater Enterprise Funds. The Town Hall HVAC System is being evaluated and is in need of much needed upgrades and repairs.

The School Committee and Select Board Chair will send letters to the Governor requesting emergency funding for SPED. The cost per SPED Student is \$56,288.00. The State refunds 10% of the cost and the town is responsible for the remaining 90%. There are twenty In-District SPED Students.

Continued Collaboration Between Municipal and School Departments:

The School and Municipal Departments made a joint effort to centralize Facilities Maintenance at the School Department. John Engler and his staff provide custodial services to all Town

Buildings. Other collaborative efforts could be made in Ground Maintenance and IT Staff. The School Department has multiple IT Staff. The Municipal Department has a Part-Time IT Director. Communication and collaboration between the School and Municipal Departments has greatly improved over the past few years. Another area to be reviewed is jointly using services/vendors in order to get a better economy of scale.

Town-Wide Social Worker Update and Discussion:

Funded by HCA (Host Community Agreement) Funds, the town employs a Social Worker who provides excellent services to both the School and Municipal Departments. Ideally, the town could use two Social Workers. The Police Chief is tracking the necessary data/information so when HCA Funding is no longer available, the town can include the Social Worker Salary in the Operating Budget.

Additional Municipal Staff Needs:

Mike Guzinski gave an outline of the Municipal Staff Needs:

- Additional Hours at the Council on Aging
 - Provide additional hours for Seniors to visit.
- Council on Aging Operations Manager
 - Provide additional programming
- DPW Laborer
 - The additional position would coincide with a study that was conducted several years ago on DPW Staffing
- Two Additional Police Officers
- Benefits Manager Addition to Human Resources
 - The position would provide services to both the School and Municipal Departments
- Full-Time IT Director
 - Currently the town shares an IT Director with the Town of Norfolk
 - In order to make advancements with E-Permitting and other IT solutions a Full-Time IT Director is necessary
 - The additional cost could be offset by grants
- Town Engineer
 - Offset the cost of Engineering Services currently provided by contracted Engineering Firms

The above will be discussed with the Select Board and will be dependent on available funding. Additional State Funding will not only be necessary for the School Department but the Municipal Department as well to provide the proper services to the entire town.

It was noted that Tri-County Vocational School will be making a presentation to the Select Board on March 13, 2023. The School is presenting a \$280 million renovation project of which 25% will be reimbursed from MSBA. On October 24, 2023, all districts enrolled in the Tri-County School System will vote on the renovation. All votes are pooled and if it passes by 50% + one vote, it is approved. Potentially, Millis could be assessed \$8 – 13 million for the project dependent on enrollment. There are currently thirty-eight Millis Students enrolled at Tri-County. The assessment would require a Debt Exclusion; there are not limitations on how often a Debt Exclusion can be presented to the town.

Adjourn Tri-Board Meeting:

Steven Catalano made a motion to adjourn the School Committee Meeting at 8:27 PM; Marc Conroy seconded. Vote: 3/0 motion carries.

Craig Schultze made a motion to adjourn the Select Board Meeting at 8:27 PM; Ellen Rosenfeld seconded. Vote 3/0 motion carries unanimously.

Pete Berube made a motion to adjourn the Finance Committee Meeting at 8:27 PM; Jodie Garzon seconded. Vote: 6/0 motion carries unanimously.

Respectfully submitted,
Deirdre Gilmore