MILLIS, MA

ANNUAL BUDGET

For the Fiscal Year
Beginning July 1, 2022 and Ending June 30, 2023

TOWN ADMINISTRATOR

Michael J. Guzinski

SELECT BOARD

Peter C. Jurmain
Erin T. Underhill
Craig W. Schultze

PREFACE

The purpose of this document is to provide a comprehensive communication of the Town of Millis's (TOWN) Fiscal Year 2023 recommended budget. The document is intended to provide readers, whether they be citizens, elected officials, town staff, or other interested parties with revenue and expenditure numbers. In addition, it provides detailed information that will help readers in understanding the Town, its challenges and opportunities, its strategic vision, and its organization and operation. Ultimately, this budget document describes how the Town attempts to identify the community's needs for public services and the strategies by which it tries to meet those needs.

Document Organization

The document is organized in a manner to convey a substantial amount of material in an easy to read and understand format, beginning with foundational elements that describe the Town and its form of government, information about the budget process itself, before moving into summarized and then detailed information about the Towns revenue structure and its allocation of resources.

The document begins with a letter of transmittal from the chief operating officer, the Town Administrator, which provides some description of the FY23 budget development before highlighting the specific issues facing the Town in preparing the annual financial plan, recent trends related to finances, service demands and development.

- Section 1 provides information about the Town of Millis, the form of government, and its organizational structure. This is valuable information in laying a foundation for readers to better understand the Town, its values and its intended operation.
- Section 2 builds upon the foundational aspects contained within Section 1, and focuses upon the budget development process, including the annual calendar and an explanation of how the property tax levy is calculated.
- Section 3 outlines the annual and multiyear strategic goals that are established by the Board of Selectmen to achieve similarly determined Selectmen vision and mission of the Millis town government .
- Section 4 provides a summary of the Town's FY23 revenue and expenditure budgets as a high level overview of the annual financial plan, and a summary of the Town's staffing plan.
- Section 5 provides more detail regarding Town expenditures by functional category and/or department, including
    - Departmental statements that offer explanatory information on purpose and statutory, or administrative, enabling information
    - Organizational charts
    - Programs and Subprograms
    - Personnel Summary of staffing over time
    - Financial information that includes three years of actual history, current year budget and actual to-date, and proposed spending levels
- Section 6 Revenue, expenditure, and background information for the Town's business-like Enterprise Funds.
- Section 7 presents Capital budget information on capital projects and financing methods.
- Section 8 provides the Town's Five Year Financial Forecast which is utilized as a tool for longer term financial planning.
- Appendices
    - Town Charter
    - Financial Policies
    - Glossary of Terms

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April 25, 2022

Dear Reader,

It is an honor and a privilege to transmit this annual budget document for the Town of Millis for the Fiscal Year 2023, which begins on July 1, 2022 and ends on June 30, 2023.

The main goal of this budget document (which is in its fifth year of production) is to provide greater information and transparency to the taxpayers of the Town. The preparation of this budget document also provides an improved and more structured budget process for the Town's decision-making officials, including the citizens who participate at the Spring and Fall Annual Town Meetings. Finally, the document serves as an important source of information for everyone who has an interest in the Town of Millis including citizens, elected and appointed officials, employees, and future residents and businesses that choose to locate in our community.

This budget document is based upon the general principles of the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award Program.

The document furthers the goal of better and more effective decision-making by everyone involved in the Millis Town government for FY23 and into the future. In addition, this document provides valuable information about the Town government's organization, its operation, its guiding principles, and its financial condition. We hope that you will find it useful and informative.

In addition to the information which is provided in this document, the Finance Director and her staff have worked diligently over the past year to build and implement a town/school combined financial system through the MUNIS platform which will greatly enhance the operational efficiency of the Finance Department and will allow the citizens and policy makers of the Town to administer "real time" management and oversight of the details of the municipal budget, as well as provide greater accessibility and accountability for the Town's taxpayers. The MUNIS system in conjunction with the ClearGov platform recently established by the Town (located on the Town's Website) will allow anyone with an internet connection the tools necessary to review the Town's finances in a way unimaginable only 10 years ago.

All budgets are noteworthy in some way, and this year is certainly no exception. The COVID-19 pandemic, which, since January of 2020, has profoundly impacted the lives of so many across the world, has hit particularly hard right here in Massachusetts. At the time of this message, COVID-19 has infected over 1,700,000 residents of Massachusetts, and has claimed the lives of over 20,000 of its citizens. In addition to the human tragedy, the pandemic has also caused severe economic impacts due to the

temporary closure of large portions of the industrial, retail and service sectors of the economy. I'm glad to say that the economic impacts of the COVID-19 pandemic are abating for much of the Commonwealth, including the Town of Millis.

However, there are other financial stresses that continue to impact the Town. Like many other communities and businesses, we continue to be faced with ever increasing costs associated with health insurance premiums and pension assessments. In FY23 our health insurance premiums are increasing by $164,365, or 4.90% over FY22. In addition, our pension assessment to Norfolk County Retirement System will increase by $161,904 in FY23, which is 7.26% over FY22. These employee benefit costs are largely out of our control as they reflect requirements as set forth by state law. Many of our costs in these areas reflect legacy costs of decisions that were made long ago but have a lasting impact and must be addressed as we move forward into the future. In spite of these challenges we've been fortunate to be able to put forward some additional operational investments in FY23 which will help better serve the residents of the community. The FY23 budget proposes an increase in the staffing level of the Senior Center, Health Department, Election, and Executive Offices in order to provide broader and more comprehensive services in these areas of government.

One of the bright spots from our FY22 budget picture is the continued success of CommCan Inc. (a medical/recreational cannabis dispensary located on Route 109), which has been very successful in its first 2-1/2 years of operation and is continuing to provide much needed revenue for the Town. The Town is also currently working with several other cannabis related businesses who have expressed in interest in establishing grow, manufacturing, and testing portions of this new industry. In examining the residential sector of New Growth we can see the ongoing conversion of the former Glen Ellen Country Club to a 320+ unit 55 and older housing development, plus a new assisted living facility in the Town. These projects along with a large number of smaller commercial and residential projects continue to produce vital new revenues that, if used wisely, could assist us in addressing long term issues related to infrastructure, service and staffing levels, unfunded liabilities like OPEB, and building better levels of financial reserves that will prove helpful for long term sustainability.

Our dedicated Capital Planning Committee continues to be very active in its work and continues to refine its comprehensive capital project plan for the Town of Millis. Due to the aforementioned revenue challenges facing the Town, the capital projects put forward for funding in FY23 are very limited in scope and are considered "must do" items.

Although there are a great many challenges facing us, the Town of Millis is well positioned to continue to improve its financial outlook through planned new growth and more efficient and effective management of its valuable resources. I look forward to that challenge, and in working with the Select Board and all of the boards and commissions of the Town, as well as its dedicated employees, and of course the taxpayers and residents of Millis, to move the Town forward in a positive direction. We will continue to build upon the success of this budget in creating a better financial condition that in the end will provide greater financial stability and an even better local government.

Respectfully,

Michael J. Guzinski
Town Administrator

SECTION 1

THE COMMUNITY

The Community

The Town of Millis is an attractive suburban community of approximately 8,200 residents located along the Charles River in western Norfolk County. Residents appreciate its semi-rural character, rich natural setting, and distinctive history.

Millis was first settled in 1657 (when it was part of Medfield) and incorporated in 1885. First a farming community and then an industrial town, today Millis is primarily a suburban community with semi-rural areas remaining on its outskirts. The Town is bordered by Medway to the west, Holliston and Sherborn to the north, Medfield to the east, and Norfolk to the south. The Charles River and its tributary Bogastow Brook surround Millis on three sides. The Town is about 23 miles southwest of Boston, 32 miles east of Worcester, and 32 miles north of Providence, Rhode Island.

The Town has large areas of wetlands and forest that provide wildlife habitat, areas for nature-based recreation, and scenic vistas. For example, Southend Pond is an ideal site for viewing waterfowl, great blue herons, ospreys and hawks; Oak Grove Farm (once the dairy farm of the Town's founder) provides spectacular colors in the autumn and numerous wildflowers in addition to providing habitat for birds, deer, and other animals; Pleasant Meadows Farm is a mix of open meadows, wetlands, and wooded uplands with diverse flora and fauna; the Charles River allows for canoeing and kayaking as well as viewing nature. There are also numerous playing fields and trails for walking, hiking and biking in Town.

Millis was originally part of Dedham, Massachusetts, until that community granted the lands of Millis, and other present-day surrounding towns, to Medfield in 1651. In 1713, pioneers of Medfield applied for a grant to create a new town and, when approved, named this new land Medway. The new town consisted of West Medway (which is today's Medway) and East Medway (which is today's Millis). Millis incorporated as a separate town on February 24, 1885, and is named after Lansing Millis, one of the Town's founders.

Lansing Millis was a railroad entrepreneur who built a strong rail system in Millis. The rail system was an important factor in the Town becoming a separate community from Medway. The railway promoted economic growth in the Town and gave it access to the larger communities of Boston, Cambridge, and Dedham. This railroad, which used to begin in Medway, is known as "The Woonsocket Division of the New York and New England" Railroad. The railroad is now mostly defunct; however, several miles of the Bay Colony tracks in Millis are privately owned by the MBTA.

The industrial history of Millis started with the waterpower of Hinsdell's mill. With waterpower, Millis soon grew into a successful industrial community. Numerous industries opened in town,

stimulating employment and growth. When waterpower lessened in popularity, shoe factories, canning and bottling companies along with Holbrook Bell Foundry, several brickyards, and an organ factory provided employment. The most famous industries of Millis are the Clicquot Club Ginger Ale, which was established by Lansing Millis and distributed nationally for at least 50 years, and Herman Shoe Company, which produced most of the boots worn by the troops during World War II.

Population

	Millis		Norfolk County		Massachusetts	
Year	**Number**	**% Change**	**Number**	**% Change**	**Number**	**% Change**
2020	8,288	5.0	726,025	8.2	7,022,220	7.3
2010	7,891	-0.1	670,850	3.2	6,547,629	3.1
2000	7,902	3.8	650,308	5.6	6,349,097	5.5
1990	7,613	10.2	616,087	1.6	6,016,425	4.9
1980	6,908		606,587	0.0	5,737,037	

Source: U.S. Department of Commerce & US Census Bureau
Massachusetts Institute for Social & Economic Research for projections.

Education is important to Millis residents. In 2010, Millis earned Silver Medal status as one of America's best high schools in *U.S. News & World Report*'s ranking of public high schools. Millis was in the top 3% of the 18,743 high schools analyzed. Additionally, a total 97.8% of Millis residents have a high school diploma or higher, approximately 49% have earned a bachelor's degree or higher, and about 18% hold a graduate or professional degree.

Educational Attainment

	Millis		Norfolk County		Massachusetts	
Years of School Completed	**Number**	**Percent**	**Number**	**Percent**	**Number**	**Percent**
Less than 9th Grade	3	0.1	13,136	2.7	220,055	4.8
9th to 12th Grade, No Diploma	123	2.2	16,228	3.4	251,050	5.4
High School Graduate	1,341	23.9	100,457	21.0	1,169,375	25.4
Some College, No Degree	851	15.2	69,344	14.5	745,794	16.2
Associate's Degree	551	9.8	37,120	7.8	357,133	7.7
Bachelor's Degree	1,740	31.0	134,172	28.0	1,049,150	22.8
Graduate or Professional Degree	1,007	17.9	108,310	22.6	817,953	17.7
Total	5,616	100.0	478,767	100.0	4,610,510	100
High School Graduate or Higher	5,490	97.8	449,403	93.9	4,139,405	89.9
Bachelor's Degree or Higher	2,747	48.9	242,482	50.6	1,867,103	40.5

Source: U.S. Department of Commerce

Public School Enrollment

	Actual								
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Elementary	577	564	528	504	502	491	577	548	581
Middle	458	444	452	429	407	376	269	276	266
High	391	399	382	390	393	356	333	332	328
Totals	1,426	1,407	1,362	1,323	1,302	1,223	1,179	1,156	1,175

Source: Massachusetts Department of Education (As of October 1, each school year.)

The most prominent employers in Millis today are Tresca Brothers Concrete, Sand & Gravel; Inc.; Lucas Manufacturing Co. Inc.; and Roche Bros. Supermarket. Millis has a flourishing cannabis industry with a successful retail operation, along with several processing operations in their development stages.

Millis has a median household income of $97,591, which is approximately 43 percent above the state median income of $68,563. While the Town's population is largely economically secure, according to U.S. Census statistics, there are a small percentage of residents who fall below the poverty line and face economic challenges. Unemployment is generally not a significant issue in Millis and is typically lower than the national and state unemployment rates.

Unemployment

			Unemployment Rate			
Calendar Year*	**Labor Force**	**Employment**	**Town**	**County**	**State**	**U.S.**
2017 (Sept.)	4,340	4,209	3.0%	3.3%	3.5%	4.1%
2016	4,270	4,125	3.4%	3.2%	3.7%	4.9%
2015	4,251	4,048	4.8%	4.3%	4.9%	5.3%
2014	4,193	3,971	5.3%	5.0%	5.8%	6.2%
2013	4,153	3,896	6.2%	5.8%	6.7%	7.4%

Source: Massachusetts Department of Employment & Training
* Full year averages except for 2017 which is for the month indicated.

The Town's racial makeup is 94.2% white, 3% Asian, 1.7% Hispanic or Latino, and 0.8% Black or African American, according to the 2010 U.S. Census. The Town is demographically dissimilar to the state regarding resident age cohorts with particular differences in the under-18 years cohort with Millis at approximately 26% in the 2010 U.S. Census versus 21.7% for the state. Additionally, in the 65 years and over cohort, Millis has 11.9% of its population compared to the state's 13.8%. The median age of Millis residents is 42.5 years.

Millis is accessible and attractive as a suburb to the cities of Boston, Worcester, and Providence. Major roadways include Route 109, which connects east and west to state Route 128 (Interstate 95) and Interstate 495. Route 115 is the major north-south route through Millis. The center of town is located near the intersection of Route 109 (Main Street) and Route 115 (Plain Street). The total land area of the Town is 12.16 square miles. Rail transit to Boston is available in the neighboring town of Norfolk and the nearby towns of Needham, Walpole, and Franklin.

TOWN GOVERNMENT

The Town of Millis operates with a relatively traditional Massachusetts form of government with Open Town Meeting as the legislative body and Select Board as the chief elected executive officers. The Town did adopt a Home Rule Charter in 1977 in order to exercise greater local control over the structure and operation of its local government. The Town Charter is provided in *Appendix A.*

The legislative body of Millis is an Open Town Meeting comprised of all registered voters, conducted under the leadership of the elected Moderator. Town Meeting has the sole authority to appropriate funds for the operating budget and capital projects. Approval of most spending requires a simple majority vote in favor, but a two-thirds majority must approve capital projects, if they involve borrowing. Any amendments to voted appropriations require Town Meeting vote at either a regular or Special Town Meeting, with the exception of year-end transfers approved by the Select Board and Finance Committee. The procedures for Town Meeting are specified in the Town of Millis General Bylaws.

Executive powers in the Town are held by a three member Select Board, elected in staggered terms of three years. The Board members are deemed the chief elected officials of the Town and have the power to establish rules and regulations establishing town policies, which control the direction of town affairs. The Board also makes recommendations to Town Meeting, and has all powers granted to a Select Board through the Massachusetts General Laws. The Board has certain powers of appointment for the positions of a Town Accountant, a Town Counsel, a Treasurer/Collector, the Registrars of Voters, a Board of Assessors, a Permanent Building Committee, a Permanent Capital Needs Committee, and other multi-member boards and committees as deemed necessary. The Board also appoints the Town Administrator, who serves as the Chief Administrative Officer of the Town.

The Town Administrator is directly responsible to the Select Board for the administration of town affairs as assigned by the Town Charter, bylaws, and directives of the Select Board. Specific responsibilities include:

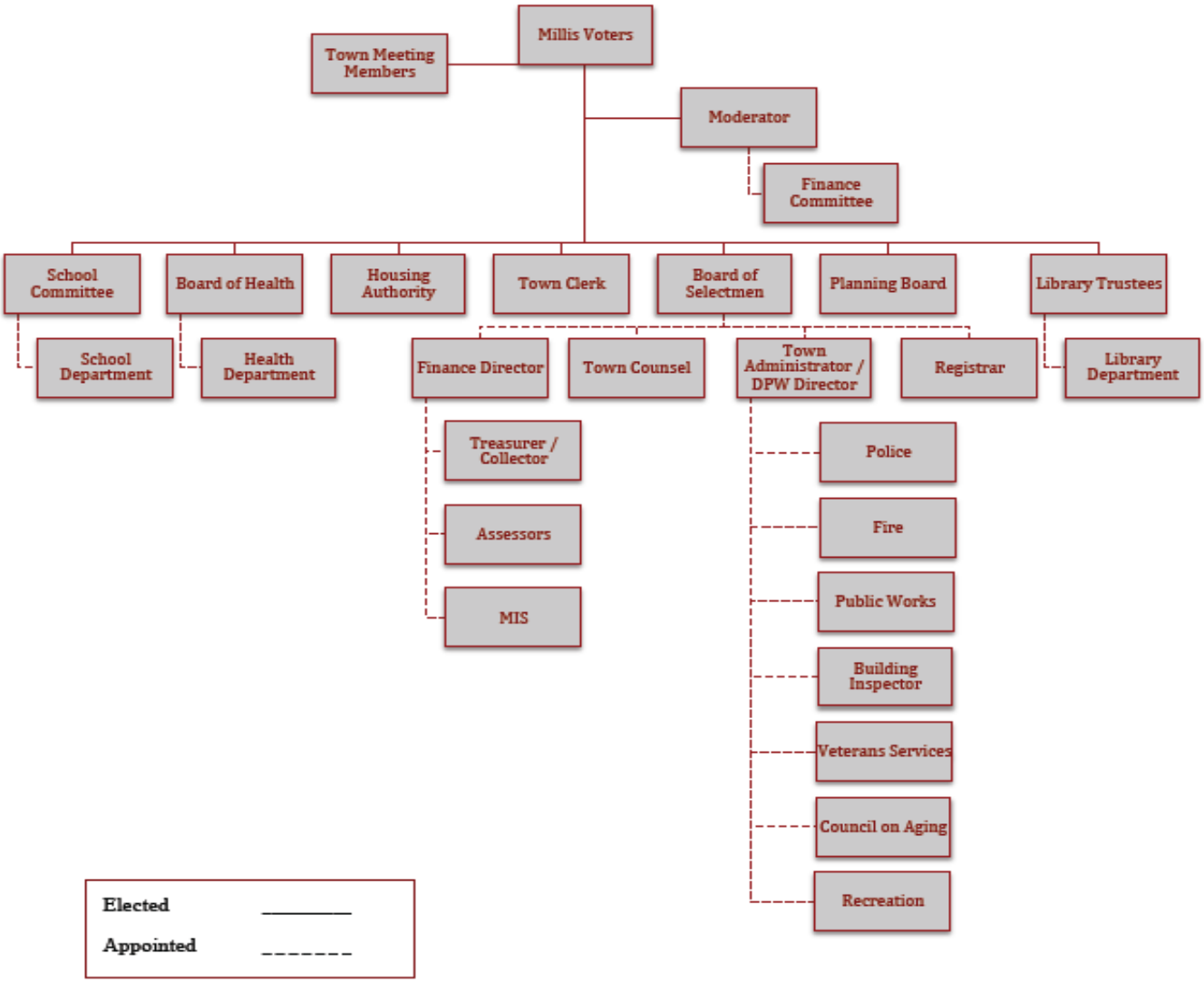
- Provide assistance to the Select Board in their daily responsibilities,
- Budget preparation,
- Establish and supervise a coordinated financial management system,
- Long range financial planning,
- Serve as personnel director,
- Collective bargaining,
- Appoint all personnel of the Town for whom no other method is provided, subject to approval by the Select Board
- Establish and maintain a uniform purchasing system, and maintain an inventory of Town property

In addition, the Town Administrator is assigned the responsibility of providing the Selectmen with information on emerging trends in municipal government, identifying opportunities for operational cost reductions and recommending procedures for more improved operational effectiveness, and performing studies and investigations at the request of the Select Board.

The Town has several other elected offices including:

- A Town Moderator to preside over the Town Meeting and appoint members of the Finance Committee,
- A five member School Committee, to oversee the School Department
- A Town Clerk, with responsibilities as set by statute for maintenance of Town records, issuance of related certificates of vital statistics, licensing, voter registration and administration of the annual town census.
- A three member Board of Library Trustees to oversee the operation of the public library
- Four members of a five member Housing Authority, to manage Town owned public housing within the Town
- A five member Planning Board to review projects in accordance with the Town's Zoning bylaws, and make recommendations regarding modifications to the by-laws and land use planning.
- A three member Board of Health to assess and address town health needs, through the administration of state laws and regulations, public health initiatives and appropriate licensing and permitting.

Town Organization Chart



SECTION 2

BUDGET PROCESS

BUDGET CALENDAR

The Town of Millis operates on a fiscal year period of July 1st to June 30th of each year. The basic process of assembling the annual budget takes place over a period of 7 months of each year. However, effective financial management requires that an organization consider budgeting to be a continual process, and one that considers multiple years. At any time an organization could be at a phase in which it is:

- Reviewing a prior year budget through auditing the relevant financial records and performance data,
- Executing the current fiscal year financial plan
- Preparing the next fiscal year budget for submission and approval by the legislative body
- Forecasting future budgets

A month-by-month description of the budgetary process is outlined below:

July

- The fiscal year begins and the prior fiscal year closes out as end of year transactions are completed.

August/September

- Select Board and School Committee evaluate prior fiscal year outcomes, review current fiscal year operational plans relative to established goals, and identify goals and strategic needs for the next fiscal year.
- Town Administrator and Finance Director update the Town's Five Year Financial Forecast.

October

- Tri-Select Board, School Committee and Finance Committee meet to review Town's current year financial status, the updated 5 Year Financial Plan, and projections for the next fiscal year; and establish preliminary financial framework.
- Capital Budget Manual is sent to departments by the Town Administrator, and are provided with their previously submitted five year capital requests for review, update and the addition of the next fifth year. While requests generally remain the same as in the initial request, there are occasionally changed circumstances which necessitate alterations to the requests.
- Audit of prior fiscal year is estimated to begin.
- Free Cash (budgetary surplus from prior fiscal year) is certified for use.

November

- Fall Special Town Meeting held on the first Monday in November to address any budgetary issues for the current fiscal year, and transact any other necessary Town business.

- Capital budgets of departments are submitted to the Town Administrator and Capital Planning Committee for review and evaluation within the funding target established, within the context of available funds, the five year financial forecast, and debt schedules, as applicable.

- Operating Budget Request Manual for the next fiscal year is sent out to departments by the Town Administrator.

- Final tax rate is established based upon state approval of values, and vote by Selectmen on determination of the tax classification of properties.

December/January

- Third quarter tax bills are sent based upon actual values and final tax rate.
- Departmental operating budgets for the next fiscal year are submitted to the Town Administrator. Meetings are held with departments and the Finance Director to discuss the details of the operating budget requests.

- The Capital Budget is established within the parameters of the established funding target. In making final decisions, the process includes a determination of actual needs and the prioritization of need based upon legal mandate, public safety, and the effect of deferral in accordance with the Town's Financial Policies. Any projects not approved for funding are generally deferred into the next budget year.

January/February

- Tri-Board Meeting to review financial conditions and financial framework.

- The School Superintendent presents his recommended operating budget to the School Committee.

- The Town Administrator presents his recommended operating budget and financing plan for all departmental budgets, including the Schools, to the Select Board and Finance Committee.

- Capital Budget is presented to the Select Board and Finance Committee.

- Weekly meetings of the Finance Committee commence to review each department's operating and capital budgets and continue until Town Meeting.

February-April

- The Finance Committee meets with Department Heads to review their capital requests and conducts site visits to view the buildings, land or equipment.

April – May

- By the end of April, the Finance Committee is ready to vote on the operating budget that will be recommend to the Town Meeting.
    - Prior year Annual Audit is completed and presented to the Select Board.
- The Select Board votes on the items they will recommend to Town Meeting for approval including a vote to approve the "warrant" of all items to be considered for approval by Town Meeting. This includes the annual operating and capital budgets, Community Preservation Act (CPA) spending requests, and any other matters to be considered.

May

- Annual Town Meeting is held on the first Monday in May of each year in accordance with the Millis general bylaws. The Town Meeting is the legislative body of the town, and approves all budgetary matters and bylaw changes. The Town Meeting is presided over by the Moderator, who is elected by the voters of Millis, and is responsible for the conduct of Town Meeting, in accordance with MA General Laws.

June

- Fiscal Year ends on June 30.
- Finance Committee approves end of year transfers from Reserve Fund, and approves any Selectmen transfers between departments, as allowed by statute.

HOW ARE TAXES CALCULATED?

Millis, like most Massachusetts communities, is primarily dependent upon property taxes as the main source of revenue to fund its local services and maintain the public infrastructure. Property taxes are best defined as "an ad valorem, or value based, tax where an established (millage) rate is charged on the assessed value of real estate."

The tax rate is based upon a formula that relates total approved spending to the total value of the community.

Millis's Tax Rate = Total Spending/Total Assessed Value of the Town x 1,000

Individual property taxes are based upon that property's assessed value and the established tax rate.

Individual Tax Bill = Assessed Value/1,000 x Tax Rate

The assessed value of a community, and of individual parcels of property, is generally determined by sales data, or possibly in the case of commercial properties by income or replacement value. As a result, the shifting of property values from one year to another can affect the relative level of individual property taxes.

In Massachusetts the **total** property taxes that can be levied by a community are limited by a law enacted in 1980 that is referred to as Proposition 2 ½. This restriction on the **total** level of taxes to be raised for spending by a community is referred to as a Levy Limit.

What is a Levy Ceiling and Levy Limit?

Proposition 2 ½ was enacted in 1980 to limit the reliance on the property tax and give the voters a greater say in approving property tax increases. With inflation and certain costs routinely pushing the cost of government beyond 2 ½ % increases, the legislature provided voters the authority to approve increases greater than 2 ½%, enabling them to consider and determine what kind of community they want and can afford. A general override to Proposition 2 ½ supports the operating budget and requires a majority vote by ballot at the Town Election to pass. Municipal leaders are mindful of the tax burden and do everything possible to avoid or limit general overrides while maintaining essential services.

There are two components to the Proposition 2 ½ law:

1. A Levy ceiling, or the maximum levy limit, is 2.5% of the full and fair cash value of taxable real and personal property, as determined by the Town's assessors. This changes as properties are added or removed from the tax roll and as market values change, but Millis's Annual Tax Levy cannot exceed the Levy Ceiling. A community that taxes up to the Levy Ceiling would require at tax rate of $25 per $1,000 of value.

2. The levy limit for a particular year is calculated by increasing the previous year's limit by 2.5% and adding certified new growth and any voted overrides. The new limit cannot exceed the levy ceiling.

New Growth includes the additional property tax from new construction and additions to properties, exempt real property returned to the tax roll, and new personal property. In Millis, New Growth for the upcoming year is estimated very conservatively in budget development, so as to avoid the risk of a required mid-year budget reduction.

This then becomes the base for calculating the levy limit for the next year. The Town's actual levy can be any amount up to the limit. The difference between the actual levy and the levy limit is called the excess levy capacity, an amount that could be taxed but isn't.

A Town's voters can increase taxes above the Levy Limit (but not above the Levy Ceiling) through a ballot vote. The form of this increase can be an Override or an Exclusion.

What are Overrides?
An override is a permanent increase to the tax levy, thereby increasing the Levy Limit. Overrides are generally used to replace revenue of another form that has been reduced or eliminated, new governmental services, or to maintain service levels where costs for those services or statutorily required spending is growing at a rate that exceeds the growth of the tax levy under Proposition 2 ½. Millis has approved several overrides.

What are Exclusions?
Taxpayers may vote to fund debt for projects and choose to exclude these payments from the calculation of the levy limit and, therefore, from the base upon which the levy limit is calculated for future years. Unlike overrides, these Debt Exclusions or Capital Exclusions are temporary increases to the tax levy, lasting the life of the debt or the duration of the capital project. Exclusions require a majority vote on the ballot and may increase the levy above the levy ceiling. Millis has approved a number of debt exclusions for municipal building projects.

Millis's Annual Tax Levy = Levy Limit + Exclusions
The Levy Limit = Prior Year Levy Limit + 2.5%
+ (any voter approved override) + New Growth

What is the Community Preservation Act (CPA) Surcharge?
Millis voters approved the adoption of the State's Community Preservation Act (MGL Chapter 44B), which authorizes the Town to charge 1% quarterly on top of the tax payment.

This money is matched, in part, by the State for the purpose of enabling cities and towns to fund the acquisition and preservation of open space, the creation and support of affordable housing, and the acquisition and preservation of historic buildings and landscapes. The adoption of the CPA reflects the value Millis citizens place on these issues and has enabled the town to maintain the rural character and mix of housing that has defined Millis.

The Community Preservation Committee is charged with studying the needs, possibilities, and resources of the Town regarding community preservation and with making recommendations to Town Meeting regarding the appropriation of CPA funds.

SECTION 3

STRATEGIC DIRECTION

STRATEGIC PLAN

A key element of a budget document built according to best-practice criteria established by the Government Finance Officers Association (GFOA) is the inclusion of information relative to a community's organization-wide strategic goals and strategies to address its identified long-term concerns and issues. The incorporation of this information provides context for decisions within the annual budget and the future-oriented fiscal forecast.

In addition to the value of Strategic Plan as an incorporated component of the Annual Budget document. The process and outcome of developing a Strategic Plan is considered a best practice for the purposes of municipal operation and management. A description of the GFOA recommendations for the development of a Strategic Plan is included as part of this section.

Government Finance Officers Association

BEST PRACTICE

Establishment of Strategic Plans

BACKGROUND:

Strategic planning is a comprehensive and systematic management tool designed to help organizations assess the current environment, anticipate and respond appropriately to changes in the environment, envision the future, increase effectiveness, develop commitment to the organizations mission and achieve consensus on strategies and objectives for achieving that mission. Strategic planning is about influencing the future rather than simply preparing or adapting to it. The focus is on aligning organizational resources to bridge the gap between present conditions and the envisioned future. While it is important to balance the vision of community with available resources, the resources available should not inhibit the vision. The organizations objectives for a strategic plan will help determine how the resources available can be tied to the future goals. An important complement to the strategic planning process is the preparation of a long-term financial plan, prepared concurrently with the strategic plan. A government should have a financial planning process that assesses the long-term financial implications of current and proposed policies, programs, and assumptions. A financial plan illustrates the likely financial outcomes of particular courses of actions.

Strategic planning for public organizations is based on the premise that leaders must be effective strategists if their organizations are to fulfill their missions, meet their mandates, and satisfy their constituents in the years head. Effective strategies are needed to cope with changed and changing circumstances, and leaders need to develop a coherent and defensible context for their decisions. National Advisory Committee on State and Local Budgeting (NACSLB) Recommended Practices provide a framework for financial management, which includes strategic planning.

RECOMMENDATION:

GFOA recommends that all governmental entities use some form of strategic planning to provide a long-term perspective for service delivery and budgeting, thus establishing logical links between authorized spending and broad organizational goals. While there is not a single best approach to strategic planning, a sound strategic planning process will include the following key steps:

(1) Initiate the Strategic Planning Process. It is essential that the strategic plan be initiated and conducted under the authorization of the organizations chief executive (CEO), either appointed or elected. Inclusion of other stakeholders is critical, but a strategic plan that is not supported by the CEO has little chance of influencing an organizations future.

(2) Prepare a Mission Statement. The mission statement should be a broad but clear statement of purpose for the entire organization. One of the critical uses of a mission statement is to help an organization decide what it should do and, importantly, what it should not be doing. The organizations goals, strategies, programs and activities should logically cascade from the mission statement.

(3) Assess Environmental Factors. A thorough analysis of the governments internal and external environment sets the stage for an effective strategic plan. A frequently used methodology for conducting an environmental assessment is a SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis. Strengths and weaknesses relate to the internal environment, while analysis of opportunities and threats focuses on the environment external to the organization.

Local, regional, national, and global factors affecting the community should be analyzed, including (a) economic and financial factors, (b) demographic trends, (c) legal or regulatory issues, (d) social and cultural trends, (e) physical (e.g., community development), (f) intergovernmental issues, and (g) technological change.

Also, a government should develop mechanisms to identify stakeholder concerns, needs, and priorities. Among the mechanisms that might be employed to gather such information are (a) public hearings, (b) surveys, (c) meetings of community leaders and citizens interest groups, (d) meetings with government employees, and (e) workshops for government administrative staffs and the legislative body.

(4) Identify Critical Issues. Once the environmental analysis has been completed, the next step is to use the resulting information to identify the most critical issues. Issue recognition should reflect stakeholder concerns, needs, and priorities as well as environmental factors affecting the community.

(5) Agree on a Small Number of Broad Goals. These written goals should address the most critical issues facing the community. It may be necessary to define priorities among goals to improve their usefulness in allocating resources.

(6) Develop Strategies to Achieve Broad Goals. Strategies relate to ways that the environment can be influenced (internal or external) to meet broad goals. A single strategy may relate to the achievement of more than one goal. There should be a relatively small number of specific strategies developed to help choose among services and activities to be emphasized. Use of flowcharts or strategy mapping is encouraged in the design of startegies. To optimize the success of these strategies, opportunities should be provided for input from those who will be affected.

(7) Create an Action Plan. The action plan describes how strategies will be implemented and includes activities and services to be performed, associated costs, designation of responsibilities, priority order, and time frame involved for the organization to reach its strategic goals. There are various long-range planning mechanisms available to enable organizations to clarify their vision and strategy and translate them into action.

(8) Develop Measurable Objectives. Objectives are specific, measurable results to be achieved. Objectives and their timelines are guidelines, not rules set in stone. Objectives should be expressed as quantities, or at least as verifiable statements, and ideally would include timeframes.

(9) Incorporate Performance Measures. Performance measures provide an important link between the goals, strategies, actions and objectives stated in the strategic plan and the programs and activities funded in the budget. Performance measures provide information on whether goals and objectives are being met.

(10) Obtain Approval of the Plan. Policymakers should formally approve the strategic plan so it can provide the context for policy decisions and budget decisions.

(11) Implement the Plan. Organization stakeholders should work together to implement the plan. Moreover, the strategic plan should drive the operating budget, the capital plan, and the governments other financial planning efforts.

(12) Monitor Progress. Progress toward planned goals should be monitored at regular intervals. Organizations should develop a systematic review process to evaluate the extent to which strategic goals have been met.

(13) Reassess the Strategic Plan. Many external factors, such as the national or regional economy, demographic changes, statutory changes, legislation, mandates, and climate/environmental changes, may affect the environment and thus achievement of stated goals. To the extent that external events have long-range impacts, goals, strategies and actions may need to be adjusted to reflect these changes. New information about stakeholder needs or results may also require changes to the plan. It is desirable to minimize the number of adjustments to longer-term goals in order to maintain credibility. However, governments should conduct interim reviews every one to three years, and more comprehensive strategic planning processes every five to ten years, depending on how quickly conditions change. Performance measure results need to be reviewed more frequently than the strategic plan.

Notes:

Key elements of this recommended practice are drawn from *Recommended Budget Practices: A Framework for Improved State and Local Governmental Budgeting* of the National Advisory Council on State and Local Budgeting and from GFOAs recommended practice on Performance Measurement: Using Performance Measurement for Decision Making Updated Performance Measures

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FINANCIAL POLICIES

Financial policies constitute another aspect of the Town's strategic direction as the development and adoption of the policies require consideration of a strategic, long-term approach to financial management. The Government Finance Officers Association, in support of adopting formal written financial policies, has identified the following benefits:

1. Institutionalize good financial management practices. Formal policies usually outlive their creators, and, thus, promote stability and continuity. They also prevent the need to re-invent responses to recurring issues.
2. Clarify and crystallize strategic intent for financial management. Financial policies define a shared understanding of how the organization will develop its financial practices and manage its resources to provide the best value to the community.
3. Define boundaries. Financial policies define limits on the actions staff may take. The policy framework provides the boundaries within which staff can innovate in order to realize the organization's strategic intent.
4. Support good bond ratings and thereby reduce the cost of borrowing.
5. Promote long-term and strategic thinking. The strategic intent articulated by many financial policies necessarily demands a long-term perspective from the organization.
6. Manage risks to financial condition. A key component of governance accountability is not to incur excessive risk in the pursuit of public goals. Financial policies identify important risks to financial condition.
7. Comply with established public management best practices. The Government Finance Officers Association (GFOA), through its officially adopted Best Practices endorsement of National Advisory Council on State and Local Budgeting (NACSLB) budget practices and the GFOA Distinguished Budget Presentation Award Program, has recognized financial policies as an essential part of public financial management.

To date, the Select Board has adopted two Financial Policies: an OPEB Trust Investment Policy (7/18/16) and an Investment Policy (7/18/16). These Policies are included within this section.

Additionally, the Select Board has a comprehensive set of Draft Financial Policies addressing aspects of Financial Planning and Financial Management, that are included as *Appendix B.* The Board will be reviewing these policies for modification and adoption.

TOWN OF MILLIS
OPEB TRUST INVESTMENT POLICY STATEMENT

The primary purpose of this Investment Policy Statement (the "IPS") is to provide a clear understanding regarding the Town of Millis' (the "Town") OPEB Trust's (the "Trust") investment objectives, performance goals, and risk tolerance.

A. Scope

This IPS applies to all funds that are separately designated as long-term OPEB funds for the Town or any of its separately identified enterprises. Any additional contributions to the Trust will be maintained in the same manner.

B. Authority

Massachusetts General Law Chapter 32B, Section 20 allows a city, town, district, county or municipal lighting plant to set up a special trust fund, the Other Post-Employment Benefits (OPEB) Liability Trust Fund. The governmental unit's treasurer is the custodian of the fund or in the case of a light plant, an officer designated by the board. Investment of fund monies by the custodian must be consistent with the prudent person standard set forth in Massachusetts General Law Chapter 203C for private trust funds. Interest earned on the investment of fund monies belongs to the fund.

C. Diversification

The following asset classes can be included in the Trust in order to construct a diversified investment portfolio that is both prudent and appropriate given the Town's actuarial assumed discount rate, target rate of return, investment objective, and risk tolerance. The investment parameters and asset allocation definitions that will govern the Investment Manager of the diversified portfolio are included in the addendums to this IPS. The Investment Manager of the Diversified Portfolio shall consider socially responsible investment strategies in the Trust's asset allocation whenever possible. However, a socially responsible investment strategy shall only be incorporated into the diversified portfolio if it is determined to be prudent, and thus in the best interests of the long-term investment objective and relative risk tolerance.

Equities

The primary objective of the Trust's equity allocation is to provide long-term total returns that are, at a minimum, consistent with appropriate broad market indexes through full market cycles.

The Investment Manager of the diversified portfolio can purchase and manage the equity allocation using individual equities, such as domestic common stocks, preferred stocks, and/or American-Depository Receipts (ADRs).

The Investment Manager can also utilize other investments such as, mutual funds, exchange traded funds, closed-end funds, etc. Total equity exposure is able to include, both domestic and international equities, both developed and emerging countries and geographic regions, as well as large-, mid-, and small-market capitalization

weighted companies. Direct holdings of common stock, preferred stock, and/or ADRs in any one company should not exceed 5% of the market value of the invested portfolio.

Investing directly in real estate, private placements, letter stock, or initial public offerings is strictly prohibited. The Investment Manager of the diversified portfolio shall not engage directly in margin transactions, short sales, or any other leveraged or inverse investment vehicles. Mutual funds, exchange-traded funds, and closed-end funds, however, may engage in margin, leverage, and/or short sales. Investing directly in unit investment trusts (UITs) and business development companies (BDCs) are strictly prohibited.

Fixed Income

The primary objectives of the Trust's fixed income allocation are to preserve capital and generate a reasonable level of cash flow. The secondary objective is to provide price returns that exhibit lower correlation to the broad global equity markets in order to reduce the overall risk of the portfolio.

The Investment Manager of the diversified portfolio can purchase and manage the fixed income allocation using individual bonds that are United States Dollar denominated only. Issuer selection can include domestic corporate bonds and any obligations of the United States Government and/or its agencies.

The Investment Manager can also utilize other investment vehicles such as, mutual funds, exchange traded funds, closed-end funds, etc. Total fixed income exposure is able to include, both domestic and international bonds, both developed and emerging countries and geographic regions. Direct holdings of individual corporate bonds in any one company should not exceed 5% of the market value of the invested portfolio; however, this is not applicable to the United States Government and/or its agencies. Lower-quality investments may only be held through diversified vehicles, such as mutual funds or exchange-traded funds.

Investing directly in real estate, mortgages, collateral or non-collateral loans, private placements, fixed income or interest rate futures, or any other specialized fixed income ventures is strictly prohibited. Investing directly in unit-investment trusts (UITs) and business development companies (BDCs) are strictly prohibited.

Alternative Investments

The primary objective of the Trust's alternative allocation is to provide long-term capital appreciation that is less correlated to broad global equity and fixed income indexes.

The Investment Manager of the diversified portfolio can only purchase those strategies that are deemed to be alternative through daily-liquid diversified investment vehicles such as, mutual funds, exchange-traded funds, closed-end funds, etc.

Investing directly in unit-investment trusts (UITs) and business development companies (BDCs) are strictly prohibited.

Cash and Cash Equivalents

Cash will be maintained to provide periodic cash distributions, if and when necessary. Cash will not normally be held as a strategic investment asset, although the Investment Manager may seek to allow cash to build to the maximum level in times of market uncertainty.

D. Specific Risks

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

The Town will manage credit risk several ways. There will be no limit to the amount of United States Treasury and United States Government Agency obligations.

In regards to fixed-income investments, the Town will only purchase investment grade securities. Lower quality investments may only be held through diversified vehicles, such as mutual funds or exchange-traded funds. Investments in fixed income securities will be made primarily for income and capital preservation.

Custodial Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

The Town will review the financial institution's financial statements and the background of the sales representative. The intent of this qualification is to limit the Town's exposure to only those institutions with a proven financial strength, Capital adequacy of the firm, and overall affirmative reputation in the municipal industry.

Further, all securities not held directly by the Town, will be held in the Town's name and tax identification number by a third party custodian approved by the Treasurer and evidenced by safekeeping receipts showing individual CUSIP numbers for each security.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer.

The Town will minimize Concentration of Credit Risk by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized. As stated above, securities of a single corporate issuer (with the exception of the United States Government and its Agencies) will not exceed 5% of the portfolio value.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

The Town will manage interest rate risk by managing duration, as a measure of interest rate sensitivity, in the Trust.

Foreign Currency Risk

Foreign currency risk is the risk that changes in foreign monetary exchange rates will adversely affect the fair value of an investment or a deposit.

The Town will, as much as feasible, mitigate foreign currency risk.

E. Standards of Care

The standard of prudence to be used by the Treasurer shall be the "Prudent Person" standard and shall be applied in the context of managing an overall portfolio. The Treasurer acting in accordance with written procedures and this IPS, and exercising reasonable due diligence, shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided the purchases and sale of securities is carried out in accordance with the terms of this IPS.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs; not for speculation, but for investment considering the probable safety of their capital as well as the probable income to be derived.

In addition this section would also apply to M.G.L. Chapter 44 Section SSA which refers to the liability of the Treasurer for losses due to bankruptcy.

F. Ethics

The Treasurer and Assistant Treasurer shall refrain from any personal activity that may conflict with the proper execution of the investment program or which could impair or appear to impair ability to make impartial investment decisions. The Treasurer shall disclose to the Town Administrator any material financial interest in financial institutions that do business with the Town. They shall also disclose any large personal financial investment positions or loans that could be related to the performance of the Town's investments.

G. Relationship with Financial Institutions

Financial institutions should be selected first and foremost with regard to their financial soundness and stability. Brokers should be recognized, reputable dealers. All cash and securities shall be held in either a bank that is allowable for the deposit of public funds, provided funds on deposit are insured by the Federal Deposit Insurance Corporation (FDIC), or in an Investment Brokerage Account that is insured by the Securities Investor Protection Corporation (SIPC). If a banking institution is selected as manager, the Town will subscribe to Veribanc, a recognized bank rating service.

The Treasurer shall require any brokerage houses and broker/dealers, wishing to do business with the Town, to supply the following information to the Treasurer:

- Annual financial statements.
- If acting as a Registered Investment Adviser, Form ADV Part II report.
- Errors & Omissions insurance amounting to, at a minimum, the total fair market value of the Trust Funds Portfolio.

- A statement that the Advisor has read the Town's IPS and will comply with it on an annual basis
- Annual review all advisors through www.finra.org: Broker Check

H. Reporting Requirements

On a quarterly basis, a report containing the following information will be prepared by the Treasurer and distributed to the Town Manager, as appropriate. The quarterly report will include the following information, as a minimum requirement:

- A listing of the individual accounts and individual securities held at the end of the reporting period.
- A listing of the short-term investment portfolio by security type and maturity to ensure compliance with the diversification and maturity guidelines established in the "Diversification" section of this IPS.
- A summary of the income earned on a monthly basis and year-to-date basis shall be reported.
- The Treasurer shall include in the report a brief statement of general market and economic conditions and other factors that may affect the Town's cash position.
- The report should demonstrate the degree of compliance with the tenets set forth in the IPS.

I. Performance Measurement and Evaluation

- The individual and custom benchmarks that will be monitored for performance reporting and analysis of the Trust's portfolio are stated and described in the addendums to this IPS.
- It is expected that the respective asset classes of the Trust's diversified portfolio will outperform their respective benchmarks, net of fees and expenses, on a long term (market cycle) basis.

K. Supervision

- The Treasurer will meet with the investment manager(s) as frequently as semi-annually to monitor the performance of the funds and the investment manager(s) compliance with these guidelines. The Treasurer will receive and review portfolio management reports quarterly.
- The Treasurer will review this Investment Policy Statement at least once a year to ensure that it remains appropriate and complete.
- The Treasurer has the option to review the management of funds to consider going out to bid periodically.

L. Legal References

- Massachusetts General Law Chapter 32B, Section 20
- Massachusetts General Law Chapter 203C, Section 1 through 11

I Jennifer Scannell, Treasurer of the Town of Millis have reviewed this IPS and will manage the Town's OPEB Trust under my control in accordance with this IPS and any attached Addendums.

Treasurer's Signature

Jennifer Scannell
Treasurer's Printed Name

7/18/16
Date

TOWN OF MILLIS INVESTMENT POLICY STATEMENT

The primary purpose of this Investment Policy Statement (JPS) is to provide a clear understanding regarding the Town of Millis' (the "Town") Long Term Funds and, General Fund objectives, goals, risk tolerance, and investment guidelines established for the investment of town funds.

I. The Investment of General Funds, Special Revenue Funds, Enterprise Funds, and Capital Projects Funds

A. Scope

This section of the IPS applies only to short term operating funds such as general funds, special revenue funds, enterprise funds, bond proceeds and capital project funds. A separate Contributory Retirement Board, either local or county, is responsible for the investment of the pension funds.

B. Investment Instruments

Note: Public investments in Massachusetts are not protected through provisions in State law. The Treasurer may invest in the following instruments:

- Massachusetts State pooled fund: Unlimited amounts (Pool is liquid) The Massachusetts Municipal Depository Trust (MMDT), an investment pool for state, local, county and other independent governmental authorities, is under the auspices of the State Treasurer. It invests in Bankers Acceptances, Commercial Paper of high quality, Bank Certificates of Deposit, Repurchase agreements (Repos), and U. S. Treasury Obligations. It has Federal Deposit Insurance Corporation (F.D.I.C.) pass-through insurance on the CD's up to the standard limits and takes delivery on the Repos and Treasuries. Under Government Accounting Standards Board Regulation (GASB III), it is not considered an uncollateralized product.
- U. S. Treasuries that will be held to maturity: Unlimited amounts (Up to one year maturity from date of purchase)
- U.S. Agency obligations that will be held to maturity. Unlimited amounts (Up to one year maturity from date of purchase)
- Bank accounts or Certificates of Deposit ("CDs") (Up to one year) which are fully collateralized through a third party agreement: Unlimited Amounts
- Bank accounts and CDs (Up to one year) insured by F.D.I.C. up to the coverage limit. All bank accounts and CDs in one institution are considered in the aggregate for the insurance coverage limit. In some cases Banking Institutions carry additional insurance, Depository Insurance Fund (D.I.F.): Contact banking representative for amounts of coverage.
- Unsecured bank deposits of any kind such as other checking, savings, money market, or Certificates of Deposit accounts at Banks that do not fit the above categories. These investments are subject to the following limitations: No more than 5% of an institution's assets and no more than 25% of a municipality's cash may be comprised of unsecured bank deposits. This percentage may be increased for not more than 30 days during times of heavy collection or in anticipation of large payments that will be made by the entity in the near future. For example, these payments may be for such items as debt service payment or regional school assessments. Their credit worthiness will be tracked by Veribanc, or other bank credit worthiness

reporting systems. They will be diversified as much as possible. CDs will be purchased for no more than one year and will be reviewed frequently.

- Money Market Mutual Funds that are registered with the Securities and Exchange Commission that have received the highest possible rating from at least one nationally recognized statistical rating organization and as otherwise referenced in the Massachusetts General Law Chapter 44 Section 55.

C. Diversification

Diversification should be interpreted in two ways: in terms of maturity as well as instrument type and issuer. The diversification concept should include prohibition against over concentration of maturities, as well as concentration in a specific institution. With the exception of U.S. Treasury obligations or investments fully collateralized by U.S. Treasuries or agencies, and State pools (MMDT), no more than 25% of the Community's investments shall be invested in a single financial institution.

D. Authorization

The Treasurer has authority to invest entity funds, subject to the statutes of the Commonwealth of Massachusetts General Law Chapter 44 Section 55, SSA, & 558.

E. Restrictions

Chapter 44, Section 55 set forth several restrictions that the Treasurer must be aware of when making investment selections.

- A Treasurer shall not at any one time have on deposit in a bank or trust company an amount exceeding 60% of the capital and surplus of such bank or trust company, or banking company, unless satisfactory security is given to it by such bank or trust company, or banking company for such excess.
- The treasurer shall not make a deposit in any bank, trust company or banking company with which he is, or for any time during the three years immediately preceding the date of any such deposit was, associated as an officer or employee.
- All securities shall have a maturity from date of purchase of one year or less.
- Purchases under an agreement with a trust company, national bank or Banking Company to repurchase at not less than original purchase price of said securities on a fixed date shall not exceed ninety days.

F. Legal References

Massachusetts General Law Chapter 44, Section 55
Massachusetts General Law Chapter 44, Section SSA
Massachusetts General Law Chapter 44; Section 558

II. The Investment of Long Term Funds

A. Scope

This section of the JPS applies only to funds that are designated as long term, i.e. trust funds, stabilization funds, cemetery perpetual care, community preservation act and other funds the town may have set aside for long term use.

All accounts will be maintained separately receiving their proportionate interest and any realized and unrealized gains or losses. The account may be established as a pooled investment portfolio unless otherwise stated. Any additional accounts will be maintained in this same manner.

B. Authority

Massachusetts General Law Chapter 44, section 54 pertains to the investment of Trust Funds, Chapter 40 Section 58 pertains to the investment of Stabilization Funds and, Chapter 44B section 7 pertains to the investments of Community Preservation Funds. All trust funds shall fall under the control of the entity's Treasurer unless otherwise provided or directed by the donor.

If the trust fund results from a gift, grant or bequest from a private donor, and the private donor specifies how the trust shall be invested; the trust fund shall be invested in accordance with the terms of the gift, grant or bequest. If there is a conflict between such donor terms and this Section II, the donor terms shall govern, subject to the general principles of prudence set forth in the Policy.

C. Investment Instruments

M.G.L. Chapter 44 section 54 states that money should be deposited into savings bank, trust companies incorporated under the laws of the Commonwealth, banking companies incorporated under the laws of the Commonwealth which are members of the Federal Deposit Insurance Corporation, or national banks, or invested in participation units in a combined investment fund under section thirty-eight A of chapter twenty-nine, or in a paid• up shares and accounts of and in co-operative banks, or in shares of savings and loan associations or in share or savings deposits of federal savings and loan associations doing business in the commonwealth.

Additionally the community may invest such funds in securities, other than mortgages or collateral loans, which are legal for the investment of funds of savings banks under the laws of the commonwealth; provided, that not more than fifteen percent (15%) of any such trust funds shall be invested in bank stocks and insurance company stocks, nor shall more than one and one-half percent (1 1/2%) of such funds be invested in the stock of any one bank or insurance company.

The Investment Manager of the Diversified Portfolio shall consider socially responsible investments in the Long Term Funds' asset allocation whenever possible. However, a socially responsible investment shall only be incorporated into the diversified portfolio if it is determined to be prudent, and thus in the best interests of the long-term investment objective and relative risk tolerance.

The Treasurer may invest in the following instruments:

- U. S. Treasuries that maybe sold prior to maturity: Unlimited amounts (With no limit to the length of maturity from date of purchase)
- U.S. Agency obligations that maybe sold prior to maturity. Unlimited amounts (With no limit to the length of maturity from date of purchase)
- Bank accounts or Certificates of Deposit ("CDs") Unlimited amounts (With no limit to the length of maturity from date of purchase), which is fully collateralized through a third party agreement:
- Bank accounts and CDs (With no limit to the length of maturity from date of purchase) fully insured by F.D.I.C. and in some cases also Depository Insurance Fund of Massachusetts (D.I.F.): All bank accounts and CDs in one institution are considered in the aggregate to receive the insurance coverage limit.
- Unsecured bank deposits of any kind such as other checking, savings, money market, or Certificates of Deposit accounts at Banks that do not fit the above categories. These investments are subject to the following limitations: These investments will be limited to no more than 5% of an institution's assets and no more than 25% of a municipality's cash. This percentage may be increase for not more than 30 days during times of heavy collection or in anticipation of large payments that will be made by the Community in the near future. These payments maybe for such items as debt service payment or regional school assessments. Their credit worthiness will be tracked by Veribanc, or other bank credit worthiness reporting systems. They will be diversified as much as possible. CDs will be purchased with no limit to the length of maturity from the date of purchase and will be reviewed frequently.
- Common and preferred stock that are listed in the List of Legal Investments.
- Investment Funds that are listed in the List of Legal Investments.
- All other items not separately identified here that are listed in the List of Legal Investments.

D. Standards of Care

The standard of prudence to be used by the Treasurer shall be the "Prudent Person" standard and shall be applied in the context of managing an overall portfolio. The Treasurer acting in accordance with written procedures and this IPS, and exercising reasonable due diligence, shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided the purchases and sale of securities is carried out in accordance with the terms of this IPS and the associated Massachusetts General Laws.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs; not for speculation, but for investment considering the probable safety of their capital as well as the probable income to be derived.

In addition this section would also apply to M.G.L. Chapter 44 Section SSA which refers to the liability of the Treasurer for losses due to bankruptcy.

E. Diversification

Diversification should be interpreted in two ways: in terms of maturity as well as instrument type and issuer. The diversification concept should include prohibition against over concentration of maturities, as well as concentration in a specific institution, with the exception of U.S. Treasury obligations or investments fully collateralized by U.S. Treasuries or agencies.

F. Legal References

Massachusetts General Law Chapter 40, Section SB Massachusetts General Law Chapter 44, Section 54
Massachusetts General Law Chapter 44, Section SSA Massachusetts General Law Chapter 44, Section 558
Massachusetts General Law Chapter 44B, Section 7

Trust Funds may be co-mingled and invested in any instruments allowed by the Commonwealth of Massachusetts list of Legal Investments Legal issued by the Banking Commissioner each July. Each trust fund must be accounted for separately. Chapter 44 Section 54 sets forth that Treasurers may invest in instruments that are legal for savings banks. This list of investments is included in the Commonwealth of Massachusetts List of Legal Investments, Chapter 167 Section I SA.

III. General Provisions

A. Objective

Massachusetts General Laws, Chapter 44, section 55B requires the Entity's Treasurer to invest all public funds except those required to be kept uninvested for purposes of immediate distribution.

This section also requires that invested funds are to be placed at the highest possible rate of interest reasonably available, taking into account the acceptable levels of safety, liquidity and yield. Therefore, these guidelines are intended to further the objective of securing the highest reasonable return available that is consistent with safety of principal while meeting the daily cash requirements for the operation of the entity's business.

- Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to preserve capital through the mitigation of credit risk and interest rate risk. These risks shall be mitigated by the diversification and prudent selection of investment instruments, and choice of depository. Credit risk is the risk of loss due to the failure of the security issuer or backer. Interest rate risk is the risk that the market value of the security will fall due to changes in general interest rates.
- Liquidity is the next most important objective. The overall investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. Since all possible cash demands cannot be anticipated, the treasurer shall attempt to carry out investment activities in a manner that provides for meeting unusual or unexpected cash demands without requiring the liquidation of investments that could result in forfeiture of accrued interest earnings, and loss of principal in some cases.
- Yield is the third, and last, objective. Investments shall be undertaken so as to achieve a fair market average rate of return, taking into account safety and liquidity constraints as well as all legal requirements.

B. Risk Tolerance

- Credit Risk

"Credit risk" is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

The Community will manage credit risk several ways. There will be no limit to the amount of United States Treasury and United States Government Agency obligations. In regards to other investments, the Community will only purchase investment grade securities with a high concentration in securities rated A or better. The Community may invest in the Massachusetts Municipal Depository Trust (MMDT) with no limit to the amount of funds placed in the fund. The Community may place funds in banking institutions as stated in Section C of this IPS.

- Custodial Risk

The "custodial credit risk" for deposits is the risk that, in the event of the failure of a depository financial institution, a municipality will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a municipality will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

The Community will review the financial institution's financial statements and the background of the Advisor. The intent of this qualification is to limit the Community's exposure to only those institutions with a proven financial strength, Capital adequacy of the firm, and overall affirmative reputation in the municipal industry. Further, all securities not held directly by the Community, will be held in the Community's name and tax identification number by a third-party custodian approved by the Treasurer and evidenced by safekeeping receipts showing individual CUSIP numbers for each security.

- Concentration of Credit Risk

"Concentration of credit risk" is the risk of loss attributed to the magnitude of a government's investment in a single issuer.

The Community will minimize concentration of credit risk by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized.

- Interest Rate Risk

"Interest rate risk" is the risk that changes m interest rates will adversely affect the fair value of an investment.

The Community will manage interest rate risk by managing duration in the account.

- Foreign Currency Risk

"Foreign currency risk" is the risk that changes in foreign monetary exchange rates will adversely affect the fair value of an investment or a deposit.

The Community will limit investment in any instrument exposed to foreign currency risk.

C. Ethics

The Treasurer (and Assistant Treasurer) shall refrain from any personal activity that may conflict with the proper execution of the investment program or which could impair or appear to impair ability to make impartial

investment decisions. Said individuals shall disclose to the Finance Director any material financial interest in financial institutions that do business with the Community. They shall also disclose any large personal financial investment positions or loans that could be related to the performance of the Community's investments.

D. Relationship with Financial Institutions

Financial institutions should be selected first and foremost with regard to their financial soundness and stability. The Community may subscribe to the Veribanc Rating Service to evaluate the banking institutions with which it chooses to establish relationships. Brokers should be recognized, reputable dealers and members of the Financial Industry Regulatory Authority (FINRA).

In instances where the Community does not purchase the Veribanc Rating Service, the Treasurer should request the banking institution's Veribanc rating from all of the banking institutions that are working with the Community on a quarterly basis.

When using the Veribanc Rating Service the Treasurer may invest in such banks that show a green rating in a particular quarter. If a rating is yellow the Treasurer should contact the appropriate banking institution and request in writing an explanation of the change in rating and the expected time table for it to be changed to green. If for a second quarter such rating is not green, the Treasurer should consider removing all funds that are not collateralized, or carries some form of depositors insurance. If a rating moves to red all money should be immediately collateralized or covered by some form of depositors insurance or be removed from the banking institution.

The Treasurer shall require any brokerage houses and broker/dealers wishing to do business with the municipality to supply the following information to the Treasurer on an annual basis:

- Annual Financial statements
- If acting as a Registered Investment Advisor, copy of their most recent Form ADV Part II report
- Errors & Omissions insurance amounting to, at a minimum, the total fair market value of the Trust Fund Portfolio
- A statement that the Advisor has read the municipality's IPS and will comply with it on an annual basis
- Annual review all advisors through www.finra.org: Broker Check

E. Reporting Requirements

On a quarterly basis, a report containing the following information will be prepared by the Treasurer and distributed to the Finance Director, as appropriate. The quarterly report will include the following information, as a minimum requirement:

- A listing of the individual accounts and individual securities held at the end of the reporting period.
- A listing of the short-term investment portfolio by security type and maturity to ensure compliance with the diversification and maturity guidelines established in the "Diversification" section of this IPS.
- A summary of the income earned on a monthly basis and year-to-date basis shall be reported.
- The Treasurer shall include in the report a brief statement of general market and economic conditions and other factors that may affect the entity's cash position.
- The report should demonstrate the degree of compliance with the tenets set forth in the IPS.

I Jennifer Scannell, Treasurer of the Town of Millis have reviewed this IPS and will manage the Town's funds under my control in accordance with this IPS.

Jennifer Scannell

Treasurer's Signature

Jennifer Scannell

Treasurer's Printed Name

7/18/16

Date

ADDENDUM #1
INVESTMENT PARAMETERS
AS OF 2/24/2015

The information contained herein shall dictate the long-term asset allocation targets as well as minimum and maximum parameters, when applicable, that will govern the management of the investable portion of the Trust. The methodology for determining specific security and investment strategy definitions is detailed in Addendum #2.

Category	*Min*	*Target*	*Max*
Equity	40%	50%	60%
Domestic Equity	25%	33%	40%
International Equity	5%	17%	25%
Preferred Equity	0%	0%	10%
Balanced	0%	0%	10%
Fixed Income	20%	30%	40%
Domestic Bonds	13%	23%	33%
International Bonds	0%	7%	17%
Alternatives	10%	20%	30%
Cash	0%	0%	10%
Total	---	100%	---

Treasurer's Signature

7/18/16
Date

ADDENDUM #2
ASSET ALLOCATION DEFINITIONS
AS OF 2/24/2015

Asset Class	*Asset Category*	*Morningstar Category*	
Domestic Equity	Large Cap	Large-Cap Blend	Energy
		Large-Cap Growth	Financial
		Large-Cap Value	Healthcare
		Communications	Industrials
		Consumer Cyclical	Technology
		Consumer Defensive	Utilities
		Consumer Staples	Miscellaneous Sector
	Mid Cap	Mid-Cap Blend	Mid-Cap Value
		Mid-Cap Growth	
	Small Cap	Small-Cap Blend	Small-Cap Value
		Small-Cap Growth	
	Preferred Equity	Preferred Stock	
International Equity	Developed	Foreign Large-Cap Blend	Foreign Small/Mid Blend
		Foreign Large-Cap Growth	Foreign Small/Mid Growth
		Foreign Large-Cap Value	Foreign Small/Mid Value
		World Stock	Japan
		Europe	
	Emerging Markets	Emerging Markets	Pacific/Asia
		India	Pacific/Asia ex-Japan
		Latin America	Miscellaneous Region
		China	
Balanced	Balanced	Aggressive Allocation	World Allocation
		Moderate Allocation	Target Date
		Conservative Allocation	Retirement Income
		Tactical Allocation	
Domestic Bond	Investment Grade	Corporate Bond	Muni National Intermediate
		Inflation Protected Bond	Muni National Long-Term
		Intermediate Gov't Bond	Muni National Short-Term
		Intermediate Term Bond	Muni Single State
		Long-Term Bond	Short-Term Bond
		Long-Term Gov't	Short-Term Gov't Bond
		Stable Value	Ultrashort Bond
	Multisector	Multisector Bond	
	High Yield	High-Yield Bond	Bank Loans
		High-Yield Muni	
International Bond	World Bond	World Bond	
	Emerging Markets Bond	Emerging Markets Bond	
Alternatives	Equity Alternatives	Long/Short Equity	Market Neutral
		Private Equity	
	Bond Alternatives	Nontraditional Bond	
	Real Estate	Real Estate	Global Real Estate
		Direct Property	
	Managed Futures	Managed Futures	Currency
	Other Alternatives	Arbitrage	Precious Metals
		Hedge Funds	Commodities
		Multi-Alternative	Natural Resources
		Trading/Tactical	Bear Market

Treasurer's Signature

7/18/16
Date

ADDENDUM #3
PERFORMANCE REPORTING
AS OF 2/24/2015

The information contained herein shall dictate the individual and blended benchmark(s), when applicable, to be utilized in monitoring the performance of the investable assets of the Trust.

Category	*Index*	*Percentage*
Equity	MSCI AC World Index	50%
Domestic Equity	---	
International Equity	---	
Preferred Equity	---	
Balanced	---	**0%**
Fixed Income	Barclays Capital Global Aggregate Bond	30%
Domestic Bonds	---	
International Bonds	---	
Alternatives	HFRI Fund of Funds Composite	**20%**
Cash	---	**0%**
Total		**100%**

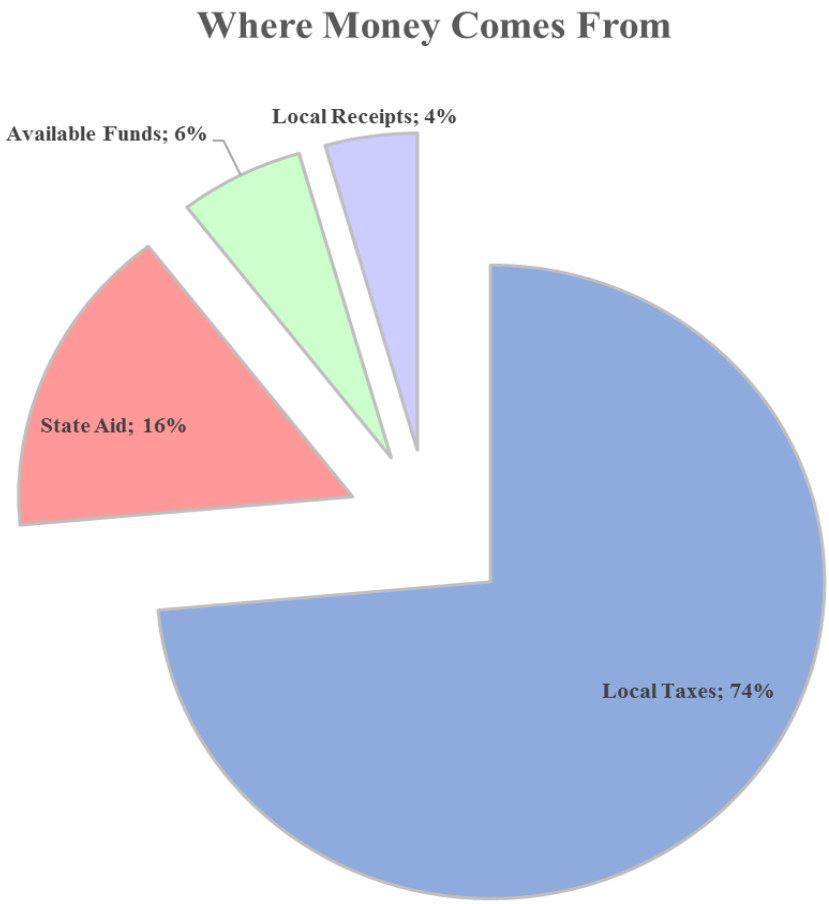
Treasurer's Signature

7/18/16
Date

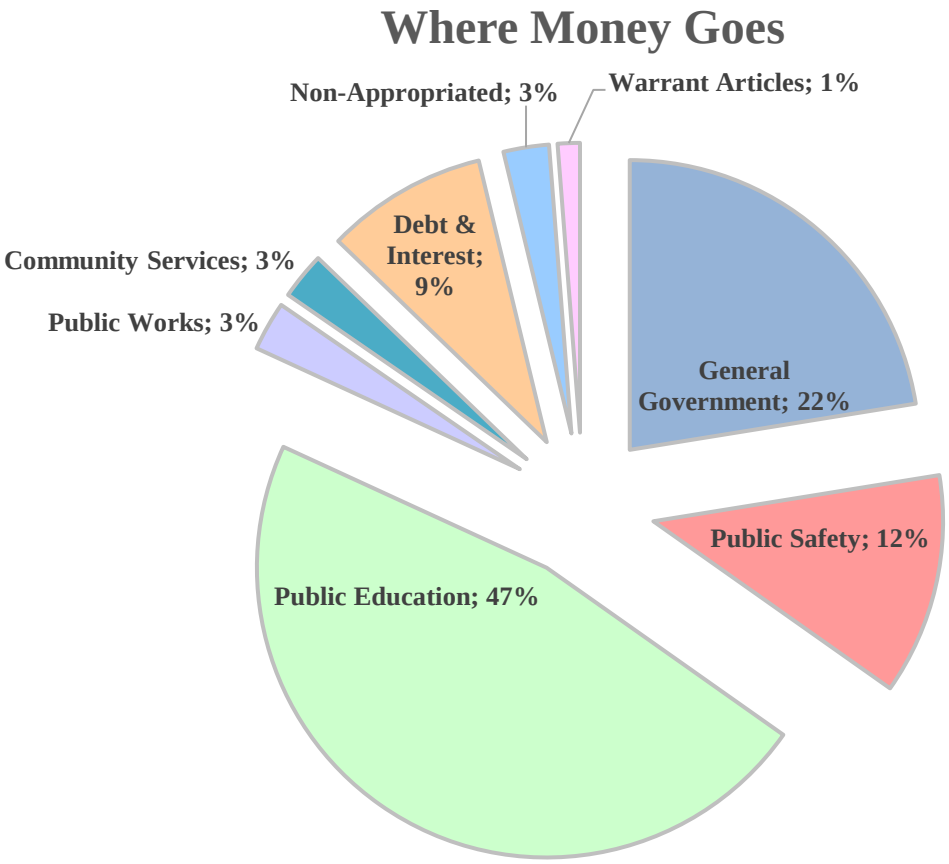
SECTION 4

BUDGET SUMMARIES

Budget Summary - Revenues



Budget Summary- Expenditures



Budget Summary- Expenditures

Balanced Budget

Total Budget Summary Overview

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
BUDGET SUMMARY							
REVENUES							
Local Taxes	$20,882,709	$22,289,025	$25,308,084	$27,422,520	$28,471,651	$30,424,151	$30,424,151
State Aid	$5,868,598	$5,989,686	$5,981,366	$6,027,959	$6,671,847	$6,590,800	$6,590,800
Local Receipts	$2,704,238	$2,753,503	$3,454,552	$3,615,248	$2,326,543	$1,843,489	$1,843,489
Available Funds	$855,936	$928,579	$1,112,293	$1,070,123	$2,599,139	$2,490,627	$2,490,627
TOTAL	$30,311,481	$31,960,794	$35,856,295	$38,135,850	$40,069,179	$41,349,066	$41,349,066
EXPENDITURES							
General Government	$6,695,149	$6,970,684	$7,470,173	$7,887,243	$8,734,582	$9,237,417	$9,281,126
Public Safety	$3,907,080	$4,265,315	$4,358,275	$4,700,199	$4,873,497	$4,914,511	$5,098,404
Public Education	$15,036,789	$15,503,701	$16,541,127	$17,469,916	$18,197,069	$18,736,612	$19,459,326
Public Works	$1,186,426	$1,082,304	$1,001,035	$1,094,155	$1,131,734	$1,183,616	$1,134,223
Health & Human Services	$268,293	$273,991	$270,837	$288,742	$371,631	$375,017	$391,366
Culture & Recreation	$428,274	$430,509	$471,178	$471,863	$565,296	$532,601	$688,512
Debt & Interest	$1,940,949	$2,160,965	$4,500,483	$3,891,937	$3,822,815	$3,728,078	$3,728,078
Non-Appropriated Expenses	$363,349	$371,216	$523,537	$579,425	$1,132,915	$1,049,672	$1,049,672
Warrant Articles	$559,556	$541,350	$699,318	$541,309	$1,056,297	$510,711	$510,711
TOTAL	$30,385,865	$31,600,034	$35,835,963	$36,924,788	$39,885,835	$40,268,235	$41,341,419
BALANCE	-$74,384	$360,759	$20,333	$1,211,061	$183,344	$1,080,831	$7,648

Revenue Budget - Analysis

FY23 Revenue Budget – Overview

Town revenue comes from five sources: property taxes, state aid, available funds, local/miscellaneous receipts, and enterprise fund revenue. During FY23, revenue is expected to increase from the FY22 budget by $1,279,887. That is a 3.2% increase bringing total estimated revenue in FY23 to $41,349,066. This projection does not include additional revenue that may become available for distribution at Town Meeting in the way of miscellaneous funds. Such funds are commonly used to fund a variety of one-time expenditures or cover prior year overdrafts.

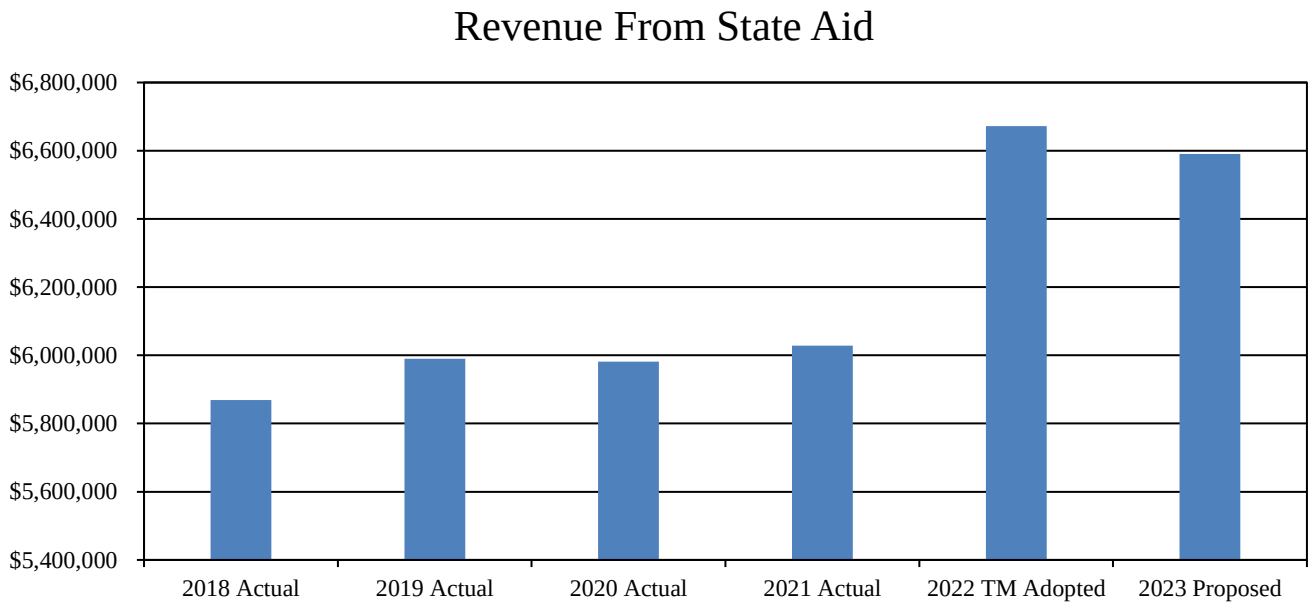
Property Taxes

Property taxes account for 74% of the Town's revenue and makes up the largest single source of total operating revenues. Property taxes are levied on real property (land & buildings) and personal property. In accordance with state law, the Board of Assessors determines the value of all taxable real property, which is fully revalued at fair market value every five years. Under the provisions of Proposition 2½, property taxes may not exceed a predetermined "levy ceiling." In other words, property taxes, in the aggregate, may not exceed 2½% of their "full and fair cash value." Annual levy increases may not exceed 2½% more than the previous year's levy plus the taxes added from any new properties added to the tax rolls. Any Proposition 2½ override or debt exclusion amounts voted are added to the levy limit. Revenue from property taxes is expected to increase $1,952,500 in FY23. This includes the allowable 2.5% increase of $646,944, plus $800,000 in taxes from new growth properties as well as a decrease of ($80,716) due to the Debt Exclusion amounts to cover the Debt Service for the new Clyde Brown school.

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
LOCAL TAXES							
Base Factor					$23,833,992	$25,877,750	$25,877,750
2 1/2 increase					$595,850	$646,944	$646,944
New Properties					$861,636	$800,000	$800,000
Override							
Debt Exclusion					$3,180,173	$3,099,457	$3,099,457
Levy Limit					$28,471,651	$30,424,151	$30,424,151
Levy Used/Actual	$20,882,709	$22,289,025	$25,308,084	$27,422,520	$28,471,651	$30,424,151	$30,424,151

State Aid

State Aid is the Town's second largest revenue source and is projected to decrease (1.21%) in FY23 to $6,590,800. State Aid can be volatile and may change year to year, which is demonstrated by the notable increase in State Aid in Fiscal Years 22 and expected in FY23.



Fiscal Year	Revenue From State Aid	% Increase/Decrease
2018 Actual	$5,868,598	
2019 Actual	$5,989,686	2.06% Increase
2020 Actual	$5,981,366	(0.14%) Decrease
2021 Actual	$6,027,959	0.78% Increase
2022 TM Adopted	$6,671,847	10.68% Increase
2023 Proposed	$6,590,800	(1.21%) Decrease

Revenue Budget - Analysis

State Aid Revenue Summary

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
STATE AID							
Exemptions - Veteran, Blind	$27,750	$64,038	$0	$0	$23,138	$21,398	$21,398
Exemptions - Elderly	$2,510	$2,510	$4,016	$4,016			
School Aid Ch 70	$4,761,622	$4,816,321	$4,841,009	$4,831,312	$4,862,842	$4,894,762	$4,894,762
School Choice					$502,079	$414,941	$414,941
Charter School Reimbursement	$14,728	$4,666	$21,279	$38,951	$35,414	$30,149	$30,149
Library Aid					$17,000	$18,208	$18,208
Veterans Benefits	$15,752	$19,622	$3,305	$41,923	$80,705	$29,605	$29,605
Other State Revenue	$314						
Unrestricted General Aid	$1,045,922	$1,082,529	$1,111,757	$1,111,757	$1,150,669	$1,181,737	$1,181,737
TOTAL	$5,868,598	$5,989,686	$5,981,366	$6,027,959	$6,671,847	$6,590,800	$6,590,800

Budget Summary - Revenues

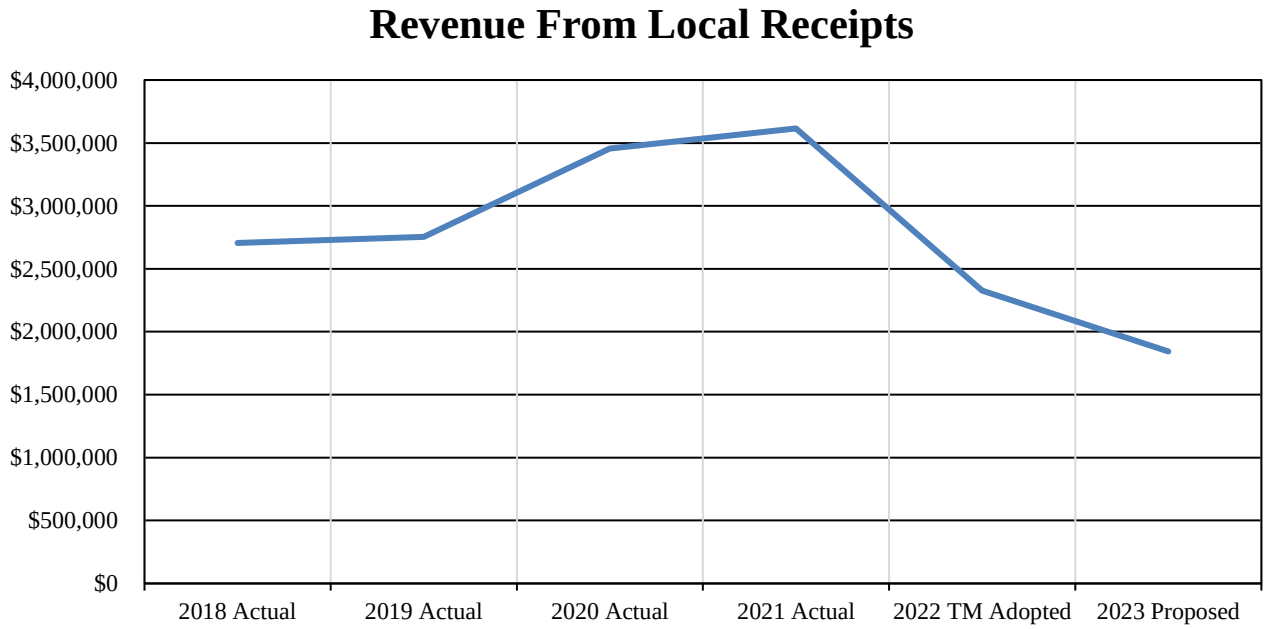
Available Funds

Another source of revenue for Millis is monies contained in various Special Revenue and Enterprise funds, Certified Free Cash from prior years, funds remaining from completed projects, and the Stabilization Fund. The expected transfers from Special Revenue, Enterprise funds and Free Cash decreased by (4.2%) from FY22 Adopted. Total revenue from available funds is projected at $2,490,627.

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
AVAILABLE FUNDS							
Transfer from Gen Special Funds - Cemetery & Cell	$46,000	$60,000	$60,600	$61,206	$61,818	$62,436	$62,436
Transfer from Ambulance	$220,000	$255,000	$283,602	$371,438	$408,152	$412,234	$412,234
Transfer from Trust	$332	$332	$332	$332	$332	$332	$332
Transfer from Spec			$632				
Transfer from Sewer	$173,719	$197,539	$202,778	$213,749	$241,227	$247,258	$247,258
Transfer from Water	$227,872	$241,436	$247,840	$261,248	$294,833	$302,204	$302,204
Transfer from Stormwater		$129,272	$132,266	$139,173	$157,340	$161,274	$161,274
Transfer from Agency							
Release of Overlay							
Transfer from Bond Premium Release					$127,147	$114,831	$114,831
Transfer from Capital Projects Close Out			$84,331	$1,742			
Transfer from Special Articles Close Out				$21,235			
Transfer from Circuit Breaker Surplus			$99,912				
Transfer from Free Cash - Capital					$468,549	$169,209	$169,209
Transfer from Free Cash - Operating					$839,740	$1,020,850	$1,020,850
Transfer from Stabilization	$188,013	$45,000					
TOTAL	$855,936	$928,579	$1,112,293	$1,070,123	$2,599,139	$2,490,627	$2,490,627

Local Receipts

The final source of revenue for the Town Budget is Local Receipts, which includes revenue collected from a variety of fees, permits, fines, and license related charges, as well as interest that is earned on investments or paid by late taxpayers. Revenue from Local Receipts is expected to decrease by (20.8%) or ($483,054) in FY23, for a total of $1,843,489. In FY20, two years of Bond Premiums were recorded under Local Receipts causing a sharp increase. Based on DOR guidance the remaining Bond Premium Releases will be recorded as Available Funds starting in FY22 causing revenue from Local Receipts forecasted to have a decrease from the FY21 Actuals.



Budget - Analysis

Local Receipts Revenue Summary

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
Motor Vehicle Excise	$1,257,191	$1,298,307	$1,281,539	$1,401,791	$1,100,000	$1,010,000	$1,010,000
Penalties, Interest and Demands	$123,647	$152,802	$108,306	$173,263	$86,113	$45,450	$45,450
PILOT	$9,709	$4,770	$19,717	$19,695	$12,650	$12,777	$12,777
Demands Property/Motor Vehicle	$17,625						
Roll Back Taxes	$46,411						
Meals Tax	$117,211	$113,939	$115,687	$113,857	$75,000	$30,300	$30,300
Transfer Station	$112,909	$110,183	$105,072	$116,039	$95,950	$96,910	$96,910
Cemetery Interment	$13,200	$12,500	$10,865	$15,550	$10,303	$5,872	$5,872
Lien Certificates	$7,512	$5,688	$11,413	$12,865	$8,242	$4,698	$4,698
Excise Flagging Fee	$6,760	$6,720	$7,020	$5,020	$5,152	$2,936	$2,936
Police Details-Town	$26,956	$33,873	$48,471	$29,111	$20,606	$11,744	$11,744
Fire Details -- Town	$279	$120	$1,684	$84			
Cannabis Impact Fee		$40,000	$192,545	$487,927	$175,628	$126,721	$126,721
Cannabis 3% Local Options Tax			$167,545	$370,773			
Rental-Life Experience	$12,083	$7,689	$0	$0	$0	$0	$0
Rental-Oak Grove	$8,160	$8,160	$8,160	$8,160	$8,242	$8,242	$8,242
Departmental Revenue	$36,810	$60,720	$39,420	$43,065	$0	$0	$0
Weights and Measures	$1,044	$1,908	$1,170	$2,740	$1,338	$1,010	$1,010
Board of Health Licenses	$17,710	$14,765	$12,190	$15,240	$18,545	$9,786	$9,786
Select Board Licenses	$4,950	$6,475	$6,775	$2,510	$5,152	$2,718	$2,718
Dog Licenses/Late Dog	$11,250	$10,755	$9,885	$9,455	$12,364	$6,524	$6,524
Liquor/Victualers Licenses	$33,700	$38,050	$43,700	$24,025	$36,061	$19,028	$19,028
Marijuana Licenses			$6,000	$1,500			
Recreation Fees						$100,000	$100,000
Permits-Building Dept.	$227,600	$346,050	$431,172	$412,521	$403,749	$221,482	$221,482
Permits-Gun	$2,600	$2,813	$2,538	$3,801	$2,061	$1,087	$1,087
Permits-Board of Health	$10,975	$14,545	$9,759	$9,691	$10,303	$5,437	$5,437
Permits-Yard Sale	$85	$55	$85	$10	$103	$54	$54
Permits-Electrical	$56,073	$36,526	$51,988	$51,498	$61,818	$32,619	$32,619
Permits-Plumbing	$20,761	$29,307	$42,125	$36,900	$25,758	$13,591	$13,591
Permits-Gas	$12,843	$17,858	$27,970	$26,765	$20,606	$10,873	$10,873
Permits-Streets	$4,100	$5,500	$6,850	$5,625	$4,121	$2,175	$2,175
Fines	$14,414	$16,375	$11,449	$3,763	$11,110	$3,737	$3,737
Refunds and Reimbursements	$147,293	$146,978	$159,273	$92,889	$92,897	$48,982	$48,982
Medicaid Reimbursements	$59,896	$43,387	$43,656	$58,859	$5,050	$5,101	$5,101
Miscellaneous	$233,846	$4,431	$97,875	$51,325	$103		
Tailings Revenue	$1,689	$459	$1,075	$4,872			
Bond Premium	$0	$32,707	$307,322	$421			
Bank Account Interest	$46,946	$129,089	$64,252	$3,637	$17,518	$3,636	$3,636
TOTAL	$2,704,238	$2,753,503	$3,454,552	$3,615,248	$2,326,543	$1,843,489	$1,843,489

-

Budget - Analysis

FY23 Expenditure Budget – Overview

The Town's expenditures are divided into functional categories that include: General Government, Public Safety, Education, Public Works, Health & Human Services and Culture & Recreation. Other categories of the budget include Undistributed costs such as insurance and employee benefits (included in General Government below), Debt & Interest, and Non-Appropriated Expenses such as state assessments and tax abatements. This latter category is not voted upon by Town Meeting. The final budgeting category, though not part of the operating budget vote, is the remaining Town Meeting warrant articles that have a financial impact on the overall Town budget.

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
EXPENDITURES							
General Government	$6,695,149	$6,970,684	$7,470,173	$7,887,243	$8,734,582	$9,237,417	$9,281,126
Public Safety	$3,907,080	$4,265,315	$4,358,275	$4,700,199	$4,873,497	$4,914,511	$5,098,404
Public Education	$15,036,789	$15,503,701	$16,541,127	$17,469,916	$18,197,069	$18,736,612	$19,459,326
Public Works	$1,186,426	$1,082,304	$1,001,035	$1,094,155	$1,131,734	$1,183,616	$1,134,223
Health & Human Services	$268,293	$273,991	$270,837	$288,742	$371,631	$375,017	$391,366
Culture & Recreation	$428,274	$430,509	$471,178	$471,863	$565,296	$532,601	$688,512
Debt & Interest	$1,940,949	$2,160,965	$4,500,483	$3,891,937	$3,822,815	$3,728,078	$3,728,078
Non-Appropriated Expenses	$363,349	$371,216	$523,537	$579,425	$1,132,915	$1,049,672	$1,049,672
Warrant Articles	$559,556	$541,350	$699,318	$541,309	$1,056,297	$510,711	$510,711
TOTAL	$30,385,865	$31,600,034	$35,835,963	$36,924,788	$39,885,835	$40,268,235	$41,341,419
	-	-	-	-	-	-	-

Expenditure Budget - Analysis

General Government

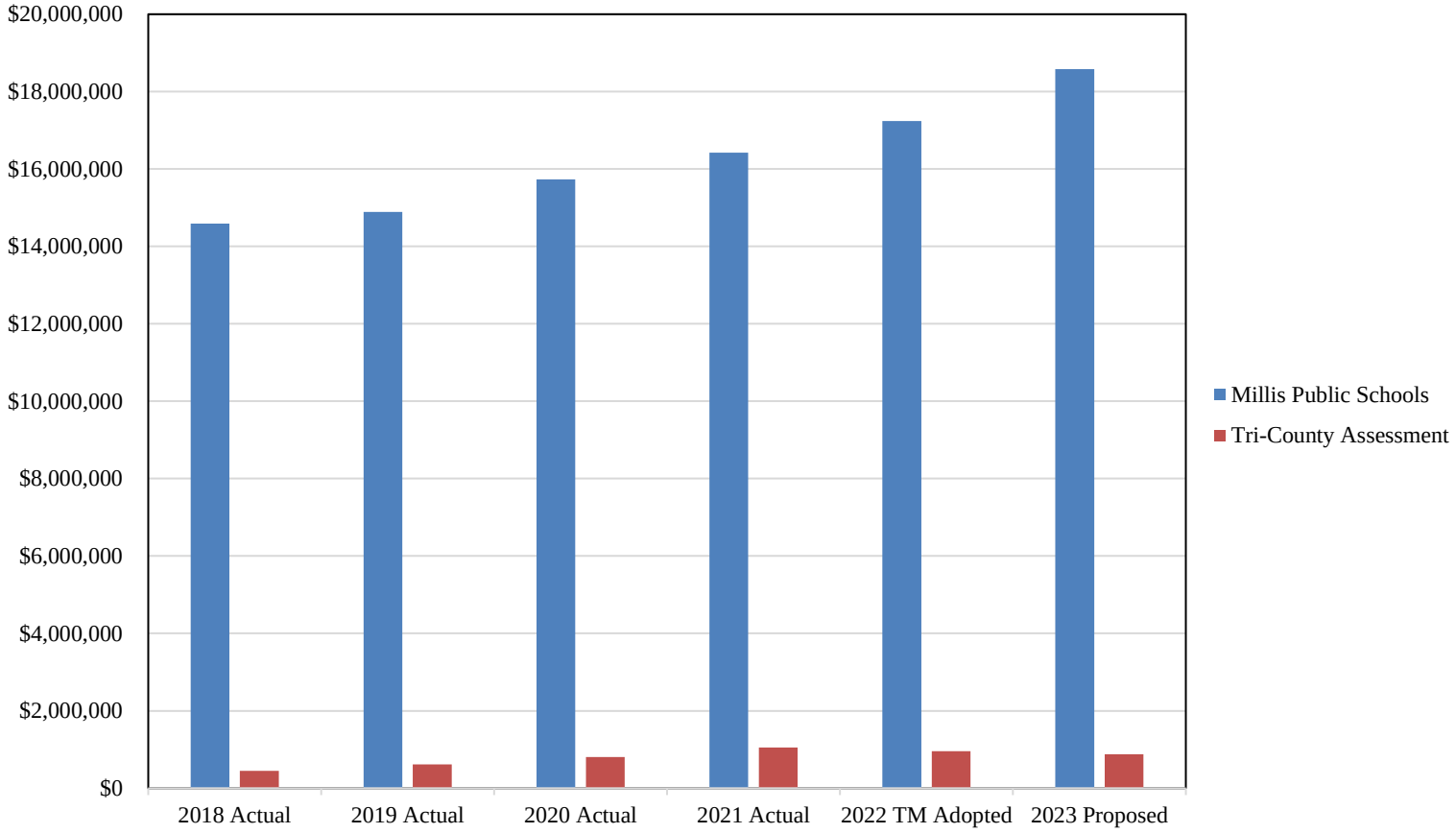
The first of the five functional categories of expenditures is General Government. The operating budget for the General Government is expected to increase 6.26%, or $546,544 in FY23. The General Government includes the offices and departments, which support the direct service departments of the Town through overall management, legal services, financial management, administration of elections, data processing, maintenance of municipal corporate records, personnel administration, related services, and undistributed costs.

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
SUMMARY GENERAL GOVERNMENT							
Personnel Services	$995,944	$1,052,344	$1,126,734	$1,169,276	$1,343,337	$1,379,252	$1,352,793
Expenses	$5,699,205	$5,918,340	$6,343,439	$6,717,966	$7,391,245	$7,858,165	$7,928,333
TOTAL BUDGET	$6,695,149	$6,970,684	$7,470,173	$7,887,242	$8,734,582	$9,237,417	$9,281,126

Public Education

Millis provides two options for public education: Millis Public Schools and Tri-County Regional Vocational School, both of which are included for budgetary purposes within the functional category of Public Education. The total expenditure for education in FY23 is projected at $19.5 million, representing a 6.94% increase from FY22. Public education is the largest single operating expenditure accounting for 47% of the Town budget.

Fiscal Year	Public Education Expenditure	% Increase/Decrease
2018 Actual	$15,036,789	
2019 Actual	$15,503,701	3.11% Increase
2020 Actual	$16,541,127	6.69% Increase
2021 Actual	$17,469,916	5.62% Increase
2022 TM Adopted	$18,197,069	4.16% Increase
2023 Proposed	$19,459,326	6.94% Increase



Expenditure Budget

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
SUMMARY PUBLIC EDUCATION							
Personnel Services	$12,506,357	$12,847,561	$13,355,755	$14,433,529	$14,198,697	$15,438,778	$15,474,594
Expenses	$2,530,432	$2,656,140	$3,185,371	$3,036,386	$3,998,372	$3,297,834	$3,984,733
TOTAL BUDGET	$15,036,789	$15,503,701	$16,541,127	$17,469,916	$18,197,069	$18,736,612	$19,459,326

Expenditure Budget - Analysis

		FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
MILLIS PUBLIC SCHOOLS								
Personnel Services								
	Salaries	$12,506,357	$12,847,561	$13,355,755	$14,433,529	$14,198,697	$15,438,778	$15,474,594
Expenses								
	Expenses	$2,084,860	$2,040,543	$2,377,414	$1,986,712	$3,042,436	$2,421,278	$3,108,177
	TOTAL BUDGET	$14,591,217	$14,888,104	$15,733,170	$16,420,242	$17,241,133	$17,860,056	$18,582,770

		FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
TRI-COUNTY REGIONAL VOCATIONAL SCHOOL								
	Assessment	$445,572	$615,597	$807,957	$1,049,674	$955,936	$876,556	$876,556
	TOTAL BUDGET	$445,572	$615,597	$807,957	$1,049,674	$955,936	$876,556	$876,556

Expenditure Budget - Analysis

Public Safety

Public Safety consists of Police, Fire, Dispatch, Inspections & Enforcement, Animal Control, and Emergency Management Services, and represents 12% of Town expenditures. In FY23, Public Safety is proposed to increase by 4.41%, or $224,907.

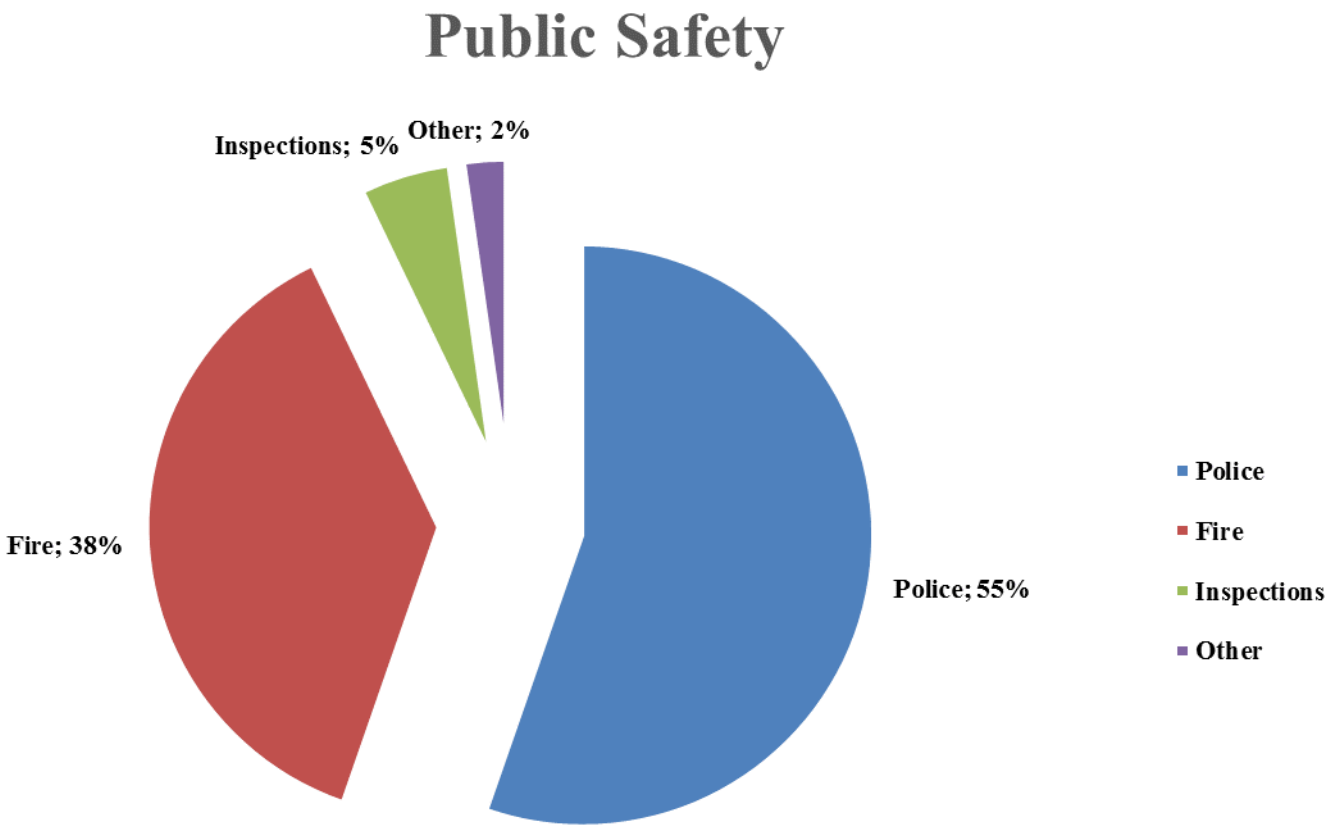
	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
SUMMARY PUBLIC SAFETY							
Personnel Services	$3,474,261	$3,796,956	$3,898,326	$4,164,066	$4,322,648	$4,316,146	$4,464,176
Expenses	$432,819	$468,359	$459,948	$536,133	$550,849	$598,365	$634,228
TOTAL BUDGET	$3,907,080	$4,265,315	$4,358,275	$4,700,199	$4,873,497	$4,914,511	$5,098,404

The Police Department is requesting an increase of $150,979, roughly a 6.1% increase from FY22. The increase comes from personnel costs, made up of salary and education increases. The expense increase is due to Police Vehicle Articles being incorporated into the operating budget for FY23.

The Fire Department budget is proposed to increase by $51,908 or 2.66% in FY23. The increase in personnel costs comes from increases in wages, overtime and shift coverage. The expenses remain consistent with FY22.

Finally, the Inspections & Enforcement is proposed to increase by $20,957 or 7.9% in FY23. The increase in personnel costs comes from increases in wages and inspector compensation. The expenses remain consistent with FY22.

Expenditure Budget - Analysis

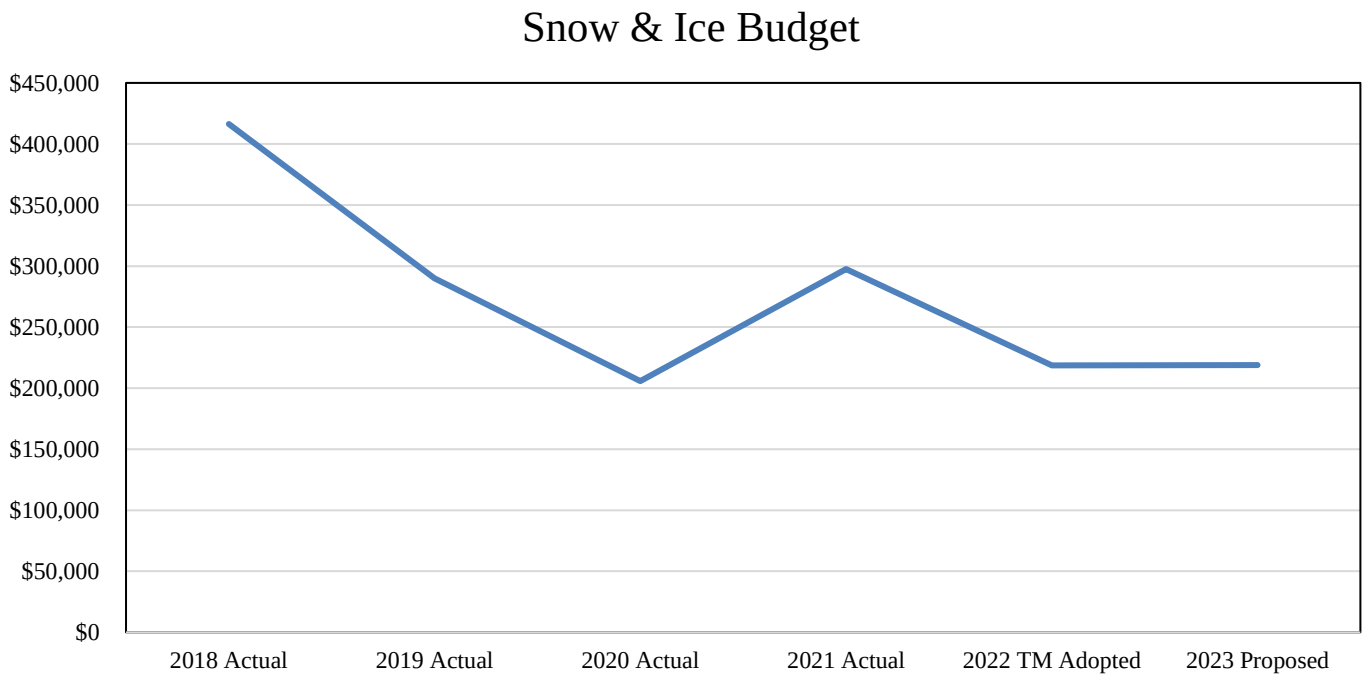


Public Works

One of the most important aspects of a community is its infrastructure, such as roads, and sewers, drainage systems; and its facilities, such as parks, cemeteries, and public buildings. All of these Town assets must be maintained in order to protect the public's investment in the facilities and to operate them properly. These tasks are carried out by the Department of Public Works in their day-to-day work for the operating fund as well as their work for the Sewer, Water, and Groundwater enterprises.

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
PUBLIC WORKS							
Personnel Services	$334,481	$257,347	$273,823	$283,163	$399,238	$395,445	$396,052
Expenses	$435,626	$534,901	$521,430	$513,455	$513,769	$569,269	$519,269
Snow and Ice	$416,319	$290,057	$205,783	$297,537	$218,727	$218,902	$218,902
TOTAL BUDGET	$1,186,426	$1,082,304	$1,001,035	$1,094,155	$1,131,734	$1,183,616	$1,134,223

FY23 DPW budget is proposed to increase by $2,489 or 0.2% from the FY22 Adopted budget due to staffing and a slight increase in expenses. The Snow and Ice budget is held constant due the extreme variability of the expenses as well as budgeting requirements under a state regulation regarding Snow and Ice deficits.



Community Services

Community services encompasses Health & Human Services as well as Culture & Recreation. Included in Health & Human Services is the Board of Health, Council on Aging, and Veteran's Services. Recreation, and the Library make up Culture & Recreation. The budget for Health & Human Services is proposed to increase by 5.3%, while the Culture and Recreation budget is proposed to increase by 21.8%. The majority of the increase is related to Council on Aging and Recreation salaries.

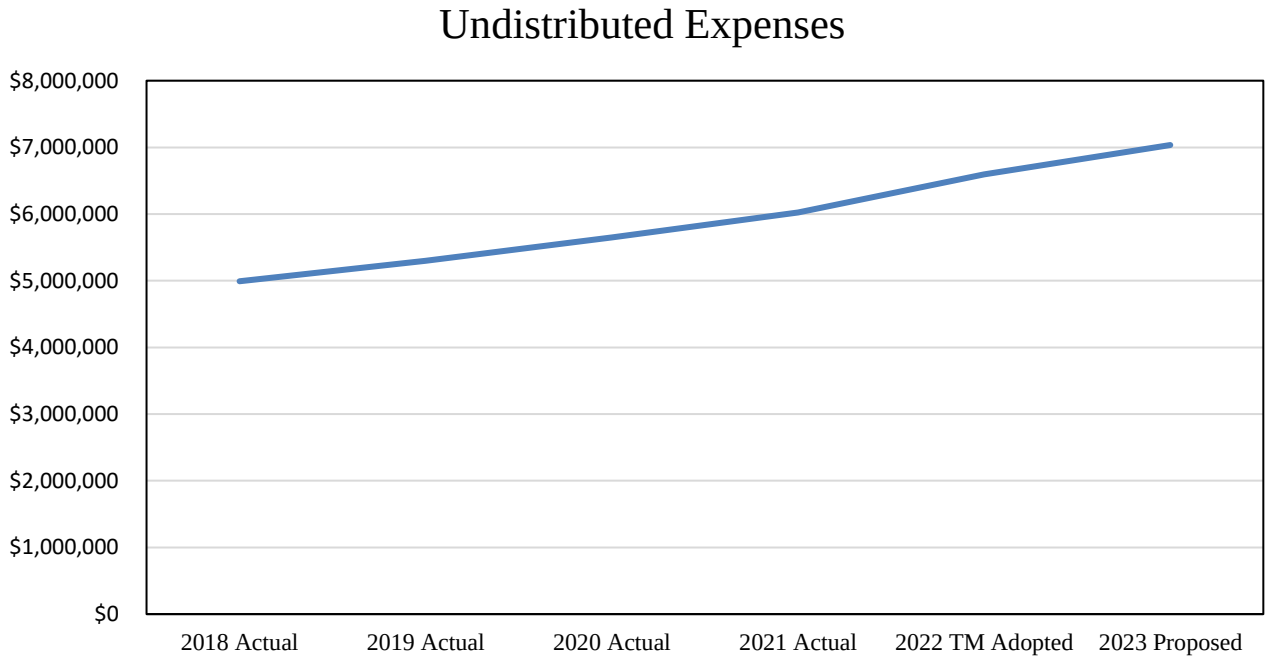
	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
HEALTH AND HUMAN SERVICES							
Personnel Services	$222,411	$228,353	$231,182	$238,952	$301,991	$305,508	$316,657
Expenses	$45,882	$45,638	$39,655	$49,790	$69,639	$69,509	$74,709
TOTAL BUDGET	$268,293	$273,991	$270,837	$288,742	$371,630	$375,017	$391,366

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
CULTURE AND RECREATION							
Personnel Services	$275,208	$276,918	$313,789	$302,111	$385,377	$350,285	$430,343
Expenses	$153,066	$153,591	$157,389	$169,752	$179,919	$182,316	$258,169
TOTAL BUDGET	$428,274	$430,509	$471,178	$471,863	$565,296	$532,601	$688,512

Undistributed Expenses

The category of Undistributed Expenses serves as the consolidation of costs that relate to the operation of the Town, including forms of insurance and employee benefits. The costs are not distributed for ease of accounting of these expenditures and in order to isolate them for greater management control. In the Budget Summary above, Undistributed Costs are included in the General Government classification. We continue to see a steady rise by 6.7% for FY23 in Undistributed Expenses. For FY23, insurance expenses are expected to be up 9.6%, or $54,859 and Employee Benefit expenses up 6.4%, or $384,581.

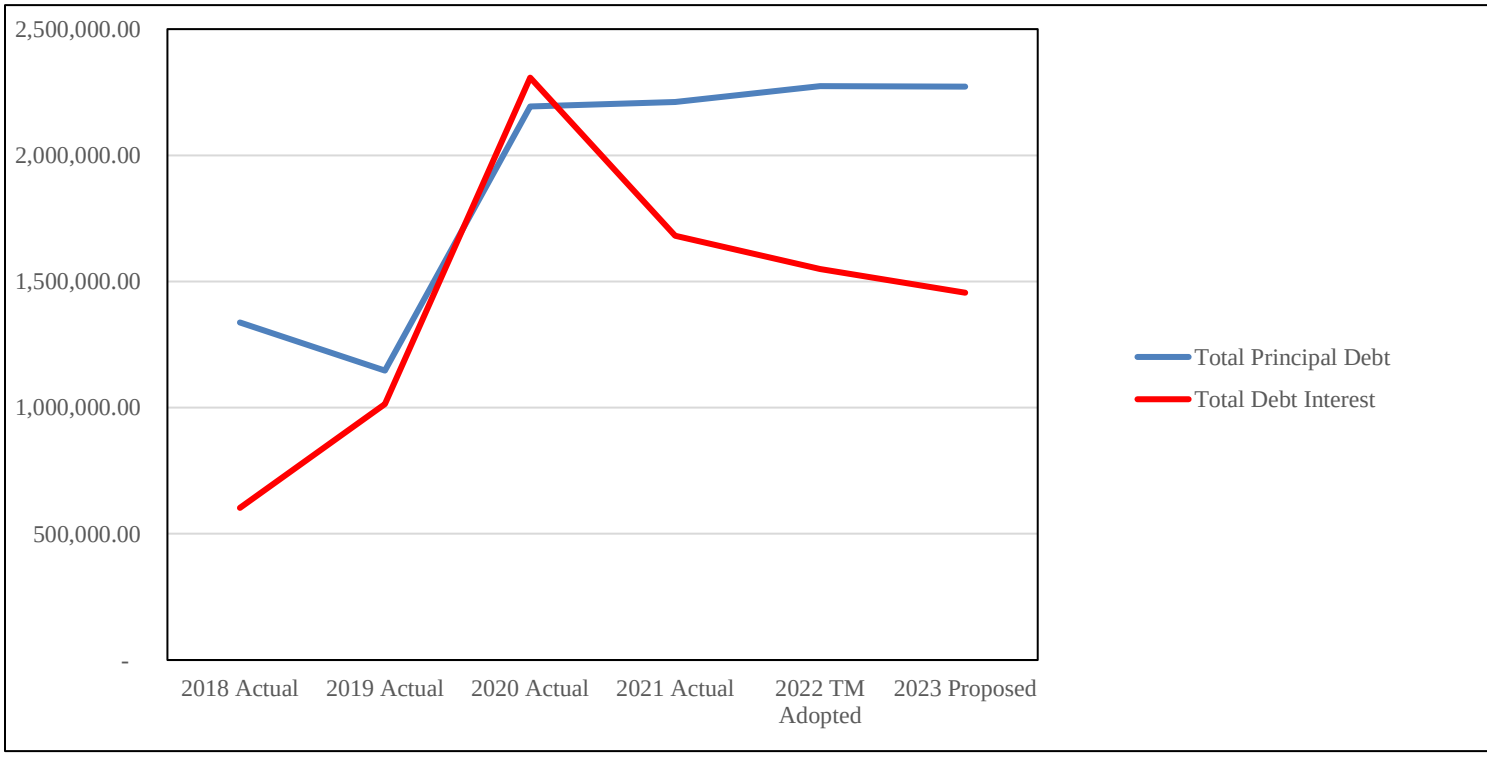
	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
UNDISTRIBUTED COSTS							
Expenses	$4,992,189	$5,297,215	$5,648,309	$6,025,273	$6,595,308	$7,019,780	$7,034,749
TOTAL BUDGET	$4,992,189	$5,297,215	$5,648,309	$6,025,273	$6,595,308	$7,019,780	$7,034,749



Expenditure Budget - Analysis

Debt & Interest

In order to complete certain capital projects, it is necessary and advantageous for the Town to borrow funds through the sale of municipal bonds. With this borrowing comes the responsibility to effectively manage this debt and the obvious requirement of repayment until it is retired. Typically, larger capital projects are bonded for 20 years, while General Fund capital debt projects usually have their debt retired within 5 to 10 years. The goal is to finance projects for the shortest term feasible to ensure bonds are paid off well before the useful life of the project expires. Principal Debt & Interest expenses will decrease in FY23 by (2.5%) to a total of $3,728,078. This decrease is due to the permanent financing of the majority of the Clyde Brown construction costs.



Warrant Articles and Non-Appropriated Expenses

In addition to the operating budget article that is put before Town Meeting, there are usually several Warrant Articles of financial consequence. Further, there are certain costs that are not voted upon by town meeting. To that extent, those costs are Non-Appropriated Expenses which must be carried on the books and paid. Such costs include various state assessments for services, county assessment for county services, tax title implementation, budget overdrafts, court judgments, and an amount estimated for tax abatements and exemptions. Non-Appropriated expenses are scheduled to decrease by ($128,243), or 12.5%, due to an decrease in State and County assessments.

Town-Wide Staffing Summary

Town Wide Personnel

Position	FY2018 FTE	FY2019 FTE	FY2020 FTE	FY2021 FTE	FY2022 FTE	FY2023 Requests FTE	FY2023 Proposed FTE
Executive Office							
Town Administrator	1.00	1.00	1.00	0.96	1.00	1.00	1.00
Asst Town Administrator/HR Manager						1.00	1.00
Operations Support Manager	1.00	1.00	1.00	0.96	1.00	-	-
Department Assistant II	0.45	0.45	0.45	0.43	0.88	0.78	0.78
Department Assistant I						0.45	0.45
Economic Develop Director/Planner			0.48	0.46	0.48	0.48	0.48
Senior Bldg Maintence Worker	1.88	2.00	2.00	0.96	1.00	-	-
Facilities Manager						1.00	-
Energy Manager				0.50	0.52	0.52	0.52
Finance Office							
Finance Director	1.00	1.00	1.00	0.96	1.00	1.00	1.00
Town Accountant			1.00	0.96	1.00	1.00	1.00
Assistant Town Accountant	0.75	0.75					
Accounts Payable	0.25	0.25					
Payroll Administrator	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Town Assessor	1.00	1.00	1.00	0.96	1.00	1.00	1.00
Department Assistant Assesor	1.00	1.00	1.00	0.96	1.00	1.00	1.00
Town Treasurer	1.00	1.00	1.00	0.96	1.00	1.00	1.00
Assistant Town Treasurer	0.88	1.00	1.00	0.96	1.00	1.00	1.00
Department Assistant -- Treasurer	1.40	1.40	1.40	1.40	1.40	1.40	1.40
IT Specialist					1.00	1.00	1.00
Town Clerk							
Town Clerk	0.14	0.14	0.14	0.14	0.14	0.14	0.14
Assistant Town Clerk	0.88	0.88	0.88	0.84	0.88	0.88	0.88
Dept. Asst. II	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Police Department							
Chief of Police	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Sergeant	4.00	5.00	5.00	5.00	5.00	5.00	5.00
Patrol Officer	13.00	12.00	12.00	13.00	13.00	13.00	13.00
Full-Time Dispatcher	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Part-Time Dispatcher	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Department Assistant -- Police	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Fire Department							
Fire Chief	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Fire Lieutenant	3.00	4.00	4.00	4.00	4.00	4.00	4.00
Firefighter/EMT	9.00	8.00	8.00	12.00	12.00	12.00	12.00
Department Assistant -- Fire			0.50	0.50	0.50	0.50	0.50

Town-Wide Staffing Summary

Town Wide Personnel

Position	FY2018 FTE	FY2019 FTE	FY2020 FTE	FY2021 FTE	FY2022 FTE	FY2023 Requests FTE	FY2023 Proposed FTE
Animal Control							
Animal Control Officer	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Building Department							
Building Inspector	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Department Assistant	0.55	0.90	0.90	0.90	0.90	0.90	0.90
Assistant Building Inspector		0.63	0.63	0.51	0.63	0.63	0.63
Assistant Building Inspector	Fluctuates						
Electrical Plumbing	Fluctuates	Fluctuates	Fluctuates	Fluctuates	Fluctuates	Fluctuates	Fluctuates
Assistant Electrical Inspector	Fluctuates	Fluctuates	Fluctuates	Fluctuates	Fluctuates	Fluctuates	Fluctuates
Assistant Plumbing Inspector	Fluctuates	Fluctuates	Fluctuates	Fluctuates	Fluctuates	Fluctuates	Fluctuates
Department of Public Works							
Department Head	0.35	0.17	0.17	0.17	0.17	0.17	0.17
Department Assistant III	0.11	0.11	0.11	0.11			
Operations Manager					0.11	0.11	0.11
General Foreman/Superintendent	0.34	0.16	0.16	0.16	0.16	0.16	0.16
Town Mechanic/Facilities Manager	0.34	0.24	0.24	0.24	0.24	0.24	0.24
DPW Foreman					0.75	0.75	0.75
HEO/Laborer	3.34	2.75	2.75	2.99	3.84	4.09	4.09
Sewer Department							
Department Head	0.24	0.24	0.24	0.24	0.24	0.24	0.24
Department Assistant III	0.37	0.32	0.32	0.32	0.32	0.32	0.32
Department Assistant I	0.15	0.15	0.15	0.15	0.15	0.24	0.24
General Foreman/Superintendent	0.24	0.24	0.24	0.24	0.24	0.24	0.24
Water & Sewer Technician	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Town Mechanic/Facilities Manager	0.33	0.33	0.33	0.33	0.33	0.33	0.33
HEO/Laborer	2.00	2.00	2.00	1.83	1.83	1.83	1.83
HEO/Laborer	0.33						
Water Department							
Department Head	0.41	0.41	0.41	0.41	0.41	0.41	0.41
Department Assistant III	0.50	0.44	0.44	0.44	0.44	0.44	0.44
Department Assistant I	0.15	0.15	0.15	0.15	0.15	0.24	0.24
General Foreman	0.34	0.42	0.42	0.42	0.42	0.42	0.42
Water & Sewer Technician	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Town Mechanic/Facilities Manager	0.33	0.33	0.33	0.33	0.33	0.33	0.33
HEO/Laborer	2.00	2.50	2.50	2.33	2.33	1.83	1.83
HEO/Laborer							
Stormwater Department							
Deputy Director/Chief of Operations		0.18	0.18	0.18	0.18	0.18	0.18
Department Assistant III		0.13	0.13	0.13	0.13	0.13	0.13
General Foreman		0.18	0.18	0.18	0.18	0.18	0.18
Mechanic		0.10	0.10	0.10	0.10	0.10	0.10
HEO/Laborer/Mechanic		1.75	1.75	1.85	1.85	1.50	1.50

Town-Wide Staffing Summary

Town Wide Personnel

Position	FY2018 FTE	FY2019 FTE	FY2020 FTE	FY2021 FTE	FY2022 FTE	FY2023 Requests FTE	FY2023 Proposed FTE
Board of Health							
Director of Public Health	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Department Assistant III	0.60	0.60	0.60	0.60	0.60	0.60	0.60
Public Health Nurse	0.30	0.30	0.30	0.30	0.30	0.30	0.30
Clerk (meetings)	0.03	0.03	0.03	0.03	0.03	0.03	0.03
Council on Aging							
Director	0.63	0.69	0.69	0.80	0.85	0.89	0.89
Department Assistant	0.38	0.44	0.44	-	0.45	0.45	0.45
Operations Manager				-	-	-	-
Outreach Worker	0.38	0.44	0.44	0.50	0.50	0.50	0.65
Drivers	0.75	0.75	0.75	0.50	0.75	0.75	0.75
Dispatcher				0.33	0.33	0.33	0.33
Veteran Services							
Veteran Services Officer	0.14	0.14	0.14	0.14	0.23	0.23	0.23
Library							
Director	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Youth and Family Services							
Librarian	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Adult Services Librarian	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Circulation Supervisor							
Cataloger							
Collections Librarian	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Senior Library Assistant	0.40	0.40	0.40	0.40	0.40	0.40	0.40
Library Assistant (Evening Teen Services)						0.40	0.40
Library Assistant	0.20	0.20	0.20	0.20	0.20	0.20	0.20
Library Assistant - Technology	0.50	0.50	0.75	0.75	0.75	0.75	0.75
Pages	0.40	0.40	0.40	0.40	0.40	0.40	0.40
On Call	0.15	0.15	0.15	0.15	0.15	0.15	0.15
Library Assistants - Saturdays July & Aug					0.04	0.04	0.04
Recreation							
Recreation Director	0.50	0.50	0.50	0.48	0.50	0.50	1.00
Administrative Assistant	0.25	0.25	0.25	0.23	0.25		0.25
Teen Program Coordinator					0.15		0.15
Inclusive Summer Camp Staff					0.22		0.22
TOTAL	78.66	81.49	82.72	86.41	91.31	91.07	91.33

SECTION 5

GENERAL FUND EXPENDITURES

Municipal Administration

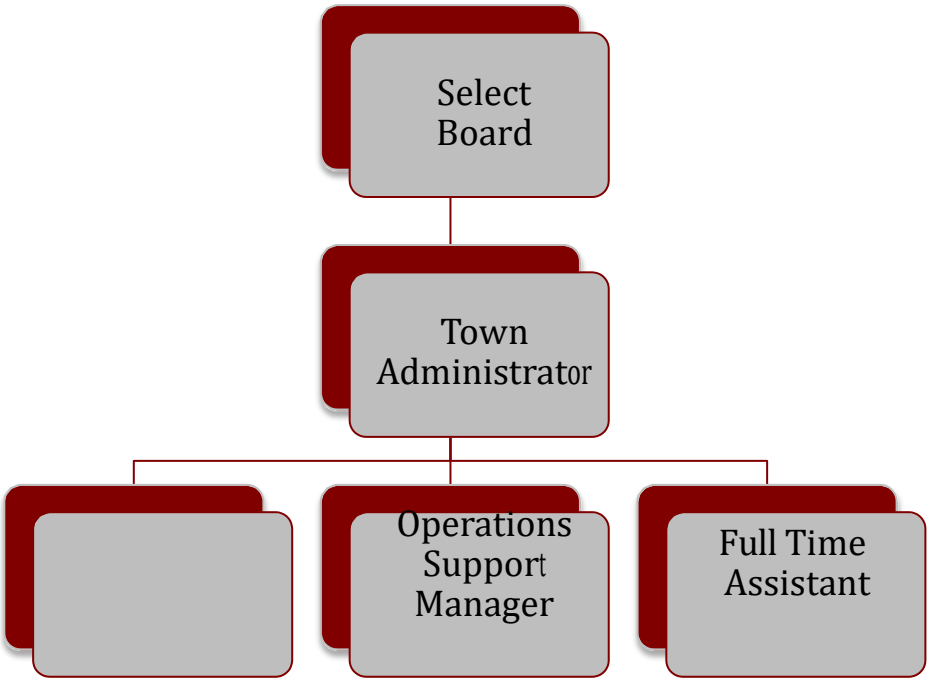
Executive Office

Executive Office Departmental Statement

The Executive Office of the Town of Millis is composed of the Select Board and the Town Administrator. The Select Board is recognized by the Massachusetts General Laws as the Town's body of chief elected officials with the authority to enact rules and regulations effecting Town policies not otherwise governed by Town Charter or statute. The Board is composed of three members who are elected to staggered three-year terms. The powers and duties of the Select Board include, but are not limited to, appointing the Town Administrator among other town officials, appointing various boards and committees, and the ratification of appointments made by the Town Administrator.

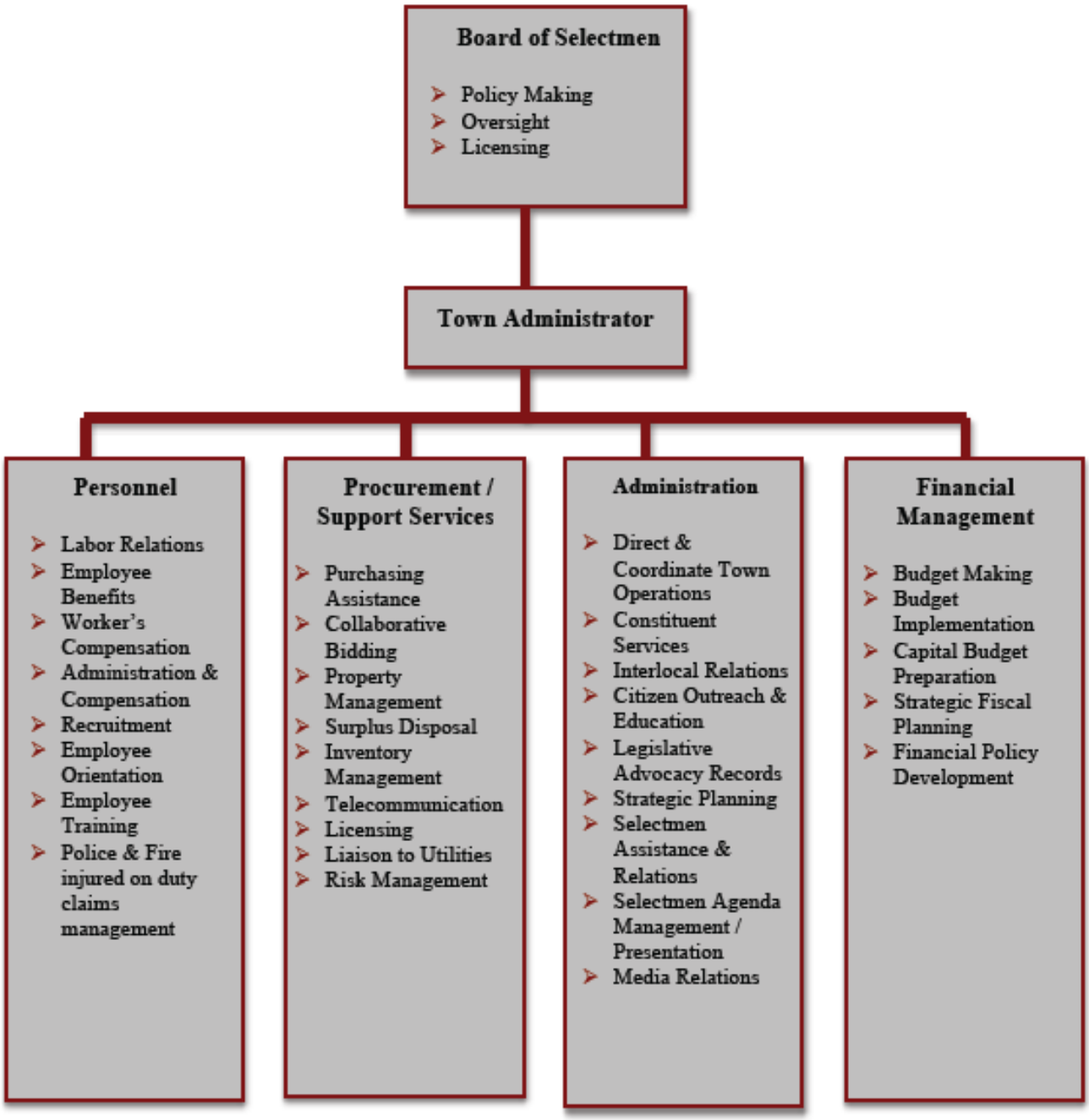
The Town Administrator is appointed by the Select Board and is the senior appointed officer of the Town. The Town Administrator and his or her staff are responsible for managing day-to-day operations of municipal government as outlined in Article III of the Town Charter and in Article V § 27 and Article XIII of the Town General Bylaws. The Town Administrator appoints and removes department heads and other employees as well as members of certain boards and commissions, and also works closely with the Select Board to develop and implement policies and goals for the efficient and effective administration of Town government.

Executive Office Organizational Chart



Executive Office

Executive Office Programs and Subprograms



Executive Office

Executive Office Personnel Summary

Personnel

Position	FY2018 ACTUAL FTE	FY2019 ACTUAL FTE	FY2020 ACTUAL	FY2021 ACTUAL FTE	FY2022 TM ADOPTED FTE	FY2023 REQUESTS FTE	FY2023 PROPOSED FTE
Town Administrator	1.00	1.00	1.00	0.96	1.00	1.00	1.00
Asst Town Administrator/HR Manager						1.00	1.00
Operations Support Manager	1.00	1.00	1.00	0.96	1.00		
Department Assistant II	0.45	0.45	0.45	0.43	0.88	0.78	0.78
Department Assistant I						0.45	0.45
Economic Develop Director/Planner			0.48	0.46	0.48	0.48	0.48
Senior Bldg Maintenance Worker	1.88	2.00	2.00	0.96	1.00		
Facilities Manager						1.00	
Energy Manager				0.50	0.52	0.52	0.52
	4.33	4.45	4.93	4.26	4.87	5.22	4.22

Executive Office

Executive Office Budget Summary

		FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
SELECT BOARD/TOWN ADMINISTRATOR								
Personnel Services								
	Salary Town Administrator	$144,000	$148,320	$152,770	$158,977	$170,984	$175,255	$175,255
	Salary Department Head	$70,038	$73,001	$77,105	$77,150	$84,704	$85,928	$107,031
	Salary Econ Dev/Planner			$28,535	$38,635	$43,518	$42,148	$42,148
	Wages Clerical	$14,538	$18,484	$21,501	$20,807	$44,865	$35,549	$57,623
	Longevity	$650	$750	$850	$850	$850	$850	$850
	Wages Clerical OT	$852	$534	$980	$2,042	$923	$900	$900
	Sick Leave Buy Back	$7,049	$5,413	$2,200	$6,045	$6,600	$4,000	$2,000
	Total	$237,126	$246,501	$283,942	$304,506	$352,443	$344,630	$385,807
Expenses								
	Physical Exams	$4,575	$2,800	$3,938	$6,174	$3,000	$3,000	$3,000
	Annual Audit							$37,000
	Maintenance Contract	$10,354	$10,412	$12,428	$11,705	$12,000		
	Printing	$870	$59	$554				
	Supplies and Expenses	$64,489	$8,257	$2,149	$3,875	$6,000	$6,000	$6,000
	Telephone	$12,792	$11,720	$17,587	$19,424	$19,200	$19,200	$19,200
	Postage	$1,818	$1,785	$1,127	$2,002	$1,500	$1,800	$1,800
	Copy Machine Supplies	$1,371	$1,342	$754	$1,134	$1,300	$1,400	$1,400
	Advertising/Postage	$675	$1,693	$1,739	$1,855	$1,500	$1,300	$1,300
	Dues and Subscriptions	$3,606	$4,272	$3,939	$3,924	$4,120	$4,500	$4,500
	Meetings	$4,524	$2,505	$5,035	$1,236	$4,350	$4,350	$4,350
	Equipment	$1,000		$381		$1,000	$1,000	$1,000
	Administrative Expenses	$1,615	$1,615	$1,631	$1,615	$1,615	$1,615	$1,615
	Auto/Mileage Reimbursement	$5,065	$5,959	$5,319	$6,033	$5,200	$5,200	$5,200
	Consulting Services		$39,023	$21,595		$5,000	$5,000	$35,000
	Police Details	$2,042	$2,688	$2,290	$2,999	$3,000	$3,000	$3,000
	Total	$114,796	$94,129	$80,466	$61,976	$68,785	$57,365	$124,365
TOTAL BUDGET		$351,923	$340,630	$364,408	$366,482	$421,228	$401,995	$510,172

Executive Office

Executive Office Accomplishments

- Worked collaboratively with the Board of Health and other Town departments to manage the overall town-wide COVID-19 response
- Conducted work on enterprise funds review within the Department of Public Works
- Participated in several Tri-Board (Select Board/School Committee/Finance Committee) meetings to discuss town-wide operational and budgetary
- Expended $729,000 of the CARES Act funds to address COVID-19 related costs
- Negotiated and executed collective bargaining agreements with Fire Union and SEIU
- Negotiated successor employment agreements with the Library Director and Finance Director
- Successfully completed the construction of the DPW Building Project
- Processed and supervised insurance claims for, and the renovation of, four rooms at the Veterans Memorial Building
- Implemented Community Electrical Aggregation for the Town
- Initiated a classification and compensation study for most employees at the Veterans Memorial Building and Library
- Purchased 23.13 acres of land through MGL c. 61 located at 377 Village Street
- Hosted an intern from the UMASS Graduate Program at the Town Administrator/Select Board's Office for a period of ten weeks
- Approved a remote participation policy for Town Boards and Committees
- Conducted a planning study of the town center through a grant from the Urban Land Institute
- Enlisted Kleinfelder engineering firm to design an advanced water treatment plant at wells 1 & 2 in response to the new DEP PFAS standards
- Established shared IT Director position (with the Town of Norfolk) and hired first Director
- Established Teen Coordinator position and hired first Coordinator
- Enacted a change to the Senior Work Off Program to increase maximum tax credit allowed
- Successfully managed and allocated marijuana impact funds to a wide variety of departments impacted by our marijuana retail establishment

Executive Office Goals

- Continue to provide effective COVID-19 impact management to support public health and municipal service delivery.
- Develop a comprehensive senior services delivery model to compliment the development of the senior center facility proposal.
- Provide appropriate project oversight for major capital projects (DPW Water Filtration Facility, Lansing Millis Building, Senior Center).
- Create an enhanced model for Water/Sewer/Stormwater enterprises governance; including cost allocation methodology, asset management process, capacity management, regulatory compliance, impact on economic development, and rate setting policy.
- Improve communication and citizen engagement efforts to maximize the value of technology resources. Focus activity by articulating realistic implementation plans and resource identification.
- Promote continuous improvement in service delivery, implementation strategies and overall accountability. Through collaborative efforts with the school and municipal officials, develop priorities for introducing shared services across appropriate Town functions including IT, HR, Buildings and Fields.
- Continue commitment to formalize the role of the Tri-Board team in revenue sharing and annual budget development.
- Support on-going activities to implement the Housing Plan, Open Space Plan and economic development efforts.

Executive Office

Town Building

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
Personnel Services							
Wages	$71,744	$87,513	$81,199	$82,781	$90,498	$90,959	$38,323
Wages Overtime	$6,287	$7,505	$2,269	$1,136	$1,552		
Longevity		$650	$750	$750	$750		
Total	$78,031	$95,668	$84,218	$84,667	$92,800	$90,959	$38,323
Expenses							
VMB Repairs	$33,742	$41,950	$36,834	$23,850	$35,000	$35,000	$30,000
Maintenance Contract	$5,101	$10,822	$18,187	$21,232			
VMB Maintenance Contracts	$20,468	$14,909	$24,005	$56,057	$65,000	$85,000	$63,500
Supplies and Expenses	$10,103	$5,453	$11,264				
Clothing Allowance				$811	$500		
Heat and Fuel							
Water/Sewer							
Electricity	$38,445						
Special Expenditure	$24,127	$13,383	$9,178	$15,671	$12,000	$10,000	$10,000
VMB Supplies and Expenditures		$946	$617	$5,596	$7,730	$8,000	$8,000
VMB Heating and Fuel	$12,436	$13,330	$20,930	$12,512	$15,000	$15,000	$15,000
VMB Water and Sewer	$2,662	$2,834	$3,055	$3,002	$3,000	$3,500	$3,500
VMB Electricity		$35,718	$40,122	$46,144	$40,000	$50,000	$45,000
Library Electricity	$37,214	$39,163	$35,723	$35,954	$30,000	$28,000	$28,000
Auto Reimbursement	$172	$357	$270	$1,308	$250	$200	
Energy Manager Consultant	$35,737	$37,076	$29,186	$224			
Total	$220,207	$215,940	$229,370	$222,359	$208,480	$234,700	$203,000
TOTAL BUDGET	$298,238	$311,608	$313,588	$307,026	$301,280	$325,659	$241,323

Finance Office

Finance Office Departmental Statement

The Finance Office is primarily responsible for maintaining and/or preparing comprehensive financial records and information critical to formulation of fiscal policy by Town official's as well as transparency and accountability in government. Pursuant to this responsibility, the Finance Office administers and manages all town accounts, appropriations, and expenditures, and periodically reports to the Commonwealth of Massachusetts on various financial affairs.

The Finance Office oversees four divisions: Treasury/Collecting, Management Information Systems (MIS), Assessing, and Accounting. The divisions are described as follows:

Treasurers/Collections Division
The Treasurers/Collections Division is tasked with ensuring timely and efficient payment of Town bills and payroll, collection of all monies due, and safeguarding all monies belonging to the Town. Examples of departmental responsibilities include collection of real estate taxes, building permit receipts, issuance of debt authorized at Town Meeting, income tax reporting, and reconciling account records to that of the banking institutions where the Town does business.

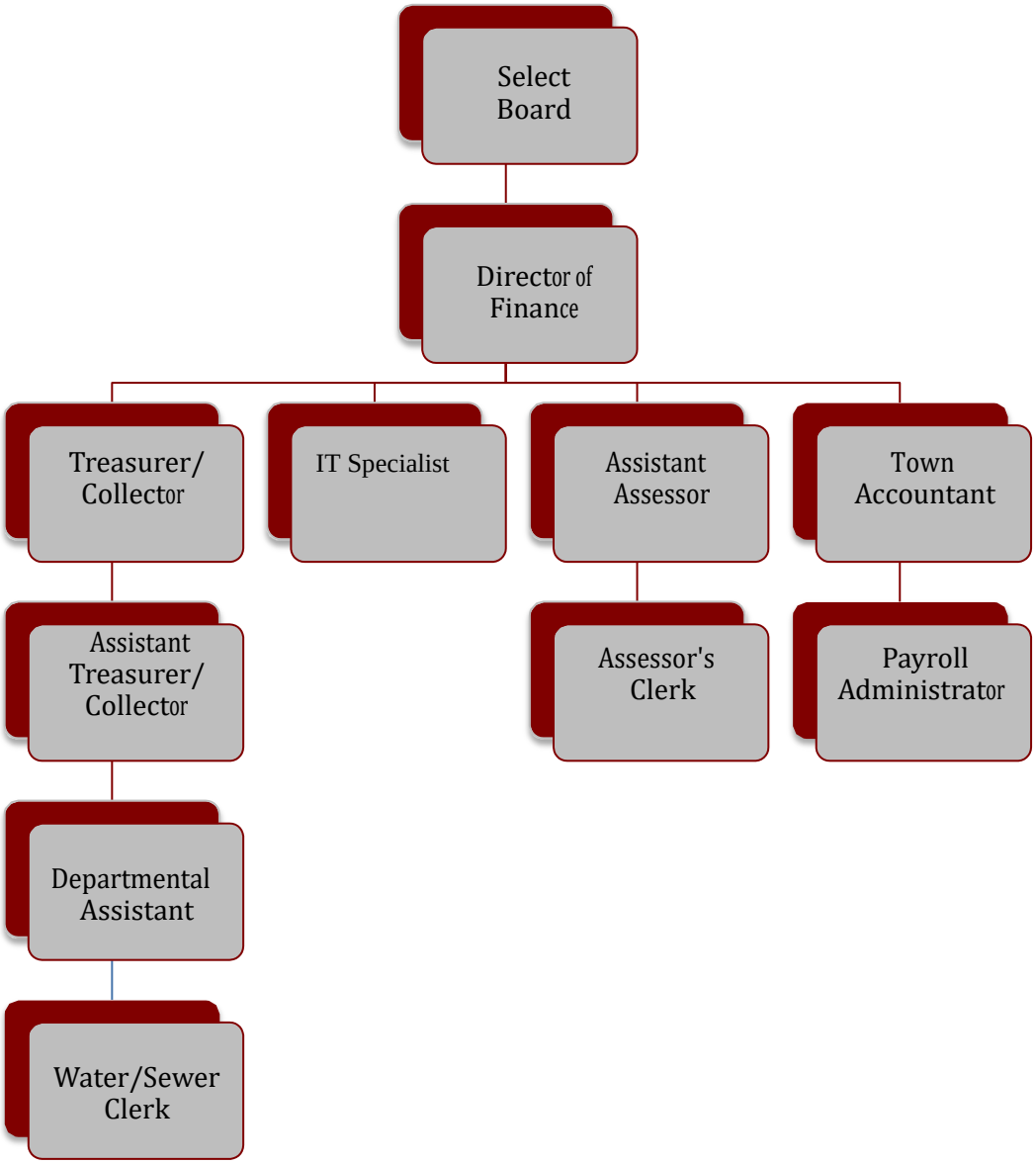
Management Information Systems Division
The MIS Division's purpose is enhancing public service by improving interdepartmental communications and providing accurate data for policy decision purposes. The Division is responsible for maintenance of the Town's centralized computer systems and all hardware and software computer applications, including MUNIS applications used to organize, facilitate, and record Town financials, payroll, revenue, and productivity. The division is also responsible for Vision Appraisal used to track and provide property values for preparation of tax billing. In addition, MIS provides technical support to all Town Department's.

Assessors Division
The Assessors Division is responsible for the valuation of real estate and personal property in Millis, processing abatement filings for real estate and motor vehicle excise taxes, maintaining up to date records of deeds and exempt properties, and reviewing tax exemption applications for veteran's, seniors, etc. In addition, the Assessor's Division updates and utilizes the VISION and MUNIS systems with information relating to ownership, new parcels, building permits, and exemptions. The Assessor's Division has standard and regulatory guidelines handed down by the Department of Revenue (DOR), and thus a critical component of the department is staying current with developments within the legislature and the DOR.

Accounting Division
The Accounting Division is responsible for record keeping of all financial transactions of the Town; processing of all bills, warrants, receipts, payroll, and ledgers; and supplies departments with financial reports and payroll information. The Accounting Division ensures the Town is in compliance with Generally Accepted Accounting Principles, Federal and State laws, and Town Meeting authorizations.

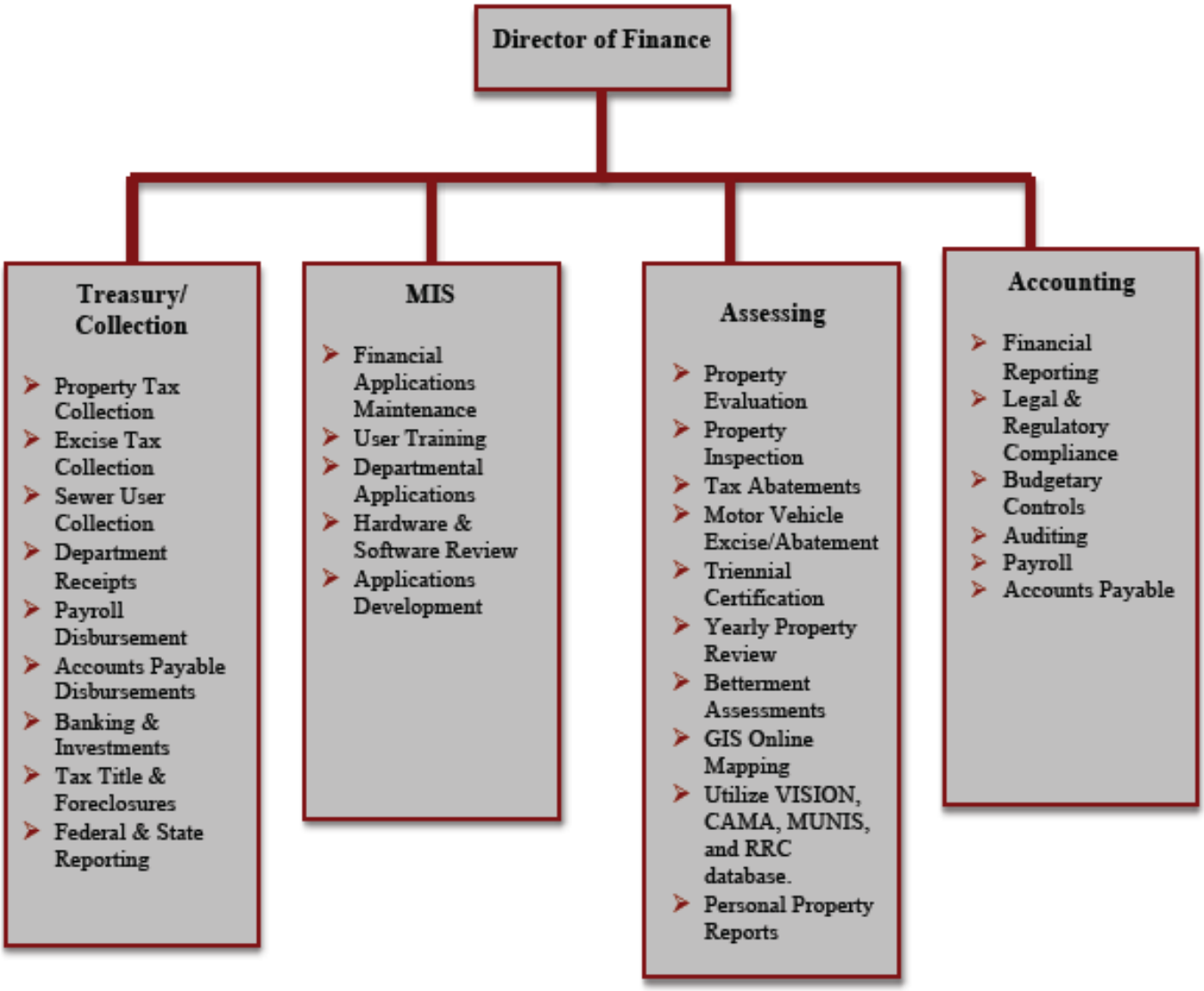
Finance Office

Finance Department Organizational Chart



Finance Office

Finance Department Programs and Subprograms



Finance Office

Finance Office Personnel Summary

Personnel

Position	FY2018 ACTUAL FTE	FY2019 ACTUAL FTE	FY2020 ACTUAL	FY2021 ACTUAL FTE	FY2022 TM ADOPTED FTE	FY2023 REQUESTS FTE	FY2023 PROPOSED FTE
Finance Director	1.00	1.00	1.00	0.96	1.00	1.00	1.00
Town Accountant			1.00	0.96	1.00	1.00	1.00
Assistant Town Accountant	0.75	0.75					
Accounts Payable	0.25	0.25					
Payroll Administrator	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Town Assessor	1.00	1.00	1.00	0.96	1.00	1.00	1.00
Department Assistant Assessor	1.00	1.00	1.00	0.96	1.00	1.00	1.00
Town Treasurer	1.00	1.00	1.00	0.96	1.00	1.00	1.00
Assistant Town Treasurer	0.88	1.00	1.00	0.96	1.00	1.00	1.00
Department Assistant -- Treasurer	1.40	1.40	1.40	1.40	1.40	1.40	1.40
IT Specialist					1.00	1.00	1.00
	8.28	8.40	8.40	8.15	9.40	9.40	9.40

Finance Office

Finance Office Budget Summary

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
FINANCE DIRECTOR							
Personnel Services							
Salary Department Head	$109,164	$132,070	$125,000	$122,106	$127,500	$131,354	$131,354
Salaries Clerical	$93,627	$97,404	$121,143	$130,046	$138,328	$141,498	$141,498
Salaries Clerical OT	$5,185	$11,408	$2,308	$130	$1,025	$1,000	$1,000
Longevity	$4,250	$750	$850	$850	$850	$1,600	$1,600
Total	$212,227	$241,632	$249,301	$253,132	$267,703	$275,452	$275,452
Expenses							
Supplies and Expenses	$4,757	$3,434	$6,254	$2,545	$4,000	$4,000	$4,000
Dues and Subscriptions	$145	$95	$155	$95	$210	$215	$215
Meetings	$34	$2,609	$120		$2,328	$5,300	$5,300
Total	$4,936	$6,138	$6,529	$2,640	$6,538	$9,515	$9,515
TOTAL BUDGET	$217,163	$247,770	$255,830	$255,771	$274,241	$284,967	$284,967

Finance Office Highlights

- Successfully rolled Accounts Payable-invoice entry to the School, DPW, Police Department, Fire Department and Town Administrators office. These Departments now have the ability to enter invoices and create batches to pay on a warrant in the Accounts Payable module using the Munis System. These Departments also have the ability to run Budget Reports, Account inquiry, vendor and invoice lookup.
- Purchase Order module has been rolled out to the Police and Fire Department and School.
- ESS (Employee Self Service) has been rolled out to all Town and School employees.
- Time off/Time Entry has been rolled out to the Finance Department, Treasurers Office, Assessors Office, It Administration, Town Administrators Office and the DPW.

Assessor's Office Budget Summary

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
ASSESSORS							
Personnel Services							
Salary Department Head	$82,164	$84,599	$77,788	$82,155	$89,882	$91,886	$91,886
Salaries Clerical	$33,587	$38,448	$42,421	$42,457	$46,453	$43,704	$43,704
Salaries Clerical OT			$92				
Wages Clerk for Minutes	$370	$213	$283	$400	$410	$400	$400
Longevity	$1,300				$750	$750	$750
Total	$117,420	$123,260	$120,584	$125,012	$137,494	$136,739	$136,739
Expenses							
Map Updating	$2,500	$2,300	$2,532	$3,600	$3,600	$3,600	$3,600
Printing	$1,052			$800	$800	$800	$800
Supplies and Expenses	$740	$1,446	$1,612	$1,300	$1,400	$1,400	$1,400
Postage	$146	$241	$467	$600	$600	$600	$600
Dues and Subscriptions	$150	$200	$235	$275	$300	$350	$350
Meetings	$653	$1,508	$1,733	$1,400	$1,600	$4,100	$4,100
Administrative Expense	$963	$642	$336	$936	$936	$1,037	$1,037
Mileage Reimbursement	$25	$263	$165	$500	$500	$500	$500
Personal Property & RE Yrly Insp							$19,900
Data Cloud Software						$5,555	$5,555
Total	$6,229	$6,600	$7,080	$9,411	$9,736	$17,942	$37,842
TOTAL BUDGET	$123,650	$129,860	$127,664	$134,423	$147,230	$154,681	$174,581

Assessor's Highlights

- Implemented and completed Supplemental Billing for Fiscal Year 2021 (2 billing cycles)
- Due to inspection restrictions updated information was obtained from street reviews, sales letters (mailing of Sales letters each month with about 52% return) and reviewing information in the building department.
- Mailed Income and Expense statements in February of 2021 for FY2022 (with about a 47% return) (was a Directive from DOR during last recertification) This process was implemented in 2020 and continues for FY2023
- Completed information to submit values for 2022 to DOR, approval of FY2022 was received 10/18/2021.
- Additional: Will begin working on the FY2023 process in January of 2022, recertification will be completed prior to values being submitted for FY2023.

Assessor's Goals

Continue to provide fair and equitable assessments to constituents of Millis.

Finance Office

Treasurer's Office Budget Summary

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
TREASURER							
Personnel Services							
Salary Department Head	$88,384	$90,350	$97,811	$96,204	$102,922	$102,922	$102,922
Salaries Clerical	$104,446	$97,601	$117,609	$121,020	$129,545	$132,207	$132,207
Salaries Clerical OT	$1,542	$5,848	$97	$5,285	$2,563	$3,000	$3,000
Longevity	$650	$1,300	$1,500	$1,500	$1,500	$1,500	$1,500
Total	$195,022	$195,098	$217,017	$224,009	$236,529	$239,630	$239,630
Expenses							
Services Note Certificates	$376	$2,650	$12,292	$10,337	$10,000	$15,000	$15,000
Printing	$1,448	$1,463	$1,420	$3,900	$1,600	$1,600	$1,600
Supplies and Expenses	$3,222	$4,587	$3,853	$3,579	$5,000	$5,000	$5,000
Postage	$10,659	$11,839	$11,295	$16,591	$11,250	$11,250	$11,250
Advertising	$352	$348			$825	$825	$825
Dues and Subscriptions	$50	$250	$100	$100	$340	$340	$340
Meetings	$1,356	$1,322	$1,244	$174	$1,500	$1,500	$1,500
Equipment	$5,223	$5,362	$5,409	$2,785	$5,775	$5,775	$5,775
Tax Title	$303	$608	$742	$2,776	$4,800	$4,800	$4,800
Total	$22,989	$28,429	$36,355	$40,241	$41,090	$46,090	$46,090
TOTAL BUDGET	$218,011	$223,527	$253,372	$264,250	$277,619	$285,720	$285,720

Finance Office

Treasurer's Highlights

Treasurer's Accomplishments

- As of 6-30-21, the last day of 2021 fiscal year, 97% of the FY2021 real estate tax levy had been collected.
- As of 6-30-21, the last day of 2021 fiscal year, 97% of the FY2021 personal property tax levy had been collected.
- As of 6-30-21, that last day of 2021 fiscal year, 92% of the FY2021 stormwater levy had been collected.
- In fiscal year 2021, the office added 132 water/sewer accounts.
- In fiscal year 2021, the office added 241 stormwater accounts.
- The office works diligently to answer and explain all inquiries either by phone, walk-in or email.

Treasurer's Goals

- The Treasurer/Collector's office is committed to working with other departments to implement online payment processing for services offered in their respective departments.
- Research and cleanup past receivables.
- The Treasurer/Collector's Office is committed to cross training positions to ensure first rate service to all residents and business in Millis.
- Review and update Payment Plan Agreements between Taxpayers and Residents.
- Continue with Tax Title Project – Ongoing when time allows
- Creating and updating the Treasurer/Collectors website.

Finance Office

IT Administration Budget Summary

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
IT ADMINISTRATION							
Personnel Services							
Salary Department Head	$13,966				$82,000	$78,419	$78,419
Assistant Salary	$2,449	$2,449	$612				
Total	$16,415	$2,449	$612		$82,000	$78,419	$78,419
Expenses							
Hardware Maintenance	$6,042				$1,500	$1,500	$1,500
Software Maintenance	$104,694	$104,402	$104,258	$95,935	$130,935	$117,833	$117,833
Annual License Fees			$37,300	$68,508	$68,110	$86,017	$86,017
Consulting Services				$2,400	$40,000	$40,000	$40,000
Supplies and Expenses	$1,808	$14,597	$6,074	$2,325	$4,000	$4,000	$4,000
Equipment					$1,000	$1,000	$1,000
Meetings				$2,373	$8,000	$8,000	$8,000
Equipment Repairs	$1,602	$3,544		$572	$1,500	$1,500	$1,500
Total	$114,145	$122,544	$147,632	$172,113	$255,045	$259,850	$259,850
TOTAL BUDGET	$130,560	$124,993	$148,244	$172,113	$337,045	$338,269	$338,269

IT Administration's Highlights

- **New Support Services Contract -** In 2021, IT executed a new contract with Worldband to provide the external support services, previously provided by RetroFit. The new contract is monthly vs. annual and resulted in a reduction of cost by 35% per month. The main benefit of this change is the continuity of service (adding DPW and the Fire Department under the umbrella of services already utilized by Police Department).

- **New DPW Building Setup -** Worked closely with DPW to assist with SCADA move from the old building to the new building as well as configuring network, lighting and door access.

- **Azure Usage Improvements -** Working on changing the Cloud infrastructure to utilize Azure services more efficiently for IT and end users while assessing ways to continue to reduce costs as practicable.

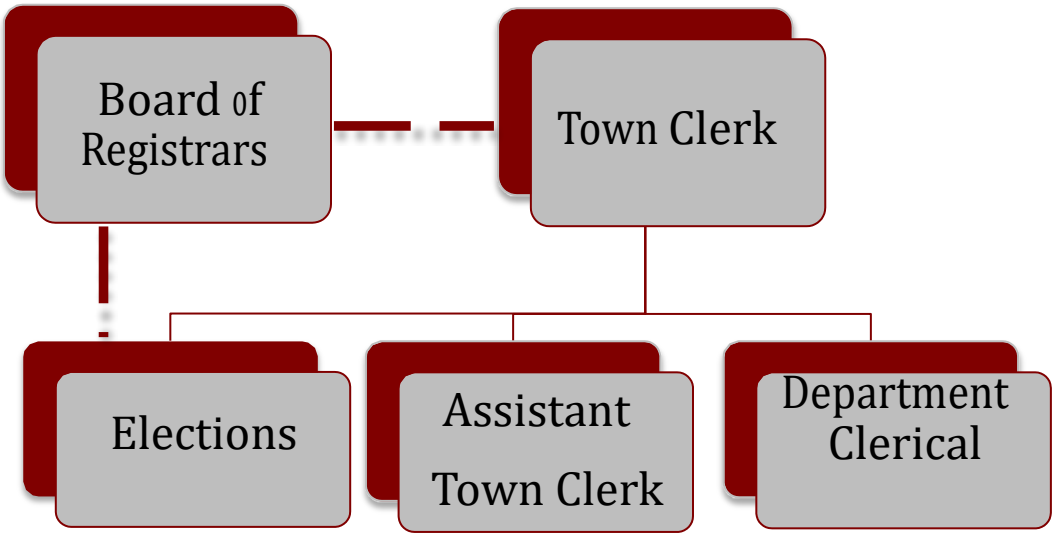
- **Cyber Security Training -** In the interest of being proactive instead of reactive to cybersecurity concerns, Millis is committed to educating employees through the Executive Office of Technology Services and Security (EOTSS) about potential threats and the tactics of cybercriminals as the first line of defense in identifying possible threats before the threat becomes an attack.

Town Clerk's Office

Town Clerk's Office Departmental Statement

The Town Clerk's Office is charged with the duty of running elections, maintaining public records in an accurate and orderly way such that information is current, easy to locate, and preserved for future generations. The Town Clerk also serves as the chair of the Board of Registrars. The Board of Registrars supervises the qualification of persons to vote; certifies the names of voters on nomination papers and petition forms; and holds hearings and decides all disputes relating to these matters.

Town Clerk's Office Organizational Chart



Town Clerk's Office

Town Clerk's Office Programs and Subprograms

Town Clerk's Office

Town Clerk's Office Personnel Summary

Personnel

Position	FY2018 ACTUAL FTE	FY2019 ACTUAL FTE	FY2020 ACTUAL	FY2021 ACTUAL FTE	FY2022 TM ADOPTED FTE	FY2023 REQUESTS FTE	FY2023 PROPOSED FTE
Town Clerk	0.14	0.14	0.14	0.14	0.14	0.14	0.14
Assistant Town Clerk	0.88	0.88	0.88	0.84	0.88	0.88	0.88
Dept. Asst. II	0.50	0.50	0.50	0.50	0.50	0.50	0.50
	1.52	1.52	1.52	1.48	1.52	1.52	1.52

Town Clerk's Office

Town Clerk's Office Budget Summary

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
TOWN CLERK/REGISTRARS							
Personnel Services							
Salary Department Head	$12,413	$12,413	$12,723	$12,413	$12,723	$12,723	$12,723
Salaries Clerical	$72,070	$70,596	$77,032	$77,645	$83,620	$85,453	$85,453
Salaries Clerical OT	$2,417	$6,412	$10,181	$15,558	$6,560	$10,000	$10,000
Longevity	$750	$750	$750	$850	$850	$1,600	$1,600
Total	$87,649	$90,170	$100,686	$106,466	$103,753	$109,776	$109,776
Expenses							
Book Binding	$693	$1,601	$2,389	$890	$2,450	$3,000	$3,000
Supplies and Expenses	$2,083	$2,663	$1,695	$2,795	$6,500	$6,500	$6,500
Postage	$303	$409	$1,787	$2,638	$500	$2,000	$2,000
Dues & Subscriptions	$596	$808	$895	$681	$1,200	$4,800	$4,800
Equipment Repairs		$887	$86	$1,948	$800	$800	$800
Total	$3,674	$6,368	$6,852	$8,952	$11,450	$17,100	$17,100
TOTAL BUDGET	$91,324	$96,538	$107,538	$115,418	$115,203	$126,876	$126,876

Town Clerk's Office

Town Clerk's Highlights

Town Clerk's Accomplishments

- Office staff is efficient given the circumstances.
- New reporting, record keeping, and election regulations force the Town Clerk's office to frequently rely on volunteers in order to function during certain periods of the year:
  - January-June
  - Election time
  - Town Meeting
  - Whenever someone is sick or on vacation
- Lack of staff causes there to often be only one person in the office, making service of constituents and office tasks incompatible.

Town Clerk's Goals

- Address office needs that have been neglected due to low staffing levels including:
  - Campaign financing reports;
  - Preserving town history;
  - Improving communication with other departments;
  - Improving communication with town residents;
  - Investigating possible sources for grants and other outside funding.
- Pursue additional professional training courses to ensure that the Town of Millis is aware of the latest cost-effective methods for accomplishing the many duties of the Town Clerk's Office.

Town Clerk's Office

Registrars Budget Summary

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
REGISTRARS							
Personnel Services							
Salaries	$557	$663	$663	$663	$698	$714	$714
Wages Clerical		$115		$94	$600	$700	$700
Total	$557	$778	$663	$758	$1,298	$1,414	$1,414
Expenses							
Postings		$192	$264	$234	$260	$300	$300
Printing	$1,444	$2,716	$2,132	$2,466	$2,000	$2,500	$2,500
Postage	$1,735	$55	$1,360	$1,436	$1,800	$2,000	$2,000
Total	$3,179	$2,963	$3,755	$4,136	$4,060	$4,800	$4,800
TOTAL BUDGET	$3,736	$3,741	$4,418	$4,894	$5,358	$6,214	$6,214

Board of Registrars Highlights

The Town Clerk and staff, with the assistance of many volunteers, do the work of this Board. The Census and street list are processed and mailed/published on time. Voter registration is processed in a timely fashion on a constant basis. When individuals interact with the Registry of Motor Vehicles, they usually register to vote at the same time.

Data is collected annually from 3400 households and updated in the computer database. This involves second mailings as well as some in-person contact (by phone usually) to verify information. Voter registrations are updated on a weekly basis (daily when near an election). We have four volunteers (under the Senior tax abatement program) assisting us at this time. These people also assist with Town Clerk office tasks (filing, dog licenses, etc.)

Board of Registrars Accomplishments

- Office running efficiently
  - The Town Clerk, her staff, and volunteer's complete work of this Board.
  - Census and street list are processed and published on time.
  - Voter registration is going well and is updated on a daily basis.
- Data is collected annually from 3400 households and updated in a computer database.
  - Collection involves second mailings as well as some in-person or telephone contact to verify information.
  - Voter registration updated on a weekly basis – daily when an election is near.

Town Clerk's Office

Elections Budget Summary

ELECTIONS	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
Personnel Services							
Salaries Clerical	$1,601	$1,184	$2,864		$4,203	$4,500	$4,500
Wages	$6,215	$9,170	$15,421	$14,628	$10,414	$40,093	$25,093
Wages Clerical Overtime		$1,305		$4,093	$1,333	$2,600	$2,600
Total	$7,816	$11,658	$18,284	$18,721	$15,949	$47,193	$32,193
Expenses							
Postings	$288	$336	$256	$516	$300	$400	$400
Printing	$2,094	$3,472	$1,891	$1,689	$2,100	$2,200	$2,200
Supplies and Expenses	$447	$1,040	$3,206	$3,272	$2,500	$2,700	$2,700
Postage	$406	$543	$71	-$1,477	$1,400	$2,000	$2,000
Food	$568	$1,878	$1,208	$3,008	$1,200	$2,000	$2,000
Advertising	$365	$234	$455	$587	$350	$500	$500
Equipment Repairs	$2,180	$4,514	$5,341	$3,620	$4,500	$4,500	$4,500
Total	$6,347	$12,016	$12,429	$11,214	$12,350	$14,300	$14,300
TOTAL BUDGET	$14,164	$23,674	$30,713	$29,935	$28,299	$61,493	$46,493

Elections Accomplishments

- Elections and Town Meeting have been running smoothly.
- Due to restrictions on in-person contact and social distancing due to covid, we have an increase in the number of people using mail-in ballots. We have enacted efficient methods of handling and processing large numbers of absentee ballot applications and ballots compared with prior years.
- We assisted with planning and running two town meetings in new ways, the Spring 2021 town meeting in the High School parking lot and the November 2021 town meeting in the High School Auditorium and Cafeteria, both with social distancing.

Finance Committee

The function of the Finance Committee is to act as an advisor to the voters of the Town of Millis, with whom the ultimate appropriating authority rests. The Finance Committee is an unelected body of volunteers who are residents of the community and are appointed by the Town Moderator. The purpose of the Finance Committee is to study all budget items in detail and research their merits to make informed recommendations on each Article at Town Meeting.

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
FINANCE COMMITTEE							
Personnel Services							
Part Time/Stipend	$5,355	$6,012	$7,324	$8,479	$6,970	$8,650	$8,650
Total	$5,355	$6,012	$7,324	$8,479	$6,970	$8,650	$8,650
Expenses							
Printing	$5,903	$7,574	$7,238	$8,136	$7,600	$7,825	$7,825
ClearGov		$6,375	$5,500	$5,500	$7,500	$5,700	$5,700
Supplies & Expenses	$330	$40	$29		$200	$100	$100
Postage	$1,209	$1,281	$1,314	$1,256	$1,650	$1,650	$1,650
Newspaper Advertisements	$83	$91	$107	$112	$150	$145	$145
Dues & Subscriptions	$180	$180	$180	$180	$200	$200	$200
Total	$7,705	$15,540	$14,368	$15,184	$17,300	$15,620	$15,620
TOTAL BUDGET	$13,059	$21,553	$21,692	$23,662	$24,270	$24,270	$24,270

Reserve Fund

RESERVE FUND	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
Expenses							
Reserve Fund	$98,260	$4,530	$42,000	$50,000	$50,000	$50,000	$50,000
TOTAL BUDGET	$98,260	$4,530	$42,000	$50,000	$50,000	$50,000	$50,000

Law Department

The Select Board appoints Town Counsel to serve as legal counsel to Town officers and committees and to attend to the Town's legal affairs at the request of the Town Administrator.

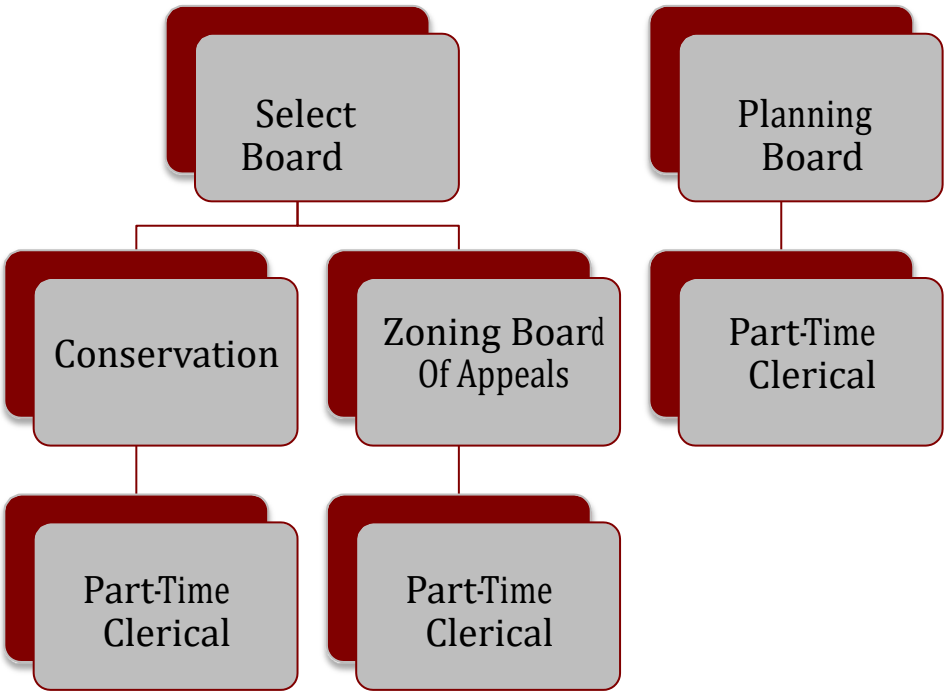
LAW DEPARTMENT	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
Expenses							
Legal Services	$94,656	$95,854	$101,033	$81,944	$95,000	$95,000	$95,000
Total	$94,656	$95,854	$101,033	$81,944	$95,000	$95,000	$95,000
TOTAL BUDGET	$94,656	$95,854	$101,033	$81,944	$95,000	$95,000	$95,000

Planning & Development

Planning & Development Departmental Statement

The Planning and Development Department is comprised of various Boards, Commissions, Committees, and affiliated organizations, which together manage and plan growth and development within the Town.

Planning & Development Organizational Chart



Planning & Development

Planning & Development Personnel Summary

Personnel

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
Position	FTE	FTE		FTE	FTE	FTE	FTE

Planning & Development

Planning Board

The Planning Board is the elected body most responsible for ensuring that development occurs in a manner that is beneficial to the Town. The Planning Board is responsible for enforcing the Zoning Act (MGL Ch. 40A), Subdivision Control Law (MGL Ch. 41, § 81K-81GG), the Millis Zoning Bylaw, and the Millis Subdivision Rules and Regulations. The Board reviews all subdivisions, site plans, and the creation of lots on existing ways. Further, the Board makes recommendations what actions should be taken with regard to current or proposed zoning by-laws to Town Meeting. The Planning Board closely reviews all projects in detail to ensure that the Town will to be adversely affected, and is committed to administering the division of land, subdivision control, and zoning in a fashion that accommodates long term growth.

The Planning Board meets one to two times a month to conduct public hearings required by statute, and continue public hearings on various applications on proposed projects. In addition, the Board consistently reviews existing zoning by-laws and subdivision rules and regulations to ensure conformance with State law and makes revisions to the same as necessary.

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
PLANNING							
Personnel Services							
Salaries Clerical	$20,842	$20,842	$21,995	$21,611	$23,092	$23,088	$23,088
Longevity	$325	$375	$375	$425	$425	$425	$425
Total	$21,167	$21,217	$22,370	$22,036	$23,517	$23,513	$23,513
Expenses							
Engineering Services	$927	$298		$1,500	$1,500	$1,500	$1,500
Printing	$440	$441		$448	$1,100	$1,100	$1,100
Supplies and Expenses	$733	$431	$328	$129	$625	$625	$625
Postage	$627	$398	$456	$325	$500	$500	$500
Advertising	$2,003	$3,193	$1,906	$4,208	$5,000	$5,000	$5,000
Dues & Subscriptions				$72	$100	$100	$100
Administrative Expenses	$600	$600	$500	$500	$600	$600	$600
Total	$5,330	$5,360	$3,190	$7,182	$9,425	$9,425	$9,425
TOTAL BUDGET	$26,497	$26,576	$25,560	$29,218	$32,942	$32,938	$32,938

Conservation Commission

The Millis Conservation Commission is responsible for the enforcement and administration of the regulations associated with the Massachusetts Wetlands Protection Act (MGL Ch. 131, § 40), Article XIX, Town of Millis Wetlands Protection Bylaw, and associated wetland protection rules and regulations. In addition, the Commission is also charged with administration of the Open Space Program for the Town of Millis. The Conservations is principally responsible for ensuring protection of wetlands, which serve many important functions including, groundwater protection, flood prevention, and wildlife habitat.

The Millis Conservation Commission typically meets once to twice monthly to conduct public hearings, address wetland concerns, review applications, and issue Orders of Conditions and other permits on proposed projects. In additions, members of the Conservation Commission participate in a number of site visits.

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
CONSERVATION							
Personnel Services							
Salaries Clerical	$13,226	$12,926	$16,546	$16,080	$17,312	$17,309	$17,309
Longevity	$325	$375	$375	$425	$425	$425	$425
Total	$13,551	$13,301	$16,921	$16,505	$17,737	$17,734	$17,734
Expenses							
Supplies and Expenses	$2,856	$2,737	$2,396	$3,905	$4,777	$4,777	$4,777
Two Form 6s (Pleasant & Village St.)							
Total	$2,856	$2,737	$2,396	$3,905	$4,777	$4,777	$4,777
TOTAL BUDGET	$16,408	$16,038	$19,317	$20,410	$22,514	$22,511	$22,511

Planning & Development

Board of Appeals

The Board of Appeals is tasked with hearing petitions and applications for variances, special permits, comprehensive permits, and other appeals under the Zoning Act (MGL Ch. 40A), the Anti-Snob Zoning Act (MGL, Ch. 40B,) and the Millis Zoning Bylaw.

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
BOARD OF APPEALS							
Personnel Services							
Salaries		$790	$790	$790	$830	$830	$830
Salaries Clerical	$3,606	$3,809	$4,021	$4,198	$4,314	$4,314	$4,314
Total	$3,606	$4,599	$4,811	$4,988	$5,144	$5,144	$5,144
Expenses							
Supplies and Expenses	$80	$322	$333	$334	$300	$300	$300
Advertising	$1,625	$1,656	$1,342	$1,102	$1,600	$1,600	$1,600
Total	$1,705	$1,979	$1,675	$1,436	$1,900	$1,900	$1,900
TOTAL BUDGET	$5,311	$6,578	$6,486	$6,423	$7,044	$7,044	$7,044

Public Education

Public Education

Millis Public Schools Budget Summary

		FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
MILLIS PUBLIC SCHOOLS								
Personnel Services								
	Salaries	$12,506,357	$12,847,561	$13,355,755	$14,433,529	$14,198,697	$15,438,778	$15,474,594
Expenses								
	Expenses	$2,084,860	$2,040,543	$2,377,414	$1,986,712	$3,042,436	$2,421,278	$3,108,177
	TOTAL BUDGET	$14,591,217	$14,888,104	$15,733,170	$16,420,242	$17,241,133	$17,860,056	$18,582,770

Tri-County Regional Vocational School Budget Summary

		FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
TRI-COUNTY REGIONAL VOCATIONAL SCHOOL								
	Assessment	$445,572	$615,597	$807,957	$1,049,674	$955,936	$876,556	$876,556
	TOTAL BUDGET	$445,572	$615,597	$807,957	$1,049,674	$955,936	$876,556	$876,556

Public Safety

Police Department

Police Department Mission Statement

The mission of the Millis Police Department is to consistently find ways to promote, preserve, and deliver a sense of security, safety, and quality of life to the residents of Millis, and those that pass through. We believe that law enforcement has certain values at its core. To fulfill our missions, we are firmly committed to:

- Acknowledging our responsibility to the residents of Millis, our very source of authority;
- Performing our duties in a manner that conforms with the spirit and letter of the laws and constitution;
- Remaining sensitive to human needs and treating each person with dignity, compassion, and respect;
- Approaching each situation as unique and responding creatively with empathy and prudent use of discretion; and
- Promoting mutual trust between our department and the citizens and businesses of Millis.

Police Department FY2023 Goals

1. Develop and retain quality employees within the department through enhanced recruiting efforts and ensuring the department fosters an environment that makes for solid work-life balance, job satisfaction and productivity, and development of officer capabilities.

2. In an effort for the ever-changing climate of police work, we wish to work on enhancing mental health training for our police officers in an effort to assist them in helping individuals with mental health issues find appropriate care.

3. Continue efforts to remain transparent within the community and actively seek citizen suggestions for improvement by utilizing our social media platform and expanding our Millis Police Public Forum event to include all members of the police department.

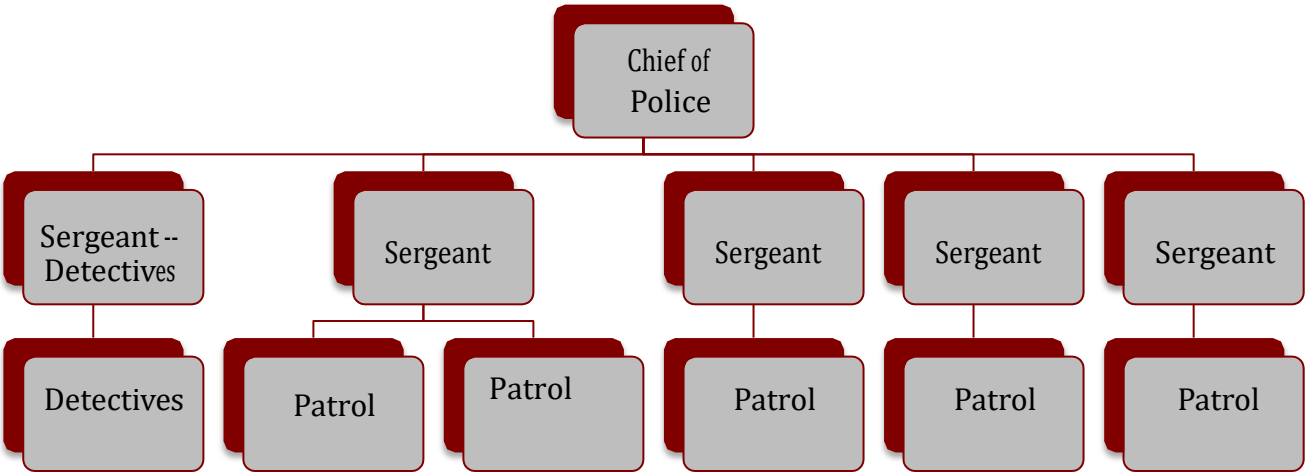
4. Increase the quality of our services through efficient use of technology and analysis of statistics and data in order to improve decision-making.

5. Dispatch plays a vital role within the police and fire department.

6. Millis Police Department will continue to provide training once a year to all town employees on responding to a violent intruder, as it has done for the last three years. This is a perishable skill that must be reinforced regularly.

Police Department

Police Department Organizational Chart



Police Department

Police Department Programs and Subprograms

Chief of Police

Administration & Community Services

- Millis Police Public Forum
- Millis Toy Drive
- Department Internships
- Veteran Outreach
- Record Keeping
- Human Resources
- Crime Statistics
- Community Outreach
- Accounting/Payroll
- Custodial Services
- Communications/ Dispatch
- Firearms licensing
- School Crossing Guards
- Grant Application
- CORI Fingerprinting
- Social Media
- Solicitor Permitting
- Rape Aggression Defense
- 365 Drug Take Back
- D.A.R.E.

Patrol Division

- Emergency Response
- Traffic Enforcement
- Crime Prevention
- Pedestrian Safety
- Warrant Apprehension
- Directed Patrol
- D.A.R.E. Program
- General Calls for Service

Special Services

- Investigative Services
- Court Prosecution
- D.E.A. Task Force
- Crime Prevention
- Juvenile Services
- Motor Unit
- Domestic Violence Investigation

Training

Minimum 40 hour in-service training

- C.P.R.
- First Responder
- Community Policing
- Criminal / Constitutional Law Updates
- Motor Vehicle Law Updates
- Tase/40mm Recertification
- Firearms Recertification
- Active Shooter Training

Specialized Training

- Photography
- Fingerprinting
- Street Level Narcotics
- Social Media
- Public Relations
- Payroll Procedures
- Firearms Licensing

Police Department

Police Department Personnel Summary

Personnel

Position	FY2018 ACTUAL FTE	FY2019 ACTUAL FTE	FY2020 ACTUAL FTE	FY2021 ACTUAL FTE	FY2022 TM ADOPTED FTE	FY2023 REQUESTS FTE	FY2023 PROPOSED FTE
Chief of Police	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Sergeant	4.00	5.00	5.00	5.00	5.00	5.00	5.00
Patrol Officer	13.00	12.00	12.00	13.00	13.00	13.00	13.00
Full-Time Dispatcher	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Part-Time Dispatcher	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Department Assistant -- Police	0.50	0.50	0.50	0.50	0.50	0.50	0.50
	25.50	25.50	25.50	26.50	26.50	26.50	26.50

Police Department

Police Department Budget Summary

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
POLICE DEPARTMENT							
Personnel Services							
Education/Quinn Bill	$93,651	$85,117	$127,826	$135,533	$156,896	$156,321	$158,881
Holiday Pay	$50,302	$52,211	$56,286	$53,512	$67,212	$64,773	$82,003
Salary Department Head	$130,269	$145,048	$165,100	$168,402	$171,770	$171,770	$186,770
Salaries Clerical Wages	$26,052	$26,052	$27,507	$28,167	$28,869	$28,867	$28,867
Wages	$1,036,009	$1,058,125	$1,077,334	$1,211,215	$1,308,016	$1,253,667	$1,344,034
Wages OT	$203,926	$246,699	$179,769	$172,096	$164,000	$164,000	$153,920
Wages Training	$70,107	$54,105	$63,009	$50,999	$41,200	$41,200	$42,024
Training-MJ					$45,000		$45,000
Wages School Traffic	$35,392	$37,797	$33,985				
Wages Lockup	$675	$615	$318	$200	$1,623	$1,623	$1,655
Night Differential	$22,571	$23,161	$22,823	$25,574	$37,873	$37,873	$46,357
Officer in Charge	$4,110	$2,440	$5,587	$8,191	$7,790	$7,790	$7,946
Wages P/T Custodian		$62					
Longevity	$11,388	$10,778	$10,625	$11,113	$9,825	$10,950	$10,950
Stipends	$8,600	$8,118	$9,307	$9,452	$9,368	$9,368	$12,536
Clothing Cleaning	$26,656	$29,334	$28,900	$30,578	$32,200	$32,200	$37,600
Clothing Cleaning Traffic	$1,350	$300	$1,072				
Marijuana Stipend			$9,000	$9,000	$10,800		$10,800
Sick Leave Buy Back							
Total	$1,721,055	$1,779,961	$1,818,448	$1,914,031	$2,092,443	$1,980,401	$2,169,343

Police Department

Police Department Budget Summary Continued

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
POLICE DEPARTMENT (cont'd)							
Expenses							
Maintenance Contract	$31,726	$38,796	$43,689	$67,072	$39,863	$42,000	$39,863
Medical Costs	$1,585	$1,840	$990	$795	$2,240	$2,240	$2,240
Tuition/Training	$15,466	$13,667	$16,277	$12,836	$13,000	$13,000	$13,000
Office Cleaning/Custodial	$212						
Printing	$916	$732	$509	$1,440	$1,000	$1,000	$1,000
Supplies and Expenses	$14,111	$14,757	$16,205	$15,659	$14,000	$15,000	$14,000
Telephone	$28,736	$25,562	$26,672	$27,245	$28,000	$28,000	$28,000
Postage	$282	$279	$292	$341	$300	$300	$300
Dues & Subscriptions	$7,699	$7,856	$7,619	$9,125	$7,900	$9,100	$8,100
Equipment	$7,790	$9,769	$9,282	$9,097	$9,681	$11,500	$11,500
Equipment Repairs	$13,165	$12,579	$11,568	$9,728	$13,000	$14,000	$12,500
Police Vehicles Leases or Purchase							$70,000
Vehicle Supplies/Repairs	$10,886	$10,846	$12,645	$14,171	$10,000	$13,500	$10,000
Gasoline/Oil	$27,206	$31,341	$28,787	$30,221	$26,549	$28,700	$28,700
Heat & Fuel	$11,091	$10,956	$3,420	$5,318	$11,091	$17,500	$11,500
Water/Sewer	$2,319	$2,832	$2,696	$2,770	$3,300	$3,300	$3,300
Electricity	$55,579	$78,392	$62,750	$70,034	$61,600	$61,600	$61,600
Total	$228,769	$260,204	$243,402	$275,850	$241,524	$260,740	$315,603
TOTAL BUDGET	$1,949,824	$2,040,165	$2,061,850	$2,189,880	$2,333,967	$2,241,141	$2,484,945

Police Department

Police Department Accomplishments

- Staffing Accomplishments
  - Significant improvement to dispatch center through recruiting dispatchers dedicated to public safety, and adding part-time dispatchers to help alleviate the workload on full time dispatchers.
- Funding Accomplishments
  - Through grants and asset forfeiture funding, the Police Department has been able to purchase various capital items thereby alleviating the taxpayers having to fund them. These items include: RMS Software; Municipal Police Training; 911 Equipment and Training; bullet proof vests and evidence room audit.
- Operational Accomplishments
  - Millis Police Department has continued to improve transparency and community relations by striving for a visible presence at various events held within the community and on social media, as well as maintaining our website allowing citizens greater access to officer's, information, and applications.
  - Maintaining and improving the popular Leadership Academy Summer Camp for Millis Middle School students to teach team building and introduce public safety operations through physical activity, group problem solving, and educational blocks.
  - Structured all shifts to include traffic enforcement at various locations in town. We cover 8-10 locations in a 24-hour period on average, and we are working diligently with the Millis D.P.W. to address traffic issues as they are presented.
- Training Accomplishments
  - As a result of Millis Police Department's premier training facility, we have partnered with the Massachusetts Criminal Justice Training Council and the Municipal Police Institute to run various classes in our training room, receiving free seats in each class in exchange for the use of our facility. We get 2-3 seats in each class, which cost on average $1,000 per seat for a weeklong class.
  - Millis Police Officers have a mandatory 40-hour in-service training session each year that includes legal updates, use of force, and defense tactics. We used to facilitate this by paying dues to the South Suburban Police Institute, but we now handle everything in house, thus eliminating those dues.
  - Millis Police Department has partnered with the Governors Highway Safety Bureau to offer Child Passenger Safety Restraint classes, which certifies public safety employees to be car seat safety technicians.

Police Department

Dispatch Department Budget Summary

		FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
DISPATCH								
Personnel Services								
	Holiday Pay	$7,697	$8,206	$8,552	$8,968	$9,761	$9,940	$12,575
	Wages	$172,816	$180,362	$130,608	$169,251	$211,235	$214,990	$219,290
	Wages Part Time	$22,415	$36,874	$54,711	$46,786	$18,396	$18,396	$18,764
	Wages Overtime	$42,160	$36,646	$48,812	$51,089	$32,464	$32,464	$33,438
	Wages Training	$6,734	$3,975	$4,469	$2,231	$5,411	$5,411	$5,519
	Night Differential	$5,138	$5,100	$5,651	$6,066	$5,661	$5,661	$6,929
	Longevity	$550	$550	$550	$550	$850	$1,025	$1,025
	Sick Leave Buy Back							
	Stipends	$500	$750	$1,600	$3,100	$2,900	$1,000	$1,400
	Total	$258,010	$272,463	$254,953	$288,042	$286,678	$288,887	$298,940
Expenses								
	Supplies and Expenses	$1,614	$1,398	$1,919	$1,507	$1,500	$1,500	$1,500
	Clothing/Uniforms	$3,587	$2,186	$2,400	$2,400	$3,400	$3,400	$4,400
	Equipment	$750	$743	$640	$250	$750	$1,000	$1,000
	Equipment Repairs	$1,770	$1,505	$1,339	$702	$1,500	$11,500	$1,500
	Tuition/Training	$2,612	$2,665	$4,409	$1,374	$2,100	$2,100	$2,100
	Total	$10,333	$8,497	$10,707	$6,233	$9,250	$19,500	$10,500
TOTAL BUDGET		$268,343	$280,959	$265,660	$294,274	$295,928	$308,387	$309,440

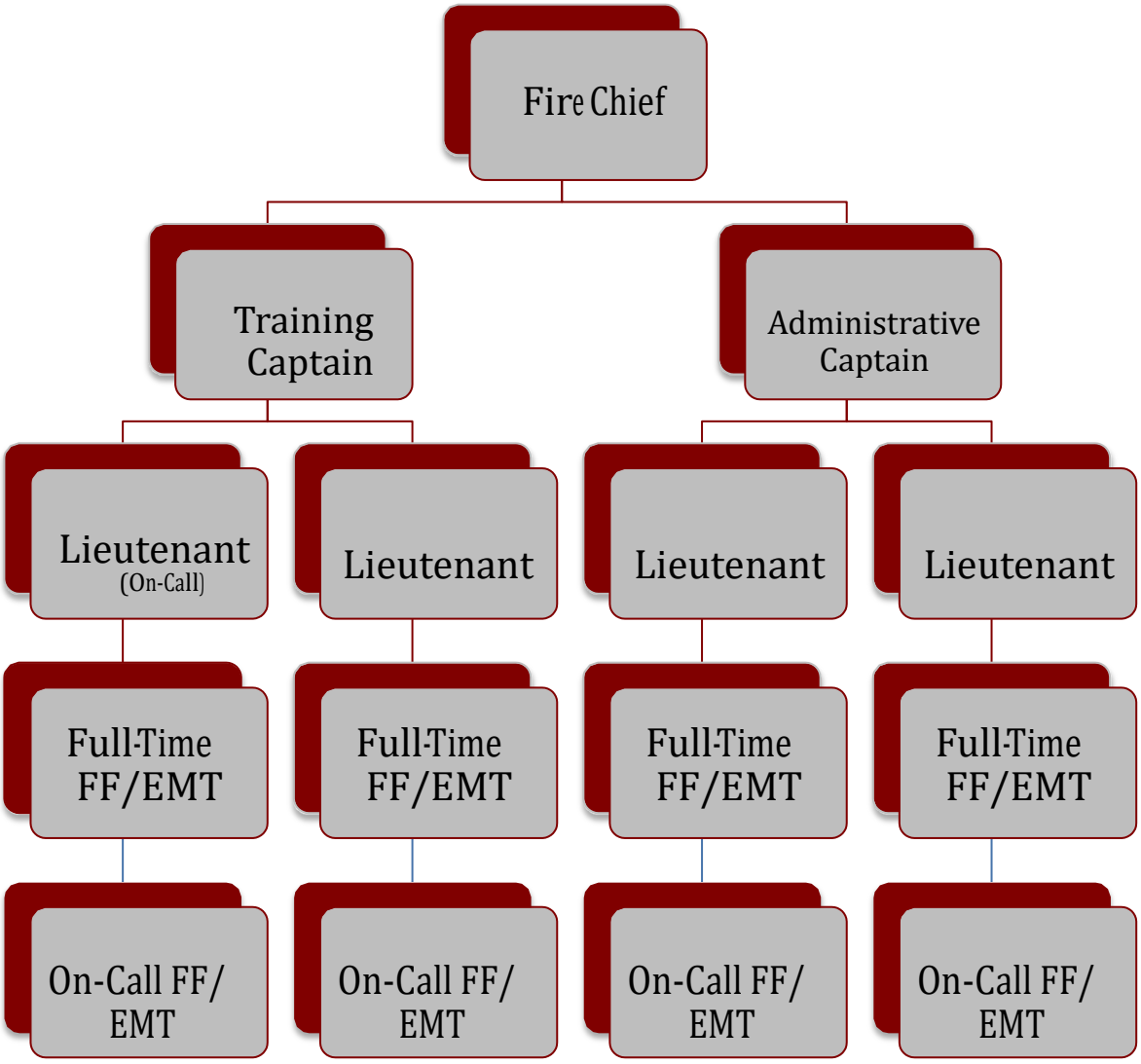
Fire Department

Fire Department Mission Statement

The mission of the Millis Fire/Rescue Department is to protect the lives and property of Millis residents and businesses from a wide variety of emergency situations including, but not limited to, fires, weather related disasters, hazardous materials, floods and motor vehicle accidents. Further, the department seeks to provide a work environment that values health, wellness and safety to its employees. The Millis Fire/Rescue Department is staffed by 30 dedicated members, with fulltime employees being the first to respond to a call, and our on call and off-duty full time employees responding back to the station to handle any other emergencies that come in.

Fire Department

Fire Department Organizational Chart



Fire Department

Fire Department Programs and Subprograms

Fire Chief

Fire Administration & Management

- Appointing authority
- Human resources
- Training
- Record and data base management
- Financial oversight, budgeting & capital planning
- Grant writing & administration
- Hazardous materials & fire alarm billing
- Facilities maintenance
- Vehicle & equipment maintenance
- Comprehensive emergency management planning
- Interoperable communication systems

Fire Suppression

- Structural firefighting
- Rapid intervention team
- Fire investigation unit
- Brush & forest firefighting
- All-hazards & disaster response
- Alternate water supply development
- National Incident Management System
- Incident Command System

Fire Prevention & Education

- Permits, inspections & code enforcement
- Site plan, building plan, & fire systems review
- Life safety inspections & fire drills
- Self inspection program
- Open air burning & permitting
- Fire alarm & trouble receiving station
- Fire extinguisher training
- First aid, CPR, and defibrillator training

Emergency Medical & Rescue Services

- Paramedic-life support, intermediate, basic, and first level, responder care
- Operate two ambulances
- All department vehicles equipped with defibrillators
- Ambulance accounting/billing
- Motor vehicle extrication
- Water/ice rescue
- Underwater dive/discovery
- Search and rescue operations

Fire Department

Fire Department Personnel Summary

Personnel

Position	FY2018 ACTUAL FTE	FY2019 ACTUAL FTE	FY2020 ACTUAL FTE	FY2021 ACTUAL FTE	FY2022 TM ADOPTED FTE	FY2023 REQUESTS FTE	FY2023 PROPOSED FTE
Fire Chief	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Fire Lieutenant	3.00	4.00	4.00	4.00	4.00	4.00	4.00
Firefighter/EMT	9.00	8.00	8.00	12.00	12.00	12.00	12.00
Department Assistant -- Fire			0.50	0.50	0.50	0.50	0.50
	13.00	13.00	13.50	17.50	17.50	17.50	17.50

Fire Department

Fire Department Budget Summary

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
FIRE DEPARTMENT							
Personnel Services							
Holiday Pay	$40,885	$53,212	$58,137	$60,603	$75,946	$86,005	$66,040
Salary Department Head	$118,826	$121,320	$123,750	$143,712	$145,230	$149,587	$149,587
Wages Clerical	$346,600	$402,595	$447,854	$434,710	$448,611	$453,252	$453,252
Fire wages			$21,688	$28,167	$28,982	$28,867	$28,867
Rescue Wages	$318,549	$388,047	$355,815	$370,283	$375,615	$379,047	$379,047
Paramedic		$22,557	$65,558	$66,732	$70,787	$76,631	$76,631
Wages Overtime	$82,494	$98,865	$105,657	$111,970	$138,375	$150,000	$140,000
On-Call Wages	$61,507	$87,766	$66,973	$67,953	$76,875	$80,000	$80,000
Night Differential							
Shift Coverage	$187,332	$202,898	$185,712	$256,008	$164,000	$180,000	$175,000
Training Overtime	$32,484	$41,641	$19,844	$42,109	$25,625	$51,000	$41,000
Longevity	$5,575	$5,775	$6,175	$6,750	$7,725	$7,725	$7,725
Stipends	$31,285	$39,353	$41,451	$43,071	$54,888	$62,670	$56,670
Officer in Charge						$3,500	$3,500
ALS Coordinator					$6,000	$6,000	$6,000
Total	$1,225,537	$1,464,028	$1,498,614	$1,632,067	$1,618,660	$1,714,282	$1,663,318

Fire Department

Fire Department Budget Summary Continued

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
Expenses							
EMT Certification	$6,581	$6,441	$10,319	$3,612	$10,000	$12,000	$12,000
Training	$24,645	$1,716	$6,398	$2,850	$5,750	$8,000	$8,000
Consulting Services		$10,000	$10,000	$10,000	$15,000	$20,000	$20,000
Printing	$357	$952	$42	$869	$700	$1,000	$1,000
Supplies and Expenses	$35,307	$35,107	$44,594	$57,237	$25,000	$35,000	$35,000
Building Maintenance						$6,000	
Telephone	$6,329	$8,263	$8,733	$10,469	$8,000	$10,000	$10,000
Postage	$26	$149	$84	$32	$100	$100	$100
Medical Supplies				$39	$15,000	$25,000	$25,000
Oxygen	$720	$687	$910	$745			
Clothing/Uniforms	$19,455	$16,822	$18,314	$44,205	$25,000	$30,000	$30,000
Equipment	$8,129	$8,043	$14,344	$3,892	$16,000	$20,000	$16,000
Hazmat Truck				$1,200	$1,500	$1,500	$1,500
Equipment Repairs	$6,414	$11,813	$15,622	$16,357	$10,000	$10,000	$10,000
Maintenance Fire	$595	$5,088	$6,590	$324	$26,000	$26,000	$26,000
Vehicle Supply Repair	$18,780	$15,444	$9,823	$27,017	$70,000	$30,000	$30,000
Gasoline/Oil	$10,316	$12,758	$4,551	$12,869	$10,800	$13,000	$13,000
Administrative Expenses	$9,376	$8,713	$2,662	$9,621	$8,000	$10,000	$10,000
Heat & Fuel	$5,263	$8,088	$10,950	$5,947	$8,500	$10,000	$10,000
Water/Sewer	$4,425	$5,069	$3,921	$4,760	$7,000	$7,000	$7,000
Electricity	$19,645	$21,740	$18,713	$22,819	$15,000	$20,000	$20,000
Total	$176,364	$176,890	$186,569	$234,864	$277,350	$294,600	$284,600
TOTAL BUDGET	$1,401,901	$1,640,918	$1,685,183	$1,866,931	$1,896,010	$2,008,882	$1,947,918

Fire Department

Fire Department Accomplishments

- **Call Volume:** In CY21 The Millis Fire Rescue Department saw an increase in call volume by approximately 25%. With the Addition of personnel, the department was able to handle all calls for service without relying heavily on mutual aid. The department provided more mutual aid than it requested again in CY21. Our department provided ALS intercept to both Medway and Medfield and were able to provide an ALS ambulance to all our mutual aid communities.
- **Vaccine Clinics:** Our department worked with the Board of Health to hold vaccine clinics where our Paramedics administered the vaccine to our residents.
- **On Call Members:** Our 6 New On call firefighters that were hired in the last fiscal year have completed and successfully passed the State and National Firefighter I/II certifications.
- **SAFE Grant:** The department received a grant to fund fire education to be taught to all students in Millis from Pre-k-5th grade. As well as Senior fire safety that will be taught to our Seniors in cooperation with our Council on Aging. Our members have set up monthly meetings/informational trainings with the senior center that has been received very well.
- **Junior Fire Firefighters:** The department started a junior firefighter program that takes high school students and teaches them multiple aspects of firefighting, responsibility and a duty to help others. The goal is to help students that have interest in public safety get an understanding of what it takes to be a firefighter. Currently 5 high school students are participating.
- **Hose:** With funds allocated at Town meeting all outdated hose was replaced.
- **Preventative Maintenance:** With new funds for preventative maintenance our apparatus underwent an intense preventative maintenance program highlighting several areas of concern and need for replacement. These improvements should help prolong the life of the apparatus and reduce future maintenance cost.
- **Portable Radios/Pagers:** The department portable radios were upgraded using Grant funding to replace outdated radios. Without this grant it would have taking several years to replace.
- **PPE Grant:** The department received a State grant allowing us to replace the remainder of turnout gear that was outdated allowing us to forgo another year of funding through the budget. Additionally, all firefighters were outfitted with cancer reducing personal protective equipment.
- **Health and Wellness:** This year we focused on health and wellness and reducing on the job injuries. A workout routine was created to focus on firefighter related movements and common injuries. Also the department participated in a skin cancer screening through the Department of Fire Services for early intervention.

Fire Department Goals

New Construction: The department needs to prepare for the large amount of new construction projects that are coming into town.

Amongst those are a:

* 324 Units of Over 55 community that is largely under construction and Occupied.
* 48+ Units of Over 55 community on Acorn st that is under construction and beginning To be occupied with the potential of more units since contractor bought a large piece Of property that is abutting this project.
* 2- separate 40+ home new developments
* 98-unit 4 story 40b project
* 2- separate 12 unit 40b projects
* 120+ bed Memory care/assisted living facility

All these projects directly impact the department by increasing workload with Construction Plan reviews, inspections and more importantly emergency responses. Each and every one of these projects will greatly increase our emergency responses both EMS and fire. The Assisted living facility alone will increase our calls by at a minimum of 6-10 more calls per week an additional 500 calls.

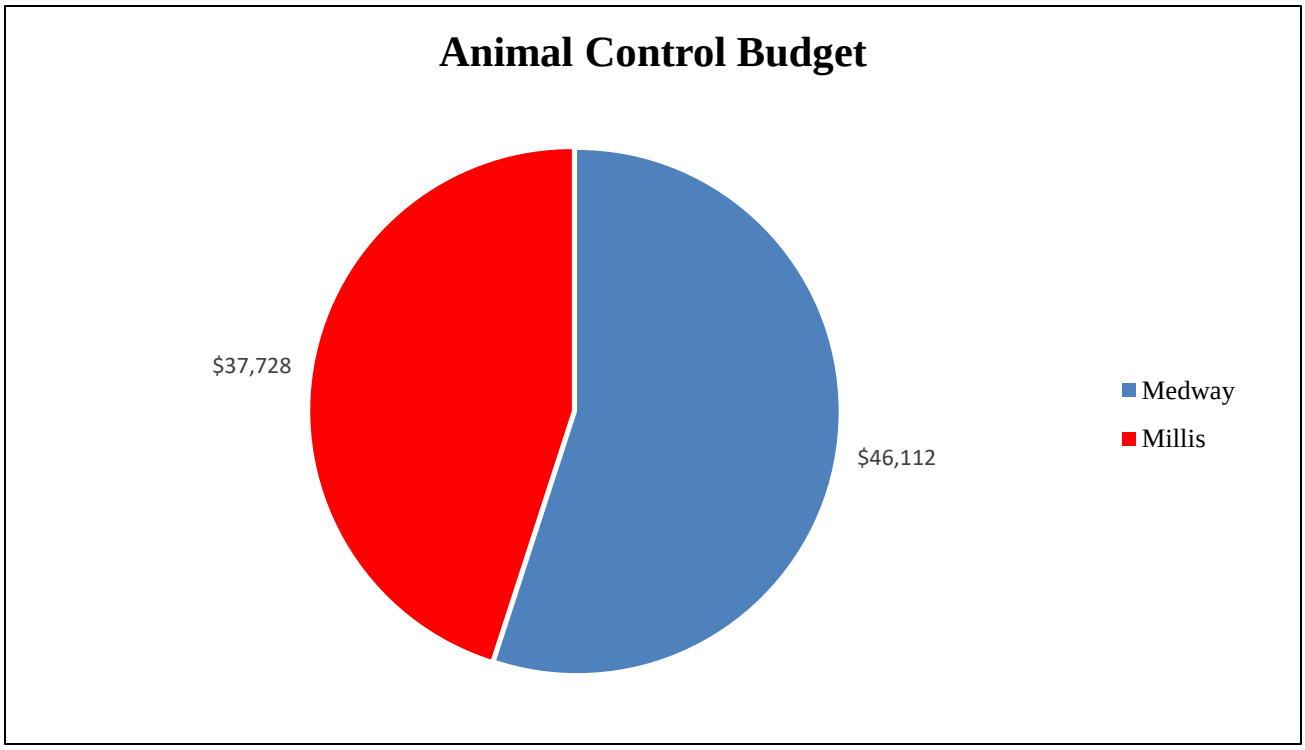
Animal Control

Animal Control Departmental Statement

Animal Control is primarily responsible for enforcing Town bylaws regulating domestic pets and livestock. In carrying out that responsibility the Department answers and helps resolve calls pertaining to disturbances such as leash law violations and excessive barking; picks up and properly disposes of road kill; serves as Animal Inspector for the Commonwealth of Massachusetts issuing quarantines for dog bites and wounds of unknown origins; and captures sick/injured wildlife that has had contact with people or domestic pets, euthanizes and prepares them for rabies testing as needed.

Millis/Medway Animal Control

The Animal Control Department is still split: 55% Medway, 45% Millis, and is requesting a total Animal Control Budget of $83,840 in FY2023.



Animal Control

Animal Control Department Budget Summary

		FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
ANIMAL CONTROL								
Personnel Services								
	Salary Full Time ACO	$57,165	$57,616	$61,159	$62,046	$63,843	$54,428	$54,428
	Wages Part Time	$11,285	$12,103	$10,686	$10,771	$13,434	$11,712	$11,712
	Wages Overtime	$7,406	$7,479	$6,265	$9,038	$5,125	$5,000	$5,000
	Night Stipend	$390	$671	$665	$660	$1,500	$1,500	$1,500
	Longevity	$950	$950	$1,050	$1,050	$1,050		
	Weekend Coverage							
	Weekend Stipend							
	Total	$77,195	$78,819	$79,825	$83,566	$84,952	$72,640	$72,640
Expenses								
	Supplies and Expenses	$2,018	$4,599	$1,809	$1,849	$2,000	$2,600	$2,600
	Propane Gas Heat	$1,059	$3,287	$3,021	$2,296	$2,800	$1,000	$1,000
	Equipment	$1,961	$1,842	$2,788	$1,853	$2,500	$3,000	$3,000
	Vehicle Supply/Repair	$14	$1,107		$274	$1,000	$1,000	$1,000
	Gasoline/Oil	$2,775	$2,233	$2,648	$2,993	$2,500	$3,000	$3,000
	Water/Sewer	$482	$636	$545	$479	$500	$600	$600
	Total	$8,310	$13,703	$10,812	$9,744	$11,300	$11,200	$11,200
TOTAL BUDGET		$85,505	$92,522	$90,637	$93,309	$96,252	$83,840	$83,840

Animal Control

Animal Control Accomplishments

One full time and one part-time ACO currently staff Animal Control ensuring the Department is covered 24/7. Call numbers vary day to day, but all calls are received and addressed.

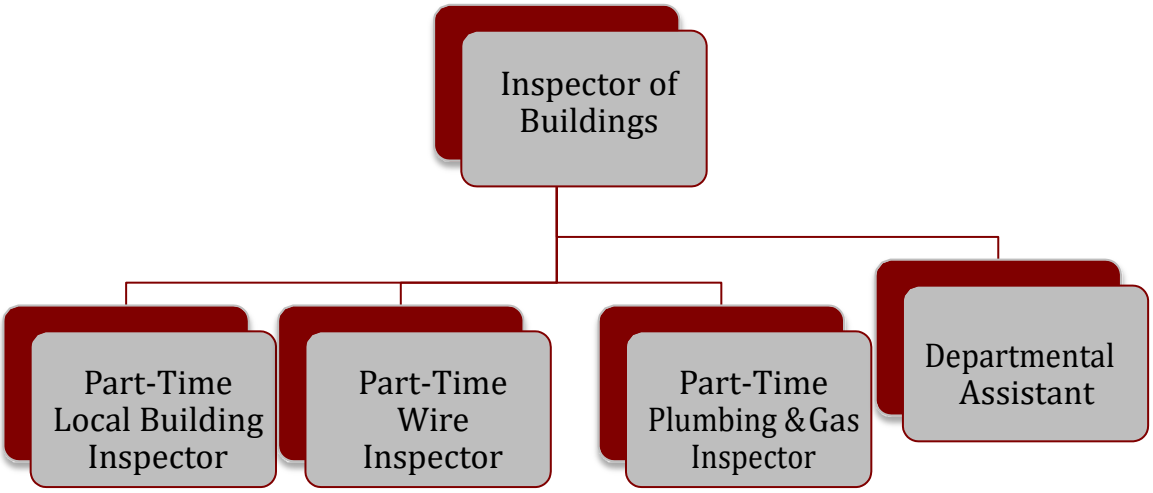
Animal Control sets up and runs the Annual Rabies Clinic held in April at the Millis DPW

Building Department

Building Department Mission Statement

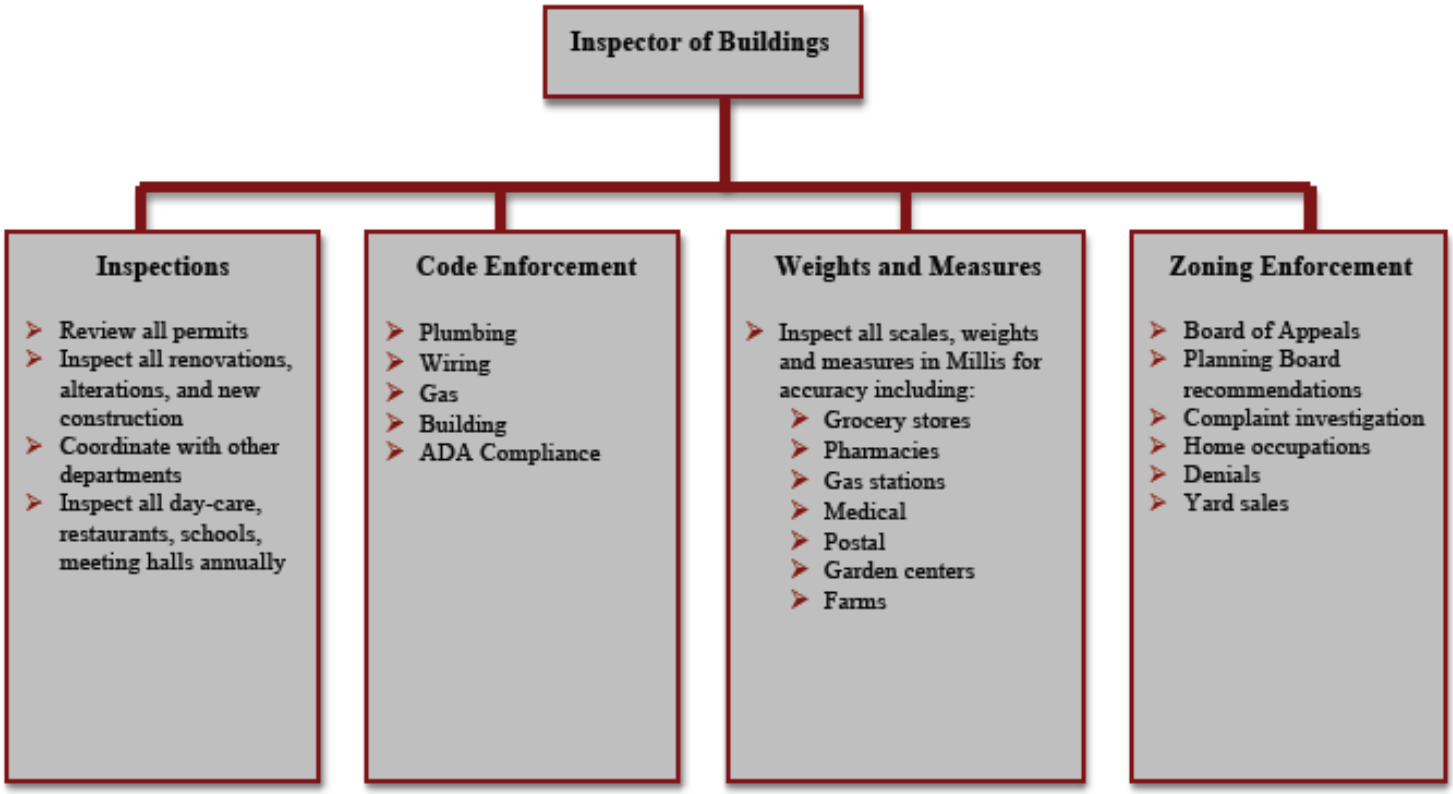
The Building Department is responsible for the enforcement of Massachusetts Code and Millis Bylaws pertaining to building codes, electrical codes, plumbing and gas codes, trench laws, zoning by-laws, planning board decisions, and permits & licenses issued by the Select Board. The Building Department executes these responsibilities by issuing permits, collecting fees, conducting inspections, issuing violation notices, appearing in court proceedings, assisting the public, and responding to emergencies. Through the permitting process, the building department reviews building plans, zoning and site plans, and permit applications for conformance with regulations. Additionally, the department keeps records for all town buildings, conducts customer service requirements for businesses within its jurisdiction, and works closely with other departments and town officials when circumstances permit.

Building Department Organizational Chart



Building Department

Building Department Programs and Subprograms



Building Department

Building Department Personnel Summary

Personnel

Position	FY2018 ACTUAL FTE	FY2019 ACTUAL FTE	FY2020 ACTUAL FTE	FY2021 ACTUAL FTE	FY2022 TM ADOPTED FTE	FY2023 REQUESTS FTE	FY2023 PROPOSED FTE
Building Inspector	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Department Assistant	0.55	0.90	0.90	0.90	0.90	0.90	0.90
Assistant Building Inspector		0.63	0.63	0.51	0.63	0.63	0.63
Assistant Building Inspector	Fluctuates						
Electrical Plumbing	Fluctuates	Fluctuates	Fluctuates	Fluctuates	Fluctuates	Fluctuates	Fluctuates
Assistant Electrical Inspector	Fluctuates	Fluctuates	Fluctuates	Fluctuates	Fluctuates	Fluctuates	Fluctuates
Assistant Plumbing Inspector	Fluctuates	Fluctuates	Fluctuates	Fluctuates	Fluctuates	Fluctuates	Fluctuates
	1.55	2.53	2.53	2.41	2.53	2.53	2.53

Building Department

Building Department Budget Summary

		FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
INSPECTIONS AND CODE ENFORCEMENT								
Personnel Services								
	Salary Department Head	$87,672	$87,672	$92,777	$94,644	$96,771	$96,771	$96,771
	Salaries Clerical	$21,677	$31,171	$35,281	$35,979	$38,592	$42,899	$42,899
	Inspector Compensation		$49,231	$87,380	$91,399	$70,000	$85,000	$85,000
	Wages From Fees	$64,833						
	Wages Clerical Overtime			$132				
	Longevity	$750	$850	$950	$1,050	$1,050	$1,800	$1,800
	Stipends	$13,613	$28,841	$25,948	$18,443	$28,536	$28,536	$28,536
	Total	$188,545	$197,765	$242,468	$241,516	$234,950	$255,006	$255,006
Expenses								
	Supplies and Expenses	$3,450	$3,695	$2,644	$3,268	$3,000	$3,500	$3,500
	Postage	$17	$27		$243	$175	$175	$175
	Dues & Subscriptions	$855	$13	$70	$385	$350	$350	$350
	Meetings	$1,425	$1,995	$2,350	$40	$2,750	$2,750	$2,750
	Auto/Mileage Reimbursement	$2,097	$2,819	$3,332	$3,244	$2,500	$2,900	$2,900
	Total	$7,844	$8,548	$8,395	$7,179	$8,775	$9,675	$9,675
TOTAL BUDGET		$196,388	$206,313	$250,863	$248,695	$243,725	$264,681	$264,681

Building Department

Building Department Highlights

- Building Department office is open during town hall business hours – 8:00am to 4:30pm, Monday to Thursday and 8:00am to 12:30pm on Fridays.
  - Increases availability of Building Department staff to better process applications and requests critical to business working within the Town of Millis
- Building Department electrical and plumbing inspectors are available on Tuesdays, Wednesdays, and Thursdays from 8:30 a.m. to 10:00 a.m. to facilitate the conduction of inspections during normal business hours.

Building Department Goals

- Continue to provide customer support to the residents of Millis through processing permit applications, reviewing for compliance, conducting inspections, and respond to other departments and emergencies as needed to meet statutory requirements.

Building Department

Weights & Measures Department Budget Summary

		FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
SEALER WEIGHTS & MEASURES								
Personnel Services								
	Salaries	$3,183	$3,183	$3,263	$3,345	$3,429	$3,429	$3,429
Expenses								
	Training	$94	$58	$17		$72	$72	$72
	Supplies and Expenses		$109			$21	$21	$21
	Dues & Subscriptions	$20				$20	$20	$20
	Equipment					$10	$10	$10
	Auto/Mileage Reimbursement	$35	$78	$46		$27	$27	$27
	Total	$149	$245	$63		$150	$150	$150
TOTAL BUDGET		$3,332	$3,428	$3,326	$3,345	$3,579	$3,579	$3,579

Building Department

Emergency Management

		FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
EMERGENCY MANAGEMENT								
Personnel Services								
	Salary	$737	$737	$756	$1,500	$1,538	$1,500	$1,500
	Salaries Clerical							
	Total	$737	$737	$756	$1,500	$1,538	$1,500	$1,500
Expenses								
	Supplies and Expenses	$1,050	$272		$2,264	$2,500	$2,500	$2,500
	Total	$1,050	$272		$2,264	$2,500	$2,500	$2,500
TOTAL BUDGET		$1,787	$1,009	$756	$3,764	$4,038	$4,000	$4,000

Public Works

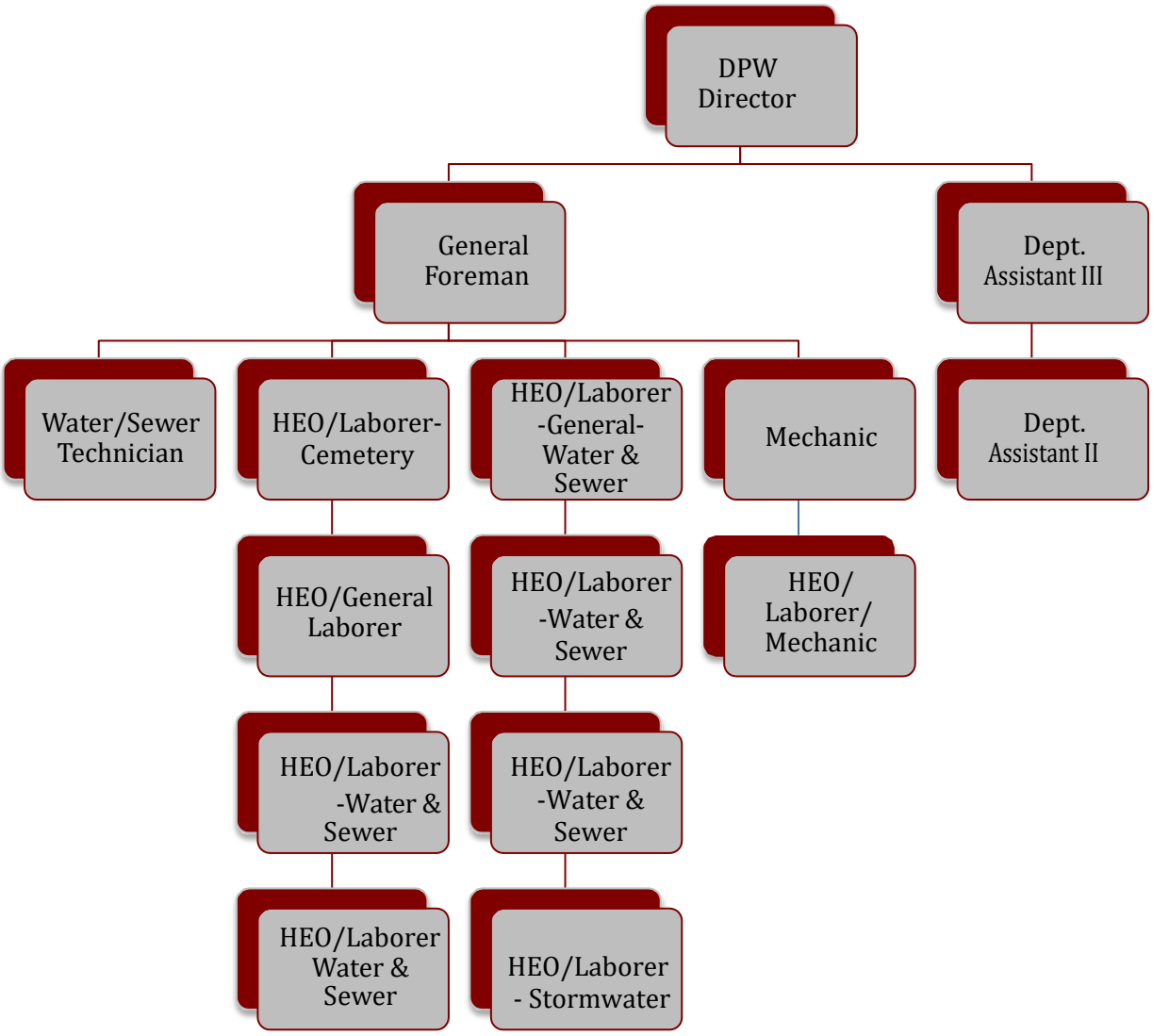
Department of Public Works

Department of Public-Works Mission Statement

The Millis Department of Public-Works is dedicated to maintaining and improving the infrastructure, public buildings, and grounds of Millis. The Department ensures completion of administrative tasks like accounts payable, payroll/attendance records, issuance of permits, snowplow agreements, water and sewer reports, etc. Further, the Department implements its mission by physically maintaining the Town's parks, memorials, cemeteries, streets, sidewalks, and drainage systems, as well as by responding to emergencies resulting from severe weather, vehicle accidents, and other requests. The Department seeks to carry out the administration and implementation of the Department's mission day in and day out with the concerns and desires of the taxpayers in mind.

Department of Public Works

Department of Public-Works Organizational Chart



Department of Public Works

Department of Public-Works Programs and Subprograms

DPW Director

Administration

- Payroll
- Attendance records
- Accounts payable
- Cemetery accounts
- Issue all department permits
- Transfer station rates
- Water & sewer reports
- Deposit checks to the department
- Snow plow agreements

Highway/Parks & Cemetery Divisions

- Road repair
- Snow plowing
- Signage
- Grounds maintenance of Town Hall; Town Park; Town Library; Town Monuments; Town Playground; Town Tennis Courts; and Oak Grove Field
- Sale & digging of cemetery plots
- Cemetery lawn care

Transfer Station

- Order stickers from vendor for sale
- Order town of Millis trash bags
- Bring trash to Millbury weekly
- Operation in accordance with rules and regulations

Water & Sewer Division

- Visit 6 town wells and water treatment facilities daily
- Visit 2 town water tanks daily
- Make any needed repairs to water system
- Customer service
- Water meter maintenance
- Order chemicals for town wells and treatment facilities
- Water main mark outs
- Visit 7 town sewer pump stations daily
- Make any needed repairs to sewer system
- Sewer structure mark outs

Department of Public Works

Department of Public-Works Personnel Summary

Personnel

Position	FY2018 ACTUAL FTE	FY2019 ACTUAL FTE	FY2020 ACTUAL FTE	FY2021 ACTUAL FTE	FY2022 TM ADOPTED FTE	FY2023 REQUESTS FTE	FY2023 PROPOSED FTE
Department Head	0.35	0.17	0.17	0.17	0.17	0.17	0.17
Department Assistant III	0.11	0.11	0.11	0.11			
Operations Manager					0.11	0.11	0.11
General Foreman/Superintendent	0.34	0.16	0.16	0.16	0.16	0.16	0.16
Town Mechanic/Facilities Manager	0.34	0.24	0.24	0.24	0.24	0.24	0.24
DPW Foreman					0.75	0.75	0.75
HEO/Laborer	3.34	2.75	2.75	2.99	3.84	4.09	4.09
-							
	4.48	3.43	3.43	3.67	5.27	5.52	5.52

Department of Public Works

Department of Public-Works Budget Summary

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
HIGHWAY DIVISION							
Personnel Services							
Salary Department Head	$36,551	$20,304	$21,537	$22,498	$23,637	$24,226	$24,833
Salaries Clerical	$5,066	$6,191	$6,537	$6,693	$13,010	$9,458	$9,458
Wages	$209,843	$148,810	$156,542	$166,051	$236,370	$237,607	$237,607
Wages Overtime	$45,225	$37,551	$50,174	$49,345	$35,000	$35,000	$35,000
Summer Help	$7,836	$16,522	$12,651	$11,475	$28,440	$28,440	$28,440
Longevity	$3,360	$750	$1,852	$1,885	$1,960	$1,960	$1,960
Total	$307,881	$230,128	$249,293	$257,946	$338,417	$336,691	$337,298

Department of Public Works

Department of Public-Works Budget Summary Continued

HIGHWAY DIVISION	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
Expenses							
Engineering Services	$5,458	$4,932	$3,286	$6,590	$5,000	$8,000	$5,000
Physical Exams	$425	$410	$570	$773	$500	$500	$500
Police Details	$26,144	$29,794	$32,150	$28,035	$20,000	$30,000	$20,000
Office Cleaning	$3,848	$7,200	$4,550	$5,825	$7,000	$9,000	
Equipment Hired	$2,160	$5,975	$538	$1,833	$6,000	$6,000	$6,000
Land Fill Monitoring			$13,915	$25,223	$15,000	$26,000	$20,000
Tree Care	$18,050	$26,600	$26,990	$67,380	$15,000	$25,000	$15,000
Traffic Lines	$19,500	$23,984	$17,033	$18,615	$20,000	$25,000	$22,000
Road Maintenance Supplies	$20,829	$11,597	$10,892	$8,010	$15,000	$15,000	$15,000
Asphalt Products	$43,171	$47,352	$28,754	$15,188	$35,000	$35,000	$35,000
Gravel and Sand	$10,549	$5,910	$5,874	$1,597	$4,000	$4,000	$4,000
Street Signs	$8,739	$2,909	$2,575	$1,660	$8,000	$8,000	$8,000
Shop Supplies	$15,673	$15,298	$15,779	$15,894	$13,000	$13,000	$13,000
Supplies and Expenses	$21,612	$16,046	$58,859	$22,632	$20,132	$20,132	$20,132
Heat and Fuel				$3,327			
Telephone	$1,412	$1,564	$1,671	$1,991	$3,716	$3,716	$3,716
Electricity	$9,815	$10,066	$16,459	$5,165	$12,905	$12,905	$12,905
Postage	$123	$129	$82	$122	$250	$250	$250
Meal Allowance	$4,112	$4,116	$3,120	$4,320	$4,000	$4,500	$4,500
Clothing	$3,202	$2,789	$2,178	$2,538	$5,607	$5,607	$5,607
Cemetery Expenses	$4,632	$5,867	$16,767	$13,499	$19,500	$19,500	$19,500
Advertising		$238			$1,000	$1,000	$1,000
Equipment Repairs	$23,886	$27,462	$16,404	$26,522	$25,000	$25,000	$25,000
Vehicle Supply and Repair	$21,959	$29,452	$30,703	$21,074	$25,000	$25,000	$25,000
Gasoline/Oil	$41,569	$43,061	$14,708	$31,912	$35,100	$35,100	$35,100
Diesel Fuel			$16,360				
Fields -- Applications	$5,434	$3,062	$7,251	$2,170	$7,000	$7,000	$7,000
Fields -- Irrigation	$1,506	$700	$1,405	$3,851	$1,000	$1,000	$1,000
Fields -- Misc Expenses	$9,137	$8,832	$6,318	$609	$750	$750	$750
Fields -- Lighting					$2,311	$2,311	$2,311
Fields -- Water	$10,368	$34,903	$11,355	$19,474	$20,000	$20,000	$20,000
Water/Sewer	$1,234	$7,387	$968	$929			
Stormwater		$34,986	$32,834	$32,867	$40,000	$50,000	$41,000
Total	$334,545	$412,623	$400,348	$389,624	$386,771	$438,271	$388,271
Sub-Total Highway	$642,426	$642,752	$649,641	$647,570	$725,188	$774,962	$725,569

Department of Public Works

DPW Accomplishments

- Resurfacing Farm Street from Acorn Street to Cedar Street.
- Resurfacing Farm Street from Alma Road to Brandywne Ter.
- Resurfacing Main Street from Plain Street to Exchange Street.
- Resurfacing Exchange Street from Main Street to Curve Street.
- Resurfacing Ridge Street from Auburn Road to Rolling Meadow Drive.
- Resurface Spring Street from Main Street to Plain Street.
- Installed 4-speed humps on Spring Street.
- Assisted the Permanent Building Committee in building the new DPW Facility.
    - DPW was in charge of phase #1 clearing the site for both the Staff and Mechanic/Wash Bay Buildings.
    - Phase #2 was prepping the site for paving, completing all site work, and demolishing the old office area.
    - With completing these phases in house the overall project saved Millis residents a significant amount of money.

Snow & Ice Budget

		FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
SNOW & ICE								
Personnel Services								
	Salaries Overtime	$108,770	$80,004	$53,343	$94,079	$44,539	$44,539	$44,539
	Snow Stipend				$2,365	$3,461	$3,636	$3,636
	Total	$108,770	$80,004	$53,343	$96,444	$48,000	$48,175	$48,175
Expenses								
	Other Charges/Expenses	$307,549	$210,053	$152,440	$201,093	$170,727	$170,727	$170,727
	Total	$416,319	$290,057	$205,783	$297,537	$218,727	$218,902	$218,902
TOTAL BUDGET		$1,058,744	$932,809	$855,424	$945,107	$943,915	$993,864	$944,471

Streetlight Costs

		FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
STREETLIGHTING								
Expenses								
	Electricity Signals	$4,840	$4,661	$8,040	$6,453	$5,000	$5,000	$5,000
	Street Lighting	$22,035	$22,539	$15,560	$13,923	$20,850	$20,850	$20,850
	Repair Signals	$12,907	$12,769	$13,965	$23,008	$13,000	$13,000	$13,000
TOTAL BUDGET		$39,781	$39,970	$37,564	$43,384	$38,850	$38,850	$38,850

Department of Public Works

Transfer Station Budget Summary

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
TRANSFER STATION							
Personnel Services							
Wages	$21,623	$18,862	$19,317	$20,296	$53,727	$51,604	$51,604
Wages Overtime	$4,878	$8,356	$5,213	$4,921	$6,032	$6,032	$6,032
Longevity	$100				$1,062		
Stipends						$1,119	$1,119
Total	$26,601	$27,218	$24,530	$25,217	$60,821	$58,754	$58,754
Expenses							
Recycling	$2,930	$8,615	$9,825	$12,393	$10,000	$14,000	$14,000
Contract Hauling	$1,346	$6,734		$1,920	$3,000	$3,000	$3,000
Tipping Fees	$29,059	$28,402	$32,894	$30,637	$33,000	$33,000	$33,000
Pumping Services					$500	$500	$500
Supplies and Expenses	$6,566	$19,578	$27,396	$14,681	$16,000	$16,000	$16,000
Telephone					$110	$110	$110
Electricity	$2,738	$3,306	$2,861	$3,555	$4,538	$4,538	$4,538
Clothing	$300	$293	$320	$345	$300	$300	$300
Advertising	$419	$1,107	$351	$629	$700	$700	$700
Equipment Repairs	$13,183	$8,824	$3,392	$8,550	$11,000	$11,000	$11,000
Diesel Fuel	$4,761	$5,449	$6,477	$7,738	$9,000	$9,000	$9,000
Miscellaneous Expenses							
Total	$61,300	$82,307	$83,517	$80,448	$88,148	$92,148	$92,148
TOTAL BUDGET	$87,901	$109,526	$108,047	$105,665	$148,969	$150,902	$150,902

Community Services

Veterans Services

Veterans Services Departmental Statement

The Veterans Services Department is dedicated to securing and providing financial and medical aid assistance to veterans (and/or dependents) in need in accordance with Massachusetts General Laws Chapter 115, CMR 108, through the Commonwealth of Massachusetts Department of Veterans Services. The state will reimburse the Town 75% of the expense of authorized assistance provided to veterans in Millis. The Department is committed to informing veterans and their families of any and all benefits that are available to them, whether federal, state, local, or from non-profits, which may have grants to assist Veterans in need.

Veterans Services Personnel Summary

Personnel

Position	FY2018 ACTUAL FTE	FY2019 ACTUAL FTE	FY2020 ACTUAL FTE	FY2021 ACTUAL FTE	FY2022 TM ADOPTED FTE	FY2023 REQUESTS FTE	FY2023 PROPOSED FTE
Veteran Services Officer	0.14	0.14	0.14	0.14	0.23	0.23	0.23
	0.14	0.14	0.14	0.14	0.23	0.23	0.23

Veterans Services

Veterans Services Budget Summary

		FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
VETERANS								
Personnel Services								
	Salary Department Head	$10,712	$10,712	$9,630	$11,195	$18,000	$18,000	$18,000
	Total	$10,712	$10,712	$9,630	$11,195	$18,000	$18,000	$18,000
Expenses								
	Supplies and Expenses	$653	$537		$699	$850	$850	$850
	Veterans Benefits	$31,340	$32,455	$22,074	$37,366	$44,280	$44,150	$44,150
	Burials					$3,000	$3,000	$3,000
	Total	$31,993	$32,992	$22,074	$38,065	$48,130	$48,000	$48,000
TOTAL BUDGET		$42,705	$43,704	$31,704	$49,260	$66,130	$66,000	$66,000

Veterans Services Accomplishments

- Ensured the Chapter 115 Program reimbursement from the State to the town which ensured over $23,256 budgetary reimbursement.
- Assisted 26 veterans to receive Massachusetts Annuity payments.
- Filed 19 VA claims ensuring $46,284 in additional monthly compensation for Millis veterans. Millis veterans now receive $209,332 monthly compensation from the Veterans Administration. Disabled Millis veterans average $1,660 monthly compensation, among the highest averages in the state.
- Conducted numerous food deliveries from Gillette Stadium to Millis Veterans during COVID-19 in conjunction with the FOOD4VETS program and New England Patriots.
- Established Millis as a location to conduct VA Claims by purchasing and operating the Vetraspec claims management information system.
- Utilized the Brave Act to ensure increase of $500 for Veterans Property Tax Work-Off and for Veterans Parking Spaces at the Town Hall.
- Participated in VSO virtual meetings and VSO chat groups to ensure latest veterans initiatives and benefits.
- State certified VSO through completed training and passed exams.

Veterans Services Goals

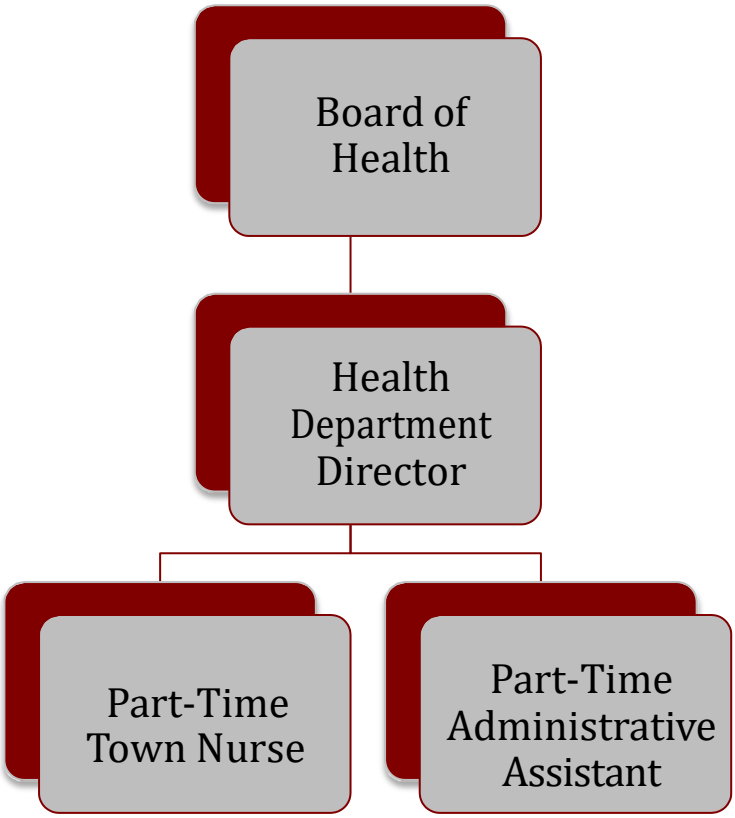
- -Expand outreach and information regarding services. Increase social media communication with town veterans especially recently discharged and retired veterans.
- -Maintain Chapter 115 Benefit Program and ensure all paperwork submitted to the State for reimbursement to the Town.
- -Continue to submit all Millis Veteran VA Claims from Town Hall rather than a certified VA site.
- -Support town veterans in all applicable matters to ensure benefits and opportunities within the community, state, and federal systems

Board of Health

Board of Health Departmental Statement

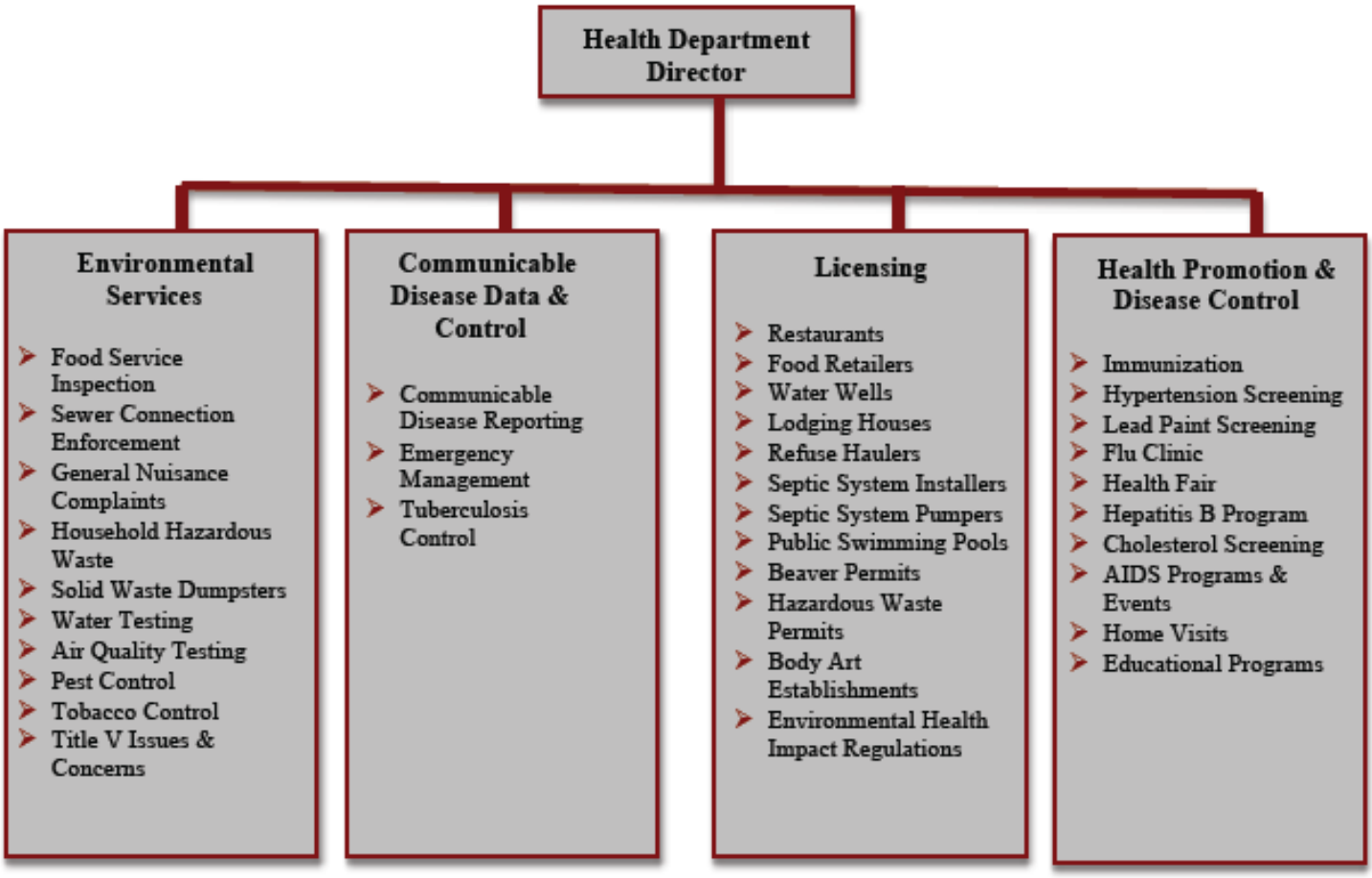
The mission of the Board of Health is to advance the health related needs of Millis residents by creating and maintaining conditions in town that keep the people healthy. In pursuit of this mission the Department assesses current health trends both in Millis and around the world, develops policy conducive to healthy living, responds to concerns relating to living conditions and nuisance complaints, and provides assurances that our policies are being followed and our programs are effective. Also, the Board of Health investigates disease outbreaks, offers monthly blood pressure and blood sugar screenings, puts on the Health Fair, the Clyde Brown Run Back to School, and flu and rabies clinics. Finally, the Board of Health performs crucial inspections and reviews applications for permits while working closely with Town officials to ensure a healthy community in the Town of Millis.

Board of Health Organizational Chart



Board of Health

Health Department Programs and Subprograms



Board of Health

Board of Health Personnel Summary

Personnel

Position	FY2018 ACTUAL FTE	FY2019 ACTUAL FTE	FY2020 ACTUAL FTE	FY2021 ACTUAL FTE	FY2022 TM ADOPTED FTE	FY2023 REQUESTS FTE	FY2023 PROPOSED FTE
Director of Public Health	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Department Assistant III	0.60	0.60	0.60	0.60	0.60	0.60	0.60
Public Health Nurse	0.30	0.30	0.30	0.30	0.30	0.30	0.30
Clerk (meetings)	0.03	0.03	0.03	0.03	0.03	0.03	0.03
	1.93	1.93	1.93	1.93	1.93	1.93	1.93

Board of Health

Board of Health Budget Summary

		FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
BOARD OF HEALTH								
Personnel Services								
	Health Director Wages	$69,441	$77,700	$84,061	$86,903	$89,075	$89,075	$89,075
	Clerical Salaries	$27,687	$27,849	$30,138	$31,266	$33,005	$33,126	$33,126
	Clerical Wages-Meetings	$5,003	$768	$450	$544	$2,000	$2,000	$2,000
	PT Nurse Wages	$14,125	$9,996	$14,634	$8,988	$17,776	$17,774	$22,774
	Longevity					$750	$750	$750
	Total	$116,257	$116,312	$129,284	$127,701	$142,606	$142,725	$147,725
Expenses								
	Clothing Cleaning	$120	$93	$64		$100	$100	$100
	Medical Supplies	$149		$643	$1,160	$600	$600	$600
	Mental Health	$1,160	$580	$1,160		$1,160	$1,160	$1,160
	Health Fair/Flu Clinic		$353	$170		$250	$250	$250
	Supplies and Expenses	$2,432	$812	$948	$857	$1,960	$1,960	$3,160
	Postage	$328	$512	$569	$124	$450	$450	$450
	Advertising		$150	$70	$150	$540	$540	$540
	Dues & Subscriptions	$580	$310	$524	$337	$450	$450	$450
	Meetings				$75			
	Administrative Expenses				$250	$400	$400	$400
	Auto/Mileage Reimbursement	$560	$521	$263	$296	$450	$450	$450
	Training	$230	$668	$509	$259	$800	$800	$800
	Educa/Consulting-Cig/Vape					$4,000	$4,000	$8,000
	Printing		$200	$82	$68	$175	$175	$175
	Food	$237		$318		$240	$240	$240
	Total	$5,797	$4,198	$5,319	$3,576	$11,575	$11,575	$16,775
TOTAL BUDGET		$122,054	$120,511	$134,603	$131,277	$154,181	$154,300	$164,500

Board of Health

Board of Health Accomplishments

Note: Due to the Pandemic many initiatives were placed on hold for FY22

The Department is responsible for the issuance of numerous business licenses and permits. In addition to processing the licenses and permits, the Board responded to numerous housing, general nuisance and restaurant complaints. The Board of Health reviews plans and inspects: All food service establishments, septic system installations. The Board through the nursing services conducts flu - CoVid clinics, provides outreach nursing assistance to the Council of Aging, CoVid contact tracing. Our office also participates in a regional tobacco control coalition and represented the Town in Region 4A Emergency Planning Committee. We partner with area Schools of Public Health working with interns on issues concerning public and environmental health.

Board of Health Goals

- Encourage and promote public health education within the Town of Millis.
- Provide leadership within the public health profession.
- Collaborate with other professionals, staff, communities and consumers in the planning, implementation, and evaluation of public health programs.
- Seek grant opportunities for the department to enhance the public health objectives.
- Continue to create databases to track key metrics in the Train Town personnel in Stop the Bleed (STB) techniques.
- Install Stop the Bleed Kits at key sites in the Town Hall and Schools.
- Work with the Regional MetroWest Public Health Collaborative Shared services for new and innovative service delivery.
- Work with graduate school interns concerning community PFAS issues.

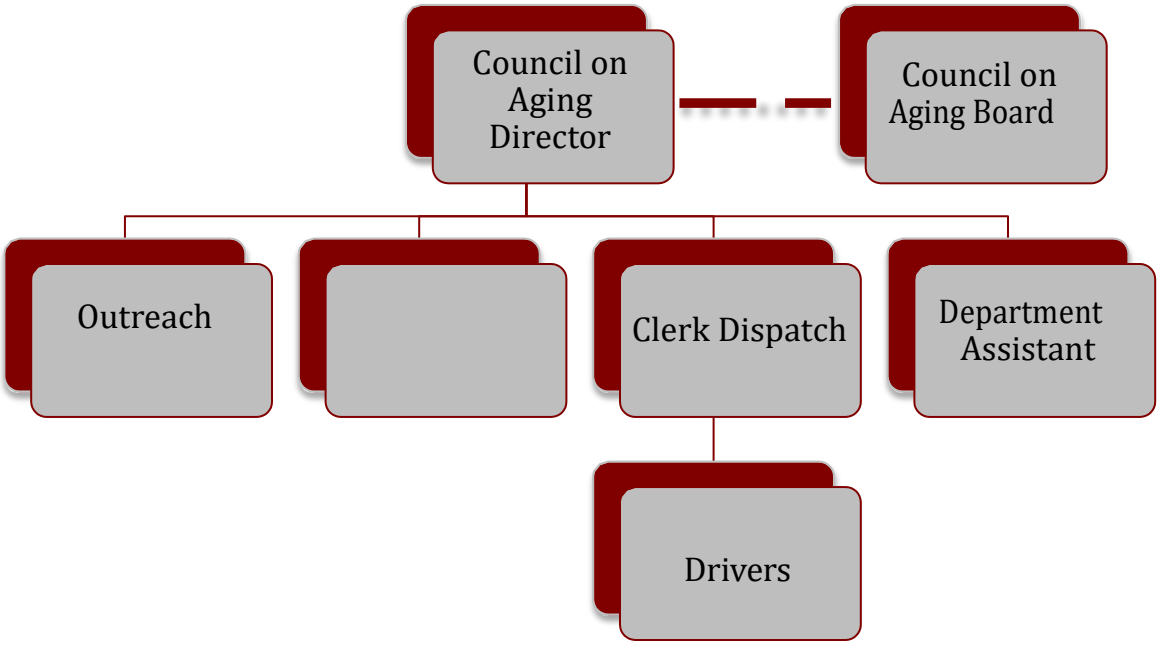
Council on Aging

Council on Aging Departmental Statement

The Millis Council on Aging is dedicated to achieving and maintaining the highest level of independence and enrichment in the lives older residents in the community through developing and coordinating community care, reducing isolation, and educating the population on various community-based services.

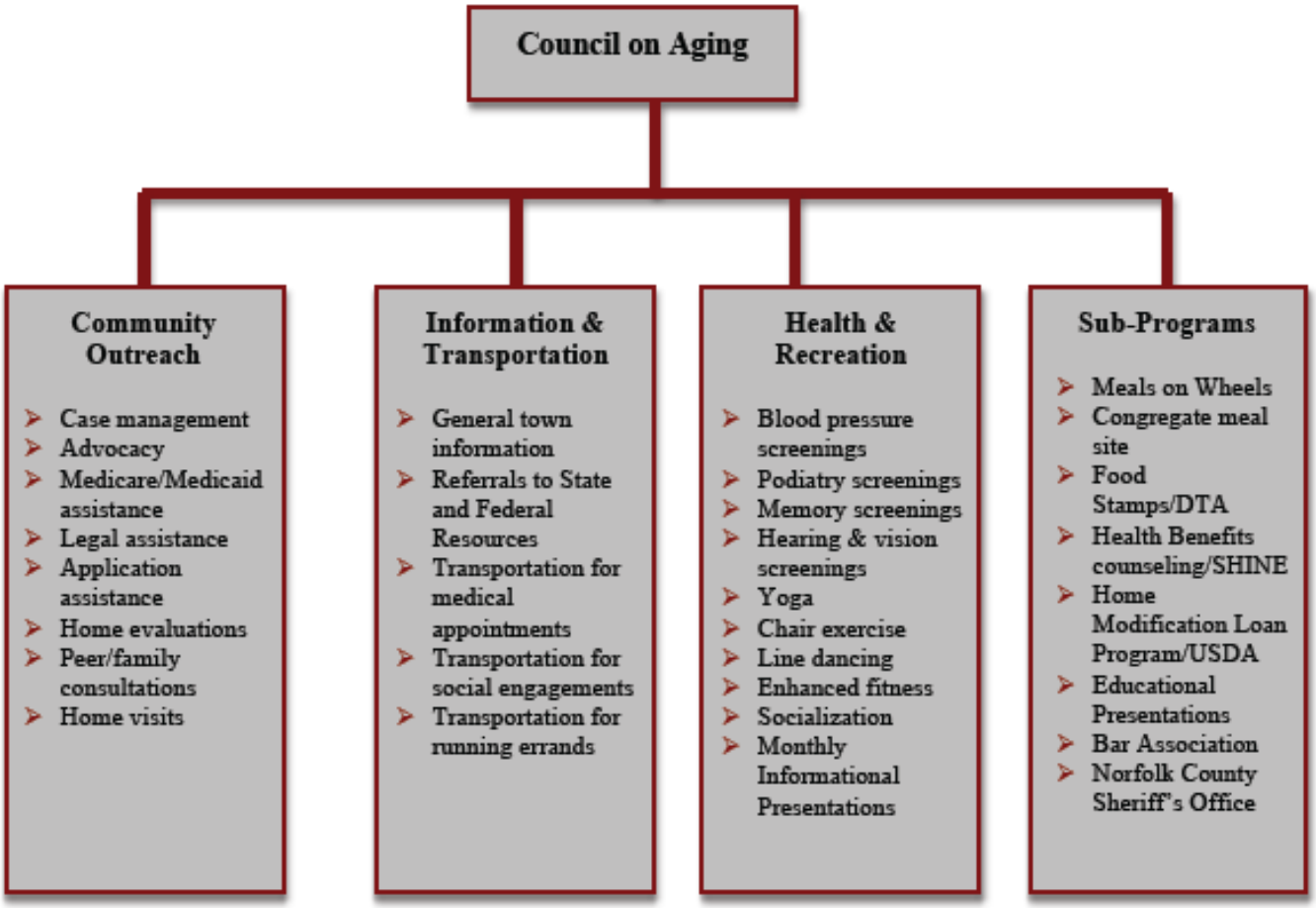
The Council on Aging provides transportation for the elderly and disabled as well as Community Outreach to assist with information, referrals, benefits counseling, support groups, and help in finding resources including free legal counseling and advocacy for housing/financial among other concerns. The Council further provides a Supportive Day Program for those who are isolated or are experiencing mild confusion/dementia, and houses the Meals on Wheels Program in The Center, which also serves as an intake site for the States Fuel Assistance Program, The Millis Fund, and acts as a liaison to many state and federal programs such as the SHINE program and The Department of Transitional Assistance.

Council on Aging Organizational Chart



Council on Aging

Council on Aging Programs and Subprograms



Council on Aging

Council on Aging Personnel Summary

Personnel

Position	FY2018 ACTUAL FTE	FY2019 ACTUAL FTE	FY2020 ACTUAL FTE	FY2021 ACTUAL FTE	FY2022 TM ADOPTED FTE	FY2023 REQUESTS FTE	FY2023 PROPOSED FTE
Director	0.63	0.69	0.69	0.80	0.85	0.89	0.89
Department Assistant	0.38	0.44	0.44		0.45	0.45	0.45
Operations Manager							
Outreach Worker	0.38	0.44	0.44	0.50	0.50	0.50	0.65
Drivers	0.75	0.75	0.75	0.50	0.75	0.75	0.75
Dispatcher				0.33	0.33	0.33	0.33
	2.14	2.32	2.32	2.13	2.88	2.92	3.07

Council on Aging

Council on Aging Budget Summary

		FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
COUNCIL ON AGING								
Personnel Services								
	Salary Department Head	$45,158	$51,820	$53,944	$68,126	$70,684	$71,472	$71,472
	Salaries Clerical	$13,876	$15,939	$3,909		$18,294	$19,856	$19,856
	Outreach Worker Wages	$17,271	$16,349	$17,991	$19,741	$25,351	$24,690	$30,839
	Part-Time Van Driver Wages	$14,986	$12,514	$11,543	$4,458	$21,645	$22,815	$22,815
	Longevity	$750	$750	$850	$950	$950	$950	$950
	Part-Time Dispatcher	$3,401	$3,958	$4,032	$6,781	$4,460	$5,000	$5,000
	Total	$95,441	$101,329	$92,268	$100,056	$141,385	$144,783	$150,932
Expenses								
	Service Warranty	$990	$990	$990	$990	$990	$990	$990
	Supplies and Expenses	$907	$1,054	$4,389	$1,369	$1,000	$1,000	$1,000
	Postage	$1,909	$3,965	$6,213	$2,502	$5,000	$5,000	$5,000
	Meetings	$20	$323		$203	$100	$100	$100
	Vehicle Supplies/Repairs	$1,385	$848	$136	$1,598	$1,000	$1,000	$1,000
	Gasoline/Oil	$2,881	$1,267	$533	$1,486	$1,844	$1,844	$1,844
	Total	$8,092	$8,447	$12,262	$8,149	$9,934	$9,934	$9,934
TOTAL BUDGET		$103,534	$109,776	$104,530	$108,204	$151,319	$154,717	$160,866

Council on Aging

Council on Aging Highlights

- The Council on Aging has requested that the Center remain open until 4:30pm Monday through Thursday to address the growing number of senior citizens in the community.
- Work with the Permanent Building Committee and the community to determine the best possible plan for expansion of the Senior Center.

Council on Aging Goals

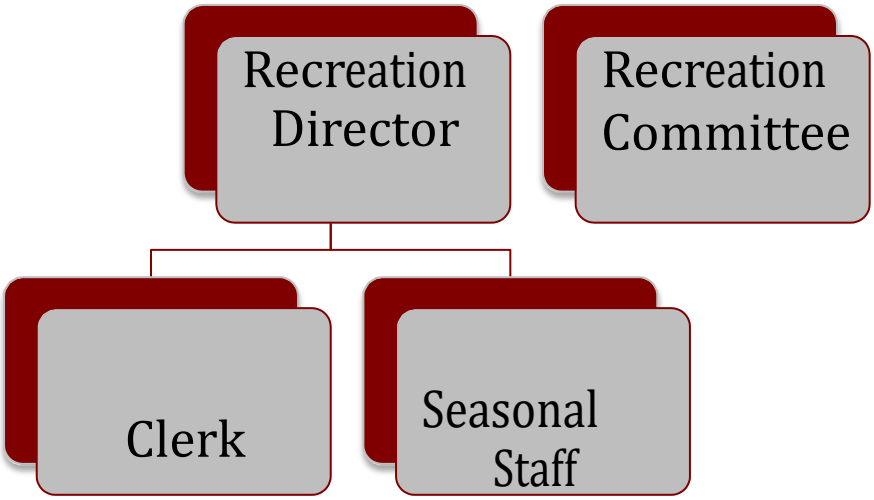
- The Council intends to develop at least one new fundraising strategy to raise funds for a new handicapped equipped van.
- Implement at least two long-term workshops for medical conditions affecting older adults.
- The Center will continue to provide at least one health/educational and one social/recreational program per month, in addition to standard offerings.

Recreation

Recreation Department Mission Statement

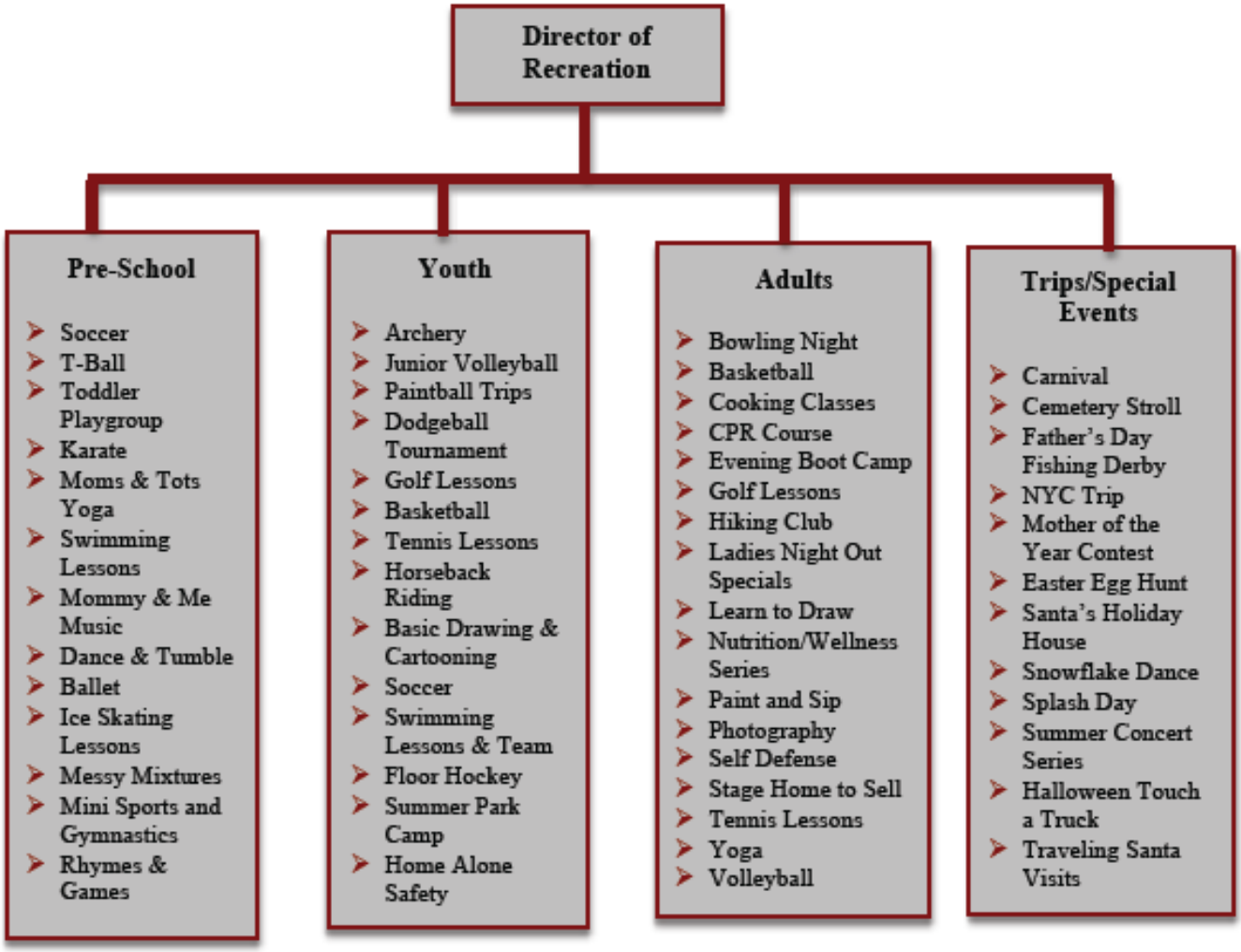
The Recreation Department is dedicated to providing the Millis community with extracurricular, informative, educational, entertaining activities and recreation sports programs. The wide variety of opportunities the Recreation Department works to offer address the needs and preferences of the entire community, offering programs for all citizens from infancy to adulthood. In working to fulfill our mission, the Recreation Department stays in close contact with the community to ensure Department policy and activity reflects the community's interests and needs.

Recreation Department Organizational Chart



Recreation

Recreation Department Programs and Subprograms



Recreation

Recreation Department Budget Summary

Position	FY2018 ACTUAL FTE	FY2019 ACTUAL FTE	FY2020 ACTUAL FTE	FY2021 ACTUAL FTE	FY2022 TM ADOPTED FTE	FY2023 REQUESTS FTE	FY2023 PROPOSED FTE
Recreation Director	0.50	0.50	0.50	0.48	0.50	0.50	1.00
Administrative Assistant	0.25	0.25	0.25	0.23	0.25		0.25
Teen Program Coordinator					0.15		0.15
Inclusive Summer Camp Staff					0.22		0.22
	0.75	0.75	0.75	0.70	1.11	0.50	1.61

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
RECREATION							
Personnel Services							
Department Head Salary	$31,267	$31,267	$45,411	$31,304	$33,481	$33,279	$66,558
Wages Clerical					$12,218	$10,694	$21,574
Teen Coordinator					$15,000		$11,960
Longevity							$950
Total	$31,267	$31,267	$45,411	$31,304	$60,699	$43,973	$101,042
Expenses							
Supplies and Expenses				$9,998	$9,200		$58,798
Total				$9,998	$9,200		$58,798
TOTAL BUDGET	$31,267	$31,267	$45,411	$41,302	$69,899	$43,973	$159,840

Recreation

Recreation Department Accomplishments

- TEEN PROGRAM COORDINATOR – September 2021-December 2021
- HIGHLIGHTS TEEN PROGRAM COORDINATOR – September 2021-December 2021

- Launched "Millis Rec Serves". A platform for community service for our local high school and middle school students.
  - **43 Total Volunteers in the Millis Rec Serves Program:** Includes High School and Middle School Students
  - **4 Completed Events**

    - MFD Blood Drive: 4 volunteers
    - Holiday Bash: 10 Volunteers
    - Santa at the Bandstand: 19 Volunteers
    - Middle School Karaoke: 6 Volunteers

    Total # of hours volunteered back into the Millis community: 113 hrs.

- Partnered with Police and Fire Departments to execute holiday events for community.
- Collaborated with Millis High School and Middle School Administration on programming and service opportunities
- Collaborated with Millis Fire Department on CPR, AED & First Aid Training for Teens
- Launched the winter "Teen Industry Series: Exploring Your Post High School Options".

Recreation Department Goals

- Purchase sound proofing for Pickleball Courts
- Expand Teen Programming and Service Opportunities
- Create more Inclusive programming
- Create a field use policy and develop a plan in conjunction with the school on field bookings.

Recreation

Public Celebrations Budget Summary

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
PUBLIC CELEBRATIONS							
Expenses							
Memorial Day	$1,686	$1,816	$1,797	$1,690	$1,828	$2,000	$2,000
Legion Expenses	$4,053	$4,053	$4,053	$4,053	$4,053	$4,100	$4,100
TOTAL BUDGET	$5,739	$5,869	$5,850	$5,743	$5,881	$6,100	$6,100

Historical Commission Budget Summary

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
HISTORICAL COMMISSION							
Expenses							
Maintenance Contract	$6,480	$5,071	$5,103	$4,481	$4,446	$6,946	$6,946
Supplies and Expenses		$1,417	$1,329	$560	$1,392	$1,392	$1,392
Electricity				$1,482	$655	$655	$655
TOTAL BUDGET	$6,480	$6,488	$6,432	$6,523	$6,493	$8,993	$8,993

Oak Grove Commission Budget Summary

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
OAK GROVE COMMISSION							
Expenses							
Supplies and Expenses	$1,525	$1,630	$829	$1,827	$1,396	$5,500	$5,500
Tree Care/Parking Lot/Garden			$3,980	$1,868	$1,000		
Athletic Field Maint, Seeding , Fertilization				$1,198	$1,000		$17,055
Playground					$2,000		
Water/Sewer						$250	$250
Electricity				$88	$240	$250	$250
TOTAL BUDGET	$1,525	$1,630	$4,809	$4,981	$5,636	$6,000	$23,055

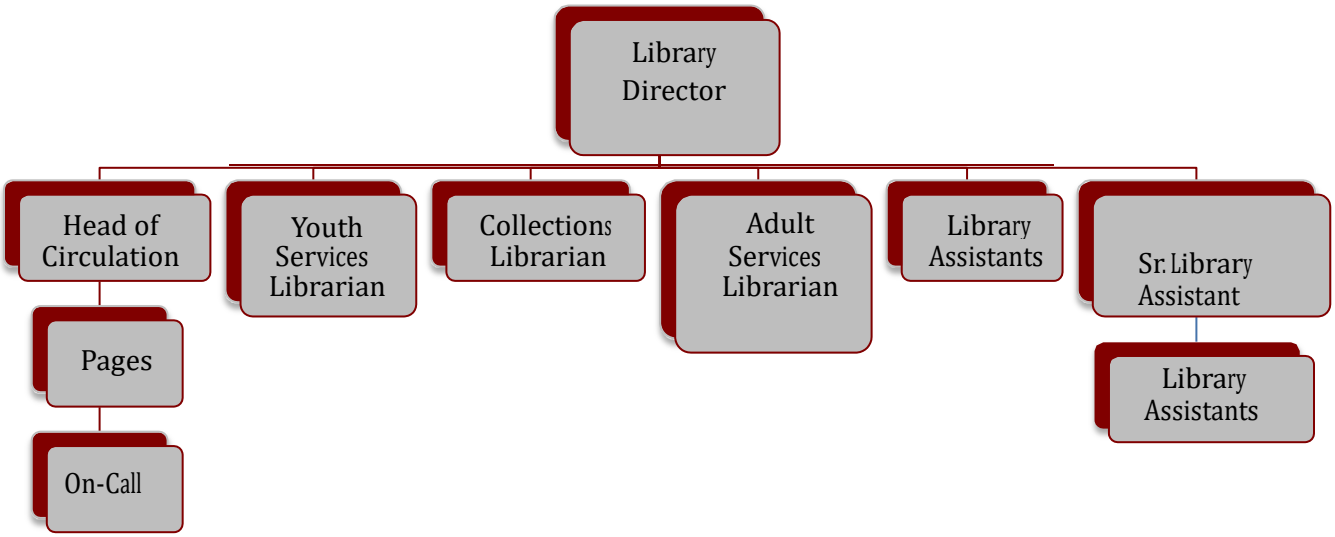
Library

Millis Public Library Departmental Statement

The mission of the Millis Public Library is to inspire lifelong learning by providing services, materials, and activities that engage the imagination, foster literacy, inspire intellectual curiosity, and advance the pursuit of knowledge for all members of the Millis community.

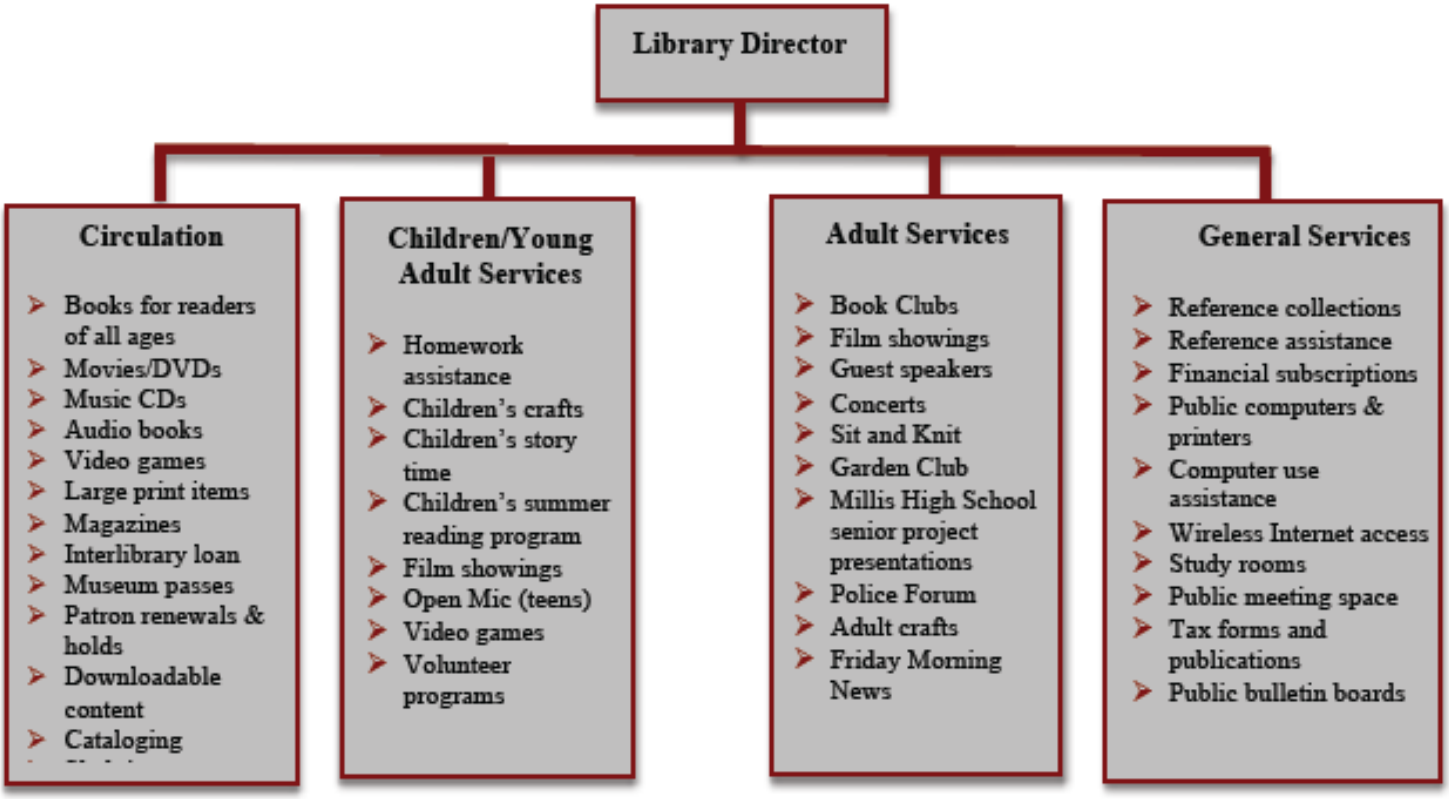
In pursuit of that mission, the Library provides access to physical and electronic materials of all kinds and is the leading "free-use" technology provider for the community offering access to WiFi, laptops, desktops, and printers without charge. Further, the Library works to engage the community through programs and workshops, and by providing work, study, and recreational space for the citizens of Millis. The Library staff is always happy to offer guidance and assistance in accessing any of the libraries available resources.

Millis Public Library Organizational Chart



Library

Millis Public Library Programs and Subprograms



Millis Public Library Personnel Summary

Personnel

Position	FY2018 ACTUAL FTE	FY2019 ACTUAL FTE	FY2020 ACTUAL FTE	FY2021 ACTUAL FTE	FY2022 TM ADOPTED FTE	FY2023 REQUESTS FTE	FY2023 PROPOSED FTE
Director	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Youth and Family Services Librarian	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Adult Services Librarian	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Circulation Supervisor							
Cataloger							
Collections Librarian	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Senior Library Assistant	0.40	0.40	0.40	0.40	0.40	0.40	0.40
Library Assistant (Evening Teen Services)						0.40	0.40
Library Assistant	0.20	0.20	0.20	0.20	0.20	0.20	0.20
Library Assistant - Technology	0.50	0.50	0.75	0.75	0.75	0.75	0.75
Pages	0.40	0.40	0.40	0.40	0.40	0.40	0.40
On Call	0.15	0.15	0.15	0.15	0.15	0.15	0.15
Library Assistants - Saturdays July & Aug					0.04	0.04	0.04
	5.15	5.15	5.40	5.40	5.37	5.84	5.84

Library

Millis Public Library Budget Summary

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
LIBRARY							
Personnel Services							
Department Head Salary	$75,193	$73,612	$75,667	$70,469	$79,465	$82,353	$82,353
Wages	$142,840	$148,217	$168,037	$176,890	$206,796	$186,881	$209,870
Wages-Extra Time	$10,322	$11,104	$8,400	$9,592	$17,425	$15,500	$15,500
Wages -Custodian							
Wages-Pages	$8,828	$8,701	$10,233	$6,559	$11,891	$12,228	$12,228
Longevity	$650	$1,300	$1,500	$2,250	$3,000	$3,850	$3,850
On-Call Wages	$6,108	$2,718	$4,541	$5,048	$6,100	$5,500	$5,500
Total	$243,941	$245,651	$268,378	$270,807	$324,677	$306,312	$329,301
Expenses							
Building Repairs	$13,315	$13,563	$11,682	$12,727	$11,518	$11,518	$11,518
Library Materials	$73,381	$74,696	$73,283	$77,926	$85,000	$89,000	$89,000
Supplies and Expenses	$11,622	$8,727	$11,050	$11,255	$11,675	$11,675	$11,675
Office Supplies	$2,208	$4,467	$1,957	$1,602	$3,000	$3,000	$3,000
Water/Sewer	$1,545	$1,484	$1,480	$1,557	$1,500	$1,500	$1,500
Postage	$76	$147	$38	$1	$150	$150	$150
Advertising		-$352					
Membership	$31,537	$32,797	$35,565	$32,671	$34,566	$37,703	$37,703
Equipment	$5,639	$4,075	$5,243	$4,768	$5,300	$6,677	$6,677
Total	$139,322	$139,604	$140,297	$142,507	$152,709	$161,223	$161,223
TOTAL BUDGET	$383,263	$385,255	$408,675	$413,314	$477,386	$467,535	$490,524

Library

Library Accomplishments

CY21 Accomplishments

Operations

- Maintained Library's regular hours all year, despite many other Libraries in the area having to reduce hours due to pandemic-related staffing shortages.
- Developed plan for resuming walk-in access to the building for June 2021, including necessary building preparations (occupancy confirmation, scheduling additional cleanings, additional signage), developing procedures for patrons/staff inside the building, and creating procedures for outdoor programming.
- Set procedures for resuming in-person programming, including identifying which format (indoor, outdoor, or virtual) would work best for each program, determining capacity limits, clarifying safety protocols, and training programming staff.

Programs and Services

- 54% increase in checkouts of physical materials (books, DVDs, books on CD, music CDs, magazines, tools & technology, other unusual items), compared with 2020. 62% of these circulations took place in the second half of 2021, when walk-in browsing resumed. Circulation is getting closer to pre-pandemic levels, with 95,121 total checkouts (of physical materials) in 2021.
- Continued to see increasing demand for downloadable Ebooks, Audiobooks, Magazines, and Video, with a 7% increase in usage from 2020 and a 45% increase from 2019.
- Hosted 324 programs (indoor, outdoor, and virtual) during 2021, with total attendance at 4,405. This is an average of 14 people per program. Since we were able to resume in-person programming in June, the average per program attendance has been 17 people.
- Presented the annual Millis Reads program around the title *The Little Book of Hygge* by Meik Wiking. The initiative resulted in a number of successful and engaging programs, including DIY home and beauty projects, family game nights, a community knitting project, and book discussion groups.
- Secured Marijuana Impact funding to expand Library hours. This led to the Library being open Saturdays during July and August of 2021. Thursday and Friday evening hours to begin in January 2022.
- Hosted a successful summer film series, "Superhero Cinema in the Courtyard."
- Developed a "Welcome Back"/fine forgiveness initiative in June to reengage Library patrons who may have stopped using the Library due to overdue fines and/or concerns about returning late materials.
- Patrons with fines of more than $10 (pre-pandemic threshold for account being blocked) were reduced by more than 30% since June. We have also seen a 26% increase of active patrons between June and December (patrons that have used their library card either in person or online in the last year).

Facilities

- Snow guards were installed on two sides of the building (at no cost to the Town), to prevent injury or damage from falling snow.
- Collaborated with Parks & Recreation department to install "Project Smile" mural outside the Library.
- Updated the lighting in the Library to LED (to the extent possible), as lighting was florescent with several halogen bulbs. This included working through Mass Save to acquire bulbs for free or very reduced cost, as well as several new fixtures.
- Installation of new flushers on all toilets in the building, due to ongoing issues with automatic flushers.
- Evaluated signage needs for wayfinding in the building, solicited proposals from three companies, and secured funding from the Friends for this project. Currently working with Sunshine Signs to create some long-overdue directional signs for inside the Library.
- Comprehensive garden cleanup, including community service crew, volunteer event, and professional tree pruning/replacing dead plants.
- Secured funding for installation of Sensource smart door counters. This has allowed us to get an accurate picture of traffic in the building, broken down hourly. These new counters have also saved staff time not having to record the door count and reset counters for the three doors every evening.
- Put together a request for quotes for a comprehensive Facilities Condition Assessment, to ensure building is being maintained properly and to aid in Capital Planning.

Collections

- Secured funding for Kandao video conferencing technology, which has been used both by the Library and other groups for hybrid meetings.
- Worked with the MBLC to add five Hotspots to Library collection. This involved creating a new policy, training staff, and initiating outreach and promotion of this new service.

Staff/Volunteers

- Hired and trained three new On-Call Library Assistants.
- All staff participated in a training called "Customer Service: COVID Edition."

Library

Library Goals

- Complete Facilities Condition Assessment.
- Continue to offer Thursday and Friday evening hours and summer Saturdays (depending on Marijuana Impact funding) and conduct an evaluation of how patrons are using Library space during these times.
- Complete installation of interior wayfinding signage.
- Curate web resources to create pathfinders on topics of interest to the community.
- Identify and secure funding sources for any furnishings or materials needed for YA Room reconfiguration.
- Explore options for caregivers to access adult books and magazines while using the Children's Room.
- Collaborate with other town departments on the creation of a town-wide meeting and event calendar.
- Explore and identify ways to work with local cultural, artistic, and/or educational groups to implement joint initiatives.
- Collaborate with libraries in surrounding towns to pool resources and extend the reach of the Library.
- Host an open house style event for public, town employees, and committee members to showcase Library resources.
- Broaden social media and eNewsletter marketing to reach new audiences.
- Recruit and train volunteers and/ or an intern to provide teen-centered services during after school hours and on early release days.
- Develop new programs and services based on community input and local expertise.
- Provide robust Readers' Advisory training for all staff.
- Explore opportunities for off-site programming for all ages
- Analyze and adjust staff schedules to ensure adequate staffing during peak operating hours.
- Help patrons locate and discover Library materials by experimenting with new collections grouped by topic.
- Introduce add-ons within print collections (e.g. pathfinders/QR codes to online resources, unusual items grouped with print collections).
- Develop strategies to deliver effective and responsive patron technology training.

Undistributed

Undistributed

Insurance & Employee Benefits

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
INSURANCE							
Expenses							
General Insurance	$146,990	$149,344	$179,999	$207,463	$234,545	$275,000	$275,000
Bond Public Employee	$1,438	$1,316	$1,316	$1,316	$1,575	$1,575	$1,575
Police Accident	$60,701	$75,438	$80,796	$85,603	$88,229	$95,000	$95,000
Fire Accident	$60,701	$75,438	$80,796	$85,603	$88,229	$95,000	$95,000
Workers Compensation	$114,304	$137,037	$140,425	$125,935	$134,939	$135,000	$135,000
Sports Liability	$3,786	$3,786	$3,786	$3,975	$4,200	$4,200	$4,200
Deductibles Miscellaneous	$3,253	$3,250	$6,000	$6,500	$4,200	$5,000	$5,000
Flood Insurance	$11,167	$11,599	$12,155	$12,888	$13,125	$13,125	$13,125
TOTAL BUDGET	$402,340	$457,207	$505,272	$529,283	$569,041	$623,900	$623,900

EMPLOYEE BENEFITS							
Expenses							
Disability Insurance	$2,397			$2,824	$7,000	$7,000	$7,000
Health Insurance	$2,624,842	$2,711,933	$2,899,121	$3,091,838	$3,352,591	$3,501,987	$3,516,956
Life Insurance	$11,070	$9,999	$9,753	$9,504	$13,080	$13,080	$13,080
Medicare	$300,851	$314,498	$323,837	$339,894	$340,029	$374,032	$374,032
Norfolk County Retirement	$1,592,931	$1,740,521	$1,830,671	$1,964,255	$2,229,677	$2,391,581	$2,391,581
Medicare Surcharge	$1,608	$1,617	$1,318	$1,407	$1,608	$1,769	$1,769
Section 125 Costs	$3,367	$3,416	$4,161	$4,352	$4,369	$4,832	$4,832
Medicare B Reimbursements	$51,229	$56,457	$72,680	$80,390	$76,314	$100,000	$100,000
ACA Reporting	$1,553	$1,566	$1,497	$1,527	$1,600	$1,600	$1,600
TOTAL BUDGET	$4,589,849	$4,840,008	$5,143,037	$5,495,990	$6,026,268	$6,395,880	$6,410,849

Debt

Debt & Interest

Debt service is the payment of principal plus interest for moneys borrowed by the Town. The Town's borrowing includes long-term debt for capital investments in which there is an expectation of realizing future benefits over a reasonably long period of time; and short-term debt which is undertaken in anticipation of revenues including taxes and grant funds, or the proceeds from long-term borrowing.

Most long-term debt issued by the Town is repaid within five years of the issuance of the bonds, which are used to finance the debt. Larger projects are typically repaid over a ten-year period. Rapid retirement of debt decreases the interest at which borrowing occurs, and the total amount of interest paid for the borrowing.

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
DEBT & INTEREST							
Principal-Interest-Expenses	$1,940,949	$2,160,965	$4,500,483	$3,891,937	$3,822,815	$3,728,078	$3,728,078
TOTAL BUDGET	$1,940,949	$2,160,965	$4,500,483	$3,891,937	$3,822,815	$3,728,078	$3,728,078

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
Expenses							
Bank Fees/Charges							
TOTAL BUDGET							
Principal							
Long Term	$1,139,024	$1,077,920	$2,043,868	$2,092,000	$2,138,333	$2,136,667	$2,136,667
Short Term	$199,000	$69,000	$148,933	$118,933	$135,719	$135,786	$135,786
TOTAL BUDGET	$1,338,024	$1,146,920	$2,192,801	$2,210,933	$2,274,052	$2,272,453	$2,272,453
Interest							
Long Term	$591,669	$561,380	$2,117,836	$1,638,639	$1,543,218	$1,420,671	$1,420,671
Short Term	$11,256	$452,665	$189,847	$42,366	$5,544	$34,954	$34,954
TOTAL BUDGET	$602,925	$1,014,045	$2,307,683	$1,681,004	$1,548,762	$1,455,625	$1,455,625

Non-Appropriated Expenses

Non-Appropriated

Non-Appropriated Expenses

Beyond the specific appropriations contained within the Budget Article and other Town Meeting articles the Town must account for those expenses that do not require or prohibit votes of appropriations. Such costs include various state assessments for services, charter school, county assessment for county services, tax title implementation, and budget overdrafts.

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
NON-APPROPRIATED EXPENSES							
Expenses	$363,349	$371,216	$523,537	$579,425	$1,132,915	$1,049,672	$1,049,672
TOTAL BUDGET	$363,349	$371,216	$523,537	$579,425	$1,132,915	$1,049,672	$1,049,672

Non-Appropriated

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
STATE & COUNTY ASSESSMENTS							
County Assessments							
56210 County Tax	$52,628	$53,944	$53,088	$54,415	$56,322	$57,730	$57,730
Total	$52,628	$53,944	$53,088	$54,415	$56,322	$57,730	$57,730
State Assessments 018200							
Mosquito Control	$35,796	$30,286	$38,868	$41,867	$41,729	$42,772	$42,772
Air Pollution	$2,519	$2,584	$2,591	$2,651	$2,727	$2,793	$2,793
MAPC	$4,165	$4,256	$4,374	$4,439	$4,578	$4,725	$4,725
RMV Non-Renewal	$5,760	$5,760	$5,760	$6,120	$6,120	$4,700	$4,700
MBTA Assessment	$17,707	$19,155	$31,067	$39,307	$48,172	$54,544	$54,544
Special Education		$16,937	$4,361	$14,361	$14,283	$16,192	$16,192
School Choice	$169,152	$183,296	$208,340	$209,228	$207,671	$150,213	$150,213
Charter School	$75,622	$54,998	$70,088	$102,037	$127,234	$132,854	$132,854
Total	$310,721	$317,272	$365,449	$420,010	$452,514	$408,793	$408,793
Other Expenses							
N/A Underassessments							
Library CS Offset					$17,000	$18,208	$18,208
Choice Tuition CS Offset					$502,079	$414,941	$414,941
Court Judgments							
Total					$519,079	$433,149	$433,149
TOTAL BUDGET	$363,349	$371,216	$418,537	$474,425	$1,027,915	$899,672	$899,672

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
ASSESSORS							
Overlay			$105,000	$105,000	$105,000	$150,000	$150,000
Overlay Deficit							
TOTAL BUDGET			$105,000	$105,000	$105,000	$150,000	$150,000

Warrant Articles

Warrant Articles

WARRANT ARTICLES

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
Prior Year Bills	$7,371	$135	$1,919	$16,488	$13,167	$3,427	$3,427
Transfer to Stabilization		$233,013					
Annual Audit	$22,500	$36,000	$36,000	$36,500	$36,750		
Storm Water Mgmt	$4,144						
Actuarial Study	$7,500		$7,000		$7,300		
Clear Gov Software	$5,625						
Tree Trimming/Removal			$50,000	$40,000	$80,000	$50,000	$50,000
Scott Air Packs & Bottles			$30,000				
Hazmat Abatement Study	$375						
Contract Negotiations		$55,000					
DPW Intersection Safety Signs			$13,000				
Assessor - iPad Software Update					$22,762		
Assessors Revaluation	$16,000	$5,000	$15,560	$15,600	$20,000		
Assessors Recertification FY23					$18,000	$17,800	$17,800
Unemployment	$28,282		$74,452	$65,432	$32,700	$10,275	$10,275
Police Vehicles	$50,302	$50,302	$82,873	$49,913	$86,376		
Fire Department Equipment	$41,075		$23,680	$70,330			
Public Safety Radio Backup Generator						$25,000	$25,000
Public Safety Radio Console Update						$112,580	$112,580
School Medicaid Billing	$1,561	$5,000	$5,000	$5,000	$5,000		
School Bus Lease	$67,038	$87,000	$89,999	$89,999	$89,999		
School Computer Lease	$46,398	$47,086	$47,086	$46,600	$46,600		
School New Computer Lease	$22,813	$22,813	$22,813	$23,300	$23,300		
Replace School Door Locks	$869						
High School Lockers	$8,840		$15,256				
Clyde Brown Roof	$5,510				($48,805)		
Fire Alarm Master Box - Library					$15,000		
Walk in Freezer Middle/HS					$45,000		
Elevator Upgrades Middle/HS					$80,000		
Steamer Kettle Middle/HS					$50,000		
Council on Aging Freezer					$8,031		
Oak Grove Playground Renovation					$127,006		
Council on Aging Sr Ctr Upgrades					$19,217		
Town Tree Nursery	$6,800						
Building Dept Filing System					$18,000		
Pleasant Meadows Tables/Benchs& Signs					$6,730		
Part Time IT Director			$25,000				
Local Road Maint & Repair	$10,233				$143,805		
Design& Construction Sidewalks&Roads						$160,000	$160,000
DPW Snow Plow					$12,850		

Warrant Articles

Warrant Articles Continued

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
WARRANT ARTICLES							
DPW Chevy Silverado with Plow						$13,604	$13,604
DPW Skid Steer						$13,175	$13,175
DPW Message Board						$4,850	$4,850
Cemetery Lot Buy Back	$2,100						
Replace Motor - Fire Engine 2			$27,679				
Library Parking Lot	$5,421						
Non-Union Wage Increase							
Union Contract Wages			$85,000		$85,000	$100,000	$100,000
Stormwater MGMG MS4	$1,475						
Consulting Services - Wage Survey				$15,000			
FY17 School Air Testing							
School MS/HS Bathrooms							
DPW Excavator					$12,509		
DPW Vehicles & Equipment				$27,147			
DPW Yukon Cargo Trailer	$7,995						
Street Lights							
Computer Software	$1,000						
FY18 Stormwater	$132,809						
Stormwater Management Utility	$55,520						
Sr Center Facility Improvements			$3,000				
Facilities Audit Lansing Mills Bldg Feasibility Study			$30,000				
VMB Window Shades			$14,000				
Crosswalk Signals				$40,000			
TOTAL BUDGET	$559,556	$541,350	$699,318	$541,309	$1,056,297	$510,711	$510,711

SECTION 6

ENTERPRISE FUNDS

Sewer Enterprise

Sewer Enterprise Departmental Mission Statement

The Sewer Department maintains the sewer pump stations and the sewer mains throughout the Town, and also responds to all water breaks 24 hours a day, 7 days a week. Additionally, the Sewer Department produces daily "Flow Reports," an annual summary report of the NPDES Permit #MA0102598, as well as a weekly Sanitary Sewer Overflow/Bypass Notification Report.

Sewer Department Personnel Summary

Personnel

Position	FY2018 ACTUAL FTE	FY2019 ACTUAL FTE	FY2020 ACTUAL FTE	FY2021 ACTUAL FTE	FY2022 TM ADOPTED FTE	FY2023 REQUESTS FTE	FY2023 PROPOSED FTE
Department Head	0.24	0.24	0.24	0.24	0.24	0.24	0.24
Department Assistant III	0.37	0.32	0.32	0.32	0.32	0.32	0.32
Department Assistant I	0.15	0.15	0.15	0.15	0.15	0.24	0.24
General Foreman/Superintendent	0.24	0.24	0.24	0.24	0.24	0.24	0.24
Water & Sewer Technician	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Town Mechanic/Facilities Manager	0.33	0.33	0.33	0.33	0.33	0.33	0.33
HEO/Laborer	2.00	2.00	2.00	1.83	1.83	1.83	1.83
HEO/Laborer	0.33						
-							
	4.16	3.78	3.78	3.61	3.61	3.70	3.70

Sewer Enterprise

Sewer Department Revenue Summary

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
SEWER ENTERPRISE							
Sewer Fund Revenue							
Penalties/Interest	$12,780	$12,575	$12,550	$14,967	$9,500	$10,500	$10,500
Service Fee (Revenue Ser)	$1,083,633	$1,119,796	$1,132,842	$1,208,046	$1,403,344	$1,551,355	$1,551,355
Liens Added	$40,489	$27,273	$50,006	$51,620	$25,000	$30,000	$30,000
Entrance Fees	$81,180	$157,845	$205,020	$155,387	$100,000	$125,000	$125,000
Sewer Drain Layer L	$650	$550	$1,050	$750	$1,000	$1,000	$1,000
Miscellaneous Revenue	$0	$0	$0	$1,131	$0	$0	$0
Bank Account Interest	$1,388	$1,703	$4,758	$2,538	$1,000	$1,000	$1,000
Other Revenue-Interest						$0	$0
Sewer Betterments	$234,235	$200,000	$57,300	$57,300	$48,000	$48,000	$48,000
Sewer Surplus							
Transfer From Sp/Re					$806		
Total	$1,454,354	$1,519,742	$1,463,526	$1,491,739	$1,588,650	$1,766,855	$1,766,855

Sewer Enterprise

Sewer Department Budget Summary

	FY2018 ACTUAL	FY2019 TM ADOPTED	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
SEWER DIVISION							
Personnel Services							
Salary Department Head	$25,064	$28,664	$30,405	$31,761	$33,369	$35,059	$35,059
Salaries Clerical	$22,398	$23,272	$25,127	$25,631	$33,061	$37,664	$37,664
Salaries Clerical Overtime	$1,305	$1,460	$2,729	$3,448	$3,000	$3,000	$3,000
Wages	$158,982	$168,798	$165,848	$183,341	$192,576	$191,380	$191,380
Wages Overtime	$12,762	$13,350	$11,225	$17,932	$15,392	$15,392	$15,392
Longevity	$832	$750	$1,723	$2,171	$2,521	$2,171	$2,171
Sewer License Fees							
Stipends	$8,220	$9,163	$9,469	$9,390	$9,300	$9,300	$9,300
Total	$229,563	$245,457	$246,524	$273,674	$289,219	$293,966	$293,966
Expenses							
Services Engineering	$14,686	$11,011	$24,942	$20,913	$24,000	$45,000	$45,000
Maintenance Contract	$0	$3,583	$7,400	$2,252	$12,000	$0	$0
Police Details	$0	$0	$0	$303	$4,000	$4,000	$4,000
Sewer Cleaning	$0	$0	$795	$2,290	$10,175	$10,175	$10,175
EQUIPMENT HIRED	$3,000	$0	$0	$737	$0	$0	$0
Supplies & Expenses	$36,658	$19,419	$38,311	$40,508	$30,000	$45,000	$45,000
Stormwater		$1,085	$0	$1,024	$0	$15,000	$15,000
Water/Sewer	$612	$661	$684	$600	$0	$0	$0
Telephone	$2,996	$3,316	$3,527	$5,052	$4,000	$5,500	$5,500
Electricity	$18,933	$20,608	$19,180	$15,286	$21,850	$21,850	$21,850
Natural Gas/Oil				$1,630	$0	$0	$0
Postage	$1,948	$1,934	$2,053	$1,605	$2,000	$2,000	$2,000
Clothing	$2,349	$2,813	$2,756	$2,513	$3,075	$3,075	$3,075
Equipment	$6,999	$995	$12,308	$456	$5,000	$5,000	$5,000
Equipment Repairs & Maintenance	$1,608	$1,629	$554	$30,030	$13,620	$20,000	$20,000
Gasoline	$0	$323	$0	$0	$2,000	$3,000	$3,000
Vehicle Supply/Repairs						5,000	$5,000
CRPCD O&M Costs	$247,728	$312,300	$276,580	$290,676	$354,000	$372,390	$372,390
CRPCD Assessment	$228,279	$241,880	$230,000	$178,150	$196,520	$184,040	$184,040
Sewer LTD Principal	$244,000	$195,000	$253,290	$240,000	$228,333	$226,667	$226,667
Sewer STD Principal	$12,677	$0	$0	$0	$0	$0	$0
Sewer LTD Interest	$158	$61,075	$68,140	$51,975	$97,631	$67,934	$67,934
Sewer STD Interest	$67,465	$0	$0	$3,250	$0	$0	$0
Special Projects						$140,000	$140,000
Reserve Fund	$0	$0	$0	$0	$50,000	$50,000	$50,000
Transfer to General Fund	$173,719	$197,539	$202,778	$213,749	$241,227	$247,258	$247,258
Total	$1,063,816	$1,075,170	$1,143,297	$1,102,998	$1,299,431	$1,472,889	$1,472,889
TOTAL BUDGET	$1,293,379	$1,320,627	$1,389,822	$1,376,672	$1,588,650	$1,766,855	$1,766,855

Sewer Enterprise

Sewer Department Articles

	FY2018 ACTUAL	FY2019 TM ADOPTED	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
Articles							
Unpaid Bills			$200	$214	$357	$19	$19
Union Contract Wages						$5,100	$5,100
Remove I/I	$24,562						
Sewer Phase IV-B I/I	$4,941						
DPW Vehicles & Equipment		$14,389		$49,157		$31,629	$31,629
Sewer Expansion Study BII							
Sewer I/I Phase V		$169,302					
Radio Communication System				$18,333			
I/I Study				$105,775			
DPW New Facility				$200,000			
DPW Excavator				$0	$12,509		
Total	$29,503	$183,691	$200	$373,479	$12,866	$36,748	$36,748

Water Enterprise

Water Enterprise Departmental Statement

The Water Department is responsible for maintaining, testing, and monitoring the water and water delivery system for the town. The Town's water system is composed of six wells, four treatment facilities, two water tanks, water mains, hydrants, valves, Scada system, and the Walnut Street booster pumps. The water delivered to all customers consistently meets or exceeds all D.E.P. standards. The Water Department reads all water meters four times a year and responds to all water breaks 24 hours a day, 7 days a week. Additionally, the Water Department files a number of reports regarding the town's water throughout the year, generally on an annual, quarterly, or monthly basis.

Water Department Personnel Summary

Personnel

Position	FY2018 ACTUAL FTE	FY2019 ACTUAL FTE	FY2020 ACTUAL FTE	FY2021 ACTUAL FTE	FY2022 TM ADOPTED FTE	FY2023 REQUESTS FTE	FY2023 PROPOSED FTE
Department Head	0.41	0.41	0.41	0.41	0.41	0.41	0.41
Department Assistant III	0.50	0.44	0.44	0.44	0.44	0.44	0.44
Department Assistant I	0.15	0.15	0.15	0.15	0.15	0.24	0.24
General Foreman	0.34	0.42	0.42	0.42	0.42	0.42	0.42
Water & Sewer Technician	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Town Mechanic/Facilities Manager	0.33	0.33	0.33	0.33	0.33	0.33	0.33
HEO/Laborer	2.00	2.50	2.50	2.33	2.33	1.83	1.83
HEO/Laborer	-	-	-	-	-	-	-
-							
	4.23	4.75	4.75	4.58	4.58	4.17	4.17

Water Enterprise

Water Department Revenue Summary

WATER ENTERPRISE	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
Water Fund Revenue							
Penalties/Interest	$13,219	$13,044	$15,294	$17,635	$10,500	$10,500	$10,500
Service Fee (Revenue Ser)	$876,623	$1,042,542	$1,062,040	$1,214,764	$1,294,182	$1,913,528	$1,913,528
Liens Added	$43,923	$30,666	$53,564	$65,361	$50,000	$50,000	$50,000
Paine Well	$355,860	$399,339	$432,060	$456,837	$350,000	$400,000	$400,000
Entrance Fees	$74,590	$176,335	$230,025	$234,352	$100,000	$100,000	$100,000
Meter On/Off Charge	$812	$1,469	$2,096	$2,830	$1,000	$1,000	$1,000
Water Cross Connect	$7,375	$8,090	$7,739	$10,106	$7,500	$7,500	$7,500
Water Drain Layer L	$950	$800	$800	$950	$700	$700	$700
Miscellaneous Final	$5,265	$4,185	$9,411	$11,082	$10,000	$10,000	$10,000
Miscellaneous Revenue	$8,128	$27,958	$25,400	$24,500	$0		$0
Bank Account Interest	$1,427	$2,542	$9,992	$10,127	$1,000	$1,000	$1,000
Transfer from Special Article				$0	$1,066		
Total	$1,388,171	$1,706,971	$1,848,421	$2,048,545	$1,825,948	$2,494,228	$2,494,228

Water Department Budget Summary

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
WATER ENTERPRISE							
Personnel Services							
Salary Department Head	$42,817	$48,967	$51,941	$54,259	$55,615	$59,892	$59,892
Salaries Clerical	$29,715	$30,026	$32,187	$32,932	$43,707	$47,982	$47,982
Salaries Clerical Overtime	$1,996	$1,954	$4,379	$5,585	$5,000	$5,000	$5,000
Wages	$190,010	$204,280	$193,982	$215,248	$234,177	$206,117	$206,117
Water License Fee	$7,665	$7,626	$7,967	$7,695	$1,456	$1,492	$1,492
Wages Overtime	$45,693	$63,087	$34,755	$61,849	$50,000	$50,000	$50,000
Longevity	$1,458	$0	$2,108	$2,591	$2,941	$2,591	$2,591
Stipends	$8,970	$9,163	$9,185	$9,390	$17,620	$17,620	$17,620
Total	$328,323	$365,102	$336,504	$389,548	$410,515	$390,694	$390,694

Water Enterprise

Water Department Budget Summary Continued

WATER ENTERPRISE	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
Expenses							
Testing Water	$9,310	$9,069	$42,435	$66,329	$30,000	$80,000	$80,000
Services Engineering	$15,694	$14,485	$44,152	$58,971	$30,000	$50,000	$50,000
Police Details	$5,119	$5,524	$815	$1,414	$9,000	$9,000	$9,000
Training	$470	$2,240	$1,016	$925	$4,000	$4,000	$4,000
Inspections	$0	$170	$1,800	$0	$4,000	$4,000	$4,000
Equipment Hired	$28,785	$38,883	$19,964	$31,117	$33,000	$40,000	$40,000
Supplies & Expenses	$111,717	$129,506	$111,159	$77,238	$110,000	$110,000	$110,000
Propane Gas	$5,632	$5,851	$2,505	$5,863	$7,331	$7,331	$7,331
Stormwater		$3,744	$0	$3,532	$0	$3,744	$3,744
Water/Sewer	$612	$661	$684	$600	$0	$0	$0
Telephone	$5,036	$4,839	$4,524	$3,641	$7,000	$9,000	$9,000
Electricity	$106,764	$97,156	$96,287	$93,139	$106,651	$106,651	$106,651
Postage	$1,948	$2,683	$3,326	$3,255	$4,450	$4,450	$4,450
Clothing	$2,986	$3,917	$3,436	$3,152	$5,000	$5,000	$5,000
Advertising	$557	$1,068	$495	$5,361	$2,000	$4,000	$4,000
Membership	$770	$895	$1,008	$595	$1,000	$1,000	$1,000
Equipment	$7,708	$11,996	$23,409	$23,505	$22,000	$22,000	$22,000
Vehicle Supply/Repair	$9,367	$4,742	$7,111	$10,600	$12,000	$15,000	$15,000
Diesel Fuel	$5,484	$10,744	$9,906	$11,164	$10,000	$10,000	$10,000
Farm & Walnut St Tank Maintenance					$214,000	$214,000	$214,000
Miscellaneous Expense	$23,168	$22,088	$22,346	$39,325	$28,958	$28,958	$28,958
Water LTD Principal	$287,645	$292,080	$392,843	$418,000	$448,334	$571,667	$571,667
Water STD Principal	$50,000	$0	$0	$0	$0	$0	$0
Water LTD Interest	$91,581	$83,902	$186,132	$174,189	$195,876	$251,529	$251,529
Water STD Interest	$13,110	$0	$13,165	$3,250	$0	$0	$0
Special Projects						$200,000	$200,000
Reserve Fund				$0	$50,000	$50,000	$50,000
Transfer to General		$241,436	$247,840	$261,248	$294,833	$302,204	$302,204
Total	$783,462	$987,680	$1,236,356	$1,296,410	$1,629,433	$2,103,534	$2,103,534
TOTAL BUDGET	$1,111,786	$1,352,783	$1,572,859	$1,685,958	$2,039,948	$2,494,228	$2,494,228

Water Enterprise

Water Department Articles

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
WATER ENTERPRISE							
Articles							
Unpaid Bills of PRI		$5,566	$989	$601	$465	$19	$19
Union Contract Wages						$6,400	$6,400
Water System Valve Improvement		$24,000					
DPW Vehicles & Equipment		$14,389	$86,685	$49,158		$31,629	$31,629
Pump 3 Well Roof Repair	$10,707	$0					
Pump 4 Well Roof Repair	$9,393	$0					
DRINKING WTR RISK/RES ASSESS	$0	$10,000		$28,500			
WTR TANK ASSESS/MGMT PROG	$0	$0		$112,772			
RADIO COMM SYSTEM	$0			$18,333			
DPW New Facility				$200,000			
DPW Excavator					$12,509		
D'Angelis Wells Plant Design Part B					$200,000		
Wels 3-6 Plant Design Part A					$255,600		
Water System Response Plan					$30,000		
Total	$20,100	$53,956	$87,674	$409,364	$498,574	$38,048	$38,048

Water Enterprise

Water Department Goals

A new treatment plant will be constructed at the George DeAngelis site located at 7 Water Street. When the treatment plant is completed both wells #1 and #2 will be put back online and will have readings below 20ppt for PFAS 6.

Stormwater Enterprise

Stormwater Enterprise Departmental Statement

The Stormwater Management Department (or Stormwater Utility) has recently been created to administer the stormwater management program of Millis. It is primarily funded by revenue collected through the Stormwater Utility fee, although it may use or require other revenue on occasion to accomplish unanticipated projects.

The stormwater management program, described in part through Articles I and II of the Town's Stormwater Management Regulations, is designed to promote the health and safety of the public, to protect property from flooding and the damage caused by stormwater runoff, and to protect and manage water quality by controlling the level of pollutants in stormwater runoff. Finally, the program manages the flow of water as conveyed by manmade and natural stormwater management systems and facilities.

Stormwater Department Personnel Summary

Personnel

Position	FY2018 ACTUAL FTE	FY2019 ACTUAL FTE	FY2020 ACTUAL FTE	FY2021 ACTUAL FTE	FY2022 TM ADOPTED FTE	FY2023 REQUESTS FTE	FY2023 PROPOSED FTE
Department Head		0.18	0.18	0.18	0.18	0.18	0.18
Department Assistant III		0.13	0.13	0.13	0.13	0.13	0.13
General Foreman		0.18	0.18	0.18	0.18	0.18	0.18
Mechanic		0.10	0.10	0.10	0.10	0.10	0.10
HEO/Laborer/Mechanic		1.75	1.75	1.85	1.85	1.50	1.50
-							
	-	2.34	2.34	2.44	2.44	2.09	2.09

Stormwater Enterprise

Stormwater Department Revenue Summary

	FY2018 ACTUAL	FY2019 ACTUAL	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
STORMWATER ENTERPRISE 7200							
STORMWATER Fund Revenue							
Penalties/Interest		$4,510	$3,503	$2,359	$0		
Service Fee (Revenue Ser)		$606,084	$618,509	$628,065	$600,000	$630,273	$630,273
Liens Added			$30,111	$63,333	$0		
Transfer from Special Article					$368		
Total		$610,594	$652,123	$693,756	$600,368	$630,273	$630,273

Stormwater Enterprise

Stormwater Department Budget Summary

	FY2018 ACTUAL	FY2019 TM ADOPTED	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
STORMWATER ENTERPRISE							
Personnel Services							
Salary Department Head		$21,498	$22,803	$23,821	$24,417	$26,294	$26,294
Salaries Clerical		$7,317	$7,725	$7,910	$15,085	$15,085	$15,085
Salaries Clerical Overtime				$910	$2,000	$2,000	$2,000
Wages		$103,398	$112,015	$92,824	$116,204	$118,642	$118,642
Wages Overtime		$2,357	$1,570	$3,820	$23,000	$23,000	$23,000
Longevity		$0	$918	$954	$1,000	$1,000	$1,000
Stormwater License Fees		$0	$0	$0	$0		
Total		$134,570	$145,031	$130,238	$181,706	$186,021	$186,021
Expenses							
SERVICES ENGINEERING		$34,005	$87,072	$66,676	$74,000	$84,000	$84,000
POLICE DETAILS		$2,761	$3,508	$4,782	$3,000	$5,000	$5,000
TRAINING		$5,825	$4,066	$3,825	$4,000	$4,000	$4,000
INSPECTIONS		$6,594	$12,350	$6,442	$23,000	$23,000	$23,000
EQUIPMENT HIRED		$22,688	$19,089	$16,349	$24,080	$24,080	$24,080
SUPPLIES & EXPENSES		$9,579	$2,573	$8,190	$10,000	$15,000	$15,000
HEAT & FUEL		$0	$0	$0	$9,563	$9,563	$9,563
GASOLINE						$3,000	$3,000
POSTAGE		$2,510	$116	$1,329	$2,500	$2,500	$2,500
UNIFORM/CLEANING		$1,517	$1,632	$1,435	$1,600	$1,600	$1,600
PUBLIC ED & OUTREACH		$20,501	$13,553	$0	$12,000	$12,000	$12,000
VEHICLE SUPPLY/REPAIR		$8,206	$9,326	$7,499	$25,000	$25,000	$25,000
MISCELLANEOUS EXPENSE		$2,493	$15,685	$2,058	$4,298	$10,000	$10,000
STORMWATER ST PRINCIPAL						$0	$0
STORMWATER ST INTEREST						$14,235	$14,235
RESERVE FUND				$0	$50,000	$50,000	$50,000
TRANSFER TO GENERAL FUND		$129,272	$132,266	$139,173	$157,340	$161,274	$161,274
Total	$0	$245,951	$301,237	$257,758	$400,381	$444,252	$444,252
TOTAL BUDGET	$0	$380,521	$446,269	$387,996	$582,087	$630,273	$630,273

Stormwater Enterprise

Stormwater Department Articles

	FY2018 ACTUAL	FY2019 TM ADOPTED	FY2020 ACTUAL	FY2021 ACTUAL	FY2022 TM ADOPTED	FY2023 REQUESTS	FY2023 PROPOSED
STORMWATER ENTERPRISE							
Articles							
Unpaid Bills		$0	$3,023	$0	$359	$0	
Engineering Study Village & Birch Street		$0	$38,000			$0	
Union Contract Wages						$3,500	$3,500
DPW Dump Truck		$0	$0	$27,147		$0	
DPW New Facility				$100,000			
DPW Excavator					$12,509		
DPW Vehicles & Equipment				$0	$0	$31,628	$31,628
STORM WATER MANAGEMENT		$155,989	$116,819			$0	
Total	$0	$155,989	$157,842	$127,147	$12,868	$35,128	$35,128

Stormwater Enterprise

Stormwater Department Highlights

The Town's stormwater management program funding needs changed due to new stormwater regulations that increase compliance requirements, initiatives to plan for effective long-term management of assets, due to the implementation of a stormwater utility.

The Final MS4 Permit has more prescriptive requirements than previous versions and the costs to comply with the permit are expected to increase. Stormwater management regulations will require the Town to reduce pollution from its drainage system, invest in its aging drainage infrastructure, and report on compliance activities each year. The following program challenges are anticipated:

- Major increases in requirements related to data collection, management, & reporting
- Increased operation & maintenance requirements
- Increase in stormwater planning and assessment activities
- Compliance with TMDLs will be costly
- Major capital projects for stormwater improvements are required
- Significant increases in administrative costs

Stormwater Department Accomplishments

- Initiated final design for flood mitigation strategies at Village & Birch, with additional modeling underway to confirm design assumptions.
- Performed inspection and sampling of outfalls in conformance with permit requirements.
- Initiated evaluation of existing Town policies and regulations with potential to impact creation of new impervious area, or limit the opportunities to eliminate existing impervious area in conformance with permit requirements.
- Initiated catchment investigations of high priority catchments per protocols established in the Town's Illicit Discharge Detection and Elimination program.
- Street sweeping was completed on 100% of town-owned streets, in compliance with the requirements of the MS4 Permit.
- Cleaning of 1000+ Town-owned catch basins.
- Submission of a MS4 Annual Report to MassDEP and EPA in September 2021.
- Updates and enhancements to the Town's stormwater management plan, IDDE Plan, GIS, and components of the phosphorus control plan, as required by the MS4 Permit.

Stormwater Enterprise

Stormwater Department Goals

MS4 Permit Compliance: The Department of Public Works will continue good housekeeping activities including catch basin cleaning and street sweeping. The Town will contract with an engineering consultant to complete additional requirements for Permit Year 4 and 5, including catchment investigations and wet weather sampling as required. The Town will utilize a prioritized list of Best Management Practices for retrofitting Town-owned properties to identify and initiate a demonstration project for nutrient reduction from run-off at the selected property.

Capital Improvement Projects & Planning: The Town participated in a second year of infrastructure asset management planning, funded in-part through a State grant. This program enabled the Town to begin data collection on infrastructure through a work management software, improve efficiency of regulatory reporting, and improve capital improvement projects prioritization. In FY20, the Town prioritized capital projects including drainage improvement work at Village and Birch Street, repairs and improvements to culverts, and a Town-wide flood mitigation study. The Town plans to complete design and begin construction for the Village and Birch Street drainage project in FY23. The Town submitted a competitive grant application for the next phase of asset management planning and will initiate that effort if awarded the grant. The Town is taking part in a regional flood mitigation evaluation under the auspices of the Charles River Watershed Association. Capital improvement projects may be funded under the stormwater utility and implemented in the coming years.

Operations and Maintenance: The Department continued collecting and documenting drainage infrastructure condition data using work management software through routine and emergency operation & maintenance repairs, as well as planned inspections such as the referenced outfall and catchment investigation program.

Utility Implementation: The fourth year of Stormwater Utility bills was sent to property owners in fall 2021. The Town will continue reviewing Stormwater Utility Credit applications for eligible activities in this fourth year of billing. The Credit Manual and underlying credit policy were re-evaluated for potential updates to the FY23 billing cycle. To date, no modifications have been recommended.

SECTION 7

CAPITAL PLAN & BUDGET

CAPITAL PLANNING & BUDGET

In addition to the operating budget of the Town's departments, through the general fund or enterprise funding, the Town also allocates funds to building and/or maintaining its capital assets. In FY19 the Town has reinstituted its Capital Planning Committee and begun to develop an ongoing Capital Improvement Plan, and an annual Capital Budget.

The following questions and answers define terms, describe processes, and detail the needs and benefits of implementing a more formal capital plan and budget for Millis.

What are Capital Assets and Capital Projects?
A capital asset is a new or rehabilitated physical asset that is of a non-recurring nature, has a useful life of at least five years and is of significant value. Capital projects undertaken to acquire capital assets are differentiated from ordinary repairs or maintenance of a recurring nature. Examples of capital projects include land acquisitions, construction or major improvements to public buildings, road construction and the acquisition of large equipment. For our purposes, projects submitted must exceed $10,000 in value to qualify for inclusion in the Town of Millis's Capital Improvement Plan.

What is a Capital Improvement Plan?
The Capital Improvement Plan (CIP) has a multi-year perspective and is used to manage the financing and timing of major public improvement and equipment needs. It contains a complilation of capital projects proposed for the Town within the next five years and reflects the recommendations of the Capital Planning Committee and the Town Administrator, based upon the requests of the Town departments. The CIP identifies each proposed project and presents a summary description, estimated cost and an anticipated method of financing. The CIP constitutes a logical plan for preserving, as well as adding to the capital assets of the Town. The CIP ensures sound fiscal and capital planning.

The CIP provides a means of coordinating and centralizing the capital project requests of various departments thus eliminating overlap, duplication and delay. It focuses attention on Millis's goals and financial capability by comprehensively considering not only the capital needs of the Town, but also how such needs can be addressed in a financially sustainable manner. The formalized capital planning process allows for the study of projects, and encourages public discussion of proposed projects.

What is the difference between the Capital Improvement Program and the Capital Budget?

The Capital Budget is year one of the continually updated CIP and consists of those capital projects, which through the Town Meeting process are annually approved and funded. Projects scheduled for subsequent years in the CIP are on a planning basis only and do not receive spending authority until they are approved by Town Meeting in a capital budget.

How is the Operating Budget related to the Capital Budget?

The Town of Millis will prepare a Capital Budget separate from the Operating Budget, but the two are related. The annual Operating Budget provides for general municipal service delivery, including personnel service costs, supplies and other contractual services and certain capital equipment. Revenues for the Operating Budget come primarily from recurring taxes, state aid and local receipts. Appropriations to the annual Operating Budget are for a single fiscal year.

The Capital Budget is a multi-year-perspective spending plan which adds to the physical assets of the Town. Capital projects typically:

- require expenditures which take place beyond a single fiscal year;
- funding with debt because of significant costs to be shared by current and future beneficiaries;
- systematic acquisition over an extended period of time in order to implement major operating systems or programs; and
- scheduled replacement or maintenance of specific elements of physical assets.

Revenues for capital projects are funded through borrowing with municipal bonds, State and/or Federal grants, or by one- time funding sources such as free cash or use of the stabilization fund.

Despite the differences, the Operating and Capital Budgets are closely related as operating costs related to capital projects need to be estimated and provided for in the Operating Budget. Many capital projects have an impact on operating costs whether through cost savings for maintenance or operations, or a negative impact through increased staffing needs or borrowing costs, if applicable.

How are Capital Projects financed?

Millis's capital projects are funded through the use of free cash, state and federal grants or borrowing. The most commonly used funding source is free cash. Larger projects are through debt via the issuance of general obligation bonds. Borrowing allows Millis to purchase expensive capital assets and spread the costs over the useful life of the asset. In addition, debt allows current and future beneficiaries to share the cost of long-term capital improvements such as new schools, libraries and roads. All borrowing is executed in accordance with Massachusetts General Laws.

How is the CIP developed?

The process for preparing the Capital Improvement Program and its associated annual Capital Budget will through the work of the Capital Planning Committee and the Town Administrator, and the active participation of Department Heads. The Annual Capital Budget is prepared in consideration of the Town's overall financial capacity.

Proposed projects are reviewed and prioritized based upon criteria such as health and safety factors, legal obligations and mandates, fiscal impact, environmental impact, community economic effects, and aesthetic as well as social effects on the quality of life of Millis residents. Projects are also examined in terms of their relationship and compatibility with Town wide goals and objectives.

The process can be described as an iterative cycle with several distinct procedural steps. These steps and the approximate time frame in which they typically occur are described below. The process is also graphically illustrated in the Capital Projects flow chart following this introduction.

- *Late Summer/Early Fall* –departments are provided with their previously submitted five year requests for review, update and the addition of the next fifth year. While requests generally remain the same as in the initial request, there are occasionally changed circumstances, which necessitate alterations to the requests. This information is returned to the Town Administrator.
- *Late Fall/Early Winter* – the Town Administrator and Finance Director receive the compiled information, and working with the Capital Planning Committee, begin scheduling meetings with the various Department Heads to evaluate the projects. The preliminary debt schedules are updated and various financial forecasts are completed in order to provide context to the Capital Budget as well as the five-year capital improvement program.
- *January* – the Capital Budget is finalized within the parameters of the established funding target. In making final decisions, the process includes a determination of actual needs and the prioritization of need based upon legal mandate, public safety, and the effect of deferral. Any projects not approved for funding are typically deferred into the next budget year, and as priorities and monetary constraints change, projects may be moved up, moved back or even eliminated from the plan.
- *February* – the proposed Capital Budget is presented to the Select Board.
- *February/May* – the Finance Committee meets with Department Heads to review their capital requests and conducts site visits to view the buildings, land or equipment.
- *May* – the Capital Budget is presented to Town Meeting for approval.

Approved projects are implemented by applicable department heads and monitored by the Town Administrator and/or Finance Director through completion.

CAPITAL PROJECT DETAIL SHEET

Project Title:

Department: | Category:

Description and Justification:

Please send a photo depicting the capital request as a separate file. Do not drop it in to this template.

RECOMMENDED FINANCING

	Source of Funds	Total Six -Year Cost	Estimated Expenditures by Fiscal Year					
			FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
A. Feasibility Study								
B. Design								
C. Land Acquisition								
D. Construction								
E. Furnishings/Equipment								
F. Departmental Equipment								
G. Contingency								
H. Other								
TOTAL								

Source of Funds Legend

(1) Operating Revenues
(2) Municipal GO Bonds
(3) State Aid
(4) Trust Funds
(5) EMS Revolving Fund Fees
(6) Free Cash / Other
(7) Sewer Enterprise Fund Fees
(8) Water Enterprise Fund Fees

SECTION 8

FINANCIAL FORECAST

FISCAL FORECAST

Another key element of a budget document built according to best-practice criteria established by the Government Finance Officers Association (GFOA) is the inclusion of a fiscal forecast. The incorporation of this information provides context for decisions within the annual operating budget, the capital budget, and the general operation of the Town.

As stated in the GFOA's identification of Best Practices:

> The purpose of the financial forecast is to evaluate current and future fiscal conditions to guide policy and programmatic decisions. A financial forecast is a fiscal management tool that presents estimated information based on past, current, and projected financial conditions. This will help identify future revenue and expenditure trends that may have an immediate or long-term influence on government policies, strategic goals, or community services. The forecast is an integral part of the annual budget process. An effective forecast allows for improved decision-making in maintaining fiscal discipline and delivering essential community services.

At this juncture we have established a template for our Five Year Fiscal Forecast and included it in the following pages of this section of the budget document. We are still in the process of gathering historical data, and gathering information for future costs and revenues based upon known information upon which we can make certain assumptions. For purposes of illustration we have used some assumptions for general costs and revenues. More complex information related to new growth revenues, debt service costs, employee benefit costs, etc are left blank at this time but can be completed in the near future for utilization by the Select Board, Finance Committee and School Committee in making future year budget goals, capital spending decisions and collective bargaining strategy.

		FY22	FY23	FY24	FY25	FY26	FY27
REVENUE		TM Adopted					
Local Taxes							
Base Factor		$ 23,833,992	$ 25,877,750	$ 27,324,694	$ 28,882,811	$ 30,304,881	$ 31,737,503
2 1/2% Increase		$ 595,850	$ 646,944	$ 683,117	$ 722,070	$ 757,622	$ 793,438
New Growth		$ 861,636	$ 800,000	$ 875,000	$ 700,000	$ 675,000	$ 650,000
Override							
Debt Exclusion		$ 3,180,173	$ 3,099,457	$ 2,997,098	$ 2,918,164	$ 2,842,987	$ 2,769,544
	Levy Limit	$ 28,471,651	$ 30,424,151	$ 31,879,909	$ 33,223,046	$ 34,580,490	$ 35,950,485
	Levy Used	$ 28,471,651	$ 30,424,151	$ 31,879,909	$ 33,223,046	$ 34,580,490	$ 35,950,485
State Aid	**FY2023 Cherry Sheet Estimate**						
Chapter 70		$ 4,862,842	$ 4,894,762	$ 4,943,710	$ 4,993,147	$ 5,043,078	$ 5,093,509
Charter Reimbursement		$ 35,414	$ 30,149	$ 30,450	$ 30,755	$ 31,063	$ 31,373
School Choice-offset		$ 502,079	$ 414,941	$ 419,090	$ 423,281	$ 427,514	$ 431,789
UGGA		$ 1,150,669	$ 1,181,737	$ 1,193,554	$ 1,205,490	$ 1,217,545	$ 1,229,720
Libraries-Offset		$ 17,000	$ 18,208	$ 18,390	$ 18,574	$ 18,760	$ 18,947
Veterans Benefits		$ 80,705	$ 29,605	$ 29,901	$ 30,200	$ 30,502	$ 30,807
Exemptions-Veteran/Blind		$ 23,138	$ 21,398	$ 21,612	$ 21,828	$ 22,046	$ 22,267
State Aid	Sub-Total	$ 6,671,847	$ 6,590,800	$ 6,656,708	$ 6,723,275	$ 6,790,508	$ 6,858,413
Available Funds	**1% increase**						
Transfer from Gen Special Funds		$ 61,818	$ 62,436	$ 63,061	$ 63,691	$ 64,328	$ 64,971
Transfer from Ambulance		$ 408,152	$ 412,234	$ 616,356	$ 822,519	$ 830,745	$ 839,052
Transfer from Trust		$ 332	$ 332	$ 332	$ 332	$ 332	$ 332
Transfer from Sewer	2.5% increase	$ 241,227	$ 247,258	$ 253,439	$ 259,775	$ 266,269	$ 272,926
Transfer from Water	2.5% increase	$ 294,833	$ 302,204	$ 309,759	$ 317,503	$ 325,440	$ 333,576
Transfer from Stormwater	2.5% increase	$ 157,340	$ 161,274	$ 165,305	$ 169,438	$ 173,674	$ 178,016
Transfer from Bond Premium Release		$ 127,147	$ 114,831	$ 102,515	$ 90,198	$ 79,401	$ 69,643
Transfer from Free Cash - Capital		$ 425,990	$ 1,190,059	$ -	$ -	$ -	$ -
Transfer from Special Funds	Sub-Total	$ 1,716,840	$ 2,490,627	$ 1,510,766	$ 1,723,457	$ 1,740,189	$ 1,758,517

1 % increase	FY22	FY23	FY24	FY25	FY26	FY27
Local Receipts						
Motor Vehicle Excise	$ 1,100,000	$ 1,010,000	$ 1,020,100	$ 1,030,301	$ 1,040,604	$ 1,051,010
Penalties, Interest and Demands	$ 86,113	$ 45,450	$ 45,905	$ 46,364	$ 46,827	$ 47,295
PILOT	$ 12,650	$ 12,777	$ 12,905	$ 13,034	$ 13,164	$ 13,296
Meals Tax	$ 75,000	$ 30,300	$ 30,603	$ 30,909	$ 31,218	$ 31,530
Transfer Station	$ 95,950	$ 96,910	$ 97,879	$ 98,857	$ 99,846	$ 100,844
Cemetery Intemment	$ 10,303	$ 5,872	$ 5,931	$ 5,990	$ 6,050	$ 6,111
Lien Certificates	$ 8,242	$ 4,698	$ 4,745	$ 4,792	$ 4,840	$ 4,888
Excise Flagging Fee	$ 5,152	$ 2,936	$ 2,965	$ 2,995	$ 3,025	$ 3,055
Police Details-Town	$ 20,606	$ 11,744	$ 11,862	$ 11,980	$ 12,100	$ 12,221
Cannabis Impact Fee	$ 175,628	$ 126,721	$ 127,988	$ 129,268	$ 130,560	$ 131,866
Cannabis 3% Local Options Tax	$ -	$ -	$ -	$ -	$ -	$ -
Rental-Life Experience	$ -					
Rental-Oak Grove	$ 8,242	$ 8,242	$ 8,324	$ 8,407	$ 8,491	$ 8,576
Departmental Revenue	$ -	$ -	$ -	$ -	$ -	$ -
Weights and Measures	$ 1,338	$ 1,010	$ 1,020	$ 1,030	$ 1,041	$ 1,051
Board of Health Licenses	$ 18,545	$ 9,786	$ 9,884	$ 9,982	$ 10,082	$ 10,183
Selectmen Licenses	$ 5,152	$ 2,718	$ 2,745	$ 2,773	$ 2,801	$ 2,829
Dog Licenses/Late Dog	$ 12,364	$ 6,524	$ 6,589	$ 6,655	$ 6,722	$ 6,789
Liquor/Victualers Licenses	$ 36,061	$ 19,028	$ 19,218	$ 19,410	$ 19,604	$ 19,801
Recreation Fees		$ 100,000	$ -	$ -	$ -	$ -
Permits-Building Dept.	$ 403,749	$ 221,482	$ 232,556	$ 244,184	$ 256,393	$ 269,213
Permits-Gun	$ 2,061	$ 1,087	$ 1,098	$ 1,109	$ 1,120	$ 1,131
Permits-Board of Health	$ 10,303	$ 5,437	$ 5,491	$ 5,546	$ 5,601	$ 5,657
Permits-Yard Sale	$ 103	$ 54	$ 55	$ 55	$ 56	$ 57
Permits-Electrical	$ 61,818	$ 32,619	$ 32,945	$ 33,275	$ 33,608	$ 33,944
Permits-Plumbing	$ 25,758	$ 13,591	$ 13,727	$ 13,865	$ 14,003	$ 14,143
Permits-Gas	$ 20,606	$ 10,873	$ 10,982	$ 11,092	$ 11,203	$ 11,315
Permits-Streets	$ 4,121	$ 2,175	$ 2,196	$ 2,218	$ 2,241	$ 2,263
Fines	$ 11,110	$ 3,737	$ 3,774	$ 3,812	$ 3,850	$ 3,889
Refunds and Reimbursements	$ 92,897	$ 48,982	$ 49,472	$ 49,967	$ 50,466	$ 50,971
Medicaid Reimbursements	$ 5,050	$ 5,101	$ 5,152	$ 5,203	$ 5,255	$ 5,308
Tailings Revenue	$ 103	$ -	$ -	$ -	$ -	$ -
Bond Premium	$ -	$ -	$ -	$ -	$ -	$ -
Bank Account Interest	$ 17,518	$ 3,636	$ 3,672	$ 3,709	$ 3,746	$ 3,784
Local Receipts Sub-Total	$ 2,326,543	$ 1,843,489	$ 1,769,783	$ 1,796,783	$ 1,824,518	$ 1,853,019
	$ -					
TOTAL GENERAL FUNDS GROSS REVENUES	$ 39,186,881	$ 41,349,066	$ 41,817,166	$ 43,466,561	$ 44,935,706	$ 46,420,434

		FY19	FY20	FY21	FY22	FY23	FY24
MUNICIPAL ADMINISTRATION							
Personnel Costs	1.5% increase						
Executive Office		$ 244,878	$ 248,551	$ 252,279	$ 256,064	$ 259,905	$ 263,803
	Town Building	$ 93,193	$ 94,591	$ 96,010	$ 97,450	$ 98,912	$ 100,395
Finance Office							
	Treasurer/Collector	$ 210,311	$ 213,466	$ 216,668	$ 219,918	$ 223,216	$ 226,565
	Data Processing	$ 16,415	$ 16,661	$ 16,911	$ 17,165	$ 17,422	$ 17,684
	Assessors	$ 130,543	$ 132,501	$ 134,489	$ 136,506	$ 138,554	$ 140,632
	Accounting	$ 213,496	$ 216,698	$ 219,949	$ 223,248	$ 226,597	$ 229,996
Town Clerk							
	Town Clerk	$ 82,814	$ 84,056	$ 85,317	$ 86,597	$ 87,896	$ 89,214
	Registrars	$ 1,163	$ 1,180	$ 1,198	$ 1,216	$ 1,234	$ 1,253
	Elections	$ 19,121	$ 19,408	$ 19,699	$ 19,994	$ 20,294	$ 20,599
Finance Committee		$ 5,200	$ 5,278	$ 5,357	$ 5,438	$ 5,519	$ 5,602
Planning and Development							
	Planning / Community Development	$ 18,561	$ 18,839	$ 19,122	$ 19,409	$ 19,700	$ 19,995
	Conservation	$ 13,401	$ 13,602	$ 13,806	$ 14,013	$ 14,223	$ 14,437
	Board of Appeals	$ 4,612	$ 4,681	$ 4,751	$ 4,823	$ 4,895	$ 4,968
Expenses	1% increase						
Executive Office							
	Selectmen/Town Administrator	$ 73,915	$ 74,654	$ 75,401	$ 76,155	$ 76,916	$ 77,685
	Law	$ 90,000	$ 90,900	$ 91,809	$ 92,727	$ 93,654	$ 94,591
	Town Building	$ 205,376					
Finance Office							
	Treasurer/Collector	$ 27,685	$ 27,962	$ 28,241	$ 28,524	$ 28,809	$ 29,097
	Data Processing	$ 130,621	$ 131,927	$ 133,246	$ 134,579	$ 135,925	$ 137,284
	Assessors	$ 6,596	$ 6,662	$ 6,729	$ 6,796	$ 6,864	$ 6,932
	Accounting	$ 6,138	$ 6,199	$ 6,261	$ 6,324	$ 6,387	$ 6,451
Town Clerk							
	Town Clerk	$ 5,775	$ 5,833	$ 5,891	$ 5,950	$ 6,009	$ 6,070
	Registrars	$ 3,900	$ 3,939	$ 3,978	$ 4,018	$ 4,058	$ 4,099
	Elections	$ 9,630	$ 9,726	$ 9,824	$ 9,922	$ 10,021	$ 10,121
Other							
	Finance Committee	$ 15,936	$ 16,095	$ 16,256	$ 16,419	$ 16,583	$ 16,749
	Reserve Fund	$ 50,000	$ 50,500	$ 51,005	$ 51,515	$ 52,030	$ 52,551
Planning and Development			$ -	$ -	$ -	$ -	$ -
	Planning / Community Development	$ 9,425	$ 9,519	$ 9,614	$ 9,711	$ 9,808	$ 9,906
	Conservation	$ 4,777	$ 4,825	$ 4,873	$ 4,922	$ 4,971	$ 5,021
	Board of Appeals	$ 1,800	$ 1,818	$ 1,836	$ 1,855	$ 1,873	$ 1,892
	Sub-Total	$ 1,695,282	$ 1,510,074	$ 1,530,522	$ 1,551,255	$ 1,572,277	$ 1,593,591
PUBLIC EDUCATION		$ 15,178,242	$ 15,481,807	$ 15,791,443	$ 16,107,272	$ 16,429,417	$ 16,758,006
Millis Public Schools		$ 618,089	$ 630,451	$ 643,060	$ 655,921	$ 669,039	$ 682,420
Tri-County Regional Vocational School							
	Sub-Total	$ 15,796,331	$ 16,112,258	$ 16,434,503	$ 16,763,193	$ 17,098,457	$ 17,440,426

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		FY19	FY20	FY21	FY22	FY23	FY24
PUBLIC SAFETY	1.5% increase						
Personnel Costs							
Police Department		$ 1,752,232	$ 1,778,515	$ 1,805,193	$ 1,832,271	$ 1,859,755	$ 1,887,652
Dispatch Animal		$ 255,758	$ 259,594	$ 263,488	$ 267,441	$ 271,452	$ 275,524
Control Fire		$ 78,166	$ 79,338	$ 80,529	$ 81,736	$ 82,963	$ 84,207
Department		$ 1,269,855	$ 1,288,903	$ 1,308,236	$ 1,327,860	$ 1,347,778	$ 1,367,994
Emergency Mgmt.		$ 737	$ 748	$ 759	$ 771	$ 782	$ 794
Inspections		$ 207,739	$ 210,855	$ 214,018	$ 217,228	$ 220,487	$ 223,794
Weights & Measures		$ 3,183	$ 3,231	$ 3,279	$ 3,328	$ 3,378	$ 3,429
Expenses	1% increase						
Police Department		$ 242,143	$ 244,564	$ 247,010	$ 249,480	$ 251,975	$ 254,495
Dispatch Animal		$ 9,000	$ 9,090	$ 9,181	$ 9,273	$ 9,365	$ 9,459
Control Fire		$ 11,300	$ 11,413	$ 11,527	$ 11,642	$ 11,759	$ 11,876
Department		$ 170,567	$ 172,273	$ 173,995	$ 175,735	$ 177,493	$ 179,268
Emergency Management		$ 1,619	$ 1,635	$ 1,652	$ 1,668	$ 1,685	$ 1,702
Inspections		$ 8,775	$ 8,863	$ 8,951	$ 9,041	$ 9,131	$ 9,223
Weights & Measures		$ 150	$ 152	$ 153	$ 155	$ 156	$ 158
PUBLIC WORKS	Sub-Total	$ [illegible]	$ 4,069,1[illegible]	$ 4,[illegible]	$ [illegible]	$ 4,248,159	$ 4,309,574
Personnel Costs	1.5% increase						
DPW							
	Administration / Highway	220,04[illegible]	$ [illegible]	$ [illegible],691	$ 230,0[illegible]	$ 233,542	$ 237,046
	Transfer Station	$ 29,581					
	Snow and Ice	$ 48,000	$ 48,720	$ 49,451	$ 50,19[illegible]	$ 50,945	$ 51,710
Expenses	1% increase						
DPW							
	Administration / Highway	$ 335,579	$ 338,935	$ 342,324	$ 345,747	$ 349,205	$ 352,697
	Transfer Station	$ 75,662					
	Snow and Ice	$ 170,727	$ 172,434	$ 174,159	$ 175,900	$ 177,659	$ 179,436
	Streetlighting	$ 40,850	$ 41,259	$ 41,671	$ 42,088	$ 42,509	$ 42,934
	Sub-Total	$ 920,439	$ 824,688	$ 834,295	$ 844,019	$ 853,861	$ 863,822
HEALTH AND HUMAN SERVICES							
Personnel Costs	1.5% increase						
Board of Health		$ 131,108	$ 133,075	$ 135,071	$ 137,097	$ 139,153	$ 141,241
Veterans		$ 10,930	$ 11,094	$ 11,260	$ 11,429	$ 11,601	$ 11,775
Council on Aging		$ 114,820	$ 116,542	$ 118,290	$ 120,065	$ 121,866	$ 123,694
Expenses	1% increase						
Board of Health		$ 7,215	$ 7,287	$ 7,360	$ 7,434	$ 7,508	$ 7,583
Veterans		$ 34,350	$ 34,694	$ 35,040	$ 35,391	$ 35,745	$ 36,102
Council on Aging		$ 8,434	$ 8,518	$ 8,604	$ 8,690	$ 8,776	$ 8,864
	Sub-Total	$ 306,857	$ 311,210	$ 315,626	$ 320,105	$ 324,649	$ 329,258

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		FY19	FY20	FY21	FY22	FY23	FY24
CULTURE AND RECREATION							
Personnel Costs	1.5% increase						
Library		$ 257,180	$ 261,038	$ 264,953	$ 268,928	$ 272,961	$ 277,056
Recreation		$ 31,267	$ 31,736	$ 32,212	$ 32,695	$ 33,186	$ 33,683
Other Culture & Recreation							
Expenses	1% increase						
Library		$ 136,104	$ 137,465	$ 138,840	$ 140,228	$ 141,630	$ 143,047
Recreation							
Other Culture & Recreation							
Public Celebrations		$ 5,881	$ 5,940	$ 5,999	$ 6,059	$ 6,120	$ 6,181
Historical Commmission		$ 6,493	$ 6,558	$ 6,624	$ 6,690	$ 6,757	$ 6,824
Oak Grove Commission		$ 1,636	$ 1,652	$ 1,669	$ 1,686	$ 1,702	$ 1,719
Sub-Total		$ 438,561	$ 444,389	$ 450,297	$ 456,285	$ 462,356	$ 468,511
Insurance		$ 187,500	$ 191,250	$ 195,075	$ 198,977	$ 202,956	$ 207,015
Accidents / Liability		$ 128,300	$ 130,866	$ 133,483	$ 136,153	$ 138,876	$ 141,654
Workers Compensation		$ 120,000	$ 121,200	$ 123,624	$ 126,096	$ 128,618	$ 131,191
Bond / Deductible		$ 6,650	$ 6,783	$ 6,919	$ 7,057	$ 7,198	$ 7,342
Employee Benefits							
Disability Insurance		$ 3,900	$ 4,212	$ 4,549	$ 4,913	$ 5,306	$ 5,730
Health Insurance		$ 2,816,924	$ 179,000	$ 182,580	$ 186,232	$ 189,956	$ 193,755
Life Insurance		$ 9,367	$ 9,554	$ 9,745	$ 9,940	$ 10,139	$ 10,342
Medicare		$ 305,000	$ 2,264,000	$ 2,244,232	$ 2,334,000.86	$ 2,427,360.90	$ 2,524,455
Norfolk County Retirement		$ 1,728,057	$ 1,762,618	$ 1,797,871	$ 1,833,828	$ 1,870,504	$ 1,907,915
Medicare Surcharge		$ 1,608	$ 1,640	$ 1,673	$ 1,706	$ 1,741	$ 1,775
Section 125 Costs		$ 3,603	$ 3,675	$ 3,749	$ 3,824	$ 3,900	$ 3,978
Medicare B Reimbursements		$ 55,000	$ 56,100	$ 57,222	$ 58,366	$ 59,534	$ 60,724
ACA Reporting		$ 1,600	$ 1,632	$ 1,665	$ 1,698	$ 1,732	$ 1,767
Sub-Total		$ 5,367,509	$ 4,732,531	$ 4,762,386	$ 4,902,791	$ 5,047,822	$ 5,197,644
DEBT SERVICE	Current Actuals						
Principal		$ 1,277,675	$ 946,199	$ 1,008,453	$ 1,071,646	$ 1,132,369	$ 1,088,224
Interest		$ 1,084,552	$ 213,330	$ 152,393	$ 146,398	$ 139,099	$ 127,046
Sub-Total		$ 2,362,227	$ 1,159,529	$ 1,160,846	$ 1,218,044	$ 1,271,469	$ 1,215,269

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		FY19	FY20	FY21	FY22	FY23	FY24
NON-APPROPRIATED	School Expense 3%						
Assessments	ALL OTHER 1%						
County Tax		$ 53,944	$ 54,483	$ 55,028	$ 55,579	$ 56,134	$ 56,696
Charter School		$ 58,196	$ 59,942	$ 61,740	$ 63,592	$ 65,500	$ 67,465
School Choice		$ 165,560	$ 170,527	$ 175,643	$ 180,912	$ 186,339	$ 191,929
Special Ed. Charge		$ 2,319	$ 2,389	$ 2,460	$ 2,534	$ 2,610	$ 2,688
Regional Transit		$ 19,155	$ 19,347	$ 19,540	$ 19,735	$ 19,933	$ 20,132
Mosquito Control		$ 37,099	$ 37,470	$ 37,845	$ 38,223	$ 38,605	$ 38,991
Air Polution		$ 2,557	$ 2,583	$ 2,608	$ 2,634	$ 2,661	$ 2,687
MAPC		$ 4,248	$ 4,290	$ 4,333	$ 4,377	$ 4,420	$ 4,465
RMV Non-Renewal		$ 5,760	$ 5,818	$ 5,876	$ 5,935	$ 5,994	$ 6,054
Library CS Offsets		$ 12,635	$ 12,761	$ 12,889	$ 13,018	$ 13,148	$ 13,280
Choice Tuition CS Offsets		$ 443,960	$ 457,279	$ 470,997	$ 485,127	$ 499,681	$ 514,671
Assessors Overlay		$ 105,000	$ 106,050	$ 107,111	$ 108,182	$ 109,263	$ 110,356
	Sub-Total	$ 910,433	$ 932,938	$ 956,070	$ 979,848	$ 1,004,289	$ 1,029,415
WARRANT ARTICLES							
Stabilization Fund		$ 233,013					
Prior Year Bills		$					
Annual Audit		$ 36,000	$ 37,080	$ 38,192	$ 39,338	$ 40,518	$ 41,734
Contract Negotiations		$ 55,000					
Assessors Reevaluation		$ 5,000					
Police Vehicles		$ 50,302					
School Medicaid Billing		$ 5,000					
School Bus Lease School		$ 87,000					
Computer Lease School New		$ 47,086					
Computer Lease		$ 22,813					
	Sub-Total	$ 541,349	$ 37,080	$ 38,192	$ 39,338	$ 40,518	$ 41,734
	TOTAL GENERAL FUND EXPENSES	$ 32,350,212	$ 30,133,870	$ 30,610,709	$ 31,262,507	$ 31,923,856	$ 32,489,243
General Fund Summary			-		-		-
	Revenues-Total	$ 32,350,212	$ 31,245,284	$ 31,870,646	$ 32,513,642	$ 33,171,174	$ 33,843,592
	Expenditure-Totals	$ 32,350,212	$ 30,133,870	$ 30,610,709	$ 31,262,507	$ 31,923,856	$ 32,489,243
	Balance variance rounding	$ (0)	$ ~~1,111,413~~	$ 1,259,938	$ ~~1,251,134~~	$ 1,247,318	$ ~~1,354,349~~

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ENTERPRISE FUNDS

		FY19	FY20	FY21	FY22	FY23	FY24
SEWER ENTERPRISE							
Sewer Receipts	1% increase						
	Penalties/Interest	$ 9,500	$ 9,595	$ 9,691	$ 9,788	$ 9,886	$ 9,985
	Service Fee (Revenue Ser)	$ 1,085,000	$ 1,095,850	$ 1,106,809	$ 1,117,877	$ 1,129,055	$ 1,140,346
	Liens Added	$ 47,000	$ 47,470	$ 47,945	$ 48,424	$ 48,908	$ 49,397
	Enterance Fees	$ 36,090	$ 36,451	$ 36,815	$ 37,184	$ 37,555	$ 37,931
	Bank Account Interest	$ 1,000	$ 1,010	$ 1,020	$ 1,030	$ 1,041	$ 1,051
	Transfer From Sewer Betterments	$ 200,000	$ 202,000	$ 204,020	$ 206,060	$ 208,121	$ 210,202
	Sub-Total	$ 1,378,590	$ 1,392,376	$ 1,406,300	$ 1,420,363	$ 1,434,566	$ 1,448,912
Sewer Expenses	1% increase						
Personnel Costs		$ 247,075	$ 249,546	$ 252,041	$ 254,562	$ 257,107	$ 259,678
Expenses							
	Generl Expenses	$ 1,131,515	$ 1,142,830	$ 1,154,258	$ 1,165,801	$ 1,177,459	$ 1,189,234
	Debt						
	Articles						
	Sub-Total	$ 1,378,590	$ 1,392,376	$ 1,406,300	$ 1,420,363	$ 1,434,566	$ 1,448,912
Water Receipts	1% increase						
	Penalties/Interest	10,500	[illegible]605	[illegible]711	10,8[illegible]	$ 10,926	$ 11,036
	Service Fee (Revenue [illegible]er)	905,6[illegible]	$ [illegible]	$ [illegible],841	$ 933,0[illegible]	$ 942,411	$ 951,835
	Liens Added	[illegible] 50,000	$ 50,500	$ [illegible],005	$ 51,5[illegible]	$ 52,030	$ 52,551
	Plaine Well	$ 300,000	$ 303,000	$ [illegible],030	$ 309,0[illegible]	$ 312,181	$ 315,303
	Enterance Fees	$ 54,450	$ 54,995	$ 55,544	$ 56,100	$ 56,661	$ 57,227
	Meter On/Off Charge	$ 500	$ 505	$ 510	$ 515	$ 520	$ 526
	Water Cross Connect	$ 6,500	$ 6,565	$ 6,631	$ 6,697	$ 6,764	$ 6,832
	Water Drain Layer L	$ 700	$ 707	$ 714	$ 721	$ 728	$ 736
	Micellaneous Final	$ 6,000	$ 6,060	$ 6,121	$ 6,182	$ 6,244	$ 6,306
	Micellaneous Revenue	$ 6,000	$ 6,060	$ 6,121	$ 6,182	$ 6,244	$ 6,306
	Bank Account Interest	$ 750	$ 758	$ 765	$ 773	$ 780	$ 788
	Water Surplus	$ 10,000	$ 10,100	$ 10,201	$ 10,303	$ 10,406	$ 10,510
	Sub-Total	$ 1,351,038	$ 1,364,548	$ 1,378,194	$ 1,391,976	$ 1,405,896	$ 1,419,955
		$ 335,968	$ 339,328	$ 342,721	$ 346,148	$ 349,610	$ 353,106
Water Expenses	1% increase						
Personnel Costs							
		$ 1,005,070	$ 1,015,121	$ 1,025,272	$ 1,035,525	$ 1,045,880	$ 1,056,339
Expenses							
	General Expenses	$ 10,000	$ 10,100	$ 10,201	$ 10,303	$ 10,406	$ 10,510
	Debt						
	Articles						
	Sub-Total	$ 1,351,038	$ 1,364,548	$ 1,378,194	$ 1,391,976	$ 1,405,896	$ 1,419,955

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STORMWATER ENTERPRISE													
Stormwater Receipts	1% increase	$	600,000	$	606,000	$	612,060	$	618,181	$	624,362	$	630,606
	Service Fee												
	Sub-Total	$	600,000	$	606,000	$	612,060	$	618,181	$	624,362	$	630,606
			FY19		FY20		FY21		FY22		FY23		FY24
tormwater Expenses	1% increase	$	132,049	$	133,369	$	134,703	$	136,050	$	137,411	$	138,785
Personnel Costs													
		$	467,951	$	472,631	$	477,357	$	482,130	$	486,952	$	491,821
Expenses													
	General Expenses												
	Debt												
	Articles												
	Sub-Total	$	600,000	$	606,000	$	612,060	$	618,181	$	624,362	$	630,606

ENTERPRISE FUNDS SUMMARY

	Revenues-Total	$	3,329,628	$	3,362,924	$	3,396,554	$	3,430,519	$	3,464,824	$	3,499,472
	Balance variance rounding	$	(0)	$	(0)	$	(0)	$	(0)	$	(0)	$	(0)
	Expenditure-Totals	$	3,329,628	$	3,362,924	$	3,396,554	$	3,430,519	$	3,464,824	$	3,499,472

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APPENDICES

Appendix A

Town Charter

TOWN OF MILLIS
MASSACHUSETTS

HOME RULE CHARTER

Adopted: May 2, 1977
Amended: May 2, 1988
Amended: May 7, 1990
Amended: May 3, 1999
Amended: May 6, 2002
Amended: May 9, 2005
Amended: June 15, 2009

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ARTICLE I.
Incorporation; Short Title; Powers

Section I - 1: Incorporation
The inhabitants of the Town of Millis within the corporate limits established by law shall continue to be a corporate and governmental body with perpetual succession under the name "Town of Millis."

Section I - 2: Short Title
This instrument shall be known and may be cited as the Millis Home Rule Charter.

Section I - 3: Powers
It is the intent and purpose of the voters of Millis to secure through the adoption of this Charter all of the powers it is possible to secure for the town under the Constitution and statutes of the Commonwealth. These powers are subject only to express limitations on the exercise of any power or function by a town in the Constitution or statutes of the Commonwealth.

Section I - 4: Construction
The powers of the town under this Charter are to be construed liberally in favor of the town, and the specific mention of particular powers is not intended to limit in any way the general powers of the town as stated in Section I - 3.

Section I - 5: Exercise of Powers
The town may exercise, consistent with provisions of law, any of its powers, or perform any of its functions, and may participate in the financing thereof, jointly or in cooperation by contract or otherwise, with any one or more municipalities, civil divisions, subdivisions, or agencies of the Commonwealth, or of the United States government.

ARTICLE II.
Legislative Branch

Section II - 1: Legislative Authority
The legislative authority of the Town shall be vested in the town meeting, open to all registered voters of the town, who shall meet, deliberate, act, and vote in the exercise of the corporate powers of the town.

Section II - 2: Time of Annual Town Meeting
Section 1. There shall be a spring annual town meeting convened during the period of March through June at a time established in the by-laws of the town. There shall be a fall annual town meeting convened during the last four calendar months of the calendar year at a time established by the bylaws of the town.

Section II - 3: Quorum
The quorum necessary for the conduct of business at any town meeting may be established through by-law, but a smaller number than the established quorum may adjourn to a stated date, time, and place.

Section II - 4: Special Town Meetings
Special town meetings may be called at the discretion of the Select Board, by a petition signed by two hundred registered voters of the town, or as may otherwise be provided in the general laws.

Section II - 5: Notice of Town Meeting
The selectmen shall give notice of each annual and special town meeting in the manner established in the by-laws of the town.

Section II - 6: Warrants
The selectmen shall insert in the warrant for the annual town meeting for the transaction of business all subjects to be acted upon at such town meeting and all subjects so requested of them, in writing, by ten or more registered voters of the town; and for every special town meeting all subjects as they deem proper, and all subjects duly sought in accordance with appropriate provisions of the general laws. Copies of the warrant shall be sent by the selectmen to each member of the finance committee and to the town moderator.

Section II - 7: Presiding Officer
The town moderator shall preside over the annual or special town meetings for the transaction of business. The moderator shall make any appointments required by the by-laws of the town or by action of any annual or special town meeting. He shall also perform such other duties as may from time to time be assigned to the office of moderator by by-law, or other vote of the town meeting.

Section II - 8: Finance Committee
The moderator shall appoint a finance committee which shall consist of nine members and which shall have the powers and duties established in the by-laws of the town. The finance committee shall con-

sider and investigate all articles included in the warrant for each town meeting and shall make a written report of its findings and recommendations.

Section II - 9: Availability of Town Officials at Town Meeting
Every town officer or, in the case of a multiple member body, a designated representative of such multiple member body, shall attend all sessions of the town meeting for the purpose of providing the town meeting with information pertinent to matters appearing in the warrant.

If any person required to attend the sessions of town meeting under the preceding provision of this section is not a voter, he or she shall, notwithstanding such fact, be entitled to speak to provide the town meeting with pertinent information on warrant articles.

ARTICLE III.
Executive Branch

Section III - 1: Select Board: Composition
The executive powers of the town shall be vested in the Select Board consisting of three mem- bers; each elected by vote of the registered voters of the town for a three-year term. The terms shall be so arranged that the term of one member expires each year.

Section III - 2: Select Board: Powers, Duties
The Select Board shall have the power to enact rules and regulations establishing town policies, not otherwise governed by by-law, by this Charter, or by statute, provided, however, that whenever an appropriation may be necessary to implement such action, the vote of the selectmen shall only be effective if such appropriation is made by the town meeting as provided in Article II. The selectmen shall have and possess all other powers it is possible for selectmen to hold under the general laws of the Commonwealth which are not specifically assigned to some other person or agency under this Charter or by special act of the legislature. It is the intention of this section that the selectmen shall control the direction of town affairs by establishing policies and by making recommendations to the town meeting for actions required to be taken by that body.

Section III - 3: Powers of Appointment
The selectmen shall have the power to appoint the town accountant, tax collector/treasurer, town administrator, town counsel, registrars of voters, permanent building committee, permanent capital needs committee, and such other town officers, boards, commissions or committees as may be required for the proper administration, health or safety of the town and may terminate the same at their discretion.

Further, the selectmen shall have the power to appoint a three-member board of assessors for terms of three years, and may terminate the same at their discretion. The members of this board shall be made up of registered voters of the Town of Millis.

Section III - 4: Position of Town Administrator
The town administrator shall be appointed by the Select Board and serves at the pleasure of said board. The town administrator shall be selected for executive and administrative capabilities and shall display the character, training, education and experience needed to perform the duties described in the Charter. The town administrator shall not have served in an elective office in the town government for at least two years prior to appointment.

Section III - 5: Chief Administrative Officer
The town administrator shall be the chief administrative officer of the town and shall be directly responsible to the Select Board for the administration of all town affairs as assigned by this Char- ter or by by-law, such duties and responsibilities to include, but not be limited to:

1. Attend meetings of the Select Board providing them with the information needed to help them carry out their responsibility to determine the direction of town affairs;

2. Provide town officers and departments with information and assistance in the annual budgetary process, prepare budgets and recommendations for review by Select Board;
3. Establish and supervise a coordinated fiscal management program which will include the monitoring of town expenditures and the analysis of financial data with the town accountant and report to the Select Board on any major variations from the annual fiscal plan of the town;
4. Develop a long range financial planning program for the town;
5. Serve as personnel director to the town and develop plans, policies and procedures for Select Board approval, and participate in the collective bargaining process;
6. Appoint, subject to the approval of the Select Board and based upon merit and fit- ness alone, all department heads, officers, subordinates and employees for whom no other methods of selection is provided in this Charter and other town by-law;
7. Provide the Select Board with information on emerging practices and trends in mu- nicipal government;
8. Establish and maintain a uniform purchasing service for the town and keep a complete inventory of town owned property;
9. Identify opportunities for operational cost reductions and recommend appropriate procedures for improving the effectiveness of town government;
10. Perform studies or investigations requested by the Select Board and to perform other duties at the selectmen's request.

ARTICLE IV.
Elections and Other Elected Offices

Section IV - 1: Elections: Eligibility
The regular election for town offices shall be held annually on the date fixed in the by-laws of the town. Any registered voter of the town shall be eligible to hold any elective town office, except that no person shall serve in more than one elective town office simultaneously.

Section IV - 2: Other Elected Offices
The following offices shall be filled by election by the registered voters of the town at the annual town election:

a. There shall be a moderator elected for a term of one year;
b. There shall be a school committee composed of five members, each elected for a term of three years, and its members shall be elected as terms expire;
c. There shall be a town clerk elected for a term of three years;
d. There shall be three library trustees each elected for a term of three years, so arranged that the term of one trustee expires each year;
e. There shall be a planning board composed of five members, each elected for a term of five years, so arranged that the term of one member expires each year;
f. There shall be a housing authority composed of five members, four of whom shall be elected for a term of five years and one of whom shall be appointed as provided in Chapter 121B of the General Laws.
g. There shall be a board of health composed of three members, each elected for a term of three years, so arranged that the term of one member expires each year.

Section IV - 3: Powers and Duties
All of the offices and boards enumerated in Section IV - 2 shall have all of the powers and duties set forth in the by-laws of the town and in the constitution and general laws of the Commonwealth.

Section IV - 4: Time of Taking Office
Elected town officials shall take office upon taking the oath of office.

Section IV - 5: Vacancies
If a vacancy occurs in any town office, that vacancy shall be filled as is set forth in Chapter 41, Section 10 of the General Laws or as otherwise required by law.

Section IV - 6: Resignation
Any person holding an elective or appointive office may resign that office by filing a written notice of resignation with the town clerk and such resignation shall take effect immediately, unless the resignation specifies otherwise.

Section IV - 7: Salaries and Compensation of Elected Town Officers
Elected town officers shall be compensated in an amount authorized by town meeting, if so authorized, and provided for by town meeting appropriation, if so appropriated.

Section IV - 8: Salaries and Compensation of Appointed Town Officers

Appointed town officers shall receive compensation for their services as is provided under the Personnel Administration Plan established in the by-laws of the town; however, salaries shall not exceed the amounts appropriated by the town meeting and shall not be inconsistent with salaries determined by collective bargaining agreement, civil service regulation or the general laws.

ARTICLE V.
General Provisions

Section V - 1: Charter Change

This Charter may be amended or revised as follows:

a. Amendments to this Charter relating in any way to the composition, mode of election or appointment, or term of office of the legislative body or the Select Board, may be proposed only by a charter commission elected in accordance with the general laws;
b. Amendments to this Charter relating to matters other than those enumerated in paragraph a. above may be proposed by a two-thirds vote at a duly called town meeting in accordance with the general laws;
c. Proposed amendments under this Charter shall be accepted or rejected by majority vote of the whole town at a regular or special election of town officers in accordance with the general laws;
d. The Select Board shall, at intervals of not greater than ten years from the date of this Charter, form a committee which shall study the working of town government and rec- ommend revision of the Charter, if revision is deemed necessary.

Section V - 2: Reenactment and Republication of By-Laws

The moderator shall at five year intervals appoint a special committee to review all by-laws of the town and, if deemed necessary, to propose revision or re-codification of said by-laws. Such revision or re-codification shall be prepared under the supervision of town counsel and shall be submitted to the town meeting for enactment. If enacted by the town meeting, copies of the revised by-laws shall be forwarded to the attorney general of the Commonwealth for his approval, and they shall be otherwise published all as required by the general laws. Copies of the revised by-laws shall be made available for distribution, provided, however, that a charge not to exceed the actual cost per copy of reproduction may be charged.

Section V - 3: Severability

The provisions of this Charter are severable. If any provision of this Charter is held invalid, the other provisions of the Charter shall not be affected thereby. If the application of the Charter or any of its provisions to any person or circumstance is held invalid, the application of this Charter and its provisions to other persons and circumstances shall not be affected thereby.

Section V - 4: Specific Provisions Shall Prevail

To the extent that any specific provision of this Charter shall conflict with any provision expressed in general terms, the specific provision shall prevail.

ARTICLE VI.
Transitional Provisions

Section VI - 1: Continuation of By-Laws
All special acts, by-laws, resolutions, rule, regulations and votes of the town meeting in force on the effective date of this Charter not inconsistent with its provisions shall continue in force until amended or repealed, including, if any, by-laws which have been passed and have been approved by the attorney general but have not been published.

Section VI - 2: Continuation of Government
All committees, commissions, board, departments, officers, and other agencies of the town shall continue to perform their duties until re-appointed or reelected, or their duties have been transferred.

Section VI - 3: Continuation of Administrative Personnel
Any person holding an office or position in the administrative service of the town, or any person serving in the employment of the town, shall retain such office or position and shall continue to perform his or her duties until provisions have been made in accordance with this Charter for the performance of said duties by another person or agency.

Section VI - 4: Transfer of Records and Property
All records, property and equipment whatsoever of any office, department or agency or part thereof, the powers and duties of which are assigned in whole or in part to another office or agency, shall be transferred forthwith to the office, department or agency to which such powers and duties are assigned.

Section VI - 5: Continuance of Contracts and Other Obligations
All leases, contracts, franchises, and obligations entered into by the town or for its benefit prior to the effective date of this Charter shall continue in force and effect as drafted.

Section VI - 6: Pending Actions and Procedures
No action or proceedings, civil or criminal, pending at the time this Charter takes effect, brought by or against the town or any office, department or other agency thereof, shall be affected or abated by the adoption of this Charter.

Section VI - 7: Effective Date
This Charter shall become fully effective on the date on which it is approved by the registered voters of the town.

Section VI – 8: Appointed Board of Assessors
Upon the effective date of the amendments to this Charter as authorized by the June 15, 2009 Annual Town Meeting, the Select Board shall be authorized to appoint a board of assessors in accor- dance with the provisions of Section III-3. Initial appointments under said section shall be made as follows: one for a one-year term, one for a two-year term, and one for a three-year term. Upon ap- pointment of a board of assessors in accordance with Section III-3, the terms of the incumbent mem-

bers of the board of assessors shall terminate, and the elected board of assessors shall be abolished. No contracts or liabilities in force on the effective date of the amendment to the Charter authorized by the June 15, 2009 Annual Town Meeting shall be affected by the abolition of the elected board of assessors and the appointed board shall in all respects be the lawful successor of the elected board; all records, property and equipment whatsoever of the elected board are assigned to the appointed board.

Appendix B

Draft Financial Policies

TOWN OF MILLIS

FINANCIAL POLICIES

Draft

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Draft

OVERVIEW

The Town of Millis is committed to the principles of safeguarding public funds, protecting local assets, and adherence with established financial standards and regulations; and maintaining a stable and adequate delivery of services. In order to achieve these ends, the Town has adopted financial policies that shall guide local planning and decision-making. The policies are intended as a comprehensive guide to outline objectives, provide formal direction, and define authority to help ensure sound fiscal stewardship and management practices. Each policy shall be periodically reviewed and updated as necessary.

With these policies, the Town of Millis, through its Board of Selectmen, Finance Committee, and employees, commits to the following objectives:

- Sustaining a consistent level of service and value for residents and taxpayers
- Withstanding local and regional negative economic impacts
- Adjusting efficiently to the Town's changing service requirements
- Safeguarding financial integrity and minimizing risk through a system of internal controls
- Ensuring the quality and maintenance of the Town's infrastructure and capital assets
- Conforming to general law, uniform professional standards, and municipal best practices
- Protecting and enhancing the town's credit rating
- Improve financial information for decision makers at all levels
- Promoting transparency and public disclosure, and public confidence in financial management

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BUDGET

PURPOSE

To establish guidelines regarding the process to prepare, approve and modify the annual operating budget in accordance with state law and all other financial policies of the Town. This policy recognizes that the budget is the Town's central financial planning document, which embodies all operating revenue and expenditure decisions. The budget establishes levels of services to be provided by each department and presents the collective prioritization of service delivery options.

APPLICABILITY

This policy pertains to annual budget preparation and applies to the Town Administrator, School Superintendent, Finance Director, Board of Selectmen, Finance Committee, and School Committee in those duties. It also applies to the related job duties of the Town Treasurer/Collector, the Board of Assessors, and all Department Heads of the Town.

POLICY

The Town will prepare and adopt an annual balanced budget, which shall serve as the annual financial plan for the Town. The budget shall be prepared in accordance with an annual budget calendar that reflects strategic planning by the Town departments, and communication and coordination by participants of the budget making process. The Vision, Goals and Strategic Plan of the Select Board, will serve as the framework for the budget proposed by the Town Administrator. It will serve as the policy document of the Select Board for implementing Board goals and objectives. The budget will provide the staff the resources necessary to accomplish Town Meeting determined service levels. The budget document, that reflects the financial plan of the executive branch of the Town, shall embrace the suggested criteria of the Government Finance Officer's Association and its Distinguished Budget Presentation program.

A. Balanced Budget

The budget that is prepared for submission by the Town Administrator and approved by the Board of Selectmen, Finance Committee and Town Meeting shall be such that all current operating revenues are equal to, or exceed, all operating expenditures at adoption and at year-end. Further, the budget that is proposed and approved shall be sustainable beyond the year in which it is approved. Accordingly, the following guidelines shall apply:

1. Current revenues will be sufficient to support current expenditures. Revenue estimates will be realistic and debt financing will not be used to support current operating expenses.
2. "One-Time" resources should not be used to fund ongoing service delivery programs unless circumstances so necessitate such action. In such an event that "one-time" revenues are utilized for a period of greater than one year, there shall be a documented finding of need that includes a plan to replace such funds.
3. All adopted budgets of the Town will list the actual and proposed FTE allocation on a department/fund basis.
4. To aid in the prudent management of Town affairs, service levels will be established, monitored, and reviewed so a determination of required resources (both personnel and non-personnel) can be made for the ensuing budget year.
5. The Town will avoid budgetary procedures that balance current expenditures at the expense of meeting future years' expenses, such as postponing

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expenditures, or accruing future years' revenues.

6. The Town will not defer current costs to a future date.
7. New programs that are funded through a specific dedicated and/or restricted revenue source (i.e., non-tax revenue), will receive consideration.
8. When practical, resources should be allocated for selective expenditures, whose purpose is to avoid even larger costs in the future.
9. Recognizing that personnel-related expenditures represent the largest portion of the Town's budget, methods to increase efficiency should receive priority funding if it can forestall the addition of permanent staff.
10. Whenever programs or personnel are proposed, the current and future fiscal impact (as reflected in the financial forecast) shall be determined and reported to the Select Board to aid in their deliberations.
11. Funding for new programs and services should be limited to the extent that they can be funded over the near-to-long-term given the current revenue stream.
12. Department and Fund budgets shall be prepared in a manner that reflects the full cost of providing services.
13. If expenditure reductions are necessary, elimination of selective services is preferable to across-the-board cuts.

B. Revenue Guidelines

The Town will avoid using one-time revenues to fund ongoing or recurring operating expenditures. These one-time revenue sources can include, but are not limited to, free cash, overlay surplus, sale of municipal equipment, legal settlements, insurance proceeds, and gifts. Additionally, the Town hereby establishes the following priority order when appropriating one-time revenues:

- Cash capital budget
- General stabilization fund
- Capital Stabilization Fund
- OPEB trust fund
- Other

Economic downturns or unanticipated fiscal stresses may compel reasonable exceptions to the use of one-time revenue. In such cases, the Town Administrator, in consultation with the Finance Director, can recommend its use for operational appropriations. Such use will trigger the Finance Director to develop an action plan to avoid continued reliance on one-time revenues, and to replenish reserves within two years.

State laws impose further restrictions on how certain types of one-time revenues may be used. The Town will consult the following General Laws when the revenue source is:

- Sale of real estate: M.G.L. c. 44, §63 and M.G.L. c. 44, §63A
- Gifts and grants: M.G.L. c. 44, §53A and M.G.L. c. 53A½

Revenue estimates will be adjusted throughout the budget cycle as more information becomes available.

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C. Expenditure Guidelines

Annually, the Town will determine a particular budget approach for forecasting expenditures, either maintenance (level service), level funded, or one that adjusts expenditures by specified increase or decrease percentages (either across the board or by department). A maintenance budget projects the costs needed to maintain the current staffing level and mix of services into the future. A level- funded budget appropriates the same amount of money to each municipal department as in the prior year and is tantamount to a budget cut because inflation in mandated costs and other fixed expenses still must be covered.

D. Budget Calendar

The budget process will be coordinated in a way that major policy issues are identified for review and discussion several months prior to budget approval. This will allow adequate time for public input and analysis of options. Budget activities will occur through the year as identified below:

- July/August
  - BOS Identify Goals & Strategic Needs
  - School Committee Identify Goals and Strategic Needs
  - Town Administrator/Finance Director Update 5 Year Financial Plan
- September/October
  - Tri-Board Meeting to Review Town financial status, 5 Year Financial Plan, Upcoming Fiscal Year and Establish Preliminary Financial Framework.
  - Capital Budget Manual sent out to Departments by Town Administrator
- November/December
  - Capital Requests Submitted & Reviewed by Capital Planning Committee
  - Operating Budget Request Manual sent out to Departments by Town Administrator
- December/January
  - Town Administrator & Capital Planning Committee Finalize Capital Budget/Plan
  - Town Administrator/Finance Director Review Budget Requests and Develops Operating Budget
- January/February
  - Tri-Board Meeting to Review Financial Conditions and Financial Framework
  - School Superintendent Presents School Operating Budget to School Committee for Review and Approval
  - Proposed Operating and Capital Budgets for all Departments Presented to Select Board for Review and Approval.
- February/March
  - Proposed Operating and Capital Budgets Presented to Finance Committee
  - Finance Committee Holds Public Budget Hearings with Departments
- April
  - Finance Committee Determines Recommendations on Budget Articles
- May
  - Proposed Operating and Capital Budgets Presented to Annual Town Meeting by BOS/TA with Presentation of Recommendations by Finance Committee

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- June/July
    - June 30th Current Fiscal Year Ends
    - July 1st Fiscal Year Begins
- November
    - Tax Classification Hearing & Final Tax Rate Set

E. Budget Monitoring

The budget shall be continually monitored by the Finance Director with regular reports to the Board of Selectmen and Finance Committee. Budget to actual revenues shall be reported quarterly to ensure timely budget adjustments, if needed, in order prevent a potential revenue deficit. Budget to actual expenditure balances shall be reported monthly to ensure that the total of expenditures/expenses and purchase commitments in any account do not exceed the authorized budget for that account.

The Town will take immediate corrective actions if at any time during the fiscal year expenditure and/or revenue estimates indicate that an operating deficit is projected at year end. Corrective actions can include, but are not limited to, hiring freezes, expenditure reductions, layoffs, or use of contingency funds.

F. Budget Document

The Town shall endeavor to produce a budget document that communicates the linkage of the budget making process with other activities of the local government. As such, the document should reflect and incorporate information relative to organizational goals, the establishment of policies and plans to meet these goals, the allocation of resources that are consistent with the goals, policies and plans, and financial information including documentation of available resources. The Town shall use the standards of the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award program as a guide in the preparation of the annual budget in order to produce a document that is citizen/user friendly, transparent, and illustrative of the long-term strategic role of a budget.

EFFECTIVE DATE

This policy was adopted on

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CAPITAL ASSETS

PURPOSE

To establish a method for planning the maintenance and improvement of capital assets and infrastructure, this policy outlines guidance for reviewing, monitoring, planning, and coordinating capital improvements based on needs funding alternatives, and availability of resources. This policy also promotes a systematic acquisition and replacement schedule to ensure that, given limited resources, the Town's capital needs are met.

APPLICABILITY

This policy establishes a structure for long-term capital planning and management, sets guidelines and expectations for all Town departments in planning for and requesting capital projects. The policy applies to the Select Board, Town Administrator, Capital Planning Committee, Finance Director and all Town departments.

POLICY

The Town will maintain its physical assets by providing funding to protect its capital investments and to minimize future maintenance and replacement costs. The Town will emphasize preventive maintenance as a cost-effective approach to capital reinvestment and replace assets as necessary. The Town will manage its assets to protect its investments.

A. Capital Improvement Program

The Town supports a capital improvement program (CIP) overseen by the Town Administrator to identify and prioritize projects, analyze funding, and create a long-term financial plan achievable within the Town's budget limitations. The Town Administrator will develop and maintain a comprehensive five-year plan for capital improvements, which will be updated annually for adoption by the Board of Selectmen. The Plan shall include the upcoming fiscal year's capital improvement budget and a four-year projection of capital needs and expenditures that details their estimated costs, descriptions, and anticipated funding sources. Included in the CIP will be those projects that will provide and preserve the infrastructure needed to achieve the highest levels of public services and quality of life possible within the available financial resources.

B. Definition of a CIP Project

A capital improvement is a tangible asset or project estimated to cost over $25,000 and estimated to have, or to extend, five or more years of useful life. These include:

- Real property acquisitions, construction, and long-life capital equipment
- Major improvements to physical infrastructure, including streets, sidewalks, storm-water drains, water distribution systems, and sanitary sewer systems
- Major renovations of existing capital items that extend their useful lifespans, as distinguished from normal operating expenditures
- Planning, feasibility studies, and designs for potential capital projects

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- Items obtained under a long-term capital lease
- Bulk purchases of similar items, like software or furniture, wit expected useful lifespans of five or more years that, when aggregated, have total costs exceeding the capital threshold

C. Evaluation of CIP Projects

The Town Administrator, in conjunction with a Capital Planning Committee coordinates the CIP. Only projects that have gone through a review process managed by the Town Administrator in accordance with the Town's By-law will be included in the CIP unless required by an emergency, in which case, a written report explaining the emergency must be provided to the Town Administrator and Board of Selectmen.

The Town Administrator and Capital Planning Committee will evaluate and prioritize capital projects using the below criteria:

- Eliminates a hazard to public health and safety
- Required by state or federal laws or regulations
- Supports adopted plans, goals, objectives, and policies
- Stabilizes or reduces operating costs
- Replaces a clearly obsolete facility or makes better use of an existing facility
- Maintains or improves productivity or existing standards of service
- Directly benefits the Town's economic base by protecting and increasing property values
- Provides new programs having social, cultural, historic, economic, or aesthetic value
- Uses outside financing sources, such as grants

D. Capital Financing

Long-term debt is an appropriate funding source for certain types of projects, while current revenues should be used for assets with short useful lifespans. The Town will strive to maintain one to two percent of the general fund operating budget, net of debt, on capital investment allocations. Funding shall be derived from a combination of property taxes and the general stabilization fund.

The CIP shall be prepared and financed in accordance with the following policies:

- Grant funding shall be pursued and used to finance the capital budget whenever possible.
- Capital projects for the enterprise fund shall be financed solely from the fund's revenues.
- The annual operating costs of each proposed capital project, as well its debt service costs, shall be identified before any long-term, bonded capital project is recommended.
- Major capital projects, such as new construction or major renovations to existing facilities, may be accomplished through capital or debt exclusions.
- Infrastructure or facility maintenance budgets built into the general operating budget will not be reduced to fund other departmental budgets.

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E. Capital Project Closeouts

The Town will endeavor to close out all capital projects within six months of completion. As these projects are closed out, the Town Accountant will do the following:

- For bonded projects with residual balances, the Town Accountant and Treasurer will propose reallocating any balances for other applicable capital projects.

- For projects funded with available revenue (tax levy or reserves) having residual balances, the Town Accountant will propose reallocating the balances for other capital projects or close the balances to the appropriate fund surplus.

F. Capital Asset Management

The Town will protect its capital investments and minimize future maintenance and replacement costs by supporting ongoing preventive maintenance and regular investments. Annual physical counts and inspections shall be conducted by Town Departments for all capital assets. And, adequate insurance will be maintained on all capital assets where applicable.

EFFECTIVE DATE

This policy was adopted on

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DEBT MANAGEMENT

PURPOSE

To provide for the appropriate issuance and responsible use of debt, this policy defines the parameters and provisions governing debt management. Policy adherence will help the Town to responsibly address capital needs, provide flexibility in current and future operating budgets, control borrowing, and maintain capital investment capacity. This policy is also intended to maintain and enhance the town's bond rating so as to achieve long-term interest savings.

APPLICABILITY

This policy applies to the Select Board, Finance Committee, and School Committee in their budget decision making and in the Town Treasurer's debt reporting. It also applies to the Finance Director's budget analysis duties and, the Treasurer/Collector's statutory responsibilities associated with debt management.

POLICY

Under the requirements of federal and state laws, the Town may periodically issue debt obligations to finance the construction, reconstruction, or acquisition of infrastructure and other assets or to refinance existing debt. The Town will issue and manage debt obligations in such a manner as to obtain the best long-term financial advantage and will limit the amount of debt to minimize the impact on taxpayers. Debt obligations, which include general obligation bonds, revenue bonds, bond anticipation notes, lease/purchase agreements, and any other debt obligations permitted to be issued under Massachusetts law, shall only be issued to construct, reconstruct, or purchase capital assets that cannot be acquired with current revenues.

A. <u>Debt Financing</u>

In financing with debt, the Town will:

1. Issue long-term debt only for objects or purposes that are financially supported and authorized by state law
2. Use available funds to the greatest extent possible to reduce the amount of borrowing on all debt-financed projects
3. Confine long-term borrowing to capital improvements and projects that cost at least $25,000 and that have useful lifespans of at least five years or whose lifespans will be prolonged by at least five years
4. Refrain from using debt to fund any recurring purpose, such as current operating and maintenance expenditures
5. Use revenue bonds, special assessment bonds, or other types of self-supporting bonds instead of general obligation bonds whenever possible
6. For the enterprise operations, set user fees to cover capital costs to the extent practicable
7. Continually pursue opportunities to acquire capital by means other than conventional borrowing; such as grants, and lower zero interest loans from the Commonwealth or the federal government.

B. <u>Debt Limits</u>

The Town will adhere to these debt parameters:

1. Total debt service, including debt exclusions and self-supporting debt, will be limited to 10

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percent of general fund revenues, with a target balance of 5 – 7 percent.

2. By statute, a community's debt limit equals 5 percent of its most recent equalized valuation.

C. Structure and Term of Debt

The following shall be the Town's guidelines on debt structure and terms:

1. The Town will attempt to maintain a long-term debt schedule such that at least 50 percent of outstanding principal will be paid within 10 years.
2. The term of any debt shall not exceed the expected useful life of the capital asset being financed and, in no case, shall it exceed 30 years.
3. The Town will limit bond maturities to no more than 10 years, except for major buildings, land acquisitions, and other purposes in accordance with the useful life borrowing guidelines promulgated by the Division of Local Services.
4. The Town will work closely with its financial advisor to follow federal regulations and set time frames for spending borrowed funds to avoid committing arbitrage, paying rebates, fines and penalties to the federal government, and jeopardizing the debt issuance's tax-exempt status.
5. The Town will select a method of sale that is the most appropriate in terms of the transaction, financial and market conditions, and in accordance with state law. The Town shall set the terms of sale to encourage as many bidders as possible in order to obtain the lowest possible interest rates on its bonds.

D. Protection of Bond Rating

To protect its bond rating, the Town will:

1. Maintain good communications with bond rating agencies, bond counsel, banks, financial advisors, and others involved in debt issuance and management.
2. Follow a policy of full disclosure on every financial report and bond prospectus, including data on total outstanding debt per capita, as a percentage of per capita personal income, and as a percentage of total assessed property value.

E. Reporting

1. The Finance Director and the Treasurer/Collector, or the town's financial advisor will report to the Select Board on the Town's debt status at least annually.
2. The Finance Director, in the role of Town Accountant, will include a statement of debt in an annual report of appropriations, receipts, and expenditures.

EFFECTIVE DATE

This policy was adopted on _____

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FINANCIAL RESERVES

PURPOSE

To help the Town stabilize finances and maintain operations during difficult economic periods, this policy establishes prudent practices for appropriating to and expending reserve funds. With well- planned sustainability, Millis can use its reserves to finance emergencies and other unforeseen needs, to hold money for specific future purposes, or in limited instances, to serve as revenue sources for the annual budget. Reserve balances and policies can also positively impact the Town's credit rating and consequently its long-term cost to fund major projects.

APPLICABILITY

This policy pertains to short- and long-range budget decision-making and applies to the Select Board, Finance Committee, and School Committee in those duties. It also applies to the related job duties of the Town Administrator, Finance Director, the Town Treasurer/Collector, and the Board of Assessors.

POLICY

The Town of Millis commits to building and maintaining its reserves so as to have budgetary flexibility for unexpected events and significant disruptions in revenue-expenditure patterns and to provide a source of available funds for future capital expenditures. The Town will strive to maintain overall reserves in the level of five to ten percent of the annual operating budget. Adherence to this policy will help the Town withstand periods of decreased revenues and control spending during periods of increased revenues. There are multiple types of reserves, including free cash, stabilization funds, and overlay surplus.

A. Free Cash

The Massachusetts Division of Local Services (DLS) defines free cash as "the remaining, unrestricted funds from operations of the previous fiscal year, including unexpended free cash from the previous year." DLS must certify free cash before the Town can appropriate it.

The Town shall set a year-to-year goal of maintaining its free cash in the range of one to two percent of the annual budget. To achieve this, the Town Administrator shall propose budgets with conservative revenue projections, and department heads shall carefully manage their appropriations to produce excess income and budget turn backs. Further, budget decision-makers will avoid fully depleting the Town's free cash in any year, so that the succeeding year's calculation can begin with a positive balance. Moreover, as much practicable, the Town will limit its use of free cash to funding one-time expenditures (such as capital projects or emergencies and other unanticipated expenditures) and will appropriate any excess above two percent of the annual budget to reserves or to offset unfunded liabilities.

B. Stabilization Funds

A stabilization fund is a reserve account allowed by state law to set aside monies to be available for future spending purposes, including emergencies or capital expenditures, although it may be appropriated for any lawful purpose.

The Town will endeavor to maintain a minimum balance of five to nine percent of the current operating budget in its general stabilization fund. Withdrawals from general stabilization should

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only be used to mitigate emergencies or other unanticipated events that cannot be supported by current general fund appropriations. When possible, withdrawals of funds should be limited to the amount available above the five percent minimum reserve target level. If any necessary withdrawal drives the balance below the minimum level, the withdrawal should be limited to one-third of the general stabilization fund balance. Further, the Finance Director shall develop a detailed plan to replenish the fund to the minimum level within the next two fiscal years. By statue, withdrawals from the stabilization fund require a two-thirds vote of Town Meeting. Interest earned on stabilization fund balances will be retained in the stabilization fund, in accordance with state law.

C. Finance Committee Reserve Fund

The Town shall establish a Finance Committee Reserve Fund, for unforeseen and extraordinary events, of a minimum of $100,000 to .05% of the prior year adjusted general fund operating budget (operating budget less debt service and assessments). The Finance Committee is authorized to transfer from this fund for "extraordinary or unforeseen" expenditures as determined by vote of the Finance Committee. Other uses of the fund require budgetary transfers by Town Meeting.

D. Retained Earnings

The Town has separate enterprise funds to provide water and sewer utilities. By accounting for each utility's revenues and expenditures in individual funds segregated from the general fund, the Town can identify the true costs of each service—direct, indirect, and capital—and recover these through user fees and other fees. Under this accounting, the Town may reserve each operation's generated surplus (referred to as retained earnings or, alternatively, as net assets unrestricted) rather than closing the amount out to the general fund at year-end.

For each enterprise fund, the Town will maintain a reserve amount at 20 percent of the utility's total budget, at minimum, but any reserve may be significantly higher if major infrastructure improvements are necessary. These reserves shall be used to provide rate stabilization and to fund major, future capital projects. To maintain the target reserve levels for each enterprise requires the Water and Sewer departments to periodically review, and when necessary, adjust user rates.

E. Overlay Surplus

The overlay is a reserve the Town uses to offset unrealized revenues resulting from property tax abatements and exemptions. Millis officials will prudently manage the overlay in accordance with the Town's Overlay policy to avoid the need to raise overlay deficits in the tax levy.

At the conclusion of each fiscal year, the Board of Assessors shall submit to the Finance Director an update of the overlay reserve with data that includes, but is not limited to, the gross balance, potential abatement liabilities, and any transfers to surplus. If the balance exceeds the amount of potential liabilities, the Board of Selectmen may request that the Board of Assessors vote to declare those balances surplus available for use in the Town's capital improvement plan or for any other one-time expense.

EFFECTIVE DATE

This policy was adopted on

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FISCAL FORECASTING

PURPOSE

To assess the range of choices available to budget decision makers when determining how to allocate resources, this policy establishes guidelines for evaluating revenue sources and the requirement to determine an expenditure strategy as part of the annual budget process and longer range fiscal planning. Forecasting helps local officials understand the long-range implications of pending near-term decisions.

APPLICABILITY

This policy applies to the Select Board and Finance Committee as Millis's budget decision makers. It also applies to the job responsibilities of the Town Administrator, Finance Director in the role of Town Accountant, School Superintendent, School Business Manager, and all the managers of revenue-generating departments.

POLICY

A detailed five-year financial projection shall be prepared annually by the Town Administrator and Finance Director, projecting revenues and expenditures for all operating funds. This projection shall be used as a planning tool in developing the following year's operating budget and capital improvements plan.

To ensure the Town's revenues are balanced and capable of supporting desired levels of services, forecasts for property taxes, local receipts, and state aid shall be conservative based on historical trend analyses and shall use generally accepted forecasting techniques and appropriate data. To avoid potential revenue deficits, estimates for local receipts (e.g., inspection fees, investment income, license fees) should generally not exceed 95 percent of the prior year's actual collections without firm evidence that higher revenues are achievable.

The Town will continually seek to diversify its revenue to improve the equity and stability of sources. Each year and whenever appropriate, the Town will reexamine existing revenues and explore potential new sources. A balance will be sought between elastic and inelastic revenues to minimize any adverse effects caused by inflation or other economic changes. Additionally, intergovernmental revenues (e.g., local aid, grants) will be reviewed annually to determine their short- and long-term stability in order to minimize detrimental impacts.

This policy further entails the following expectations regarding revenues:

- The Assessing Department will maintain property assessments for the purpose of taxation at full and fair market value as prescribed by state law.
- Town departments that charge fees shall annually review their fee schedules and propose adjustments when needed to ensure coverage of service costs.
- The Water/Sewer enterprise operations will utilize rates sufficient to cover all direct, indirect, and capital improvement costs on self-supporting bases.
- The Building Department will notify the Finance Director of any moderate-to-large developments that could impact building permit volume.
- Department heads will strive to seek out all available grants and other aid and will carefully consider any related restrictive covenants or matching requirements (both dollar and level-of-effort) to determine the cost-benefit of pursuing them.

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Additionally, the Town's forecast model should assume that:

- Current service levels will be maintained
- Property taxes (absent overrides) will grow at the limits of Proposition 2½
- New growth will be projected conservatively, taking into account the Town's three-year average by property class
- State net school spending requirements will be annually met or exceeded
- Local receipts and state aid will reflect economic cycles
- Historical trends in the growth of operating expenses and employee benefits will prevail
- Estimated cost-of-living adjustments of future contract settlements and compensation plan increases are included
- Debt service on existing debt will be paid and Capital Planning and Debt policies will be followed
- Annual pension contributions and appropriations to amortize its other postemployment benefit liabilities will continue
- Reserves will be built and maintained in compliance with its Financial Reserves policy

The Town will analyze the full life costs of multi-year decisions, such as:

- Capital expenditures, such as acquiring equipment, or constructing new facilities will be conducted to include an assessment of operating costs.
- Lease agreements will be reviewed with an assessment of future budgets and the ability to make annual payments.
- Labor agreements will be negotiated with an analysis of the "full costs" associated with the terms of the agreement. "Full costs" shall include direct salary, health care benefits, pension contributions, OPEB costs, and other benefits of a non-salary nature.

Periodic comparisons of service delivery will be made to ensure that quality services are provided at the most competitive and economical cost. Privatization, regionalization, and contracting with other governmental agencies should be evaluated as alternative service delivery options where appropriate.

EFFECTIVE DATE

This policy was adopted on _____

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INDIRECT COST ALLOCATION

PURPOSE

To ensure all indirect costs associated with the Town's water and sewer enterprise funds are allocated in a manner that is reasonable and equitable, reflects true shared costs, and is easily replicable from year to year, this policy provides guidelines for the calculation, allocation, and review of those costs.

As enterprise funds, the accounting for these funds is recorded and managed separately from the general fund. These operations have separate financial statements so that their revenues and expenses are not commingled with those of all other governmental activities. Consolidating each program's direct and indirect costs, debt service, and capital expenditures into its own distinct, segregated fund allows the Town to demonstrate to the public the true, total cost of providing the particular utility.

APPLICABILITY

This policy applies to the Town Administrator, Town Accountant, and the Water/Sewer Commission.

POLICY

As part of the annual budget process, the Town Administrator and Town Accountant will calculate the indirect costs to the general fund of the Town's water and sewer departments and will review the calculation with the Board of Selectmen, in their capacity as Water/Sewer Commissioners, for their approval. The calculation will take into account expenses for water and sewer personnel budgeted in the general fund, as well as the enterprise related expenses of the Town departments that provide administrative services to the enterprise departments, which include the Town Administrator, Town Accountant, Treasurer, Collector, Legal Services, and Information Technology departments.

The Town Accountant will calculate indirect costs using the most recent fiscal year's appropriations and based on one or more of the following methodologies: actual, transactional, estimated support, and proportional. The following expenses shall be included in the calculations:

- Benefits or active and retired employees, including insurances, Medicare tax, unemployment, and workers' compensation
- Pension Costs
- Vehicle insurance
- Property insurance
- Administrative costs
- Other costs that may be considered and agreed to, such as: materials, supplies, software, infrastructure, and fuel

The Town Accountant will maintain written instructions detailing the calculation methodology and track and record operating transfers between the relevant funds.

EFFECTIVE DATE

This policy was adopted on

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OVERLAY

PURPOSE

To ensure the proper treatment of the overlay account, this policy sets guidelines for determining the annual overlay amount in the Town's budget and for deciding whether any overlay balance can be certified as surplus. The allowance for abatements and exemptions, commonly referred to as the overlay, is an account to offset anticipated abatements and exemptions of committed real and personal property taxes. The account may also be charged in the event property taxes are deemed to be uncollectable.

Effective November 7, 2016, the Municipal Modernization Act (Chapter 218 of the Acts of 2016) (Municipal Modernization Act) provides for a single overlay account. Previously, a community had to maintain separate overlay reserves for each fiscal year and could not use the surplus from one year to cover another year's deficit without a multistep process involving the assessors, accounting officer, and local legislative body. However, the Act allows all existing overlay balances to be transferred to a single account. Although this policy treats overlay as a single account, to continue historical information and facilitate reconciliations, the Town Accountant may elect to maintain subsidiary ledgers by levy year for overlay balances.

APPLICABILITY

This policy applies to the job duties of the Board of Assessors, Principal Assessor, and Finance Director, Town Treasurer/Collector, as well as to the Selectmen's and Finance Committee's responsibilities as budget decision makers.

POLICY

A. Annual Overlay

Each year, the Board of Assessors shall vote in an open meeting to authorize a contribution to the overlay account as part of the budget process and to raise it without appropriation on the Town's Tax Recap Sheet. The Principal Assessor will propose this annual overlay amount to the Board of Assessors based on the following:

- Current balance in the overlay account
- Three-year average of granted abatements and exemptions
- Potential abatement liability in cases pending before, or on appeal from, the Appellate Tax Board (ATB)
- Timing of the next certification review by the Division of Local Services (scheduled every five years under the Municipal Modernization Act)

The Board of Assessors shall notify the Finance Director of the amount of overlay voted.

B. Excess Overlay

Annually, the Finance Director and Principal Assessor will conduct an analysis to see if there is any excess in the overlay account by factoring the following:

- Current balance in the overlay account after reconciling with the Town Accountant's

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- Balance of the property tax receivables, which represents the total real and personal property taxes still outstanding for all levy years
- Estimated amount of potential abatements, including any cases subject to ATB hearings or other litigation

Upon determining any excess in the overlay account, the Principal Assessor shall present the analysis to the Board of Assessors for its review.

C. Overlay Surplus

If there is an excess balance in the overlay account, the Board of Assessors shall formally vote in an open meeting to certify the amount to transfer to overlay surplus and shall notify the Select Board and Finance Director in writing of its vote. If the Select Board makes a written request for a determination of overlay surplus, the Board of Assessors shall vote on the matter within the next 10 days and notify the Select Board and Finance Director of the result in writing.

After being certified, Town Meeting may appropriate overlay surplus for any lawful purpose until the end of the fiscal year. However, the appropriation should be as prescribed in the Town's Forecasting policy (re: treatment of one-time revenues) and its Financial Reserves policy (re: overlay surplus). Overlay surplus not appropriated by year-end closes to the general fund's undesignated fund balance.

EFFECTIVE DATE
This policy was adopted on

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OTHER POSTEMPLOYMENT BENEFITS LIABILITY

PURPOSE

To provide the basis for a responsible plan for meeting the Town's obligation to provide other postemployment benefits (OPEBs) to eligible current and future retirees. This policy provides guidelines designed to ensure OPEB sustainability and achieve generational equity among those called upon to financially support OPEBs, thereby avoiding transferring costs into the future.

APPLICABILITY

This policy encompasses OPEB-related budget decisions, accounting, financial reporting, and investment. It applies to the Select Board, Town Administrator and Finance Committee in their budget decision-making responsibilities. The policy also applies to the OPEB-related duties of the Finance Director, and Town Treasurer as Trustees of the Town's OPEB Trust Fund.

BACKGROUND

In addition to salaries, the Town of Millis compensates employees in a variety of other forms. Many earn benefits over their years of service that they will not receive until after retirement. A pension is one such earned benefit. Another is a set of retirement insurance plans for health, dental, and life. These are collectively referred to as other postemployment benefits or OPEBs.

OPEBs represent a significant liability for the Town that must be properly measured, reported, and planned for financially. As part of a long-range plan to fund this obligation, the Town established an OPEB Trust Fund, which allows for long-term asset investment at higher rates of return than those realized by general operating funds.

POLICY

The Town of Millis is committed to funding the long-term cost of the benefits promised its employees. To do so, the Town will accumulate resources for future benefit payments in a disciplined, methodical manner during the active service life of employees. The Town will also periodically assess strategies to mitigate its OPEB liability. This involves evaluating the structure of offered benefits and their cost drivers while at the same time avoiding benefit reductions that would place undue burdens on employees or risk making the Town an uncompetitive employer.

A. Accounting, Reporting, and Investment

The Finance Director will obtain actuarial analyses of the Town's OPEB liability every two years and will annually report the Town's OPEB obligations in financial statements that comply with the current guidelines of the Governmental Accounting Standards Board.

As custodian, the Town Treasurer/Collector will be responsible for investing the fund's assets and for managing its associated bank account and any subaccounts. The Town Treasurer/Collector will manage the OPEB Trust Fund in conformance with the Town's Investment policy and the state's prudent investor laws. The Trustees will maintain oversight of the fund by reviewing the banking and investment activity. On an annual basis, the Town will analyze its option to invest its OPEB trust with the State Retiree Benefits Trust Fund or other alternatives. (Note: Section 238 of Chapter 218 of the Acts of 2016 (Municipal Modernization Act) specifically provides that OPEB funds established before the effective date of the Act, November 7, 2016, will continue as originally established, unless the community "reaccepts said section 20 of said chapter 32B after the effective date of this

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act." Therefore, to operate an OPEB fund under the amended section 20, Town Meeting would have to vote to reaccept MGL c. 32B, sec. 20 after November 7, 2016.)

The Finance Director shall ensure that the Town's independent audit firm reviews compliance with the accounting, reporting, and investment provisions of this policy as part of its annual audits and will report on these to the Select Board.

B. Mitigation

On an ongoing basis, the Town will assess healthcare cost containment measures and evaluate strategies to mitigate its OPEB liability. The Finance Director shall monitor proposed laws affecting OPEBs and Medicare and analyze their impacts. The Finance Director, or his/her designee as assigned, shall regularly audit the group insurance and retiree rolls and drop any participants found to be ineligible based on work hours, active Medicare status, or other factors.

C. Funding

To address the OPEB liability, decision makers shall analyze a variety of funding strategies and subsequently implement them as appropriate with the intention of fully funding the obligation. The Town shall derive funding to invest in the OPEB trust from taxation, free cash, and any other legal form.

Achieving full funding of the liability requires the Town to commit to funding its annual required contribution (ARC) each year, which is calculated based on actuarial projections. Among strategies to consider for funding the ARC:

- Transfer unexpended funds from insurance line items to the OPEB trust
- Appropriate amounts equal to the Town's Medicare Part D reimbursements
- Determine and commit to appropriating annual portions of free cash
- Appropriate a percentage of ongoing revenues that is increased incrementally each year
- Once the pension system is fully funded, on a subsequent annual basis, appropriate to the OPEB trust amounts equivalent to the former pension-funding payment

EFFECTIVE DATE
This policy was adopted on

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TAX RECAPITULATION

PURPOSE

To ensure the Town timely and appropriately issues taxes bills to property owners in support of the annual budget, this policy sets forth the roles, responsibilities, and deadlines associated with the tax recapitulation (recap) process. A timely and accurate annual recap helps ensure the Town complies with state statutes, avoids workflow disruptions in the Town's financial offices, and averts a cash shortfall and temporary borrowing costs.

APPLICABILITY

This policy applies to the Board of Selectmen and Town Administrator in their policymaking and management responsibilities and to the Finance Director as principal overseer of the recap process. It also applies to the job responsibilities of the Board of Assessors, Director of Assessing, Treasurer, and Town Clerk.

BACKGROUND

The property tax levy is Millis's largest source of revenue, which therefore makes the recap a vital component of the Town's fiscal operations. The Board of Assessors and Director of Assessing manage two core phases: the certification of property values and the setting of the tax rate. However, the full process begins with town meeting, involves many finance officials, and requires careful management, teamwork, and cooperation.

The four pages of the tax recap, along with its attached schedules, present the Town's annual budget plan for the fiscal year. These documents summarize all appropriations made by town meeting since the previous year's tax rate was set and identify revenue sources other than property taxes, such as state aid, local non-tax revenues, and reserves. The difference between budgeted appropriations and the revenue from these other sources must be raised through the property tax levy.

By completing the recap and submitting it to the Division of Local Services (DLS) for approval, the Town establishes its property tax levy and sets the tax rate for the year. The Town may issue actual tax bills only after DLS reviews the recap, verifies that it presents a balanced budget with a tax levy within Proposition 2½ limits, and approves the tax rate.

POLICY

At the Town Administrator's direction, Millis's financial team will annually complete the tax recap process no later than November 30, provide the tax bill file to the print vendor no later than December 10, and mail the actual tax bills by December 31. The Town Administrator, with the Finance Director, will develop a realistic plan and timetable and actively monitor the team's progress through completion of the tax recap process.

A. <u>Preparation and Town Meeting</u>

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A successful tax recap process requires a balanced annual budget, appropriate funding sources, and proper town meeting actions. Whereas the budget is typically adopted at the spring town meeting,

any expenditures authorized at this or other town meetings not recorded in the previous tax rate must also be included in the current recap process.

- The Select Board, through the Town Administrator and Town Counsel, will assure the production of a properly written town meeting warrant, such that town meeting voters, under the Town Moderator's oversight, can properly authorize annual budget appropriations that are funded by specific revenue sources (e.g., raise and appropriate, free cash, stabilization).
- The Board of Selectmen and Town Administrator will ensure that any annual increase in the tax levy does not exceed the maximum amount allowed under Proposition 2½.
- The Finance Director, in the role of Town Accountant, Town Administrator, and Select Board will verify that the proposed budget is balanced.
- The Town Accountant will prepare a schedule of available funds as authorized for appropriation by town meeting.
- The Treasurer and Town Counsel will ensure debt issuance authorizations are proper.
- The Select Board will ensure that any proposal for a general override, debt exclusion, or capital exclusion is properly presented in the town meeting warrant and, if passed, put to a town-wide referendum.

B. Recording Legislative Action

To allow time for any required corrective measures, the following tasks will be completed within two weeks after town meeting:

- The Town Clerk will certify all appropriations approved since the last tax rate was set.
- The Town Accountant will reconcile all votes and authorized amounts.
- The Town Clerk, with the Town Accountant's assistance, will enter all town meeting appropriation votes by article (page 4 of the tax rate recap).
- From the certified town meeting authorizations, the Town Accountant will complete the following DLS forms:
  - enterprise receipts and appropriations (Form A-2)
  - revolving funds (Form A-3)
  - free cash used (Form B-1)
  - available funds used (Form B-2).
- The Treasurer will verify that any reserved amount of bond premium is reported as a funding source (Form B-2).
- The Treasurer will prepare the debt exclusion report, including any use of reserved bond premiums (Form DE-1).

C. Following Fiscal Year Close

Within two weeks of closing the books for the fiscal year, the Town Accountant will continue completing the recap by:

- Reporting and documenting all deficits or other expenditures that must be

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funded, including debt and snow and ice (page 2 of the tax rate recap)

- Recording the actual amounts received for each type of local receipt (page 3, column (a) of the tax rate recap)
- Entering the amounts expected to be collected as local receipts using the revenue projections from the final budget approved at town meeting (page 3, column (b) of the tax rate recap)

D. Property Value Certification

Assessors must value all taxable real and personal property and must classify all real property into one of four classes (i.e., residential, open space, commercial/industrial, or personal) based on their use as of January 1. To do this, the Director of Assessing will:

- Complete the property sales report (Form LA-3) for all sales over $1,000 and submit it to DLS for approval
- Analyze market conditions and set final property values in compliance with DLS certification standards
- Report the total assessed valuation for real and personal property by class (Form LA-4, which is transferred to page 1 of the recap)
- Report fiscal year tax base growth used to determine the levy limit under Proposition 2½ (Form LA-13, which is transferred to the Levy Limit Worksheet)
- Update any prior-year omitted and revised assessments that included growth (Form LA-13A, which is transferred to the Levy Limit Worksheet)

The Director of Assessing will submit the above forms to DLS for review and certification.

E. Tax Rate Setting

After DLS has certified property values, the Board of Selectmen must hold a public hearing to decide tax policy. At this classification hearing, the Select Board may vote a single tax rate, thereby allocating the tax levy proportionately across all property classes, or vote to shift the tax burden between the four classes. Leading to this hearing, the following must be completed:

- The Director of Assessing and Town Accountant prepare an overlay analysis (Form OL-1).
- The Board of Assessors estimates and votes the amount of overlay to raise.
- The Board of Assessors prepares a financial analysis of the various tax alternatives.
- The Select Board votes on residential, small commercial, and open space exemptions.
- The Select Board acknowledges excess levy capacity (Form LA-5).
- The Town Clerk attests to notice being given to taxpayers regarding the public hearing (Form LA-5).

F. Review and Submittal to DLS

The Board of Assessors, working through the Director of Assessing, is responsible for submitting all forms and supporting documents to DLS for tax rate approval.

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- The Director of Assessing and Town Accountant will review all schedules, verify signatures, and verify that all proper documents are attached.
- The Town Accountant will ensure that all town meeting authorizations are represented and clearly reconcile to the amounts reported in the tax recap schedules.
- The Director of Assessing will submit all forms to DLS.

G. Tax Commitment Creation

After DLS notifies the Town that the tax rate has been approved, the Director of Assessing will create a tax commitment list and warrant duly signed by the Assessing Board members, and refer it to Town Collector to generate the actual tax bills.

EFFECTIVE DATE
This policy was adopted on

Draft

ACCOUNTING AND AUDITING

PURPOSE

To ensure the effective management of the towns resources it is essential the financial records be maintained in accordance with industry standards of proper accounting and that an independent auditor be properly utilized. Adherence to the policy in this area shows adequate internal controls and uniformity in the reporting of financial information.

APPLICABILITY

This policy applies to the Select Board as chief executive officers, the Town Administrator as chief administrative officer, and the Finance Director in the role of Town Accountant. It also applies to the job responsibilities of the Town Treasurer.

POLICY

A. Accounting Practices

The Town establish and maintain a high standard of accounting practices in accordance with state and federal regulation and that conform to generally accepted accounting principles as set forth by the Government Accounting Standards Board (GASB). The Town will comply with GASB Statement 34 and continue to track, report, and depreciate capital assets as required. The Town will comply with GASB Statement 45 regarding accounting for Other Post-Employment Benefits (primarily health insurance) to retired employees.

B. Annual Audit

An annual audit will be performed by an independent public accounting firm. An examination of a community's financial systems, procedures, and data by a certified public accountant (independent auditor), and a report on the fairness of financial statements and on local compliance with statutes and regulations. The audit serves as a valuable management tool for evaluating the fiscal performance of a community.

C. Management Letter

A Management Letter, a by-product of an annual audit, shall be provided by the independent public accounting firm no later than March 1 and reviewed by an Audit Committee. The Audit Committee shall be comprised of representatives from the Select Board, School Committee, Library Trustees, and Finance Committee, and a member of the public with appropriate experience and meet with the Finance Director, Comptroller, and the Town's independent auditor to review the independent audit of the Town's financial statements, and further, request that the Audit Committee meet at least annually with the Select Board and report its findings, and how it has discharged its duties and met its responsibilities.

D. Selection of Independent Auditor

The Town should enter into multiyear agreements of at least five years in duration when obtaining the services of independent auditors. Such multiyear agreements can take a variety of different forms (e.g., a series of single-year contracts), consistent with applicable legal requirements. Such agreements allow for greater continuity and help to minimize the potential for disruption in connection with the independent audit. Multiyear agreements can also help to reduce audit costs by

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allowing auditors to recover certain "startup" costs over several years, rather than over a single year. The Town should undertake a full-scale competitive process for the selection of independent auditors at the end of the term of each audit contract, consistent with applicable legal requirements. Ideally, auditor independence would be enhanced by a policy requiring that the independent auditor be replaced at the end of the audit contract, as is often the case in the private sector. Unfortunately, the frequent lack of competition among audit firms fully qualified to perform public-sector audits could make a policy of mandatory auditor rotation counterproductive. In such cases, it is recommended that the Town actively seek the participation of all qualified firms, including the current auditors, assuming that the past performance of the current auditors has proven satisfactory. Alternatively, the Town should consider rotating the audit team leader at least once every five years if the same independent audit firm is engaged.

EFFECTIVE DATE

This policy was adopted on

Draft

ANTI-FRAUD

PURPOSE

To protect town assets and its reputation from misappropriation and abuse by creating an environment in which employees and citizens can report any suspicion of fraud, communicating the Town's intent to prevent, report, investigate, and disclose to proper authorities suspected fraud, abuse, and similar irregularities, and providing management with guidelines and responsibilities regarding appropriate actions in conducting investigations of alleged fraud and similar improprieties.

APPLICABILITY

This policy pertains to any suspected fraud, abuse, or similar irregularity against the Town. It applies to the Select Board, School Committee and all other elected town officials; their appointees; all Town of Millis employees; and to any other persons acting on behalf of the Town, such as vendors, contractors, consultants, volunteers, temporary, and casual employees, and grant sub-recipients.

POLICY

The Town is committed to protecting its revenue, property, information, and other assets from any attempt, either by members of the public, contractors, consultants, vendors, agents, or its own employees, to gain by deceit, financial or other benefits at the expense of taxpayers. Town officials, employees and other persons acting on behalf of the Town must, at all times, comply with all applicable policies, laws, and regulations. The Town will not condone any violation of law or ethical business practices and will not permit any activity that fails to stand the closest possible public scrutiny. The Town intends to fully, objectively, and impartially investigate any suspected acts of fraud or other similar irregularities regardless of the position, title, length of service, or relationship with the government of any party who may be the subject of such investigation.

A. Definitions

Any person acting on behalf of the Town shall mean any person responsible for or to Millis's government placed in that position by some official relationship with the Town.

Abuse can occur in financial or nonfinancial settings and refers to, but is not limited to:

- Improper use or misuse of authority
- Improper use or misuse of Town property, equipment, materials, records, or other resources
- Waste of public funds

Fraud or other irregularity refers but is not limited to:

- Any dishonest or fraudulent act such as theft or embezzlement
- Forgery or alteration of any document or account
- Forgery or alteration of a check, bank draft, or any other financial document
- Misappropriation of funds, securities, supplies, or other assets
- Impropriety in the handling or reporting of money or financial transactions
- Profiteering as a result of insider knowledge of Town activities
- Disclosing confidential or proprietary information to outside parties
- Accepting or seeking anything of material value from consultants, contractors, vendors, or persons providing services or materials to the Town
- Destruction, removal or inappropriate use of records, furniture, fixtures, and equipment
- Any claim for reimbursement of expenses not made for the exclusive benefit of the Town

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- Any computer-related activity involving the alteration, destruction, forgery, or manipulation of data for fraudulent purposes
- Any omissions and misrepresentations made in bond offering documents, presentations to rating agencies, and annual financial reports
- Fraudulent financial reporting such as improper revenue recognition, improper expense recognition, overstatement of assets, or understatement of liabilities

B. Antifraud Responsibilities

Every employee has the responsibility to assist the Town in complying with policies and laws and in reporting violations. The Town encourages the support and cooperation of all employees in meeting the Town's commitment and responsibility to such compliance.

The Town's managers and officials are responsible for instituting and maintaining a system of internal controls to reasonably ensure the prevention and detection of fraud, misappropriations, and similar irregularities. Management should be familiar with the types of improprieties that could occur within their areas of responsibility and be alert for any indications of such conduct.

The Town Administrator has primary responsibility for investigating all activity defined in this policy and will, to the extent practical, notify the Select Board of reported allegations of fraudulent or irregular conduct upon commencing the investigation. In all circumstances where there are reasonable grounds to indicate a fraud may have occurred, the Town Administrator, subject to the advice of Town Counsel, will contact the District Attorney's office and/or the Millis Police Department. Upon concluding the investigation, the Town Administrator will report results to the Select Board and others as determined necessary.

C. Disclosure

If the Town's investigation concludes that there was a violation of any federal criminal law involving fraud, bribery or gratuity potentially affecting a federal award, the Finance Director will disclose such in writing to the federal awarding agency in compliance with the Office of Management and Budget's Omni Circular. Similarly, if there are findings of bond offering information falsification, the Finance Director will disclose in writing to the bondholders.

PROCEDURES

The Town Administrator will create a set of procedures to cover all of the following at minimum:

1. Procedure and methods for reporting suspicions of fraud, abuse and other irregularities
2. Assignment of responsibilities in response to reported suspicions
3. Employee protections from retaliation
4. Security of investigation documents
5. Treatment of anonymous allegations and false allegations (intentional and unintentional)
6. Personnel disciplinary actions
7. Responsibilities around media contact
8. Training, education and awareness
9. Disclosure requirements and protocols

Upon completing these procedures, they should be referenced or appended to this policy.

EFFECTIVE DATE

This policy was adopted on _____

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DISBURSEMENTS

PURPOSE
To ensure that cash is disbursed only upon proper authorization for valid expenditures and payroll and are supported by the appropriate documentation.

APPLICABILITY
This policy applies to the job responsibilities of the Treasurer/Collector and Finance Director in his or her role as Town Accountant, and the role of the Selectmen in approving warrants. It further applies to all department heads, officials, and employees who work for the Town and have spending authority.

POLICY
The Town of Millis will release disbursements for accounts payable and payroll only after warrants are duly signed and approved by the Selectmen. The Town Accountant shall be responsible for reviewing payroll submissions and accounts payable vouchers for accuracy, supporting documentation, compliance with procurement laws and policies, and proper department approvals before including them on a warrant. There are no authorized petty cash accounts. The Treasurer/Collector shall be responsible for disbursing all authorized payments by check, bank transfer, or direct deposit.

A. Responsibilities

Departments must:

- Verify sufficient funds are available in the appropriate account(s)
- Submit accounts payable vouchers with original receipt(s) and invoice(s)
- Indicate account(s) to be charged
- Include only current fiscal year charges
- Supply supporting documentation that procurement requirements have been met
- Prepare a payroll summary based on employees' signed time sheets, including rate of pay, hours worked, pay type earned (e.g. regular, overtime, detail, etc.), and accrued time used (e.g., vacation, personal or sick)
- Obtain the department head's original signature, stamp signatures are not allowed, on each
  accounts payable and payroll submission

Please note: elected and appointed boards that serve as the department head authorized to expend town funds must approve vendor and payroll submissions. The committee may delegate this approval authority, by vote, to one of its members, who shall make available to the board, at the first meeting following such action, a record of such actions. Under no circumstances can elected or appointed boards assign this responsibility to the professional or other staff.

Town Accountant:

- Review each submission for completeness and accuracy
- Verify it is a legal purpose, the appropriate account(s) charged, and funds are available
- Confirm proper documentation supplied and authorized signature affixed to each submission
- Return submission lacking proper funding, documentation and authorization to appropriate department, indicating the reason

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- Prepare and sign the warrant for the Selectmen's approval

Select Board:

- Review each warrant submitted for approval
- May examine payroll, invoices, and backup documentation
- May direct inquiries to the Town Accountant on particular submissions
- Approve warrant by majority of its members
- Cannot assign the warrant approval responsibility to the Town Administrator

Treasurer/Collector:

- Reviews detailed warrant and verifies that no outstanding amounts are due from any listed individuals and/or vendors
- Holds back check(s) written to a payee with a liability to the Town, applies it to the amount due the Town, and issues a net check to the recipient for any remaining balance
- Disburses all authorized payments by check, bank transfer, or direct deposit

B. Petty Cash

No department may have a petty cash account. This is to ensure that procurement laws are followed and issues of incurring expenses in excess of appropriation are avoided.

C. Unpaid Bills of the Prior Year

Departments will submit expenses for the current fiscal year. In the event a department submits a charge for a prior fiscal year, the Town Accountant may not pay it from the current appropriation. A 9/10th special town meeting vote is required before payment is authorized.

D. Emergency Disbursement

As a rule, all disbursements are made through the warrant process. However, in an emergency or extenuating circumstance where payment must be made to a vendor outside of the normal warrant process, the Finance Director may issue a manual check with written authorization of the Town Accountant and the Town Administrator.

E. Audit

All approved warrants are subject to audit by the Town's independent auditor.

EFFECTIVE DATE

This policy was adopted on

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INVESTMENTS

PURPOSE

To ensure the Town's public funds achieve the highest possible, reasonably available rates of return while following prudent standards associated with safety, liquidity, and yield, this policy establishes investment guidelines and responsibilities. It is further designed to comply with the Governmental Accounting Standards Board's recommendation that each community disclose its key policies affecting cash deposits and other long-term investments to ensure they are managed prudently and not subject to extraordinary risk.

APPLICABILITY

This policy pertains to short-term operating funds, including general funds, special revenue funds, bond proceeds, capital project funds, and to all accounts designated as long-term (e.g., trusts, stabilization fund, other postemployment benefits trust fund (OPEB), and others the Town may set aside for long-term use, including scholarship and perpetual care funds) It does not pertain to the Town's retirement fund, which is managed by the Norfolk County Retirement Board. This policy applies to the Town Treasurer/Collector, the Finance Director, and any advisors or other professionals in their responsibilities for investing and managing Town funds.

POLICY

The Treasurer/Collector shall invest funds in a manner that meets the Town's daily operating cash flow requirements and conforms to state statutes governing public funds while also adhering to generally accepted diversification, collateralization, and the prudent investment principles regarding safety, liquidity, and yield. The Treasurer/Collector shall separately maintain all long-term accounts so as to individually receive their proportionate interest and any realized and unrealized gains or losses. All trust funds shall fall under the Treasurer/Collector's control unless otherwise directed by the donor.

Through this policy, the Town accepts the allowable investment instruments, diversification principles, and investment restrictions regarding short- and long-term funds allowed by state statutes, updated by Chapter 218 of the Acts of 2016 (Municipal Modernization Act), and as published by the Massachusetts Collectors and Treasurers Association (MCTA).

A. Investment Objectives

To secure the highest return consistent with safety of principal while meeting the Town's daily cash
needs, the Treasurer/Collector shall adhere to the following guidelines on safety, liquidity and yield:

- Investments shall be undertaken in a manner that seeks to ensure the preservation of capital through the mitigation of credit and interest rate risks. The Treasurer/Collector will mitigate these risks by prudently selecting and diversifying investment instruments and depository choices.

- The Treasurer/Collector shall ensure the overall investment portfolio remains sufficiently liquid to meet all reasonably anticipated operating requirements. Since all possible cash demands cannot be anticipated, the Treasurer/Collector shall carry out investment activities in a manner that provides for meeting unusual cash demands without

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liquidating investments and thereby potentially forfeiting accrued interest earnings and losing principal.

- The Treasurer/Collector investments shall be undertaken so as to achieve a fair market average rate of return, taking into account safety and liquidity constraints as well as all legal requirements.

B. Risk Tolerance

The Treasurer/Collector will employ the following strategies to mitigate the range of investment risks:

- The Treasurer/Collector will manage **credit risk** by following the guidelines on investment instruments published by the MCTA and incorporated here by reference. This mitigates the risk that an insurer or other counterparty to an investment will not fulfill its obligations.

- To mitigate **custodial risks** when investing with any financial institution, the Treasurer/Collector will review its financial statements and advisor's background to limit the Town's exposure only to institutions with proven financial strength, capital adequacy, and overall affirmative reputations in the municipal investment industry. The Treasurer/Collector will further ensure that all securities not held directly by the Town will be held in the Town's name and tax identification number by third-party custodians approved by the Treasurer/Collector and evidenced by safekeeping receipts showing individual CUSIP (Committee on Uniform Security Identification Procedures) numbers for each.

  Custodial risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Town will not be able to recover deposits or to recover collateral securities in the possession of an outside party. The custodial risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, a Town will not be able to recover the value of an investment or to recover collateral securities in the possession of an outside party.

- The Treasurer/Collector will minimize **concentration of credit risk** by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized. This mitigates the risk associated with the magnitude of a Town's investment in a single issuer.

- The Treasurer/Collector will carefully manage the duration of each investment account to mitigate **interest rate risk**, which is the risk that changes in interest rates will adversely affect an investment's fair market value.

- The Treasurer/Collector will mitigate **foreign currency risk** by limiting investments in any instruments with foreign currency exposures. This minimizes risk that changes in foreign exchange rates will adversely affect an investment deposit or its fair market value.

C. Ethics

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The Treasurer/Collector (and Assistant Treasurer) shall refrain from any personal activity that may conflict with the proper execution of the investment program or that could impair or appear to impair ability to make impartial investment decisions. Said individuals shall disclose to the Town Administrator any material financial interest in financial institutions that do business with the Town. They shall also disclose any large personal financial investment positions or loans that could be related to the performance of the Town's investments.

D. Relationship with Financial Institutions

The Treasurer/Collector shall consider soundness and stability when selecting financial institutions. To do so, the Treasurer/Collector shall subscribe to and use one or more of the recognized bank rating services, such as Veribanc or Sheshunoff, and will work with only recognized, reputable brokers/dealers.

When using the Veribanc rating service, the Treasurer/Collector may invest in banks that show green ratings and will subsequently monitor the ratings quarterly. If a banking institution's rating turns yellow, the Treasurer/Collector will contact the appropriate banking institution and request a written explanation for the rating change and the expected timetable for changing back to green. If the rating is still yellow for a second quarter, the Treasurer/Collector should consider removing all funds that are not collateralized or do not carry some form of depositors insurance. If a rating moves to red, all money shall be immediately collateralized, or covered by some form of depositors insurance, or be removed from the banking institution.

The Treasurer/Collector shall require any brokerage houses and broker/dealers wishing to do business with the Town to supply the following information:

- Audited financial statements
- Proof of National Association of Security Dealers certification
- Statement that the broker/dealer has read and will comply with this policy
- Proof of credit worthiness (minimum standards: at least five years in operation and a minimum capital of 10 million dollars)

E. Reporting Requirements

The Treasurer/Collector will assess investment activity and keep the Select Board, Town Administrator, and Finance Committee apprised of any major changes by providing a report of investment activity annually or more often as needed.

The investment activity report should include the following information at a minimum:

- List of all the individual accounts and securities held at the end of the period
- List of short-term investment portfolios by security type and maturity to ensure compliance with the diversification and maturity guidelines
- Summary of income earned on monthly and year–to-date basis
- Brief statement of general market and economic conditions and other factors that may affect the Town's cash position
- Statement on the degree of compliance with the tenets set forth in this policy

EFFECTIVE DATE

This policy was adopted on

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RECONCILIATIONS

PURPOSE

To ensure transactions are in balance, mitigate fraud, and safeguard general ledger accuracy, financial officers must conduct regular reconciliations of their accounting records, and these must be reconciled to the general ledger. Although each financial officer is responsible for maintaining independent records of his or her office's transactions, they are also collectively accountable for the overall accuracy of the Town's financial records. Failure to reconcile cash, receivables, and withholdings hampers the Town's ability to produce reliable reports, close its books, make timely submissions to the Division of Local Services, and complete audits. In addition, unresolved variances reduce the amount of certified free cash and may result in significant deficiency findings by the independent auditor.

APPLICABILITY

This policy applies to the Finance Director in the role as Town Accountant, Treasurer/Collector, or their designees, and to the heads of other department with accounts receivable responsibilities (e.g., Police, Fire).

POLICY

The Treasurer/Collector and all department heads with accounts receivable duties will internally reconcile their respective accounting records and subsequently reconcile them with the Town Accountant according to the guidelines and periodic time frames outlined in this policy.

All data entry access to the general ledger (and all its sub ledgers) shall be restricted solely to Accounting office staff. This segregation is necessary to maintain the general ledger's integrity as the official record of the Town's accounting activity.

A. Cashbook Reconciliation

To ensure an accurate accounting of all revenue activity, the Treasurer/Collector will maintain a cashbook that reflects up-to-date and accurate information for all cash and assets. To do so, the Treasurer/Collector will make certain that all cash receipts, disbursements, transfers, and interest are recorded in the cashbook within two business days of each transaction and will reconcile cashbook accounts to their corresponding bank accounts within five days of receiving bank statements. These shall include zero-balance vendor and payroll bank accounts, whose balances must equal the outstanding checks at the end of any month.

Reconciling items, including deposits in transit, bounced and voided checks, and discrepancies between the Treasurer/Collector's cashbook and financial institutions, will be identified and corrected when appropriate. The Treasurer/Collector will then forward a summary of the reconciled cashbook balances and, when needed, an additional Schedule of Receipts for any adjustments made to the Town Accountant.

B. Payroll Withholdings Reconciliation

Payroll withholdings include federal and state taxes, child support and other wage assignments for legal obligations, deferred compensation, insurances, association dues, and other employer-sponsored options, which are all maintained in separate accounts. The Treasurer/Collector will ensure that all employee and employer contribution portions of withholdings are recorded and

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reconciled to the general ledger monthly. To reduce the risk to the Town for liabilities in excess of payroll withholdings, the Treasurer/Collector shall identify and report any discrepancies between the general ledger withholding accounts and applicable vendor/recipient accounts payable. The Treasurer/Collector will then forward the results of these activities to the Town Accountant.

C. Accounts Receivable Reconciliation

Accounts receivable are outstanding monies owed to the Town, whether from committed records (i.e., taxes and excise) or from uncommitted department records (e.g., work details, ambulance charges). To ensure these assets are accounted for and balance, the Treasurer/Collector and the department heads with accounts receivable duties (the "record-keepers") will make certain that all cash receipts are recorded timely, maintain a control record for each receivable type and levy year, and verify the detail balance agrees with the receivable control.

The receivable control is a record of original entry in which the record-keeper reduces a commitment according to collections, abatements, and exemptions processed and increases it by refunds issued. To maintain accuracy, the record-keeper must review the detailed list of receivables, identify credit balances as prepaid amounts or investigate them for possible correction, and reconcile the control balance to the detail.

Whenever these records do not agree, the record-keeper must determine the discrepancy by:

- Verifying the various transactions (commitments, charges, abatements, refunds, chargebacks, reclassifications) against their supporting documents
- Comparing the total amount of posted payments to the turnovers accepted by the Treasurer/Collector
- Determining whether any inappropriate revenues were recorded as payments to the commitment, such as interest and fees

The record-keeper will forward a copy of the internally reconciled accounts receivable balances to the Town Accountant.

D. General Ledger Reconciliation

To achieve the core objective of maintaining the general ledger's integrity, the Town Accountant must regularly reconcile it with the separately maintained accounting records outlined in Sections A – C above. In addition, it is the Town Accountant's responsibility to review all accounts analytically from time to time for reasonableness and to identify unusual activity.

The general ledger's cash accounts should reflect only those transactions reported to the Town Accountant by the Treasurer/Collector, so that in theory, they should be in balance with the cashbook. However, errors may happen due to omitting transfers or transactions or applying them in the wrong amounts or to the wrong accounts. Whenever the Town Accountant identifies a discrepancy between the general ledger and the cashbook, the following steps must be taken in conjunction with the Treasurer/Collector to determine the cause(s):

- If the total amount of revenue reported in the cashbook does not agree with the amount recorded in the ledger for that month, the Treasurer/Collector must verify that the monthly

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Treasurer's Schedule of Receipts agrees by detailed amount and classification with the cashbook and correct any mistakes.

- Compare the total amount of warrants paid during the month as recorded in the cashbook with the total recorded in the ledger for the same period. The last warrant paid must be the last one recorded; otherwise, a timing problem will create a discrepancy.
- If the records still do not agree, the Treasurer/Collector and Town Accountant must go through each entry to the ledger until they determine the reason for variance.

The Town Accountant will review the payroll withholdings reconciliation report provided by the Treasurer/Collector against the general ledger and make changes to the ledger as needed.

Committed and uncommitted accounts receivable records must also be reconciled to the Town Accountant's general ledger. If a given receivable control sheet has been internally reconciled, any discrepancy must be in the general ledger, so the Town Accountant must:

- Review the commitments, charges, payments, abatements, refunds, reclassifications, and adjustments in the general ledger, as appropriate for the particular control
- Verify whether receipts are recorded to the correct type and levy year
- Verify the dates that activities were recorded

The Town Accountant's receivable accounts in the general ledger should reflect the transactions provided by each particular record-keeper. Therefore, the above steps must resolve any discrepancies between the receivable control and the ledger. If they do not, the record-keeper and Town Accountant must go through each ledger entry until they determine the reason for variance.

E. Time frames and Documentation

The financial officers shall complete reconciliations of their internal accounting records early each month so that the subsequent reconciliations to the general ledger take place no later than the 20th of the month following the one being reconciled.

The financial officers who jointly complete each general ledger reconciliation will sign reconciliation worksheets. In a given month, if any variance has not yet been fully resolved, this must be noted along with a work plan and timetable for resolution. The Town Accountant shall collectively submit the reconciliation worksheets to the Town Administrator by each month's end.

F. Audit

All reconciliation documents are subject to audit by the independent auditor.

EFFECTIVE DATE
This policy was adopted on

Draft

REVENUE TURNOVER

PURPOSE

To safeguard Town assets and maximize cash flow, the Town establishes this policy that provides guidelines for departments to turn over receipts to the Treasurer/Collector. Included are details of internal controls designed to provide reasonable assurance that the Town's revenues are properly and timely secured, recorded, and deposited in Town bank accounts.

APPLICABILITY

This policy pertains to all cash, check, credit card, and other forms of payment received by all Town departments for taxes, excise, fees, federal and state government receipts, and charges. It applies to the individuals within each department assigned responsibility for handling payments.

POLICY

The head of each department that receives payments is responsible for instituting and employing internal controls designed to ensure that all receipts are recorded accurately, kept secure from loss or theft, and turned over timely to the Treasurer/Collector. Each department must turn over at least weekly and must do so immediately whenever collections total $500 or more. All current month turnovers will be completed on the last business day of the month no later than 11:00 AM.

PROCEDURES

A. Receiving Payments

Using pre-numbered receipt books supplied by the Treasurer/Collector, Town and School Department staff must issue a receipt for every collection received, even when the payer attempts to refuse it. As is the exception, Treasurer/Collector staff need only issue receipts for cash payments. However, all department staff without exception must identify cash payments as such in their receipt books. All staff must immediately endorse each check "For Deposit Only." Every collecting department shall secure all payments in a locked cashbox or safe until completing a turnover to the Treasurer/Collector.

The School Department deposits lunch program receipts into a Town bank account. These deposits shall take place the same day as receipt. Copies of the bank deposit slips shall be included with the turnover to the Treasurer/Collector.

Each department head is responsible for overseeing the processing, recording, record retention, and turning over of collected receipts to the Treasurer/Collector. To the extent practicable, separate individuals should be tasked with 1) receiving payments, 2) depositing money in the bank (as applicable for the School Department), and 3) turning receipts over to the Treasurer/Collector.

B. Turning Over Revenues

Departmental staff will create a turnover package by filling out a standard Schedule of Departmental Payments (i.e., the turnover form) in triplicate with department head signature. All receipts should correlate to the numbered receipt book and to the turnover form.

When the Treasurer/Collector's office has accepted the turnover, the department employee will

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receive two copies of the turnover form signed by a Treasurer/Collector staff member. The department employee will retain one turnover copy on file and is responsible for delivering the other to the Finance Director, in the role of Town Accountant. The Town Accountant shall refuse to accept any turnover form that does not have the signature of a Treasurer/Collector staff member.

All departments that receive payments should review their monthly revenue reports against their turnover copies to verify that all receipts turned over to the Treasurer/Collector are accurately recorded in the appropriate general ledger accounts and report any discrepancies to the Town Accountant.

C. Receiving Turnovers

When presented with a turnover, Treasurer/Collector staff will count the receipts in the presence of the department turning over. Any inaccuracies on the turnover form will be corrected and initialed by both parties. The Treasurer/Collector staff member will then sign two turnover copies and give these back to the departmental employee. Upon receipt, the Treasurer/Collector will secure the receipts, which will be recorded in the cashbook and deposited at the bank within 24 hours.

To the extent practicable, separate individuals should be tasked with 1) receiving the turnovers, 2) recoding the revenues in the cashbook, and 3) depositing the money in the bank.

The Treasurer/Collector will enter the receipt data in the Munis system and provide the Town Accountant with a weekly report of all turnovers processed (i.e., the Schedule of Receipts report) for review and formal indication of agreement, or changes if any.

D. Reconciliation

In accordance with the Town's Reconciliation policy, the Treasurer/Collector will reconcile the cashbook with bank statements and provide a summary of cashbook balances to the Town Accountant monthly.

E. Audit

All cash management activity is subject to review by the Finance Director and the independent auditor.

EFFECTIVE DATE
This policy was adopted on

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PROCUREMENT CONFLICT OF INTEREST

PURPOSE

To ensure integrity in the procurement and contract process, to educate Town employees, consultants, uncompensated outside parties, and any person involved in decisions to award contracts about potential conflicts of interests, and to establish a process for the screening of conflicts of interests.

APPLICABILITY

The policy pertains to all the Town's procurement and contract processes governed under the provisions of the state's Uniform Procurement Act associated with, but not limited to: specification development, preparation and issuance of solicitations, evaluation of solicitations and submissions, and other evaluations that lead to Town contract awards. The policy applies to the job responsibilities of the Town Administrator serving as the Town Procurement Officer and the School Business Manager as the School Procurement Officer and to the related functions of the Town Counsel and Town Accountant. It further applies to all Town employees, officials, and others working on the Town's behalf who are involved with any procurement and contract process and to the prospective contractors.

POLICY

The Town is committed to ethical business practices, professional integrity, and compliance with all procurement laws and regulations. Millis will provide fair opportunities to participants in competitive processes for the award of Town contracts. Process integrity will be reinforced by the practices outlined here to ensure confidentiality during the bid evaluation process and to assess and address conflicts of interest in all competitive solicitations. The Town shall investigate all allegations of conflict of interest or misconduct brought to the attention of Town staff.

To comply with the state's Uniform Procurement Act, any purchase for supplies or services (with certain exceptions) costing more than $10,000 requires solicitation of three quotes for contracts and those over $35,000 require competitive sealed bids or proposals for contracts.

A. <u>Confidentiality during the Bid Evaluation Process</u>

Town staff, consultants, and outside evaluators who are participants in a bid evaluation process are required to sign confidentiality agreements, which bind them not to share any information about responses received and the evaluation process until the Town issues a Notice of Intended Award.

Departments must:

1. Identify all participants of an evaluation process who receive proposals or other documents used in the evaluation process, including any non-evaluating observers.
2. Ensure that these participants sign confidentiality agreements.
3. Submit the confidentiality agreements to the Town Administrator or School Business Manager.

The Town Administrator / School Business Manager must:

1. Verify that signed confidentiality agreements for all participants in the evaluation process,

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including non-evaluating observers, are submitted.

2. Maintain signed confidentiality agreements on file.

B. Conflict of Interest in Procurement

To ensure decisions are made independently and impartially, Town employees and officials are expected to avoid any conflicts of interest and also avoid the appearance of conflicts of interest. A conflict of interest, or the appearance of one, must be disclosed whenever a vendor, employee, or officer has, or can reasonably anticipate having, an ownership interest, a significant executive position, or other remunerative relationship with a prospective supplier of goods or services to the Town or knows that a family member or other person with whom they have a personal or financial relationship has such an interest.

> According to the federal Office of Management and Budget's Omni Circular, a conflict of interest arises when: "*the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.*"
>
> And it states that: *"The officers, employees, and agents of the non-federal entity must neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts."*
>
> The Omni Circular further requires that for any federal grant involving a parent, affiliate, or subsidiary organization that is not a state or local government, the Town must also maintain written standards of conduct covering organizational conflicts of interest. An organizational conflict of interest means that due to a relationship with a parent company, affiliate, or subsidiary organization, the Town is unable or appears to be unable to be impartial in conducting a procurement action involving the related organization.

Any person with a conflict as described above shall not participate in the preparing of specifications, qualifying vendors, selecting successful bidders on products or services in which they have an interest, or approving payment to those interests. The only exception to this arises if the person makes full disclosure of a potential conflict and receives in advance, written determination from the State Ethics Commission that the interest is not so substantial as to be deemed likely to affect the integrity of the services the Town may expect from that individual.

Department heads and other officials are required to ascertain and disclose to the Town Administrator or School Business Manager any potential conflict of interest affecting procurement transactions before a contract is signed, a commitment made, or an order placed. Having satisfied this requirement, the Town Administrator shall notify the Town Accountant, who will verify the availability of funds before any order is placed with a vendor. Similarly, the School Business Manager shall authorize a purchase order after this requirement is met.

The following measures shall be taken to ensure the Town avoids any conflict of interests in procuring Town contracts:

1. Employees, officials, and others who regularly participate in contract activities on behalf

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of the Town must disclose relevant financial interests as required by state and federal laws and to annually review those statements in conjunction with this policy and other ethical standards.

2. Other persons involved in procurements must review this policy and other ethical standards and provide information in order to determine if there is a conflict of interest. Such persons shall include, but are not limited to, authors of specifications; paid and unpaid evaluators; and paid and unpaid consultants who assist in the procurement process.
3. If a possible conflict of interest is identified, it must be documented and reviewed with the Town Counsel.

Departments must:

1. Identify employees, consultants, outside uncompensated parties, and any other persons who will be involved in a procurement or contract activity, such as specification development, preparation and issuance of solicitations, evaluation of solicitations or submissions, or other evaluations, that will lead to an award of contract.
2. Provide conflict of interest forms to the identified participants.
3. Submit the completed forms to the Town Administrator or School Business Manager prior to commencing any procurement or contract activity.

The Town Administrator / School Business Manager must:

1. Review the submitted forms for potential conflicts of interest.
2. Discuss any potential conflicts of interest with the Town Counsel and document the resulting determinations.
3. If a conflict or the appearance of one exists, take appropriate actions, including but not limited to, removal of the employee, consultant, or outside uncompensated party from the procurement or contract activity or cancelation of the solicitation.

C. Audit

The Finance Director shall conduct random audits of compliance with this policy. All practices associated with the Town's procurement also are subject to audit by the Town's independent auditor.

EFFECTIVE DATE
This policy was adopted on

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TAX ENFORCEMENT

PURPOSE

To provide guidance for equitably enforcing tax obligations and set expectations for both the Town and taxpayers, this policy clearly defines when and how the Town will transition unpaid property taxes from tax title through to foreclosure. It is in the best interest of the Town of Millis and its residents that property taxes be paid when due. Town and School budgets are set in anticipation of the collection of taxes, and taxes not paid by some property owners shift the cost burden onto others. The Town recognizes that individuals may go through periods of financial difficulty, but any taxpayer who becomes delinquent will be encouraged to find alternative resources to pay in full as soon as possible.

APPLICABILITY

This policy applies to the job duties of the Town Treasurer/Collector, including those duties related to managing the Town's contracted services with the Tax Title Attorney. Tax enforcement applies to all owners of real or personal property in the Town of Millis whose taxes are not exempt.

POLICY

The Town of Millis intends to timely pursue all legal methods to collect taxes from delinquent property owners with the aim of achieving a target of 97 percent property tax collection rate by fiscal year-end. The town will also timely and annually pursue foreclosure actions with the primary objective of receiving all monies due the Town. The costs of collection methods accrue against the taxpayer and may add to the property lien. Delinquent taxes represent a lien on property and remain in effect until all taxes, interest, and fees have been paid in full.

A. Demands

Final taxes are due to be paid as of May 1st each year (the due date for the 4th quarter tax bill). Fifteen days later, the Treasurer/Collector shall issue demand notices to all assessed property owners who have failed to pay in full and who have not been granted full exemptions. Taxpayers are responsible for notifying the Town in writing of any mailing address changes.

B. Tax Taking

The Treasurer/Collector will begin the tax taking process within 60 days of the demand notice. State law allows the process to begin as soon as 15 days after the demand, but, in every case, the Treasurer/Collector must complete the takings within 3½ years from the end of the fiscal year for which the taxes were assessed to secure, or perfect, the tax liens.

The Treasurer/Collector will send at least one enforcement letter to delinquent property owners as a courtesy to potentially avoid a tax taking advertisement. If this does not result in full remittance by September 1st, the Treasurer/Collector will publish a Notice of Tax Taking in a local newspaper and post the notice in two or more convenient, public places. From this point onward only cash, certified check, or cashier's check are acceptable forms of payment.

Within 60 days of the tax taking announcements, the Treasurer/Collector shall prepare an Instrument of Taking for each delinquent property at the Registry of Deeds, the recording of which perfects the tax lien. After receiving the recorded Instruments back from the Registry, the

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Treasurer/Collector will notify affected property owners of the liens by sending each of them a letter and a photocopy of the Instrument. The Treasurer/Collector shall make two copies of the List of Recorded Takings and provide one each to the Board of Selectmen and the Finance Director, in the role of Town Accountant.

C. Subsequent Taxes

After the demand bill and before June 15th each year, the Treasurer/Collector will certify all unpaid taxes and assessments for parcels of real estate taken into tax title for nonpayment of taxes in prior years and not yet redeemed and put them in a Subsequent Tax Takings list. The Treasurer/Collector will provide copies of the list to the Board of Selectmen and the Finance Director, in the role of Town Accountant, and retain one on file.

D. Interest, Fees, and License Revocation

All delinquent taxpayers are subject to charges, which will be added to their accounts by the Treasurer/Collector. These include interest accrued to the date of taking, advertising fees, certified mailing costs, legal fees, and Instrument of Taking recording fees.

The Treasurer/Collector will provide a listing of all individuals who are delinquent in paying taxes or other charges to the Town departments, boards, and committees that issue licenses and permits. These authorities shall review the list to deny, suspend, or revoke delinquent taxpayers' licenses and permits.

E. Payment Plans

The Treasurer/Collector will consider payment plans for parcels in tax title to allow delinquents to pay off their tax liens over a specified number of months. The Treasurer/Collector will actively monitor compliance with all payment plans, which shall have the following features in common:

- An upfront good faith payment of 25 percent of taxes owed
- Signed agreement between the Treasurer/Collector and taxpayer
- Specific amount to be paid each month
- Incorporation of payments for the current tax bill
- Statement that defaulting on the plan will immediately trigger foreclosure action by the Town

F. Redemption or Foreclosure

The primary policy goal of the Town's foreclosure process is getting outstanding amounts paid; however, it is also a policy goal to eventually achieve foreclosure on every persistently delinquent property on an annual basis.

On a quarterly basis, the Treasurer/Collector shall identify all tax title properties older than 180 days to initiate foreclosure procedures. The Treasurer/Collector is responsible for completing foreclosures for any properties below the "Land of Low Value" threshold, which is annually updated each spring by the Division of Local Services. The Treasurer/Collector shall thoroughly review all other tax title properties before referring them the Tax Title Attorney for foreclosure processing in Land Court, beginning with those having the largest dollar value of taxes owed.

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As manager of the service contract, the Treasurer/Collector shall ensure the Tax Title Attorney complies with the objectives laid out in this policy section. The Treasurer/Collector will work with Tax Title Attorney to prepare parcels in tax title status for foreclosure, beginning by providing each Instrument of Taking. The Tax Title Attorney will review and research the tax title properties and also mail new collection enforcement letters to the taxpayers telling them of the importance of redeeming the property and warning of potential foreclosure action.

If a taxpayer pays the outstanding amount on a tax title property, the Treasurer/Collector will prepare an Instrument of Redemption and file it at the Registry of Deeds, which removes the lien. Redemption can only be done prior to the property being foreclosed. If the obligation remains unpaid, the Tax Title Attorney will proceed with foreclosure action in Land Court, possibly resulting in auctioning of the property.

EFFECTIVE DATE

This policy was adopted on

Draft

POLICY ADOPTION/REVISION LOG

As a part of the annual budget process, financial officers and other department personnel cited in the Applicability section for each policy will review verify that it is current. If it is determined that a policy needs to be updated, the Town Administrator will draft proposed edits in consultation with Town Counsel and other responsible parties. The revised policy will be submitted to Town policymakers for adoption. An official record of annual reviews and revision date(s) will be logged below.

Policy	Date of Adoption	Last reviewed	Date of Amendment(s)
Forecasting			
Financial Reserves			
Overlay			
Debt Management			
Investments			
Other Postemployment Benefits Liability			
Tax Enforcement			
Revenue Turnover			
Reconciliations			
Antifraud			
Procurement Conflict of Interest			
Disbursements			

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Appendix C
Glossary

Abatement: A reduction or elimination of a level imposed by a governmental unit applicable to tax levies, motor vehicle excise, fees, charges and special assessments.

Accounting System: The total structure of records and procedures that identify, record, classify and report information on the financial position and operations of a governmental unit or any of its funds, balanced account groups or organizational components.

Accrued Interest: In an original governmental bond sale, accrued interest is the amount of interest that has accumulated on the bonds from the day they are dated up to, but not including, the date of delivery (settlement date).

Amortization: The gradual elimination of an obligation, such as a bond, according to a specified schedule of times and amounts. The principal amount of a home mortgage, for example, is amortized by monthly payments.

Appropriation: An authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in amount and the time in which it may be expended. Only a town meeting, council or the school committee can authorize money appropriated for one purpose to be used for another. Any amount that is appropriated may be encumbered (see **Encumbrance**). Any part of an appropriation not spent or encumbered by June 30 automatically reverts to the undesignated fund balance that may result in free cash. If departments know of remaining unpaid bills at the close of the fiscal year and properly notify the accountant (C 41, s 58), the departmental appropriation is encumbered to extend the general spending authorization until such time that the bill is paid or it is decided not to spend the funds. If these encumbrances are not acted on within a year, the accountant generally notifies the department and closes them out. A special warrant article/appropriation, however, may carry forward from year to year until spent for the designated purpose or until it is transferred by a town meeting vote to another account.

Arbitrage: As applied to municipal debt, the investment of tax-exempt bond or note proceeds in taxable higher yielding securities. This practice is restricted under Section 103 of the Internal Revenue Service (IRS) Code, and (beyond certain limits) earnings are required to be rebated (paid) to the IRS.

Assessed Valuation: A valuation set upon real estate or other property by a government as a basis for levying taxes. In Massachusetts assessed valuation is based on *full and fair cash value*, the amount a willing buyer would pay a willing seller on the open market. Assessors must collect, record and analyze information about the physical characteristics of the property and the market in order to estimate the fair market value of all taxable properties in their communities.

Audit: An examination of systems, procedures and financial data by a certified accountant, reporting on the fairness of financial statements and compliance with statutes and regulations. (Audits can be valuable management tools for evaluating the fiscal performance of communities.)

Audit Report: The product of an audit prepared by an independent auditor. The report often includes: (a) a statement of the scope of the audit; (b) explanatory comments as to application of auditing procedures; (c) findings and opinions; (d) financial statements and schedules; and (e) statistical tables, supplementary comments and recommendations.

Available Funds: These are funds established through previous appropriations or results of favorable conditions. These may be appropriated to meet emergency or unforeseen expenses, large one-time or capital expenditures. Examples: Free Cash, Stabilization Fund, Overlay Surplus, Water Surplus and enterprise retained earnings.

Balance Sheet: A statement that discloses the assets, liabilities, reserves and equities of a fund or governmental unit at a specified date.

Basis of Accounting: Basis of accounting refers to when revenues and expenditures or expenses are recognized in accounts and reported on financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds and expendable trust and agency funds could be accounted for using the modified accrual basis of accounting. Under this method revenues are recognized when they become measurable and available as net current assets with the following guidelines:

- Property taxes, excise taxes, departmental and governmental receivables are recorded as revenue when received in cash as are monies received during the first 60 days of the following fiscal year; and
- Expenditures are generally recognized under the accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include principal and interest on general long-term debt, which is recognized when due.
- All proprietary funds and nonexpendable trust and pension trust funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred.

Betterments (Special Assessments): Whenever a specific area of a community receives benefit from a public improvement (e.g., water, sewer, sidewalk, etc.), special property taxes may be assessed to reimburse the governmental entity for all or part of the costs it incurred. Each parcel receiving benefit from the improvement is assessed for its proportionate share of the cost of such improvements. The proportionate share may be paid in full or the property owner may request that the assessors apportion the betterment over 20 years. Over the life of the betterment, one year's apportionment along with one year's committed interest computed from October 1 to October 1 is added to the tax bill until the betterment has been paid.

Bond: A written promise to pay a specified sum of money, call the face value (par value) or principal amount, at a specified date or dates in the future, called maturity date(s), together with periodic interest at a specified rate. The difference between a note and a bond is that the latter runs for a longer period of time.

Bond and Interest Record: The permanent and complete record maintained by a treasurer for each bond issue. It shows the amount of interest and principal coming due each date, the bond and coupon numbers, and all other pertinent information concerning the bond issue. The term is synonymous with Bond Register.

Bond Anticipation Note (BAN): Once borrowing for a specific project has been approved by two- thirds vote of town meeting or city council and prior to issuing long-term bonds, short-term notes may be issued to provide cash for initial project costs. BANs may be issued for a period not to exceed five years but with a reduction of principal after two years (Ch. 44, s 17). The final maturity date of the project borrowing, beginning from the date the short-term note was issued, may not exceed the term specified by statute (Ch. 44, s 7 and 8). BANs are full faith and credit obligations.

Bond Authorization: Formal approval to incur debt by municipal officials, in accordance with procedures stated in M.G.L. Ch. 44, specifically 2 1, 2, 3, 4a and 6-15.

Bonds Authorized and Unissued: Bonds that a government has been authorized to sell but has not yet done so. Issuance at this point is only contingent upon action by the treasurer and mayor or selectmen.

Bond Issue: Generally, the sale of a certain number of bonds at one time by a governmental unit.

Budget: A plan of financial operation embodying an estimate of proposed revenues and expenditures for a given period and the proposed means of financing them. A budget may be *preliminary* (the financial plan presented to the town meeting) or *final* (the plan approved by that body). The budget should be separated into basic units, either by department, program or service. The format is important because by classifying by service or department, the budget is clearly defined and more easily understood by both local officials and town meeting.

Budget Message: A statement by the town's policymakers summarizing the plans and policies contained in the budget report, including an explanation of the principal budget items, an outline of the municipality's experience during the past year and its financial status at the time of the message, and recommendations regarding financial policy for the coming fiscal year.

Budget Unit: A department to which the town meeting appropriates funds.

Capital Budget: An annual appropriation or spending plan for capital expenditures (tangible assets or projects that cost at least $25,000 and have a useful life of at least five years). This type of budget should recommend the method of financing for each item recommended and identify those items that are recommended to be deferred due to scarce resources.

Capital Expenditures/Improvements: These are items generally found in the capital budget such as construction, acquisitions, site development, major repairs or replacement to capital facilities and public ways and overhead costs. The fees for architects, engineers, lawyers, and other professional services, plus the cost of financing advance planning, may be included.

Capital Improvements Program: A comprehensive schedule for planning a community's capital expenditures. It coordinates community planning, fiscal capacity and physical development. While all of a community's needs should be identified in the program, there should also be a set of criteria that prioritizes expenditures. A capital program is a plan for capital expenditures that extends five years beyond the capital budget and is updated yearly.

Capital Outlay Expenditure Exclusion: A vote by a community at an election to exclude payments for a single year capital project from the levy limit. The exclusion is limited to one year and may temporarily increase the levy above the levy ceiling.

Cash: Currency, coin, checks, postal and express money orders and bankers' drafts on hand or on deposit with an official or agent designated as custodian of cash and bank deposits.

Cash Management: The process of managing monies of a local government in order to ensure maximum cash availability and maximum yield on short-term investment of idle cash.

Cemetery Perpetual Care: These funds are donated by individuals for the care of grave sites. According to Ch. 114, s 25, funds from this account must be invested and spent as directed by perpetual care agreements. If no agreements exist, interest (but not principal) may be used as directed by the cemetery commissioners for the purpose of maintaining cemeteries.

Certification: The action of a bank or trust company (or DOR's Bureau of Accounts for State House Notes) in certifying the genuineness of the municipal signatures and seal on a bond issue. The certifying agency may also supervise the printing of bonds and otherwise safeguard their preparation against fraud, counterfeiting, or over-issue. Also known as Authentication.

Certificate of Deposit (CD): A bank deposit evidenced by a negotiable or non-negotiable instrument, which provides on its face that the amount of such deposit plus a specified interest payable to a bearer or to any specified person on a certain specified date, at the expiration of a certain specified time, or upon notice in writing.

Cherry Sheet: Named for the cherry colored paper on which it was originally printed, the Cherry Sheet is the official notification from the Commissioner of Revenue of the next fiscal year's state aid and assessments to communities and regional school districts. State aid to municipalities and regional school districts consists of two types: distributions and reimbursements. Distributions provide funds based on formulas, while reimbursements provide funds for costs incurred during a prior period for certain programs or services. In addition, communities may receive "offset items" that must be spent on specific programs. Cherry Sheet Assessments are advanced estimates of state assessments and charges and county tax assessments. Local assessors are required to use these figures in setting the local tax rate. (Because these figures are estimates, it should be noted that the final aid or assessment may differ based on filing requirement and/or actual data information.)

Cherry Sheet Offset Items: Local aid accounts that may be spent without appropriation in the budget but which must be spent for specific municipal and regional school district programs. Current offset items include racial equality grants, school lunch grants and public libraries grants.

Classification of Real Property: Assessors are required to classify all real property according to use into one of four classes: residential, open space, commercial, and industrial. Having classified its real properties, local officials are permitted to determine locally, within limitations established by statute and the Commissioner of Revenue, what percentage of the tax burden is to be borne by each class of real property and by personal property owners (see **Classification of the Tax Rate**).

Classification of the Tax Rate: In accordance with M.G.L. Ch. 40, s 56, the selectmen vote to determine the tax rate options. Based on the residential factor adopted (see **Residential Factor**), any community may set as many as three different tax rates for : residential property; open space; and commercial, industrial and personal property.

Collective Bargaining: The negotiations between an employer and union representative regarding wages, hours and working conditions.

Conservation Fund: This fund may be expended for lawful conservation purposes as described in Ch. 40, s 8C. This fund may also be expended for damages related to the taking of land by eminent domain, provided that such taking has first been approved by a two-thirds vote of city council or town meeting.

Consumer Price Index: The statistical measure of changes in the overall price level of consumer goods and services based on prices of goods and services purchased by urban wage earners and clerical workers, including families and single persons. The index is often called the "cost-of-living index."

Cost-Benefit Analysis: An analytical approach to solving problems of choice. First, different ways to achieve an objective are identified. Then an alternative is chosen to produce the required benefits at the lowest cost or greatest benefits for a given cost.

Crosswalk: A clear path linking separate considerations, such as a crosswalk between a line item and program budget. For example, all department appropriations are set up the same way. However, because of the programmatic and reporting responsibilities a school department has to the Department of Education (DOE), a school department generally has a very detailed set of line items by program. Expenditures must be tracked for DOE purposes, yet must also be easily communicated to the town accountant. Therefore, a crosswalk is established from the infinitesimal school detail to the larger picture of the town's appropriation.

Dept Authorization:

Debt Burden: The level of debt of an issuer, usually as compared to a measure of value (debt as a percentage of assessed value, debt per capital, etc.). Sometimes debt burden is used in referring to debt service costs as a percentage of the annual budget.

Debt Exclusion: This is a vote by a municipality at an election to exclude debt service payments for a particular capital project from the levy limit. The amount necessary to cover the annual debt service payment is added to the levy limit for the life of the debt only. A debt exclusion may temporarily increase the levy above the levy ceiling. (See **School Building Assistance Program**)

Debt Limit: The maximum amount of debt that a municipality may have authorized for qualified purposes under state and self-imposed ceilings.

Debt Service: The cost (usually stated in annual terms) of the principal retirement and interest of any particular issue.

Default: Failure to pay principal or interest when due.

Direct Debt: Debt a municipality has incurred in its own name as opposed to overlapping debt.

Effective Interest Rate: For a municipal borrower, the net cost of borrowing (expressed as an interest rate) after costs associated with a loan is accumulated and added to the nominal interest rate.

Encumbrance: Obligations in the form of purchase orders, contract or salary commitments that are chargeable to an appropriation and for which a part of the appropriation is reserved.

Enterprise Funds: An accounting mechanism allowing a community to demonstrate to the public the portion of total costs of a service that is recovered through user charges and the portion that is subsidized by the tax levy. With an enterprise fund all costs of service delivery—direct, indirect and capital costs—are identified. This allows the community to recover total service costs through user fees if it so chooses. Enterprise accounting also

enables communities to reserve the "surplus" or retained earnings generated by the operation of the enterprise rather than closing it out at yearend. According to Ch. 44 s 53F the services that may be treated as enterprises include, but are not limited to, water, sewer, hospital and airport services.

Equalized Valuations (EQVs): The determination of the full and fair cash value of all property in the commonwealth that is subject to local taxation. EQVs have historically been used as variables in distributing certain state aid accounts and for determining county assessments and certain other costs. The Commissioner of Revenue, in accordance with M.G.L. Ch. 58 s 10C, is charged with the responsibility of bi-annually determining an equalized valuation for each town and city in the Commonwealth.

Estimated Receipts: Estimates of state and local miscellaneous receipts based on previous year's
receipts deducted by the assessors from gross amount to be raised by taxation.

Excess and Deficiency: Also called the "surplus revenue" account, this is the amount by which
cash, accounts receivable and other assets exceed the liabilities and reserves.

Excess Levy Capacity: The difference between the levy limit and the amount of real and personal property taxes actually levied in a given year. Annually, the Select Board or council must be informed of excess levying capacity and evidence of such acknowledgment must be submitted to DOR when setting the tax rate.

Exemptions: Upon approval of an application to the board of assessors, these are full or partial discharges from the obligation to pay a property tax by statute on particular categories of property or persons. Examples include hospitals, schools, houses of worship and cultural institutions that are of benefit to the community. In addition, exemptions may be granted for qualified veterans, persons over 70 years of age and certain financial hardships.

Expenditure: The spending of money by municipalities for programs within their approved budgets.

Fiduciary Funds: Fiduciary funds account for assets held by the municipality in a trustee capacity or as an agent for individuals, private organizations, other governments and other funds. These include expendable trust, nonexpendable trust, pension trust and agency funds. Nonexpendable trust and pension trust funds are accounted for in essentially the same manner as proprietary funds since capital maintenance is critical. Expendable trust funds are accounted for in essentially the same manner as governmental funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Fiscal Year: The Commonwealth and municipalities operate on a fiscal year that begins on

July 1 and ends on June 30. The number of the fiscal year is that of the calendar year in which the fiscal year ends; e.g., the 2012 fiscal year, July 1, 2010, to June 30, 2012, is usually written as FY11. This, however, no longer coincides with the fiscal year followed by the federal government, which begins on October 1 and end on September 30.

Fixed Costs: These are costs that are legally or contractually mandated. (Examples: retirement, FICA/Social Security, insurances, debt service or interest.)

Float: The amount of money making up the difference between the bank balance for a local government's account and its book balance at the end of the day. The primary factor creating float is clearing time on checks and deposits. Delays in receiving deposit and withdrawal information also influence float.

Foundation Budget: The target set for each school district defining the spending level necessary to provide an adequate education for all students. The foundation budget is comprised of both local effort and state aid.

Free Cash: (Also Budgetary Fund Balance) Funds remaining from the operations of the previous fiscal year that are certified by DOR's director of accounts as available for appropriation. Remaining funds include unexpended free cash from the previous year, receipts in excess of estimates shown on the tax recapitulation sheet and unspent amounts in budget line items. Unpaid property taxes and certain deficits reduce the amount of remaining funds that can be certified as free cash.

The calculation of free cash is made based on the balance sheet, which is submitted by the community's auditor, accountant or comptroller. Typically, a community will attempt to maintain a free cash balance of between three and five percent of its total budget as a hedge against unforeseen expenditures, to ensure there will be an adequate reserve to prevent sharp fluctuations in the tax rate, and to prevent expensive short-term borrowing. (Maintenance of an adequate free cash level is not a luxury but a necessary component of sound local fiscal management. Credit rating agencies and other members of the financial community expect municipalities to maintain free cash reserves; judgments regarding a community's fiscal stability are made, in part, on the basis of free cash.) Also see **Available Funds**.

Full Faith and Credit: A legal pledge of the general taxing powers for the payment of governmental obligations. Bonds carrying such pledges are usually referred to as general obligation or full faith and credit bonds.

Fund: An accounting entity with a self balancing set of accounts that are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with specific regulations, restrictions or limitations.

Fund Accounting: Organizing the financial records of a municipality into multiple funds. A fund is a distinct entity within the municipal government in which financial resources and

activity (assets, liabilities, fund balances, revenues and expenditures) are accounted for independently in accordance with specific regulations, restrictions or limitations. Examples of funds include the Massachusetts General Fund and enterprise funds. Communities whose accounting records are organized according to the Uniform Municipal Accounting System (UMAS) use multiple funds.

General Fund: This non-earmarked fund is used to account for most financial resources and activity governed by the normal town meeting/city council appropriation process.

General Obligation Bonds: Bonds issued by a municipality that are backed by the full faith and credit of its taxing authority.

Governing Body: The board, committee, commissioners or other legislative body of a governmental unit including the school committee of a municipality.

Indirect Cost: Costs of a service not reflected in the service's operating budget. A determination of these costs is necessary to analyze the total cost of service delivery. (An example of an indirect cost of providing water service would be health insurance costs for water employees.)

Interest: Compensation paid or to be paid for the use of money, including interest payable at periodic intervals or as discount at the time a loan is made.

Interest Rate: The interest payable, expressed as a percentage of the principal available for use during a specified period of time. It is always expressed in annual terms.

Investments: Securities and real estate held for the production of income in the form of interest, dividends, rentals or lease payments. The term does not include fixed assets used in governmental operations.

Land Fund: A fund established in FY86 to which municipalities may add an annual appropriation earmarked for the acquisition of land or debt service on designated land purchases.

Law Enforcement Trust Fund: A revolving fund established to account for a portion of the proceeds from the sale of property seized from illegal drug-related activities. Funds may be expended to defray certain qualified law enforcement costs as outlined in Ch. 94C, s 47. Funds from this account may be expended by the police chief without further appropriation.

Levy Ceiling: The maximum tax assessed on real and personal property may not exceed 2 percent of the total full and fair cash value of all taxable property (M.G.L. Ch. 59 s 21C). Property taxes levied may exceed this limit only if the community passes a capital outlay expenditure exclusion, a debt exclusion or a special exclusion.

Levy Limit: The maximum amount a community can levy in a given year. The limit can grow each year by 2 percent of the prior year's levy limit (M.G.L. CH. 59 x 21C (f,g,k)) plus new growth and any overrides. The levy limit can exceed the levy ceiling only if the community passes a capital expenditure exclusion, debt exclusion or special exclusion.

Line Item Budget: A budget that focuses on inputs of categories of spending, such as supplies, equipment maintenance or salaries, as opposed to a program budget.

Local Aid: Revenue allocated by the Commonwealth to towns, cities and regional school districts. Estimates of local aid are transmitted to towns, cities and districts annually by the "Cherry Sheet." Most of the Cherry Sheet aid programs are considered revenues of the municipality's or regional school district's general fund and may be spent for any purpose subject, subject to appropriation.

Local Appropriation Authority: In a town, the town meeting has the power to levy directly a property tax. In a city, the city council has this power.

Local Receipts: Locally generated revenues other than real and personal property taxes and excluding enterprise fund revenues. Examples include motor vehicle excise, investment income, hotel/motel tax, fees, rentals, and charges. Annual estimates of local receipts are shown on the tax rate recapitulation sheet.

Maturity: The date upon which the principal of a bond becomes due and payable.

Massachusetts Municipal Depository Trust: Founded in 1977 it is an investment program in which municipalities may pool excess cash. It is under the supervision of the state treasurer.

Minimum Required Local Contribution: The minimum that a town or city must appropriate from property taxes and other local revenues for the support of schools.

Moody's Investment Services, Inc.: One of the leading municipal bond rating agencies.

Municipal(s): (As used in the bond trade) "Municipal" refers to any governmental unit below or subordinate to the state. "Municipals" (i.e., municipal bonds) include not only the bonds of all local subdivisions such as towns, cities, school districts and special districts, but also bonds of states and agencies of the state.

Municipal Revenue Growth Factor: An estimate of the percentage change in a municipality's revenue growth for a fiscal year. It represents the combined percentage increase in the following revenue components: automatic 2 percent increase in the levy limit, estimated new growth, the change in selected unrestricted state aid categories and the change in selected unrestricted local receipts.

M.G.L. (or MGLA): Massachusetts General Laws, Annotated.

Net School Spending (NSS): Includes both school budget and municipal budget amounts attributable to education, excluding long-term debt service, student transportation, school lunches and certain other specified school expenditures. A community's NSS funding must equal or exceed the NSS Requirement established annually by the Department of Education.

New Growth: The taxing capacity added by new construction and other increases in the property tax base. New growth is calculated by multiplying the value associated with new construction by the tax rate of the previous fiscal year. For example, FY11 new growth is determined by multiplying the value of new construction in calendar 2009 (as valued on January 1, 2010) by the FY10 tax rate.

Note: A short-term loan, typically of a year or less in maturity.

Objects of Expenditures: A classification of expenditures that is used for coding any department
disbursement, such as "personal services," "expenses," or "capital outlay."

Official Statement: A document containing information about a prospective bond issue or a note issue which contains information about the issue and the issuer and is intended for the potential investor. The official statement is sometimes published with the notice of sale. It is sometimes called an offering circular or prospectus.

Offset Receipts: Includes certain education programs and the aid to public libraries program which are designated on the Cherry Sheet as offset items. These amounts can be spent without appropriation but must be spent only for these specific programs.

Operating Budget: The plan of proposed expenditures for personnel, supplies, and other expenses for the coming fiscal year.

Other Amounts to be Raised: Amounts raised through taxation but which are not appropriations items. Generally, these are locally generated expenditures (e.g., overlay, teacher pay deferral, deficits) as well as state, county and other special district charges. Because these must be funded in the annual budget, special consideration should be given to them when finalizing the budget recommendations to town meeting. (See **Tax Recapitulation**).

Overlapping Debt: The share of regional school district and/or other regional agency debt which is allocable to and payable by a municipality as part of the fees or assessment from the regional entity.

Overlay: (Overlay Reserve or Reserve for Abatements and Exemptions) An Account established annually to fund anticipated property tax abatements and exemptions in that year. The overlay reserve is not established by the normal appropriation process, but rather is raised on the tax rate recapitulation sheet.

Overlay Deficit: A deficit that occurs when the amount of overlay raised in a given year is insufficient to cover abatements and statutory exemptions for that year. Overlay deficits must be provided for in the next fiscal year.

Overlay Surplus: Any balance in the overlay account of a given year in excess of the amount remaining to be collected or abated can be transferred into this account (See **Overlay**). Within 10 days of a written request by the chief executive officer of a town or city, the assessors must provide a certification of the excess amount of overlay available to transfer. Overlay surplus may be appropriated for any lawful purpose. At the end of each fiscal year, unused overlay surplus is "closed" to surplus revenue, i.e., it becomes a part of free cash.

Override: A vote by a community at an election to permanently increase the levy limit. An override vote may increase the levy limit to no higher than the levy ceiling. The override question on the election ballot must state a purpose for the override and the dollar amount. (See **Underride**.)

Override Capacity: The difference between a community's levy ceiling and its levy limit. It is the maximum amount by which a community may override its levy limit.

Performance Budget: A budget that stresses output both in terms of economy and efficiency.

Personnel Services: The cost of salaries, wages and related employment benefits.

Price Index: A statistical measure of change in overall prices. There are different indices, but they all compare the change in cost of a certain "bundle" of goods and services over a given period of time.

Principal: The face amount of a bond, exclusive of accrued interest.

Program: A combination of activities to accomplish an end.

Program Budget: A budget that relates expenditures to the programs they fund. The emphasis of a program budget is on output.

Property Tax Levy: The amount a community can raise through the property tax. The levy can be any amount up to the levy limit plus exclusions.

Purchased Services: The cost of services that are provided by a vendor.

Ratings: Designations used by credit rating services to give relative indications of quality.

- Moody's ratings range from the highest Aaa down through Aa, A-1, A, Baa-1, Baa, Ba, B, Caa, Ca, C
- Standard and Poor ratings include: AAA, AA, A, BBB, BB, B, CCC, CC, C, DDD, DD, and D.

Refunding: System by which an issue is redeemed by a new bond issue under conditions generally more favorable to the issuer.

Registered Bond: A bond whose owner is registered with the issuer or its agents, either as to both principal and interest or principal only.

Reserve for Abatements and Exemptions: See **Overlay**.

Reserve Fund An amount set aside annually within the budget of a town (not to exceed five percent of the tax levy for the preceding year) or city (not to exceed three percent of the tax levy for the preceding year) to provide a funding source for extraordinary and unforeseen expenditures. In a town, the finance committee can authorize transfers from this fund for "extraordinary and unforeseen" expenditures. Other uses of the fund require budgetary transfers by town meeting. In a city, transfers from this fund may be voted by the city council upon recommendation of the mayor.

Revaluation (or re-certification of property values): The assessors of each community are responsible for developing a reasonable and realistic program to achieve a fair cash valuation of property in accordance with constitutional and statutory requirements. The nature and extent of that program will depend on the assessors' analysis and consideration of many factors, including, but not limited to, the following: the status of the existing valuation system; the results of an in- depth sales ratio study; the location and style of properties; and the accuracy of existing property record information.

Every three years, assessors must submit property values to the state Department of Revenue for certification. Assessors must also maintain these values in the years between certifications. This is done so that each property taxpayer in the community pays his or her share of the cost of local government—no more or less—in proportion to the amount of money the property in worth.

Revenue Anticipation Borrowing: Cities, towns and districts may issue temporary notes in anticipation of taxes (TANs) or other revenue (RANs). The amount of this type of borrowing is limited to the total of the prior year's tax levy, the net amount collected in motor vehicle and trailer excise in the prior year and payments made by the Commonwe3alth in lieu of taxes in the prior year. According to Ch. 44 s 4, towns, cities and districts may borrow for up to one year in anticipation of such revenue.

Revenue Anticipation Note (RAN): A short-term loan issued to be paid off by revenues, such as tax collections and state aid. RANs are full faith and credit obligations.

Revenue Bond: A bond payable from and secured solely by specific revenues and thereby not full faith and credit obligations.

Revolving Fund: Allows a community to raise revenues from a specific service and use those revenues to support the service without appropriation. For departmental revolving funds, Ch. 44 s 53E stipulates that each fund must be reauthorized each year at annual town meeting or by city council action and that a limit on the total amount that may be spent from each fund must be established at that time. The aggregate of all revolving funds may not exceed 10 percent of the amount raised by taxation by the town or city in the most recent fiscal year, and no more than one percent of the amount raised by taxation may be administered by a single department or board.

No revolving fund expenditures shall be made for the purpose of paying any wages or salaries for full-time employees. Revolving funds for other programs as provided by statue are still allowed, and a departmental revolving fund may be implemented in addition to or in conjunction with other existing statutory revolving funds, provided that the departmental revolving fund does not conflict with provisions of other revolving funds.

Sale of Cemetery Lots Fund: This fund is established to account for proceeds of the sale of cemetery lots. The proceeds must be used to offset certain expenses of the cemetery department under provisions of Ch. 114 s 43C.

Sale of Real Estate Fund: This fund is established to account for the proceeds of the sale of municipal real estate other than proceeds acquired through tax title foreclosure. Chapter 44 s 63 states that such proceeds shall be applied first to the retirement of debt on the property sold. In the absence of such debt, funds may generally be used for purposes for which the town or city is authorized to borrow for a period of five years or more.

School Building Assistance Program: This program provides state grants for local and regional school construction projects. The SBA program is administered by the Office of the State Treasurer. If a community votes a debt exclusion to fund a school construction project, the amount of SBA funds received towards any school construction debt must be deducted before determining the net school debt exclusion. For example, a town receives a $10.0M SBA grant on one project. The debt service due on this project is $25.0M; therefore the town's maximum debt exclusion to be raised for this project would be $15.0M.

Security: For Massachusetts municipalities, bonds or notes evidencing a legal debt on the part of the issuer.

Serial Bond: A bond of an issue that has maturities scheduled annually over a period of years.

Special Assessment Bonds: These bonds are payable from the proceeds of special assessments. If, in addition to the assessments, the full faith and credit of the governmental unit are pledged, they are known as "general obligation special assessment bonds."

Special Assessments: See **Betterments**.

Special Exclusion: For a few limited capital purposes, a community may assess taxes above the amount of its levy limit or levy ceiling without voter approval. Otherwise, special debt and capital outlay exclusions are like voter approved exclusions. Presently, there are two special exclusions exclusions:

- Water and sewer project debt service costs that reduce the water and sewer rates by the same amount; and

- a program to assist homeowners to repair or replace faulty septic systems, removal of underground fuel storage tanks, or removal of dangerous levels of lead paint to meet public health and safety code requirements. In the second special exclusion, homeowners repay the municipality for the cost plus interest added apportioned over a period of time not to exceed 20 years similar to betterments.

Stabilization Fund: An account from which amounts may be appropriated for any lawful purpose. Prior to FY92, use of the stabilization fund was restricted to purposes for which towns and cities could legally borrow. Revisions to Ch. 40 s 5B removed this restriction, and amounts from the stabilization fund can now be appropriated for any legal purpose. Towns may appropriate into this fund in any year an amount not to exceed 10 percent of the prior year's tax levy or a larger amount with the approval of the emergency finance board. The aggregate of the stabilization fund shall not exceed ten percent of the town's equalized value, and any interest shall be added to and become a part of the fund.

A two-thirds vote of town meeting or city council is required to appropriate money from the stabilization fund.

Surplus Revenue: The amount by which cash, accounts receivable and other floating assets exceed the liabilities and reserves.

Tax Rate: The amount of tax stated in terms of a unit of the tax base; for example, $14.80 per $1,000 of assessed valuation of taxable property.

Tax Rate Recapitulation Sheet (also Recap Sheet): A document submitted by a town or city to the Department of Revenue in order to set a property tax rate. The recap sheet shows all estimated revenues and actual appropriations that affect the property tax rate. (In order to issue the third quarter property tax bills before January 1, the recap sheet should be submitted to the Department of Revenue before December.

Tax Title: Collection procedures that secures a lien on real property and protects the

municipality's right to payment of overdue property taxes. (Without following this procedure, the lien on real property expires if three years elapse from the October 1 following the assessment date, and the property is transferred. If amounts remain outstanding on the property after issuing a demand for overdue property taxes and after publishing a notice of tax taking, the collector may take the property for the city or town. After property recording the instrument of taking, the collector transfers responsibility for collecting the overdue amounts to the treasurer.)

Term Bond: Bonds for which the entire principal matures on one date. Massachusetts municipal general obligation bonds are required by law to be retired on a serial basis.

Trust Fund: In general, a fund held for the specific purpose stipulated by a trust agreement. The treasurer acts as custodian of trust funds and invests and expends such funds as stipulated by trust agreements or as directed by the commissioners of trust funds or by town meeting. Both principal and interest may be used if the trust is established as an expendable trust. For non- expendable trust funds, interest but not principal may be expended as directed.

Uncollected Funds: Recently deposited checks included in an account's balance but drawn on other banks and not yet credited by the Federal Reserve Bank or local clearinghouse to the bank cashing the checks. (These funds may not be loaned or used as part of the bank's reserves and they are not available for disbursement.)

Underride: A vote by a community to permanently decrease the tax levy limit. As such, it is the opposite of an override.

Uniform Municipal Accounting System (UMAS): A comprehensive and practical municipal accounting system that conforms to Generally Accepted Accounting Principles (GAAP) for local governments. UMAS is regarded by the Department of Revenue as the professional standard for modern municipal accounting in Massachusetts. (Among the benefits of conversion to UMAS are increased consistency in reporting and record keeping and enhanced comparability of date among cities and towns.)

Unreserved Fund Balance: also referred to as the "surplus revenue account," this is the amount by which cash, accounts receivable, and other assets exceed liabilities and restricted reserves. It is akin to a "stockholders' equity" account on a cooperate balance sheet. It is not, however, available for appropriation in full because a portion of the assets listed as "accounts receivable" may be taxes receivable and uncollected. (see **Free Cash**.)

Valuation (100 Percent) Requirement that the assessed valuation must be the same as the market value for all properties; 100 percent valuation may offer greater equity in the redistribution of state aid to cities and towns based upon local real estate values.

Warrant: A list of items to be acted on by town meeting. (A treasury warrant and the assessors' warrant authorize the treasurer to pay specific bills and the tax collector to collect taxes in the amount and from the persons listed, respectively.)

Yield: The net annual percentage of income derived from an investment. The yield of a bond reflects interest rate, length of time to maturity and write-off of premium or accrual of discount. (Also referred to as "yield to maturity.")