

FINANCE COMMITTEE
Minutes

Date: March 18, 2019

Time: 6:30 p.m.

Present: Kuphal, Noonan, Cofske, Cooney, Kennedy

Absent: Kupcinkas, O'Connell

Meeting called to order at 6:30 p.m.

Motioned by Noonan, seconded by Kennedy to accept the minutes of February 25, 2019 as written.
Unanimous.

Motioned by Noonan, seconded by Kuphal to open the public hearing at 6:33 p.m. Unanimous.

Michael O'Connor: I want to discuss three areas of the budget. The Worcester Regional Retirement System, which is in the benefits portion of the budget, went from 2.2% to 4.08% of the budget. The rest of the budget has only grown 2.679%. This is a problem. Everyone that has this assessment system is having the same problem. Millbury should get together with some of the other communities to see if this accrual could be stretched passed 2033. This would help the Town.

Chris Kennedy: As different items affect this, could it go down?

Michael O'Connor: The benefits pay out just under 8%. I am just saying what the forecast is. It could be an aggressive amount. Once this is paid for, the amount goes back down to 3-4%. I have noticed this assessment growing over the years and it concerns me. We still, as a Town, need to stay under Proposition 2-1/2.

Michael O'Connor: I also want to discuss the 60/40 split between the School and the Town. The Town Manager stated at a Board of Selectmen meeting that he was told to get to an exact 60/40 split.

Chris Kennedy: We are legally bound to provide funding to the School System with a per pupil cost as per the State. Where does the 60/40 come from?

Michael O'Connor: We did a 5 year analysis from 2007-1012 and this is the average. Someone should back off on the 60/40. We should only fund what needs to be funded.

Chris Kennedy: This should not be a guiding principle.

Dave Cofske: We need to fund what needs to be funded.

Dave Marciello: The 60/40 is referencing conversations that I have had. The percentage is not in writing. With all the benefits taken by school personnel, the school is well over 70%. This is not sustainable. The charge to me is to get this corrected. Redirection had to be made on the funds. The facts are that the 1st budget, I gave no input on it. They got 3.8% that year. The understanding was that they would get nothing the following year. We took from the overlay to fund them the 3.8%. Last year, they said they couldn't do the 0%. We agreed on 1% to fund their contracts. They ended up getting 3.2%. Next year they are asking for 3.37%. I need to fund for new hires for the DPW to do storm water work. We need to hire additional seasonal employees.

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Chris Kennedy: You still haven't explained the 60/40.

Dave Marciello: I am redirecting our monies. I have shifted monies to get to what needs to be funded.

Chris Kennedy: Are you managing to a 60/40 split or are you managing to the budget?

Dave Marciello: I am doing both. This gets up back toward the 60/40.

Dave Cofske: You have increased the budget to get to this split?

Dave Marciello: I have increased some budgets and decreased the insurance budget. I needed to put money into the Veterans budget for an assistant to replace the Agent, when he retires. I have to do the same thing with the Council on Aging. We need to replace her when she retires. Departments will be staffed accordingly.

Michael O'Connor: The long term road infrastructure is being paid out of the yearly budget. If the plan of policy continues, this will affect our Free Cash.

Dave Marciello: The Chairman of the Board of Selectmen and I were charged with how to fund our road programs. I asked for a debt-exclusion. The Board of Selectmen told that that this is a "Dead Idea". I would have to fund it without a debt exclusion. The State is holding up the license for Natures Remedy. The building is there but they cannot do anything without their license. The recreational license will come before the medical license. Fifty percent of the revenue will go toward our BANS and 50% will go towards storm water. This isn't just for Natures Remedy. It will be for all marijuana sales.

Mike O'Connor: Normal road repairs should come out of the budget. Road projects should come from Long Term Debt.

Motioned by Cofske, seconded by Kennedy to close the public hearing at 7:05 p.m. Unanimous.

Dr. Fitzpatrick and Chet Hanratty were in to discuss the Blackstone Valley Tech budget at 7:05 p.m.

Dr. Fitzpatrick: Our budget went up 3.53%. We are receiving \$20 more per student from Chapter 70. I have asked the Senators and Representatives for a \$50 increase. We do receive a 70% reimbursement from the state for transportation. We are in need of a new roof. We are not asking the Towns for any money to pay for this. We are selling a portion of the property to pay for this. We are also getting 53% reimbursement from MSBA. Millbury now has 87 students that go to BVT. You have 7% ownership of the budget. There are 4-5 years left of the long term borrowing.

Dave Marciello: I balanced the budget with a 4% increase in your budget. You came in at 3.5%. I can put the additional money towards debt.

Dr. Fitzpatrick and Chet Hanratty left at 7:35 p.m.

Elizabeth Valero, Library, was in to discuss her budget at 7:35 p.m.

Elizabeth Valero handed out explanations of her Annual ARIS Report and State Aid.

Elizabeth Valero: The State takes the last three years budgets, adds them together, divides by 3 then multiplies by 1.025 to get our minimum figure for our budget. A library of our size needs to have 16% of our budget to go towards books.

Jeff Raymond: We may need to budget money to replace Elizabeth, who will be leaving us. If we increase the salary, then we need to increase the supplies to keep within the State regulations.

Dave Marciello: There is also a \$9000 Warrant Article to replace the stairs. This is a safety issue. We will go out to bid right after the Town Meeting and start repairs right after July 1.

Chris Kennedy: What is the risk of a shortfall?

Jeff Raymond: We would not be able to take books from other libraries. We also would not be able to get the grants.

Chris Kennedy: If we gave you \$3,000 more in supplies, you wouldn't lose anything?

Dave Marciello: You can add \$3,000 to that line. I just saved \$100,000 with BVT.

Dave Cofske: Are you actively looking for a replacement?

Jeff Raymond: I had hoped to have some figures from HR for tonight, but I didn't get them.

Dave Cofske: When are you leaving?

Elizabeth Valero: My last day is May 8th.

Dave Marciello: The lowest paid Librarian in the area is \$68,500. The highest is \$91,000, which would give us \$79,847 for an average.

Jeff Raymond: We need to post the position and do interviews.

Dave Cofske: We are not going to do anything to the Director's salary?

Steve Noonan: We are adding \$10,000 to that salary.

Nicole Cooney: I don't know why we are adding money to replace a higher paid experienced person.

Jeff Raymond: I would be surprised if we don't get qualified applicants. I hope that we will have someone by July 1st.

Chris Kennedy: I would like to keep the salary flat.

Jeff Raymond: We would be happy with whatever you give us as long as we don't lose our accreditation.

Chris Kennedy: Do we track people coming in and the books going out?

Elizabeth Valero: We do track it. The books are going down. We have a lot more people coming in for programming or technology. A lot of our circulation is through e-books.

Elizabeth Valero left at 8:20 p.m.

Motioned by Noonan, seconded by Kennedy to adjourn at 8:20 p.m. Unanimous.

Handwritten signatures of several individuals, including Nicole L. Cooney at the bottom.