

MINUTES

BOARD OF ASSESSORS

Date: 6/13/2017

Present: Jude T. Cristo, Joe Coggans, George Valery, Jean Moroski Start time 4:30pm
Absent:

The Board acted on the following:

- 1) The Board reviewed and signed Minutes for the 5/30/2017 Meeting. Voted 3-0
- 2) The Board reviewed and signed the bills for:
 - AHAF Group LLC: for the exemption allocation forms
 - MLS: quarterly subscription
 - Vision: for the final retainage for the complete measure and list. The last meeting this bill was on hold after Joe requested figures as to how many properties had interior inspections. The number of interior inspections was 1337
- 3) The Board reviewed the sale for May.
- 4) The Board signed the abatements on damaged properties due to fire or natural disaster resulting in a loss in value of 50% or more: 33 Upton St : fire on April 25,2017
58A-F West Main St on May 26, 2017
These abatements are authorized by G.L Ch.59 SS2D.
- 5) The Board was given a copy of the Draft for Town of Millbury Reserve Policy to review in regards to the Overlay.
- 6) Motion to adjourn, Meeting closed at 4:45

BOARD OF ASSESSORS

 DATE: 7/18/2017

MILLBURY MASS.
 17 JUL 19 AM 9:08
 RECEIVED
 TOWN CLERK



GOVERNMENT SOLUTIONS

44 Bearfoot Road
Northboro, MA 01532
Phone: (508) 351-3600
Fax:(508) 351-3799

Invoice Number: 026425
Invoice Date: 5/24/2017
Terms: Net 30

Bill to:

Jean Moroski
Millbury
127 Elm Street
Millbury, MA 01527

REMIT TO:
Vision Government Solutions, Inc.
44 Bearfoot Road
Northboro, MA 01532
Attn: Accounting Department

Project # MAMILB00-2017-001
Project Description Millbury, MA 2017 Data Collectio

Table with 2 columns: Description and Amount. Rows include Contract Amount (125,000.00), Total Completed To Date (125,000.00), Retainage 0% (0.00), Total Earned Less Retainage (125,000.00), Less Previous Requests For Payment (112,500.00), Current Contract Amount Due (12,500.00), Current Deposit Applied (0.00), and Current Payment Due (\$12,500.00).

For questions regarding this invoice, please contact
accounting@vgsi.com or (508) 351-3648

FINAL RETAINAGE
BILLING

Handwritten signatures of J. T. Valery and G. R. Valery

HFGROUP
ACMEBINDING

80 Cambridge Street
Charlestown, Massachusetts 02129-0212
Tel: 617-242-1100 Fax: 617-242-3764
www.acmebinding.com www.hfgroup.com

11311

BILL TO: MILLBURY ASSESSORS
TOWN HALL
127 ELM STREET
MILLBURY MA 000001527

MAKE CHECKS PAYABLE TO

HF GROUP LLC
80 Cambridge Street
Charlestown, MA 02129-0212
Tax ID 20-4101469

SHIP TO:

INVOICE

FINANCE CHARGE OF 1 1/2% PER MONTH
WHICH IS AN ANNUAL PERCENTAGE
RATE OF 18% CHARGED ON ALL PAST
DUE ACCOUNTS.

PAGE: 1

11311
MILLBURY ASSESSORS
TOWN HALL
127 ELM STREET
MILLBURY MA 000001527

INVOICE NO. PLEASE REFER TO THIS NO. ON ALL CORRESPONDENCE 3599		CUSTOMER P.O. NO. 11311	ROUTE/DAY NUMBER 0	TERMS DUE ON RECEIPT	LOT NO. 530UP	ORDER NO. 4732
INVOICE DATE 5/26/17	DATE RECEIVED 5/26/17	DATE SHIPPED 5/30/17	SHIP VIA U.P.S.		UNIT PRICE 20.0000	TOTAL QUANTITY 2
DESCRIPTION CODE 275	DESCRIPTION 1273	QUANTITY 2		AMOUNT 40.00		
MISCELLANEOUS +00	SUB-TOTAL 40.00	TAX +00	FREIGHT/HANDLING 13.75	CREDIT +00	PLEASE PAY THIS AMOUNT	53.75

Just Ke
J. R. Valley

MISC. DESCRIPTION:
JOB NUMBERS:
CARTONS:

ORIGINAL INVOICE

INVOICE

Jean Moroski

MLS ID Number: CN209026
 Invoice Number: 15294611
 Invoice Date: 5/31/2017
 Due Date: 6/30/2017

CURRENT CHARGES

Item Code	Description	Charges
2503	Quarterly MLS Subscription - Non-Realtor-	\$87.00
	Subtotal:	\$87.00
	Credit Applied:	\$0.00
	Balance Due:	\$87.00

PLEASE INCLUDE YOUR MLS ID NUMBER ON MAILED PAYMENTS
 MAKE CHECKS PAYABLE TO **MLS PROPERTY INFORMATION NETWORK, INC.**

MLS Participation Fees will be billed quarterly in advance, and all other charges will be billed monthly in arrears.

Payment in full is due within thirty (30) days of the invoice date.
 If payment is not made when due, services may be terminated and any unpaid balance
 will be subject to interest at the rate of (1.5%) per month until paid

904 Hartford Turnpike * Shrewsbury MA 01545 * Phone: (508) 845-1011 * (800) 695-3000 * Fax: (508) 845-7823
 www.mlspin.com

*John
 J. Logan
 G. R. Valney*

Formal, written policies that establish guidelines for funding and maintaining reserves can help communities to sustain operations during difficult economic periods. Reserves can be used to hold money for specific future purposes, to finance unforeseen or emergency needs, or in limited instances, to provide revenue sources for the annual budget. Reserve balances and policies can also positively impact a community's credit rating and, consequently, its long-term cost to fund major projects.

Typically, a reserve policy addresses free cash, stabilization funds, and sometimes, overlay surplus. Not usually included are reserve funds under the control of a city council, town finance committee, or district prudential committee. A sound reserve policy will:

- Establish target balances for the stabilization fund, annual free cash, and other reserves, either as a total dollar amount or as a percentage of the annual budget. It will set a schedule of annual appropriations (e.g, to stabilization) or limitations on use (e.g, of free cash) designed to gradually reach and sustain the target balances over time.
- Direct the use of all or portions of free cash as a funding source for stabilization or as an outlay for one-time capital projects. It can also direct the use of revenue from a specific, recurring income source (e.g, rental income) for similar purposes.
- If free cash must be used for operations, restrict its use as a general revenue source for the ensuing year's budget and at a maximum percentage of total free cash available.
- Restrict the use of unexpected, nonrecurring revenue, or surplus revenue, to one-time costs.
- Restrict the use of stabilization funds to nonrecurring expenditures and only in amounts above a certain dollar threshold. Set similar guidelines on the use of free cash.



TOWN OF MILLBURY RESERVE POLICY

Municipalities maintain reserves in order to provide budgetary flexibility for unexpected events, to withstand financial emergencies and to protect the municipality from the usual unevenness in revenue-expenditure patterns. The Government Finance Officers Association recommends that local governments maintain reserves (unreserved fund balance) of 5-15 percent of general fund revenues, depending on the needs of the community.

Reserves are generally established in three categories:

- **Contingency Reserve:** A reserve for unforeseen events;
- **Unrestricted Reserve:** A reserve that can be used for any purpose; and
- **Restricted Reserve:** A reserve dedicated for specific use at some future time.

Reasons for Creating and Maintaining Reserves

A review of the public finance literature generally reveals five reasons local governments create and maintain reserves:

1. **Operational Needs** – These are contingency reserves which are typically appropriated as part of the annual budget. The purpose is to meet unexpected increases in department operational costs such as legal fees, major equipment repairs and snow removal.
2. **Catastrophic or Emergency Expenditures** – These are contingency reserves which provide emergency funds for use in a major calamity such as a hurricane, blizzard, uninsured loss or damage to a capital asset.
3. **Maintenance of Assets** – These are restricted reserves used to replenish the continuing depreciation or replacement of buildings and equipment. Town is required to show the depreciation of certain fixed assets annually.
4. **Liquidity or Cash Flow** - These are unrestricted reserves used to reduce the need for short-term borrowing, generate investment income and to maintain a strong credit rating.
5. **Unfunded Liabilities** - These are restricted reserves used to fund an unfunded liability that has been incurred during the current or prior years, but which does not have to be paid until a future year, and for which adequate reserves have not been set aside. These liabilities may not be apparent in typical financial records in a way that makes their impact easy to assess. This type of liability accumulates gradually over time and may go unnoticed until it has created severe financial problems. Unfunded liabilities are predominantly post-employment benefits.

Goals

Goals are broad, fairly timeless statements of the financial position the Town seeks to attain.

The financial goals for the Town of Millbury are:

- To provide full value to the residents and business owners of Millbury for each tax dollar by delivering quality services efficiently and on a cost-effective basis

- a. An appropriation from the Stabilization Fund may be requested if State Aid payments are reduced from estimates after the budget is voted by Town Meeting;
 - b. An appropriation from the Stabilization fund may be requested if net State Aid, receipts (excluding SBA) less assessments, is less than the average of the prior two fiscal years.
 - c. An appropriation from the Stabilization Fund may be requested if local receipts are projected to be less than the average of the prior three fiscal years. The amount to be requested from the Stabilization Fund would be in an amount to offset the three year local receipts reduction.
 - d. An appropriation from the Stabilization Fund may be requested for catastrophic or emergency events if the financial impact of the event is in excess of an amount which the Finance Committee Reserve Fund can fund. All appropriations into and out of the Stabilization fund require a vote of Town Meeting.
- Target Date: Achieve reserve level by fiscal year 2025 by adding at least 10% of each year's certified Free Cash. Reserves reflect a community's ability to react to unforeseen circumstances and to minimize or avoid borrowing for capital expenditures. Reserves should normally average between 5% and 10% of the Town's General Fund (operating budget) expenditures. The Town will endeavor to maintain reserves at 10% of General Fund Expenditures. Reserves are defined to include the Town's Stabilization Fund and Free Cash.

3. Reserve: Post-Employment Benefits Reserve – Unfunded Liability

Statutory Reference: MGL Chapter 32B § 20

- Type of Reserve: Restricted
- **Proposed Reserve: \$100,000 per fiscal year** (Our estimated liability is close to \$40,000,000).
- At the Annual Town Meeting on May 2, 2017, the Town voted to re-accept MGL Chapter 32B § 20, authorizing an Other Post-Employment Benefits Liability Trust Fund. Re-accepting allows the changes set forth by the Municipal Modernization Act of 2016.
- Dedicate a NEW revenue stream directly to OPEB
- Appropriate any overlay surplus exceeding \$50,000 as determined by the Finance Director and a vote of the Board of Assessors.
- Current Balance: \$0
- Uses: To fund future post-employment health benefits due retirees.
- Target Date: To be determined.

4. Reserve: Overlay Reserve for Abatements

- Statutory Reference: MGL Chapter 59 § 25, 70A
- Type of Reserve: Contingency
- **Proposed Reserve: When the use of this reserve is required, the Board of Assessors will vote to release funds to the Overlay Surplus account to be used for the stated purpose.**
- Current Balance: \$449,687.50
- Uses: To fund the overlay account beyond typical amounts and to fund overlay deficits
- Target Date: Overlay is adequately funded.

5. Reserve: Unused Tax Levy Capacity (new growth)

- Statutory Reference: MGL Chapter 59 § 5
- Type of Reserve: While not a true reserve, unused tax levy capacity would be considered an unrestricted revenue source.
- It has been the Town's philosophy not to use all of its taxing capacity. The Town will continue to maintain unused levy capacity each year in an amount approximately equal to the amount of additional tax levy due to new construction.

6. The Town may leave Free Cash un-appropriated, until the total of un-appropriated Free Cash is equal to 4% of General Fund revenue. Once the un-appropriated Free Cash reaches the 4% level, any amount above that will appear on a warrant article to be moved into the stabilization account at the next Town meeting.
7. It is the policy of the Town to eliminate the use of Free Cash in its annual operating budget by fiscal year 2015. **This was met in the FY18 operating budget.**

The benefits of a Free Cash Policy are:

- Creates a principle-based decision making process that establishes clear, agreed upon priorities and expectations with regard to the use of Free Cash.
- Links one-time revenues to one-time expenses and provides an appropriate funding source for capital projects, especially small pay-as-you-go equipment purchases.
- It strengthens the Town's overall financial position by lowering our reliance on one-time revenues in the operating budget, provides for adequate financial reserves, eliminates financing costs for small projects, and increases flexibility and lead time to address significant changes in economic conditions.
- Strengthens our bond rating; thereby lowering interest cost on future debt.
- The priority for use of Free Cash during the fiscal year shall be as follows:
 - Make a contribution to the General Stabilization Fund of 10% of Free Cash until a 10% threshold of all stabilization accounts is achieved.
 - Make a contribution of 5% of each year's Free Cash to the OPEB Trust fund in order to reach the actuarial accrued liability.
 - Make a contribution of 20% of each year's Free Cash or \$100,000 to supplement Chapter 90 funds.
 - Fund as much of the Town's Capital Improvement Program as is achievable within the amount of Free Cash available.

The overall level of Financial Reserves is critical to maintaining the Town's Bond Rating and ensuring sufficient funds to manage unanticipated needs. Funds shall be allocated from Reserves only after an analysis has been prepared by the Town Administrator and presented to the Board of Selectmen. The analysis shall provide sufficient evidence to establish that the remaining balance is adequate to offset potential downturns in revenue sources and provide sufficient cash balance for daily financial needs.

APPROVED BY:

Board of Selectmen, Chair: Francis B. King _____

Board of Selectmen: Sandra J. Cristo _____

Board of Selectmen: Mary Krumsiek _____

Board of Selectmen: Scott Despres _____

Board of Selectmen: Jon Adams _____

Original date:

Data Table (as of June 7, 2017)

Finance Committee Reserve: \$31,500 (Original Budget \$75,000)

Stabilization Funds - \$5,621,523.27 as follows:

MAY 2017 SALES

DATE	MBLU	GRANTOR / SELLER	GRANTEE / BUYER	ST#	STREET NAME	STATE	USE	VAL	CODE	PRICE	SALE	FY17	VALUE
05/01/2017	48_27L	US BANK TRUST NA	BOURGEOIS STEPHEN	27	LEXINGTON RD	102	S	140,000		140,000		160,200	
05/01/2017	62_122	FISHER PAUL B	PINKHAM DAVID	2	LESLIE LN	101		225,000		225,000		206,300	
05/01/2017	5_96	HAYR LLC	OYINSAN OLUWAGBEMISOLA	37	WESTVIEW AVE	130		425,850		425,850		18,030	
05/02/2017	37_4	CHABOT PHILIP O JR	B & B LIVING THE DREAM LLC	11	ORCHARD ST	104	U	272,500		272,500		217,400	
05/04/2017	20_55	BAUER BRANDON K	MOULTON JOHN L	6	HIGHLAND AVE	101		243,000		243,000		169,400	
05/04/2017	45_58	LEBLANC CELINA P	FANNIE MAE	118	MAIN ST	104	L	195,000		195,000		176,600	
05/04/2017	10_191	HAYR LLC	STEWART JAMES F	21	WESTVIEW AVE	130		410,026		410,026		18,120	
05/05/2017	45_91	LUDVIGSSON RAYMOND S	MACARUSO BRIAN S	2	HAMILTON ST	101		250,000		250,000		182,300	
05/05/2017	5_95	HAYR LLC	DANG-TRAN LIEU THI	39	WESTVIEW AVE	130		413,026		413,026		18,810	
05/08/2017	54_107	SIDDIQUI MOHAMMAD	PEOPLES ANDREW W	36	GRAFTON ST	101		235,000		235,000		193,600	
05/10/2017	34_33	REAL ESTATE ALTERNATIVES LLC	HOMAN RICHARD C	56	MCCRACKEN RD	130		479,900		479,900		0	
05/11/2017	11_13	KHALIL HOSSEIN	PAQUETTE JOSHUA T	4	JOHN ST	101		264,900		264,900		211,800	
05/15/2017	24_27	BRISTOL JASON F	FREY JAMES	27	ROLIE SHEPARD DR	101		400,000		400,000		325,300	
05/15/2017	21_49	ANSELL GRAHAM K	FROST CHRISTOPHER	7	AMARYLLIS DR	101		372,900		372,900		319,300	
05/16/2017	60_17	NELSON AMANDA J *TRST	UPCHURCH SCOTT	5	OLD COMMON	101		435,500		435,500		411,400	
05/17/2017	36_82	FOURNIER KEVIN J	DE SOUZA MARCELO VIEIRA	54	MARTIN ST	101		285,000		285,000		202,400	
05/18/2017	20_52	MARTIN MATTHEW J	MILLER NATHAN T	5	HIGHLAND AVE	101		269,900		269,900		201,400	
05/18/2017	5_76	HAYR LLC	BORGI MATTHEW K	36	WESTVIEW AVE	130		380,275		380,275		18,060	
05/19/2017	18_18	MECIAK, DAVID J.	MCKINNEY CHRISTOPHER R	249	RIVERLIN ST	101		325,000		325,000		245,100	
05/19/2017	45_184	MAHAN CHRISTOPHER P	CAMPBELL DAVID B	27	HOWE AVE	101		254,000		254,000		152,400	
05/19/2017	30_188	IMBODY STEPHEN	FEDERAL NATIONAL MORTGAGE	11	GOVER RD	101	L	440,726		440,726		228,400	
05/22/2017	30_184	BANK OF AMERICA	CHATFIELD RUSSELL J	11	OAK ST	101	S	170,000		170,000		230,000	
05/22/2017	62_123	TOKUS EDWARD F	MASSEI EDWARD H TRST	13	SULLIVAN PL	101	H	152,000		152,000		200,600	
05/23/2017	26_11	BEAUREGARD, AMI	GALLANT STEPHEN W SR	43	HAWTHORNE ST	132		269,900		269,900		5,900	
05/23/2017	72_56	TPR HOMES LLC	DUSOE-GALANIS REBECCA J	1	MOORE DR	130		471,475		471,475		0	
05/28/2017	75_14	STOCKWELL CHARLOTTE	VAGLIO JOSEPH V	395	WEST MAIN ST	101		241,000		241,000		225,800	
05/30/2017	21_15	FORD ANDREW J	PORRO JASON	111	PARK HILL AVE	101		340,000		340,000		159,900	
05/30/2017	70_78	ANDERSON STEVEN P	DURAN MICHAEL	108	WEST MAIN ST	111		160,000		160,000		164,200	
05/30/2017	63_66	MALBOEUF KAYLA A	LAWTON MARK	4	WOODLAND ST	102		263,000		263,000		217,300	
05/30/2017	10_198	HAYR LLC	BIRTZ MATTHEW J	28	WESTVIEW AVE	130		352,060		352,060		18,120	
05/30/2017	72_55	TPR HOMES LLC	CONLON ERIC M	1	JESSICA J DR EXT	130		385,000		385,000		0	
05/31/2017	38_62	CEDENO KEVIN R	KALANI ONMID	124	RIVERLIN ST	104		249,900		249,900		204,000	

MAY 2017 SALES

05/31/2017	53_28_	WOOD BRIAN D	DECILLIS DOMENIC JR	27	GROVE ST	101	210,000	183,800
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