

## Finance Committee Meeting

January 25, 2017 7:30 PM EST  
Veterans Memorial Building, Room 229  
900 Main Street  
Millis, MA 02054

### In Attendance:

Peter Jurmain, Chairman  
Susan Vecchi, Vice Chairman  
Craig Schultze, Clerk  
Peter Berube  
Jodie Garzon  
Jerry Nunnaley  
Suzanne Kennedy, Town Administrator  
James Neville, Board of Selectmen  
Patty Kayo, Council on Aging  
James McKay, Department of Public Works  
Kathy LaPlant, Finance Director  
Marc Conroy, School Committee Chairman

Peter Jurmain called the meeting to order at 7:35 PM

### School Bus Lease/Purchase Discussion:

Kathy LaPlant: Discrepancies were discovered in the School Bus Lease Article in FY15 and FY16 it was over budgeted by \$11,961.67 each year. When a Town Meeting Article is over budgeted the left over funds cannot be carried forward into the next fiscal year and are turned back to the General Fund. The Article is over budgeted for FY17 by \$11,961.67 as well. The Town Finance Director has worked with the School Department to implement new procedures.

Marc Conroy: The School Department had planned to use those funds, a total of \$35,885.01, for a new vehicle. Per state regulations this cannot be done legally

Kathy LaPlant: There are two options to rectify this situation:

- (1) An Article at Town Meeting establishing a Stabilization Fund.
- (2) At the end of the lease place an Article on the Town Warrant for the buyout amount.

Marc Conroy explained the School Department is in need of (3) buses for athletic runs, they currently use the (2) backup buses. Mini buses only carry 12 passengers and are not ideal for athletic runs.

The School Committee is in favor of establishing a Stabilization Fund and using the funds turned back to the General Fund to fund it.

The Finance Committee requested amounts to buy out (2) of the bus leases, a list of the bus fleet including age, mileage and current value of each.

### School Bus Fees Discussion:

Susan Vecchi: The town charges a fee to bus some of their students who live inside the 2 mile limit. These fees were to offset the cost of the 6<sup>th</sup> bus providing this service. The School Bus Revolving Fund was established in order to do this.

Marc Conroy: The revolving fund collects approximately \$77,000.00 each year and is used to pay for (3) school bus driver salaries.

### Reserve Fund Transfer Requests:

Suzanne Kennedy and Kathy LaPlant:

They are requesting (3) Reserve Fund Transfers for the recruitment of the Police Chief:

- (1) \$1,120.00 to the Medical Costs Budget for the psychological and physical exams.
- (2) \$6,800.00 to the Supplies and Expenses Budget for recruitment services.

(3) \$2,750.00 to the Supplies and Expenses Budget for the background check.

Susan Vecchi made a motion to approve a Reserve Fund Transfer to Police Supplies and Expenses Budget in the amount of \$6,800.00; Jodie Garzon seconded. Vote: 6/0 motion carries unanimously.

Susan Vecchi made a motion to approve a Reserve Fund Transfer to Police Supplies and Expenses Budget in the amount of \$2,750.00; Craig Schultze seconded. Vote: 6/0 motion carries unanimously.

Susan Vecchi made a motion to approve a Reserve Fund Transfer to Police Medical Costs Budget in the amount of \$1,120.00; Craig Schultze seconded. Vote: 6/0 motion carries unanimously.

They are also requesting a Reserve Fund Transfer for the recruitment of the Town Administrator to the Board of Selectmen Supplies and Expenses Budget in the amount of \$13,953.22.

There was discussion on deferring the transfer until later in the fiscal year when the possibility of an Inter-Function Transfer could be made within the line item of the Town's Operating Budget which could offset some of this costs. The committee voiced concerns with depleting the Reserve Fund Transfer with 6 months left in the fiscal year. The fund was established and is used for unforeseen, emergency situations that arise.

Inter-Function transfers are typically done in the last two months of the year and the Board of Selectmen's office cannot order copy paper and other supplies at this time without the transfer.

Susan Vecchi made a motion to approve a Reserve Fund Transfer to the Board of Selectmen Supplies and Expenses Budget in the amount of \$13,953.22; Jodie Garzon seconded. Vote: 6/0 motion carries unanimously.

The final Reserve Fund Transfer request is for \$8,909.00 to the Finance Director Supplies and Expenses Budget. This amount would fund an accounts payable temp (16) hours a week at a rate of \$25.31 per hour for (22) weeks. Due to the resignation of the Town Administrator, the Finance Director's workload has increased. This added workload was discussed at the Finance Director's Contract negotiations. Therefore, she must delegate to her assistant some of her duties. Her assistant would not have time to process the town's accounts payable. The Finance Director intends to discuss with the new Town Administrator and Board of Selectmen the department's need for increased staff in FY18. Specifically, 20 – 25 hours a week in additional staff.

Selectmen Neville advocates this request. The town relied heavily on the previous Town Administrator's role in preparing for Town Meeting. The repercussions of not funding this request would be an incomplete Town Operating Budget for May Town Meeting.

The Finance Director supervises (8) staff: Accounting (2), Assessors (2) and Treasurer/Collector (4). Members of her staff can't help with the added workload due to negotiations with their union.

Susan Vecchi made a motion to approve a Reserve Fund Transfer to the Finance Director Supplies and Expenses Budget in the amount of \$8,909.00; Jodie Garzon seconded. Vote: 3/3 motion denied.

Some committee members did not feel this was an emergency and that the cost could be absorbed within the Operating Budget line item. They did agree to revote a lesser amount.

The committee requested an article to replenish the Reserve Fund be placed on the warrant for May's Town Meeting and clarification of the Inter-Function Transfer procedures/rules they have been approving over the last (12) years.

Susan Vecchi made a motion to approve a Reserve Fund Transfer to the Finance Director Supplies and Expenses Budget in the amount of \$4,500.00; Jodie Garzon seconded. Vote: 6/0 motion carries unanimously.

#### Council on Aging Request:

Patty Kayo, Director of the COA, and Maria Neville wanted to address the possibility of a Special Town Meeting to vote on the Clyde Brown School Project and possibly having Town Meeting on a Saturday. Senior turnout at a Special Town Meeting would be low and the seniors feel their vote should be counted in town projects affecting their taxes. Seniors have a difficult time making it to Town Meeting on Monday nights; a Saturday meeting would be more accommodating. The chairman of the Board of Selectmen and the Finance Committee plan to meet with seniors on Friday, January 13, 2017 to discuss their concerns with the increase in their taxes etc. The School Building Committee is also planning a presentation to the seniors. They also suggested notices be sent with tax bills explaining any changes/increases.

#### Storm Water Management:

James McKay: The town has hired a consultant, Kleinfelder, to put together Budget Recommendations for the EPA Mandated MS4 Permit. They will be presenting this to the Board of Selectmen on February 6, 2017. An MS4 Permit involves removing phosphorus debris in the town's catch basins which eventually leaches into streams and negatively affects wildlife.

The FY17 cost is \$105,500.00 and for FY18 it's \$225,800.00. The town has received a \$42,000.00 grant to offset some of the costs. In the future, the town may have to establish a Utility Fund or an Enterprise Fund for this mandate. The cost to pay the consultant to perform the necessary functions of this will eventually decrease when the town has sufficient staff to perform the functions. Some of the functions would entail record keeping, increased street sweeping, etc.

#### Old Business/ New Business:

James McKay: The FY17 Snow & Ice Expenses Budget is 98% spent. Please note that the \$18,134.47 line item for salt should have been in FY16's budget; it was needed to fill the salt shed from last winter. Salaries are 61% spent as of today. The crew has responded multiple times to salt the roads, more than actually snow removal. So far, the contractors have been called in one time. The town has hired an additional contractor to specifically remove snow from the town building parking lots (Library, Police, Schools, Town Hall, and DPW).

Craig Schultze made a motion to approve spending in excess of the Snow and Ice appropriations for FY17; Susan Vecchi seconded. Vote: 6/0 motion carries unanimously.

The committee asked for an update at their next meeting on the Wells #5 & 6 Feasibility Study.

#### Clyde Brown School Update:

Craig Schultze: The School Building Committee will have firmer costs of the project by February 9, 2017. The state puts a 30% reimbursement cap on site work for these projects. The total cost of the project will be published to the residents. The state's reimbursement is disbursed as phases of the project are completed. The town will initially borrow the full amount and as the project is completed the loan amount will be decreased. The final design of the project will be displayed for residents to view.

#### FY18 Budget Presentations:

The Board of Selectmen has requested that Department Operating Budgets be presented to them before presentation to the Finance Committee. Therefore, the February 8, 2017 Finance Committee meeting will be postponed until February 15, 2017.

#### Minutes Approval:

Jodie Garzon made a motion to recommend approval of the January 11, 2017 Meeting Minutes as written; Susan Vecchi seconded. Vote: 6/0 motion carries unanimously.

#### Adjourn:

Susan Vecchi made a motion to adjourn the meeting at 10:11 PM; Jodie Garzon seconded. Vote 6/0 motion carries unanimously.

Respectfully submitted,  
Deirdre Gilmore