

Finance Committee Meeting

March 29, 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
Tayana Antin
Peter Berube
James Bullion
Jodie Garzon
Jerry Nunnaley
Doug Riley
Michael Guzinski, Town Administrator
Steven Catalano, School Committee
John Engler, Director of Operations
Marc Conroy, School Committee Chairman
Michael Giampietro, Building Commissioner
Nancy Gustafson, School Superintendent
Peter Koufopoulos, Zoning Board of Appeals
Kathy LaPlant, Finance Director
April Yu, School Business Manager

Peter Jurmain called the meeting to order at 7:30 PM

Reserve Fund Transfer Request – Zoning Board of Appeals:

Peter Koufopoulos:

The FY17 Budget is underfunded in meeting the state requirements for Public Hearing Advertising and Abutters List Envelopes. The request is in the amount of \$1,500.00:

Advertising:	\$1,350.00
Envelopes:	\$ 150.00

The overall budget was decreased by \$1,000.00 in FY17. The board collects approximately \$6,500.00 in fees per fiscal year. The board requested an increase in fees several years ago but the Board of Selectmen declined their request.

Susan Vecchi made a motion to approval a Reserve Fund Transfer in the amount of \$1,500.00 to Account #540500-540400; Craig Schultze seconded. Vote: 7/0 motion carries.

New Finance Committee Member:

Peter Jurmain introduced and welcomed the newest member to the Finance Committee, Mr. James Bullion.

Review FY18 Estimated Revenues and Operating Budget:

Kathy LaPlant:

State Aid numbers are not finalized yet. The Free Cash Balance is \$799,003.00, Local Estimated Receipts are level funded. The Cell Tower Revenue item in Other Available Funds is used to pay the Crestview Road/Klifford Circle debt which will end in FY26. More accurate numbers will be available at a later date.

The Operating Budget has increased approximately \$400,000.00 and Operating Budget Requests are approximately \$1.4 million.

The Committee requested Revenue and Operating Budget Reports in both EXCEL and PDF.

FY18 Budget Presentation - Assessors:

Kathy LaPlant:

Salaries:	\$127,446.00
Expenses:	<u>\$ 6,596.00</u>
Total:	<u>\$134,042.00</u>

The (2) positions (40/35 hours per week) in the Assessor's office are members of the SEIU, increases in salaries are contractual. There is an increase in expenses to the Map Updating line item of \$250.00 for printing and postage.

FY18 Budget Presentation - Data Processing:

Kathy LaPlant:

Salaries:	\$ 15,936.00
Expenses:	<u>\$145,089.00</u>
Total:	<u>\$161,025.00</u>

The town has received a \$20,000.00 Compact Community Grant to fund an analysis of the town's IT system.

Salaries include an annual stipend for the Finance Director in the amount of \$13,559.00 and her assistant \$2,377.00.

The Expenses have increased in the Supplies and Expenses line item by \$21,324.00 to fund Purchase Order Software and MUNIS Go Docs. The committee noted that this request should be a Form #7 request not automatically included in the Operating Budget.

FY18 Budget Presentation – Debt Services:

Kathy LaPlant:

Short Term Debt:

Principal:	\$261,677.00
Interest:	<u>\$ 20,138.80</u>
Total:	<u>\$241,538.20</u>

This debt includes: Ambulances, Culvert Improvements, Town Fields – Design, Village Street Sewer – Design, Clyde Brown School Feasibility Study, Sweet Sweeper, DPW Garage Repairs and Water System Improvements (Pleasant Street Bridge, Chlorine Contact Loops, Dover Road Water Main Project, Well and Treatment Facilities Improvements)

FY17 Long Term Debt:

General:	\$1,244,312.50
CPA:	\$ 26,950.00
Sewer:	\$ 130,625.00
Water:	<u>\$ 134,070.00</u>
Total:	<u>\$1,535,957.50</u>

FY18 Long Term Debt:

Principal:	\$1,139,024.00
Interest:	<u>\$ 591,668.64</u>
Total:	<u>\$1,730,692.64</u>

FY18 Budget Presentation – Finance Department:

Kathy LaPlant:

Salaries:	\$210,954.73
Expenses:	<u>\$ 5,128.00</u>
Total:	<u>\$216,082.73</u>

Salaries include an increase for the Department Head per her contract with the town and (3) Clerical Positions (10/30/35 hours per week) held by (2) SEIU members.

FY18 Budget Presentation – Treasurer/Collector:

Kathy LaPlant:

Salaries:	\$195,979.56
Expenses:	<u>\$ 26,535.00</u>
Total:	<u>\$222,514.56</u>

Salaries include SEIU increases for (4) members (40/35/28/28 hours per week).

FY18 Budget Presentation – Employee Benefits:

Kathy LaPlant:

Total: \$4,614,608.00

The total includes benefits for (3) new hires. The FY17 budget will be over by approximately \$3,000.00 in Medicaid costs.

The committee requested the following:

- A breakdown of benefits by department
- Salary trends by department for the past ten years: Number of Employees, Hours, Etc.
- Debt schedules in EXCEL

FY18 Budget Presentation – Building Department:

Mike Giampietro:

Salaries:	\$166,592.00
Expenses:	<u>\$ 8,740.00</u>
Total:	<u>\$175,332.00</u>

Salaries include the Department Head, (1) Clerical position (24 hours per week), Electrical Inspector, Deputy Electrical Inspector, Plumbing Inspector, Deputy Plumbing Inspector and a Deputy Building Inspector.

A request for an increase to the Deputy Building Inspector's stipend of \$3,039.00 is included on a Form #8. It is included in the Stipend line item of the Expense Budget.

The department will see an increase in building permits due to large projects coming to town, specifically the Glenn Ellen Project. The current permitting system is not equipped to process building permits online.

FY18 Budget Presentation – School Department:

Nancy Gustafson:

The School Department begins their budget process in December. Their main goals are:

- Student Needs
- Strategic Planning
- Transparency
- Prioritize Staffing
- Minimize Class Sizes
- Monitor Expenses
- Personal Learning
- Maintain Facilities
- 21st Century Learning

Some of the challenges they are facing include:

- Decrease in Chapter 70 Funding
- Aging Facilities
- Social, Emotional and Mental Health Issues

- Increases in Salaries
- State Mandates

Enrollment in the schools has changed over the last ten years. The NESDEC projections are always exceeded. For example: NESDEC predicted 64 kindergarten children when in fact over 100 enrolled. The School Department strives to keep their high quality teachers. The declining enrollment is spread over K-12 so it makes it difficult to decrease staff. Over \$400,000.00 in Choice-In Revenue is used to fund salaries. The department's website has a link to ClearGov.com. It is a useful tool in reporting demographics, per pupil expenditures and use of other funds. SPED out of district costs are trending down. There has also been a decrease in Choice-Out Costs.

FY17 Budget:

Salaries:	\$11,839,089.00
Expenses:	<u>\$ 2,518,906.00</u>
Total:	<u>\$14,357,995.00</u>

The Level Funded FY18 Increases to:

Salaries:	\$ 577,398.00
Expense:	<u>\$ 50,378.00</u>
Total:	<u>\$ 627,776.00</u>

Total FY18 Budget Request: \$14,985.771.00

Warrant Article Request:

Bus Lease:	\$67,038.00
Bus Lease Stabilization Fund:	\$40,000.00
Computer Lease:	\$69,900.00
Medicaid Reimbursement:	\$ 5,000.00
Clyde Brown School Roof:	\$58,000.00
Instructional Resources:	\$45,000.00
Back-Up Server Storage:	\$45,000.00
Middle/High School Bathroom Upgrades:	\$20,000.00
Auditorium Seating and Lighting:	\$55,000.00

Staffing Requests:

Computer Technician:	\$59,000.00
21 st Century Careers Coordinator:	\$10,000.00
Elementary Assistant Principal:	\$80,000.00
High School Social Studies Teacher:	\$55,000.00
Middle School Reading & Math Specialists:	\$60,000.00
Part Time English Language Arts Teacher:	\$20,000.00
High School Math Teacher:	\$60,000.00
Middle School Special Education Teacher:	\$60,000.00
High School Art Teacher:	\$25,000.00
Music Teacher:	\$45,000.00

Computer Lease Article in the amount of \$69,900.00 will need to be split into two articles:

- (1) Current Leases: \$46,397.99
- (2) New Lease: \$23,502.01

Kathy LaPlant explained that the new 3-Year Lease is considered borrowing and must be approved at Town Meeting. In the past, all the school's computer leases were presented to Town Meeting in one article. The School Committee members and some Finance Committee members requested supporting documentation for this sudden change in the Lease Article rules. Ms. LaPLant will email the documentation.

Bus Lease Stabilization Fund:

If established, the fund can only be used for purchasing/leasing school buses. The School Bus Program generates approximately \$74,000.00 in fees. This revenue is used to fund (3) bus drivers.

Old Business/ New Business:

The Board of Selectmen will decide if the Annual Spring Town Meeting should be postponed for two or four weeks. Peter Jurmain recommended postponing Town Meeting until June 5, 2017 to give the committee a reasonable time frame to make recommendations. Postponement will not impact the Elementary School Board Project. Some committee members were frustrated the committee approved funding a temporary accounts payable clerk to guarantee the town's finances would be available to meet the Town Meeting deadline.

The town should consider employing an IT Director. The Finance Committee is requesting funding ClearGove.com for FY18, the line item would be included in the Finance Committee's Budget. Mike Guzinski fully agreed the software is a good tool for the public.

Minutes Approval:

Susan Vecchi made a motion to recommend approval of the March 22, 2017 Meeting Minutes as written; Jodie Garzon seconded. Vote: 7/0, motion carries.

Adjourn:

Jerry Nunnaley made a motion to adjourn the meeting at 10:29 PM; Susan Vecchi seconded. Vote 9/0 motion carries unanimously.

Respectfully submitted,
Deirdre Gilmore