

## Finance Committee Meeting

March 27, 2019 7:30 PM EST  
Veterans Memorial Building, Room #229  
900 Main Street  
Millis, MA 02054

### In Attendance:

Jodie Garzon, Chairman  
Doug Riley, Clerk  
Joyce Boiardi  
Jim Borgman  
Jim Bullion  
Peter Jurmain  
Craig Schultze  
Mike Guzinski, Town Administrator  
Carol Johnston, Finance Director  
Chief Soffayer, Police and Dispatch  
James McKay, Department of Public Works  
Wayne Klocko, Permanent Building Committee

Jodie Garzon called the meeting to order at 7:31 PM.

### Police and Dispatch FY20 Budget Presentation:

Chief Soffayer:

The FY20 Budget Request includes \$100,000.00 more for overtime than what was appropriated in FY19. The request is for \$260,000.00.

The department's achievements include a number of grants:

- \$ 3,000.00 for a Certified Audit of the Evidence Room
- \$15,000.00 for Bulletproof Vests
- \$18,915.00 for Dispatch Training
- \$21,889.00 for Technology and Equipment
- \$ 7,000.00 for Traffic Enforcement
- \$82,000.00 for Records Management System Software

The department's revenue generation includes:

- \$26,957.00 for Police Detail Administration Fee
- \$14,500.00 M.P.I. Tuition
- \$ 2,600.00 License to Carry
- \$ 354.00 Records Requests

A review of the Staffing Schedule outlined the costs in overtime to fill certain shifts:

- 11:00 PM – 7:00 AM shift approximately \$61,000.00
- 3:00 PM – 11:00 PM shift approximately \$32,000.00

Shifts must be filled if an officer takes vacation, sick, comp or personal time or is attending mandatory training. Three officers are assigned to the 7:00 AM – 3:00 PM and 3:00 PM – 11:00 PM shifts. The third shift, 11:00 PM – 7:00 PM, currently has two officers assigned.

The department has responded to an increase in calls/incidents since 2015: including armed robberies, armed barricades, stabbings and breaking and entering. Their Records Management System generated a report demonstrating the increase in call/incidents from 8,000 to over

14,000. The Town of Millis employs (16) Police Officers; the average for comparable towns is (20). Ideally, the Chief would like to hire two additional officers to fill shifts which would reduce the annual overtime. The salary for an officer is approximately \$55,000.00 plus benefits. The department has experienced a number of officers out on injury since 2015.

The Chief clarified the information included in a Middlesex Daily News article listing the several towns' highest paid employees. The information in the article was misleading and did not differentiate between base pay and overtime/other compensation such as the Quinn Bill.

The department already is bracing for unexpected budgetary impacts for FY20 to include:

- (1) Officer enlisted in the Navy on a 6 month leave of absence.
- (1) Officer deployed to Korea for 12 months
- Several officers out on injury or sick leave

The department can recruit a Reserve Officer to cover the 6 months leave of absence. It takes approximately one year to train an officer in the academy. The committee acknowledged that knowing these circumstances the FY20 budget should reflect the anticipated costs and requested the Chief work with the town's Finance Director to present alternative budgets to reflect one with the addition of (2) officers and one without the additional officers.

The Chief expressed his concern with the department's staffing level with the anticipated increase in population due to the Regency at Glen Ellen, Assisted Living Facility and several other building projects.

One of the department's Sergeants is part of the DEA Task Force. The department benefits from this program through Drug Forfeiture funds, typically between 3 – 24% of the seized assets. The department purchased approximately \$350,00.00 in equipment with the funds; the department's equipment is up to date until 2026. The funds must be used strictly for the Police Department.

Authorization to Spend in Excess of FY19 Budget – Snow and Ice:

Jim McKay:

The Board of Selectmen on Monday, March 25, 2019 approved a request to Spend in Excess of the FY19 Budget – Snow and Ice up to \$75,000.00.

Expenses Budgeted:	\$170,727.00	Salaries Budgeted:	\$ 48,000.00
Expenses Expended:	\$195,900.35	Salaries Expended:	\$ 75,953.28
Deficit:	\$ 25,173.35	Deficit:	\$ 27,953.28
Total Deficit:	\$ 53,126.63		

Craig Schultze made a motion to recommend approval to Spend in Excess of FY19 Budget – Snow and Ice up to \$75,000.00; Pete Jurmain seconded. Vote: 7/0, motion carries unanimously.

The committee discussed the possibility of increasing the Snow and Ice FY20 Budget to \$315,000.00; a more realistic amount when taking an average of the actual costs over the past 4-5 years. However, once a Snow and Ice appropriation is made, it cannot be reduced the following fiscal year. If expenses in a particular year are low due to a mild winter, the remaining budgeted amount would be turned back to Free Cash. Typically, towns in Massachusetts appropriate a low amount for Snow and Ice due to the varying winters the region experiences. Millis typically budgets approximately 65% of the actual costs incurred. Mike Guzinski recommended keeping the amount low until the Board of Selectmen could review and consider the town's current policy regarding the appropriation.

### DPW Building Renovations Discussion:

Wayne Klocko, Permanent Building Committee, explained that the committee has been reviewing the need for the building's renovations since 2016. Several years ago, there was approximately \$250,000.00 appropriated at Town Meeting for repairs to the facility including ventilation and heating. Since then the storage portion of the building has been condemned. The School Department has requested a bay for repairs to their fleet of vehicles. In considering this, the committee has recommended a proposed plan to include:

- Staff Wing for DPW's personnel
- Staff Wing for School Bus Drivers
- (3) Bay Garage: (1) Wash Bay (1) DPW Repair Bay and (1) School Bus Repair Bay
- The existing building's office area would be demolished in order to make room for storage of vehicles and equipment. Heating of the building would be reduced as it would now simply be used as a storage unit.

The Staff Wings would be a prefab unit to avoid paying Prevailing Wage rates, but the 3 Bay Garage would have to be built onsite. The Permanent Building Committee approved an amount for the project not to exceed \$3.9 million. The Board of Selectmen endorsed the project at their March 25, 2019 meeting.

The project needs approval from the Conservation Commission due to a "no build buffer" zone. An existing retention basin should be sufficient for any stormwater runoff. Test Borings were drilled and revealed clean soils in both the front and the rear of the existing building. As with most projects, site work is always a risk factor.

The School's Administration will decide when the School Bus Bay will be built; the cost is approximately \$700,000.00 - \$800,000.00. The foundation for the bay will be poured at the same time as the other two bays.

Joyce Boiardi exited the meeting.

The Board of Selectmen raised the question of adding one additional female restroom toilet for the School Bus Wing. It was explained that the bus drivers do not use the facility fulltime but rather occupy the DPW for a short period of time in the morning and afternoon. The gender-neutral restroom could be shifted to accommodate one additional female toilet for the bus drivers.

The project is a Warrant Article for the May 2019 Town Meeting and will be funded 1/3 from General Funds, 1/3 from Sewer Enterprise Funds and 1/3 from Water Enterprise Funds. The total borrowing would not be included on the Debt Schedule until FY21.

Like similar town building projects, a Project Manager will be hired, and an Architect will design the construction plans. After approval, the project's bidding process will begin in approximately 12 months; the construction will require 9 months.

The twenty-year bond will require approximately \$120,000.00 per year from the General Fund. The Water and Sewer Rates have already factored in a total of \$1.4 million for the project. The balance will be considered at the next rate hearing typically held in July.

If the project is not approved at Town Meeting, the DPW will rent trailers for their staff; the cost is approximately \$4,000.00 per month.

The committee asked the Director to provide a Summary Scenario if the project fails at Town Meeting. The Director will forward an email of the new OSHA requirements as well.

There may be additional costs to run the Wash Bay, but the water will be recycled. There will be savings on heating the facility and solar energy is an option.

### Town Buildings FY20 Budget Review – Postponed

Finance Committee FY20 Budget Review:

Salaries:	\$ 5,200.00
Expenses:	<u>\$16,500.00</u>
Total:	<u>\$21,750.00</u>

The increase of approximately \$600.00 in expenses is for anticipated additional postage & printing. The FY20 Reserve Fund Budget is level funded at \$50,000.00.

May Town Meeting Article Review:

Mike Guzinski highlighted the changes the Board of Selectmen made to the May 2019 Town Meeting Warrant:

Article #3 Collective Bargaining Agreements: The AFSCME Council 93 Local 3901 union was added, the DPW union. Their contract expires June 30, 2019; negotiations have not begun.

Article #8 Amendments to the Personnel Plan: A 2.5% increase in FY20 for all personnel on the plan, except for Inspector Fees, was reflected in Schedule A. Some positions on the plan are paid at the State's Minimum Wage. The increase was determined by reviewing the last three fiscal year increases: FY17 0%, FY18 3% and FY20%; the average increase over FY17 – FY20 is 1.875%. The Council of Aging Director's salary includes an increase of two additional hours per week which is an Above Level Service Request. A Part-time IT Administrator was added at a rate of \$45.00 per hour; this too is an Above Level Service Request.

Article #13 Capital Items: A list is being reviewed with consideration given to limited Free Cash and an uncertain Revenue Forecast; Other Fund Sources are being considered. The Town Administrator will meet with the Capital Planning Committee on April 4<sup>th</sup> to discuss finalizing the list and will present the list to the Finance Committee at their April 10<sup>th</sup> meeting.

Article #20 Previously Approved Police Cruiser Lease: This item was added; the town is obligated to fulfill the Lease Agreement.

Article #22 Unemployment Insurance Fund: The FY19 fund is in deficit approximately \$60,000.00. The article is in the amount of \$150,000.00 and will be funded by Free Cash.

The Zoning ByLaw – Temporary Signs Article was removed and is deferred until the November 2019 Town Meeting; no upcoming elections will be affected. The Planning Board needs time to review prior to voting on the Zoning ByLaw.

Article #25 Zoning ByLaw – Municipal Facilities and Uses: The Planning Board is reviewing and finalizing the language.

FY20 Revenue Summary:

Carol Johnston worked with Hannah York, Professional Consultant, to finalize the FY20 Revenue Summary. The New Revenue Available for Appropriation for FY20:

School Department:	\$ 678,422.00
Municipal Departments:	<u>\$ 365,304.00</u>
Total:	<u>\$1,043,726.00</u>

Significant increased Shared Costs from FY19 to FY20 include: General Insurance, \$32,550.00, Employee Benefits, \$242,235.00 and Tri-County School Assessment, \$189,868.00.

FY19 Stormwater Utility Fees for all Municipal Departments and Schools, in the amount of \$33,374.00, was included in the Shared Costs Subtotal; deducting it prior to the 65/35 revenue split (65% School and 35% Municipal Departments).

Mike Guzinski noted that they are working on filling a gap in a Level Service FY20 Budget but are making progress.

Long-Term Debt Summary by Project:

Carol Johnston provided a Long-Term Debt Summary by Project per the committee's request. The outstanding balances for each project as well as the total principal and interest were included.

Total General Fund Debt FY20 thru FY44:

Outstanding Principal:	\$38,648,867.50
Outstanding Interest:	<u>\$16,940,667.50</u>
Total:	<u>\$55,589,535.00</u>

Total Sewer Enterprise Debt FY20 thru FY36:

Outstanding Principal:	\$ 1,553,290.00
Outstanding Interest:	<u>\$ 307,202.00</u>
Total:	<u>\$ 1,860,492.00</u>

Total Water Enterprise Debt FY20 thru FY39:

Outstanding Principal:	\$ 3,532,842.50
Outstanding Interest:	<u>\$ 1,051,339.25</u>
Total:	<u>\$ 4,584,181.75</u>

Total Community Preservation Act Debt FY20 thru FY34:

Outstanding Principal:	\$ 310,000.00
Outstanding Interest:	<u>\$ 84,000.00</u>
Total:	<u>394,000.00</u>

The town's Long-Term Debt Limit, set by the DOR (Department of Revenue), for projects considered inside the Debt Limit is \$62 million. The Clyde Brown School Project is exempt from the debt limit.

Bills Payable Approval - Postponed

Meeting Minutes Approval:

Pete Jurmain made a motion to recommend approval of the March 20, 2019 Meeting Minutes as written; Jim Bullion seconded. Vote: 4/0 2 abstained motion carries

Old Business/New Business:

Mike Guzinski explained that the Police Chief's increase in salary for FY20 was contractual and was negotiated with Board of Selectmen. The Chief's FY20 salary is in line with surrounding towns.

Adjourn:

Pete Jurmain made a motion to adjourn the meeting at 9:43 PM; Doug Riley seconded. Vote 6/0 motion carries unanimously.

Respectfully submitted,  
Deirdre Gilmore