

FINANCE COMMITTEE
Minutes
 Zoom Number 870 7203 9674

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 MILLBURY, MASS.

Date: February 26, 2024

Time: 6:30 p.m.

Present: Wells, O'Connell, Kuphal, O'Connor, Cooney

Absent: Cooper, Pratt

Meeting called to order at 6:32 p.m.

Motioned by Wells, seconded by Kuphal to accept the minutes of February 12, 2024 as written.
 Unanimous.

Karyn Clark, Town Manager and Jennifer Barrett, Finance Director, were present at the meeting.

Dr. Fitzpatrick, Superintendent, Anthony Steele II, Assistant Superintendent and Chet Hanratty were present to discuss the Blackstone Valley Regional Vocational High School Budget

Dr. Fitzpatrick handed out the Blackstone Valley Tech budget

Dr. Fitzpatrick: This is my 31st budget year. I do not see the numbers changing in this budget unless the State comes in with more money.

Dr. Fitzpatrick went over the budget handout.

Dr. Fitzpatrick: The teachers' contracts went through without the need of legal assistance. The increases are between 2.75% and 3%. The total budget has an increase of 3.9%. Health Insurance is up 4.5% compared to most insurances going up excessively higher.

Russell Wells: Who do you have for insurance?

Dr. Fitzpatrick: We have 2 health plans. We have Harvard Pilgrim and Tufts. The split between the employee and the school is 75/25.

Jen O'Connell: Wouldn't it lower your overall costs to only have one plan?

Dr. Fitzpatrick: We used to have 3. We did discuss going down to one, but we found that we can stay more competitive to keep 2.

Dr. Fitzpatrick explained the Revenue sheets.

Dr. Fitzpatrick: The Revenue Budget is based on the Governor's House 1 Budget. Last year we received about \$650,000 in Chapter 70. As you can see it has gone down considerably. Our Chapter 71-Regional Transportation reimburses us 80%. Our Excess and Deficiencies Account cannot exceed 5% of our budget. The DOR has to approve it before it can be spent. There is \$1.1million in this account. We are asking to use \$750,000 out of it in the coming year. Millbury has 7.1% ownership of our budget and 90 students.

Jen O'Connell: How much of a reduction in Millbury students from last year?

Dr. Fitzpatrick: You went from 93 to 90. We will not know until April how many new students we will be getting from Millbury for next year. This budget is based on the number of students in October of last year. Our budget includes everything from sewers, unemployment, workman's compensation etc. We do not have a municipality to cover these costs.

Dr. Fitzpatrick went over the Return on Investments and went over the grants that have been applied for and the ones that have been awarded.

Dr. Fitzpatrick: Your responsibility on this budget is \$27,786 less than last year, even with the drop in State Aid. The per pupil cost is \$14,656. Our dropout rate is 0 and our graduation rate is 100%. We have a longer school year. There are 193 teaching days. We also have 150 students in our Co-op program.

Jen O'Connell: Why aren't there more students in this program?

Dr. Fitzpatrick: Some choose to stay in school and receive their hours there. Some students do not have the necessary grade average to attend the program.

Dr. Fitzpatrick: We are asking for 2 Warrant Articles this year. One is to establish a Stabilization Account, not limited to transportation. This would be for projects in the future that need to be completed. We are looking at replacing the roof and the HVAC. The estimated cost to replace the roof and HVAC is \$10M.

Jen O'Connell: What happens to the money in your budget if you do not spend all of it by the end of the year? Our's goes to Free Cash. Where does yours go?

Dr. Fitzpatrick: It goes into our Excess and Deficiency account.

Jen O'Connell: How much is in there right now?

Dr. Fitzpatrick: There is \$1.1 Million in there. We are allowed \$1.5 Million in this account.

Jen O'Connell: What is the difference between an E & D account and a Stabilization Account?

Dr. Fitzpatrick: We would have more flexibility to put money there temporarily. Our Treasurer recommended that we set up this second Stabilization Account.

Jen O'Connell: If it is in the Stabilization Account, do you still have to go to the School Committee for approval?

Dr. Fitzpatrick: Yes, we do. We are just asking for approval to set this account up. We are not asking for an assessment.

Jen O'Connell: What is the cost of the roof? Our own High School also needs a roof.

Dr. Fitzpatrick: It is about \$10million. The roof is 34 years old.

Chet Hanratty: It also has to support the HVAC.

Jen O'Connell: Don't you have an HVAC program?

Dr. Fitzpatrick: We do, but this project is on a much larger scale than what the program can handle. We need to have a company come to install it. The roof is 60,000 square feet. We have received estimates that include the HVAC.

Chet Hanratty: It is recommended that the units be replaced before they break down.

Dr. Fitzpatrick: Millbury would be responsible for 7.5% of the cost. We are in our 10th year of our Master Plan, which this project is part of. If we are accepted by the State for the Accelerated Repair Program, we would substantially reduce this loan.

Russell Wells: How many Towns have to approve this?

Dr. Fitzpatrick: Nine Towns have to approve it.

Kevin Kuphal: Are you anticipating a cost savings once this is completed?

Dr. Fitzpatrick: Yes, we are.

Russell Wells: How long will this project take?

Anthony Steele II: About a year with all the paperwork involved in it. Construction would be about 2 months. We plan to have it done in the summer, when there are no students in the building.

Judith O'Connor: How do you decide how many students from each Town go to your school?

Chet Hanratty: It is based on a 100 pt scoring. The number from each Town varies every year. One year there may be a lot and the next year not so many.

Jen O'Connell: What is the percentage of Special Education students?

Dr. Fitzpatrick: We have 180 students in Special Ed, which is about 15%.

Jen O'Connell: Do the students pay a fee for bussing?

Dr. Fitzpatrick: No. If we charge them, it takes away from the Chapter 71 money.

Russell Wells: Do the students pay for their activities?

Dr. Fitzpatrick: Yes, they do. Most of the activities have the same fee. Hockey is \$300. This is a new program.

Chet Hanratty: We try to do things to offset the cost of some of the activities.

Jen O'Connell: The total cost of running BVT is much higher than people think, because they only look at what their Town is being charged.

Dr. Fitzpatrick: A trade school is designed to be twice the amount of a public school.

Jen O'Connell: The administrative part of your budget has increased substantially. This is for 1 building, where we have 3 buildings. We have had many residents whose taxes have almost doubled. We have asked our own School Committee to reduce some of their line items.

Dr. Fitzpatrick: We do anticipate a 50% reimbursement on our project.

Jen O'Connell: Our High School needs a new roof. We house many more students in that building than we send to Valley Tech.

Russell Wells: What is "Other School Services", under the expenses?

Anthony Steele II: That would be anyone that is not a teacher or administrator.

Jennifer Barrett: This is similar to what we have at our school.

Jen O'Connell: Why has the number gone up so much?

Dr. Fitzpatrick: This includes Teacher Aides and Special Ed.

Judith O'Connor: Do you coordinate with Easter Seals for any of the special equipment you need?

Anthony Steele II: The parents have normally coordinated before they have gotten to our school.

Nicole Cooney: How much money goes into the E & D each year?

Dr. Fitzpatrick: The goal is not to spend all of the money in our budget each year, so that we can put money into the E & D.

Chet Hanratty: Anything over the \$1.1million goes back to the Town.

Nicole Cooney: What was the balance in the account 3 years ago?

Dr. Fitzpatrick: It was about the same as it is now. This is our Free Cash. We cannot spend any of it without the approval from the School Committee.

Chet Hanratty: The balance cannot go over 5% of our budget.

Dr. Fitzpatrick: We never come back to the Towns and ask for more money once the budget is accepted.

Dr. Fitzpatrick, Anthony Steele II and Chet Hanratty left the meeting at 8:00 p.m.

Comprehensive Budget Review

Jen O'Connell: Did we find a building inspector?

Karyn Clark: Yes, we did. He will be starting in mid March. He wanted to give a 30 day notice.

Jen O'Connell: Did we hire a new person for the ASA Waters Mansion?

Karyn Clark: Yes, Tracy Parath. She started today.

Jen O'Connell: How many open positions do we have.

Karyn Clark: We have a part time person in the Planning Department that we would like to increase to full time, and a part timer in the Finance Department. We are interviewing for an Adult Librarian. We did have to increase the Building Inspector salary quite a bit. There are only 600 Building Inspectors in the State. We needed to be competitive.

Judith O'Connor: I don't mind paying market rate. I just don't want to overpay positions.

Jen O'Connell: Have you had any discussions with the School Department?

Karyn Clark: I did communicate to them to cut a number from their budget, but I haven't heard back yet. They have been pretty easy to work with in the past, so I have a baseline with them.

Jennifer Barrett went over the list of Warrant Articles for the Annual Town Meeting

Jen O'Connell: This looks like an extensive list coming from Free Cash.

Jennifer Barrett: I added them up and it came to \$1.5million. These were all generated by the Department heads during our budget meetings. I tried to reduce some of their budgets by placing some of the larger items in the Warrant.

Jennifer Barrett: The document scanning is for 2 departments next year. We asked for \$50,000 last year to complete 2 other departments. The Assessor Revaluation is done every 5 years. The traffic lights/street lights are for an upgrade of technology at Canal Street. I put in for the 2 fire trucks because we need to get the authorization now to get it in line.

Judith O'Connor: Why does the Fire Department need a new car?

Jennifer Barrett: It is a 2017 with 42,000 miles on it.

Jennifer Barrett: The Town IT is to start replacing the oldest laptops, iPads etc. We are coming up on our 5th year of a 5 year cycle. Some of the items that need replacing were pre-COVID, and some we received during COVID. I am working with Worldband on this.

Karyn Clark: The driveway lighting at the Town Hall is for safety reasons. There are parts of the lot that are so dark, including the entry off of Elm Street.

Jennifer Barrett: The Town furniture is for several departments. There are some desks and other furniture that has been here since 1975. This also includes the restraint chair for the Police Department.

Judith O'Connor: The furniture in the lobby was given to the Town Hall from the Senior Center many years ago.

Jennifer Barrett: The Senior Center needs new HVAC units. They have 4 units there right now and they are not working efficiently. The parking lot at the Senior Center also needs to be paved.

Judith O'Connor: We cannot pave the lot at the Senior Center because the Town does not own it. The railroad owns part of it.

Karyn Clark: We are only going to pave the front lot. There are some issues with this lot that the DPW had to deal with this past year. There are many dangerous spots in the lot.

Jennifer Barrett: The Cemetery expansion is being done in phases. I am not sure if this figure is accurate for this year. We may only need a portion of this.

Jennifer Barrett: The borrowing for paving hasn't been done in years. The Town used to put money away for this every year.

Jen O'Connell: Will this include the intersection of Millbury Ave and Howe Ave?

Jennifer Barrett: Yes. \$½ Million will go towards the intersection and the other \$½ Million will go towards other paving in Town.

Jen O'Connell: How much Free Cash do we have?

Jennifer Barrett: We have about \$3,000,000.

Jen O'Connell: How much are we using?

Jennifer Barrett: We are using about \$1.5 Million.

Jen O'Connell: Why can't we use \$1 Million to fund one of the Fire Trucks instead of borrowing it?

Jennifer Barrett: We could. I will work on the rest of the articles and re-calculate.

Judith O'Connor: How do we miss a Verizon bill?

Jennifer Barrett: It was not paid because when we received the April bil, it read 0. Later on, the error was caught on their end that the payment was posted to the wrong account.

Jennifer Barrett: The Snow and Ice account is in deficit of \$60,000 as of right now. This is not due to snow plowing. It is due to the cost of the salt. We may not have had to do as much plowing, but the rain and cold temperatures caused us to use a lot of salt.

Jennifer Barrett: We had a sewer main break, which we submitted to the insurance. We found that they would not cover the cost to fix it, but would pay a percentage towards the cleanup cost. The money will come out of Retained Earnings and when we receive the insurance money, we will put it back into Retained Earnings.

Jennifer Barrett: The Stormwater MS4 Enterprise Budget, General Fund Budget, Sewer Budget and Cable Budget will all be in separate articles.

Jennifer Barrett: I have a placeholder for the Transfer to Stabilization, OPEB, Chapter 90 Supplement and Compensated Absences. I am waiting to see what the Board of Selectmen decides on the Reserve Policy.

Jennifer Barrett: We have the standard reauthorization of the Revolving Accounts.

Jennifer Barrett: We are asking to update the Revolving Account for inspections. This is to cover all of the inspections.

Russell Wells: Will the Selectmen be discussing the disposition of the old Fire Headquarters?

Karyn Clark: I have reached out to see if it should be added to the Selectmen's Agenda for tomorrow night, but I have not heard back on that. It will probably be on the agenda at their March meeting. The new Fire Headquarters is set to open at the beginning of next week.

Jennifer Barrett: Our legal department is working on the verbiage for the Solar Pilot.

Jennifer Barrett: We have some foreclosed properties that need to be reverted to the Town. Some of them are not viable for sale.

Jennifer Barrett: The legal department is tidying up the language on our leased vehicles. The money and projects have already been authorized.

Jennifer Barrett: The Stormwater Management Bylaw may not need to be updated at this time.

Jennifer Barrett: The Opioid Funds Stabilization was authorized at the Fall Town Meeting. According to new legislation, we do not need a Stabilization Fund for this. It can go into a Special Revenue Account.

Jennifer Barrett: The General Bylaw update needs to have the language changed in reference to the Audit Firm RFQ.

Jennifer Barrett: We would like to change the Old Article renewals. We are suggesting that the only ones that need to be renewed are the ones that have been dormant, not the ones that we have been using regularly.

Jennifer Barrett: The FinCom Bylaw needs to be updated. Right now this Bylaw precludes anyone on the Finance Committee from serving on any other boards, including the Capital Committee.

Jennifer Barrett: Some old articles may come up for reauthorization.

Jennifer Barrett: I am still waiting to hear back on the Conservation Land issue.

Jen O'Connell: Are there any Citizens Petitions?

Karyn Clark: I haven't heard of any, yet.

Judith O'Connor: Is Chet Hanratty up for re-election?

Karyn Clark: I am not sure.

Jennifer Barrett: The election for his position is in the fall, not at our regular Town election.

Motioned by Cooney, seconded by Wells to adjourn at 9:26 p.m. Unanimous

Quig O'Connell

Judith O'Connor

Annelle Wells

Tom G. V.

W.H. Pratt

Chet Clark