

**TOWN OF MILLVILLE
FINANCE COMMITTEE**

WORKSHOP

November 15, 2018 – 6:30 P.M.

Board Members Present: Chairman, Aubrey Buono; Vice Chairman, Brian Pacheco; Member, Gary Gill; Member, Adrienne Pettit; Member, Ken Tubman

Board Members Absent: None

Finance Committee Chairman Aubrey Buono called meeting to order at 6:31p.m. with a Pledge of Allegiance.

Justin Cole attended vi conference call.

Monday, November 19th BOS meeting and FINCOM public hearing and vote on articles
November 28th Special Town Meeting

Les Davies Town Moderator expressed concerns about the discussion of the budget at the Special Town Meeting. Requests one fiscal 2019 budget. If the budget is not recommended by FINCOM, Mr. Davies requests the FINCOM provide a summary of only the line items he suggests would change and the separate budget. Mr. Davies would like a format that is more transparent to voters. Possibilities include have the actual spend for 2017, budget for 2018, actual spend 2018 and budget 2019.

More traditional presentation would be budget to budget comparison with a percent change and dollar change.

Mr. Davies would like to establish procedures around issuing a warrant and the presentation of materials to at Special Town Meeting.

Mr. Cole commented the BOS are establishing financial policies.

Finance committee recommends to include the 2019 budget as compared to 2018 actuals.

Article Review:

- Article 1: Marijuana Sales tax of 3% is per the amended law which has not yet been posted to the website.
- Article 2: Septic Betterment Program – grant state funds with local towns to manage the local funds to assist
 - Authorize a block of \$300,000 to be loaned to residents and receive, money principle and interest; severe delinquencies result in tax liens process.
- Article 4: Amend FY19 Operating Budget

- An appropriation should be included in the TA salary so the BOS may be able to make an offer to a new candidate – provide a YTD expense report on the Town Administrator line item.
- Mr. Gill discussed the snow budget at \$150,000: Include the \$80,000 budgeted amount snow instead; offset deficit by free cash at end of fiscal year rather than appropriating funds from auction proceeds to fund operating deficit.
- Tree budget line item increase of \$35,000 was discussed. Additional information needed:
 - Low/Medium/High Risk
 - Insurance provider advised additional liability to town if tree has been marked for removal and an incident occurs.
 - Average \$2,300/day for 15 days to remove marked trees
- Chief Landry then joined the FINCOM to discuss the increase 2019 budget to 2018 actual expenditure year-over-year increase in Police Department (line item 159).
 - Increase of \$87,657 FY19 v FY18
 - Chief Landry stated his budget submitted, excluding capital expenditures, was approximately \$440,000. Chief Landry stated he would compare his submitted budget to the FY19 budget as presented and provide feedback to Ms. Buono on Friday, November 16, 2018.
 - Salaries budget includes five full-time officers plus part-time officers to assist in covering two police officers on duty at all times.
- Article 5: Proposed Borrowing by BMR – Jane R., BMR School Committee Chair, then joined to speak on behalf of the district with respect to the FINCOM questions submitted.
 - Background on the boiler:
 - Approximate 27 years old and have had operating problems past 5 to 6 years
 - Currently operating at approximately 70% efficiency
 - Fill oil approximately 5x years @ \$5,000/fill = \$25,000 annual heating cost
 - No natural gas lines to elementary school; expect boiler system to be replaced with propane and to cap the underground boiler tanks
 - BMR district has applied to MSBA accelerated repair project for MES windows/boiler and was not approved in previous year.
 - BMR applied to accelerated MBSA program for boiler only project and has been approved
 - BMR will appropriate funds on behalf of Millville to provide for costs towards the feasibility study which determines the project can be partially funded through the MSBA program; at which point, if approved, may be applied towards project costs and be reimbursed under the program at the approved rate
 - BMR reimbursement rates under multiple previous MSBA projects have been 57.74%
 - Recent boiler projects through MSBA has been between \$1.1M and \$1.9M varying by square footage of building (MES ~ 72,000 sq ft)
 - Millville would be responsible for paying the non-reimbursed project expenses through debt serviced by BMR district after feasibility complete; however, this would be a separate warrant voted on a Special Town Meeting which would have the specific costs and repayment terms included at that time.

- All projects MSBA has approved for BMR district have proceeded after the feasibility study has been completed
- Example of current MSBA project is JFK windows/boiler
 - Approved in 2017 and expected completion in 2019
 - Total cost \$4.6M of which \$1.9M is being funded by the town of Blackstone through debt service

FINANCE COMMITTEE WORKSHOP ADJOURNMENT

On motion by A. Pettit, second by G. Gill, the Committee votes unanimously to adjourn the meeting at 8:56 pm.

Respectfully Submitted By:

Adrienne Pettit, Clerk

Approved By Finance Committee:


Aubrey Buono, Chairman

Brian Pacheco, Vice Chairman


Adrienne Pettit, Clerk


Gary Gill, Member


Ken Tubman, Member
