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FINANCE COMMITTEE
Minutes
Zoom Number 840 3896 9229

2023 MAR 24 AM 9:42
MILLBURY, MASS

Date: March 20, 2023

Time: 6:30 p.m.

Present: O'Connell, Kuphal, Cooper, Wells, Pratt, O'Connor

Absent: Cooney

Meeting called to order at 6:38 p.m.

Motioned by Pratt, seconded by Wells to accept the minutes of March 13, 2023 as written.
Unanimous.

Jennifer Barrett, Finance Director and Sean Hendricks, Town Manager were present at the meeting.
Scott Despres was present at the meeting.

Motioned by Wells, seconded by Pratt to open the Public Hearing at 6:39 p.m.

Jen O'Connell: Due to unforeseen circumstances, we do not have the Warrant tonight, so we will need to postpone the Public Hearing until Thursday.

Motioned by Wells, seconded by Cooper to continue the Public Hearing until Thursday, March 23, 2023 at 6:30 p.m. Unanimous.

Jen O'Connell: I saw a lot of movement in the budget from Version 2 to Version 5.

Sean Hendricks: All of the proposed increases to the Town budget is 1.83%. The School Department was at an increase of 4.28% and now it is at 3.86%. The total budget is less than 3% over this year. The estimated tax rate is \$15.28, which is \$.83 over last year. If we didn't have the debt, it would have been a \$.25 decrease over last year. The debt service cost us \$1.15. This debt was excluded by the townspeople. We are not budgeted to the levy.

Jennifer Barrett: We are about \$2M under the levy. This is the 1st year of the largest portion of the Shaw project. There will be 3 interest payments due in the next year. Normally we would only have 2.

Charles Cooper: Home value has gone up as well. Is this within these figures?

Jennifer Barrett: Some of it is. Some of it will be next year.

Jen O'Connell: Version 2 of the budget showed a total of \$52,952,741. Version 5 shows \$53,034,80. Why the increase?

Sean Hendricks: We received the insurance numbers.

Jennifer Barrett: I don't know if I had the actual debt figures in the previous versions.

Jen O'Connell: The DPW went up \$75,000. Did you hire the new mechanic?

Sean Hendricks: Yes, we did.

Budget Discussions and Vote

Town Manager Salary

Jen O'Connell: What percentage did the Board of Selectmen give you?

Sean Hendricks: They gave me 5%.

Jen O'Connell: The total salary went up 7.9%.

Jennifer Barrett: He has a new contract as of November. They wanted to give him 8%, which he refused.

Sean Hendricks: I wasn't going to take an increase larger than the Police Chief.

Jennifer Barrett: The new contract starts in November, whether it is him or someone else. This is just budgeting ahead of the contract.

Jen O'Connell: The other rate is for the Deputy?

Jennifer Barrett: Yes, it is. That is at 2%.

Jen O'Connell: My issue is that the 5% shouldn't be in there at this time. The Town approved 3%, not 5%. The Board of Selectmen need to stick to the contract. My issue is not with you. It is with the Board of Selectmen.

Charles Cooper: How would you approach this?

Jen O'Connell: It should be based on merit.

Sean Hendricks: We do not have a merit system. I was prepared for the 3%.

Judy O'Connor: If it is voted at Town Meeting, then is that what the Town Manager gets paid?

Jen O'Connell: Not necessarily.

Sean Hendricks: The Town Meeting does not approve individual line items. It is a single number.

Jen O'Connell: Is there any interest in changing this number?

Kevin Kuphal: Are the Board of Selectmen authorized to go outside of the contract?

Sean Hendricks: I work under the direction of the Board of Selectmen. The Board has certain discretions. They gave the Police Chief and myself a larger amount.

Russell Wells: I watched the meeting and the Town Manager did say that he was happy with what he was expecting.

William Pratt: The current budget is coming to an end. If there isn't enough money in the budget, they will have to figure out where to get it from. We should be looking at next year, not the current one.

Jen O'Connell: I am fine the way it is, if no one else has a problem with it.

Finance Department

Jen O'Connell: Why the reduction in Salaries?

Jennifer Barrett: I just got an assistant this week and she is at a lower salary.

Assessors

Jen O'Connell: Is this the same reason for the reduction for the Assessors office?

Jennifer Barrett: Yes, it is.

Treasurer/Collector

Jen O'Connell: What about the decrease in the Treasurer/Collector department?

Jennifer Barrett: My assistant came from that office.

Legal Services

Jen O'Connell: Is this going to be enough?

Sean Hendricks: Yes, we believe so. We went from paying a monthly retainer to paying them hourly. We are doing more in-house work.

Technology

Jen O'Connell: This is up \$22,000 since Version 2.

Jennifer Barrett: We brought the Police Department on to the Cloud from the in-house server. That is a bulk of the increase.

Planning Department

Jen O'Connell: Why the decrease of \$25,000?

Sean Hendricks: We hired a part time in conservation. This reduced the Assistant Town Planner from 40 hours to 25 hours per week.

William Pratt: How many non-union employees in the Town getting 2% increases?

Jennifer Barrett: I would have to break that out of each department.

Charles Cooper: So, everyone gets 2%?

William Pratt: What is the reasoning for giving contractual raises for those that are not under contract?

Jennifer Barrett: You would lose that institutional knowledge.

Sean Hendricks: This is for retention of employees.

Motioned by Wells, seconded by Kuphal to recommend for Government Salaries of \$1,452,970, Government Other of \$842,075 for a total for Town Government of \$2,295,045. Unanimous.

Police Department

Jen O'Connell: Why the decrease in Other?

Jennifer Barrett: We put the cruisers in Capital.

Inspectors

Judy O'Connor: How come the salaries were taken out of the Inspectors' budgets?

Sean Hendricks: There is a Warrant article to use the revolving funds.

Tree Warden

Russell Wells: Why is there an increase in the salaries?

Jennifer Barrett: We added an assistant to help with the tree work.

Motioned by Wells, seconded by Pratt to recommend for Total Protection Salaries, \$3,665,415, Total Other, \$628,860 for a total of \$4,294,275. Unanimous

School Department

Kevin Kuphal: Did they indicate where they took the \$100,000 reduction?

Jennifer Barrett: They said that they took \$55,000 from Instructional Salaries and \$45,000 from Other Instruction.

Charles Cooper: We discussed the Athletics a lot and the use of fees by other Towns.

Jen O'Connell: I brought up that Blackstone Valley Tech had the students help in the school to pay it off, without anyone knowing that this is what they are doing. I feel very strongly about adding fees.

Judy O'Connor: What does the Booster Club do with their money?

Jen O'Connell: They offset some of the expenses for the Athletics. They help with transportation and purchasing of some equipment. My thought is that if they get additional money from the State, they should reduce their budget by that amount and have that come back to the Town.

Motioned by Pratt, seconded by Wells to recommend for Education Salaries , \$19,318,965, Education Other, \$7,519,500 for a total of \$26,838,465. Unanimous.

DPW

Jen O'Connell: Did we increase the salary for the Director?

Sean Hendricks: We just hired a Director of Sewers. These are salaries that are established now. These are solid numbers for FY24.

Jennifer Barrett: Our mechanic retired in January. We looked at replacing him with someone at a lower step. We were able to get someone that is certified and can work on most everything. We found that he needed an assistant to help with the amount of work we have.

Sean Hendricks: With hiring an assistant, we can do more in-house rather than send it out to be worked on. We should see a reduction in Professional Services next year.

Snow and Ice

Judy O'Connor: How are we doing with this account?

Sean Hendricks: We are over at this time. A lot of the expense has been for the salt. We are not using sand anymore unless it is for a hill.

Motioned by Wells, seconded by Cooper to recommend a total for Public Works Salary, \$1,406,895, Public Works Other, \$1,297,570 for a total of \$2,704,465. Unanimous.

Board of Health

Jen O'Connell: Why is there a \$14,000 difference in Other?

Jennifer Barrett: The increase is offset by the OPIOID Reduction Program. Any money not spent here is put back into the OPIOID money.

Jen O'Connell: Why are we spending \$70,000 for something that was less expensive through the City of Worcester?

Jennifer Barrett: That cost would have been \$95,000 next year.

Sean Hendricks: It was becoming less cost effective. We get more work done by doing it on our own rather than being part of the City of Worcester.

Jen O'Connell: A lot of the work would not get done.

Motioned by Wells, seconded by Pratt to recommend a total for Health and Services Salaries, \$292,640, Total Health and Services Other, \$267,700 for a total of \$560,340. O'Connell and O'Connor opposed, rest for.

Motioned by Pratt, seconded by Wells to recommend a total for Salaries Administration, -0-, Other Administration, \$15,560,180. O'Connell opposed, rest for.

Motioned by Kuphal, seconded by Wells to recommend a total for the Reserve Fund, \$110,000. Unanimous.

Motioned by Pratt, seconded by Wells to recommend a total for expenses, \$53,034,890. Unanimous.

Jen O'Connell: Are there any surprises in the Warrant?

Sean Hendricks: The Board of Selectmen will close the Warrant at their meeting next week. I will be changing the Senior Workoff Program. There will be an article to change the cost share on the insurance for retirees to 50/50 with the exception of the current retirees. We have \$3.4M in Free Cash. We will be using \$1M towards the Warrant and we need a new salt shed which will be about \$1M.

Jennifer Barrett: There will be a transfer to fund the inspections until the account is up and running.

Russell Wells: Is there one for a moratorium on housing?

Sean Hendricks: That is on the Warrant. That is a citizen's petition.

Jen O'Connell: We will be having another meeting on Thursday at 6:30p.m. We will be continuing the Public Hearing on the Warrant and hopefully have the Warrant voted. I may be out of town next week and Kevin will be out of town.

Motioned by Pratt, seconded by Wells to adjourn at 8:53 p.m. Unanimous.

Jenif O'Connell
Russell Wells
Michael K
Judith O'Connor
W. Pratt