

Finance Committee
May 9, 2022
7:00 PM

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I. Call to Order

The May 9, 2022 meeting of the Finance Committee was held via remote participation and was called to order at 7:05 pm by Aimee Sawyer, Chair of the Finance Committee. Finance Committee members present: Kevin Bugaj, Paula Daniels, Yelena Gordon, Jeffrey Moynihan, Frank Joe Parker, William Rotondi, Aimee Sawyer, Bonnie Yezukevich, and Zach Tsilis (joined at 7:39 pm).

Absent: Stephen Evans

New Business

Annual Town Meeting Article 4

Mr. Yunits presented the Annual Town Meeting Article 4: FY23 Water Operating Budget Amendments and recommended the following amounts:

- \$1,313,727 for Personnel Services
- \$558,352 for Indirect Expenses
- \$1,292,500 for Other Charges & Expenditures
- \$1,620,004 for Debt Service

Ms. Sawyer asked if these are the amounts the Town Manager is recommending.

Mr. Yunits confirmed this.

Mr. Frank Fournier, Superintendent of the Water and Sewer Department commented these figures were recently updated in an effort to reduce them as much as possible. He stated it will be extremely difficult to hold to because of the changes in the industry. He referred to the high cost of diesel fuel and how it's affected costs for required products and services as well as cost increases to chemicals, electricity, and propane. The cost of diesel fuel has doubled since the budget was created. He shared the Water Department has been looking at alternative power solutions such as generators if costs continue to increase at the same rate.

Mr. Rotondi asked if Mr. Fournier is comfortable with the current amount budgeted for fuel/gas.

Mr. Fournier explained the high cost of diesel affects the cost of anything that has to be delivered by truck or railroad, such as chemicals. The increases are seen in those areas of the budget, rather than directly in fuel/gas. He stated he is comfortable with the number that has been requested.

Motion was made by Ms. Yezukevich to recommend Annual Town Meeting Article 4 for a total of \$4,784,583. Seconded by Mr. Parker. Vote: Yes -8. Unanimous. Motion Carries.

Annual Town Meeting Article 5

Mr. Yunits presented the Annual Town Meeting Article 5: FY23 Sewer Enterprise Operating Budget Amendments and recommended the following amounts:

- \$436,433 for Personnel Services
- \$130,869 for Indirect Expenses
- \$1,307,226 for Other Charges & Expenditures (\$933,676 of this is to the MFN)
- \$425,041 for Debt Service

Mr. Fournier pointed out a new budget category under Treatment Plant costs for moving waste to Taunton. This cost had previously been rolled into another lump sum number. He explained it was broken out for tracking purposes to show any increases that may occur over time. He referred to the increases because of the rising costs of propane, diesel fuel, and natural gas, and unexpected vehicle maintenance required on a crane truck.

Ms. Sawyer asked if the new development with the hotel near Great Woods is tied into the sewer system and how tie in fees for large developments are determined.

Mr. Fournier confirmed it is tied in, explained which part of the system to which it connects, and how usage numbers are determined.

Mr. Bugaj asked for clarification on the fees for the new hotel, which is located in Mansfield but uses the Norton septic system.

Mr. Fournier clarified how the Great Woods pumping station agreement with Mansfield works and how fees are calculated so each town pays the accurate amount to the MFN.

Motion was made by Ms. Yezukevich to recommend Annual Town Meeting Article 5 for a total of \$2,299,542. Seconded by Mr. Parker. Vote: Yes -8. Unanimous. Motion Carries.

Annual Town Meeting Article 10

Mr. Yunits presented the Annual Town Meeting Article 10 to authorize the Select Board to petition the General Court for two additional all-alcoholic beverage licenses to be consumed off-premises, the issuing locations, and the terms. The article also authorizes the Select Board to establish a liquor license review committee and a competitive procedure for allocating liquor licenses. He shared the Select Board recommended this article.

Ms. Sawyer pointed out this is similar to the article put forth for an additional liquor license last fall.

Mr. Yunits confirmed this.

Mr. Parker pointed out one of the licenses last fall was a citizen's petition at a specific location.

Mr. Toole stated this article was also recommended by the Economic Development Commission (EDC).

Mr. Parker asked for more information on the liquor license review committee and the competitive allocation procedure.

Mr. Toole explained the EDC has created a licensing procedure that includes a notification process and criteria to assist the Select Board with approving liquor license applications.

Ms. Yezukevich asked if the General Court needs to approve the location of a licenses or if that can be done at the Town level.

Mr. Toole replied the State typically approves site specific licenses, but here they are applying for each license be issued in an economic zone (rather than a specific address).

Mr. Rotondi pointed out it is important for the people in Town to understand the amount of liquor licenses issued is directly tied to the amount of marijuana licenses available.

Mr. Yunits stated if these two liquor licenses are issued, one additional marijuana license will become available.

Mr. Rotondi pointed out this happens automatically.

Mr. Yunits confirmed this.

Ms. Sawyer asked for confirmation that for every three liquor licenses issued, one marijuana license becomes available.

Mr. Toole replied he can verify this information and get back to the Finance Committee with the specific ratio.

Mr. Parker pointed out the article's heading states, "may be further revised". He commented it has been recommended by the Select Board and asked what would happen if further revisions are made to it.

Mr. Yunits stated if any revisions are made, they would come back to the Finance Committee before Town Meeting.

Motion was made by Ms. Yezukevich to recommend Annual Town Meeting Article 10. Seconded by Mr. Rotondi.

Mr. Tsilis joined the meeting.

Vote: Yes -8. No – 1. Motion Carries.

Special Town Meeting Article 1

Mr. Yunits presented the Special Town Meeting Article 1, authorizing the funds from Free Cash to pay the following unpaid bills from the previous fiscal year:

- \$1,720.32 to the Sun Chronicle (Planning Board)
- \$627.60 to the Sun Chronicle (Zoning Board)

Motion was made by Ms. Yezukevich to recommend Special Town Meeting Article 1 to transfer \$2,347.92 from Free Cash into the following accounts to pay the following unpaid bills from FY2021:

- Account 001-175-570 Planning in the amount of \$1,720.32

- **Account 001-177-570 Zoning in the amount of \$627.60**

Seconded by Mr. Rotondi. Vote: Yes -9. Unanimous. Motion Carries.

Special Town Meeting Article 2

Mr. Yunits presented the Special Town Meeting Article 2, authorizing the funds from Free Cash to pay the following separation expenses:

- \$245,771 for the Fire Department
- \$16,323 for the Library

Ms. Sawyer asked how many employees the amount includes for the Fire Department.

Mr. Yunits replied it is for five employees (payment 3 of 4 for the retired Fire Chief, the retiring Deputy Chief, and 3 firefighters).

Mr. Bugaj asked the Town Manager to elaborate on multi-year separation expenses.

Mr. Yunits replied when the Fire Chief retired, he exercised his option to have his payments spread out over four years.

Motion was made by Ms. Yezukevich to recommend Special Town Meeting Article 2 to transfer \$262,091 from Free Cash into the following accounts to pay the following separation expenses:

- **Account 001-220-510 Fire in the amount of \$245,771.00**
- **Account 001-610-570 Library in the amount of \$16,323.00**

Seconded by Mr. Rotondi. Vote: Yes -9. Unanimous. Motion Carries.

Special Town Meeting Article 8

Mr. Yunits presented the Special Town Meeting Article 8, authorizing the Select Board to grant and convey title on 16 Ridge Road, owned by the Town of Norton. The Select Board will be selling the property to Habitat for Humanity for \$1.00. Habitat for Humanity will tear down the house on the land that is beginning to show signs of collapsing. The home that will be built on the land will be part of the Town's 40(b) affordable properties.

Mr. Parker asked how single-family homes are handled for 40(b) purposes.

Mr. Yunits replied he can find out from Habitat from Humanity and provide that information to the Finance Committee. He is certain that a restriction will be placed on the deed to ensure the property remains affordable.

Mr. Rotondi asked if the Town will be recovering any back taxes on the property.

Mr. Yunits replied since the property is going to Habitat for Humanity back taxes will not be recovered. They have committed to tearing the house down by June 30th and will be responsible for that expense.

Mr. Bugaj asked if the property abutters are aware of the Town's intent for the property.

Mr. Yunits replied the property abutters are aware the Town will be disposing the property.

Ms. Sawyer asked if the Select Board has voted on this article.

Mr. Yunits replied the Select Board has indicated their support of this article.

There was additional discussion by the Finance Committee members on the topic on notifying the abutters of the Town's intent for this property.

Mr. Yunits stated they will let the abutters know when this is coming up at Town Meeting.

Ms. Daniels asked if the language in the article can be kept general or if it needs to include the property will be sold for \$1 to Habitat for Humanity.

Mr. Yunits replied Town Council wrote the article.

Motion was made by Ms. Yezukevich to recommend Special Town Meeting Article 8. Seconded by Mr. Rotondi. Vote: Yes -9. Unanimous. Motion Carries.

Special Town Meeting Article 4

Mr. Yunits shared the Water Enterprise does not need to change their budget and recommended the Finance Committee vote no action on this article.

Motion was made by Ms. Yezukevich to recommend no action on Special Town Meeting Article 4. Seconded by Mr. Rotondi. Vote: Yes -9. Unanimous. Motion Carries.

Special Town Meeting Article 5

Mr. Yunits shared the Sewer Enterprise does not need to change their budget and recommended the Finance Committee vote no action on this article.

Motion was made by Ms. Yezukevich to recommend no action on Special Town Meeting Article 5. Seconded by Mr. Rotondi. Vote: Yes -9. Unanimous. Motion Carries.

Special Town Meeting Article 6 and Article 7

Mr. Yunits presented Article 6 to appropriate funds into the capital improvements budget and Article 7 to amend the capital improvements budget. He recommended the Finance Committee take no action on these articles at this time since neither are needed.

Motion was made by Ms. Yezukevich to recommend no action on Special Town Meeting Article 6 and Special Town Meeting Article 7. Seconded by Mr. Rotondi. Vote: Yes -9. Unanimous. Motion Carries.

Department Operating Budget Requests

Mr. Rotondi commented he feels it is remiss to look only at one year at a time when it comes to the budget, since these issues have a long-lasting financial impact. He referred to his previous suggestions to include a three-year projection on the Town budget documents.

Mr. Yunits stated it will be updated before the end of the fiscal year. The last projection was through FY24 and the projection for FY23 was a deficit of \$2,852,904.

Mr. Rotondi commented decisions made this year impact next year and so on and providing a long-term projection is necessary information for the Finance Committee to make their decisions during this budget process.

Ms. Sawyer agreed with Mr. Rotondi.

Miscellaneous Town Officers and Board Expenses

Motion was made by Ms. Yezukevich to recommend the budget for Department 131 – Finance Committee in the amount of \$2,015. Seconded by Mr. Rotondi. Vote: Yes -9. Unanimous. Motion Carries.

Motion was made by Ms. Yezukevich to recommend the budget for Department 177 – Zoning Board of Appeals in the amount of \$300. Seconded by Mr. Rotondi. Vote: Yes -9. Unanimous. Motion Carries.

Motion was made by Ms. Yezukevich to recommend the budget for Department 294 – Tree Warden in the amount of \$2,000. Seconded by Mr. Rotondi. Vote: Yes -9. Unanimous. Motion Carries.

Motion was made by Ms. Yezukevich to recommend the budget for Department 692 – Memorial & Vets Day in the amount of \$2,000. Seconded by Mr. Parker. Vote: Yes -9. Unanimous. Motion Carries.

Motion was made by Ms. Yezukevich to recommend the budget for Department 132 – Reserve Fund in the amount of \$150,000. Seconded by Mr. Rotondi. Vote: Yes -9. Unanimous. Motion Carries.

Motion was made by Ms. Yezukevich to recommend the budget for Department 151 – Legal Services in the amount of \$70,000. Seconded by Mr. Rotondi.

Mr. Tsilis asked why this budget increased dramatically from \$65,000 to \$112,000 between FY2020 and FY2021 and if any legal cases from this period are still pending.

Mr. Yunits explained there were several legal cases during that period. All but one of them have been resolved.

Mr. Tsilis asked if this year's budget could allocate \$40,000 now and then add another \$40,000 in the fall if needed.

Mr. Yunits stated more money could be added in the fall.

Mr. Parker asked if the budget was dropped from \$80,000 to \$70,000 because there is little litigation currently taking place.

Mr. Yunits stated it is combination of looking at what is available for revenue and trying to control the use of legal counsel next fiscal year.

Mr. Tsilis suggested funding Legal Services with \$40,000 at this time.

Ms. Yezukevich withdrew the open motion.

The Finance Committee discussed how to proceed with this and if additional discussion is needed before voting on this budget.

Mr. Parker asked the Town Manager to provide historical numbers for this budget to use for comparison.

Mr. Yunits stated he will provide two more years of information to help the Finance Committee evaluate this budget.

Ms. Daniels asked if the Town Manager could provide the bare minimum needed for this budget (hourly charges for drafting articles on the warrant) to establish a base for what has to be put in this budget.

Ms. Sawyer commented she is hesitant to start moving money around in these smaller budgets since replacing it could be missed at the Fall Town Meeting. That department could have to request a Reserve Fund transfer very early in the year. She suggested voting the pages as written tonight or hold off until meeting with the School Department and getting a clear picture on the total budget.

Mr. Rotondi agreed with the suggestion to vote on the pages presented as written. He commented even after next week's meeting with Dr. Baeta, it would be better to take time to put all the information together and either the following week or week after reconsider anything (if needed).

Motion was made by Ms. Yezukevich to recommend the budget for Department 151 – Legal Services in the amount of \$70,000. Seconded by Mr. Rotondi. Vote: Yes -9. Unanimous. Motion Carries.

Motion was made by Ms. Yezukevich to recommend the budget for Department 158 – Tax Title Foreclosure in the amount of \$30,000. Seconded by Mr. Rotondi. Vote: Yes -9. Unanimous. Motion Carries.

Motion was made by Ms. Yezukevich to recommend the budget for Department 162 – Elections for Personnel Services (510) in the amount of \$685 and for Charges & Expenditures (570) in the amount of \$56,000 for total of \$56,685. Seconded by Mr. Rotondi. Vote: Yes -9. Unanimous. Motion Carries.

Motion was made by Ms. Yezukevich to recommend the budget for Department 176 – Southeast Regional Planning & Economic Development District in the amount of \$3,874. Seconded by Mr. Rotondi. Vote: Yes -9. Unanimous. Motion Carries.

Motion was made by Ms. Yezukevich to recommend the budget for Department 195 – Town Report in the amount of \$2,400. Seconded by Mr. Rotondi.

Mr. Tsilis asked why this is required and if posting it the Town website could suffice.

Mr. Yunits replied State law requires the Town print an annual report. He added the Town has reduced the number printed to a minimum.

Vote: Yes -9. Unanimous. Motion Carries.

At 8:44 pm Mr. Yunits left the meeting due to connection issues.

Motion was made by Ms. Yezukevich to recommend the budget for Department 199 – Postage for All Departments in the amount of \$42,600. Seconded by Mr. Rotondi. Vote: Yes -9. Unanimous. Motion Carries.

Motion was made by Ms. Yezukevich to recommend the budget for Department 244 – Sealer Weights in the amount of \$2,500. Seconded by Mr. Rotondi. Vote: Yes -9. Unanimous. Motion Carries.

Motion was made by Ms. Yezukevich to recommend the budget for Department 425 – Street Lights in the amount of \$40,000. Seconded by Mr. Rotondi. Vote: Yes -9. Unanimous. Motion Carries.

Motion was made by Ms. Yezukevich to recommend the budget for Department 438 – Sanitary Landfill in the amount of \$8,000. Seconded by Mr. Rotondi.

At 8:50 pm Mr. Yunits rejoined the meeting.

Vote: Yes -9. Unanimous. Motion Carries.

Fixed and Shared Expenses

Motion was made by Ms. Yezukevich to recommend the budget for Department 711 – Maturing Debt for line item 590 Maturing Principal on Long-Term Debt in the amount of \$1,951,299 and line item 594 Repayment of Temporary Loans in the amount of \$129,182 for a total of \$2,080,481. Seconded by Mr. Parker.

Mr. Tsilis asked for an explanation on the increase from \$1.5 million in FY2020 to \$1.9 million in FY2023 and is anything covered by a debt exclusion in that amount.

Mr. Yunits replied this includes additional debt from the \$12 million TRANE project and the debt exclusion would be included in there also.

Mr. Tsilis asked for confirmation that amount is cumulative of the Town's total debt.

Mr. Yunits confirmed this the total Town debt, including debt exclusion projects. He added the Town has not borrowed all the funds for the three upcoming projects.

Vote: Yes -9. Unanimous. Motion Carries.

Motion was made by Ms. Yezukevich to recommend the budget for Department 750 – Interest for line item 590 Interest on Long-Term Debt in the amount of \$598,484 and line item 594 Interest on Notes in the amount of \$220,863 for a total of \$819,347. Seconded by Mr. Rotondi. Vote: Yes -9. Unanimous. Motion Carries.

Motion was made by Ms. Yezukevich to recommend the budget for Department 910 – Employee Benefits for line item 510 Personnel Services in the amount of \$3,571,602, line item 511 Other Personnel Services in the amount of \$8,306,838, and line item 570 Charges & Expenditures in the amount of \$583,000 for a total of \$12,461,440. Seconded by Mr. Rotondi. Vote: Yes -9. Unanimous. Motion Carries.

Motion was made by Ms. Yezukevich to recommend the budget for Department 911 – Unemployment Compensation in the amount of \$75,000. Seconded by Mr. Rotondi.

Mr. Rotondi asked if this is a realistic number since less than \$8,000 has been spent so far through December 31st.

Mr. Yunits referred to the fluctuation between FY2020 where \$19,566 was spent and FY2021 where \$75,026 was spent. He stated the number is realistic, given the School Department's budget issues and possible layoffs, which Dr. Baeta will be speaking to at next week's meeting.

Vote: Yes -9. Unanimous. Motion Carries.

Motion was made by Ms. Yezukevich to recommend the budget for Department 940 – Miscellaneous for line item 540 Fuel Expenses in the amount of \$130,000 and line item 570 Charges & Expenditures in the amount of \$800,789 for a total of \$930,789. Seconded by Mr. Rotondi.

Mr. Tsilis commented \$130,000 is way off base. Diesel is over \$6.00 per gallon and every truck in the Highway Department and every fire truck uses diesel.

Ms. Sawyer asked if each department also has their own fuel budget, similar to Water and Sewer.

Mr. Yunits explained only Water and Sewer have their own fuel budgets, this amount is for all the other Town departments.

Mr. Tsilis commented he is certain more funding will have to be requested in the fall or by emergency reserve transfer given the current cost.

Ms. Sawyer recommended voting on what is requested here knowing there will probably be a need for more funds in the future.

Mr. Parker commented this is the amount that was requested and it would be unusual for the Finance Committee to grant more than what was asked. He stated he is comfortable voting on this amount now but also expects it is very likely additional funds will be requested in the fall.

Vote: Yes -9. Unanimous. Motion Carries.

II. Old Business

There was no old business discussed.

III. Review/Approve Minutes

There were no minutes reviewed at this meeting.

IV. Open session for topics not reasonably anticipated 48 hours in advance

Mr. Bugaj referred to FEMA recently opening up disaster relief funds to Bristol County for the January storm. He asked if the Town could potentially get anything back from FEMA for that storm.

Mr. Yunits replied Emergency Management, Highway, and Fire are looking into this.

V. Adjournment

Motion was made by Ms. Yezukevich to adjourn the meeting at 9:08 pm. Seconded by Mr. Parker.

Vote: Yes – 9. Unanimous. Motion carries.

The meeting is adjourned at 9:08 pm.

<https://www.youtube.com/watch?v=xfObUraR70A>

Respectfully submitted by:

Anne Simpson

Minutes Approved by Committee on:

9/25/2023

Signature:

Paula Sami