



Town of Medway

FINANCE COMMITTEE

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Wednesday, September 13, 2023 – 7:00 PM
Town Hall, Sanford Hall
155 Village Street

Members Present: Brian Cowan, Chair; Sue Segarra, Vice Chair; Bruce Carbone; Nick Fair; Chris Lagan; Jim Sullivan.

Absent: Ellen Hillery, Clerk; Will Lane; Michael Schrader.

Staff Present: Michael Boynton, Town Manager; Carol Pratt, Finance Director.

Call to Order

At 7:02 PM Chairman Cowan called the meeting to order with six members present. Members Ellen Hillery, Will Lane and Michael Schrader were absent.

1.0 FY24 Budget Updates

There were no background materials.

Present: Michael Boynton, Town Manager; Carol Pratt, Finance Director.

Ms. Pratt reported that the FY23 books are closed, adding that it was one of the best revenue years in a long time. She explained the tax title process which was successful this year. There was also a fair amount of investment income. Expense-wise, DPW had a significant hit due to staff turnover. Debt service cost may be going up due to a potential land purchase. Free cash was around \$4.3 million; the Town is waiting for the Department of Revenue to certify that amount.

Referring to the current fiscal year FY24, she noted that things seem to be on target for all departments, nothing unusual so far. Brief discussion followed.

Mr. Boynton spoke briefly about housing costs and those related to municipal construction. Construction or renovation costs related to municipal buildings will now be double than what was anticipated a year ago. This necessitates a long look at planning for that cost. In terms of the operating budget, there will be a change due to collective bargaining negotiations and contracts. It is anticipated that the dollar amounts or percent increases will be larger than expected. Overall, it is a true trickle-

down effect and it will impact things for a year or two. An example is the roof project at the Memorial School now priced at \$3.6 million, and Burke School project at \$2.7 million: Would it make sense to do them at the same time to save on redundant expenses such as mobilization costs and other expenses of constructions projects that can be combined?

Continuing, Mr. Boynton reported that the Town is in a really good spot with health insurance costs. If there is an increase at all next year, it will likely be significantly less than the current rate at 17%. Some debt service will be falling off, and retirement expenses may be less. As always, there are a lot of moving parts when one looks at budgets.

Discussion followed on the Tri-County Regional Vocational Technical High School construction project. MSBA has approved the project. Individual member communities will need to individually vote the ballot question in their communities this fall.

2.0 Review of 2023 Draft Fall Town Meeting Warrant

The committee reviewed a Draft Fall Town Meeting Warrant, updated as of September 12, 2023.

Present: Michael Boynton, Town Manager; Carol Pratt, Finance Director.

Mr. Boynton reported that this is still a draft warrant, revised again this morning. The Select Board will not close the warrant until September 18. He suggested that it would be premature to discuss articles at length as the warrant is still changing.

Mr. Boynton gave a general review on the current articles, noting that some involve the Central Business District from a zoning perspective. A big ticket item is the ambulance priced at \$430,000 million; he noted that the vehicle will not arrive for almost a year. The Town is ordering two ambulances due to the lengthy manufacture time of two years. Departments are currently alternating use of the vehicles presently in service so that the miles are divided between them. There is a huge increase in the number of calls which leads to increased ambulance use. Discussion followed.

3.0 Discussion: 2023 Fall Town Meeting Calendar

The committee reviewed the 2023 Fall Town Meeting Calendar reflecting important dates.

Present: Michael Boynton, Town Manager; Carol Pratt, Finance Director.

It is anticipated that someone from the Planning and Economic Development Board will be in to review Planning and Zoning articles on October 11. The public hearing will be on October 25 which gives time for this review. The warrant will be closed by then.

Chairman Cowan urged members to review the Select Board video from its August 14 on the battery storage facility discussion. A second facility has been proposed. It's worth hearing the presentation. Discussion followed.

4.0. Other Business

The committee reviewed (1) an invoice from the Association of Town Finance Committees for annual dues, and (2) draft minutes from July 12, 2023.

Approval of Annual Dues Invoice

Ms. Segarra made a motion to approve payment of annual dues in the Association of Town Finance Committees in the amount of \$220; Mr. Sullivan seconded. No discussion. VOTE: 6-0-0.

Review/Approval of meeting minutes

Ms. Segarra made a motion to approve the July 12, 2023 minutes, as drafted; Mr. Carbone seconded. No discussion. VOTE: 5-0-1 (Lagan, abstain).

Chairman Cowan reported that the liaison assignments were not officially approved and asked members to review their assignments to see if they want to make any changes. The final review and approval will be at the October meeting.

5.0 General Discussion

Mr. Lagan reported that, at a recent meeting with Selectmen Rossi, he learned that the OPEB Reserve Fund is over \$3 million but the liability is around \$35 million. He spoke briefly about several other funds and fiscal preparedness.

Mr. Fair noted he has been approached by the public asking if development is helping or hurting the Town overall. Has anyone gone back to review it? Development does bring more revenue to the Town, but there is also impact on services and infrastructure. Brief discussion followed during which it was noted that increased clarity of information surrounding projects would increase the public's understanding of how those projects work in compliance with Town Bylaws as well as state and federal laws.

6.0 Upcoming Meetings

The regular meeting will be on October 11 while the public hearing will be held on October 25. There has also been an effort by the School Committee to schedule a meeting with the Select Board and the Finance Committee. Members should be on the lookout for proposed meeting dates.

Adjourn

At 7:53 PM Ms. Segarra made a motion to adjourn; Mr. Lagan seconded. No discussion. VOTE: 6-0-0.

*Respectfully submitted,
Jeanette Galliardt
Night Board Secretary*