Natick Finance Committee

Pursuant to Chapter 40, Section 3 of the Town of Natick By-Laws, I attest that the attached copy is the approved copy of the minutes for the following Meeting:

Town of Natick Finance Committee
Meeting Date: December 13, 2018
The minutes were approved through the following action:

Motion:
Made by:
Seconded by:
Vote:
Date:

Respectfully submitted,

Bruce Evans

Secretary

Natick Finance Committee

TOWN OF NATICK

Meeting Notice

POSTED IN ACCORDANCE WITH THE
PROVISIONS OF M.G.L. CHAPTER 30A, Sections
18-25

Natick Finance Committee

DAY, DATE AND TIME

PLACE OF MEETING

School Committee Training Room,
3rd Floor,13 East Central St, Natick,
MA

December 13, 2018 at 7:00 PM

Posting Notice: This meeting
posting was originally submitted to
the Town Clerk and posted on the
Town web site calendar on
December 11, 2018 at 12:30 PM

MEETING AGENDA

1. Public Concerns/ Comments
   a. Resident & Taxpayer Comments
2. Meeting Minutes
   a. Review, discuss and approve Meeting Minutes for October 30, November 5 and November 27, 2018
3. New Business
   a. FinCom member training for ClearGov Budget Platform
   b. Identifying the desired reports, documents, data for FY 2020 budget due diligence
   c. Updated FY2020 Budget development, FY '20 Budget Public Hearing schedule and Sub-Committee scheduling
   d. Discussion on Finance Committee policies, procedures and processes for communications, document and email access, note taking and Meeting Minutes
   e. Finance Committee CY2019 Goals, Expectations and Metrics
4. Adjourn

MEMBERS PRESENT:

Patrick Hayes	Bruce Evans	Linda Wollschlager
Cathi Collins	Jeff DeLuca	Jim Scurlock
Kristine Van Amsterdam	Dan Sullivan	Robert McCauley
Lynn Tinney		

MEMBERS ABSENT:

Dirk Coburn	David Coffey	David Gallo
Mike Linehan	Phil Rooney	

Town Attendees:

Melissa Malone, Town Administrator

John Townsend, Deputy Town Administrator, Finance

Sean O'Brien – Finance Dept.

Frank Foss – Town Moderator

Meeting Minutes:

October 30, 2017, Ms. Collins moved to approve, as amended, seconded by Mr. Hayes, *Voted 9 – 0 – 1.*

November 5, Mr. Hayes moved to approve, seconded by Ms. Wollschlager, *Voted 10 – 0 – 0.*

November 27, 2018 – Mr. Hayes moved to approve, seconded by Ms. Van Amsterdam, *Voted 9 – 0 – 1.*

ClearGov overview:

Mr. Hayes said that ClearGov is populated with "dummy data" for our review. Ms. Malone said that the budget is locked down, pending comments from department heads. Once the department heads have had a chance to review and any changes are implemented, the actual data will be available on ClearGov.

Mr. Hayes said that all questions on ClearGov access should go through Mr. O'Brien.

Mr. O'Brien provided an overview of ClearGov. All Finance Committee members have been provided with a login. If you go into the Budget Builder app, you will be able to see

the "dummy" budget data. You are presented with a dashboard of the budget. Clicking on the plus sign drills down to the detail level to see, for example, salaries and expenses. You will see the historical levels for the past few FY including FY19 and the proposed FY20 budget. Changes in the budget will be documented with an explanation and/or attachments. All inputted comments are captured in a log file. If a comment has been added, the comment bubble will turn green, with an exclamation point to flag it. Once that comment has been read, the exclamation point goes away. Thumbs up signifies that the budget increase is approved by Town Administration; thumbs-down means that it is not approved. Mr. Townsend added that all new initiative requests, even those that are turned down are included in the budget, along with the attachments justifying those new initiatives. Multiple attachments can be included for budget line items.

Mr. Hayes cautioned that it may not be clear whether a new initiative is included / not included in the budget. If you seek clarification on this, please contact Mr. O'Brien who can verify that with the department head.

Ms. Van Amsterdam asked how frequently-asked-questions from the Finance Committee can be provided to the Town through ClearGov. Mr. Hayes said that the purpose of using ClearGov is to provide these questions to Town Administration well in advance of the public hearing on their budgets so that they can reply to these questions in ClearGov.

Mr. Scurlock asked for clarification of how the Finance Committee could understand when items previously planned to be completed might be deferred. Mr. Hayes stated that the Finance Committee subcommittees can provide that context and the Finance Committee can ask additional questions that may not be addressed to their satisfaction during the public hearing on those budgets. Mr. Townsend added that ClearGov will be able to provide the story behind the budget decision.

Mr. Townsend also noted that Finance Committee members will receive budget books that will have the format that has been typically used – department mission, overview, org chart, metrics, budget, spending trends, etc. This will provide the context of what's changing / not changing in FY20 and the priorities / challenges for the department.

Mr. DeLuca asked whether attachment information could be made available for subsequent years in ClearGov. For example, if you had a new initiative request that was denied, would that information be available in the next budget year? Mr. O'Brien was not sure and said he would check into that.

Mr. Foss (Town Moderator) said he was trying to envision how ClearGov would be used in a public hearing. Finance Committee members have tablets in front of them and are using software that isn't available to the public. How will you engage with the public while you are having budget discussions? Mr. Hayes said that everything that is in

ClearGov will be published in the budget book and the budget book will be used as the basis for the public hearing.

Ms. Wollschlager asked about public access to ClearGov. Mr. O'Brien said that the public would be able to see the budget line items, but would not see the attachments or underlying questions. These would be available in the publicly available Finance Committee Recommendation Book and/or NovusAgenda. Mr. Townsend did say that the comments log would be available to the public.

Ms. Tinney asked about the description field. Mr. O'Brien said that description field and notes section are interchangeable - some department heads used the description field, while others put that information into the notes section.

Mr. Sullivan stated that he understands that ClearGov is in beta, and isn't being used yet by a large number of customers. How can we provide feedback to ClearGov developers? Mr. O'Brien said that this feedback should be provided to him as the ClearGov contact for Natick.

Ms. Collins asked whether the public would be able to comment in ClearGov. Mr. Townsend said that once the budget is agreed to by all parties, the budget will be available on ClearGov and the public can leave comments about different departments or overall, but not to the line item level. Mr. O'Brien said ClearGov is an add-on to the traditional budget book. Mr. Hayes said that public access to Town Administration via social media and digital information without violating Open Meeting Law needs to be considered. There are no rules governing this yet.

Ms. Tinney suggested that there should be a note to citizens that specifies: 1) make comments respectfully and establish criteria that allow the town to remove comments that don't meet those criteria; and 2) something that sets response expectations for the citizen making a comment that this is feedback, not social media engagement.

Mr. Hayes agreed that rules of the road for the public should be provided to the public by Town Administration. The Finance Committee's use of ClearGov is to enable us to more easily drill-down into the budget to facilitate our review process. Mr. O'Brien stated that there is an Administrator process wherein he receives comments from ClearGov and can optionally remove those comments were they offensive, for example.

Ms. Van Amsterdam asked whether the Natick Public Schools would be participating in ClearGov. Mr. Sullivan said that Natick Public Schools would not participate in ClearGov because their budgets must be provided to the Department of Education that's incompatible with ClearGov. Mr. Townsend said that he was told that ClearGov would not produce the year-end reports that Natick Public Schools. Mr. Hayes reiterated that the main municipal government will continue to use MUNIS. ClearGov will be a public portal for overall budget information. There will not be the same electronic drill-down

on the Natick Public Schools budget via ClearGov for the Finance Committee. So, the process of the Education and Learning subcommittee is the same as in previous years. Mr. O'Brien noted that municipal government (MUNIS) and the Natick Public Schools budget use (UMIS?) which has different account strings, so it's difficult to map that data into the structure set up in ClearGov.

Ms. Wollschlager asked whether the Natick Public Schools' budget could be evaluated using ClearGov. Mr. O'Brien said there is a school module of ClearGov that would line up with their account strings and there would be a separate ClearGov module that could include Natick Public Schools' budget information. Mr. Hayes said that the Town Administrator request was for Natick Public Schools to include their data into a single holistic view of the town budget and the School Committee and Natick Public Schools have declined to participate this year.

Mr. Hayes reminded members that ClearGov is a beta program and the Finance Committee can decide on its usefulness as a tool going forward.

What does Town Meeting need from Finance Committee?

Mr. Foss said that this Town Meeting will have a different process in that a "consent agenda motion" would be developed such that those articles that have no action or are procedural only such as re-authorizing revolving funds, re-authorizing the Board of Selectmen to take easements that don't involve money, etc. so that Town Meeting can dispatch them quickly. These items will likely not require a presentation to Town Meeting. Mr. Foss saw this as involving three separate entities – the Finance Committee, the sponsor of the Articles (the Finance Committee has the best idea of whether the sponsor wants to give a presentation to Town Meeting); Town Counsel (Moderator, Town Clerk, Chair of Finance Committee would meet with him / her to create "consent agenda"). The Finance Committee would need to get buy-in from the stakeholders and then publish the "consent agenda" as part of the Finance Committee Recommendation Book to give Town Meeting fair notice of this consent agenda article. At Town Meeting, members will be able to declare "hold" on those items in the consent agenda motion that they feel warrant further discussion. The consent agenda motion aggregates these articles and puts them at the beginning of Town Meeting. If Town Meeting members want to have discussion on a particular item that is included in the consent agenda motion, they will be able to do so, and that subject matter may be removed from the consent agenda motion. Members agreed that we should add items that are unlikely to generate "hold" requests for the first time we use this mechanism at Town Meeting. Mr. Foss said that he would work with the Town Clerk to inform Town Meeting members what the consent agenda motion is and what their rights as Town Meeting members are.

Ms. Wollschlager asked how the Finance Committee would determine what would be on the consent agenda motion. Mr. Hayes said that he could not talk about it this evening because it is not clearly posted as a discussion item on tonight's agenda. Early next year, when we have posted it will have a public discussion of the consent agenda motion concept.

Mr. Foss also expressed frustration with the warrant articles that are delivered to Town Meeting with incomplete or changing information. This is unacceptable and he is comfortable with the Finance Committee stating that it has no recommendation on a given article because the sponsors didn't provide the necessary information in time for it to be included in the recommendation book. Mr. Foss noted that motions not in the Recommendation Book or no motions are available; he will assume that the article is not ready for discussion at Town Meeting. It makes it much more difficult to produce the minutes that must be reported to the state by the Town Clerk and that is not acceptable.

Mr. Foss said that he had received favorable comments on the recommendation book, but suggested using a different font for the motion as compared with the rest of the text. Mr. Evans suggested that we be sure to include the sponsor of each article in the recommendation book. Mr. Foss said that that information is typically in the warrant, and wasn't sure why it was excluded.

How do we get Town Meeting member buy-in?

Mr. Sullivan suggested a 15 minute orientation video on what the role of the Finance Committee is, how it reviews budget and warrant articles, and makes recommendations to Town Meeting.

Another suggestion was to put a survey in the first few pages of the recommendation book.

Mr. Hayes said that the Spring Annual Town Meeting Recommendation Book is 400 – 600 pages, of which the Finance Committee section is 100 pages. According to bylaw, the Recommendation Book should be sent to Town Meeting members seven (7) days in advance of Town Meeting (there is some question as to whether that is mailed 7 days ahead or in Town Meeting member's hands 7 days in advance).

Should we consider splitting the book up, in one of a few ways:

Send out the complete budget that is completed in late March and send a smaller Recommendation Book that provides recommendations for each article out in April seven days prior to Town Meeting. Ms. Collins noted that the budget was not typically printed by the Finance Committee until a previous chair of the Finance Committee who ran a printing company printed the budget for the town. Now, the town prints the Recommendation Book. Mr. Sullivan suggested getting emails for Town Meeting members to get an idea of see of their preference and do a survey via Survey Monkey.

Mr. Hayes asked members to ask Town Meeting members who they knew what they thought of the idea of separating the budget from the Recommendation Book. Mr. Hayes said the that he is also considering redesign of the Recommendation Book template to provide better separation of the motion from the Finance Committee recommendations. Other feedback from Town Meeting members include increasing the font size of motions to make them stand out more and not having supplemental information from the Finance Committee unless absolutely necessary.

What is the appropriate role of the Finance Committee?
- Subcommittee model to identify and answer questions ahead of Finance Committee review of that particular budget.
- Work with Town Administration to understand the trade-offs made in developing the budget and the ramifications of making the decision over a 3 to 5 year period. This is viewed by members as an essential role of the Finance Committee.
- Mr. Hayes cautioned that subcommittee members should listen to departmental manager's review of their budget, and to acknowledge it, but be careful not to make any commitments prior to reviewing the budgets with the full Finance Committee and to provide the opportunity for Town Administration to explain why it isn't included in the budget.
- Mr. McCauley expressed concern that we provide greater contacts for Town Meeting members when there is a split vote, say 8 to 7 on a given warrant article. We do that to some extent in the Recommendation Book, but perhaps we could add more information.
- Mr. Hayes stated that getting the information through the sub-committee process and written up as minutes is essential to reducing the amount of time spent by the full committee to review the budget. Our focus either at the full committee or the subcommittee level is the materiality of the information (how important is it to the outcome of the budget and that department's ability to deliver its services to citizens) and factors driving the budget decisions and positioning for the future. For example, we can ask what the planning scenarios were that you investigated in making this decision and what the basis of your decision was, and the subcommittees can help drive this to get this information. The place where we get to opine to Town Meeting any concerns that we have about the budget is in the Finance Committee letter to Town Meeting in the Recommendation Book. Members stated that they believed that the Recommendation Book letter held a great deal of sway with Town Meeting members.
- It's fair game to ask department heads what they you need to operate their department, changes that they have seen or foresee that will change their requirements and how those changes will affect their ability to deliver services in their opinion.

However, the department head is neither the policy-making board nor the Town Administrator who collectively have budget authority. If, after hearing that information, we have questions, they must be asked of Town Administration when we are reviewing that departmental budget.

- Through either the subcommittee process or at the full committee, we surface these concerns beyond this year's budgets and make time to talk about these strategic issues and trade-offs at a future meeting. We need to give the administration fair notice of our request to discuss this and provide them with the time to prepare for that discussion.
- Ms. Van Amsterdam stated that there were some high-level topics that were identified in the Babson study of town finances that might be useful for the Finance Committee to incorporate in its discussions with Town Administration.
- Ms. Wollschlager stated that she understands that it's the Town Administrator's responsibility to make the budget trade-offs, weighing which items the town can afford to support or not in the current year, but it would be very helpful to understand the thought process behind those trade-offs (is something valuable, but needs to be deferred, for example). Mr. Hayes agreed that the committee needs to understand how Town Administration "got there" in their budget, understanding the thought process and trade-offs, and how they might affect future years.
- Mr. Hayes suggested that we hear all the budgets, but not vote on a budget until we have heard the entire budget, with the exception of capital equipment and improvements which are two separate articles. There are a few items that are squishy until mid-February (such as State Aid and health care costs). By holding off the budget vote on that, we have a clearer picture as a Finance Committee of what we can afford / not afford to support in the budget. In addition, I can ask members to vote on budgets that they do not have issues with, and put aside those budgets where questions still remain. However, I don't want to rehash discussions on budgets repeatedly; we can request supplementary information that addresses our concerns and then vote.
- Ms. Tinney suggested that the Finance Committee look to develop a risk / consequence list that identifies the areas of concern that members have with the budget. Mr. Hayes noted that the risks and consequences are part of the discussion with the Town Administrator on the trade-offs and decision-making process she made in developing the budget. Mr. Sullivan said that the department heads identify what's needed in their departments, but they don't have the visibility of what's going on in other departments. The Town Administrator must reconcile these competing demands.
- Mr. Hayes noted that the town administrator's budget has to be delivered on January 2, but does not have to be a balanced budget until before the dissolution of Town Meeting.

Meeting Minutes

Mr. Hayes said that he had spoken with Town Counsel about requirements for meeting minutes. Our current approach has been 80-90% non-value added information such as the text of the motions. The information that's required by Open Meeting Law is the attendees, date/time the meeting started, list of agenda items with a brief description, and documentation of the motions, and the motion votes, and date/time the meeting adjourned. Mr. Hayes asked how much beyond the basics do members want to see in our meeting minutes.
Audio recordings are not required to be provided as a public records request.
The minutes do not have to be provided in response to a public records request until they have been created and we have 30 days to respond to do that. However, if someone asks for the minutes, we must provide them even if they are only in draft form.
Another question that arises is how we get the narrative of the discussion at our hearings into the recommendation book and I will speak to Mr. Evans as well as some previous chairmen of the Finance Committee to figure that out. Anything that you write into your budget books are personal notes; any notes that you jot down in the meeting are personal notes and are not work products of the committee. For subcommittee minutes should be the same "de minimus" minutes as described above. Your subcommittee needs to decide what content it wants to deliver to the subcommittee – do you want to provide a consolidated summary of the meeting, incorporating information gathered at the subcommittee meeting or can opt to have relatively spare minutes and verbally discuss your findings at the full Finance Committee hearing. The subcommittee can optionally vote to support a budget in which case, the subcommittee should vote on those items. Alternatively, you can simply state the information that you have obtained – the good and the bad – at the full Finance Committee hearing.

E-Mail and use of personal devices

Mr. Hayes said that, beginning in January 2019, I will not allow you to use personally email addresses for Finance Committee business – you will need to get a town-issued gmail address. You can have that email forwarded to another account if you wish. If there were a public records request, a member would have to sit down with someone to go through their email to look for all Finance Committee-related emails. In addition, I encourage you not to use personal devices (phones, laptops) during Finance Committee meetings because they could potentially be liable to public records request. If you get a

text or voice mail that you need to address, I encourage you to step out of the room so that it is clear that you are not using the device for Finance Committee business.

Mr. Sullivan moved to adjourn, seconded by Mr. Evans at 10:27 pm