

Draft Minutes March 1, 2021 General Government Finance Subcommittee Meeting Discussion with James Freas Community and Economic Development Preliminary 2022 Budget

The meeting was called to order at 7:30 PM by Phil Rooney Chair of the subcommittee. Bill Grome made a motion to open and Chris Resmini seconded. The vote was 3-0 to open meeting (P. Rooney, C. Resmini, and W. Grome).

Members present were Bill Grome, Chris Resmini. Absent were Jerry Pierce, David Coffey and Julian LaFluer.

James began his presentation at 7:35.

Members present were Bill Grome, Chris Resmini. Absent were Jerry Pierce, David Coffey and Julian LaFluer.

James had previously responded to questions submitted to him prior to the meeting and they are detailed below.

James Presentation

The Community & Economic Development (CED) Department serves in two related and essential roles for the Town. The Department reviews all development proposals, from a new porch to a new building, to ensure compliance with health and safety requirements and consistency with the Town's adopted policies and plans; and the Department supports a range of policy and advisory boards and committees in the development of new policy, regulation, and plans. Together, this range of work protects the health and safety of the community as well as its long-term interests in a high quality place to live and work. Also important, the Department directly produces permit revenue in the range of \$1.5 to \$2 million a year as well as permitting the development activity that composes the new growth portion of each year's revenue.

Budget Book Updates

The attached updated budget book page has the following changes:

1. Funding for the Development Review Planner position is moved from 'Salaries Supervisory' to 'Salaries Technical/Professional'. The salary set for this position is \$70,000, changed from the \$60,000 in the preliminary budget book. To help supplement the additional 10k needed, \$10,000 from the FTM appropriation of \$52,000 remains in the Technical/professional line.

2. \$42,000 identified for temporary and consulting work in 'Salaries Technical/Professional' is moved from the salary section to the expense section into the 'Professional Services / Other line. Of this amount, \$10,000 to \$15,000 will be used for Conservation Land Stewardship – property management, maintenance, and improvement.
3. \$3,500 identified in FY21 in the Professional Services / Other line was actually in the Training & Education line.
4. The Salaries Inspection Staff has been increased by 2.75% due to merit increases for inspection staff, not previously accounted for.

Finance Committee Questions

1. FY21 Grants – Attached is an inventory of the grant activity of CED in FY21. I don't have records for FY20 or FY19. (the attachment referred to will be sent as separate document by Gen Gov't Committee).
2. With the onset of the pandemic and the social/economic lockdown required in response, there was an immediate and dramatic drop in permitting activity and therefore permit revenue. By summer, with safety protocols in place, the permitting numbers normalized and have been consistently average since then. I expect this trend to continue. What has been missing, and will continue to be missing for a period of time, will be the larger commercial, mixed use, or residential projects that have historically generated large influxes of permit revenue. The data I have is by calendar year – 2019 was ~ \$2 mil and 2020 was ~ \$1.3 mil. I expect permit revenue for FY21 to be close to \$2 mil when complete and, conservatively, would estimate a little over \$2 mil for FY22.

P. Rooney Chairperson General Government Subcommittee: The following explanations furnished by James do not align with the details for department spending in the 1/4/21 Preliminary 2022B Book issued by Deputy Town Administrator. The total Department Spending in Budget Book is \$1,094,954. In James new schedule it is \$1,095,699. For purposes of reviewing budget we will go with new spending alignment.

3. See attached updated budget page. (the attachment referred to will be sent as separate document by Gen Gov't Committee).
 - a. Salaries Tech/Professional is increased by \$70,000 reflecting the addition of the Development Review Planner position approved at the 2020 Fall Annual Town Meeting and increased by \$6382 reflecting an increase in the hourly rates for the 4 other positions covered by this line.
 - b. Salaries Temporary Operation is increased by \$3,460 or 8% reflecting an increase in the hourly rate for the project manager position (Mark Coviello).
 - c. Dues & Membership line is increased by \$500 (25%) reflecting review of the cost of memberships and in anticipation of the new development review planner position.
 - d. Professional Services / Other is increased by \$42,000. These funds allow for CED to use outside services as necessary to supplement staff work. This work is projected to be used for supporting staff in plan/policy development or implementation, technical analysis of proposed policies or regulation, and development of

illustrations/graphics. These funds could also be used as matching funds required for larger grants. Up to approximately \$15,000 of these funds will be used for Conservation Land Stewardship in Natick's 430 acres of conservation land. These funds will be used for such activities as trail maintenance and upgrades, signage, repair of environmental damage, invasive species management, and tree management. This work is supported by the new Trails and Forest Stewardship Committee and the Conservation Commission. CED anticipates, based on the experience of the upcoming year, establishing Conservation Land Stewardship as a separate expense line in the Department budget.

The following information was also discussed at our meeting;

- The department has transitioned from a paper based system to a digital system.
- The Special TM approved addition of a Development Planner, and temp staff support services.
- Larger projects such as St. Patrick School Site were delayed due to Covid. Anticipate they will be forthcoming.