



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

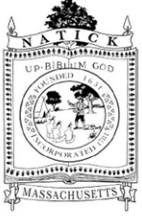
Meeting Date: March 4, 2021

The minutes were approved through the following action:

Motion: XXXX
Made by: xxxx
Seconded by: xxxx
Vote: x - x - x
Date: <date>, 2021

Respectfully submitted,
Bruce Evans
Clerk
Natick Finance Committee

DRAFT



TOWN OF NATICK

Meeting Notice

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

Natick Finance Committee

PLACE OF MEETING

Virtual Meeting accessed via Zoom:

<https://us02web.zoom.us/j/85844305049>

Meeting ID: 858 4430 5049

Passcode: 409248

One tap mobile

+19292056099,,85844305049# US (New York)

Dial by your location

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DAY, DATE AND TIME

March 4, 2021

at 7:00 PM

Notice to the Public: 1) Finance Committee meetings may be broadcast/recorded by Natick Pegasus. 2) The meeting is an open public meeting and interested parties can attend the meeting. 3) Those seeking to make public comments (for topics not on the agenda or for specific agenda items) are requested to submit their comments in advance, by 2:00 PM on the day of the meeting, to the Chair: phayes.fincom@natickma.org. Comments will be posted on NovusAgenda and read aloud for the proper agenda item. Please keep comments to 350-400 words. 4) The Chat function on Zoom Conferencing will be disabled.

Posted: Tuesday March 2, 2021, 1:03 PM

MEETING AGENDA

- 1. Call to Order**
 - a. Pledge of Allegiance & Moment of Silence
 - b. Advisement of Pegasus Live Broadcast and Recording for On-Demand Viewing
 - c. Review of Meeting Agenda and Ordering of Items
- 2. Announcements**
- 3. Public Comments**
 - a. [Committee policy & procedures available via this link and also at the meeting location](#)
- 4. Meeting Minutes:** Review & Approve Meeting Minutes for February 18, 2021, February 23, 2021, February 25, 2021, & March 2, 2021
- 5. Town Administrator's FY2022 Budget - Public Hearing**
 - a. [Board of Selectman/Town Administration](#)
 - b. [Legal Services](#)
 - c. [Finance Department](#)
 - d. [Community Development](#)
 - e. [Facilities Management](#)
 - f. [Property & Liability Insurance](#)
 - g. [Employee Fringe & Health Insurance](#)
 - h. [Contributory Retirement](#)
 - i. [Non-Contributory Retirement](#)
 - j. [Sassamon Trace Enterprise Fund](#)
 - k. [Sassamon Trace Indirects](#)
- 6. Committee and Subcommittee Scheduling and Process**
 - a. [Update on upcoming Committee and Subcommittee meetings](#)
 - b. [Subcommittee Updates](#)
- 7. Committee Discussion (for items not on the agenda)**
- 8. Adjourn**

MEMBERS PRESENT:

Linda Wollschlager, Chairperson
Bruce Evans, Clerk
Todd Gillenwater, Vice-Chairman
Bill Grome, Member
Julien LaFleur, Member
Mike Linehan, Member
Jerry Pierce, Member
Richard Pope, Member
Chris Resmini, Member
Phil Rooney, Member
Jim Scurlock, Member

MEMBERS ABSENT:

Dirk Coburn, Member
Cathy Coughlin, Member
David Coffey, Member
Jeff DeLuca, Member

Town Administration

Mr. Bob Rooney, Interim Town Administrator
Mr. James Errickson – Deputy Town Administrator - Operations
Mr. John Townsend, Deputy Town Administrator – Finance
Ms. Juling de los Reyes, Finance Dept.
Mr. Abdul Rauf, Finance Dept.
Ms. Karen Partanen, Director, Recreation & Parks
Mr. Kurt McDowell, Manager, Sassamon Trace GC

Call to Order

Meeting called to order at 7:02 p.m. by Linda Wollschlager, Chairperson.

Announcements - None

Mr. Evans moved to open the public hearing on the Town Administrator’s January 4, 2021 Preliminary FY 22 budget, seconded by Mr. Grome, voted 11 – 0 – 0.

Roll-call vote:

Mr. Evans = yes	Mr. Pierce = yes
Mr. Gillenwater = yes	Mr. Pope = yes
Mr. Grome = yes	Mr. Resmini = yes
Mr. LaFleur = yes	Mr. Rooney = yes
Mr. Linehan = yes	Mr. Scurlock = yes
	Ms. Wollschlager = yes

Sassamon Trace Enterprise Fund and Indirects

Mr. Rooney, General Government Subcommittee said the subcommittee met with Mr. McDowell sent him their questionnaire & noted the following:

- Sassamon Trace felt a positive impact during COVID because golf was one of few sporting activities that people could continue doing. The number of rounds increased during the past year, and is forecast to decline back to prior levels in FY 22.
- Course management did extraordinary work to be able to keep the course open and allow that number of rounds to be played
- Sassamon Trace made changes to their operations with respect to scoring and payments to increase safety and effectively provided better service to players.
- The maturation of the course and how that reduces or changes maintenance requirements.
- Debt service payments are nearly completed.

Name	FY2019 Actual	FY2020 Actual	FY21 STGC AP Budget	FY2022 Budgeted	FY2021 Budgeted vs. FY22 Prelim (% Change)	Notes
Salaries						
SALARIES MANAGEMENT	\$103,882.12	\$102,804.14	\$109,820.00	\$124,847.00	13.7%	Change the Golf Professional to a year round position.
SALARIES OPERATIONAL STAFF	\$70,314.59	\$61,250.00	\$66,300.00	\$67,438.00	17%	
SALARIES GOLF SUPPORT STAFF	\$39,481.66	\$35,890.09	\$48,318.00	\$46,633.00	-3.5%	Hour saved by having a golf professional year round.
SALARIES TECHNICAL/PROFESSNL	\$57,637.25	\$36,569.05	\$58,171.00	\$61,343.00	5.5%	Minimum wage increase
MERIT PERFORMANCE INCREASES	\$0.00	\$0.00	\$8,080.00	\$8,650.00	7.1%	
SALARIES PART-TIME OPERATIONAL	\$30,908.29	\$30,862.74	\$35,235.00	\$37,192.00	5.6%	Minimum wage increase
	\$302,223.91	\$267,376.02	\$325,924.00	\$346,103.00	6.2%	
Total Salaries:	\$302,223.91	\$267,376.02	\$325,924.00	\$346,103.00	6.2%	
Expenses						
RETIREMENT ASSESSMENT	\$11,812.00	\$12,639.00	\$12,013.00	\$12,974.00	8%	
Total	\$11,812.00	\$12,639.00	\$12,013.00	\$12,974.00	8%	
ADVERTISING/PROMOTION	\$205.95	\$1,835.20	\$3,000.00	\$1,500.00	-50%	
BUILDING LEASE/REPAIRS	\$6,429.87	\$5,505.95	\$4,900.00	\$5,000.00	2%	
PHRAGMITES CONTROL	\$0.00	\$0.00	\$4,100.00	\$4,100.00	0%	
SOFTWARE MAINT	\$0.00	\$148.93	\$150.00	\$1,600.00	966.7%	New software for golf
ELECTRICITY	\$23,146.16	\$23,536.36	\$19,748.00	\$20,143.00	2%	
UTILITIES - WATER	\$4,808.72	\$26,663.95	\$40,000.00	\$40,750.00	19%	
IRRIGATION ELECTRICITY	\$4,806.81	\$3,825.58	\$9,611.00	\$9,803.00	2%	
TELEPHONE	\$4,334.73	\$4,977.81	\$4,600.00	\$5,000.00	8.7%	
DUES & SUBSCRIPTIONS	\$910.52	\$1,352.00	\$1,450.00	\$1,450.00	0%	
BANK AND CREDIT CARD FEES	\$13,406.91	\$16,628.97	\$14,500.00	\$16,000.00	10.3%	
COURSE CHEMICALS/FERTILIZER	\$25,953.15	\$38,801.90	\$33,250.00	\$37,750.00	13.5%	Moved from course materials where it is being currently used.
COURSE MATERIALS	\$6,845.63	\$8,666.96	\$7,700.00	\$6,000.00	-22.1%	
GRASS/SEED/SOD	\$8,536.51	\$4,972.80	\$7,000.00	\$6,000.00	-14.3%	
COURSE SUPPLIES	\$4,428.97	\$6,586.91	\$5,200.00	\$5,000.00	-3.8%	
SUPPLIES - CLUB HOUSE	\$2,685.31	\$4,681.75	\$2,800.00	\$2,850.00	1.8%	
MERCHANDISE-PRO SHOP	\$24,586.85	\$16,285.95	\$26,000.00	\$26,000.00	0%	
SUPPLIES CUSTODIAL	\$745.49	\$1,274.61	\$775.00	\$775.00	0%	
IRRIGATION REPAIR & MAINT	\$8,530.64	\$13,871.06	\$10,600.00	\$10,600.00	0%	
TOOLS	\$1,345.66	\$3,108.63	\$1,000.00	\$1,000.00	0%	
EQPMT REPAIR & MAINTENANCE	\$18,525.71	\$10,935.74	\$17,000.00	\$17,000.00	0%	
EDUCATION/FEES/LICENSES	\$984.00	\$553.52	\$1,000.00	\$1,000.00	0%	
SALES/USE TAX (DOR)	\$6,142.42	\$5,138.60	\$7,500.00	\$8,000.00	6.7%	
UNEMPLOYMENT INSURANCE	\$2,638.00	\$2,830.00	\$3,500.00	\$3,675.00	5%	
FICA/MEDICARE	\$4,382.25	\$3,876.96	\$4,726.00	\$4,982.00	5.4%	
INSURANCE GRP HLTH/LIFE	\$42,521.40	\$42,521.40	\$46,728.00	\$49,064.40	5%	
RESERVE FUND	\$0.00	\$0.00	\$20,000.00	\$20,000.00	0%	
OTHER-MAINT. GOLF COURSE	\$219.85	\$0.00	\$1,000.00	\$1,000.00	0%	
Total	\$217,121.51	\$248,581.54	\$297,838.00	\$306,042.40	2.8%	
Debt Service						
Total Debt Service	\$236,859.80	\$243,151.06	\$203,225.00	\$221,425		
LEASE PAYMENT LAND	\$74,024.94	\$76,131.62	\$79,177.00	\$82,941.00	4.8%	
	\$74,024.94	\$76,131.62	\$79,177.00	\$82,941.00	4.8%	
Total Lease:	\$74,024.94	\$76,131.62	\$79,177.00	\$82,941.00	4.8%	
Other Financing Uses						
TRANSFER TO GF INDIRECTS	\$43,871.04	\$51,930.00	\$55,090.00	\$60,411.00	7.7%	
Total Other Financing Uses:	\$43,871.04	\$51,930.00	\$55,090.00	\$60,411.00	7.7%	
Total Other Financing:	\$43,871.04	\$51,930.00	\$55,090.00	\$60,411.00	7.7%	
Total Expense Objects:	\$885,913.20	\$899,809.24	\$973,267.00	\$1,028,896	5.71%	

Presenter: Mr. Kurt McDowell

- COVID really them really hard in FY 20 fiscal year as they had to close for two months, costing the course \$170,000 in revenue. However, by not being open, we saved \$125,000 in expenses by not having to operate. We cut all the staff and I took care of the course and that saved us significant money, so the net loss was around \$50,000.
- Once we re-opened, at first with limitations and then without limitations, we maxed out the tee times on the course – we literally could not accommodate additional players. As the limitations eased towards the end of the season, we got back our normal levels, but the beginning of FY 21 started out well. Sassamon Trace is on pace for 41,000 rounds in FY 21. For FY 22, we’re forecasting 31,000 rounds based on our five-year average projection as we move into a post-COVID world.
- Because of COVID, we looked into doing electronic online payments, and used this for our lesson sign-up beginning March 2020 and have an excellent lesson sign up. After the golf season, we also took our league software and put it completely online so we didn’t have to hand out scorecards to players to eliminate contact with players. While that increased our budget for that software, we built that cost into the league fees this season so the players will pay for it. That software saves me about 3.5 hours a week for the 16 weeks on the league. It's also better for the players because it updates more quickly and it’s more convenient than the prior manual approach.
- Other expenses - chemical expenses went up. This is due to the course using safer products that cost more but are better for the environment. However, the cost of course materials - planting seed & sod is going down because as a course matures, the need for these decreases.
- We’re changing to having a full-time golf professional at the course. We get quite a bit of play through the end of November, sometimes into December, depending on the weather, and then start up again in February. I'm working every day trying to get set up for leagues, lessons, and everything else. The professional would help us have that staffing year-round to make sure everything is set up ahead of time. To help cover the cost, we are cutting the hourly employees who would normally cover the shop during that time. It will provide a much better experience for our customers and it isn't a huge impact to the budget because we're saving that money elsewhere in the budget and reducing the part-time employee hours.

Town of Natick Sassamon Trace Golf Course Debt

Department: Enterprise Fund Debt Service -											
Department: Sassamon Trace Golf Course -											
Enterprise Fund Debt Service											
Year of Issue	Project	FY 2021 Prin	FY 2021 Inter	FY 2022 Principal	FY 2022 Interest	FY 2023 Princi	FY 2023 Intere	FY 2024 Princ	FY 2024 Inte	FY 2025 Princi	FY 2025 Inter
2002	2002 Golf Course (Refinanced)	\$125,000	\$10,000	\$125,000	\$5,000						
2017	Irrigation Pond Liner	\$5,000	\$2,600	\$5,000	\$2,350	\$5,000	\$2,100	\$5,000	\$1,850	\$5,000	\$1,600
2017	Golf Cart Fleet	\$20,000	\$2,000	\$20,000	\$1,200	\$20,000	\$400				
2018	Greens Mower	\$5,000	\$1,375	\$5,000	\$1,125	\$5,000	\$875	\$5,000	\$625	\$5,000	\$375
2018	Trim Mower	\$5,000	\$875	\$5,000	\$625	\$5,000	\$375	\$5,000	\$125	\$5,000	\$375
2018	Pump Heads	\$5,000	\$1,375	\$5,000	\$1,125	\$5,000	\$875	\$5,000	\$625	\$5,000	\$375
2020	Temporary Borrowing (BAN)		\$20,000		\$20,000						
Total Amount		\$165,000	\$38,225	\$165,000	\$31,425	\$40,000	\$4,625	\$20,000	\$3,225	\$15,000	\$2,350

Summary of Debt - Golf Course Enterprise Fund					
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Golf Course Enterprise Fund Principal	\$165,000	\$165,000	\$40,000	\$20,000	\$15,000
Golf Course Enterprise Fund Interest	\$38,225	\$31,425	\$4,625	\$3,225	\$2,350
Total Annual Debt Service	\$203,225	\$196,425	\$44,625	\$23,225	\$17,350

New Debt - Golf Course Enterprise Fund											
Year of Issue	Project	Fiscal Year 2021 Prin	Fiscal Year 2021 Inter	Fiscal Year 2022 Principal	Fiscal Year 2022 Interest	Fiscal Year 2023 Princi	Fiscal Year 2023 Intere	Fiscal Year 2024 Princ	Fiscal Year 2024 Inte	Fiscal Year 2025 Princi	Fiscal Year 2025 Inter
FY 2021	Rough Mower					\$5,000	\$1,000	\$5,000	\$900	\$5,000	\$800
FY 2021	HD Utility Vehicle					\$6,000	\$600	\$6,000	\$480	\$6,000	\$360
FY 2023	Golf Cart Replacement (27) with extended service					\$28,000	\$2,800	\$28,000	\$2,240	\$28,000	\$1,680
FY 2023	Sprayer					\$4,286	\$600	\$4,286	\$514	\$4,286	\$429
Temporary Borrowing (BAN)			\$20,000		\$25,000						
Total New Debt			\$20,000		\$25,000		\$48,286		\$47,420		\$46,555

Total Projected Debt Service FY	FY 2021	\$223,225	FY 2022	\$221,425	FY 2023	\$92,911	FY 2024	\$70,645	FY 2025	\$63,905
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Mr. Rooney added that the increased cost of chemicals resulted from the agreement we with Sherborn regarding chemical run-off. In previous years we were paying almost \$10,000 a year to test the water. After several years of testing, the tests showed no significant increase in chemicals resulting from course operations, so course management negotiated dropping the water test and moving to safer chemicals and Sherborn agreed.

Mr. McDowell said the golf course mechanic stopped working in June. We posted that job in June but no qualified applicants applied until about a week ago so I sent that information over to Ms. Partanen. We think he will be a good fit. We went the whole season without a mechanic, so I took over that job to keep machines and golf carts running and anything that needed major work we sent out. Unfortunately, the golf course mechanic is a part-time job (10 - 15 hours a week) and this contributed to making it difficult to find people. Fortunately, we found a full-time mechanic at another golf course that was looking for a little extra part-time work, so this should work out well. He's a younger guy and we think we hope we can keep him a number of years.

Questions from the Subcommittee

Mr. Coburn asked what work the golf course mechanic does. Mr. McDowell said their main job is the routine maintenance of the equipment used to maintain the course such as mowers because maintaining the course is time-critical. We maintain a small fleet of equipment so that there are backups that we can swap out. Or if a mower goes down, we can switch the height on a green mower as a temporary fix. If something's broken, hopefully the mechanic can get it back operating in a week. I do most of the maintenance on the golf carts right now, but it's usually pretty simple like changing a flat tire or replacing a battery. If it's something like correcting the alignment on a golf cart, the mechanic would fix that, but that is only after he finishes the maintenance of the equipment.

Mr. Coburn asked when something must be sent out for mechanical work where do you send it. Mr. McDowell said they typically send it to the equipment company that sold it to us. These companies have their own mechanical staff to that will help deal with it.

Mr. Coburn asked whether DPW Equipment Maintenance Division can do some of that work. Mr. Rooney said this question was discussed last year, but his understanding was that the DPW cannot handle additional requests and are swamped with the other town repairs. LFNR does use similar mowers, but generally speaking, LFNR send the mowers and other equipment sends them out at under contract to get the repair work done. DPW told us that this isn't effective use of their time and it's more cost-effective to outsource this and have DPW focus on other maintenance work.

Mr. Linehan said he thought that an enterprise fund has revenue that covers all their expenditures and asked if this was the case with Sassamon Trace Enterprise Fund. Mr. Rooney said it is not a requirement that an enterprise fund be self-funding and the golf course will have a similar deficit as in prior years, around \$200,000. Mr. McDowell said some of the debt financing of this course will soon be retired and the golf course will be able to cover all its expenses. Mr. Evans noted that FY 22 is the last big year of the debt service – FY 22 is \$165,000 and it tapers off over the next three fiscal years (FY 23 – FY 25) to \$40,000, \$20,000, & \$10,000, so each year narrows the gap to profitability.

Mr. Linehan noted that the budget book only show expenses, but not revenues and we don't see a balance sheet. If we're running a deficit in this enterprise fund, are there other assets in the fund to cover that deficit until such a time as we reverse the deficit or is there a warrant article has to expend money to cover this. Mr. Townsend said that Town Meeting does appropriate a golf course subsidy of \$240,000 per year. This was initially created to cover the golf course debt payments. The course does

break-even after the payment of the debt and they have retained earnings that they use to address the needs of the enterprise fund.

Mr. Linehan asked why the bank charges and fees were increasing. Mr. McDowell said it is due to increased usage since more people, especially with the pandemic, use a credit card versus cash or check. The other reason is that we switched our point of sale system and signed new contract. For golf courses, there are very limited choices of who you can choose to process payments and have the golf course software integration. With our previous company, we traded fourteen tee times per week of revenue and with this new agreement, we are trading five tee times a week which lets us sell those additional nine tee times, which gains us an additional \$540 a week. We are going to pay a little more on those credit card transaction fees, but make up for it with the increased revenue.

Mr. Evans asked how long the town has left on the golf cart lease and how much life is left in them. Mr. McDowell said they now purchase the carts because we found this to be more cost-effective. We think we have three years life left on them and hope to sneak an extra year out of these if this mechanic is able to do what he thinks he can do. The batteries are the first big expense to go, so if we're able to provide more consistent battery maintenance, we believe the batteries will last longer.

Mr. Pope asked whether putting \$20,000 a year in the reserve fund is a permanent budget item and what the thinking is behind it. The reserve fund is only used if it's needed to handle some type of emergency so that we don't have to meet with the Finance Committee to request that money, so it's a backup fund that we hopefully don't need to use.

Ms. Wollschlager asked for confirmation that FY 25 will be the last year the golf course will require debt service and then we most likely will no longer need a golf course subsidy. Mr. Townsend said that is the plan at this point in time and agreed that when the debt service is paid off that the golf course should be in a break-even position and we can either greatly reduce or eliminate the entire subsidy.

Mr. Linehan asked whether the \$20,000 in the reserve fund was spent and if not, does it fall to free cash. Mr. Townsend said it was not spent and reverts to the enterprise fund's retained earnings. It's not a revolving fund. Yeah. Okay. Well, this accountant just said it falls through retained earnings. Mr. Rooney said that just because \$20,000 is earmarked for the enterprise fund reserve account, it doesn't mean that they are given \$20,000. The reserve fund is for those times when something happens and they can make commitments and be covered. Mr. Linehan asked what the difference is between free cash that falls to the general fund and retained earnings that goes to the enterprise fund. DOR certifies the retained earnings just like it certifies free cash.

Mr. Linehan asked how does money gets spent out of enterprise fund retained earnings. Mr. Townsend said the golf course can spend it as part of their normal operating budget, but it doesn't have to be spent once it's certified. However, spending out of retained earnings must be authorized by Town Meeting. On occasion, we purchase capital items out of retained earnings in both enterprise funds.

Mr. Coburn recommends Favorable Action on the Sassamon Trace enterprise fund in the amount of \$1,028.096, seconded by Mr. Evans, voted 12 – 0 – 0.

Roll-call vote:

Mr. DeLuca = yes

Mr. Pierce = yes

Mr. Evans = yes

Mr. Pope = yes

Mr. Gillenwater = yes

Mr. Resmini = yes

Mr. Grome = yes

Mr. Rooney = yes

Mr. LaFleur = yes

Mr. Scurlock = yes

Mr. Linehan = yes

Ms. Wollschlager = yes

Debate

Mr. Coburn noted that people who may have moved into town in the even decade may not realize that this golf course is built on the top of the old town dump that needed to be closed responsibly. With the old town dump was there. He said that, in the early years of Sassamon Trace, he was a golf course skeptic until I really dug into the numbers and realized that between the capital expenditure and the borrowing of safely capping the dump and periodic maintenance of that cap. The golf course subsidy is actually a creative and cost-effective town operation that will generate future revenues.

Mr. Evans said one of the things retained earnings has been used for was to avoid requiring borrowing or requesting money from the Capital Stabilization Fund to address several pieces of equipment that the golf course needed (a utility cart, a rough mower, and others). Mr. McDowell raised very good points about the maturity of this course - once you hit a certain point on a golf course, it requires preventive maintenance versus having to grow grass on fairways, tee boxes, and greens. This course is incredibly well-maintained. I do golf there and have friends who played other courses, even private golf courses who comment about how well-maintained it is. I like that they're using fewer chemicals because as we heard the other day in the DPW presentation about stormwater runoff, the fewer chemicals we're using, the better.

Sassamon Trace Indirect Costs

FY2022 Sassamon Trace Indirect Costs				
	Personnel Cost	Fringe	Expense Cost	Total
Public Works Administration	\$1,068	\$118	\$222	\$1,408
Equipment Maintenance	\$3,162	\$520	\$2,739	\$6,421
Highway, Sanitation, Recycling	\$441	\$21	\$429	\$891
Recreation	\$6,822	\$1,514	\$1,196	\$9,532
Land Facilities and Natural Res	\$8,195	\$ -	\$6,309	\$14,504
Public Safety	\$1,688	\$26	\$67	\$1,781
Finance	\$3,182	\$224	\$936	\$4,342
Town Administration	\$4,496	\$465	\$2,451	\$7,412
Procurement	\$303	\$21	\$11	\$335
Human Resources	\$553	\$90	\$31	\$674
Legal Services	\$0	\$0	\$1,688	\$1,688
Property & Liability Insurance	\$0	\$0	\$6,804	\$6,804
Utilities	\$0	\$0	\$3,830	\$3,830
Vehicle Fuel	\$0	\$0	\$2,138	\$2,138
Total				\$61,760

Mr. Townsend said the Sassamon Trace Indirects identifies the services provided by the town to the Sassamon Trace enterprise fund. We review these annually when we do the budget and adjust and recalculate them once every three years or so.

Mr. Linehan noted that the Recreation Department provided the greatest amount to the indirects and asked whether the golf course provides any services to the recreation department, Ms. Partanen said Recreation and Parks oversees the golf course so she is the department head for Mr. McDowell and said

Sassamon Trace doesn't provide services to the Recreation department and they are self-contained in their enterprise fund account.

Mr. Linehan noted that he thought it was the golf course for the High School golf team and asked whether the school pays for this and transfers money into the enterprise fund. Mr. McDowell said when the course was first opened (before he was here), the decision was made that the schools would not be charged for the usage of the course and the golf course absorbs that as part of the benefit of the town having a golf course.

Mr. Coburn recommends Favorable Action on the Sassamon Trace Enterprise Fund Indirects in the amount of \$61,758, seconded by Mr. Scurlock, voted 12 – 0 – 0.

Roll-call vote:

Mr. DeLuca = yes
 Mr. Evans = yes
 Mr. Gillenwater = yes
 Mr. Grome = yes
 Mr. LaFleur = yes
 Mr. Linehan = yes

Mr. Pierce = yes
 Mr. Pope = yes
 Mr. Resmini = yes
 Mr. Rooney = yes
 Mr. Scurlock = yes
 Ms. Wollschlager = yes

Debate – None

Select Board budget (p. 175-176 of Budget Book

Name	FY2019 Actual	FY2020 Actual	FY21 STGC AP Budget	FY2022 Budgeted	FY2021 Budgeted vs. FY 22 Prelim (% Change)
Salaries					
SALARIES MANAGEMENT	\$622,869.23	\$577,405.42	\$616,486.00	\$608,698.00	-1.3%
SALARIES SUPERVISORY	\$64,300.08	\$65,377.00	\$66,862.00	\$68,195.00	2.0%
SALARIES OPERATIONAL STAFF	\$163,995.10	\$144,569.30	\$287,277.00	\$289,995.00	0.9%
SALARIES TECHNICAL/ PROFESSNL	\$204,900.66	\$148,780.48	\$173,110.00	\$176,530.00	2.0%
SALARIES PART TIME OPERATIONAL		\$0.00	\$10,000.00	\$10,000.00	0.0%
Total Salaries:	\$1,056,065.07	\$936,132.20	\$1,153,735.00	\$1,153,418.00	0.0%
Expenses					
PREVENTION	\$37,800.91	\$13,427.46	\$0.00	\$0.00	0.0%
CONSULTANT ASSISTANCE	\$3,500.00	\$2,715.89	\$2,500.00	\$25,000.00	900.0%
PREAMBULATION OF BOUNDS	\$150.00	\$0.00	\$250.00	\$250.00	0.0%
NATICK CTR REVITALIZATION	\$79,999.26	\$79,999.92	\$80,000.00	\$80,000.00	0.0%
METROWEST REG COLLABORATIVE	\$5,068.70	\$10,126.20	\$13,000.00	\$13,000.00	0.0%
OIL TNK REMEDIATION TN TNKS	\$27,725.25	\$10,753.60	\$15,000.00	\$19,000.00	26.7%
TRAVEL	\$785.74	\$367.31	\$4,500.00	\$500.00	-88.9%
TRAVEL IN/OUT STATE	\$5,355.62	\$1,140.32	\$10,000.00	\$10,000.00	0.0%
TELEPHONE	\$3,694.82	\$3,066.92	\$5,400.00	\$5,400.00	0.0%
DUES & MEMBERSHIPS	\$11,316.50	\$11,772.79	\$13,000.00	\$10,000.00	-23.1%
TRAINING & EDUCATION	\$14,924.52	\$24,891.50	\$39,000.00	\$10,000.00	-74.4%
RECRUITMENT & HIRING	\$36,593.30	\$6,107.09	\$15,000.00	\$15,000.00	0.0%
ANNUAL AUDIT	\$79,000.00	\$82,000.00	\$90,000.00	\$94,300.00	4.8%
COPY/MAIL CENTER FEES	\$52,927.15	\$57,966.18	\$62,000.00	\$62,000.00	0.0%
GASB AUDIT REQUIREMENTS		\$0.00	\$10,000.00	\$15,000.00	50.0%
OFFICE SUPPLIES	\$6,779.36	\$6,657.07	\$11,000.00	\$12,700.00	15.5%
PRINTING/ADVERTISING	\$6,355.93	\$2,384.13	\$9,150.00	\$5,000.00	-45.4%
SUPPLIES - TN ADMINISTRATOR	\$1,739.76	\$1,648.50	\$5,000.00	\$2,500.00	-50.0%
SELECTMEN CBA SETTLEMENTS		\$0.00	\$858,987.00	\$100,513.00	-88.3%
FURNITURE	\$132.99	\$0.00	\$20,000.00	\$10,000.00	-50.0%
COMMUNICATION SYSTEM			\$50,000.00		-100.0%
Total Expenses:	\$373,849.81	\$315,024.88	\$1,313,787.00	\$490,163.00	-62.7%
Total Expense Objects:	\$1,429,914.88	\$1,251,157.08	\$2,467,522.00	\$1,643,581.00	-33.4%

Mr. Townsend reviewed the changes to the Select Board budget.

- Consultant Assistance dollars for increased by \$22,500 versus FY 21 due to the Town Administrator search and covers any costs incurred by this and the Diversity and Equity Committee.
- Oil Tank Remediation increased 27% based on Facilities Management estimates for FY 22.
- Travel decreased by 89% because many of the activities budgeted in FY 21 did not occur due to COVID and town administration used the average spend over the past few years to get this figure.
- Dues and Memberships (-23.1%) & Training & Education (-76%) decreased as a result of COVID restrictions.
- Office Supplies are increased by 16% because there was an overage of \$3,500 last year and noted that there are new systems and activities that are increasing office supply usage.
- Printing & Advertising (-45%) and Supplies – Town Administrator (-50%) and Furniture (-50%) are in line with five year average spending experience.
- Selectmen CBA is decreasing by 88%. In FY 21, these funds were utilized for bargaining agreements with several of Natick's bargaining units (using different funding mechanism this year). The town reached agreement with all of its unions during FY 21, but all union contracts expire at the end of FY 21 and town administration hopes to secure agreements with at least some of the unions by the end of FY 21.
- Communications budget in FY 21 was the cost for implementation of an HR Time and Attendance system. The recurring maintenance expense of that system has been moved to the IT budget.
- The Finance Department conducts the annual audit and is paid out to the Select Board - Town Administrator budget. The audit has taken much longer this year because it's more difficult to have auditors on-site as they are used to doing, so we have to collect and upload the documents the need to the cloud and the process is taking a lot longer. We have added about \$5,000 to fund an OPEB actuarial study that is due in FY 22

Questions from the Committee

Mr. Linehan asked what the GASB audit refers to. Mr. Townsend said this is for the actuarial evaluation of the OPEB liability.

Mr. Linehan noted that consultant assistance increased from \$2,500 to \$25,000 – please explain. Mr. Townsend said this is primarily for the Diversity Committee. Ms. Wollschlager said the Town Administrator Search Committee expenses will be incurred in FY 20.

Mr. Evans noted that there was a lot of funding set aside in FY 21 for the CBA line item and this is a much lower figure for FY 22. My recollection is that the town was looking to see what drops to free cash later this year to augment that – can you confirm this. Mr. Townsend confirmed that is the case.

Mr. DeLuca asked for more detail on the \$25,000 for the Diversity Committee consultant. Mr. Errickson said the Select Board created a created an Equity Task Force at beginning of this year to advise the Select board on the approaches the town might take to address equity and diversity goals or potential challenges. That task force is designed to be a short-term task force for 6-12 months. The work of the task force began in November and it was recently determined that to do heavy lifting work on the charge given to it by the Select Board that that securing an expert consultant would be needed for the taskforce to provide the Select Board with the guidance it's seeking. The actual scope of work is still to be determined and will be worked on in the next two months. Beyond that, it's hard for me to explain exactly what that consultant will do. However, this funding was requested by the Select Board in the FY 22 budget.

Mr. DeLuca asked for clarification of why putting \$25,000 in the budget for consultant where we don't know the project scope or the deliverable. Mr. Errickson said the scope of work is being worked on and will be ready before July 1 and this is the nature of projects that are planned for a future fiscal year. There is a broadly defined objective that gets refined and agreed before money is spent. The charge of the task force is to support the Select board in their work to address equity and diversity in the town, so the consultant will be working in that same vein and will be assisting the task force with various tasks. To accomplish that, some of it will be data collection, some of it will be qualitative data collection, and some of it will be quantitative data collection. Some of it will be engaging with people in town that a public entity is not able to engage with because the task force is considered a public entity and the end product is something that Equity Task Force, and ultimately the Select Board will utilize in furthering its policies in this area. Mr. Errickson noted that town administration is going to be seeking an adjustment to have \$50,000 in this budget. Mr. Errickson noted that there are several people on the taskforce who are consultants in this field or work nationally on this work, and they are Natick residents or supporters who are supporting this from a volunteer perspective. But in their experience, because they do equity work with Fortune 500 companies, Fortune 100 companies, nonprofit groups, for-profit groups, universities, you name it; they were able to help formulate a budget for this task. Now, again, the exact details of the work are still to be determined, but it was based on the educated guess of the several people on the task force that have experienced doing this type of work around the country. Mr. Townsend added that the forthcoming budget book will have the \$50,000 in this budget.

Mr. Linehan asked for confirmation that the hiring of the consultant was this was a one-time expense. Mr. Errickson confirmed that the Equity Task Force is not an ongoing Task Force and designed to provide guidance, support and, recommendations to the Select Board.

Ms. Wollschlager asked if the Select Board budget we are reviewing tonight is not the final budget, but the additional \$25,000 will be in the March release of the budget. Mr. Townsend said it would include the additional \$25K, but we are voting on the January budget tonight. Mr. Rauf confirmed that the additional \$25K would need to be added in to the budget we are reviewing tonight which will bring the total to **\$1,668,581.**

Mr. Rooney raised a point of order and asked whether the Committee has voted budgets that are going to change in the March budget release. For example, the Community and Economic Development budget has changed from January to March. Ms. Wollschlager said she doesn't think that any of our votes will need to be changed, but will verify all the votes that we have taken on the budgets so far with the March budget book. Ms. Wollschlager asked if, other the CED, were there any other budgets that we are voting on tonight that have changed.

Mr. Linehan noted that the budget we're reviewing may be preferred by the Select Board, but is not yet approved. Ms. Wollschlager reminded the Committee that it is the Town Administrator's budget and the Select Board does not approve it.

Mr. Evans moved recommended approval of the Select Board budget in the amount of \$1,668,581, seconded by Mr. Coburn, voted 8 – 3 – 1

Roll-call vote:

Mr. DeLuca = no
Mr. Evans = yes
Mr. Gillenwater = yes
Mr. Grome = no
Mr. LaFleur = yes
Mr. Linehan = no

Mr. Pierce = yes
Mr. Pope = yes
Mr. Resmini = yes
Mr. Rooney = yes
Mr. Scurlock = yes
Ms. Wollschlager = yes

Mr. DeLuca moved to recommend Favorable Action of the Select Board budget in the amount of \$1,618,581, seconded by Mr. Linehan, NOT VOTED.

Debate

Mr. Evans said the points raised by Mr. Errickson and Mr. Townsend that this is a one-time consultant project, relying on the knowledge of experts in their field and the Task Force composed of experts in this field are developing the scope of work and based the budget on their knowledge of what this type of work will cost. A typical project starts out with a statement of work and then a more detailed project plan is developed. I would rather vote the higher number now so that we don't have to unwind this unnecessarily if it turns out to be a smaller number.

Mr. Coburn agreed that this motion is the prudent, expected recommendation from Town Administration and our executive board, the Select Board.

Mr. DeLuca expressed apprehension that the \$25,000 fee has increased to \$50,000. His main concerns are around the idea that we don't know what the spending is for, we have only the name of the task force and I think the parameters should be better established before an expense is developed. And before you hire a consultant, there should be a scope developed first. I would like to see what the consultant would be working on to determine how it's a benefit to the town or why the town would need a consultant in the first place.

Mr. Linehan said that he heard that the task force already has several people who are experts in the field, but could not talk to people because they are town employees. The life of this the task force is 12 months and it looks like the life of this consultant is 12 months. The consultant's work, as I understood it, was to feed to the taskforce. At best, this overlaps with the task force and it seems premature to approve this budget without the task force fully engaged. So, for a different reason than the prior speaker, I don't think that this is ready to go forward yet. It can be added on Town Meeting floor if it can be better justified.

Mr. Scurlock noted that the high level statement of work is sufficient to move forward with this budget. I agree that we have not heard a detailed work plan, but I have confidence based on what I've heard thus far, that the experts in the field have been able to give enough credence to this, that their expertise says you'll need to budget \$50,000 instead of \$25,000. I've seen many cases like this before, where an amount is voted on and the detailed statement of the work plan rather is developed afterward. Management, in this case, the Select Board, is stating that the people who have created a high level statement of work will meet their needs.

Mr. Rooney said he agreed that the Committee has sufficient facts to move forward on this and the charge of the task force is well-known and defined by the Select Board. I think stating that we don't know the scope or a detailed work place is a red herring, noting that the Finance Committee doesn't ask departments to submit the detailed work plans for their projects to us for us to review those plans. That's not our job - that's the job of the people who run the department, so I'm going to support this.

Mr. Pope said he has some idea of the scope of the task force as his wife interviewed to be on that task force but was not chosen as they chose people who have who are experienced professionals in their fields with more specialized experience than she had. He said that he watched the interviews, hoping his wife would be chosen and got a sense of what they were looking to do. And, that task force isn't here tonight to defend their budget. I think it would be best if we were to think of this as something worthy of our support. In my opinion, the work they are doing is comprehensive and \$50,000 is quite reasonable.

Ms. Wollschlager read the description of the Equity Task Force from the Natick town website, “The Task Force shall research the experience of other municipalities’ equity-related government entities, as well as what the town and community are doing in the equity sphere. It shall recommend a set of responsibilities for any professional staff needed to help the town advance equity. The Task Force shall provide an update to the Select Board within 60 days of its establishment as an appointed Task Force and every 60 days thereafter. The Task Force shall provide preliminary recommendations within 150 days and final recommendations within twelve months.

Legal Services

Mr. Townsend said this budget is for legal services provided to the town. The Legal Services budget is broken into several different areas:

- The cost for Town Counsel: Town Counsel is required for employment, labor, collective bargaining, and litigation issues and requires support from either Town Counsel or Outside Counsel for specialized expertise.
- Tax collection (and abatements).
- Litigation expenses: we’ve added funds into this line for FY 22 because there are a couple of matters, including some labor relations issues, as well as some litigation that we feel will need additional expenditures during FY 22.

Questions from the Committee

Mr. DeLuca asked if the budget amount is the best estimate to cover expected litigation expenses. Mr. Townsend said the best way he can answer that is that we believe it is sufficient funding to fund our litigation efforts for FY. 22.

Mr. LaFleur asked whether the town needs to set aside money to handle a potential judgment against the town. Mr. Townsend said there is not a need to set aside monies. Hypothetically, Mr. Townsend said if you had an employee case, the litigation costs are covered by this line, but any actual remedy such as back pay would usually come out of the department's budget's salary lines. In the event that there's a very large judgment, either in an employment setting or some contractual obligation, we would have to come back to Town Meeting and ask for appropriation for that particular judgment.

Ms. Wollschlager asked if anything resulted from discussions about hiring an on-staff attorney to hear town legal matters and asking if those conversations are ongoing. Mr. Townsend said there is not an on-staff attorney nor are there plans to do so to his knowledge. Mr. Robert Rooney said the question on whether the town planned to hire an attorney to be on permanent staff or not. Just this week, I sent the Select board a report that was conducted by the Collins Center last year that had some comments and suggestions and best practices, comparing communities across the Commonwealth. I anticipate that this issue may be taken up by the Select Board and perhaps a committee or a task force will look at the pros and the cons of a different means of getting legal assistance, both for convenience and monetary savings. Mr. Rooney said he uncovered the report from last year that had been conducted so I know there was interest in pursuing it.

Mr. DeLuca asked for confirmation that if there was a litigation issue that had to do with back pay that would come out of a salary item and not a judgment item on our balance sheet. Mr. Townsend confirmed this was true.

Mr. Evans moved to recommend Favorable Action on the Legal Services budget in the amount of \$675,000, seconded by Mr. DeLuca, voted 12- 0 – 0

Roll-call vote:

Mr. DeLuca = yes

Mr. Pierce = yes

Mr. Evans = yes

Mr. Pope = yes

Mr. Gillenwater = yes

Mr. Resmini = yes

Mr. Grome = yes

Mr. Rooney = yes

Mr. LaFleur = yes

Mr. Scurlock = yes

Mr. Linehan = yes

Ms. Wollschlager = yes

Debate:

Mr. Evans noted that this seems to be a prudent budget given what we heard earlier regarding abatements and hoped that a lot of this budget is turned back as free cash.

Mr. DeLuca thanked Mr. Townsend for answering his detailed questions. I also hopes a lot of this falls to free cash, but am doubtful that will occur.

Finance Department (p. 187 189 in budget book)

Mr. Rooney noted that

- Salaries Management is up 10% due to the upgrade of the position of Director to align with other Finance Dept. heads and merit increases
- Salaries Supervisory is up 19.2% due to the upgrade of Assistant Director to align with other Finance Dept. Assistants and merit increases
- Salaries Operational Staff is up 5.5% as a result of steps and lanes adjustments for union employees.
- Equipment Repairs & Maintenance down 91.1% to align with the average spend over the past few years.
- Banking Services is down 36.4% and Collection Services are down 71.4% to align with average spending over the past few years.

Mr. Townsend said COVID was challenging for the Finance Department as it provides essential services for the town such collecting the taxes, payroll, water & sewer bill payments, etc. During COVID, we were all hands on deck. We had a large increase in the number of calls from residents on their tax bills and water bills such that we requested and received assistance from the Community Services, Recreation and Parks and DPW to help the Collector / Treasurer's office to answer these calls.

The Finance Dept. was in the middle of a conversion from our Accounts Receivable System or utility billing from legacy software to the new MUNIS system. Unfortunately, doing a major software conversion during a pandemic is not the best way to go, but we're just finishing up the utility billing in the next couple of weeks which will be a great benefit to both our staff as well as providing better service to residents.

The Finance Dept. also upgraded some of our internal systems. For example, we set up the employee self-service portal so employees can look at their pay stubs; see their accruals for vacation or sick time, and their W-2 and W-4 forms online. We're also working to set up a citizen self-service portal that will allow residents to check their water bill or tax bill or other payments the resident makes to the town. We're working on that as part of our MUNIS system upgrade.

Finance Dept. added a budget analyst position (authorized by Fall Town Meeting), but we, unfortunately have not had the ability to fill it yet due to the difficulty of finding time to interview candidates during our busiest time of the year. We upgraded one of our Assistant Assessors to an Assistant Director of

Assessing - this is part of an overall town strategy to ensure that we have a backup for all of our Directors to provide services in case those Directors aren't available. This actually came to fruition when our Comptroller (Arti Mehta) recently retired and our Assistant Comptroller (Francesse Dorval) was appointed by the Select Board as Acting Comptroller while we look for another Comptroller.

Assessor's Office

- The major change here was the upgrade of the Assistant Director position.
- Most of the other lines were fairly steady.
- The revaluation of property line was reduced by 13.3%. This is the line we use to hire outside contractors to help with assessments. In Natick, we do a lot of our assessing revaluations in-house which saves the town of money. However, in the personal property area, we occasionally hire professional assessors to assist the staff because that's a particularly technical assessment. assessing,

Treasurer / Collectors Office

- As mentioned earlier, we reduced equipment repairs & servicing by 91% down to \$1,000 because we were spending a minimal amount of the prior budget.
- Reduced banking services (-36.4%) and Collection Services (-71.4%) to a level based on our five-year average.
- Eliminated Fire Department Ambulance collection budget

Questions from the Committee

Mr. DeLuca asked whether the town uses third party software like CoStar or anything similar for commercial valuations. Mr. Townsend said the Director of Assessing, Mr. Henderson, has a strong background in commercial assessing and used to work for a large contractor doing commercial assessments for various towns on the east coast. Mr. Townsend said he believed that Mr. Henderson does use third party software to do the commercial property valuations.

Mr. DeLuca asked what the travel line in the Treasurer's Office covers. Mr. Townsend said it is mostly for traveling to conference for training and certification. The Treasurer is going through her certification as a Treasurer and will go back to attending these courses in person in FY 22. This also covers mileage reimbursement for the Assessor's office when they use their personal vehicle to do assessment work (they have one town vehicle, so this supplements that).

Mr. Evans moved to recommend Favorable Action on the Finance Department budget in the amount of \$1,647,515, seconded by Mr. DeLuca, voted 12- 0 – 0

Roll-call vote:

Mr. DeLuca = yes

Mr. Pierce = yes

Mr. Evans = yes

Mr. Pope = yes

Mr. Gillenwater = yes

Mr. Resmini = yes

Mr. Grome = yes

Mr. Rooney = yes

Mr. LaFleur = yes

Mr. Scurlock = yes

Mr. Linehan = yes

Ms. Wollschlager = yes

Debate:

Mr. Evans said that he's glad that the department was able to get the new systems in place while juggling. I also appreciate that you're analyzing not only other budgets, but the Finance Dept. budget to question what your actual average spend is so you can get a more reality-based budget. I your creativity and energy in looking at where can you save money to offset areas that need increase.

Mr. DeLuca thanked Mr. Townsend for answering my questions and hope that you are able to fill the Comptroller position soon.

Community Development

Name	FY2019 Actual	FY2020 Actual	FY 21 AP	FY2022 Budgeted	FY2021 Budgeted vs. FY 22 Prelim (% Change)
Salaries					
SALARIES MANAGEMENT	\$222,588.64	\$180,985.15	\$230,021.00	\$235,365.00	2.3%
SALARIES SUPERVISORY	\$68,878.73	\$66,460.58	\$61,047.00	\$121,870.00	99.6%
SALARIES OPERATIONAL STAFF	\$91,490.02	\$120,442.49	\$117,804.00	\$172,804.00	46.7%
SALARIES TECHNICAL/PROFESSNL	\$303,872.64	\$300,777.47	\$310,764.00	\$317,146.00	2.1%
SALARIES TEMP OPERATIONAL	\$45,553.95	\$32,894.56	\$45,000.00	\$48,460.00	7.7%
SALARIES INSPECTION STAFF	\$171,614.12	\$174,408.47	\$136,284.00	\$136,284.00	0.0%
SALARIES OPERATIONAL O/T	\$20,938.73	\$18,537.33	\$23,000.00	\$23,000.00	0.0%
SALARIES ADDL COMP SUPERVISORY	\$0.00	\$2,500.00	\$2,500.00	\$2,500.00	0.0%
SALARIES ADD'L COMP OPER	\$0.00	\$1,125.00	\$1,125.00	\$1,125.00	0.0%
	\$924,936.83	\$898,131.05	\$927,545.00	\$1,058,554.00	14.1%
Expenses					
TRAVEL	\$3,104.17	\$1,312.92	\$2,400.00	\$2,400.00	0.0%
TELEPHONE	\$3,021.11	\$5,359.73	\$3,800.00	\$3,800.00	0.0%
DUES & MEMBERSHIPS	\$660.00	\$2,475.00	\$2,000.00	\$2,500.00	25.0%
TRAINING & EDUCATION	\$3,182.80	\$2,445.35	\$0.00	\$3,500.00	100.0%
PROFESSIONAL SERVICES-OTHER	\$1,411.64	\$0.00	\$3,500.00	\$0.00	-100.0%
POSTAGE	\$9,138.44	\$5,064.81	\$6,000.00	\$6,000.00	0.0%
OFFICE SUPPLIES	\$4,225.67	\$3,598.97	\$6,700.00	\$6,700.00	0.0%
PRINTING/ADVERTISING	\$11,487.24	\$13,734.27	\$10,500.00	\$10,500.00	0.0%
BOOKS/PUBLICATIONS	\$0.00	\$0.00	\$1,000.00	\$1,000.00	0.0%
Total Expenses:	\$36,231.07	\$33,991.05	\$35,900.00	\$36,400.00	1.4%
Total Expense Objects:	\$961,167.90	\$932,122.10	\$963,445.00	\$1,094,954.00	13.6%

Mr. Rooney noted that the Community Development was dramatically affected by COVID. With the onset of the pandemic and the social/economic lockdown response, there was an immediate and dramatic drop in permitting activity and permit revenue in 2020. By summer 2020, with safety protocols in place, permitting numbers normalized and have been consistently at their average “normal” level since then and Mr. Freas expects this trend to continue. However, the larger commercial, mixed use, or large residential projects that have historically generated large influxes of permit revenue has not rebounded yet. Mr. Freas provided data that showed permitting revenue for CY 2019 of approximately \$2 million, CY 2020 was approximately \$1.3 million and he expects CY 2021 permit revenue to be close to \$2 million and conservatively estimates a little over \$2 million for CY 2022.

Other highlights include:

- Funding for the Development Review Planner position that was approved at Special Town Meeting last fall is moved from ‘Salaries Supervisory’ to ‘Salaries Technical/Professional’. The salary for this position has changed to \$70,000 from the \$60,000 in the preliminary budget book. To help supplement the additional \$10,000 needed, \$10,000 from the Special Town Meeting appropriation was used and \$52,000 remains in the Technical/professional line (so this was zero net increase).
- \$42,000 identified for temporary and consulting work in ‘Salaries Technical/Professional’ is moved from the salary section to the expense section in 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.
- \$3,500 identified in FY21 in the Professional Services / Other line was actually in the Training & Education line.
- The Salaries Inspection Staff has been increased by 2.75% due to merit increases for inspection staff, not previously accounted for.
- CED went from a paper-based system to a digital system.

Presenter: Mr. James Freas, Director, CED

- Mr. Freas said there was a three month period in 2020 where we had a decrease in permit activity, so department revenues declined. However, as construction sites and builders developed protocols in order to operate, activity picked right back up again. By August 2020, we were back in our normal range of permit numbers and revenue. The one thing that isn't in there yet is that we have seen periodic spikes in revenue that come from larger projects. The most significant example of that was the MathWorks project in 2016, so we're keeping an eye out for those larger projects to see when they might come in and add to our new growth figures for tax levy, such as the former St. Patrick's school site where re-zoning was approved at Town Meeting last fall. There are a handful of other projects like that which have either already been through the permitting process with the Planning Board or are waiting in the wings.
- As Mr. Rooney noted, the Development Review Planner position was approved at Special Town Meeting last fall and was filled last Wednesday. This is really a significant position for the department that will help us manage the development review process with both the Planning Board and the ZBA allowing both of those bodies to function and process permits more efficiently and manage our internal coordination. It will free time up for me and the Building Commissioner to focus on other important aspects of our jobs.
- We've used a paper-based permitting system for a very long time – by switching over to a digital system, we can accept permit applications by email. Further, Town Meeting authorized the purchase of online permitting software that will make our entire permitting system digital. Residents and developers will be able to submit their permit applications online and our inter-departmental review processes will be streamlined and managed through the software system. This will save a huge amount of staff time by eliminating the time spent re-typing these written permit applications into the existing system. We anticipate purchasing this system within the next month or two and there will be a period of time to get that implemented.
- Beginning in FY 22, CED will set aside some money for conservation land stewardship. As many of you know, the Conservation Commission who are charged with coordinating closely with town agencies, boards, and commissions related to town development to protect, and where possible, enhance, plant and wildlife habitats. The Planner / Conservation Agent (Marianne Larossi) works with the Conservation Commission and is responsible for about 430 acres of land in Natick. That acreage includes a great deal of forest land, wetlands and trails. We've never had any dedicated funding source for stewardship activities, maintenance and enhancement – that includes everything from creating or maintaining trails, boardwalks and bridges, repairing signage (which is incredibly important, particularly on the more extensive trail networks such as the town forest, we need a good trail marking trail markers). It's also used for invasive species management and tree management. Tree management is a particularly critical issue because sometimes fall off of our property so we're taking some of the money set aside for salaries at Special Town Meeting for temporary staff and consulting services and shifting those funds to the expense side as professional services and other in that category, and splitting that between ongoing professional services support in the vein of consultant and temporary staff. And this need for setting aside funding for conservation land stewardship. The conservation and stewardship fund is going to be overseen by the new Trail and Forest Stewardship Committee that was created last year and they are working up a plan for their trail and forest stewardship work over the coming year. The idea is to treat this as a pilot and identify what an appropriate and sustainable funding stream is and then establish that as its own separate line item in a future CED budget. For now, we anticipate a roughly \$15,000 need in that category, which is based on my prior experience in the city of Newton.

Updated CED budget (following the publication of the January Town Administrator FY 22 budget book)

Name	FY2019 Actual	FY2020 Actual	FY 21 AP	FY2022 Budgeted	FY2021 Budgeted vs. FY 22 Prelim (% Change)	Notes
Salaries						
SALARIES MANAGEMENT	\$222,588.64	\$180,985.15	\$230,021.00	\$235,365.00	2.3%	
SALARIES SUPERVISORY	\$68,878.73	\$66,460.58	\$91,047.00	\$61,870.00	-32.0%	
SALARIES OPERATIONAL STAFF	\$91,490.02	\$120,442.49	\$169,804.00	\$117,804.00	-30.6%	
SALARIES TECHNICAL/PROFESSNL	\$303,872.64	\$300,777.47	\$310,764.00	\$387,146.00	24.6%	Funding for the Development Review Planner position is moved from 'Salaries Supervisory' to 'Salaries Technical/Professional'
SALARIES TEMP OPERATIONAL	\$45,553.95	\$32,894.56	\$45,000.00	\$48,460.00	7.7%	
SALARIES INSPECTION STAFF	\$171,614.12	\$174,408.47	\$136,284.00	\$140,029.00	2.7%	
SALARIES OPERATIONAL O/T	\$20,938.73	\$18,537.33	\$23,000.00	\$23,000.00	0.0%	
SALARIES ADDL COMP SUPERVISORY	\$0.00	\$2,500.00	\$2,500.00	\$2,500.00	0.0%	
SALARIES ADD'L COMP OPER	\$0.00	\$1,125.00	\$1,125.00	\$1,125.00	0.0%	
	\$924,936.83	\$898,131.05	\$1,009,545.00	\$1,017,299.00	0.8%	
Expenses						
TRAVEL	\$3,104.17	\$1,312.92	\$2,400.00	\$2,400.00	0.0%	
TELEPHONE	\$3,021.11	\$5,359.73	\$3,800.00	\$3,800.00	0.0%	
DUES & MEMBERSHIPS	\$660.00	\$2,475.00	\$2,000.00	\$2,500.00	25.0%	Additional review, and with anticipated new position, added to this line.
TRAINING & EDUCATION	\$3,182.80	\$2,445.35	\$0.00	\$3,500.00	100.0%	For many staff, continuing education is a requirement of maintaining certification.
PROFESSIONAL SERVICES-OTHER	\$1,411.64	\$0.00	\$3,500.00	\$42,000.00	1100.0%	Town Meeting addition
POSTAGE	\$9,138.44	\$5,064.81	\$6,000.00	\$6,000.00	0.0%	
OFFICE SUPPLIES	\$4,225.67	\$3,598.97	\$6,700.00	\$6,700.00	0.0%	
PRINTING/ADVERTISING	\$11,487.24	\$13,734.27	\$10,500.00	\$10,500.00	0.0%	
BOOKS/PUBLICATIONS	\$0.00	\$0.00	\$1,000.00	\$1,000.00	0.0%	
Total Expenses:	\$36,231.07	\$33,991.05	\$35,900.00	\$78,400.00	118.4%	
Total Expense Objects:	\$961,167.90	\$932,122.10	\$1,045,445.00	\$1,095,699.00	4.8%	

[CED COVID Recovery Memo to Select Board](#) details all the activities CED was engaged in to support town businesses and the community at large during this period of time.

Our Conservation Agent / Planner is very good at grant writing and CED received a number of grants to augment their budget as follows:

CED Grants Received in FY21			
Source	66460.58	Co-Applicant	Value
1 DOT Shared Streets Grant	Downtown Outdoor Dining & Safety		\$ 25,000.00
2 Solomon Foundation	Temp Streetscape Art	Natick Center Associates	\$ 5,000.00
3 MassTrails Grant	Cochituate Rail Trail MBTA Connector		\$ 225,000.00
4 MetroWest Health Foundatio	Cochituate Rail Trail MBTA Connector		\$ 75,000.00
5 DOT Shared Streets Grant Community Compact	Route 30 Bike Lane	Wayland	\$ 55,000.00
6 Cabinet's (CCC) Information Technology grant	Permitting Software		\$ 73,000.00
7 MVP Action Grant	Charles River Watershed Flood Modeling	Sustainability Coordinator & other watershed communities	\$ 264,171.00
8 DCR Community Forestry Grant	Town Forest Invasive Species Management		\$ 25,125.00
9 MDI - Local Rapid Recovery Program Planning Technical Assistance Grant	Artistic Lighting Strategic Plan for Natick Center	Natick Center Associates	NA
10 MDI - Planning Technical Assistance Grant	Natick Center Wayfinding	Natick Center Associates	NA
Responses Pending			
11 DOT Shared Streets Grant	Downtown Shared Spaces	Natick Center Associates	\$ 276,000.00
12 MOBD Regional Pilot Project Grant	Busines Marketing Technical Assistance	Ashland, Framingham	\$ 250,000.00
Total			\$ 1,273,296.00

Questions from the Committee

Mr. DeLuca asked whether the town tracks approved and non-approved variances. Mr. Freas said variances are very uncommon in Natick because the requirement to get a variance is that you have to demonstrate a hardship that's particular to your property. We track the number of applications we get in terms of all the different discretionary permits that we issue from special permits to Section 6 findings and well as variances as well. Mr. Freas said the new permitting software will enhance our ability to track and report that data – right now we track it by hand in an Excel file.

Mr. Linehan asked what the Professional Services line includes, other than the trail maintenance stewardship piece. This line item was previously up on the salary side where it had been approved during the Special Town Meeting for consultant and in temporary staffing. The reality is that it's easier to access and use those funds when they're in the expense side of the budget. We discussed that with the Finance Department and determined that the better place to put those funds was on the expense side of the ledger.

Mr. Linehan asked how many positions are covered under the various salary lines. Mr. Freas said Salaries – Management is two people; Salaries - Operational staff is three people and Salaries - Technical professional are five people.

Ms. Wollschlager asked what was happening with the Micro-Enterprise Grant Program that provides grants to qualifying microenterprises in Natick adversely impacted by COVID-19 (Natick received \$250,000 in 2020 CARES Act funding to provide individual grants up to \$10,000 for eligible micro-enterprise businesses. Ms. Wollschlager said she thought that only five businesses in town have received awards and is hoping that the money is not going to go to waste and asked whether the town has receive additional applicants. Mr. Freas said he did not include that grant in the list of grants because I wanted to re-examine the conditions because the money didn't come directly to the town, but went to Massachusetts Growth Capital Corporation (MGCC) who serve as the Program Administrator. I think there were twenty other communities out there and our piece of it was \$250,000. The challenge with that money was that it came through the Community Development Block Grant program which is administered by the federal Housing and Urban Development department (HUD) and we have found as we've been moving forward with implementation of that program is that very few of our businesses met the strict income limits plus there was a great deal of paperwork that comes in with that so when funding became available to us in the summer of 2020, the state subsequently came out with another program that did not have income restrictions and not have as much paperwork so we started steering Natick businesses to that source of funds because it was easier to qualify and get those grants. Mr. Fields in the CED Department has been doing that work and I know there are a few pending applications for that funding source.

Mr. Evans moved to recommend Favorable Action on the Community & Economic Development Department budget in the amount of \$1,095,695, seconded by Mr. Scurlock, voted 12- 0 – 0

Roll-call vote:

Mr. DeLuca = yes

Mr. Evans = yes

Mr. Gillenwater = yes

Mr. Grome = yes

Mr. LaFleur = yes

Mr. Linehan = yes

Mr. Pierce = yes

Mr. Pope = yes

Mr. Resmini = yes

Mr. Rooney = yes

Mr. Scurlock = yes

Ms. Wollschlager = yes

Debate

Mr. Evans said he wanted to give a shout-out to both CED and Natick Center Associates for their help in helping businesses in Natick to survive and hopefully rebound quickly in the post COVID world. This just doesn't happen through hope - it takes a great deal of behind-the-scenes work and it's arduous work that takes tenacity. That seems to be a recurring theme in Town Hall. CED also did a great job of working with the DPW to facilitate downtown outdoor dining which probably saved some restaurants from going under. Mr. Freas stated that his grant writer was exceptional and I would agree – anyone who can get \$1.2 million in grants is exceptional when you consider that the budget we're voting for tonight is 1.1 million

Mr. Scurlock said that CED's ability and drive to revitalize some of the businesses that have really taken a hard hit during the pandemic.

Mr. Grome noted that the Finance Committee initially voted negatively on this budget because I believed it would cause a deficit and money was found to fund the position, but they changed their original recommendation to ask for another \$32,000, primarily because they wanted to have an automated system for permitting and this was approved by an (I believe 8 – 5 – 1 vote) and now they are asking for more money for more positions when we again face the possibility of a budget deficit. So, I do not support this budget because I think this department has grown over the last few years and it puts a lot of pressure on departments like the Board of Health, DPW, Police Department, Fire Department all others who are all underfunded. Further, during the General Government subcommittee meeting, I asked why CED would be taking care of that and hiring an outside contractor, which would be more expensive than doing it in-house through DPW and was told that DPW doesn't maintain conservation land. To me, that was not a good explanation. Given what we've heard previously that DPW is over-worked, the additional funding should go to the DPW.

Ms. Wollschlager said she thought the importance of this department is going to become very clear over the next few years because we have a significant challenge in our town, with our businesses, particularly retail businesses under threat. We have a mall that has many empty storefronts and we're going to need a lot of creative thinking and effort to figure out where we want to go as a community and what we can do to revitalize our community that has been so affected not only by COVID, but by the changing landscape going away from retail businesses. I'm going to support this budget, I understand some of the comments that my colleague has made, particularly with regard to maintaining the trails. I have a lot of sympathy for that. But I do believe that most of the services that this department offers are a tremendous value for the town. We've heard about the \$1.2 million in grants. And I'm sure that there are more coming creativity and change in this department that I've seen over the last few years of others really.

Facilities Management

Mr. Rooney stated that the Facilities Management (FM) department was a critical department during COVID, having to retrofit the municipal buildings and school buildings to meet the stringent state. They were able to hire the two new custodians for the Kennedy Middle School. The FM Dept. has been impacted significantly due to COVID. Early in the crisis, resources (including staff time) were needed to safely prepare buildings for the return of town employees and students. Throughout the crisis, increased cleaning has led to overtime and concern of burnout amongst our valued custodial staff. We continue to monitor and work to address these concerns.

During the year, the Facilities Management Director left and we were fortunate that Mr. Errickson was able to step in as Interim Facilities Management Director. To my knowledge, at least at the time of our meeting, they're still working to fill that position.

Mr. Errickson emphasized that the FM team has been great and are stepping up and making it look easy. We've been working in great partnership and together with Dr. Nolin, the School Superintendent, we have gotten to know the facilities team down there who are a real asset to me in helping me understand the challenges and opportunities in that department. The FM department has gone through a lot of transition, not only from a workload perspective but also from a staffing perspective. We are still actively pursuing hiring a new Facilities Management Director and are down to two candidates and are hopeful that will get a successful candidate from that group, but we're still doing the interview process. The Facilities Maintenance manager position became vacant in October and we were actively looking to fill that position. Then, the Facilities Management Director gave notice so we put a hold on that position until we filled the Director position to have the Director set up his team as they wanted to do. Having those two key positions vacant has stressed the organization, but the team has really stepped up to meet the challenges and are a very dedicated group.

The FY 22 budget is fairly straight-forward with limited adjustments for COLA and other salary adjustments. We are hopeful that we will receive CARES Act and FEMA reimbursements for our expenses incurred during COVID to offset some of those costs in FY 22. That's why the budget you see in has limited changes from last year. We are actively working through improving and creating a fairly robust knowledge of what we didn't have and needed so that we are better informed on what we will need to spend on maintenance in future fiscal years and doing proactive rather than reactive maintenance of our buildings and understanding what we have to do is some of our maintenance requirements moving forward.

Among the changes are:

- Facilities Salaries - Supervisory is up 1.2% vs. FY 21 due to merit increases.
- Facilities Salaries - Operations is up 6% vs. FY 21 due to the addition of two custodians for Kennedy Middle School. They are funded for the remainder of FY21 but will need to be appropriated for FY22. It also includes step increases for union employees and merit increases for Personnel Board employees.
- Facilities - Telephone Maintenance is budgeted \$100,000 in FY 22 = this is due to the addition of the Kennedy Middle School and increased costs of servicing.

Mr. Evans moved to recommend Favorable Action on the Facilities Management Department budget in the amount of \$3,787,989, seconded by Mr. Linehan, voted 12- 0 – 0

Roll-call vote:

Mr. DeLuca = yes

Mr. Pierce = yes

Mr. Evans = yes

Mr. Pope = yes

Mr. Gillenwater = yes

Mr. Resmini = yes

Mr. Grome = yes

Mr. Rooney = yes

Mr. LaFleur = yes

Mr. Scurlock = yes

Mr. Linehan = yes

Ms. Wollschlager = yes

Debate

Mr. Evans said that Facilities Management has done a tremendous job in safely re-opening the town buildings and school buildings and keeping them safe.

Mr. Linehan said this was a tall task and it took a lot of hard work to make this happen.

Insurance and Property Liability

Mr. Errickson said the town works with Deland & Gibson Associates in Wellesley and we've been working with them for many years and they help us on a number of fronts:

- They help process any claims throughout the year.
- They also analyze our portfolio and our claim exposure and ensure that we do have appropriate coverage.
- They offer suggestions on where we can improve employee training or improvements to buildings to reduce the risk of loss claims in future years
- Monitor insurance rates from our various carriers, looking at our past history to help us determine the optimal time to go out to seek better rates; it might not be a new carrier, but to request bids to get the best value.

They have been an extremely valuable resource for the town through the years because they help us to monitor and keep track of all of our insurances to ensure that we're not overexposed and or under-covered.

We worked with them to under what insurance increases we should expect. Delane and Gibson told us that a 5% increase in this budget was sufficient to handle rate increases.

Questions from the Committee

Mr. DeLuca asked why the town doesn't do an RFP every year. Mr. Errickson said when the town goes out to bid for insurance, insurance companies look at the prior 3-5 average yearly loses. About three years ago, the town had some very sizable losses and the town is better off waiting until those come off our claim history before seeking updated or better rates.

Mr. DeLuca asked if, after that event rolls off 3-5 year timeframe, the town would issue an annual RFP. Mr. Errickson said it was unlikely to have an RFP every year because if we lock into great rates, we want to keep those rates for as long as we can. We do look at the option every year, but we don't always go out every year.)

Mr. DeLuca noted that there was a large increase in insurance deductibles from FY 20 to FY 21 that is extended in the FY 22. Mr. Errickson said he did not have that detail tonight, but would get that information and send it to the Chairperson.

Mr. Linehan asked whether the additional insurance on the new Kennedy Ms. and the Eliot School would have a significant impact on our property or liability insurance. Mr. Errickson said we have only picked up a portion of the new Kennedy Ms. as the building won't be completed until part-way through next year because they are going to build the Fieldhouse and the fields over the summer this year and we won't feel the full impact of that building until FY 23. However, with the new building comes new safety measures for fire safety prevention and increased building security that reduces risk so that has to be factored in also. Mr. Errickson said he has been working with the town's insurers throughout the project to ensure that we're only insuring what we need to during the construction and post-construction. On the Eliot School where we no longer have a tenant and we are the property owners, we would cover the insurance, but that would be offset by the rental income the town received. We're using that building now for the NPS ASAP program.

Mr. Linehan moved to recommend Favorable Action on the Insurance / Property Liability budget in the amount of \$907,170, seconded by Mr. Evans, voted 12- 0 – 0

Roll-call vote:

Mr. DeLuca = yes

Mr. Evans = yes

Mr. Gillenwater = yes

Mr. Grome = yes

Mr. LaFleur = yes

Mr. Linehan = yes

Mr. Pierce = yes

Mr. Pope = yes

Mr. Resmini = yes

Mr. Rooney = yes

Mr. Scurlock = yes

Ms. Wollschlager = yes

Debate

Mr. Linehan had no comment.

Mr. Evans said he appreciated Mr. De Luca's question about yearly RFPs and Mr. Erickson's answer about going out for a competitive bid when our claims record looks better.

Mr. DeLuca noted that it would be nice if our insurance companies was in Natick.

Employee Fringe and Health Insurance

Name	FY2019 Actual	FY2020 Actual	FY 21 AP	FY2022 Budgeted	FY2021 Budgeted vs. FY 22 Prelim (% Change)
Salaries					
MERIT PERFORMANCE INCREASES	\$47,750.00	\$120,550.00	\$0.00	\$65,000.00	100.0%
WORKERS COMPENSATION INS	\$655,629.26	\$701,270.91	\$710,512.00	\$746,038.00	5.0%
UNEMPLOYMENT INSURANCE	\$89,657.93	\$44,464.02	\$130,000.00	\$136,500.00	5.0%
FICA/MEDICARE	\$1,168,819.16	\$1,212,858.60	\$1,269,797.00	\$1,302,388.00	2.6%
D.O.T. TESTING	\$5,740.00	\$4,180.00	\$13,340.00	\$13,340.00	0.0%
INSURANCE GRP HLTH/LIFE	\$12,299,884.53	\$13,176,697.95	\$13,975,100.00	\$14,898,855.00	6.6%
CHAPTER 111F EMERGENCY MEDICAL	\$107,698.00	\$152,564.00	\$117,708.00	\$123,593.00	5.0%
LIUNA PENSION CONTRIBUTION	\$302,094.97	\$345,160.03	\$384,634.00	\$386,520.00	0.5%
LONG TERM DISABILITY	\$18,725.37	\$6,085.26	\$22,000.00	\$22,000.00	0.0%
EMPLOYEE BENEFITS RESERVE	\$0.00	\$0.00	\$50,000.00	\$50,000.00	0.0%
RETIREMENT BUYOUT RESERVE	\$222,523.31	\$165,164.48	\$265,000.00	\$265,000.00	0.0%
Total Expenses:	\$14,918,522.53	\$15,928,995.25	\$16,938,091.00	\$18,009,234.00	6.3%

Mr. Rooney said Mr. Townsend informed them that, like their regular insurance, they work with agents who advise them on certain categories of these insurances and assist them in managing them and, where possible, to get better deals or coverage. Mr. Rooney provided a summary of the General Government subcommittee findings:

- Workers Compensation is based off cost projections provided by the insurance companies workers compensation expense
- Unemployment Insurance is based on historical claims data for unemployment claims, recommendations from the Town’s Unemployment contractor
- FICA/Medicare is based on a formula provided by the federal government.
- Merit Performance Increases provides annual compensation increases for Personnel Board employees based upon their annual performance evaluations. This line also funds the bonus program for Personnel Board employees. The reductions in this line were based on the need for cost savings during FY 21 and it will be reviewed based upon the availability of additional funds.
- Retirement Buyout Reserve provides funds to “buy out” outstanding vacation, sick leave and other outstanding liabilities owed retiring employees. Most of the liabilities are created by provisions in collective bargaining agreements. During FY 21, the reserve was used five times for a total of \$47,225.29, with the rest of the reserve falling to free cash.

Mr. Rauf reviewed the changes in the updated Shared Services budget:

- Merit Performance increases was initially \$65,000 and was increased to \$150,000.
- Workers Compensation Insurance and Unemployment insurance have not changed.
- FICA / Medicare is automatically calculated based on the salary lines of all our departments. This line is reduced by \$1,144.
- Insurance Group Health / Life has changed because the rates came in below our forecasted rates. Instead of being \$14,898,855, it is now \$14,339,519, a \$559,336 decrease from our initial budgeted amount.
- Chapter 111F emergency medical was budgeted at \$123,593 and was increased by \$150,000 to

\$273,593.

- The remaining categories are unchanged.
- Total Employee Fringe was reduced from \$18,009,234 to \$ 17,683,754, an overall decrease of \$325,480.

Contributory Retirement

Mr. Townsend said this budget figure is the amount that we receive from PERAC based upon the actual investment information provided to PERAC by the Natick Retirement Board, and is intended to reduce our resolve our pension liability by the year FY30. The Natick Retirement Board recommended funding for FY 22 is \$12,307,258. From this figure, you must deduct \$188,696 for the Natick Housing Authority Assessment, \$12,974 for the Sassamon Trace Golf Course Enterprise Fund Assessment, and \$414,292 for the Water & Sewer Enterprise Fund Assessment for a total funding request of **\$11,691,296**. All documents regarding the Natick Retirement Board can be found on the PERAC website (<https://www.mass.gov/lists/natick-retirement-board-reports>). The most recent PERAC Annual Report (2019) and Appropriation Letter are provided in the budget book on pages 244 and 245. Mr. Townsend said PERAC issues this report annually and it is based on a calendar year, so he doesn't have a timeframe yet on when the PERAC report for 2020 will be available. To be fair to the Natick Retirement Board, other retirement boards have also fallen behind on issuing their reports.

Ms. Wollschlager asked if the Retirement Board can provide an updated report to the Finance Committee or at least provide Town Meeting with a report in April.

Questions from the Committee

Mr. DeLuca asked whether it's possible to get a schedule of investments for this account to understand the investment strategy. In my opinion, it seems more risky than I would expect with 22% in international equities and 55% total equities. Usually, these accounts have more fixed income investments, real estate investments, and less of the more risky asset categories.

Mr. Linehan asked for confirmation that the Natick Retirement Board receives 188,696 from the Natick housing authority as well as the amounts from the two Enterprise Funds. Mr. Townsend confirmed that is the case.

Mr. Evans moved to recommend Favorable Action on the Finance Department budget in the amount of \$11,691,296, seconded by Mr. Linehan, voted 12- 0 – 0

Roll-call vote:

Mr. DeLuca = yes
Mr. Evans = yes
Mr. Gillenwater = yes
Mr. Grome = yes
Mr. LaFleur = yes
Mr. Linehan = yes

Mr. Pierce = yes
Mr. Pope = yes
Mr. Resmini = yes
Mr. Rooney = yes
Mr. Scurlock = yes
Ms. Wollschlager = yes

Debate

Mr. Evans said that he appreciated Mr. Townsend's explanation of the calculation of the Retirement Board, but would appreciate and update from the Retirement Board, hopefully, prior to Town Meeting. Mr. Linehan said, given that the town has an obligation to make up for whatever the Natick Retirement Board doesn't make, we have no choice but to make this financial commitment.

Mr. Scurlock said he also believes it would be helpful for us to understand the investment portfolio, noting that we've requested this two years in a row.

Ms. Wollschlager suggested that we meet with the Natick Retirement Board, probably not for this session, because we're already jam-packed, but maybe sometime after Town Meeting and try to get some of these questions answered.

Mr. DeLuca agreed and said we seek more guidance on what the strategies and investments are, where they are, and the rate of return. The expected rate of return and projections are important and we don't have these answers and we need to understand how we can achieve the goal of being fully funded by 2030.

Non-contributory retirement.

Mr. Townsend said that this item covers the few surviving spouses of former Natick employees who collect the non-contributory retirement pension.

Mr. Evans moved to recommend Favorable Action on the Non-Contributory Retirement budget in the amount of \$20,500, seconded by Mr. Grome, voted 12- 0 – 0

Roll-call vote:

Mr. DeLuca = yes
Mr. Evans = yes
Mr. Gillenwater = yes
Mr. Grome = yes
Mr. LaFleur = yes
Mr. Linehan = yes

Mr. Pierce = yes
Mr. Pope = yes
Mr. Resmini = yes
Mr. Rooney = yes
Mr. Scurlock = yes
Ms. Wollschlager = yes

Mr. Evans moved to close the public hearing, seconded by Mr. LaFleur, voted 12 – 0 – 0

Roll-call vote:

Mr. DeLuca = yes
Mr. Evans = yes
Mr. Gillenwater = yes
Mr. Grome = yes
Mr. LaFleur = yes
Mr. Linehan = yes

Mr. Pierce = yes
Mr. Pope = yes
Mr. Resmini = yes
Mr. Rooney = yes
Mr. Scurlock = yes
Ms. Wollschlager = yes

Mr. Linehan moved to adjourn, seconded by Mr. Evans, voted 12 – 0 – 0

Roll-call vote:

Mr. DeLuca = yes
Mr. Evans = yes
Mr. Gillenwater = yes
Mr. Grome = yes
Mr. LaFleur = yes
Mr. Linehan = yes

Mr. Pierce = yes
Mr. Pope = yes
Mr. Resmini = yes
Mr. Rooney = yes
Mr. Scurlock = yes
Ms. Wollschlager = yes

MEETING ADJOURNED 10:20 PM