

March 15, 2022

Dear Members of the Finance Committee:

I am writing to update you on the status of Spring Annual Town Meeting Article 20 (the “Article”), which I am the primary sponsor of. The Article would provide a subsidy to the Natick Recreation & Parks Department (“NRPD”) to offset increases in fees for camps caused by an increase in the minimum wage passed by 2021 Fall Annual Town Meeting (“2021 FATM”). After learning more information from the Town Administrator following the filing of the Article and the closure of the Warrant, I, along with others supporting this effort, have decided that the best path forward at this time is to request “no action” on the subject matter of this Article.

Background

During 2021 FATM, Town Meeting passed an amendment to the article setting the town’s non-union employee pay plan that increased the minimum wage level to \$15.00 per hour, effective January 1, 2022. This represented a .75 cent per hour difference from the state minimum wage which was set to increase to \$14.25 per hour on that date (up from \$13.50). During the discussion leading up to this change, many people expressed concerns that this increase could have an outsized impact on the NRPD’s camps, many of which are financed through revolving funds (meaning that the fees are generally set in order to directly and entirely cover the cost of running the camps).

To avoid a sharp increase in camp fees as a result of the wage increase, myself and others sponsored Article 18 at 2021 FATM. That article would have provided a subsidy to the NRPD’s budget to offset the cost of the increase.¹ During the debate on Article 18 at 2021 FATM, the Town Administrator and others indicated that this issue could best be handled internally, rather than through Town Meeting to prevent a sharp increase to camp fees. Concerns were also raised about the source of the funding.² A motion was made to refer the subject matter of Article 18 to the Select Board and the Town Administrator, which passed. From the debate on the motion, it was clear that many members of Town Meeting who voted for referral supported the goals of Article 18 but felt that the issue was best handled by the administration rather than through the subsidy article.

Article 20

When the Town Administrator’s proposed FY23 budget was first released, myself and many others were dismayed to read the following passage in the introduction to the NRPD’s budget:

The minimum wage in the department has been raised to \$15 per hour. This increase will be funded through Summer Camp and

¹ Because the NRPD indicated that in the event the minimum level went up, they would raise all part-time salaries by the same percentage, the subsidy would have provided sufficient funding to do that rather than just fund the increase in the minimum level.

² The affirmative motion on Article 18 would have used funding from the operational stabilization fund since the general fund had been completely allocated and free cash was not yet available.

Beach program expense lines and thus will be passed to consumers unless it is offset by the town. The minimum wage increase is anticipated to raise summer camp weekly fees to \$30-\$50 per week, the special needs camp is approx. \$100 a week.

This passage seemed to suggest a sharp 1:1 increase in camp fees caused directly by the increase in the minimum wage—exactly what 2021 FATM was seeking to avoid during the debate on the motion to refer Article 18.

I reached out to the Town Administrator to seek clarification on this issue. Before I was able to hear back,³ myself and other residents who supported the original effort to increase the minimum wage gathered signatures and filed Article 20 for Spring Annual Town Meeting to ensure that this issue could be addressed by Town Meeting if necessary.

However, after the Article was filed, I did receive a thorough response from the Town Administrator. He clarified that the line in the budget book quoted above “does not accurately reflect all of the details of how fees for summer camps are set.” He noted that “[f]ees for summer camps are reviewed annually based on many factors, including compensation, but also costs of supplies, industry trends, market demand, and what types of programs are desired within the community.” Importantly, he also said that “the FY23 budget includes an increase in the parks and rec department of an additional \$10k+, which was identified by the Department as the needed additional funding to support the department in the coming year” and that “[i]t is entirely possible to reprogram these funds to cover any additional costs to summer camps, if deemed necessary.” Finally, he noted that the administration has the flexibility to “shif[t] department resources or adjust[t] approaches to programs, to limit the impact of the minimum wage increase on the cost of summer programs.”

Given all these circumstances—and the fact that summer camp fees have already been set and in some cases deposits made—myself and the other people supporting the Article have decided the best path forward is not to pursue the Article but to leave the issue in the hands of the administration, which we are heartened to see is paying close attention to this issue.

Request for “No Action”

Accordingly, I would like to request from the Finance Committee a recommendation of “No Action” on the subject matter of this Article. I am also amenable to this Article being included in the consent agenda with that recommendation if the Moderator thinks it appropriate to do so.

Please feel free to reach out to me if you have any questions.

Thank you very much,

Cody Jacobs
16 Tamarack Road

³ I should be clear that this timing was not at all the Town Administrator’s fault—I sent my e-mail to him seeking clarification just a week before the Warrant was scheduled to close.