

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 16, 2023

The minutes were approved through the following action:

Motion:

Made by:

Seconded by:

Vote: 0 – 0 – 0

Date: X, 2023

Respectfully submitted,

Linda Wollschlager
Chair
Natick Finance Committee

Finance Committee

Town of Natick

Minutes for the meeting of March 16, 2023

Meeting Location: Natick Town Hall, School Committee Meeting Room

And virtual by Zoom: <https://us02web.zoom.us/j88324467728>

Meeting: ID88324467728

Passcode: 906139

One tap mobile: +19292056099

Meeting may be televised live and recorded by Natick Pegasus. Any times listed for specific agenda items are approximate and not binding. Please note the committee may take the items on this agenda out of order.

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
5. Town Administrator's FY2024 Budget - Public Hearing
 - a. Community Services Administration budget
 - b. Council on Aging budget
 - c. Veterans Services budget
 - d. Community Organic Farm budget
 - e. Sassamon Trace Enterprise Fund
 - f. Sassamon Trace Indirects
 - g. Recreation and Parks budget
6. 2023 Spring Annual Town Meeting Warrant Articles - Public Hearing
 - a. [Article 16: Adjust Asset Limit for Personal Exemption Clause 17D by Annual COLA](#)
 - b. [Article 17: Adjust Income and Asset Limits for Personal Exemption Clause 41C by Annual COLA](#)
 - c. [Article 18: Increase Personal Exemptions](#)
7. Committee and Sub-Committee Scheduling
 - a. Update on upcoming Committee and Subcommittee meetings
8. Committee Discussion (for items not on the agenda)
9. Adjourn

Roll Call

The meeting was recalled to order at 7:06 pm due to technical difficulties.

Members present; Note R-denotes members attending remotely

Hossam Behery - R

Larry Forshner

Todd Gillenwater

Cody Jacobs

Toby Metcalf – R (left at 7:30 pm)

Richard Pope (at 7:10 pm)

Phil Rooney

Patti Sciarra

Linda Wollschlager

Betty Yobaccio

Daniel Zitnick - R

Announcements - None

Public Comments - None

2023 Spring Annual Town Meeting Warrant Articles

Motion made by Mr. Gillenwater, seconded by Ms. Sciarra, to open the public hearings for the FY24 Town Administrator's Budget and the 2023 Spring Town Meeting Warrant Articles.

Motion was approved unanimously 10-0-0, excluding Mr. Zitnick

Article 16: Adjust Asset Limit for Personal Exemption Clause 17D by Annual COLA

Eric Henderson, Assessor, presented Articles 16, 17 and 18.

Mr. Henderson explained that this Article is brought before Spring Annual Town Meeting every year to increase the amount of the asset (whole estate) limit for exemptions for qualified taxpayers including senior citizens over 70, surviving spouses, and surviving minor children. Currently, these individuals must have a whole estate less than \$40,000 to qualify. Historically, this annual increase includes a percentage of the state base amount and an additional 2.5% to keep up with inflation and increased taxes. Unfortunately, that increase would not be sufficient to reflect the current tax reality. The FY23 exemption is currently \$293.13 for those who qualify.

This proposed Article will adjust the asset limit for the exemption by creating an annual COLA. In Mr. Henderson's assessment, this step should have been taken a long time ago. The current \$40,000 limit is a low limit and has not changed for a long time. Last year, the annual COLA was

7%. Had this Article been in place last year, the current exemption limit would be \$42,800. We will find out what the COLA for FY24 will be shortly. What is important about this change is that, if approved, this Article would allow the limit to grow cumulatively each year.

Mr. Henderson acknowledged that he did not have an estimate of how many more applicants would qualify for the exemption based on this adjustment. He did stress that the value of this adjustment is well worth the cost. Not many communities are doing this, but this is a proactive step to assist people with what can be done under the law.

Mr. Rooney asked for the number of people who receive 100% exemptions on their entire tax bill. Mr. Henderson responded that he did not know the exact number, but that there were a few people who did receive this including police and firefighters lost in the line of duty and some disabled veterans.

Mr. Gillenwater asked if there was something that could be done by the town to avoid these annual changes and calculations. The member suggested a tax freeze for qualified residents. Mr. Henderson explained that this is not possible under the current law.

Mr. Zitnick asked if there was an estimate of how many more people would be impacted by these changes. Mr. Henderson estimated that it would be low - maybe ten people. He said that the goal would be up to 15 people each year.

Ms. Sciarra asked if the Assessor's overlay account is not spent each year, does it drop to free cash? Mr. Henderson explained that after paying for exemptions, abatements, receivables, court cases and liabilities, there is an annual release. Typically, \$260,000 - \$290,000 is used to pay for exemptions. Mr. Henderson assured the committee that the overlay could cover the proposed changes to exemption limits.

Mr. Jacobs asked if the exemptions were all or nothing. If an otherwise qualifying individual makes \$1 more, they do not get the exemption, but, if they make \$1 less than the limit, they get the whole exemption. Mr. Henderson confirmed that this was correct.

Mr. Gillenwater moved to recommend favorable action on the subject matter of Article 16, seconded by Mr. Forshner.

Motion was approved unanimously 11-0-0.

Article 17: Adjust Income and Asset Limits for Personal Exemption Clause 41C by Annual COLA

Mr. Henderson explained that this annual article increases the amount of the asset (whole estate) limit for exemptions for qualified taxpayers - including senior citizens over 65. If the taxpayer's income is social security, there is an additional deduction that is taken off the exemption, but these are still low numbers. The FY23 exemption granted is currently \$1,650.00 for those who qualify.

As with Article 16, Article 17 will adjust the income and asset limit for the exemption by creating an annual COLA which would grow cumulatively each year. Mr. Henderson stressed that this change would get more low-income seniors qualified for these exemptions.

Mr. Gillenwater moved to recommend favorable action on the subject matter of Article 17, seconded by Ms. Sciarra.

Motion was approved unanimously 10-0-0. (Note: Mr. Metcalf left the meeting)

Article 18: Increase Personal Exemptions

Mr. Henderson explained that this annual article has been supported by Town Meeting for the past 20+ years. Currently, the increase over the state base amounts for real estate tax exemption credits is 65%. The funding source for these exemption credits is the Assessor's overlay account, which is budgeted for annually.

This proposed Article will adjust the increase in tax exemption credits to the “max” increase (i.e. 100% over the state base amounts). In effect, this would make our tax exemption credits double the state base amounts. The following chart illustrates the difference in awards from the current amount and the estimated cost:

The additional annual cost to the overlay account is approximately \$40,400. The annual overlay varies in the \$1.1 to \$1.3 million range. The Board of Assessors supports this Article, which can be easily covered by the overlay account.

Mr. Gillenwater moved to recommend favorable action on the subject matter of Article 18, seconded by Ms. Sciarra.

Motion was approved unanimously 10-0-0.

Town Administrator's FY2024 Budget

Recreation & Parks Budget

Mr. Rooney noted the following:

- The community has over 20 playgrounds needing regular supervision and updates.
- Activities have largely returned to pre-COVID levels, with summer camps nearing the same level. The beach's activities are approaching pre-pandemic levels, but lifeguard recruitment remains a challenge. Efforts are made to accommodate those who can't afford fees for programs.
- The transportation coordinator role shifted from the Rec Center to the Council on Aging, addressing transportation issues for seniors. The aging state of the Cole Center building

was noted, leading to discussions about relocating programs and potential improvements in other facilities.

- A human services study, including the Rec Center, will address unmet needs and improvements. Future challenges and demands are being addressed through a detailed process involving town leadership and the Community Services Director, including capital plans, park improvements, and playground replacement plans through 2045.

Susan Ramsey, Community Services Director, added that today was the RFP deadline for the study. It will be a comprehensive look at services from cradle to grave. We want to take a good assessment of existing resources within the community and hear from residents about where we can fill in gaps and where we should be providing greater emphasis. Ms. Ramsey described some of the existing programs at the Community Senior Center.

Jon Marshall, Deputy Town Administrator Operations, stated that going forward we are hoping to give residents one-stop shopping to book recreation facilities and parks.

Travis Farley, the new Deputy Director of Recreation & Parks Director, said that the department is trying to connect with the community, and he is excited about potential programming.

Mr. Pope, Mr. Behery and Mr. Jacobs asked about the Cole Center. Mr. Marshall stated that we hope to have a plan within the next 18 to 20 months. We need a permanent solution; we're not going to be able to keep putting band aids and duct tapes on this building. If we had to relocate programs, there is not enough space, and we would have to cut programs. If we need a new building, it would potentially require a debt exclusion override.

Mr. Gillenwater moved to recommend favorable action on the FY24 Recreation & Parks budget with salaries of \$524,866 and expenses of \$88,825 for a total of \$613,691, seconded by Ms. Sciarra.

Motion was approved unanimously 10-0-0.

Community Services Administration Budget/Council on Aging Budget

Mr. Rooney emphasized the significance of grants, donations, and fees, noting that understanding their role is essential. Staffing remains a challenge, with resignations and promotions in the past year. The use of a hybrid model developed during COVID by the Council on Aging is effective, allowing flexibility in reaching more seniors.

Transportation and grants are crucial for the Council on Aging, with expired grants replaced by new ones in 2023. The strategic plan was mentioned, with a focus on volunteering, temporarily paused due to unfilled staff positions. Adult education programs are self-sustaining with fees and part-time building monitors. The budget for 2024 includes a Citizens Leadership Academy.

Susan Ramsey highlighted a significant budget decrease of 22% in the postage line item of the Council on Aging. Instead of a 10-month paper newsletter mailed to residents over 60 years old,

the Council on Aging started a bi-monthly e-newsletter during the pandemic. This change has allowed for more prompt and reliable distribution of information to a larger audience.

Ms. Ramsey noted a shift in the budget towards the wellness line item. This shift is intended to support Lorraine McNally, the new Deputy Director of Community Services, in securing well-compensated instructors for exercise programs and expanding the range of offered programs.

Mr. Gillenwater asked if staffing issues would be resolved by higher pay. Ms. Ramsey said it would make a difference but may not make the problem 100% go away.

Mr. Pope asked about grants. Ms. Ramsey stated that we are continuously seeking grants and whenever there's an opportunity, we're chasing them. But there's never a guarantee for a lot of organizations including our local banking institutions, because their philosophy or areas of interest can change.

Mr. Gillenwater moved to recommend favorable action on the FY24 Community Services Administration budget with salaries of \$256,095 and expenses of \$71,734 for a total of \$327,829, seconded by Ms. Sciarra.

Motion was approved unanimously 10-0-0.

Mr. Gillenwater moved to recommend favorable action on the FY24 Council on Aging budget with salaries of \$520,042 and expenses of \$85,210 for a total of \$605,252, seconded by Ms. Sciarra.

Motion was approved 9-0-0, excluding Mr. Pope.

Veterans Services Budget

Mr. Rooney stated that the Veteran Services department faces challenges in staff transition and has shifted some services to a "Smart Recovery" program for veterans dealing with addiction issues. The Smart Recovery program, which focuses on motivation, coping strategies, and balanced living, is expanding to a second group due to its success. The department is also dealing with the increasing number of eligible veterans and spouses due to the passage of the PACT Act which expands VA healthcare and benefits. Paul Carew, Director of Veterans Services, was selected to participate in a pilot program that allows access VA computer systems to expedite veterans' claims and obtain relevant information.

Mr. Gillenwater moved to recommend favorable action on the FY24 Veterans Services budget with salaries of \$143,577 and expenses of \$312,729 for a total of \$456,306, seconded by Ms. Sciarra.

Motion was approved unanimously 10-0-0.

Community Organic Farm Budget

Mr. Rooney stated that the Farm receives support from the town, covering salaries, management, employees, and occasional services from facilities and DPW. Post-COVID, they continue to see increased weekend visitors but not on weekdays as other opportunities open up. Their after-school childcare program enrollment plateaued as more activities became available. They completed a garden bed project at Coolidge Gardens. The farm utilizes goats for land clearing in difficult areas and has teen programs for apprenticeship and work crews. They're reconstructing the barn with added safety features and a modern greenhouse while preserving the original design. The non-profit arm of the farm oversees the barn reconstruction project.

Ms. Ramsey added that the farm team has been proactive in collaborating with various departments. They've supported initiatives like the pop-up market and introduced a senior-sized CSA share delivered to seniors. Their diverse activities, including goat-scraping, have been well-received, especially during the pandemic.

Mr. Pope asked about outdoor dining at the farm. Ms. Ramsey said it's a working farm, not set up or staffed to be able to offer dining to the general public.

Ms. Wollschlager asked about the status of a new non-profit agreement. Mr. Marshall replied that he hasn't been involved with the agreement.

Mr. Gillenwater moved to recommend favorable action on the FY24 Community Organic Farm budget with salaries of \$208,645, seconded by Ms. Sciarra.

Motion was approved unanimously 10-0-0.

Sassamon Trace Budget and Indirects

Mr. Rooney stated that the golf course has been a successful venture for the town. The cost for a round of golf in 2023 is projected to be around \$17.78 and \$18.63 for 2024. There has been no increase in staffing, but they are optimizing staff allocation for efficiency.

The course is operating at near capacity, turning people away due to high demand. As a result, advertising and promotion spending is being reduced. Repairs to the gate entrance are included in the budget.

They use a labor cost as a percentage of revenue metric, which shows that they are efficiently managing labor costs compared to industry standards. Electricity costs for irrigation are up due to increased usage and general cost increases.

The golf cart fleet is a concern as they're waiting for a new order to arrive, but there might be a delay due to pandemic-related issues.

The golf course debt was paid off in 2023, and the town subsidy remains consistent.

Kurt McDowell, Golf Course Director, mentioned a change in staffing by adding an assistant superintendent while discontinuing the mechanic position. The decision to outsource bigger

maintenance tasks and handle smaller jobs in-house with the golf staff is due to challenges in filling and retaining the mechanic position.

Mr. Pope asked about profitability. Mr. McDowell said that revenue and expenses are conservatively estimated and that the golf course is profitable.

Mr. Gillenwater and Mr. Jacobs asked about the reserve fund. Mr. Townsend stated that much like free cash, it doesn't need to be appropriated by town meeting. It is for emergency expenditures and can be expended at the discretion of the director. If not used, it falls to retained earnings.

Mr. Gillenwater moved to recommend favorable action on the FY24 Sassamon Trace Enterprise Fund budget with salaries of \$408,599, expenses of \$419,756, other financing (indirects) of \$77,756 and lease payment of \$86,760 for a total of \$992,871, seconded by Ms. Sciarra.

Motion was approved unanimously 10-0-0.

Mr. Gillenwater moved to recommend favorable action on the FY24 Sassamon Trace Indirects of \$77,756, seconded by Ms. Sciarra.

Motion was approved unanimously 10-0-0.

Motion made by Mr. Gillenwater, seconded by Ms. Sciarra to close the public hearing passed by unanimously by a vote of 10-0-0.

Committee Discussion

The committee discussed upcoming subcommittee and committee meetings.

Adjourn

Motion to adjourn made by Mr. Gillenwater, seconded by Ms. Sciarra approved unanimously 10-0-0.

Meeting adjourned at 9:38 PM.