

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 30, 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 30, 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. Keefe Tech budget
 - b. Morse Institute Library budget
 - c. Bacon Free Library budget
 - d. Police Department budget
 - e. Emergency Management budget
 - f. Parking Enforcement budget
 - g. Natick Public Schools budget
6. 2023 Spring Annual Town Meeting Warrant Articles - Public Hearing
 - a. [Article 13: Capital Stabilization Account - Keefe Tech](#)
7. New Business
8. Committee and Sub-Committee Scheduling
 - a. Update on upcoming Committee and Subcommittee meetings
9. Committee Discussion (for items not on the agenda)
10. Adjourn

Roll Call

The meeting was called to order at 7:07 pm.

Members present; Note R-denotes members attending remotely

Hossam Behery - R

Dirk Coburn

Larry Forshner

Todd Gillenwater

Cody Jacobs – R

Grace Keeney – R

Toby Metcalf

Richard Pope

Patti Sciarra

Linda Wollschlager

Betty Yobaccio – R

Daniel Zitnick – R

Announcements - None

Public Comments - None

Town Administrator's FY2024 Budget and 2023 Spring Annual Town Meeting Warrant Articles

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

Motion was approved unanimously 12-0-0.

Keefe Tech Budget

Jon Evans, Keefe Tech Superintendent, and Dolly Sharek, Director of Finance and Business Operations, presented the Keefe Tech budget.

Keefe Tech established the Bright program for students who are experiencing mental health issues. They added a certified nursing assistant to the health office as the nurse's office is the first place students go when they need support. The guidance director implemented a successful peer mentoring program.

50% of the class of 2022 went on to college. The school offers six AP courses. In terms of enrollment, Keefe Tech is at capacity with 837 students from the five member communities, which is a decrease of 9 students compared to the previous year. In Natick, there's currently 46

students, a decrease of 5 students from the previous year. There are over 30 accepted students from Natick for next year's freshman class.

The FY 24 operating budget of \$24,159,019 reflects an increase of 3.81% over last year's amount, however, with a \$1,254,298 increase in state aid, there is a reduction in the assessment overall. For Natick, the assessment request is \$1,063,493, a decrease of \$77,596 or 6.8% from FY23.

Ms. Sciarra asked about the overall cost per student. Mr. Evans answered for FY24, it's \$23,119.

Mr. Gillenwater moved to recommend favorable action on the FY24 Keefe Tech budget of \$1,063,493, seconded by Ms. Sciarra.

Motion was approved unanimously 12-0-0.

Article 13: Capital Stabilization Account - Keefe Tech

Mr. Evans noted that some recent building improvements have been funded by grants including a four-classroom modular unit that is under construction. The HVAC program was funded through a grant of nearly \$500,000. We have submitted a statement of interest to the Massachusetts School Building Authority (MSBA), but the first try was not accepted. We are going to be presenting another statement of interest at our next school committee meeting on Monday.

The Keefe Technical School facility is generally regarded as well-maintained and in good working order for a 50-year-old building. A new roof was installed in 2014 and in FY23 we completed funding for a long-term energy lease that provided an upgrade to fire detection systems, electrical fixtures, and HVAC systems. In 2021, an engineering study was conducted that showed a need for a major structural and building systems upgrade for the future.

Mr. Evans noted some of the advantages of a Capital Stabilization Account:

- Unused balances can roll forward at the end of a fiscal year
- Funds may be used for building needs through a 2/3rds vote of our school committee
- Unlike an Excess and Deficiency account, funds are available throughout the fiscal year

Over the next few years, we hope to raise \$500k in funding for emergency repairs if needed and allow for funding efforts towards new building planning. For this year, there is no additional money being requested to fund the account. We examined the impact the immediate capital plan would have and estimated it would raise the annual funding needs by about \$10k/year based on the current formulas.

Approval to establish the Capital Stabilization Account is required from the majority of our member communities through Annual Town Meetings and a vote of the Framingham City Council.

Mr. Gillenwater moved to recommend favorable action on the subject matter of Article 13, seconded by Ms. Sciarra.

Motion was approved unanimously 12-0-0.

Morse Institute Library budget

Mr. Gillenwater noted that there are 15 staff members with a master's in library science degree and 25 with other graduate or bachelor's degrees. There are 16 full-time staff members, which include a mix of full-time, part-time, and floating staff.

Miki Wolfe, Morse Institute Library Director, said the library recently celebrated 150 years of service and has evolved from a small institution to a vital resource. Currently, there are 54 staff members, and the library offers a vast collection of materials and programs.

In FY 22, circulation increased by 33%, and digital borrowing saw a 65% increase in FY 23. The library's strong relationship with the Bacon Free Library allows faster material delivery. Reciprocal borrowing is crucial to the library's success, and both lending and borrowing statistics show its effectiveness.

The library meets all minimum standards set by the SPLC, except for the independent meeting of materials expenditure requirements. The requirement is calculated at 13% of the town's appropriation, and this money must be spent on library materials. Funding from outside sources is used to reach the target amount. Although the funding gap is closing on materials line, we're not there yet.

Library programming is funded almost exclusively by outside groups including the Friends of the Morse Institute Library, who contribute over \$20,000 each year. The Natick community's appetite for programs keeps increasing. Some recent programs include the Art Craft swap, Family Fun Day with Mini Golf, and a Virtual Speaker series. Ms. Wolfe hopes to grow town funding for these programs year over year.

Mr. Jacobs asked about the outside sources funding materials. Ms. Wolfe said the sources are library state aid, the Friends, and a library non-profit, which total approximately \$85,000. Together with the Bacon Free Library, she hopes to make a steady increase in the budget gap.

Mr. Gillenwater moved to recommend favorable action on the FY24 Morse Institute Library budget of \$2,538,556, seconded by Mr. Coburn.

Motion was approved unanimously 12-0-0.

Bacon Free Library budget

Amy Sadkin, Bacon Free Library Director, provided an overview of the library's history and collaboration with the Natick Historical Society. The library has six part-time staff and one full-time director, with 44 open hours per week plus additional special events and programs.

The library collaborates closely with the Morse Institute Library on programming, marketing, and services. They share a bookmobile and daily delivery services. The Bacon Free Library boasts a circulation of over 37,000 physical items in FY 22, indicating a 5% growth from the previous year. Programming is diverse and includes hybrid virtual and in-person events, outdoor programs, and jam sessions geared toward young children.

With 304 programs serving over 4,000 patrons in FY 22, programming remains essential to the library's mission. They also run a seed lending library and plan to expand programming with a new budget initiative. Funding sources include the Friends of the Bacon Free Library, the Bacon Free Library Corporation, Mass Cultural Council grants, and sponsorships.

The proposed budget for the upcoming year is \$233,105, reflecting a 2.2% increase. Changes include the addition of a library programming line, a decrease in Minuteman Network membership fees, and increased utility costs due to heating and supplies.

Mr. Gillenwater moved to recommend favorable action on the FY24 Bacon Free Library budget of \$233,005, seconded by Mr. Pope.

Motion was approved unanimously 12-0-0.

Emergency Management budget

Chief Jim Hicks stated that, this year, a shift occurred in the budget due to an update of the radio system used for public safety and municipal operations. This upgrade involves police, fire, DPW, and school systems. In previous years, the police department had taken on maintenance costs for police and fire radio systems. This year's update and consolidation of radio systems led to a decision to keep the budget under emergency management to streamline costs and maintenance responsibilities. The increase in the "repairs and maintenance" line item is related to this consolidation of radio systems. This change ensures efficiency and clear allocation of costs.

Mr. Pope asked if repairs and maintenance will be stable or increase over the next few years. Chief Hicks said the system will have a one-year warranty. It depends on when the installation takes place, but next year that number is going to be a little bit higher, because we would have to fund a full year of maintenance.

Ms. Sciarra moved to recommend favorable action on the FY24 Emergency Management budget of \$45,820, seconded by Mr. Metcalf.

Motion was approved unanimously 12-0-0.

Parking Enforcement budget

Chief Hicks stated that there is a new vendor for parking collection services, resulting in slightly higher costs. The costs related to parking enforcement were previously distributed across different budget areas. All these costs are being consolidated within the parking enforcement

budget for the first time in FY 24. This will allow for better tracking and analysis of the true costs of operating parking enforcement. The parking enforcement budget also includes the lease for the St. Pat's lot.

Ms. Keeney asked about FTEs. Chief Hicks answered 2 full-time and one part-time employee.

Ms. Wollschlager asked if the parking meter revenue was inclusive of permits and fines. Mr. Townsend clarified that, in addition to parking meter revenue, there is also revenue from parking fines, commuter parking stickers and commuter parking passes. Mr. Gillenwater asked about handicap parking violations, which Mr. Townsend stated goes directly to the Commission on Disability.

Ms. Sciarra moved to recommend favorable action on the FY24 Parking Enforcement budget of \$202,405, seconded by Mr. Behery.

Motion was approved unanimously 12-0-0.

Police Department budget

Chief Hicks stated that the contracts for two police unions were settled after the budget was prepared, and their salaries are based on FY 21 numbers for the purposes of this budget. The reduction in numbers is due to senior members leaving and being replaced by newer members at the lower end of the contractual agreement.

In terms of expenses, all items are level funded, except for an increase related to the assessment center to conduct promotional exams and a promotional process. This increase occurs every other year as part of the contractual agreement with the collective bargaining agreements.

Mr. Zitnick asked about the mental health call volume. Chief Hicks mentioned that there is a full-time Health Clinician. The town has already approved the hiring of a second clinician using other available funds, but they are facing challenges in finding a suitable candidate. The need for a second clinician is supported by increasing call volume and the current numbers would justify this addition to the team.

Mr. Zitnick asked about public outreach. Chief Hicks mentioned the Citizens Academy will be starting up and he hopes to bring back some of the outreach work done previously with officers in different areas such as the Farmer's Market.

Chief Hicks said that the department has five open positions currently. The social worker grant is still in place and we will be eligible for FY24.

Ms. Sciarra moved to recommend favorable action on the FY24 Police Department budget of \$8,370,385, seconded by Mr. Behery.

Motion was approved unanimously 12-0-0.

Natick Public Schools budget

Mr. Gillenwater noted that some positions previously funded through grants are now part of the operating budget, totaling \$2.3 million this year. There are approximately 40 FTEs remaining in grant funded positions. Technology is funded in both the operational budget and in the capital budget, which hasn't been presented yet. To do a year over year comparison, you need both pieces. One of the major pieces in pupil services and curricula is a new math curriculum. The difference between the school department voted budget of \$85M and the requested town appropriation of \$83M will be funded using reserves or circuit breaker accounts.

Anna Nolin, Superintendent, and Peter Gray, Assistant Superintendent, presented the budget. Dr. Gray pointed out that the numbers differ slightly from the budget book due to increased enrollment at Norfolk Aggie. Highlights include:

- New positions include five library media specialists for elementary schools, additional special ed teachers at Kennedy, and a part-time Vice Principal to address behavior and mental health needs post-COVID.
- The dysregulated behavior post-COVID led to increased needs for student support.
- Five Instructional Technology coaches were reinstated to the budget after being previously cut.
- A Data Manager position was added to facilitate shared services like technology and human resources.
- A Family Engagement Registrar position was created to centralize registration and connect families to resources.
- Some positions, previously funded by grants, were moved to the general fund due to changes in funding.
- Reading specialists, interventionists, vice principals, counselors, tutors, speech and language needs teachers were added.
- Internal moves and repurposing of staff are being implemented to address needs without adding new Full-Time Equivalent (FTEs).
- Additional circuit breaker funding has been received for students with special needs.

Transportation

- The district is in the second year of a three-year transportation contract.
- Fuel costs have significantly increased, resulting in a fuel escalation charge added to the budget.
- An additional \$126,000 is expected for bus transportation and \$48,000 for JFK Transportation due to fuel escalation.

- Bus transportation fees were budgeted conservatively during COVID but ended up higher due to changes in restrictions. Additional collected bus fees, totaling \$250,000, are used to offset costs and no bus fee increases are planned for FY24.
- The district is updating its transportation software to provide real-time notifications to parents, online registration, bus passes, and enhanced route mapping.
- No federal or state reimbursement is received for McKinney Vento transportation.
- A contingency plan for additional van costs related to students attending Norfolk Aggie is in place, funded by transportation bus fees if needed.
- This year, the town is not providing money through a warrant article to assist with transportation costs, but the agreement will be reinstated next year. A suggestion is made to eliminate the separate bus subsidy and integrate it into the overall budget accounting.

Technology

- The program now exclusively uses Chromebooks, while staff still have Apple laptops.
- Maintenance and repair support for district-wide equipment, such as projectors and security cameras, is included.
- The cost of the Kennedy data center is incorporated into the building project, and budget covers ongoing maintenance and upgrades.
- The technology budget request for the current year is \$264,643 higher than the previous year. In FY23, \$300,000 was transferred to capital, while in FY20, \$102,000 was moved out to capital.

Pupil Services

- The Pupil Services budget includes services for medical, guidance, special education, and intervention services.
- Increased focus on professional development for dyslexia screening, reading interventions, and mental health needs.
- Home hospital tutoring services introduced for acute mental health needs.
- Additional costs for social-emotional learning screening tools anticipated in FY25.
- Special education tuitions faced an unexpected 14% increase, causing financial strain.

Teaching, Learning, and Innovation

- The Office of Teaching, Learning, and Innovation budget focuses on curriculum, assessment, interventions, and professional development.
- Professional development increased due to negotiated contracts, including partnerships with Harvard and MIT for free courses.

- Funding included for teacher evaluation software, intervention and digital subscriptions, curriculum adoption, and instructional materials.
- Curriculum adoption process for math and elementary social-emotional learning underway.

Mr. Gillenwater noted that understanding the financials is still an evolving target, given the ongoing project to align the town's accounting system to the school's system.

Mr. Coburn asked about the superintendent search cost. Dr. Gray noted that approximately \$1.6M in ARPA funds are available for one-time costs, that could be used.

Mr. Jacobs asked about why five librarians when we're in the process of going down to four schools. Dr. Nolin said that there's a need to curate the Johnson library stack and BenHem needs additional library sections.

Mr. Jacobs asked about the ASAP revolving account, which appears to be operating at a deficit. Dr. Gray answered that it's all in the timing of when revenues are posted.

Mr. Jacob asked about the limitations to expanding ASAP. Dr Nolin answered it's a combination of physical space constraints and staffing. We've offered signing bonuses, retention bonuses, and the School Committee recently voted to increase the pay.

Mr. Coffey asked about funding positions through grants. Dr. Nolin stated there's no requirement that these positions be funded by the district once the grants expire.

Ms. Sciarra asked about ARPA funds, which were allocated to NPS but not used. Dr. Nolin said the money wasn't needed now because we had so much savings due to unhired positions last year, and we could not hire substitutes.

Ms. Sciarra asked about the amount of cushion in the budget. Dr. Gray stated that he feels comfortable that this budget will cover contingencies going forward, but he doesn't have a definitive number. He noted that the budget has no prepayment, unlike previous years.

Ms. Wollschlager asked for an estimate of the number of positions that are related to COVID recovery and how long they will be needed. Dr. Nolin answered about 38. With more socialization and more regularity of students in the environment, those positions will be phased out.

In response to a question from Mr. Coburn, Mr. Gillenwater stated that the subcommittee voted 3-0-1 to recommend this budget to the full Finance Committee.

Mr. Gillenwater moved to recommend favorable action on the FY24 Natick Public Schools budget \$83,279,134, seconded by Mr. Pope.

Motion was approved unanimously 12-0-0.

Motion made by Mr. Gillenwater, seconded by Mr. Pope to close the public hearing passed by unanimously by a vote of 12-0-0.

New Business

The committee discussed whether to hear full reports under Article 2: Committee Article. It was decided that a full presentation was not necessary.

Committee Discussion

The committee discussed upcoming committee meetings. All subcommittee meetings have concluded with the exception of approving minutes.

Adjourn

Motion to adjourn made by Mr. Gillenwater, seconded by Mr. Metcalf approved unanimously 12-0-0.

Meeting adjourned at 10:36 PM.