

## **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: April 6, 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 April 6, 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. New Business
  - a. Town Meeting Venue update
6. Town Administrator's FY2024 Budget - Public Hearing
  - a. Select Board/Town Administration budget
  - b. Weights and Measures budget
  - c. Legal Services budget
  - d. Finance Department budget
  - e. Property & Liability Insurance budget
  - f. Contributory Retirement budget
  - g. Non-Contributory Retirement budget
  - h. Debt Service budget
  - i. Employee Fringe & Health Insurance budget
  - j. Finance Committee Reserves
7. 2023 Spring Annual Town Meeting Warrant Articles - Public Hearing
  - a. [Article 3: Elected Officials Salary](#)
  - b. [Article 5: Collective Bargaining](#)
  - c. [Article 6: Home Rule Petition: Natick Superior Officers – Exemption from Civil Service](#)
  - d. [Article 12: Stabilization Funds and OPEB](#)

- e. Article 30: Expansion of Assisted Living Overlay Option Plan (ALoop)
- f. [Article 31: Re-Zoning of 24 N Main St., 26 N Main St., 30 N Main St.](#)
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 7:03 PM.

Members present; Note R-denotes members attending remotely

Larry Forshner  
Todd Gillenwater  
Cody Jacobs  
Grace Keeney – R  
Toby Metcalf  
Richard Pope  
Phil Rooney – R (left at approx. 7:35pm)  
Patti Sciarra  
Linda Wollschlager  
Betty Yobaccio

**Announcements** - None

**Public Comments** – None

Motion made by Mr. Pope seconded by Mr. Gillenwater, 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.

### **Town Administrator's FY2024 Budget**

Mr. Rooney gave an overview of the General Government Subcommittee discussions on various FY24 budgets. He stated that John Townsend, Finance Director, provided the subcommittee with a budget overview, highlighting several initiatives and \$3M in ARPA fund allocated in FY24 for revenue replacement. The FEMA and CARES Act funds from 2020 and 2021 have been spent. Mr. Rooney noted the following:

- In the administrative areas, the biggest challenges are staffing and Munis implementation.
- Tech and professional costs in the Select Board budget is up dramatically due to a full

year of salary for the Communications Director vs a half year in FY23. Natick Center Revitalization spending is up due to increased activity.

- The Finance Department has two new initiatives. The first is to hire consultants to help with property valuations and Munis upgrades and the second is to provide enhanced staff training. All Finance Department budgets have a significant increase in training expenses due to the new initiative.
- There are no collective bargaining agreements open as of today resulting in a small decrease in Legal Services expenses.
- Merit increases appear to have increased by 580% but this is a result of the budget allocation process, where funds are distributed to departments.
- The Medicare budget increase of 11% is due to salary increases from CBA contracts and new positions.
- Workers' compensation costs are decreasing by about 25% due to provided costs and personnel numbers.
- Long-term disability costs are increasing by 22% based on past experience.
- Healthcare costs project a 6% increase for active plans and 3% for retiree plans based on historical rates, with updates expected when 2024 rates are available.

Mr. Rooney stated that the subcommittee voted to approve all the administration budgets. Mr. Townsend noted that the Select Board budget will be \$4,100 less than the budget book because it also included the Town Report, which is a separate item.

#### **Select Board/Town Administration budget**

Mr. Gillenwater moved to recommend favorable action on the FY24 Select Board budget of \$1,256,845 for salaries and \$473,350 for expenses for a total of \$1,730,195, seconded by Ms. Sciarra.

Motion was approved unanimously 10-0-0.

#### **Weights and Measures budget**

Ms. Sciarra moved to recommend favorable action on the FY24 Weights and Measures budget of \$33,908 for salaries and \$990 for expenses for a total of \$33,898, seconded by Mr. Gillenwater.

Motion was approved unanimously 9-0-0. Mr. Rooney left the meeting at approximately 7:35pm.

#### **Legal Services budget**

Mr. Gillenwater moved to recommend favorable action on the FY24 Legal Services budget of \$675,000, seconded by Ms. Sciarra.

Motion was approved unanimously 9-0-0.

#### **Finance Department budget**

Mr. Townsend noted that the recently hired payroll manager has a higher salary than anticipated and \$7,800 needs to be added to the Comptroller's Salaries Operational Staff line.

Mr. Gillenwater moved to recommend favorable action on the FY24 Finance Department budget of \$1,471,106 for salaries and \$416,740 for expenses for a total of \$1,887,846, seconded by Ms. Sciarra.

Motion was approved unanimously 9-0-0.

### **Property & Liability Insurance budget**

Mr. Gillenwater moved to recommend favorable action on the FY24 Property & Liability insurance budget of \$1,103,212, seconded by Ms. Sciarra.

Motion was approved unanimously 9-0-0.

### **Employee Fringe & Health Insurance budget**

Mr. Pope asked group health life insurance, where growth seems like it's less than inflation, with decrease for retirees. Mr. Townsend replied that we had budgeted for a 6% increase but when the estimates came in, it was at 10%. We initially used the December census count but refined that in January which was a much more accurate count of the number of plans. If you retire before you're 65 and eligible for Medicare, then you are on the active plan. When you look at the active plans, that does include some retirees and, overall, we have seen an increase in our retiree count. So that has gone up as a total percentage of the entire group. But yes, that rate has stayed down.

Mr. Jacobs asked about LIUNA pension. Mr. Townsend stated that this plan went into default about 10 years ago and was taken over by the Federal Pension Management Fund. Our contribution went from about \$.72 per hour per employee to about \$1.64 per hour per employee. As part of our collective bargaining, we negotiated with the unions to lower the contribution back to \$.72. So that's the reason for the decrease.

Mr. Pope moved to recommend favorable action on the FY24 Employee Fringe budget of \$19,158,314, seconded by Ms. Yobaccio.

Motion was approved unanimously 9-0-0.

### **Contributory Retirement budget**

Ms. Sciarra moved to recommend favorable action on the FY24 Contributory Retirement budget of \$13,107,143, seconded by Mr. Gillenwater.

Motion was approved unanimously 9-0-0.

### **Non-Contributory Retirement budget**

Ms. Keeney asked how many employees/beneficiaries are part of this budget and the answer was one.

Mr. Gillenwater moved to recommend favorable action on the FY24 Non-Contributory Retirement budget of \$20,500, seconded by Ms. Sciarra.

Motion was approved unanimously 9-0-0.

#### **Debt Service budget**

Mr. Gillenwater moved to recommend favorable action on the FY24 Debt Service budget of \$16,103,110, seconded by Ms. Sciarra.

Motion was approved unanimously 9-0-0.

#### **Finance Committee Reserves**

Mr. Gillenwater moved to recommend favorable action on the FY24 Finance Committee Reserves budget of \$250,000, seconded by Ms. Sciarra.

Motion was approved unanimously 9-0-0.

### **2023 Spring Annual Town Meeting Warrant Articles**

#### **Article 30: Expansion of Assisted Living Overlay Option Plan (ALoop)**

Attorney George Richards, speaking on behalf of the sponsors, said that the sponsors are requesting that Article 30 be referred back to the sponsor. He noted that after several meetings with neighbors and town officials, we've gone back to the drawing board and are going to reassess the project going forward.

Mr. Gillenwater moved to recommend referral to sponsor on the subject matter of Article 30, seconded by Mr. Jacobs.

Motion was approved unanimously 9-0-0.

#### **Article 31: Re-Zoning of 24 N Main St., 26 N Main St., 30 N Main St.**

Jamie Errickson, Town Administrator, stated that submitting a warrant article is a separate process from filing a zoning amendment with the Select Board. Once a zoning amendment is filed, the Select Board refers the matter to the Planning Board. The Planning Board then schedules a public hearing and subsequently provides a report and recommendation to Town Meeting.

In this case, what was submitted was the article, not the zoning so no Planning Board hearing has been scheduled. A Planning Board hearing is a prerequisite to any Town Meeting action. Town Counsel stated: "In my opinion, the FinCom should move no action on this article; and Town Meeting cannot take any action on this article without the prerequisite of the Planning Board hearing."

Mr. Jacobs asked if the sponsor had been contacted by town personnel. Mr. Errickson said the Community & Economic Development Director had scheduled a meeting with the sponsor and also had email correspondence.

Mr. Gillenwater moved to recommend No Action on the subject matter of Article 31, seconded by Ms. Sciarra.

Motion was approved unanimously 9-0-0.

### **Article 3: Elected Officials Salary**

Mr. Errickson explained that in Fall 2022, Town Meeting voted in favor of an article to move the Town Clerk position from elected to appointed. Natick voters voted in favor of making the Town Clerk position an appointed position just a few weeks ago. He explained this to clarify that this may be the last time this article needs to come before this body.

Mr. Errickson confirmed that the current Town Clerk is an elected official until she chooses to move on, and then at that point, it would go to an appointed position through the Personnel Board.

This article is to increase the elected official salary to \$123,000. This increase is on par with comparable positions in neighboring towns with experienced department heads and leaders. He stated the proposal has been discussed with Diane Packer, Town Clerk. The current salary is \$115,000.

Ms. Packer reiterated that this is comparable to other positions within the town and that this salary has historically lagged behind other positions in Town Hall. She added that the Clerk's job has changed dramatically over the last few years due to the numerous changes to voting laws.

Mr. Jacobs asked about how the person in the current position can stay on as an elected official. Mr. Errickson clarified that the Town Clerk was historically an elected official in Natick and as such, does not collect the same benefits that are outlined in the personnel section of the bylaw, including, for example, sick time or vacation time. Ms. Packer retains her current status as an elected official until she chooses to vacate that position. She does not start collecting benefits like a Personnel Board employee would. Ms. Packer added that her understanding through Town Counsel is this is how it will remain despite the vote that changed the position. It stays this way until at which time she chooses to leave.

Mr. Jacobs asked whether the Town Clerk currently reports to Town Administration. Mr. Errickson said Ms. Packer is included in department head meetings and we work extremely closely on all formal matters, but no, there is no formal legal hierarchy in the elected position role.

Mr. Gillenwater asked about what happens at the end of the current elected term. Ms. Packer replied that if the incumbent were to choose to stay beyond 2025, when the term is up, then that

person could apply to become or could automatically become the appointed Clerk. It would flip over once the term is over.

Mr. Forshner asked when this salary would be effective. Mr. Errickson clarified that this salary is on a fiscal year basis, so when this gets voted, it will be a July 1st start for the current person in the position. Once the role flips to appointed and to the Personnel Board, then it would flip to the Personnel Board pay plan. And from there, there is more discretion by Town Administration on compensation. Ms. Packer added that she does get health care benefits but does not accrue sick time, vacation time or personal time like other members currently on the personnel pay plan.

Mr. Pope asked when this position moves to the Personnel Board, where would the role fit in the Personnel Board schedule? Would the position be grade four or grade five? Ms. Packer said at this point they have not gotten that far in the planning as the vote to the town only passed last week.

Mr. Pope mentioned that the Assistant Clerk is currently grade three, so a grade four and grade five would fit this salary. Mr. Errickson shared that we would need to review any new job description with the Personnel Board.

Ms. Sciarra stated that this was a 6.9% pay increase and asked what percentage other employees were getting this year for pay increases? Mr. Errickson clarified that the town revamped a merit review process about two years ago. He said that each year, they provide a compensation adjustment that is applied to everyone that is usually in the 1 - 2% range. And then they supplement that with a merit review process that averages around 2 - 2.5%. Depending on budgets, some people get less and some get more. As noted by Ms. Packer, this position has been historically underfunded and there has not been a merit review process for this position. So we're looking to get this on par with comparable positions of comparable responsibility for comparable years of service heading into the new fiscal year.

A follow up question was asked that last year they thought Town had agreed to move up the Town Clerk position leading to a \$10,000 pay increase. Mr. Errickson clarified that this has been a multi-year process and we did do part of the increase last year. Mr. Errickson shared this was the final leg of the increase.

Ms. Wollschlager asked that, now that the election has concluded, will the Town Clerk position be added to the personnel pay plan for Fall Town Meeting? Mr. Errickson said yes, their intent is to have the position ready well in advance of Fall Town Meeting.

Ms. Yobaccio moved to recommend favorable action on the subject matter of Article 3, seconded by Mr. Jacobs.

Motion was approved 8-0-1, with Ms. Sciarra abstaining.

#### **Article 5: Collective Bargaining**

#### **Article 6: Home Rule Petition: Natick Superior Officers – Exemption from Civil Service**



Articles 5 and 6 were discussed concurrently.

Mr. Errickson reported that they have bargained and settled all 10 expired contracts from a year and a half ago and have no contracts expiring in the upcoming fiscal year. Articles 5 and 6 relate to two of the three police unions: Dispatchers and Superior Officers, the lieutenants and sergeants. The other union, Patrol Officers, was funded at fall town meeting.

For Dispatch, the new contract is for a period of three years, starting from July 2021 and ending in June 2024. The contract includes 2% COLA (cost of living adjustment) increases each year, as well as the removal and addition of a step in the second year of the contract. The aim of these changes is to make the compensation levels for employees in a small unit more comparable with other dispatch centers in the area. Turnover has been high and we still have some open positions.

The new contract includes the addition of the Juneteenth holiday, which has been a part of collective bargaining agreements with all other units.

There are also some language changes related to dispatchers' overtime, in-service training, and Phase One calls. The change in overtime rules allows dispatchers to have the right of first refusal before others can claim overtime. The number of hours for in-service training has been reduced slightly due to the high demand on employees' time. The goal is to incentivize dispatchers to complete the training they can.

Phase One calls require more work because the location of the caller is unknown. They are typically cell phone with 3g and below or some 4g and below, and they are more complex to handle than newer technology calls. Dispatchers will need additional training to handle these calls effectively.

For Superior Officers, the negotiations included civil service. In the fall, Town Meeting voted to support a home rule petition regarding civil service for the Patrol Officers. In order for us to move the entire department out of civil service, we need both the Patrol and Superior Officers. This agreement is a one-year and a three-year contract that will allow us to absorb the costs over four years. The one-year is for fiscal year 22: it's a 2% COLA, plus Juneteenth. The three-year contract is for fiscal years, 23, 24 and 25. It includes a 2%, a 1% and a 2% COLA, respectively.

The contract also includes wrapping training incentives into the base salary to achieve parity with the Patrol contract, negotiating a full Quinn Bill benefit for one member, and allowing traffic constables from outside the organization to handle requests for job site details. This would help with operations and generate revenue from private contractors. The total amount to cover these contracts in FY24 is \$213,335.

Mr. Jacobs asked when the collective bargaining documents would be publicly available. Mr. Errickson replied that we haven't updated the actual collective bargaining full agreements. Historically, we negotiate MOUs (memorandum of understanding) that include what is being amended within the existing contract. And then after Town Meeting, we update the contract to reflect those changes. They will be uploaded to the town's website.

Mr. Pope asked about the number of superior officers. Mr. Errickson replied 15 total, but there are some openings right now.

Mr. Pope asked about traffic constables' salaries relative to superior officers. Mr. Errickson replied that traffic constables are paid an hourly rate and are usually people who are not currently working for the town, meaning they're pulled from other communities, or they are former officers.

Mr. Pope asked if there would be cost or allow quicker and road construction utilities repair from a wider labor force. Mr. Errickson said there wouldn't be cost savings, as there's no cost to the town. We get requests for traffic details that sometimes we can't fill. So it does cause unnecessarily delay on private projects as well as some town projects.

Mr. Pope moved to recommend favorable action on the subject matter of Article 5, seconded by Mr. Metcalf.

Motion was approved unanimously 9-0-0.

Mr. Errickson stated that the motion for Article 6 was received from legal counsel last fall and is similar to 2022 FATM Article 12, which was a home rule petition removing Patrol Officers from Civil Service.

Mr. Jacobs moved to recommend favorable action on the subject matter of Article 6, seconded by Mr. Pope.

Motion was approved unanimously 9-0-0.

## **Article 12: Stabilization Funds and OPEB**

Mr. John Townsend presented the overview of the OPEB and Stabilization Funds and reviewed the various funding sources.

Mr. Pope asked about earning interest on various town funds and deposits. Mr. Townsend explained that the Stabilization Funds were one of the only fund balances that can be invested to earn interest income.

Mr. Gillenwater inquired about various FY24 alternative funding sources which would allow for greater balances in interest earning Stabilization Funds. Specifically, whether Town Administration could review the various recovery funds and programs (such as ARPA) as an alternative funding source for some expenses. Mr. Townsend noted that there are limitations on how we can use recovery funds – they can't be used to pay debt service or go to stabilization. Mr. Errickson noted that we have to report that economic recovery funds are going to populations that are disproportionately impacted by the pandemic.

Mr. Gillenwater questioned whether it would be better to use ARPA funds which have been specifically matched to an approved use, sooner rather than in future periods. Mr. Errickson

stated that the ARPA program fell under the control of the Select Board, which favored saving ARPA funding for future use.

Ms. Sciarra asked about the school's \$1.6M ARPA allocation which is not being used in the FY24 budget. Mr. Errickson said the intent for the school department was to not use the funds this year, because they needed to have an identified need, but he couldn't speak to the specifics of the school budget.

Mr. Gillenwater suggested that the future funding could be held in interest earning stabilization accounts and accomplish the same future funding goals, but the Mr. Townsend stated that we are limited in how we can invest the money.

Mr. Jacobs moved to recommend favorable action on the subject matter of Article 6, in the total amount of \$4,304,421 sourced from free cash, state aid and tax levy for purposes of supplementing the town stabilization funds, and OPEB trust funds, with \$250,000 from the tax levy, \$408,611 from state aid, and \$3,645,810 from free cash, seconded by Mr. Metcalf.

Motion was approved unanimously 9-0-0.

Motion made by Mr. Gillenwater, seconded by Ms. Sciarra to close the public hearings passed by unanimously by a vote of 9-0-0.

### **New Business - Town Meeting Venue update**

Frank Foss, Town Moderator, stated that the option to hold public meetings remotely or in hybrid fashion has been extended until 2025. Mr. Foss spoke with others to see what this would mean for Natick. Implementing a hybrid meeting Town Meeting would cost us a lot more money and require many more professionals and volunteers. It's going to be extremely critical to watch for errors, to make certain what we do is right and that we don't do something that nullifies our acts.

Plymouth had a hybrid town meeting that took four months to plan. Milford is the other community that's using hybrid, on the premise that there were people who requested ADA access to town meeting. Natick made the decision to go to in person Town Meetings a while back. I'm being asked by people to take the decision that I made before and reverse it, when the facts that I see right now are not giving me any indication that I should change it. Mr. Foss noted that people have offered to help out with planning, and he intends to engage them.

Ms. Packer noted that this is not a simple fix and it's not going to be easy. We have to be willing to acknowledge the very large increase in price that it's going to cost. There are many, many facets to this. The most important of course, is being able to maintain the integrity of the voting process.

Mr. Jacobs asked if we had an ADA situation similar to Plymouth and Milford, would that provide potentially a legal pathway to holding it hybrid? Mr. Foss said he had not asked Town Counsel that question. Mr. Jacobs asked about the additional cost. Ms. Packer did not have the figures available right now but said it was closer to \$50,000 for a hybrid meeting.

Mr. Pope asked if we could survey Town Meeting members to see if there's a critical mass that wouldn't be able to attend in person. Ms. Packer stated they had discussed a survey to ask about Town Meeting member preferences.

Ms. Keeney commented that a survey is a great idea and wondered if ARPA funds could be used.

Ms. Packer remarked that in Plymouth, a member had to choose either remote or in person and this could not change day to day. She noted that we would have to hire more trained people due to the complex technology.

### **Minutes**

Motion to approve the minutes from 9/29/22 and 10/13/22 made by Ms. Sciarra, seconded by Mr. Metcalf, passed unanimously by a vote of 9-0-0.

### **Committee Discussion**

Ms. Wollschlager asked for more volunteers to write up tonight's warrant articles for the Recommendation Book. Narratives are due next Thursday at noon and the book will be delivered to the printers Friday morning.

Mr. Jacobs commented on how long the previous meeting lasted. He noted we were unable to finish an article and the discussion was cut off. People on Zoom lowered their hands as it became clear we were trying to rush. He suggested it might be worth scheduling a supplemental meeting.

Ms. Wollschlager noted that when she first joined the Finance Committee, it wasn't unusual to go to 1am. This was prior to the rule that meetings must stop at 11pm. She thought the previous meeting was going to be ok timewise, but the committee wound up having a lengthy discussion on the Committee article, which was not anticipated. That said, it's not good to last until 11 and have things cut off. I can't ever recall having a situation where we only finished half the article and that is not okay.

Ms. Wollschlager stated she will schedule a meeting for next Thursday, April 13, but hopes it will not be needed.

### **Adjourn**

Motion made by Ms. Sciarra, seconded by Mr. Metcalf to adjourn passed unanimously by a vote of 9-0-0.

Meeting adjourned at 10:04 PM.