

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

School Committee Meeting Room, 3rd
Floor 13 East Central St. Natick, MA
01760

DAY, DATE AND TIME

March 12, 2019 at 7:00 PM

MEETING AGENDA

Posted: Friday, March 8 2019 at 11:45 AM

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**

- a. Budget 101 - Public Forum, Morse Institute Library March 13 at 7:00 PM

3. **Public Comments**

- a. Committee policy & procedures available via this link and also at the meeting location

4. **Meeting Minutes**

- a. Review & Approve February 28, March 5 and March 7 2019 Meeting Minutes

5. **Town Administrator's FY2020 Budget - Public Hearing**

- a. Town Administrator's FY2020 Budget Update
- b. Update on the status of the Selectmen's Budget for CBA contracts
- c. Keefe Vocational Tech - Final Budget Review
- d. Natick Public Schools - Final Budget Review
- e. Updates and Status of previous (various) Department Budget Hearing Take-aways or Action Items

6. **2019 Spring Annual Town Meeting Warrant Articles - Public Hearing**

- a. Article 6: Amend Agreement for the South Middlesex Regional Vocational School District

7. **Committee and Sub-Committee Scheduling**

8. **Committee Discussion (for items not on the agenda)**

- a. Finance Committee Draft of Recommendation Book - Review & Discuss

b. Discussion on the need for a March 14 2019 Finance Committee Meeting

9. **Adjourn**

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.

SUBMITTED BY

ITEM TITLE: Pledge of Allegiance & Moment of Silence

ITEM SUMMARY:

ITEM TITLE: Advisement of Pegasus Live Broadcast and Recording for On-Demand Viewing

ITEM SUMMARY:

ITEM TITLE: Review of Meeting Agenda and Ordering of Items

ITEM SUMMARY:

ITEM TITLE: Budget 101 - Public Forum, Morse Institute Library March 13 at 7:00 PM
ITEM SUMMARY:

ITEM TITLE: Committee policy & procedures available via this link and also at the meeting location
ITEM SUMMARY:

ATTACHMENTS:

Description	Upload Date	Type
Finance Committee Policy and Procedures for Public Comments	2/21/2019	Exhibit

Finance Committee Policy & Procedures for Public Comments:

Public Comments at the start of the meeting:

- *A time not to exceed 4-5 minutes per resident/taxpayer and/or 15 minutes in total time for all resident/taxpayer speakers, to allow for brief resident/taxpayer comments on topics within the scope of the Committee charge but not on the current agenda*
- *There is no debate or discussion between the resident/taxpayer and the committee except as determined by the Chair*

Public Comments on a specific agenda item:

- Following the sponsor presentation, the Finance Committee enters into discussion with questions and answers from the sponsor and others as determined by the Chair. This is not a time that residents and taxpayers ask questions or offer comments.
- Upon the completion of the discussion/Q&A period, as determined by the Chair, the committee moves in to citizen comments. The same policy as stated above is used.
 - *A time not to exceed 4-5 minutes per resident/taxpayer to allow for brief resident/taxpayer comments on topics within the scope of the agenda item before the Committee at that point in time*
 - *There is no debate or discussion between the resident/taxpayer and the sponsor/presenter or the committee except as determined by the Chair*
 - *Any question is to be directed to the Chair and only the Chair will decide whether to allow the question or just ask that it be recorded in the minutes.*

Procedural guidance for public comments:

- Once being recognized by the Chair please go to the podium, stand close to the microphone and speak loudly
- You must introduce yourself by stating your full name and your address in Natick
- It's requested the speaker not use the names of any individual. You may refer to the person's title, or use the expression "a previous speaker...)
- The committee is interested in hearing your comments of a substantive and material nature in regard to the subject matter before the committee. The Chair will politely encourage you to stay on topic and to quickly make the point
- If you're running out of time, the Chair will advise you that you have 30 seconds left at which time you will need to wrap things up.

ITEM TITLE: Review & Approve February 28, March 5 and March 7 2019 Meeting Minutes
ITEM SUMMARY:

ITEM TITLE: Town Administrator's FY2020 Budget Update
ITEM SUMMARY:

ATTACHMENTS:

Description	Upload Date	Type
Budget Update from TOWn Administrator	3/12/2019	Exhibit

General Fund Revenue/Expenditure Summary

	2017	2018	2019	2020	2019 vs. 2020	
General Fund Revenues	Actual	Actual	Recap	Preliminary	\$ (+/-)	% (+/-)
Tax Levy	\$ 103,922,288	\$ 106,629,971	\$ 111,530,485	\$ 121,251,682	9,721,197	8.72%
State Aid	\$ 13,548,712	\$ 13,895,997	\$ 14,553,519	\$ 14,966,059	412,540	2.83%
Local Receipts	\$ 17,707,469	\$ 15,977,470	\$ 16,331,234	\$ 17,901,540	1,570,306	9.62%
Other Local Receipts						
Indirects	\$ 2,260,123	\$ 2,078,921	\$ 2,262,021	\$ 2,585,229	323,208	14.29%
Free Cash	\$ 9,031,776	\$ 9,408,400	\$ 6,579,906	\$ 4,150,000	(2,429,906)	-36.93%
Stabilization Fund (s)	\$ 1,163,100	\$ 2,166,665	\$ 2,973,950	\$ 3,617,000	643,050	21.62%
Overlay Surplus	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	-	0.00%
Other Available Funds	\$ 275,533	\$ 1,010,514	\$ 308,393	\$ 291,309	(17,084)	-5.54%
Total General Fund Revenues	148,409,001	151,667,938	155,039,508	165,262,819	10,223,311	6.59%
General Fund Expenses						
Education & Learning						
Natick Public Schools	\$ 57,478,571	\$ 61,307,973	\$ 64,952,439	\$ 67,810,346	2,857,907	4.40%
Keefe Tech	\$ 1,522,958	\$ 1,427,911	\$ 1,594,984	\$ 1,554,748	(40,236)	-2.52%
Morse Institute Library	\$ 2,155,972	\$ 2,151,463	\$ 2,244,799	\$ 2,275,499	30,700	1.37%
Bacon Free Library	\$ 171,860	\$ 172,451	\$ 184,503	\$ 190,792	6,289	3.41%
Public Safety	\$ 15,333,207	\$ 16,008,466	\$ 15,909,166	\$ 16,568,716	659,550	4.15%
Public Works	\$ 7,646,153	\$ 8,332,124	\$ 8,182,556	\$ 8,458,627	276,071	3.37%
Health & Human Services	\$ 2,200,230	\$ 2,231,073	\$ 2,543,701	\$ 2,611,475	67,774	2.66%
Administrative Support Services	\$ 5,733,592	\$ 5,867,102	\$ 7,592,303	\$ 7,502,569	(89,734)	-1.18%
Committees	\$ 17,847	\$ 19,736	\$ 120,550	\$ 120,550	-	0.00%
Shared Expenses						
Fringe Benefits	\$ 14,173,582	\$ 15,081,414	\$ 15,851,586	\$ 16,743,421	891,835	5.63%
Prop & Liab. Insurance	\$ 589,904	\$ 654,557	\$ 756,237	\$ 807,150	50,913	6.73%
Retirement	\$ 8,215,785	\$ 8,783,214	\$ 9,416,416	\$ 10,070,552	654,136	6.95%
Debt Services	\$ 10,071,148	\$ 10,476,851	\$ 10,690,896	\$ 16,626,732	5,935,836	55.52%
Reserve Fund			\$ 250,000	\$ 250,000	-	0.00%
Facilities Management	\$ 3,051,820	\$ 3,023,944	\$ 3,308,705	\$ 3,426,619	117,914	3.56%
General Fund Oper. Expenses	\$ 128,362,629	\$ 135,538,279	\$ 143,598,841	\$ 155,017,796	\$ 8,060,562	5.95%
Capital Improvements	\$ 2,695,200	\$ 2,166,665	\$ 2,973,950	\$ 4,017,000	1,043,050	35.07%
School Bus Transportation	\$ 382,720	\$ 392,288	\$ 402,095	\$ 410,137	8,042	2.00%
State & County Assessments	\$ 1,449,503	\$ 1,348,800	\$ 1,435,887	\$ 1,614,160	178,273	12.42%
Cherry Sheet Offsets	\$ 352,530	\$ 434,080	\$ 468,705	\$ 429,645	(39,060)	-8.33%
Snow Removal Supplement	\$ 145,000	\$ 445,869	\$ 150,000	\$ 350,000	200,000	133.33%
Overlay	\$ 1,283,443	\$ 1,256,448	\$ 1,150,000	\$ 1,015,000	(135,000)	-11.74%
Golf Course Deficit	\$ 279,832	\$ 248,400	\$ 270,000	\$ 240,000	(30,000)	-11.11%
General Stabilization Fund	\$ -	\$ -	\$ 250,000	\$ 100,000	(150,000)	-60.00%
Operational Stabilization Fund	\$ -	\$ -	\$ 500,000	\$ 100,000	(400,000)	-80.00%
Capital Stabilization Fund	\$ 3,925,532	\$ 4,500,000	\$ 2,400,000	\$ 1,450,000	(950,000)	-39.58%
One-to-One Technology Stab Fund	\$ -	\$ -	\$ 100,000	\$ -	(100,000)	-100.00%
FAR Bonus Stabilization Fund	\$ -	\$ 3,900	\$ -	\$ -	-	
OPEB Trust Fund	\$ 1,300,000	\$ 1,000,000	\$ 441,723	\$ 300,000	(141,723)	-32.08%
Misc. Articles	\$ 216,626	\$ 1,298,695	\$ 635,000	\$ 100,000	(535,000)	-84.25%
	\$ 12,030,386	\$ 13,095,145	\$ 11,177,360	\$ 10,125,942	(1,051,418)	-9.41%
Total General Fund Expenses	\$ 140,393,015	\$ 148,633,425	\$ 154,776,201	\$ 165,143,738	10,367,537	6.70%
Net Excess / (Deficit)	8,015,985	3,034,513	263,307	119,081		

ITEM TITLE: Update on the status of the Selectmen's Budget for CBA contracts
ITEM SUMMARY:

ITEM TITLE: Keefe Vocational Tech - Final Budget Review

ITEM SUMMARY:

ATTACHMENTS:

Description	Upload Date	Type
email from Jon Evans to FinCom re: updated budget documents	3/11/2019	Exhibit
Keefe Tech Final Budget Presentation	3/11/2019	Exhibit



Documents for the Natick Finance Committee Meeting - March 12, 2019

1 message

Jon Evans <jevans@jpkkefeh.org>

Sat, Mar 9, 2019 at 10:15 AM

To: Patrick Hayes <phayes.fincom@natickma.org>

Cc: Dan Sullivan <dsullivan.fincom@natickma.org>, Melissa Malone <m Malone@natickma.org>

Patrick,

We are looking forward to presenting to the Natick Finance Committee on Tuesday.

I have attached 5 documents for your review.

The first is our Final FY20 Budget that was approved by our School Committee on March 4, 2019.

The second is a powerpoint presentation that provides information on the development of our FY20 Budget and Revised Regional Agreement.

I am pleased to report that we have received our final approval from the Department of Elementary and Secondary Education on our Revised Agreement, and are now able to provide a final draft that was also approved by our School Committee on March 4.

Regarding our Regional Agreement, in the attachments you will find:

- 1) The Final Draft (3rd attachment)
- 2) An Executive Summary of the need for all of the changes in this revision (4th Attachment)
- 3) A document that shows all specific changes from the original agreement to this revision.

Our Regional Agreement has been reviewed by all Municipal Managers and Legal Counsel, and we have consensus from all. Since that time, the DESE has requested minor, non-substantive changes that are included in these documents. I will be sharing a small list of the most recent revisions with all municipal leaders as well.

Please don't hesitate to contact me with any questions or concerns.

Thank you,

Jon

--

Jonathan Evans

Superintendent/Director

South Middlesex Regional Vocational

Technical School District

750 Winter Street

Framingham, MA 01702

Phone: 508.416.2250 Fax: 508.416.2342

The Attorney General has determined that email is a public record.

4 attachments



FY20 FINAL BUDGET 3.4.19 Vote.pdf

78K



Natick Presentation Final Budget March 12, 2019.pptx

4403K



Final Draft Regional Agreement.pdf

156K



Complete Executive Summary.docx

20K



South Middlesex Regional Vocational
Technical School District
Keefe Regional Technical School

Acknowledgements

Newly Appointed School Committee Members from Natick:

Ruth Mori

Elizabeth Smith-Freedman

Natick Public Schools:

Dr. Anna Nolin and Natick Public Schools



South Middlesex Regional Vocational
Technical School District
Keefe Regional Technical School

**Reductions from the Preliminary Budget
were in the following areas:**

• Health Insurance:	\$39,654
• Transportation:	\$27,104
<i>Total Reductions:</i>	\$66,758

Assessment Offsets other than State Aid

• Investment Income:	\$ 5,000
• Excess and Deficiency:	\$200,000
• Local Revenue Offsets – Tuitions & Medicaid	\$121,330
<i>Total:</i>	\$326,330



South Middlesex Regional Vocational
Technical School District
Keefe Regional Technical School

FY20 Operating Budget – Approved by School Committee March 19,2019
\$19,778,463 - an increase of 3.47% over FY19

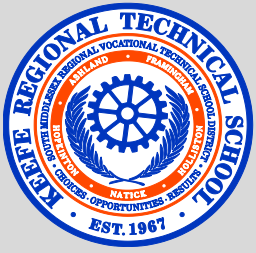
FY20 Assessment for 5 Member Municipalities:
\$13,704,052 - an increase of .057% over FY19



South Middlesex Regional Vocational
Technical School District
Keefe Regional Technical School

Budget Area Increases > \$30,000

Health Insurance-Active & Retiree	\$152,640
Instructional Assistance (Previously in a grant)	\$ 36,674
Transportation (New contract)	\$ 120,666
C/S – Custodial Services*	\$148,000
New Position – 1 FTE (Dental Assisting)**	\$70,000
New Position – 1 FTE (ELL)**	\$65,000
Salary Increases to Current Staff	\$255,500
TOTAL	\$848,480
*Significant Savings Compared to FY19 **Elimination of Higher Paying Position in Other Department	
Total Increase in FY20 Preliminary Budget:	<u>\$662,713</u>



South Middlesex Regional Vocational
Technical School District
Keefe Regional Technical School

District Enrollment in FY20:

746 students from our five member municipalities

- an increase of 17 students or 2.3%

Natick Enrollment in FY20:

70 students – a decrease of 2 students, or 2.8%

- *Natick enrollment in FY19 was highest since FY12*



South Middlesex Regional Vocational
Technical School District
Keefe Regional Technical School

Natick Summary

- Keefe's Natick enrollment decreased by 2 - from 72 students in FY19 to 70 students in FY20.
- The assessment request for Natick reflects an decrease of 2.52%, or \$40,236
- Natick assessment request in FY20: \$1,554,748

Keefe Regional Technical School

Revised Regional Agreement





South Middlesex Regional Vocational
Technical School District
Keefe Regional Technical School

Regional Agreement History

- **1967** – Regional Agreement established by the towns of Ashland, Framingham, Holliston and Hopkinton.
- **1972** – Regional Agreement amended in the areas of Apportionment and Payment of Costs
- **1987** – Regional Agreement revised when Natick joined the District



South Middlesex Regional Vocational
Technical School District
Keefe Regional Technical School

Need for Revisions

- Framingham's change in government
- Outdated language on member selection
- Obsolete timeline for the budget process



South Middlesex Regional Vocational
Technical School District
Keefe Regional Technical School

Changes in Revised Agreement

- Consistency with Framingham Charter
- Accurately indicates that all members are appointed, not elected
- Updated timeline for the budget process



Implications for the Town of Natick



South Middlesex Regional Vocational
Technical School District
Keefe Regional Technical School

Next Steps

- Approval at four member Town Meetings and Framingham City Council

ITEM TITLE: Natick Public Schools - Final Budget Review
ITEM SUMMARY:

ATTACHMENTS:

Description	Upload Date	Type
NPS FInal Budget Review Presentation	3/12/2019	Exhibit

NATICK

PUBLIC SCHOOLS

FY20 Budget Final Overview Finance Committee



March 12, 2019



HOW WE GOT HERE



September/October 2018

Superintendent distributes to Program Leaders the FY20 budget forms. Principal and Administrators review class size, curriculum, staffing patterns and expense spending in each category. The zero based budgeting principles are used. Principals discuss the FY20 budget with school leaders at their school council meetings. Preliminary budgets are forwarded to the Director of Finance. Superintendent and Director of Finance begin reviews with Program Leaders regarding their requests. All requests are documented and reviewed.

November/December 2018

- ✓ A first draft of the budget is created and 7.1% increase is identified. This proposed budget includes staffing increases to meet mandated services, enrollment increases and 21st century learning initiatives as well as funds for collective bargaining agreements with our unions. Expenses are level funded except where contractual obligations exist in utilities, transportation and special education services.
- ✓ Draft budgets are reviewed and refined based on educational needs and available resources. The budget request is reduced to 6.0% with the elimination of several positions targeted to addressing 21st century initiatives.
- ✓ An initial presentation is made to the School Committee.
- ✓ The draft FY20 budget number is presented to the Town Administrator by December 31st.



HOW WE GOT HERE



January/February 2019

Town Administrator releases the FY20 Town Administrator's Budget Book on January 3rd.
Natick Public Schools are funded at **3.35%**

Presentations are created indicating the effects on education in the Natick Public Schools with the following proposed budgets scenarios:

- 3.35% - Town Administrator's Initial Budget
- 4.0% - Cost to "open the doors" or level funded
- 4.4% - Town Administrator's Amended Budget
- 5.7% - School District's Amended Budget**
- 6.0% - School District's Initial Budget
- 7.1% - School District's Fully Funded Budget



PRESENTATIONS

		Jan 2019							
3rd	Financial Planning Committee								
7th	School Committee - General Overview								
8th	Finance Committee - General Overview								
16th	Public Forum - Senior Center - General Overview								
22nd	Board of Selectmen - General Overview								
22nd	Financial Planning Committee								
28th	School Committee - Special Education/Transportation/Curriculum/Technology								
31st	Finance Committee - Education Subcommittee - Special Education/Transportation								
		Feb 2019							
5th	Finance Committee - Audit Request								
7th	Financial Planning Committee								
7th	Finance Committee - Special Education/Transportation								
11th	School Committee - Public Hearing								
14th	Finance Committee - Education Subcommittee - Curriculum/Technology								
25th	School Committee - Public Hearing								
28th	Finance Committee - Curriculum/Technology								
		March 2019							
5th	Finance Committee - Education Subcommittee								
11th	School Committee - Final Budget Presentation and Vote								
12th	Finance Committee - Presentation								
14th	Board of Selectmen - Vote								
19th	Finance Committee - Vote								
		April 2019							
9th	Annual Spring Town Meeting								





ENROLLMENT DATA

Summer Enrollment Data

Summer 2015:	123 students
Summer 2016:	47 students
Summer 2017:	54 students
Summer 2018:	104 students

Enrollment During the Year (2nd month through the end of SY)*



2014-15:	112
2015-16:	140
2016-17:	165
2017-18:	170
2018-19:	in process, most volatile time is now for homeschooling move ins

- Note: does not include preschool
- Does include ~10 students a year who move from NHS to Northstar (processed as new enrollment)
- Does include homeschool enters (quit homeschooling and come back to school)
- Mid-year school changes
- Totally new enrollments



FY20 EXECUTIVE SUMMARY

FY19 Appropriation: \$64,952,436

FY20 Increase: \$3,687,907

Total FY20 Request: \$68,640,343

Percent Increase: 5.7%



FY20 PERSONNEL SUMMARY

	<u>FY19 Budget</u>		<u>FY20</u>	<u>% chg</u>
<u>Compensation</u>				
Salary Base	\$ 48,140,970		\$ 50,548,056	
Steps, COLA, & Merit Adjustments	\$ 2,491,173		\$ 2,690,164	
Lanes	\$ 300,913		\$ 385,000	
Staff Additions	\$ 786,535		\$ 925,260	
Retirements/Turnover	\$ (320,000)		\$ (320,000)	
Compensation	\$ 51,399,591		\$ 54,228,480	5.50%



FY20 PERSONNEL REQUEST

Natick Public Schools			
FY20 Personnel Request			
Compliance, Enrollment and Kennedy Middle School			
Preschool ABA Tech	1.00	\$33,540.00	To support increase in intensity of student needs in \self-contained, sub-separate specialized program
Lilja Grade 2 classroom teacher	1.00	\$63,003.00	additional enrollment
KMS 1.0 Math/Science	1.00	\$63,003.00	additional students
KMS 1.0 L&L/Social Studies	1.00	\$63,003.00	additional students
Psychologist-Wilson	0.20	\$41,600.00	Current (.8) Psychologist at Wilson to be made 1.0 given increased need
Psychologist-Kennedy	0.50	\$31,502.00	Number of required assessments have been significant-current FTE of 1.0 at Kennedy not sufficient or meet needs
.5 PE/Health teacher	0.50	\$15,751.00	several health classes are up to 29 students per class
Special Education Teacher HS	1.00	\$63,000.00	To accommodate additional co-taught classes (.4) and addition of Essential Skills/Replacement courses (.6) for incoming 9th grade
Special Education Teacher Kennedy	1.00	\$63,000.00	To address special education co-taught classes and needs as Kennedy Enrollment grows
Special Education Teacher Wilson	1.00	\$63,000.00	EDBD Program Needs Growth
nursing adds if they aren't grant funded:			
Wilson Nurse	0.40	\$27,000.00	supplement not supplant and she's already full time
8th Grade Teacher - Wilson	1.00	\$60,330.00	
Preschool Nurse	0.40	\$27,000.00	
sub nurses		\$20,000.00	
Guidance Counselor - NHS	0.50	\$40,810.00	
Athletic Trainer	1.00	\$63,003.00	
BCBA	1.00	\$63,003.00	increased need
Paraprofessionals	3.00	\$75,000.00	1 at PreK, 1 @ Kennedy, 1 @ Wilson
Memorial Music teacher	0.20	\$17,212.00	increase from .8 to 1.0 based on case load
Music Teacher	0.50	\$31,500.00	
	16.20	\$925,260.00	



FY20 ADMINISTRATORS WHO RECEIVED STIPEND/BONUS ACCORDING TO CONTRACT OR PRIOR AGREEMENTS/PROCEDURES

<u>Administrator</u>	<u>Base Salary</u>	<u>Stipend/Bonus</u>	<u>FY20 Budget Book</u>
Davis	\$136,799	\$700	\$137,499
Downing	\$151,000	\$2,500	\$153,500
Ghilani	\$139,050	\$3,000	\$142,050
Balboni	\$128,207	\$1,000	\$129,207
Carney	\$142,444	\$500	\$142,944
Luff	\$145,230	\$4,000	\$149,230
Magley	\$98,615	\$1,000	\$ 99,615
Clayton	\$85,466	\$500	\$ 85,966
Maryland	\$84,254	\$2,000	\$ 86,254
Reilly	\$70,968	\$700	\$ 70,968
Culver	\$84,782	\$1,000	\$ 85,782
Barbato	\$21,840	\$500	\$ 22,340
Roche	\$134,751	\$2,000	\$136,751
Kinthead	\$122,795	\$500	\$123,295
Zitoli	\$142,444	<u>\$500</u>	\$142,944
		\$20,400	



SALARIES, BENEFITS, BONUS AND MERIT IN THE AGE OF MEPA (MA EQUITY PAY ACT)

- We are negotiating with all of our 6 unions, non-represented staff for the first time since the MA Equity Pay Act was enacted
- NPS HR conducted a 6 month study of pay equity within NPS (outreach made to then HR director for town) and a consultant was used to assist in conducting the study
- Study gives us protection while we have time to address identified gaps and issues
- Town Administrator and Dr. Nolin have met with counsel together to understand the coordination needed between town and school
- As contracts are negotiated, we are collaborating to ensure parallel treatment (paternity leave as an example)
- There was no discernible process or procedure for merit adjustments or bonuses and one will be created
- Town policy is not aligned with how schools go about this, Dr. Nolin is working with other systems to gather information and develop our methodology. For example, tying administrator compensation to metrics, evaluation rubric, etc.





Natick Public Schools • 13 East Central Street, Natick, MA • 01760 • Visit us online: www.natickps.org



USE OF OUR REVOLVING ACCOUNTS

Natick Public Schools have 35 revolving accounts and 28 donation/grant accounts

Revolving Accounts

- 7 have balances greater than \$100,000
- 3 of these are Business Accounts:
(maintain 3 months operating reserves)
- 4 of these we are using in our FY20 Budget Proposal



Food Services
After School Activities Program (ASAP)
Summer School

Circuit Breaker - \$350,000
School Choice - \$100,000
Instrumental Music - \$100,000
School Bus Transportation - \$100,000

- **22 of these accounts have balance less than \$20,000**
- **Donation/grant accounts have specific limitations for usage**



USE OF OUR REVOLVING ACCOUNTS

Account	Projected Ending Balance 6/30/2019	Proposed Additional Use for FY20 Budget	Ending Balance
School Choice	\$200,000	(\$100,000)	\$100,000
Circuit Breaker	\$1,000,000	(\$350,000)	\$650,000**
Instrumental Music	\$118,000	(\$100,000)	\$18,000
Transportation	\$162,000	<u>(\$100,000)</u>	\$62,000
Total		(\$650,000)	

**Recommended balance for emergency placements - \$800,000



REVOLVING ACCOUNT – CIRCUIT BREAKER

FY16 Beginning Balance			\$ 884,057.20
Revenue		\$ 2,359,292.00	
Expenses		\$ 2,198,152.76	
Variance		\$ 161,139.24	\$ 1,045,196.44
FY17 Beginning Balance			
Revenue		\$ 2,380,689.00	
Expenses		\$ 2,214,986.27	
Variance		\$ 165,702.73	\$ 1,210,899.17
FY18 Beginning Balance			
Revenue		\$ 2,342,834.40	
Expenses		\$ 2,529,577.90	
Variance		\$ (186,743.50)	\$ 1,024,155.67
FY19 Beginning Balance			
Revenue		\$ 2,430,407.00	
Expenses		\$ 2,500,000.00	
Variance		\$ (69,593.00)	
FY20 Beginning Balance			\$ 954,562.67
Projected Revenue		\$ 2,200,000.00	
Projected Expenses		\$ 2,500,000.00	
Variance		\$ (300,000.00)	\$ 654,562.67

Circuit Breaker Analysis

Dept. Of Revenue guidelines state that we cannot hold savings in circuit breaker higher than our allocation.

What do other districts do?

- Needham – Use salary savings and town relief to fund SPED yearly
- Medway – Carry a balance forward and special stabilization fund from town for SPED
- Millis – Use Circuit Breaker the subsequent year and apply for emergency relief



FY20 TRANSPORTATION AND PARKING FEES PROPOSAL

Bus Fee Proposals and Fiscal Impact

✓To pay for cost of additional bus and to place fees closer to average of other districts = \$200



Fee increase = \$50 (\$200/child - \$400/cap) = \$110,000 additional income

Parking Fee Proposals and Fiscal Impact

Any funds collected at NHS for student parking must be deposited to the Town of Natick since the Town owns the parking lots. An agreement would need to be drafted allowing the Town allocated those fees back to the Natick School District. Proposed parking fees would mirror the cost of the student bus fees.

Approximately 350 spaces are available

\$200 per year = \$70,000 additional income



These estimates are approximate as there are discounts available for HOV parking and similar to the bus fees students would be eligible for a reduced fee if appropriate.

Total Additional Income = \$180,000



FY20 PROPOSED BUDGET RECOMMENDATION

FY20 Budget Request	\$68,640,343
Use of revolving accounts	(\$650,000)
Use of new revenues (bus fees/NPS parking fees)	<u>(\$180,000)</u>
FY20 Budget Proposal	\$67,810,343

Town Administrator's Original Proposed Budget =	\$67,125,771
Proposed Additional Funding =	<u>\$ 684,572</u>
Town Administrator's New Budget =	\$67,810,343

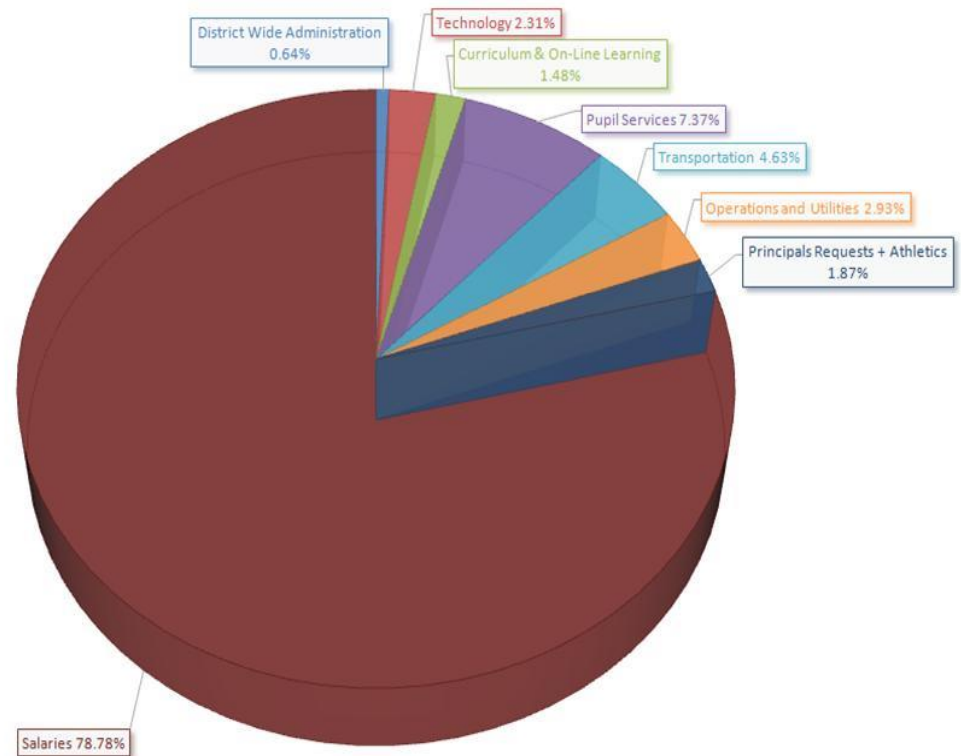




COULD THE ADDITIONAL FUNDING ADDRESS NON-PERSONNEL COSTS IN OUR 5.7% BUDGET?

**Over 78%
of our FY20 Budget
involves
Personnel
and
Related Costs**

FY20 SALARIES AND OPERATING EXPENSES BREAKDOWN





COULD THE ADDITIONAL FUNDING ADDRESS NON-PERSONNEL COSTS IN OUR 5.7% BUDGET?

Teacher Laptops (3 rd and final lease payment)	\$95,750
Incoming Freshmen Laptops (3 rd and final lease payment)	\$213,905
Additional iPads (3 rd and final lease payment) (Elementary School Classrooms)	\$ 66,980
Powerschool (Student Information System)	\$150,000
Literacy Consultant (last year of contract)	\$ 50,000
Renaissance Train the Trainer Training	<u>\$ 50,000</u>
Total (Non-personnel) costs	\$ 626,635



WITHOUT THE ADDITIONAL FUNDING – WHAT DOES A 4.40% BUDGET MEAN?

Unable to add
additional staffing and
capacity



- Unable to add additional staffing positions needed for compliance, enrollment and to address high academic standards – high middle school specials (29+) Grade 6 class size (KMS) = 27

Delay for another fiscal
year technology initiatives



- Unable to Increase our capacity for technology, curriculum and instruction to meet 21st century learning initiatives – NHS Lab and teacher laptop replacement halted for 2nd year

Possible general education
staff reductions (up to 15
staff) or reductions in other
line items



- Staff and/or line item reductions will be required in order to balance the budget at this funding level

Delay adding the staffing
needed for the opening of
the new JFK Middle School
in FY21



- The inability to phase in the staffing requirement for the new JFK Middle School in FY21 will dramatically increase the funding request next year



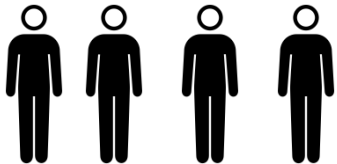
FY20 PERSONNEL REQUEST ADDRESSING THE JFK MIDDLE SCHOOL

Natick Public Schools			
FY20 Personnel Request			
Compliance, Enrollment and Kennedy Middle School			
Preschool ABA Tech	1.00	\$33,540.00	To support increase in intensity of student needs in \self-contained, sub-separate specialized program
Lilja Grade 2 classroom teacher	1.00	\$63,003.00	additional enrollment
KMS 1.0 Math/Science	1.00	\$63,003.00	additional students
KMS 1.0 L&L/Social Studies	1.00	\$63,003.00	additional students
Psychologist-Wilson	0.20	\$41,600.00	Current (.8) Psychologist at Wilson to be made 1.0 given increased need
Psychologist-Kennedy	0.50	\$31,502.00	Number of required assessments have been significant-current FTE of 1.0 at Kennedy not sufficient or meet needs
.5 PE/Health teacher	0.50	\$15,751.00	several health classes are up to 29 students per class
Special Education Teacher HS	1.00	\$63,000.00	To accommodate additional co-taught classes (.4) and addition of Essential Skills/Replacement courses (.6) for incoming 9th grade
Special Education Teacher Kennedy	1.00	\$63,000.00	To address special education co-taught classes and needs as Kennedy Enrollment grows
Special Education Teacher Wilson	1.00	\$63,000.00	EDBD Program Needs Growth
nursing adds if they aren't grant funded:			
Wilson Nurse	0.40	\$27,000.00	supplement not supplant and she's already full time
8th Grade Teacher - Wilson	1.00	\$60,330.00	
Preschool Nurse	0.40	\$27,000.00	
sub nurses		\$20,000.00	
Guidance Counselor - NHS	0.50	\$40,810.00	
Athletic Trainer	1.00	\$63,003.00	
BCBA	1.00	\$63,003.00	increased need
Paraprofessionals	3.00	\$75,000.00	1 at PreK, 1 @ Kennedy, 1 @ Wilson
Memorial Music teacher	0.20	\$17,212.00	increase from .8 to 1.0 based on case load
Music Teacher	0.50	\$31,500.00	
	16.20	\$925,260.00	
Kennedy Middle School	4.50	\$267,759	



HOW DOES THE FY20 BUDGET AFFECT THE OPENING OF THE NEW KENNEDY MIDDLE SCHOOL IN FY21-FY22?

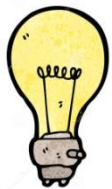
With the opening of the new Kennedy Middle School beginning with the addition of 2 new modular units September 2019 and opening of the school in February 2021, projected additional personnel and operational costs will need to be added:



Assistant Principal
2 Custodians
4 Teachers

Projected = \$742,759

	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>
Phase-in	\$267,759	\$750,000	\$0
No Phase-in		\$1,017,759	\$0



Utilities
Maintenance
Supplies

Projected = \$400,000

<u>FY20</u>	<u>FY21</u>	<u>FY22</u>
	\$100,000	\$300,000



HOW DOES THE FY20 BUDGET AFFECT THE OPENING OF THE NEW KENNEDY MIDDLE SCHOOL IN FY21-FY22?

With the opening of the new Kennedy Middle School beginning with the addition of 2 new modular units September 2019 and opening of the school in February 2021, projected personnel and operational costs are estimated as follows*:

FY21 Funding with JFK Middle School Phase In.....6.7%

FY21 Funding without JFK Middle School Phase In.....10.9%

FY22 Funding with JFK Middle School Opened.....5.7%



* These projections assume a 5.7% budget in FY20. Projections include steps, lanes, COLA, staff additions and inflation (FY21- 2.04 FY22 – 2.07%)



**FOR FURTHER INFORMATION OR IF YOU HAVE
ANY QUESTIONS PLEASE CONTACT:**



KENNEDY MIDDLE SCHOOL



**Anna P. Nolin, Ed.D.
Superintendent of Schools**

**Peter H. Gray, Ed.D.
Director of Finance**



THANK YOU



for your continued support!

NATICK PUBLIC SCHOOLS

13 East Central Street, Natick, MA 01760

Phone 508-647-6500 | Fax 508-647-6506

JOIN OUR EMAIL LIST!



ITEM TITLE: Updates and Status of previous (various) Department Budget Hearing Take-aways or Action Items

ITEM SUMMARY:

ATTACHMENTS:

Description	Upload Date	Type
Parking Enforcement New Initiative	3/12/2019	Exhibit
Parking & Ticket Revenues	3/12/2019	Exhibit
Capital Update	3/12/2019	Exhibit

Department: Proposed New Initiatives

Project Title: Meter Enforcement Operator - Full Time

Personnel Services		# Staff	Preliminary Cost - FY 20	Recurring expense?	Brief Description of the Position/Expense
Salaries Management		1	\$36,400.00	Yes	Full Time - 35hrs/wk
Salaries Operational Staff					
Salaries Technical & Professional					
Salaries Part Time Operational					
Total Personnel Services			\$36,400.00		
Expenses			Preliminary Cost - FY 19	Recurring expense?	Brief Description of the Position/Expense
Medicare approx 1.45%			\$527.80	YES	
Retirement approx 4.28%			\$1,557.92	Yes	
Health Insurance approx			\$16,308.00	Yes	
Total Expenses			\$18,393.72		
Total Project Costs			\$54,793.72		

Purpose/Description of Request

The parking Enforcement Operations have become more and more complex as we moved to modern systems (Kiosks) as well as newer models of parking meters. The operations include enforcement, collections of money from kiosks and meters and maintenance of all equipment. In the past years we attempted to have this handled by using part-time Meter Enforcement Staff. This created several challenges. First of these challenges have been finding candidates to take the position. We have been working with just two part-time personnel which lead to no enforcement for considerable periods of time. As a result I had to use a Police Officer to conduct maintenance and money collection in order to keep up with the demands. In short enforcement has suffered.

My proposal is to allow for the hiring of one (1) full-time staff that will cover Monday-Friday 35hrs/wk @ \$20hr. We would augment this full-time with 2 part-time staff that will work an average of 12 hours a week each @ \$21hr (average) for approx 45 weeks (7 weeks during holiday season when there is free parking and little collection). Total salary budget under this request would then be \$59,160. An increase of \$8,522 over FY2019 budgeted amount for salaries.

Population to be Served

Downtown Business Owners. Visitors to Downtown.

Revenue Impact

Increased revenue from enforcement

FOR EXECUTIVE OFFICE USE

Date Submitted: _____

Date Reviewed: _____

Approved



Recommended Budget: _____

Denied



Review by: _____



VATS Quick Stats Report - FY 2019 with projections

From 7/1/2018 00:00:00.000 to 3/12/2019 12:36:20 PM

Months	Citations Issued	Citations Paid	Citations Voided	Rolling Collections Rate	1stNotices Sent	2ndNoticesSent	Revenue
July	91	257	0	282.40%	145	90	\$6,660.00
August	206	232	1	113.20%	69	83	\$6,050.00
September	116	135	1	117.40%	61	14	\$3,680.00
October	382	253	3	66.80%	53	53	\$6,215.00
November	215	249	7	119.70%	115	20	\$5,800.00
December	117	156	2	135.70%	61	52	\$4,330.00
January	321	259	19	85.80%	46	38	\$6,580.00
February	250	243	9	100.80%	97	10	\$5,640.00
March	121	168	2	95.10%	20	21	\$4,334.00
April							\$4,304.00
May	231	211					\$5,116.00
June	192	195					\$4,684.00
Monthly Average	204	214	4	106.70%	74	42	\$5,282.75
Report Period Totals	2242	2358	44	107.10%	667	381	\$63,393.00

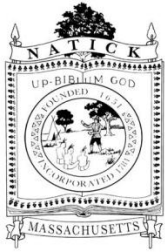
Projections →

-60.00%

VATS Quick Stats Report - FY 2018

From 7/1/2017 00:00:00.000 to 6/30/2018 23:59:59 PM

Months	[Citations Issued]	Citations Paid	Citations Voided	Rolling Collections Rate	1stNotices Sent	2ndNoticesSent	Revenue
July	741	689	6	93.70%	156	87	\$16,330.00
August	910	783	13	87.30%	357	146	\$18,665.00
September	514	664	2	129.70%	261	114	\$16,160.00
October	857	727	13	86.10%	206	135	\$16,666.00
November	603	615	6	103%	276	70	\$14,025.00
December	199	381	2	193.40%	155	106	\$9,623.50
January	592	320	5	54.50%	230	100	\$8,050.00
February	544	536	4	99.30%	222	36	\$12,865.00
March	357	443	2	124.80%	142	189	\$10,835.00
April	538	452	27	88.50%	99	58	\$10,760.00
May	678	554	7	82.60%	113	59	\$12,790.00
June	565	514	4	91.60%	212	42	\$11,710.00
Monthly Average	591	556	7	95.20%	202	95	\$13,206.63
Report Period Totals	7098	6678	91	95.30%	2429	1142	\$158,479.50



Town of Natick

MEMO

To: Finance Committee

From: William Chenard, Deputy Town Administrator - Operations

Date: 3/12/2019

Re: Capital Questions

This memo details the responses to questions from the committee regarding the 2020 capital budget.

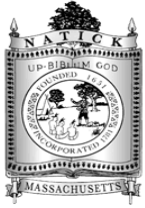
1. The balance in the capital stabilization fund is \$7,524,377. A detail history is attached.
2. The water sewer retained earnings balance is \$714,240. A detail history is attached.
3. The golf course retained earnings balance is \$111,822. A detail history is attached.
4. A copy of the IT Security Assessment RFP is attached.
5. The golf course lease expires December 31, 2050. A copy of the Golf Course lease is attached.
6. There are a total of 27 mower reels at the golf course that require sharpening by the grinder.
7. Minimum auction prices have not been set, however here is the procedural response from the Equipment Maintenance Supervisor; *"We use the Kelly Blue book value to set the reserve price. We usually do not sell below that limit, unless we have proceed to list the item twice without a buyer that meets the reserve. In no instance do we ever sell for an unreasonable low price. The starting bid depends on the value of the item. For example there would be an opening bid of 10 dollars for a trailer with a value of 1000 dollars and a 1000 dollar opening bid with a value of 100,000 dollars. The opening bid is just a starting point."*

If there are any additional questions please forward them.

Capital Stabilization Fund

3/1/2019

Fiscal Year	Beginning Balance	Transfer In	Transfer Out	Investment Income	Ending Balance
2014	\$3,691,483	\$4,240,207	\$2,424,229	\$19,703	\$5,527,164
2015	\$5,527,164	\$2,005,092	\$3,058,758	\$33,585	\$4,507,083
2016	\$4,507,083	\$1,343,888	\$2,033,264	\$20,144	\$3,837,852
2017	\$3,837,852	\$3,925,532	\$1,484,200	\$37,657	\$6,316,840
2018	\$6,316,840	\$3,162,235	\$1,510,800	\$67,810	\$8,036,086
2019 YTD	\$8,036,086	\$2,400,000	\$2,973,950	\$62,241	\$7,524,377



Town of Natick

Water Sewer Retaining Earnings

3/1/2019

<u>Item</u>	<u>Amount</u>	<u>Rationale</u>
Certified Free Cash as of 7/1/2019	\$ 734,740	
<u>2019 Fall Town Meeting</u>		
Capital - Article 14	\$ (20,500)	
<u>2020 Spring Town Meeting Proposed</u>		
Capital - Article 14	\$ (45,000)	
Remaining Unallocated Balance	\$ 669,240	



Town of Natick

Golf Course Retained Earnings

3/1/2019

<u>Item</u>	<u>Amount</u>	<u>Rationale</u>
Certified as of 7/1/2019	\$ 111,822	
<u>2019 Fall Town Meeting</u>		
<u>2020 Spring Town Meeting Proposed</u>		
Capital Article 14	\$ (58,000)	
Capital Article 15	\$ (6,000)	
Remaining Unallocated Balance	\$ 47,822	

Section 3. Scope of Work, Personnel, Etc.

The purpose of this Invitation for Bids (IFB) is to invite prospective vendors to submit a bid to supply a security assessment to The Town of Natick, Massachusetts. The IFB provides vendors with the relevant requirements of the bid.

A. Scope of Work

Pursuant to this IFB, the Successful Bidder shall provide all labor and materials necessary to complete a security assessment of the town's information systems networks.

Without limitation, the Successful Bidder shall complete the assessment in accordance with the following:

- 1) Both External and Internal scans and vulnerability testing must use a combination of open-source and commercial scanners and at a minimum include the following -
 - Port Scanning
 - Service identification
 - System Identification
 - Vulnerability Testing and Verification
 - Prioritization of Remediation
- 2) External Penetration and Vulnerability Testing – perform external penetration and vulnerability testing and scanning against the Town's firewalls and any other target systems provided by the Town to determine vulnerabilities on the Town's external facing interfaces that are exposed to the Internet. The scans will be performed on Town domain information and all public IP ranges used by the Town.
- 3) Internal Security Scans – perform internal security vulnerability scans on systems on the Town LAN and DMZ, at least a minimum of 35 systems must be tested.
- 4) Infrastructure Review – a qualitative review of the Town's firewalls, wireless controller and router configurations, management procedures, review of firewall rules, hardening recommendations, VPN review, network address translations (NAT) and static address translation, etc..

Deliverables

The Successful Bidder shall deliver a report to the Town that at a minimum includes a detailed analysis report on the results of all vulnerability and security testing identifying high, medium and low risk vulnerabilities, network infrastructure review and a detailed remediation roadmap.

LEASE AGREEMENT

This Agreement made as of the 1st day of January, 2000 by and between ALEXANDER P. DOWSE AND JONATHAN H. DOWSE of 100 North Main Street, Sherborn, MA (hereinafter the "Lessor") and the Town of Natick, Massachusetts (hereinafter the "Lessee"), pursuant to the authority conferred by Chapter 164 of the Acts and Resolves of 1998.

The parties hereto agree as follows:

1. LEASE:

In consideration of the rents, covenants and agreements herein stipulated, the Lessor does hereby lease unto the Lessee, and the Lessee does hereby lease from the Lessor, upon the terms and conditions and for the term set forth herein, the following vacant land (hereinafter the "Leased Premises"):

The land in Sherborn, Middlesex County, Massachusetts shown on EXHIBIT A attached hereto and incorporated herein by reference, which land abuts the Town of Natick Landfill, together with any interest which the Lessor has in the Sudbury Aqueduct shown on Exhibit "A". The Leased Premises contains approximately 39 acres of land.

2. TERM:

This Lease Agreement shall be for the initial term of fifty (50) years beginning on January 1, 2000 and ending December 31, 2050 (the "Initial Term").

3. OPTION TO EXTEND:

Provided the Lessee is not then in default in payment of rent or any of the other conditions and covenants contained in this Lease, Lessee shall have the option of extending this Lease for an additional period of forty-nine (49) years (the "Extended Term"). Lessee shall exercise this option by giving Lessor written notice thereof not less than six (6) months prior to the expiration of the Initial Term of this Lease. The rent and the annual increases in the rent during the Initial Term and this Extended shall be calculated as provided for in Section 4. Rent.

4. RENT:

The Lessee shall pay to the Lessor the sum of \$40,000 for the first year (January 1, 2000 to December 31, 2000) of the Initial Term of the Lease in four (4) equal installments of \$10,000 payable on Tuesday, March 7th, April 1st, July 1st and September 1st, 2000. Thereafter, equal quarterly installments of the annual rent for each year of the Lease shall be made on January 2nd, April 1st, July 1st and September 1st.

For the succeeding years of the Lease ^{Term}commencing with January 1, 2001 and each January 1st thereafter, during the Initial Term and the Extended Term of this Lease, the yearly rent shall be increased from the rent of the previous year of the Lease ^{Term}by an index which shall be the Consumer Price Index for Urban Wage Earners and Clerical Workers, Boston, MA area, for the most recent year available or its successor index, published by United States

Department of Labor, Bureau of Labor Statistics, or its successor agency, provided, however, the increase in rent in any one year shall not be less than three percent (3%) or more than seven percent (7%) above the rent for the previous year.

This Lease is to be a net, net, net Lease to the Lessor and all provisions of this Lease shall be interpreted as such. All expenses associated with the Leased Premises, including, but not limited to real estate taxes and insurance shall be paid by and shall be the sole responsibility of the Lessee.

5. CHAPTER 21E

The Lessee shall have until ^{ALY 15} 5/5, 2000 to conduct, at Lessee's sole cost and expense, such environmental studies as Lessee shall deem necessary in order to satisfy itself that there are no C.21E issues to be dealt with in conjunction with the Leased Premises. On and after this date, unless otherwise agreed upon in writing, the Lessee shall obligate itself to take full responsibility for all C.21E issues affecting the Lease Premises on and after January 1, 2000 and shall indemnify and hold the Lessor harmless against any such liability. This Section 5 shall apply only to C.21E issues and liability, which is caused by the use and occupancy of the Leased Premises by the Lessee and/or its assigns.

6. USE OF LEASED PREMISES:

Lessor agrees that during the Initial Term of the Lease and continuing during the Extended Term of the Lease, Lessee shall have the right to conduct, at Lessee's sole cost, expense and risk, such inspections as the Lessee may reasonably require, without material damage being imposed upon the Leased Premises, to determine whether the Leased Premises is suitable for use as a golf course, including the right to make or cause to be made engineering studies, including surveys, test borings and percolation tests for the purpose of determining subsoil conditions, and such other soil tests, analyses and studies of the Leased Premises as the Lessee may deem necessary or as may be required by the rules and regulations of the Conservation Commissions, Planning Boards, and any other governmental boards or agencies of the Town of Sherborn, Town of Natick, or of the Commonwealth of Massachusetts for the purpose of obtaining permits and approvals for using the Leased Premises as a golf course. ~~At the end of either the Initial Term or at the end of the Extended Term of the Lease, the Lessee shall restore the Leased Premises, as nearly as possible, to its condition immediately prior to Lessee's activities on the Leased Premises.~~ During the Initial Term and the Extended Term of the Lease the Lessee shall be permitted to use the Leased Premises for development, construction, equipping, maintenance and operation of a municipal golf course and other recreational facilities, which shall not include any structures.

7. ALTERATIONS:

Except as provided under Paragraph 6 herein, Lessee shall have no right to alter the Leased Premises in any manner without the prior written consent of the Lessor, which consent, if given, shall be at the sole discretion of the Lessor.

8. DISTURBANCE, ILLEGAL USE:

Neither the Lessee nor its employees or invitees, visitors, agents or servants shall make or suffer any unlawful, noisy or otherwise offensive use of the Leased Premises, or commit or permit any nuisance to exist thereon, or cause any damage to the Leased Premises, or create

any substantial interference with the rights, comfort, safety or enjoyment of the Lessor, or make any use whatsoever thereof other than as permitted by this Lease and the rules and regulations of the Town of Natick and the Town of Sherborn, and the rules, regulations and laws of the Commonwealth of Massachusetts.

9. INDEMNIFICATION:

The Lessee agrees to indemnify and hold harmless the Lessor, its servants, agents, employees and representatives, from and against all liability, loss or damage resulting from the use and occupation of the Leased Premises by the Lessee, its employees, invitees, guests, visitors, servants, or agents, except to the extent that such liability, loss or damage arises out of the negligence or willful misconduct of the Lessor, the Lessor's employees, officers, agents or representatives. Nothing in this Lease shall release the Lessor or its officers, employees and agents from liability for damage to persons or property caused by the negligence or willful misconduct of the Lessor or the Lessor's employees, officers, agents or representatives.

10. INSURANCE:

The Lessee shall, at its sole cost and expense, provide and maintain the following insurance throughout the Initial term, and the Extended Term of this Lease:

Commercial General Liability	-	\$1,000,000
Personal Injury	-	\$1,000,000
Products/Completed Operations	-	\$1,000,000
Automobile	-	\$1,000,000 (Combined single limit)
Excess Liability – Umbrella Form (Provides coverage over commercial General liability insurance and auto insurance)	-	\$1,000,000
Workers' Compensation	-	As required by statute
Employer's Liability	-	\$500,000/\$500,000/\$500,000

The Lessor shall be named as an additional insured regarding this Lease for Commercial General Liability, Automobile and Excess Liability Umbrella Form.

At the conclusion of the second year of the Initial Term of the Lease and every five (5) years thereafter during the Initial Term and the Extended Term of this Lease, the parties shall review the foregoing insurance requirements to determine if any revisions are necessary in order that the existing insurance coverage accurately reflects the then current insurance risks affecting the Leased Premises.

11. NOTICE TO CURE DEFAULTS:

In the event of any default in the performance or observance of any agreement or covenant in this Lease to be performed or observed by the Lessee, the Lessor shall give written notice

thereof to the Lessee and grant the Lessee a period of thirty (30) days after the giving of such notice in which to cure such default prior to availing itself of any remedy otherwise available to the Lessor by reason of such default and that should such default be cured if the same is repairable or, if not repairable, fair compensation therefor shall be offered, within such period, it shall for all purposes of this Lease be deemed to have been cured retroactively to the date thereof as if it had never happened.

12. RIGHT OF TERMINATION:

This Lease is made on condition that if the Lessee shall neglect or fail to perform or observe any of the covenants contained herein, and on its part to be performed or observed, and shall have failed to take appropriate steps to remedy such breach or default within thirty (30) days after written notice of such breach or default has been given by the Lessor to the Lessee, then, and in any of said cases (notwithstanding any prior consent or waiver of any former breach of covenant in a former instance), the Lessor may, immediately, or at any time thereafter, and without further demand or notice, enter into and upon the Leased Premises or any part thereof in the name of the whole, and repossess the same, and expel the Lessee and those claiming by, through, or under the Lessee and remove the Lessee's effects without being deemed guilty of any manner of trespass and without prejudice to any other remedies that the Lessor may then have against the Lessee for any breach hereunder, and upon entry as aforesaid this Lease shall terminate.

13. LESSEE'S COVENANTS IN EVENT OF TERMINATION:

The Lessee covenants that in case of any termination of the Lease Agreement, by reason of the default of the Lessee, then, at the option of the Lessor:

- (a) The Lessee shall forthwith pay to the Lessor as damages hereunder a sum equal to the quarterly rent and other payments called for hereunder (if any), without proration, which are due from the Lessee for the final quarterly period of occupancy by the Lessee; and
- (b) The Lessee shall furthermore indemnify the Lessor from and against any loss and damage sustained by reason of any termination caused by the default of, or the breach by, the Lessee. Lessor's damages hereunder shall include, but shall not be limited to the reasonable cost incurred in moving and storage charges incurred by Lessor in moving any of Lessee's property pursuant to eviction proceedings, and attorneys fees incurred by the Lessor in termination of this Lease Agreement by reason of default of the Lessee.

The Lessor shall also be entitled to any and all other remedies provided by law. All rights and remedies are to be cumulative and not exclusive.

14. REMOVAL OF GOODS:

The Lessee further covenants and agrees that if the Lessor shall remove any of the Lessee's property pursuant to the terms hereof or of any Court order, the Lessor shall not be liable or responsible for any loss or of damage to Lessee's property, except to the extent that such loss or damage arises out of the gross negligence or willful misconduct of the Lessor's employees, agents or representatives, and the Lessor's act of so removing such property shall be deemed to be the act of and for the account of the Lessee, provided, however, that if the Lessor removes the Lessee's property it shall comply with all applicable laws, and shall exercise due care in the handling of such property to the fullest practical extent under the circumstances.

15. RIGHT OF ENTRY:

The Lessor may enter upon the Leased Premises to inspect the Leased Premises, to make repairs thereto, or to show the Leased Premises to prospective tenants or purchasers. The Lessor may also enter upon the Leased Premises if it appears to have been abandoned by the Lessee or as otherwise permitted by law.

16. SURRENDER:

At the expiration or earlier termination of this Lease Agreement, the Lessee shall peaceably yield up to Lessor the Leased Premises in the condition in which the Lessee is required to keep the same pursuant to the terms hereof.

17. ASSIGNMENT:

The Lessee shall not assign this Lease Agreement or sublet all or any part of the Leased Premises without the prior written consent of the Lessor.

18. WAIVER:

The waiver of or breach of any term, condition, covenant, obligation or agreement of this Lease Agreement shall not be considered to be a waiver of that or any other term, condition, covenant, obligation or agreement or of any subsequent breach thereof.

19. SEPARABILITY:

If any provision of this Lease Agreement or portion thereof or the application of any provision of this Lease Agreement to any person or circumstance is held invalid by final judgement of a court of competent jurisdiction, the remainder of the Lease Agreement (or the remainder of such provision) and the application thereof to other persons or circumstances shall continue in effect to the extent permitted by law.

20. QUIET ENJOYMENT:

Lessor covenants that so long as Lessee pays the rent and performs its obligations under this Lease Agreement, Lessee shall peaceably and quietly have, hold and enjoy the Leased Premises for the term, subject to the terms and provisions of this Lease Agreement, and the Lessor shall not disturb or interfere with the Lessee's use and occupation of the Leased Premises.

21. SUBORDINATION:

Lessee shall upon the written request of the Lessor subordinate this Lease and the lien hereof to the lien of any present or future mortgage or mortgages upon the Leased Premises or any property of which the Leased Premises are a part irrespective of the time of execution or the time or recording of any such mortgage or mortgages. The word mortgage as used herein includes mortgages, deeds of trust or other similar instruments and modifications, extensions, renewals and replacements thereof and any and all advances thereunder. The Lessee's obligations to subordinate this Lease shall be conditional upon the agreement by such mortgagee that in the event of any entry by the mortgagee to foreclose such mortgage or in the event of a foreclosure of such mortgage, the Lessee, if it is not then or thereafter in default with respect to any of the covenants or conditions of this Lease by the Lessee to be performed or observed, shall peaceably hold and enjoy the Leased Premises for the remainder of the unexpired term of this Lease upon same terms, covenants and conditions as in this Lease contained and without any hindrance or interruption from the mortgagee.

22. PROVISION FOR NOTICES:

Unless otherwise notified in writing the Lessor and Lessee agree that any notice or communication relating to this Lease shall be deemed to have been duly delivered when sent by registered or certified mail addressed to the receiving party if such notice is sent:

To the Lessor:	100 North Main Street, Sherborn, MA 01770;
To the Lessee:	Town Administrator, Town of Natick Natick Town Hall, 13 East Central Street Natick, MA 01760.

23. PERMITS AND APPROVALS:

Notwithstanding any other provision of this Lease, the Lessee's obligations under this Lease are expressly conditioned upon the Lessee obtaining all required Federal, Massachusetts and municipal final permits and approvals for the use of the Leased Premises allowed by this Lease, including without limitation zoning, wetlands and environmental permits and approvals. If such final permits and approvals are not obtained, or if any such final permit or approval ceases to be in effect during the Initial Term or the Extended Term of this Lease, the Lessee shall have the right to terminate this Lease upon written notice to the Lessor. "Final permits and approvals" in this context includes final resolution of any administrative or judicial appeal which results in the issuance of such a permit or approval.

24. RETAINED RIGHTS OF LESSOR:

Notwithstanding any other provision of this Lease, Lessor and Lessee agree that in the event Lessor shall develop any of the remaining property of the Lessor which abuts the Leased Premises, the Lessor shall have the right to use and to construct a roadway across that portion of the Leased Premises for public vehicular and pedestrian access and egress between the Lessor's remaining property and Meadowbrook Road, all as more particularly shown on the Plan attached hereto as EXHIBIT A, if such access and egress is required by a land use board or commission of the Town of Sherborn, including without limitation, the Sherborn Planning Board and the Sherborn Conservation Commission.

25. FENCING:

In order (1) to delineate the boundary line between the Leased Premises and the remaining property of the Lessor, (2) to provide security for the Lessor's apple orchards and the Leased Premises, and (3) to provide some degree of safety to those individuals using the Lessor's apple orchards and to those individuals using the Leased Premises, Lessee agrees to install and maintain a six (6) foot high barrier fence along that portion of the boundary line of the Leased Premises that abuts the Lessor's apple orchards, as more particularly shown on the Plan attached hereto as EXHIBIT "A", the type and style of which shall be agreed upon by Lessor and Lessee, with such agreement not to be unreasonably withheld by either party.

26. MISCELLANEOUS:

This Agreement sets forth the entire understanding of the parties. This Agreement shall be modified or amended only by written agreement of the parties. This Agreement shall be binding upon and shall inure to the benefit of the assigns and successors in interest of the parties hereto.

This Agreement shall be governed by the laws of the Commonwealth of Massachusetts.

This Agreement shall be signed in multiple counterparts and each signed document shall have the force and effect of an original document.

IN WITNESS WHEREOF, the parties hereto set their hands and seals as of the date first above written.

WITNESS:

Mark H. Rand

Mark H. Rand

John W. Natick

Alexander P. Dowse
Alexander P. Dowse, Lessor

Jonathan H. Dowse
Jonathan H. Dowse, Lessor

Town of Natick, Lessee:
By its Town Administrator

Frederick C. Conley
Frederick C. Conley

ITEM TITLE: Article 6: Amend Agreement for the South Middlesex Regional Vocational School District

ITEM SUMMARY:

ATTACHMENTS:

Description	Upload Date	Type
Final Draft Regional Agreement	3/11/2019	Exhibit
Executive Summary - Regional Agreement	3/11/2019	Exhibit

Amended: 1972, 1987, 2019

Amended Agreement among the Towns of
Ashland, Holliston, Hopkinton and Natick and the City of Framingham
with Respect to the Establishment of a
Regional Vocational High School District

This Agreement is entered into pursuant to Chapter 71 of the General Laws of Massachusetts, as amended, between the towns of Ashland, Holliston, Hopkinton and Natick and the City of Framingham, hereinafter sometimes referred to as member municipalities. In consideration of the mutual promises herein contained, it is hereby agreed as follows:

SECTION I THE REGIONAL DISTRICT SCHOOL COMMITTEE

(A) Composition

The powers and duties of the regional school district shall be vested in and exercised by a regional district school committee, hereinafter sometimes referred to as the Committee.

The Committee shall consist of sixteen members, eight from the City of Framingham and two from each of the towns of Ashland, Holliston, Hopkinton and Natick.

(B) Members

All members shall be appointed by the official or government body authorized to make such appointment in accordance with the city or town charter, by-law or other vote of the legislative body. In every year in which the term of office of one or more members expires, the official or government body shall appoint one or more members, as the case may be, to serve for a term of three years, and the terms of office of such members shall commence at midnight on June 1 following their appointment.

(C) Vacancies

If a vacancy occurs among the members appointed under subsection I (B), the official or government body authorized to appoint shall appoint a member to serve for the balance of the unexpired term, if any.

(D) Organization

At the first meeting in June of each year, the Committee shall organize and choose by ballot a chairman and a vice-chairman from among its own membership. At the same meeting, or at any other meeting, the Committee shall appoint a treasurer and a secretary, who may be the same person but who need not be members of the Committee, choose such other officers as it deems advisable, determine the terms of office of its officers (except the chairman and vice-chairman who shall be elected annually as provided above) and prescribe the powers and duties of any of its officers, fix the time and place for its regular meetings and provide for the calling of special meetings.

(E) Powers and Duties

The Committee shall have all the powers and duties conferred and imposed upon school committees by law and conferred and imposed upon it by this agreement, and such other additional powers and duties as are specified in Sections 16 to 16I, inclusive of Chapter 71 of the General Laws and any amendments thereof or additions thereto now or hereafter enacted, or as may be specified in any other applicable general or special law.

(F) Quorum

The quorum for the transaction of business shall be a majority of the Committee, but a number less than the majority may adjourn.

SECTION II LOCATION OF THE REGIONAL DISTRICT SCHOOL

The regional district school or schools shall be located within the geographical limits of the District and within a radius of three (3) miles from the Ashland Post Office located at the intersection of Main and Summer Streets.

SECTION III TYPE OF REGIONAL DISTRICT SCHOOL

The regional district school shall be a co-educational vocational-technical high school consisting of grades nine through twelve, inclusive. The Committee is hereby authorized to establish and maintain such kinds of education, acting as trustees therefor, as may be provided by municipalities under the provisions of Chapter 74 of the General Laws and acts amendatory thereof, in addition thereto or dependent thereon, including courses beyond the secondary school level in accordance with the provisions of Section 37A of the said Chapter 74 of the General Laws.

SECTION IV APPORTIONMENT AND PAYMENT OF COSTS INCURRED BY THE DISTRICT

(A) Classification of Costs

For the purpose of apportioning assessments to the member municipalities, costs shall be divided into two categories: capital costs and operating costs.

(B) Capital Costs

Capital costs shall include all expenses in the nature of capital outlay such as the cost of acquiring land, the cost of constructing and reconstructing and adding to buildings, and the cost of remodeling or making extraordinary repairs to a school building or buildings, including without limitation the cost of the original equipment and furnishings for such

buildings and additions, plans, architects and consultants fees, grading, the cost of construction of sewerage systems and sewerage treatment and disposal facilities or for the purchase or use of such systems with municipalities, other costs incidental to placing school buildings and additions and related premises in operating condition and any other capital outlays for which regional school districts may be authorized to borrow or which could be categorized as a capital expense in conformity with applicable law or regulation. Capital costs shall also include payment of principal of and interest on bonds, notes or other obligations issued by the District to finance capital costs.

(C) Operating Costs

Operating costs shall include all costs not included in capital costs as defined in subsection IV (B), but including interest on temporary notes issued by the District in anticipation of revenue.

(D) Apportionment of Capital Costs

Capital costs shall be apportioned annually no later than April 30th for the ensuing fiscal year as follows:

- (1) Each member municipality's share of the capital costs incurred in connection with the construction, equipping and placing in operation of the initial district school building, including the payment of principal of and interest on bonds, notes or other obligations of the District to finance such capital costs, shall be determined by computing the ratio which the sum of its resident pupil enrollments on October 1 of the three years next preceding the year in which the Committee votes to authorize the incurring of such capital costs bears to the sum of the resident pupil enrollments of all the member municipalities on October 1 of the same three

years; and in the case of capital costs consisting of the payment of principal of and interest on bonds, notes or other obligations issued by the District, the ratio shall not be changed during the period in which such bonds, notes or other obligations are outstanding, except as provided in subsection VII (A). For the purpose of this clause (1) of this subsection IV (D) resident pupil enrollments shall be defined as the number of pupils residing in a member municipality and enrolled in the District.

For the purposes of this subsection IV(D) and the Agreement as a whole, all references to October 1st shall be deemed to be the date on which the Commonwealth requires the reporting of student enrollment for the purpose of Chapter 70 funding such that if the Commonwealth changes this date, this Agreement shall be read as incorporating the new date set by the Commonwealth without amendment.

- (2) Each member municipality's share of the capital costs other than those apportioned pursuant to clause (1) of this subsection IV (D), whether or not incurred in connection with the construction of an addition to or the reconstruction, replacement, remodeling or making extraordinary repairs to said initial school building, shall be determined by computing the ratio which the sum of its pupil enrollments in the regional district school on October 1 of the three years next preceding the year in which the Committee votes to authorize the incurring of such capital costs bears to the sum of the pupil enrollments of all the member municipalities in the regional district school on October 1 of the same three years, and in the case of capital costs consisting of the payment of the

principal of and interest on bonds, notes or other obligations issued by the District the ratio shall not be changed during the period in which such bonds, notes or other obligations are outstanding, except as provided in subsection VII (A). In the event that there is no pupil enrollment from any member municipality in any one or more of the aforesaid three years, such member municipality's share shall be determined as provided in clause (1) of this subsection and the share of each of the other member municipalities of the remaining capital costs shall be determined by computing the ratio which the sum of its pupil enrollments in the regional district school on October 1 of the three years next preceding the year in which the Committee votes to authorize the incurring of such capital costs bears to the sum of the pupil enrollments of such other member municipalities in the regional district school on October 1 of the same three years.

(E) Apportionment of Operating Costs

Operating costs will be apportioned in accordance with the options authorized by Chapter 70 of the General Laws. Subject to the Commonwealth's determination of the minimum local contributions, operating costs, except those described in subsection IV (F), for every fiscal year, shall be apportioned to the member municipalities on the basis of each municipality's respective pupil enrollment in the regional school. Each member municipality's share for each fiscal year shall be determined by computing the ratio which that member municipality's pupil enrollment in the regional district school on October 1 of the year next preceding the year for which the apportionment is determined bears to

the total pupil enrollment in the regional school from all the member municipalities on the same date. In computing this apportionment the pupil hours referred to in subsection IV (F) shall be excluded.

(F) Special Operating Costs

The Committee shall determine the operating costs for each fiscal year of any evening trade extension courses or any other types of courses which are offered by the District to persons other than the pupils attending the regular day regional vocational school. Each member municipality's share of such operating costs shall be determined by computing the ratio which that municipality's enrollment of pupil hours in such courses on October 1 of the year next preceding the year for which the apportionment is determined bears to the total enrollment of pupil hours in such courses from all the member municipalities on the same date.

(G) Times of Payment of Apportioned Costs

Each member municipality shall pay to the District in each year its proportionate share, certified as provided in subsection V (C) of the capital and operating costs. Except as otherwise provided in subsection V (A) the annual share of each member municipality shall be paid in such amounts and at such times that at least the following percentages of such annual share shall be paid on or before the dates indicated, respectively:

August 1	25%
December 1	50%
April 1	75%
June 1	100%

SECTION V BUDGET

(A) Preliminary Operating and Maintenance Budget

In December of the preceding fiscal year, the Committee shall annually prepare a preliminary operating and maintenance budget for the ensuing fiscal year, attaching thereto provision for any installment of principal or interest to become due in such year on any bonds or other evidence of indebtedness of the District and any other capital costs to be apportioned to the member municipalities. The budget is presented to the Budget Subcommittee and member municipalities' Finance Committees. The budget is to be itemized in a manner consistent with the Commonwealth's chart of accounts.

(B) Final Operating and Maintenance Budget

The Committee shall adopt, by a two-thirds vote of the full Committee, an annual operating and maintenance budget, including debt and interest charges and any other current capital costs as separate items, in March for the ensuing fiscal year, and said Committee shall apportion the amounts necessary to be raised in order to meet the said budget in accordance with the provisions of Section IV. The amounts so apportioned to each member municipality shall, within 30 days and prior to April 15 of each year preceding the fiscal year to which said budget relates, be certified by the district treasurer to the treasurer of such member municipality, and each such town shall, at the next annual town meeting, or in the City of Framingham, at meeting of the city council no later than June 15 of each year preceding the fiscal year to which said budget relates, appropriate the amounts so certified. The budget shall be deemed approved upon a two-thirds vote of the member municipalities.

(C) Conformity with Legal Process

The budget process set forth herein shall be interpreted and implemented in accordance with the provisions of G.L. c. c. 71, as applicable, and any special laws or regulations relating thereto.

SECTION VI TRANSPORTATION

School transportation shall be provided by the regional school district and the cost thereof shall be apportioned to the member municipalities as an operating cost.

SECTION VII AMENDMENTS

(A) Limitation

This agreement may be amended from time to time in the manner hereinafter provided, but no amendment shall be made which shall substantially impair the rights of the holders of any bonds or notes or other evidences of indebtedness of the District then outstanding, or the rights of the District to procure the means for payment thereof, provided that nothing in this section shall prevent the admission of a new municipality or municipalities to the District and the reapportionment accordingly of capital costs of the District represented by bonds or notes of the District then outstanding and of interest thereon.

(B) Procedure

Any proposal for amendment, except a proposal for amendment providing for the withdrawal of a member municipality (which shall be acted upon as provided in Section IX), may be initiated by a majority vote of all the members of the Committee or by a petition signed by at least 10 per cent of the registered voters of anyone of the member

municipalities. In the latter case, said petition shall contain at the end thereof a certification by the clerk of such member municipality as to the number of registered voters in said municipality according to the most recent voting list and the number of signatures on the petition which appear to be the names of registered voters of said municipality and said petition shall be presented to the secretary of the Committee. In either case, the secretary of the Committee shall mail or deliver a notice in writing to the board of selectmen or mayor, as the case may be, of each of the member municipalities that a proposal to amend this Agreement has been made and shall enclose a copy of such proposal (without the signatures in the case of a proposal by petition). In a member town, the selectmen of each member municipality shall include in the warrant for the next annual or a special town meeting called for the purpose an article stating the proposal. In a city, the proposal to amend this Agreement shall be placed before the city council. Such amendment shall take effect upon its acceptance by all the member municipalities, acceptance by each town to be by a majority vote at a town meeting and in each city by a majority vote of the city council. All amendments must be approved by the Commissioner of Elementary and Secondary Education.

SECTION VIII ADMISSION OF NEW TOWNS

By an amendment of this Agreement adopted under and in accordance with Section VII above, any other municipality or municipalities may be admitted to the regional school district upon adoption as therein provided of such amendment and upon acceptance by the municipality or municipalities seeking admission of the Agreement as so amended and also upon compliance with such provisions of law as may be applicable and such terms as may be set forth in such amendment. Such provisions of law require that the approval of all member municipalities,

including the new member municipality(ies), and the approval of the Commissioner of Elementary and Secondary Education be obtained no later than December 31st of the year preceding admission. The admission of the new member municipality(ies) shall not be effective until the July 1st following such approvals.

SECTION IX WITHDRAWAL

(A) Limitations

The withdrawal of a member municipality from the District may be affected by an amendment to this Agreement in the manner hereinafter provided by this section. Any member municipality seeking to withdraw shall, by vote at an annual or special town meeting in a member town or, in a member city, vote of the city council, request the Committee to draw up an amendment to this Agreement setting forth the terms by which such municipality may withdraw from the District, provided (1) that the municipality seeking to withdraw shall remain liable for any unpaid operating costs which have been certified by the district treasurer to the treasurer of the withdrawing municipality, including the full amount so certified for the year in which such withdrawal takes effect, and (2) that the said municipality shall remain liable to the District for its share of the indebtedness of the District outstanding at the time of such withdrawal, and for interest thereon, to the same extent and in the same manner as though the municipality had not withdrawn from the District.

(B) Procedure

The clerk of the municipality seeking to withdraw shall notify the Committee in writing that such municipality has voted to request the Committee to draw up an amendment to this Agreement (enclosing a certified copy of such vote). Thereupon, the Committee

shall draw up an amendment to this Agreement setting forth such terms of withdrawal as it deems advisable, subject to the limitation contained in subsection VII (A). The secretary of the Committee shall mail or deliver a notice in writing to the board of selectmen of each member town or the mayor and city council of each member city that the Committee has drawn up an amendment to this Agreement providing for the withdrawal of a member municipality (enclosing a copy of such amendment). In each member town, the selectmen shall include in the warrant for the next annual town meeting, (provided the warrant has not first been closed) or a special town meeting called for the purpose, an article stating the amendment or the substance thereof. In each member city, the amendment shall be put on the agenda of the city council. Such amendment shall take effect upon its acceptance by all of the member municipalities, acceptance by each municipality to be by a majority vote at a town meeting or city council as aforesaid. All such votes must be taken, and the approval of the Commissioner of Elementary and Secondary Education must be obtained, no later than December 31st of the fiscal year preceding the withdrawal. All withdrawals shall be effective the July 1st following the aforementioned votes and approval.

(C) Cessation of Term of Office of Withdrawing Municipality's Member

Upon the effective date of withdrawal, the term of office of the members serving on the Committee from the withdrawing municipality shall terminate and the total membership of the Committee shall be decreased accordingly.

(D) Payments of Certain Capital Costs Made by a Withdrawing Municipality

Money received by the District from the withdrawing municipality for payment of funded indebtedness or interest thereon shall be used only for such purpose and until so used

shall be deposited in trust in the name of the District with a Massachusetts bank or trust company having a combined capital and surplus of not less than \$5,000,000.

(E) Apportionment of Costs after Withdrawal

The withdrawing municipality's annual share of any future installment of principal and interest on obligations outstanding on the effective date of its withdrawal shall be fixed at the percentage prevailing for such municipality at the last apportionment made next prior to the effective date of the withdrawal. The remainder of any such installment after subtracting the shares of any municipality or municipalities which have withdrawn shall be apportioned to the remaining member municipalities in the manner provided in subsection IV (D) or as may be otherwise provided in the amendment providing for such withdrawal.

SECTION X TUITION STUDENTS

The Committee may accept for enrollment in the regional district school pupils from municipalities other than the member municipalities on a tuition basis. Income received by the District from tuition pupils who are enrolled as of October 1 and not previously deducted from operating costs shall be deducted from the total operating costs in the next annual budget to be prepared after the receipt thereof, prior to apportionment under subsection IV (E) to the member municipalities.

SECTION XI INCURRING OF DEBT

Within seven days after the date on which the Committee authorizes the incurring of debt, other than temporary debt in anticipation of revenue to be received from member municipalities, the said Committee shall cause written notice of the date of said authorization, the

sum authorized, and the general purpose or purposes for authorizing such debt, to be given to the board of selectmen of each member town and the mayor of each member city, in accordance with Chapter 71, Section 16(d) of the General Laws.

SECTION XII FISCAL YEAR

The fiscal year or period of the District shall be the same as the fiscal period of the member municipalities as provided by law, and the word year or fiscal year as it relates in this Agreement to a fiscal or budget year shall mean the fiscal year of the District.

SECTION XIII ADVISORY COMMITTEE

The Committee may, to assist it in the construction of any regional school building, appoint a building committee to advise it with respect to plans, specifications, appointment of architects and/or engineers, the awarding of contracts, the supervision of construction and any other assistance the Committee may desire. The members of any such committee shall serve in an advisory capacity only and without compensation.

SECTION XIV ANNUAL REPORT

The Committee shall submit on or before January 31 of each year, an annual report to each of the member municipalities containing a detailed financial statement for the prior year and the budget for the then current year, including in each case a statement showing the method by which the annual charges assessed against each member municipality were computed, together with such additional information relating to the operation and maintenance of the regional school as may be deemed necessary or appropriate by the Committee. The Committee shall also furnish

upon request any additional financial information as may be deemed necessary by the board of selectmen or mayor, as the case may be, in any member municipality.

SECTION XV SEVERABILITY

If any provision of this Agreement shall be held invalid in any circumstance, the remaining provisions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, this amended and restated agreement has been executed as of the ____ day of _____ 2019.

Tara M. Ward, Town Clerk
Town of Ashland

Lisa Ferguson, City Clerk
City of Framingham

Elizabeth Turner Greendale, Town Clerk
Town of Holliston

Connor Degan, Town Clerk
Town of Hopkinton

Diane Packer, Town Clerk
Town of Natick

Jeffrey C. Riley, Commissioner
Department of Elementary and Secondary Education

MEMORANDUM

To: School Committee Members
From: Jon Evans, Superintendent-Director
Date: March 4, 2019
RE: Executive Summary of Updates to District Agreement

In connection with the proposed amendments to the District Agreement, I provide this Executive Summary.

At the highest level, the proposed updates to the District Agreement accomplish five things. First, they incorporate the prior amendments to the District Agreement and eliminate outdated provisions that relate only to the initial formation of the District. Second, they recognize Framingham's recent change from a town to a city form of government. Third, they bring the District Agreement into alignment with the District's existing practices. Fourth, there is an amendment regarding the manner in which tuition receipts are used to offset costs for the purpose of simplifying the District's budget process. Last, they address provisions that the Commissioner of the Department of Elementary and Secondary Education, who must approve the amended District Agreement, has required. The updates that accomplish each of these items are described more fully below.

Updates Reflecting Prior Amendments and Elimination of Outdated Provisions

The updates reflecting prior amendments are not reflected in Track Changes as they are non-substantive. They include, however, changes to the size of the School Committee (Section I) and changes in the timing of payments to the District (Section IV(G)). Other provisions relating to the formation of the initial School Committee in Section I have been deleted.

Updates Related to Framingham's Change from a Town to a City

Most of the changes to the District Agreement reflecting Framingham's change from a town to a city form of government are readily apparent. However, I also direct your attention to Section V(B), which recognizes the difference in Framingham's appropriation process based on the change in the appropriating authority from the Town Meeting to the City Council. Similarly, Section VII(B), regarding amendments to the District Agreement, and Section IX, regarding withdrawals from the District, have been revised to reflect the same change. Section XI has been changed to reflect a recent change to General Laws Chapter 71, Section 16(d). The word "towns" has also been changed to "municipalities" throughout the document.

Changes Reflecting Current Practices

Over time, each member municipality, by charter or by-law, has moved from elected to appointed School Committee members. This change is reflected in Section I(B). In order

to avoid the constant transition of members, I recommend selecting a defined date on which School Committee members will be appointed. I recommend this date be June 1st to be consistent with the existing practice of organizing the School Committee at its first meeting in June of each year.

I have also recommend clarifying the definition of capital costs in Section IV(B) to encompass all legally permissible purposes. This change is intended to make the District Agreement consistent with law by ensuring the District Agreement does not unduly restrict the District's ability to borrow for capital costs.

There are numerous provisions that appear to date back to a time when the District operated on a January 1st fiscal year. Those provisions are inconsistent with law. The proposed changes, found at Sections IV and V, are intended to bring the District Agreement into accordance with law and practice. Sections IV(E) and IV(F) also bring the District's funding provisions into alignment with law and practice. Other changes to Section V eliminate outdated language related to the original formation of the District and align the District Agreement with the budgetary process the District has been using for years. With regard to the budget process as a whole, I recommend inserting a new Section V(C), which ensures the District Agreement will always be interpreted in a manner consistent with law.

Change regarding Tuition Payments

Section X of the current District Agreement allows the District to accept students on a tuition basis. Such funds are applied to operational costs. The proposed revision does not change this principle. Rather, it seeks only to establish a fixed date, the same October 1 date that is used for the Commonwealth's Chapter 70 calculations, on which the number of tuition students will be determined. Tuition revenues attributed to such students would be applied to the District's budget for the following fiscal year. For example, tuition from students enrolled as of October 1, 2017, and received throughout the 2017-18 school year will be applied to the following year's budget process for the Fiscal Year 2020 budget. This approach allows for a greater degree of certainty in determining the District's budget and provides greater clarity to the member municipalities as to how such revenue, albeit limited, will be applied to reduce the annual assessment.

Changes reflecting DESE's Requirements

DESE requested a few minor changes, none of which change the substance of the District Agreement. More specifically, DESE stated it now requires certain elements of the law with respect to the adoption of the District's budget (2/3 vote of the full School Committee and 2/3 approval by the member municipalities), the amendment of the District Agreement (to include the approval of the Commissioner) and the addition and withdrawal of municipalities from the District to be included in the District Agreement (incorporation of certain timelines and approval by the Commissioner). I pressed them on the need to state existing legal requirements in the District Agreement, which, of course, are in effect regardless of whether they are in the District Agreement. DESE

stated they now require the inclusion of these provisions in district agreements, generally, and believe they help ensure compliance.

Other required changes include minor changes in wording, e.g., deletion of an antiquated reference to “levying” assessments because assessments are no longer “levied.” DESE also had preferred language with regard to the reference to the minimum required contribution in Section IV(E).

One of DESE’s changes, to Section VI, requires a minor explanation. In Section VI, you will see the deletion of the phrase “the substance thereof” with respect to the warrant article regarding amendments to the District Agreement. Although this phrasing is common with respect to municipal warrant articles, DESE does require that the entire District Agreement be a part of the warrant article. Obviously, this is a provision that will be administered by the member municipalities and not something the District would be involved in reviewing. Each member municipality should work with their local counsel to ensure that the entire proposed, amended District Agreement is available to their Town Meeting/City Council.

Please feel free to contact me if you have any questions.

ITEM TITLE: Finance Committee Draft of Recommendation Book - Review & Discuss
ITEM SUMMARY:

ITEM TITLE: Discussion on the need for a March 14 2019 Finance Committee Meeting

ITEM SUMMARY:
