



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: January 30, 2014

The minutes were approved through the following action:

Motion:	Approval
Made by:	Mr. Pierce
Seconded by:	Ms. Coughlin
Vote:	11-0-0
Date:	February 11, 2014

Respectfully submitted,

James Everett
Secretary
Natick Finance Committee

NATICK FINANCE COMMITTEE MEETING MINUTES

January 30, 2014

**Natick Town Hall
School Committee Meeting Room, Third Floor**

This meeting has been properly posted as required by law.

MEMBERS PRESENT:

Jonathan Freedman, Chairman	Michael Ferrari
Karen Adelman Foster	Patrick Hayes
Jimmy Brown	Mark Kelleher
John Ciccariello	Jerry Pierce
Catherine M. Coughlin	Christopher Resmini
Bruce Evans, Vice Chairman	Edward Shooshanian
James Everett, Clerk	

MEMBERS ABSENT:

Mari Barrera
Cathleen Collins

ATTACHMENTS:

- A. Agenda for this evening's meeting
- B. Town of Natick Finance Committee Public Hearing Schedule, January 29, 2014 Update
- C. Natick Public Schools FY 15 Preliminary Budget – Finance Committee January 20, 2014, 1/30/14 (PowerPoint)

Meeting was called to order by Mr. Freedman at 7:05 p.m.

The Chairman reviewed the evening's agenda.

PUBLIC CONCERNS/COMMENTS:

None

MEETING MINUTES:

Mr. Freedman turned the floor over to Mr. Everett to chair discussion of Meeting Minutes.

January 14, 2014 Finance Committee Meeting:

Mr. Everett referred the members to draft Minutes of the Committee's January 14th meeting which had been distributed previously via email. Noting that all but two of the members present were eligible to vote these Minutes he asked if there were any corrections or additions. A typographical error was noted on page 9.

A motion was made, at 7:09 p.m., to approve the Minutes of the January 14, 2014 meeting of the Finance Committee as written.

Moved/Motioned by:	Mr. Ciccariello
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Seconded by:	Mr. Evans
Motions or Debates:	None
Vote:	11 – 0 – 0 (unanimous)

OLD BUSINESS:

Hearing Schedule Changes:

Mr. Freedman referred the members to a handout containing an updated hearing schedule and noted that the Community Development budget would be heard on February 4th and the hearing on the Finance Department budget was scheduled for February 25th.

Subcommittee Updates:

Ms. Coughlin reported that the Public Safety Subcommittee would meet with the Police Chief on February 4th. She encouraged any members with questions relating to either the Police or Fire Department budgets to forward them to her in advance.

Mr. Freedman reported that Ms. Collins would be scheduling meetings of the Education Subcommittee to review the budgets of the Natick Public School and Keefe Tech.

Public Hearing – FY 2015 Proposed Budget:

Mr. Freedman reopened the public hearing on the FY 2015 budget.

Personnel Board:

Mr. Freedman welcomed Mr. Steve Levinsky, Chair of the town’s Personnel Board, to the podium and referred the members to page VII.11 in the Budget Books for supporting detail regarding this budget. He reminded the members that this budget addressed the operating expenses for this volunteer committee.

Mr. Levinsky reviewed the composition and role of the Personnel Board and explained that the funds in this budget were primarily used to cover costs of outside assistance with surveys and job description preparation for the town’s non-union personnel.

A motion was made, at 7:13 p.m., to move favorable action on the amount of \$1,000, as printed on page VII.11 in the Budget Books for the Personnel Board FY 2015 budget.

Moved/Motioned by:	Mr. Ciccariello
Seconded by:	Mr. Pierce
Motions or Debates:	None
Vote:	13 – 0 – 0 (unanimous)

Facilities Management:

The Chair welcomed Mr. Paul Comerford, Director of Facilities, and Mr. Jeff Towne, Finance Director, to the podium to present information regarding the Facilities Department. The members were referred to pages IX.31-IX.38 in the Budget Books for supporting detail relating to this budget.

Mr. Comerford presented an overview of the department’s role, accomplishments and current priorities, highlighting progress and accomplishments of the past year in this newly consolidated department. He noted that the budgets for Custodial Supplies and for Repair & Maintenance of Facilities, the Eliot School and Elevator/Chair lift, previously included within the Public Works budgets, were now included in Facilities, reflecting further progress toward total consolidation of the facilities management function.

Mr. Comerford reported that, although a new electrician position had been approved for this department by Town Meeting last year, efforts to fill the position have not yet been successful and more aggressive advertising was planned to try to have someone on board by April to assist with the upcoming renovation of the Police Dispatch center which would take place at that time.

He also noted that a new contract cleaning service had been employed and the department had taken on responsibility for management and maintenance of the facilities associated with the Natick Community Organic Farm (NCOF) with the goal of ensuring proper maintenance and repair of this town owned property.

Mr. Towne reported that, as a result of questions raised by members of the Public Safety, DPW & Facilities Management Subcommittee at their meeting earlier in the evening, a calculation error had been identified in the Operational Staff Salaries account and an amount of \$53,700 had been double-counted. He reviewed the corrected totals and sub-totals and promised to forward corrected pages for the Budget Books and update the relevant pages on the town website.

Ms. Coughlin reported that the Subcommittee had requested additional detail regarding overtime costs as well as further elaboration of the metrics related to the new work order program.

Mr. Everett added that a question had also been raised regarding the rationale for the proposed repairs & maintenance budgets being transferred from DPW.

Member questions and discussion included the following:

- Although the costs associated with maintenance of the NCOF are not presently being passed on to the Farm under the terms of the current management contract, it is anticipated this will be addressed under the terms of any future long-term lease currently being negotiated.
- Dr. Peter Sanchioni, Superintendent, Natick Public Schools, stated that the School Department was comfortable with the current arrangement under which the budgets for facilities expenses and maintenance of school properties remained within the School Department budget and that no further consideration of consolidating these expenses had been given since this was initially evaluated the previous year.
- The estimated savings resulting from completion of various work projects with in-house labor vs. outside contractors is calculated by comparing contract cost proposals with actual cost of in-house work.
- Current labor contracts for department personnel expire on June 30, 2015.
- Effort is made to the greatest extent possible to schedule school maintenance work during school vacations, etc., to avoid incurring overtime costs.

A motion was made, at 7:49 p.m., to move favorable action on the amount of \$3,016,604, \$2,515,220 for Salaries, and \$501,384 for Operating Expenses, as printed on page IX.31 and modified, for the FY 2015 Facilities Management budget.

Moved/Motioned by:	Mr. Everett
Seconded by:	Mr. Ciccariello
Motions or Debates:	<ol style="list-style-type: none"> 1. Mr. Everett said he appreciated the follow up and corrections related to the error identified during the subcommittee meeting but was still not convinced that the expenses associated with cleaning and maintenance of the School’s buildings needed to be maintained separately within the School budget vs. being consolidated into this budget, and he would like to see this issue revisited. He noted that approximately 60% of the work being done was scheduled through the work order system and he looked forward to seeing further information as that system evolved. He said he thought the proposed increase in these budgets was reasonable given the transfer of the several budgets from DPW. 2. Mr. Ciccariello said he was happy to see the budgets being moved from DPW into this department and the improvements in how things were being done. He said he liked the work order system as it provided a basis for documenting what work was done, for whom

	<p>and the associated costs. He also appreciated the Buildings Systems Summary sheet and expected that, as this was further refined, it would provide valuable information to the Finance Committee regarding status of various facilities and assist in anticipating capital needs and planning; and the utilities cost and consumption data would facilitate ongoing monitoring. He said the availability of expertise and consultation from the Facilities staff had already proven helpful in achieving cost savings. He agreed with the previous speaker that more discussion was needed regarding potential consolidation of school-related maintenance and supply expenses.</p> <p>3. Ms. Coughlin said she would look for more detail and metrics as the department evolved and suggested the Facilities Oversight committee might look at how the various systems and tracking were developing. She wished the department luck in recruiting an electrician noting this was a very competitive market.</p> <p>4. Mr. Freedman acknowledged that this was a new department and a work in progress, but he felt things were on the right track. He also supported the new work order system as providing a process to rationalize what work was being done and how the department’s efforts could be measured. He said he was disappointed that the new electrician position had not yet been filled in view of the urgency and importance of the need for this position to achieve significant savings which had been conveyed to Town Meeting to justify the addition. The seven months which had elapsed since the funding became available suggested to him that the need was not as urgent as presented. He said he expected the issue of further consolidation of school facilities expenses would come up again in the context of discussions on the School Department budget.</p>
Vote:	13 – 0 – 0 (unanimous)

Natick Public Schools:

Mr. Freedman welcomed Dr. Sanchioni, Mr. William Hurley, NPS Director of Fiscal and Management Services, and Ms. Anna Nolin, Assistant Superintendent, to the podium to present an overview of the School Department budget. He explained that this was the first of two Finance Committee hearings scheduled on the School budget. Following this evening’s overview, the Schools would return on March 20th for a final, more in-depth discussion and vote on this budget and, in the interim, the Education Subcommittee would also hold several public meetings with representatives of the School Department to review details of these budgets.

A handout (Attachment C) was distributed summarizing the PowerPoint presentation.

Mr. Ferrari stated that his spouse was an elementary educator employed in the Natick School Department and he had requested an opinion regarding potential conflict of interest related to his participation in the Finance Committee’s review of these budgets. As he was still awaiting this opinion he stated that he would refrain from any participation or actions related to this evening’s hearing on the School budget.

Highlights of the presentation included the following:

- This preliminary budget will be further refined as additional information regarding State Aid and other revenue sources becomes available.
- Preliminary budget of \$53,166,610 is based on projected enrollment for the 2014-2015 School Year of approximately 5,300. Enrollment is projected to continue to increase by approximately 100 new students per year.

- FY 2015 request is \$4,577,937, or 9.4% above FY 2014 appropriation.
- Proposed FY 2015 Salaries of \$40,723,510 represents a 7.6% increase over FY 2014, of which \$1,034,000 is for 22.5 new staff positions and the balance for contractual adjustments.
- FY 2015 Operating Expense request of \$12,443,100 represents a 15.8% increase over FY 2014 appropriation; \$1,167,030 of the increase is for SPED tuitions. Approximately 15% of Natick’s student population is on Individualized Education Programs (IEP) as mandated by the Individuals with Disabilities Education Act, and 11 students are currently on a “watch list” anticipating the need to send them out of district to meet their educational requirements.

Member questions and discussion included the following:

- Benefit costs associated with the proposed staff additions are included in the shared Benefits budget.
- The transportation line item in the preliminary budget is expected to be reduced as consideration of changing the school starting time has been postponed for further study at the present time.
- Capital Articles are anticipated to address plans to expand and replace 1:1 technology.
- Approximately \$300,000 in SPED student transportation costs have been incurred in conjunction with the McKinney Homeless Assistance program.
- The Massachusetts School Building Authority (MSBA) denied the town’s initial request relating to potential replacement of the Kennedy Middle School and therefore the capital budget will include a request to purchase, rather than lease the portable classrooms.
- Although the percentage increases in staffing and other expense categories are significantly higher than the percentage by which enrollment is growing, this is due in part to the need to catch up with steady growth experienced in recent years during which resources have been constrained and staff capacity stretched to maximum limits.

Public concerns and comments:

Mr. Dirk Coburn, Chair of the Natick School Committee, stressed that, although proposed staff additions were presented in budget documents categorized as “required” vs. “requested,” the distinction was misleading since all of the additional positions were critically needed to maintain the level of services required by the steadily growing student population. He also noted that, although the area most acutely in need of expansion at present was determined to be at the middle school level, similar pressures at the elementary level were anticipated in the near future.

The Chair called a brief recess at 9:14 p.m.

The Chair called the meeting back to order at 9:19 p.m.

Mr. Freedman welcomed Ms. Martha White, Town Administrator, and Mr. Towne to the podium to present information regarding the following budgets.

Finance Committee:

Ms. White reported that the principal change in this budget related to an increase in the hourly rate charged by the agency from which secretarial services were purchased.

A motion was made, at 9:21 p.m., to move favorable action on the amount of \$23,800, as printed on page VIII.4 of the Budget Books, for the FY 2015 Finance Committee budget.

Moved/Motioned by:	Mr. Ciccariello
Seconded by:	Mr. Pierce
Motions or Debates:	Mr. Ciccariello noted that the cost of Technical/Professional Services which consisted primarily of costs associated with the Finance

	Committee’s report for Town Meeting had been rising over the past several years and suggested that it might be wise to look for ways of reducing the size of the report.
Vote:	13 - 0 - 0 (unanimous)

Commission on Disability:

Ms. White noted that the proposed budget of \$1,810 for the Commission on Disability was level funded.

A motion was made, at 9:25 p.m., to move favorable action on the amount of \$1,810, as printed on page VIII.5 of the Budget Books, for the FY 2015 Commission on Disability budget.

Moved/Motioned by:	Mr. Ciccariello
Seconded by:	Mr. Pierce
Motions or Debates:	None
Vote:	13 - 0 - 0 (unanimous)

Cultural Council:

Ms. White noted that the proposed budget of \$700 for the Cultural Council was level funded.

A motion was made, at 9:29 p.m., to move favorable action on the amount of \$700, as printed on page VIII.6 of the Budget Books, for the FY 2015 Natick Cultural Council budget.

Moved/Motioned by:	Mr. Ciccariello
Seconded by:	Mr. Pierce
Motions or Debates:	Mr. Pierce said the work of this Council was very important and the grants they distributed were greatly appreciated by the recipient organizations.
Vote:	13 - 0 - 0 (unanimous)

Historical Commission:

Ms. White reviewed the role and functions of this Commission as detailed in the Budget Books and stated that the proposed budget of \$1,000 was level funded.

A motion was made, at 9:34 p.m., to move favorable action on the amount of \$1,000, as printed on page VIII.7 of the Budget Books, for the FY 2015 Historical Commission budget.

Moved/Motioned by:	Mr. Evans
Seconded by:	Mr. Pierce
Motions or Debates:	None
Vote:	13 - 0 - 0 (unanimous)

Historic District Commission:

Ms. White stated that the proposed budget of \$550 for this Commission was level funded.

A motion was made, at 9:35 p.m., to move favorable action on the amount of \$550, as printed on page VIII.8 of the Budget Books, for the FY 2015 Historic District Commission budget.

Moved/Motioned by:	Mr. Ciccariello
Seconded by:	Mr. Pierce
Motions or Debates:	None
Vote:	13 - 0 - 0 (unanimous)

ADJOURN (9:36 P.M.):

A motion was made to Adjourn at 9:36 p.m.

Moved/Motioned by:	Mr. Pierce
Seconded by:	Mr. Evans
Motions or Debates:	None
Vote:	13 - 0 - 0 (unanimous)