

FINANCIAL PLANNING COMMITTEE MEETING

Wednesday, February 5, 2020 – 5:30pm
Natick Town Hall, 13 East Central Street, Dlott Meeting Room, 2nd Floor

MEETING MINUTES

This meeting has been properly posted as required by law.

MEMBERS PRESENT:

Karen Adelman-Foster, Select Board representative (arrived at 5:55)
Jonathan Freedman, Select Board representative
Henry Haugland, School Committee representative
Melissa Malone, Town Administrator (left at 6:42)
Anna Nolin, Superintendent of Schools
Dan Sullivan, Finance Committee representative
Linda Wollschlager, Finance Committee representative

NOTABLE ATTENDEES:

Jim Connolly, Former Natick Superintendent of Schools
Frank Foss, Town Moderator
Mike Hickey, Chair, Select Board
Sean O'Brien, Assistant Finance Director
Diane Packer, Town Clerk (left at 6:30)
John Townsend, Deputy Town Administrator/Finance Director (replaced Ms. Malone at 6:42)

AGENDA:

1. Open Session
2. Citizens' Concerns
3. Announcements
4. New Business
 - a. None
5. Old Business
 - a. Discussion of possible timing for an Operational Override
 - b. Committee charge – alternate designees
 - c. Continue discussion related to budget planning for FY 2021 and beyond
6. Meeting Minutes
 - a. January 22, 2020 (not yet distributed)

OPEN SESSION

Meeting was called to order at 5:37 p.m. by Jonathan Freedman

CITIZENS' CONCERNS

None

ANNOUNCEMENTS

None

NEW BUSINESS

None

OLD BUSINESS

Ms. Freedman stated that he would like to continue the conversation regarding the FPC's recommendation to the Select Board on the timing of a March vs. November election for an operational override. A key factor would be the amount of participation in each election vs. the amount of available information.

Ms. Packer indicated that there is no limit on the number of local ballot questions allowed on a state ballot but the elections office has never seen more than three. A Department of Revenue (DOR) official cautioned to be careful if using pyramid questions as they are significantly more complicated and have only been seen once or so.

Ms. Malone stated that more time to prepare the override numbers would be helpful but she is concerned about the possibility of an economic downturn if the election is farther out. She said that the greater the override amount, the more participation would be desirable.

A November election would mean that Spring Town Meeting would need to conclude its business early. One way would be to have the non-financial articles on a Special Town Meeting warrant. Ms. Packer stated that a citizen petition requires 10 signatures for an annual town meeting but 100 for a special town meeting. A citizen petition cannot be required to be placed on a special town meeting warrant. One option would be for the Select Board to sponsor identical articles to the citizen petitions in order to consider them under the Special Town Meeting.

Mr. Haugland indicated that he wants people to be informed and feels that there have been issues with knowledge and awareness of ballot questions during previous presidential elections. He stated that the failed first Wilson override was a major lesson and the second override involved much more in-depth, effective and widespread communication.

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Ms. Nolin said that other superintendents, without exception, said not to use the presidential election because you can't target the voters with enough information effectively.

Mr. Connelly stated that a debt exclusion override is fine for a November election, but an operational override would be preferable in the Spring when all the pieces such as free cash and state aid are known. Voters need to know exactly what impact will be if the override fails and it's important to actually do these things to maintain credibility for future overrides.

Mr. Foss pointed out that if the override fails in November, there is also the potential fallback of having it come back in the spring. He stated that early and effective communication would be key for a March-only election. The sentiment of the committee was that a second override would not be acceptable to the voters.

Ms. Wollschlager expressed concern that a November vote would not allow enough time to provide a framework of options for the public to consider.

Mr. Townsend stated that the August 5 ballot deadline would mean that two budgets (with and without an override) would need to be developed in a few months, even before FY20 books are closed. Without solid numbers, it will be difficult to answer detailed questions from the public. In spring, we will be following our regular budget process and will have a better handle on revenues and expenses to inform the public. Ms. Malone stated that budgeting is an art not a science, however, previous forecasts for budgets have been spot on.

Ms. Nolin said that budget impacts due to changes in the Student Opportunity Act and potential changes to Title 1 funding are unknown at this point and could impact budgeting and messaging.

Ms. Packer reiterated that for a Spring election, the ballot questions would have to be to the clerk at a minimum of 35 days in advance. In November, August 5 is the last day to provide a question to the SOC (Secretary of the Commonwealth). Her opinion is that voters do not pay as much attention to ballot questions in a presidential election due to being overloaded by Federal information. Mr. Sullivan countered that there would still be more total informed voters in November vs. March.

Ms. Malone mentioned the concept of how much of a tax increase can be withstood by taxpayers. Mr. Friedman pointed out that there are many different cohorts who would each have different thresholds. Ms. Adelman-Foster suggested there may be ways to narrow down the amount given enough time.

Mr. Sullivan noted that in looking at over 10 years of data, an operational override has an 85% chance of passing. Two things lead to a higher propensity for a failed override: having too many in a period of time (override fatigue) or giving a menu of choices (pyramid questions).

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Ms. Adelman-Foster said voters do not perceive a great distinction between operational and debt exclusion overrides and the greater the time difference from the last override (Wilson/Fire Station in November 2018), the better off we are. She also discussed the amount of time and repetition needed for an effective communication strategy.

Mr. Friedman concluded that the sentiment of the committee is to recommend a March ballot question to the Select Board. Ms. Adelman-Foster will write up a summary of the pros and cons for both November and March dates which will be distributed to the committee. Any comments, to be sent to the Chair only, are needed by Monday afternoon.

ADJOURN

Moved/Motioned by:	Mr. Haugland
Seconded by:	Mr. Sullivan
Motion approved:	6-0-0

Meeting adjourned at 6:52 pm.