



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 18, 2018

The minutes were approved through the following action:

Motion:	Approval (as amended)
Made by:	Mr. Hayes
Seconded by:	Ms. Van Amsterdam
Vote:	10 - 0 - 0
Date:	1/23/18

Respectfully submitted,

Bruce Evans

Secretary

Natick Finance Committee

NATICK FINANCE COMMITTEE MEETING MINUTES

January 18, 2018

Natick Town Hall

School Committee Meeting Room 3rd Floor

This meeting has been properly posted as required by law.

MEMBERS PRESENT:

Patrick Hayes, Chairperson

Robert McCauley, Member

David Coffey, Member

Michael Linehan, Member

Philip Rooney, Member

Linda Wollschlager

Robert McCauley, Member

David Gallo, Member

Daniel Sullivan, Member arrived at 7:30 p.m.

MEMBERS ABSENT:

Cathleen Collins, Vice-Chairman

Cathy Coughlin, Member

Robert McCauley, Member

Jerry Pierce, Member

Dirk Coburn, Member

Jim A Scurlock, Member

AGENDA:

1. Public Concerns/Comments
2. Meeting Minutes
3. Old Business / Public Hearing
 - a. Other Finance Committee Business
Property & Liability Insurance
4. New Business
 - b. FY 2019 Town Administrator's Preliminary Budget – Public Hearing
5. Adjourn

CALL TO ORDER:

Meeting called to order at 7:20 p.m. by Chairman, Patrick Hayes

ANNOUNCEMENTS/CITIZENS CONCERNS:

Mr. Linehan: Apologized for comments made at last meeting that were inappropriate.

Mr. Evans: The Morse Institute Library will have its book sale this coming Saturday 9:30 to 4:30 and Sunday 12:00 to 3:00 – paperbacks are \$.50, hardcovers \$1.00, Videos / DVD \$1-2.

MEETING MINUTES:

None.

Public Hearing: Town Administrator’s Preliminary FY 2019 Budget

MOTION

Move to re-open the Natick Finance Committee Public Hearing of FY 2019 Budget

Moved/Motioned by:	Mr. Linehan
Seconded by:	Mr. Coffey
Motions or Debates:	None
Vote: Carried	8-0-0

COMMUNITY SERVICES BUDGET - Budget Book - Page 111

Bill Chenard, Acting Town Administrator

Ms. Jemma Lambert, Community Services, ill tonight
 Mr. Chenard, Deputy Town Administrator – Operations

Mr. Chenard is standing in for Lambert tonight to give the overview of the budget. Community Services is made up of Council on Aging, Veterans Services, Natick Community Organic Farm, Recreation and Parks and Human Services. Director of Council on Aging is Susan Ramsay, Director of Veterans Services Paul Carew, Director of Natick Community Organic Farm Lynda Simpkins, Director of Recreation and Parks Karen Partanen .

Complete roll up is a \$1,901,478 (Mr. Hayes passed out a single sheet of paper – the number on page 113 does not include the new initiatives – this page correct that number). The requested operating budget of \$1,849,198 plus new initiatives included in the budget of \$52,280. There’s \$950,623 for the Sassamon Trace Enterprise Fund on page 220. Mr. Hayes: On the single sheet the expenses are up by \$8,600 because of the new initiative is that is in purchase services supplies or other charges? The \$8,600 is under expenses we don’t necessarily break it out by those categories on this budget. We will break the presentation out into individual divisions.

Administration Division

Ms. Lambert heads that division

Personnel Services of \$227,020, Purchase of Services \$25,800, Technical and Professional Services \$24,000, and Supplies \$5,000 for a total of \$277,320. There are very few changes in this budget.

Questions

Mr. Linehan: General Government subcommittee was unable to get a quorum.

Mr. Linehan: Facilities repair and maintenance is \$3,000. Why aren’t these repairs funneled through the Facilities Maintenance department?

Mr. Chenard: If it’s not a major problem and able to be handled inside then it’s not practical to call Facilities Management. Or it may require a special skill that can be better handled by an outside contractor.

Mr. Rooney: How are we doing vs 2018?

Mr. Chenard: The current year at this budget is just under 50%.

Council on Aging

Mr. Chenard

Ms. Susan Ramsay

Broken out into Personnel Services for \$216,013, Purchase Services \$28,619, Supplies \$10,400, and Other Charges and Expenses for \$12,000, The overall budget is going up slightly due to an increase in salaries but the expense lines are actually dropping a total of \$133.

Questions:

Mr. Hayes: Is the salary increase caused by contract or by merit increase?

Mr. Chenard: This particular one is merit increase but as we go through it's going to be either/or.

Mr. Linehan: On wellness programs is this the expenditure or the net of the small income that one gets?

Ms. Ramsay: 80% is attributed toward exercise and so it's funded approximately 1/2 user fees, 1/3 town budget and 1/3 state grant.

Mr. Hayes: The request for this year \$8,743 is representative of the Town's 1/3 share?

Ramsay: Correct.

Mr. McCauley: The copy center fees have spiked up –why?

Ms. Ramsay: It had previously been supported by a state grant.

Natick Community Organic Farm

Mr. Chenard

Ms. Linda Simpkins

Mr. Chenard: We only fund three salaries for a total of \$180,700 and 2% increases are merit increases.

Mr. Coffey: Are any salaries reimbursed to the Town? Chenard: Approximately \$102,000 is reimbursed to the town.

Human Services:

Mr. Chenard

Salaries Technical Professional \$126,700, Purchase Services \$6,000 for a Total budget request of \$132,007 merit increases.

Recreation and Parks:

Mr. Chenard

Ms. Karen Partanen

Salary Requests of \$357,655, Purchased Services, \$19,306, Technical and Professional Services \$31,725, and Supplies for Programs \$10,400. In this department, the salary changes are a mix of merit and performance and contractual obligations via union contracts.

Mr. Coffey: Shed at the Cole Center curious where the money for that came from?

Ms. Partanen: It did not come from my department.

Mr. Chenard: Typically a shed would not be on a capital plan.

Mr. Rooney: Under Salaries Management you list Recreation Director it's a 9.4% increase - can you help me understand how that came about?

Mr. Chenard: When the previous Recreation and Parks director left, we realized the salary for that position was lower than the benchmark of surrounding towns and raised that salary to a more appropriate level.

Mr. Sullivan: Since you're coming in at a level-funded budget is there anything you feel is under-supported or – I'd like to get a picture of your assessment of where you are?

Ms. Partanen: The place that we feel need frequently is increased staffing to handle the amount of programming that we do. We rely a lot on volunteers and that pool of volunteers is declining. Comparatively volunteerism is dwindling and so we fall short in help to run programs; we have to rely on program fees to get supplies which is sometimes a burden for the public.

Sullivan: Dug pond expanded hours – would you like to continue?

Ms. Partanen: Yes we would like to continue. However, it was a significant expense and we were able to cover the expense from past year's admission fees. Because of this year's particular season did not bring in as much revenue as past years (weather-related), but there was carry over revenue from past years that was able to cover the expense. It was a significant expense to provide the staff needed to cover the beach so this year hiring-wise we'll be a little bit more proactive and preference will be given to those who are able to stay the length of the season.

Hayes: With respect to Dug Pond – the deficit spend to cover the unexpected – fees go into a revolving account? So you were able to tap into this revolving account? Do you expect you are going to be able to do that this coming year?

Ms. Partanen: I'm hoping for a good year weather-wise this year so we can do it. I think the user fees will cover – this year the short staffing in the last two weeks required us to pay more in salaries than expected to get coverage- this year we will avoid that if possible. I think the current budget reflects that we will not be in a deficit.

Mr. Hayes: If the revolving account didn't have additional funds can the town pay those costs out of the operations?

Mr. Chenard: Or we can ask for a reserve fund transfer for an unexpected expense.

Mr. Hayes: So there isn't a restriction on the revolving account etc?

Mr. Chenard: It depends on the revolving account most of your revolving accounts you could pay expenses out of the account.

Linehan: In response to Mr.. Rooney's question you said the prior director had been underpaid which was why he left. When I look back at the 2016 actual which I presume was the prior director's actual, it approximates the 2018 revised budget and that was 2 years ago – is the \$82,900

Mr. Chenard: We did a salary survey very quickly because when we were interviewing it became clear to us that we needed to raise the salary.

Mr. Rooney: What happened in 2017 then?

Chenard: The 2017 budget reflected the time that the job was vacant.

At Risk Youth Initiative

Ms. Partanen: We have via a grant program have started an at-risk youth program at the Cole Recreation Center. It allows students a place to go when their parents are not yet home from work. Salaries is under the Operational Staff line and it would add \$43,680 to that. Under the Technical Professional Services we would add \$5,000 and under Supplies we would add \$3,600 so the \$5,000 plus the \$3,600 adds up to \$8,600 dollars.

Questions:

Mr. Sullivan: Is this is an after school program for children around the town – is there a fee?

Ms. Partanen: Not at this time it's free.

Mr. Sullivan: How is this different than ASAP extended day that the school runs?

Ms. Partanen: Once kids are Middle School age, they no longer feel they need to be in after-school care. We provide a place for them to come and hang out – it's a drop in

center, a safe place for them to be but it's not really structured like after-school care the kids have more freedom.

Sullivan: Is it disproportionately Kennedy children?

Partanen: We pick up kids at all the schools.

Mr. Linehan: Where is transportation in the budget?

Ms. Partanen: We have vans in our fleet and the driver is paid for by the grant so there's not an additional expense for that.

Mr. Chenard: This is to supplement the grant and/or replace that grant.

Mr. Linehan: Is this only running during the school year?

Ms. Partanen: We hope to run it during the summer but we at this point don't have the funding.

Mr. Linehan: This is a full-time year round employee – what will be the length of the day if it is extended through the summer?

Ms. Partanen: We are considering trips to activities Monday through Thursday and Fridays at the Cole Center. There would be nominal fees involved in the activities to fund them.

Mr. Linehan: What alternatives to a full time staff member were considered?

Ms. Partanen: This position currently exists. The funds for this position for this current year come from a grant. There's no guarantee that the grant will have life after this current year. So we put the request for funds into this budget this year to hire a full-time person to do the program. Monies collected in fees would go into the revolving fund.

Ms. Wollschlager: Currently the at-risk program serves approximately 19 kids. How do you get the kids to come?

Ms. Partanen: We partner with the schools, the Police Department, the Natick Service Council, and we connect with other programs around town and the word is spread through that outreach. A significant amount of the time of this full-time person is doing out-reach. We recently partnered with LLBean to do an outing. These particular youth are not interested in organized sports.

Coffey: This is a full-time position – what is that person doing when the drop-in center is not open?

Ms. Partanen: Making community connections to expand the help available to youth.

Rooney: What is the scope of this program? Partanen: We've had 55/60 children at events.

Mr. Rooney: Do you have enough staff to handle that many young people?

Ms. Partanen: No we rely on part-time people, volunteers and others depending on the event. Right now we have the coordinator and one part-time person there at all times and they can handle approximately 30 safely.

Mr. Rooney: What about liability?

Ms. Partanen: The parents sign a waiver.

Mr. Chenard: I will ask Town Counsel about the liability question as a take-away. Mr.

Linehan: Is this related to Natick Together for Youth?

Ms. Partanen: No.

Veterans Services - Budget Book - Page 119

Mr. Chenard

Mr. Paul Carew, Director Veterans Services

Quick overview: Personnel Services \$127,046 Purchased Services \$6,589, Supplies \$4,444, and Other Expenses and Charges \$334,281 for a total budget \$472,360

Mr. Rooney: Have services requested increased, decreased or leveled off?

Mr. Carew: The number of veterans has increased. I am one of the few in Massachusetts who deals with the VA directly. Last year, we got close to \$2 million dollars in lifetime awards to our beneficiaries. These are beyond the regular benefits.

Mr. Rooney: Because your budget is flat I presume you don't anticipate any increase?
 Mr. Carew: A lot of our clients are elderly and Hayes: The town has a practice when this budget runs out of money for medical or other they come to the Financial Committee and request funds if they need. \$1,901,478 - Rundown on sheet passed out by Mr.. Chenard that has the two line items. if you want to follow our normal practice it goes like this Personnel Services \$1,378,814, Purchase Services \$147,039, Supplies \$29,344, Other Charges 346,288, Total Expenses \$522,664 Bottom line total \$1,901,478

MOTION

Move to recommend approval of the FY 2019 Community Services Budget comprised of Personnel Services \$1,378,814, Purchased Services \$147,039, Supplies \$29,344, Other Charges \$346,288, and Expenses \$522,664 as specified in the 1/18/18 in the total amount of \$1,901,478

Moved/Motioned by:	Mr. Evans
Seconded by:	Mr. Sullivan
	<p>Mr. Evans: All the programs that you put together are very valued by this town – you're doing everything right and keeping the budget level.</p> <p>Mr.. Sullivan: We have growing enrollment in the school systems. and a growing population of children in this town and there are significant needs I applaud the efforts and the outcome you get with relatively low dollars they are dollars well spent.</p> <p>Mr. Coffey: You're doing a lot with a little to make the town a better place the work that's being done overall is excellent.</p> <p>Mr. Linehan: The potential concern that I have is the full-time job for the at-risk youth – expansion capability concerns me - the front end is planned out but the entire thing is not – I have a concern not enough to take it out of the budget but I'll abstain on the vote.</p> <p>Mr. Hayes: I just want to make sure we maximize what each of the new positions are doing and minimize the amount of redundancy I think it would be great if they were in competition for the attention of our middle schoolers. Other than that I am pleased to support this budget</p>
Motions or Debates:	
Vote: Carried	8-0-1

SASSAMON TRACE GOLF COURSE BUDGET - Budget Book - Page 222

Mr. Chenard: Has noticed a mistake in the budget the
 Mr. Kurt McDowell General Manager/Golf Professional

- Salaries and Expenses up about 2%; Supplies Clubhouse level;
- After installing the new vinyl liner, we got a better understanding of how much water we need to maintain the course. So, the budget for water is significantly increased and purchase of chemicals is going up a little.

Mr. Evans: Could you quickly go through the revenues chart?
 Mr. McDowell: In a perfect season we could do around 46,000 rounds.

Mr. Sullivan: Looking at the historical data, my sense is there is fairly significant opportunity to make greater awareness of the golf course particularly outside of town – is there any reason why we don't take a shot at increasing awareness?

Mr. McDowell: In terms of doing that we have done some outside promoting – a lot of systems. would rather trade rounds for paid advertising I have done some advertising outside of that and we have not seen a great return.

Mr. McCauley: The water has seen a 300% increase – could you explain?

Mr. McDowell: If you look at previous years, the cost was much lower because we had a 2 million gallon pond, but the liner was leaking and needed replacement. We had to drain the pond down to 400,000 gallons to get the liner replaced. So we need to increase the water usage to increase the water that was “lost” when the liner was replaced. We had somewhat of a drought this year and we spent about \$56,000 so far so we are significantly over that.

Mr. McCauley: Does the water bill get paid to the town of Natick?

Mr. McDowell: yes – it's paid to the Town.

Mr. Hayes: That's good for the town, but it's not good for the Enterprise fund. The Enterprise Fund is viewed from an accounting perspective as if it's a standalone business and it has a P&L and is expected to make a profit. The state DOR has an expectation that some number of years out of others you will show a profit rather than a loss.

Mr. Evans: Would you say the liner was a successful project and implementation and hopefully in the future we'll use less water.

McDowell: Yes that's what we're trying to do and we are using wetting agents, We've got a moisture meter for the greens and when we have to we water by hand which is somewhat time-consuming for the superintendent but it saves a lot of water. So we do try to conserve as much water as we can.

Mr. Linehan: What percentage of water would you expect to derive from the pond vs. the town?

Mr. McDowell: About 60 to 70%.

Mr. Linehan: Can you minimize evaporation on the pond?

Mr. McDowell: I have not talked with them about that – we tried to look at how much does evaporate – we have a general idea but it's a tough number to come up with.

Mr. Hayes: I don't see anywhere in here where you are taking off rounds from your maximum capacity for days when the course was closed – so you're showing your theoretical utilization but you're not really showing your effective utilization and you might want to do that next year.

Mr. Linehan: Season pass purchasing has been dropping?

Mr. McDowell: If you go back to 2014, we went up 50 per year every year. This year, we didn't go up at all. So what we've done is set \$200 at our goal number and we've seen a dip on the \$200 which tells us we're getting pricey on the list. But when we look at cost comparisons on the season pass rate we're right in line. This last year we started 3 weeks late and it cut our season pass sales significantly.

Mr. Linehan: Are you comfortable with the numbers you gave us or do you view them as optimistic/pessimistic?

Mr. McDowell: I'm confident as long as the weather is nice we are on pace for the 675 number this year based on this – the weather can throw us off. As long as the weather's good/standard these are the numbers we should meet.

Ms. Wollschlager: Are we still on track that when the debt service decreases in FY23 we'll finally have a positive balance?

Ms. McDowell: We will be really close the impact of water will affect that.

Mr. Hayes: When you say a positive balance you talking about a non-subsidized where the revenues equal the expenses?

Ms. Wollschlager: Yes. It would be when the town doesn't have to appropriate additional monies.

Mr. Hayes asked Mr. Chenard: When we voted these budgets, did we also have to vote the town subsidy amount or is that done through the Omnibus budget?

Mr. Chenard: We’ll do that later on the omnibus.

Indirect Costs – Two-page handout given to members 1/18/2018 –

Hayes: So we want to cover the indirects now because we vote those separately but we include them when in the total when we go to the Budget.

Mr. Chenard: Correct.

Mr. Linehan: Has there been any consideration to demand pricing?

Mr. McDowell: Yes we did actually last year was the first year we sent out a coupon we got maybe 3 or 4 people out of it but they tended to be new people.

Mr. Evans: Now that the Kohr Golf Training Center is open, is there more activity funneling over from them?

McDowell: They have always come over to our golf course and we have a good relationship with them from their Dedham facility.

Mr. Chenard: There are not significant increases. You saw the \$43,692 to the 43,871 we had some slight increases in personnel costs. We determined that we’re going to leave the expense costs relatively flat so overall it’s a change of \$43,871 does anybody want a quick tutorial on indirects?

Mr. Hayes: No.

Mr. Hayes: We’re going to accept these as appropriate for the budget. The funds are actually authorized by Town Meeting under other budgets.

MOTION

Move to accept the indirect costs for the Golf Course Enterprise Fund in the amount of \$43,871

Moved/Motioned by:	Mr. Evans
Seconded by:	Mr. Linehan
Motions or Debates:	None.
Vote: Carried	9-0-0

Mr. Hayes: Breakout- Personnel Services \$300,236, Total Expenses \$657,983 which includes the indirects for a total of \$958,219

MOTION

Move to favorable action on the FY 2019 Sassamon Trace Golf Course Budget for a total of \$958,219

Moved/Motioned by:	Mr. Evans
Seconded by:	Mr. Sullivan
Motions or Debates:	Mr. Evans: The debt service is declining and that’s good news and the maintenance line is going down so I endorse this budget. Mr. Sullivan: I’m struck by how good a job in not only preparing and knowing your numbers but the level of confidence that I have that the entire organization there is doing an exceptionally good job in running that enterprise.
Vote: Carried	9-0-0

FINANCE DEPARTMENT BUDGET - Budget Book - Page 137

Revised Roll up handed out 1/18/2018

John Townsend, Deputy Town Administrator, Finance

Finance Administration Budget: New initiative of the Finance Department for ClearGov or OpenGov that's an additional request of \$10,000 for Finance Administration

Comptrollers Budget: Requesting a budget of \$399,489 which is a 13% increase. There are significant savings under Personnel Services where we had some changes in there. Consultant Services went from \$44,000 down to \$5,000 in FY18 we did some security assessments and changed the MUNIS systems.

Treasurer Collector Budget: This is the first year this budget is combined. The budget \$604,482 is the correct number. Budget has increased 1.3%. Equipment Repair Services has been increased, credit card services for the town; Tax Title and Foreclosure line, you'll see a reduction of 28.57% this is the result of shifting the cost of that line onto the Revolving Fund that's been set up for that.

Assessor's Budget: Requesting a budget of \$474,420 which is an 18.32% increase over the FY2018 the only significant change was Tax Mapping has dropped 52.9%, in FY18 we purchased tablets; Telephone lines went up 16.7% because we had to buy telephone lines so support the tablets.

Questions

Mr. Coffey: Can you briefly touch on the change in the evaluation of property plan in the Assessor's Office?

Mr. Townsend: That was a new software system for FY18 so hopefully that will up and running in FY19 so that's why there's a drop in that particular amount

Mr. Evans: Is the ClearGov software an annual fee?

Mr. Townsend: Yes but we're applying for a grant that may pay for that for two years.

Ms. Wollschlager: What is the reason for buying this software?

Mr. Townsend: This is a best practice thing recommended by the DOR. We will let people know about it because we do want people to use it?

Ms. Wollschlager: Will you be tracking metrics?

Mr. Townsend: Yes. You can go to ClearGov website to check it out. And NPS has expressed an interest.

Mr. Rooney: When you met with the subcommittee one of the takeaways was to find out ambulance fees were netted with cost.

Mr. Chenard: What do you mean by netted with costs? That is totally separate from the fee structure that is the cost of the company that does our billing services. The ambulance is far in excess of that.

Mr. Rooney: Purchase order question.

Mr. Chenard: We combine many invoices on to one PO.

Mr. Hayes: What are these expenses for? Townsend: Attorney's fees,

Mr. Chenard: We want to break those out because of the way we have to report them.

Mr. Hayes: What are the credit cards that we take and what are the payment methods we’re looking to take in the future.

Mr. Townsend: MasterCharge, Discover and Visa; we will provide online payments; we’ll ask Eastern Bank to explore at kiosk situation for the Town Hall to take payments.

Hayes: Are we looking at Apple Pay or etc.?

Mr. Townsend: Not at present. Those are fee heavy so we’re considering how we would handle that.

MOTION

Move to recommend favorable action on the FY 2019 Finance Department Budget as specified in the handout received on 1/18/2018 in the amount of \$1,560,291

Moved/Motioned by:	Mr. Evans
Seconded by:	Mr. Linehan
Motions or Debates:	Mr. Evans: This appears to be a well-managed budget with well thought-out increases and decreases, I support this budget. Mr. Linehan: At the Sub-Committee level this was a very good presentation and the ClearGov software is an exciting addition. Mr. Sullivan: I think the number of people that will utilize this will be high and this will be a great resource.
Vote: Carried	9-0-0

OLD BUSINESS

Scheduling

We are officially not meeting on January 30th. Technology and core curriculum section. The Warrant for Special Town Meeting closed at 5:00 this evening. There are 4 Articles on the Warrant: Kennedy School; Zoning By-Law Change; Registered Medical Marijuana; and A Zoning By-Law Change Overlay. So we will try to hear those all on one night and February 1st at the soonest.

Mr. Hayes: The objective of the transcripts of the sub-committee meetings is to inform the committee members of questions asked and answered to facilitate understanding or further pointed questions during the FinCom meeting to reduce wasting time re-visiting subjects that have been covered or to facilitate depth of understanding so members can ask more pointed questions to further elucidate subject matter discussed at sub committee meetings. Upshot of the discussion is the process agreed upon should be followed through and assessed as to whether goals have been met.

I will make changes to the master file and I will send to you by next week. Are there any sub-committee meetings coming up. Wednesday

ADJOURN

MOTION

Motion to adjourn. (Bruce please fill in if you have Motion and Second individual)

Moved/Motioned by:	Mr. Evans
Seconded by:	Mr. Gallo
Motions or Debates:	None.
Vote Carried	9-0-0

Meeting adjourned at 9:50.m.