Town of Natick

2011 Fall Town Meeting

Recommendations of the Natick Finance Committee

October 18, 2011 – Wilson Middle School – Natick, MA

Please bring this book with you to the 2011 Annual Fall Town Meeting

Tuesday, October 18th

7:30 PM

Wilson Middle School

For more detailed information, please go to www.natickma.gov and click "2011 Fall Town Meeting Warrant & Information"

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Finance Committee
Town of Natick, Massachusetts

October 7, 2011

Greetings to all Town Meeting Members and Citizens of Natick,

This report contains the Natick Finance Committee recommendations for all of the articles appearing on the 2011 Fall Annual Town Meeting Warrant. In accordance with the Town of Natick By-Laws Chapter 23 Section 4, this report and recommendations are respectfully submitted for your consideration.

The Warrant for the upcoming 2011 Fall Annual Town Meeting contains twenty-four articles, of which eight are financial in nature and include supplemental appropriations and adjustments to the Fiscal Year 2012 Budget and appropriations for Capital equipment and improvements. Two of the articles pertain to proposed organizational changes within the Town's operating structure. There are also four Home Rule Petitions, four proposed Charter or Zoning By-Law amendments, two citizens petitions, and a variety of other important matters for Town Meeting's consideration.

Under the Town's Charter and By-Laws, the Finance Committee is required to "consider all matters of business included within the articles of any warrant for a Town Meeting, and shall, after due consideration, report thereon, in print, its recommendation as to each article." (Natick By-Laws, Chapter 23, Section 4).

All of the Finance Committee recommendations are made after conducting duly noticed public hearings and open meetings of the Finance Committee Subcommittees and the Finance Committee as a whole. Public hearings were held on September 13, 15, 20, 22, 27, and October 4. As in previous years, the Finance Committee has taken into account comments and data gathered from all of the article sponsors, Town department heads, Town and School Administrations, Town Boards and Commissions, and the public at large.

Town Meeting members should be aware that at the final public hearing on October 4, Town Administration advised the Finance Committee that it would request the Committee to reconsider Article 2 ("Authorization to Consolidate General Government and School Department Functions"). Since that topic was not on the Finance Committee agenda for that evening, the Committee was not able to take up this matter. Accordingly, another public hearing has been scheduled for Tuesday October 11, and the Finance Committee will provide Town Meeting members with a supplemental report at the earliest opportunity following that meeting. Town Meeting members should also note that Articles 4 ("Fiscal 2012 Omnibus Budget") and 6 ("Stabilization Fund – Operating/Rainy Day") may also require reconsideration depending on the disposition of Article 2.

Many volunteers, especially the fifteen members of the Finance Committee, as well as many members of other committees and boards and Town staff, work diligently to help bring all of this information to the Representative Town Meeting.

We would like to express our thanks and appreciation for all of the hard work and dedication contributed by all of the Town officials, members of boards, committees and departments, as well as many concerned citizens, for their cooperation and participation during our Warrant Article public hearings.

We would especially like to once again thank Ms. Joyce Towers, our recording secretary, for the consistently excellent efforts that she has made when recording and transcribing our extensive meeting minutes.

Information relating to the Finance Committee may be found on the Town's public website, at http://natickma.gov/Public_Documents/NatickMA_BComm/finance.

Thank you for your support.

Respectfully submitted,

Jonathan H. Freedman
Chairman

James Brown	Jim Everett, Secretary	Kenneth Hoyt
John Ciccariello	Bruce Gorton	Tony Lista, Vice Chair
Cathi Collins	Patrick Hayes	Jerry Pierce
Cathleen Coughlin	Robert Hickman	Richard Sidney
Bruce Evans	John Horrigan	

Town Administrator's

Budget Message & Update

TOWN OF NATICK

***Massachusetts* 01760**

www.natickma.gov

Martha L. White
Town Administrator

Michael Walters Young
Deputy Town Administrator

TOWN ADMINISTRATOR'S REPORT TO THE 2011 FALL ANNUAL TOWN MEETING
UPDATE REGARDING FISCAL YEAR 2012 BUDGET
October 18, 2011

This memorandum provides Town Meeting members with an update regarding the FY 2012 budget using the most current revenue and expense information available, a look ahead at Fiscal Year 2013, and information regarding financial actions proposed at the 2011 Fall Annual Town Meeting.

It is worth noting that proposals are being made at this Town Meeting to consolidate areas of government operations. Specifically, under Article 1, we propose to consolidate the departments of Human Services/Council on Aging, Veterans' Services, and Recreation and Parks into one department to be known as the Department of Community Services. More information about this proposal can be found within the discussion under Article 1 in this Recommendation Book.

Also, under Article 2, a proposal has been put forth to consolidate General Government and School Department Facility Management services. While my office has completed a study that recommends such a consolidation, the work of the Facility Management Study Committee – comprised of two members of the Board of Selectmen, two members of the School Committee, the School Superintendent and myself – is ongoing. It is critical that all parties to such a consolidation are supportive of the idea, recognize its challenges and believe in its benefits. A change as substantive as this will inevitably have some bumps along the way, and we must have a shared desire for its success to be able to withstand and work through challenges that arise. I am very hopeful that our efforts to date and our continued work will lead us to a proposal for consolidation that both the General Government and the School Department can wholeheartedly support. I believe this will be the case.

FY 2012: From Spring ATM to Fall ATM

The Spring Annual Town Meeting approved a total General Fund budget of $114,427,193 in support of FY 2012 operations. Three-plus months into the fiscal year, there have been several changes in our revenue and expense projections.

Changes to Revenues: Spring ATM to Fall ATM:
Specifically, we are now accounting for additional tax levy revenue associated with the High School and Community/Senior Center debt exclusion projects in the amount of $2,207,640; we are accounting for a corresponding expense for payment of the principal and interest associated with that debt.

In addition, we are accounting for receipts in the amount of $60,000 for electrical and plumbing permit fees; these too have a corresponding expense. You will find further discussion on this matter under Article 4 in this Recommendation Book.

Lastly, final "cherry sheet" figures detailing state aid revealed an additional $45,503 above the amounts we projected at the 2011 Spring Annual Town Meeting, and receipts to date have allowed us to project a $250,000 increase in local option taxes. These projected revenue increases are detailed on page 4 of the attached September 29, 2011 memorandum.

As of this writing (October 6th), we have been notified by our state legislators that we will be receiving $233,044 in additional local aid. We will propose to the Selectmen and the Finance Committee that they reconsider Article 6 (Operational/Rainy Day Stabilization Fund) and recommend appropriation of this addition revenue into this fund.

Changes to Expenses: Spring ATM to Fall ATM:
There are a number of changes to the operating budget requested under Article 4 (the FY 2012 Omnibus Budget).

As noted above, one overarching objective that requires adjustments within expenses is the proposal, under Article 1, to consolidate the departments of Human Services/Council on Aging, Veterans' Services, and Recreation and Parks into one department to be known as the Department of Community Services. This will necessitate, under Article 4, Motion A, to eliminate in their entirety the budgets for the Departments of Human Services & Council on Aging, Veterans' Services, and Recreation and Parks Departments. This is not a change in funding, however, as these budgets are re-funded in their entirety under Article 4, Motion B as the new Department of Community Services.

Importantly, we are proposing to reduce the Employee Fringe appropriation. As Town Meeting members will recall, at the 2011 Spring Annual Town Meeting, we funded so-called "safety nets" associated with the recent shift of all employees to Rate Saver health plans. We suggested at the time that we established this funding that we may be able to reduce the appropriation and, in fact, our evaluation of the utilization to date suggests a reduction of $189,433 would be prudent.

Additional expenses proposed at this Town Meeting include:

- Additional funding for the Fire Chief's salary, pursuant to recent votes of the Board of Selectmen.
- Funding for ½ year of salary for a DPW Building Maintenance Supervisor, a position that has been vacant for several months. Note, as indicated under the discussion for Article 2, we are still engaged in discussions with the School

Department as to how to best fill this or a similar position while not foreclosing the opportunity for future consolidation of General Government and School Department Facility Management Services. The Finance Committee is meeting on Tuesday October 11 to discuss this matter and will issue an addendum to Town Meeting subsequent to that meeting.

- Funding for the difference between the Town Clerk's salary as approved at the 2011 Spring Annual Town Meeting under Article 8 and the amount appropriated for this salary under Article 11 of that Meeting.
- To appropriate benefit costs associated with the proposed positions of Community Development Director and Building Maintenance Supervisor.

In addition to these proposed operating budget expenditures, a number of non-recurring expenditures are proposed at this Town Meeting. Notably, under the Capital Equipment and Capital Improvement Articles (Articles 9 and 10 respectively), a number of capital investments are proposed. I am extremely pleased to advise Town Meeting that, if these capital proposals are approved, we will have eliminated the back-log of capital needs. This is a remarkable achievement that reflects the Administration's diligence in advocating for capital investment as well as Town Meeting members' commitment to properly care for the community's assets.

Also notable is that we have built the Capital Stabilization Fund to a point where all of the "cash capital" (as opposed to the items funded by borrowing) is funded from this source – no Free Cash is being used for our capital needs. This was one of the key objectives of establishing this fund. Specifically, in October, 2009, the Natick Board of Selectmen voted to recommend to Town Meeting that the revenue from a local option meals tax and/or increased room tax, if adopted by Town Meeting, be used to support the long term interests of the Town and be applied to the Town's financial reserves and to capital investment and improvement. The Capital Stabilization Fund will serve the Town well for many years to come.

We continue to use the following criteria to evaluate and schedule the capital requests of various departments, listed in their order of priority:

a. Imminent threat to the health and safety of citizens or property

b. Timely improvement/replacement of a capital asses to avoid inevitable additional future costs incurred through deferment

c. Requirements of state or federal law or regulation

d. Improvement of infrastructure

e. Improvement of productivity/efficiency

We also continuously refine our five-year outlook of capital needs, their cost and method of funding (cash or borrowing), anticipated timing for that funding, and the resulting annual impact on our cash needs and debt budget. The objective of this ongoing analysis is to maintain a funding plan to, as best as possible, meet our capital needs while maintaining

a stable impact on the budget. That is, I anticipate that the result of this effort will be a recommendation to amend the Town's Financial Management Principles to (1) address the funding goals for "within levy" debt (that which is funded through the operating budget) separately from "outside levy" debt (that which is funded through debt exclusion, such as the High School and Community/Senior Center) and (2) potentially adjust our target goals.

A Look Ahead

While Natick has certainly weathered quite well the economic storm plaguing municipalities and states nationwide, we still face challenges ahead, including:

Pension Assessments: The Natick Retirement Board recently received an updated actuarial study that reflects investment losses incurred during the recession; their losses were not atypical considering market conditions. While the Board has not, as of yet, accepted these updated projections, it is likely that our funding obligation will increase in FY 2013.

School Department Funding Cliff: At the outset of the recession, the federal government distributed funds to local school departments to help them avoid teacher layoffs. These funds have dwindled over the intervening 2 years. The last of these funds – an EduJobs grant that the Natick School Department received in FY2012 in the amount of $518,585 – has a one year duration. Absent commensurate funding from another federal source this loss of funds will present a considerable challenge to the School Department for FY 2013.

Collective Bargaining: All General Government and School Department union contracts expire at the end of FY 2012; negotiations have already commenced with some of these unions. (Note that there are 9 general government and 7 school unions).

Conclusion

Our conservative budgeting approach has served the Town well. At the last Spring Annual Town Meeting we were able to balance the Town's operating budget without use of one-time revenues from any Stabilization Fund. We have established an Operational/Rainy Day Stabilization Fund to help us ride out economic downturns, and our Capital Stabilization Fund is being used to fund our capital needs, as intended.

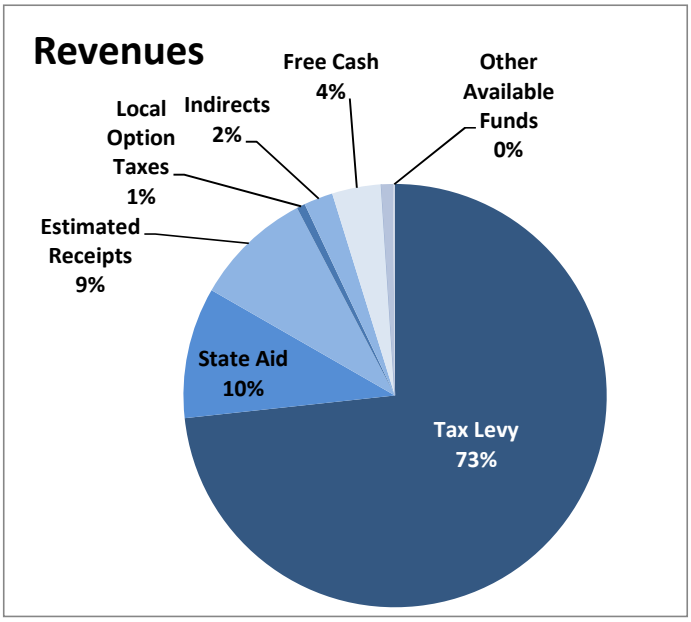
We are by no means, however, riding easy. We must continue our fiscally prudent approach, while recognizing those areas of government where budget and staffing reductions have noticeably affected our ability offer the variety and quality of services that are valued by Natick's residents. The challenges brought about by the need to balance these objectives will be addressed with a reasoned approach, transparent debate and a view toward a stable future for the community.

General Fund Revenue/Expenditure Summary

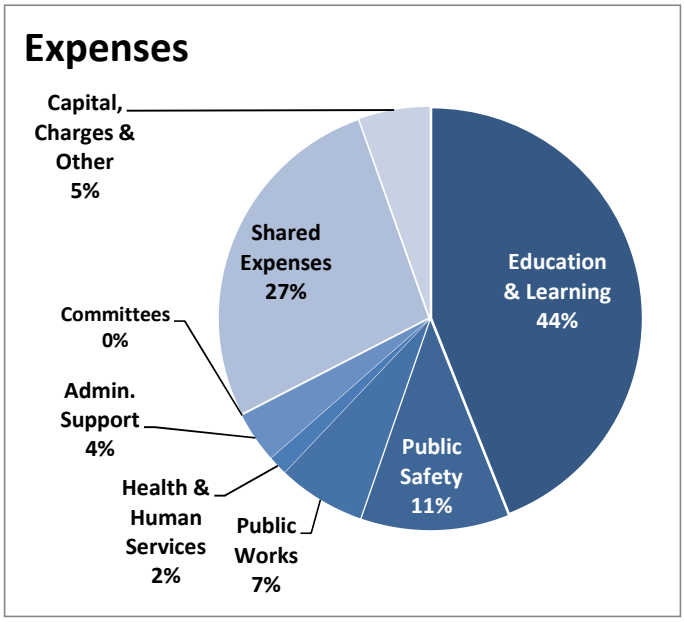
General Fund Revenues	2010 Actual	2011 Appropriated	2012 Spring ATM	2012 Fall ATM	2011 vs. 2012 $	2011 vs. 2012 %
Tax Levy	$ 77,024,748	$ 79,645,196	$ 83,863,523	$ 85,980,482	6,335,286	7.95%
State Aid	$ 10,619,913	$ 11,711,879	$ 11,463,924	$ 11,509,427	-202,452	-1.73%
Estimated Receipts	$ 10,524,325	$ 9,433,900	$ 10,328,690	$ 10,388,690	954,790	10.12%
Local Option Taxes	$ 307,913	$ 750,000	$ 750,000	$ 1,000,000	250,000	33.33%
Other Local Receipts					0	#DIV/0!
Indirects	$ 2,506,416	$ 2,449,757	$ 2,535,883	$ 2,535,883	86,126	3.52%
Free Cash	$ 2,147,380	$ 3,425,336	$ 4,294,322	$ 4,294,322	868,986	25.37%
Stabilization Fund	$ 950,751	$ 98,550	$ -	$ -	-98,550	-100.00%
Overlay Surplus	$ 1,000,000	$ -	$ 1,000,000	$ 1,000,000	1,000,000	#DIV/0!
Other Available Funds	$ 210,851	$ 190,851	$ 190,851	$ 281,532	90,681	47.51%
Total General Fund Revenues	**105,292,298**	**107,705,469**	**114,427,193**	**116,990,335**	**9,284,866**	**8.62%**
General Fund Expenses						
Education & Learning						
Natick Public Schools	$ 41,769,099	$ 44,382,816	$ 46,406,138	$ 46,406,138	2,023,322	4.56%
Keefe Tech	$ 1,283,158	$ 1,469,598	$ 1,396,865	$ 1,396,865	-72,733	-4.95%
Morse Institute Library	$ 1,699,158	$ 1,736,557	$ 1,848,818	$ 1,848,818	112,261	6.46%
Bacon Free Library	$ 115,846	$ 105,805	$ 118,827	$ 118,827	13,022	12.31%
Public Safety	$ 11,512,969	$ 12,162,386	$ 12,863,170	$ 12,877,286	714,900	5.88%
Public Works	$ 7,228,240	$ 7,299,755	$ 7,608,410	$ 7,653,410	353,655	4.84%
Health & Human Services	$ 1,492,356	$ 1,562,874	$ 1,684,513	$ 1,733,513	170,639	10.92%
Administrative Support Services	$ 3,818,589	$ 4,103,132	$ 4,395,885	$ 4,458,885	355,752	8.67%
Committees	$ 26,438	$ 25,010	$ 25,510	$ 25,510	500	2.00%
Shared Expenses						
Fringe Benefits	$ 13,660,686	$ 14,790,439	$ 15,269,212	$ 15,076,350	285,911	1.93%
Prop & Liab. Insurance	$ 431,162	$ 496,150	$ 520,958	$ 520,958	24,808	5.00%
Retirement	$ 5,243,247	$ 5,472,935	$ 5,717,032	$ 5,717,032	244,097	4.46%
Debt Services	$ 6,723,610	$ 7,017,319	$ 8,782,355	$ 10,989,995	3,972,676	56.61%
Reserve Fund	$ -	$ 400,000	$ 400,000	$ 400,000	0	0.00%
General Fund Oper. Expenses	**$ 95,004,559**	**$ 101,024,776**	**$ 107,037,693**	**$ 109,223,586**	**8,198,810**	**8.12%**
Capital Improvements	$ 300,940	$ 543,120	$ 712,560	$ 712,560	169,440	31.2%
School Bus Transportation	$ 311,186	$ 320,522	$ 330,137	$ 330,137	9,616	3.0%
State & County Assessments	$ 1,540,299	$ 1,355,425	$ 1,351,044	$ 1,360,929	5,504	0.4%
Cherry Sheet Offsets	$ 56,369	$ 134,949	$ 131,434	$ 155,298	20,349	15.1%
Tax Title	$ 25,000	$ 25,000	$ 25,000	$ 25,000	0	0.0%
Snow Removal Supplement	$ 749,655	$ 448,991	$ 758,919	$ 758,919	309,928	69.0%
Overlay	$ 1,321,477	$ 1,112,323	$ 1,100,000	$ 1,100,000	-12,323	-1.1%
Golf Course Deficit	$ 355,000	$ 334,500	$ 320,000	$ 320,000	-14,500	-4.3%
General Stablization Fund	$ 800,000	$ 1,634,439	$ -	$ -	-1,634,439	-100.0%
Operational Stabilization Fund [2]	$ -	$ -	$ 529,934	$ 623,434	623,434	#DIV/0!
Capital Stabilization Fund	$ -	$ 307,913	$ 1,437,440	$ 1,687,440	1,379,527	448.0%
FLSA Settlement [2]	$ 950,751	$ 315,000	$ 593,032	$ 593,032	278,032	88.3%
Misc. Articles	$ 10,000	$ 85,000	$ 100,000	$ 100,000	15,000	17.6%
Non-Union Adjustments	$ -	$ 63,512	$ -	$ -	-63,512	-100.0%
Total General Fund Expenses	**$ 101,425,235**	**$ 107,705,469**	**$ 114,427,193**	**$ 116,990,335**	**9,284,866**	**8.62%**
Net Excess / (Deficit)	**3,867,062**	**0**	**0**	**0**		

General Fund Revenue/Expenditure Summary

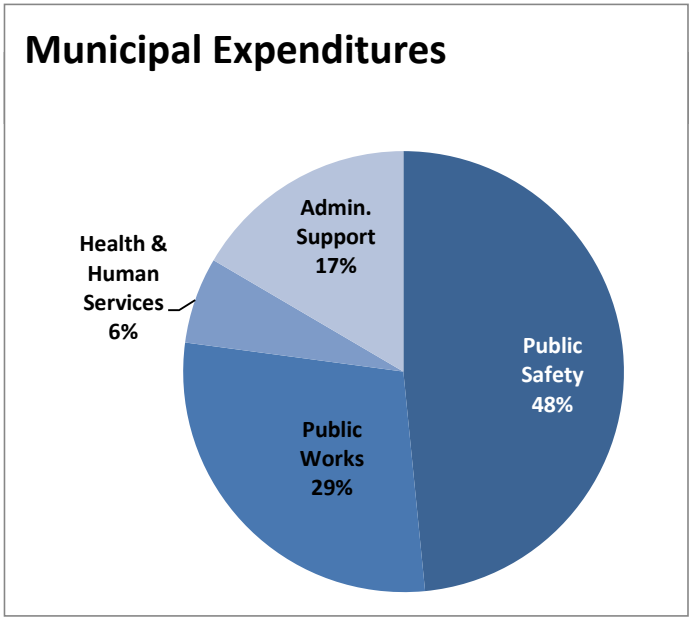
General Fund Revenues - FY 2012



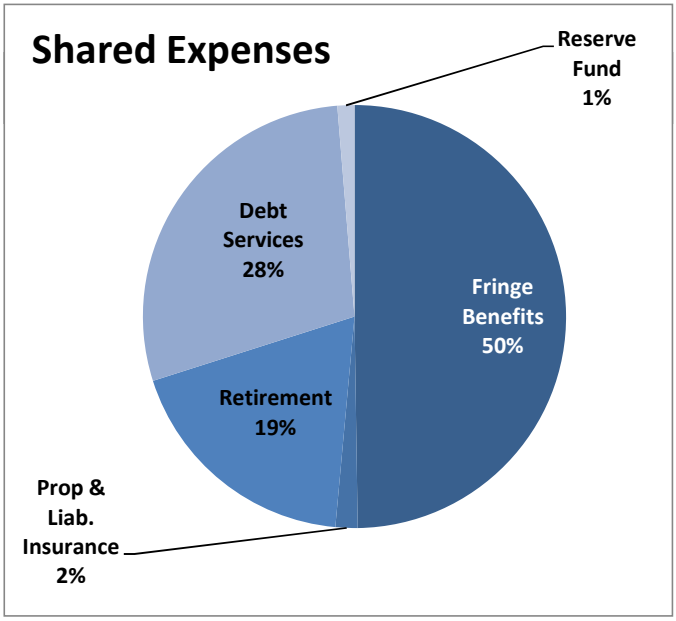
General Fund Expenditures - FY 2012



Municipal Expenditures - FY 2012



Shared Expenditures - FY 2012



General Fund Revenue/Expenditure Changes

Item	2011 Spring ATM	2011 Fall ATM	Change	Reason
Revenues				
Tax Levy	$ 83,863,523	$ 85,980,482	$ 2,116,959	Additional Tax for issuance of H.S. & C.S.C. projects
State Aid	$ 11,463,924	$ 11,509,427	$ 45,503	Final Cherry Sheet
Local Receipts	$ 10,328,690	$ 10,388,690	$ 60,000	Add'l Revenues Reflective of Actual Permit fees
Local Option Taxes	$ 750,000	$ 1,000,000	$ 250,000	Estimate Increased as per 2011 Actual
Other Revenues (Receipts Reserved)	$ 190,851	$ 281,532	$ 90,681	
Change in Revenues			**$ 2,563,143**	

Expenses	2011 Spring ATM	2011 Fall ATM	Change	Reason
Article 4: FY 2012 Omnibus Budget				
New Positions				
- Temporary Division head of Building Maintenance	$ -	$ 45,000	$ 45,000	Hiring of new division head for 6 mon. (1/1 start)
- Director of Community Services	$ -	$ 57,500	$ 57,500	Hiring of new Dir. Of CS for 6 mon. (1/1 start)
Budget Adjustments				
Fire Dept. Adjustment	$ 6,857,577	$ 6,857,577	$ -	TBD
Fire Chief	$ 110,884	$ 125,000	$ 14,116	Accounts for Action of Board of selectmen
Recreation Dept.	$ 560,572	$ 552,072	$ (8,500)	Net Reduction for hires within the department due to new Dept. of Comm. Serv. Plus additional money for union elimination.
Town Clerk	$ 65,000	$ 68,000	$ 3,000	Proper accounting for vote of 2011 SATM, Town Clerk Salary
Community Development Part-Time Inspectors	$ 41,725	$ 101,725	$ 60,000	Reflects misbudgeting for FY 2012 to account for proper amount for inspectors.
Benefit Change	$ 15,269,212	$ 15,076,350	$ (192,862)	
Plan Adds		*$ 10,389*		*Benefit costs for 2 people for remainder of FY 2012*
Police Settlement Reduction		*$ (13,818)*		*Result of Police Settlement (not accounted for at Spring ATM)*
Safety Net Reductions		*$ (189,433)*		*Result of FY 2011 Actual utilization*
Debt Change				
Principal	*$ 5,638,585*	*$ 7,592,269*	*$ 1,953,684*	*Costs associated with principal on excluded debt*
Interest	*$ 3,103,770*	*$ 3,357,726*	*$ 253,956*	*Costs associated with interest on excluded debt*
Article 6: Rainy Day Stabilization Fund				
Appropriation	$ 529,934	$ 623,434	$ 93,500	
Non-Town Meeting Adjustments				
Adjust Cap. Stab. Fund Placeholder	$ 1,437,440	$ 1,687,440	$ 250,000	
State & County Assessments	$ 1,351,044	$ 1,360,929	$ 9,885	
Cherry Sheet Offsets	$ 131,434	$ 155,298	$ 23,864	
Changes in Expenses			**$ 2,563,143**	
Difference			**$ (0)**	

To: Town Meeting Members

From: Natick Planning Board

Re: Fall Town Meeting Warrant

Date: October 5, 2011

Pursuant to MGL c 40A, s.5 and Natick By-Laws, Article 40, s.6, the Natick Planning Board makes the following report to Fall town Meeting:

Article 13 - The Natick Planning Board on October 5, 2011 voted 5-0-0 to recommend favorable action. The Planning Board finds that the article is consistent with the stated recommendations of Natick 360 and is conducive to the continued economic development of Natick Center.

Article 14 - The Natick Planning Board on October 5, 2011 voted 5-0-0 to recommend favorable action. The Planning Board finds that the article is consistent with the stated recommendations of Natick 360 and is conducive to the continued economic development of Natick Center.

Article 16 – The Natick Planning Board on October 5, 2011 voted 5-0-0 to recommend favorable action and that Town Meeting hear the Natick 360 Progress Report.

Article 23 - The Natick Planning Board on September 21, 2011 voted 5-0-0 to recommend No Action to the subject matter of Article 23.

Respectfully submitted,

Julian Munnich, Chairman Natick Planning Board

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Summary of Recommendations

Article #	Article	Finance Committee Recommendation	Board of Selectmen Recommendation	Planning Board Recommendation
1	Authorization to Reorganize Certain Town Departments	Favorable Action 8-3-0	On BOS 10/11/2011 Agenda	No Action Taken
2	Authorization to Consolidate General Government and School Department Functions	No Recommendation	On BOS 10/11/2011 Agenda	No Action Taken
3	Personnel Board Pay Plan	Favorable Action 11-0-0	Favorable Action with modifications 5-0-0	No Action Taken
4	Fiscal 2012 Omnibus Budget	Favorable Action 11-0-0	On BOS 10/11/2011 Agenda	No Action Taken
5	Stabilization Fund	No Action 11-0-0	No Action 5-0-0	No Action Taken
6	Stabilization Fund – Operating/Rainy Day	Favorable Action 11-0-0	On BOS 10/11/2011 Agenda	No Action Taken
7	Stabilization Fund – Capital	Favorable Action 11-0-0	Favorable Action ($1,172,071) 5-0-0	No Action Taken
8	Establishment of Trust Fund to Fund OPEB (Other Post Employment Benefits) Obligations	Favorable Action 11-0-0	Favorable Action 5-0-0	No Action Taken
9	Capital Equipment	Favorable Action 12-0-0	Favorable Action 5-0-0	No Action Taken
10	Capital Improvement	Favorable Action 11-0-0 & 10-0-2	Favorable Action 5-0-0	No Action Taken
11	Rescind authorized, unissued debt	No Action 11-0-0	No Action 5-0-0	No Action Taken
12	Unpaid Bills	No Action 12-0-0	No Action 5-0-0	No Action Taken
13	Home Rule Petition: Authorization to Lease 27-53 South Avenue for a term not to Exceed 99 Years	Favorable Action 13-0-0	Favorable Action 5-0-0	Favorable Action 5-0-0

Summary of Recommendations

Article #	Article	Finance Committee Recommendation	Board of Selectmen Recommendation	Planning Board Recommendation
14	Home Rule Petition: Authorization to Lease 20 Middlesex Avenue for a term not to Exceed 99 Years	Favorable Action 13-0-0	Favorable Action 5-0-0	Favorable Action 5-0-0
15	Home Rule Petition: Increase Membership of Town Forest Committee from 3 to 5	Favorable Action 13-0-0	Favorable Action 5-0-0	No Action Taken
16	Natick 360 Progress Report	Favorable Action 13-0-0	Favorable Action 5-0-0	Favorable Action 5-0-0
17	Authorization for Selectmen to Accept/Obtain Utility Easements	Favorable Action 12-0-0	Favorable Action 5-0-0	No Action Taken
18	Home Rule Petition: Authorization to Issue (3) Off Premises Beer & Wine Licenses	Favorable Action 9-1-1	On BOS 10/11/2011 Agenda	No Action Taken
19	Street Acceptance: Main Street	No Action 12-0-0	No Action 5-0-0	No Action Taken
20	Amend Charter: Appointment of Town Meeting Members	Favorable Action 13-0-0	Favorable Action 5-0-0	No Action Taken
21	Amend Charter Section 2-3: Re-Precincting Requirement	Refer to Sponsor 8-5-0	Favorable Action 5-0-0	No Action Taken
22	Amend Charter Section 5-6: Action on Town Administrator Preliminary Budget	Favorable Action 12-0-0	Favorable Action 5-0-0	No Action Taken
23	Amend Zoning By-Law: Outdoor Advertising	No Action 12-0-0	No Action 5-0-0	No Action 5-0-0
24	Dissolution of Town's Human Services Department	Refer to Sponsor 9-1-1	On BOS 10/11/2011 Agenda	No Action Taken

2011

Fall Annual Town Meeting

Warrant Articles

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ARTICLE 1
Authorization to Reorganize Certain Town Departments
(Town Administrator)

ARTICLE:
To see if the Town will vote to authorize the Town Administrator, pursuant to Article 6 of the Natick Home Rule Charter, to reorganize certain Town departments, or otherwise act thereon.

PURPOSE OF ARTICLE:
The purpose of Article 1 is to effect a reorganization of certain Town departments, the overall objective of which is to facilitate collaboration between and among Council on Aging, Human Services, Veterans' Services and Recreation and Parks operations to enhance the delivery of services. The combined department would be to be known as the Department of Community Services under the authority of a new Director of community Services.

FINANCE COMMITTEE RECOMMENDATION:

By a vote of 8-3-0 on October 4, 2011, the Finance Committee recommends <u>Favorable Action</u> with regard to the subject of Article 1.

During the Finance Committee public hearings on September 27, 2011 and October 4, 2011, the following information was noted:

- Under this article, the Town Administrator is proposing that the departments of Human Services, Council on Aging, Veterans' Services and Recreation and Parks be consolidated into one department to be known as the Department of Community Services.
- The Finance Committee and the Board of Selectmen heard testimony regarding this proposal at a public hearing held on September 27, 2011. The Town Administrator provided copies of the "Human Services Study – Draft Final Report" dated September 22, 2011 which is included at the back of this Recommendation Book as Appendix A.
- In her testimony, the Town Administrator indicated that the overarching objective of the proposed consolidation is to smooth the transition into the new Community/Senior Center, specifically the resulting merging of personnel, operations and programs. She further indicated that the Administration believes that this consolidation will enhance accessibility, accountability and coordination among staff and operations, resulting in improved service to residents.
- A Study conducted by The Wellness Corporation was provided as a baseline to the development of the reorganization Article. The timing of this study relates to a goal of smoothing the transition into the new Community/Senior Center through improved collaboration between personnel, and potential consolidation of operations and programs.
- The Administration has undertaken previous studies of various Town services to evaluate the effectiveness of providing those services, and plans to continue this practice going forward.

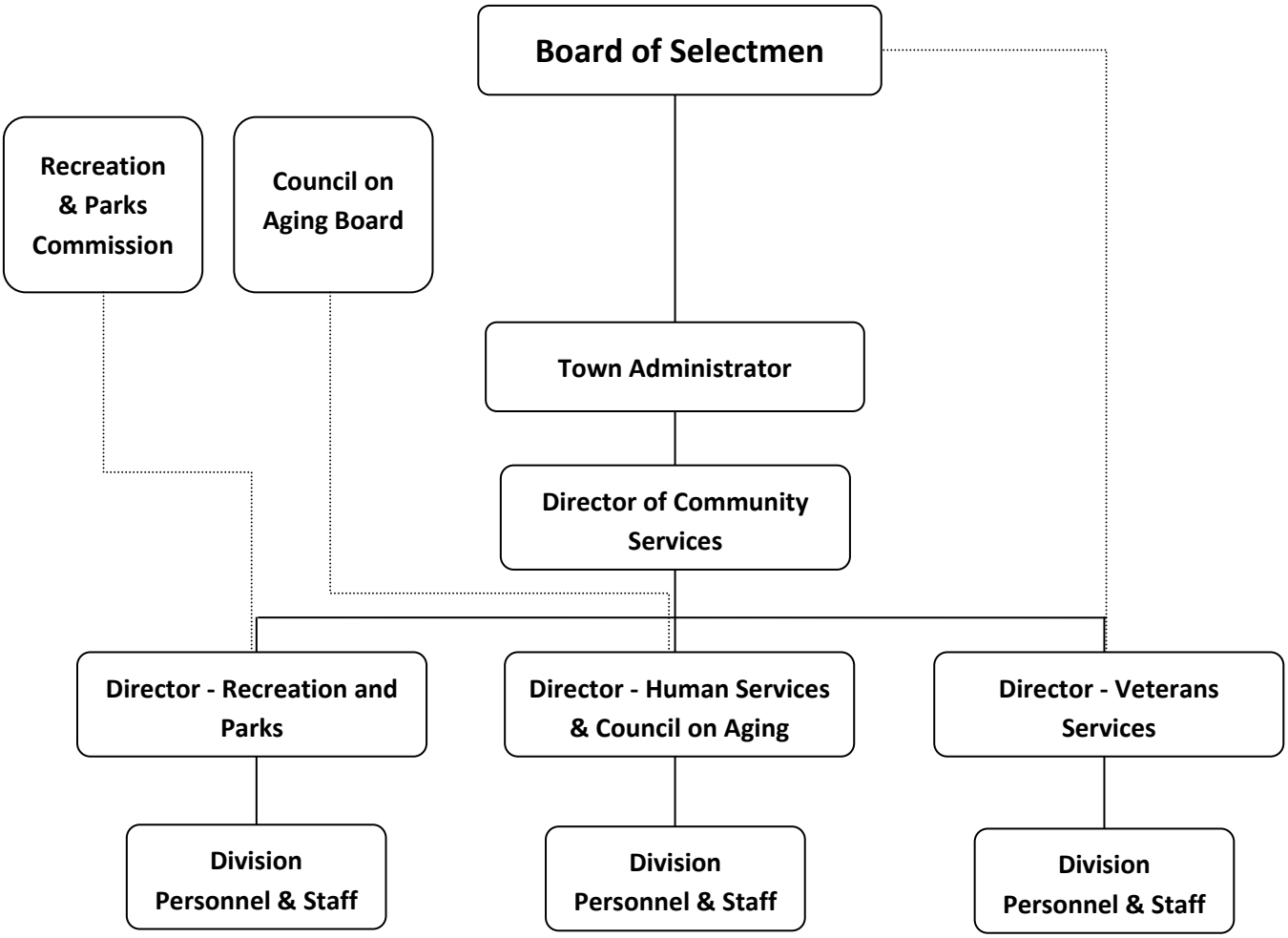
- At this time, there is no plan to change any of the personnel or programs within the four departments, which will become divisions within the proposed new structure.
- If this recommendation is approved by Town Meeting, it is the Administration's intent, subject to the Selectmen's support, to appoint Mr. Dick Cugini, currently Superintendent of the Recreation & Parks Department, to fill the new position of Director of Community Services.
- Financial considerations of this reorganization are addressed in Article 4. Town Administration has calculated net incremental salary increases of approximately $32,000. Planned efficiencies and cost savings will be a long-term by-product of these departments working closer together.
- Citizen veterans, community service volunteers, the Veterans Services Officer and Town employees attended the meeting and gave testimony in opposition and support of this Article. Those in opposition indicated that the Veterans needs are unique and require someone who understands their unique needs and will help facilitate the continued confidential handling of the veterans needs. Those in support indicated they felt that the proposed organizational structure and combined services delivery would be much more holistic and provide even greater support to veterans and other residents. Supporters also noted that other services provide by the Town, notably within the Council on Aging/Human Services Department, also require strict confidentiality.
- The Veterans Services Officer has evaluated the proposed reorganization, and upon careful reflection feels he can support the reorganization under this Article.
- The Board of Selectmen are scheduled to discuss this Article at their meeting on October 11, 2011.
- Under the terms of the Natick Home Rule Charter, this proposed reorganization of town agencies requires Town Meeting approval. Article 6, Section 6-1(b) states, in part, "The authority of the representative town meeting concerning the proposed organizational plan shall be limited to the approval or rejection of it; the representative town meeting shall not vote to amend or to alter the proposed plan."
- The proposed organizational chart on the following page was presented to the Finance Committee at a subsequent hearing held on October 4, 2011.

MOTION:
(Majority Vote Required)

Move that the Town vote to authorize the Town Administrator, pursuant to Article 6 of the Natick Home Rule Charter, to reorganize certain Town departments, specifically by combining the current departments of Human Services and Council on Aging, Veterans' Services, and Recreation and Parks, in their entirety and including all personnel and services, into one department to be known as the Department of Community Services.

Proposed Top-Level Organizational Chart

Department of Community Services



ARTICLE 2
Authorization to Consolidate General Government and School Department Functions (Town Administrator)

ARTICLE:
To see if the Town will vote to authorize the consolidation of general government and school department facility maintenance and management functions pursuant to MGL Chapter 71, section 37M; further to authorize the Town Administrator, pursuant to Article 6 of the Natick Home Rule Charter, to reorganize the Town Department of Public Works, or otherwise act thereon.

PURPOSE OF ARTICLE:
The purpose of this article is intended to authorize the consolidation of general government and the school department facility maintenance and management functions.

FINANCE COMMITTEE RECOMMENDATION:

The Finance Committee has <u>No Recommendation</u> with regard to the subject of Article 2.

During the Finance Committee's public hearing on September 27, 2011, the Committee heard testimony from the Town Administrator, members of the School Committee, members of the Facilities Management Study Committee (the "Study Committee"), and members of the public. During the hearing, the following information was noted:

- The Office of the Town Administrator has conducted a study as to the possible consolidation of general government and school department facility maintenance and management functions. Although the Town Administrator's report incorporates some of the work of the Study Committee it does not represent the views of the Study Committee. The study is included at the back of this Recommendation Book as Appendix B.
- Simultaneously, the Facility Management Study Committee, appointed by the Board of Selectmen and comprised of two members of that Board, two members of the School Committee, the Town Administrator and the School Superintendent, has been meeting since January to evaluate this concept. While the Town Administrator's work is essentially complete, Finance Committee members were informed that the work of the Study Committee has not yet reached that stage.
- The Town Administrator has recommended to the Finance Committee that this Article be referred to the Study Committee, the School Committee, the Superintendent, and the Town Administrator. In doing so, the Town Administrator understands and concurs with the Study Committee that the timing of any possible consolidation of the facilities management function must be carefully considered so as not to add unnecessary risk to the current High School construction project. Therefore, a proposal to consolidate General Government and School Department facility maintenance and management functions will not be made at this Town Meeting.
- Finance Committee members debated a motion to refer the subject matter of Article 2 to the Facility Management Study Committee, the Town Administrator, and the

Superintendent. During debate, Finance Committee members expressed disappointment and frustration about the perceived pace of progress made to date on the analysis and study of facilities management consolidation, the lack of specificity regarding timetables and action steps, and a preference to have a positive motion on which to vote.

- The vote in favor of the referral motion was 3-8-0, and thus the referral motion failed. Lacking a motion which received the requisite number of votes required for a recommendation, the Finance Committee does not have a recommendation for Town Meeting on Article 2.
- At its meeting on October 4, 2011, Town Administration advised the Finance Committee that it would request the Finance Committee to reconsider Article 2, as Town Administration continues to work toward development of a proposal that will allow the General Government to fill, in some capacity, the vacant Supervisor of Building Maintenance, or similar, position while not foreclosing the opportunity for future consolidation. Since that topic was not on the Finance Committee agenda for that evening, the Committee was not able to take up this matter. Accordingly, another public hearing has been scheduled for October 11, 2011, and the Finance Committee will provide Town Meeting members with a supplemental report at the earliest opportunity following that meeting.
- The Board of Selectmen is scheduled to discuss this Article at its meeting on October 11, 2011.

MOTION:
The Finance Committee has NO RECOMMENDATION. Town Meeting members are advised to review the memo from Town Counsel on the following pages.

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Kevin F. Bresnahan
Kathleen Y. Ciampoli
Brian P. Fox
Lauren C. Galvin
Carolyn J. Lyons
Samantha E. Kaplan

Please Respond to Quincy

October 7, 2011

Frank W. Foss, Town Moderator
Natick Town Hall
13 East Central Street
Natick, MA 01760

Re: Article 6, Section 1, Natick Home Rule Charter
Articles 1 and 2, Warrant for the 2011 Natick Fall Annual Town Meeting

Dear Mr. Foss:

Article 6, Section 6-1(b) of the Natick Home Rule Charter authorizes the Town Administrator, after consultation with the Board of Selectmen, to prepare and submit to the representative Town Meeting a plan of organization or reorganization of town agencies, as provided in Section 4-2(16) of the Natick Home Rule Charter. The Town Administrator shall, in conjunction with the Board of Selectmen, hold one or more public hearings on such proposal, giving notice by publication in a local newspaper of the date, time and place of the public hearing and the scope of the proposal. The Town Administrator shall, following such hearing, provide for the submission of the proposed organizational plan, which may be amended or revised as a result of the information developed at the public hearing, to be submitted at the next session of the representative Town Meeting.

The third paragraph of Article 6, Section 6-1(b) of the Natick Home Rule Charter provides in part: "The authority of the representative town meeting concerning the

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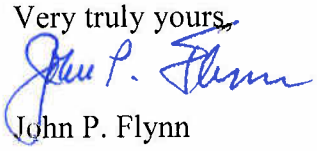
proposed organizational plan shall be limited to the approval or the rejection of it; the representative town meeting shall not vote to amend or to alter the proposed plan".

In my opinion, the foregoing language means that Natick Town Meeting may only vote to approve or reject a plan of organization, or reorganization, of town agencies submitted by the Town Administrator under Article 6,Section 1(b) of the Natick Home Rule Charter. Natick Town Meeting may not take any other action with respect to such a plan. For example, Natick Town Meeting may not vote to amend, modify or alter such a plan, and it may not vote to refer or to indefinitely postpone the subject matter of a warrant article which proposes such a plan.

In my opinion the foregoing limitation of authority applies to the subject matter of Article 1 and Article 2 in the warrant for the 2011 Natick Fall Annual Town Meeting.

If you have any questions or need any further information, please contact me.

Very truly yours,



John P. Flynn

JPF\sd
cc: Jonathan Freedman, Chair
Natick Finance Committee
Natick Board of Selectmen
Natick School Committee
Martha L. White, Town Administrator
Peter Sanchioni, Ph.D., Superintendent
Natick Public Schools

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ARTICLE 3
Personnel Board Pay Plan
(Town Administrator)

ARTICLE:
To see if the Town, pursuant to the authority contained in Section 108A of Chapter 41 of the General Laws, will vote to amend the by-laws by adding to Article 24, Section 3, a new paragraph deleting certain position titles, adding new position titles and effecting changes in the salary ranges as presently established and will provide the money necessary therefor, or otherwise act thereon.

PURPOSE OF ARTICLE:
This is a recurring article, included on every Fall Annual Town Meeting warrant, in the event that the Personnel Board and/or Town Administrator propose to make amendments to the Personnel By-Law (Article 24 of the Town By-Law), to add or delete non-union positions to the Classification and Pay Plan or to change the pay grade of any positions within that Plan. The proposal under this article is to add positions to the Classification and Pay Plan, as shown in bold on the chart below.

FINANCE COMMITTEE RECOMMENDATION

By a vote of 11-0-0 on September 27, 2011, the Finance Committee recommends Favorable Action with regard to the subject of Article 3.

During the Finance Committee public hearing on September 27, 2011 the following information was noted:

- The Assistant Director of Recreation, the Recreation Program/Special Events Director, the Farm Director and the Assistant Farm Director were all previously part of a union (the Recreation and Parks Department Union) which, by mutual agreement between the Board of Selectmen and the Union has been dissolved. Therefore, these positions are being moved into the Classification and Pay Plan as follows:

    - Assistant Director of Recreation -- Grade 3
    - Recreation Program/Special Events Director -- Grade 3
    - Farm Director -- Grade 3
    - Assistant Farm Director -- Grade 2

- With respect to these four positions, the Personnel Board performed a market survey comparable to the one performed in the Spring of 2011 to determine an appropriate base salary. The results of this survey indicated that the current total compensation of these employees was below market rate. Accordingly, the Personnel Board has recommended salary increases for these employees ranging from 5.1% - 8.5%, effective on October 1, 2011. The value of these increases is $16,500, and is included in the Omnibus Budget adjustments proposed under Article 4.

- The Director of Community Services (Grade 5) position is pursuant to the proposal under Article 1.
- The Director of Facility Management (Grade 5) and Facility Management Data Analyst (Grade 2) positions are proposed as "placeholders" based on the Administration's proposal to, at a future date, consolidate general government and school department building management functions.
- The Director of Recreation and Parks position has been added under Grade 4. At present the Supervisor of Recreation and Parks position is included in Grade 5 but, given the reorganization proposed under Article 1, the position is effectively being re-graded. Note that this will not affect the incumbent Supervisor of Recreation and Parks.
- New positions being added to the Classification and Pay Plan are shown in bold type on the Plan which is incorporated into the Motion.
- The Board of Selectmen recommends favorable action with minor modifications (specifically, to refer to Facility Management Data Analyst simply as Data Analyst).
- The Personnel Board also recommends favorable action.

MOTION (Majority Vote Required)

Move that the Town vote to amend the By-Laws by changing in its entirety the table entitled Classification and Pay Plan that is incorporated by reference into Article 24, Section 3, Paragraph 3.10. The new Classification and Pay Plan is as follows:

[Motion is continued on following page]

Full-Time Positions

Town of Natick
Classification and Pay Plan
Fiscal Year 2012
Effective July 1, 2011

Grade	Minimum	Point 1	Point 2	Maximum
5	$85,000	$98,333	$111,667	$125,000
4	$70,000	$81,667	$93,333	$105,000
3	$55,000	$63,333	$71,667	$80,000
2	$47,000	$55,000	$62,500	$70,000
1	$37,500	$44,167	$50,833	$57,500

GRADE 5

Deputy Town Administrator
Dir Finance/Treas/Coll
Dir Public Works
Supt. Parks and Rec
Fire Chief
Director of Community Services
Director of Facility Management

GRADE 4

Building Commissioner
Comptroller
Dir Assessing
Dir Community Dev.
Dir Human Serv & COA
Dir Info Technology
Dir Morse Library
Dir Personnel
Dir Public Health
Environmental Comp. Officer
Director of Recreation & Parks

GRADE 3

Asst Assessor (w/certs)
Asst Comptroller
Asst Library Dir Director,Morse
Asst Treas / Collector
Benefits Coordinator
Dir Bacon Free Library
Env Health Agent
Golf Course Prof
Housing/Gen Planner
Info Systems DBA

GRADE 3 Continued

Info Syst Network Admin
Local Building Insp (w/cert)
Planner/Con Agent
Procurement Manager
Public Health Nurse
Sr. Env. Health Spec
Veterans Agent
Asst. Dir. Recreation
Recreation Program/Sp. Events Dir.
Farm Director

GRADE 2

Asst Dir Bacon Free Library
Asst Dir/COA
Asst. Assessor (w/o certs)
Clinical Social worker
Data Analyst
Assistant Farm Director
Exec Asst
Office Admin Farm
Sanitarian
Social Worker Elderly
Sr. Exec Asst
Data Analyst
Facility Management Data Analyst

GRADE 1

Animal Control Officer
Asst Golf Shop Manager
Outreach Coord
Asst. Dir. Bacon Free

ARTICLE 4
Fiscal 2012 Omnibus Budget
(Town Administrator)

ARTICLE:
To determine what sum or sums of money the Town will appropriate and raise, or transfer from available funds, for the operation of the government of the Town of Natick, including debt and interest, during Fiscal Year 2012 (July 1, 2011 through June 30, 2012) and to provide for a reserve fund for Fiscal Year 2012, and to see what budgets for Fiscal 2012 will be reduced to offset said additional appropriations, or otherwise act thereon.

PURPOSE OF ARTICLE:
This is a recurring article, included on every Fall Annual Town Meeting warrant, in the event that changes are needed to the current fiscal year budget.

FINANCE COMMITTEE RECOMMENDATION:

By a vote of 11-0-0 on October 4, 2011, the Finance Committee recommends <u>Favorable Action</u> with regard to the subject of Article 4.

During the Finance Committee public hearing on October 4, 2011, the following information was noted:

- Finance Committee members thoroughly reviewed information provided by the Town Administration detailing the changes being proposed under Article 4. The specific changes being proposed under this Article are detailed in the Town Administrator's Budget Message at the beginning of this Recommendation Book.
- Revenue estimates for FY 2012 have increased $2,563,143, largely due to the additional tax levy revenue of $2,116,959 from issuing the bulk of the borrowing for the High School and Community/Senior Center projects. Other revenue increases are due to final the state aid amount which was only recently posted to the Cherry Sheet ($45,503), additional local receipts from permit fees ($60,000), an increase in the estimate of revenue from local option taxes ($250,000), and an increase in Reserved Receipts as a result of the bond premium received in conjunction with the sale of bonds ($90,681).
- Relative to the revenue increases to the Tax Levy and Local Receipts, there are offsetting increases in the Debt budget and the Community Development Department, respectively.
- Relative to the borrowing for the High School and Community/Senior Center projects, it was noted that favorable interest rates have resulted in approximately $5.5 million in savings over the life of the debt, though residents will see a higher impact on their tax bills this year. Significant savings in the High School project, amounting to approximately $3.2 million after netting out the estimated Massachusetts School Building Authority reimbursements to the Town, are also due to favorable construction bids. The Town's analysis of the tax impacts of these two projects is available online at http://natickma.gov/Public_Documents/NatickMA_Admin/taxes.
- Increases in expenses are occurring in a variety of department budgets, including one new position due to the proposed reorganization under Article 1 of several departments into a

new Community Services Department. A second position is being funded due to the anticipated hiring of a temporary Building Maintenance division head (currently vacant due to the retirement of the previous incumbent).

- Other expense adjustments include salary adjustments in the Fire Department, the Town Clerk's office, the Recreation and Parks Department, and the Community Service Department. It was noted that salary increases of $16,500 in the Recreations and Parks Department is due to the dissolution of one of the town's collective bargaining units and the movement of four employees from that union into the Town's Classification and Pay Plan effective October 1, 2011 (discussed under Article 3).
- A significant reduction of $203,251 in expenses is occurring in the Employee Fringe Benefits budget due to the Town's settlement with the Police Patrolmen's union and members of that bargaining unit moving into the Rate Savers health plans, and the reduction of the health benefits 'Safety Net' based on the actual utilization in FY 2011. There is a small offsetting increase of $10,389 due to the addition of two health plans to the budget in the event that individuals filling the two new positions discussed above require health benefits.
- Specific changes under Motion A of this Article would accomplish the following:
    - To eliminate in their entirety the budgets for the Departments of Human Services & Council on Aging, Veterans Services, and Recreation and Parks Departments; these will be re-funded in their entirety under Motion B as the new Department of Community Services pursuant to Article 1.
    - To reduce the appropriation for Employee Fringe Benefits as the Town has determined that the full amount of funding set aside for the so-called "safety nets" associated with the recent shift of all employees to Rate Saver health plans is not needed.
- Specific changes under Motion B of this Article would accomplish the following:
    - To fully fund the salary for the Fire Chief, pursuant to recent votes of the Board of Selectmen.
    - To fund ½ year of salary for a DPW Building Maintenance Supervisor. [Note: as indicated under Article 2, the Town Administrator continues to work toward development of a proposal that will allow the General Government to fill this or a similar position while not foreclosing the opportunity for future consolidation. The Finance Committee is meeting on Tuesday October 11 to discuss this matter and will issue an addendum to Town Meeting subsequent to that meeting. Changes in this regard could affect the proposal under Article 4.]
    - To fund all costs associated with the new Department of Community Services.
    - To fund the difference between the Town Clerk's salary approved at the 2011 Spring Annual Town Meeting under Article 8 and the amount appropriated for this salary under Article 11 of that Meeting.
    - To correct an omission in the funding for the FY 2012 salaries for the Community Development Office, specifically, salaries for the part time electrical and

plumbing inspectors were inadvertently omitted. Sufficient revenues are available through associated permit fees to fund these salaries.

- To appropriate benefit costs associated with the proposed positions of Community Development Director and Building Maintenance Supervisor
- To appropriate principal and interest associated with the recently issued debt for the High School and Community/Senior Center projects. Adequate tax revenue exists to fund these debt costs.
- The Board of Selectmen are scheduled to take up this Article at their meeting on October 11, 2011.

MOTION A: (Requires a Majority Vote)
Move that the Town vote to reduce the following appropriations voted at the Annual Spring Town Meeting commencing on April 12, 2011 under Article 11 as follows:

Article 11, Motion D	Human Services & Council on Aging Salaries	$ (376,934)
Article 11, Motion D	Human Services & Council on Aging Expenses	$ (25,122)
Article 11, Motion D	Human Services & Council on Aging Other Changes & Expenditures	$ (17,000)
Article 11, Motion D	Veterans Services Salaries	$ (113,504)
Article 11, Motion D	Veterans Services Expenses	$ (7,775)
Article 11, Motion D	Veterans Services Other Changes & Expenditures	$ (171,310)
Article 11, Motion D	Recreation Salaries	$ (502,285)
Article 11, Motion D	Recreation Operating Expenses	$ (36,737)
Article 11, Motion D	Recreation Other Supplies	$ (21,550)
Article 11, Motion G	Employee Fringe - Other Personnel Services	$ (203,251)
Total		$ (1,475,468)

MOTION B: (Requires a Majority Vote)
Move that the Town vote to appropriate the sum of $3,661,361 as amendments to the following appropriations voted at the Annual Spring Town Meeting commencing on April 12, 2011 under Article 2 as follows:

Article 11, Motion B	Fire Department Salaries	$ 14,116
Article 11, Motion C	Public Works Building Maintenance Salaries	$ 45,000
Article 11, Motion D	Community Services Salaries	$ 1,041,723
Article 11, Motion D	Community Services Expenses	$ 69,634
Article 11, Motion D	Community Services Other Charges & Expenditures	$ 209,860
Article 11, Motion E	Town Clerk Salaries	$ 3,000
Article 11, Motion E	Community Development Salaries	$ 60,000
Article 11, Motion G	Employee Fringe - Other Personnel Services	$ 10,389
Article 11, Motion G	Debt Service Principal	$ 1,953,684
Article 11, Motion G	Debt Service Interest	$ 253,956
		$ 3,661,361

And that to meet this appropriation, the sum of $3,570,680 be raised from the Tax Levy and $90,681 from Receipts Reserved.

ARTICLE 5
Stabilization Fund
(Town Administrator)

ARTICLE:
To see if the Town will vote to appropriate a sum of money from available funds for the purpose of supplementing the stabilization fund established by vote of the 1961 Annual Town Meeting under Article 22, as authorized by Chapter 40, Section 5B of the General Laws, as amended, or otherwise act thereon.

PURPOSE OF ARTICLE:
This is a recurring article, included on every Fall Annual Town Meeting warrant, in the event that there is a proposal to appropriate funds into the Stabilization Fund.

FINANCE COMMITTEE RECOMMENDATION:

By a vote of 11-0-0 on October 4, 2011, the Finance Committee recommends <u>No Action</u> with regard to the subject of Article 5.

During the Finance Committee public hearing on October 4, 2011, the following information was noted:

- The Town Administration is not proposing to supplement this Stabilization Fund at this time.
- The Town's Financial Principles call for a minimum balance equal to two percent of revenues, with a target of five percent. The current balance of $4,271,456.70 is approximately 3.7 percent of revenues.
- The Board of Selectmen recommend no action on this Article.

MOTION:
NO ACTION (Requires a Majority Vote)

[Note: a motion to appropriate funds into the Stabilization Fund, should such a motion be made, requires a two-thirds vote.]

ARTICLE 6
Operational/Rainy Day Stabilization Fund (Town Administrator)

ARTICLE:
To see if the Town will vote to appropriate a sum of money from available funds for the purpose of supplementing the Operational Stabilization Fund established by vote of the 2011 Spring Annual Town Meeting under Article 4, as authorized by Chapter 40, Section 5B of the General Laws, as amended, or otherwise act thereon.

PURPOSE OF ARTICLE:
This is a recurring article, included on every Fall Annual Town Meeting warrant, in the event that there is a proposal to appropriate funds into the Operational/Rainy Day Stabilization Fund.

FINANCE COMMITTEE RECOMMENDATION:

By a vote of 11-0-0 on October 4, 2011, the Finance Committee recommends Favorable Action with regard to the subject of Article 6.

During the Finance Committee public hearing on October 4, 2011, the following information was noted:

- The purpose of the Operational ("Rainy Day") Stabilization Fund is to support the Town's operations in the event of a sustained economic downturn that result in the loss of revenues. According to the Town Administrator's Financial Principles, this would occur if State Aid and/or local receipts are significantly reduced from one year to the next.
- The Town Administration is proposing to add $93,500 to the Operational Stabilization Fund. The source of funding is a portion of the net savings in the Benefits budget discussed under Article 4.
- The current balance of this Fund is $529,934, and will increase to $623,434 if Town Meeting acts favorably on this Article. There are no current plans to withdraw any money from this Operational Stabilization Fund.
- According to the Town Administrator's Financial Principles, "The target amount of money in the Operational Stabilization Fund should be sufficient to sustain operations through a three-year period of economic downturn. This shall be equivalent to 10% of State Aid Revenues and 5% of Estimated Receipts cumulative for a three-year period." This corresponds approximately to a target balance between $4.5 – $5.0 million.
- Changes being considered under Articles 2 & 4 may also require changes to Article 6.
- The Board of Selectmen are scheduled to take up this Article at their meeting on October 11, 2011.

MOTION: (Requires a two-thirds vote)
Move that the Town vote to appropriate the sum of $93,500 for the purpose of supplementing the Operational Stabilization Fund established under Article 4 of the warrant for the Spring Annual Town Meeting of 2011, as authorized by Chapter 40, section 5B of the General Laws; and that to meet this appropriation, the sum of $93,500 shall be raised from the Tax Levy.

ARTICLE 7
Capital Stabilization Fund
(Town Administrator)

ARTICLE:
To see if the Town will vote to appropriate a sum of money from available funds for the purpose of supplementing the Capital Stabilization Fund established by vote of the 2010 Fall Annual Town Meeting under Article 2, as authorized by Chapter 40, Section 5B of the General Laws, as amended, or otherwise act thereon.

PURPOSE OF ARTICLE:
This is a recurring article, included on every Fall Annual Town Meeting warrant, in the event that there is a proposal to appropriate funds into the Capital Stabilization Fund.

FINANCE COMMITTEE RECOMMENDATION:

By a vote of 11-0-0 on October 4, 2011, the Finance Committee recommends <u>Favorable Action</u> with regard to the subject of Article 7.

During the Finance Committee public hearing on October 4, 2011, the following information was noted:

- The Town Administration is proposing to add $1,172,071 to the Capital Stabilization Fund, funded by Free Cash. The source of the Free Cash is the local option tax collections from the Town's portion (2.0%) of Hotel/Motel taxes and the Town's portion (0.75%) of the local option meals taxes. This is detailed on the following page.
- The purpose of the Capital Stabilization Fund is to fund any capital-related project or pieces or capital equipment, or to pay down the debt associated with capital investments. The Capital Stabilization Fund is funded solely through the collection of local option taxes.
- The Town has made significant progress in the past few years in catching up on its backlog of capital investments, and the Town Administration feels that the Town will largely be caught up with its capital needs if Town Meeting acts favorably on Articles 9 and 10.
- The Town Administration conducted an analysis in August 2011 to gain an understanding of the amount of money that would be needed to materially reduce the average taxpayer's tax bill due to capital projects funded through excluded debt. The Administration's analysis also looked to understand the optimal timing of such an action, and has concluded that while there could be opportunities for such an action in the future, at this time the Capital Stabilization Fund is best used for the purposes outlined under Articles 9 and 10.
- The Board of Selectmen also recommends favorable action on this Article.

Local Option Tax Collections - from Inception through FY 2011

Breakout: Local Option Taxes	FY 2010 Actual	FY 2010 Actual	FY 2011 Recap	FY 2011 Actual	Difference	FY 2012 Estimate
Hotel Motel Taxes - State Portion (4%)	$ 678,411	$ 678,411	$ 550,000	$ 769,807	$ 219,807	$ 550,000
Hotel Motel Taxes - Town Portion (2%)*	$ 70,296	$ 70,296	$ 275,000	$ 384,904	$ 109,904	$ 350,000
Local Option Meals Taxes - Town Portion (.75%)**	$ 237,617	$ 305,860	$ 475,000	$ 718,924	$ 243,924	$ 650,000
Amount Appropriated into Capital Stabilization Fund from Local Option 2010	**$ 307,913**	**$ 376,156**				
Estimated Amount Appropriated into Capital Stabilization Fund from Local Option 2011			**$ 750,000**			
Recommended Amount from FY 2011 Receipts to be Appropriated into CSF under Article 7***				**$ 1,103,828**		
Recommended Amount from FY 2010 Receipts to be Appropriated into CSF under Article 7***				**$ 68,243**		

Notes:

* FY 2010 Actual collected for only one quarter - April-June 2010

** FY 2010 Actual collected for two auarters - January-June 2010

*** Supplemental collection from FY 2010 came in after the end of the Fiscal Year. Will Close to free cash in FY 2011 and as per policy, should be appropriated under Art. 7

Capital Stabilization Fund

Initial Balance	**$**	**307,913**
Balance After 2011 Spring ATM	**$**	**995,353**
Anticipated use @ 2011 FATM (Articles 9 and 10)	$	(689,340)
Amount Recommended to be Appropriated from Free Cash under Article 7	$	1,172,071
Balance After 2011 Fall ATM	**$**	**1,478,084**

MOTION: (Requires a two-thirds vote)

Move that the Town vote to appropriate the sum of $1,172,071 from Free Cash for the purpose of supplementing the Capital Stabilization Fund established under Article 2 of the warrant for Fall Annual Town Meeting of 2010, as authorized by Chapter 40, Section 5B of the General Laws, as amended.

ARTICLE 8
Establishment of Trust Fund to Fund OPEB (Other Post Employment Benefits) Obligations
(Board of Selectmen)

ARTICLE:
To see if the Town will vote to accept the provisions of M.G.L. Chapter 32B, Section 20, as amended, which provides that a town may establish a separate trust fund to be known as an Other Post Employment Benefits Liability Trust Fund to reduce the unfunded actuarial liability of health care and other post-employment benefits, or otherwise act thereon.

PURPOSE OF ARTICLE:
The purpose of Article 8 is to establish a trust fund into which money can be deposited at a future date to address the Town's Other Post-Employment Benefits ("OPEB") liability.

FINANCE COMMITTEE RECOMMENDATION:
By a vote of 11-0-0 on October 4, 2011, the Finance Committee recommends <u>Favorable Action</u> with regard to the subject of Article 8.

During the Finance Committee public hearings on September 22, 2011 and on October 4, 2011, the following information was noted:

- Under Statement 45 issued by the Governmental Accounting Standards Board ("GASB") in 2004, municipalities are required to have financial statements that capture the OPEB liability on our annual balance sheets. Since FY 2009, the Town of Natick has engaged a private firm to conduct a bi-annual actuarial study for quantifying our annual and total liability for OPEB. For the Town of Natick, the OPEB liability is comprised of the projected health care costs for our current and future retirees.
- Under this article, the Town Administrator proposes that Town Meeting authorize establishment of the trust fund, into which future funding – through Town Meeting action – would be appropriated.
- The Town Administration is currently funding the post-employment benefits on a "pay as you go" basis. The current annual expense is approximately $2 million.
- The current liability estimate of more than $100 million is based on an actuarial study recently completed which factored in the current employee mix, their projected lifespan and current health care coverage cost. Finance Committee members were informed that the total liability is an actuarial amount which assumes, among other things, that the Town, in essence, ceases to be a viable entity and stops funding its post-employment benefits.
- Since health insurance costs represent the major post-retirement benefit other than pensions, recent changes in the employee health insurance program, negotiated as part of the collective bargaining agreements, are anticipated to have a similarly positive impact in slowing the rate of growth of this obligation.

- To assist Finance Committee members to better understand the issue, Town Administration equated the OPEB liability to the PERAC retirement system, albeit the retirement system has a funding requirement while OPEB currently does not. The Administration is currently aware of no equivalent to PERAC for this obligation.
- To date the Town has been required to show the liability on its financial statements, but there is no legal requirement at this time to fund this liability, and Town Administration is not at this time proposing that any funds be appropriated into the trust, once it is established. The Administration anticipates that such a mandate will eventually be issued.
- Town Administration advised the Finance Committee that the Town's auditors have recommended that the Town take the appropriate next step which is to establish a trust whereby money can be deposited at a future date to address the Town's OPEB liability. Accordingly, Town Administration would like to follow through on this before another audit cycle. Town Administration further advised the Finance Committee that this is also an area reviewed by our credit rating agencies.
- Under Massachusetts General Law Chapter 32B Section 20, the custodian of any funds in the trust would be the Town's Treasurer. Payment schedules and other matters would be under the direction of the trustee(s).
- The Board of Selectmen have also recommended favorable action on this Article.

MOTION: (Requires a majority vote)

Move that the Town vote to accept the provisions of M.G.L. Chapter 32B, Section 20, as amended, and further to authorize the Board of Selectmen to establish a separate trust fund to be known as an Other Post Employment Benefits Liability Trust Fund to reduce the unfunded actuarial liability of health care and other post-employment benefits.

ARTICLE 9
Capital Equipment
(Town Administrator)

ARTICLE:
To see if the Town will vote to appropriate and raise, or otherwise provide, a sum or sums of money as may be required for capital equipment for the various departments of the Town of Natick; to determine whether this appropriation shall be raised by borrowing or otherwise; or otherwise act thereon.

PURPOSE OF ARTICLE:
This is a recurring article, included on every Fall Annual Town Meeting warrant, in order to fund the Town's capital equipment needs. A number of items are recommended, as detailed below.

FINANCE COMMITTEE RECOMMENDATION:

By a vote of 12-0-0 on September 15, 2011, the Finance Committee recommends <u>Favorable Action</u> with regard to the subject of Article 9.

The charts on the following two pages were provided by the Town Administration.

The Board of Selectmen also support favorable action on this Article.

Article 9
Capital Equipment
2011 Fall Annual Town Meeting
Project Descriptions

#	Proposed Item	Amount	Funding Source
1	**Natick Public Schools**		
	REPLACE 1997 NSD 86 (Pickup Truck)	$ 38,500	**Capital Stab. Fund**
	Priority Area: B. Timely Improvement/replacement of a capital asset to avoid inevitable additional future costs incurred through deferment		
	This request will replace a 2001 Ford F-250 with approximately 28,000 miles and 2400 hours. This vehicle seems to have hit everything except the lottery. It has body damage on all sides. The plow frame is very worn, undercarriage rusted badly/salt damage. Truck has a lot of rattle sand looseness from the plowing operation and body damage.		
2	**Police Department**		
	Replacement of Police Cruisers	$ 107,340	**Capital Stab. Fund**
	Priority Area A: Imminent threat to the health and safety of citizens or property		
	This request is an annual request to replace front-line cruisers for the Natick Police Department. This year's overall request returns to the replacement of 5 cruisers, rather than the 4 the requested each of the last two fiscal years. We are asking for 3 this fall (to add to the 2 appropriated in Spring) The DPW has examined current use and has found that the Town can afford to replace 2 cruisers now and 2 cruisers in the fall. All cruisers are run to 100,000 miles and then get replaced or if they remain under 100,000 miles are transferred to another function in the Police Department.		
3	**Public Works - Highway**		
	Guardrails (Various locations)	$ 10,000	**Capital Stab. Fund**
	Priority Area A: Imminent threat to the health and safety of citizens or property		
	This is an annual request from the Department of Public Works to replace unsafe guardrails along various streets and highways within the Town. This ongoing capital purchase should be made regularly to ensure that motorists are properly protected along Natick roadways.		
4	**Public Works - Highway**		
	Dumpster Replacement	$ 10,000	**Capital Stab. Fund**
	Priority Area: B. Timely Improvement/replacement of a capital asset to avoid inevitable additional future costs incurred through deferment		
	This is an annual request from the Department of Public Works to replace rotted and unsafe dumpsters at municipal and school facilities. This ongoing capital equipment purchase should be made regularly, as it and is important to maintain safe and hygienic trash collection on municipal properties.		

Article 9
Capital Equipment
2011 Fall Annual Town Meeting
Project Descriptions

#	Proposed Item	Amount	Funding Source
5	**Pubilc Works - L,F, & NR**		
	Irrigation System Improvements	$ 25,000	**Capital Stab. Fund**
	Priority Area: B. Timely Improvement/replacement of a capital asset to avoid inevitable additional future costs incurred through deferment		
	This request will fund pressure switches and relay controls to each of 5 irrigation wells at various locations throughout Natick. Currently, there are no safety mechanisms in place to shut off an irrigation pump in the case of a malfunction. This can result in failed pumps, burnout of pumps and pump mechanisms (a condition known as "Dead Head") which can be far more costly to repair and replace. It also will result in shutdown of the pump in case a major leak is detected. This is the second phase of two irrigation controls purchases proposed for the Town. The first, made at the 2010 Fall Annual Town Meeting, purchased a controller to monitor and control the amount of water used irrigate the 13 fields/sites throughout the Town. These improvements will allow the Town to comply with future DEP guidelines and operate the Town's water system more efficiently.		
6	**Board of Health**		
	Replace Health-1 (1999 Ford Taurus)	$ 23,000	**Capital Stab. Fund**
	Priority Area: B. Timely Improvement/replacement of a capital asset to avoid inevitable additional future costs incurred through deferment		
	This request would replace a 1999 Ford Taurus with over 56,000 hard miles on it with a newer, more efficient vehicle. This vehicle is currently used in the daily operation of the Board of Health for compliance inspections by the Environmental Health staff and to transport vaccinations to and from Jamaica Plain, Massachusetts. a 1999 Ford Taurus with approximately 68,000 miles and 6412 hours. There is accident/body damage on the right side of car estimated at $1750.00 to repair. The under body has rust along brake lines, body seams and frame mounts. Interior is well worn. Under hood is showing engine leaks and possible beginning signs of a head gasket leaking. This vehicle was a recycled Police cruiser and has not worn well over the last 12 years. This will replace the second of the two vehicles used by the Board of Health.		
7	**Community Development**		
	Replace CD-1 (1998 Ford Explorer)	$ 23,000	**Capital Stab. Fund**
	Priority Area: B. Timely Improvement/replacement of a capital asset to avoid inevitable additional future costs incurred through deferment		
	This request would replace a 1998 Ford Explorer used daily by the departments building inspectors. It has approximately 41,000 miles and 3900 engine hours. This vehicle has significant rust and rear bumper is completely rotted. The windshield is leaking water into the passenger compartment caused by the sheet metal being porous along the top of the windshield. Also has a mechanical internal transmission shifter problem that could result in an expensive repair cost.		
	Total	**$ 236,840**	

Funding Sources

Capital Stabilization Fund	$	236,840
Total Funding for Appropriations under Article 9	**$**	**236,840**

The Finance Committee's Shared Services and Capital Subcommittee met with members of the Municipal and School Administrations on September 12, 2011, to review the items proposed for acquisition. During this subcommittee meeting, as well as during the Finance Committee's public hearing on September 15, 2011 the following information was noted:

1. Natick Public Schools: Replace 2001 NSD 86	**Capital SF**	**$38,500**

The School Maintenance Manager conveyed the need to replace this vehicle, by procuring a new pickup truck.

The original intent was to replace the school van, but that vehicle status is on hold as the school department reviews their overall truck and fleet needs.

This vehicle will be equipped with electric tailgate, plow equipment, etc. for snow removal at all schools.

The Ford F350 proposed for replacement of the Schools' pickup truck is a heavier vehicle and expected to be more appropriate for the type of use intended for the vehicle.

2. Police Department: Cruiser Replacement	**Capital SF**	**$ 107,340**

The Deputy DPW Director presented the ongoing replacement plan to procure and replace three (3) police vehicles. This is a monitored plan to replace 4-5 vehicles annually, with the purchase spread across the spring and fall.

The goal is to target replacing the entire patrol fleet over a period of 5-7 years. As in previous years, all usable equipment will be transferred from the old cruiser to the new one. The police department is no longer permitted to pass their used vehicles to other departments, and under the Green Communities provisions, the Town can no longer transfer its older police cruisers for use by other departments so these vehicles are now being run for longer use (up to approximately 100,000 miles) and then surplused or traded.

3. Public Works: Guardrails (various locations)	**Capital SF**	**$ 10,000**

The DPW Director informed the committee that these guardrail replacement parts are generally used as they are procured, repairing damaged rails, or posts used to support the rails. They do not keep inventory on guardrails, and they schedule this ongoing repair on an annual basis. If damaged guard rails are the result of third party accidents where the party is identified, the Town will recover the costs from the party's insurance company.

4. Public Works Highway: Replace Dumpsters (various)	**Capital SF**	**$ 10,000**

As has been the custom, the DPW regularly repairs or replaces worn-out or damaged dumpsters throughout the town.

The DPW evaluated leasing vs. purchase of dumpsters last fall and determined that it was much more cost effective to purchase since the Town uses the dumpsters for a long period of time.

5. Public Works (LF&NR): Irrigation Improvements Capital SF $ 25,000

This procurement represents the second phase of upgrading the irrigation systems throughout the town. The irrigation systems have been upgraded with improved controls, which help to better monitor the use of the pumps and equipment, and to measure accurately the actual flow of water through these systems.

These irrigation improvements represent the final part of a phased improvement program and will provide all the computer controls to facilitate monitoring of the system from the central location in the DPW. This is critical since, with recent personnel cuts, all fields cannot be physically visited each day.

The Commonwealth is enforcing regulations which limit the amount of ground water which can be pumped from the aquifers. This procurement is the second phase of the project, which will permit the measurements to be electronically communicated through radio devices to the DPW.

With fewer individuals working in LNF&NR the town does not have sufficient staff to monitor these wells on an ongoing basis.

6. Board of Health: Replace Health-1 (1999 Ford Taurus) Capital SF $ 23,000

The Deputy DPW Director conveyed the need to replace this vehicle which has over 56,000 miles by procuring a new vehicle that will also have a towing capacity.

Note: The Town intends to purchase only Ford Escape vehicles to reduce the purchase price and standardize equipment to reduce maintenance costs. The two vehicles to be replaced for the Health and Community Development departments are both Ford Escapes. The plan is to standardize vehicles used in as many areas as appropriate in order to reduce complexity in terms of maintenance training and replacement parts inventory. The Ford Escape is considered to be adequate to the needs for many of the Town's vehicles and is available on the State bid list at a price which is considerably lower than available elsewhere.

7. Community Dev.: Replace CD-1 (1998 Ford Explorer) Capital SF $23,000

The DPW Deputy Director conveyed the need to replace this vehicle which has over 41,000 miles, procuring a new truck that will have towing capacity. The same comments as item 6; the Town intends to purchase a Ford Escape.

MOTION:

Article 9 - Capital Equipment - 2011 Fall Annual Town Meeting

MOTION: (majority vote required)

Move that the Town vote to appropriate the sum of $236,840 to be expended under the direction of the Natick Public Schools for the purpose of replacing vehicle NDS-86, under the direction of the Police Department for the purpose replacing police crusiers, under the direction of the Department of Public Works for the purpose of replacing guardrails and dumpsters and improving irrigation systems, under the direction of the Board of Health for the purpose replacing vehicle Health-1, and under the direction of the Community Development Department for the purpose replacing vehicle CD-1, individually shown as items 1, 2, 3, 4, 5, 6, and 7 in the table below, and that to meet this appropriation the sum of $236,840 be raised from the Capital Stabilization Fund.

Table Article 9 - Capital Equipment - 2011 Fall Annual Town Meeting

Item #	Department	Item	Funding Source		Amount
1	Natick Public Schools	REPLACE NSD 86 (Pickup Truck)	Capital SF	$	38,500
2	Police Department	CRUISER REPLACEMENT	Capital SF	$	107,340
3	Public Works - Highway	GUARDRAIL (VARIOUS LOCATIONS)	Capital SF	$	10,000
4	Public Works - Highway	REPLACE DUMPSTERS	Capital SF	$	10,000
5	Pubilc Works - L,F, & NR	IRRIGATION SYSTEM IMPROVEMENTS	Capital SF	$	25,000
6	Board of Health	REPLACE HEALTH-1 (1999 Ford Taurus)	Capital SF	$	23,000
7	Community Development	REPLACE CD-1 (1998 Ford Explorer)	Capital SF	$	23,000
Appropriation under Article 9				**$**	**236,840**

ARTICLE 10
Capital Improvement
(Town Administrator)

ARTICLE:
To see if the Town will vote to appropriate and raise, or otherwise provide, a sum or sums of money to implement a Capital Improvement Program, to protect the physical infrastructure of the Town of Natick; to determine whether this appropriation shall be raised by borrowing or otherwise; or to otherwise act thereon.

PURPOSE OF ARTICLE:
This is a recurring article, included on every Fall Annual Town Meeting warrant, in order to fund the Town's capital improvement needs. A number of items are recommended, as detailed below.

FINANCE COMMITTEE RECOMMENDATION:

By a vote of 10-0-2 on September 15, 2011, and a vote of 11-0-0 on September 27, 2011, the Finance Committee recommends <u>Favorable Action</u> with regard to the subject of Article 10.

The charts on the following four pages were provided by the Town Administration.

The Board of Selectmen also support favorable action on this Article.

Article 10
Capital Improvement
2011 Fall Annual Town Meeting
Project Descriptions

#	Proposed Item	Amount	Funding Source
1	**Natick Public Schools**		
	Kennedy - Replace Steam Converters and Hot Water Pump	$ 220,000	**Tax Levy Borrowing**
	Priority Area: B. Timely Improvement/replacement of a capital asset to avoid inevitable additional future costs incurred through deferment		
	This request would replace steam converters and pumps which provide heat to Kennedy. There are two systems which provide this function and both are more than 35 years old. This estimate assumes the replacement of each system at approximately $110,000 a piece. The goal of the replacement is to provide more efficient and reliable heat for all users of the building.		
2	**Natick Public Schools**		
	Johnson - Repave Driveways	$ 75,000	**Tax Levy Borrowing**
	Priority Area D: Improvement of infrastructure		
	This request would repave and replace the driveways and parking areas at Johnson Elementary. The current paving has become worn and is beginning to fall apart in some areas. This would provide a consistent and smooth surface throughout to improve driving, walking and drainage issues at Johnson.		
3	**Natick Public Schools**		
	Brown & Lilja - Replace A/C Units	$ 75,000	**Capital Stab. Fund**
	Priority Area: B. Timely Improvement/replacement of a capital asset to avoid inevitable additional future costs incurred through deferment		
	This request would replace air conditioner units in the school's office, library and computer room. The current units are circa mid-1990's. Newer units would increase efficiency and save money.		
4	**Natick Public Schools**		
	Bennett-Hemenway - Rebuild/Replace A/C Compressors	$ 50,000	**Capital Stab. Fund**
	Priority Area: B. Timely Improvement/replacement of a capital asset to avoid inevitable additional future costs incurred through deferment		
	This request would replace air conditioner compressor units in the school's office, library and computer room. The current units are circa 1999. Newer units would increase efficiency and save money.		
5	**Natick Public Schools**		
	Brown & Lilja - Flooring Replacements	$ 49,000	**Capital Stab. Fund**
	Priority Area: B. Timely Improvement/replacement of a capital asset to avoid inevitable additional future costs incurred through deferment		
	This request would replace carpets in classrooms, the library and offices at Lilja. The current carpets are from the 1990's and are due to be replaced. It is over 15 years old and has begun to show its wear. Replacement will eliminate snags, tripping hazards and improve hygiene.		
6	**Natick Public Schools**		
	Brown - Replace Exhaust Fans	$ 30,000	**Capital Stab. Fund**
	Priority Area D: Improvement of Infrastructure.		
	This request would replace 20 exhaust fans at Brown. The current fans are circa 1995. Improving these fans will improve indoor air quality.		
7	**Natick Public Schools**		
	Bennett-Hemenway - Replace Hot Water Heater	$ 10,000	**Capital Stab. Fund**
	Priority Area: B. Timely Improvement/replacement of a capital asset to avoid inevitable additional future costs incurred through deferment		
	This request would replace an oil-fired hot water heater circa 1999. It is due to be replaced, and will increase efficiency.		

Article 10
Capital Improvement
2011 Fall Annual Town Meeting
Project Descriptions

#	Proposed Item	Amount	Funding Source
8	**Police Department**		
	Emergency Operations Center (EOC) Upgrades	**$ 100,000**	**Capital Stab. Fund**
	Priority Area D: Improvement of Infrastructure.		
	This request would retrofit the Frederick C. Conley Training Center as the Town's Emergency Operations Center. After using the center in the capacity of an EOC for responding to Hurricane Irene, the recent event allowed emergency staff to run the EOC from its current location at the Conley Training Center. Although the Town's overall response to the event is widely considered favorable, the "standing up of the EOC recently allowed staff to witness the strengths and weaknesses of the current facility and its backup, the DPW Headquarters at 75 West Street. Efforts to improve the facility have been underway for sometime as public safety officials have searched for and obtained some degree of grants to assist in the Town in properly outfitting the Conley center as an EOC. $11,000 has already been obtained and will go towards the purchase of 1 new document projector, 2 new LCD projectors, 3 42" wall-mounted televisions, 2 laptops and 2 white boards for the center. What remains to be done, however, is to make the room truly functional for multiple users, and not just for presenters or those at the front Currently there is no power or telecommunications to any of the desks within the amphitheatre – the primary locations where different emergency response divisions are designed to sit within the space. There is no backup power supply for maintaining the Town's VoIP phone system in the center when power bumps or is lost before the generator kicks in. Senior public safety officials and administrators spent time running cable and power cords throughout the room to make sure the room could be used during the emergency. If upgrades could be made to the room to ensure power and phones can be accessed throughout the space, the center would not only make a more effective Emergency Operations Center, but a better and more valuable asset for all of the different user groups who use the facility throughout the year. The $100,000 request breaks down as follows: o $72,000 for power and phone installation within the seating area so that power and telecommunications are available throughout the theatre. This will inevitably require extensive wiring and likely the scoring and cutting of the concrete slab upon which the theatre seating rest. o $18,000 for a new base station for the Department of Public Works communications to ensure that their radio network is in uninterrupted by power failures during emergencies. o $5,000 for UPS backup for the phone system at the Conley Center and the Department of Public Works.		

Article 10
Capital Improvement
2011 Fall Annual Town Meeting
Project Descriptions

#	Proposed Item	Amount	Funding Source
9	**Public Works - Building Maintenance**		
	Security Upgrades at Public Works	**$ 61,000**	**Capital Stab. Fund**
	Priority Area D: Improvement of Infrastructure.		
	This request would update security systems at the Public Works facility by adding a combination of electronic key cards and security cameras comparable to the system employed currently at the Downtown Municipal Complex. The installation of security cameras will allow for better monitoring of the facility while the addition of keycards would save money (compared to rekeying & recoring all locks) and allow for greater efficiency in the control of the building.		
10	**Public Works - Highway**		
	Street Light Replacement	**$ 40,000**	**Capital Stab. Fund**
	Priority Area A: Imminent threat to the health and safety of citizens or property		
	This request would provide funds to replace streetlights in Natick that are the most aged and in the poorest condition. Of the 3500+ streetlights, there are some that date back to the 1950's and need to be replaced for safety reasons. This is an annual request which will likely grow in the future after the Town completes it evaluation of LED streetlights.		
11	**Public Works - Land, Facilities and Natural Resources**		
	Memorial Softball Improvements	**$ 10,000**	**Capital Stab. Fund**
	Priority Area D: Improvement of Infrastructure.		
	This request would modify drainage in and around the softball fields at Memorial school. Current drainage patterns in and around the fields create long periods of time during the year where the fields are effectively unplayable due to standing water and mud. This improvement would allow the fields to continue to be playable well into the late summer and fall where now this is doubtful. It is also possible this is the first phase of a solution to the drainage problem.		
12	**Council on Aging**		
	Programming Software	**$ 12,500**	**Capital Stab. Fund**
	Priority Area E: Improvement of productivity/efficiency		
	This request will fund the purchase of myseniorcenter - a software package which will greatly enhance the efficiency and operation of the Council on Aging and the Senior Center. The package allows users to "sign-in" by using a key card (like at the grocery store) and using a touch screen kiosk to state what activity they are participating in. This instantly tracks user activity and will cut down on many hours of repetitive and inefficient data entry currently performed by center staff. It also has a building scheduling component to it, and will be transferable to the new Community Senior Center.		

Article 10
Capital Improvement
2011 Fall Annual Town Meeting
Project Descriptions

#	Proposed Item	Amount	Funding Source
13	**Recreation**		
	Historical Marker Restoration	**$ 15,000**	**Capital Stab. Fund**
	Priority Area D: Improvement of infrastructure		
	This is the first-phase of a multi-year project to restore and/or replace Town-wide historical memorials and markers. This first phase would include restoring/replacing three of the markers on Natick Common. These markers are: 1) The granite monument holders and cannons which adjoin the Civil War Monument, 2) Refurbishment of the Spanish-American War Plaque on the flag pole and 3) Replacement of a stolen monument.		
14	**Public Works & Water & Sewer**		
	Renovations of 75 West Street	**$ 791,000**	**Tax Levy Borrowing**
	Priority Area D: Improvement of Infrastructure.	**$ 504,000**	**Water & Sewer Borrowing**
	This request will fund renovations to the Department of Public Works building at 75 West Street. Specifically, this renovation will expand the second floor of the facility to include new offices for the proposed Facilities Management Department and consolidate several operations of the Water & Sewer Division, including the GIS Division. Additional storage areas will be created and a safe and secure location will be created for the water meter program. The space will also include space where the GIS Division can train Town employees on how to better utilize the GIS programs already developed by the division.		
14	**Public Works & Water & Sewer**		
	Additional Generators	**$ 90,000**	**Water & Sewer Retained Earnings**
	Priority Area D: Improvement of Infrastructure.		
	As a result of Hurricane Irene, an acute need was discovered for additional generators to power the Town's numerous sewer pump stations. At the highpoint of the storm, 14 generators were without power in Natick, forcing Water & Sewer employees to be dedicated to moving generators from pump station to pump station to pump station to ensure sewage did not back up. Due to the number of generators the Town owns and the delay in restoring power to those generators by NSTAR, the practice of moving generators from station to station to station lasted for nearly four days after the storm. Two additional generators would greatly ease this burden.		

Total	**$**	**2,132,500**

Funding Sources		
Capital Stabilization Fund	$	452,500
Tax Levy Borrowing	$	1,086,000
Water & Sewer Borrowing	$	504,000
Water & Sewer Retained Earnings	$	90,000
Total Funding for Appropriations under Article 10	**$**	**2,132,500**

During the Finance Committee public hearings on September 15 and 27, 2011, the following information was noted:

- During the Finance Committee's public hearing on September 15, 2011, it was suggested that the vote on the School's items, which represented a significant portion of the list, might be postponed until a representative from the School Department could be present to answer further questions from the members. The school items were reviewed during the meeting of September 27, 2011.
- At the suggestion of the Subcommittee, several items have been consolidated in the final presentation compared to the original presentation of the items in the Administration's Capital Plan dated September 1, 2011. These items include flooring for the Lilja and Brown Schools, and the air conditioning unit replacement at those schools. The consolidation of these items will provide greater flexibility in using the available funds.
- There was a request to provide more specific metrics detailing the estimated efficiency improvements to be derived from replacement of such items as the hot water heater at Ben-Hem.

1. Natick Public Schools: Replace Steam Converters & Hot Water Pumps
Tax Levy Borrowing $220,000

The heating system is 35 years old, and its replacement will improve the efficiency and provide a more reliable heat.

2. Natick Public Schools: Repaving Johnson School Driveway
Tax Levy Borrowing $75,000

To repave the Johnson School driveways, located in the front and rear of the school. The DPW engineering department will provide the design and the School Department will utilize the Town's paving contract to obtain the lowest cost.

3. Natick Public Schools: Replace A/C Units Capital SF $75,000

To replace A/C Units at Lilja and Brown Schools which are 14-16 years old and have been problematic. The new units will be roof based units providing greater coverage in the administrative and library areas of the schools.

4. Natick Public Schools: Rebuild/Replace A/C Compressors Capital SF $50,000

To rebuild/replace the Air Conditioning Compressor units at Bennett-Hemenway School, which were previously damaged from a lighting strike and have been problematic ever since. The unit is 12 years old.

5. Natick Public Schools: Replace School Flooring Capital SF $49,000

To replace the classroom and library flooring at Lilja and Brown Schools. The carpeting is 14-16 years old.

6. Natick Public Schools: Replace Exhaust Fans Capital SF $30,000

To replace the exhaust fans at Brown School which are 16 years old. The replacement units will be more efficient and reduce energy costs.

7. Natick Public Schools: Replace Water Heater Capital SF $10,000

To replace Hot Water Heater at Bennett-Hemenway School, which is 12 years old.

8. Natick Police Department: Emergency Ops Center Capital SF $100,000

There was considerable discussion relating to the proposed upgrades to the Emergency Operations Center (EOC). The members were referred to additional detail relating to this item included in Attachment B-5.

Although this has been in the plan for some time, the recent activation of the EOC during Tropical Storm Irene highlighted some of the most urgent upgrade needs. The items being proposed address only the most urgent needs. Additional upgrades will be needed going forward.

Upgrades being proposed will provide a backup radio system which can serve the DPW or other departments as needed; upgrade power and telephone capabilities, expand computer and mapping capabilities related to the Geographic Information Systems (GIS), and replace outdated furniture.

The Fire Department has also obtained an $11,000 grant which will cover some costs associated with real time mapping and projection of incidents throughout the town during emergencies.

The EOC is located in the public safety training center and the proposed upgrades are expected to also enhance the use of the facility for these training purposes.

9. Public Works – Bldg. Maint.: Security Upgrades Capital SF $61,000

The security system upgrades being requested for the DPW relate in part to issues which arose last spring. The proposed upgrades will facilitate frequent and rapid individual access changes, as well as better monitoring of building access.

The new system will provide a system-wide DPW keyless-entry system which will allow the town to be more effective in providing permissions for entry and access, by individual, by time period, and by location. Along with providing improved security to many secure and sensitive

areas (pumping stations, wells, DPW garage and office) the system will provide additional security cameras at specific sentinel locations.

10. Natick Public Works – Hwy: Street Lighting	Capital SF	$40,000

For street lighting, the DPW is currently working with NStar to develop a specific LED rate vs. the traditional energy rate charged by the utility. As much as a 75% savings may be realized once this is fully implemented.

11. Natick Public Works – LF&NR: Improve Drainage	Capital SF	$10,000

The proposed drainage improvements to the Memorial School softball field are not expected to fully resolve this problem, but should increase the amount of playing time during which the field can be used.

12. Natick Council of Aging : Software	Capital SF	$12,500

It is anticipated that the tracking and reporting software package proposed for the Council on Aging, which captures participant activity for reporting to state agencies, can also be used in other areas where this type of data would be useful. However, the maximum capacity, and the additional cost for a significantly larger number of keys, is presently unclear.

The software's room booking feature is expected to be useful in facilitating web-based scheduling of meeting-rooms throughout the Town buildings.

13. Natick Recreation: Restore Historical Markers	Capital SF	$15,000

The Superintendent of Parks & Recreation described the process used for restoration and replacement of the historical markers at the Town Common (plaques and civil war cannons).

14. Public Works/Water & Sewer: Building Construction	Borrowing	$1,295,000

This construction project will expand the current DPW office complex providing greater office and storage space using the unused second floor of the complex.

The Schematics (Attachment) were provided detailing the proposed DPW building reconfiguration, and the second-floor expansion and build out. The plan is to expand the front-facing second floor area of the building to expand office and storage space for DPW staff.

The building design accommodates raising the roof in the front facing area. By expanding this area to allow for the construction and build out of approximately 6 offices, 1 conference room, an elevator and other facilities to make the 2nd floor ADA compliant. The current office conditions require the doubling up of personnel in existing office space. The current working space is below industry averages.

Several factors make this expansion necessary including serious overcrowding in the DPW office space and the plans to relocate the Procurement officer and several Water & Sewer personnel to this expanded area of the building. The expanded space would also accommodate additional personnel in the event the proposed facilities management consolidation is approved by the School Committee, Selectmen and Town Meeting.

The $1.3 million estimate is intended to cover all costs from initial engineering and design to complete construction, including contingency. The DPW and Administration are highly confident in their ability to be able to complete this project within that cost figure.

Although this project could be broken up into phases, that would significantly delay its completion beyond the anticipated fall 2012 timeline, and the need for the additional space is pressing. This concept, with only minor changes, was initially presented six years ago.

More detail, including a breakdown of the component costs, will be available for presentation to Town Meeting.

15. Public Works: Generators W/S Ret. Earnings $90,000

The two generators proposed for purchase will be matched to two presently owned generators with the goal of standardizing maintenance, training and repair costs.

MOTION:

Article 10 - Capital Improvement - 2011 Fall Annual Town Meeting

MOTION A: (majority vote required)

Move that the Town vote to appropriate the sum of $452,500 to be expended under the direction of the Natick Public Schools for the purpose of replacing air conditioning units at Brown and Lilja Elementary Schools, compressors at the Bennett-Hemenway Elementary School, exhaust fans at the Brown Elementary School, flooring at Brown and Lilja Elementary Schools, and hot water heaters at the Bennett-Hemenway Elementary School, under the direction of the Police Department for the purpose of upgrading and improving the Emergency Operations Center, under the direction of the Department of Public Works for the purpose of making security upgrades, replacing streetlights and improving softball fields at Memorial School, under the direction of the Council on Aging for the purpose of acquiring programming software, and under the direction of Recreation and Parks Department for the purpose of restoring historic monuments, individually shown as items 3, 4, 5, 6, 7, 8, 9, 10, 11, 12 and 13 in the Table A below, and that to meet this appropriation the sum of $452,500 be raised from the Capital Stabilization Fund.

TABLE A, MOTION A: Article 10 - Capital Improvement - 2011 Fall Annual Town Meeting

Item #	Department	Item	Funding Source		Amount
3	Natick Public Schools	BROWN & LILJA-REPLACE A/C UNITS	Capital SF	$	75,000
4	Natick Public Schools	BEN-HEM-REBUILD/REPLACE A/C COMPRESSORS	Capital SF	$	50,000
5	Natick Public Schools	BROWN-REPLACE EXHAUST FANS	Capital SF	$	30,000
6	Natick Public Schools	BROWN & LILJA - FLOORING REPLACEMENTS	Capital SF	$	49,000
7	Natick Public Schools	BEN-HEM-REPLACE HOT WATER HEATER	Capital SF	$	10,000
8	Police Department	EOC CONFIGURATION UPGRADES	Capital SF	$	100,000
9	Public Works - Building Maintenance	SECURITY UPGRADES	Capital SF	$	61,000
10	Public Works - Highway	STREET LIGHT REPLACEMENT	Capital SF	$	40,000
11	Pubilc Works - L,F, & NR	MEMORIAL SOFTBALL IMPROVEMENTS	Capital SF	$	10,000
12	Council on Aging	PROGRAMMING SOFTWARE	Capital SF	$	12,500
13	Recreation	HISTORICAL MONUMENT RESTORATION	Capital SF	$	15,000
Appropriation under Article 10: MOTION A				**$**	**452,500**

MOTION B: (two-thirds vote required)

Move that the Town vote to appropriate the sum of $1,086,000 to be expended under the direction of the Natick Public Schools for the purpose of replacing steam coverters and hot water pumps at the Kennedy Middle School and reaving driveways at the Johnson Elementary School, under the direction of the Department of Public Works for the purpose of renovating the DPW headquarters at 75 West Street, individually shown as items 1, 2, and 14, in the Table B below, and that to meet this appropriation the Treasurer with the approval of the Board of Selectmen is authorized to borrow $1,086,000 under Massachusetts General Laws Chapter 44, Section 7, as amended, or any other enabling authority and to issue bonds or notes of the Town therefor aggregating not more than $1,086,000 in principal amount and that the Town Administrator with the approval of the Board of Selectmen is authorized to take any action necessary to carry out this program.

TABLE B, MOTION B: Article 10 - Capital Improvement - 2011 Fall Annual Town Meeting

Item #	Department	Item	Funding Source		Amount
1	Natick Public Schools	KENNEDY- REPLACE STEAM CONVERTERS AND HOT WTR PUMP	Tax Levy Borrowing	$	220,000
2	Natick Public Schools	JOHNSON- REPAVE DRIVEWAYS	Tax Levy Borrowing	$	75,000
14	DPW / Water & Sewer	RENOVATIONS TO 75 WEST STREET	Tax Levy Borrowing	$	791,000
Appropriation under Article 10: MOTION B				**$**	**1,086,000**

MOTION C: (two-thirds vote required)

Move that the Town vote to appropriate the sum of $504,000 to be expended under the direction of the Department of Public Works for the purpose of renovating the DPW headquarters at 75 West Street, and that to meet this appropriation the Treasurer with the approval of the Board of Selectmen is authorized to borrow $504,000 under Massachusetts General Laws Chapter 44, Section 8, as amended, or any other enabling authority and to issue bonds or notes of the Town therefor aggregating not more than $504,000 in principal amount and that the Town Administrator with the approval of the Board of Selectmen is authorized to take any action necessary to carry out this program.

TABLE C, MOTION C: Article 10 - Capital Improvement - 2011 Fall Annual Town Meeting

14	DPW / Water & Sewer	RENOVATIONS TO 75 WEST STREET	W/S Borrowing	$	504,000
Appropriation under Article 10: MOTION C				**$**	**504,000**

MOTION D: (majority vote required)

Move that the Town vote to appropriate the sum of $90,000 to be expended under the direction of the Department of Public Works for the purpose of purchasing two generators, individually shown as item 15 in the Table D below, and that to meet this appropriation the sum of $90,000 be raised from Water & Sewer Retained Earnings.

TABLE D, MOTION D: Article 10 - Capital Improvement - 2011 Fall Annual Town Meeting

15	Water/Sewer	TWO NEW GENERATORS	W/S Retained Earn.	$	90,000
Appropriation under Article 10: MOTION D				**$**	**90,000**

ARTICLE 11
Rescind Authorized, Unissued Debt
(Town Administrator)

ARTICLE:
To see if the Town will vote to rescind the authorization for unissued debt that has been determined is no longer needed for the completion of various projects, or otherwise act thereon.

PURPOSE OF ARTICLE:
This article was included in the event that authorized but unissued debt associated with the Community/Senior Center, High School or any other project was determined to no longer be needed.

FINANCE COMMITTEE RECOMMENDATION:
By a vote of 11-0-0 on September 27, 2011, the Finance Committee recommends <u>No Action</u> with regard to the subject of Article 11.

During the Finance Committee public hearing on September 27, 2011, the following information was noted:

- At this time, the Town Administration does not propose rescinding such debt. Finance Committee members noted that debt that has been authorized but not issued does not incur any cost to the Town or taxpayers. At the suggestion of the Finance Committee, the Town Administrator has agreed to include this article annually.
- With respect to the High School construction project, approximately $79,000,000 of the original projected amount of $89,000,000 has been encumbered to date. The $10,000,000 difference is largely the result of favorable bids compared to the to the original project budget.
- The Chairman of the High School Building Committee informed Finance Committee members that the High School Building Committee had discussed this Article, and had determined that the project still had significant phases to be completed, including the demolition of the old high school where additional costs could occur. As a result, the High School Building Committee has recommended that the School Committee not support the rescinding authorization.
- Finance Committee members were also informed that although a figure of $10,000,000 had been mentioned, the state, through the Massachusetts State Building Authority, would take their share back of the savings leaving the town's share of approximately $4,500,000 which would be appropriate to rescind at the end of the project.
- Members of the Finance Committee discussed the potential impact on the Town's borrowing capacity of not rescinding the authorized but unissued debt. It was noted the town had no plans for using the borrowing capacity.

- The Selectman would need to approve any authorization to borrow, which provides an additional level of control to mitigate any risk, as well as to ensure the opportunity for public awareness and discussion.
- The Board of Selectmen recommends no action on this Article.

MOTION: (Requires a majority vote)

NO ACTION

ARTICLE 12
Unpaid Bills
(Town Administrator)

ARTICLE:
To see if the Town will vote to raise and appropriate, or otherwise provide such sums of money as may be required for the payment of unpaid bills of previous years, incurred by the departments, boards and officers of the Town of Natick, or otherwise act thereon.

PURPOSE OF ARTICLE:
This is a recurring article, included on every Fall Annual Town Meeting warrant, in the event that there are bills from prior years that need to be paid; in such event Town Meeting authorization is required.

FINANCE COMMITTEE RECOMMENDATION:

By a vote of 12-0-0 on September 15, 2011, the Finance Committee recommends <u>No Action</u> with regard to the subject of Article 12.

During the Finance Committee public hearing on September 15, 2011, the following information was noted:

- There were no unpaid bills from previous fiscal years, and no action was required under this article.
- The Board of Selectmen also recommends no action on this Article.

MOTION (Majority Vote Required)

NO ACTION

ARTICLE 13
Home Rule Petition: Authorization to Lease 27-53 South Avenue for a Term Not to Exceed 99 Years
(Board of Selectmen)

ARTICLE:
To see if the Town will vote to authorize the Board of Selectmen to petition the General Court to enact legislation which would authorize the Board of Selectmen to enter in a lease for a term not to exceed ninety-nine (99) years of the property at 27-53 South Avenue, Natick, which is now or formerly the site of a municipal parking lot, for the purpose of construction, operation and management of a facility which would provide residential use, and/or commercial use, and/or institutional use, and/or a combination of uses which, in the determination of the Natick Board of Selectmen, are consistent with the Town's goals for Natick Center, and which may provide, but is not required to provide, public parking and/or private parking associated with said use; provided that the General Court may reasonably vary the form and substance of the requested legislation within the scope of the general public objectives of said petition.
or otherwise act thereon.

PURPOSE OF ARTICLE:
The purpose of Article 13 is to allow the Town to consider development options in conjunction with future parking solution in Natick Center. This Article is intended to provide the Town with flexibility in soliciting proposals for development and investment in Natick Center. The Town needs legislative authority to lease property for longer than 30 years.

FINANCE COMMITTEE RECOMMENDATION:

By a vote of 13-0-0 on September 13, 2011, the Finance Committee recommends <u>Favorable Action</u> with regard to the subject of Article 13.

During the Finance Committee public hearing on September 13, 2011, the following information was noted:

- The focus of Article 13 is the property located at 27-53 South Avenue.
- If Town Meeting approves this Article, and the Home Rule Petition is approved by the Legislature, the Selectmen can draft an RFP for the property on South Avenue (the parking lot behind the Police/Fire Station), in connection with or independent of creation of new parking structure(s) to solicit development that would enhance Natick Center as a destination, and encourage continued private investment. This legislation would allow, but not require, a developer to build a municipal parking garage; a previous version of this legislation mandated privately-built municipal parking that was not economically feasible to build. This proposal would allow the town to consider development options in conjunction with future parking solutions and ensure that the town has flexibility in soliciting proposals for development and investment in Natick Center.
- Previous efforts to solicit development proposals for the Middlesex Avenue site revealed that the economic realities of the stipulation requiring potential developers to build a

municipal parking garage as the primary focus of any development prohibited serious consideration by prospective bidders.

- The ability of the Town to negotiate a long-term lease up to 99 years, as well as the other language in the Article, is intended to provide flexibility to the Town and to provide potential developers with the opportunity to recoup their investment.
- The plan would be to consider involving an RFP committee to assist and advise the Board of Selectmen on this matter. The Eliot School RFP committee represented a successful model and the charge and composition of that committee might be expanded to bring in individuals with appropriate expertise and representation of the community's wider interests.
- There was considerable discussion concerning the ongoing parking shortage in the downtown area and the critical importance that no existing parking capacity be lost through any future development of these areas, and the strong desirability that additional parking should be part of any plans for either site.
- In response to questions from the Finance Committee, the proponent of Article 13 noted that the Selectmen are legally authorized to lease real property on behalf of the Town, and therefore the suggestion to require approval by Town Meeting of any potential lease or proposed development could unnecessarily delay prospects and possibly lose advantages related to the current construction market and economic climate.
- The Board of Selectmen and the Planning Board recommend favorable action on this Article.

MOTION (Majority Vote Required)

Move that the Town vote to authorize the Board of Selectmen to petition the General Court to enact legislation which would authorize the Board of Selectmen to enter in a lease for a term not to exceed ninety nine (99) years of the property at 27-53 South Avenue, Natick (the subject property), which is now or formerly the site of a municipal parking lot, for the purpose of construction, operation and management of a facility which would provide residential use, and/or commercial use, and/or institutional use, and/or a combination of uses which, in the determination of the Natick Board of Selectmen, are consistent with the Town's goals for Natick Center, and which may provide, but is not required to provide, public parking and/or private parking associated with said use; and provided, further, that the General Court may reasonably vary the form and substance of the requested legislation within the scope of the general public objectives of said petition.

ARTICLE 14
Home Rule Petition: Authorization to Lease 20 Middlesex Avenue for a Term Not to Exceed 99 Years
(Board of Selectmen)

ARTICLE:
To see if the Town will vote to authorize the Board of Selectmen to petition the General Court to enact legislation which would authorize the Board of Selectmen to enter into a lease for a term not to exceed ninety nine (99) years of the property at 20 Middlesex Avenue, Natick which is now or formerly the site of the Middlesex Avenue parking garage, for the purpose of construction, operation and management of a facility which would provide residential use, and/or commercial use, and/or institutional use, and/or a combination of uses which, in the determination of the Natick Board of Selectmen, are consistent with the Town's goals for Natick Center, and which may provide, but is not required to provide, public parking and/or private parking associated with said use; provided that the General Court may reasonably vary the form and substance of the requested legislation within the scope of the general public objectives of said petition; or otherwise act thereon.

PURPOSE OF ARTICLE:
The purpose of Article 13 is to allow the Town to consider development options in conjunction with future parking solution in Natick Center. This Article is intended to provide the Town with flexibility in soliciting proposals for development and investment in Natick Center. The Town needs legislative authority to lease property for longer than 30 years.

FINANCE COMMITTEE RECOMMENDATION:

By a vote of 13-0-0 on September 13, 2011, the Finance Committee recommends <u>Favorable Action</u> with regard to the subject of Article 14.

During the Finance Committee public hearing on September 13, 2011, the following information was noted:

- Articles 13 and 14 are substantially similar, and the Finance Committee public hearing on September 13, 2011 elicited the same discussion on both articles. The focus of Article 14 is the property located at 20 Middlesex Avenue.
- As with Article 13, the Town needs legislative authority to lease property for longer than 30 years. If Town Meeting approves this Article, and the Home Rule Petition is approved by the Legislature, the Selectmen can draft an RFP for the property on Middlesex Avenue (the site of the former parking garage), in connection with or independent of creation of new parking structure(s) to solicit development that would enhance Natick Center as a destination, and encourage continued private investment. This legislation would allow, but not require, a developer to build a municipal parking garage; a previous version of this legislation mandated privately-built municipal parking that was not economically feasible to build. This proposal would allow the town to consider development options in conjunction with future parking solutions and ensure

that the town has flexibility in soliciting proposals for development and investment in Natick Center.

- The Board of Selectmen and the Planning Board recommend favorable action on this Article.

MOTION (Majority Vote Required)

Move that the Town will vote to authorize the Board of Selectmen to petition the General Court to enact legislation which would authorize the Board of Selectmen to enter into a lease for a term not to exceed ninety nine (99) years of the property at 20 Middlesex Avenue, Natick which is now or formerly the site of the Middlesex Avenue parking garage, for the purpose of construction, operation and management of a facility which would provide residential use, and/or commercial use, and/or institutional use, and/or a combination of uses which, in the determination of the Natick Board of Selectmen, are consistent with the Town's goals for Natick Center, and which may provide, but is not required to provide, public parking and/or private parking associated with said use; provided that the General Court may reasonably vary the form and substance of the requested legislation within the scope of the general public objectives of said petition.

ARTICLE 15
Home Rule Petition: Increase Membership of Town Forest Committee from 3 to 5 (Board of Selectmen and Conservation Commission)

ARTICLE:
To see if the Town will vote to authorize the Board of Selectmen to petition the General Court to enact legislation in substantially the following form, that the General Court may reasonably vary the form and substance of the requested legislation within the scope of the general public objectives of this petition.

AN ACT EXPANDING THE TOWN FOREST COMMITTEE OF THE TOWN OF NATICK FROM THREE TO FIVE MEMBERS

Be it enacted by the Senate and House of Representatives in General Court Assembled, and by authority of the same, as follows:

SECTION 1. Notwithstanding the provisions of Section 21 of Chapter 45 of the General Laws, or any other general law or special law to the contrary, the Conservation Commission of the Town of Natick may appoint a Town Forest Committee of up to five members to serve without compensation for terms of no more than three years.

SECTION 2. This act shall take effect upon passage.

Or otherwise act thereon.

PURPOSE OF ARTICLE:
The purpose of Article 15 is to allow the Conservation Commission to appoint a Town Forest Committee of five members instead of the three members that constitute the Committee under the relevant section of Massachusetts General Law adopted by the Town when transferring the Town Forest to the Conservation Commission in 2009.

FINANCE COMMITTEE RECOMMENDATION:

By a vote of 13-0-0 on September 13, 2011, the Finance Committee recommends <u>Favorable Action</u> with regard to the subject of Article 15.

During the Finance Committee public hearing on September 13, 2011, the following information was noted:

- MGL Chapter 45, section 21, adopted by the Town by a positive vote under Fall 2009 Town Meeting Article 15, transferred the care, custody and control of the Hunnewell Town Forest to the Conservation Commission and authorized the Commission to appoint a 3-person Town Forest Committee, as governed by state statute.
- The proponent also cited a number of reasons why a larger number was desirable, including easier compliance with Open Meeting Law (OML) provisions, and wider community representation. Finance Committee members also noted that a five member

Town Forest Committee will also allow for more citizen participation, a broader mix of disciplines and experience to ensure the well-being of this 100 acre resource, and easier compliance with the Open Meeting Law. When the previous Town Forest Committee was appointed by the Selectmen, it consisted of five members.

- This objective could also be achieved through a Home Rule petition, approved by the General Court, or by creating a Town By-Law. Both options for achieving this change would be expected to take about the same amount of time.
- The proponent noted that going through the legislature is preferable as it would preclude the need for subsequent by-law changes, if there were changes in the relevant statute since the Home Rule petition route makes any exception to the statute permanent.
- Information regarding how this issue was handled in other towns was not yet available at the time of the Finance Committee's public hearing.
- The Board of Selectmen also recommend favorable action on this Article.

MOTION: (Majority Vote Required)

Move that the Town vote to authorize the Board of Selectmen to petition the General Court to enact legislation in substantially the following form, that the General Court may reasonably vary the form and substance of the requested legislation within the scope of the general public objectives of this petition.

AN ACT EXPANDING THE TOWN FOREST COMMITTEE OF THE TOWN OF NATICK FROM THREE TO FIVE MEMBERS

Be it enacted by the Senate and House of Representatives in General Court Assembled, and by authority of the same, as follows:

SECTION 1. Notwithstanding the provisions of Section 21 of Chapter 45 of the General Laws, or any other general law or special law to the contrary, the Conservation Commission of the Town of Natick may appoint a Town Forest Committee of up to five members to serve without compensation for terms of no more than three years.

SECTION 2. This act shall take effect upon passage.

ARTICLE 16
Natick 360 Progress Report
(Town Administrator)

ARTICLE:
To see if the Town will hear a report from the Town and/or sponsoring boards and committees on progress with respect to the Natick 360 Strategic Plan, or otherwise act thereon.

PURPOSE OF ARTICLE:
This is a recurring article, included on every Fall Annual Town Meeting warrant, in order to provide an opportunity to inform Town Meeting on progress with the Natick 360 Strategic Plan, including the work of the Strategic Planning Review Committee established by the Selectmen with participation from the FinCom, School Committee, Planning Board, Conservation Commission and past members of the Strategic Planning Oversight Committee.

FINANCE COMMITTEE RECOMMENDATION:

By a vote of 13-0-0 on September 13, 2011, the Finance Committee recommends <u>Favorable Action</u> with regard to the subject of Article 16.

During the Finance Committee public hearing on September 13, 2011, the following information was noted:

- This Article simply provides an opportunity for Town Meeting to hear a progress report on the Natick 360 initiative.
- There is now a Strategic Planning Committee in place who make a report and will be assessing the status of the initiative and begin to look ahead.
- Allowing this report to be heard by Town Meeting is consistent with the Natick 360 goal of providing information to the public.
- The Board of Selectmen and the Planning Board also recommend favorable action on this Article.

MOTION: (Requires Majority Vote)
Move that the Town hear a report from the Town and/or sponsoring boards and committees on progress with respect to the Natick 360 Strategic Plan.

ARTICLE 17
Authorization for Selectmen to Accept/Obtain Utility Easements
(Board of Selectmen)

ARTICLE:
To see if the Town will vote to authorize the Board of Selectmen, during Fiscal Year 2012, to acquire on behalf of the Town any and all easements for any of the following purposes: roads, sidewalks, vehicular and/or pedestrian access or passage, drainage and utilities;
or otherwise act thereon.

PURPOSE OF ARTICLE:
The purpose of Article 17 is to authorize the Board of Selectmen to accept easements from private property owners.

FINANCE COMMITTEE RECOMMENDATION:

By a vote of 12-0-0 on September 22, 2011, the Finance Committee recommends <u>Favorable Action</u> with regard to the subject of Article 17.

During the Finance Committee public hearing on September 22, 2011, the following information was noted:

- It is the opinion of Town Counsel that the granting or acceptance of an easement is a conveyance of land and, as such, requires Town Meeting action. Unfortunately, it is not always practical to obtain this authorization in a timely manner.
- The Finance Committee was advised of a recent example in which the Town needed a drainage easement across a residential property, and the owner was willing to give the town the easement. The property was for sale, however, making the matter somewhat urgent as there was no assurance that the next owner would be so generous.
- If Town Meeting acts favorably on this Article, the Board of Selectmen would be authorized to accept easements from property owners for utilities, etc., during FY 2012.
- This would become an annual article at each Spring Town Meeting.
- Upon questioning from Finance Committee members the sponsor clarified that the Town would only accept the easements at no cost to the Town and that the easement would only be obtained when the easement was important for the Town.
- The Board of Selectmen recommends favorable action on this Article.

MOTION (Majority Vote Required)
Move that the Town vote to authorize the Board of Selectmen, during Fiscal Year 2012, to acquire on behalf of the Town any and all easements for any of the following purposes: roads, sidewalks, vehicular and/or pedestrian access or passage, drainage and utilities; provided however that such authorization pertains only to easements acquired at no cost to the Town.

ARTICLE 18
Home Rule Petition: Authorization to Issue (3) Off Premises Beer & Wine Licenses (Rick Ciccarelli, et al)

ARTICLE:
To see if the Town will vote to authorize the Board of Selectmen to petition the General Court of the Commonwealth to enact legislation, notwithstanding the provisions of Sections 11 and 17 of the Massachusetts General Laws, or any other general or special law to the contrary, authorizing the Town to issue up to three (3) licenses for the sale of wines and malt beverages not be drunk on the premises, provided that the General Court may reasonably vary the form and substance of the requested legislation within the scope of the general public objectives of the petition; or otherwise act thereon.

PURPOSE OF ARTICLE:
The purpose of Article 18 is to see if the Town will vote to authorize the Board of Selectmen to petition the General Court of the Commonwealth to enact legislation authorizing the Town to issue a license for the sale of wines and malt beverages not be drunk on the premises to Tilly & Salvy's Bacon Street Farm, LLC.

FINANCE COMMITTEE RECOMMENDATION:

By a vote of 9-1-1 on October 4, 2011, the Finance Committee recommends <u>Favorable Action</u> with regard to the subject of Article 18.

During the Finance Committee public hearings on September 20, 2011, and October 4, 2011, the following information was noted:

- The Town has seven (7) licenses for the retail sale of wines and malt beverages for off premises consumption under the limitations set by G.L. Ch. 138 §17. All seven licenses are issued to "package" or "liquor" stores offering little else but alcoholic beverages.
- The home rule petition is necessary to increase the number of licenses in the Town and to allow a license to a business other than a package store.
- If passed this Article would permit the Board of Selectmen to issue a license for the sale of wines and malt beverages to Tilly & Salvy's Bacon Street Farm, LLC for the premises at 100 Bacon Street, Natick, Massachusetts under terms and conditions as set by the Board of Selectmen. The license would be site-specific.
- Finance Committee members were advised that this home rule petition, if enacted by the Legislature, would permit the Board of Selectmen, as the Town's licensing authority, to issue a liquor license to the sponsor, but would not require them to do so. The Sponsor would have to apply for the license in the required manner and fulfill all State requirements for the license, as well as any additional conditions set by the Board of Selectmen.
- This article occupied two nights of Finance Committee discussion. During the first public hearing a number of questions were asked around the wording of the motion with many Finance Committee members being uncomfortable with a lack of specific language around the Sponsors planned use of the license, what the town was planning to charge as a fee for

the license, public safety concerns and concerns around the legislative process required for the Home Rule Petition.

- During the second public hearing the Sponsor and his legal counsel provided additional details in response to the Finance Committee's previous questions. Specifically the wording of the motion was modified to be more specific about the name of the establishment, the type and purpose for the license being requested under the Home Rule Petition. The Sponsor testified that discussions with Representative David Linsky indicated that this had become a practice of the Legislature.
- Citizen liquor store and package business owners attended the second public hearing and gave testimony in opposition to this Article indicating the Sponsor should have to buy an available license from the pool of seven (7) licenses already granted under Massachusetts General Law as they were required to do when they started their businesses.
- At the conclusion of the second public hearing a motion for referral to the sponsor and a motion for positive action were made. The proponents for referral felt they still needed additional information or that there were concerns around potentially opening up the floodgates to additional Home Rule petitions for similar licenses. Proponents for favorable action felt the sponsor had done his homework and deserved an opportunity to innovate and grow his business which had long roots in Natick and to respond to his customers who were asking for additional beverage selections.
- The Board of Selectmen are scheduled to discuss this Article at their meeting on October 11, 2011.

MOTION (Majority Vote Required)
Move to support Article 18 to see if the Town will vote to authorize the Board of Selectmen to petition the General Court of the Commonwealth to enact legislation, notwithstanding the provisions of Section 17 of Massachusetts General Laws Chapter 138, or any other general or special law to the contrary, authorizing the Town to issue a license for the sale of wines and malt beverages not be drunk on the premises pursuant to Section 15 of Massachusetts General Laws Chapter 138 to Tilly & Salvy's Bacon Street Farm, LLC for the premises at 100 Bacon Street, Natick, Massachusetts, upon approval of and under conditions set by the Board of Selectmen, provided that the General Court may reasonably vary the form and substance of the requested legislation within the scope of the general public objectives of the petition; or otherwise act thereon. A license granted hereunder shall be subject to all of said Chapter 138 except said Section 17.

Once issued, the licensing authority shall not approve the transfer of the license to any other location, but it may grant the license to a new applicant at the same location if the applicant files with the authority a letter from the department of revenue indicating that the license is in good standing with the department and that all applicable taxes have been paid.

If the license granted is cancelled, revoked or no longer in use, it shall be returned physically, with all of the legal rights, privileges and restrictions pertaining thereto, to the licensing authority, which may then grant the license to a new applicant at the same location under the same conditions as specified in this section.

ARTICLE 19
Street Acceptance: Main Street
(Board of Selectmen)

ARTICLE:
To see if the Town will vote to accept Main Street as a public way, and any appurtenant easements thereto, as laid out by the Board of Selectmen and as shown on a plan or plans, a copy of which is on file in the office of the Town Clerk; to see if the Town will vote to authorize the Board of Selectmen to acquire by gift, purchase, eminent domain or otherwise, easements in any land necessary for laying out and acceptance of Main Street, and any appurtenant drainage, utility or other easements related to said Main Street, and/or to accept grants thereof; and, further, to authorize the Board of Selectmen and other applicable Town of Natick boards and personnel to take all related actions necessary or appropriate to accomplish the purposes of this article, or otherwise act thereon.

PURPOSE OF ARTICLE:
The purpose of this article is to accept the portion of Main Street that was never accepted as a public way (generally, from its intersection with Route 135 northerly to the railroad bridge).

FINANCE COMMITTEE RECOMMENDATION:

By a vote of 12-0-0 on September 22, 2011, the Finance Committee recommends <u>No Action</u> with regard to the subject of Article 19.

During the Finance Committee public hearing on September 22, 2011, the following information was noted:

- After surveying the right-of-way, the Town determined that the travelled way extends onto three abutters private property. Accordingly, the Town needs to obtain easements from these property owners before accepting Main Street as a public way. Finance Committee members noted that the Town has been trying to obtain such easements for some time.
- Town Administration informed the Finance Committee that the Town will not at this time be successful in negotiating the necessary easements to allow the Town to accept Main Street as a public way.
- Upon questioning by some members of the Finance Committee whether this delay would negatively impact the state aided roadway improvements of Route 27, the sponsor stated it would not inasmuch as the state would not help fund rebuilding of Main Street (from Route 135/27 intersection to north side of Route 27 railroad bridge) because the Town wants to keep diagonal parking on Main Street. The state will not allow this type of parking on their funded roadways.
- The Board of Selectmen has also recommended No Action on this article.

MOTION (Majority Vote Required)

ARTICLE 20
Amend Charter: Appointment of Town Meeting Members
(Town Clerk)

ARTICLE:
To see if the Town will vote to amend Article 2 of the Natick Home Rule Charter with respect to vacancies in the membership of the representative Town Meeting and the process for filling same, or otherwise act thereon.

PURPOSE OF ARTICLE:
The purpose of Article 20 is to amend the process for filling vacant Town Meeting seats. This Article is intended to facilitate the filling of vacant Town Meeting seats so that they are filled prior to the start of the annual Town Meeting. It would also allow for a method to fill a seat that would otherwise go vacant until the next election.

FINANCE COMMITTEE RECOMMENDATION:

By a vote of 13-0-0 on September 20, 2011, the Finance Committee recommends <u>Favorable Action</u> with regard to the subject of Article 20.

During the Finance Committee public hearing on September 20, 2011, the following information was noted:

- The proponent of this Article is the Town Clerk, who is proposing three revisions to the process after last year's experience when it had taken more than three weeks to finalize all the appointments following determination of which precincts did not have all positions filled. The three changes are:
    1. Instead of maintaining lists of residents receiving a vote for Town Meeting in any of the previous three town elections, maintain those lists only for the current election year;
    2. Use a lottery at the time of appointment to choose among candidates who were not elected, but who had received the same number of votes; and
    3. Rather than allow unfilled seats to remain vacant until the next regularly scheduled election when there is a failure to elect and there are no candidates for appointment, hold a precinct level caucus process to fill vacant seats. (This was the process delineated in the Town's original Charter.)
- The overarching goals of the proposal are to assure that all seats are filled prior to the start of Town Meeting and also to streamline the process. Finance Committee members agreed with these objectives, noting that the effect on Town Meeting was of primary importance.
- In response to questions from members of the Finance Committee, the Town Clerk agreed to modify language in the proposed motion to clarify that the qualifications for any appointment to a Town Meeting seat would be that the candidate must be a registered voter who lives in the precinct in question.
- If passed by Town Meeting, this would appear on the ballot for voters to consider at the next annual election in March 2012.

The following summary of the current process, and the process proposed by the Town Clerk, was provided by the Town Clerk.

Process for Filling Town Meeting Vacancies

The process for filling Town Meeting vacancies is detailed in the Natick Home Rule Charter, Article 2, Section 6. This relates to vacancies which occur as a result of resignations, deaths, removal from the Town and/or a failure to elect. Article 20 proposes to make some minor changes which are detailed below and summarized in a memo.

CURRENT PROCESS

- After the election, elected officials and Town Meeting Members receive notification from the Town Clerk's office that they have been elected and the length of their term.

- The Town Clerk reviews the results and determines if there are any vacancies as a result of a failure to elect.

- The Town Clerk reviews all the tally sheets which are returned from the polls to identify write-in votes for all elected offices including town meeting.

- The list for Town Meeting Members from each precinct is updated and combined with the list from the previous 2 years, (removing names from 3 years ago). In most cases, voters do not include an address when completing a write in, therefore the Clerk's office needs to identify an address for the resident who has been written in. At that time, it is necessary to confirm that the person is eligible to be a Town Meeting member from the precinct in which the vote was received. **The majority of the people on this list have between 1 and 5 votes each.**

- In practice, there is no lottery to order the list, but rather a lottery is held when it is necessary to fill a vacancy from a list of people who are tied with the same number of votes.

- When there is a need to fill a vacancy from the list, the Clerk does so from the list, first contacting the resident who received the most number of votes. If there is only one person the Clerk will contact the resident via phone or mail and asking them if they are interested. If it is necessary to send a letter it will include a date by which the recipient must contact the Clerk's office in order to accept the appointment. If that person does not accept the appointment, then the process begins again.

- If there are a number of people who are tied, the Clerk sends a letter to all the people on the list who are eligible to fill that vacancy. In the letter, the person is asked to inform the Clerk's office regarding their interest in filling the vacancy and includes information on when and where the lottery will be held. If a resident does not respond to the letter, or

requests not to be included, their names are removed from the list. It is not necessary for the candidates to be present at the time of the lottery.

- The lottery is a public meeting and must be posted in compliance with the Open Meeting Law. At that time, the Town Clerk conducts the lottery in a public location. The person (s) who is appointed to the seat as a result of the lottery is informed in writing at that time.

- If there are not enough names, a seat may remain unfilled until the next annual town election.

This process usually takes a minimum of a week to 10 days. If there turns out to be more vacancies than expected the process can take even longer and in most cases Town Meeting will have already started.

PROPOSED PROCESS

- After the election, elected officials and town meeting members receive notification from the Town Clerk's office that they have been elected and the length of their term.

- The Town Clerk reviews the results and determines if there are any vacancies as a result of a failure to elect.

- The Town Clerk reviews the tally sheets which are returned from the polls to identify write-in votes for any elected office including Town Meeting.

- The Town Clerk will prepare a list of potential candidates for each precinct, based on the current year election only. Names will be listed in descending order of the number of votes received. This will include candidates who ran for a seat on RTM and did not win as well as those who are written in. The clerk will make appointments from that.

- If there is a tie, there will be a lottery. The process will be the same, however if only using the list of candidates from the current election, the list will most likely be shorter and the lottery more manageable. In addition, it may be more likely that a voter who received only one or two write-in votes in the current year will be willing to serve, as opposed to a voter who received one write-in vote two years ago.

- In addition, if there is a failure to elect and the Town Clerk is unable to appoint a Town Meeting Member, it is my recommendation that the town meeting members of the precinct hold a caucus to choose a member (s) until the next annual town election.

- The caucus would be officiated by the Town Clerk and/or their designee. The caucus would be held prior to the start of the Town Meeting. The caucus would be a posted meeting. Again this appointment would only be until the next annual town election.

ARTICLE 2

LEGISLATIVE BRANCH

Section 2-6 Vacancies

(a) **Resignation** - A town meeting member may resign by filing a written resignation with the town clerk; such resignation shall take effect upon the date of such filing unless a date certain is specified in the letter of resignation when it shall otherwise take effect.

(b) **Removal From Town or Precinct** - A town meeting member who removes from the town shall forthwith cease to be a town meeting member. A town meeting member who removes from one precinct in the town to another, or who is so removed by a revision of precinct lines, may continue to serve as a town meeting member from the precinct from which he was elected until the next town election at which the remainder of his term, if any, shall be filled by the voters. Any person so removed from office may be a candidate for election as a town meeting member from the precinct to which he has removed at the same election.

(c) **List of Persons Eligible to Fill Vacancies -** Following each town election, the town clerk shall prepare for each precinct a list of persons who received votes for town meeting member, but who were not elected. Persons on each list shall be listed in descending order of votes received. The town clerk shall maintain each list until the next town election, removing from each list the names of persons (1) who are appointed to fill vacancies, (2) who choose not to accept appointment when offered, or (3) who are no longer eligible to be town meeting members.

(d) **Filling of Vacancies** - Whenever a vacancy has been declared to exist either (1) by a letter of resignation filed with the town clerk, or (2) by the issuance of a certificate from the town clerk that such person has died or has removed from the town, or has failed to take the oath of office, or (3) there is a failure to elect a town meeting member such vacancy shall be filled until the next town election from the list of persons eligible to fill vacancies in the precinct. The town clerk shall make appointments in accordance with the ordering of names on the lists. If necessary to resolve ties, the town clerk shall appoint a town meeting member to fill a vacancy by a lottery among those tied. Any such lottery shall be conducted at a time and place open to the public.

In the event of a failure to appoint a person to fill a vacancy in a position of town meeting member, or the failure of a person so appointed to qualify, the town clerk shall schedule a caucus among the then current town meeting members in the precinct in question for the purpose of selecting a person to fill the vacant town meeting member position. Any such caucus shall be conducted at a time and place open to the public. The town clerk shall provide written notice of the date, time and location of such caucus to the then current town meeting members in the precinct in question, at least forty-eight (48) hours prior to such caucus, except where such forty-eight (48) hours notice is not possible due to town meeting scheduling requirements.

Deleted: Each list shall include names of such persons for elections in the present and previous two calendar years, provided, however, that elections in years prior to the last revision of precincts shall not be considered. Persons shall be listed at most once, with the highest vote count received. Persons currently serving as elected town meeting members or those no longer eligible to be town meeting members from the precinct shall not be listed.

Deleted: If necessary to resolve ties, the town clerk shall determine the ordering on each list by a lottery among those tied.

Deleted: Any such lottery shall be conducted at a time and place open to the public.

Deleted: the

Deleted: lists

Deleted: the lists

Deleted: In the event that there are no persons eligible, the vacancy shall remain unfilled until the next town election.

Notice of such caucus shall be posted on the Natick Town Hall bulletin board, and shall be posted on the Town of Natick website, in each event at least forty-eight (48) hours prior to such caucus, except where such forty-eight (48) hours notice is not possible due to town meeting scheduling requirements.

The town clerk or the town clerk's designee shall preside over such caucus. The eligible candidate who resides in the precinct in question and who receives the highest number of votes at such caucus shall serve as a town meeting member until the next annual town election.

MOTION (Majority Vote Required)

Move that the Town vote to amend Article 2, Section 2-6 of the Natick Home Rule Charter as follows.

A. In Section 2-6(c) ,entitled List of Persons Eligible to Fill Vacancies:

1. Delete the second, third and fourth sentences, which read "Each list shall include names of such persons for elections in the present and previous two calendar years, provided, however, that elections in years prior to the last revision of precincts shall not be considered. Persons shall be listed at most once, with the highest vote count received. Persons currently serving as elected town meeting members or those no longer eligible to be town meeting members from the precinct shall not be listed".

2. Delete the sixth and seventh sentences, which read: "If necessary to resolve ties, the town clerk shall determine the ordering on each list by a lottery among those tied. Any such lottery shall be conducted at a time and place open to the public".

3. In the eighth sentence, delete the word "lists" in the two places where it appears and insert in its place the words "each list".

4. As amended, Section 2-6(c) would read:

   "List of Persons Eligible to Fill Vacancies – Following each town election, the town clerk shall prepare for each precinct a list of persons who received votes for town meeting member, but who were not elected. Persons on each list shall be listed in descending order of votes received. The town clerk shall maintain each list until the next town election, removing from each list the names of persons (1) who are appointed to fill vacancies, (2) who choose not to accept appointment when ordered, or (3) who are no longer eligible to be town meeting members".

B. In Section 2-6(d), entitled Filling of Vacancies:

1. In the first sentence, insert between the words "office" and "such", the words

   ", or (3) there is a failure to elect a town meeting member,".

2. Delete the present third sentence, which reads: "In the event that there are no persons eligible, the vacancy shall remain unfilled until the next town election".

3. Insert new third and fourth sentences which read: "If necessary to resolve ties, the town clerk shall appoint a town meeting member to fill a vacancy by a lottery among those tied. Any such lottery shall be conducted at a time and place open to the public".

4. Insert at the end two new paragraphs which read:

"In the event of a failure to appoint a person to fill a vacancy in a position of town meeting member, or the failure of a person so appointed to qualify, the town clerk shall schedule a caucus among the then current town meeting members in the precinct in question for the purpose of selecting a person to fill the vacant town meeting member position. Any such caucus shall be conducted at a time and place open to the public. The town clerk shall provide written notice of the date, time and location of such caucus to the then current town meeting members in the precinct in question, at least forty-eight (48) hours prior to such caucus, except where such forty-eight (48) hours notice is not possible due to town meeting scheduling requirements.

Notice of such caucus shall be posted on the Natick Town Hall bulletin board, and shall be posted on the Town of Natick website, in each event at least forty-eight (48) hours prior to such caucus, except where such forty-eight (48) hours notice is not possible due to town meeting scheduling requirements.

The town clerk or the town clerk's designee shall preside over such caucus. The eligible candidate who resides in the precinct in question and who receives the highest number of votes at such caucus shall serve as a town meeting member until the next annual town election".

5. As amended, Section 2-6(d) would read:

"Whenever a vacancy has been declared to exist either (1) by a letter of resignation filed with the town clerk, or (2) by the issuance of a certificate from the town clerk that such person has died or has removed from the town, or has failed to take the oath of office, or (3) there is a failure to elect a town meeting member, such vacancy shall be filled until the next town election from the list of persons eligible to fill vacancies in the precinct. The town clerk shall make appointments in accordance with the ordering of names on the lists. If necessary to resolve ties, the town clerk shall appoint a town meeting member to fill a vacancy by a lottery among those tied. Any such lottery shall be conducted at a time and place open to the public.

In the event of a failure to appoint a person to fill a vacancy in a position of town meeting member, or the failure of a person so appointed to qualify, the town clerk shall schedule a caucus among the then current town meeting

members in the precinct in question for the purpose of selecting a person to fill the vacant town meeting member position. Any such caucus shall be conducted at a time and place open to the public. The town clerk shall provide written notice of the date, time and location of such caucus to the then current town meeting members in the precinct in question, at least forty-eight (48) hours prior to such caucus, except where such forty-eight (48) hours notice is not possible due to town meeting scheduling requirements.

Notice of such caucus shall be posted on the Natick Town Hall bulletin board, and shall be posted on the Town of Natick website, in each event at least forty-eight (48) hours prior to such caucus, except where such forty-eight (48) hours notice is not possible due to town meeting scheduling requirements.

The town clerk or the town clerk's designee shall preside over such caucus. The eligible candidate who resides in the precinct in question and who receives the highest number of votes at such caucus shall serve as a town meeting member until the next annual town election."

ARTICLE 21
Amend Charter Section 2-3: Re-Precincting Requirement
(Board of Selectmen)

ARTICLE:
To see if the Town will vote to amend the Natick Home Rule Charter, specifically the second paragraph of Section 2-3 therein, as follows:
(1) by inserting after the comma at the end of clause (a) the word "or",
(2) by deleting the comma and the word "or" at the end of clause (b),
(3) by inserting a period at the end of clause (b), and
(4) by deleting clause (c) in its entirety.

Such that the second paragraph of Section 2-3 would read as follows: "The boundaries of the precincts shall be reviewed and wholly or partly revised by the board of selectmen (a) at least once in every ten years, or (b) whenever it is directed to do so by a vote of the town meeting. Any such revision shall be carried out in accordance with the timeline described in said Section 6 of Chapter 54 of the General Laws."
Or otherwise act thereon.

PURPOSE OF ARTICLE:
The purpose of Article 21 is to amend the Town Charter to remove the requirement to revise Town voting precincts in the interim of the normal 10-year cycle when any precinct population varies by more than five percent from the Town average.

FINANCE COMMITTEE RECOMMENDATION:

By a vote of 8-5-0 on September 20, 2011, the Finance Committee recommends <u>Referral to the Board of Selectmen</u> with regard to the subject of Article 21.

During the Finance Committee public hearing on September 20, 2011, the following information was noted:

- The current Town's Charter requires that the Selectmen revise voting precincts in the interim between the normal ten year census updates when any precinct population varies by more than 5% from the town average. The purpose of this Article is to allow voters to consider a charter amendment that would remove this requirement.
- The Sponsor reviewing this article for the Finance Committee stated he believes the Charter provision for the 5% rule is unenforceable, inconsistent with state law and impractical because no useful alternative to the decennial census data exists to provide a basis for such revisions. U.S. Census data on which precincts must be revised is only updated every ten years, so the requirement is not feasible. Town Meeting would still be able to require new precincts to be drawn in between cycles, although interim re-precincting creates the possibility that town and state voting precincts would not be aligned. The charter provision that would be removed (if approved by voters) appears to be unique to Natick.

- The General Government subcommittee which reviewed this article questioned the timing of this article relative to the decennial census and stated their reservations to the Sponsor representative about modifying Charter language. However, the Subcommittee by a majority vote recommended favorable action to the Finance committee as a whole.
- The Finance Committee as a whole took up this article on September 20, 2011 with feedback from the General Government Subcommittee and answers to questions around impact of the requested Charter changes which would require a Town Meeting vote and approval by voters on a ballot.
- Finance Committee members debated favorable action and referral motions. Proponents of Favorable Action felt that the Charter should be cleaned up and that the 5% rule was a problem. Proponents of referral felt that there was no practical benefit to this Charter change request and in fact it would occupy the Town needlessly. The Referral motion prevailed.
- If passed by Town Meeting, this would appear on the ballot for voters to consider at the next annual election in March 2012.
- The Board of Selectmen recommend favorable action on this Article.

MOTION (Majority Vote Required)
Refer to Sponsor

Note that should a positive main motion be made, the proper form would be as follows:
Move that the Town vote to amend the Natick Home Rule Charter, specifically the second paragraph of Section 2-3 therein, as follows:
(1) by inserting after the comma at the end of clause (a) the word "or",
(2) by deleting the comma and the word "or" at the end of clause (b),
(3) by inserting a period at the end of clause (b), and
(4) by deleting clause (c) in its entirety.

Such that the second paragraph of Section 2-3 would read as follows: "The boundaries of the precincts shall be reviewed and wholly or partly revised by the board of selectmen (a) at least once in every ten years, or (b) whenever it is directed to do so by a vote of the town meeting. Any such revision shall be carried out in accordance with the timeline described in said Section 6 of Chapter 54 of the General Laws."

ARTICLE 22
Amend Charter Section 5-6: Action on Town Administrator Preliminary Budget
(Town Administrator)

ARTICLE:
To see if the Town will vote to amend the Natick Home Rule Charter, specifically Section 5-6 (a) therein as follows:
(1) by inserting before the phrase "date, time and place" the word "initial";
(2) by inserting before the phrase "public hearing" the phrase "first of one or more"; and
(3) by adding an "s" on the end of the word "hearing"

such that Section 5-6(a) shall read as follows: "(a) Public Hearing - The finance committee shall forthwith, upon receipt of the preliminary budget, provide for the publication in a local newspaper of a notice stating the initial date, time and place, not less than seven nor more than fourteen days following such publication, when the first of one or more public hearings will be held by the finance committee on the preliminary budget." Or otherwise act thereon.

PURPOSE OF ARTICLE:
This warrant article requests a change to the Town Charter to clarify the Finance Committee's posting and hearing requirements for the Town Administrator's Preliminary Budget.

FINANCE COMMITTEE RECOMMENDATION:

By a vote of 12-0-0 on September 22, 2011, the Finance Committee recommends <u>Favorable Action</u> with regard to the subject of Article 22.

During the Finance Committee public hearing on September 22, 2011, the following information was noted:

- Currently, the wording of this Charter article calls for "a public hearing" by the Finance Committee, which is to be posted in a certain way. This wording can cause confusion if said public hearing requires one or more meetings over several nights.

- Town Administration informed Finance Committee members that the proposed Charter change is to incorporate minor edits to reflect the fact that the Finance Committee has customarily held multiple hearings on the Town Administrator's proposed budget, rather than just one. The proposed revised wording clarifies that the posting will identify the first public hearing, and allows for multiple public hearings on the same budget. This will allow the Finance Committee more flexibility in closing and opening public hearings on said budget.

- This change refers only to the publication of the required notification in the newspaper. This change does not have any impact on meeting posting requirements under the Open Meeting Law.

- If passed by Town Meeting, this would appear on the ballot for voters to consider at the next annual election in March 2012.
- The Board of Selectmen recommend favorable action on this Article.
- An updated version of the Section showing the proposed change is as follows:

Section 5-6 Action on the Town Administrator's Preliminary Budget
(a) Public Hearing - The finance committee shall forthwith, upon receipt of the preliminary budget, provide for the publication in a local newspaper of a notice stating the initial date, time and place, not less than seven nor more than fourteen days following such publication, when the first of one or more public hearings will be held by the finance committee on the preliminary budget.

MOTION (Majority Vote Required)

Move that the Town vote to amend the Natick Home Rule Charter, specifically Section 5-6 (a) therein as follows:

(1) by inserting before the phrase "date, time and place" the word "initial";
(2) by deleting the phrase "a public hearing" and inserting in its place the phrase "the first of one or more public hearings"; and

such that Section 5-6(a) shall read as follows: "(a) Public Hearing - The finance committee shall forthwith, upon receipt of the preliminary budget, provide for the publication in a local newspaper of a notice stating the initial date, time and place, not less than seven nor more than fourteen days following such publication, when the first of one or more public hearings will be held by the finance committee on the preliminary budget."

ARTICLE 23
Amend Zoning By-Law: Outdoor Advertising
(Town Administrator)

ARTICLE:
To see if the Town will vote to amend the Zoning By-Law to allow non-accessory signs (specifically electronic billboards) in certain zoning districts of the town and to establish restrictions associated therewith, or otherwise act thereon.

PURPOSE OF ARTICLE:
The purpose of Article 23 is to amend the Natick Zoning By-Laws to allow for outdoor advertising (i.e., billboards).

RECOMMENDATIONS:

By a vote of 12-0-0 on September 22, 2011, the Finance Committee recommends <u>No Action</u> with regard to the subject of Article 23.

During the Finance Committee public hearing on September 22, 2011, the following information was noted:

- The Finance Committee was informed by Town Administration that this Article was included in the Warrant in response to an informal proposal from an outdoor advertising (billboard) company for them to locate electronic billboards on Town-owned land, such as the Water Division property on Route 9. Such a proposal would result in revenue (not clearly defined) coming to the Town.
- Following discussions on this topic by Town Administration with members of the Planning Board, it appears at this time that concerns regarding aesthetic impact (and potential resulting negative economic impacts) are of primary concern.
- Town Administration has recommended “no action” on this Article. The Board of Selectmen and Planning Board have also recommended “no action” on this Article.

MOTION (Majority Vote Required)
No Action

ARTICLE 24
Dissolution of Town's Human Services Department
(Jerry Pierce, et al)

ARTICLE:
To see if the Town will vote to authorize the Board of Selectmen to dissolve what is left of the town's Human Services Department and merge those services with the Natick Service Council, thereby saving the Town approximately $100,000 annually, and allowing those services to be expedited and efficiently provided by the Natick Service Council, or otherwise act thereon.

PURPOSE OF ARTICLE:
To see if the Town will vote to authorize the Board of Selectmen to dissolve what is left of the town's Human Services Department and merge those services with the Natick Service Council.

RECOMMENDATIONS:

By a vote of 9-1-1 on October 4, 2011, the Finance Committee recommends Referral to the sponsor with regard to the subject of Article 24.

During the Finance Committee public hearing on October 4, 2011, the following information was noted:

- The Sponsor described the intent of this article as a method to help the town to be more efficient and facilitate better intake and outplacement services to other service providers which are better equipped to support constituent needs.
- During the Finance Committee public hearing, the Sponsor asked the Finance Committee to refer this Article back to the Sponsor. He indicated that with additional reflection on the content of this Article and new data he now has on other Reorganization Articles on the Warrant and under consideration by the Finance Committee, he thought this was the best approach for the Article at this point.
- The Finance Committee took up a single motion to refer the article back to the Sponsor. With no debate the Referral motion prevailed.
- The Board of Selectmen are scheduled to discuss this Article at their meeting on October 11, 2011.

MOTION (Majority Vote Required)
No Action

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Appendices

A. Town Administrator's Human Services Study

B. Town Administrator's Facility Management Study

C. Updates to the Capital Plan

D. Demographics and Information

E. Glossary of Terms

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Appendix A.

Town Administrator's Human Services Study

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Town of Natick

Human Services Study
DRAFT Final Report

September 22, 2011

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Section I:

Executive Summary

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Section I: Executive Summary

Since the founding of the first village, those who have been charged with operating the affairs of local government have traditionally been responsible for three primary concerns of its citizens: their Health, Safety, and Welfare. Over the course of the last century, local governments have continuously evolved to respond to the ever-changing needs of their citizens. Natick is no different. Whereas 100 years ago the Town of Natick primarily provided services in the areas of Public Safety, Education & Learning, Public Works and Public Health[1], today Natick is a full-service community providing those services as well as services in Recreation, Social and Senior Services.

It is important when undertaking a review of any topic to define what key terms are. For the purpose of this study 'Human Services' is defined as "meeting human needs through an interdisciplinary knowledge base, focusing on prevention as well as remediation of problems, and maintaining a commitment to improving the overall quality of life of service populations. The Human Services profession is one which promotes improved service delivery systems by addressing not only the quality of direct services, but also by seeking to improve accessibility, accountability, and coordination among professionals and agencies in service delivery." [2] Natick has a well-established history of supporting these services, recognizing that meeting the social needs of the community and its residents is an important function of local government.

Just as the needs of our citizens change and evolve, so too must our provision of services to meet those needs. This study is intended to be a first and significant step in evaluating the Town's delivery of Human Services, a critical evaluation given the impending opening of the Community/Senior Center (scheduled to open late summer/early fall 2012).

The new Community/Senior Center is specifically designed to offer a diverse array of programming for all ages. While the Council on Aging, Human Services, and Veterans' Services Departments have historically been housed at the Town's Senior Center, significant Recreation and Parks Department programming will be incorporated into the overall scheduling and delivery of activities at this facility. For purposes of this study, the four departments that will be represented at the new Community/Senior Center (Council on Aging, Human Services, Veterans' Services and Recreation and Parks) will be referred to as the Human Services Departments.

[1] Natick Town Reports: 1910. Review Printing Company. Natick, MA. 1911.
[2] National Organization for Human Services website www.nationalhumanservices.org/what-is-human-services

The overarching objective of this study is to evaluate opportunities to smooth the transition into the new Community/Senior Center, specifically the resulting merging of personnel, operations and programs. It is essential that we assess now how to best promote collaboration between and among these departments, because "if the physical aspects of a building are superb and the programming and operations are lacking, the facility will not be as successful." [3] Given the community's investment in the new Community/Senior Center and the importance of the programs to be offered there, it is essential that the delivery of these programs is successful.

This report lays out many important aspects of Human Services provision in Natick, including:

- Describing the current service model
- Listing the Communities to which Natick will be compared
- Providing alternative organizational structures for the delivery of Human Services

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[3] Town of Natick Community Senior Center Feasibility Study – Needs Assessment; prepared by Catlin Architecture, August 2006

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Section II:
Current Service Delivery Model

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Section II: Current Service Delivery Model

The delivery of Human Services to Natick residents is provided by both the municipal government and a variety of private agencies in the Town of Natick and the region. The Town offers a variety of programs through the Council on Aging, Human Services, Veterans' Services and Recreation and Parks Departments.

The following departmental information is excerpted from their respective web pages.

- The Council on Aging provides an opportunity for senior citizens to come together, as individuals and as part of groups, for services and activities that help meet their needs. These services and programs enhance dignity, support independence and encourage involvement with the community. The Council on Aging's mission is to provide advocacy and support systems for Natick's 6,500+ older adults, focusing on issues of aging by working with them toward the ultimate goal of independence and improvement of their quality of life and preparation for life change. The Council on Aging staff provides social and support services and programs through a multipurpose Senior Center, advocacy for senior citizens and individuals with disabilities of all ages with local, state and federal programs and governments, coordination of volunteer services town-wide, wellness, intergenerational and other programs, health services and support for chronic disease self-management, partnerships with other agencies and organizations for planning wellness, and prevention programs, and more.

- The mission of the Human Services Department is to ensure that health and human services are provided, available, and accessible to all residents of the Town by contracting with private agencies as well as staff-provision of services. The Department partners with other Town Departments, schools, local and state agencies, religious organizations, local civic groups, local businesses, etc. for the planning and delivery of services and assisting families and individuals in accessing public and private benefits. Staff also provides case management and crisis intervention to individuals and families.

- The Veterans' Services Office is responsible for the needs of the Veterans of Natick and their dependents. It assists in filing for Veterans' Benefits, which is a state run program, or filing for Federal Benefits, such as VA service-connected or non-service connected disabilities or compensation. The office is instrumental in securing housing, assisting veterans with medical care referrals, educational benefits, job search, emergency funds, counseling, applying for Social Security, Social Security Supplemental Income, Social Security Disability, Unemployment Compensation, Military Records, and Annuities. It assists in filing of applications for grave markers and any other veterans'-related applications.

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- The Recreation and Parks Department is responsible for planning, organizing and implementing leisure programs and facilities that serve the physical, emotional, and social needs of all the residents of the community, regardless of one's ability. The Recreation and Parks Department is also responsible for the establishment of park regulations and the permitting of all community fields, parks and playgrounds including coordinating and scheduling of all town leisure groups at these facilities. The activities of the department are overseen by the Recreation and Parks Commission. The Commission is responsible for the policy, programs and procedures associated with the delivery of year round high quality indoor and outdoor recreational activities for Town residents.

Several other municipal departments and committees offer some level of Human Service-related programming or services, including the Morse Institute and Bacon Free Libraries, the Natick School Department, the Commission on Disability, Youth Advisory Board, and others. In addition, many private agencies in Natick and throughout the region offer services that are similar or complimentary to those offered by Natick's Human Services departments. Ideally, the sum of services offered by these various agencies should be fully responsive to the community needs with minimal duplication of services. Communication and collaboration between and among these agencies is the key to ensuring this outcome.

<u>Organizational Structure and Budgets</u>

At present, Human Services are delivered by four municipal departments. Their organizational (staffing) charts and budgets are shown below.

Human Services & Council on Aging

In addition to their annual appropriation in support of department personnel and operations, the Human Services & Council on Aging department receives authorizations for two revolving funds from Town Meeting. The department also applies for and has been successful in receiving grants from a variety of sources, including the Metrowest Community Health Care Foundation and the Commonwealth of Massachusetts Executive Office of Elder Affairs. Some grants received are one-time, while some are eligible to be renewed on an ongoing basis and support ongoing operations. Of note organizationally, since 2003, the daily activities of the Human Services Department have been managed by the Director of Council on Aging. To reflect these dual responsibilities, the Director's job title was changed to Director of Human Services and Council on Aging in 2008.

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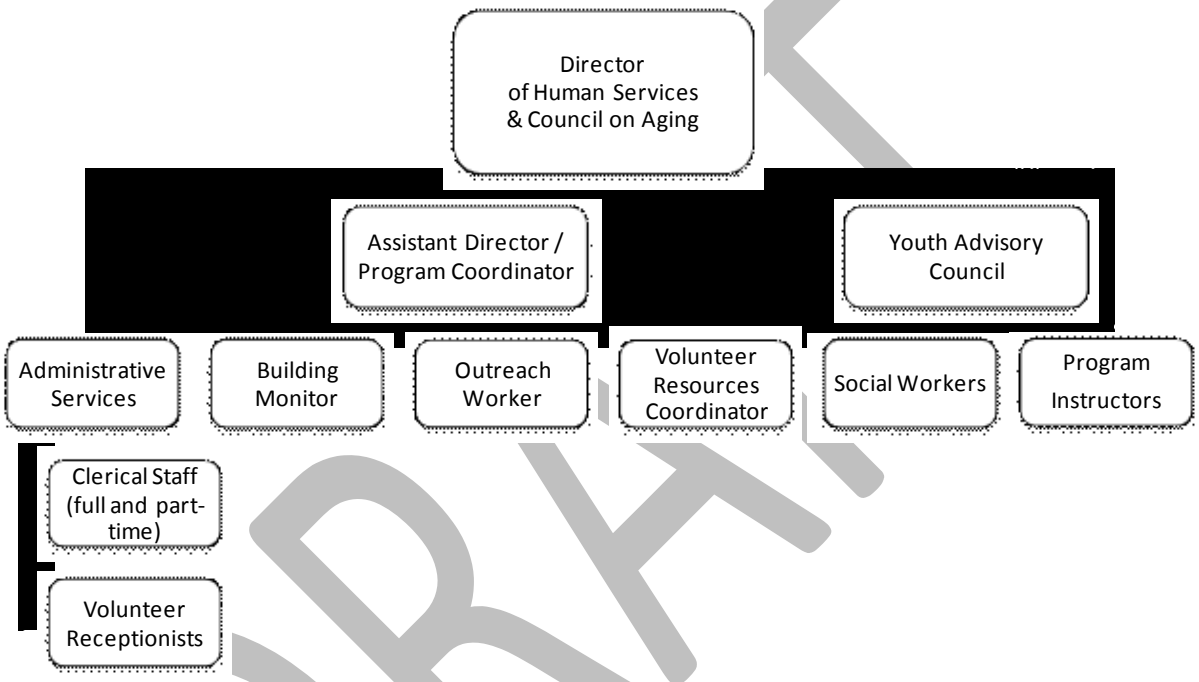
The Human Services Division employs one full-time social worker, one approximately 0.75 social worker, one Licensed Independent Clinical Social Worker and other personnel as shown below.

Organizational Chart



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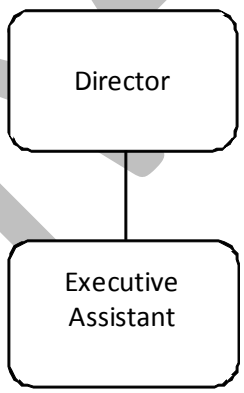
Departmental Budget

Department: Human Services & Council on Aging	2009 Actual	2010 Actual	2011 Appropriated	2012 Appropriated	2011 vs. 2012 $ (+/-)	% (+/-)
Salaries						
Personnel Services	$ 321,455	$ 321,180	$ 331,337	$ 376,934	$ 45,597	13.76%
Total Salaries	**$ 321,455**	**$ 321,180**	**$ 331,337**	**$ 376,934**	**$ 45,597**	**13.76%**
Operating Expenses						
Purchase of Services	$ 12,168	$ 11,387	$ 22,084	$ 21,734	$ (350)	-1.58%
Supplies	$ 2,663	$ 2,699	$ 3,388	$ 3,388	$ -	0.00%
Other Chgs./Expend.	$ 12,978	$ 11,183	$ 19,000	$ 17,000	$ (2,000)	-10.53%
Total Operating Expenses	**$ 27,810**	**$ 25,268**	**$ 44,472**	**$ 42,122**	**$ (2,350)**	**-5.28%**
Total COA & HS	**$ 349,265**	**$ 346,448**	**$ 375,809**	**$ 419,056**	**$ 43,247**	**11.51%**

Veterans' Services Department

The Veterans' Services Department includes funding for a full-time Veterans' Services Director (as mandated by the state department of Veterans Services) and a full-time Executive Assistant. Expenditures for direct benefits to Veterans are reimbursed 75% by the Commonwealth.

Organizational Chart



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Departmental Budget

Department: Veterans Services	2009 Actual	2010 Actual	2011 Appropriated	2012 Appropriated	2011 vs. 2012 $ (+/-)	2011 vs. 2012 % (+/-)
Salaries						
Personnel Services	$ 106,558	$ 95,745	$ 109,756	$ 113,504	$ 3,748	3.41%
Total Salaries	**$ 106,558**	**$ 95,745**	**$ 109,756**	**$ 113,504**	**$ 3,748**	**3.41%**
Operating Expenses						
Purchase of Services	$ 3,881	$ 2,853	$ 5,275	$ 6,275	$ 1,000	18.96%
Supplies	$ 750	$ 706	$ 1,500	$ 1,500	$ -	0.00%
Other Chgs./Expend. - Veterai	$ 146,541	$ 140,130	$ 142,310	$ 154,310	$ 12,000	8.43%
Other Chgs./Expend. - Holiday	$ 14,807	$ 14,494	$ 16,000	$ 17,000	$ 1,000	6.25%
Total Operating Expenses	**$ 165,979**	**$ 158,183**	**$ 165,085**	**$ 179,085**	**$ 14,000**	**8.48%**
Total Veterans' Services	$ 272,537	$ 253,928	$ 274,841	$ 292,589	$ 17,748	6.46%

Recreation Department

In addition to the Supervisor of Recreation and Parks, the Recreation Department employs several year-round mid-level managers and office support staff. The department also oversees two unique operations and their staff – the Sassamon Trace Golf Course and the Natick Community Organic Farm, and is involved with the privately-managed, Town-owned Chase Arena ice skating rink.

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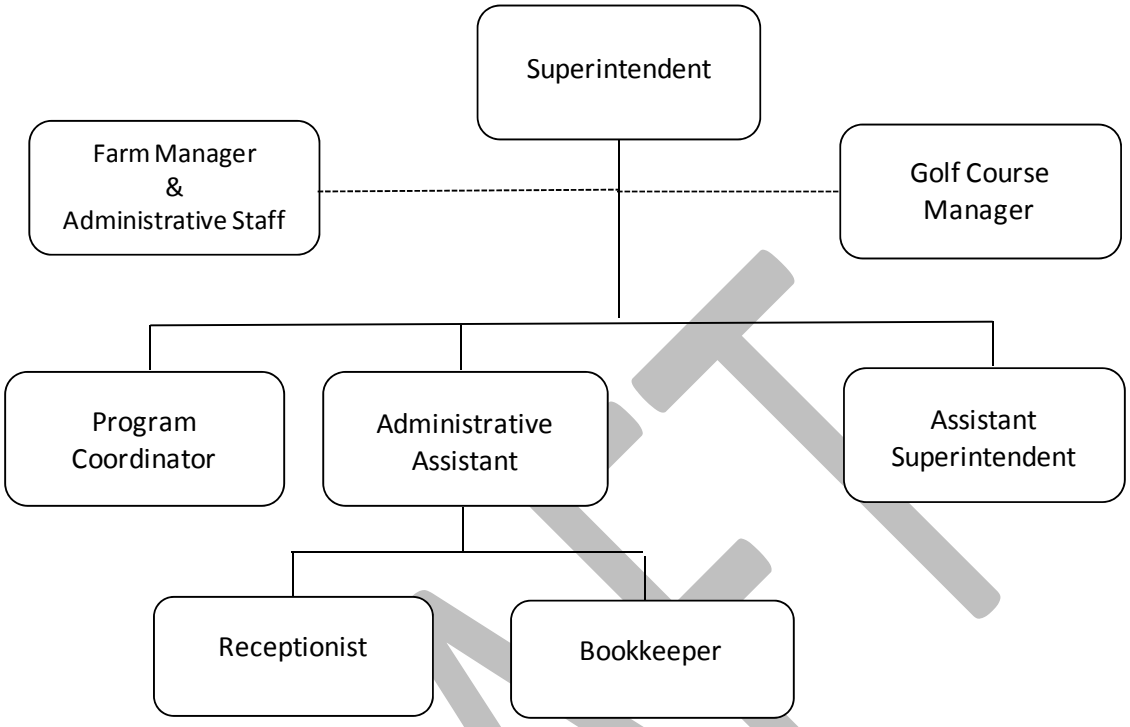
Organizational Chart



Departmental Budget

Department: Recreation	2009 Actual	2010 Actual	2011 Appropriated	2012 Appropriated	2011 vs. 2012 $	%
Salaries						
Personnel Services	499,978	503,459	482,806	502,285	19,479	4.0%
Total Salaries	**499,978**	**503,459**	**482,806**	**502,285**	**19,479**	**4.0%**
Operating Expenses						
Purchase of Services	20,979	19,846	16,020	19,495	3,475	21.7%
Other Services Misc.	385	381	400	400	0	0.0%
Technical/Professional Serv.	10,812	11,290	11,214	11,842	628	5.6%
Supplies	6,243	5,493	5,000	5,000	0	0.0%
Other Supplies	27,540	27,612	21,800	21,550	-250	-1.1%
Total Operating Expenses	**65,958**	**64,621**	**54,434**	**58,287**	**3,853**	**7.1%**
Total Recreation	**565,936**	**568,080**	**537,240**	**560,572**	**23,332**	**4.34%**

Citizen Interaction & Oversight

In addition to the users of the services provided by the Council on Aging, Human Services, Veterans' Services and Recreation and Parks Departments, several citizen committees and associated organizations play important roles in the provision of human services to Natick.

First, an 11 member Council on Aging Board comprised of Natick residents is appointed by the Natick Board of Selectmen. Pursuant to the 1969 by vote of Town Meeting to establish the Council on Aging, the purpose of the board is to a) identify the total needs of the elderly population, b) educate the community on the needs of seniors, c) encourage participation from the community to meet the needs of seniors, d) advocate and implement programs designed to respond to those needs, e) coordinate with social service agencies and where appropriate appoint representatives to said agencies, and f) cooperate with federal and state agencies and elected officials regarding legislative and budgetary issues affecting elders.

In addition, the Elderly & Disabled Taxation Fund Committee and the Youth Advisory Board provide support and oversight of particular programs which are central to the functions of the Human Services and the Council on Aging Department. Other ad hoc committees, such as the Community/Senior Center Building Committee, are more temporary and provide critical oversight for particular projects.

The Friends of Natick Senior Center, Inc. serves to raise money for the benefit of the Senior Center and to promote the well-being of Natick's elderly. It is an incorporated 501 (c) (3) charitable organization. The organization is governed by a board of not less than 7 nor more than 15 members elected by the dues-paying "Friends."

The Veterans' Services Director serves as staff liaison to the Town's Commission on Disability. Per MGL Chapter 40, section 8J, such commission shall research local problems of people with disabilities; advise and assist municipal oficials and employees in ensuring compliance with state and federal laws and regulations that affect people with disabilities; coordinate or carry out programs designed to meet the problems of people with disabilities; review and make recommendations about policies, procedures, services, activities and facilities of town agencies as they affect people with disabilities; provide information, referrals, guidance and technical assistance in all matters pertaining to disability; and coordinate activities of other local groups organized for similar purposes.

The Recreation and Parks Commission is an advisory board with respect to all matters relating to recreational programs conducted by the Recreation and Parks Department and on the maintenance of the recreational facilities where these programs are conducted. The Commission

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is responsible for ensuring that programs are devised and conducted to meet the leisure time needs of all segments of the population.

The Superintendent of Recreation and Parks also works closely with the Friends of Sassamon Trace which, like the Friends of the Natick Senior Center, is an incorporated 501 (c) (3) charitable organization; their purpose is to raise funds in support of the Sassamon Trace golf course.

These multiple volunteer, citizen committees greatly enhance the Town's ability to do more with less but also create the potential for competing priorities in an organizational structure in which the relevant administrative departments are consolidated into one.

The question for this study to evaluate is: Does the existing organizational structure provide the best opportunities to maximize collaboration among the many departments and agencies that deliver human services to Natick residents? The following section explores two alternative approaches in the way these services are delivered.

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Section III:

Alternatives

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Section III: Alternatives

As part of this ongoing study, administration has researched alternatives to the current service delivery model, two of which are summarized below. While these are by no means the only options that could be investigated, they represent the most common alternatives employed by communities evaluating opportunities to enhance human service delivery.

(1) Contracting Out/Privatizing Human Service Functions

As the title says, this alternative would consist of the Town of Natick taking some or all of the Town's appropriation for salaries and expenses of the Council on Aging, Human Services, Veterans' Services and/or Recreation Departments and using those funds to contract out to a third party provider. In this analysis, careful consideration and further investigation must be performed to evaluate how local third-party agencies provide services to Natick's population, and as importantly if any of the services and programs currently provided by the Town could be performed at lower cost by contracting out. Such privatization, if pursued, is subject to a competitive bidding process pursuant to MGL Chapter 30B.

(2) Consolidation of Municipal Departments & Programs

This alternative involves the consolidation of existing municipal departments in an effort to achieve greater efficiency and/or effectiveness in the delivery of Human Services to citizens of Natick. Somewhat ironically, such a proposal is effectively a re-visitation of a prior model of service delivery used in Natick – that of the Recreation and Human Services Department.

To some extent, Alternative (2) is already well in use. The existing Council on Aging/Human Services Department contracts out for limited counseling services for Natick residents who lack health insurance. The four Human Service departments collaborate routinely and utilize the resources of numerous private agencies, including but not limited to the Natick Service Council, local VNA organizations, South Middlesex Opportunity Council, other area Elder Services organizations, AARP – just to name a few.

Research suggests that several communities have instituted an organizational structure in which some or all Human Service functions are consolidated into one department. In the end, some combination of the above methods may be desirable.

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Section IV:

Comparative Communities

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Section IV: Comparative Communities

It is an old maxim of local government – the services provided by towns are as diverse as the communities they represent. Provision of human services is no different. While there certainly is no "one size fits all" in terms of an ideal organizational structure for every community, our research indicates that numerous communities have combined various human service functions into one consolidated department.

In Needham, the Diversified Community Social Services (DCSS) Department was created in 2006 and is comprised of three divisions, namely Council on Aging, Veterans Services and Youth Services.

The Town of Barnstable Community Services Department provides an array of educational and recreational services and programs aimed at wide range of ages and interests. Youth, Senior, Recreation and Veterans' services – and much more – are administered through this consolidated department.

Through its Community Services Department, the Town of Andover provides a myriad of social, educational, cultural and recreational opportunities for the community's youth and seniors. Veterans' Services remains a separate department in Andover.

A task force in Marlborough recently suggested reorganizing and consolidating the city's human services, Council on Aging and Veterans Affairs into one Health and Human Services Department in order to provide improved service delivery, better staff collaboration and shared resources. Although scheduled for implementation July 1, 2011, it is unclear whether this reorganization has yet been implemented.

In our definition of Human Services in Section I, the need for accessibility, accountability and coordination among professionals and agencies was cited as essential to successfully meeting human needs. As the next Section will show, the Administration believes that this success can best be achieved by consolidating Human Services into one department.

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Section V:

Recommendations & Next Steps

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Section V: Recommendations & Next Steps

A hallmark of effective modern organizations is that all operations be analyzed regularly so as to continuously enhance efficiency and productivity. This is something that is done throughout most municipal operations as a matter of course. After initial investigation, research and review, and given the impending opening of the Community/Senior Center and the variety of human service departments that will be working together to provide services to Natick residents, it is the recommendation of the Administration that the departments of Council on Aging, Human Services, Veterans' Services and Recreation and Parks be combined into one department to be known as the Department of Community Services.

As stated by various members of the Council on Aging at their meeting of August 16, 2011, "Organizationally it makes sense that we not depend on interpersonal relations and goodwill." "Someone must have the authority to pull it together and the time to do it."

Specifically, I recommend that the consolidated department be presented for vote to the upcoming 2011 Fall Annual Town Meeting. The proposed structure would not, at this time, change any of the personnel or programs within the four "divisions"; rather we would place these divisions under the authority of a new Director of Community Services.

Over the coming months, in advance of the opening of the new Community/Senior Center, the Town Administrator and Director of Community Services would evaluate all services toward achieving the overarching objective of this consolidation effort: to deliver services that residents need and want as effectively and efficiently as possible. Perhaps more than any other type of service that the Town offers, the delivery of human services demands collaboration with other Town departments and private sector groups to ensure that the full range of services is complimentary, not duplicative.

<u>Continuing Challenges/Future Steps</u>

Much remains to be done to ensure a smooth transition into a new organizational structure and into a new Commuity/Senior Center. Some – but certainly not all – of those challenges include:

- Providing continuity of services and programs to those currently accessing them
- Engaging staff of the Human Service departments during transition to retain morale, build needed collaboration and ensure a common sense of direction
- Allowing greater community access to facility
- Ensuring that scheduling and utilization of the new Community/Senior Center is respectful of the concerns of older participants
- Enhanciing programming to attract younger seniors ("baby boomers")
- Developing intergenerational programming

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- Identifying appropriate roles and involvement for the advisory and other committees involved in human service delivery
- Responding to increased requests for social services
- Providing increased number of supportive/preventive programs
- Coordinating the delivery of services and programs with private social service agencies to minimize duplication of services as well as gaps in services

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Appendix B.

Town Administrator's Facility Management Study

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Town of Natick

Facility Management Study
Final Report

September 2011

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Section I:

Executive Summary

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Section I: Executive Summary

Beginning in June 2010, the Board of Selectmen approved Town Administration's undertaking of a study of Facility Management. The primary focus of this initial study was the potential consolidation of municipal and school building maintenance operations, along with the municipal divisions of Land, Facilities & Natural Resources and Municipal Energy. A preliminary report was presented to the Board of Selectmen in late November 2010.

Upon receiving this report, the Board of Selectmen authorized the creation of a Facility Management Study Committee (the "Study Committee"), with the task of reviewing the Administration's preliminary findings and exploring the consolidation of Facility Management services. This committee was comprised of two members of the Board of Selectmen, two members of School Committee, the Town Administrator and the Superintendent of Public Schools. The committee met over the ensuing eight months and with the assistance of Town and School Administration conducted a series of meetings, interviews and compilation of data and information.

The Facility Management Study Committee has approved four strategic goals pertaining to this effort. They include:

- Improve the quality and value of services delivered to facility users, taxpayers and related constituents
- Maximize the lifespan of Town-owned assets
- Achieve operational efficiency and/or cost reduction relating to Town facility management
- Establish and demonstrate an effective process for collaboration (between General Government and School System, in this case)[1]

While this study is a product of the Town Administration, work of the Study Committee is referenced and utilized in developing alternatives and recommendations. Specifically, the proposed Alternatives to the current service delivery model (Section V) and Recommendations (Section VI) have been developed by the Town Administration and have not necessarily been endorsed by the Study Committee.

[1] Facilities Management Study Committee Goals Draft v 082911. Paul Joseph. August 29, 2011. Pages 1-2. These goals were formally adopted on September 20, 2011 and can be found in Appendices.

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Evaluation of any service must be performed via the use of industry-accepted metrics. Subjectivity, though a part of anything having to do with political governance, must always take a back seat to pragmatic and practical data. That being said, to measure a program based upon the "bottom line" alone inappropriately disregards non-monetary and other less tangible aspects of public service. Nonetheless, this study is intended, to the greatest extent possible, to reach objective, well-reasoned conclusions.

As with any study, one cannot simply begin measuring without first defining what exactly it is being studied. "Facility Management", as examined within this report, is best defined as the following:

> The maintenance, management and operation of the physical structures and facilities developed or acquired by public agencies to house governmental functions and are managed by experienced, intelligent, dedicated professionals who facilitate and ensure continuously better service to the public. [2]

As a result of nearly 15 months of research and review, Town Administration believes that sufficient evidence exists to support the consolidation of Facility Management services between the municipal government and schools in Natick.

This report is organized in an orderly format. Section II examines the history of facility maintenance in Natick. Section III provides detailed information on the current provision of facility maintenance in Natick. Section IV provides information on Comparable Communities, and in particular comparable communities that have already consolidated municipal and school building maintenance functions. Section V outlines Town Administration's recommended consolidation strategy for Facility Management in the Town of Natick. Section VI summarizes those recommendations and next steps for the Board of Selectmen, School Committee and others to consider. Finally, much of the supplemental materials collected during the course of this study are found in Section VII: Appendices.

As with all studies of this type, Town Administration is pleased to present what we have collected to date, and eagerly invites any feedback, suggestions or criticisms which may come

[2] This definition is borrowed and modified directly from Donald C. Stone's work Professional Education in Public Works/Environmental Engineering and Administration (Chicago: American Public Works Association, 1974) and Sam M. Cristofano, and William S. Foster, (ed.) work Management of Local Public Works. Washington, D.C.: International City/County Management Association, 1986. The actual quote (contained in Cristofano & Foster, et. al. work) is:

"Public works are the physical structures and facilities that are developed or acquired by public agencies to house governmental functions and provide water, power, waste disposal, transportation, and similar services, and are managed by experienced, intelligent, dedicated professionals to facilitate and ensure continuously better service to the public."

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forth from this report. Our goal is to provide policymakers with the tools necessary to make educated and informed decisions. We hope this report does exactly that.

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Section II:
Historical Perspective

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Section II: Historical Perspective

Since the time that Natick was founded, some degree of facility management has existed.

At the turn of the last century, maintenance of Town facilities and infrastrucutre was highly decentralized. Custodian and routine maintenance functions were budgeted for and controlled in respective Town Departments. The only departments that managed a defined public infrastructure were the Water Commissioners and the Sewer Commissioners. This changed in 1904 when the Town established a Parks Commission[3], and again in 1914 with the establishment of a Highway Surveyor.

The first outright attempt to centralize public works and facility management facilities was taken in 1921 with the creation of a Public Works Commission and the Department of Public Works. This effort placed the Sewer, Water and Highway Departments under the direction of one Superintendent, answerable to the Public Works Commission. The First Annual Report of the Department of Public Works mentions many of the initial challenges and successes involved with the consolidation of separate departments, but also provided this positive sentiment from Superintendent Mosher:

> *"Your Superintendent feels that substantial savings have already resulted from centralization of effort in both field and office work and will continue in a more marked degree as further improvement are inaugurated.*[4]

Throughout the ensuing sixty years, numerous ad hoc committees were created which reviewed and developed recommendations regarding public works and building functions. Many of these committees were primarily focused on either the renovation of or creation of new facilities – both municipal and school related. Functionally, the Public Works department remained unchanged – with only the addition of the Sanitation Department during that time period. The Parks Department underwent a series of changes over the ensuing sixty years from 1921, eventually being combined into the Recreation and Parks Department in the 1960's. A separate Forestry Department was created in 1961[5], whereby previously separate functions of the Tree Warden and the Town Forest were organized under one service area.

The greatest period of change and consolidation in the provision of facility maintenance in Natick occurred in the late 1970's and early 1980's. First, after a year and one half of study, a recommendation was put forward in 1979 (and eventually favorably acted upon) to consolidate

[3] Town of Natick, Park Commissioners' Report, Reports of Town Officers with a Statement of the Receipts and Expenditures of the Town of Natick for the year ending January 31, 1905. (Natick, Mass: Press of Natick Bulletin, 1905) 88.
[4] Town of Natick, Report of the Superintendent, Natick Town Report. (Natick, Mass: Press of Natick Bulletin, 1922) 164.
[5] Town of Natick, Forestry Department, 181st Annual Report of the Town of Natick, Massachusetts. (Wellesley, Mass.: Wellesley Press, Inc., 1962) 35.

the Forestry and Public Works Departments.[6] The eventual culmination of this consolidation effort was the creation of the Land, Facilities and Natural Resources Division of the Department of Public Works at the beginning of FY 1984 (July 1, 1983). This combined division included the old Forestry Department, the Tree Warden, as well as responsibility of the school grounds & fields, and municipal parks.[7] It was stated that:

> *"With the establishment of the Land Facilities and Natural Resources as a new division of the Department of Public Works, inter-related department problems will be able to be acted upon more readily thereby serving the public in a more efficient and prompt manner.*[8]

The second major change to the management of facility maintenance, public works and indeed, town governance, occurred in 1980 when the Town radically altered its Charter. In addition to the more well known creation of the position of the Town Administrator, it also abolished the Public Works Commission and placed all responsibilities under a Director of Public Works answerable directly to the Town Administrator. [9]

Prior to the mid-1980's, building maintenance services were decentralized througout the municipal and school buidlings. On the municipal side, custodians were budgeted within individual departments and in effect each department was responsible for the daily upkeep of their own facilities. Since the mid-1980's, however, efforts have been made to combine some degree of custodial functions on both the school and municipal sides. The first analysis specifically aimed at evaluating the building maintenance functions of the Town and Schools came in the late 1990's. At that time, both the Municipal and school sides of Town governance created a Building Maintenance Task Force for the purpose of:

> *"…conducting a comprehensive review of municipal and school department maintenance departments in order to evaluate the most responsible manner for these departments to service the public buildings."*[10]

The internal Task Force, comprised of various municipal and school officials, spent time gathering pertinent information about the respective building maintenance functions of both the municipal and school sides of the Town. At the end of their review, the Task Force made the following four recommendations:

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[6] Town of Natick, Committee to Study the Feasibility of the Possible Takeover of the Forestry Department by the Public Works Department, 199th Annual Report of the Town of Natick, Massachusetts. 63-64.
[7] Town of Natick, Department of Public Works Report, 203rd Annual Report of the Town of Natick, Massachusetts. 24-25.
[8] Ibid.
[9] Town of Natick, Charter Commission, 199th Annual Report of the Town of Natick, Massachusetts. 41-43. The elimination of the Public Works Commission also resulted in the Board of Selectmen becoming the Water/Sewer Commissioners for the Town of Natick.
[10] Building Maintenance Task Force, memo to Frederick C. Conley, Town Administrator and Dr. Raymond Glynn, Superintendent of Schools, Natick, February 26, 1998.

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- Consolidation of Energy Purchases
- Incorporate Vehicle Maintenance from School to DPW
- Reassigning School Building Turf/Shrubbery and Landscaping Immediately Around the Schools from School Custodians to LFNR Division
- Formal Consolidation of Combined Maintenance and repair Division for the Schools and Town[11]

Of these four recommendations, only one was actually implemented – that of school vehicle maintenance being handled by the DPW Equipment Maintenance division. Consolidation of Energy Purchases was not able to be made at the time due to the elimination of a state agency which would have allowed for joint energy purchasing at reduced rates.[12] School Building Turf was not consolidated with LFNR because it was determined the net increase in staff necessary to adequately handle the added workload was 3 employees while no net decrease in school custodians could be achieved. [13]

Finally, it is the last recommendation – Formal Consolidation of Combined Maintenance and Repair Division for Schools and Town – that requires more study.

The Task Force wrote the following:

> *"The task force agreed upon a concept of a "permanent person" plan for the maintenance of municipal buildings. This means that one custodian would be responsible, i.e. accountable, for the care and cleaning of a particular building. It was also discussed that each segment, town and school, would answer to one common but impartial manager. Merits of combining the two maintenance divisions would be assisting each division during peak, crisis, or emergency periods.*
>
> *Unfortunately, the demands of the municipal complex and the new school buildings have strained the resources of both the Town and School maintenance operations. It was determined that a consolidated maintenance department would not result in any reduction in personnel. There were also no clearly identified benefits of having a consolidated department with respect to efficiencies in operations. There was a concern that a larger department would result in a lesser attention to the particular needs of the building users in both the schools and town facilities, Therefore, there did not seem to be any overall advantage to move towards consolidation.[14]"*

No further analysis was found in the archives to further determine the reason for this finding.

[11] Cohen, Paul E., Deputy Town Administrator, memo to Board of Selectmen, Natick, December 20,1999.
[12] Ibid.
[13] Ibid.
[14] Ibid.

Finally, one final round of consolidation of public works functions came in 2004, when the Highway and Sanitation Divisions were consolidated. This has allowed for greater flexibility of operations within the Department of Public Works.[15]

Summary

Natick has a long and established history of providing a variety of public works and facility management services – and just as long a period and history of studying and revising service delivery models in an effort to enhance the quality and efficiency of the delivery of those services. Whereas the efforts of consolidation discussed to this point have dealt with a variety of departments and functions, , the ensuing sections of this study focus solely on Facility Management. The next section will detail how Natick provides this service today.

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[15] Town of Natick, Department of Public Works Report, 225th Annual Report of the Town of Natick, Massachusetts. 56-57.

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Section III:
Current Service Delivery Model

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Management of School Facilities
Management of Municipal Facilities
Shared provisions for Facility Management

Section III: Current Service Delivery Model

Facility Management in the Town of Natick is provided in both the School and Municipal sides of Town Government. In the current model, some degree of coordination already occurs between the two agencies, notably in the areas of grounds maintenance and some energy purchasing. All facility maintenance functions are detailed in the ensuing pages.

Management of School Facilities:

The Natick Public Schools' Facility Services Department has the primary responsibility for the maintenance, operation, and repair of the 8 elementary, middle and high schools within the Town of Natick. Responsibilities cover routine cleaning, standard repairs and planned maintenance as well as planning and coordination of major additions, renovations or repairs.[16] Construction of new facilities has, by Town practice, been overseen through ad hoc building committees run by citizen volunteers.

Facilities

The Facility Services Department has direct oversight over 8 school buildings, totaling more than 773,000 Gross Square Feet (GSF)*. They are listed below.

Facility Name	Address	Year Built	Gross Sq. Ft.	Net Sq. Ft.
Bennett Hemenway Elementary School	22 East Evergreen Road	1998	80,000	56000
Brown Elementary School	1 Jean Burke Drive	1975	54,000	37800
Johnson Elementary School	105 South Main Street	1940	26,000	18200
Kennedy Middle School	Trevor Lane	1965	106,000	74200
Lilja Elementary School	41 Bacon Street	1990	54,000	37800
Memorial Elementary School	97 Eliot Street	1960	65,000	45500
Natick High School (new)	TBD	2012	254,000	177800
Wilson Middle School	22 Rutledge Street	2004	134,000	93800
Total - inclusive of NEW Natick High School*			**773,000**	**541,100**

**Old Natick High School had 293,000 Gross Sq. Ft. (approx. 205,100 Net Sq. Ft.)*

[16] Graham, Robert. Memo to Michael Walters Young. May 11, 2011.

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Staffing

As of May 2011, the Natick Public Schools employed 37 individuals for the function of maintaining, operating and repairing its 8 school buildings. These are shown by position below.

FY 2012 Funded Position	FY 2012 Count
Management	
Director of Facility Services	1
Facility Services Manager	1
Custodians	
Senior Custodian III	2
Senior Custodian II	1
Senior Day Custodian I	6
Junior Custodian II – Afternoon	4
Junior Custodian II – Night	3
Junior Custodian I – Day	2
Junior Custodian I – Afternoon	6
Junior Custodian I – Night	6
Assistant Night Custodian	1
Maintenance Mechanics/Trades	
Maintenance III	3
Maintenance Mechanic IV	1
Total	**37**

Seasonal/temporary workers are also employed during summer months to perform a wide variety of maintenance and repair activities.

Central to the operation of the Facility Services Department is the use of staff custodians to provide day-to-day cleaning and minor maintenance services. Custodians are responsible for the following in addition to cleaning services:

- Changing light bulbs
- Changing filters
- Repairing furniture
- Snow removal around school buildings (e.g. walkways)
- Grass cutting around school buildings (but not athletic fields)
- Moving furniture and equipment
- Preparing and managing for numerous events (elections, functions, sound & lighting for stage productions)

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- And frequent other requests from teachers or administrators.[17]

Maintenance Mechanics are what would otherwise be referred to as trades-people. The four individuals employed by the Natick Public Schools have general maintenance skills and can perform general service on a variety of building and mechanical systems. They also have a degree of skill in the following areas:

- Locks & Hardware
- Glazing (of windows and surfaces)
- Painting
- Plumbing
- Heating, Ventilation and Air Conditioning (HVAC)[18]

Contracted Services

The Natick Public Schools use contractors for maintenance and repair of:

- Boiler & HVAC Systems
- Electrical Systems
- Plumbing Systems
- Alarm & Security Systems
- Roofing Systems, and
- Medium to Large Capital Projects[19]

The Director of Facility Services and the Facility Services Manager are responsible for all oversight of the department. The Director is responsible for all budgeting, capital forecasting, procurement and project management responsibilities. The Facility Services Manager is responsible for day-to-day oversight of the custodial and maintenance functions, including personnel assignment, management and recordkeeping, purchasing of supplies and maintaining the work order system.

Budget

The Natick Public Schools budgets for their facility management under the Operations and Maintenance section of their annual operational budget. In the following chart, all costs

[17] Ibid.
[18] Ibid.
[19] Ibid.

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(including benefits) for employees of the Facility Services Department are shown for the purposes of comparing costs in the Performance Metric subsection.[20]

School Facilities Services Costs	2009 Actual	2010 Actual	2011 Appropriated	2012 Appropriated	2011 vs 2012 $	2011 vs 2012 %
Custodial Services - Supervisory	157,166	157,166	157,166	163,515	6,349	4.0%
Custodial Services - Operational	1,682,947	1,654,956	1,604,026	1,660,682	56,656	3.5%
Sub-Total Compensation	**1,840,113**	**1,812,122**	**1,761,192**	**1,824,197**	**63,005**	**3.6%**
Custodial Services	120,047	126,565	115,000	115,000	0	0.0%
Energy						
Fuel for heating of buildings	663,318	540,190	740,000	691,250	(48,750)	-6.6%
Electricity	770,203	665,155	870,000	782,464	(87,536)	-10.1%
Telephone	62,946	72,064	75,000	75,000	0	0.0%
Building Repairs	640,838	446,827	462,000	462,000	0	0.0%
Vehicle Maintenance Other	8,704	10,833	8,000	8,000	0	0.0%
Network and Telecommunications	146,971	173,423	197,592	184,062	(13,530)	-6.8%
Sub-total Expenses	**2,413,027**	**2,035,056**	**2,467,592**	**2,317,776**	**(149,816)**	**-6.1%**
Total - Facilities Costs budgeted under NPS	**$ 4,253,140**	**$ 3,847,178**	**$ 4,228,784**	**$ 4,141,973**	**$ (86,811)**	**-2.1%**
Benefit Costs for Facility Service Employees	$ 287,888	$ 330,286	$ 339,345	$ 356,801	$ 17,456	5.1%
Total - Facilites Costs for Schools	**$ 4,541,028**	**$ 4,177,464**	**$ 4,568,129**	**$ 4,498,774**	**$ (69,355)**	**-1.5%**

Performance Metrics

There is no universally agreed to set of metrics or measurements used to evaluate the performance and/or efficiency of facility management in ***any*** sector – public, private, non-profit, institutional, etc. For a very long time, the basis of success in facility management has been if the end users are satisfied with the overall state of the facility for their needs. While this is not to be discounted (and in fact is an important criterion when determining the effectiveness of service delivery in any field), it is a highly subjective method of performance evaluation.

Within the last decade, facility management professionals have increasingly been working to develop more objective ways of evaluating the efficiency and performance of their employees. The International Facility Management Association (IFMA) has led some of these initiatives. In an attempt to begin evaluate the performance of Natick's existing facility management services; this report applies performance and efficiency measures found in Research Report #32: Operations and Maintenance Benchmarks from the IFMA.[21] While this will not be the only criterion used, it is important to gauge the cost effectiveness of any service so as to maximize the use of limited taxpayer resources.

[20] Benefits, however, are budgeted formally under the Shared Expense section of the annual operating budget.
[21] International Facility Maintenance Association. Research Report #32: Operations and Maintenance Benchmarks. Houston, TX. 2009.

The performance metrics shown herein are for illustrative purposes to demonstrate the relative cost effectiveness of existing services when compared to industry standards. The study referenced above uses those specific industry metrics whenever possible to make as accurate a comparison as possible. Thus, when measuring custodial staffing or the amount of square footage per occupant, it is a comparison of educational facilities to educational facilities, or government office buildings to government office buildings. Some of these facilities are much larger on the whole than Natick's physical plant. While not exact, it does serve as functional and objective measure of cost effectiveness.[22] It should be noted that these comparisons take into account only personnel; contract services are not included.

Workload	Natick Public Schools		Industry Standard	
Buildings				
Gross Square Footage of School Buildings	773,000	GSF	N/A	
Net (Rentable) Square Footage of School Buildings	541,100	RSF	N/A	
Number of Buildings Served	8	buildings	N/A	
Constituents				
Average Daytime # of Participants (Students + Teachers & Staff)	5,247	persons	N/A	
Staffing				
Number of Custodians (Junior/Cleaning)	23	persons	37.3	persons
Number of Custodians (Senior/Supervising)	8	persons	9.6	persons
Number of Tradespeople	4	persons	16	persons

Efficiency	Natick Public Schools		Industry Standard	
General				
G.S.F./Occupant	147	GSF	425	GSF
N.S.F. (R.S.F.) / Occupant	103	NSF	365	RSF
Participants served/Custodian	169	people/ custodian	N/A	
GSF/Custodian	31,337	GSF	29,015	GSF
Cost				
Overall Energy Costs/GSF	$ 1.91		$ 2.24	
Overall Facilities Maintenance Costs/RSF	$ 7.36		$ 6.57	
Energy*				
Electricity (kWh)	5.09	kWh/GSF	5th Percentile	
Natural Gas (Therm)	0.21	Therm/GSF	40th percentile	
Heating Oil (BTU)	0.22	Gall./GSF	92nd percentile	

**Energy percentiles shown: 99 is least efficient, 1 is most efficient/best in class*

[22] Note: The terms Net Square Foot and Rentable Square Foot are used interchangeably for performance metrics presented herein. They are effectively the same thing for the purpose of this study. "Rentable Square Foot" is the metric used for most benchmark calculations according to the International Facilities Management Association.

Management of Municipal Facilities:

The Department of Public Works Building Maintenance Division maintains the remainder of the facilities in the Town of Natick – whether they are offices, public safety stations, community centers. The Department of Public Works also manages the energy consumption and budgets for all municipal properties. The Natick Public Schools manages energy consumption for all school properties.[23]

Facilities

The Town of Natick maintains 21 separate properties totaling over 387,000 square foot in three distinct categories; buildings operated primarily by general fund operations, water & sewer operations and leased properties.

General Fund:

Facility Name	Address	Year Built	Gross Sq. Ft.
Cole Recreation Center	179 Boden	1956	24,850
Community Senior Center*	115 East Central Street	1950	24,332
Recycling Center	251 South Main Street	1980	2,448
DPW Administration	75 West Street	1970	36,096
DPW Vehicle Service	75 West Street	1973	35,420
Fire Station 3	2 Rhode Island Avenue	1958	3,222
Fire Station 2	210 Union Street	1950	2,050
Fire Station 4	268 Speen Street	1956	4,882
Gravel Pit/Salt Shed	Oak St	1995	7,680
LFNR Garage	West Street	1980	750
Bacon Free Library	56 Eliot Street	1880	5,499
Morse Institute Library	14 East Central Street	1997	60,680
Police & Fire Headquarters	20 East Central Street	1998	53,970
Town Hall	13 East Central Street	1998	31,741
East School	90 Oak Street	1950	24,869
Total			**318,489**

** Note: Community/Senior Center is currently being replaced and is under construction. The gross sq. ft. amount will change.*

[23] It should be noted that although some energy purchases are made jointly between municipal and schools departments (including vehicle fuels and electricity), the schools can take advantage of reduced energy costs for natural gas and heating oil by purchasing through the TEC collaborative. Municipal departments are ineligible to purchase through the TEC Collaborative.

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Water and Sewer:

Facility Name	Address	Year Built	Gross Sq. Ft.
Water Treatment - Springvale Facilities	1076-1080 Worcester Street	1996	2,784
Water Treatment - Springvale Facilities	1076-1080 Worcester Street	1906	4,674
Water Treatment - Springvale Facilities	1076-1080 Worcester Street	1960	1,124
Water Treatment - Springvale Facilities	1076-1080 Worcester Street	2005	5,288
Water Treatment - Springvale Facilities	1076-1080 Worcester Street	2005	3,920
Total			**17,790**

Leased Properties:

Facility Name	Address	Year Built	Gross Sq. Ft.
Eliot School	5 Auburn Street	1938	14,014
William L. Chase Arena	75 West Street	1970	32,508
Total			**46,522**

Miscellaneous Recreation Facilities:

Facility Name	Address	Year Built	Gross Sq. Ft.
JJ Lane Park	Speen St	1995	270
Memorial Beach Building	West St	1980	2,160
Canp Arrowhead	Worcester Rd	1980	2,064
Camp Mary Bunker	Megonko Rd	1995	648
Total			**5,142**

For the purposes of comparison in the Performance Metrics sub-section, only the buildings which are regularly occupied and maintained are accounted for under "Gross Square Feet" *(This only includes buildings within General Fund and Water & Sewer lists, or 336,279 GSF.)*

Staffing

The Building Maintenance Division of the Department of Public Works currently employs 6 individuals for the function of maintaining, operating and repairing its 21 municipal buildings. These are shown by position below.

FY 2012 Funded Position	FY 2012 Count
Management	
Building Maintenance Division Supervisor	0*

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Custodians	
General Foreman	1
Custodians	4
Trades	
Painter	1
Total	**6**

**With the retirement of the incumbent Building Maintenance Division Supervisor, the position was not filled or funded in FY 2012 pending the completion and findings of this study.*

The custodial staff is supplemented by a contract cleaning service which is responsible for daily cleaning of municipal buildings.

Custodians are responsible less routine cleaning and minor maintenance functions, including:

- Changing light bulbs
- Changing filters
- Repairing/moving furniture &equipment
- Snow removal around municipal buildings (including walkways & approaches to entrances & egresses)
- Preparing and managing for numerous events (meetings & functions within municipal buildings)
- Systems maintenance and operation (i.e. lighting and HVAC system operation in Town buildings)
- Other requests from administrators as necessary.

The one skilled laborer employed by the Building Maintenance Division is a painter. Added to the budget several years ago, the painter has reduced costs of small and medium painting jobs throughout municipal buildings as compared to private contractors.[24] The division does not have maintenance mechanics/tradespeople similar to the Natick Public Schools.

<u>Contracted Services</u>

The Department of Public Works uses contractors for the tasks of:

- Locks & Hardware
- Window Maintenance & Repair (including glazing of windows and surfaces)
- Medium to Large Capital Projects
- Boiler & HVAC Maintenance & Repair

[24] One of the key reasons why privatizing is more expensive in the trades in Massachusetts is that virtually all municipal building work is subject to prevailing wage laws. The experience of bringing the painter in-house has educated municipal public works officials that the added flexibility of having the municipal employee to do painting and other work has enhanced the product – and reduced bottom-line costs.

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- Electrical Maintenance & Repair
- Plumbing Maintenance & Repair
- Alarm & Security Systems Maintenance & Repair
- Roofing Maintenance & Repair

The Building Maintenance Division utilizes a computerized management system to generate work orders, prepare accurate reports and project workloads. A central computerized HVAC system allows the division to monitor and control the temperature and other HVAC functions of the buildings.

Budget

To evaluate the total cost for general government facility maintenance, we need to look at two Divisions of DPW – Building Maintenance and Energy.

Building Maintenance Division Budget

DPW Building Maintenance	2009 Actual	2010 Actual	2011 Appropriated	2012 Appropriated	2011 vs. 2012 $ (+/-)	2011 vs. 2012 % (+/-)
Salaries Supervisory	$ 83,034	$ 70,244	$ 86,409	$ 8,819	$ (77,590)	-89.79%
Salaries Operational Staff	$ 225,349	$ 248,824	$ 257,509	$ 270,476	$ 12,968	5.04%
Salaries Part-Time Operational	$ -	$ -	$ 3,750	$ 3,460	$ (290)	-7.73%
Supervisory Staff Add'l Comp	$ 7,708	$ 8,352	$ 9,850	$ 6,500	$ (3,350)	-34.01%
Operational Staff Add. Comp	$ 2,170	$ 4,992	$ 2,625	$ 7,600	$ 4,975	189.52%
Operational Staff Overtime	$ 29,490	$ 39,138	$ 25,900	$ 32,650	$ 6,750	26.06%
Personnel Services	**$ 347,751**	**$ 371,550**	**$ 386,043**	**$ 329,505**	**$ (56,538)**	**-14.65%**
Repairs & Maint. Facilities	$ 275,560	$ 245,756	$ 270,000	$ 270,000	$ -	0.00%
Repairs & Maint. Eliot School	$ 71,953	$ 84,716	$ 26,400	$ 22,500	$ (3,900)	-14.77%
Repairs & Maint. Elevator/Chair li	$ 29,388	$ 17,635	$ 27,500	$ 19,500	$ (8,000)	-29.09%
Purchase of Services	**$ 347,513**	**$ 348,108**	**$ 323,900**	**$ 312,000**	**$ (11,900)**	**-3.67%**
Clothing Allowance Oper. Staff	$ 1,954	$ 2,100	$ 2,100	$ 2,100	$ -	0.00%
Other Services (Misc.)	**$ 1,954**	**$ 2,100**	**$ 2,100**	**$ 2,100**	**$ -**	**0.00%**
Contractual Svs - Cleaning	$ 104,104	$ 85,542	$ 96,500	$ 95,800	$ (700)	-0.73%
Tech/Professional Services	**$ 104,104**	**$ 85,542**	**$ 96,500**	**$ 95,800**	**$ (700)**	**-0.73%**
Custodial Supplies	$ 44,247	$ 36,044	$ 40,000	$ 40,000	$ -	0.00%
Other Supplies	**$ 44,247**	**$ 36,044**	**$ 40,000**	**$ 40,000**	**$ -**	**0.00%**
Total - Build. Maint. Costs (DPW	**$ 845,570**	**$ 843,344**	**$ 848,543**	**$ 779,405**	**$ (69,138)**	**-8.15%**
Benefit Costs - DPW	$ 54,835.75	$ 62,911.62	$ 64,637.06	$ 67,962.00	$ 3,324.94	5.14%
Total All Building Maint. Costs	**$ 900,405**	**$ 906,256**	**$ 913,180**	**$ 847,367**	**$ (65,813)**	**-7.21%**

Municipal Energy

Municipal Energy	2009 Actual	2010 Actual	2011 Appropriated	2012 Appropriated	2011 vs. 2012 $ (+/-)	2011 vs. 2012 % (+/-)
Street Lighting						
Street Lighting Expenses	$ 201,761	$ 194,832	$ 228,500	$ 228,500	$ -	0.00%
Contractual Services	$ 51,440	$ 44,815	$ 53,800	$ 57,700	$ 3,900	7.25%
Buildings						
Bldg Maint - Utilities: Electric	$ 489,790	$ 479,208	$ 545,000	$ 562,400	$ 17,400	3.19%
Recreation - Utilities Electric	$ 6,306	$ 3,743	$ 7,600	$ 4,200	$ (3,400)	-44.74%
Highway - Utilities Electric	$ 4,260	$ 6,157	$ 4,300	$ 7,100	$ 2,800	65.12%
Bldg Maint - Utilities: Fuel Oil & Nat. Gas	$ 208,178	$ 141,179	$ 204,300	$ 168,200	$ (36,100)	-17.67%
Vehicles						
Eqp Maint - Vehicular Supplies: Gasoline	$ 323,567	$ 324,338	$ 381,500	$ 463,800	$ 82,300	21.57%
Purchase of Services	**$ 1,285,302**	**$ 1,194,272**	**$ 1,425,000**	**$ 1,491,900**	**$ 66,900**	**4.69%**
Holiday Lighting	$ 1,094	$ 405	$ 1,000	$ 1,500	$ 500	50.00%
Other Supplies	**$ 1,094**	**$ 405**	**$ 1,000**	**$ 1,500**	**$ 500**	**50.00%**
Total DPW Energy	**$ 1,286,396**	**$ 1,194,677**	**$ 1,426,000**	**$ 1,493,400**	**$ 67,400**	**4.73%**

Performance Metrics

Just as the measures used for the Natick Public Schools, the performance metrics shown herein are for illustrative purposes to demonstrate the relative cost effectiveness of existing services when compared to industry standards. The study referenced above uses those specific industry metrics whenever possible to make as accurate a comparison as possible. Thus, when measuring custodial staffing or the amount of square footage per occupant, it is a comparison of educational facilities to educational facilities, or government office buildings to government office buildings. While not exact, it does serve as functional and objective measure of cost effectiveness.[25] It should be noted that these comparisons take into account personnel; AND contract services.

[25] Note: The terms Net Square Foot and Rentable Square Foot are used interchangeably for performance metrics presented herein. They are effectively the same thing for the purpose of this study. "Rentable Square Foot" is the metric used for most benchmark calculations according to the International Facilities Management Association.

Workload	Municipal		Industry Standard
Buildings			
Gross Square Footage of Municipal Buildings	387,943	GSF	N/A
Net (Rentable) Square Footage of Municipal Buildings	302,120	RSF	N/A
Number of Buildings Served	19	buildings	N/A
Constituents			
Average Daytime # of Participants (Citizens & Staff)	1,781	persons	N/A

Workload	Municipal		Industry Standard	
Staffing				
Number of Custodians (Junior/Cleaning)	4	persons	13.1	persons
Number of Custodians (Senior/Supervising)	1	persons	1.7	persons
Number of Tradespeople	1	persons	8.67	persons
Number of Hours Served - Employees	15,250	hours	N/A	
Number of Hours Served - Contracted Services	8,700	hours	N/A	
Number of Requests Taken	2,600	requests	N/A	

Efficiency	Municipal		Industry Standard	
General				
G.S.F./Occupant	218	GSF	520	GSF
N.S.F. (R.S.F.) / Occupant	170	NSF	423	RSF
Participants served/Custodian	356	people/ custodian	N/A	
GSF/Custodian	N/A*		29,015	GSF
Cost				
Overall Energy Costs	$ 1.91		$ 2.32	
Overall Facilities Maintenance Costs	$ 7.75		$ 6.73	
Energy*				
Electricity (kWh)	7.74	kWh/GSF	10th Percentile	
Natural Gas (Therm)	0.37	Therm/GSF	60th percentile	
Heating Oil (Gallons)	0.06	Gall./GSF	22nd percentile	
Water (Gallons)	9.49	Gall./GSF	41st Percentile	

**N/A as custodial services is contracted out in large part by Municipal DPW. Only schools currently using per square foot ratio in a comparable way.*

***Energy percentiles shown: 99 is least efficient, 1 is most efficient/best in class*

Summary

There are a number of functions that are complimentary or interrelated with Facility Management, and which reflect a certain amount of existing collaboration between the Municipal and School sides, including:

> School Grounds (Athletic Fields): This has been controlled by the Land, Facilities and Natural Resources Division of the Department of Public Works since 1983. The staff of the L, F and NR division is responsible for the maintenance of all municipal and school

athletic fields, parks, and tree maintenance. All told, they are responsible for 61 fields town-wide.

Vehicle Maintenance: This has been controlled by the Equipment Maintenance Division since 1998. All school and municipal vehicles are serviced by the mechanics at 75 West Street in the DPW Vehicle Service building.

Snow Plowing: All divisions of DPW are responsible in the case of a snow event to assist with plowing. DPW laborers plow streets and routes to schools – including parking lots and sidewalks up to school buildings.

Energy: Vehicle fuels and Electricity are purchased completely through the Department of Public Works, and budgeted in the DPW Municipal Energy budget.

There are also areas where deficiencies are known to exist in both the municipal and school provisions for Facility Management. They include:

Tech-Based Buildings: The citizens of Natick graciously approved two debt exclusions to fund a new Natick High School and a new Community/Senior Center. With these buildings comes a series of new building designs and whole new building technologies. Light switches will no longer solely control lights in a room – instead computer managed lighting systems can manage the degree of light in a room based on photovoltaic sensors. Centralized temperature controls can turn on or off heating and air conditioning units in different zones of a building. The technology is so advanced entire building systems can be monitored from a smartphone and shut-off remotely. These technologies are emerging and some of them will be utilized in the new buildings. The Town must be trained and equipped to maintain these systems. Virtually no one on staff has any expertise in how these systems function beyond a very rudimentary level.

Green Technologies: The Town as a whole (Schools and Municipal) has little to no expertise is in the emerging field of green technologies. Although we are a certified Green Community by the Commonwealth of Massachusetts, and we have robustly embarked on adding solar arrays on numerous Town-owned properties in recent years, virtually no one on staff has any expertise in how they are maintained.

Conclusion:

The Town of Natick has a mostly decentralized approach to facility management between its municipal and school departments. In contrast, the Town has successfully consolidated the areas of fields and grounds maintenance and vehicle maintenance. Many communities other than Natick, however, have studied and subsequently implemented consolidation of facility maintenance and management services in recent years, utilizing various models of doing so. With rare exception, these communities report favorable results in terms of operational

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efficency, professionalization of staff and enhanced opeartional and capital budgeting and planning. These successes are detailed in the next section.

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Section IV:
Comparative Communities

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Survey of Comparable Communities
Focus on: Ashland, Lexington, Milton, Needham, Westwood, Wayland

Section IV: Comparative Communities

It is an old maxim of local government – the services provided by towns are as diverse as the communities they represent. How communities manage and maintain their facilities is no different. For the purposes of examining regional data for this study, comparable communities included those in Metrowest or those with a similar population and size as Natick. The chart showing comparable communities and information about their services is shown below.

Community	Consolidated (Y/N/Partial)	Date of Consolidation	Type/Degree of Consolidation	Currently Studying Consolidation
Natick	Partial	TBD	Fields, Vehicles	Yes
Ashland	Yes	2009	Full	No
Lexington	Yes	2008	Full	No
Needham	Yes	1994	Full	No
Medway	No	N/A	N/A	Yes
Wayland	Yes	2007	Administration & Maintenance	No
Westborough	No	N/A	N/A	Yes
Westwood	Partial	Ongoing	Fields	No

Although different communities have managed their facilities differently, many communities over the last two decades have looked at the management of town-owned facilities (both municipal and school) as an opportunity to achieve positive results through consolidation. In Spring 2011, another Metrowest community conducted a survey of Towns which had consolidated to determine the motivations and reasons why such consolidation has occurred, as well as positive and negative results regarding both the process used to achieve consolidation and the outcome. Of the communities surveyed, the significant majority gave the following as the top 3 reasons to consolidate:

1) Achievement of merging the staff, equipment and skills of multiple departments and elimination of duplication.
2) Attraction and retention of professional staff in order to meet the needs of the future.
3) Combination of capital project design, planning and oversight in one place.[26]

Other reasons for consolidation included a desire to benefit from joint purchasing and contracting wherever possible, more closely tie the daily maintenance with the renovation and new construction functions of facilities together and allow schools to focus on education. It is

[26] Michael J. Rourke. Municipal-School Building Facility Consolidation Survey Summary. Michael J. Rourke Consulting. Natick, MA. Spring 2011.

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interesting to note that the saving of money was not one of the primary reasons for the majority of communities who chose to consolidate.[27]

Administration and the Study Committee desired to find out more from communities that had either successfully completed or now operated consolidated facility management functions or were in the process of doing so. To achieve this, the study committee members interviewed representatives from four communities – Ashland, Lexington, Milton and Needham. The committee drafted a series of questions to ask the facility department directors/managers in each community.[28] Two members of the committee – one member of the Board of Selectmen and one member of the School Committee – then traveled to or spoke on the phone with the four communities and interviewed the department head.

Focus On: Ashland

Ashland began consolidation of its building maintenance functions in 2009 (FY 2010). Full consolidation between the two departments is not yet complete. The Ashland model (found in Section VII: Appendices), consolidated two departments – municipal facilities and school facilities into one shared Department of Public Facilities. The Director is appointed by the Superintendent with the collaboration of the Town Manager. The department head was the first position to be created.[29] The primary responsibility initially of the Director of Public Facilities was to coordinate the two distinct departments and foster the sharing of resources whenever deemed appropriate. Issues pertaining to school buildings are worked out between the Director and the Superintendent; issues pertaining to municipal buildings are worked out between the Director and the Town Manager. [30]

Ashland consolidated for two primary reasons: to save money and to develop town-wide facilities and maintenance experience. To date, quantitative savings have yet to be fully reported, though repair and routine maintenance costs have decreased and joint purchasing has resulted in demonstrable savings to the schools. Staff has not been reduced as a result of consolidation. One of the greatest advantages to consolidation for Ashland has been increased collaboration between all areas of the Town pertaining to facilities management – from daily operations to capital planning and budgeting. [31]

Ashland is unique in that it transitioned consolidation. For the first year, existing departments were kept relatively intact. Employees, budgets and equipment were still budgeted within their separate spheres of municipal and school operations. Maintenance is now budgeted exclusively within the schools budget, but the Director has the latitude of assigning custodians in any town-owned facility.

[27] Ibid.
[28] Note: The questionnaire can be found in Section VII: Appendices
[29] Kevin Johnson, Personal Interview, July 27, 2011
[30] John Petrin, e-mail to Martha L. White, 17 June 2010.
[31] Johnson, Interview.

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Focus On: Lexington

Lexington consolidated its facility maintenance functions in 2008 (FY 2009). Prior to consolidation, The Town of Lexington delivered its building and facility maintenance functions in a similar fashion to Natick. Municipal and School building maintenance were separate functions. In Lexington's case, there was little coordination between the two groups.[32]

Effort began two years prior to implementation to study, analyze and come up with a framework whereby consolidation could occur. A critical step in consolidation was the successful adoption of M.G.L. Ch. 71, Sec. 39m by Lexington Town Meeting in 2007.[33] This statute, (recently adopted by the 2010 Natick Fall Annual Town Meeting), allows for consolidation between school and municipal departments. Carl Valente, Town Manager of Lexington, stated that a key to successful coordination and consolidation was the agreement of the Lexington Public Schools.

Today, the Lexington Department of Public Facilities maintains school grounds & shrubbery, manages the combined energy budgets Town-wide, performs all trades work on the 20 municipal and school buildings, performs project management of all capital projects (ranging from small repairs & restorations to complete reconstruction & new building construction), and performs scheduling for all buildings.[34] The Director of Public Facilities reports to both the Superintendent of Public Schools and the Town Manager. Issues pertaining to school buildings are worked out between the Director and the Superintendent; issues pertaining to municipal buildings are worked out between the Director and the Town Manager.[35]

The DPF has actually added, rather than reduced, staff since its inception. These added positions have been technical in nature, and have been funded through efficiencies found through consolidation. To date, the DPF has hired a Director, a couple of technical professionals (HVAC & technology technicians), and office staff via either the efficiencies discovered through consolidation and/or rental income from facilities. The efficiencies discovered came through the cultivation of "low-hanging fruit" – in this case the hiring of a permanent, qualified HVAC technician who was able to program and monitor building energy usage whereas the Town lacked the knowledge base before. Through these efforts, the Town of Lexington to date has saved nearly $500,000 in energy costs over a four year period.[36] Continued efficiency has been achieved through the investment in hiring permanent higher-skilled, higher-paid technicians and contracting out lower-skilled, lower-paid maintenance and laborer functions. Simply put, Lexington has achieved an economy of scale through consolidation whereby it made economic

[32] Carl Valente, "Department of Public Facilities", Presentation to the Massachusetts Municipal Management Association, 22 October 2009.
[33] Carl Valente, Personal Interview, 10 September 2010.
[34] Valente, Presentation.
[35] Valente, Interview.
[36] Patrick Goddard. Personal Interview. 1 July 2011. It is unclear if similar savings could be achieved in Natick as the Town has a much more robust history of pursuing energy efficiency than Lexington did.

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sense to have a small but dedicated staff of building professionals. [37] Overall, however, costs have not reduced but slightly increased (an average of just about 1% annually) over the four budgetary years from FY 2009-FY 2012.

Lexington Department of Facility Management Budget Appropriations – FY 2009-2012				
Budget Year	FY 2009	FY 2010	FY 2011	FY 2012
Appropriation	$8,698,435	$8,763,578	$8,806,225	$9,037,967

Like Ashland's experience and the survey results indicate, the primary benefits have been the increased technical skill of staff (and subsequent professionalization of the workforce) and better collaboration within the town concerning capital related projects. [38] Budgeting was consolidated from the very beginning (FY 2009) into one line-item budgeting for all expenses under the Department of Public Facilities. The DPF is budgeted under Shared Expenses (just like in Natick, Shared Expenses in Lexington include Employee Benefits, Property Insurance, Debt Service, etc.) and is not subject to the split of annual revenues between Municipal and School budgets.

Lexington learned several lessons from consolidation. The first was the importance of hiring of a talented professional manager to run the department. Town Manager Valente credits much of the success of the Department of Public Facilities in Lexington to the hiring of a professional facilities manager who had the desired skill set necessary for the shared department. [39] The second is having in place a carefully spelled out Memorandum of Agreement by which all partied know their respective roles, responsibilities, objectives and goals.[40] The third lesson was to avoid, if at all possible, having multiple employers for department staff. Although all of the department staff report to the Director of Public Facilities, the schools and municipal building custodians have maintained existing (and separate) collective bargaining agreements which spell out who the employees report to. This has resulted in management issues and is an ongoing concern which will continue to be worked out.[41] The fourth lesson is that facility management is changing, and it requires employees with increased and differing skill sets and the willingness and ability to enhance their skills with evolving technology . This may require increases in salary. Finally, the focus of consolidation should be on quality of service delivery, rather than on cost savings. [42]

[37] Ibid.
[38] Goddard, Interview.
[39] Valente, Interview.
[40] Goddard, Interview.
[41] Valente, Interview.
[42] Goddard, Interview.

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Overall, Lexington has been pleased with the results of consolidation and believes that the goals of consolidation have been achieved.[43]

Focus On: Milton

The Town of Milton is in the early stages of consolidating Facility Management functions. Over the last couple of years, a consolidation committee spent time evaluating town facility management services. Two definitive conclusions came out of the efforts of that committee. The first was to create the position of a Consolidated Facilities Director, whose responsibilities include the eventual consolidation of municipal and school facility management under his direction.[44] The second was to settle which departments would be included in the consolidation and which would not. [45]

Since the effort is so new, many of the outcomes of consolidation found in Ashland and Lexington have not been achieved at this time in Milton. For example, the director is currently examining the budgets of the many divisions which manage facilities and will bring forward recommendations to the Town Administrator and Superintendent. As a result, there has been no documentation of savings, efficiencies or economies of scale as a result of consolidation. It is hoped that consolidation of facility management in Milton will produce quantifiable savings through better planned/preventative maintenance, diminished use of contractors over time and centralized procurement functions. The director has also been given the task of negotiating with the various effected unions. [46]

Moving forward, Milton hopes to work through staffing issues and realize two important goals: proper maintenance of Town-owned assets which will result in their use for at least half of a century and achieving the proper investment of dollars into building maintenance to achieve the first goal. Discussions about prioritizing cost savings and material investment in facility management continue.[47]

Focus On: Needham

Needham has the longest history with consolidation, as consolidation of facility management services began in 1994. Prior to consolidation, each respective side (municipal and schools) had

[43] Valente, Interview.
[44] Bill Ritchie, Personal Interview. July 2010.
[45] Ibid. (Note: At this time, the Milton Cemetery and Recreation and Parks Departments are not participating in consolidation with Facilities Management.)
[46] Ibid.
[47] Ibid.

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separate departments which managed facilities independently. [48] Beginning in 1994, Needham had a governing board (the Municipal Building Management Board or MBMB) consisting of the Town Administrator, School Superintendent, Library Director, DPW Director and Park and Recreation Director to oversee the affairs of the consolidated department. This version of consolidation created a Municipal Building Director and which reported to the MBMB and a separate School Facilities Manager which reported to the Superintendent.[49] With the creation of a new charter in 2005, that governing board ended. The Municipal Building Director became the Director of Department of Public Facilities and Operations and now reported to the head of only the Department of Public Works. All school staff was placed under the direction of this new director, but nothing else changed. This created problems, as the Director was still serving multiple administrators (DPW Director, Town Administrator, Superintendent, etc.) and communication was lacking which resulted in charges of preferential treatment in service delivery.[50]

The final iteration of consolidation occurred in 2007 where a separate Department of Public Facilities containing two divisions – a Construction Division and an Operations Division – now exists. The Construction Division provides support for the Permanent Public Building Committee (PPBC) and provides advice and support the Town Manager on Facility construction, planning and operational needs[51]. Projects over $500,000 are managed by the PPBC. The Operations Division is responsible for custodial services and provides scheduled and routine maintenance to all Town and School buildings, manages rentals in school gyms and auditoriums. It, like the DPF in Lexington, manages scheduling in all Town buildings. The department is also responsible for managing major building related capital projects and capital improvements with cost under $500,000.[52] The division also includes all maintenance trades in support of all Town and School buildings.

The call for consolidation in Needham stemmed from public outcry to better manage all public buildings after the closure of a school building due to delayed maintenance on critical building systems. This event led to further consolidation of facility management and a centralized approach in budgeting, contract management, service delivery, capital planning, and scheduling of all Town-owned buildings. And, with the assistance of software, a comprehensive

[48] Kate Fitzpatrick, e-mail to Martha L. White, 17 June 2010.
[49] Chip Laffey. Personal Interview. July 2010.
[50] Ibid.
[51] Town of Needham – Construction Division. 10 November 2010. <http://www.needhamma.gov/index.aspx?NID=630>
[52] Town of Needham – Operation Division. 10 November 2010. <http://www.needhamma.gov/index.aspx?NID=950>

preventative maintenance program now exists.[53] No quantifiable cost savings was supplied by Needham during the interviews, but emphasis was again placed on the improved maintenance of all facilities and ease of centralized scheduling. Staffing has been reduced in the Middle and High Schools through the contracting of cleaning services in those buildings. Existing custodian staffs are being cross trained to function in any building.

The model has been very workable and successful in Needham.[54]

Focus On: Westwood

Like Natick, Westwood has partial consolidation of facility maintenance functions, in the area of field maintenance. The Department of Public Works took over maintenance of fields from the schools. The transition took about five years to complete. Each field was only transferred when it was rebuilt and there was a commensurate budget increase to the DPW budget, without any requirement that the school reduce their budget by the amount of savings they would realize from the shift.[55]

Westwood has discussed combining the maintenance of buildings under the school, but this has not yet been achieved. At this point, Westwood is still under an organizational structure whereby DPW maintains all municipal buildings and the school department maintains school buildings.[56]

Focus On: Wayland

Wayland hired a joint School/Town Public Buildings Director in 2007. Historically, the municipal side had no facility manager whereas the schools did. This position reports jointly to the Town Administrator & the School Superintendent. Wayland noted that a pitfall of the initial consolidation was that no inter-board agreement between the School Committee and the Board of Selectmen was in place at the beginning of consolidation. As a result, the Town struggled for the first two years over jurisdictional matters. Custodians were previously under the jurisdiction of the School's Facilities Department and continue to remain so as part of the joint department.[57]

[53] Laffey, Interview.
[54] Fitzpatrick, E-mail.
[55] Mike Jaillet, e-mail to Martha L. White, 17 June 2010.
[56] Ibid.
[57] John Senchyshyn, e-mail to Martha L. White, 17 June 2010.

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Summary

As is often the case with municipalities, different communities choose to perform the same services in different ways. However, many comparable communities have engaged in some degree of facility management consolidation in recent years, and most with success. The majority of municipalities who responded to the consolidation survey found that the top three results of consolidation were:

1) Increase in the quality and breadth of professional facility management staff.
2) Savings and efficiencies in 'aggregate construction and renovation projects'.
3) Improved coordination of staff, equipment and resources which in turn improved daily maintenance quality. [58]

Other results included the ability to more nimbly use resources to address new problems, make better design decisions for new facilities, system-wide improvement in preventative maintenance and improved equipment purchases and use.[59]

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[58] Rourke, Survey Summary.
[59] Ibid.

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Section V:

Alternatives

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Section V: Alternatives

Natick has a long history of evolving its governmental structures and services to provide for greater efficiency and better customer service. This report has demonstrated that there are other models available to the Town to consider with respect to its delivery of facility management; specifically, that the municipal and schools facility management functions be combined. In earlier versions of this report, three possible alternatives were listed as options to consider regarding the facility management services in the Town of Natick. They included:

Scenario I: Consolidation of Facility Management Functions
Scenario II: Partial Consolidation of Facility Management Functions
Scenario III: Contracting/Privatizing Functions

Based on our research and other communities' successes, Scenario III does not warrant further consideration at this time. Rather, it should be considered complementary to either of the first two alternatives of consolidation. Utilization of private contractors in some forms of facility management already exists – thus to utilize contracted services more or less would not dramatically change or enhance the existing service delivery model.

Scenario II was considered in the last iteration if either a) "low-hanging fruit" appeared readily available to administration and policymakers and/or b) a significant stumbling block was discovered which would seriously hamper any effort to consolidate. Given that neither of these limitations presents themselves and the experience of other communities indicates that it is best not to consolidate in a piece-meal fashion; Scenario II is not being further proposed at this time.

This leaves Scenario I: Consolidation of Facility Management Functions as the recommendation of Town Administration.

Scenario I: Consolidation of Facility Management Functions

This scenario would create a consolidated and distinct Department of Facility Management, responsible for all building and facility maintenance and operation, repair and management of mechanical and trades functions (painting, plumbing, electrical, HVAC and security components of Town–owned buildings) and administration of town-owned leased properties, energy and building-related (including capital) procurement.[60]

Staffing

[60] Note: It would also be responsible for some form of telecommunications management related to "Smart" building technologies. It would not manage fields and grounds (effectively the services provided by the Land, Facilities and Natural Resources Division of the Department of Public Works) at this time. After surveying other communities, and given the fact that the function of fields maintenance is already consolidated, further consolidation did not seem necessary at this time.

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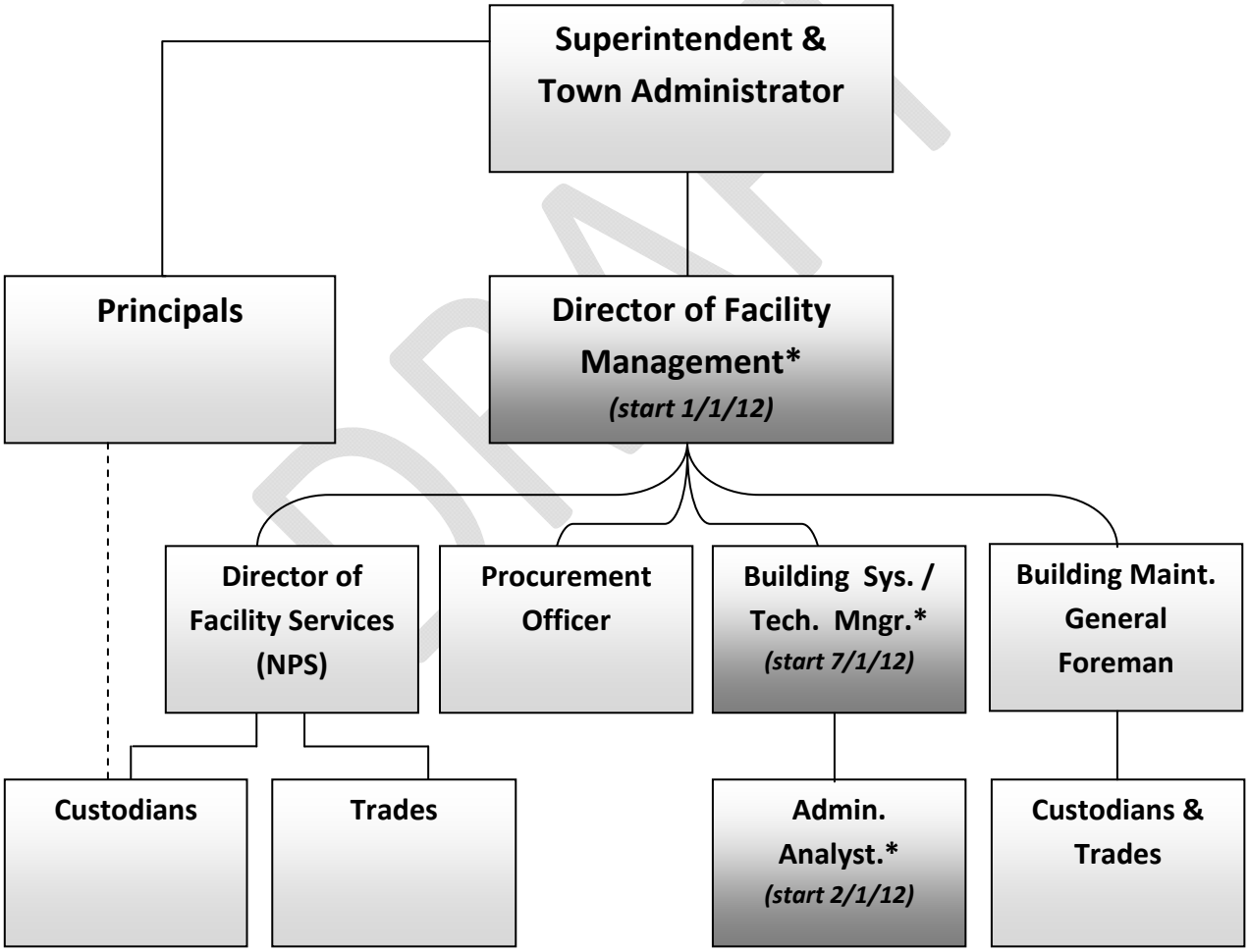
A new Director of Facility Management, answerable to both the Town Administrator and the Superintendent of Public Schools, would oversee this department. All personnel currently employed by the School Facility Services Department and the Building Maintenance Division of the Department of Public Works would report to him or her. School Facility Services and Municipal Building Maintenance employees would be placed within this department. . Operationally, custodial and trades staff would report to their current supervisors who would, in turn, report to the Director of Facility Management. In addition, all procurement functions (and the Municipal Procurement Officer) would be consolidated under this new department but remain available to all Town departments (including the school department).

Proposed Organizational Chart – Department of Facility Management



Signifies new positions

Other facility maintenance, specifically infrastructure maintenance (field maintenance, water, sewer & highways), would remain under the purview of the Department of Public Works. This would also remain true for snow plowing, with the exception that many employees of the new Department of Facility Maintenance would continue to perform their current plowing and shoveling responsibilities in the case of a snow event.

Budget

The proposed consolidated budget for a new Facility Management Department has been derived from the FY 2012 Appropriated Budget as submitted to Town Meeting for the Natick Public Schools, and the Building Maintenance and Energy Divisions of the Department of Public Works. In order to achieve the implementation of this new department, a phased approach to hiring new staff is proposed. An additional $75,833 would be required in FY 2012 to hire a Director of Facility Management for one-half of FY 2012 and an Administrative Analyst for five months of FY 2012. Starting FY 2013, we anticipate a third position would be added in the form of a Building Systems/Technical Manager capable of mastering the new building systems in the High School and the Community/Senior Center and responsible for training existing staff on how to maintain those systems.

DRAFT Consolidated Budget	2011 Appropriated	2012 Spring ATM	2012 Fall ATM	2013 Projected	2012 vs. 2013 $	%
School Personnel	$ -	$ -	$ 1,824,197	$ 1,869,802	$ 45,605	2.5%
Municipal Personnel	$ -	$ -	$ 399,309	$ 409,292	$ 9,983	2.5%
Shared Personnel	$ -	$ -	$ 75,833	$ 252,750	$ 185,250	274.4%
Personnel Services	**$ -**	**$ -**	**$ 2,299,339**	**$ 2,531,844**	**$ 240,838**	**10.5%**
School Repairs	$ -	$ -	$ 462,000	$ 462,000	$ -	0.0%
Municipal Repairs	$ -	$ -	$ 312,000	$ 312,000	$ -	0.0%
Purchase of Services	**$ -**	**$ -**	**$ 774,000**	**$ 774,000**	**$ -**	**0.0%**
Custodial Services - School	$ -	$ -	$ 115,000	$ 115,000	$ -	0.0%
Contractual Svs - Cleaning	$ -	$ -	$ 95,800	$ 100,000	$ 4,200	4.4%
Custodial Supplies	$ -	$ -	$ 40,000	$ 40,000	$ -	0.0%
Tech/Professional Services	**$ -**	**$ -**	**$ 250,800**	**$ 255,000**	**$ 4,200**	**1.7%**
Electric	$ -	$ -	$ -	$ 1,423,972	$ 67,808	5.0%
Natural Gas & Heating Oil	$ -	$ -	$ -	$ 859,450	$ -	0.0%
Gasoline	$ -	$ -	$ -	$ 579,750	$ 115,950	25.0%
Street & Holiday Lighting	$ -	$ -	$ -	$ 227,885	$ (59,815)	-20.8%
Energy	**$ -**	**$ -**	**$ -**	**$ 3,091,057**	**$ 123,943**	**4.2%**
Total Consolidated Budget	**$ -**	**$ -**	**$ 3,324,139**	**$ 6,651,901**	**$ 368,981**	**5.9%**

Please note: An additional $10,083 in FY 2012 and $33,000 in FY 2013 is necessary to cover anticipated benefit costs for new positions. This means the total amount in new money needed for **FY 2012 is $85,916 and for FY 2013 is $285,750.**

The Facility Management Department would be entirely budgeted as a Shared Expense – meaning it would be appropriated by Town Meeting separately from the Natick Public Schools or Department of Public Works budgets – similar to how Health Benefits, Property Insurance and Debt Service is currently budgeted.

Administration would recommend this budget be appropriated in two installments – the first would be to move existing School and Municipal Personnel and create new personnel funding for the Director and Admin. Analyst position at the 2011 Fall Annual Town Meeting so that the new Department is in effect starting January 1st. The second installment would be to move the energy budgets out of the respective school and municipal budgets at the 2012 Spring Annual Town Meeting effective July 1st. A preliminary analysis as to how this would impact the Natick Public Schools Budgets and the Department of Public Works budgets is detailed on the ensuing pages.

Budgetary Impacts – School and Municipal Budgets

The proposed transitional budget for the Natick Public Schools is shown below. Items to be transferred are shaded. *Any assumptions for FY 2013 are merely that – simply assumptions which may or may not come to pass for other sections of the schools and municipal budgets.*

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DRAFT Natick Public Schools Revised Budget

Compensation	2011 Appr.	2012 Spring ATM	2012 Fall ATM	2013 Projected	2012 vs. 2013 $	2012 vs. 2013 %
District. Leader. & Admin.	2,165,632	2,332,156	2,332,156	2,390,460	58,304	2.5%
Instructional Services	31,521,044	32,584,229	32,584,229	33,398,835	814,606	2.5%
Student Services	1,331,644	1,382,456	1,382,456	1,417,017	34,561	2.5%
Operations & Maintenance	1,761,192	1,824,197	0	0	0	#DIV/0!
Personnel Services	**36,779,512**	**38,123,038**	**36,298,841**	**37,206,312**	**907,471**	**2.5%**

Expenses	2011 Appr.	2012 Spring ATM	2012 Fall ATM	2013 Projected	2012 vs. 2013 $	2012 vs. 2013 %
District. Leader. & Admin.	749,776	768,128	768,128	783,491	15,363	2.0%
Instructional Services	1,489,905	1,676,715	1,676,715	1,760,550	83,836	5.0%
Student Services	2,270,754	2,536,094	2,536,094	2,662,899	126,805	5.0%
Custodial Services (4110)	115,000	115,000	0	0	0	#DIV/0!
Fuel for heating of buildings (4120)	740,000	691,250	691,250	0	(691,250)	-100.0%
Electricity (4130)	870,000	782,464	782,464	0	(782,464)	-100.0%
Telephone (4140)	75,000	75,000	75,000	75,000	0	0.0%
Building Repairs (4220)	462,000	462,000	0	0	0	#DIV/0!
Vehicle Maintenance Other (4230)	8,000	8,000	0	0	0	#DIV/0!
Network and Telecommunications (4400)	197,592	184,062	184,062	193,265	9,203	5.0%
Sub-total Operations & Maintenance	2,467,592	2,317,776	1,732,776	268,265	(1,464,511)	-84.5%
Employer Retirement Contributions	93,162	89,980	89,980	94,479	4,499	5.0%
Insurance for Active Employees	66,381	64,114	64,114	67,319	3,206	5.0%
Community Services	196,715	189,997	189,997	199,497	9,500	5.0%
Programs with Other School Districts	5,281,530	5,810,877	5,810,877	6,391,965	581,088	10.0%
Expenses	**12,615,815**	**13,453,681**	**12,868,681**	**12,228,465**	**(640,216)**	**-5.0%**
Total Gross Appropriations - Natick Budget Schools	**49,395,327**	**51,576,719**	**49,167,522**	**49,434,777**	**267,255**	**0.5%**

Offsets						
Less: Town Transportation Subsidy	*(320,522)*	*(330,137)*	*(330,137)*	*(340,041)*	*(9,904)*	*3.0%*
Less: Bus Fee Offset	*(260,000)*	*(270,000)*	*(270,000)*	*(270,000)*	*0*	*0.0%*
Less: Circuit Breaker Offset	*(960,023)*	*(1,959,598)*	*(1,959,598)*	*(1,959,598)*	*0*	*0.0%*
Less: EDUJobs Grant/Offset		*(518,585)*	*(518,585)*			
Less: Federal and State Grants	*(2,166,243)*	*(2,092,261)*	*(2,092,261)*	*(1,569,196)*	*523,065*	*-25.0%*
Less: ARRA Offset	*(1,305,722)*	*0*	*0*	*0*	*0*	*#DIV/0!*
Total Offsets	*(5,012,510)*	*(5,170,581)*	*(5,170,581)*	*(4,138,835)*	*1,031,746*	*-20.0%*
Total Net Appropriations - Natick Public Schools	**44,382,817**	**46,406,138**	**43,996,941**	**45,295,943**	**1,299,002**	**3.0%**

Shading indicates major line-items where money would be removed from the Natick Public Schools Budget and added to the new Department of Facility Management.

DRAFT Department of Public Works Revised Budget

	2011 Appropriated	2012 Spring ATM	2012 Fall ATM	2013 Projected	2012 vs 2013 $	2012 vs 2013 %
DPW Administration						
Salaries	$ 172,648	$ 235,046	$ 235,046	$ 240,922	$ 5,876	2.50%
Expenses*	$ 41,565	$ 44,620	$ 44,620	$ 119,712	$ 75,092	168.29%
Total DPW Administration	**$ 214,213**	**$ 279,666**	**$ 279,666**	**$ 360,635**	**$ 80,969**	**28.95%**
DPW Building Maintenance						
Salaries	$ 386,043	$ 329,505	$ -	$ -	$ -	#DIV/0!
Expenses	$ 462,500	$ 449,900	$ -	$ -	$ -	#DIV/0!
Total DPW Build. Maint.	**$ 848,543**	**$ 779,405**	**$ -**	**$ -**	**$ -**	**#DIV/0!**
DPW Energy						
Purchase of Services	$ 1,425,000	$ 1,491,900	$ 1,491,900	$ -	$ (1,491,900)	-100.00%
Other Charges	$ 1,000	$ 1,500	$ 1,500	$ -	$ (1,500)	-100.00%
Total DPW Energy	**$ 1,426,000**	**$ 1,493,400**	**$ 1,493,400**	**$ -**	**$ (1,493,400)**	**-100.00%**
DPW Engineering						
Salaries	$ 363,062	$ 376,517	$ 376,517	$ 385,930	$ 9,413	2.50%
Expenses	$ 99,900	$ 100,200	$ 100,200	$ 102,204	$ 2,004	2.00%
Total DPW Engineering	**$ 462,962**	**$ 476,717**	**$ 476,717**	**$ 488,134**	**$ 11,417**	**2.39%**
DPW Equipment Maintenance						
Salaries	$ 495,647	$ 510,190	$ 510,190	$ 522,945	$ 12,755	2.50%
Expenses	$ 264,400	$ 266,850	$ 266,850	$ 272,187	$ 5,337	2.00%
Other - Capital Outlay	$ -	$ 5,000	$ 5,000	$ 5,000	$ -	0.00%
Total DPW Equip. Maint.	**$ 760,047**	**$ 782,040**	**$ 782,040**	**$ 800,132**	**$ 18,092**	**2.31%**
DPW Highway & Sanitation						
Salaries	$ 1,237,051	$ 1,280,190	$ 1,280,190	$ 1,312,195	$ 32,005	2.50%
Expenses	$ 374,450	$ 389,450	$ 389,450	$ 397,239	$ 7,789	2.00%
Other - Charges & Expenditures	$ 1,378,825	$ 1,457,700	$ 1,457,700	$ 1,486,854	$ 29,154	2.00%
Total DPW Highway & San.	**$ 2,990,326**	**$ 3,127,340**	**$ 3,127,340**	**$ 3,196,288**	**$ 68,948**	**2.20%**
DPW Land, Facilities & Nat. Resources						
Salaries	$ 436,464	$ 449,961	$ 449,961	$ 461,210	$ 11,249	2.50%
Expenses	$ 161,200	$ 219,881	$ 219,881	$ 224,279	$ 4,398	2.00%
Total DPW LF & NR	**$ 597,664**	**$ 669,842**	**$ 669,842**	**$ 685,489**	**$ 15,647**	**2.34%**
Total Public Works	**$ 7,299,755**	**$ 7,608,410**	**$ 6,829,005**	**$ 5,530,677**	**$ (1,298,328)**	**-19.01%**

Shading indicates major line-items where money would be removed from the Department of Public Works Budget and added to the new Department of Facility Management.
**Increase in Administration expenses is the shift of streetlight & holiday lighting maintenance costs out of the energy budget.*

In addition, the Procurement Officer would be removed from the Comptroller's Budget and transferred to the new Facility Department budget at the 2011 Fall Annual Town Meeting, (effective January 1, 2011). All budgetary transfers at the upcoming Fall Town Meeting would be made under the FY 2012 Omnibus Reconciliation article (Article 4).

Legal Approval

The consolidation of departments in this case is a four-step process.

1) First, the School Committee must follow the action of the 2010 Fall Annual Town Meeting and adopt M.G.L. Ch. 71, Sec. 37M which allows for the consolidation of departments between school districts and general government within the Commonwealth of Massachusetts. (A copy is provided in Section VII: Appendices)

2) Second, the Board of Selectmen and the School Committee need to agree to a Memorandum of Agreement which clearly and deliberately outlines the new organization to be created, its responsibilities and who is responsible for what. (A draft is provided in Section VII: Appendices)

3) Third, Town Meeting must, as per Article 6 of the Town's Charter , vote to reorganize the Department of Public Works through the removal of the Building Maintenance Division and placing it with the School Facility Services Department as their operations are consolidated within a new Department of Facility Management. We might also include in this vote the re-assignment of the Procurement Officer

4) Fourth, at a later Town Meeting, as per Article 6 of the Town's Charter , vote to reorganize the Department of Public Works through the removal of the Municipal Energy Division and placing it within the Department of Facility Management.

A timeline for these and other proposed actions is included in the ensuing Section VI.

Rationale

Please note: the following section is written with the assumption that the Study Committee approved a set of goals. The report will be further modified as the goals are further refined, however they were approved as of September 20th.

Consolidation of Facility Management services between the Natick Public Schools and the Department of Public Works is the logical outcome of this study and the goals set forth by the Facility Management Study Committee. To review the committee's goals:

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1) **Improve the quality and value of services delivered to facility users, taxpayers and related constituents**

A consolidated facility management department has repeatedly shown to improve the utilization of all town resources for building and facility maintenance and management in other communities.[61] The current disparate approach is not working in all cases (namely in the areas of municipal capital planning & asset retention and future capital needs). Work order systems are established but do not interact between the Municipal Departments and Schools. Maintenance Mechanics who are more trained to handle a variety of tasks in the School department could be leveraged on the Town side, but currently are not. Town Administration believes this is the best way to provide accountability to citizens through standardization of metrics and methods of facility management and the creation and implementation of customer surveys to measure satisfaction across all Town-owned buildings.

2) **Maximize the lifespan of Town-owned assets**

Capital planning on the municipal side is lacking within the realm of Facility Management. Although the Town has made strides in its investment into capital assets of all kinds in the last several years, the debt exclusion overrides which added $90 million of new capital assets to the community highlight the need to ensure that assets are protected and properly cared for to maximize their useful life and protect the taxpayer's investment. Evidence from other communities has shown that the addition of facility management professionals greatly enhances the opportunities to properly plan and care for all building facilities in a proactive way, and ensure that the faith the public has placed in its facilities' caretakers is well founded. Currently, under the decentralized approach to facility management, no concrete plans for the operation and management of new systems within the new buildings is in place. Consolidation at this time provides the opportunity to ensure the Town has the right personnel to maximize the life and use of Town-assets and prevent costly repairs or construction before it should be necessary.

[61] Rourke, Survey.

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3) Achieve operational efficiency and/or cost reduction relating to Town facility management

One of the first goals of any consolidation is to save money. One of the repeated findings from the interviews and surveys taken to research this report is that cost savings should not be a driving force behind consolidation.[62] That being said, Town Administration fully expects that consolidation will lead to efficiencies of scale which will produce cost savings in the medium to long term.

Consolidation will not produce initial quantitative cost savings. In fact, it will result in cost increases through the addition of new personnel in the form of a Director, an Administrative Analyst as well as the likely addition of a Building Systems Technical Manager or similar position. The desired outcome is that through centralization, a unified operating and capital budgeting process can be undertaken which, over time, will produce efficiencies and cost savings. We anticipate that these savings can come from numerous areas – consolidated purchasing, resulting in better overall pricing for goods and services; combining bidding on capital and trade contracts, allowing for reduced cost through better pricing; elimination of costly contract services at prevailing wages by bringing such trades "in-house"; bulk buys on energy, resulting in lower energy costs for the entire Town – just to name a few. With a thorough review of all Town Facility Management services under one Director, more efficiencies and savings will inevitably result.

4) Establish and demonstrate an effective process for collaboration (between General Government and School System, in this case)

This is a process which began with the call to examine Town processes first highlighted by the Expense Control Task Force in 2009. Town Administration has provided further research in this and other areas of municipal services and provided the Board of Selectmen recommendations for policy changes. The advent of the joint Facility Management Study Committee, comprised of municipal policymakers (namely the Board of Selectmen) and school policymakers (namely the School Committee) has created an excellent starting framework for future collaboration between different but united entities within the Town of Natick. This Committee began meeting in January 2011 and spent the ensuing months researching and exploring consolidation options for

[62] Ibid.

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Facility Management and collectively discussed concerns and opportunities. It is hoped that this process can serve as a model for the Board of Selectmen and the School Committee to work collaboratively together in the future for the benefit of all Natick citizens.

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Section VI:

Recommendations & Next Steps

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Section VI: Recommendations & Next Steps

Overall Recommendation(s):

Town Administration has the following recommendations as a result of this study:

1) **That the Board of Selectmen and the School Committee enter into a Memorandum of Agreement creating a new Department of Facility Management.**

2) **That the Board of Selectmen, School Committee and Town Meeting support the subject matter of Article 2 of the 2011 Fall Annual Town Meeting creating the Department of Facility Management and the reorganization of the Department of Public Works, as well as the associated budgetary changes that will be proposed under Article 4 of the 2011 Fall Annual Town Meeting.**

Next Steps:

The next steps which staff recommends be taken in this study are:

Week of September 19th – Study Committee review/approval of Final Report and recommendations to Board of Selectmen and School Committee

September 27 – Joint public hearing by Selectmen and Finance Committee

October 18th – 2011 Fall Annual Town Meeting begins

November-January 1st – Assuming favorable passage of consolidation by Town Meeting, recruitment of Facility Management Director, construction of preliminary FY 2013 budget for Facility Management Department, development of FY 2013 School & Municipal budgets with facilities and energy components removed from them, begin recruitment of Administrative Assistant position.

January 1 – Start date for new Director of Facility Management

January – February – Director finalizes recruitment of Administrative Analyst position. Director assesses existing operations and capabilities and identifies how to best address needs; refines the FY 2013 budget accordingly.

February 1st – Start Date for Administrative Analyst

February – March – Review of FY 2013 Facility Budget by Finance Committee

June 1st – Begin recruitment of new position(s) e.g. Building Systems/Technical Manager Start Date for new position(s)

July 1st – Begin FY 2013 and fully consolidated Department of Facility Management

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Section VII:

Appendices

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Bibliography
Facility Consolidation Study Committee Goals
Facility Consolidation Study Committee Questionnaire
Summary of Natick Building Systems
Draft Memorandum of Agreement between the Natick Public Schools and the Board of Selectmen
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Appendices:

Facility Consolidation Study Committee Goals

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Facilities Management Study Committee

As voted unanimously on September 20, 2011

Strategic Goals

- Improve the quality and value of services delivered to facilities users, taxpayers and related constituents
- Maximize the lifespan of Town-owned assets
- Achieve operational efficiencies and, where possible, cost efficiencies relating to Town facilities management
- Establish and demonstrate an effective process for collaboration (between General Government and School System, in this case)

Appendices:

Facility Consolidation Study Committee Questionnaire to Comparable Communities

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Natick is evaluating the advantages and disadvantages of consolidating its school and town facilities management departments. We understand that your town has either completed consolidation of, or is in the process of consolidating, these departments, and we hope to learn from your successes and disappointments. Would you be willing to talk with a group of individuals from Natick about your process and outcome? We could talk in person or by phone, whichever you prefer. The individuals representing Natick in the discussion will include a Selectman, a School Committee member, and perhaps 1 or 2 senior staffers.

We would ask you the following questions. Based on your answers, we might wish to delve further into some topics.

1) What was the organizational structure of your town/school facilities departments before the consolidation? What does it look like now?

2) Is your consolidation of town/school facilities management departments complete, or do you plan further consolidation in the near (or far) future? What is the total elapsed time you expect all steps of the consolidation will take?

3) How have you "staged" the consolidation - what came first, what will be done last? Has any stage been particularly difficult to date?

4) What are the compelling reasons for consolidating school and town facilities management in your town?

5A) How are facilities operating budget decisions made under the consolidated structure? How were they made prior to consolidation?

5B) How are facilities capital allocation decisions made under the consolidated structure? How were they made prior to consolidation?

6) What have been the major advantages and disadvantages of consolidation? What were the expected benefits prior to the consolidation and have they been achieved?

7) Have costs for repairs and maintenance increased or decreased with the consolidation? Please be quantitative in both dollars and percentages of costs, if possible. If these costs have increased, why?

8) With the consolidation, have any activities or responsibilities been outsourced, moved to other departments (outside of facilities management) or eliminated? Have internal positions been added where previously the work was outsourced? (e.g., a plumber has been hired, janitorial work is now contracted out.)

9) Do you have one facilities management director for both town and school buildings? If so, could we obtain a copy of this position's official job description?

10) Do you utilize one centralized system for scheduling usage of rooms and buildings? Do you utilize one centralized system for job/repair management?

11) Are there other aspects, pitfalls, etc. that you think we should consider?

Someone from Natick will call or email you to schedule a time to talk, either in person or by phone. Thank you for being willing to let us learn from your experience.

Appendices:

Summary of Natick's Building Systems

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Town of Natick Building Systems Summary

	#	% of buildings
Overall		
Total Number of Buildings/Properties Managed & Maintained	**34**	
- Municipal Buildings/Properties	26	
- School Buildings/Properties	8	
Total Square Footage of all Buildings	**1,160,943**	
- Municipal Square Footage	387,943	
- School Square Footage	773,000	
Utility Consumption (annual)		
- Electric (kWH)	8,245,653	
- Natural Gas (therms)	308,919	
- Heating Oil (gallons)	195,412	
- Water* (HCF) **(partial - Municipal only)*	4,916	
Building Systems		
Climate		
- Heat		
Oil	8	24%
Gas	19	56%
None	5	15%
Other	2	6%
- Air Conditioning		
Central	14	41%
Unit	11	32%
None	9	26%
- Digital Controls (DDC) (Y/N)	14	41%
Electric		
Single Phase	12	35%
Three-Phase	13	38%
Unknown	9	26%
Solar Systems (# of buildings which have systems)	1	3%
Security Systems (# of buildings which have systems)	20	59%
Windows		
Excellent	6	18%
Good	13	38%
Fair/Average	9	26%
Poor	6	18%
Roof		
Excellent	7	21%
Good	10	29%
Fair	16	47%
Poor	1	3%
Fire Suppression/ Sprinklers (# of buildings which have Sprinklers)	16	47%
ADA Accessible (# of Buildings)	17	50%
Users		
Individuals in all School Buildings (average daily)	5973	
Average Hours of Operation (schools) (daily)	12.5	

Facility Name	Address	Year Built	Gross Sq. Ft.	Net Sq. Ft.	Heating System	DDC? (Y/N)	Security System?	Electrical System
Bennett Hemenway Elementary School	22 East Evergreen Road	1998	80,000	56000	hot water by oil	Y	Y	Y
Brown Elementary School	1 Jean Burke Drive	1975	54,000	37800	hot water by gas	Y	Y	Y
Johnson Elementary School	105 South Main Street	1940	26,000	18200	steam by oil	Y	Y	Y
Kennedy Middle School	Trevor Lane	1965	106,000	74200	steam by oil	partial	Y	Y
Lilja Elementary School	41 Bacon Street	1990	54,000	37800	hot water by gas	Y	Y	Y
Memorial Elementary School	97 Eliot Street	1960	65,000	45500	hot water by oil	Partial	N	Y
Natick High School (old)	124 Pond Street	1954	293,000	205100	steam by oil	N	Y	Y
Natick High School (new)	TBD	2012	254,000	177800	hot water by gas	Y	Y	Y
Wilson Middle School	22 Rutledge Street	2004	134,000	93800	hot water by gas	Y	Y	Y
Total - inclusive of NEW Natick High School			**773,000**	**541,100**				

Facility Name	Address	Year Built	Gross Sq. Ft.	Net Sq. Ft.
Bennett Hemenway Elementary School	22 East Evergreen Road	1998	80,000	56000
Brown Elementary School	1 Jean Burke Drive	1975	54,000	37800
Johnson Elementary School	105 South Main Street	1940	26,000	18200
Kennedy Middle School	Trevor Lane	1965	106,000	74200
Lilja Elementary School	41 Bacon Street	1990	54,000	37800
Memorial Elementary School	97 Eliot Street	1960	65,000	45500
Natick High School (new)	TBD	2012	254,000	177800
Wilson Middle School	22 Rutledge Street	2004	134,000	93800
Total - inclusive of NEW Natick High School*			**773,000**	**541,100**

Old Natick High School had 293,000 Gross Sq. Ft. (approx. 205,100 Net Sq. Ft.)

Windows (age/condition)	Roof (age/condition)	Sprinklers?	ADA Accessible?	A/C?	Number of Levels	Number of Rooms	Hours of Use	Average Daily # of Users
1999/ excellent	1999/ excellent	Y	Y	20%	2	30	7am-9:30pm	711
1995/ Good	1995/ fair	Y	Y	10%	1	24	7am-9:30pm	481
1949/ poor	2005/ excellent	Y	N	1%	2	14	7am-4:30pm	297
1965/ poor	2009/ excellent	N	Y	20%	2	40	7am-9:30pm	671
1997/good	1997/good	Y	Y	10%	1	24	7am-9:30pm	551
1970/poor	2010/ excellent	N	Y	30%	1	26	7am-9:30pm	498
1954/poor	1954/poor	N	N	0	2	91	7am-10:30pm	1760
2012/ excellent	2012/ excellent	Y	Y	100%	3			
2003/ excellent	2003/ excellent	Y	Y	40%	2	56	7am-9:30pm	1004

Technology Systems (Describe) (Describe what tech. helps run the building systems0	Solar?	Other?	Utility Consumption				Personnel Assigned (number of personnel or service contracted)
			Electric (kWh)	Gas (Therms)	Heating Oil	Water (HCF)	
Steafa DDC	N		518,496	0	15,835	N/A	Custodians=3.5
Yankee Tech/ALC system	N		271,440	23,932		N/A	Custodians=2.5
Yankee Tech/ALC system	N		54,600	897	15,322	N/A	Custodians=1.5
Yankee Tech/ALC system	N		466,800	52,140		N/A	Custodians=3.0
Yankee Tech/ALC system	N		336,720	26,100		N/A	Custodians=2.5
Yankee Tech/ALC system	N		194,060	2,878	15,180	N/A	Custodians=2.5
Pneumatic	N		1,366,000	17,321	125,452	N/A	Custodians=11.5
Yankee Tech/ALC system	Y					N/A	
Yankee Tech/ALC system	N		725,310	39,756		N/A	Custodians=4.0

Facility Name	Address	Year Built	Gross Sq. Ft.	Net Sq. Ft.	Heating System	DDC? (Y/N)	Security	Electrical System	Windows	Roof
Cole Recreation Center	179 Boden	1956	24,850		Gas Boiler	N*	Y	Single Phase	Good	Exc
Community Senior Center*	115 East Central Street	1950	24,332		Gas Boiler/RTU	Y	Y	3 Phase	61/Poor	Avg
Recycling Center	251 South Main Street	1980	2,448		Unit Heat	N	N	Single Phase	Avg	Avg
DPW Administration	75 West Street	1970	36,096		RTU/Unit	N	Y	3 Phase	Avg	Poor
DPW Vehicle Service	75 West Street	1973	35,420		RTU/Unit	N	Y	3 Phase	21/Avg	Avg
Fire Station 3	2 Rhode Island Avenue	1958	3,222		Gas Boiler	N	N	Single Phase	Good	Avg
Fire Station 2	210 Union Street	1950	2,050		Gas Boiler	N	N	Single Phase	Good	Avg
Fire Station 4	268 Speen Street	1956	4,882		Gas Boiler	N	N	Single Phase	Good	Avg
Gravel Pit/Salt Shed	Oak St	1995	7,680		None	N	N	Single Phase	Good	Avg
LFNR Garage	West Street	1980	750		Oil Hot Air	N	N	3 Phase	Avg	Avg
Bacon Free Library	56 Eliot Street	1880	5,499		Oil Boiler	N	?	?	Avg	Avg
Morse Institute Library	14 East Central Street	1997	60,680		Gas Boiler/RTU	Y	Y	3 Phase	Exc	Avg
Police & Fire Headquarters	20 East Central Street	1998	53,970		Gas Boiler/RTU	Y	Y	3 Phase	11/Exc	11/Good
Town Hall	13 East Central Street	1998	31,741		Gas Boiler/RTU	Y	Y	3 Phase	11/Exc	11/Good
East School	90 Oak Street	1950	24,869		Oil Boiler	Y	Y	Single Phase	Poor	Avg
Total			**318,489**							

Facility Name	Address	Year Built	Gross Sq. Ft.	Net Sq. Ft.	Heating System	DDC? (Y/N)	Security	Electrical System	Windows	Roof
Water Treatment - Springvale Facilities	1076-1080 Worcester Street	1996	2,784		Gas Boiler	N	Y	3 Phase	Good	Good
Water Treatment - Springvale Facilities	1076-1080 Worcester Street	1906	4,674		Gas Boiler	N	Y	3 Phase	Good	Good
Water Treatment - Springvale Facilities	1076-1080 Worcester Street	1960	1,124		Gas Boiler	N	Y	3 Phase	Good	Good
Water Treatment - Springvale Facilities	1076-1080 Worcester Street	2005	5,288		Gas Boiler	N	Y	3 Phase	Good	Good
Water Treatment - Springvale Facilities	1076-1080 Worcester Street	2005	3,920		Gas Boiler	N	Y	3 Phase	Good	Good
Total			**17,790**							

Facility Name	Address	Year Built	Gross Sq. Ft.	Net Sq. Ft.	Heating System	DDC? (Y/N)	Security	Electrical System	Windows	Roof
Eliot School	5 Auburn Street	1938	14,014		Gas Boiler	N	N	Single Phase	Poor	Good
William L. Chase Arena	75 West Street	1970	32,508		Gas Boiler	Y	N	3 Phase	Avg	Avg
Total			**46,522**							

Facility Name	Address	Year Built	Gross Sq. Ft.	Net Sq. Ft.	Heating System	DDC? (Y/N)	Security	Electrical System	Windows	Roof
JJ Lane Park	Speen St	1995	270		None	N	N	Single Phase	Avg	Avg
Memorial Beach Building	West St	1980	2,160		None	N	N	Single Phase	Avg	Avg
Canp Arrowhead	Worcester Rd	1980	2,064			N		Single Phase	Good	Good
Camp Mary Bunker	Megonko Rd	1995	648			N	N	Single Phase	Avg	Avg
Total			**5,142**							

Total Building Square Footage	**387,943**

Facility Name	Sprinklers?	ADA	A/C?	Number of	Number of	Hours of Use	Average Daily # of
Cole Recreation Center	N	y	y	1		7:00 - 10:00	
Community Senior Center*	N	y	y	1		M-TH 8:00-11:00, F 8:00 - 6:00	
Recycling Center	N	N	N	1		Tue - Sun 7:00 - 3:30	
DPW Administration	Y	Y	Y	2		24/7	
DPW Vehicle Service	Y	N	N	2		24/7	
Fire Station 3	N	N	Unit	1		24/7	
Fire Station 2	N	N	Unit	2		24/7	
Fire Station 4	N	N	Unit	2		24/7	
Gravel Pit/Salt Shed	N	N	N	1		24/7	
LFNR Garage	N	N	N	1		M-F 7:00 - 4:00	
Bacon Free Library	N	N	Y	3			
Morse Institute Library	Y	Y	Y	3		5 Sun. 2-5	3,100
Police & Fire Headquarters	Y	Y	Y	2		24/7	
Town Hall	Y	Y	Y	3		M-TH 8:00-11:00 ,F 8:00 - 6:00	
East School	N	Y	Unit	1		M-TH 8:00-11:00, F 8:00 - 6:00	
Total							

Facility Name	Sprinklers?	ADA	A/C?	Number of	Number of	Hours of Use	Average Daily # of
Water Treatment - Springvale Facilities	y	N	Y	2		24/7	
Water Treatment - Springvale Facilities	y	N	Y	1		24/7	
Water Treatment - Springvale Facilities	y	N	Y	1		24/7	
Water Treatment - Springvale Facilities	y	N	Y	1		24/7	
Water Treatment - Springvale Facilities	y	N	Y	1		24/7	
Total							

Facility Name	Sprinklers?	ADA	A/C?	Number of	Number of	Hours of Use	Average Daily # of
Eliot School	N	N	N	1			
William L. Chase Arena	N	Y	Y	1			
Total							

Facility Name	Sprinklers?	ADA	A/C?	Number of	Number of	Hours of Use	Average Daily # of
JJ Lane Park	N	N	N	1		Seasonal	
Memorial Beach Building	N	Y	N	1		Seasonal	
Canp Arrowhead	N	Y	N	1		Seasonal	
Camp Mary Bunker	N	N	N	1		Seasonal	
Total							

Total Building Square Footage

Facility Name	Technology Systems (Describe)	Solar?	Other?	Utility Consumption			
Cole Recreation Center		N	N	101,323	11,849	-	109
Community Senior Center*		N	N	152,440	17,315	-	193
Recycling Center		N	N	11,053		-	-
DPW Administration	DPW Radio Communications Center, Wash Bay	N	N	312,360	6,375	-	376
DPW Vehicle Service	Vehicle Lifts, Tire Machine, Service Bays, Air Compressor	N	N	*shared	18,278	-	216
Fire Station 3		N	N	31,901	2,859	-	109
Fire Station 2		N	N	17,796	2,572	-	105
Fire Station 4		N	N	26,651	4,538	-	130
Gravel Pit/Salt Shed		N	N	107	-	-	2
LFNR Garage		N	N	15,223	-	950	20
Bacon Free Library		N	N		-		
Morse Institute Library	Ice Chiller System for HVAC	N	N	777,400	20,148	-	664
Police & Fire Headquarters	Dispatch, EOC, LockUp, Repair Garage	N	N	833,800	28,601	-	979
Town Hall	Computer Control Center/Phone	N	N	601,998	15,643	-	335
East School		N	N	64,880	)	8,490	121
Total							

Facility Name	Technology Systems (Describe)	Solar?	Other?	Utility Consumption			
Water Treatment - Springvale Facilities				1,320,120	17,717	-	411
Water Treatment - Springvale Facilities							
Water Treatment - Springvale Facilities							
Water Treatment - Springvale Facilities							
Water Treatment - Springvale Facilities							
Total							

Facility Name	Technology Systems (Describe)	Solar?	Other?	Utility Consumption			
Eliot School				45,175	-	14,183	125
William L. Chase Arena						-	
Total							

Facility Name	Technology Systems (Describe)	Solar?	Other?	Utility Consumption			
JJ Lane Park							2
Memorial Beach Building							925
Canp Arrowhead							92
Camp Mary Bunker							2
Total							

Total Building Square Footage

Facility Name	Personnel Assigned
Cole Recreation Center	1 DPW Custodian
Community Senior Center*	Contract Cleaner
Recycling Center	Preventive Main. & As Rqd
DPW Administration	Contract Cleaner
DPW Vehicle Service	Contract Cleaner
Fire Station 3	Preventive Main. & As Rqd
Fire Station 2	Preventive Main. & As Rqd
Fire Station 4	Preventive Main. & As Rqd
Gravel Pit/Salt Shed	Preventive Main. & As Rqd
LFNR Garage	Preventive Main. & As Rqd
Bacon Free Library	Preventive Main. & As Rqd
Morse Institute Library	1 Contract Cleaner, 1 DPW Custodian
Police & Fire Headquarters	1 DPW Custodian
Town Hall	1 Contract Cleaner, 1 DPW Custodian
East School	
Total	

Facility Name	Personnel Assigned
Water Treatment - Springvale Facilities	Contract Cleaner
Water Treatment - Springvale Facilities	Contract Cleaner
Water Treatment - Springvale Facilities	Contract Cleaner
Water Treatment - Springvale Facilities	Contract Cleaner
Water Treatment - Springvale Facilities	Contract Cleaner
Total	

Facility Name	Personnel Assigned
Eliot School	Preventive Main. & As Rqd
William L. Chase Arena	Preventive Main. & As Rqd
Total	

Facility Name	Personnel Assigned
JJ Lane Park	Preventive Main. & As Rqd
Memorial Beach Building	Preventive Main. & As Rqd
Canp Arrowhead	Preventive Main. & As Rqd
Camp Mary Bunker	Preventive Main. & As Rqd
Total	

Total Building Square Footage

Appendices:

Draft Memorandum of Agreement between the Natick Public Schools and the Board of Selectmen

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Town of Natick Department of Facilities Management

Memorandum of Agreement
Between the
Board of Selectmen and School Committee

As provided by section 37M of the Massachusetts General Laws the Natick School Committee and Board of Selectmen agree to the creation of a joint municipal and school facilities management department that will be known as the Department of Facilities Management and be organized as outlined in this Agreement. Nothing in this Agreement shall prohibit either the School Committee or Town Meeting from rescinding this Agreement as provided by law.

Article I. **Department of Facilities Management:** The Department of Facilities Management (DFM) shall be responsible for the coordination and care of all town-owned buildings inclusive of those under control of the Board of Selectmen, Library Trustees and those under control of the School Committee. It shall coordinate for each building, except where noted, the following:

- custodial care/cleaning
- maintenance and repairs
- landscaping and pedestrian snow removal
- capital improvements
- procurement of necessary goods and services, including fuels and utilities

Article II. **Facilities Management Board**: The Department of Facilities Management shall be under the direction and control of a Facilities Management Board (FMB) that shall be composed of the Town Administrator and the Superintendent of Schools or their designees. The FMB shall be responsible for appointing the Director of Facilities Management for a term not to exceed three years. The FMB shall establish the compensation and benefits of the Director.

Article III. **Director of Facilities Management:** The Director of Facilities Management shall administer the Department's responsibilities under the supervision of the FMB. The Director shall be specially fitted by education, training and experience to perform the duties required of this Department. The Director shall appoint and remove, subject to approval by the FMB, assistants, agents and employees as may be required, pursuant to all Town personnel policies, collective bargaining agreements and relevant statutes.

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The Director will ensure that the assignment of personnel to a building is consistent with state and federal law, including CORI standards, and policies of the School Committee and Board of Selectmen.

Article IV. **Employer**: The School Committee shall represent the Town for the purpose of bargaining with non-management employees of the Department. No collective bargaining agreement will be negotiated without consulting the Board of Selectmen. The Town Administrator shall be considered a voting member of the School Committee for the purpose of approving collective bargaining agreements with Department of Facilities Management unions.

The terms of employment for non-union employees of the Department of Public Facilities will be governed by the Town's Personnel By-Law.

Article V. **Building Managers**: Each municipal and school building shall have a building manager (e.g., school principal, library director, police chief, etc.). The building manager shall have the right to provide direction to any custodial staff working in the building. The building manager shall be included in the hiring process for any custodial staff working in that building. The building manager shall have the right to petition the Director to remove building staff working in that building. The Superintendent of Schools, in the matter of school buildings, or the Town Administrator, in the matter of municipal buildings, shall address any unresolved differences between a building manager and the Director, depending on the building involved. In such instances the decision of the Superintendent or Town Administrator, as applicable, shall be final.

Notwithstanding the rights of the building manager, the Director shall have the authority to redeploy building staff temporarily or permanently, system-wide, in a manner that yields the most efficient and cost effective maintenance and care of Town buildings.

Article VI. **Operating Budget:** The Director shall be responsible for developing an annual operating budget for the Department consistent in format and detail with other General Government departmental operating budgets. The operating budget shall be sufficiently detailed to show separate budget allocations for school buildings and for municipal buildings. The school building portion of the operating budget shall be submitted to the Superintendent of Schools and approved by the School Committee prior to submission to the Town Administrator. The Department budget shall be considered a shared expense budget when presented to Town Meeting.

Article VII. **Capital Plan:** The Director shall be responsible for developing an annual capital plan for the Department, as well as updates to that plan in

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advance of each Fall and Spring Annual Town Meeting; these updates are effectively the capital budgets. These submissions shall be consistent in format and detail with other departmental capital plans. The capital plan and budgets shall be sufficiently detailed to show the capital requirements, including major pieces of equipment, separately for school buildings and for municipal buildings. The school portion of the capital budget shall be submitted to the Superintendent of Schools and approved by the School Committee prior to submission to the Town Administrator.

Article VIII. **Use of School Buildings and Municipal Buildings**: The signatories to this Agreement share the goal of a common scheduling system and agree to work towards this goal. All fees collected by the Department for the use of school and municipal buildings shall be accounted for in appropriate Revolving Fund(s), subject to Town Meeting approval, and expended as provided by law.

This Agreement is effective on the last date of execution by signatories as shown below, by authorized votes of the Board of Selectmen and the School Committee, and shall remain in effect unless revoked by the School Committee, Board of Selectmen or Town Meeting. Amendments to this Agreement may be made by mutual agreement between the Board of Selectmen and the School Committee.

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Appendices:

Massachusetts General Laws: Ch. 71, Sec. 37M.

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PART I ADMINISTRATION OF THE GOVERNMENT (Chapters 1 through 182)
TITLE XII EDUCATION
CHAPTER 71 PUBLIC SCHOOLS
Section 37M Consolidation of administrative functions with city or town

Section 37M. (a) Notwithstanding the provisions of chapter forty-one or chapter seventy-one or any other special or general law to the contrary, any city or town which accepts the provisions of this section may consolidate administrative functions, including but not limited to financial, personnel, and maintenance functions, of the school committee with those of the city or town; provided, however, that such consolidation may occur only upon a majority vote of both the school committee and in a city, the city council, with approval of the mayor required by law or in a town, the annual town meeting or in a town with no town meeting, the town council.

(b) Notwithstanding any general or special law to the contrary, a decision to consolidate functions pursuant to paragraph (a) of this section may be revoked by a majority vote of either the school committee of the city or town, or the city or town, or both as such vote is described in said paragraph (a).

Appendix C.

Updates to the Capital Plan

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Capital

The Town of Natick is required under Section 5-7 of the Charter of the Town of Natick and Article 20, Section 2 of the By-Laws of the Town of Natick to issue a Capital Improvement Program thirty days prior to the date required for submission of the operating budget annually. That program must contain the following elements:

(a) A clear, concise, general summary of its contents.

(b) A listing of all capital expenditures proposed to be made, by years, during the five fiscal years next ensuing, with supporting information as to the need for each such expenditure.

(c) Cost estimates, methods of financing and recommended time schedules.

(d) The estimated annual cost of operating and of maintaining any new facility or piece of major equipment involved.

This summary includes:

- General Summary of Capital Programming and Plans for the Town
- FY 2012 Capital Spending Plans – both at the 2011 Spring and 2011 Fall Town Meeting
- Revised 5-year CIP listing for FY 2012-2016

Details on the capital requests made under Articles 12 & 13 can be found under their respective article pages.

INTRODUCTION

Everything the Town does, from providing services to its residents and citizens, to equipping employees to effectively perform their jobs, requires the existence of certain basic physical assets. These assets include streets, water mains, parks, buildings, large equipment and technology. They must be purchased, maintained and replaced on a timely basis or their usefulness in providing public services will diminish. The Town's five-year Capital Improvement Program and annual Capital Budget are developed to ensure adequate capital investment in the Town's assets.

FIVE-YEAR CAPITAL PROGRAM

A five-year capital improvement program is an important part of any organization's overall budgeting process. Multi-year planning allows proper staging and sequencing of capital projects to even out spikes and make funding needs more predictable. Capital investment requirements can be uneven, sometimes involving unique large projects such as a new fire engine or a new school building. Other capital investment needs are recurring. We will continue to refine the five-year planning process to identify – and hopefully fund - an appropriate annual level of capital investment.

The Town of Natick's Adopted Financial Management Principles provide that a minimum of 8% of general fund revenues should be set aside annually to fund capital needs, inclusive of cash appropriations and the subject year's debt budget. Not included in this target are those capital improvements and equipment purchases funded through debt exclusion, Enterprise Fund or Intergovernmental or other sources such as Chapter 90, mitigation funds, etc. Debt Excluded projects, however, ***are*** included within this target. Ideally, this target should provide for a minimum of 10% of general fund revenues set aside in support of annual capital budget given the size of the Town's capital assets. However, the recent economic climate has proven either target – 8% or 10% of general fund revenues - unrealistic.

During the lowest points of the recession, this proved to be unrealistic as the chart below shows.

Recommended Capital Spending - Financial Management Principles	thru 2011 Spring Town Meeting

The numbers shown below reflect ONLY General Fund Revenues & Expenditures.

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Total Revenues	**$100,954,999**	**$102,021,869**	**$ 103,904,157**	**$ 107,472,425**	**$ 114,427,193**
Target:	8%	8%	8%	8%	8%
8% (minimum) Target =	**$ 8,076,400**	**$ 8,161,750**	**$ 8,312,333**	**$ 8,597,794**	**$ 9,154,175**
Target:	10%	10%	10%	10%	10%
10% (ideal) Target =	**$ 10,095,500**	**$ 10,202,187**	**$ 10,390,416**	**$ 10,747,243**	**$ 11,442,719**
Actual Capital Spending					
Cash	$ 1,077,378	$ 293,900	$ 300,940	$ 547,620	$ 712,560
Debt Service	$ 7,243,778	$ 6,915,198	$ 7,158,758	$ 7,017,319	$ 8,782,355
Total Capital Spending	**$ 8,321,156**	**$ 7,209,098**	**$ 7,459,698**	**$ 7,564,939**	**$ 9,494,915**
Total Cap. Spending As %	**8.24%**	**7.07%**	**7.18%**	**7.04%**	**8.30%**

There is a problem, however, with our existing capital spending targets. Our targets include all expenses related to the general fund capital – whether it is within the levy or excluded from the tax levy via a debt exclusion vote. By including debt related projects, this tends to "skew" the target. This is shown in the next chart.

Recommended Capital Spending - Financial Management Principles	w/full costs of Debt Exclusions Added

The numbers shown below reflect ONLY General Fund Revenues & Expenditures.

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Total Revenues	**$100,954,999**	**$102,021,869**	**$ 103,904,157**	**$ 107,472,425**	**$ 116,594,383**
Target:	8%	8%	8%	8%	8%
8% (minimum) Target =	**$ 8,076,400**	**$ 8,161,750**	**$ 8,312,333**	**$ 8,597,794**	**$ 9,327,551**
Target:	10%	10%	10%	10%	10%
10% (ideal) Target =	**$ 10,095,500**	**$ 10,202,187**	**$ 10,390,416**	**$ 10,747,243**	**$ 11,659,438**
Actual Capital Spending					
Cash	$ 1,077,378	$ 293,900	$ 300,940	$ 547,620	$ 712,560
Debt Service	$ 7,243,778	$ 6,915,198	$ 7,158,758	$ 7,017,319	$ 10,950,145
Total Capital Spending	**$ 8,321,156**	**$ 7,209,098**	**$ 7,459,698**	**$ 7,564,939**	**$ 11,662,705**
Total Cap. Spending As %	**8.24%**	**7.07%**	**7.18%**	**7.04%**	**10.00%**

Now that the majority of the excluded debt has been permanently issued for the new Natick High School and Community Senior Center, you can see that these actions alone have enabled us to reach our policy spending targets for capital investment.

Town Administration believes that the need exists to further clarify our targets for capital spending. As part of this update, we are proposing that the Board of Selectmen consider a refinement of the Town's Financial Management Principles to include a target of 6-7% of General Fund Revenues for **within-levy spending only**. Should this 6-7% target be adopted, the Town's capital spending targets for the last 5 years would be as follows:

Recommended Capital Spending - Financial Management Principles	Within-levy Dollars ONLY

The numbers shown below reflect ONLY General Fund Revenues & Expenditures.

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Total Revenues	**$100,954,999**	**$102,021,869**	**$ 103,904,157**	**$ 107,472,425**	**$ 116,594,383**
less debt exclusion taxes	$ 960,274	$ 937,705	$ 918,361	$ 921,017	$ 5,057,862
Net Revenues	**$ 99,994,725**	**$101,084,164**	**$ 102,985,796**	**$ 106,551,408**	**$ 111,536,521**
Target:	6%	6%	6%	6%	6%
6% (minimum) Target =	**$ 5,999,683**	**$ 6,065,050**	**$ 6,179,148**	**$ 6,393,084**	**$ 6,692,191**
Actual Capital Spending					
Cash	$ 1,077,378	$ 293,900	$ 300,940	$ 547,620	$ 1,397,900
Debt Service	$ 6,283,504	$ 5,977,493	$ 6,240,397	$ 6,096,302	$ 5,892,283
Total Capital Spending	**$ 7,360,882**	**$ 6,271,393**	**$ 6,541,337**	**$ 6,643,922**	**$ 7,290,183**
Total Cap. Spending As %	**7.29%**	**6.15%**	**6.30%**	**6.18%**	**6.25%**

*The chart above includes **all** capital funding appropriated and proposed for FY 2012.*

By adopting a this within-levy capital target, this will ensure that as the costs of debt excluded projects come off the rolls, the Town can clearly and easily understand how much it should be spending to maintain our infrastructure and fleet.

The good news is, that through the community's willingness to support the debt related projects and sound financial management by policymakers and officials, the Town finds itself for the first time in quite a while able to meet its capital needs on a recurring basis. Town of Natick Financial Indicator #9 – Capital Asset and Renewal – states that the warning sign for the community is when a three or more year decline in capital spending from operating funds as a percentage of gross operating revenues occurs. As the above charts show, although capital funds were restricted during the previous years of the recession, at no time did overall capital spending decline for three years in a row.

FINANCING METHODS

There are five potential methods for financing the Town's capital investments:

- **Available Funds (Free Cash)** – The town regularly appropriates monies from the general fund and the enterprise funds to finance short-term, small capital investment projects. Examples of available funds are free cash and enterprise fund retained earnings. To date, $712,560 of Free Cash has been appropriated for FY 2012 capital projects.

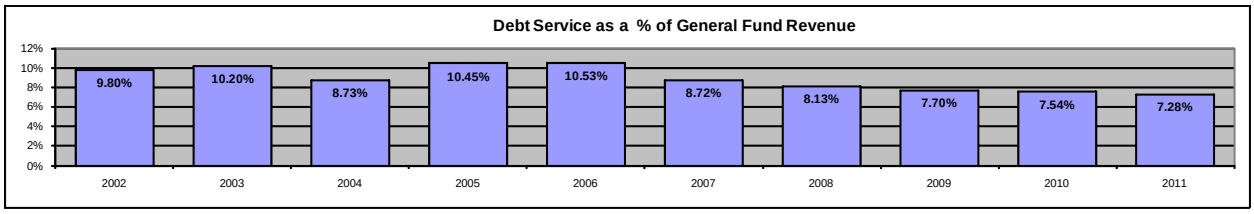
- **General Stabilization Fund** – Appropriations out of the stabilization fund can be used for any purpose, but do require a higher threshold (2/3 of Town Meeting) to be used as a funding source. Although used exclusively as a capital reserve in the past, no usage of Stabilization Fund monies

are recommended for FY 2012, as the need to maintain adequate reserves is as important in the current fiscal climate as is capital renewal and replacement.

- **Capital Stabilization Fund –** Established at the 2010 Fall Annual Town Meeting, **a**ppropriations out of the stabilization fund can be used for the purpose of funding any capital-related project, or pieces of capital equipment, or debt-service payment related to capital purchases. The initial funding for the capital stabilization fund came from the Town's share of recently approved local option taxes. Although not used during the Spring 2011 Annual Town Meeting as a funding source, $685,340 is planned to be used to support FY 2012 capital projects at the 2011 Fall Annual Town Meeting.

- **Debt Service** – The Town has traditionally financed large capital projects or purchases through borrowing. The resulting debt obligations are appropriated under the General Fund Tax Levy (either within the levy limit or from a voter approved debt exclusion) or from Enterprise Funds.

  Over the last 10 years, the Town's General Fund Debt service has ranged significantly as a percentage of general fund revenue. As found in Indicator 10 of the Town's Financial Indicators, the chart below shows the wide range of debt service as a percentage of General Fund Revenue, from a high of 10.53% in 2006 to a low of 7.28% in FY 2011.



As shown above, the amount of general fund resources spent on capital-related items so far in FY 2011 is at its lowest percentage as compared to the last five years, and in fact is the lowest percentage since the beginning of the millennium. The addition of sizeable amounts of debt service related to the new Natick High School and Community Senior Center will increase this total however, beginning this fiscal year.

It is important to monitor how much debt the community has at any one point in time and determine what impact the amount of debt service has on the operating budget and the taxpayers. Credit rating agencies monitor the amount of debt a community has just like they monitor individual credit. A variety of factors, including the level of debt service/annual revenues and level of debt service/capita and per household are evaluated by credit rating agencies. We are proud that the Town of Natick holds a AAA/Stable bond rating from Standard & Poor's – the best possible credit rating and better than the U.S. Government (Sovereign)

- **Other Sources** – The Town uses dedicated state aid, mitigation funds and grant funding to finance capital investment when these funds are available.

FY 2012 CAPITAL BUDGET & FY 2012-2016 CAPITAL IMPROVEMENT PROGRAM

As a review, a healthy amount of capital projects were appropriated at the 2011 Spring Annual Town Meeting. These projects totaled $3,304,560, and are detailed on the following pages.

Article 12 - Capital Equipment - 2011 Spring Annual Town Meeting

Item #	Department	Item	Funding Source		Amount
1	Morse Library	Replacement of Furniture	Free Cash	$	24,000
2	Police	Replacement of Police Cruisers	Free Cash	$	71,560
3	Police	Replacement of Radio Equipment	Free Cash	$	48,000
4	Fire	Fire Hose	Free Cash	$	25,000
5	Fire	Electrically Powered Stretchers	Free Cash	$	28,000
6	DPW	Replace B-3	Free Cash	$	30,000
7	DPW	Replace H-45	Tax Levy Borrowing	$	190,000
8	DPW	Replace Sidewalk Machine	Tax Levy Borrowing	$	142,000
9	DPW	Replace H-59	Tax Levy Borrowing	$	125,000
10	DPW	Replace H-40	Tax Levy Borrowing	$	60,000
11	DPW	Road Planer Attachment	Free Cash	$	24,000
12	DPW	Replace LF-6	Tax Levy Borrowing	$	130,000
13	DPW	Replace LF-14 & LF-15	Tax Levy Borrowing	$	70,000
14	DPW	Core Aerator	Free Cash	$	25,000
15	Council on Aging	Generator - Community/Senior Center	Tax Levy Borrowing	$	120,000
16	Recreation	Replace Recreation Bus #2	Tax Levy Borrowing	$	70,000
17	Recreation	East School Playground Replacement	Free Cash	$	60,000
18	Selectmen	Replace TH-1	Free Cash	$	14,000
19	Water/Sewer	Water Meter Radio Transmitters	W/S Debt	$	150,000
20	Water/Sewer	Chlorine Upgrade Elm Bank/Pine Oaks/Morse Pond	W/S Retained Earn.	$	90,000
21	Water/Sewer	Replace W-20	W/S Retained Earn.	$	60,000
22	Water/Sewer	Replace W-13	W/S Retained Earn.	$	45,000
23	Water/Sewer	GPS Base Station	W/S Retained Earn.	$	25,000
24	Water/Sewer	Replace W-3	W/S Retained Earn.	$	25,000
Total Appropriation under Article 12				**$**	**1,651,560**
Funding Sources					
Free Cash				$	349,560
Tax Levy Borrowing				$	907,000
Water & Sewer Borrowing				$	150,000
Water/Sewer Retained Earnings				$	245,000
Total Funding for Appropriations under Article 12				**$**	**1,651,560**

Article 13 - Capital Improvements - 2011 Spring Annual Town Meeting

Item #	Department	Item	Funding Source		Amount
1	Bacon	Boiler Replacement	Free Cash	$	90,000
2	DPW	Replacement of Carpets in Municipal Buildings	Free Cash	$	16,000
3	DPW	Exterior Painting (Eliot School)	Free Cash	$	75,000
4	DPW	Reroof DPW Vehicle Storage Garage	Borrowing	$	165,000
5	DPW	Pedestrian Sidewalk - Speen Street	Free Cash	$	12,000
6	DPW	Eliot & South Street Intersection	Borrowing	$	105,000
7	DPW	Replacement of Backstops at Memorial School	Free Cash	$	15,000
8	Recreation	Interior Renovations (Cole)	Borrowing	$	155,000
9	Recreation	Cole North Field Renovations	Borrowing	$	80,000
10	Selectmen	Town Hall Meeting Room Technology Upgrades	Free Cash	$	25,000
11	Info. Tech.	Electronic Permitting	Free Cash	$	100,000
12	Town Clerk	Codification of Charter & By-Laws	Free Cash	$	30,000
14	Water/Sewer	Replace Ground Water Wells	W/S Debt	$	300,000
15	Water/Sewer	VFD Installs & Controls	W/S Debt	$	260,000
16	Water/Sewer	Sewer Main Relining	I & I Fund	$	150,000
17	Water/Sewer	Water System Model	W/S Retained Earn.	$	75,000
Total Appropriation under Article 13				**$**	**1,653,000**
Funding Sources					
Free Cash				$	363,000
Tax Levy Borrowing				$	505,000
Water/Sewer Retained Earnings				$	75,000
Water & Sewer Debt				$	560,000
Inflow & Infiltration Fund				$	150,000
Total Funding for Appropriations under Article 13				**$**	**1,653,000**

The requests for the 2011 Fall Annual Town Meeting total $2,369,340. The two major requests are the annual capital requests from the Natick Public Schools for equipment and building system renovations & modifications and for a major renovation to the DPW Headquarters at 75 West Street. This needed renovation will allow consolidation of numerous DPW operations and create space for a proposed consolidated Department of Facilities Management.

In evaluating the capital requests for FY 2012, administration has attempted to balance multiple factors. One of the approaches which have been employed has been to segregate capital requests into priority categories. We have evaluated departmental requests and schedule them according to the following criteria, listed in their order of priority:

a. Imminent threat to the health and safety of citizens or property
b. Timely improvement/replacement of a capital asses to avoid inevitable additional future costs incurred through deferment
c. Requirements of state or federal law or regulation

d. Improvement of infrastructure
e. Improvement of productivity/efficiency

Closing

Recent efforts to strengthen annual capital spending and dedicate more resources annually towards capital projects have positioned the Town well for the future. We hope that the efforts to create and maintain a Capital Stabilization Fund, along with the maintenance of debt service levels constant throughout the ensuing years will provide the funding adequate to allow the Town to protect all of Natick's assets. These dollars combined with further refinements to capital planning and building maintenance will provide an excellent and sustainable framework for public infrastructure for years to come.

Attachments

FY 2012-2016 Capital Improvement Plan
FY 2012 Capital Improvement Budget

Town of Natick

FY 2012-2016 Capital Plan Summary

2011 Fall Annual Town Meeting

Department/Division	Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Total
General Fund							
Natick Public Schools							
Kennedy Middle	KENNEDY- REPLACE STEAM CONVERTERS AND HOT WTR PUMP	220,000	-	-	-	-	**220,000**
Natick High School	HIGH SCHOOL-EXTRAORDINARY REPAIRS [1]	100,000	-	-	-	-	**100,000**
Johnson Elementary	JOHNSON- REPAVE DRIVEWAYS	75,000	-	-	-	-	**75,000**
Lilja Elementary	BROWN & LILJA-REPLACE A/C UNITS	75,000	-	-	-	-	**75,000**
Bennett-Hemenway Elementary	BEN-HEM-REBUILD/REPLACE A/C COMPRESSORS	50,000	-	-	-	-	**50,000**
Lilja Elementary	BROWN & LILJA - FLOORING REPLACEMENTS	49,000	-	-	-	-	**49,000**
Operations	REPLACE NSD 86 (Pickup Truck)	38,500	-	-	-	-	**38,500**
Brown Elementary	BROWN-REPLACE EXHAUST FANS	30,000	-	-	-	-	**30,000**
Bennett-Hemenway Elementary	BEN-HEM-REPLACE HOT WATER HEATER	10,000	-	-	-	-	**10,000**
Brown Elementary	BROWN- ROOF REPLACEMENT	-	550,000	-	-	-	**550,000**
Memorial Elementary	MEMORIAL- REPLACE BOILERS	-	500,000	-	-	-	**500,000**
Kennedy Middle	KENNEDY-REPLACE CLASSROOM UNIVENTS + DDC	-	450,000	-	-	-	**450,000**
Kennedy Middle	KENNEDY-REPLACE LARGE HVAC UNITS	-	300,000	300,000	-	-	**600,000**
Kennedy Middle	KENNEDY- REPLACE VAT FLOOR TILE	-	300,000	300,000	-	-	**600,000**
Johnson Elementary	JOHNSON-REFURBISH HALL CEILINGS	-	100,000	-	-	-	**100,000**
Lilja Elementary	LILJA-REPLACE EXHAUST FANS	-	30,000	-	-	-	**30,000**
Lilja Elementary	LILJA- REPLACE DOMESTIC HOT WATER HEATER	-	30,000	-	-	-	**30,000**
Brown Elementary	BROWN-REPLACE DOMESTIC HOT WATER HEATER	-	30,000	-	-	-	**30,000**
Bennett-Hemenway Elementary	BEN-HEM-REPLACE OFFICE CARPET	-	22,000	-	-	-	**22,000**
Lilja Elementary	LILJA- ROOF REPLACEMENT	-	-	550,000	-	-	**550,000**
Bennett-Hemenway Elementary	BENNETT-HEMENWAY-REPLACE DDC TEMPERATURE CONTROLS	-	-	150,000	-	-	**150,000**
Johnson Elementary	JOHNSON-REMOVE VAT	-	-	150,000	-	-	**150,000**
Wilson Middle	WILSON-REPLACE A/C COMPRESSORS	-	-	100,000	-	-	**100,000**
Bennett-Hemenway Elementary	BENNETT-HEMENWAY-REPLACE ROOFTOP EXHAUST FANS	-	-	45,000	-	-	**45,000**
Operations	REPLACE NSD84	-	-	35,000	-	-	**35,000**
Operations	VEHICLE REPLACEMENT			22,000	-	-	**22,000**
Memorial Elementary	MEMORIAL-REPLACE EXTERIOR WINDOWS	-	-	-	500,000	-	**500,000**
Memorial Elementary	MEMORIAL-INSTALL FIRE SPRINKLER SYSTEM	-	-	-	500,000	-	**500,000**
Kennedy Middle	KENNEDY- REPLACE EXTERIOR DOORS	-	-	-	120,000	-	**120,000**
Wilson Middle	WILSON-REPLACE DOMESTIC WATER HEATERS	-	-	-	90,000	-	**90,000**
Kennedy Middle	KENNEDY-INSTALL FIRE SPRINKLER SYSTEM	-	-	-	-	800,000	**800,000**
Kennedy Middle	KENNEDY-REPLACE EXTERIOR WINDOWS	-	-	-	-	650,000	**650,000**
Sub-total Natick Public Schools		**647,500**	**2,312,000**	**1,652,000**	**1,210,000**	**1,450,000**	**7,271,500**

Town of Natick

FY 2012-2016 Capital Plan Summary

2011 Fall Annual Town Meeting

Department/Division	Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Total
Morse Institute Library							
General Library	FURNITURE REPLACEMENT *(funded @ 2011 SATM)*	24,000	24,000	-	-	-	**48,000**
General Library	R.F.I.D. PROJECT /SECURITY SYSTEM	-	110,000	-	-	-	**110,000**
General Library	AUTOMATED/INTEGRATED BOOK RETURN SYSTEM			138,000			**138,000**
Sub-total Morse Institute Library		**24,000**	**110,000**	**138,000**	**-**	**-**	**272,000**
Bacon Free Library							
General Library	BOILER REPLACEMENT	90,000	-	-	-	-	**90,000**
Sub-total Morse Institute Library		**90,000**	**-**	**-**	**-**	**-**	**90,000**
Police Department							
Operations	CRUISER REPLACEMENT *($71,560 funded @2011 SATM)*	178,900	183,900	188,900	193,900	198,900	**944,500**
Operations	REPLACE & ENHANCE RADIO EQUIPMENT *(funded @ 2011 SATM)*	48,000	-	-	-	-	**48,000**
Operations	EOC CONFIGURATION UPGRADES	100,000	-	-	-	-	**100,000**
Operations	BUILDING SECURITY/MONITORING CAMERAS	-	85,000	-	-	-	**85,000**
Operations	INTERVIEW ROOMS RECORDING EQUIPMENT	-	12,000	-	-	-	**12,000**
Operations	FITNESS EQUIPMENT UPGRADE	-	12,000	-	-	-	**12,000**
Operations	IMPROVE. TO DISPATCH MONITORS FOR NATICK COLLECTION	-	10,000	-	-	-	**10,000**
Operations	VIDEO LAB UPGRADE	-	-	14,000	-	-	**14,000**
Operations	DICTATION SYSTEM REPLACEMENT	-	-	-	30,000	-	**30,000**
Operations	RECONFIGURE DISPATCH CENTER	-	-	-	200,000	-	**200,000**
Sub-total Police Department		**326,900**	**302,900**	**202,900**	**423,900**	**198,900**	**1,455,500**
Fire Department							
Operations	MOBILE DATA TERMINALS/ COMPUTERS ON APPARATUS [2]	-	70,000	-	-	-	**70,000**
Operations	FIRE HOSE *(funded @ 2011 SATM)*	25,000	-	-	-	-	**25,000**
Operations	ELECTRICALLY POWERED STRETCHERS *(funded @ 2011 SATM)*	28,000					**28,000**
Operations	REPLACE LADDER 2 / PLATFORM	-	1,000,000	-	-	-	**1,000,000**
Operations	CONSTRUCTION OF TRAINING FACILITY	-	750,000	-	-	-	**750,000**
Operations	INCIDENT SUPPORT VEHICLE/BOX TRUCK	-	90,000				**90,000**
Training	REPLACE ENGINE 5 (1995)	-	-	500,000	-	-	**500,000**
Operations	REPLACE 2001 FIRE PUMPER	-	-	-	500,000	-	**500,000**
Operations	REPLACE FIRE PICKUP 3/PLOW	-	-	-	70,000	-	**70,000**
Operations	REPLACE AMBULANCE	-	-	-	-	200,000	**200,000**
Sub-total Fire Department		**53,000**	**1,910,000**	**500,000**	**570,000**	**200,000**	**3,233,000**
Public Works - Building Maintenance							
DPW Headquarters	5 ROOF TOP UNITS (DPW) [3]	-	-	-	-	-	**-**
DPW Headquarters	RENOVATIONS TO 75 WEST STREET	791,000	-	-	-	-	**791,000**
DPW Headquarters	REROOF DPW VEHICLE STORAGE GARAGE *(funded @ 2011 SATM)*	165,000	-	-	-	-	**165,000**
Eliot School	EXTERIOR PAINTING (ELIOT SCHOOL) *(funded @ 2011 SATM)*	75,000	-	-	-	-	**75,000**
Operations	REPLACE B-3 (VAN) *(funded @ 2011 SATM)*	30,000	-	-	-	-	**30,000**
Various Municipal Buildings	SECURITY UPGRADES	61,000	-	-	-	-	**61,000**
Various Municipal Buildings	CARPETS (MUNICIPAL BUILDINGS) *(funded @ 2011 SATM)*	16,000	-	-	-	-	**16,000**
East School	ROOF (90 OAK STREET)	-	135,000	-	-	-	**135,000**

Department/Division	Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Total
East School	EXTERIOR PAINTING (90 OAK ST)	-	30,000	-	-	-	**30,000**
Operations	REPLACE B-1 (VEHICLE)	-	26,000	-	-	-	**26,000**
Operations	REPLACE B-2 (VAN)	-	-	35,000	-	-	**35,000**
Cole Recreation Center	AIR HANDLER UNITS (COLE)	-	-	-	100,000	-	**100,000**
Cole Recreation Center	BOILER REMOVAL (COLE)	-	-	-	45,000	-	**45,000**
Sub-total Public Works - Building Maintenance		**1,138,000**	**191,000**	**35,000**	**145,000**	**-**	**1,509,000**

Public Works - Engineering

Roadwork	CH90 ROAD IMPROVEMENTS *(funded through State)*	1,022,000	790,000	790,000	790,000	790,000	**4,182,000**
Intersection Design/Work	ELIOT & SOUTH STREET INT. IMPROV. *(funded @ 2011 SATM)*	105,000	-	-	-	-	**105,000**
Drainage	MIDDLE ST. DRAINAGE IMPROVEMENTS	-	-	-	790,000	-	**790,000**
Sidewalk	PEDESTRIAN SIDEWALK- SPEEN STREET *(funded @ 2011 SATM)*	12,000	-	-	-	-	**12,000**
Operations	ADD NEW E-3 (VEHICLE)	-	25,000	-	-	-	**25,000**
Roadwork	ROADWAY IMPROVEMENTS PINE STREET	-	250,000	1,500,000	-	-	**1,750,000**
Drainage	WILLOW ST. DRAINAGE IMPROVEMENTS	-	-	300,000	-	500,000	**800,000**
Roadwork	ROADS (COLLECTOR/ARTERIAL)	-	-	1,500,000	1,500,000	1,500,000	**4,500,000**
Dam	ENGINEERING & REPAIRS TO THE CHARLES RIVER DAM	-	-	500,000	-	690,000	**1,190,000**
Bridge	REHAB. - CHARLES RIVER BRIDGE	-	-	500,000	-	-	**500,000**
Studies	FEASIBILITY STUDY - STORMWATER UTILITY	-	-	50,000	-	-	**50,000**
Roadwork	MIDDLE ST. DRAINAGE IMPROVEMENTS	-	-	-	1,000,000	-	**1,000,000**
Dam	REHAB. - JENNINGS POND DAM	-	-	-	-	125,000	**125,000**
Sub-total Public Works - Engineering		**1,139,000**	**1,065,000**	**5,140,000**	**4,080,000**	**3,605,000**	**15,029,000**

Public Works - Equipment Maintenance

Operations	IMPLEMENTATION OF GRAVEL PIT MASTER PLAN	-	100,000				**100,000**
Operations	REPLACE M-2	-	50,000	-	-	-	**50,000**
Operations	REPLACE M-4	-	55,000	-	-	-	**55,000**
Operations	REPLACE M-1	-	-	28,000	-	-	**28,000**
Operations	FUEL DEPOT UPGRADES	-	25,000	-	-	-	**25,000**
Operations	FORK LIFT	-	20,000	-	-	-	**20,000**
Operations	FUEL MANAGEMENT SYSTEM	-	-	30,000	30,000	-	**60,000**
Sub-total Public Works - Equipment Maintenance		**-**	**250,000**	**58,000**	**30,000**	**-**	**338,000**

Public Works - Highway

Safety	REPLACE H-45 (DUMP TRUCK/SANDER/PLOW) *(funded @ 2011 SATM)*	190,000	-	-	-	-	**190,000**
Dumpsters	REPLACE SIDEWALK MACHINE *(funded @ 2011 SATM)*	142,000	-	-	-	-	**142,000**
Operations	REPLACE H-59 (BACKHOE) *(funded @ 2011 SATM)*	125,000	-	-	-	-	**125,000**
Operations	REPLACE H-40 (TRUCK W/PLOW) *(funded @ 2011 SATM)*	60,000	-	-	-	-	**60,000**
Streetlights	STREET LIGHT REPLACEMENT	40,000	80,000	80,000	80,000	80,000	**360,000**
Operations	ROAD PLANER ATTACHMENT *(funded @ 2011 SATM)*	24,000	-	-	-	-	**24,000**
Operations	GUARDRAIL (VARIOUS LOCATIONS)	10,000	10,000	10,000	10,000	10,000	**50,000**
Operations	REPLACE DUMPSTERS	10,000	10,000	10,000	10,000	10,000	**50,000**
Operations	REPLACE H-42 (DUMP TRUCK/SANDER/PLOW)	-	185,000	-	-	-	**185,000**

Town of Natick

FY 2012-2016 Capital Plan Summary

2011 Fall Annual Town Meeting

Department/Division	Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Total
Operations	REPLACE H-55 (FRONT-END LOADER)	-	150,000	-	-	-	**150,000**
Operations	REPLACE STREET SWEEPER			175,000			**175,000**
Operations	SNOW MELTER			250,000			**250,000**
Operations	REPLACE TRASH PACKER	-	-	200,000	-	-	**200,000**
Operations	REPLACE HOOKLIFT ON S-37	-	-	100,000	-	-	**100,000**
Sub-total Public Works - Highway		**601,000**	**435,000**	**825,000**	**100,000**	**100,000**	**2,061,000**
Public Works - Land, Facilities & Natural Resources							
Operations	REPLACE LF-6 (DUMP TRUCK W/PLOW) *(funded @ 2011 SATM)*	130,000	-	-	-	-	**130,000**
Operations	REPLACE LF-15 AND LF-14 (TRACTORS) *(funded @ 2011 SATM)*	70,000	-	-	-	-	**70,000**
Operations	IRRIGATION SYSTEM IMPROVEMENTS	25,000	-	-	-	-	**25,000**
Fields	CORE AERATOR *(funded @ 2011 SATM)*	25,000	-	-	-	-	**25,000**
Operations	REPLACE 2 BACKSTOPS @ MEMORIAL SCHOOL *(funded @ 2011 SATM)*	15,000	-	-	-	-	**15,000**
Fields	MEMORIAL SOFTBALL IMPROVEMENTS	10,000	-	-	-	-	**10,000**
Operations	REPLACE LOG LOADER ON LF-8	-	55,000	-	-	-	**55,000**
Operations	REPLACE LF-3 (DUMP TRUCK W/PLOW)	-	60,000	-	-	-	**60,000**
Fields	REPLACE LF-9 (BUCKET TRUCK)	-	-	150,000	-	-	**150,000**
Operations	REPLACE LF-12 (STUMP GRINDER)	-	-	35,000	-	-	**35,000**
Operations	REPLACE LF-17 (LAWN MOWER)	-	-	12,000	-	-	**12,000**
Sub-total Public Works - Land, Facilities & Natural Resources		**275,000**	**115,000**	**197,000**	**-**	**-**	**587,000**
							-
Human Services/Council on Aging							-
Council on Aging	GENERATOR - COMMUNITY/SENIOR CENTER	120,000	-	-	-	-	**120,000**
Council on Aging	BUS (*only if grant funding available) 4*	-	65,000	-	-	-	**65,000**
Council on Aging	PROGRAMMING SOFTWARE	12,500	-	-	-	-	**12,500**
Sub-total Human Services/Council on Aging		**132,500**	**65,000**	**-**	**-**	**-**	**185,000**
							-
Board of Health							-
Operations	REPLACE HEALTH-1	23,000	-	-	-	-	**23,000**
Sub-total Board of Health		**23,000**	**-**	**-**	**-**	**-**	**23,000**
							-
Recreation							-
Cole Recreation Center	INTERIOR RENOVATIONS (COLE) *(funded @2011 SATM)*	155,000	-	-	-	-	**155,000**
Fields	COLE NORTH FIELD RENOVATIONS *(funded @2011 SATM)*	80,000	200,000	-	-	-	**280,000**
Transportation	REPLACE REC BUS *(funded @2011 SATM)*	70,000	-	-	-	-	**70,000**
Playgrounds/Courts	EAST SCHOOL PLAYGROUND EQUIP. *(funded @2011 SATM)*	60,000	-	-	-	-	**60,000**
Water	DUG POND PIER *(funded through BAA/Marathon funds)*	10,000	5,000	5,000	5,000	5,000	**30,000**
Parks	HISTORICAL MONUMENT RESTORATION	15,000	15,000	15,000	15,000	-	**60,000**
Parks	J. J. LANE PARK	-	90,000	-	-	-	**90,000**
Playgrounds/Courts	JOHNSON SCH CT/BASKETBALL & HOCKEY RINK	-	75,000	-	-	-	**75,000**
Operations	REPLACE R-1 (VEHICLE)	-	35,000	-	-	-	**35,000**
Operations	REPLACE FARM TRUCK	-	35,000	-	-	-	**35,000**
Water	DUG POND PERIMETER FENCE WORK	-	20,000	-	-	-	**20,000**
Fields	MURPHY FIELD IMPROVEMENTS	-	10,000	-	-	-	**10,000**
Playgrounds/Courts	MEMORIAL SCHOOL LIGHTING	-	-	125,000	-	-	**125,000**

Town of Natick

FY 2012-2016 Capital Plan Summary

2011 Fall Annual Town Meeting

Department/Division	Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Total
Playgrounds/Courts	EAST TENNIS/BASKETBALL COURTS	-	-	100,000	-	-	**100,000**
Transportation	REPLACE REC BUS #2	-	-	70,000	-	-	**70,000**
Fields	NAVY YARD IMPROVEMENTS	-	-	45,000	-	-	**45,000**
Playgrounds/Courts	BASKETBALL COURT RENOVATIONS	-	-	25,000	-	-	**25,000**
Parks	SOUTH NATICK PARK SYSTEM	-	-	-	1,000,000	-	**1,000,000**
Playgrounds/Courts	TENNIS/BASKETBALL COURT RENOVATIONS	-	-	-	25,000	-	**25,000**
Water	MEMORIAL BEACH WATER PLAY UNIT	-	-	-	-	75,000	**75,000**
Playgrounds/Courts	COLE CENTER PLAYGROUND	-	-	-	-	50,000	**50,000**
Parks	PEGAN COVE PARK	-	-	-	-	30,000	**30,000**
Sub-total Recreation		**390,000**	**485,000**	**385,000**	**1,045,000**	**160,000**	**2,465,000**
							-
Board of Selectmen							-
Operations	TOWN HALL MEETING ROOM UPGRADES *(funded @2011 SATM)*	25,000	-	-	-	-	**25,000**
Operations	REPLACE TH-1 1998 TAURUS *(funded @ 2011 SATM)*	14,000	-	-	-	-	**14,000**
Sub-total Board of Selectmen		**39,000**	**-**	**-**	**-**	**-**	**39,000**
							-
Information Technology							-
Records	DOCUMENT ARCHIVING [5]	-	400,000	250,000	-	-	**650,000**
Records	ELECTRONIC PERMITTING *(funded @ 2011 SATM)*	100,000	-	-	-	-	**100,000**
Sub-total Information Technology		**100,000**	**-**	**-**	**-**	**-**	**100,000**
Town Clerk							
Records	PRESERVATION OF HISTORICAL RECORDS [6]	-	100,000	100,000	100,000	100,000	**400,000**
Records	CODIFICATION OF CHARTER & BY-LAWS *(funded @ 2011 SATM)*	30,000	-	-	-	-	**30,000**
Sub-total Town Clerk		**30,000**	**-**	**-**	**-**	**-**	**30,000**
							-
Community Development							-
Roadwork	ROUTE 27 IMPROVE. - CONSTRUCTION (*funded through state*)	11,000,000	-	-	-	-	**11,000,000**
Design	NORTH MAIN STREET REDESIGN (*funded through state*)	690,000	-	-	-	-	**690,000**
Facility	COCHITUATE AQUADUCT IMPROV. *(funded through Con. Comm.)*	50,000					**50,000**
Operations	REPLACE CD-1	23,000	-	-	-	-	**23,000**
Facility	DOWNTOWN PARKING GARAGE	-	-	7,000,000	-	-	**7,000,000**
Sub-total Community Development		**11,763,000**	**-**	**7,000,000**	**-**	**-**	**18,763,000**

Town of Natick

FY 2012-2016 Capital Plan Summary

2011 Fall Annual Town Meeting

Department/Division	Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Total
Water & Sewer Enterprise Fund							
Infrastructure	EXPAND 75 WEST STREET [7]	504,000					**504,000**
Infrastructure	REPLACE GROUND WATER WELLS *(funded @ 2011 SATM)*	300,000	300,000	300,000	300,000	-	**1,200,000**
Infrastructure	VFD INSTALLS & CONTROLS *(funded @ 2011 SATM)*	260,000	-	150,000	150,000	-	**560,000**
Infrastructure	WATER METER RADIO TRANSMITTERS *(funded @ 2011 SATM)*	150,000	200,000	200,000	200,000	200,000	**950,000**
Infrastructure	SEWER MAIN RELINING *(funded @ 2011 SATM)*	150,000	150,000	150,000	150,000	150,000	**750,000**
Infrastructure	TWO NEW GENERATORS	90,000	-	-	-	-	**90,000**
Infrastructure	CHLORINE UPGRADE ELM BANK/PINE OAKS/MORSE POND *(funded @ 2011 SATM)*	90,000	-	-	-	-	**90,000**
Operations	WATER SYSTEM MODEL *(funded @ 2011 SATM)*	75,000	-	-	-	-	**75,000**
Operations	REPLACE W-20 (DUMP TRUCK) *(funded @ 2011 SATM)*	60,000	-	-	-	-	**60,000**
Operations	REPLACE W-13 (SKID STEER/BOBCAT) *(funded @ 2011 SATM)*	45,000	-	-	-	-	**45,000**
Operations	DATA COLLECTION GPS BASE STATION *(funded @ 2011 SATM)*	25,000	-	-	-	-	**25,000**
Operations	REPLACE W-3 (VEHICLE) *(funded @ 2011 SATM)*	25,000	-	-	-	-	**25,000**
Infrastructure	UPGRADE FORCE MAIN BRADFORD & PAMELA	-	2,100,000	-	-	-	**2,100,000**
Infrastructure	H & T FILTER MODIFICATION	-	200,000	-	-	-	**200,000**
Operations	REPLACE W-22 (DUMP TRUCK)	-	160,000	-	-	-	**160,000**
Infrastructure	PINE OAKS WELLS REPLACE MCC	-	150,000	-	-	-	**150,000**
Operations	REPLACE W-14 (BACKHOE)	-	125,000	-	-	-	**125,000**
Infrastructure	SEWER MAIN ON COTTAGE & UNION STREET	-	75,000	-	-	-	**75,000**
Operations	REPLACE W-28 (TRUCK W/PLOW)	-	45,000	-	-	-	**45,000**
Operations	REPLACE W-25 (TRUCK)	-	45,000	-	-	-	**45,000**
Operations	W-21 CALL TRUCK 1 TON WORK TRUCK	-	40,000	-	-	-	**40,000**
Operations	REPLACE W-6 (GENERATOR)	-	45,000	-	-	-	**45,000**
Operations	W-12 AIR COMPRESSOR	-	30,000	-	-	-	**30,000**
Infrastructure	RUNNING BROOK/VESTA RD PUMP STATION	-	-	500,000	-	-	**500,000**
Infrastructure	TRAVIS ROAD GENERATOR	-	-	150,000	-	-	**150,000**
Infrastructure	PRIME PARK PUMP STATION WALL REPAIR	-	-	140,000	-	-	**140,000**
Infrastructure	GENERATOR BRADFORD RD & GRINDER PUMP	-	-	125,000	-	-	**125,000**
Operations	REPLACE W-1 (VEHICLE)	-	-	30,000	-	-	**30,000**
Operations	REPLACE W-16 (BACKHOE)	-	-	-	125,000	-	**125,000**
Infrastructure	REPLACE CONTROL VALVES TONKA AND H&T FILTERS	-	-	-	100,000	-	**100,000**
Infrastructure	INSTALL GRINDER PUMP HEALTH CENTER	-	-	-	25,000	-	**25,000**
Infrastructure	BOOSTER PUMP - GLENRIDGE	-	-	-	-	250,000	**250,000**
Operations	REPLACE W-23 (DUMP TRUCK)	-	-	-	-	160,000	**160,000**
Operations	W-4 RANGER	-	-	-	-	21,000	**21,000**
Infrastructure	REPLACE PUMP 4M SEWER STATION	-	-	-	-	-	**-**
Infrastructure	WATER MAIN RELINING PHASE 6	-	-	-	-	-	**-**
Infrastructure	ROUTE 30 WATER MAIN LOOP	-	-	-	-	-	**-**
Total Water Sewer Enterprise Fund		**1,774,000**	**3,665,000**	**1,745,000**	**1,050,000**	**781,000**	**9,015,000**

Town of Natick

FY 2012-2016 Capital Plan Summary

2011 Fall Annual Town Meeting

Department/Division	Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	Total
Sassamon Trace Golf Course Enterprise Fund							**-**
Irrigation	SASSAMON TRACE IRRIGATION WELL [8]	-	75,000	-	-	-	**75,000**
Total Sassamon Trace Golf Course Enterprise Fund		**-**	**75,000**	**-**	**-**	**-**	**75,000**
Total All Capital Requests, All Funds		**18,545,900**	**10,980,900**	**17,877,900**	**8,653,900**	**6,494,900**	**62,553,500**

Footnotes

[1] High School Extraordinary Repairs - Placeholder within the Finance Committee Reserve Fund for issues at Natick High School

[2] Mobile Data Terminals/Computers on Fire Apparatus - Item (orig. $70,000) deferred from FY 2012. Still evaluating potential technology applications.

[3] 5 Roof Top Units @ DPW - Item (orig. $175,000) rolled into Renvoations to DPW item for FY 2012 (tot. of $791,000)

[4] Senior Center Bus - Deferred from FY 2012 ($65,000) - no grant funding currently available

[5] Document Archiving - Item (orig. $400,000) deferred from FY 2012. Still evaluating potential technology applications related to permitting; will not purchase large archiving system until intake question solved.

[6] Preservation of Historical Records - Item (orig. $100,000) deferred from FY 2012. Working to bid and use initial $100,000 appropriation from 2010 FATM. Will request in future years.

[7] Expand 75 West Street - Item (orig. $650,000) rolled into larger Renovations to DPW item for FY 2012. This portion is that attributible to Water & Sewer operations.

[8] Sassamon Trace Irrigation Well - Item (orig. $75,000) deferred from FY 2012. Still evaluating if needed.

Town of Natick

FY 2012 Capital Improvement Budget (Inclusive of Spring and Fall 2011 Town Meetings)

September 1, 2011

Department/Division	Project	FY 2012	Financing		Spring		Fall	
			Cash	Debt	Equipment	Improvement	Equipment	Improvement
General Fund								
Natick Public Schools								
Kennedy Middle	KENNEDY- REPLACE STEAM CONVERTERS AND HOT WTR	220,000	-	220,000				220,000
Natick High School	HIGH SCHOOL-EXTRAORDINARY REPAIRS *(Operating Budget)*	100,000	-					
Johnson Elementary	JOHNSON- REPAVE DRIVEWAYS	75,000	-	75,000				75,000
Lilja Elementary	BROWN & LILJA-REPLACE A/C UNITS	75,000	75,000					75,000
Bennett-Hemenway Elementary	BEN-HEM-REBUILD/REPLACE A/C COMPRESSORS	50,000	50,000					50,000
Lilja Elementary	BROWN & LILJA - FLOORING REPLACEMENTS	49,000	49,000					49,000
Operations	REPLACE NSD 86 (Pickup Truck)	38,500	38,500				38,500	
Brown Elementary	BROWN-REPLACE EXHAUST FANS	30,000	30,000					30,000
Bennett-Hemenway Elementary	BEN-HEM-REPLACE HOT WATER HEATER	10,000	10,000					10,000
Sub-total Natick Public Schools		**647,500**	**252,500**	**295,000**	**-**	**-**	**38,500**	**509,000**
Morse Institute Library								
General Library	FURNITURE REPLACEMENT	24,000	24,000		24,000			
Sub-total Morse Institute Library		**24,000**	**24,000**	**-**	**24,000**	**-**	**-**	**-**
Bacon Free Library								
General Library	BOILER REPLACEMENT	90,000	90,000	-	-	90,000		
Sub-total Morse Institute Library		**90,000**	**90,000**	**-**	**-**	**90,000**	**-**	**-**
Police Department								
Operations	CRUISER REPLACEMENT	178,900	178,900		71,560		107,340	
Operations	EOC CONFIGURATION UPGRADES	100,000	100,000	-		-		100,000
Operations	RADIO EQUIPMENT REPLACEMENT	48,000	48,000		48,000			
Sub-total Police Department		**326,900**	**326,900**	**-**	**119,560**	**-**	**107,340**	**100,000**
Fire Department								
Operations	FIRE HOSE	25,000	25,000		25,000		-	
Operations	ELECTRICALLY POWERED STRETCHERS	28,000	28,000		28,000			
Sub-total Fire Department		**53,000**	**53,000**	**-**	**53,000**	**-**	**-**	**-**

Town of Natick

FY 2012 Capital Improvement Budget (Inclusive of Spring and Fall 2011 Town Meetings)

September 1, 2011

Department/Division	Project	FY 2012	Financing		Spring		Fall	
			Cash	Debt	Equipment	Improvement	Equipment	Improvement
Public Works - Building Maintenance								
DPW Headquarters	RENOVATIONS TO 75 WEST STREET	791,000		791,000		-		791,000
DPW Headquarters	REROOF DPW VEHICLE STORAGE GARAGE	165,000		165,000		165,000		
Eliot School	EXTERIOR PAINTING (ELIOT SCHOOL)	75,000	75,000	-	-	75,000		
Operations	REPLACE B-3 (VAN)	30,000	30,000	-	30,000			
Various Municipal Buildings	SECURITY UPGRADES	61,000	61,000					61,000
Various Municipal Buildings	CARPETS (MUNICIPAL BUILDINGS)	16,000	16,000		-	16,000		
Sub-total Public Works - Building Maintenance		**1,138,000**	**182,000**	**956,000**	**30,000**	**256,000**	**-**	**852,000**
Public Works - Engineering								
Roadwork	CH90 ROAD IMPROVEMENTS *(State funded)*	1,022,000						
Intersection Design/Work	ELIOT AND SOUTH STREET INTERSECTION IMPROVEMENTS	105,000		105,000		105,000		
Sidewalk	PEDESTRIAN SIDEWALK- SPEEN STREET	12,000	12,000		-	12,000		
Sub-total Public Works - Engineering		**1,139,000**	**12,000**	**105,000**	**-**	**117,000**		
Public Works - Highway								
Safety	REPLACE H-45 (DUMP TRUCK/SANDER/PLOW)	190,000	-	190,000	190,000	-	-	-
Dumpsters	REPLACE SIDEWALK MACHINE	142,000	-	142,000	142,000	-	-	-
Operations	REPLACE H-59 (BACKHOE)	125,000	-	125,000	125,000	-	-	-
Operations	REPLACE H-40 (TRUCK W/PLOW)	60,000	-	60,000	60,000	-	-	-
Streetlights	STREET LIGHT REPLACEMENT	40,000	40,000	-	-	-	-	40,000
Operations	ROAD PLANER ATTACHMENT	24,000	24,000	-	24,000	-	-	-
Operations	GUARDRAIL (VARIOUS LOCATIONS)	10,000	10,000	-	-	-	10,000	-
Operations	REPLACE DUMPSTERS	10,000	10,000	-	-	-	10,000	-
Sub-total Public Works - Highway		**601,000**	**84,000**	**517,000**	**541,000**	**-**	**20,000**	**40,000**
Public Works - Land, Facilities & Natural Resources								
Operations	REPLACE LF-6 (DUMP TRUCK W/PLOW)	130,000		130,000	130,000	-		
Operations	REPLACE LF-15 AND LF-14 (TRACTORS)	70,000	-	70,000	70,000			
Operations	IRRIGATION SYSTEM IMPROVEMENTS	25,000	25,000		-		25,000	
Fields	CORE AERATOR	25,000	25,000		25,000			
Operations	REPLACE 2 BACKSTOPS AT MEMORIAL SCHOOL	15,000	15,000		-	15,000	-	
Fields	MEMORIAL SOFTBALL IMPROVEMENTS	10,000	10,000					10,000
Sub-total Public Works - Land, Facilities & Natural Resources		**275,000**	**75,000**	**200,000**	**225,000**	**15,000**	**25,000**	**10,000**
Council on Aging								
Operations	GENERATOR - COMMUNITY/SENIOR CENTER	120,000	-	120,000	120,000		-	
Operations	PROGRAMMING SOFTWARE	12,500	12,500					12,500
Sub-total Council on Aging		**132,500**	**12,500**	**120,000**	**120,000**	**-**	**-**	**12,500**
Board of Health								
Operations	REPLACE HEALTH-1 (1999 Ford Taurus)	23,000	23,000				23,000	
Sub-total Board of Health		**23,000**	**23,000**	**-**	**-**	**-**	**23,000**	**-**

Town of Natick

FY 2012 Capital Improvement Budget (Inclusive of Spring and Fall 2011 Town Meetings)

September 1, 2011

Department/Division	Project	FY 2012	Financing		Spring		Fall	
			Cash	Debt	Equipment	Improvement	Equipment	Improvement
Recreation								
Cole Recreation Center	INTERIOR RENOVATIONS (COLE)	155,000		155,000		155,000		
Fields	COLE NORTH FIELD RENOVATIONS	80,000		80,000		80,000		
Transportation	REPLACE REC BUS	70,000	-	70,000	70,000			
Playgrounds/Courts	EAST SCHOOL PLAYGROUND EQUIP.	60,000	60,000		60,000			
Parks	HISTORICAL MONUMENT RESTORATION	15,000	15,000					15,000
Water	DUG POND PIER *(funded through BAA contributions)*	10,000						
Sub-total Recreation		**390,000**	**75,000**	**305,000**	**130,000**	**235,000**	**-**	**15,000**
Board of Selectmen								
Operations	TOWN HALL MEETING ROOM UPGRADES	25,000	25,000		-	25,000		
Operations	REPLACE TH-1 1998 TAURUS	14,000	14,000		14,000			
Sub-total Board of Selectmen		**39,000**	**39,000**	**-**	**14,000**	**25,000**	**-**	**-**
Information Technology								
Records	ELECTRONIC PERMITTING	100,000	100,000		-	100,000		
Sub-total Information Technology		**100,000**	**100,000**	**-**	**-**	**100,000**	**-**	**-**
Town Clerk								
Records	CODIFICATION OF CHARTER & BY-LAWS	30,000	30,000			30,000		
Sub-total Town Clerk		**30,000**	**30,000**	**-**	**-**	**30,000**	**-**	**-**
Community Development								
Roadwork	ROUTE 27 IMPROVE. - CONSTRUCTION *(funded through state)*	11,000,000						
Design	NORTH MAIN STREET REDESIGN *(funded through state)*	690,000						
Facility	COCHITUATE AQUADUCT IMPROV. *(funded through Con.Comm.)*	50,000						
Operations	REPLACE CD-1 (1998 Ford Explorer)	23,000	23,000				23,000	
Sub-total Community Development		**11,763,000**	**23,000**	**-**	**-**	**-**	**23,000**	**-**
Total General Fund		**16,771,900**	**1,401,900**	**2,498,000**	**1,256,560**	**868,000**	**236,840**	**1,538,500**

Town of Natick

FY 2012 Capital Improvement Budget (Inclusive of Spring and Fall 2011 Town Meetings)

September 1, 2011

Department/Division	Project	FY 2012	Financing		Spring		Fall	
			Cash	Debt	Equipment	Improvement	Equipment	Improvement
Water/Sewer Enterprise Fund								
Infrastructure	RENOVATIONS TO 75 WEST STREET	504,000		504,000				504,000
Infrastructure	REPLACE GROUND WATER WELLS	300,000		300,000		300,000		-
Infrastructure	VFD INSTALLS & CONTROLS	260,000		260,000		260,000		
Infrastructure	WATER METER RADIO TRANSMITTERS	150,000		150,000	150,000	-		
Infrastructure	SEWER MAIN RELINING	150,000		150,000		150,000		
Infrastructure	TWO NEW GENERATORS	90,000						90,000
Infrastructure	CHLORINE UPGRADE ELM BANK/PINE OAKS/MORSE POND	90,000	90,000		90,000			
Operations	WATER SYSTEM MODEL	75,000	75,000		-	75,000		
Operations	REPLACE W-20 (DUMP TRUCK)	60,000	60,000		60,000			
Operations	REPLACE W-13 (SKID STEER/BOBCAT)	45,000	45,000		45,000			
Operations	DATA COLLECTION GPS BASE STATION	25,000	25,000		25,000			
Operations	REPLACE W-3 (VEHICLE)	25,000	25,000		25,000			
Total Water Sewer Enterprise Fund		**1,774,000**	**320,000**	**1,364,000**	**395,000**	**785,000**	**-**	**594,000**
Total All Capital Requests, All Funds		**18,545,900**	**1,721,900**	**3,862,000**	**1,651,560**	**1,653,000**	**236,840**	**2,132,500**

Less Projects funded from alternative sources	**$**	**(12,772,000)**
Less Operating Budget Items (Reserve Fund for Natick High School)	**$**	**(100,000)**
Net Capital Projects - All Funds		**5,673,900**

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Appendix D.

Demographics and Information

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Demographics & Information

History

The Town of Natick is a suburban industrial center located on the upper basin of the Charles and Concord Rivers with an extensive complex of ponds. The town was from earliest Colonial days a prime target for development, possessing as it did good agricultural land, fish runs and water power. Established in 1650 on the Charles River, Natick had the first and the largest Indian praying town in the colonies, one that became a model for all other attempts to inculcate European standards into Indians. John Eliot, the great missionary, secured a charter of 6,000 acres for the Indians and converted them to Christianity. Unfortunately, Natick's Indian population was forcibly resettled on Deer Island during the King Philip's war and essentially never returned.

In Colonial days, Natick was an agricultural community with some orchards and some lumbering. Grist and sawmills were established and Indian ownership and control gave way to white dominance between 1676 and 1776. Local tradition claims that several loads of Natick men shipped out to the California gold rush in 1849 and 1850, returning with enough capital to start independent businesses in the town. The shoe industry dominated the community by the early 19th century, with the first shoe sole manufacturer established in 1827 and shoes shipped to the southern and western markets by 1830. The town's products, including baseballs manufactured in Natick, were shipped to Boston on the Boston and Worcester Railroad. The town saw rapid growth including an Irish, English, Nova Scotian, Italian and Armenian immigrant population which came to take jobs in the shoe plants and by the 1880's, Natick was the third largest shoe production community in the country.

Demographic & Geographic Information

Settlement Date: 1651

Incorporation Date: Natick was incorporated as a Town on February 19, 1781.

County: Middlesex

Location**:** Eastern Massachusetts, bordered by Framingham on the west, Wayland and Weston on the north, Wellesley and Dover on the east, and Dover and Sherborn on the south. Natick is 18 miles southwest of Boston; 25 miles east of Worcester; 35 miles north of Providence, Rhode Island; and about 201 miles from New York City.

Total Area**:** 16.06 sq. miles

Land Area**:** 15.09 sq. miles

2010 U.S. Census Population: 33,006

2008 Labor Force: 18,689

2008 Per Capita Income: 46,870

2007 Population Per Square Mile: 2,120.4

2007 Housing Units Per Square Mile: 886.5

2007 Road Miles: 154.29

Number of Registered Vehicles (January 2008): 32,991

Average Age of Vehicles (January 2008): 9.03

Government & Elections Information

School Structure: K-12

Form of Government: Town Administrator-Selectmen-Representative Town Meeting

Registered Voters: (as of December 31, 2007) 20,845

Democratic 7,338	Independent 3rd Party 9
Republican 2,709	Libertarian Party 58
Unenrolled 10,697	Working Families 6
Socialist 3	American Independent 2
Green Rainbow Party 21	Reform Party 2

Town Offices: Town Hall, 13 East Central Street

US Senators: John F. Kerry & Scott Brown

Representative in Congress: Edward J. Markey

State Senators: Karen Spilka, Precincts 1-5, & 8
Richard J. Ross, Precincts 6-7 & 9-10

State Representatives: David Paul Linsky, Precincts 1-9
Alice Hanlon Peisch, Precinct 10

Voting Qualifications: Must be 18 years of age on or before Election Day, born in the United States or fully naturalized; a resident of Natick.

Registration of Voters: Town Clerk's Office, 13 East Central Street, daily from 8:00 a.m. to 5:00 p.m.

Where to Vote (Precinct Numbers):
Kennedy Middle School, 163 Mill Street (1)
Cole Recreational Center, 179 Boden Lane (2)
Kennedy Middle School, 163 Mill Street (3)
Wilson Middle School, 24 Rutledge Road (4)
Wilson Middle School, 24 Rutledge Road (5)
Lilja School, 41 Bacon Street at Oak Street (6)
Lilja School, 41 Bacon Street at Oak Street (7)
Morse Institute Library, 14 East Central St. (8)
Morse Institute Library, 14 East Central St. (9)
Memorial School, 107 Eliot Street (10)

Appendix E.

Glossary of Terms

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Glossary & Basis of Budgeting & Accounting

ABATEMENT - Abatement is a reduction of a tax liability. The Board of Assessors grants abatements for real estate and personal property taxes in cases where an individual's assessed valuation is determined to be in excess of fair market value.

ACCRUAL BASIS FOR ACCOUNTING – A method of accounting that recognizes revenue when earned, rather than when collected, and recognizes expenses when incurred, rather than when paid.

APPROPRIATIONS - A legal authorization to expend municipal funds. Massachusetts municipal finance laws require that all general-purpose expenditures be authorized by a majority vote of Town Meeting.

There are two basic types of appropriations - operating appropriations, and special article appropriations. Operating appropriations last for one fiscal year only, and any unobligated balance is closed at the end of the fiscal year. Fire Department Salaries is an example of an operating appropriation. Special Article appropriations are generally voted for a specific project, such as the completion of a capital improvement or the purchase of a piece of capital equipment. Special article appropriations are closed upon completion of the project for which the funds were voted. Appropriations for all **Municipal** departments, boards, and committees are voted in two broad categories - salaries and expenses. Funds voted for salaries may not be expended for expenses and funds voted for expenses may not be expended for salaries, without a transfer approved by Town Meeting. There are no restrictions on **School** appropriations.

APPROPRIATED BUDGET – As used in fund summaries and department summaries within the budget document, represents the current year budget as originally adopted by Town Meeting. It does not include prior year encumbrances or re-appropriation.

ARTICLE - An article or item on the Town Warrant.

ASSESSED VALUATION - The valuation of real estate or other property determined by the Town Assessor for tax levying purposes. The Commonwealth certifies the values and methodology in determining those values every three years.

ASSETS – Property, plant and equipment owned by the Town.

AUDIT – A comprehensive examination as to the manner in which the government's resources were actually utilized concluding in a written report of its findings. An accounting audit is intended to ascertain whether financial statements fairly present the financial position and results of operations of the Town. The Town is required to conduct an audit annually.

BOND - A written promise to pay a specified sum of money, called the face value or principal amount, at a specified dates in the future, called the maturity date(s), together with periodic interest at a specified rate. The difference between notes, usually one year or two years in length and a bond is that the latter runs for a longer period of time. State statute and the Board of Selectmen establish the length of a bond repayment.

BOND ANTICIPATION NOTE (BAN) – A temporary note issued for no more than one or two years. This is commonly used to defer the initial pay down of debt or to accommodate reimbursement for borrowed notes from a private source or other governmental entity.

BUDGET - The budget is the Town's financial plan for a given fiscal period. The annual budget includes an estimate of proposed expenditures, as well as a forecast of estimated revenues and other financing sources.

The Natick Town Charter specifies that the Town Administrator is responsible for presenting a recommended annual budget to the Finance Committee. The Finance Committee reviews the Town Administrator's Recommended Budget in detail and forwards its recommendations to Town Meeting. Town Meeting adopts the budget by voting a series of appropriations, which may not; in the absence of an over-ride of Proposition 2 1/2 exceed the estimated total amount of revenues and other financing sources for the fiscal period.

BUDGET MESSAGE (Town Administrator's Transmittal Letter) – The opening section of the budget that provides the Board of Selectmen, Town Meeting Members, and the general public with a general summary of the most important aspects of the budget, changes from the current and previous fiscal years, and the recommendations of the Town Administrator.

CAPITAL EXPENDITURE - A major, non-recurring expenditure involving land acquisition, construction or major rehabilitation of a facility, or purchase of equipment costing $10,000 or more with a useful life of five years or more.

CAPITAL IMPROVEMENT PROGRAM (CIP) - A financial planning and management tool which: identifies public facility and equipment requirements; places these requirements in order of priority; and schedules them for funding and implementation.

CHAPTER 90 - Massachusetts General Laws Chapter 90, Section 34 authorizes the Commonwealth to allocate funds to municipalities through the Transportation Bond Issue for highway construction, preservation and improvement projects that create or extend the life of capital facilities. Routine maintenance operations such as pothole filling and snow and ice removal are not covered. The formula for determining the Chapter 90 level of funding is based on a municipality's miles of public ways, population and level of employment. Municipalities receive Chapter 90 funds on pre-approved projects on a reimbursement basis.

CHERRY SHEET - The State allocates a portion of generated revenue to municipalities each year for education and general governmental expenditures. The amount of state aid each community will receive is itemized in a financial statement printed on cherry colored paper (thus the name). The amount of reimbursement is a function of the State budget. Towns usually receive notification in late summer, subsequent to the beginning of the fiscal year.

CLASSIFICATION - Massachusetts municipal finance law requires that all real estate and personal property be appraised at "full and fair cash valuation" for purposes of assessing property taxes. Once the Commissioner of the Massachusetts Department of Revenue certifies that properties are appraised at "full and fair cash valuation" (once every three years), the Board of Selectmen may

impose a tax classification plan, whereby a portion of the residential tax burden may be shifted to the commercial/industrial class of taxpayers. The law limits the amount of tax burden which can be shifted to the commercial/industrial class to not more that 150% of the proportionate share of the class. In other words, if the commercial/industrial class of taxpayers is normally responsible for 25% of the total tax burden, their maximum burden under the classification law is 37.5% (25 x 1.50).

COMPETITIVE BIDDING PROCESS – the process following State law requiring that for purchases of $25,000 or more a Town must advertise, solicit and publicly open sealed bids from prospective vendors. After a review period, the Town Manager then awards a contract to the successful bidder.

DEBT EXCLUSION - The amount of taxes assessed in excess of the Proposition 2-1/2 levy limit for the payment of debt service costs attributable to a vote of the electorate. Two-thirds of the Selectmen and a majority of citizens voting must approve the exclusion. These funds are raised to retire the debt service for the project. They are not added to the tax levy limit for the following fiscal year.

DEBT SERVICE - Payment of interest and principal on an obligation resulting from the issuance of bonds.

DEPARTMENT – A division of the Town that has overall management responsibility for an operation or group of related operations within a functional area.

DEPRECIATION – 1) Expiration in the service life of capital assets attributable to wear and tear, deterioration, and inadequacy of obsolescence. 2) That portion of the cost of a capital asset that is charged as an expense during a particular period. Depreciation is based on historic costs not replacement value.

ENCUMBRANCE – To encumber funds means to set aside or commit funds for a future expenditure. Encumbrances include obligations in the form of purchase orders, contracts or salary commitments, which are chargeable to an appropriation and for which a part of the appropriation is reserved.

ENTERPRISE FUNDS - Enterprise Funds are used to account for operations which are financed and operated in a manner similar to business operations and where the costs of providing goods or services are financed in whole or in part by user charges (charges for services). Services accounted for in Enterprise Funds are tangible and can be measured for determining a charge for services. In Massachusetts, the most common types of government enterprises include utility or utility-type services for water treatment and delivery, sewerage collection and treatment, and electricity generation and distribution. Less common but prevalent operations include hospitals, airports, parking, swimming pools, and golf courses.

Individual services must ordinarily be accounted for in separate Enterprise Funds. Segregation is essential for determining the total cost of services and the extent to which user charges cover that cost. Although a community may decide to recover only a portion of its costs from user charges, it is essential from a management point of view that it understands what its total costs are. Such costs include amounts for repayment of long-term debt and related interest and estimates for depreciation.

EXPENDITURE – Decrease in net financial resources for the purpose of acquiring and providing goods and services.

EXPENSES – Outflows or other using up of assets or incurring of liabilities during a period from delivering or producing goods, rendering services or carrying out other activities that constitute the entity's ongoing major or central operations. Expenses consist of the following objects of expenditure: Utilities, Supplies and Materials, Contractual Services, and Equipment.

FINES & FORFEITURES - Revenue collected from court fines, penalty charges for overdue taxes along with non-criminal fines are included in this category.

FISCAL YEAR (FY) - The Town of Natick operates on a July 1st through June 30th fiscal year.

FREE CASH - The amount certified annually by the Dept of Revenue that represents the unreserved fund balance less all outstanding tax receivables. This balance is created when actual revenues exceed those estimated and/or expenditures are less than appropriations for any given fiscal year. These funds may be appropriated by Town Meeting as a resource for the next fiscal year's operations or any other purpose authorized by state statute. The Massachusetts Department of Revenue certifies free cash each July 1st. Free Cash represents the savings account of the Town. Certified Free Cash is available for appropriation by Town Meeting for any lawful purpose.

FUND BALANCE - The amount by which cash, accounts receivable, and other assets exceed liabilities and restricted reserves. It is akin to a "stockholders' equity" account on a corporate balance sheet. It is not, however, available for appropriation in full because a portion of the assets listed as "accounts receivable" may be taxes receivable and uncollected. (See Free Cash)

FUNDING SOURCE – The specifically identified funds allocated to meet budget requirements/expenses.

GENERAL FUND - Revenues derived from the tax levy, state aid, local receipts and available funds are considered General Fund revenues. The General Fund is distinguished from Enterprise Funds and Special Revenue Funds.

GFOA – Government Finance Officers Association of the United States and Canada. The G.F.O.A.is a professional organization of governmental finance officers.

GRANT – A contribution by one government unit or outside agency to another governmental unit. The contribution is usually made for a specific purpose but is sometimes for general purposes.

INVESTMENT INCOME - The Town earns interest on cash held in savings accounts and invested in short term securities. The investment goal is to ensure that all funds are invested. The term of these is investments is short-term and risk adverse. The Treasurer is very restricted as to the instruments in which investments can be made. The amount of investment income is a function of the amount of funds invested and the interest rate.

LEVY LIMIT - The maximum amount of money, which the Town can raise from the property tax levy, without an override of proposition 2 1/2. Please refer to the explanation of Proposition 2 1/2 for a description of how the levy limit is calculated.

LIABILITY – Debt or other legal obligation which must be paid, renewed or refunded at some future date, but does not include encumbrances.

LOCAL RECEIPTS - A category of revenue sources including school department charges for services, investment income, fines and forfeitures, building permits and excise taxes. These revenues are not considered part of the Proposition 2 ½ Tax Levy.

MODIFIED ACCRUAL BASIS FOR ACCOUNTING – A method of accounting that recognizes revenue when it is actually received and recognizes expenditures when a commitment is made.

MOTOR VEHICLE EXCISE - All Massachusetts vehicle owners who have their vehicle(s) registered in the State of Massachusetts pay an annual motor vehicle excise tax to the city or town in which they reside. The Registry of Motor Vehicles creates a listing of all vehicles registered in Natick and the book value assigned to each vehicle. The Town uses this information to bill all owners an annual tax equal to 2 ½ percent or $25 for each $1,000 of the vehicle's value.

MWRA – Massachusetts Water Resources Authority

NEW GROWTH - In addition to a standard 2 1/2% annual increase in the property tax levy, Proposition 2 1/2 allows the levy to be increased further by the sum of certain qualifying new construction valuation, multiplied by the prior year tax rate. Qualifying new construction valuation is known as "New Growth". In general, in order to qualify as "New Growth" the new construction valuation must be either a newly constructed house or an addition to an existing house, which adds at least 50% to the preconstruction value (residential properties). For commercial/industrial properties, "New Growth" consists of both newly built buildings, and additions, which add at least $100,000 to the prior value of the improved property. It permanently becomes part of the tax levy.

OBLIGATION - A commitment to pay a particular sum of money (e.g. as required by contract or a bond).

OPERATING BUDGET – The portion of the budget that pertains to daily operations, which provide basic services for the fiscal year. The operating budget contains appropriations for such expenditures as personnel, supplies, utilities, materials, travel, and fuel and the proposed means of financing them.

OPERATING EXPENDITURE - An ongoing or recurring cost of performing a function or providing a service. Operating expenditures include personal services, supplies and materials, utilities, contractual services, minor equipment, and debt service.

OVERLAY - The amount raised in the tax levy for funding abatements granted by the Board of Assessors due to overvaluation.

OVERRIDE - An action taken by the voters of the town to exceed the limit placed on tax revenue growth by the State tax limitation law known as Proposition 2 ½. The tax levy limit can be exceeded only if a majority of residents voting approve an override. This sum is then added to the base levy for the next fiscal year and this becomes a permanent addition to the tax levy limit.

PROPOSITION 2 ½ - A tax limitation measure passed by Massachusetts voters in 1980 which limits the growth of the total property tax levy to 2.5% per year. In other words, the total revenue allowed to be raised through real estate and personal property taxes cannot increase by more than 2.5% from one fiscal year to the next unless the citizens of the town approve a debt exclusion or an operating override. New construction values are in addition to this limit. Two provisions within Proposition 2 ½ allow the citizens of a community by popular vote to authorize the Town to raise taxes above the tax levy limit: an operating override or a debt exclusion.

As a consequence of this proposition, the Property Tax currently accounts for 2/3 of the Town's total revenue budget. Proposition 2 1/2, is a statutory limit on the annual rate of growth in the property tax levy of the Town. In the absence of a majority vote of approval by the Natick electorate (an over-ride), the total amount of revenue which may be generated from the property tax is limited to: 2 1/2 more than the prior year levy limit, plus the sum of all qualifying new construction valuation multiplied by the prior year tax rate.

RESERVE FUND - An amount set aside annually within the budget of a city or town to provide a funding source for "extraordinary and unforeseen" expenditures. In a town, the Finance (or Appropriation) Committee can authorize transfers from this fund. The Reserve Fund is under the control of the Finance Committee.

RETAINED EARNINGS – The equity account reflecting the accumulated earnings of the enterprise funds.

RESOURCES - Total dollar amounts available for appropriation including estimated revenues, fund transfers, and beginning fund balances.

REVALUATION - Massachusetts municipal finance law requires that the Massachusetts Department of Revenue formally certify that property tax assessments represent the "full and fair cash valuation" of properties. The process of determining the "full and fair cash valuation" of taxable property is known as Revaluation.

REVENUE - Budgetary resources. The various revenues the Town receives are listed in the Revenue Section of Town Administrator's Summary.

REVOLVING FUND – As authorized under M.G.L. Ch. 53 E ½, departmental revolving funds allow communities to raise revenues from a specific service and use those revenues without appropriation to support the service. Each revolving fund must be re-authorized each year at annual town meeting or by city council action, and that a limit on the total amount that may be spent from each fund must be established at that time. The aggregate of all revolving funds may not exceed ten percent of the amount raised by taxation by the city or town in the most recent fiscal year, and no more than one percent of the amount raised by taxation may be administered by a single fund. Wages or salaries for full-time employees may be paid from the revolving fund only if the fund is also

charged for all associated fringe benefits.

SCHOOL BUILDING ASSISTANCE PROGRAM (SBAB) – A program started by the Commonwealth of Massachusetts for the purpose of assisting municipalities in the reconstruction and renewal of its public schools.

SEWER & WATER CHARGES - The Town operates a Water and Sewer Enterprise Fund to manage these municipal operations. Users of sewer and water services provided by the Town pay charges depending upon usage. Revenue received from charges for sewer and water services is used to fully support the costs of utility operations, such as Massachusetts Water Resources Authority (MWRA) assessments, debt service obligations, personnel costs, and capital projects. Charges for services are based on an inclining block rate structure corresponding to usage. Charges rise as usage increases. The Town pays the MWRA assessments to dispose of Town sewage.

STABILIZATION FUND – Massachusetts General Law Ch.40, Sec. 5B, allows a municipality to appropriate in any year an amount not exceeding ten percent of the amount raised in the preceding fiscal year; the aggregate amount in the fund shall not exceed ten percent of the equalized valuation of the municipality. The treasurer shall be custodian of the fund and may invest the proceeds legally; any interest earned shall remain with the fund. Money from the Stabilization Fund may be appropriated for any lawful purpose by two-thirds vote of Town Meeting.

TAX LEVY - The total amount to be raised through real estate and personal property taxes. Natick property owners pay taxes to the Town based on the assessed value of their real and/or personal property. Each year the Board of Selectmen conducts a tax classification hearing to determine a tax rate. The Town Assessor makes adjustments to real estate values in order to properly reflect fair market value. In addition to real estate, businesses may also pay a personal property tax (set at the commercial rate) based on the value of their professional equipment, furniture and fixtures. The amount of taxes a property owner pays is determined by multiplying the applicable tax rate by the valuation. For example, if the tax rate is $10 and a property's assessed value is $100,000, the property owner will pay $10 times $100,000/1,000, or $1,000. Tax levy revenues are the largest source of funding for the Town. These revenues support most school, police, fire, public works, library, and general governmental services to the community.

TAX LEVY LIMIT - The maximum amount that can be raised within Proposition 2 ½.

TAX RATE - The amount of tax levied for each $1,000 of assessed valuation.

USER FEES - Fees paid for direct receipt of a public service by the user or beneficiary of the service.

Basis of Accounting & Budgeting – Terminology

The following descriptions detail how the Town of Natick performs its accounting and budgeting.

- Basis of Accounting: General fund accounting is done on a modified accrual basis meaning that revenues are recognized when they become measurable or available (cash basis), while expenditures are accounted for in the accounting period incurred (accrual basis).

- Basis of Budgeting: Budgeting for all enterprise funds is done on a GAAP (Generally Accepted Accounting Principles) or full accrual basis. This means that expenditures and revenues are accounted for in the accounting period incurred.

NATICK
UP-BIBLIUM GOD
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INCORPORATED 1781
MASSACHUSETTS

Town of Natick
13 E. Central Street
Natick, MA 01760

IMPORTANT TOWN BUSINESS