

Draft Meeting Minutes – Approved January 22, 2020
Financial Planning Committee – Town of Natick
January 8, 2020, 6:00 p.m.
Edward H. Diott Meeting Room, Natick Town Hall

Present

Jonathan Freedman (chair), Select Board
Karen Adelman-Foster, Select Board
Cathleen Collins, School Committee
Patrick Hayes, Finance Committee
Melissa Malone, Town Administrator
Anna Nolin, School Superintendent

Participating via phone: Julie McDonough, School Committee (not counted towards quorum)

Materials

Document distributed by Dr. Nolin: “Natick Public Schools FY 21 Proposed Budget as of 12/17/2019”

Call to Order

Mr. Freedman called the meeting to order at 6:07 p.m., noting that the meeting had been properly posted and that a quorum of the members were present.

Public Speak

None

Discussion

Addition to FPC composition

Mr. Freedman updated the committee regarding the Select Board’s decision to change the charter of the Financial Planning Committee to include the designation of one alternate per participating board. That alternate is to attend FPC meetings as a full voting member in the absence of regular representative from that board. After brief discussion, it was clarified that the alternate should be a standing designation – not a different alternate for each meeting – and that the single alternate should attend in the absence of either regular member. The Town Administrator and School Superintendent were allowed designees in the original charter, and that arrangement has not been altered. The committee informally agreed that it was best that the Town Administrator and School Superintendent, respectively, when sending a designee, send the same one for the sake of continuity. Mr. Freedman urged each member committee to designate its alternate if it hasn’t already done so.

Continued Budget Discussion

Mr. Freedman asked Dr. Nolin to give the group a high-level understanding of the school budget.

Dr. Nolin reminded the group that the FY 2020 town appropriation was only part of what funded NPS for FY2020. NPS supplemented the town appropriation by tapping revolving funds and establishing or increasing fees. The recommended NPS total budget for FY 2021 is 72.8M, which is 6.1% over the FY 2020 actual total budget of \$68.6M (and roughly 7.4% over the FY 2020 town appropriation of \$67.8M). Just to honor contracts, Dr. Nolin said, NPS would have to increase its budget 5% over FY 2020 spend.

Dr. Nolin went on to describe the main drivers of new FTEs: Special Education compliance, increased English as a Second Language needs, increased homeless population, and a change in suspension policy. NPS was able to redeploy some positions from Wilson Middle School to Kennedy Middle School, so they are able to open with fewer new FTEs than they had thought necessary.

Dr. Nolin explained that in addition, the School Committee had added two math specialist FTEs, positions that had been needed, but not funded, for years.

Dr. Nolin and Ms. Collins elaborated: In the last five years, more of students' basic needs are handled at the school level. Meeting these increasingly complex needs takes resources. Expulsion has been replaced by diversion programs, for example, and diversion programs are resource intensive. In addition, utility costs will increase. Although the new KMS will be energy efficient, it is a larger facility, and will thus use more energy.

Ms. Malone asked about enrollment projections. Dr. Nolin and Ms. Collins replied that the most conservative estimates show that enrollment is now stable. MSBA, however, projects enrollment to rise. NPS is revising its approach to projections, as previous projections could not be replicated. Dr. Nolin also said that NPS has ended School Choice.

Ms. McDonough, over the phone, said that the enrollment "bubble" was now in sixth grade, and would continue until 2026.

Ms. Malone asked for confirmation that the DESE numbers, which had been used for bonding purposes, were correct. Dr. Nolin said that they were.

Dr. Nolin and Ms. Collins said that NPS is changing the way it communicates its budget to comply with the International School Business Managers' Meritorious Budget Format, which they said was the national standard.

Mr. Freedman brought up the subject of future years. Since we're looking at an override decision for FY 2022, how would the NPS budget progress in future years?

Dr. Nolin replied that the NPS appropriation in the Town Administrator's Budget would necessitate cutting fifteen teachers. Positions are needed in Kennedy Middle School -- if that can't happen, a plan is needed for the students who were redistricted there.

Dr. Nolin continued that if NPS didn't have to account in its spending for major complexity and for the needs of Kennedy Middle School, future budget increases of 4.5% or 5% would be a reasonable guess. Dr. Nolin emphasized the unreliability of projections, as at any time, any number of new students with intense needs could enter the system.

Ms. Malone remarked that many districts are seeing dramatic shifts in enrollment. For example, Wellesley is consolidating three elementary schools into two, yet they're still paying down debt for the closed school.

Mr. Hayes referred the group to ACS numbers in the 2019 Spring Annual Town Meeting Finance Committee Recommendation Book. There was a brief discussion about modelling municipal needs stemming from increased school enrollment.

Mr. Hayes brought up the idea of a tiered override that would give voters a choice of what to support.

Ms. Adelman-Foster remarked that it might be useful to determine a per-household tax increase that might plausibly be supported by voters, and work backward to determine a reasonable override size.

Susan Salamoff, from the audience, remarked that the draft Housing Production Plan contained projections that might be of use to the process. She will send these numbers to the FPC.

Mr. Freedman asked Ms. Malone for a draft timeline that covers both the FY 2021 and FY 2022 budget processes for the next meeting.

The FPC will next meet on January 22. That meeting will start at 5:30 p.m.

Adjournment

Ms. Collins made a motion, seconded by Mr. Hayes, to adjourn. Mr. Freedman adjourned the meeting at 7:05 p.m.

Respectfully submitted by Karen Adelman-Foster, 1/10/2020.