



Town of Medway

FINANCE COMMITTEE

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March 14, 2018 – 7:00 PM
Sanford Hall, Town Hall
155 Village Street

Present: Frank Rossi, Chair; Rohith Ashok, Vice Chair; Todd Alessandri, Clerk; Ellen Hillery, Jeff O'Neill, Michael Schrader, Sue Segarra.

Absent: Dan Doherty; Jim Sullivan.

Staff Present: Michael Boynton, Town Administrator; Susy Affleck-Childs, Planning and Economic Development Coordinator; Dr. Armand Pires, Superintendent, Medway Public Schools; Donald Aicardi, Director, Finance and Operations, Medway Public Schools.

Others Present: Dennis Crowley, Selectman; Kelly O'Rourke, Chair, Capital Improvement Planning Committee.

At 7:00 PM Chairman Rossi called the meeting to order. A quorum of members present.

Presentation -- Capital Improvement Planning Committee (CIPC)

Present: Kelly O'Rourke, Chair, Capital Improvement Planning Committee

Ms. O'Rourke distributed a number of handouts to committee members, noting that the CIPC received requests for over \$9 million in requests, all of which must be considered, reviewed, prioritized, and ranked in the annual process. She noted that the spreadsheet is a master document developed with the Town Administrator, and it contains all the proposed projects that have received the CIPC stamp of approval. There is a little more than \$3 million in free cash.

Mr. Boynton reported that a potential change for this year is that some money is part of the Exelon funding. Part of the \$950,000 may be Exelon funding. Additionally, 1.75 million from Exelon this year will be used for various things. He explained the other ways that the free cash will be utilized. After a brief discussion on the Snow and Ice figures, Mr. O'Rourke confirmed that CIPC is not considering augmenting Snow and Ice expenses with the CIPC process.

Utilizing the spreadsheets, she explained the headings and how to review the spreadsheet. Then she reviewed some of the highest-ranking projects under consideration. Items numbered 22 through 29

did not make it to the ranking list this year. Other items are included on the list outside of the ranking as their funding will come from sources other than CIPC. She continued, stating that the committee toured school buildings and met with departments on their list of proposed projects.

Mr. Schrader asked about sidewalk improvement. Ms. O'Rourke responded that it is included on the list every year. Mr. Boynton explained that repairs to existing sidewalks will be done before adding new sidewalks. Brief discussion followed on planning the sidewalk projects to best use the contractor's time and energies, i.e., doing those in the same area at the same time.

General discussion followed.

Discussion and Vote on Special Town Meeting Warrant Articles 3 & 4:

The committee reviewed the Special Town Meeting Warrant.

Present: Susy Affleck-Childs, Planning and Economic Development Coordinator.

Article 3

There was brief discussion on results of the special election and ballot questions. Ms. Affleck-Childs stated that the language for Article 3 is fine as it was submitted. Brief discussion followed on what will happen at Town Meeting. Mr. Boynton clarified that Article 3 is a companion piece to the ballot question. We will need a quorum of at least 100 people at Special Town Meeting in order to move forward. If the article does not pass, there will be no controls on retail establishments in Medway. Growing or testing facilities would still be allowed in specific zoning areas, subject to approval by the Planning Board for a Special Permit. Consideration of retail may have to come back to the Annual Town Meeting, depending on how the Special Town Meeting goes. The only way to restrict use is to have a zoning article/bylaw in place before applications come in. Brief discussion followed on Town Meeting protocols to amend the article and other actions. It would have to be up to the Moderator to determine if the amendment would fall within the scope of the article.

It was noted that, if retail is allowed, the Town could implement a tax up to 3% of the sales of adult use marijuana products.

Ms. Affleck-Childs explained that the bylaws on adult-use recreational marijuana were left up to each municipality while medical marijuana facilities were handled at the state level.

Selectman Crowley theorized that it will fail at Town Meeting if there is not a two-thirds majority. Can an application come in on April 1 for a retail location in any zoning district where retail is allowed? The answer is Yes. It was noted that the Town of Millis is prepared to approve a recreational application in the same area where there is a medical marijuana facility on the Medway/Millis line.

Mr. Alessandri made the motion that the Finance Committee recommend Article 3 as presented; Mr. O'Neill seconded. No discussion. VOTE: 7-0-0.

Article 4

Ms. Affleck-Childs stated this article is related to the medical marijuana facilities. Right now the bylaw lists exclusions as to locations. One of the restrictions is not being near another dispensary. The Planning and Economic Development Board has been working with another cultivator interested in a property near the existing one, and the current bylaw would not allow it. If this language is added, he

would be allow to locate there. Mr. Boynton clarified that the critical language is that referring to “qualifying patients”. This allows growers, testers, and any activity other than retail. The highlighted part in the warrant is the new language which adds clarification. No definitions (as set forth by the state) of the types of facilities are being changed. Brief discussion followed.

Mr. Alessandri made the motion to recommend Article 4 as presented; Mr. O’Neill seconded. No discussion. VOTE: 6-0-1 Mr. Ashok abstained.

Ms. Affleck-Childs offered to meet with anyone who still had questions on either article. She clarified that Article 3 is completely new language while Article 4 is adding new details intended to clarify the existing language.

School Department – FY19 Budget Review:

A PowerPoint presentation was reviewed.

Present: Dr. Armand Pires, Superintendent, Medway Public Schools; Donald Aicardi, Director, Finance and Operations, Medway Public Schools.

Dr. Pires stated he felt it important to share an outline of Medway Public Schools budget priorities and budget development strategies connected to their ongoing and future initiatives. It insures transparent budget development. We want to identify the efficiencies and share the improvements. Goals will undergo a mid-course evaluation later in the spring in order to meet goals that are continually evolving.

Goals include:

- ◆ Equitable and high quality kindergarten program
- ◆ Effective class sizes
- ◆ Support for enhanced student needs
- ◆ Leadership structure that supports systematic improvements and mandates

Dr. Pires reviewed enrollment estimates, noting that it is difficult to have exact numbers because kindergarten registration numbers may fluctuate, and there are always families moving in and out of the community. He pointed out that overall enrollment is decreasing somewhat as students move up to the next grade. There are also students who will go to the vocational school or private school. The FTE for high school will likely go down by 2.0 FTE.

Mr. Aicardi reviewed factors considered in determining a level service budget, i.e., payroll, collective bargaining, anticipated retirements, tuitions, circuit breaks, school choice dollars, sewer and trash costs, transportation, and cost of substitute staff and employee benefits, to name a few.

The level service budget came in at \$518,000 higher than the final FY18 Budget. Dug in to see if there were areas of re-evaluation, such as retirements and cost of replacement staff. Identified an anticipated reduction in technology costs and legal costs.

Mr. Pires reported that the leadership team Looked at staffing assignments, and determined that some staff will be deployed to better assess student needs. He identified those positions which will be shifted to other locations or grades, or overall assignment. These modifications netted a decrease in salary cost of \$382,825. Mr. Pires emphasized that the decision to offer tuition-free full day kindergarten would not have taken place if there was not an infusion of funding coming in from Exelon.

Ms. Segarra asked if, after doing the calculations on the cuts just reviewed, the School Department only needs \$47,000 to meet the level service budget. Mr. Aicardi responded that it is not as simple as that as there are fluidic factors that are difficult to pin down.

Dr. Pires reviewed the FY19 Improvement Requests. In the PowerPoint presentation, each one was tethered to a specific Goal. These items included expansion or reorganization of various initiatives to meet student needs such as purchase of science materials, professional development in mathematics, employee wellness, and English language learners. Brief discussion followed on language programs and how an English Language Learner goes through the school day as well as how principals identify the needs in their respective schools. Dr. Pires noted that this particular budget analysis was exciting in that many area that were deficient are being improved.

Mr. Aicardi reviewed the slide presenting FTE changes from FY18 to FY19. He noted that the salary for the Director of Wellness was being paid out of revolving funds and is now coming into the operating budget as well as the salary for several other positions. Brief discussion followed.

Mr. Aicardi noted that there was school expenses that come out of the municipal budget that are reported as part of the Net School Spending formula. Selectman Crowley asked about debt service. Brief discussion followed on the net annual percentage increase, impact of school choice, three-year look ahead in efficiencies, and strategic planning. He cautioned that every increase in FTE results in an increase in health insurance premiums.

Continuing, Mr. Aicardi reviewed the base level service budget then added in the proposed staffing and operating efficiencies as well as other improvement adjustments. Discussion followed. Dr. Pires emphasized they begin each year on its own, analyze what the needs are, and try to project how resources will be used. In the end, it is difficult to compare one year to another because needs and student population are continually changing.

There was a Q&A session on various budgeting and strategy issues. Dr. Pires reported that the presentation will be shared with the School Committee tomorrow evening. He encouraged members to review the remaining slides that contain a great deal of information reflecting answers to the many questions that have come their way. Responding to a question from Chairman Rossi on page 34 relative to circuit breaker funds, Mr. Aicardi referred him to page 43 of the presentation. He added that the budget presentation has evolved over the years to contain slides on more areas of focus as people are becoming more and more interested in the details of the school budget. Mr. Ashok asked about Chapter 70 funds. It was noted that Chapter 70 funds are deposited into the general fund. Brief discussion followed on circuit breaker and school choice funds.

Chairman Rossi thanked them for their hard work on this presentation. Any additional questions can be forwarded to Chairman Rossi who will forward the on. Mr. Boynton complimented all parties on the good working relationship that exists between the Town administration, Board of Selectmen, Finance Committee and School Administration. The final goal is to provide the best education to the students on Medway, and partnering together is one way to make sure all needs are met.

Mr. Boynton stated that there was a lot of hard work over the past couple of days due to the recent snowstorm. Sidewalks were open on time for school, and everything was well done. It took detailed coordination between the Town offices, Department of Public Services as well as police and fire.

Regarding the Snow and Ice Budget, it is overspent at slightly over the budget. Police and Fire overtime will also be impacted. He briefly described the scheduling of crews for the storm, estimating an expense of \$75,000. He noted that the Reserve Fund has not been used as yet. He expressed concern that the funds allocated to the Sidewalk Improvement Plan can remain untouched, if there are no additional storm expenses.

Upcoming Meeting Schedule:

Chairman Rossi reviewed upcoming meetings beginning with the meeting before Special Town Meeting on March 19 at 6:30 PM. This is when the motions for Special Town Meeting will be assigned, and the committee can also review minutes. For the March 28 meeting, both the Police Chief and Fire Chief have been invited as has the Director of Public Services.

The committee reviewed the budget timeline. Mr. Boynton pointed out that the calendar may reflect dates if the Annual Town Meeting would have been earlier in May. Now that Annual Town meeting is on May 21, the Finance Committee's public hearing could be on April 25. Brief discussion followed on departments that still need to come in to speak to their budgets. The March 28th meeting will likely be at the Middle School Presentation Room as it is already set up for taping the meeting. Chairman Rossi will update the calendar dates and send out to members.

Selectman Crowley reported that there is an upcoming auction of the tax title rights to a delinquent property, and it was clarified that the property is not being foreclosed upon, but rather selling the tax title rights. Brief discussion followed.

At 9:18 PM Mr. Alessandri made the motion to adjourn; Ms. Segarra seconded. No discussion.

VOTE: 7-0-0.

*Respectfully submitted,
Jeanette Galliardt
Night Board Secretary*