



## Town of Medway

### FINANCE COMMITTEE

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Wednesday, March 8, 2023 – 7:00 PM  
Town Hall, Sanford Hall  
155 Village Street

Present: Brian Cowan, Vice Chair; Ellen Hillery, Clerk; Bruce Carbone; Chris Lagan; Will Lane; Sue Segarra.

Absent: Jim Sullivan, Chair; Jeff O'Neill; Michael Schrader.

Staff Present: Michael Boynton, Town Manager; Carol Pratt, Finance Director; Rich Boucher, Director, Information Services.

Others Present: Dennis Crowley, Chair, Select Board; Glenn Trindade, Select Board; Cindy Sullivan, School Committee liaison to Finance Committee; Karen Nowicki, Capital Improvement Planning Committee (CIPC).

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#### **Call to Order**

In the absence of the Chair, Vice Chair Cowan called the meeting to order at 7:01 PM with six members present.

#### **1.0 Medway Public Schools FY24 Budget Review:**

*The following information was reviewed: "PowerPoint presentation entitled Medway Public Schools FY24 Preliminary Budget Presentation".*

Present: Dr. Armand Pires, Superintendent; Patricia Leonhardt, Director of Finance and Operations, Medway Public Schools; Michael Boynton, Town Manager; Carol Pratt, Finance Director.

Dr. Pires introduced Ms. Leonhardt who started in the position of Director of Finance and Operations in August 2022. Utilizing a PowerPoint presentation, Dr. Pires reviewed numerous sections of information, with occasional questions along the way.

#### **Goals**

There was a different approach to budget development for this year. Dr. Pires emphasized that they needed to take a look back at the inflationary factors and other things over the past year. One of these

is a proposal to reintroduce School Choice. A budget development timeline was discussed. Dr. Pires announced that a public forum relative to the budget will be tomorrow evening at the middle school. The public hearing on the budget will be on March 16, followed by the vote of the School Committee that same evening with the final consideration occurring at Annual Town Meeting on May 8.

#### Enrollment

With regard to class sizes, it was noted that, based on projections, there are no anticipated increases in class sizes in lower grades. There is a slight increase in enrollment in Grade 8; no additional classes are anticipated.

#### Funding Sources

Dr. Pires briefly reviewed various sources of funding. Medway's Chapter 70 state aid remains constant at an average of \$30 per student or \$63,000 per year. Other communities are experiencing increases in enrollment; Medway is not. Costs continue to increase, however, so this funding does not go as far as it used to. He reviewed historical Chapter 70 allocations beginning with FY17 (actuals) to FY24 (relative to the Governor's proposed budget).

The Annual Town Appropriation for FY24 is an increase of \$900,000 or 3.02% over FY23. Ms. Leonhardt added that each year's increase becomes part of the future year's "hold harmless" level. Discussion followed.

At this time, Ms. Leonhardt explained the budgeting process. Noting that \$1,873,000 was available in the offset, she explained the components utilized in the calculation to build the "level service" budget. While the prior year's information is considered as a base, they also identified some new needs which necessitated new budget requests. At the end of this process to evaluate needs for services, there is still a \$2.2M gap. Then budget reduction strategies are determined and budget efficiencies (offsets and reductions) are implemented. Ms. Leonhardt explained how unused circuit breaker funds can be carried forward a year, but cautioned that those funds must then be used and not carried forward again.

Dr. Pires briefly reviewed staffing reductions at the district level and at the high school, middle school, and elementary schools. Discussion followed during which it was noted that with respect to salaries, there are collective bargaining agreements that have not been finalized. At this time, Mr. Boynton emphasized that there are only a couple ways to gain revenue, mainly through taxes and new growth. This directly affects funding that potentially goes to the schools. One-time infusions of revenue such as from an agreement with a utility cannot be considered with respect to recurring expenses which have increased significantly over the last two years. There will be ten full-time reductions affecting current staff. Dr. Pires emphasized that, should additional funds become available, the positions could be restored or the staff members can be integrated into other positions where need is determined.

Regarding FY23 Total Spending vs. FY23 General Fund Budget, Ms. Leonhardt explained that these five categories are the ones she is constantly reviewing in tracking the year's budgetary progress. She emphasized that she is always looking to the future. A comparison of General Fund FTE's FY20 – FY24 reflected a decrease of 14.2 FTE over that time period.

General discussion followed on the funding formula at the state level and how it does not help smaller communities as much as it might help larger communities.

The presentation and discussion concluded at 8:19 PM. Dr. Pires, Ms. Leonhardt and Mr. Trindade exited the meeting room.

## **2.0 Review of Information Services (Technology) FY24 Budget**

*There were no additional documents provided other than the budget book.*

Present: Rich Boucher, Director, Information Services; Michael Boynton, Town Manager; Carol Pratt, Finance Director.

Mr. Boucher reported that the Information Services budget did not have much of an increase in most of the line items. The department was fortunate to receive quite a few grants this past year, one of which was a contract grant in the amount of \$42,000 to help install fire suppression equipment. There was also a grant to support purchase of 200 Chromebooks during COVID. A grant for \$275,000 was received to help promote physical security to update cameras, door control, and other uses within the schools. There was a total of over \$550,000 in grants.

Regarding staffing, a security position was added to the department with the aid of COVID funding. Efforts to improve cyber security are continuing, including backup systems and protocols. They are training all staff on how to avoid phishing scams and other emails that present threats along with the addition of improved filtering processes so that those types of emails do not get to the staff in the first place. Brief discussion followed on liability coverage provided by MIAA.

The training line item has increased to \$9,000 to make sure all IT staff is continually trained on cyber threats. Mr. Boynton added that Town departments have received various emails demanding money (payment on bogus invoices), and one even contacted the bank. Discussion followed.

At 8:30 PM Mr. Boucher exited the meeting room.

## **3.0 Discussion – FY24 Capital Budget Review:**

*The committee reviewed the following information: List of recommendations from the Capital Improvement Planning Committee.*

Present: Karen Nowicki, Capital Improvement Planning Committee; Michael Boynton, Town Manager; Carol Pratt, Finance Director.

Mr. Boynton explained the revised spreadsheet and free cash projections. He emphasized that the Capital Improvement Planning Committee (CIPC) is one of the hardest-working committees whose work spans several months.

Ms. Nowicki outlined the process, beginning in the fall, meeting with departments that make presentations to the committee, and the committee ranks and prioritizes the requests. She noted that there are two requests (marked in yellow on original). The spreadsheet contains the 26 items that were recommended for funding as well as those requests that were not chosen for the upcoming fiscal year. At this time, Mr. Boynton briefly reviewed the free cash projections out of the FY23 free cash.

Responding to a question from Ms. Segarra, Ms. Nowicki responded that there were a lot of requests from departments, including a few surprises, and the committee had to whittle those down to the ones

most needed. Mr. Boynton added that the Town will likely need a fire engine next year, and current prices are over \$1 million. Discussion followed.

Selectman Crowley reported that the Select Board is discussing the possibility, if available, to use the amount for snow and ice charges to transfer to the Road and Sidewalk fund.

At 8:45 PM Ms. Nowicki exited the meeting room.

#### **4.0 Initial Review of Annual Town Meeting/Special Town Meeting Warrants:**

*The committee reviewed the 2023 Annual Town Meeting and May 8, 2023 Special Town Meeting Warrants.*

Town Manager Boynton reported that the Select Board needs to finalize the articles on Enterprise Funds. Town Counsel is reviewing the Warrant now. There are updates to both zoning bylaws and General Bylaws. Most are housekeeping edits to consolidate and clarify language.

At this time, he suggested that review of the warrants wait until they are finalized as changes to the warrants can still occur.

Turning attention to the FY24 budget, Mr. Boynton reported that there is one new position coming out of the General Fund, a dispatch position for the evening shift at the Fire Department. He spoke briefly about a recent scenario when four calls came in at the same time, and it is a challenge to be able to dispatch emergency personnel for that many calls concurrently. A second dispatch person was available to help, and this new position will give the evening shift two dispatchers. The Police Department will go through a reorganization. The position of Deputy Director with the Department of Public Works will be eliminated; the current Deputy Director is leaving. If the workload cannot be handled with remaining staff, the position can always be reactivated. Discussion followed on Fire Department staffing relative to the number of calls coming in. Discussion followed during which it was noted that a new ambulance will be ordered during the next year.

At 9:04 PM Ms. Pratt, Mr. Boynton, and Selectman Crowley exited the meeting room.

#### **5.0 Miscellaneous:**

Chairman's Report – Due to the absence of the Chair, the report will be postponed.

Clerk's Report – No change from last month.

#### **Liaison Reports**

Ms. Hillery reported briefly on the Community Preservation Committee meeting.

#### **6.0 Other Business**

##### **a. Review Assignments of Reports for Annual Town Meeting Book**

Vice Chair Cowan explained this book is prepared by the Finance Committee each year and asked that members reach out to their liaison groups for relevant updates for inclusion. Reports from previous years can be used as guidelines. He asked that reports be submitted to himself and Chairman Sullivan by April 6 so they have time to put it together and submit it to the Town Manager's office.

##### **b. Review /Approval of meeting minutes**

*The committee reviewed the following information: Draft meeting minutes from February 8, 2023.*

**Ms. Hillery made a motion to approve the February 8, 2023 minutes, as amended; Mr. Lagan seconded. No discussion. VOTE: 6-0-0.**

**7.0 Upcoming Meetings**

The proposed agenda for March 22 was instead pushed back to March 29 as member availability could confirm only five members which, if someone was able to make it, a meeting could not be called to order. This change packs the March 29 meeting, and if necessary, have an additional meeting on April 5. Ms. Galliardt will send out an inquiry to members on availability.

The public hearing will be held on April 12, also the date of the regular April meeting; Annual Town Meeting is on May 8.

**8.0 Adjourn**

**At 9:13 PM Mr. Lagan made a motion to adjourn; Ms. Segarra seconded. No discussion. VOTE: 6-0-0.**

*Respectfully submitted,  
Jeanette Galliardt  
Night Board Secretary*