

**Needham Finance Committee  
Minutes of Meeting of February 24, 2010**

The meeting of the Finance Committee was called to order by the Chair, Lisa Zappala, at approximately 7:03 pm in the Broadmeadow School auditorium.

Present from the Finance Committee:	Lisa Zappala, Chair Richard Zimbone, Vice Chair Matthew Borrelli Richard Creem	Richard Lunetta Richard Reilly Steven Rosenstock (arrived 7:10pm) Michael Taggart
Also Present:	David Davison, Assistant Town Manager – Finance Director Kate Fitzpatrick, Town Manager Dan Gutekanst, School Superintendent Joe Barnes, Chair, School Committee Connie Barr, Vice Chair, School Committee Marianne Cooley, School Committee member Michael Greis, School Committee Member Anne Gulati, Director of Financial Operations, Schools	

**Citizen Requests:** There were no citizen requests to address the Finance Committee.

**Approve Minutes of Prior Meetings:** Mr. Reilly moved that the minutes of January 13, 2010, be approved. Mr. Zimbone seconded the motion. The motion was approved by unanimous vote: 7-0. (Mr. Rosenstock arrived after the vote.)

**Superintendent and School Committee Review of Proposed Annual Budget:** Dr. Gutekanst noted that the budget calls for reduction in teachers: one at high school, two at middle school, and three at elementary level. Athletic fees at high school level have been used in part to put one teacher back in budget (had discussed reducing 2 high school teachers.) He noted that if any additional funding is available, his first priority is to restore a secondary school teacher. The School Committee is currently seeking to restore the High School position, but Mr. Gutekanst stated that it might make more sense to restore one of the Middle School positions in order to reduce class size, as there will be increased enrollment. Mr. Rosenstock asked if there was any cushion in budget that might allow for that teacher without additional funds. Dr. Barnes stated that the past two years' budgets have already cut back on supplies and professional development. School department has already balanced all its needs and must make teacher reductions at the proposed level of funding. In response to a question from Ms. Zappala whether reduction could be at administrative level rather than in teaching staff, Dr. Barnes noted that there are few administrators in system, and that an assistant principal position was reinstated at Pollard because it was necessary to adequately support teachers. Further, there have been reductions in administrators along with increases in administrators' responsibilities. There have also been teachers doing some functions previously done by administrators.

**Discussion of Capital Plan for schools:** In response to a question from Ms. Zappala, Ms. Fitzpatrick stated that she recommends the School Technical Replacement request

(Section 5 of 2010 Proposed Annual Budget, p. 5-6) should have \$38,600 come from cash capital and the balance of \$221,200 come from stimulus funds.

Mr. Zimbone noted that the Mitchell/Hillside Assessment (Proposed Budget p. 5-7) will not be funded from cash capital but as a reallocation of unused funds from Warrant Article 4T from the 2009 Annual Meeting.

Modular Classroom/Mitchell: Dr. Gutekanst stated that an architect has been contacted to design modular classrooms in anticipation of funding. Their goal is to install the modularity by first day of school in September 2010. Design for the modular expansion is expected to be less than \$10,000. They plan to use federal stimulus money to fund the design work, however they have not received \$1 million of anticipated stimulus money from the state.

In response to a question from Mr. Rosenstock about the status of stimulus grant money, Ms. Gulati said that there is a two year cycle of special education restricted funds and general purposed stimulus money. The town has not yet received the money for the first year.

**Discuss and Vote as Appropriate Warrant Article 1: Article to Establish Public School Transportation Program Chapter 44 Section 53E-1/2 Revolving Fund.** Dr. Gutekanst stated that a consultant is looking at possibility of purchasing special educational vans that would allow the school department to set up a transportation program that would avoid relying on contractors for various transportation needs. Ms. Gulati noted that special education vans would be purchased with stimulus funds, and the warrant article would fund a transportation program using the vans. Dr. Gutekanst stated that the article would fund a fee-based revolving fund and that the amount represents a ceiling amount that can be used. In response to question from Mr. Borrelli, Ms. Gulati noted that they have done analyses and determined it is better to buy than to lease copiers. Mr. Zimbone stated he would discuss this later at a liaison meeting. No vote was taken as the schools do not have the consultant's report and the school committee has not yet voted on this article.

**Discuss and Vote as Appropriate Draft May Town Meeting Warrant Article 45: Appropriate for General Fund Cash Capital:** Ms. Fitzpatrick stated that some of the money may come from this years' excess funds in the Reserve Fund due to lower than expected snow removal costs. Mr. Davison described most of items listed as recurring needs. Descriptions are found in Proposed Annual Budget, section 5, pp. 5-5 through 5-14. Descriptions include source of funding and whether primary or secondary cash capital category. The Financial Application Hardware item for \$150,000 will replace server and peripheral hardware originally schedule for last year, now overdue for replacement. Network Services and Switches for \$30,000 actually covers an approximate \$125,000 every five years, but is done for better budgeting. Ms. Fitzpatrick noted that Core Fleet Replacement request, \$221,200 is now a top tier, not secondary priority. She stated that Roadway Improvements request of \$1,236,300 is an important item. Ms. Fitzpatrick stated that Facilities Maintenance request was going to be \$450,000 but was

reduced to \$400,000 due to cash capital restraints this year and last. Mr. Zimbone stated that he would like to see energy audits continue and efforts made to encourage behavior modifications to save energy. Ms. Fitzpatrick noted that this is ongoing in buildings. The Committee decided to defer a vote on Cash Capital expenditure in its draft budget of \$1,500,564.

**Discuss and Vote as Appropriate Draft May Town Meeting Warrant Article:**

**Transfer of Budgetary Fund Balance:** Mr. Davison stated that the article balances the budget so that there is enough money in the operating budget. Mr. Rosenstock moved that the Finance Committee recommend adoption of the Draft May Town Meeting Warrant Article entitled “Transfer of Budgetary Fund Balance.” Mr. Reilly seconded the motion. There was no discussion. The motion was approved by a vote of 8-0.

**Discuss and Vote as Appropriate Draft May Town Meeting Warrant Article: Accept**

**Chapter 73, Section 4 of the Acts of 1986:** Mr. Davison described that the purpose is to continue increasing the property tax exemption to 85% for those who qualify for real estate tax exemptions under state law. The goal is to eventually get to 100% exemption. Mr. Rosenstock recused himself from the matter as he would personally benefit from the exemption. Mr. Creem moved that the Finance Committee recommend adoption of Draft May Town Meeting Warrant Article entitled “Accept Chapter 73, Section 4 of the Acts of 1986.” Mr. Borrelli seconded the motion. The motion was approved by a vote of 7-0-1, with Mr. Rosenstock abstaining.

**Discuss and Vote as Appropriate Draft May Town Meeting Warrant Article:**

**Appropriate for Senior Corps Program:** The Committee decided to defer this vote until the Town Manager provides information about the balance of prior year appropriations.

**Discuss and Vote as Appropriate Draft May Town Meeting Warrant Article:**

**Appropriate for Needham Property Assistance Program:** Mr. Rosenstock moved that the Finance Committee recommend adoption of the Draft May Town Meeting Warrant Article entitled “Appropriate for Needham Property Assistance Program.” Mr. Borrelli seconded the motion. There was no discussion. The motion was approved by a unanimous vote of 8-0.

**Discuss and Vote as Appropriate Draft May Town Meeting Warrant Article:**

**Appropriate for Planning Study of the New England Business Center:** Ms. Fitzpatrick said that businesses have complained the current zoning is restraining economic development by unduly restricting use in the New England Business Center. Current zoning restrictions were established in a different economic climate. There are also issues with marketing and branding of the New England Business Center. Needed improvements in transportation routes and infrastructure are underway. The study would be funded half by the town, and half by interested developers, so the town would be paying \$25,000 of a \$50,000 study. Committee agreed to defer vote until the Town Manager could bring in members of Planning Board with more information on the study.

**Discuss and Vote as Appropriate Draft May Town Meeting Warrant Article: Appropriate for Energy Challenge/LED Traffic Signals:** Ms. Fitzpatrick described that article would change incandescent traffic lights to light-emitting diode (LED) lights, which are brighter and expected to save energy. Mr. Zimbone noted that the DPW budget was reduced by \$5,000 to account for expected energy savings from the new traffic signals. Mr. Taggart noted that news stories have described traffic accidents resulting from snow building up and obscuring LED traffic lights since there is a lack of heat from the bulbs. Further, it was noted that the town voted 2 years ago to update traffic lights and street lights and later received a rebate from NStar last year so the previous funds were all used on the street lights, now requiring additional funds to complete the traffic lights. The Town Manager stated that it is expected that this will be a recurring article at the \$10,000 level for several years to complete the traffic lights. The committee agreed to defer a vote and additional discussion until more information can be gathered on the potential safety issue with respect to snow and LED traffic lights.

**Discuss and Vote as Appropriate Draft May Town Meeting Warrant Article: Authorization to Expend State Funds for Public Ways:** Mr. Creem moved that the Finance Committee recommend adoption of the Draft May Town Meeting Warrant Article entitled “Authorization to Expend State Funds for Public Ways.” Mr. Rosenstock seconded the motion. Mr. Davison stated that the town must vote to accept state money proceeds through a bond authorization to be repaid through a gas tax. If the town does not vote to accept the money, it will be given away elsewhere. There was no discussion. The motion was approved by a unanimous vote of 8-0.

**Discuss and Vote as Appropriate Draft May Town Meeting Warrant Article: Continue Departmental Revolving Funds:** Mr. Davison described that the article provides for a spending ceiling every year for items that may change and that are not an essential part of municipal government. Funds can be spent only up to the allotted amount (ceiling). Most funding requests are same amount as used last year. No longer includes transportation revolving funds, which is funded elsewhere, or human rights committee funds, as no longer needed. Usually there is excess, as not all funds are needed. Mr. Creem moved that the Finance Committee recommend adoption of the Draft May Town Meeting Warrant Article entitled “Continue Departmental Revolving Funds” in the amounts set forth therein. Mr. Borrelli seconded the motion. The motion was approved by a vote of 8-0.

**Finance Committee Updates:** Mr. Taggart noted that he attended the PPBC meeting and there was nothing of significance to report to the Committee. Mr. Zimbone noted that there is a discussion scheduled to cover the School’s Revolving Funds at the next liaison meeting on March 2nd. Ms. Zappala stated that the upcoming Finance Committee meetings would take place at the PBAC building.

Mr. Zimbone moved to adjourn the meeting at approximately 9:17 pm. Mr. Lunetta seconded the motion. The motion was approved by a unanimous vote: 8-0.

Respectfully submitted,

Louise Mizgerd,  
Executive Secretary