

Needham Finance Committee
Minutes of Meeting of February 27, 2013

The meeting of the Finance Committee was called to order by the Chair, Richard Reilly, at approximately 7:00 pm in the Great Plain Room at the Town Hall.

Present from the Finance Committee:

Richard Reilly, Chair; Richard Lunetta, Vice Chair

Members: John Connelly (arrived 7:05 pm), Richard Creem, Gary McNeill (arrived 8:15 pm), Louise Miller (arrived 7:25 pm), Lisa Zappala, Richard Zimbone

Also Present:

David Davison, Assistant Town Manager/Finance Director

Mark Gluesing, Chairman, Community Preservation Committee

Janet Carter-Bernardo, Vice-Chairman, Community Preservation Committee

Patty Carey, Director of Park and Recreation and Staff Liaison to Community Preservation Committee

Anne Gulati, Director of Financial Operations, School Department

Citizen Requests

There were no requests to address the Committee.

Minutes of Prior Meetings

Ms. Mizgerd reported that Ms. Miller requested that the February 13 minutes be amended to change the time of the end of the daytime pay rate for snow removal from 4:00 pm to 3:30 pm.

MOVED: By Mr. Zimbone that the Minutes of February 13, 2013, be approved as amended. Mr. Creem seconded the motion. The motion was approved by a vote of 5-0. (Mr. Connelly, Ms. Miller, and Mr. McNeill had not yet arrived.)

Consultation with Community Preservation Committee

Mr. Gluesing presented a synopsis of each pending CPC project proposal.

Community Housing Specialist

Mr. Gluesing stated that funding has been requested for a Community Housing Specialist position to work under the Director of Planning and Community Development. The position would be part-time, paying an average of \$35,000 per year for five years for a total of \$175,000. One of the most important job functions would be to put together proposals and apply for funds from various sources particularly the Metro West Housing Consortium, as well as to monitor local affordable housing units. There was discussion whether the position should be funded with one lump sum to cover five years or whether to fund the position each year. Mr. Gluesing stated that there would be more control by the CPC if the position were funded each year, but that it would be better for the hiring process if the funding was secure beyond the first year. Ms. Bernardo stated that the new person would be a specialist who knows planning and affordable

housing issues, and not a consultant, nor a person right out of school. Mr. Gluesing stated that much of the current staff cannot do the work. Ms. Carey stated that the assistant planner can do the work, but that she works full time on other matters.

Mr. Connelly stated that he supported funding each year so that the CPC could monitor the position. Mr. Zimbone agreed and commented that there might also be a need to increase the salary, so the needed amount could change. He stated that this position should be reviewed by the CPC each year just as the Finance Committee reviews the operating budget. Mr. Lunetta suggested that the CPC get a job description before approving the funds. Mr. Creem noted that any Town position is subject to the annual appropriation process, so that the hiring process should not be an issue despite only one year of funding.

Open Space Plan

Mr. Gluesing stated that state law requires the plan to be updated every five years to be eligible for certain grants. He stated that the Town's Open Space Plan needs to be updated, and the \$25,000 would pay for a consultant.

Design/Engineering of Newman Fields Renovation and Eastman Conservation Area Trails

Mr. Gluesing stated that the Newman fields are adjacent to wetlands and experience downtime due to water issues that need to be addressed. He stated that the adjacent Eastman Conservation area has trails used by Newman science classes, but they want to add more extensive trails for children walking to school and for educational use. He stated that the CPC would use the general reserves for this item. He stated that they may use some Open Space funds for the construction phase.

Newman Preschool Playground Resurfacing

Mr. Gluesing stated that while the new Newman playground was being installed, it was determined that the preschool playground area needed a more accessible surface. This project would add a poured rubber surface for \$60,000. He stated that this project is holding up the occupancy permit. Mr. Creem asked whether this would start a wave of requests for playground resurfacing throughout Town. Ms. Carey stated that she did not believe it would, since many playgrounds already meet the accessibility criteria, and that playgrounds would generally be part of school construction projects going forward. Mr. Gluesing stated that this issue arose only because of the Newman School renovation.

Design for Reservoir ADA Trail and Ridge Hill Loop

Mr. Gluesing stated that these two projects were combined to make it more appealing project for a consultant. The Reservoir Trail would be more accessible to all and there would be possibility for expansion. The Ridge Hill trail would develop a connection between trails within the site.

Mills Field Park Design

Mr. Gluesing stated that there has been trouble with parking in the neighborhood. The design would improve the parking area and accessibility, and would renovate the turf. Mr. Zimbone

asked which classification the field would become in terms of the field maintenance costs for the Town. Ms. Carey stated that it would be a level “C” field, the lowest level of field maintenance needs and costs.

Needham Community Farm Soil Quality Improvements

Mr. Gluesing stated that this is the only non-public request. The current soil is poor quality and heavily compacted. This would be a multi-year project using RTS compost and rented equipment. He stated that the Farm has a farmer on staff who has analyzed the soil and determined the needs. \$15,000 will cover three years. The project’s total cost is \$17,000 but the Farm will use other funds for the balance. He stated that the Farm focuses on education, and that all the food they produce is donated. Ms. Miller suggested that they check on the availability of compost from the RTS because there was a shortage 1 ½ years ago.

Preliminary Funding Spreadsheet

Mr. Gluesing stated that the CPA was amended last year to allow broader funding on Town-owned lands. Because the CPC was concerned about an increase in the number of proposals, they started working with the Town Manager and with a number of different Town groups such as Community Housing and the Historical Commission to make a plan outlining what projects they anticipate funding over the next several years. They are seeking to make the best use of Town resources. They are not putting any additional money into the Historical Reserves in the upcoming years because they are paying debt service on the Town Hall project. They have discussed various possibilities but plan to keep maximum flexibility so they keep money in the general reserves if possible. The CPC has not voted on the plan, but uses it as a guideline. Mr. Zimbone praised the plan, and stated that it would be helpful to have some dollar values for the future projects. He asked whether the trails get extensive use. Ms. Carey stated that they do get much use. She stated that the vegetation by the trails does not grow over and close in, which it would if they were not used much. She stated that the trail stewards also report the use that they see. Mr. Gluesing stated that in a survey of life satisfaction in Town, the #1 complaint was the lack of walking trails.

FY 2014 Final Recommended Budget

Mr. Reilly stated that in an earlier discussion, Ms. Miller raised the concern that the Drains budget seemed high for the planned installation 75 linear feet of drain pipe. Mr. Reilly stated that the Town Manager reviewed the issue with the Finance Director and DPW management and determined that the work should be part of the Capital Improvement process. As a result, she will be reducing her recommendation for the Sewer budget by \$40,000. Mr. Davison stated that the article Appropriate the FY2014 Sewer Enterprise Fund Budget will be amended. In that article, the Capital Outlay will be reduced from \$65,000 to \$25,000. The Total will be reduced to \$8,264,139. Lastly, the amount to be raised from the tax levy will be reduced to \$468,936.

Mr. Reilly stated that the Committee is faced with two choices: to adjust the budget, or to place the additional money in reserves, helping to brace for the “sequester” federal budget cuts. He stated that at last Finance Committee meeting, there was some sentiment to add funds to the School Department budget if any additional funds were identified since that budget was squeezed and also as a good will gesture. Mr. Zimbone stated that the School Committee

meeting, the committee members asked the School Department staff if they would re-examine where they would put any additional money. Mr. Reilly asked Ms. Gulati to recount the School Department's answer. Ms. Gulati stated that addressing the pressures created by High School enrollment position was the priority. She stated that the Assistant Athletic Director and Sports Coordinator would allow additional participation in the sports program. She stated that Dr. Gutekanst has not yet put a formal list together, but one will be in the agenda packet for the next meeting. She noted that there are other enrollment needs in social studies and science. She stated they may be able to fund a half position in athletics from sports fees next year if they cannot get the Athletic Director funded in the budget.

Mr. Reilly asked Mr. Davison about the potential higher level effects of the Sequester. Mr. Davison stated that at a MMA Fiscal Policy meeting, there was a general consensus that the most vulnerable area is Human Services block grants, such as SHINE, in FY13 and FY14, rather than Public Safety or Education. He stated that some cuts by Administrators at the federal level will take months to filter down to the Town level. He may have a better idea in April. Ms. Gulati stated that the Schools do not usually know their allocation of federal grants until August. She also said that she does not know about the downstream effects of the cuts on programs like Circuit Breaker reimbursements. She does not know when that would be known, but certainly not by Town Meeting. Mr. Reilly suggested increasing the School Department budget by \$40,000.

MOVED: By Ms. Miller that the Finance Committee amend its recommended draft budget to add the \$40,000 that will be removed from the Drains budget into the School Department budget. Ms. Zappala seconded the motion. There was no further discussion. The motion was approved by a vote of 8-0.

Draft 2013 Annual Town Meeting Warrant

Mr. Reilly stated that he met with the Town Manager and the Finance Director to discuss whether it would be prudent to request a warrant article that would allow the consideration of the use of Town reserves to fund cash capital needs in May. The reserves could be replenished after additional Free Cash is certified in the summer. Mr. Reilly stated that the Town's plan is now to use \$500,000 from the Overlay in addition to the current level of certified Free Cash to provide over \$1 million for FY14 cash capital items. He stated that their sense was that it was not necessary to access the reserve funds, and that any unfunded items could wait until the Special Town Meeting in the fall. Mr. Davison stated that he anticipates that there will be \$6-\$8 million in Free Cash that is certified in FY14, and that approximately \$2 million of it would have been included in the FY13 Free Cash if there had not been a timing issue. Mr. Reilly noted that applying \$2 million to FY14 capital needs would smooth out expenditures. Mr. Davison stated that the \$500,000 from the Overlay would have been used to fund the Hillside feasibility study. In November, the Town will be ready for that study, and the FY14 Free Cash can be used to fund it. Ms. Miller stated that the Committee should discuss all of the FY14 cash capital as if it were all in one article, as if the Town had the additional \$2 million now. She requested that the article allow room for substitution of items. Mr. Davison stated that in the past the Moderator has not allowed adding something new. Mr. Creem stated that he understands Ms. Miller's request to be that the draft article should be expanded to reflect the recommendations for year 1 of the FY14-18 CIP. Mr. Davison stated that the article had been voted by the Board of Selectmen. Mr. Davison stated that the Committee is asking to vote on something that has not been presented to

it. Ms. Miller stated that in the past the Committee has been presented with a full list of capital items to consider. Mr. Zimbone stated that this is an unusual year with bifurcated Free Cash. He stated that the Committee needs the opportunity to look at the bigger picture of all of FY14 needs to see how the money should be allocated. Mr. Davison stated that in the past, only what has been recommended for funding is in the warrant, not the entire capital plan. Ms. Zappala stated that the Committee should look at the capital requests including those that will be covered with money that will be available later to understand the choices being made, and not to rehash the deferred items in the fall.

Updates

Mr. Reilly stated that the Board of Selectmen voted on new RTS rates. He stated that Mr. Borrelli suggested reducing sticker rates from \$105 to \$95. The question was whether the rate was sufficient to meet needs. Mr. Davison stated that the rate would be sufficient for the short term, but probably not for the long term. The Board also decided to have a three year phase out of the senior discount.

Adjourn

MOVED: By Mr. Lunetta that the Finance Committee meeting be adjourned, there being no further business. Ms. Miller seconded the motion. The motion was approved by a vote of 8-0, at approximately 8:40 p.m.

Documents: Proposed Annual Budget FY2014, January 29, 2013, Town of Needham, Office of the Town Manager; CPC Liaison Project Descriptions; Preliminary Funding Concept for CPA Projects Worksheets; CPC Proposals Under Review for Annual Town Meeting, May 2013, dated March 13, 2013

Respectfully submitted,

Louise Mizgerd
Executive Secretary/Staff Analyst

Approved March 6, 2013