

**Needham Finance Committee  
Minutes of Meeting of September 25, 2013**

The meeting of the Finance Committee was called to order by the Chair, Richard Lunetta, at approximately 7:05 pm at his home at 182 Marked Tree Rd. in Needham.

Present from the Finance Committee:

Richard Lunetta, Chair; John Connelly, Vice Chair

Members: Louise Miller, Richard Reilly, Lisa Zappala, Richard Zimbone

**Citizen Requests**

There were no requests to address the Committee.

**Approval of Minutes of Prior Meetings**

MOVED: By Mr. Reilly that the Finance Committee approve the minutes of the meeting of September 11, 2013 as most recently distributed. Mr. Connelly seconded the motion. The motion was approved by a vote of 5-0. (Ms. Zappala had not yet arrived.)

**Free Cash**

Mr. Zimbone stated that the Committee would need to discuss the Town Manager's proposal regarding use of the Free Cash recently certified. Mr. Reilly stated that there should be an analysis of using it for long term purposes such as further funding OPEB liabilities versus shorter term needs. Ms. Miller stated that the Board of Selectmen has probably not had an opportunity to discuss the proposal yet and that the Finance Committee should discuss it early in the process.

**Committee Long Term Goals and Objectives**

Committee members discussed the Committee's purpose:

as advisors to Town Meeting; to represent taxpayer's interests in seeing funds spent wisely;

to determine issues of importance and establish the pertinent facts;

as in independent board to give opinions on proposed appropriations.

The Committee concluded that an important goal is to have the Finance Committee play more of a consulting role with Town Administration and to weigh in on critical issues at an early stage.

The Committee discussed how to better inform Town Meeting Members on issues relating to Town Meeting warrants. Mr. Lunetta stated that he intended to send a letter to Town Meeting Members inviting them to attend Finance Committee meetings so that they may come away with a level of understanding that will greatly inform their discussion on the floor of Town Meeting. Ms. Miller suggested that the Committee publish explanations of its positions on warrant articles on the Town website. Ms. Zappala suggested that excerpts from minutes be included. It was also suggested that the Finance Committee agendas be on the Town's list of items that can be automatically subscribed to by email.

## **Thematic groups**

The Committee decided to establish thematic working groups to review certain budget areas in a broader town-wide context. The groups with the assigned liaisons were determined to be:

- (1) Labor negotiations and staffing, with liaisons Mr. Lunetta and Mr. Zimbone;
- (2) Capital projects, with liaisons Mr. Reilly, Mr. Connelly and Mr. Flinton; and
- (3) Enterprise Funds, with liaisons Ms. Zappala and Ms. Miller.

Mr. Zimbone stated that the review of the Enterprise Fund budgets should include revenue as well as expenses. Ms. Zappala stated that the Committee needs to understand the labor issues earlier in the negotiation process and be involved in discussions regarding strategy. Mr. Reilly stated that staffing levels should be reviewed to determine what could be done at a lower cost. Ms. Zappala stated that the Committee should consider whether the goal of level services each year is appropriate. Ms. Miller stated that the vehicle replacement schedule was developed many years ago and should be reviewed.

## **“Deep Dive” departmental budget review areas**

The Committee determined several departmental budgets would be the focus of more thorough review in the FY15 budget process, with a key liaison for each department and a second liaison in some areas:

School Department: Mr. Zimbone and Mr. Connelly

Library: Ms. Miller

Department of Public Works: Mr. Reilly and Mr. Flinton

Public Safety: Mr. Lunetta

Park and Recreation: Ms. Zappala and Ms. Miller

Legal Department: Mr. Connelly

Ms. Miller noted that the Park and Recreation budget has not been increasing, while certain recreation facilities were falling into disrepair. Ms. Zappala stated that a review of legal expenses should include departmental budgets such as Schools that have legal expenses that may not be part of the Legal Department budget. Mr. Zimbone stated that the Committee should raise the issue of whether it is worth the legal expenses of fighting the Greendale Mews project rather than settling. Mr. Reilly suggested considering the idea of a full-time Town Counsel. Ms. Zappala stated that the Committee should create a spreadsheet template for all departmental budgets showing salary, non-salary, and capital expenses over the last 3 years to keep discussions focused and allow better forecasting. Ms. Zappala is drafting such a worksheet for the Committee’s use.

## **Town Meeting Articles**

Mr. Zimbone stated that there should be further discussion of the Chestnut St. property transfer. He stated that the approval of the Reserve Fund Transfer was not the same as the recommendation in favor of the purchase. Mr. Reilly stated that the \$75,000 for the deposit on the property should be refunded to the Reserve Fund from Free Cash. Ms. Miller stated that the Chair and another member of the SEEC stepped down from the SEEC when the RFP was issued so that their employers could bid on the project. She stated that there appeared to be a possible conflict of interest in the preparation of the RFP. Mr. Reilly stated that the Committee should

establish whether there is a financial implication in the article allowing alcohol in restaurants with fewer than 100 seats.

### **Finance Committee Updates**

Mr. Lunetta stated that Mr. James Flinton had been provisionally appointed to the Committee by the Town Moderator with his full appointment forthcoming.

### **Adjourn**

MOVED: By Mr. Connelly 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 7-0, at approximately 10:15 p.m.

Documents: Memo from Kate Fitzpatrick to the Board of Selectmen dated Sept.20, 2013 re: Preliminary Free Cash Spending Plan FY14 and FY15.

Respectfully submitted,

Louise Mizgerd,  
Executive Secretary/Staff Analyst

*Approved October 2, 2013*