

Town of Needham  
Meeting of the Finance Committee  
1471 Highland Ave, Needham, MA  
January 13, 2010

Minutes

Members Present:

Lisa Zappala, Chairman	Rick Lunetta
Rick Zimbone, Vice Chairman	Dick Reilly
Matt Borrelli	Steve Rosenstock
Richard Creem	Mike Taggart

Also Present:

Dave Davison, Assistant Town Manager  
Joe Barnes, Chairman of the School Committee  
Connie Barr, Vice Chairman of the School Committee  
Christine Brumbach, Director of Student Development and Program Evaluation  
Tom Campbell, Needham Public Schools Director of Human Resources  
Marianne Cooley, School Committee Member  
Terry Duggan, Director of Program Development and Implementation  
Diane Dunham, Integrated Preschool Program Coordinator  
Valerie Flynn, Middle School Director of Special Education  
Michael Greis, School Committee Member  
Anne Gulati, Needham Public Schools Director of Financial Operations  
Dan Gutetkanst, Superintendent of Schools  
Cathy Heller, Needham High School Director of Student Support Services  
Mary Lammi, Preschool through Grade 5 Director of Special Education  
Barry Nectow, Assistant to the Director of Financial Operations

Call to Order

Mrs. Zappala called the meeting to order at 7:03 pm.

Citizen Requests to Address the Finance Committee

There were no citizen requests to address the Finance Committee.

School Department Operating Budget and Capital Requests Review

Mr. Zimbone provided an overview of the School Department's operating budget request and thanked the School Committee and Administration for a high level of cooperation throughout the process including the four meetings between School Committee and Finance Committee liaisons. Mr. Zimbone noted that the School Department's FY10 approved budget was \$45,382,885 and that the FY11 budget request included increases of \$910,112 in contractual salary increases, \$2900 in other contractual increases, \$940,060 in Special Education increases, \$241,982 to continue positions previously funded through grants, and \$14,210 for program improvements. Mr. Zimbone noted that this budget request also includes a use of \$837,000 in one-time funds from the federal government to continue positions and \$817,180 worth of reductions to bring the

total request to \$45,837,879, an increase of \$454,994 or one percent over the FY10 budget. In response to a question from Mr. Creem, Mr. Campbell stated that this is the final year of a three-year Unit A (teachers) contract with the Needham Education Association, and that negotiations for a new contract started earlier than ever this past November. Dr. Gutekanst added that the Unit C (aides) and Unit D (secretaries) contracts had been recently negotiated and contained increases, however, he considered it important to honor the contracts rather than attempt to open and renegotiate them. Mr. Creem inquired about the reasoning behind the potential restoration of a Grade Level Administrator at Pollard as opposed to teaching positions. Dr. Gutekanst replied that Needham has a relatively low administrator-to-student ratio compared with surrounding towns, and that the potential of restructuring the cluster structure of Pollard combined with the infusion of 200 students from Newman at Pollard in 2011 will need extra administrative support. In response to a question from Mrs. Zappala, Dr. Gutekanst explained that the administration is struggling with sustainability, especially as the Circuit Breaker reimbursement cut from 75 percent to 40 percent has resulted in over \$600,000 in lost revenue. Dr. Gutekanst, Ms. Brumbach, and Mrs. Cooley noted changes to the School Committee's Class Size Policy, citing the elimination of the requirements of aides in classes above certain sizes and implementing class size guidelines of up to 22 in Grades K-3, 20-24 in Grades 4-5, and reasonable class size in Grades 6-12. Dr. Gutekanst also noted that Special Education is always under review, especially now with a Coordinated Program Review from the state looming next year. Dr. Barnes and Mrs. Cooley explained the potential of a five-teacher cluster model at Pollard which they stated would keep class size stable without requiring additional staff as larger numbers of students attend the school. Dr. Gutekanst praised Mrs. Gulati for her work in shifting some expenses away from the operating budget to revolving funds and noted that options are being considered for Special Education transportation including the possibility of the School Department purchasing its own fleet of vans. Mr. Rosenstock expressed concern that the budget picture can be confusing when expenses and revenues are blended, and suggested that everything offered by the school system may not be affordable. Dr. Gutekanst noted that the state requires 900 hours of instruction per year at the elementary level and 990 hours at the secondary level, and stated that the school system is not exceeding state requirements, meaning that if the school system were to drop foreign language from its course offerings it would need to be replaced by something else. Mrs. Cooley noted that transportation offered by the school department no longer exceeds state requirements as it used to. In response to a question from Mr. Reilly, Mr. Campbell stated that 25 teachers retired in 2007 and that only five plan to retire in 2010, with a couple having rescinded their retirement notices and others having taken advantage of the retirement incentive provided by the district with one-time funds. In response to a question from Mr. Borrelli, Dr. Gutekanst expressed that he was pleased with the decision to hire a principal for the High Rock School, saying that the school has its own culture and needs a leader for the building. Mr. Greis added that the High Rock Principal was not an additional administrative position but rather the conversion of a Grade Level Administrator.

Ms. Brumbach introduced a comprehensive presentation on Special Education, noting that it is the most highly regulated aspect of public education throughout the country. Ms. Heller explained the Individuals with Disabilities in Education Improvement Act, reenacted in 2004, noting that no decisions can be made without parental approval and student participation and that all children are entitled to a free and appropriate public education in the least restrictive

environment with an Individualized Education Program guaranteeing access to the general curriculum. Ms. Brumbach noted the five sources of revenue for Special Education – the School Department operating budget, federal grants, state grants, the Preschool revolving fund, and Circuit Breaker reimbursement. According to Ms. Brumbach, students receiving Special Education services are 13 percent of the total enrollment in the district, compared with 17.1 percent statewide and 15.9 percent in surrounding districts, and she expressed a belief that this is due in large part to strong general education programs that allow children to make effective progress without needing Special Education services. Ms. Dunham noted that children with disabilities are entitled to services on their third birthday, and what these children will need in an educational setting (i.e. wheelchairs, augmented communication) is unpredictable and often misses the budget cycle. Mrs. Lammi and Dr. Gutekanst expressed the importance of developing relationships of trust with parents to prevent legal challenges throughout a child's student career. Mrs. Lammi discussed further the increase of children diagnosed with Asperger's Syndrome or Autism Spectrum Disorder, and noted that students with autism have a wide range of abilities. In response to a question from Mr. Rosenstock, Mrs. Lammi noted that for a student to receive Special Education services the student must not only have a diagnosed disability but that the disability must prevent the student from accessing the curriculum. Mrs. Flynn discussed specialized programs including the Specialized Learning Center at Broadmeadow, the Language Based Classroom at Eliot, the Early Learning Center at Hillside and Newman, and similar programs at High Rock and Pollard which she stated are no longer given specific names. According to Mrs. Flynn many students in these programs would have to be provided with out of district placements were these programs not in place. Mrs. Flynn also noted Learning Centers which service children who are able to function and access the curriculum with less support but nonetheless with learning disabilities and on Individualized Education Programs and requiring support from a teacher and/or an aide. In response to a question from Mr. Zimbone, Ms. Brumbach stated that the department uses a guideline of about 27 students for each Special Education teacher's caseload, although she would be reluctant to enact this into policy. Mrs. Flynn added that state law mandates an aide in any learning center above eight students.

Ms. Brumbach summarized the requested budget increases, noting \$66,000 for a full-time Autism Specialist, \$641,951 to cover Circuit Breaker shortfall for out of district tuitions and \$80,000 for extended school year home-based service previously funded out of the PL 94-142 grant. According to Ms. Brumbach the Autism Specialist provides an efficiency as the allocated amount for a full-time position would only provide for 18 hours per week of professional consultation. In response to a question from Mr. Borrelli, Ms. Brumbach stated that the amount of savings by having programs to keep children in the district has been calculated before at around \$2 million, although this is very difficult to quantify. Ms. Heller noted two new programs at the high school, a therapeutic program and a program for students ages 18-22, has brought children back in the district. Mrs. Lammi expressed that litigation costs can be contained through frequent effective communication with families. In response to a question from Mr. Lunetta, Dr. Gutekanst stated that he did not believe the effectiveness of Special Education programs was attracting families with children to move to Needham any more than other towns. In response to a question from Mr. Rosenstock, Dr. Gutekanst stated that the School Department has focused on reducing legal bills and has limited access to the department's attorney.

Mr. Zimbone summarized the School Department's capital requests, including copier replacement, technology replacement, and condition assessments at Mitchell, Hillside, and Pollard. Dr. Gutekanst stated that the need for two modular classrooms at Mitchell, to be funded out of debt, is due to a lack of space at Mitchell. According to Dr. Gutekanst, Mitchell has one small room for Occupational Therapy, Speech and Language, and Reading and uses the stage in the cafetorium, the school's only assembly space, as a classroom.

#### Finance Committee Updates

Mr. Davison updated the Finance Committee on the Permanent Public Building Committee's meeting of January 11, noting that much of the discussion of the Newman Elementary School project focused on phasing of the project especially regarding modular classrooms to limit construction on the site while children are in school.

Mr. Davison stated that bids for the Town Hall renovation project were received with the winning bid coming in \$3.7 million below the original estimate, and with other bids within \$250,000 of the winning bid, however, he cautioned that change orders could be more substantial and more expensive than those in other projects. In response to a question from Mr. Rosenstock, Mr. Davison stated that debt issuance would take place after cash is spent, so that savings would result in less debt issued, and also that a cost analysis of the bid once done will reveal whether the savings would be in Community Preservation Act funds or out of the General Fund.

#### Approve Minutes of Prior Meetings

Mr. Reilly requested that the Minutes of the Meeting of January 6, 2010 be amended to add the following paragraph to the section entitled "Town Manager/Board of Selectmen Operating Budget and Capital Requests Review":

"Mr. Reilly pointed out that in many of the budget submissions the respective line items for FY11 simply carried forward the projected expenses for FY10. He observed that this raised a question in his mind about how rigorous the review process had been, and asked for Mrs. Fitzpatrick's thoughts in the issue. She stated that the budgeting directions had called for a level-service approach, stating that in many cases the Division heads had carried forward current numbers unless they had some clear indication that those numbers should be changed."

MOVED: By Mr. Rosenstock, to approve the Minutes of the Meeting of January 6, 2010 with the amendment submitted by Mr. Reilly. Mr. Reilly seconded this motion, whereupon the motion passed by a vote of 8-0.

#### Adjourn

There being no further business, a motion was made and seconded to adjourn the meeting, whereupon the meeting was adjourned by a vote of 8-0 at 9:58 pm.

Respectfully submitted,

Mike Taggart  
Acting Secretary