

**Needham Finance Committee
Minutes of Meeting of December 14, 2011**

The meeting of the Finance Committee was called to order by the Chair, Matthew Borrelli, at approximately 7:04 pm in Powers Hall, Town Hall.

Present from the Finance Committee:

Matthew Borrelli, Chair; Richard Reilly, Vice Chair

Members: John Connelly (arrived 7:10 pm), Richard Creem, Richard Lunetta, Gary McNeill, Steven Rosenstock, Lisa Zappala, Richard Zimbone

Others present:

David Davison, Finance Director

David Tobin, Town Counsel

Richard Hardy, Historical Commission

Elizabeth Dennis, Human Resources Director

Karen Pierce, Member, Commission on Disabilities

Citizen Requests

No citizens requested to speak.

Approval of Minutes

MOVED: By Mr. Reilly that the Minutes of October 19, 2011 be approved as most recently distributed. Ms. Zappala seconded the motion. The motion was approved by a vote of 8-0. (Mr. Connelly had not yet arrived.)

MOVED: By Mr. Reilly that the Minutes of November 2, 2011 be approved as most recently distributed. Mr. Zimbone seconded the motion. The motion was approved by a vote of 8-0. (Mr. Connelly had not yet arrived.)

MOVED: By Mr. Zimbone that the Minutes of November 7, 2011 be approved as distributed. Mr. Reilly seconded the motion. The motion was approved by a vote of 8-0. (Mr. Connelly had not yet arrived.)

Departmental Spending Requests

Finance Committee

Ms. Mizgerd presented the budget. The expenses were flat other than the salary line that included a step increase plus a 2% cost of living increase being provided to Town non-represented employees.

Town Counsel

Mr. Tobin stated that the FY 2013 spending request is mostly level to FY 2012. He stated that the spending in FY 2012 is a bit more than the amount approved on a monthly basis, so he feels it is reasonable to expect that the full budget will be needed. Mr. Reilly noted that the Town Counsel budget was bumped up for FY 12 and asked if that would be enough. Mr. Tobin stated that it looks like the budget will be approximately \$10,000 short if the rate of spending continues. He stated that the Rosemary Pool permit is valid for one more year, but expects to see legal expenses for the related issues in FY 2014. Mr. Rosenstock asked what issues the Town Counsel has been working on. Mr. Tobin stated that there are a number of issue issues, including a purchase of land on Lincoln Street, an enforcement action being explored by the Conservation Commission, a Planning Board request for a ruling on zoning by-law language for a farmers' market and some issues relating to the Senior Center. Mr. Reilly stated that the School Transportation costs are quite high and that each year there are 3-4 companies that express interest but only one bidder. He asked whether anyone has examined the validity of the bidding process and whether there might be collusion. Mr. Tobin stated that he would speak with surrounding communities. Mr. Borrelli asked if Mr. Tobin was working on the issue of proposed retail liquor sales. Mr. Tobin stated that it would be easier for the Town to proceed via Home Rule Petition than to get the issue on the ballot, so he expects that will be the course. Also, there is the added benefit that the Town can craft the language and tailor it to specific needs. He expects he will be involved in the drafting of the petition.

Personnel Board

Mr. Creem presented the budget and outlined the duties of the Personnel Board as delineated in the Town Charter. While the responsibilities have changed since the move to a Town Manager form of government, the Personnel Board currently has important functions. It modulates the personnel system, severs as part of the appellate process for union grievances, and reviews the Town Managers' personnel rules and regulation, as well as the classification and compensation system before they are presented to the Board of Selectmen. In addition, the Personnel Board establishes the salaries of elected officials. Mr. Creem noted that the salary line for the Personnel Board is level funded at \$600 for the recording secretary who serves the important function of keeping accurate records of meetings and grievance proceedings. Ms. Dennis reported that the Personnel Board held four meetings in FY 2011 and has had three meetings in FY 2012, and expects four total meetings. She stated that her department does reviews of job titles and the employees in those positions. Mr. Creem stated that the work done in-house keeps consulting costs down.

Ms. Dennis stated that the Town uses the Olney system to set relative rankings for compensation and functions. She stated that her department does salary surveys and keeps records in-house, but the analysis must be done independently. In response to a question from Mr. Reilly, Ms. Dennis stated that she reviews both union and non-represented positions. She confirmed that the MMA is not serving as a clearinghouse for collecting and distributing personnel data. Mr. Reilly asked whether the department looked at staffing levels and models as well as salaries. Ms. Dennis stated that they do review that information to see if the Town is over-staffed or under-staffed. Mr. Reilly asked how the staffing levels compared with other towns. Ms. Dennis stated that she did not have that information, but that towns general maintain the data.

Mr. Creem stated that last year the Finance Committee discussed whether there was a continued need for a Personnel Board. He commented that if the Personnel Board were abolished, the Board of Selectmen would set its own salaries, which would make him uncomfortable. He also noted that the Personnel Board is made up of skilled human resources professionals whose expertise is of great value to the Town Manager and the Human Resources Director. The Personnel board reviews personnel policies as well as the classification and compensation system before they are presented to the Board of Selectmen. Mr. Lunetta stated that he had raised the point of abolishing the Personnel Board last year in light of the fact that the Board had had a deliberative purpose under the previous form of government when there was no Human Resources Director. He noted that it is good to have the additional review of personnel policies. Ms. Dennis stated that the Personnel Board plays an important role in the grievance process.

Historical Commission

Ms. Zappala presented the budget request and explained that the funds are spent in intermittent years. Mr. Hardy stated that one plaque is awarded each year, and that the variation in expenses depends on the activities. The Commission has applied for a CPA grant for inventory work. They have been working on inventorying about 40 structures. Last year, they held a reception and printed brochures for homeowners, and printed stationery. There has been increased interest in historical issues because of the Town's tercentennial celebrations and a new Needham Cable program that shows restored historical homes.

Mr. Borrelli asked about the Historical Commission interests at Ridge Hill. Mr. Hardy stated that he made a presentation at a meeting held by some members of the Board of Selectmen, and will also present at a meeting being held by the League of Women Voters. He stated that the house at Ridge Hill is on the historical registry and that the last owner, named Cutler, was the first female in the state senate. He stated that the architecture has some historical and architectural significance.

Commission on Disabilities

Mr. Reilly presented the budget and stated that the Commission on Disabilities is the custodian of funds collected from handicapped parking violations. They determine the adequacy of accessible parking in Town, and determine what projects to fund with the fee money. Ms. Pierce stated that the Commission also advocates to promote accessibility around Town. She stated that as of October 2011, the Town had collected approximately \$11,000 in fines cumulatively. IN FY 2011, the Commission awarded \$1,000 in grants. They also awarded grants of \$623 in FY 2010, \$2,100 in FY 2009 and \$11,000 in FY 2008. Now there are fewer monitors to help find parking violations, but the police help. Mr. Reilly asked about promoting the Commission's grants. Mr. Pierce stated that the Schools, the Library and Charles River ARC have all been notified about the opportunities. Mr. Lunetta asked what projects have been funded by these grants. Mr. Peirce stated that one expensive grant covered playground solid surfacing at Claxton and Mills playgrounds. They give grants only to organizations, such as a grant that was given to the Eliot PTC to pay for a speaker and large print books. Any organization providing something for people with disabilities is eligible. The Housing Authority was given a grant for a health program, and the Council on Aging received one for a program for people of limited vision. She

also stated that a grant was given to pay for subtitles for a film Olin College students about a deaf man. Ms. Zappala stated that information about grants should be on their website. Mr. Borrelli pointed out that the Commission's operating budget request includes funds for cameras for photographing handicapped parking violations.

Minuteman School Update

Mr. Borrelli stated that there was a letter from Minuteman School Committee updating the member communities about the difficulties in trying to determine a new way to apportion capital costs. Ms. Zappala stated that the Town cannot pull out of the Minuteman membership. The Town has generally taken the position that it would not try to walk away, but instead to try to be helpful in trying to pursue the new pricing structure to bring costs down for member communities. Mr. Davison added that the nonmember tuition is capped on a statewide level, but since the costs are higher in the east, the member communities pay more per student. He added that the cost of capital cannot be added to the tuition. Ms. Zappala stated that they have been increasing the nonmember tuition annually.

Ridge Hill Update

Mr. Reilly stated that there was a meeting with various Town departments and committees to discuss what might be most appropriate for the property. Many ideas involved making a community center and arts support. There was also an attempt to determine criteria to evaluate the options, which included cost concerns and the surrounding conservation land and neighborhood issues.

Finance Committee Updates

Mr. Reilly asked Mr. Davison whether the Town is considering updating the computer system, since the Town is one of two customers on the current system. Mr. Davison stated that the Schools have extraordinary demands and have offered one-time funding toward a new system. The Town has looked into updating and the cost was approximately \$990,000 and there is not much appetite to move forward. Mr. Reilly stated that there are also compelling reasons to do the updates.

Mr. Borrelli stated that the School Department submitted its budget request for a 5.7% increase over FY 2012. Mr. Borrelli stated that there was a chairs meeting to get a more realistic idea of what is needed. Mr. Reilly stated that 96% of the School Department's costs are salary, SPED and transportation. This year, they have run out of one-time funding. Something needs to be done, since this is not a one-year phenomenon. Ms. Zappala stated that the Finance Committee's role is to review the budget and ask for more information. She stated that the Schools have been holding down their costs, but now they fell that their class sizes are higher than they should be. If the School Committee can't get what it wants from this budget, they will ask for an override. Mr. Rosenstock stated that the same thing happened six years ago. He does not want to cut the Town-side budget to meet the Schools halfway and then have the Schools seek an override anyway. He stated that for the last three years, they have foreseen an override for FY 2013.

Adjourn

MOVED: By Mr. Zimbone that the meeting be adjourned, there being no further business. Mr. Reilly seconded the motion. The motion was approved by a vote of 9-0, at approximately 8:20 p.m.

Documents: Town of Needham Departmental Spending Requests, Fiscal Year 2013, dated December 14, 2011.

Respectfully submitted,

Louise Mizgerd
Executive Secretary/Staff Analyst

Approved January 4, 2012