

**Needham Finance Committee
Minutes of Meeting of February 10, 2016**

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

Present from the Finance Committee:

Louise Miller, Chair; Richard Zimbone, Vice Chair

Members: Barry Coffman, John Connelly, Tom Jacob, Kenneth Lavery, Richard Reilly, Carol A. Smith-Fachetti (arrived 7:05 pm)

Others present:

David Davison, Assistant Town Manager/Finance Director

Citizen Requests to Address Finance Committee

There were no requests.

Approval of Minutes of Prior Meetings

MOVED: By Mr. Reilly that the minutes of February 3, 2016 be approved as most recently distributed, subject to technical corrections. Mr. Lavery seconded the motion. The motion was approved by a vote of 7-0. (Ms. Smith-Fachetti had not yet arrived.)

FY2017 Draft Operating Budget:

Ms. Miller stated that the budget being considered was the budget as discussed at the February 3, 2016 meeting, with deductions for a reduction in fuel costs as suggested by Mr. Reilly. She stated that the draft budget will be submitted to the Town Manager. Any open items can be discussed at the meeting of February 24, 2016. The draft FY17 budget lines as discussed:

Casualty, Liability, Property & Self Insurance Program	\$582,400
Debt Service	\$11,161,839
Group Health Insurance, Employee Benefits, Assessments & Administrative Costs	\$13,190,259
Needham Electric, Light and Gas Program	\$3,414,290
Retiree Insurance Program & Insurance Liability Fund	\$5,568,923
Retirement Assessments	\$6,724,500
Workers Compensation	\$634,090
Classification, Performance & Settlements	\$600,000
Reserve Fund	\$1,500,000
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Total Townwide	\$43,376,301
BOS/Town Manager	\$873,304
Town Clerk	\$398,329
Legal Department	\$329,442
Personnel Board	\$15,000

Finance Department	\$2,611,207
Finance Committee	\$36,983
Planning & Community Dev	\$515,350
Police Department	\$6,502,837
Fire Department	\$7,288,506
Building Department	\$702,367
Minuteman	\$763,830
Needham Public Schools	\$65,189,914
DPW	\$5,578,786
Municipal Parking	\$99,864
Public Facilities	\$6,140,890
Health & Human Services	\$1,491,265
Commission on Disabilities	\$2,050
Historical Commission	\$1,050
Library	\$1,591,873
Park and Recreation	\$599,597
Memorial Park	\$750
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TOTAL Departments	\$100,733,194
TOTAL Townwide Expenses	\$43,376,301
Grand Total	\$144,109,495

MOVED: By Mr. Reilly that the Finance Committee approve of the FY 2017 draft budget, subject to technical corrections. Mr. Coffman seconded the motion.

DISCUSSION: Mr. Zimbone asked if the Committee would prefer to increase the Reserve Fund \$88,632, so that the bottom line would be the same as the Town Manager's budget, rather than submit a draft budget with a lower bottom line. Ms. Miller stated that it is acceptable to leave the funds out for now since they may not end up in the Reserve Fund. She would prefer to leave the issue open and have a draft budget that has a lower total. Mr. Davison concurred that this is a draft budget, but that all issues should be finalized for the Finance Committee's final budget due March 15.

VOTE: The motion was approved by a vote of 7-0. (Ms. Smith-Fachetti had not yet arrived.)

Snow and Ice Overdraft Authorization

Mr. Davison requested authorization to spend up to \$791,728 in the Snow and Ice budget. The previous request authorized spending of \$508,837, so this represents an increase to the authorization of \$282,891. He stated that \$300,112 has been used from the FY16 Snow and Ice budget, and that an additional \$141,695 has been committed. Additional estimated costs of \$160,695 have been incurred. He stated that the February 5 storm required more contractors than usual because of the road conditions and because the schools were in session. He stated that there are many variables in any storm. The February storm was also expensive because of the number of fallen tree limbs. Mr. Davison stated that he has not yet received any bills for the February 8 storm.

Mr. Davison stated that he used a different model to estimate the funds needed for additional weather events. He has estimated a need for an additional \$189,721 based on information from the National Weather Service, combined with historical average storm costs. He stated that there have been no draws on the Reserve Fund to date, which is unusual at this point in the fiscal year. Mr. Reilly asked who manages the snow removal process. Mr. Davison stated that it is the DPW based on observations of public safety personnel and phone calls from the public. He stated that there is also rest time for workers. Ms. Miller asked for DPW spreadsheets of the Snow and Ice work at the next meeting.

MOVED: By Mr. Lavery that the Finance Committee approve of the request for Snow and Ice overdraft which provides for total allowable Snow and Ice spending of \$791,728. Mr. Reilly seconded the motion. The motion was approved by a vote of 8-0.

Finance Committee Updates

Mr. Reilly asked if the updates to Ms. Gulati's memo which includes reimbursement information changes the appropriateness of the Finance Committee's vote on the Minuteman article. Mr. Connelly stated that it should not affect the vote on the changes to the district agreement, but should be considered in the discussion regarding the planned capital building project.

Recess Special Town Meeting

MOVED: By Mr. Zimbone that the Finance Committee meeting be recessed for Town Meeting. Mr. Reilly seconded the motion. The motion was approved by a vote of 8-0 at approximately 7:20 p.m.

Adjourn

MOVED: By Mr. Zimbone that the Finance Committee meeting be adjourned, there being no further business. Mr. Reilly seconded the motion. The motion was approved by a vote of 8-0 at approximately 9:05 p.m.

Finance Committee FY17 Budget Development Worksheet; Memorandum from David Davison to Kate Fitzpatrick re: Snow and Ice Overdraft Expenditure, dated February 10, 2016; Special Town Meeting Warrant for February 10, 2016.

Respectfully submitted,

Louise Mizgerd
Staff Analyst

Approved February 24, 2016