

**Needham Finance Committee
Minutes of Meeting of January 17, 2018**

The meeting of the Finance Committee was called to order by Chair Richard Reilly at approximately 7:00 pm at the Center at the Heights.

Present from the Finance Committee:

Richard Reilly, Chair; Barry Coffman, Vice Chair

Members: John Connelly, Carol Fachetti, Joshua Levy, Richard Lunetta, Louise Miller, Thomas Jacob, Kenneth Lavery

Others present:

David Davison, Assistant Town Manager/Finance Director

Rick Merson, Director of Public Works

Carys Lustig, Director of Finance and Admin/Public Services

Cecilia Simchak, Administrative Analyst/DPW

Chris Seariac, Superintendent of Water/Sewer/Drains

Barry Dulong, Director of Building Maintenance

Greg Smith, Superintendent of Solid Waste and Recycling Operations

Rhian Hoyland, Superintendent of Highways

Citizen Requests to Address Finance Committee

None.

Approval of Minutes of Prior Meetings

MOVED: By Mr. Connelly that the minutes of January 3, 2018, be approved as distributed, subject to technical corrections. Mr. Lavery seconded the motion. The motion was approved by a vote of 8-0. (Ms. Fachetti had not yet arrived.)

MOVED: By Mr. Connelly that the minutes of January 10, 2018, be approved as distributed, subject to technical corrections. Mr. Lavery seconded the motion. The motion was approved by a vote of 8-0. (Ms. Fachetti had not yet arrived.)

FY 2019 Department Budget Requests

Public Works Department

The Public Works Department budget is now combined with Public Facilities Operations Division budget for the first time. Although the DPW budget figures appeared to have increased dramatically over the FY18 budget, but the FY19 request is essentially flat year over year when compared with the combined FY18 budgets for both Public Works and Public Facilities Operations.

A question was asked about the study funded at the 2017 October Special TM to determine best practices in Facilities and Maintenance. That study is currently out to bid and not likely to be completed during FY18. The study could impact both staffing levels and operating expenses. It is

expected that the impact of the study will not be felt until the FY20 budget, unless there is an extraordinary finding from the study.

Salaries for Public Works are budgeted flat year over year because there has not been a settlement agreement for any of the four unions in this department. Provision for any increases has been reflected under the Classification, Performance and Settlements line item in the Townwide element of the budget.

Services expenses are budgeted essentially flat with FY18. The Maintenance department is seeing some synergies since it was combined with DPW. For example, the Park and Recreation department is taking over the mowing responsibilities of the schools and the Highway department has taken over paving and striping responsibilities for the school parking lots.

The department is asking for a DSR4 to add a trade staff employee (plumber or electrician) to accommodate the two new buildings coming online in FY19, Rosemary and the High School addition. It is conceivable that this request may evolve into two part time positions instead. Also there is a request to add one more custodian for Rosemary and Memorial Park. Currently the custodial staff is stretched due to absences and employees on leave. In response to an inquiry, Mr. Davison commented this additional custodian will also support other buildings in town. Mr. Reilly requested that the DSR4 be rewritten to reflect these possibilities.

Mr. Merson explained the request for a DSR4 for outsourced inspectional services. He commented that the town needs to outsource inspectional services to oversee utility work. The concern is that backfilling and trench paving is not done to specification, leading to subsequent expense for the Town. Appeals to the state DPU to include sufficient funds to cover these inspections have been rebuffed. The state has instead imposed the inspection responsibility on the utilities themselves. There is concern that their inspection is inadequate. The need is for seasonal work where the Town does not have enough personnel to supervise utility work.

Other minor DSR4 requests were reviewed without further questions.

The DPW explained the request for a DSR4 for an additional compliance officer within the DPW. There was discussion about the responsibilities, whether a single person could do all the items listed in the DSR4, whether some items were yet to be determined based on the status of the NPDES requirements study, and whether there were sufficient duties for a full-time employee. The DPW was also asked how the work was currently being completed. Further information is needed for this DSR4.

Water Enterprise Fund Sewer Enterprise Fund

The FY19 budget proposals for these departments had no material changes in staffing or services and no DSR4's. Both of these enterprise funds have the same labor contract issue as the DPW.

RTS Enterprise Fund

Rick Merson explained that the cost of recyclables continues to be volatile. The RTS now needs to pay to have mixed paper removed whereas when before they were generating revenue for mixed paper. This has to do to the amount of contaminants found in the paper and the reduction

in global demand from China. Mr. Reilly asked if single streaming made economic sense. Mr. Smith, Director of the RTS, commented that the town is looking into single streaming for everything other than cardboard and corrugated paper, since these items were profitable for the Town. The RTS will start this program with the commercial haulers.

There were two DSR 4 requests for the RTS. One is for another heavy equipment operator and one is for an additional laborer so that all three disposal stations can be overseen by an employee during operating hours. Currently there are only two employees supervising the three disposal walls.

There was a discussion about the dissolution of the RTS Enterprise Fund since it does not generate sufficient revenue to cover its costs and the General Fund subsidy continues to increase.

Finance Committee Updates

There were no updates.

Adjournment

The Finance Committee meeting was adjourned at approximately 8:30 p.m.

Documents: Town of Needham FY2019 Department Spending Requests

Minutes taken by Finance Committee Member Barry Coffman with input from Chair Dick Reilly.

Respectfully submitted,

Louise Mizgerd
Staff Analyst