

**Needham Finance Committee**  
**Minutes of Meeting of January 22, 2020**

The meeting of the Finance Committee was called to order by Chair Tom Jacob at approximately 7:00 pm at the Needham Town Hall.

Present from the Finance Committee:

Tom Jacob, Chair; Carol Smith-Fachetti, Vice Chair

Members: Barry Coffman, John Connelly, Joshua Levy, Richard Lunetta, Garrett Parker, Richard Reilly

Others present:

David Davison, Assistant Town Manager/Finance Director

Dan Gutekanst, Superintendent of Schools

Anne Gulati, Assistant Superintendent for Finance and Operations

Alexandra M. McNeil, Assistant Superintendent for Human Resources

Mary Lammi, Assistant Superintendent for Student Support Services

Theresa Duggan, Assistant Superintendent for Student Learning

Michael Greiss, School Committee

Connie Barr, School Committee

Aaron Pressman, Chair, School Committee

Susan Neckes, School Committee

Andrea Longo Carter, School Committee

Jodi Rooney, Resident

Alisa Skatrud, Resident

Christianne Bayliss, Resident

**Citizen Requests to Address Finance Committee**

Jodi Rooney, Town Meeting Member for Precinct B and member of the Special Education Parent Advisory Council, spoke in support of requested funding for special education budget, and the need for additional licensed and well trained staff. She described her children's experiences in the Needham Public Schools.

Alisa Skatrud, resident, spoke of her experience with her children in the Needham Public Schools and voiced support for the requested school budget. She also expressed concern about rising class sizes and caseloads. She is concerned that previous budget increases do not reflect increases in enrollment.

Christianne Bayliss, resident and co-chair of the Special Education Parent Advisory Council spoke of her children's experience in the Needham Public Schools and expressed concern for the caseload and workload handled by Special Education staff and the growing need for student support services.

**FY 2021 Department Budget Requests (operating and capital)**

**Needham Public Schools**

7:15 Needham Public Schools

Dr. Gutekanst shared an overview of the budget presentation previously presented to the School Committee on January 21. He stated that contracted salary increases are “significantly different” than what has been presented to the Finance Committee in past years.

Mr. Reilly asked if these increases are due to fewer employees with seniority retiring or leaving the district and being replaced by more junior employees than in past years. Dr. Gutekanst confirmed that was true. Senior school teachers can retire with a salary of approximately \$100k while the starting salaries for more junior teachers are approximately \$68k-\$70k. He stated that a new contract has been successfully negotiated with Unit A employees (teachers) and that negotiations are underway with units B through E. The negotiated COLAs for Unit A are 1.5% (retroactive to FY20), 2.0% in FY21, and 2.25% in FY22. The School Department is working hard to make sure that salaries are sustainable from a budgetary perspective. Dr. Gutekanst states that he does not foresee similarly large increases in salary expenses for FY22 as for FY21. Salary increases constitute the biggest driver of the incremental budget request for FY21. The second-largest component of the budget increase is to provide for expanding special education staffing. Dr. Gutekanst endeavors to keep as many students in-district as possible, which requires more staffing. This year 12 teacher assistants whose positions were not originally budgeted for FY20 were hired to accommodate the needs of special education students. In the future, the School Department does not plan to hire addition positions that are not included in the budget.

Mr. Levy asked if the requested \$1.3M increase for special education staffing is part of the “level services” request. Dr. Gutekanst confirmed that this is true. Ms. Fachetti asked if the Williams School was designed with the knowledge that there would be a higher special education case load at that school than at other schools. Ms. Lammi said that the same caseloads from Hillside were transferred over to Williams School. These caseloads have been the same in prior years, but in prior years the School Department did not feel that funds were available to increase the budget to address the case load imbalance. The additional requests for special education staffing only address the student population with Autism.

Mr. Jacob asked how caseloads would change with the new request. Dr. Gutekanst did not have that information readily available, but will provide it. Mr. Connelly asked if counselors cover both IEP and non-IEP students. Ms. Lammi answered that at the elementary schools, counselors cover both populations, while they are separated at higher grades. Mr. Reilly asked about the role of “Special Education Liaison”. Dr. Gutekanst stated that this position acts as both a counselor and as a consultant to the schools. They provide student progress reports and are responsible for testing and reevaluating students. Mr. Greiss added that the bulk of work for this role is as a teacher.

Mr. Levy asked the rough number of out-of-district (OOD) students. Dr. Gutekanst said there are ~80 OOD students this year. The aggregate funding for Needham’s OOD students is \$6.5M with \$5M funded through the budget and \$1.5M funded through the state circuit-breaker reimbursement.

Dr. Gutekanst outlined \$207K of possible reductions from the requested budget increases in the event that there were not enough funds for the full request. This would include removing one

kindergarten teacher from the budget because only 4 sections of kindergarten were needed, down from an anticipated 5 sections. Some requested expenses could be deferred until FY22. Dr. Gutekanst also voiced his support for additional resources for building maintenance. He is concerned that the Town has made significant investments in the facilities, and is not keeping up with the maintenance of school buildings.

Mr. Levy asked what costs are included in the quoted FY18 per-pupil expenditures. Dr. Gutekanst stated that all teacher costs, building maintenance, OOD costs, and staff benefits are included in that data. Debt service associated with the schools is not included.

Mr. Reilly mentioned that school enrollment projections are predicted to decrease in out-years following increases in the short-term. He expressed concern that funds might be locked in for more students than are projected to be enrolled in future years and that perhaps we should be more flexible with the budgeting.

Dr. Gutekanst stated that the school department regularly deals with fluctuations in school enrollment. For instance, this year, High Rock's enrollment was reduced by 50 students who graduated to Pollard. The School Department can be responsible in moving resources where needed. Dr. Gutekanst stated that Needham has not been reducing class size and has been trying to maintain class size.

Mr. Connelly asked if there are budget pressures experienced in the current FY20 are also anticipated for FY21. Dr. Gutekanst stated that the school department is closely monitoring the spending in the current fiscal year, but may be required to request a reserve fund transfer. They are currently anticipating a shortfall of about \$700K. Mr. Connelly asked if this shortfall would be predicted to recur next year. Ms. Gulati said that there is no contingency in the special education budget so the Department must rely on salary savings. Dr. Gutekanst advocated for a special education stabilization fund.

Mr. Lunetta stated that surplus funds from last year were used to prepay tuition for this year and asked whether the department has ever not had any excess funds available to prepay tuition for the following year. Ms. Gulati said that this would be the first year if it happened. Mr. Coffman asked whether there were demographic trends that accounted for the anticipated shortfall. Dr. Gutekanst stated that it is due to lower employee turnover, but did not know of identifiable employee demographics accounting for this trend. He mentioned that an early retirement incentive was previously used about six years ago and could be considered to encourage more retirements.

Mr. Lunetta noted that last year's budget increases were driven by full-day kindergarten, and this year's increase are driven by special education staffing, and asked what can be expected next year. Dr. Gutekanst referenced the "portrait of a Needham graduate" and stated that the department would like to ensure that classrooms are inclusive for all students and anticipates another phase of special education resources to be requested. He further stated that it does not make sense to rely mainly upon 1:1 aides and that it is more sustainable to work with teachers to make classes more inclusive.

Ms. Gulati added that the high school enrollment is approaching 1,800 students and the population at the high school is predicted to peak at 1,860 in 2028. Mr. Connelly asked the current enrollment at the Minuteman School. Dr. Gutekanst stated that the current enrollment of Needham students at Minuteman is 24. The School Department is working with Minuteman to make more students aware of the programs available there. The guidance counselors are also working with Minuteman to get the message out.

Mr. Levy asked why the lights are always on at the Williams school. Dr. Gutekast stated that he will look into it.

## **Planning and Community Development**

### **8:37 Planning and Community Development**

Ms. Fachetti introduced the budget request and stated that there is one DSR4 for a part-time recording secretary. The operating costs for the department are up 4.1% over last fiscal year. Mr. Reilly asked about the housing specialist position and whether the lack of staffing in this position has had an adverse impact. Ms. Newman said Federal moneys dedicated to Needham have been reduced over time. The town has staffing in this role, but the Town has not submitted proposals through the Federal program.

Mr. Jacob stated the DSR4 requested amount seems high given at most 25 hours per year of staffing. Mr. Levy asked if this requested position is similar to the part-time recording secretary for the Conservation Commission. Ms. Newman said that position has since been absorbed by a full-time role.

Ms. Newman stated that there is a planned warrant article to request \$60K for future planning studies. Mr. Levy asked how long the \$60K is expected to last. Ms. Newman said that it would vary based on the projects that would be the basis of the studies, but she would expect it would last 2-3 years. Mr. Lunetta asked how the \$60K figure was arrived at. Ms. Newman said it is the value that would be needed for comparable studies as performed since the previous warrant article for \$45K was passed at the 2015 Annual Town Meeting.

Mr. Coffman asked about the recent vacancy on the Planning Board. Mr. Jacobs said that the vacancy was recently filled by Bruce Eisenhut until the next scheduled election in April.

## **Finance Committee Updates**

Announcements 8:53pm

Mr. Jacob announced that the next meeting of the Finance Committee would be held on Wednesday, January 29 at 7pm at the Center at the Heights. Mr. Reilly stated that the DPW FY 2021 budget request would be discussed next week, and that there may be need for discussion of the merits of bringing some contracted work in-house.

## **Adjournment**

MOVED: By Mr. Connelly that the Finance Committee meeting be adjourned, there being no further business. Mr. Parker seconded the motion. The motion was approved by a vote of 8-0 at approximately 8:58 p.m.

Documents: FY 2021 Town of Needham Department Spending Requests;

Respectfully submitted,

Louise Mizgerd  
Staff Analyst

*Approved February 12, 2020*