**FINANCE COMMITTEE**

**Meeting Minutes**

**Thursday, March 17, 2016, 6:30 PM**

**Lower Conference Room, Dedham Town Hall**

**Members Present:** John Heffernan (Chair), Maureen Hanlon, Sue Carney, Dave Roberts, Liz O’Donnell, Cecilia Butler, Marty Lindemann and Kevin Preston.

**Members Absent:** Kevin Hughes

Mr. Heffernan called meeting to order at 6:30 PM.

Article 4: Capital Discussion with Parks & Recreation

Bob Stanley, Parks and Recreation Director, was present with Patrick McGuire of Activitas. Mr. Stanley explained that the Town received $300,000 from the Algonquin Pipeline project to repair Gonzalez field. Their first option to consider is to repair the field with the $300,000. The second option is to replace the field with a natural turf field, and to continue using the field as they are now. With the second option the field would last 5 or 6 years and use would continue to be limited. The third option is an artificial turf field. The third option would be maintenance friendly, usage will not be as limited, and it will last longer. It would also be more environmentally friendly considering its location near wetland resources as no pesticides will be needed. Mr. McGuire reviewed the different types of materials that could be used for the field and the benefits/drawbacks of each. He is recommending crumb rubber be used for this field. He commented on the fact that there have been concerns in the past that crumb rubber causes cancer but that science tells us we shouldn’t be concerned about cancer with crumb rubber.

Mr. Roberts commented that there should be a project manager for a project of this size, and the costs for that should also be considered.

Ms. Carney expressed concerns about field lighting and its impact to the neighborhood. Neighbors should be notified of the kind of lighting they are proposing as well as other activities that are planned during construction; anything that impacts the neighbors.

Sal Ledda, of the Parks and Recreation Commission, commented that they are not intending to use the field as late at night as others are assuming.

Ms. Hanlon expressed concern about the possibility that crumb rubber can cause cancer.

Mr. McGuire explained that there is three decades worth of studies on crumb rubber and not one study makes a connection between crumb rubber and cancer. Ms. Hanlon responded that she would still prefer to defer this decision until the federal study is done.

Ms. Carney commented that last year there was an appropriation to do a Parks and Recreation study. Mr. Stanley confirmed that the Master Plan for Parks and Recreation should be completed by mid-summer. Ms. Carney asked why they would want to do this before receiving the results of the study.

Mr. Lindemann commented that it would be nice if they consider adding the appropriate amount of space to walk around the two fields while they are being played on simultaneously. Mr. Stanley responded that it depends on the amount of space they have to work with, which will depend on Conservation.

Ms. Butler asked if the fields will be able to be used in hot weather. Mr. McGuire responded that the artificial turf fields do get really hot, so the field use would be limited on really hot days.

Ms. Butler asked if there would be any leeching. Mr. McGuire responded not that he knows of, his understanding is that the water that passes through field is cleaner than when it falls on it.

Ms. Hanlon asked how this project relates to and/or impacts the Striar property project. She expressed concern of putting the cart before the horse, and explained that she would prefer to see the master plan completed prior to making a decision. Additionally, she still fees it should be deferred until there are results from the study on crumb rubber.

Mr. Lindemann confirmed with Mr. McGuire that they can either have permanent lines or paint lines that can adjust to changing usage; this is still to be determined.

7:20 PM: Dedham Public School Capital Discussion

Mr. Heffernan went through the capital requests and recommendations explaining that the Committee could stop to inquire further on those in which there were questions.

Don Langenhorst, Technology Director for the Schools, explained that the whiteboard request is not for smart boards, but rather, white boards that will be used with projectors to function as smart boards and serve a double purpose. He explained that the high school currently does not have any whiteboards. They would like to avoid a phase-in approach since it is not as effective of an educational model. They are only requesting 60 rooms instead of 70 because they are going to do 10 of them on their own beforehand as a pilot project. If it has to be a phase-in approach, they would really like to push to get there in 2 years with 30 rooms each year instead of trying to do it over a period of 4 years.

Mr. Lindemann commented on the importance of staff training on technology.

Mr. Welch commented that the PARCC testing will be taken with the Chromebooks this year.

7:34 PM: School Facilities

Denise Moroney, Director of Facilities was present to discuss School Facilities.

Ms. Moroney explained that Mr. Kern has not recommended fully funding the exterior door replacements. Mr. Kern explained that considering there are a lot of requests he needed to need to find places to intelligently reduce, and this was one of those areas.

Ms. Moroney explained that Mr. Kern is recommending $40,000 of the $75,000 request for bathroom renovations, and with that they will focus on Oakdale School.

Ms. Carney confirmed with Ms. Moroney that there is currently no exposure to asbestos, even though asbestos tiles remain intact.

Mr. Lindemann asked when they plan to address the asbestos. Mr. Kern responded that they are in some degree playing catch up in the town buildings at this point, and other items are of higher priority at this point. He does believe there will be a point where it rises on the priority list and gets funded.

7:45 PM: Town Facilities

Ms. Moroney was present and reviewed the Town Facilities requests.

Ms. Moroney explained that Mr. Kern is not recommending funding for the Accessibility Study. Ms. Moroney confirmed that there are not major issues of noncompliance that need to be addressed right now.

Ms. Moroney explained that the deferred maintenance master plan would give them a guideline to follow for 20 years. Mr. Heffernan commented that he thinks there will need to be a refresh to capital plans in 5 years, as 20 years is too long of a span when you consider how often things change.

Ms. Terkelsen commented that a study like this gives the Town a components list of what they have to work with.

8:12 PM: Reserve Fund Transfer:

Laura Leventhal, Director of Council on Aging (COA), was present. She explained that the COA van driver will be out for 2 or 3 months, and they have hired a part time temporary van driver. She is requesting a reserve fund to take them from now until the May 16th Town Meeting.

Ms. Carney made a motion to transfer $2,000 from the Reserve Fund to Council on Aging to cover wages for the temporary van driver, seconded by Mr. Preston, UA.

8:15 PM: Article 8: Line Item Transfers:

Ms. Terkelsen reviewed the line item transfers for the Town Accountant temporary position, a transfer within school facilities to cover maintenance and supplies, a transfer from purchase of services to supplies, and a transfer within the Health Department to cover meetings, dues and travel expenses.

Ms. Leventhal described the second part of her request to fund the temporary van driver. The transfer would come from the Police Department budget to COA payroll, and a final number would be determined later.

Article 7: Outstanding Bills of Prior Years

Andrea Terkelsen, Finance Director, explained there are three items that have come up that are outstanding bills from prior years.

Ms. Terkelsen described a bill from Recordkeeper that she explained could be paid from the Selectmen’s office. Another bill was from Logic Monitor, an email archiving system. She explained that they have now canceled what Town had signed up for with Logic Monitor, but the bill still needs to be paid and can be paid for from the Finance Department. The third bill was from Citrix, from which the Town purchased a number of licenses and failed to pay a bill from 2012. They need to pay this Citrix bill as the Town is continuing with an annual program with Citrix which includes maintenance and support. This bill can also be paid from the Finance Department.

Ms. Terkelsen confirmed that these three bills have yet to be paid, they are requesting approval first.

8:35 PM: Article 10: Deposit to Special Purpose Stabilization Funds

Ms. Terkelsen explained that this request is covering certain periods of time. The first period of the request is covering the monies that have come in from the local options up through December of this year. This money comes in quarterly, it is not the same quarterly structure that they use for taxes; it is a little bit different. Typically the money comes in they would let Town Meeting know the amount of money that is received and ask Town Meeting to move that money. They used to think that they could just take that money and put it into the Robin Reyes fund, but this is considered general fund revenue, so it has to be considered a local receipt unless you have a special act that allows you to do something differently. They are waiting for the special act to be approved by legislature.

The first line was for $1.5 million, and they are proposing it be paid for by free cash. The second Line item is an estimate for March- June 30th; they don’t know what that number is yet. The figure was $1,019,625, estimated for the meals and room tax and that would be paid for with free cash.

The special act which will allow them to take that money as it comes in and put it into the Robin Reyes fund is still before the legislature, they do not know when it is going to pass, so they need to plan in the meantime and take a different view of the operating budget by separating that piece out. By fiscal year 2018, all of the money from the local options will be dedicated to the Robin Reyes fund.

Mr. Heffernan commented that this was pretty confusing to him, and may be confusing for Town Meeting as well, so they may want to consider how to more clearly present this to Town Meeting. Ms. Terkeslen explained that she can describe this in the town meeting article however the Finance Committee would like, but for now she has provided more detail to the Finance Committee.

Mr. Heffernan commented that it may be helpful if they could separate the actual amounts from the estimated projections.

Ms. Carney asked Ms. Terkelsen when they sent the special request so that it would not have to go through this additional step. Ms. Terkelsen confirmed that it was voted at the 2015 May Town Meeting.

8:50 PM: Article 11: Appropriation from Special Purpose Stabilization Funds

Andrea Terkelsen explained that this article is appropriating the money out. All debt service is paid from the general fund. With the start of the Ames bonding that was done, the Robin Reyes Fund is starting to pay more and more money out of it for debt service. Total debt service for FY ’17 is $9,423,555. That does include an estimate of new debt of $1,890,170 which is mostly for the Ames project and the money that was already authorized for some of the capital projects from FY ’16. This bonding is done at the end of this fiscal year, so the debt service payments start in the next fiscal year. This article requests that the $1,890,170 be appropriated from the Robin Reyes, as an available source to pay for the debt service that is in the general fund budget.

8:55 PM: Article 12: Extended contract for Tyler Technologies

Ms. Terkelsen explained that since this contract is for longer than 3 years, they require Town Meeting approval. The proposed contract for MUNIS is for 10 years. Ms Terkelsen explained that the Town still can still choose to leave the contract if there are problems, although they do expect to stay.

9:00 PM: Article 15: Sewer Enterprise Fund

Ms. Terkelsen explained that the Sewer Enterprise Fund is self-sufficient as an enterprise and is able to pay for all of the indirect costs that come up. The sewer enterprise fund is paying for $967,000 of indirect costs through a revenue transfer. The sewer enterprise has been an enterprise since 2010 and has managed to pay for the MWRA assessment as well as a number of indirect costs.

Ms. Terkelsen explained that the sewer enterprise has a significant amount of money in free cash, at over $4 million this is a very healthy amount in retained earnings. The only thing Town Meeting will be voting on will be the direct expenditure.

9:25 PM: Article 16: Endicott Estate Enterprise Fund

Ms. Terkelsen explained that the Endicott Estate Enterprise Fund includes both direct and indirect expenditures. Allocations are based on administrative costs, facilities, etc. This also includes actual benefit expenses for the Endicott employees.

Mr. Heffernan commented that there has been a lot of discussion as to whether have Endicott as an enterprise fund. It will not be like sewer; it will still run unfavorable to the budget. If the Town really wanted to they could make a profit off of the Estate. They could do this by saying all of the Town groups don’t get to use it, and it is just used for paid events. Mr. Heffernan explained that for all of the groups that use the Endicott Estate that is an extreme value.

Ms. Hanlon asked if a lot of the current usage of the Endicott Estate will dissipate due to the additional space that will be available at the new town hall. Ms. Perron responded that she doesn’t expect that most of these groups will be willing to move.

Erin Perron confirmed that she is able to give Town groups who use the Estate 72 hours notice to find another space if there is a paying customer who would like to book the Estate. She explained that the way to increase revenue is to offer more than just space.

Ms. Carney commented that revenues are going to continue to increase in the enterprise. Ms. Terkelsen responded that every enterprise is different.

9:45 PM: Article 32: Act Providing Tax Exemption for Certain Qualifying Real Estate

Mr. Heffernan explained that Jim MacDonald, who had originally submitted the article, has asked for it to be indefinitely postponed.

Ms. Carney made a motion to adjourn at 9:48 PM, seconded by Ms. Hanlon, UA.