**FINANCE COMMITTEE**

**Meeting Minutes**

**Tuesday, April 12, 2016, 6:30 PM**

**Lower Conference Room, Dedham Town Hall**

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

Mr. Heffernan called meeting to order at 6:32 PM.

Article 3: Town Operating Budget: Dedham Pension Unfunded Liability

Andrea Terkelsen reviewed the level of detail that was being presented within article three, including all of the sources and uses of revenue.

Mr. Heffernan explained that they have broken Article 3 into 3 areas. Mr. Heffernan explained that at the last meeting they voted that $97,602,216 be recommended for the operating budget.

Mr. Heffernan explained that the next area of Article 3 that needs to be voted on is the Dedham Pension Unfunded Liability in the amount of $7.5 million.

Mr. Preston made a motion that $7.5 million be transferred from free cash to Dedham Pension Unfunded Liability, seconded by Ms. Carney.

Discussion: Mr. Hughes received clarification from Mr. Kern that there is additional free cash being expended in Article 4, and $1.5 million from free cash is being used to reduce taxes. Mr. Hughes commented that since this money came from the tax payers, more than $1.5 million ought to go back to the taxpayers. Mr. Hughes explained that he is not looking to use more of the free cash; he is suggesting that they should consider lessening the $7.5 million that is being used for unfunded pension liabilities and sending more of that money to the taxpayers instead. He suggested the possibility of using $3 million dollars to lessen the tax levy, instead of the proposed $1.5 million, and using $6 million towards unfunded pension liabilities.

Mr. Heffernan commented that he believes the scenario presented to transfer $7.5 million to fund the unfunded liability is the best scenario.

Mr. Preston commented that it seems that another $1.5 million towards reducing the tax levy would bring the increase down around $0.

Ms. Carney asked what the Town determined people looking for as a result of the free cash meeting. Mr. Kern responded that the thrust of the message to Town was that they should choose an option that would service well in the long term. Ms. Carney explained that she agrees they should stay on course to reduce the unfunded pension liability by $7.5 million.

Mr. Roberts commented that he thinks this approach to deal with the unfunded pension, and while also creating a lesser increase to taxes, is the way to go. He was concerned of what next year would look like if the taxes didn’t go up at all this year. Mr. Roberts agreed that using $7.5 million to fund the unfunded liability would be the most advantageous option.

Mr. Preston commented that he was really attracted to idea of not having a tax increase, but he has come around to support the $7.5 million to pay the unfunded liability.

Mr. Lindemann commented that going this route is an acknowledgement that there are not a bunch of people clamoring for property tax reduction.

**The motion was voted 8-1.** (Mr. Hughes was opposed)

7:00 PM: Article 3: Town Operating Budget: Total Operating Capital

Mr. Heffernan explained that if the Finance Committee wanted to increase the total operating capital recommendation, it would need to go back through the process of the CEC and Town Manager.

Mr. Lindemann made a motion to vote the total operating capital as part of Article 3 in the amount of $1,325,207, seconded by Ms. Butler.

Discussion: Ms. Carney commented that she would have liked to have increased the amount of money for the white boards at the high school.

Mr. Heffernan explained that he doesn’t feel too bad about the recommendation for the white boards considering this is the first year that they appeared on capital requests, and departments are supposed to be presenting a 5 year plan. He doesn’t feel that this is an emergency and he believes it can be dealt with in a future year. Ms. Carney responded that it makes her feel a little bit better to know that this is the first year this request was put in the capital requests.

Mr. Preston commented that when the Finance Committee voted to reduce personnel by $100,000, he thought it was about sending a message to the School Department about what the Finance Committee thought were priorities. He thinks that if the Finance Committee believes that the white boards are a priority, that message should be sent as well.

Mr. Lindemann expressed concern that there may not be enough training planned to properly use the white boards, and he is not certain that the School Department has considered the multi-year training costs that will be needed.

Ms. Hanlon commented that it surprised her when she heard from Mr. Langenhorst at the CEC presentations that the training was not included in this pricing. She added that the white boards were rated low by the CEC, although one person on the CEC did feel very strongly about the need for the white boards. Ms. Hanlon also echoed Mr. Heffernan’s comments that this was not discussed as a 5 year plan.

Mr. Roberts commented that one of the things that the Superintendent has spoken about was an increase in professional development time this year, and in anticipation of some of the training needs an extra day of professional development was being added. Mr. Lindemann responded that they are off by about 10 days; in his experience it will take more time than what they are estimating to get the teachers trained.

Ms. Carney commented that Mr. Langenhorst has done an outstanding job to date with getting the professional staff to integrate the use of technology into their instruction. She added that she knows the amount of time that it takes, and one extra day of professional development is just a scratch on the surface. What needs to happen is to have people come in and provide professional development on an ongoing basis, but this is going to cost a lot of money. They may have a long way to go, but she felt it should also be acknowledged that they are doing a great job with integrating technology.

Ms. Hanlon agreed that Mr. Langenhorst does a wonderful presentations and answers questions honestly.

Mr. Heffernan and Mr. Lindemann agreed that a demonstration on how these work next year would be helpful.

**The motion was voted 9-0.**

Article 18: MWRA I/I LOCAL FINANCIAL ASSISTANCE PROGRAM-PHASE 10

Ms. Hanlon read the following motion: “That the Town appropriate $913,000, for the purpose of participating in the Massachusetts Water Resources Authority (MWRA) Phase 10 Inflow/Infiltration Local Assistance Program; and to meet such appropriation to transfer from Sewer Enterprise Fund Reserves (Free Cash); and further, to authorize appropriate Town officials and employees to apply for, accept and expend any grants or loans available for the project”. This motion was seconded by Ms. Butler. **It was voted 9-0.**

Ms. Carney made a motion to close deliberations, seconded by Ms. Butler. **It was voted 9-0.**

Meeting Minutes

Ms. Hanlon made a motion to approve the meeting minutes from October 15, 2015, seconded by Ms. Carney. **It was voted 7-0-2.** (Ms. Butler and Mr. Preston abstained)

Ms. Carney made a motion to approve the meeting minutes from October 20, 2015, seconded by Mr. Hughes. **It was voted 6-0-3.** (Ms. Hanlon, Ms. O’Donnell, and Ms. Butler abstained)

Ms. Carney made a motion to approve the meeting minutes from November 16, 2015, seconded by Ms. Hanlon. (Mr. Preston abstained)

Ms. Butler commented that she did not believe she had voted on Article 6 at the November 16, 2015 meeting, and that the minutes may require a correction.

Ms. Carney made a motion to reconsider the approval for November 16, 2015, seconded by Mr. Roberts as Ms. Butler believed there may have been an error with regard to her vote on article 6. **It was voted 9-0.**

Mr. Heffernan explained that the record will be checked to see if Ms. Butler voted on article 6 on November 16, 2015, and the minutes can be voted at a future meeting.

Ms. Carney made a motion to approve the meeting minutes from December 14, 2015, seconded by Ms. Hanlon. **It was voted 8-0-1.** (Mr. Preston abstained)

Mr. Hughes commented that he would like to receive minutes earlier. Mr. Heffernan confirmed that they can look into doing this.

Ms. Carney made a motion to adjourn at 7:25 PM, seconded by Mr. Lindemann. **It was voted 9-0.**