

**Minutes**  
**Town of Lexington Appropriation Committee**  
**January 31, 2008**

Place and time: Town Office Building, Room G-15, 7:30 PM

Members present: Alan Levine (Chair), John Bartenstein (Secretary), Deborah Brown, Richard Eurich, Pam Hoffman, Michael Kennealy, Susan McLeish, Eric Michelson, Rob Addelson (ex officio, non-voting)

The meeting was called to order at 7:40 PM.

**1. PEG Access Revolving Fund – Request for Increase in Authorized Expenditure.** Rob Addelson made a presentation to the Committee concerning a request to increase the spending authorization for the Public, Educational and Government (PEG) Access Revolving Fund by an additional \$400,000 over the original \$400,000 spending limit set at the 2007 Annual Town Meeting. The additional funds would be used to support a grant by the Town to LexMedia for the build-out of the space in Kline Hall that has been made available at Avalon at Lexington (the former Metropolitan State Hospital property) to be used for LexMedia's PEG Access cable television operations. Under G.L. c. 44, § 53E1/2, interim increases in the spending limit for revolving funds may be authorized by joint action of the Board of Selectmen and the Town finance committee, subject to certain limits. The Board of Selectmen had previously approved the increase at their meeting earlier in the week. Rob reviewed with the Committee the Grant Agreement for the build-out and a statement of projected cash flows and answered questions. After discussion, the Committee voted unanimously to approve the requested increase in spending authorization.

**2. Report on Meeting with CPC.** Deborah Brown reported on a meeting that she and Al Levine had attended earlier in the day with the Community Preservation Committee (CPC) to discuss the issues raised in the Committee's January 16, 2008 memo to the CPC concerning the use of CPC historical preservation funds to support capital projects for town-owned buildings. The meeting was productive, but it is clear that there are differences of opinion among the CPC members. The Committee will continue to monitor this issue.

**3. Minuteman Regional High School Budget Analysis.** Eric Michelson circulated and discussed with the Committee an analysis he had prepared of the reasons for recent increases in Lexington's assessment for Minuteman Regional High School.

**4. Discussion of FY2009 Budget.** The Committee engaged in an extended discussion of measures that have been proposed by the School Department to close the FY2009 budget gap and, in particular, the pro's and con's of using various sources of arguably non-recurring revenues to help bridge that gap. Al Levine reviewed certain factual developments that had occurred since the Budget Summit the previous Monday evening, in particular a decision by the Board of Directors of the LABBB Collaborative

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to provide a credit to the Lexington Public Schools of \$294,868 from an accumulated cash reserve that might be applied against LABBB tuition charges for FY2009. Al said it is believed that a credit of similar magnitude might be available as well in FY2010. Pam Hoffman distributed a memorandum from Mary Ellen Dunn, Assistant Superintendent for Finance and Business, dated January 31, 2008 detailing specific proposed adjustments to the budget that would reduce the gap that existed as of Budget Summit III of \$1,019,136 to a small surplus. The Committee reviewed this memorandum in detail and raised questions about certain of the adjustments for which Pam will seek answers before the next meeting.

The Committee also discussed the pro's and con's of the pending proposal to use \$350,000 in Free Cash, which had previously been proposed to begin the funding of a Special Education (SPED) reserve, to help bridge the gap in the school operating budget, with the expectation that an anticipated surplus in the School Departments' FY2008 operating budget of at least this amount might be re-appropriated at the upcoming annual town meeting for this purpose. Questions were raised whether certain revisions to the original level service school budget that the Superintendent had proposed on January 14, 2008, the net effect of which would be to free up funds to support the inclusion of approximately \$385,000 of items from the proposed supplemental budget, were consistent with the presentation of a level services budget; and if not, whether non-recurring funds should be used for this purpose.

It was agreed that the Committee would invite representatives of the School Committee to its next meeting and discuss these issues further. In the meantime, Deborah Brown and Eric Michelson agreed to attempt to prepare some at least rudimentary projections of the FY2010 budget that might help to evaluate the likelihood and magnitude of potential future deficits and the impact on such deficits of the use of non-recurring funds in FY2009.

6. **Minutes Approved.** The Committee approved minutes of the meetings held on 6/28/07, 10/15/07, 1/3/08, 1/9/08, and 1/16/08.

The meeting was adjourned at 10:20 p.m.

Respectfully submitted,  
John Bartenstein

*Approved February 21, 2008*