

**Minutes  
Town of Lexington Appropriation Committee  
September 28, 2006**

Place and time: Room 111, Town Office Building, 7:30 PM

Members present: Alan Levine (Chair), Deborah Brown (Vice-Chair), John Bartenstein (Secretary), Pam Hoffman, David Kanter, Mike Kennealy, Eric Michelson, Rob Addelson (ex officio, non-voting)

Others present: Tom Diaz and Tom Griffiths, School Committee; John Fedorochko

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

Alan Levine provided an update on the recent Selectman's meeting (9/25). Points from the Selectman's meeting included:

- Discussion of a recent Boston Globe article about post-retirement benefits and the need to address that issue.
- The Bicycle Advisory Committee is applying for a grant from the Mass. Department of Conservation and Recreation for trail improvement along the bike path.
- The Communications Advisory Committee is conducting a performance evaluation of LexMedia.
- Rob Addelson made a presentation on water and sewer rate options. There are 4 options, all of which result in a 7-8% revenue increase. There is no retained earnings policy yet but that is in process, as the Town is getting a better handle on actual consumption. Three of the options include taking \$500,000 from water retained earnings to mitigate rate increases.
- The 2020 Vision Economic Development Scoping Group presented their findings, including a recommendation to define the role of an Economic Development Officer.
- The Selectmen discussed the proposed new DPW facility including the prospect of a joint facilities maintenance group, and the size of the proposed facility including the size of the vehicle storage area.

Tom Diaz provided an update on a few issues that the School Committee is addressing:

- The School Committee has been in discussions about the organization chart of a new joint maintenance group that would report directly to Carl Valente and Paul Ash. The organization would include a new building commissioner, a

*September 28, 2006*

supervisory staff for building maintenance including 5 custodians, and custodial services. Tom will send a draft organization chart. They have not resolved what the budget would be.

- There are two financial reporting issues: (1) special education; (2) some capital expenses were charged to the operating budget and netted off. The business office was not getting notified soon enough about out of district placements. Supplies budgets will potentially be cut back because of these overruns; the override was intended to bring supply budgets back to FY04 levels. The School Committee is also discussing building reserves or a continuing balance account in the school budget for special education. It acknowledges that the \$260K in FY07 was inadequate and that it will need to present historical data on expenses to demonstrate the need for a reserve. This Committee discussed whether or not that reserve fund should be in the school budget or the general fund.

This Committee discussed the recommendations of the Financial Policy Committee. Deborah Brown proposed that this Committee decide which of the recommendations requires immediate recommendation for the FY2008 budget, in particular looking at reserve levels.

The meeting was adjourned at 9:50 PM.

Respectfully submitted,

Mike Kennealy

*Approved February 22, 2007*