

Needham Finance Committee
Minutes of Meeting of March 19, 2025
To view a recording of the meeting on YouTube:

<https://www.youtube.com/playlist?list=PL3PRZZjHC3yFvWuO8IwFGgK3KaPYkTyxK>

The meeting of the Finance Committee was called to order by Chair Carol Smith-Fachetti at approximately 7:00 pm in the Great Plain Room at Needham Town Hall, also available via Zoom teleconferencing.

Present from the Finance Committee:

Carol Smith-Fachetti, Chair; John Connelly, Vice Chair
Barry Coffman , Ali Blauer, Paul O'Connor, Joe Abruzese, Tina Burgos

Absent:

Karen Calton
Lydia Wu

Others Present:

David Davison, Deputy Town Manager/Director of Finance
Molly Pollard, Finance Committee Executive Secretary
Cecilia Simchak, Assistant Director of Finance (arrived 7:39pm)
Joseph McCabe, Citizen
Lee Newman, Director of Planning and Community Development
Natasha Espada, Chair of the Planning Board
Artie Crocker, Planning Board

Citizen Request to Address the Finance Committee

None

Approval of Minutes of Prior Meetings

MOVED: By Mr. Connelly that the minutes of meeting March 12, 2025, be approved, as distributed and subject to technical corrections. Mr. O'Connor seconded the motion. The motion was approved by a vote of 7-0 at approximately 7:01pm.

Annual Town Meeting Warrant Article Discussions

APPROPRIATE DEBT SERVICE STABILIZATION FUND

This article has been withdrawn. Mr. Davison stated the reason is that free cash from this year does not exceed the free cash from last year.

CITIZENS' PETITION – LEAF BLOWERS

This article has been withdrawn.

CITIZENS' PETITION – NUCLEAR DISARMAMENT

Mr. McCabe introduced the resolution as a follow-up to one passed in the May 2019 Town Meeting, which called for the United States to take action toward nuclear disarmament. He explained that the previous resolution requested communication with representatives at the state and federal levels but lacked specificity regarding the measures being supported. Now, with specific bills filed in the Massachusetts State Senate and the United States House of Representatives, the resolution provides an opportunity for the town of Needham to reinforce its stance with more concrete requests.

Ms. Smith-Fachetti asked whether a new article was necessary, suggesting that the 2019 article could have been used to support the new legislative developments. Mr. McCabe responded that while the decision ultimately rests with Town Meeting members, he and others involved in advocacy efforts believe that reaffirming support in light of pending legislation would be a stronger approach than relying on a six-year-old resolution.

Mr. Connelly acknowledged that Town Meeting members would review the article through presentations, but from the Finance Committee's perspective, the article does not impact the town's operating or capital budgets and does not present a financial matter requiring the committee's position. Mr. McCabe noted that this was the same conclusion reached by the Finance Committee in 2019.

MOVED: By Mr. Connelly that the Finance Committee take no position on the warrant article Citizen's Petition- Nuclear Disarmament. Mr. Coffman seconded the motion. The motion was approved by a vote of 7-0 at 7:08p.m.

AMEND ZONING BY-LAW – MULTI-FAMILY OVERLAY DISTRICT (BASE COMPLIANCE PLAN)

AMEND ZONING BY-LAW – MAP CHANGE FOR MULTI-FAMILY OVERLAY DISTRICT (BASE COMPLIANCE PLAN)

Ms. Espada explained that in the fall, four articles had been proposed—two for the base plan and two for the neighborhood plan. Following a referendum and public hearing, the Planning Board recommended the base plan, which corresponds to these two articles in the current warrant. Ms. Newman confirmed that no changes had been made since the original presentation in October 2024.

Ms. Espada outlined the compliance requirements, which included 50 acres, a unit capacity of 1,784 units, and a density of 15 units per acre. The base compliance plan, designates 100.3 acres, a unit capacity of 1,870 units, a density of 18.6 units per acre, and 93% of the area within transit zones. Ms. Newman added that the base compliance plan had been voted on and recommended as it appears in the warrant.

Mr. Connelly asked whether there were any changes to the treatment of the Avery property under the base plan. Mr. Crocker confirmed that the rules for the Avery property remained the same

under both the base and neighborhood plans. Ms. Espada stated that an attempt to amend the treatment of the property at a previous town meeting had not passed, so it remained unchanged. Mr. Crocker explained that proposed changes had been considered in August of the previous year, incorporated into the documents, and subsequently voted on at Town Meeting, ensuring consistency.

Ms. Blauer asked whether there had been any discussion about reconsidering amendments. Ms. Espada stated that the board had received approximately 68 letters, most of which supported leaving the base plan unchanged. After community vetting and public hearings, the Planning Board decided not to pursue amendments. She confirmed that this decision included maintaining the special permit language.

Mr. Connelly noted that the Finance Committee had previously recommended adoption of the base plan and saw no reason to change its position. Ms. Smith-Fachetti asked whether there was any risk of the plan being amended on the Town Meeting floor and whether an alternative plan could emerge. Ms. Newman stated that no such proposals had been heard and that the advertised zoning limited how amendments could be made under state law. Mr. Crocker added that while some groups had sought additional changes, they likely understood that such proposals would not be well received. Ms. Newman stated that an action plan reflecting the zoning proposal had been submitted to the state in January and was approved. Mr. Coffman asked for confirmation that as long as the plan is approved before July 14, there would be no compliance issues. Ms. Lee confirmed.

MOVED: By Mr. Coffman that the Finance Committee recommend adoption of the warrant articles Amend Zoning By-Law- Multi-Family Overlay District (Base Compliance Plan) and Amend Zoning By-Law- Map Change for Multi-Family Overlay District (Base Compliance Plan). Mr. O'Connor seconded the motion. The motion was approved by a vote of 7-0 at 7:16p.m.

ESTABLISH ELECTED OFFICIALS' SALARIES

Mr. Davison stated that the recommendation for the town clerk's salary was \$133,004, reflecting a 3% increase consistent with other non-represented positions for FY 2026. He also stated that the stipends for the Select Board Chair and members would remain unchanged at \$1,800 for the chair and \$1,500 for other board members.

Mr. Abruzese asked whether the updated salary figures were included in the budget documents provided. Mr. Davison explained that the budget approved by the Finance Committee included the current year's salary, while the 3% increase would be transferred from the Classification for Promotions and Settlements (CPS) line within the operating budget.

MOVED: By Mr. Connelly that the Finance Committee recommend adoption of the warrant article Establish Elected Officials' Salaries. Mr. Coffman seconded the motion. The motion was approved by a vote of 7-0 at 7:18p.m.

APPROPRIATE TO ATHLETIC FACILITY IMPROVEMENT FUND

Ms. Blauer confirmed that the total amount of this article was \$23,725. Mr. Davison explained that these represent the fees collected by Parks and Recreation and that the total varies yearly based on usage. Most users are local sports organizations with a few private clubs occasionally using the fields. Mr. Connelly asked for clarification on whether the funds come from private rentals, and Mr. Davison confirmed that the majority of field use is by Needham-based groups.

Mr. Coffman inquired about the long-term planning for turf replacement. Mr. Davison explained that field fees contribute to a fund specifically designated for replacing artificial turf fields, with occasional additional funding from the town when surplus funds are available. He stated that the estimated cost of replacing the turf is \$1.8 million, with the last replacement occurring a few years ago. The next expected replacement is in FY35.

Mr. Connelly noted that the article states funds will be transferred from free cash, as the collected fees close out at the end of each fiscal year. He emphasized the importance of reviewing field usage fees in the upcoming budget process to understand historical trends and current charges. Mr. Davison confirmed that as of January 1, 2025, the fund balance stood at \$202,706 after transferring \$1 million for tennis court improvements.

The town is also exploring the possibility of allocating a percentage of pool receipts to cover maintenance costs for pool-related equipment, such as pumps. Mr. Davison stated he has requested data from Parks and Recreation to determine an appropriate percentage allocation.

Ms. Smith-Fachetti asked whether newer artificial turf materials are more durable, potentially extending replacement timelines. Mr. Davison responded that while the previous turf lasted slightly longer than expected, there have been no significant technological advancements to suggest increased longevity. He noted the timeline may be adjusted based on field conditions.

MOVED: By Mr. Connelly that the Finance Committee recommend adoption of the warrant article Appropriate to Athletic Facility Improvement Fund. Mr. O'Connor seconded the motion. The motion was approved by a vote of 7-0 at 7:29p.m.

APPROPRIATE TO CAPITAL FACILITY FUND

Mr. Davison discussed an article where the amount in the draft differed from the final version, stating that the final version would reflect the correct figure for appropriating the cash facility fund. This fund, based on a new target, would earmark 2% of the certified free cash, which is anticipated to be \$21,756,000, resulting in an appropriation of \$435,138. He also mentioned the balance of the fund as of January 1, 2025, being \$2,176,406.

Mr. Connelly inquired if there was anything in the warrant to be paid from this fund, to which Mr. Davison clarified that the fund was mainly for emergencies, such as unexpected major repairs or temporary bridge financing, citing an example of using the fund for the high school

classroom addition project a few years ago. He noted the current target for the fund was \$6,300,000, which is based on one and a half percent of the insured value of the buildings, excluding enterprise funds and land. Ms. Smith-Fachetti asked about the inclusion of Emory Grover in this number, and Mr. Davison explained that it wasn't included because it wasn't on the insurance as of July 1, 2024, but would be included in the following year's target.

Ms. Smith-Fachetti further asked if this would raise the target, and Mr. Davison confirmed it would, as will the insurance industry revising the value of structures annually. Ms. Blauer asked whether the fund had ever been close to its target, to which Mr. Davison answered no. Mr. Abruzese asked when the last time money was drawn from the fund was, and Mr. Davison replied that it was for the high school classroom addition project, though he couldn't recall the exact year. Mr. Coffman noted that a recent process had been developed to help reach the target in a structured way, rather than arbitrarily. Ms. Smith-Fachetti inquired about the policy for replenishing the fund after a draw, and Mr. Davison explained that the policy was not to draw down more than 60% of the fund in any one fiscal year, and efforts would be made to replenish it within the next three fiscal years. Mr. O'Connor asked if the money could be added by a simple majority vote and required a two-thirds vote to withdraw, but Mr. Davison stated that it was the same majority vote required for withdrawal.

MOVED: By Mr. Connelly that the Finance Committee recommend adoption of the warrant article Appropriate to Capital Facility Fund in the amount of \$435,138. Mr. O'Connor seconded the motion. The motion was approved by a vote of 7-0 at 7:34p.m

Update on Remote/Hybrid Meeting Policy

Mr. Davison stated that the state is expected to extend the current policy through June 30, 2027.

Finance Committee Business

Ms. Blauer inquired about the debt service stabilization fund, asking for a brief history. Mr. Davison explained the current balance of the fund was approximately \$2,429,000, and that it could be used to smooth out the impact of debt service exceeding the 3% policy within the levy limit, especially in relation to the Pollard school project. He mentioned the possibility of new development, particularly the Muzzy Ford site, contributing to the fund. Ms. Blauer asked about the concern of not contributing to the fund, and Mr. Davison emphasized that a new revenue stream, not already included in the town's operating budget, should ideally fund the stabilization. Mr. Connelly added that such a revenue stream would come from new developments like the Muzzy site, although that is meant as an example not necessarily the funding source. Ms. Blauer asked if the funds from the pilot by Children's Hospital could be used for this purpose, but Mr. Davison stated that had not yet been considered formally.

Mr. Connelly then updated the committee on the progress of the quiet zone studies, explaining that the project had faced delays in design and engineering and that there was a meeting next Wednesday when he would get clarity on the status of the article. Ms. Blauer asked how the delay affected future planning and funding, to which Mr. Connelly responded that it would remain a placeholder in the budget.

Ms. Smith Fachetti asked for an update on the Special Town Meeting warrant articles. Mr. Davison explained there were potentially some stabilization fund related articles, bylaw amendments, and some optional acceptances associated with seniors and veterans property tax. He also mentioned there may be a zoning article related to ADUs.

Ms. Blauer stated that the Select Board was following up on the idea of using CPC funds as loans to housing projects.

Ms. Simchack noted that the CPC voted to fund all of their projects fully except for the two housing projects. They voted to fund the Housing Authority at their original request of \$3.2 million and the Charles River Center at approximately \$2.8 million which was all that was left in the CPC funds.

Adjournment

MOVED: By Mr. Connelly that the Finance Committee meeting be adjourned, there being no further business. Mr. Coffman seconded the motion. The motion was approved by a vote of 7-0 at 7:57p.m.

Documents: None

Respectfully submitted,

Molly Pollard

Executive Secretary, Finance Committee