Needham Finance Committee
Minutes of Meeting of April 20, 2022

The meeting of the Finance Committee was called to order by Chair Joshua Levy at approximately 7:00 pm in the Great Plain Room at Needham Town Hall. The meeting was a hybrid meeting, also made available through Zoom video conference.

Present from the Finance Committee:
Joshua Levy, Chair; John Connelly, Vice Chair
Members: Barry Coffman, Carol Fachetti, James Healy, Tom Jacob, Rick Lunetta, Louise Miller, Richard Reilly

Others present:
Kate Fitzpatrick, Town Manager
David Davison, Assistant Town Manager/Finance Director
Peter Pingitore, CPC Chair
Reg Foster, Needham Housing Authority
Margaret Moran, Housing Authority Consultant
Stephen Merritt, Housing Authority Consultant
Joe Leghorn, Needham Community Farm

Citizen Requests to Address the Finance Committee

No requests.

Approval of Minutes of Prior Meetings

MOVED: By Mr. Reilly that the minutes of the meeting of April 6, 2022, be approved as distributed, subject to technical corrections. Mr. Jacob seconded the motion. The motion was approved by a unanimous roll call vote of 8-0-1. (Ms. Miller abstained.)

Annual and Special Town Meeting Warrant Articles

Mr. Levy stated that there was previous discussion on the Community Preservation Committee articles, and that information had been provided to member of the Finance Committee.

Annual Town Meeting Warrant Article 15: Appropriate to Community Preservation Fund

MOVED: By Mr. Healy that the Finance Committee recommend adoption of Annual Town Meeting Article 15: Appropriate to Community Preservation Fund as stated in the warrant. Mr. Reilly seconded the motion. The motion was approved by a vote of 9-0.

Annual Town Meeting Warrant Article 16: Community Preservation Fund Supplement

MOVED: By Mr. Reilly that the Finance Committee recommend adoption of Annual Town Meeting Article 16: Community Preservation Fund Supplement as stated in the warrant. Mr. Healy seconded the motion. The motion was approved by a vote of 9-0.

Annual Town Meeting Warrant Article 17: Needham Housing Authority Pre-Development Linden Chambers

Mr. Healy thanked Mr. Pingitore and Mr. Foster and members of the CPC for their responsiveness to the requests for information. Mr. Healy stated that he understands that the Needham Housing Authority's planned property redevelopment includes three phases over 10 year. He state that he has seen the approximate schedule, but he had two unanswered questions: (1) the total anticipated cost for phases 1-3; and (2) the source of the funds. Mr. Foster introduced Ms. Moran and Mr. Merritt, who are managing the project, and presented their credentials. Mr. Foster stated that their back-of-the-envelope proforma shows costs totaling $115 million for all of the work. He stated that they cannot do it all at once, so are starting with the first phase which will consist of 24 units being replaced with a total 40-60 units, depending on desired density. This will cost about $30 million, which includes the $1.4 million of predevelopment funding in this article. $3 million will be enough to take them through the zoning stage. Ms. Moran stated that the funding for the first phase is within their reach. She stated that Representative Denise Garlick has helped get $2.75 million of earmarked funds as foundational funding for the project, coming from ARPA and an economic development bill. She stated that state Department of Housing and Community Development (DHCD) now provides operating funds to NHA, but they also will provide capital funding in the amount of $4 million of public housing funds for the replacement of existing units and $2.5 million of other funds for construction of new units from various sources that are available to support new affordable housing. She stated that the bulk of the remaining amount, about $12 million, will be brought in through the low income tax credit program that is available to developers of affordable housing. She stated that the remaining gap, about $3.5-$4 million, will be requested from the CPC. Ms. Moran noted that the hardest part is to obtain predevelopment funding to be able to show that it is a viable project. She stated that some funding sources will not allow applications until the zoning is in place. This initial funding will take the project through the zoning for the entire redevelopment project and then will allow them to market and sell the first phase of the redevelopment project.

Mr. Healy asked how Ms. Moran would respond to developers who had doubts about whether the project can work. Ms. Moran stated that there a huge opportunity for a great return. This will turn small, outdated, inaccessible units into newly renovated homes with a potential for 28 brand new units. The land is well-located and available to the NHA. She stated that there is the potential for additional units at Seabeds Way and possible High Rock Homes in phase 2. She added that if they can get the correct zoning and are ready to move, that will serve as a magnet to attract developers. Mr. Healy suggested that they focus on the first phase project and getting it done rather than raise the ideas about future projects. He asked why the Town should trust them with the money for this project. Ms. Moran described her extensive experience managing this kind of development work. She stated that since 2010, her group has managed over $600 million of similar projects, and will be using the same tools to manage this one. They started with their own very successful project at the Cambridge Housing Authority, and then received so many requests for advice about how to do it that they began consulting for other similar groups. She stated that they are nationally recognized in this area, and there is no reason to think that they will not be successful with this project.

Mr. Levy asked about the timing of the next step. Ms. Moran stated that they are waiting for DHCD to approve of the RFP for the preliminary design so that they can issue it. They want to be ready to come back for the necessary zoning changes next year. Mr. Healy stated that the materials show that phase 1 is planned to be completed in 2026.

Mr. Connelly asked for a breakdown of the $1.4 million in the article, and a schedule of deliverables for those funds. Mr. Foster stated that will be in the final RFP and he will send that. In response to a question from Mr. Connelly, Ms. Moran confirmed that the $1.4 million is part of the $3.9 million of Needham CPA funding on the New Linden Development summary sheet, so they would be looking for only $2.5 million more. Mr. Connelly asked for more information on the $2 million developer fee listed on the proforma sheet. Ms. Moran stated that that amount is determined based on the cost of the project, and is the eligible amount determined in accordance with the DHCD methodology. It will go to the NHA, as they are the developer who is taking the risk. If a contractor is slow, that can cause a delay on the deliverables, and the NHA takes that risk. Mr. Connelly noted that NHA is a nonprofit, and asked why they would get a fee of that nature. Ms. Moran stated that the NHA will have those funds for predevelopment costs. She stated that phase 1 will be contributing more than the amount of their fee toward the project. She stated that they want to get the maximum amount because they will get $0.50 of tax credit for every $1.00 of the developer's costs, so it is actually beneficial to have a higher developer fee. This $2 million developer fee will potentially generate $1 million in tax credit equity that may be contributed back to the project. Mr. Connelly stated that that he would like to hear more about this as the project progresses. Mr. Foster noted that they are only asking for a portion of costs from CPA funds. He also noted that they received a $600K for in the High Rock Homes project that they have saved for other redevelopment projects.

Ms. Moran explained that the tax credit program was created as a federal government incentive. Because there is no dedicated funding source for these types of projects, they are the only tool that the federal government has to provide meaningful support. Congress allocates a certain amount of tax credits to each state that they can give to housing projects. These tax credits can be sold to a for-profit entity. They can be sold for as much as $1 for each $1 tax credit. They are most often sold to banks or to insurance companies which do not have to be connected with the project.

Ms. Miller noted that it will be important to spend any earmarked funds with any required time limit, and that they may need to be spend from other sources before the $1.4 million in the article. Ms. Moran stated that $1.25 million of ARPA funding is the only source with time limits on spending, and they would use that on time. Mr. Foster stated that they received three quality proposals for the project management consulting work and that the current consultants from Cambridge Housing Authority bid at 2/3 the cost of the other two bidders, and were chosen also for qualitative reasons.

MOVED: By Mr. Healy that the Finance Committee recommend adoption of Annual Town Meeting Article 17: Needham Housing Authority Pre-Development Linden Chambers. Mr. Jacob seconded the motion. The motion was approved by a vote of 9-0.

Annual Town Meeting Warrant Article 18: Needham Housing Authority Property Survey

MOVED: By Mr. Healy that the Finance Committee recommend adoption of Annual Town Meeting Article 18: Needham Housing Authority Property Survey. Mr. Jacob seconded the motion. The motion was approved by a vote of 9-0.

Annual Town Meeting Warrant Article 19: Community Farm Beds

Mr. Levy stated he liked the work of the Needham Community Farm and understood their business model, but did not feel it was appropriate to support it with tax dollars since they charge an entrance fee. Mr. Leghorn stated that the community farm was established as a nonprofit and that they rent out space for people to farm in order to be able to cover expenses. In exchange, they provide growing beds to use, compost, and some clean-up, and whatever else is needed to protect their investment. He stated that they do not make money. He stated that it is similar to public zoos that charge an entrance fee. He noted that they provide about 10% of the spots free to people who cannot afford it, or who are physically challenged.

Mr. Reilly pointed out that the article states that the funding will support construction. Mr. Leghorn stated that all of the operating costs come from the fees. The construction costs are based on bids.

MOVED: By Mr. Connelly that the Finance Committee recommend adoption of Annual Town Meeting Annual Town Meeting Warrant Article 19: Appropriate for Community Farm Beds in the amount of $200,000. Mr. Reilly seconded the motion. The motion was approved by a vote of 5-4, with Ms. Miller, Mr. Healy, Mr. Connelly, and Mr. Levy dissenting.)

A**nnual Town Meeting Warrant Article 20: Appropriate for High School Tennis Court Design**

MOVED: By Mr. Healy that the Finance Committee recommend adoption of Annual Town Meeting Warrant Article 20: Appropriate for High School Tennis Court Design in the amount of $50,000. Mr. Jacob seconded the motion.

DISCUSSION: Mr. Levy stated that the CPC confirmed that Park and Recreation would maintain the courts. He assumed that there would be an impact on the operating budget. Mr. Jacob stated that there has been a renewed commitment by Park and Rec to care for items around Town that have fallen into disrepair. Mr. Pingitore stated that the CPC plans to look for a commitment to maintain items as part of requests for funding.

Mr. Connelly stated that he will vote against this appropriation because he would like to see a comprehensive plan of the cost of the whole project and maintenance program before committing the initial $50,000. Mr. Reilly asked if this was different from other requests for design funds. Mr. Connelly stated that this is a request to replace or repair something that exists and was not maintained. Mr. Healy stated that he did not disagree, but that there is always a risk that projects may not end up how people would prefer. He stated that he was not sure that Committee members can get the reassurances that they are looking for. Mr. Lunetta stated that he supported Mr. Connelly's position. He stated that there should be more information about what the work will be and how the courts will be maintained. He stated that the Town has had other properties fall into disrepair such as Emery Grover and Ridge Hill. Mr. Pingitore stated that the estimate for resurfacing the courts is $500K and for a full re-build is $1.5 million. The

CPC has allotted $500K for this project in its capital plan. Mr. Jacob stated that they won't know about the long term maintenance and operating cost going forward until they do the design work. He felt that $50K seems like a reasonable amount to figure that out. Mr. Healy stated that he understood Mr. Lunetta's position, but this is different from Emery Grover and Ridge Hill which were not repaired as the Town figured out what it would do. Mr. Lunetta suggested that it might be better to consider this project in the fall so that there will be answers showing that the $50K will be spent wisely. He agreed that the courts need to be fixed. Mr. Pingitore stated that the courts are not usable for competition. Mr. Reilly stated that it is critical to have adequate facilities for activities. Mr. Pingitore stated that there are issues with having an off-cycle request for CPA funds. He added that the Town should look for another source of funds if this is deferred. Mr. Connelly stated that he is not seeking a delay. He is just opposed to the way this is being presented. He stated that CPA funding is not the right mechanism to address this issue. Mr. Healy stated that it is right because the CPC has the money to do it. Mr. Connelly stated that his issue is not with the amount of money but is with the procurement process and the use of a designer to figure out something that could be done in-house. Mr. Healy offered to take his motion off the table if people did not wish to support it.

VOTE on Mr. Healy's motion to recommend adoption of Article 20 failed to pass by a vote of 4-5, with Ms. Fachetti, Mr. Lunetta, Ms. Miller, Mr. Healy and Mr. Connelly dissenting.

Ms. Miller stated that the question is why $50K is needed, and what the plan is for funding the $500K-$1.5 million that will be needed.

MOVED: By Mr. Healy that the Finance Committee recommend that Town Meeting NOT adopt Annual Town Meeting Warrant Article 20: Appropriate for High School Tennis Court Design in the amount of $50,000. Mr. Connelly seconded the motion. The motion was approved by a vote of 5-4, with Mr. Coffman, Mr. Reilly, Mr. Levy and Mr. Jacob dissenting.

Annual Town Meeting Warrant Article 21: Appropriate for Emery Grover Construction Design / Free Cash

Mr. Connelly stated that he has different positions on this article as a Finance Committee member and as a Town Meeting member. As a Finance Committee member, he will not stand against the article since Town Meeting voted to support this project in the fall. As a Town Meeting member, he does not think that pursing this project is the appropriate use of Town funds rather than looking at the alternatives. Mr. Levy stated that he agreed. Mr. Healy stated that he would not vote in favor of this article. He does not think this is the appropriate use of Free Cash nor of CPA Free Cash. He feels that going forward with the project and this funding plan allows the School Department to take advantage of both the Free Cash and the Town's debt policy. He feels the funds should be borrowed with the understanding that this choice may affect other projects down the line. Mr. Levy stated that the Mitchell and Pollard projects need to be done, so he can accept the use of Free Cash in this context. Mr. Connelly stated that 40% of the project would be funded with Free Cash, which is a significant amount. He noted that the Needham Housing Authority is getting $3.5 million from the Town for a huge project while Emery Grover is getting $4.5 million in cash for a much smaller project. He acknowledged that the proponents are expected to come back to request more funds for the Emery Grover project which will increase the borrowing ratio. He stated that there is not the time to put the Free Cash elsewhere. Mr. Healy noted that the NHA project is not ready yet for the funding. Mr. Reilly stated that it is hard to reconcile voting against the tennis courts and then voting in favor of this where there is a clearly identified issue with the funding.

Ms. Miller stated that she feels the Town should be using debt rather than cobbling together other sources of funds. Mr. Levy stated that he is not comfortable being asked to look at this project in isolation, knowing that there are major upcoming projects for Mitchell and Pollard Schools. Mr. Coffman stated that he felt that the School Department is being scrutinized because they own most of the buildings and that the DPW would not be held to the same standard. He stated that this use of Free Cash would put the Town in a better position later. He noted that nothing else is competing for this Free Cash. Mr. Healy stated that there has been no presentation on other possible uses of Free Cash.

Mr. Reilly stated that he thinks it would be wrong for the Finance Committee to stand in the way of the project. He suggested that the Committee propose an amendment to change the financing in the article, and advance a more responsible way to finance the project, which he agrees should be primarily debt. Mr. Lunetta stated that he was concerned such an amendment would be viewed as obstructionist since the Committee does not know of a better alternative use of the cash. He stated that he does not disagree on the merits, but he feels that it would be better to moved forward since Town Meeting voted in favor of the project. Mr. Levy stated that he has no problem with amendments in general, but in this case, it could be confusing to Town Meeting Members. In the fall, the Finance Committee said that debt would be needed for higher priority projects, and this amendment could be inconsistent with that. Ms. Fachetti stated that the Committee would not be able to have a list of analyzed ideas for the use of the Free Cash to present to Town Meeting. She feels the Finance Committee should support the article.

Ms. Miller stated that she cannot support the cost since it amounts to $1,000 per square foot of office space for School Administration. She stated that there would be no point to discussing construction funds if a Town Meeting vote to approve of design funds means that the project cannot be reconsidered. Mr. Levy noted that there is not only $4.5 million of Free Cash from the General Fund, but also $2 million of CPA Free Cash. Mr. Healy stated that amounts to $7.5 million of alternative funding in this article including the Overlay surplus. Ms. Fitzpatrick stated that the Select Board is the proponent of this article. She can arrange a meeting with the Finance Committee and the Board on Tuesday if there is an actual proposal to discuss. Mr. Levy stated that the proposal would be to fund the construction entirely with debt. She asked if the Finance Committee would support the article with that amendment. Mr. Levy asked if there was a motion to recommend adoption of the article if changed. Ms. Fachetti stated that it would be better to hold off on a vote and recommended seeking a consensus. Mr. Jacob stated that he would support the article as written, and would be more supportive if it were changed. Mr. Connelly stated that as a Finance Committee member he would support the article if it were changed. He stated that there is an issue about what to do about the CPA supported funding. Mr. Pingitore stated that it is a CPC article. Mr. Davison stated that Town Meeting can amend the General Fund amounts, but the CPC amounts can be amended only with the vote of the CPC. Otherwise, Town Meeting must vote either up or down on the amount approved by the CPC. Mr. Jacob stated that he would recommend leaving the CPC recommendation as is. Mr. Connelly stated that he would support limiting the proposal to changing the $1 million of Overlay Surplus and $4.5 million of General Fund Free Cash to debt. Mr. Healy agreed that he would support the use of CPA funds because historic preservation is one of its goals. He would like to know what the Select Board and Town Manager think of changing the General Fund amounts to debt, and if there are other uses for the Free Cash.

Mr. Levy stated that he would present the idea to the Select Board. Mr. Connelly stated that he would attend as well. Mr. Reilly asked how the Committee's position should be explained at the League of Women Voters meeting. Ms. Miller stated that the consensus is to support the project moving forward, but the Committee is still looking at funding.

Special Town Meeting Warrant Article 1: Collective Bargaining: Fire Union

Ms. Miller recused herself from the Fire Union discussion and left the room for the duration of the discussion.

Ms. Fitzpatrick distributed a summary sheet of the wage increases. They have agreed to changes to bring the agreement current through June 2022, since there has been no contract for either FY21 or FY22. The salary increases will be 3% for FY21 and 2% for FY22. There are also minor changes to the language and the addition of the Juneteenth holiday. One major initiative was to resolve the way that benefits are applied to full time fighters since the benefits are structured on a 42-hour work week, but some newer positions work 40 hours per week. There are language changes to make the benefits consistent with the hours worked. The proposed agreement brings the union current. There has been no contract for FY21 or FY22, so this will bring everything current through this fiscal year. Next year, the Town will continue conversations on objectives with the Fire Union early next year. Mr. Reilly asked about the stipend change. Ms. Fitzpatrick stated that these stipends for additional certifications for Fire inspectors. The additional certifications are needed for plan reviews of larger projects. Ms. Fitzpatrick stated that the FY21 and FY22 salary increases would come from the Classification, Performance and Settlement line in the FY22 budget.

MOVED: By Mr. Healy that the Finance Committee recommend adoption of Special Town Meeting Warrant Article 1: Fund Collective Bargaining Agreement: Needham Fire Union. Ms. Fachetti seconded the motion. The motion was approved by a vote of 8-0. (Ms. Miller has recused herself.)

Special Town Meeting Warrant Article 2: Collective Bargaining: Police Union

Special Town Meeting Warrant Article 3: Collective Bargaining: Police Superior Officers' Union

Ms. Miller returned to the meeting. Ms. Fitzpatrick stated that the agreement covers four years, with a one-year contract for FY22 and a three-year contract covering FY23-25. She stated that the agreement meets the main objectives of the Town and the community which is to transition out of the Civil Service system. This will allow the Town to: widen the pool of job applicants, work toward diversifying the department, provide internal equity for education pay, and to increase salaries to be at the top among local towns in order to be able to recruit the best officers. Mr. Lunetta asked for a breakdown of the increases as they applied to the separate bargaining units. Mr. Reilly asked if these agreed increases would likely have a ripple effect when the Fire Union negotiates. Ms. Fitzpatrick stated that the Fire Union will certainly be aware of these increases, but there has not always been parity among them. Mr. Reilly stated that the increases will also affect overtime pay. Mr. Davison stated that the overtime will not go up by the same percentage, since overtime is based on assumptions of who will actually be working overtime. In response to a question from Ms. Miller, Ms. Fitzpatrick stated that there has not been a change in longevity pay. In response to a question from Mr. Connelly, Ms. Fitzpatrick stated that the

Juneteenth holiday and education pay are changes that will continue going forward. She stated that the Police Union has ratified the agreement and the Select Board has also voted in favor of it. She stated that the Board has not yet voted on the Superior Officers' agreement.

Mr. Healy stated that he has heard that the Town wants greater diversity in the ability to hire officers, but he is concerned that people are saying things that are not true about the way things are. He stated that he agrees that the Police are underpaid and undervalued. Mr. Reilly stated that he feels that the ability to be able to make better hires will lead to better policing. Mr. Healy stated that he does not agree that this approach will lead to better hires and is concerned about a possible hidden agenda in the goal to leave Civil Service.

MOVED: By Ms. Miller that the Finance Committee recommend adoption of Special Town Meeting Warrant Article 2 Fund Collective Bargaining Agreement: Needham Police Union. Mr. Reilly seconded the motion. The motion was approved by a vote of 8-1 (with Mr. Healy dissenting.)

Mr. Levy stated that the Committee should wait to vote Article 3 until after the Select Board votes next week.

Special Town Meeting Warrant Article 4: Exempt Police from Civil Service

Ms. Miller asked if there are any additional advantages to leaving the Civil Service system. Ms. Fitzpatrick stated that fewer people are taking the Civil Service exam, so there are fewer candidates, and the Town cannot recruit its own applicant pool. Mr. Lunetta asked if there is a financial impact, and whether Finance Committee should take a position on this article. Mr. Levy stated that the increases in the contracts were based on the agreement that the Town would be allowed to leave Civil Service. He stated that if this article is voted down, the increases can still be approved. Ms. Miller stated that there are huge risks in leaving Civil Service. There will need to be new procedures in its place. The Police are unprotected which could lead to more law suits between employees and the employer. Ms. Fitzpatrick stated that there are a number of other towns that have done this successfully, including Dedham, Westwood and Wellesley. Also, the members of the union voted to support this and did not object. She stated that they have prepared a draft of the hiring and promotion terms.

Mr. Reilly stated that the article itself does not have financial implications. Ms. Miller stated that discipline is structured differently under Civil Service, and that it would be more expensive to discipline employees in a non-Civil Service environment. Ms. Fitzpatrick stated that presently, the Town has the right to use Civil Service provisions for disciplinary proceedings but does not do that. Instead they use arbitration. Mr. Levy stated that he feels that this change goes hand-in-hand with the collective bargaining agreement. Ms. Miller stated that she would argue that the police deserve the salary increase regardless of the Civil Service system. Mr. Connelly stated that he does not feel that he is well-versed enough to be able to recommend this change since there has not been a discussion on the topic with the Committee before this, so he will vote against it. Ms. Miller stated that the Finance Committee could vote to take no position with an asterisk, as in the past, indicating that the financial impact cannot be discerned. Mr. Reilly stated that he has a basic understanding that Civil Service protects against political hirings and firings, but asked if getting rid of it would make it easier to hire and fire people.

Ms. Fitzpatrick provided some history on Civil Service. The part that affects the Town is that Civil Service holds exams, and issues lists of people for hiring. She stated that the Town will have Civil Service type rules in place. The major change will be very early in the hiring process when the Town will conduct wider searches and reach a bigger candidate pool. Mr. Healy stated that citizens of the Town will no longer have an advantage in the hiring process. Ms. Miller stated that local people aren't taking the test so that may not make a difference. Mr. Lunetta stated that he feels the change will give the Town more opportunity to seek skilled and talented candidate from a broader group. He stated that the Finance Committee should either take no position or weigh in to support this, since voting against it could be jeopardize Articles 2 and 3. Mr. Levy suggested discussing this further next week when Committee members have had a chance to think and gather more information.

Mr. Reilly asked about the residency requirement. Ms. Fitzpatrick stated that in order to take the test for a Needham Civil Service position, the person has to live in Needham for the year before applying to take the test. After that, they must live within 20 miles of Needham. Ms. Miller suggested getting rid of the residency requirement only. Ms. Fitzpatrick stated that the list would then be even more be limited than the current lists, given that fact that children of officers killed in the line of duty or of veterans are automatically put on the top of the list. Mr. Lunetta stated that the Police Union has agreed to move in this direction and suggested that the Finance Committee should not confound that. Mr. Healy disagreed. Mr. Levy stated that the discussion would be continued next week.

Annual Town Meeting Warrant Article 3: Establish Elected Officials' Salaries

MOVED: By Ms. Miller that the Finance Committee recommend adoption of with respect to Annual Town Meeting Article 3: Establish Elected Officials' Salaries, as set forth in the warrant. Mr. Healy seconded the motion. The motion was approved by a vote of 9-0.

Annual Town Meeting Warrant Article 37: Amend Gen By-Law - NHA Member Terms

Ms. Fitzpatrick stated that Articles 37 and 38 are needed to comply with a change in the state mandate. The Governor had appointed one member of the NHA Board and four members were elected. The effect is to reduce the mandated number of elected positions from 4 to 3, and now one position will be appointed by the Select Board. Article 37 will bring the By-Laws in compliance with the change to the law.

MOVED: By Mr. Healy that the Finance Committee take no position with respect to Annual Town Meeting Article 37: Amend General By-Laws – Needham Housing Authority Term Cycle. Ms. Fachetti seconded the motion. The motion was approved by a vote of 9-0.

Annual Town Meeting Warrant Article 38: Amend Charter - NHA Term Cycle – Tenant Appointment

Ms. Fitzpatrick stated that this makes the same change as in Article 37, but it will change the Charter to be in compliance with state law. The number of elected members will decrease, and a member will be elected by the Select Board, and a member will be a tenant-commissioner.

MOVED: By Mr. Healy that the Finance Committee take no position with respect to Annual Town Meeting 38: Amend Charter – Needham Housing Authority Term Cycle and Tenant Member Appointment. Ms. Fachetti seconded the motion. The motion was approved by a vote of 9-0.

Annual Town Meeting Warrant Article 23: General Fund Cash Capital

Mr. Levy stated that the Committee received the breakdown of the costs for the design of the rooftop units at Broadmeadow and Eliot Schools. Mr. Davison stated that the final amount in the warrant will be reduced to $3,116,314 because the School Master Plan Financing Study for $75K will be removed.

MOVED: By Mr. Connelly that the Finance Committee recommend adoption Annual Town Meeting 23: Appropriate for General Fund Cash Capital in the amount of $3,116,314. Mr. Jacob seconded the motion. The motion was approved by a vote of 9-0

Free Cash Appropriations - FY23 Operating Budget, Retiree Insurance and Insurance Liability Fund (ATM Article 10); Athletic Facility Improvement Fund (ATM Article 31)

Mr. Levy stated that there have been questions about the use of Free Cash. Mr. Connelly stated that, as of March 30, there is $1,052,126 of Free Cash that is not currently allocated for appropriation before the end of the fiscal year. He would suggest that $1 million of that Free Cash be allocated to line 5 within the Operating Budget, Retiree Insurance and Insurance Liability Fund, known as OPEB, and that $52,126 be added to the Athletic Facility Improvement Fund. Mr. Levy stated if the funds are not appropriated this spring, they may not be available for appropriation until May 2023. Mr. Reilly suggested that it might be helpful to wait until the Free Cash used in the Emery Grover renovation was resolved. Mr. Connelly stated that one challenge is to determine where to appropriate the funds in the warrant. He stated that if amount of Free Cash set forth in the Emery Grover article is borrowed instead, it would be best to put it in the Debt Service Stabilization Fund eventually. Mr. Davison stated that there is no warrant article to do that now. Mr. Levy stated that he would like to offer a motion.

MOVED: By Mr. Levy that the Finance Committee recommend an amendment to Article 10 as follows: amend Line Item 5 Retiree Insurance & Insurance Liability Fund by deleting the sum "$7,844,474" and inserting in place thereof the sum "$8,844,474"; and by deleting the sum "$2,625,000" to be transferred from Free Cash and inserting in place thereof the sum "$3,625,000". Mr. Connelly seconded the motion.

Discussion: Mr. Reilly stated that the Charter allows an amendment to an article that appropriates more funds if it is offered by the Finance Committee.

Vote: The motion was approved by a vote of 9-0

MOVED: By Mr. Levy that the Finance Committee recommend an amendment Article 31 as follows: by deleting the sum "$33,533" and inserting in place thereof the sum "$85,659"; and by deleting the words "said sum" and inserting in place thereof the words “$52,126 be transferred from Free Cash and that $33,533”. Mr. Connelly seconded the motion. The motion was approved by a vote of 9-0.

Report on Referral of 2021 Annual Town Meeting Article 7: Cit. Pet. Zoning - Map Change - Gen. Res. B

Mr. Levy stated that last year this article was referred back to Select Board, Finance Committee, and Planning Board, with instructions to report back in 2022. He stated that he reached out to the Select Board and Planning Board in the fall and was told that there had not been much discussion. When he reached out again in March, the Planning Director stated that she had been in touch with the proponent, but there have been no substantive discussions. Mr. Levy asked for the Finance Committee’s authorization to report this to Town Meeting. Ms. Fitzpatrick stated that Ms. Newman plans to prepare a memo for Town Meeting. There was consensus to authorize Mr. Levy to report to Town Meeting.

Updates: There were no substantive updates.

Adjournment

MOVED: By Mr. Healy that the Finance Committee meeting be adjourned, there being no further business. Mr. Lunetta seconded the motion. The motion was approved by a vote of 7-0 at approximately 9:22 p.m.

Documents: 2022 Annual Town Meeting Warrant; May 9, 2022 Special Town Meeting Warrant (4/8/2022 draft); New Linden Development Proforma Sources and Uses draft of 2/15/2022; Articles 2&3, May 9, 2022 Special Town Meeting Needham Police Union & Police Superior Officer Contract Settlement (subject to final ratification)..

Respectfully submitted,

Louise Mizgerd
Staff Analyst

Approved June 27, 2022