

**Needham Finance Committee
Minutes of Meeting of March 13, 2019**

The meeting of the Finance Committee was called to order by Chair Barry Coffman at approximately 7:10 pm at the Needham Town Hall.

Present from the Finance Committee:

Barry Coffman, Chair; Tom Jacob, Vice Chair

Members: John Connelly, Joshua Levy, Richard Lunetta, Louise Miller, Carol Smith-Fachetti

Others present:

Kate Fitzpatrick, Town Manager

David Davison, Assistant Town Manager/Finance Director

Marianne Cooley, Vice Chair, Board of Selectmen

Citizen Requests to Address Finance Committee

No citizens requested to speak.

FY 2020 Finance Committee Recommended Budget

2019 Annual Town Meeting Warrant Articles: Discuss and/or Vote

Establish Elected Officials' Salaries

Mr. Lunetta asked if the Town Clerk's salary was increased at the same rate as other management positions. Mr. Davison stated that the Town Clerk received the same 2.5% increase. He stated that the average increase over the last few years including a one-time adjustment was 4%. He stated that the Personnel Board approved the increase.

MOVED: By Mr. Lunetta that the Finance Committee recommend adoption of 2019 Annual Town Meeting Warrant Article: Establish Elected Officials' Salaries as indicated in the warrant. Mr. Jacob seconded the motion.

Discussion: Mr. Levy noted that the Select Board compensation has remained unchanged for many years, and asked what the rationale for the salary is, when no other boards or committees are compensated. Ms. Fitzpatrick stated that this was based on a survey of what was being done in other communities. She stated that the Board members are required to go to certain events and pay costs that are not otherwise reimbursable, so this is the best way to handle it. She stated that she has not heard that the amount allocated is more than they are expending.

The motion was approved by a vote of 6-0. (Ms. Miller had not yet arrived.)

Appropriate for Compensated Absences Fund

Ms. Fitzpatrick stated that the Town is responsible to pay for a portion of unused sick time for retirees. They have taken steps to reduce or stop these legacy costs in contracts, but people are grandfathered. She stated that the fund needs an additional appropriation to be sure to be sufficient. She stated that the balance will increase the balance from under \$200K to close to

\$325K. Mr. Davison stated that the program is being phased out, so the liability is capped. The annual payout is not predictable each year because it depends on which covered people retire, which is not known ahead. Only Public Safety personnel are obligated to retire at a certain point. He stated that managers hired after 2008 are not eligible, and ITWA, Building Custodians and Tradesworkers, and DPW workers all have no sick leave buyback. Mr. Connelly asked how the current balance was funded. Mr. Davison stated that it used to be funded at \$100K per year, and when the balance was \$500K, the annual allocation was stepped back to \$75K per year. Mr. Coffman asked what would be needed if all eligible people retired tomorrow. Mr. Davison stated that the total liability is about \$2 million for sick leave. Mr. Lunetta asked about the timetable for negotiating the sick buyback with Police and Fire. Ms. Fitzpatrick stated that they expect to be able to get it capped.

MOVED: By Mr. Lunetta that the Finance Committee recommend adoption of 2019 Annual Town Meeting Warrant Article: Appropriate for Compensated Absences Fund in the amount of \$125,000. Mr. Jacob seconded the motion. The motion was approved by a vote of 6-0-1. (Ms. Miller was not present for the discussion and did not participate in the vote.)

Appropriate for Temporary Staffing Program

Ms. Fitzpatrick stated that this proposed program is proposed to be funded for town years through a warrant article, rather than in the operating budget to have time to see how well it works. The funding would cover 6 positions at varying pay levels for 4 weeks of work each year. Mr. Coffman asked which departments would be expected to use it. Ms. Fitzpatrick stated that it would primarily be Human Resources and Finance Department support. Mr. Davison stated that it would be needed for departments that do regulatory work. Mr. Coffman asked whether there was any concern that the funding might not be sufficient for each year. Ms. Fitzpatrick stated that if there are more expenses than expected in the first year, they could ask for more next year.

MOVED: By Mr. Lunetta that the Finance Committee recommend adoption of 2019 Annual Town Meeting Warrant Article: Appropriate for Temporary Staffing Program in the amount of \$76,000. Mr. Jacob seconded the motion. The motion was approved by a vote of 7-0.

Appropriate for Public Communications Staffing

Ms. Cooley stated that the Town has 2 newspapers which print only advertisements and articles submitted to them. People are looking for information that is dispatched faster, or that is more clear. This position would work with the Town Manager to keep residents informed of events, services and emergencies. She stated that the position is 30 hours per week with a salary of \$62K, which is based on a full-time salary of \$78K. Mr. Levy stated that he supports the idea of the communications aspect of the position, but not the idea of having the position present a specific policy position. Ms. Cooley stated that in the case of the water tower issue that has been discussed, the problem occurred when people did not have enough helpful information to provide context for a balanced debate. She stated that with the new position, legal notices would be presented more clearly. Mr. Jacob asked how they would judge if the pilot is successful. Ms. Cooley stated that it will be difficult to know what problems are avoided, but they will survey citizens to see where there are improvements.

Ms. Fachetti stated that there seem to be different ideas off what this position solves. She stated that Ms. Cooley has stated that there is a public communication issue, but the League of Women Voters has stated that they support it because of technological upgrades. She stated that there is some confusion. She stated she feels that the responsibilities for getting information out resides with the various departments. Ms. Fitzpatrick stated that the work could involve some work with technology, such as making the Town's electronic system for reserving rooms available to the public over the web, but that the primary goal of the position is to have an official way to communicate to the public. Ms. Cooley stated that the person would be able to pull some things together like how to make more things available online. Mr. Levy stated that addressing the technological issue could make information more accessible to people. Ms. Miller stated that part of this position includes projects such as working on the website to make things easier to find and how to reserve public rooms. She suggested that that portion could be done by graduate students during the summer. She stated that there are two aspects to the position: working with technology and writing/PR. Ms. Fitzpatrick stated that the position would work with both IT and the Town Manager.

Mr. Lunetta stated that he supports the position, but is trying to figure out the best way to present it. The position would be building a brand. At the department level, they would work to pull everything together. They need technical and marketing skills. He stated that one person needs to own all of these responsibilities, or it will not get done. He stated this type of position works in the private sector and allows the department to move together in unison, and makes things more efficient.

Mr. Connelly stated that he has been against this position from the start. He feels that the job of the Finance Committee is to look at the financial aspects or proposals. He does not think that branding is needed. He stated that he supports new positions for public safety, education, and roads and bridges, but this position will not support those services. He stated that only a few towns such as Wellesley, Lexington and Concord have positions like this, so Needham would be in the front of the curve, which is not a good thing. He stated that Lexington and Concord have tourism with many visitors and different communication needs. He stated that the Wellesley position is a lower level position, not an officer. He stated that given the other financial obligations of the Town, this is not a good use of funds. Ms. Fitzpatrick stated that the maximum salary of this position is within a few thousand of the maximum for the Wellesley Communications Project Manager position.

Mr. Coffman stated that he falls in between. He stated that he is skeptical in the long term, He thinks that the position would get projects done and develop processes for messaging, which could possibly be continued by others once in the processes are in place. He is skeptical about the long term, but open to testing, and is in favor of the article as proposed. Mr. Lunetta stated that the position could raise the discourse among Town Meeting members, and provide for better informed voting. Mr. Coffman stated that there is a potential for some time savings by getting messages and information out, without spin. He stated that the water tower situation was a poorly run process, and there may have been a different result if there was better communication from the start.

Mr. Jacob stated that he has been against the position because he wants to control costs in general. He stated that better communication is always good, but the question is whether this will make a difference. He stated that in 2 years, the issue can be revisited. He stated that he

would like to slow or reduce, the growth rate of the tax burden. Ms. Fachetti stated that the position could be reconfigured to be project-based. Ms. Fitzpatrick stated that one example of where this position would be helpful can be found in the fact that the Board of Health is not able to get the word out about the issues surrounding flavored vapes, despite using their traditional methods of publicizing proposed regulations. The work of the position can't be project-based because the work is based on the input of ongoing communications among boards. Mr. Jacob stated that his hesitation is based on the cost. Mr. Lunetta stated that it is important that people in Town become more involved. Mr. Jacob stated that more information may not get people more involved. Most people who want to be involved get on Town Meeting. Ms. Miller stated that it seems that the Town know what work needs to be done to solve existing issues, so the solution is to do it. Mr. Coffman stated that Ms. Fitzpatrick cannot carve out the necessary time to get it all done.

MOVED: By Mr. Levy that the Finance Committee recommend that Town Meeting should not adopt 2019 Annual Town Meeting Warrant Article: Appropriate for Public Communications Staffing. Mr. Connelly seconded the motion. The motion was approved by a vote of 4-3, with Mr. Lunetta, Mr. Jacob and Mr. Coffman dissenting.

Appropriate for Ridge Hill/Nike Site Feasibility

Ms. Fitzpatrick stated that the Select Board commissioned a report from Weston and Samson in 2018 that looked at the site layout and roadway layout along with environmental concerns to see what was possible on the Nike site, including a hockey rink, and to eliminate what is not buildable. Additional road access could be needed. The study also provided a feasibility and stage one study of the demolition of the Ridge Hill building. This next step will provide funds to determine if there is contaminated soil, and provide engineering and planning information and an estimate for demolition. The building is unsafe, and no longer being considered for re-use. He stated that they will do test borings. Mr. Connelly stated that Weston and Sampson could do some of this work, but other aspects are highly specialized. Ms. Fitzpatrick stated that the estimate for the work from Weston and Sampson is \$24.5K, while Dorr and Whittier has estimated that the other work would cost \$20K without contingency. Mr. Lunetta asked if they had explored options of a private organization taking using the Ridge Hill building. Ms. Fitzpatrick stated that the School Department had proposed a therapeutic school. Ms. Cooley stated that it is not clear what the possibilities are at this time. There is no plan to change the jurisdiction of the property from the Select Board and the Conservation Commission. The goal is to have some passive recreation. She stated that the goal is to have the next work completed within a year.

MOVED: By Mr. Jacob that the Finance Committee recommend adoption of 2019 Annual Town Meeting Warrant Article: Appropriate for Ridge Hill/Nike Site Feasibility in the amount of \$50,000. Mr. Levy seconded the motion. The motion was approved by a vote of 7-0.

Amend General By-Law/Select Board

Ms. Fitzpatrick stated that The Governor has signed the home rule petition to rewrite the Charter to change the name of the Board of Selectmen to the Select Board. This will achieve the same result in the General By-laws.

MOVED: By Mr. Connelly that the Finance Committee recommend adoption of 2019 Annual Town Meeting Warrant Article: Amend General By-Law/Select Board. Ms. Miller seconded the motion. The motion was approved by a vote of 6-0. (Mr. Jacob was no longer in attendance.)

Amend Gen By-Law / Election of Officers

Ms. Fitzpatrick stated that the home rule petition changed the composition of the Board of Health from 3 to 5 members, which has been changed in the Charter. This would make the By-laws consistent with the Charter.

MOVED: By Ms. Miller that the Finance Committee recommend adoption of 2019 Annual Town Meeting Warrant Article: Amend Gen By-Law / Election of Officers Amend Gen By-Law / Election of Officers. Mr. Connelly seconded the motion. The motion was approved by a vote of 6-0. Ms. Miller seconded the motion. The motion was approved by a vote of 6-0. (Mr. Jacob was no longer in attendance.)

Extinguish Sewer Easement

Ms. Fitzpatrick stated that in 2016, the Select Board decommissioned the sewer line at the Modera development, and allowed the construction to encroach on the area that is subject to the easement. The sewer no longer runs through the area, and this would extinguish the easement. Mr. Coffman asked whether there is a financial implication. Mr. Connelly stated that the Town is in breach of an agreement if it is not extinguished. Ms. Fitzpatrick stated that the developers re-did the sewer in the area as part of the agreement.

MOVED: By Ms. Miller that the Finance Committee recommend adoption of 2019 Annual Town Meeting Warrant Article: Extinguish Sewer Easement. Mr. Lunetta seconded the motion. (Mr. Jacob was no longer in attendance.)

Amend Gen By-Law / Stretch Energy Code

Ms. Fitzpatrick stated that the Select Board will be holding a public comment session with the Building Commissioner on April 10 to address adoption of the stretch code. Ms. Cooley stated that a number of builders have expressed that they are already building to the stretch code requirement and using HERS raters, so they see no issues with adopting it formally. Mr. Levy asked why it is necessary to adopt the code if the builders are already complying. Ms. Cooley stated that adopting the code is necessary to apply for Green Community status. Ms. Fitzpatrick stated that when they tried to adopt the code in 2012, it would have applied to construction of additions, but this would not. Ms. Miller stated that it is very expensive to be a Green Community. Ms. Cooley stated that Needham is one of the only towns not using the stretch code. Ms. Fitzpatrick stated that it is not irrevocable to adopt it, so the Town could pull out if it does not work well. Mr. Coffman asked if there is a downside to not adopting it. Ms. Fitzpatrick stated that a number of residents have requested it to be part of the effort to slow climate change. Mr. Connelly stated that the definitions section distinguishes between residential and commercial but does not mention renovations or additions. He suggested that the article description should make clear that this would not apply to additions.

Mr. Levy asked if the Town would be bound by changes to the state stretch code. Ms. Fitzpatrick stated that the Town would be bound by changes, but the same is true of the code that the Town is currently using. Ms. Miller stated that there should be an analysis of the implications of being a Green Community. She stated that once the stretch code is in place, there will be requests to seek the designation. Mr. Connelly suggested that the Finance Committee hold off voting on the stretch code until after the Board's April 10 meeting.

Articles not yet voted:

MOVED: By Ms. Miller that the 2019 Annual Town Meeting Warrant state that the Finance Committee's recommendation is to be made at Town Meeting for all articles not yet voted. Mr. Lunetta seconded the motion. The motion was approved by a vote of 6-0. (Mr. Jacob was no longer in attendance.)

Finance Committee Updates

No updates.

Adjournment

MOVED: By Mr. Connelly that the Finance Committee meeting be adjourned, there being no further business. Mr. Levy seconded the motion. The motion was approved by a vote of 6-0 at approximately 8:20 p.m.

Documents: Town of Needham 2019 Annual Town Meeting Warrant (draft dated 3/8/2019).

Respectfully submitted,

Louise Mizgerd
Staff Analyst

Approved April 3, 2019